

ANNEXURE -A

CATEGORY OF PROPOSALS FOR WHICH COST BENEFIT ANALYSIS

| SL. NO | NATURE OF PROPOSALS | APPLICABLE / NOT APPLICABLE | REMARKS |
|--------|--|-----------------------------|--|
| 1. | All category of proposals involving forest land less than 5 Ha in plains and less than 2 Ha in hills. | : Not applicable | : These proposals are to be considered on case by basis and value judgment. |
| 2. | Proposal for defense installation purposes and oil prospecting (prospecting only) | : Not applicable | : In view of national priority accorded to this sectors the proposals could be originally assessed to help a certain that the utmost minimum forest land above is diverted for non-forest use. |
| 3. | Habitation, Establishment of Industrial units, Tourist Lodges/Complex and their Building Construction. | : Not applicable | : These activities being detrimental to protection and conservation to forest as a matter of policy such proposals could be rarely entertained. |
| 4. | All other proposals involving forestland more than 5 Ha. In plans and more than 2 Ha in hills including road transmission lines, minor medium and major irrigation projects, Hydel projects, mining activity railway lines, located specific installations line micro-wave stations auto-repeater centre T. V. towers etc. | : Applicable | : These are cases where a cost benefit analysis is necessary to determine whether diverting the forest land to non-forest is in the over all public interest. |

ANNEXURE - B

PARAMETERS FOR EVALUATION OF LOSS OF FOREST.

| SL. NO | PARAMETERS | MEDIUM & MAJOR IRRIGATION, HYDRO. ELECTRIC LARGE MINING AND OTHER MISC., PROJECTS. |
|--------|---|---|
| 1. | Loss of value of timber fuel wood and minor forest produce of annual basis, including loss of man - hours per annum of people who delivered livelihood and wages from the harvest if these commodities. | : The loss of fuel wood to a tune of 5t/Ha./Yr @ Rs 300/tonnes for 6.35 Ha = $6.35 \times 5 \times 300 =$ Rs 9525 per annum. No loss of man hours as no one depends for livelihood on this land. |
| 2. | Loss of animal husbandry productivity including loss of fodder. | : Negligible hill gross lost @ 5 t/Ha. year. @ Rs. 100/- per tonne. Therefore loss of fodder as estimated for about 6.35 Ha will be $6.35 \times 5 \times 100 =$ Rs 3175/-yr. X 50 years = Rs.1,58,750/- |
| 3. | Cost of human resettlement | : No resettlement involved. |
| 4. | Loss of public facilities and administrative infrastructure (Roads, Buildings, schools, dispensaries, electric lines, railway, etc.,) diverted due to the project. | : Not applicable |
| 5. | Environmental losses Soil erosion effect on Hydrological cycle, wildlife habitat, microclimate upsetting of ecological balance | : The estimated loss as per the guide lines for trees density of 0.4 will be Rs. 50.696 lakhs over a 50 years period. Therefore, the environmental losses for a 6.35 Ha for a tree density for 0.1 over 50 years period will be $50.696 \times 50/50 \times 0.1/0.4 \times 6.35 =$ 80.4799 lakhs. |
| 6. | Suffering to oustees | : No one is ousted from the area as no one says in the area of mining lease hold. |

ANNEXURE - C

PARAMETERS FOR EVALUATION OF BENEFIT NOT WITH STANDING LOSS OF FOREST.

| SL. NO | PARAMETERS | NATURE OF PROPOSALS MINING PROJECTS |
|--------|--|---|
| 1. | Increase in productivity attributable to the specific project. | : In the lease area Iron ore deposit amounting to 90 lakh tonnes. For the next 50 years, we can mine the area at the rate of 3 lakhs tonnes per year over a fifty year period 90 lakh tonnes could be produced to meet demand of the indigenous market. |
| 2. | Benefits to economy. | : Over a 50 years period a quantity of 90 lakh tonnes could be produced |
| 3. | No. of population benefited. | : 150 to 200 persons can be benefited |
| 4. | Employment potential. | : 100 workers and staff could be employed. |
| 5. | Cost of acquisition of facility on non forest land wherever feasible. | : Not applicable. Since the Iron Ore is situated in forest area. |
| 6. | Loss of (a) agricultural & (b) animal husbandry production due to diversion of forest land | : 5 tonnes/annum/Ha. Rs 50 per tonne. 6.35 Ha x 5 t/ha x Rs. 50 x 50 years = Rs. 79,375/- |
| 7. | Cost of rehabilitation the displace persons as different from compensatory amounts given for displacement. | : Not applicable |
| 8. | Cost of supply free fuel-wood to workers residing in or near forest area under the period of construction. | : Nil as no construction period is there. The Iron Ore is already exposed & ready for extraction. Cost of subsidy component supply of firewood to the labours & staff is Rs. 0.50/day/persons. It works out to be 200 x 0.5 x 365 = 36,500/- for a population of 200 persons. |

ANNEXURE - D

SUMMARY OF COST BENEFIT ANALYSIS FOR THE PROJECT OVER A 50 YEARS PERIOD.

| LOSS (ANNEXURE B) | | | BENEFIT (ANNEXURE C) | |
|---------------------|-----------------------|----------------|---|------------|
| 1 | Environmental loss | 80.4799 Lakhs | Profit from mining after deducting the expenses @ Rs.200/T for Iron ore i.e. 50 years x 90 lakhs Tonnes x Rs200 | 9000 Lakhs |
| 2 | Lose of fire wood | 0.09525 Lakhs | | |
| 3 | Loss of fodder | 0.79375 Lakhs | | |
| 4 | Supplies of fuel wood | 0.365 Lakhs | | |
| Total | | 81.73399 Lakhs | | |

Net benefit from the project

Over a 50 years period = Rs.81.73399 lakhs – 9000 lakhs = 8918.26601 lakhs