

COST BENEFIT ANALYSIS

1. The area covering the portion of "Excavation of GNSS Main Canal from Km 96.500 to Km 108.475 and from Km 111.000 to Km 119.900" in Palakonda RF and Ganganapalli RF.

Benefit :

1. Drinking Water for 4 lakh population in Kadapa town and surrounding villages
2. To irrigate an ayavut of 25,000 Acres in Kadapa district.

Conclusion :

In view of the above the environment costs are minimum vis-à-vis the economic benefits the project derives to the local population to the state and country. The benefits far out weight the costs. It will gives an opportunity for the villagers to sustain in cultivation and irrigation as well as drinking water facilities as this is a drought prone area , Since there is no alternative except through this forest portion

Radhakrishna 5/1/18

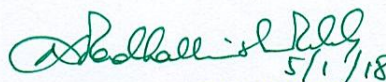
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SKD GNSS DIVISION
PRODDATUR.

Annexure VI-(a)

COST BENEFIT ANALYSIS

CATEGORY OF PROPOSALS FOR WHICH COST BENEFIT ANALYSIS APPLICABLE

Sl.No	Nature of proposals	Applicable / Not applicable	Remarks
1	2	3	4
1	All category of proposals involving Forest land less than 2 Ha. In hills	NOT Applicable.	-
2	Proposals for defense installation purposes and oil prospecting (Prospecting only)	Not Applicable	-
3	Habitation, Establishment of industrial units, tourist lodges / complex and other building constructions	Not Applicable	-
4	All other proposals involving forest land more than 5 Ha. In plains and more than 2 Ha. In hills including roads, transmission lines, minor and major irrigation projects, hydel projects, mining activity, railway lines located specific installations like micro wave stations, auto repeater centers, TV towers etc.	Applicable	-


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Annexure VI-(b)

PARAMETERS FOR EVALUATION OF LOSS OF FORESTS

Sl. No	Nature of proposals	Roads, TR lines and Railway lines	Minor Irrigation Projects & quarrying of stones / metals	Medium and Major Irrigation Hydro electric large mining and others.
1	2	3	4	5
1	Loss of value of timber fuel wood and minor forest produce on annual basis including loss of man hours per annum of people who derived livelihood and wages from the harvest of these commodities.	Not applicable	Not applicable	The proposed area is of Rocky type / with scattered thorny bushes which yield no timber or fuel and no loss of forest wealth and no loss of human hours.
2	Loss of animal husbandry productivity including loss of fodder	Not applicable	Not applicable	There is no loss of animal husbandry and fodder in this area.
3	Cost of Human resettlement	Not applicable	Not applicable	Does not arise since there are no cases of rehabilitation of human under this project
4	Loss of public facilities and administrative infrastructures (Roads, Buildings, Schools, Dispensaries, Electric Lines Railways etc..) on forest land if these facilities were diverted due to the project	Not applicable	Not applicable	There are no administrative structures like dispensaries School buildings, Railway & Electrical lines in this area.
5	Environment losses, oil erosion effect of hydrological cycles, Wildlife habit at micro-climate upsetting of ecological balance.	Not applicable	Not applicable	Nil
6	Suffering to oustees	Not applicable	Not applicable	There are no oustees in the proposed area to be diverted


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Annexure VI-(c)

PARAMETERS FOR EVALUATION OF BENEFIT NOT WITH STANDING LOSS OF FORESTS

Sl. No	Nature of proposals	Roads, TR lines and Railway lines	Minor Projects	Irrigation Hydal Projects & Others
1	Increase in productivity attributable to the specified project	Not Applicable	Not Applicable	This project work is only to provide Drinking water to Kadapa town and surrounding villages and to irrigate 25,000 Acres .
2	Benefits to economy	Not Applicable	Not Applicable	The benefit from this project is more than 50 crores per year to the nation(Rs 20,000/- per acre per year)
3	Employment potentiality	Not Applicable	Not Applicable	Agricultural Employment to 5000 cultivators
4	Number of population benefits	Not Applicable	Not Applicable	Villagers of Kolumalapalli and population of Kadapa town
5	Cost of acquisition of facility of Non-Forest and wherever feasible	Not Applicable	Not Applicable	Not Applicable
6	Loss of (a). Agriculture and (b). Animal Husbandry production due to diversion of forest land	Not Applicable	Not Applicable	There will be no loss of Agriculture or animal husbandry due to this project in the proposed area to be diverted
7	Cost of rehabilitation of the displaced persons as different from Compensatory amount given for displacement	Not Applicable	Not Applicable	Does no arise as there are no displaced persons are families due to this project in the proposed area to be diverted
8	Cost of supply of free fuel wood to workers residing in or near forest area under the period of construction	- Nil -	Not Applicable	Not Applicable

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**GOVERNMENT OF ANDHRA PRADESH
WATER RESOURCES DEPARTMENT**

Annexure -VI ©

COST BENEFIT ANALYSIS

(1) PROJECT COST : 161.33 Crores

(2) BENEFITS FROM PROJECT :

(a) To feed an ayacut of 25,000 acres in Kadapa District.

(b) Drinking water to Kadapa town.

(c) Yield per acre after supply of water from GNSS Main canal is Rs.20,000/-

(d) Benefit to the national economy per year is 25,000 Acres X Rs 20,000 = Rs 50.00 Crores

(e) The net benefit from the GNSS Main Canal is for 100 years (100*50 = 5000 crores)

(3) COST BENEFIT RATIO: $161.33/5000 = 0.032$

The benefit from this project is more than 50 crores per year to the nation(i.e., Rs 20,000/- per acre per year) whereas the cost of project including the compensation against forest area involved, expenditure is Rs.161.33 crores Which is very less in compared to profit from this project.



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SKD GNSS DIVISION
PRODDATUR**