SRI KUMARASWAMY MINERAL EXPORTS PVT. LTD.

Corporate Office No. 35, III Floor, Park Enclave, Tasker Town, Shivaji Nagar,

Bangalore - 560051 Ph: +91 080 22862954 E-mail: admin@skmepl.co Mine Office

No. 462, 14th Ward, SMIORE Colony, Near Fire Station, Sandur - 583119 Ph: +91 - 9972099069



"We Mine with care"

COST - BENEFIT ANALYSIS A. PARAMETERS FOR EVALUTION OF LOSS OF FOREST

Parameters	Parameters Nature of Proposals: Conveyor Belt					
and minor forest produce on a	tonnes for 12.4724 Ha. is = 12.4724 Ha x 3t x 300 x 23					
20 CHR 9 5 10 10 10 10 10 10 10 10 10 10 10 10 10	The loss of fodder estimated for 12.4724 ha. will be (Hill grass cost @ 3 tonnes/Ha.@ Rs.100/- per tonne). 12.4724 Ha. x 3 t x 100 x 23 Years = Rs. 86059.56/					
Cost of human re-settlement	Not Applicable					
administrative (Roads, buildings Electric line, Railways etc.) on fores land or which require forest land	Not Applicable					
(Soil erosion effect, hydrologica cycle, wild life habitat, micr	The estimated loss as per the guidelines for tree density of 1 Ha. will be 126.74 lakhs over a 50 years period (Life of the tree). Therefore the Environmental losses for a 12.4724 Ha. For tree density of 0.25 over a 23 years (life of mine) would be = 126.74 Lakhs x 12.4724 Ha. x 0.25 x 0.46 (23/50 years of life of tree) years = Rs.181.786 Lakhs.					
Suffering of outees	There are no outees from this area.					
B. PARAMETERS FOR EVALUTION OF BENEFIT NOT - WITH - STANDING LOSS OF FORESTS						
	As per the Supreme Court order the Mining Leases in Ballari Sector are proposing to install the downhill conveyor system to transport the Iron Ore from Mine Head to the Proposed Railway siding at Dharmapura village. The initiation will definitely reduce the pressure on Environment, enhance the air quality of the surrounding areas and also Enhancement of Production can be done.					
	Loss of value of Timber, fire woo and minor forest produce on a annual basis including loss of ma hours per annum of people derive livelihood and wages from the harvest of these commodities. Loss of animal husbandre productivity including loss of fodder. Cost of human re-settlement. Cost of public facilities and administrative (Roads, buildings Electric line, Railways etc.) on forest land or which require forest land any facilities were diverted due to the project. Environmental Loss (Soil erosion effect, hydrological cycle, wild life habitat, microclimate, upsetting of Ecological balance. Suffering of outees AMETERS FOR EVALUTION OF Increase in Productivity					

For Sri Kumaraswamy Mineral Exports Pvt. Ltd.,

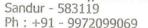
Authorized Signatory

SRI KUMARASWAMY MINERAL EXPORTS PVT. LTD.

Corporate Office No. 35, III Floor, Park Enclave, Tasker Town, Shivaji Nagar, Bangalore - 560051

Ph: +91 080 22862954 E-mail: admin@skmepl.co

Mine Office No. 462, 14th Ward, SMIORE Colony, Near Fire Station,





"We Mine with care"

	7		
2	Benefits to economy	Every Year a quantity of 1.48 Million Tonnes will be Produced. NPV (@Rs.803000 per Ha. x 12.4724 Ha.= Rs.10573261.60 x 23 years = Rs.230352755.60) + Providing of equivalent Non Forest Land to the Forest Department.+ Compensatory Afforestation Charges = Rs.300000 per Ha. x 12.4724 Ha.=Rs.3741720. i.e. Rs. 37.41 Lacs + Rs.2303.53 Lacs = Rs.2340.97 Lacs.	
3	No. of Population Benefited	600 people could be benefited	
4	Employment Potential	Direct employment of more than 50 people	
5	Cost of acquisition of facility on non - forest land wherever feasible	Not Applicable	
6	Loss of (A) Agricultural and (B) Animal Husbandry	Not Applicable	
7	Cost of Rehabilitating the displaced persons as different compensatory amounts given for displacement	Not Applicable	
8	Cost of supplying free fire wood to workers residing in or near area during the period of construction	Not Applicable	

C. SUMMARY OF COST BENEFIT ANALYSIS FOR THE PROJECT OVER A PERIOD OF MINE LIFE (Rs. Lakhs)

	Loss (A)		Benefit(B)	
1	Environmental loss	181.786	Profit from Conveyor belt for life of the Mine	2340.97
2	Loss of fire wood	2.582		
3	Loss of fodder	0.861		
4	Supplies of fuel wood			
	TOTAL	185.229		2340.97

Net Benefit from the Project = Rs. 2340.97 Lakhs - Rs.185.229 Lakhs (approx.) = Rs.2155.741 Lakhs.

Hence, Cost Benefit Ratio= 1: 11.64

For Sri Kumaraswamy Mineral Exports Pvt. Ltd.,

Authorized Signatory