

ANNEXURE VIII

COST - BENEFIT ANALYSIS FOR PROJECTS INVOLVING FOREST LAND
APPLICATION FOR DIVERSION OF 929.29 Ha. (914.11 Ha UG Rights & 15.18 Ha Surface Rights) OF
FOREST LAND for INDARAM MINING LEASE

I. Estimation of Costs

Sl No.	Parameters	Value in Rs lakhs	Remarks
1	Ecosystem Services losses due to proposed forest diversion	2861.16	NPV OF 914.11 Ha. OF FOREST LAND @ Rs 3.13 Lakhs/Ha
		123.41	NPV OF 15.18 Ha. OF FOREST LAND @ Rs 8.13 Lakhs/Ha
2	Loss of Animal Husbandry productivity, including loss of fodder	298.46	10% of NPV
3	Cost of Human Resettlement	0.00	There is no R&R involved in this Forest Land
4	Loss of Public facilities and administrative infrastructure (Roads, buildings, schools, dispensaries, electric lines, railways,etc) on forest land, which would require forest land if these facilities were diverted due to the project.	0.00	There are no public facilities in the proposed area
5	Possession Value of forest land diverted	895.37	30% of NPV
6	Cost of Suffering to Oustees	0.00	There is no involvement of R&R
7	Habitat Fragmentation Cost	1492.29	50% of NPV
8	Compensatory afforestation and soil & moisture conservation cost	121.44	Cost of compensatory afforestation and soil & moisture conservation @ Rs 4 Lakhs per Ha for twice the forest land involved
TOTAL COSTS		5792.14	

Forest Division Officer
Mancherial Division

General Manager
Srirampur Area
Singareni Collieries Company Limited
General Manager
Srirampur Area
The S.C. Company Ltd.,
Srirampur Colony
Dist: Adilabad-504 303.

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ANNEXURE IX

COST - BENEFIT ANALYSIS FOR PROJECTS INVOLVING FOREST LAND

VERSION OF 929.29 Ha. (914.11 Ha UG Rights & 15.18 Ha Surface Rights) OF

FOREST LAND for INI

II. Estimation of Benefits

Sl No.	Parameters	Value in Rs lakhs	Remarks
1	Increase in productivity attributable to the specific project	0.00	NPV of Project net cashflow at 100% performance level @ 10% discount rate
2	Benefits to economy due to the specific project	40736.99	NPV of benefits to economy over project life @ 10% discount rate Royalty @ 14% of Basic ROM Price 2% on Royalty for National Mineral Exploration Trust 30% on Royalty for District Mineral Foundation Trust GST Compensation Cess @ Rs 400/T GST 5%
3	No of population benefited due to specific project	4701 Nos	Project Manpower (Departmental + Outsourcing if any)
4	Economic benefits due to the direct and indirect employment due to the project	346058.42	NPV of estimated Wages for Project manpower and indirect benefits calculated for 5 times project manpower with prevailing unskilled wage rate of Telangana State.
5	Economic benefits due to compensatory afforestation	9.87	Calculated as per Standard Compensatory Afforestation Restoration Factor (SCARF) Adjustment Rate of Rs 0.65 Lakhs per ha for Dry Deciduous Forest Land for the proposed forest area to be diverted based on Study Report by IIFM Bhopal
	TOTAL BENEFITS	386805.28	

TOTAL BENEFITS

386805.28

TOTAL LOSSES

5792.14

COST : BENEFIT RATIO

1 : 66.78

Forest Division Officer
Mancherial Division

General Manager

Srirampur Area

Singareni Collieries Company limited,

General Manager
Srirampur Area
The S.C. Company Ltd.,
PO, Srirampur Colony
Dist. Adilabad-504 303