

Terms of Reference
for
Company Secretary

A. Project Description

The Water Supply and Sewerage (WSS) system in Shimla – capital of state of Himachal Pradesh, which is more than 100 years old, currently serves a population of 0.2 million. The water supply system comprises 200 km of network, with bulk supply from seven sources. Given the jaundice outbreaks in early 2016, GSWSSC has improved monitoring and disinfection practices. Currently, water supply is 1.5 hours every alternate day and Non-Revenue Water (NRW) is estimated at about 40%. Overall O&M cost recovery is about 21% based on user charges. While O&M cost recovery for distribution only is about 238%, the O&M cost for bulk is very high due to excessive pumping cost for bulk water (cost of bulk is INR 93/kl water consumed, and cost of distribution is about 8 INR/kl water consumed). The sewerage system comprises 221 km of sewerage network and 6 Sewerage Treatment Plants (STPs) with a total of 36 MLD capacity, but only an average capacity utilization of 30% due to lack of sewer lines and household connections, leakage in network, and limited collection of greywater.

The GoHP is currently embarking on a comprehensive program to promote WSS service delivery aimed at important outcomes in three key areas: Improving governance in WSS sector, improving service delivery orientation in WSS sector, and improving the financial and operational performance of the WSS sector. The program will support GoHP's policy and institutional program in the WSS sector in Himachal Pradesh starting with the Greater Shimla Area.

- a) **Improving Governance in WSS Sector:** WSS operations in Shimla have traditionally had fragmented responsibilities resulting in less accountability for service standards and water quality. The GoHP has observed that the most suitable structure for improving WSS services in Greater Shimla Area is a corporatized structure with functional, financial and operational autonomy, and support from SMC and GoHP for skilled manpower. In line with this recommendation, the GoHP has decided to incorporate a company which would be assigned the responsibility for WSS operations in the Greater Shimla Area. This operation will support GoHP policies to corporatize WSS operations and establish the WSS Company, support policies for corporate governance, functional, financial and operational autonomy, and in strengthening organization structure, systems and staff capacity and accountability in responsiveness to customers.
- b) **Improving Service Delivery Orientation in WSS Sector:** Service delivery orientation has been lacking in Greater Shimla Area as the focus has been on planning for intermittent supply. Other service standards including continuous supply, water quality, grievanceredressal have not been given adequate attention. The GoHP intends to improve service delivery orientation in WSS sector for Greater Shimla Area and assure continuous, pressurized water supply (24x7) and sewage collection and treatment for all households. Recognizing the lack of capacity within existing institutions to achieve this target, the GoHP has decided to involve private sector in service delivery, both for water supply and sewage.

This operation will support GoHP in improving the service delivery orientation in Greater Shimla Area by formalizing a policy for private sector participation and establishing performance standards for service delivery. This operation will also support the GoHP in formulating a policy for grievance redressal and customer feedback to improve service delivery and customer orientation.

- c) **Improving Financial and Operational Performance in the WSS Sector:** At present only 21% of the O&M costs are recovered. The households are charged a flat monthly tariff which is well below the O&M costs. Commercial establishments are charged a volumetric tariff, but are also below O&M costs. Inefficiencies in energy consumption are estimated to be around 25% due to old equipment. Tariff revision is ad hoc and there are no guidelines for tariff setting. As a result, the WSS operations depend on GoHP subsidies for O&M expenses as well as for capital expenditure. So far, these subsidies have been provided without any link to performance and were also not predictable or timely. GoHP intends to apply volumetric tariff and provide timely, predictable subsidies linked to performance. This operation will support GoHP policies to introduce a volumetric tariff, reduce NRW, carry out energy efficiency improvements, and establish an independent mechanism to determine tariff, subsidies and capital expenditure grants.

The World Bank is supporting this Program with a Development Policy Loan (DPL) operation.

Scope of work

The Practicing Company Secretary would be required to undertake the following responsibilities with respect to Compliance Management /Company Law Related;-

- Ensure all Compliances under the Companies Act, 2013;
- Maintenance of all Registers and Records prescribed under Companies Act 2013;
- Preparation and certification of Returns;
- Coordination of all Meetings of Board, members etc. and associated works;
- Coordination with statutory Auditors/Internal Auditors;
- Preparation of Agenda, Minutes, Annual Report etc.;
- Any other related function that may be assigned by the Board from time to time;
- Any other work assigned by Superintending Engineer, GSWSSC.

B. Duration and Type of Engagement

The duration shall be for minimum period of one year, to be reviewed and renewed based on review of performance and work requirement. There will be probation period of three (3) months

The selected candidate shall be hired on monthly retainer ship fee basis.

C. Qualification and experience

The Bids will be screened on the basis of the following essential eligibility criteria:-

The applicant shall be an Individual Practicing Company Secretary (PCS) registered with

the Institute of Company Secretaries of India, New Delhi.)

She/he should have minimum 3 years' experience in full time practice.

She/he should have experience in IPR related matters and should be registered as trademark agent with Trademarks Registry, Government of India.

She/he should be based at Shimla.

He/ She should have experience of finalizing, preparation, certification and filing of Annual Return, issuance of Certificate of Compliances (MGT-8) and other compliance related documents of company(ies) having Paid-up share Capital of Rs.100 Crore or more.

He/ She should have experience in preparing due diligence reports for Banks and should be empanelled with a Bank

She/he should have valid tax or other registrations as required to perform this assignment.

Age of candidates should not be more than 50 years at the time of application.