



## Minutes of the 34<sup>th</sup> Meeting of the Finance Committee

The 34<sup>th</sup> Meeting of the Finance Committee of the Central University of Punjab, was held on 12<sup>th</sup> December 2024 (03:00 p.m.) through hybrid Mode.

**Venue: Conference Room, Aryabhata Academic Block, Adjacent Vice-Chancellor's Office.**

The list of the members present during the meeting is annexed.

The Chairperson formally welcomed the members of the Finance Committee and thanked them for sparing their valuable time from their busy schedule to attend the 34<sup>th</sup> meeting of the Finance Committee for making it possible to attend this meeting in hybrid mode.

Afterwards, the Vice-Chancellor apprised the Finance Committee, the progress made by the university in respect of academics, research and infrastructural developments since its previous meeting held on 30.08.2024.

After detailed discussions on the agenda items listed for this meeting, the unanimous resolutions of the Finance Committee are as follows:

<b><i>Items for Confirmation</i></b>	
<b><u>Item.No:FC:34:2024:1</u></b>  <b>To confirm the minutes of the 33<sup>rd</sup> meeting of the Finance Committee held on 30.08.2024.</b>	<b><u>AGENDA NOTE:</u></b>  33 <sup>rd</sup> Meeting of the Finance Committee was held on 30.08.2024 through online/physical mode.  The draft minutes were circulated to the members for their comments, if any.  The members have conveyed their approval of draft minutes through email. Subsequently, approved minutes were circulated.  The minutes of 33 <sup>rd</sup> Meeting of the Finance Committee is placed for confirmation.
<b><u>RESOLVE</u></b>	<b>The Finance Committee, after discussions, unanimously resolved to confirm the minutes of the 33<sup>rd</sup> meeting of the Finance Committee held on 30.08.2024.</b>
<b><u>Item.No:FC:34:2024:2</u></b>  <b>To note the Action Taken Report (ATR) on decisions of the 33<sup>rd</sup> meeting of the Finance Committee held on 30.08.2024.</b>	<b><u>AGENDA NOTE:</u></b>  The 33 <sup>rd</sup> meeting of Finance Committee was held on 30.08.2024.  Subsequent to the circulation of approved minutes, the concerned departments/offices implemented the decision taken by the Finance Committee in its 33 <sup>rd</sup> meeting. The details of the action taken are placed at <b><u>Annexure-34.1</u></b> .  The ATR on the resolutions of 33 <sup>rd</sup> Meeting of the Finance Committee is placed for confirmation.



<b><u>RESOLVE</u></b>	The Finance Committee, after taking perusal, unanimously resolved to take a note of the Action Taken Report (ATR) on the resolutions of 33 <sup>rd</sup> meeting held on 30.08.2024 and expressed satisfaction for timely actions thereon.
<b><u>Confirmation of the Minutes approved through Circulation</u></b>	
<b><u>Item.No:FC:34:2024:3</u></b>  <b>To confirm the minutes of the Finance Committee w.r.t. arbitration matter of M/s PSDA &amp; CU Punjab regarding settling of dispute or differences through mutual discussions and consultations.</b>	<b><u>AGENDA NOTE</u></b>  The Central University of Punjab appointed PSDA as Architect Consultant for the campus design of the Central University of Punjab at village Ghudda, Distt. Bathinda, for master planning, architectural design, landscape and urban design. Agreement dated 14.09.2013 was signed between the parties for Phase 1 works for a built-up area of 19,000 Sqm and associated services up to a cost of Rs. 100 crores containing the terms and conditions. Thereafter, Supplementary Agreement dated 01.02.2016 was also signed between the parties wherein the scope of work of Phase-1 was enhanced for area of 97,000 Sqm and also the cost of work was enhanced to Rs. 215 crores. WHEREAS, disputes arose between PSDA and CU Punjab in the above-mentioned contracts and on the recommendations the Building Committee (50th Meeting dated 30.12.2020), the competent authority of the University constituted the Dispute Resolution Committee (vide Notification No. CUPB/Engg./Notification/13 dated 05.02.2021) as per conditions stipulated in the contract document.  The Committee conducted three meetings in the hybrid mode but PSDA did not appear in the meetings and later PSDA filed a Case in Hon'ble Punjab & Haryana High Court for appointment of Arbitrator. Accordingly, the Hon'ble High Court of Punjab and Haryana vide its order dated 30.08.2022 appointed Hon'ble Justice Mr. Jitendra Chauhan (Retd.) as Sole Independent Arbitrator for adjudicating the disputes between the parties.  After the 11 <sup>th</sup> sitting of Arbitral Tribunal, the PSDA proposed to explore possibility of amicable settlement of dispute and sent email dated 23.09.2024 addressed to the Sole Arbitrator. PSDA also requested the University to explore the possibility for amicable settlement of dispute through mutual discussion vide email dated 17.10.2024. Accordingly, the University constituted a Committee consisting of four external experts for resolution of dispute through mutual discussions.  Taking cognizance of the request of PSDA, during the 12 <sup>th</sup> sitting of Arbitral Tribunal held on 08.11.24 the sole arbitrator directed to mutually settle the case on or before 25.11.24 (Annexure-A).  Through several meetings, the Committee reviewed the details



of the case and observed that the total claim of PSDA submitted during the Arbitration is of Rs. 6.47 Crore comprising of Rs. 4.39 Crore claims and interest of Rs. 2.08 Cr. thereon. During the 3<sup>rd</sup> meeting, PSDA submitted that they want to settle the case subject to release of only fees against the work done for the executed/constructed buildings, omitted buildings and omitted tender packages and that they will not claim the interest and any other claim other than the fees (*Annexure-B*)

During the 4<sup>th</sup> meeting held on 19.11.2024, the Committee deliberated and discussed in detail the various claims of M/s PSDA in presence of both the parties. The Committee noted that the claims of PSDA are majorly categorized under following three heads:

1. The buildings & other tender packages designed by PSDA and executed (constructed) in the Campus of University.
2. Buildings designed by PSDA but not got constructed by the University due to paucity of funds.
3. Additional tender packages (namely, LAN/CCTV, modular kitchen and wardrobe etc.) designed but not executed due to paucity of funds.

The findings and recommendations of Committee are as under:

**1. Consideration of Claim No. 1:**

**Balance fee of Consultancy for constructed buildings and tender packages executed at site:**

The Committee discussed that as per contract agreement Clause No. 3, the architectural consultancy fees are based on built up cost as defined under the clause no. 1.19 of the Agreement (Copy of agreement enclosed as Annexure-C. Accordingly, the Committee deliberated that the cost of constructed buildings and executed works have been considered according to the built up cost of the building projects as submitted by the Engineers India Limited, the PMC hired for the construction of the building projects. Copies of the MOP provided by EIL are enclosed as Annexure - D. The Committee noted that the main entrance road corridor was executed by CPWD and the construction cost of the project is Rs. 4.20 Crore (*excluding the interest cost awarded by the arbitrator in this case*) instead of 4.73 Crore as claimed by PSDA (Annexure - E).

Further, the Committee discussed that as per the documents submitted by M/s PSDA during the arbitration, it is established that PSDA have performed all the activities as per Contract Agreement for Phase 1A project, HVAC & Water Reservoir works. However, in the buildings under Phase 1B and main entrance corridor, M/s PSDA has not submitted any document regarding the performance of duties during the post-



construction stage.

In the view of above, the Committee recommends that the 100% fee is payable against the works executed under Phase 1A project, HVAC & Water Reservoir and the fees upto stage 7 i.e. 85% fees is payable to M/s PSDA for Phase 1B and Main Entrance road corridor.

The payable fees for this claim worked out to be Rs. 3,60,67,405/- and the University had withheld Rs.15,96,932/- as delay penalty. The University has released the amount of Rs 2,27,25,046/- as basic payment to the M/s PSDA, and the balance payment was withheld since January 2017.

Therefore, the balance payment Payable to M/s PSDA under this claim head works out to be Rs 1,17,45,427 + GST@ 18% i.e Rs 1,38,59,604/- as detailed in Annexure – 1.

## **2. Consideration of Claim No. 2**

### **Buildings designed, but not constructed due to paucity of fund:**

The Committee inquired about the proofs for the designing of these buildings by M/S PSDA on the directions of the University. M/S PSDA submitted that during the construction of Phase 1A, they have planned VC office, VC Residence & Main Gate Entrance, Staff Quarters etc. The complete detailing was done, preliminary estimates were presented during the various sub-committee(s) of BAC (now BC), progress review and Building Advisory Committee meetings. However, the 2<sup>nd</sup> Progress Review Meeting held on 27.09.2014 (Annexure – F) Chaired by the then Vice-Chancellor, Prof. R K Kohli, VC office, VC Residence and Transit accommodation were deferred from Phase 1A and decided to be constructed in next Phase.

Subsequently, during the 13th meeting of SC-BAC held on 24.10.2014 (Annexure – G), chaired by Prof. R K Kohli, M/s PSDA was again directed by the University to include the deferred buildings VC Office, VC residence and Transit Hostel. The University also suggested that Student Centre including, commercial complex and Creche etc. are to be included in preliminary estimates as is evident from the minutes of the SC-BAC. Accordingly, the PSDA started reworking on the drawings and estimates for VC office, VC residence & other buildings and subsequently the preliminary estimates and conceptual plans were prepared and submitted to the University through different meetings (Annexure – H). During the 3<sup>rd</sup> progress review meeting held on 3<sup>rd</sup> April 2015 (Annexure – I), the University directed PSDA to prepare the conceptual plan and estimates for Administrative Block, Library Block, Staff Housing



Type-D in addition to buildings already under planning for Phase 1B (Annexure – J). Accordingly, PSDA submitted the preliminary estimates and conceptual plans of all the buildings. M/s PSDA also submitted that the drawings of VC office & VC residence were also got approved from the PUDA (Annexure – K) and the copy of the same was also submitted to the University during that time. PSDA again submitted the copy of drawings to the Committee.

In the view of above, the Committee was of the considered opinion that the Architect M/s PSDA had worked for the designing and estimation of various buildings upto different stages. However, these building were not taken up by the University due to paucity of funds.

Since M/s PSDA has worked for the designing and estimate of these building, the Committee therefore recommends that Architectural fee is payable to M/s PSDA.

*Therefore, the justified amount Payable to M/s PSDA for this claim head works out to be Rs.34,22,010 + GST@ 18% i.e. Rs.40,37,972/- as detailed in Annexure - 1.*

### **3. Consideration of Claim No. 3:**

#### **Additional tender packages designed but not executed due to various reasons:**

The Committee noted that M/S PSDA had worked for the Kitchen equipment for student dining building and modular kitchen & wardrobes in the residential buildings and had submitted the drawings and estimates for the same to the University (Annexure – L). Accordingly, Building Advisory Committee of the University in its 42<sup>nd</sup> meeting held on 04.09.2018 had approved the estimates of student Dinning Kitchen equipment and other allied items amounting to Rs. 1.70 Crores (Annexure – M). Similarly, the cost of wardrobes was Rs. 1.1 Crores for 112 houses and Guest House building.

Further M/s PSDA also worked for the interior works of smart classroom and seminar hall with the estimated cost of Rs. 3.02 Crore which was revised by the University and subsequently, the Building Advisory Committee of the university in its 44<sup>th</sup> meeting held on 20.07.2019 approved the cost of Rs. 2.3 Crore for this work (Annexure – O). Accordingly, the University had also applied for the HEFA Loan under this category for Rs. 2.3 Crores.

The Committee also noted that M/s PSDA has worked for LAN/CCTV/UPS/EPBX tender package also with the estimated cost of Rs. 4.58 Crore plus GST which was revised by the



University in consultation with the Computer department of the University and subsequently, the Building Advisory Committee of the university in its 44<sup>th</sup> meeting held on 20.07.2019 approved the cost of Rs.1.90 Crore for this work (Annexure – P). Accordingly, the University had also applied the HEFA loan under this category for Rs.1.90 Crores.

In the view of above, the Committee was of considered opinion that the Architect M/s PSDA had worked for the designing and estimation of various tender packages upto different stages and the tender packages were not executed by the University. The Committee noted that there was a huge difference in the estimated cost claimed by M/S PSDA and the cost approved by the Building Advisory Committee of the University. Therefore, the Committee recommends that the justified Architectural fee is payable to M/s PSDA as per the cost approved by the Building Advisory Committee of the University.

Therefore, the balance payment payable to M/s PSDA for this claim works out to be Rs. 5,10,750/- + GST@ 18% i.e. Rs.6,02,685/- as detailed in Annexure – 1.

In the view of above facts presented to the Committee, the committee was of the unanimous opinion that as the buildings were occupied by the University at different times from September 2020 to March 2021, therefore, the fees of M/s PSDA for claim-1 for already constructed buildings is due since last 04 years, the fees of building under claim-2 was payable after 2016 i.e. from last 08 years, and for additional tender packages under claim-3 was payable from 2019 i.e. delayed by almost 05 years. University could not make these payments because M/S PSDA filed a case in the Hon'ble Court and matter became subjudice.

In view of the foregoing, the recommendations of the Committee are as under:

1. The balance fees payable for the consultancy for already constructed buildings and tender packages executed at site works out to be Rs. 1,38,59,604/-.
2. The balance fees payable for the consultancy for Buildings designed but not constructed due to paucity of funds works out to be Rs.40,37,972/-.
3. The balance fees payable for the consultancy for Additional tender packages designed but not executed due to paucity of funds works out to be Rs. 6,02,685/-.

The total fees (1+2+3) payable work out to Rs. 1,85,00,261/- (including GST) to M/s PSDA by CU Punjab. Further, the Committee recommended that the 50% payment may be released by the university within 30 days after the Award of



Sole Independent Arbitrator (out of the mediation amongst both parties) and balance 50% payment to be released within 60 days from the date of Award.

To summarize the above, it is stated that the Dispute Resolution Committee held detailed discussions with M/s PSDA and mutually-agreed terms of payment were finalised. Accordingly, the Committee recommended for the total payment of Rs. 1.85 Crore against all claims made by M/S PSDA including GST @ 18% without any interest amount which could have been around Rs. 63 lacks in addition to above recommended payment.

If both the parties agreed to the above recommendations of the Committee, an agreement of mutual settlement/consent may be signed on affidavit of Rs. 100/- e-stamp paper. The copy of draft agreement is enclosed as (Annexure – Q).

Further, during the 13<sup>th</sup> Arbitral Proceeding of the meeting held on 25.11.2024 (Annexure-R) the sole arbitrator Hon’ble Justice Mr. Jitendra Chauhan (Retd.) directed that

“the terms of the settlement be reduced in writing and placed on record on or before next date of hearing i.e 03.12.2024 positively as the mandate of the extension is till 04.12.2024 only”.

#### Proposal for Consideration of the Finance Committee:

As mentioned in the agenda note, the next date of hearing fixed by the Sole Arbitrator is 3.12.2024, as the last date of decision on the matter by the Sole Arbitrator is 4.12.2024. In view the urgency, the approval of the Finance Committee is requested through circulation. Otherwise, the meeting of the Finance Committee would have been planned for deliberation on the matter. The agenda note explicitly explains the matter under consideration. However, should the need arises, a short online session may be scheduled on 30<sup>th</sup> Nov 2024 for further clarity on the matter, to enable the University to place the matter before the Executive Council.

In the view of above, matter was placed before the Finance Committee for consideration through circulation on 28.11.2024 and the following was resolved:

#### RESOLVE

*“The Finance Committee considered the proposal mentioned in the agenda note and resolved to approve (through circulation) the recommendations of the 4<sup>th</sup> meeting of Dispute Resolution*



	<p><i>Committee held on 19.11.2024, for making the total payment of Rs. 1.85 Cr. including GST @ 18% against all claims made by M/S PSDA.</i></p> <p><i>Further, the Finance Committee noted that the University will not pay any interest amount against the recommended payment.”</i></p> <p>-----</p> <p><u>Proposal for consideration of the Executive Council:</u></p> <p>As mentioned in the agenda note, the next date of hearing fixed by the <u>Sole Arbitrator is 3.12.2024, as the last date of decision on the matter by the Sole Arbitrator is 4.12.2024.</u></p> <p>In view of the urgency, the approval of the Executive Council is requested through circulation; otherwise, the meeting of the Council would have been planned for deliberation on the matter. The agenda note explicitly explains the matter under consideration.</p> <p>The recommendations of the Finance Committee on the matter were placed before the Council for consideration.</p> <p>The Executive Council considered the proposal and resolved to approve through circulation the following recommendations of the Finance Committee:</p> <p><i>“The Finance Committee considered the proposal mentioned in the agenda note and resolved to approve (through circulation) the recommendations of the 4<sup>th</sup> meeting of Dispute Resolution Committee held on 19.11.2024, for making the total payment of Rs. 1.85 Cr. including GST @ 18% against all claims made by M/S PSDA.</i></p> <p><i>Further, the Finance Committee noted that the University will not pay any interest amount against the recommended payment.</i></p> <p><i>Further, the Council also resolved that the same be placed in the next meeting of the Executive Council for ratification.</i></p>
<p><b><u>RESOLVE</u></b></p>	<p><b>The Finance Committee after discussions unanimously resolved to confirm the minutes (approved through circulation by FC/EC) w.r.t. arbitration matter of M/s PSDA &amp; CU Punjab regarding settling of dispute or differences through mutual discussions and consultations.</b></p>
<p><b><i>Items for Information</i></b></p>	
<p><b><u>Item.No:FC:34:2024:4</u></b></p>	<p><b><u>AGENDA NOTE:</u></b></p>



<p><b>To note the status of pending Audit Paras.</b></p>	<p>The details of Audit paras are placed at <b><i>Annexure-34.2</i></b> as per the detail received from O/o The Director General of Audit (Central), Chandigarh along with letter Central Expenditure Wing/2023-2024/DIS-1305763 dated 30/11/2023.</p> <p>Efforts are made every year when the audit team visits to settle the maximum possible paras.</p> <p>The Finance Committee may like to note that the Local Audit (Inspection) for the year 2023-24 has not been scheduled so far by the CAG Office.</p> <p>The Finance Committee may like to note the status of pending Audit Para.</p>
<p><b><u>RESOLVE:</u></b></p>	<p><b>The Finance Committee after detailed deliberations unanimously resolved to note the status of pending Audit Paras. The Committee advised the University to make consistent efforts to settle pending audit paras at the earliest.</b></p>
<p><b><u>Item.No:FC:34:2024:5</u></b></p> <p><b>To note the University Grants Commission (UGC) letter regarding various recommendations including utilization of Internal Revenue Generation (IRG) under Salary Head (36) and Capital Assets (35) along with Recurring Head (31) and repayment of HEFA Loans.</b></p>	<p><b><u>AGENDA NOTE:</u></b></p> <p>The University is in receipt of UGC letter D.O. No. 4-10/2023 (CU)/133232 dated 3<sup>rd</sup> October 2024 (<b><i>Annexure-34.3</i></b>) regarding <i>the Internal Revenue Generation and its effective Utilization by the CUs.</i></p> <p>The following has been approved along with other recommendations:</p> <p><b><i>"Central Universities can utilize IRG under salary head (36) and capital assets (35) only after meeting all committed liabilities under Recurring Head (31) and repayment of its share (principal part) of HEFA loans."</i></b></p> <p>The Finance Committee may like to note the letter D.O. No. 4-10/2023 (CU)/133232 dated 3<sup>rd</sup> October 2024.</p>
<p><b><u>RESOLVE</u></b></p>	<p><b>The Finance Committee noted the receipt of UGC letter on various recommendations including utilization of Internal Revenue Generation (IRG) under Salary Head (36) and Capital Assets (35) along with Recurring Head (31) and repayment of HEFA loans.</b></p> <p><b>It was informed to the members of the Finance Committee that the CU-Punjab is complying with the UGC directions issued vide letter D.O. No. 4-10/2023 (CU)/133232 dated 3<sup>rd</sup> October 2024.</b></p>



<b>Items for Consideration</b>	
<b><u>Item.No:FC:34:2024:6</u></b>  <b>To consider and approve the Audited Statement of Accounts and Separate Audit Report (SAR) for the FY 2023-2024 received from Comptroller &amp; Auditor General of India on the Accounts of the Central University of Punjab, Bathinda.</b>	<b><u>AGENDA NOTE:</u></b>  The Central University of Punjab, Bathinda has received the Separate Audit Report (SAR) from the Comptroller & Auditor General of India for the financial year 2023-2024.  The Audited Statement of Accounts and Separate Audit Report (SAR) for the FY 2023-2024 received from Comptroller & Auditor General of India is placed at <b>Annexure-34.4</b> . Reply to Draft Audit Comments is given at <b>Annexure 34.4.(i)</b> . Annual Statements of Accounts is placed at <b>Annexure- 34.4(ii)</b> .  After approval of the Finance Committee, Executive Council and University Court, the same will be sent for printing for its onward submission to the Ministry of Education (MoE) for placing before both houses of the Parliament.  The matter is placed before the Finance Committee for consideration.
<b><u>RESOLVE:</u></b>	<b>The Finance Committee discussed the item in detail and unanimously resolved to approve the Audited Statement of Accounts and Separate Audit Report (SAR) for the FY 2023-2024 received from Comptroller &amp; Auditor General of India, for printing and onward submission to the Ministry of Education (MoE) for placing before both houses of the Parliament after due approval of the Executive Council and the University Court.</b>
<b><u>Item.No:FC:34:2024:7</u></b>  <b>To consider the request of Dr. Nirmal Renuka for release of 90% advance for her medical treatment.</b>	<b><u>AGENDA NOTE:</u></b>  Dr. Nirmal Renuka, Assistant Professor, Department of Botany vide her letter dated 14.8.2024 has submitted that she is suffering from carcinoma (cancer that forms in epithelial tissue). In this regard, a certificate has been issued by the Consultant at Sanjay Gandhi Post Graduate Institute of Medical Science (SG-PGIMS), Lucknow.  As per the certificate issued by the treating physician at SG-PGIMS, Lucknow, the approximate expenditure of her treatment would be around Rs. 20,00,000/- (Rupees Twenty Lakhs only) ( <b>Annexure-34.5</b> ).  Dr. Renuka has requested for release of 90% advance for her treatment. For enabling her to commence the treatment (urgent expenditure) the University has released an advance of Rs. 2,00,000/- (Two Lakhs Only).  The matter is placed before the Finance Committee to



	consider the release of Rs. 18,00,000/- (90% advance) against estimated expenditure of Rs. 20,00,000/- in r/o Dr. Nirmal Renuka, Assistant Professor for her medical treatment.
<b><u>RESOLVE:</u></b>	<b>The Finance Committee after deliberations unanimously resolved to approve that the University may proceed further as per University/GoI rules.</b>
<b><u>Item.No:FC:33:2024:8</u></b>	Any other business items with the permission of the Chair <b>No business items.</b>
<b><u>Item.No:FC:33:2024:9</u></b> <b>To fix the date of the next meeting of the Finance Committee.</b>	The Finance Committee may like to fix the next date of meeting. <b>The Finance Committee authorized the Vice-Chancellor to fix the next date of meeting of the Finance Committee.</b>

*While discussing the agenda, the Comments received from IFD (MoE), CU Bureau of MoE were considered by the Finance Committee.*

The meeting of the Finance Committee concluded with vote of thanks from & to the Chair.

Sd/-  
(Dr. Rajkumar Sharma)  
Finance Officer &  
Secretary, Finance Committee

### Minutes Approved

Sd/-  
(Prof. Raghavendra P. Tiwari)  
Vice-Chancellor &  
Chairman, Finance Committee