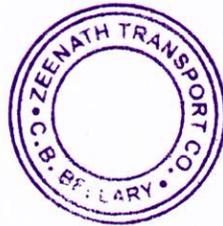


COST BENEFIT ANALYSIS

Annexure – i

CATEGORY OF PROPOSALS FOR WHICH COST BENEFIT ANALYSIS

| Sl. No. | Nature of proposals | Remarks |
|---------|--|--|
| 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 construction. | 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, hydro projects, mining activity, railway lines located specific installations like micro-wave stations, auto repeater centers, T.V. towers etc., | Applicable, the proposal is for an area of 9.4 Ha. of approach road for existing mining lease under ML No. 2547. |



for M/s. Zeenath Transport Co.,

Authorized signatory.

PARAMATERS FOR EVALUATION OF LOSS OF FORESTS

| Sl. No. | Parameters | Minor irrigation projects quarrying of stones/metals |
|---------|--|--|
| 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 |
| 2. | Loss of animal husbandry productivity including loss of fodder. | The loss of animal husbandry productivity is negligible and only hill grass at 5 tonnes per hectare per annum will be lost. The loss of for 9.4 Ha. will be $9.4 \times 5 \times 100 = \text{Rs.}4700$ per annum. |
| 3. | Cost of Human resettlement | --- NIL --- |
| 4. | Loss of public facilities and administrative infrastructure (Roads, buildings, schools, dispensaries, electric lines, railways etc.,) on forest land if these facilities were diverted due to the project. | Not applicable |
| 5. | Environment losses, soil erosion effect on hydrological cycles, wild life habit at micro-climate upsetting of ecological balance. | The estimated loss as per the guidelines, for a tree density of 0.4 will be Rs. 50.696 lakhs over a 50 years period. Therefore, the environmental loss for 9.4 Ha. for a tree density of 0.10 over a 20 year period would be $0.1/0.4 \times 50.696 \times 30/50 \times 9.4 = \text{Rs.} 71.48$ lakhs. |

for M/s. Zeenath Transport Co.,



A handwritten signature in blue ink, appearing to read "M. Hanal".

Authorized Signatory.

**PARAMETERS FOR EVALUATION OF BENEFIT NOT WITHSTANDING
LOSS OF FOREST**

| Sl. No. | Parameters | Nature of proposals Mining projects |
|---------|---|---|
| 1. | Increase in productivity attributable to the specified project. | About 4.40 lakh tonnes/annum of iron ore will be transported from this road. |
| 2. | Benefits to economy. | The average value of the iron ore is Rs. 2000/ tonnes which will amount to Rs. 88 crores. Government will get Rs.1.06 crore per annum in the form of royalty and many more indirect taxes. For 20 years the financial turn over will be around Rs.1,76,000 lakhs. |
| 3. | Employment potential. | 100 workers and staff could be employed. |
| 4. | Number of population benefited. | Population around 3000 people will be benefited from this project. |
| 5. | Cost of acquisition of facility of non-forest and where-ever feasible. | Not applicable since the iron ore reef is situated in forest area only. |
| 6. | Loss of (a) Agricultural and (b) Animal husbandry Production due to diversion of forest land. | There is no loss of agriculture. Only fodder to a tune of Rs. 4,700/- is expected to be lost/year and for 30 years it will be Rs.1,41,000/- |
| 7. | Cost of rehabilitation of the displaced persons as different from compensatory amount given for displacement. | Not applicable. |
| 8. | Cost of supply of free fuel wood to workers residing in or near forest area under the period of construction. | Since the mine is already operative and can produce iron ore and no cost involved during the construction period. |

for M/s. Zeenath Transport Co.,



M. Kamal

Authorized Signatory.

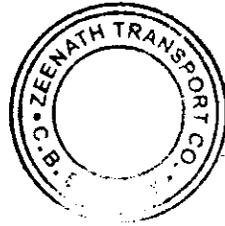
**SUMMARY OF COST BENEFIT ANALYSIS FOR THE PROJECT
FOR TWENTY YEARS**

| LOSS (in Lakhs) | | BENEFIT (in Lakhs) |
|-----------------------|-----------|---|
| 1. Environmental loss | Rs. 71.48 | Revenue from sales of iron ore Rs. 1,76,000 |
| 2. Loss of fodder | Rs. 1.41 | |
| Total | Rs. 72.89 | Rs. 1,76,000 |

Net benefit from the project

Over a 20 year period = Rs. 1,76,000-72.89=1,75,921.11 lakhs or 175.94 crores.

Cost benefit ratio = 1:2415



for M/s. Zeenath Transport Co.,

M. K. K. K.

Authorized signatory.