

217


CHECK LIST SERIAL NUMBER 12
(COST BENEFIT ANALYSIS)

PARAMETERS FOR EVALUATION OF LOSS OF FORESTS

1.	Loss of value of timbers, fuel wood & minor forest produce on an annual basis, including loss of man hours per annum of people who derived livelihood & wages for the harvest of these commodities.	NIL
2.	Loss of animal husbandry productivity including loss of fodder	Loss of animal husbandry productivity including loss of fodder is nil in the applied area.
3.	Cost of human resettlement	There is no human settlement within the forest land required for diversion.
4.	Loss of public facilities and administrative infrastructure (Roads, Building, schools, dispensaries, electric lines, railways etc.) on the forest land if the facilities were diverted to the project.	Public facilities as indicated will not be affected.
5.	Environmental losses (Soil erosion, effect on hydrological cycle, wild life habitat, microclimate upsetting of ecological balance)	Though Technical Judgment would be primarily applied in determining the losses, as a thumb rule the environmental value of 1 Ha. of fully stocked forest (density 1.0) would be taken as Rs. 181,00,000/- to accrue over a period of 50 years. The value will be reduced on the density of forest land proposed. Area applied for diversion = 51.783 ha. The average density of forest land applied for is calculated to be below 0.4. Hence Rs. 1,81,00,000/- x 51.783 x 0.4 (50 Years) = Rs. 37,46,08,920.00 Thus total environmental loss per year = Rs. 9,15,78,760 divided by 50 = Rs. 74,98,178.40
6.	Suffering of oustees -	Nil (mentioned in FORM A)
7.	Cost of Net Present Value of forest land (only in case of permanent diversion such as irrigation, roads, transmission lines, and other infrastructures etc.	Rs. 3,78,01,590.00
8.	Loss to right holders/Free grants/Other concessions enjoyed from forest land	Nil
9.	Cost of Compensatory Afforestation over 51.783 Ha.	Rs. 1,30,54,515.00

Total loss of forest per year (1+5+7+9) = Rs. 5,83,54,283.40

Rs. 5.8354 Crores


Executive Engineer
Koraput Investigation Division
Jeypore (K)


Divisional forest officer
Nabarangpur forest Division
Divisional Forest Officer
Nabarangpur Division

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1218

PARAMETERS FOR EVALUATION OF BENEFIT NOT WITHSTANDING THE LOSS OF FOREST

1.	Increase in productivity due to the specific project. Crop Benefit = (38,400 - 5,220) Ton/Year = 33,180 Ton/Year	(Rs.3931.30 lakh – Rs 473.20 lakh) = Rs. 3458. 10 lakh/ year
2.	Benefit to economy :-	The agriculture and industry will have tremendous growth with availability of electricity.
3.	No. of population benefited :	10 lakh
4.	Employment Potential	Around 4,00,000 mandays will be created during construction period and 30 direct employments during operation
5.	Deleted	
6.	Benefit accrued due to non-diversion of agriculture land	Not applicable
7.	Deleted	—
8.	Benefit to the forest due to free supply of fuel /alternate source of energy.	Not applicable

COST BENEFIT RATIO

Description	Rs. In Crores
Total Loss/annum(due to loss of Timber, Firewood and Environmental loss due to loss of forest including NPV and CA	Rs 5.8354 crores
Total benefit to the economy due to annual production of Crop/ etc as per 2008 price	Rs 34.581 Crores/year
Hence the cost benefit ratio of the Irrigation Project	1: 5.926

Signature of User Agency
Executive Engineer
Koraput Investigation Division
Jeypore (K)

Countersigned by :-

(Divisional Forest Officer)
Nabarangpur Division

Office Seal:-
Divisional Forest Officer
Nabarangpur Division