Cost Benefit Analysis

AS PER MoEF &CC GUIDELINE NO 7-69/2011-FC (Pt), Date-01.08.2017

TABLE-B

ESTIMATION OF COST OF FOREST DIVERSION:-

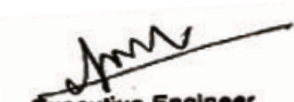| Sl. No	Parameters	Amount in Rs. Lakhs
1	Ecosystem services losses due to proposed forest diversion (NPV) 310.110Ha X 9.39 Lakh	2911.933
2	Loss of Animal Husbandry productivity including Loss of fodder (over 310.110 hectares(10% of NPV)	291.19
3	Cost of human re-settlement	NIL
4	Loss of Public facilities and administrative infrastructures (roads, buildings, schools, dispensaries, electric lines, railways etc) on forest or which would require forest land, if these facilities were diverted due to the project.	NIL
5	Possession value of Forest land Diverted (30% of environmental cost (NPV) due to loss of forest or circle rate of adjoining area in the district should be added as a cost component as possession value of forest land whichever is maximum).	873.60
6	Habitat Fragmentation Cost (While the relationship between fragmentation and forest goods and services is complex, for the sake of simplicity the cost due to fragmentation has been pegged at 50% of NPV applicable as a thumb rule)	1455.60
7	Suffering of Oustees	NIL
8	Cost of Compensatory Afforestation and soil & moisture conservation cost 321.000Ha X Rs.139491.00 per Ha	447.77
	Total Loss (1-8)	**5980.093**

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TABLE-C

ESTIMATE BENEFITS OF FOREST DIVERSION IN CBA:-

Sl. No.	Parameters	Compliance in Lakhs
1	Increase in productivity as attribute to the specific project	39757.75
2	Benefit to Economy due to the specific project	3975.78
3	No. of population benefited from the specific project	145000 nos
4	Economic benefits due to of direct and indirect Employment due to the project	5000 nos
5	Economic benefits due to Compensatory afforestation. (The benefit from such compensatory afforestation accruing over next 50 years monetized and discounted to the present value should be included as benefit by compensatory afforastation) FOR NEXT 50 YEARS. The estimated cost of NPV for present value is taken as benefit by compensatory afforastation i.e. Present value X $(1+i)^N$ =447.77 X$(1+0.04)^{50}$ (i= interest, N=Time)	3182.160
	Grand Total (Sl. No. 1 to 5)	**46915.690**

Cost Benefit Ratio: - 1:7.85

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