

## COST BENEFIT ANALYSIS FOR FOREST LAND DIVERSION

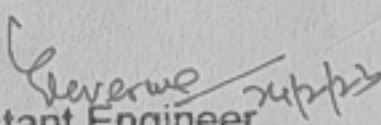
TABLE-A: CASES UNDER WHICH A COST-BENEFIT ANALYSIS FOR FOREST DIVERSION ARE REQUIRED

Sr. No.	Nature of proposal	Applicable/ Not applicable	Remarks
1.	All categories of proposals involving forest land upto 20 hectares in plains and upto 5 hectares in hills.	Not applicable.	
2.	Proposal for defence 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 20 hectares in plains and more than 5 hectares in hills including roads, transmission lines, minor medium and major irrigation projects, hydro projects, mining activity, railway lines, location specific installations like micro-wave station, auto repeater centres, TV towers etc.	Applicable.	The proposal is for diversion of forest land to an extent of 35.1655 ha. For construction of 132 KV Transmission line from 220/132/33 KV Sub Station, Kangoo to proposed 132/33kv, 2X31.5 MVA GIS Sub Station at Kothipura(AIIMS) Bilaspur out of total 51.01 Ha.

*[Signature]* 24/1/23  
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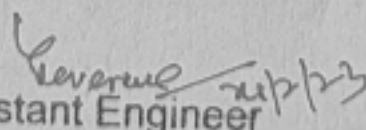
**Table B: Estimation of cost of forest diversion**

Sr.No.	Parameters	Remarks.
1.	Ecosystem services losses due to proposed forest diversion.	Rs.3,53,48,712 as per NPV
2.	Loss of animal husbandry productivity , including loss of fodder.	Rs.35,34,871 as 10% of NPV
3.	Loss of human resettlement.	NIL
4.	Loss of public facilities and administrative (Roads, buildings, schools, dispensaries, electrical lines, railways etc.) on forest land, which would require forest land if these facilities were diverted due to the project.	No such public interest facilities are involved in the proposed area of the project.
5.	Possession value of forest land diverted.	Rs.1,06,04,614 as 30% of NPV
6.	Cost of suffering to oustees	NIL
7.	Habitat Fragmentation Cost.	Rs.1,76,74,356 as 50% of NPV
8.	Compensatory afforestation and soil & moisture conservation cost.	Rs.1,85,33,747+36,89,000(SMC)=Rs.2,22,22,747
	Grand Total	Rs.8,93,85,300 Say Rs.894 Lakhs.

  
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**Table-C: Existing guidelines for estimating benefit for forest diversion in CBA**

Sr.No.	Parameters	Remarks.
1.	Increase in productivity attributed to the specific project.	The project is of national importance and directly linked with public health facilities. Thus increase in productivity cannot be measured in monetary term.
2	Benefit to economy due to the specific project.	Rs.5046 lakhs per annum
3	Number of population benefited due to the specific project.	This project is specifically proposed for AIIMS Kothipura, Distt. Bilaspur which will provide health facilities to the public of Himachal Pradesh as well as to the public of adjoining States thus it would not be possible to count the population to be benefited in number.
4.	Economic benefit due to the direct and indirect employment due to the project.	Direct employment for 27 persons( 17 permanent and 10 temporary) after functioning of this project whereas indirect employment will be for more than 1000 persons thus assuming total economic benefit can be estimate to the tune of Rs.128 lakhs per annum.
5.	Total financial benefit of the project;	$5046+128=5028$ lakhs per annum
6	Assuming 50 years of total life of the projects the total benefit will be	$5028 \times 50 = 251400$ lakhs.
	Total cost(In lakhs) 1.Project construction cost=7872 2.Repair & Maintenance = 900 2.Environmental loss = 894 <b>Total = 9666</b>	<b>Rs.9666 Lakhs.</b>
7.	Benefit/cost ratio(241400/9666)	<b>26:1</b>

  
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