



**Cost Benefit Analysis in respect of the proposal for diversion of 22.697 Ha of forest land for mining of Iron Ore from Jilling Langalota Iron Ore Mining Lease of M/s OMC Ltd. in Barbil Tahasil under the jurisdiction of Keonjhar Forest Division of Keonjhar District, Odisha.**

**Table-C: Existing guidelines for estimating benefits of forest diversion in CBA**

Sl. No.	Parameters	Remarks
1	Increase in productivity attribute to the specific project.	Average annual production of 100,00,000 MT of Iron Ore with size distribution and the price at the mines head is as indicated below:  Calibrated lump Iron Ore: 5-18mm/18-40 mm: 45,00,000 @ Rs. 9000/- Iron Ore fines (-5 mm size): 55,00,000 @ Rs. 3594/- Hence, the annual sale value of Iron ore at the mines head would be Rs. 6026.70/-Crores at the prevailing market rate. The net gain per annum comes to Rs. 4723.1155 Crores [(Rs. 6026.70 Crore)- (Rs. 169.1605 Crore i.e. average cost of production per ton of Iron Ore + 1134.424 Crore per annum towards deposit of royalty, DMF, NMET and GST)] Hence, the net gain of mines for a period of 10 years comes to= Rs. 4723.1155 x 10 years = <b>Rs. 47231.155 Crore</b>
2	Benefits to economy due to the specific project.	One metric ton (MT) of iron ore contributes 0.588 MT of steel. Therefore a quantity of 100,00,000 MT of iron ore will produce around 58,80,000 MT of steel by SAIL which has a sale value of Rs. 31,634.40/- Crores (Price of one MT of steel is Rs 53,800.00 as on April, 2021).
3	Number of population benefited due to the specific project.	686
4	Economic benefits of direct and indirect employment due to the project.	<b>Rs. 102.90 Crore</b> (686 Persons x Rs. 500/- as average wage x 300 working days x10)
5	Economic benefits due to Compensatory Afforestation	<b>Rs. 1.004</b> (Rs. 8848/- x 22.697 ha. x 50 years)
<b>Total</b>		<b>Rs. 47335.059 Crore</b>

**[Dr. Suman Krishna Sit]**  
**General Manager (Geology)**  
**Authorised Signatory**

**Odisha Mining Corporation Limited**

**Odisha Mining Corporation Ltd.**

(A Gold Category State PSU)

Registered Office : OMC House, Bhubaneswar - 751001, India

Tel : 0674-2377400/2377401, Fax : 0674-2396889, 2391629, www.omcltd.in

**CIN : U13100OR1956SGC000313**

*Dr. Suman Krishna Sit*  
General Manager (Geo)  
Power of Attorney Holder  
Odisha Mining Corporation Ltd.  
Bhubaneswar