

**Subject: Compliance Report for Audit Para - regarding the payment made to Director CIRCTOT Mumbai for consultancy services related to the establishment of the ginning and pressing plant of 10-12 Bales capacity. FY 2023-24 (Q2)**

This is in response to the audit para regarding the payment made to Director CIRCTOT Mumbai for consultancy services related to the establishment of the ginning and pressing plant of 10-12 Bales capacity. The audit para observed a discrepancy in the costs mentioned in Annexure A for the ginning and pressing machinery with up-packing baling press or down-packing baling press.

**Audit Observation:**

- The audit noted that the cost for ginning and pressing machinery in Annexure A was mentioned as Rs. 256 lakhs or Rs. 286 lakhs, while the actual figures should have been Rs. 254 lakhs or Rs. 284 lakhs, respectively.

**Compliance Explanation:**

- Upon further review and correspondence with the Director of CIRCTOT, it was confirmed that this discrepancy arose due to a **typographical error** in Annexure A, as acknowledged by the Director CIRCTOT.
- The correct cost norms and specifications were submitted on **April 03, 2023**, and the error was identified during the internal audit . A copy of the corrected version was sent by Director CIRCOT via e mail on 9.11.2023.
- This correction was duly noted and verified by the **representative present in PIU Agri** during the internal audit, ensuring transparency in the process.

**Request for Waiver:**

- As the discrepancy was purely administrative and did not impact the financials or the overall project execution, we kindly request that this audit para be **waived**. All necessary corrective actions were taken promptly upon noticing the error.

We remain committed to maintaining transparency and accuracy in our operations. Please find the attached copies of the corrected Annexure A and the communication from Director CIRCTOT for your reference.

**Attachments:**

1. Corrected Annexure A (cost norms for ginning and pressing machinery)
2. Email communication from Director CIRCTOT



SMART PIU AGRI &lt;smart.piuagri@gmail.com&gt;

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**Corrected**

1 message

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**Dr S K Shukla** <skshukla.circot@gmail.com>

Fri, Nov 10, 2023 at 5:03 AM

To: SMART PIU AGRI &lt;smart.piuagri@gmail.com&gt;, narendra patil &lt;narenpatil84@gmail.com&gt;

Cc: Dhiraj Patil &lt;patilduwtcer@gmail.com&gt;

Please find the corrected amount wrongly typed in Annexure A

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Dr S. K. Shukla,  
Director,  
ICAR-Central Institute for Research on Cotton Technology (CIRCOT),  
(Ministry of Agriculture and Farmers' Welfare, Govt. of India)  
Adenwala Road, Matunga (E), Mumbai 400019, India

**Full file sent on Nov 09, 2023 DR ginning cost norms.pdf**

684K



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अमृत महोत्सव  
An ISO 9001:2015 Certified Institute and NABL accredited Lab  
कृषि एवं किसान कल्याण मंत्रालय (कृषि अनुसंधान एवं शिक्षा विभाग), भारत सरकार  
भाकृअनुप - केन्द्रीय कपास प्रौद्योगिकी अनुसंधान संस्थान  
(भारतीय कृषि अनुसंधान परिषद)  
Ministry of Agriculture and Farmers Welfare (Department of Agricultural Research and Education), GOVERNMENT OF INDIA  
ICAR - CENTRAL INSTITUTE FOR RESEARCH ON COTTON TECHNOLOGY  
(Indian Council of Agricultural Research)



File No. SMART Project/Cost Norms/G&P/74

Dated: 09.11.2023

To,  
Shri Dashrath L. Tambale  
Director, ATMA & Head, Project Implementation Unit,  
Agriculture, SMART Project, MSFC Building,  
270, Bhamburda, Senapati Bapat Marg,  
Opp. Symbiosis College, Gokhale Nagar, Pune 411016, MS

**Sub:** Submission of cost norms, detailed specifications, and protocols for establishment of viable ginning and pressing plant – reg.

Ref: MoU signed dated Fe 07, 2023

Dear Sir,

With reference to the above subject, cost norms, detailed specifications, and protocols for establishment of viable ginning and pressing plants under the SMART project was submitted to your kind self on April 03, 2023. However, a typographical error was noticed in Annexure A, wherein the ginning machinery cost was inadvertently typed as “Rs. 256 lakhs or Rs. 286” lakhs in place of “Rs 254 lakhs or Rs. 284 lakhs” respectively of cost column in Annexure A. This mistake was noticed immediately and a hard copy of the corrected version was sent to you by speed post. The same is mailed again for your ready reference.

Thanks, with Regards

(S. K. Shukla)  
Director



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**COST NORMS FOR ESTABLISHMENT OF A VIABLE  
GINNING & PRESSING PLANT UNDER THE SMART  
PROJECT IN MAHARASHTRA STATE**

**Procedure adopted for fixing the cost norms for establishment of viable ginning and pressing plant in Maharashtra State under the SMART project -reg.**

1. A committee under the Chairmanship of the Director, ICAR-CIRCOT, Mumbai was constituted for fixing the cost norms for establishing viable ginning and pressing plants in Maharashtra State under the SMART project.
2. The committee developed complete detailed specifications and standard protocols for establishment of a viable modern ginning and pressing plants of 10-12 bales/h capacity.
3. The committee approached several Original Equipment Manufacturers (OEMs), stakeholders, ginning entrepreneurs, etc. for cost of each and every machine, equipment, system, etc. as per detailed specifications.
4. The committee worked out the cost norms of the civil work based on the CPWD schedule of rates and consultations from ginneries and other stakeholders.
5. Based on the examination of cost of Plant Machinery and Equipment received from the OEMs, inputs available with the Members of the Committee, feedback and consultations from various stakeholders including gin entrepreneurs, the committee fixed the cost norms for essential Plant, Machinery, Equipment, Allied Machinery, Pre-engineered Buildings, Civil Work, etc. required for establishment of a modern ginning plant of 10-12 bales/h capacity. The detailed cost norms and specifications are given in Annexures A to I, separately.
6. The cost norms given here are inclusive of all prevailing taxes, transportation charges, erection, and commissioning charges, insurance charges during transportation, and MSEB electricity connection charges, etc.
7. The cost norms are considered for standard branded machinery and equipment.
8. The cost norms are strictly based on the assumption that the ginning and pressing machinery as mentioned in annexure A are purchased from a single vendor on the turkey basis.
9. Each item essential for establishment of a modern ginning plant is included in the cost norms. There is no need for considering grant for any other machinery, equipment for establishment of the ginning and pressing plant under the SMART project.
10. The cost norm has not considered insurance charges required essentially for the operation of a ginning and pressing plant.
- 11.



**(S. K. Shukla)**

Director

**Total Cost for Establishment of a Ginning & Pressing Plant of 10-12 Bales/h Capacity**

<b>Sr. No.</b>	<b>Heads</b>	<b>Cost (Rs. in lakh)</b>	<b>Annexures</b>
<b>1.</b>	Ginning & Pressing Machinery with up packing baling press  <b>OR</b> Ginning & Pressing Machinery with down packing baling press	254.0  <b>OR</b> 284.0	A
<b>2.</b>	Complete Electrical Works	45.0	B
<b>3.</b>	Complete Pre-Engineered Buildings (PEBs)	160.0	C
<b>4.</b>	Complete Civil Works	200.0	D
<b>5.</b>	Tractor with Loaders	18.5	E
<b>6.</b>	Weigh bridge	10.0	F
<b>7.</b>	Humidification system	3.5	G
<b>8.</b>	Firefighting system	25.0	H
<b>9.</b>	Orientation course and ginning training programmes	2.0	I
<b>Total Cost for Ginning &amp; Pressing Plant with Up Packing Press</b>		<b>718.0</b>	
<b>Total Cost for Ginning &amp; Pressing Plant with Down Packing Press</b>		<b>748.0</b>	

**Option I: Total Cost for Ginning & Pressing Plant with Up Packing Press (in words): Rupees seven hundred and eighteen lakh only**

**Option II: Total Cost for Ginning & Pressing Plant with Down Packing Press (in words): Rupees seven hundred and forty-eight lakh only**

## GINNING &amp; PRESSING MACHINERY (CAPACITY: 10-12 BALES/H)

Sr. No.	Type of Machinery	Cost (Rs. in lakh)
1.	<b>Seed Cotton Dispensing System/Tractor Hopper Feeder:</b> Seed cotton storage capacity: 2000 kg, 24 feet long feed belt, Powder coated heavy duty hopper box with acrylic windows, including all essential electricals and control panels, drive arrangement, VFD, etc. <b>(1 Set)</b>	<b>254 Lakh (For Up packing Press)</b>
2.	<b>Pneumatic Seed cotton Conveying System from Dispenser to Pre-cleaner:</b> Conveying capacity 5000 kg/h seed cotton to around 10 to 15 m, air separator with vacuum wheel rotary air lock with drive arrangement including frames, V-belts, in-line stone catcher, etc. <b>(1 Set)</b>	<b>284 Lakh (For Down packing Press)</b>
3.	<b>Pre-cleaner:</b> Seed cotton cleaning capacity: 5000 kg/h, width: 1500 mm, spiked cylinders-06 Nos. with six row spikes, all electricals, drive arrangements, etc. <b>(1 Set)</b>	
4.	<b>Central Trolley System:</b> Two central trolleys for feeding to 10/12 DR gins each, seed cotton cross inclined belt conveyor (1000 mm) and inclined belt conveyor (1000 mm), microprocessor-based control feeding, including all electricals, drives, accessories, etc. <b>(2 Sets)</b> <b>OR</b> <b>Screw Conveyor System:</b> For feeding 2 rows with 10/12 DR gins in each row, microprocessor-based control feeding, overflow and regulated feeding mechanism, including all electricals, drives, accessories, etc. <b>(2 Sets)</b>	
5.	<b>Auto Feeders for DR Gins:</b> Heavy duty auto feeders for seed cotton feeding to 54"/60" roller length DR gins, including all electricals, drives, accessories, etc. <b>(24/20 Sets)</b>	
6.	<b>DR Gins with 54" Roller Length:</b> Capacity: 70-80 kg lint/h, Roller diameter: 170 mm, Robust wide base C.I. frames, including all electricals, drives, accessories, etc. <b>(24 Sets)</b> <b>OR</b> <b>DR Gins with 60" Roller Length:</b> Capacity: 80-90 kg lint/h, Roller diameter: 180 mm, Robust wide base C.I. frames, including all electricals, drives, accessories, etc. <b>(20 Sets)</b>	
7.	<b>Pneumatic Intermittent Lint Suction System:</b> Capacity: 2000 kg/h lint conveying from DR gins to lint cleaner, 10 HP heavy duty centrifugal fan coupled with electrical motor, 1D2D cyclone separator, 300 mm GI piping, including all electricals, drives, accessories, etc. <b>(1 Set)</b>	
8.	<b>Lint Cleaner:</b> Lint cleaning capacity: 2000 kg/h, width: 1500 mm, 105 mm spikes, spiked cylinders-06 Nos. with six row spikes, all electricals, drive arrangements, etc. <b>(1 Set)</b>	
9.	<b>Inclined Lint Belt Conveyor System:</b> Lint conveying capacity: 2000 kg/h from post cleaner to baling press lint slide, Belt length:	

Sr. No.	Type of Machinery	Cost (Rs. in lakh)
	80/120 feet for up-packing and down packing press, respectively, belt width: 1200 mm, all electricals, drive arrangements, etc. <b>(1 Set)</b>	
10.	<p><b>UP Packing Baling Press:</b> Baling capacity 10-12 bales per hour of 170 kg each, oil hydraulic, double box revolving type, handling system, weighing, and bagging system, all electricals, drive arrangements, etc. <b>(1 Set)</b></p> <p style="text-align: center;"><b>OR</b></p> <p><b>DOWN Packing Baling Press:</b> Baling capacity 10-12 bales per hour of 170 kg each, oil hydraulic, double box revolving type, handling system, weighing, and bagging system, all electricals, drive arrangements, etc. <b>(1 Set)</b></p>	
11.	<b>Cottonseed Screw Conveyors:</b> Two lines below 10/12 DR gins and a line of cross conveyor, cottonseed conveying capacity: 2500 kg/h each line below DR gins and 5000 kg/h cross conveyor, all electricals, drive arrangements, etc. <b>(1 Set)</b>	
12.	<b>Cottonseed Belt Type Bucket Elevator:</b> Capacity: 5000 kg/h cottonseed lifting from about 7 m from cross conveyor, all electricals, drive arrangements, etc. <b>(1 Set)</b>	
13.	<b>Cottonseed Overhead Screw Conveyor:</b> Capacity: 5000 kg/h cottonseed conveying from bucket elevator to 200' distance, 8 Nos. seed dropping points for heaping, two-way cotton seed manual bagging arrangement at the discharge end of the bucket elevator, all electricals, drive arrangements, etc. <b>(1 Set)</b>	
14.	<b>Fire Detection and Diversion System:</b> GreCon sensor-based fire detection & diversion of lint from lint suction to lint cleaner with control panel and hooter, all electricals, drive arrangements, etc. <b>(1 Set)</b>	
15.	<b>Allied Machinery and Accessories:</b> Heavy duty motorized roll cutting machine and roll cutting stand for 54/60" roller length, grease gun, tool box containing 44 items required for operation & fitting work of ginnery, bale handling trolley, etc. <b>(1 Set)</b>	
16.	<b>Structures For Automation Equipment:</b> Mounting and support structure for all machinery as mentioned in the detailed document	
17.	<b>CIRCOT Lab Model Gin for Cotton Grading:</b> Ginning capacity: 4-5 kg seed cotton/h, roller length: 300 mm, all accessories, electricals, drive arrangements, etc.	
18.	<b>Moisture Meters:</b> One each for moisture measurement of seed cotton, lint in loose form and bales and cottonseed having appropriate electrodes for measuring moisture from heap and bales. <b>(3 Sets)</b>	

**COMPLETE ELECTRICAL WORKS**

<b>Sr. No.</b>	<b>Type of Machinery</b>	<b>Cost (Rs. in lakh)</b>
1.	<b>MSEB Demand Charges</b>	<b>45.0</b>
2.	<b>HT Line to Plant Connection:</b> From 11kV line to the 400 kVA transformer,	
3.	<b>Transformer:</b> Capacity: 400 kVA, 3 phase, 50 Hz and Voltage Ratio 11 kV/ 433 V	
4.	<b>Incomer Cables and Accessories from Transformer to PCC Panel:</b> Armourd, 1.1 kV Grade Copper Cables for all lines, earthing of all motors through hot deep GI strip and GI wire, etc.	
5.	<b>PCC PANEL WITH 1000 AMP CIRCUIT BREAKER:</b> Incomer capacity of 4 pole, 630-amp MCCB and controlling operations of feeders, etc.	
6.	<b>Cables and Accessories from PCC To MCC Panel</b>	
7.	<b>MCC Panel and Accessories</b>	
8.	<b>Field Cable and Accessories from MCC Panel to Electric Motors</b>	
9.	<b>APFC Panel with Accessories and Capacitor Bank</b>	

**COMPLETE PRE-ENGINEERED BUILDINGS (PEBs)****First Building Building Description**

<b>Sr. No.</b>	<b>Ginning, Pressing Halls &amp; Cottonseed Storage Building</b>	<b>Cost (Rs. in lakh)</b>
1.	Roof Type: <b>Pitched Roof – Unsymmetrical Slope</b>	<b>70.0</b>
2.	Dimensions: <b>Length x Width: 15.00 x 84.00m</b> (Centre to Centre of Steel Columns)	
3.	Clear Height at Lower Side: 11.00m for 03-High Bays & 8.00m for 09-Low Bays from FFL ( <b>For down packing Press</b> ) <b>OR</b> 8.00m from FFL ( <b>For up packing Press</b> )	
4.	Width Module: <u>1@15.00m</u>	
5.	Roof Slope: 1:10	
6.	Bay Spacing: <b>12 Bays@7.00m.</b>	
7.	Type of End Frames: <b>End Walls:</b> Rigid Frame (Expandable Frame) with Wind Column Spacing ( <b>2@7.50m</b> )	
8.	Type of Bracing in Side walls: Rod Bracing - <b>Along GL “A &amp; C”</b>	
9.	Type of Bracing on Roof: Rod Bracing	
10.	Type of Eave: Eave gutter and Downspout <b>Along GL “A”</b>	
<b>Open Wall Conditions (First Building)</b>		
1.	Near Side Wall (Along GL “C”): Sheeted from FFL from FL-1 to 9. Full Height Open from FL-9-13.	
2.	Far Side Wall (Along GL “A”): Sheeted from FFL from FL-1 to 9. Full Height Open from FL-9-13. Sheet Curtain of 3.00m from Eaves & Below Open for Access from FL-9-13.	
3.	Partition Walls (Along FL “9”): Full height Sheeted & open for Access	
4.	Left End Wall (Along GL “1”): Full sheeted	
5.	Right End Wall (Along GL “13”): Sheet Curtain of <b>3.00m</b> from Eaves & Below Open for Access	

**Second Building Building Description**

<b>Sr. No.</b>	<b>Bale and Raw Cotton Storage Building</b>	<b>Cost (Rs. in lakh)</b>
1.	Roof Type: <b>Pitched Roof – Unsymmetrical Slope</b>	<b>90.0</b>
2.	Dimensions: <b>Length x Width: 30.00 x 84.00m</b> (Centre to Centre of Steel Columns)	
3.	Clear Height at Lower Side: 6.50m from FFL.	
4.	Width Module: <u>1@30.00m</u>	
5.	Roof Slope: 1:10	
6.	Bay Spacing: <b>12 Bays@7.00m.</b>	
7.	Type of End Frames: <b>End Walls:</b> Rigid Frame (Expandable Frame) with Wind Column Spacing ( <b>4@7.50m</b> )	
8.	Type of Bracing in Side walls: Rod Bracing - <b>Along GL “C” Portal Bracing at GL-“G”</b>	

Sr. No.	Bale and Raw Cotton Storage Building	Cost (Rs. in lakh)
9.	Type of Bracing on Roof: Rod Bracing	
10.	Type of Eave: Eave gutter and Downspout <b>Along GL “G”</b>	
<b>Open Wall Conditions (Second Building)</b>		
1.	Open up to <b>3.00m</b> from FFL by others & above is sheeted from FL-1to3 Sheet. Curtain of 2.00 m from Eaves & Below Open for Access from FL-3-13	
2.	Common Wall between Area#01 & Area#02.	
3.	Full sheeted from FFL	
4.	Full sheeted from FFL. Curtain of 2.00 m from Eaves	
5.	Sheet Curtain of 2.00m from Eaves & Below Open for Access	

## COMPLETE CIVIL WORKS

Sr. No.	Details of Civil Works	Cost (Rs. in lakh)
1.	<b>First Building: Ginning, Pressing Halls &amp; Cottonseed Storage Building (15.00 x 84.00m)</b> Excavation, murrum filling, anti-termite treatment, PCC 1:4:8 (M10 Grade), RCC M25 grade, Trimix Flooring 125 mm thickness, M25 grade, TMT/HYSD Steel bars, internal and external plasters and paintings, window grills, AL windows, rolling shutters as given in layout	200.0
2.	<b>Second Building: Bale and Raw Cotton Storage Buildings</b> Excavation, murrum filling, anti-termite treatment, PCC 1:4:8 (M10 Grade), RCC M25 grade, Trimix Flooring 125 mm thickness, M25 grade, TMT/HYSD Steel bars, internal and external plasters and paintings, rolling shutters as given in layout	
3.	<b>Blower, cyclone, and dust Rooms</b> Excavation, murrum filling, anti-termite treatment, PCC 1:4:8 (M10 Grade), RCC M25 grade, Trimix Flooring 125 mm thickness, substructure, super structure, M25 grade, TMT/HYSD Steel bars, internal and external plasters and paintings, steel doors as given in layout	
4.	<b>Administrative Office, Security Room and Workers' Residence</b> <ul style="list-style-type: none"> <li>• Security room (3m x 3m)</li> <li>• Administration office building (7m x 10m)</li> <li>• Workers' residence (18mx4m)</li> </ul>	
5.	<b>Boundary wall: Wire fencing around 600 m</b>	
6.	<b>Drainage system for PEB</b> Hume piping (300, 450 and 600 mm) and chamber work (600x600x600 mm & 750x750x750 mm)	
7.	<b>WEIGH BRIDGE FOUNDATION WITH RAMP &amp; WEIGH BRIDGE CABIN</b> Excavation, murrum filling, anti-termite treatment, PCC 1:4:8 (M10 Grade), RCC M25 grade, TMT/HYSD Steel bars, internal and external plasters and paintings, flush doors, windows, etc.	
8.	<b>WBM Roads</b> 150 m length 9 m wide road	
9.	<b>Machinery Foundation Work</b> Excavation, PCC 1:4:8 (M10 Grade), RCC M25 grade, TMT/HYSD Steel bars, substructure, internal and external plasters, water proofing, sand filling	
10.	<b>Underground water tank (1 lakh litre capacity) 7 m x 5 m x 2.9 m (length x width and depth)</b>	

## Annexure E

**TRACTOR WITH LOADERS**

Sr. No.	Type of Machinery	Cost (Rs. in lakh)
1.	<b>Tractor:</b> Turbo charged Engine of 55 HP power at 2400 RPM, Maximum Lifting capacity-2000 kg, Forklift bucket attachment for handling of seed cotton and 2 bales of 170 kg each <b>(1 Set)</b>	<b>18.5</b>

## Annexure F

**WEIGH BRIDGE**

Sr. No.	Type of Machinery	Cost (Rs. in lakh)
1.	<b>Weigh Bridge:</b> Weighing Capacity: 50 MT, Fully Electronic Pit less, MS Platform size: 12 x 3m, Division: 10 kg, Tolerance $\pm$ 25kg including all accessories and electricals <b>(1 Set)</b>	<b>10.0</b>

## Annexure G

**HUMIDIFICATION SYSTEM**

Sr. No.	Type of Machinery	Cost (Rs. in lakh)
1.	<b>Fogger Type Humidification System:</b> Pumping capacity 90 liters per hour, 10 mm, Nozzle (30 Nos.)- each 2-4 lph water spraying capacity complete with fittings, all electricals, drive arrangements, etc. <b>(1 Set)</b>	<b>3.5</b>

## Annexure H

**FIREFIGHTING SYSTEM**

Sr. No.	Type of Machinery	Cost (Rs. in lakh)
1.	<b>Complete Fire Fighting System:</b> CO <sub>2</sub> fire extinguishers (6 kg-5 Nos & 9 kg-5 Nos), dry chemical powder fire extinguisher (6 kg-10 Nos & 9 kg-5 Nos), 52 BHP diesel engine driven pump set (2280 litre/min water pumping capacity and head 60 m), 50 HP electric motor driven pump set (2280 litre/min water pumping capacity and head 60 m), Jockey pump set (180 litre/min water pumping capacity and 70 m head), complete fire hydrant systems, all accessories, electricals, drive arrangements, etc. <b>(1 Set)</b>	<b>25.0</b>

## Annexure I

**Mandatory Orientation Training Programme and Ginning Training Programme at Ginning Training Centre of ICAR-CIRCOT, Nagpur**

Sr. No.	Training Programme	Cost (Rs. in lakh)
1.	Orientation training programme	2.0
2.	Basics of grading and ginning training programme	