

COST BENEFITS ANALYSIS

PURPOSE: THIS COST BENEFITS ANALYSIS IS BEING UNDERTAKEN FOR PROPOSED DIVERSION OF FOREST LAND AT VILL. KOTA IN TAHSIL ROBERTSGANJ, DISTRICT SONBHADRA BEING AFFECTED DUE TO JP SUPER CEMENT PLANT & IT'S TOWNSHIP (A UNIT OF JAIPRAKASH ASSOCIATES LTD.) AS PER GUIDELINES OF MINISTRY OF ENV. & FOREST.

(a) Evaluation of loss of Forests:

S.No.	Parameters	Description															
1.	Loss of value of timber, fuel wood and minor forest produce on an annual basis including loss of man hours per annum of people who derived livelihood and wages from the harvest of these commodities.	Approximately 6460 Trees, Total values of trees = INR 40,27,017.00 (Rs. 0.4027 crores) No livelihood of people will be affected due to proposed diversion of forest land.															
2.	Loss of animal husbandry productivity, including loss of fodder.	NIL.															
3.	Cost of human resettlement.	There is no resettlement in the forest land hence cost of resettlement is NIL.															
4.	Loss of public facilities and administrative infrastructure (Roads, buildings, school, dispensaries, electric lines, railways, etc.) on forest land if these facilities were delivered due to the project.	There are no public facilities and administrative infrastructure (Roads, buildings, school, dispensaries, electric lines, railways, etc.)															
5.	Environmental losses (Soil erosion, effect on hydrological cycle, wildlife habitat, microclimate upsetting of ecological balance).	The total area of reserve forest land being diverted for JP Super Cement Plant & It's Township (A Unit of Jaiprakash Associates Ltd.) As per forest (conservation) Act, 1980 the environmental loss for a 50 years period for the density of 0.1 is INR 126.74 lacs per hectare. The division wise environmental loss is as follows: <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: center;">Division</th> <th style="text-align: center;">Forest Area (In Hac.)</th> <th style="text-align: center;">Rate (In Cr.)</th> <th style="text-align: center;">Density</th> <th style="text-align: center;">Environmental Loss (In Cr.)</th> </tr> </thead> <tbody> <tr> <td style="text-align: center;">Social Forestry Division, Sonebhadra (U.P.)</td> <td style="text-align: center;">115.874</td> <td style="text-align: center;">1.2674</td> <td style="text-align: center;">0.1</td> <td style="text-align: center;">146.8587</td> </tr> <tr> <td style="text-align: center;">Total</td> <td style="text-align: center;">115.874</td> <td></td> <td></td> <td style="text-align: center;">146.8587</td> </tr> </tbody> </table>	Division	Forest Area (In Hac.)	Rate (In Cr.)	Density	Environmental Loss (In Cr.)	Social Forestry Division, Sonebhadra (U.P.)	115.874	1.2674	0.1	146.8587	Total	115.874			146.8587
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Total	115.874			146.8587													
6.	Suffering to oustees.	NIL.															

Therefore, Total loss on account of forest
as per FCA guideline are = Rs. (0.4027 +146.8587) Crores

= Rs. 147.2614 Crores


 Brig. (Retd.) R.R. Bali
 (Signature of User Agency)
 For-Jaiprakash Associates Ltd.

Authorised Signatory

JAYPEE SUPER CEMENT PROJECT

PARAMETERS FOR EVALUATION OF BENEFIT NOTWITHSTANDING LOSS OF FORESTS
ANNEXURE – VIII of Forest Conservation Act, 1980)

Sl. No.	Parameters	Mining Projects
1.	Increase in productivity attributable to the specific projects.	2.01 MTPA production of Clinker will generate Rs 70.35 Crores as excise duty on Clinker production per Annum. The Clinker production in plant for a period of 35 years will fetch an excise duty on Clinker production for lifetime in the tune of 2462.25 Crores.
2.	Benefits to economy	2.01 MTPA production of Clinker will result in manufacturing of 3.00 MTPA Cement which will result in additional excise duty of Rs 210.90 Crores per Annum.
3.	No. of population benefited	Approximately 2400 persons will benefit directly or indirectly.
4.	Employment potential	Direct employment to 400 persons will be provided. In addition to this about 2000 people will also be benefited indirectly due to allied / related activities of Cement Plant.
5.	Cost of acquisition of facility on non-forest land wherever feasible.	Use of Forest Land is unavoidable.
6.	Loss of (a) Agriculture (b) Animal husbandry production due to diversion of forest land.	NIL
7.	Cost of rehabilitating the displaced person as different from compensatory amounts given for displacement.	NIL
8.	Cost of supply of free fuel-wood to workers residing in or near forest area during the period of construction.	No fuel wood will be used. The energy required will be delivered from LPG/ Kerosene.

Therefore, Net benefits of the project notwithstanding loss of forests

Accruing during period of 35 years = 2462.25 crores.

Benefit Cost Ratio as per guidelines = 16.72


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