

OFFICE OF THE EXECUTIVE ENGINEER PMGSY DIVISION (PIU) MARWAH

Construction of Road from Ikhala Block Boundary Kishtwar to Lopara Part-II Package No JK04-167

Table B- Estimation of cost of Forest Diversion (as per MOEF & CC Guidelines dated: 1st August 2017) related to cost benefit analysis.

S.No	Particulars	Remarks
1	Ecosystem Services losses due to proposed forest diversion.	NPV of the Forest land being diverted 5.93 x 13.72 Total = 81.35 Lacs
2	Loss of animal husbandry productivity including loss of fodder	Productivity of Livestock will not be affected due to construction of this Road. 10% of NPV applicable i.e. 8.13 Lacs
3	Cost of human resettlement	Since there is no displacement of people due to this project, there would be no cost of human resettlement.
4	Loss of public facilities & administration infrastructure (Roads, Building Schools, Dispensary, Electric Lines and Railways etc.)on Forest land or which would require forest land if these facilities were diverted due to project.	Not applicable, since these facilities are not available inside the Forest area for the proposed Road. Thus not affecting any public facilities on the diverted forest land.
5	Possession value of Forest Land diverted.	30% of Environment Cost (NPV) i.e. Rs. 24.70 lacs
6	Cost of suffering of oustees.	Not applicable, there will be no displacements of people.
7	Habitat fragmentation cost.	50% of NPV applicable as a thumb rule i.e. Rs. 40.675 lacs
8	Compensatory Afforestation and Soil and moisture conservation cost.	Compensatory Afforestation cost Rs. 25.00 lacs Soil & Moisture Conservation Cost included in Compensatory Afforestation cost.
Total Loss (Against the proposed Forest land diversion		Rs. 179.55 Lacs


 (Signature of Umar Agha Khan)
 Executive Engineer
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 Marwah

Full Title of the Project:- Construction of Road from Ikhala Block Boundary Kishtwar to Lopara Part-II Package No JK04-167

Cost Benefit Analysis

Table B- Estimation of cost of Forest Diversion (as per MOEF & CC Guidelines dated: 1st August 2017) related to cost benefit analysis.

S.No	Particulars	Remarks
1	Increase in productivity attribute to the specific project.	By construction of this Road the Agriculture and Horticulture products will reach the market and cost the economic conditions of the people of the area.
2	Benefit to economy due to the specific project.	Rs. 1050 Lacs Annually
3	No. of population benefited due to specific project.	30000 population of Dachhan Marwah and Warwan will be directly benefited by construction of this Road project, Educationally and Economically
4	Economic benefit due to direct and indirect employment due to the project.	550.00 Lacs
5	Economic benefits due to compensatory afforestation.	Rs. 5 Lacs x 5.93 (as per the guidelines issued by MOEF vide letter No. F No. 5-3/2007/FC, Dtd: 05-02-2009 (Rs. 29.65 Lacs Approx)
Total		Rs. 1629.65 Lacs

D. Cost benefit Ratio i.e. Project benefit / Forest Loss = 1629.65 / 179.55 = 9.07

Hence the project has very high benefit to the economy of the Country as compared to Forest Loss. The benefit to loss the ratio is approximately 9.07 Times.


 (Signature of Executive Engineer)
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