

ESTIMATION OF COST OF FOREST DIVERSION

SN	PARAMETERS	REMARKS
1.	Ecosystem service losses due to proposed forest diversion.	Ecosystem service losses due to diversion of forest land are equal to the Net Present value (NPV) of the forest land being diverted as prescribed by the Central Government (MoEF&CC). Rs 87,30,070/- has been calculated considering NPV @ Rs.7,30,000/Ha. for 11.959 Ha forest land proposed for diversion.
2.	Loss of animal husbandry productivity, including loss of fodder.	10% of NPV that is Rs. 8,73,007/-
3.	Cost of human resettlement.	NOT APPLICABLE
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.	NOT APPLICABLE
5.	Possession value of the forest land diverted.	30% of NPV that is Rs. 26,19,021/-
6.	Cost of Suffering to oustees.	NOT APPLICABLE
7.	Habitat fragmentation cost.	50% of NPV that is Rs. 43,65,035/-
8	Compensatory afforestation and soil moisture conservation cost.	Cost of Compensatory afforestation & Soil Moisture conservation @ Rs 2,00,000 / Ha. Hence total cost is Rs.2,00,000x 11.959 Ha.= Rs 23,91,800/-

For Rungta Mines Limited


(Authorised Signatory)

B. K. JHA
ASST. VICE PRESIDENT (BD)

BENEFIT OF FOREST DIVERSION

SN	PARAMETERS	REMARKS
1.	Increase in productivity attribute to the specific project.	Nil (As this is a Greenfield Project)
2.	Benefits to the economy due to specific project.	Rs. 685.64 lakhs per annum Total: Rs.32910.72 in 50 years life of Mine.
3.	No of population benefited due to specific project.	1545 Nos.
4.	Economic benefits due to direct and indirect employment due to the project.	Rs. 309 Lakhs per annum Total: Rs.14832 in 50 years life of Mine.
5.	Economic benefits due to compensatory afforestation.	Rs.14.9487 Lakhs (Calculated as per Standard Compensatory Afforestation Restoration Factor (SCARF) adjustment Rate of Rs 0.025 Lakhs/Ha for Dry Deciduous forest land proposed to be diverted and the benefits from such CA accruing over next 50 years based on study report of IIFM.

For Rungta Mines Limited

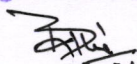

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COST BENEFIT ANALYSIS / RATIO

1.	Total loss per annum due to loss of timber, fire wood and minor forest produce and environmental loss due to loss of forest.	Rs. 189.789 Lakhs
2.	Total benefit to the economy due to production of Gold ore from the mines.	Rs. 47757.67 Lakhs
3.	Hence, the cost-benefit ratio of the mining project is (Loss : Benefit)	Rs. 189.789 : Rs. 47757.67 = 1 : 251.636 i.e. 1 : 252 (Say)

For Rungta Mines Limited


(Authorised Signatory)

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