APPOINTMENT OF SECRETARIAL AUDITOR

1. SCOPE OF WORK

In terms of Section 204 of the Companies Act 2013 and the rules framed there under, however, illustrative (but not exhaustive) scope of Work is given in **Annexure-I** for understanding and ready reference.

2. ELIGIBILITY CRITERIA FOR SUBMISSION OF TECHNICAL BID

Qualifying Criteria for Appointment of Practicing Company Secretary (PCS)/ Firm of Companies Secretaries (Firm) are as under:-

1. Only a member of the Institute of Company Secretaries of India holding certificate of practice (company secretary in practice) can conduct Secretarial Audit and furnish the Secretarial Audit Report to the Company.

The Lead Partner/Proprietor, under whose supervision the Secretarial Audit of PNB Investment Services Limited will be carried out, should have continuous (without any break) experience of 10 years or more in full time practice as on 31/03/2015 in the capacity of Fellow Member of ICSI and;

2. Company Secretary Firm/PCS should have at least three active partners/employees in full time practice who are qualified Company Secretaries and members of ICSI. Preference will be given to those having more active partners and;

3. The PCS/ Firm should have an Average Annual Turnover of Rs. 15 Lakhs or more, in preceding three Financial years and;

4. The PCS/Firm should have Office in Delhi.

3. TERMS AND CONDITIONS

(i) **Validity of Appointment:** The appointment will be for the financial year 2015-16 and could be extended for any period up till 3 financial years on the basis of annual review by the Audit Committee/Board.

(ii) **Periodicity of Audit:** In the year 2015-16, an initial audit be conducted at the time of appointment to gain an understanding of the existing procedures and practices and to make suggestions with regard thereto. Subsequently, audit will be on half yearly basis (including Half Year ended Sept 2015). Time being the essence of the contract, it is expected that the Secretarial Audit report should be submitted at earliest as per the format (as near as possible) prescribed under rule No.9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

(iii) **Place of Audit:** The audit work has to be conducted at the Registered Office of the Company at PNB Investment Services Limited, 10, Rakeshdeep Building, Yusuf Sarai Commercial Complex, Gulmohar Enclave, New Delhi- 110049.

(iv) **Payment Terms:** Payment will be released within one month from the date of submission of bill by the PCS/ Firm after issuance of Secretarial Audit Report to the satisfaction of PNB Investment Services Limited No advance payment shall be made for conduct of Secretarial Audit.

(v) The Company reserves the right to reject all or any bids without assigning any reason(s), whatsoever.

(vi) **Dispute:** In case of any dispute arising during execution of contract, an amicable solution may be arrived at with discussion and reconciliation. However, in case of any dispute remaining unresolved, decision of Managing Director will be final and binding on both the parties to the Contract.

(vii) **Last date for submission of Technical Bid & Financial Bid:** Technical Bid and Financial Bid formats are enclosed as Annexure-II and Annexure-III respectively. The Technical Bid and Financial Bid duly signed on each page should be submitted in separate sealed envelopes super scribed as 'Technical Bid' and 'Financial Bid' for "Offer for conducting Secretarial Audit" and should reach by hand/post/courier on or before 23.12.2015 latest by 1.00 P.M. at the following address:-

Mr. Sumat Singhal, Company Secretary
PNB Investment Services Limited
10, Rakeshdeep Building,
Yusuf Sarai Commercial Complex,
Gulmohar Enclave,
New Delhi- 110049

(ix) Opening of Technical bid: Technical Bids will be opened on 23.12.2015 at 3.00 P.M. at Registered Office of the Company in the presence of applicants, who desire to be present there. The Technical Bids received after the specified date/time, incomplete/unsigned, in open envelope or by fax will not be considered and be rejected.

(x) Opening of Financial Bid: - After evaluation of technical bids on predetermined criteria, Financial Bids will be opened on 23.12.2015 at 4.30 P.M.

In case of any clarification required in this regard, the Company Secretary could be contacted at phone no. 011-41035049. PNB Investment Services Limited reserves the right to cancel/ restrict/ enlarge/ modify/ postpone and/or extend the date of receipt/ opening of Bid or withdraw the Bid notice without assigning any reason(s) whatsoever. In such case the bidders shall not be entitled to any form of compensation from the Company.

Annexure-I

SCOPE OF WORK – SECRETARIAL AUDIT

Examine and report on the compliance of the following five specific laws:
Secretarial Auditor has to check compliances by the company under the following laws and rules made there-under;

i. The Companies Act, 2013 (the Act) and the rules made there-under;
ii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there-under;
iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed there-under;
iv. Foreign Exchange Management Act, 1999 and the rules and regulations made there-under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
v. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
    a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
    b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
    c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
    d. The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;
    e. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
    f. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
    g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and
    h. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;
vi. Other laws as may be applicable specifically to the company.

II. Secretarial Standards & Listing Agreements:

(i) Secretarial Standards issued by The Institute of Company Secretaries of India and approved by the Central Government.

(ii) The Listing Agreements entered into by the Company with Stock Exchange(s), if applicable;

III. Composition of Board of Directors/Minutes of Directors & Members Meeting-

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors.

The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

IV. Adequate systems and processes in the company –

Secretarial Auditor also requires to report on whether Adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

V. Details of specific events / actions having a major bearing on the company's affairs-

Secretarial Auditor also requires to report on details of specific events / actions having a major bearing on the company's affairs in pursuance of the laws applicable on the Company during the audit period the company.

Documents to be examined/verified while conducting secretarial audit. The points are inclusive and not exhaustive:

(i) Books , Papers, as per Section 2 (12) of Companies Act, 2013,"book and paper" and "book or paper" include books of account, deeds, vouchers, writings, documents, minutes and registers maintained on paper or in electronic form.

(ii) Memorandum of Association

(iii) Articles of Association

(iv) Certificate of Incorporation

(v) Audited balance sheet(s).

(vi) Statutory Registers maintained by the Company i.e, Register of Members/ Register of debenture holder/ Register of Charges/ Register of Directors and Key Managerial Personnel/ Register of Loans, Guarantee, Security etc.

(vii) Details of E-forms filed during the period.

(viii) Notice of calling Board Meetings.

(ix) Notice of calling Extra Ordinary General meeting, Annual General Meeting along with the explanatory statement.

(x) Minutes of the Board meetings, Extra Ordinary General meeting, Annual General Meeting, Audit Committee Meetings, Nomination & Remuneration Committee Meetings, etc.

(xi) Notices of disclosure of directors' interests in Form No. MBP-1 as well as specific notices received from time to time from the directors and recorded in the minutes of Board meetings.

(xii) Copy of documents related to the appointment/Resignation of Statutory Auditor of the company.

(xiii) Copies of contracts made between the company and any of the related parties u/s section 188 of Act.

(xiv) Details of inter-corporate investments/loans/guarantees/securities etc.

(xv) Copy of Internal Audit Report given by Internal Auditor appointed u/s138 of Companies Act, 2013.

(xvi) For Companies having Foreign Direct Investment

a) Copy of Foreign Inward Remittance Certificate.

b) Copy of Form FC-GPR.

c) Copy of Annual return on Foreign Liabilities & Assets (FLA).

d) Certificates received from Company Secretary and Chartered Accountant.

e) Copy of approval Reserve Bank of India/ Foreign Investment Promotion Board.

Further, the Secretarial Auditor shall review and periodically update (if required) the checklist based Compliance Monitoring System.

Annexure-II

(On letter head of Practicing Company Secretary/ Firm of Company Secretaries)

PROFORMA FOR TECHNICAL BID
(For conducting Secretarial Audit of PNB Investment Services Limited)

To

Company Secretary
PNB Investment Services Limited
10, Rakeshdeep Building,
Yusuf Sarai Commercial Complex,
Gulmohar Enclave,
New Delhi- 110049

S.No.	**Particulars**	
1.	Name of the Practicing Company Secretary(PCS)/Firm of Company Secretaries (Firm): • Whether Partnership/ Proprietorship/ Individual • Name of the Lead Partner/ Proprietor/ Individual/ In-charge • Name(s) of the Contact person(s) and the Contact details	
2.	I. Date of Commencement of Practice as PCS II. Date of registration of name of the Firm with ICSI III. Certificate of Practice (COP) Number / Registration Number. (Please Attach Documentary evidence):	
3.	Details of Office(s) Address: - Telephone Nos. : - Fax No. :- Email:- Website:-	
4.	Post Qualification Experience in full time practice of Lead Partner/Proprietor/Individual under whose supervision the Secretarial Audit will be conducted. (Please Attach Documentary evidence i.e COP etc.)	

5.	PAN No. Service Tax Regn. No. (Please Attach Documentary evidence)	
6.	Number of active Partners in the Firm or Number of employees with PCS, who are qualified Company Secretaries and members of ICSI:- (Please attach details including name, membership no. , experience etc. of active partner/employee)	
7.	Average Annual Turnover of the PCS/ Firm in preceding three financial years based on ITR/Balance Sheet (Please Attach Documentary evidence)	
8.	**Any other relevant information (Please Attach separate sheet, if required).**	

Declaration –

1. All the information provided by me/us herein above is correct.

2. I/We have no objection if enquiries are made about the work listed by me/us in the accompanying sheets/annexure.

3. I/We have read all the terms & conditions of bid and the instructions and these are acceptable to me/us.

Signature:----------

Name & Designation of the Authorized Signatory: ----------

Stamp of the PCS/ Firm: ---

Date: ----------

Place: ----------

Annexure-III

(On letter head of Practicing Company Secretary/ Firm of Company Secretaries)

PROFORMA FOR FINANCIAL BID
(For conducting Secretarial Audit of PNB Investment Services Limited)

To

Company Secretary
PNB Investment Services Limited
10, Rakeshdeep Bulding,
Yusuf Sarai Commercial Complex,
Gulmohar Enclave,
New Delhi- 110049

(PRICE BID)
Schedule of Rates

Description	**Lump sum Price (Rs)**
Fixed Amount (Inclusive of all charges, out of pocket expenses, etc.) per annum	
TOTAL AMOUNT PAYABLE	
Amount in Words	

Note: The above quoted amount is exclusive of all taxes and duties and remains firm during the period of the contract.

Signature: ----------

Name & Designation of the Authorized Signatory: ----------

Stamp of the PCS/ Firm: ----------

Date: ----------

Place: ----------