

**Item No. 7: Extension of tenure of M/s. CRISIL Ltd as Consultant for six months i.e. 31.12.2018 or till appointment of new Portfolio Managers, whichever is earlier.**

1. The Central Board in its 202<sup>nd</sup> Meeting approved the proposal *“to appoint a Credit Rating Agency (CRA) registered with SEBI for (a) Selection of Portfolio Managers, Custodian and Concurrent Auditors (b) Performance evaluation of Portfolio Managers. The tenure of the consultant for performance evaluation of Portfolio Manager will be concurrent with agreement period of the portfolio managers to satisfaction of the quality of services rendered drawn on periodical review”*. The current tenure of Consultant is expiring on 30.06.2018.
2. The Central Board in its 204<sup>th</sup> Meeting held on 26th August, 2014 on the basis of recommendation of Finance and Investment Committee appointed M/s. CRISIL as consultant for selection of Portfolio Managers, Custodian and Concurrent Auditor and performance evaluation of Portfolio Managers.
3. A formal agreement was entered between EPFO and M/s. CRISIL for the purpose. As per clause 16 of said Agreement i.e. Extension of Agreement provides *“the agreement is extendable upto the period of engagement of selected portfolio managers as per the terms of agreement/as may mutually agree in writing”*.
4. A proposal for extension of tenure of current Portfolio Managers for six month i.e. 31.12.2018 or till appointment of new Portfolio Managers, whichever is earlier is being placed before the Board for consideration in this meeting.
5. Accordingly, it is proposed that as per the approval of Board in its 202<sup>nd</sup> Meeting, the tenure of M/s. CRISIL Limited, Consultant may be extended upto six month i.e. 31.12.2018 or till appointment of new Portfolio Managers, whichever is earlier as per the terms of agreement for the purpose of evaluation of the current Portfolio Managers.

**Proposal: The item is placed before the Board for approval.**