



रूरल इलेक्ट्रीफिकेशन कारपोरेशन लिमिटेड RURAL ELECTRIFICATION CORPORATION LIMITED

(भारत सरकार का उद्यम) (A Government of India Enterprise)

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Website www.recindia.com & www.recindia.nic.in

COMPANY SECRETARY DIVISION

TENDER No. SEC-1/244/2011

Dated: 04.04.2011

Sub: Notice inviting bids for Empanelment of Company Secretary Firms/Proprietorship/Individuals for three years for carrying out Secretarial Audit of REC from Financial Year 2010-11 onwards.

Rural Electrification Corporation Limited (REC) is a Government Company incorporated under the Companies Act, 1956 in the year 1969. The main objectives of the Company are financing of all power projects in public and private sector. REC is a Public Financial Institution under Section 4A of the Companies Act, 1956. REC is also registered as a Non-Banking Financial Company (NBFC) under Section 45 IA of the RBI Act, 1934. Government of India has conferred REC the status of a "Navratna" Company based on its consistent performance and profitability. REC has also been categorized by RBI as an Infrastructure Finance Company (IFC).

The President of India, acting through the Ministry of Power, Government of India, currently holds 66.80% of the issued and paid up equity capital of the Company. The balance 33.20% of the equity capital in the Company is held by the public.

REC intends to empanel reputed Company Secretary Firms/Proprietorship/Individuals, to be initially valid for a period of three financial years, to conduct Secretarial Audit at the Registered Office of the Company from the Financial Year 2010-11 onwards on year to year basis. After completion of the process of empanelment of Practicing Company Secretaries, Financial bids will be invited from empanelled Firms/Proprietorships/Individuals in the last quarter of each financial year for conduct of Secretarial Audit for that financial year. First such audit is proposed to be conducted for the financial year 2010-11.

1. SCOPE OF WORK

The illustrative (but not exhaustive) list of tasks to be performed for Secretarial Audit by appointed Practicing Company Secretary (PCS) Firm/Proprietorship/Individual is given in **Annexure-I** for understanding and ready reference.

2. ELIGIBILITY CRITERIA FOR SUBMISSION OF TECHNICAL BID:-

- The Lead Partner/Proprietorship/Individual, under whose supervision the Secretarial Audit of REC will be carried out, should have minimum Post Qualification Experience of 10 years out of which minimum of 7 years should be in full time practice, and the rest of the period can be in employment/service;

Signature with seal of the Firm/Proprietorship/ Individual

- During last three years, should have conducted Secretarial Audit of at least two listed Companies either having Paid up Capital of more than Rs. 100 crores or net worth of more than Rs. 300 crores;
- Should have Minimum five active partners in full time practice or full time employees, who are qualified Company Secretaries;
- Should have Average annual turnover of at least Rs. 10 Lakh or more in last three years from practice;
- Should have Headquarters/Branch Office in Delhi/NCR.

Preference will be given to Firm/Proprietorship/Individual having experience of conducting Secretarial Audit of one or more Public Sector Undertakings (PSUs) and/or Firm/Proprietorship/Individual having experience of issuance of Corporate Governance Certificate to Companies either having Paid up Capital of more than Rs. 100 crores or net worth of more than Rs. 300 crores.

3. TERMS AND CONDITIONS:-

- (i) **Validity of Empanelment:** The validity of empanelment will be initially for a period of 3 financial years from 2010-11 onwards for conducting Secretarial Audit.
- (ii) **Financial Bids for conduct of Secretarial Audit:** Financial bids will be invited from empanelled Firms/Proprietorships/Individuals in the last quarter of each financial year for conducting Secretarial Audit for the financial year 2010-11 onwards.
- (iii) **Completion of Audit:** The Secretarial Audit shall be completed within 45 days from the date of award of work. It is also expected that the Secretarial Audit has to commence within 20 days from the award of the work, **time being the essence of the contract.**
- (iv) **Payment Terms:** Payment shall be made within one month from the date of submission of bill by the Firms/Proprietorships/Individual after issuance of Secretarial Audit Report to the satisfaction of REC. **No advance payment shall be made for conduct of Secretarial Audit.**
- (v) The Management of REC reserves the right to reject all or any bids without assigning any reason whatsoever.
- (vi) **Identifying Nodal Officer:** Within 10 days from the award of the contract, the successful Firm/Proprietorship/Individual will have to nominate a Nodal Officer and inform REC his/her contact details for timely and smooth interaction.
- (vii) **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 CMD, REC will be final and binding on both the parties to the Contract.

Signature with seal of the Firm/Proprietorship/ Individual

- (viii) The firms/Proprietorships/Individuals who fulfill the above minimum criteria may download the **Tender Document** from www.recindia.nic.in or collect **from Reception at the REC's Corporate Office** on any working day between 10:00 AM and 5:00 PM
- (ix) **Submission of Offer:** Technical Bid to be submitted is to be countersigned on each page of tender document along with duly filled in format enclosed as **Annexure-II**. The Technical Bid should be sealed in an envelope duly marked as Technical Bid for 'Empanelment of Company Secretary Firm for conduct of Secretarial Audit'.
- (x) **Last date for submission of Technical Bid:** The sealed envelope of Technical Bid document must reach latest by 3:00 PM on or before **21.04.2011** at the following address:-

Shri M.L. Kumawat
Chief Manager-CS Division
REC Limited,
Core-4, SCOPE Complex,
7, Lodhi Road,
New Delhi-110003

- (xi) **Opening of Technical bid:** Technical Bids will be opened on **21.04.2011** at 4.00 PM in the presence of the interested representatives, if any, of the Bidding Firms/Proprietorships/Individuals. The Technical Bids received after the specified time limit or in open envelope or by fax shall not be considered.

In case of any clarification required in this regard, the undersigned could be contacted at phone no. 011-24369854/011-43091692. REC reserves the right to postpone and/or extend the date of receipt/ opening of Bid or withdraw the Bid notice without assigning any reason thereof. In such case the bidders shall not be entitled to any form of compensation from the Corporation.

Yours faithfully

(M.L. Kumawat)
Chief Manager-CS Division

Signature with seal of the Firm/Proprietorship/ Individual

SCOPE OF WORK –SECRETARIAL AUDIT

The scope of Secretarial Audit comprises verification of the compliances under the following enactments, rules, regulations and guidelines:

- (i) The Companies Act, 1956 and the Rules made thereunder ;
- (ii) The Memorandum of Association and Articles of Association of the Company;
- (iii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made thereunder;
- (iv) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (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, 1997;
 - (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 (Issue and Listing of Debt Securities) Regulations, 2008;
- (vi) Reserve Bank of India Act, 1934 and various Guidelines issued by RBI from time to time, as applicable to the Company.
- (vii) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (viii) The Listing Agreement(s) entered into by the Company with Stock Exchange(s);
- (ix) Guidelines on Corporate Governance for Central Public Sector Enterprises, 2010 issued by DPE.
- (x) Other corporate laws as may be applicable to REC.

(On letter head of Firm/Proprietorship/Individual)

PROFORMA FOR TECHNICAL BID

(For conducting Secretarial Audit of REC for the Financial Year-----).

Sl. No.	Particulars	Reply
1.	Name of the Firm/Proprietorship/Individual: <ul style="list-style-type: none"> • Whether Firm/Proprietorship/Individual • Name of the Lead Partner/ proprietor/Individual/Director/ In-charge • Name(s) of the contact person(s) and the Contact details 	
2.	Year of Commencement of Practice as Company Secretary of Firm / Proprietorship/ Individual (attach Documentary Evidence).	
3.	Details of Headquarter/Branch Offices Address Telephone Nos. Fax No.	
4.	Post Qualification Experience of Lead Partner/Proprietor/Individual <u>including Service/ Practice</u> under whose supervision the Secretarial Audit of REC will be conducted.	
5.	Nos. of Secretarial Audits conducted of Listed Companies Out of the above: a) No. of Secretarial Audits conducted of Listed Companies either having Paid up Capital of more than Rs. 100 crores or net worth of more than Rs. 300 crores. b) No. of Secretarial Audits conducted of listed PSUs.	
6.	No. of Corporate Governance Certificates issued under Clause 49 of the Listing Agreement to Companies either having Paid up Capital of more than Rs. 100 crores or net worth of more than Rs. 300 crores.	
7.	Nos. of active Partners in/with the Firm/Proprietorship/Individual having experience of more than 5 years Nos. of active Partner/ proprietor/Individual in/with the Firm/Proprietorship/Individual having experience of less than 5 years.	

Signature with seal of the Firm/Proprietorship/ Individual

	Nos. of Qualified/Semi Qualified CS working in/with the Firm/Proprietorship/Individual. Nos. of CS Final/Intermediate passed CS Trainees in/with the Firm/Proprietorship/Individual.	
8.	Average Annual Turnover of the Firm/Proprietorship/Individual in last three years based on Annual ITR/Balance Sheet (attach Documentary Evidence).	
9.	Any other information you may like to give.	

Signature:-----

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

Seal of the Firm/Proprietorship/Individual:-----

Date:-----

Place:-----

Signature with seal of the Firm/Proprietorship/ Individual