

COST BENEFIT ANALYSIS

PROJECT: *“CONSTRUCTION OF ROING-HUNLI ROAD (GREEN FIELD ALIGNMENT) SECTIONS FROM CH 24.640 TO CH 47.00 AND FROM CH 62.970 TO CH 74.01 (KM 21.500 OF EXISTING HUNLI-ANINI ROAD) AT LOWER DIBANG VALLEY DISTRICT IN ARUNACHAL PRADESH” (NH-313) (TOTAL LENGTH = 74.863) ALONG WITH THE MUCK DISPOSAL AREAS FROM 24.640 TO 47.00KM AND FROM 62.97 TO 74.01 KM IN THE STATE OF ARUNACHAL PRADESH UNDER SADR-NE ON EPC in the District of Dibang Valley.*

Table-B: Estimation of cost of Forest Diversion (As per MoEf & CC Guideline dated 1st August 2017 related to Cost Benefit Analysis).

Sl. No.	Parameters	Remarks
1	Ecosystem services losses due proposed forest diversion	NPV of the unclassed forest (for ECO Class-I) tropical Semi evergreen density 0.3 to 0.4 diverted i.e. Forest= 79.83 Ha X 6.26 Lac =Rs.499.73 Lac Total Cost=Rs. Lac Say 500 Lac
2	Loss of animal husbandry productivity, Including loss of fodder	NIL Productivity of livestock will not be affected due to construction & widening of existing highway.
3	Cost of human resettlement	NIL No, as area is not habited hence is no displacement of any oust sees in the project & hence three would be no resettlement.
4	Loss of public facilities and administrative infrastructure (Roads, buildings, schools, dispensaries, electric line, railways etc.) on forest land if these facilities were due to the project.	NIL As there is no public facilities service existing.
5	Possession value of forestland diverted	NIL
6	Cost of suffering to outeets	NIL Loss of house/Habitat/Structure is NIL, hence not applicable.
7	Habitat fragmentation cost	NIL
8	Compensatory afforestation and soil and moisture conservation cost	Compensatory afforestation cost 41.50 lac (Approx. 0.50 lac/ha) Soil & Moisture Conservation cost included in Compensatory Afforestation Cost
	Total Loss (Against the	Rs.458.5 Lacs

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	proposed forest land diversion)	
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TABLE C:ESTIMATION OF BENEFIT OF FOREST DIVERSION IN COST BENEFIT ANALYSIS (as per MoEF & CC Guideline dated 1st August 2017 related to COST BENEFIT ANALYSIS).

Sl. No.	Parameters	Remarks
1	Increase in productively attribute to the specific project	The construction road (a National Highway) originates from NH-52 at MEKA sponsored by Ministry of Highway (Km 16 of Roing-Hunli – Km 21.5 of Hunli-Anini New Alignment). The road connects mainland to the North Eastern border which is strategically very important road for enhancing the defense potential of the area. Also many multipurpose hydro-electric power projects have been planned along project road which provides connectivity and development of the society and economic upliftment. Hence, construction of this road will increase productivity of the local population. Overall Project Cost Rs. 105866.28 lacs (approx.) for 20 years for the entire project including this section.
2	Benefits to economy due to the specific projects	As stated in Sl. 1 above widening of the road will facilitate economic growth of the area. Directly it will be and many more in after completion of the project as per feasibility report. It will help in trade and local development of border areas. Beside that it is an important strategic road lead to China border areas.
3	No of population benefited due to specific project	Construction of road is going to benefit the population @ 62084 of the Lower Dibang Valley and Dibang Valley district as well as huge Army and Paramilitary force are deployed in the border areas.
4	Economic benefits due to direct and indirect employment due to project	During the improvement stage employment will be generated for skilled and unskilled manpower about 110 persons will be employed during the peak working season for construction of the road resulting in about 9900 man days would be required during the construction phase of 4 years. The local people will

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		also get the opportunity to carry out contract works subject to their work capability/expertise. After the completion about 70 people will be employed for upkeep and maintenance of the road and other structures. The road will facilitate in Tourism and horticulture where local population as per there experience and qualification will get benefitted.
5	Economic benefits due to compensatory afforestation	C.A. for 79.83 Ha of forest land @ Rs.3.5 lacs/ha. for 50 years (as per Guideline issued by MoEF vide letter No.5-3/2007-FC/ Dated 05.02.2009= Rs279.40 Lacs.
	Total	RS.(105824.7+279.40) Lacs, Total Say Rs.106104.10Lacs

C. Cost Benefit Ratio i.e. Project Benefit/Forest Loss= $106104.10/500=212.2:1$

Hence the Project has very high benefit to the country as compared to forest loss. The Benefit to loss ratio is approximate 212 times.


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