

ANNEXURE IX

COST - BENEFIT ANALYSIS FOR PROJECTS INVOLVING FOREST LAND

APPLICATION FOR DIVERSION OF 330.1826 Ha. OF FOREST LAND for RG OC-I EXPANSION PROJECT

II. Estimation of Benefits

Sl No.	Parameters	Value in Rs lakhs	Remarks
1	Increase in productivity attributable to the specific project	128122.07	NPV of Project net cashflow at 100% performance level @ 10% discount rate
2	Benefits to economy due to the specific project	75265.39	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	2300 Nos.	Project Manpower (Departmental + Outsourcing if any)
4	Economic benefits due to the direct and indirect employment due to the project	91004.00	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	214.62	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	294606.08	

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TOTAL LOSSES 9329.97
COST : BENEFIT RATIO 1 : 31.58

Forest Division Officer
Peddapalli Division


General Manager
Singareni Collieries Company limited,
Ramagundam - III Area

ANNEXURE VIII

COST - BENEFIT ANALYSIS FOR PROJECTS INVOLVING FOREST LAND

APPLICATION FOR DIVERSION OF 330.1826 Ha. OF FOREST LAND for RG OC-I EXPANSION PROJECT

I. Estimation of Costs

Sl No.	Parameters	Value in Rs lakhs	Remarks
1	Ecosystem Services losses due to proposed forest diversion	2651.37	NPV OF 330.1826 Ha. OF FOREST LAND @ Rs 8.03 Lakhs/Ha
2	Loss of Animal Husbandry productivity, including loss of fodder	265.14	10% of NPV
3	Cost of Human Resettlement	0.00	There is no R&R involved
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	795.41	30% of NPV
6	Cost of Suffering to Oustees	0.00	1.5 times of two years wage cost of PDFs as per Minimum Wages
7	Habitat Fragmentation Cost	1325.68	50% of NPV
8	Compensatory afforestation and soil & moisture conservation cost	4292.37	Cost of compensatory afforestation and soil & moisture conservation @ Rs 6.5 Lakhs per Ha for twice the forest land involved
	TOTAL COSTS	9329.97	

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