



# TIMES GUARANTY

Times Guaranty Limited, The Times of India Building, Dr. D.N. Road, Mumbai - 400 001.  
Tel. : 2273 1386 • Fax : 2273 1587 • E-mail : timesgty@vsnl.com

CIN NO: L65920MH1989PLC054398

June 23, 2016

To,  
Securities and Exchange Board of India,  
SEBI Bhavan, Plot No. C4-A, G Block, Bandra Kurla Complex,  
Bandra (E), Mumbai-400051.

**Sub: Audit Report-Sharepro Services (India) Private Limited**

Dear Sir,

The Securities and Exchange Board of India (SEBI), passed an interim ex-parte order dated March 22, 2016 against Sharepro Services (India) Private Limited (Sharepro) and several entities linked thereto.

In the order, SEBI had directed all the clients of Sharepro to conduct a thorough audit of the records and systems of Sharepro with respect to dividends paid and transfer of securities to determine as to whether securities have been transferred as per the provisions of law . SEBI had also directed to conduct the said audit for at least past 10 years and submit a report thereon with the SEBI, Stock Exchanges and Depositories.

In compliance with the order of the SEBI, M/s. Ketan & Dand, Practising Company Secretary had conducted the said audit covering the period from 1st April, 2006 upto 31st March, 2016. A copy of the said report is attached herewith for your reference and records.

Kindly also note that the Company has terminated the services of Sharepro and appointed M/s. Link Intime India Private Limited, Mumbai as the new Registrar and Transfer Agents of the Company.

Kindly acknowledge receipt.

Thanking you,  
For Times Guaranty Limited,

  
Prajakta Powle  
Company Secretary



CC: ✓

**BSE Limited**  
P J Towers,  
Dalal Street,  
Mumbai – 400001.

**National Stock Exchange  
of India Ltd**  
Exchange Plaza, 5th  
Floor,  
Bandra-Kurla Complex,  
Bandra- (E),  
Mumbai- 400 051

**National Securities  
Depository Limited**  
Trade World, A Wing  
Kamala Mills Compound,  
Lower Parel,  
Mumbai-400013

**Central Depository  
Services (India) Limited**  
16<sup>th</sup> Floor, Phiroze  
Jeejeebhoy Tower,  
Dalal Street,  
Mumbai-400001

# Ketan S. Dand

M. Com., F.C.S  
Practicing Company Secretary

49, Wadia Building, 9-B, Cawasji Patel Street, Fort, Mumbai-400 001. Tel.:2287 0843/2288 3649 /2204 3045

Date: 22<sup>nd</sup> June, 2016

To,  
Ms. Prajakta Ashish Powle  
Company Secretary,  
Times Guaranty Limited  
Trade House, 1st Floor,  
Kamala Mills Compound,  
Senapati Bapat Marg,  
Lower Parel,  
Mumbai 400013

Dear Madam,

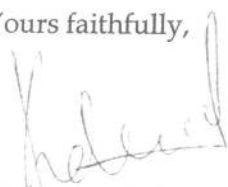
Please find enclosed herewith our Audit Report pursuant to the SEBI Order dated 22<sup>nd</sup> March, 2016 of your previous Registrar and Transfer Agent, Sharepro Services (India) Private Limited, (Sharepro) for the period from 1<sup>st</sup> April, 2006 to 31<sup>st</sup> March, 2016.

We have broadly scrutinised the following areas for the purpose of our audit:

Sr. No.	Areas Covered
1	Transfers of shares represented by physical share certificates
2	Requests received for Dematerialisation of shares
3	Requests for issue of Duplicate Share certificates, Transmission, Transposition & Deletion of names in share certificates
4	Stop Transfer Cases
NOTE	There was no dividend declared by the company during the period of audit.

We are thankful to you and your team for the co-operation extended to us during the audit. We shall be glad to discuss the report in person.

Yours faithfully,



Mr. Ketan Shantilal Dand  
Practising Company Secretary  
Membership No.: F.C.S. 5288  
C.O.P. No. 4470

# Ketan S. Dand

M. Com., F.C.S  
Practicing Company Secretary

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## AUDIT REPORT

### INTRODUCTION AND BACKGROUND:

We have conducted the audit for the period from 1<sup>st</sup> April, 2006 to 31<sup>st</sup> March, 2016. The Audit includes examining, on test basis, the transactions and evidence supporting the transactions.

### SCOPE AND APPROACH:

We have studied the existing system in respect of the concerned areas of our audit. We have selected the larger sample of the transactions on random basis and evaluated the transactions against the usual practices in the RTA Process.

Scope was mainly to ascertain compliance of the existing systems in respect of:

- a) Processing of transactions with evidences,
- b) Procedures to be followed for processing of transactions
- c) Documentations of the transactions

### CONCLUSION:-

There were several suspicious and irregular entries in the records made available to us. The explanation to these entries by Sharepro was also not, at times, satisfactory. We therefore recommend a further investigation of these entries. A reading of the Annexures provided hereinafter shall make the same amply clear.

Barring these entries, we are in a position to report, based on our audit carried out on a test-check basis, that there is nothing untoward or irregular in any of the other entries and transactions carried out by Sharepro for Times Guaranty Limited.

### LIST OF ANNEXURES

1. ANNEXURE A - List of documents / information made available to, and scrutinised by us.
2. ANNEXURE B - Presence, in the data audited by us, of names of persons named as accused in the SEBI Order

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3. ANNEXURE C - Observations arising out of our scrutiny of Register of Members [Beneficiary Position List, commonly known as BENPOS]
4. ANNEXURE D - Observations arising out of our scrutiny of Dematerialisation and Rematerialisation of shares
5. ANNEXURE E - List of names of shareholders who have multiple folios in the company, despite the names being exactly the same in all the folios
6. ANNEXURE F - List of Documents/records required and requested by us, but not provided.

We believe that the observations made by us in these annexures merit a further investigation to ascertain whether there is any irregularity as per the law.



**Mr. Ketan Shantilal Dand**  
Practising Company Secretary  
Membership No.: F.C.S. 5288  
C.O.P. No. 4470

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## ANNEXURE A

### LIST OF DOCUMENTS / INFORMATION MADE AVAILABLE TO, AND SCRUTINISED BY US

SR. NO.	DATA	FORMAT PROVIDED TO US
1	Data showing Beneficial Ownership Position (BENPOS)	Unsigned soft copy
2	Records of Transfer/ Transmission/ Change of name of holder of shares	Hard copies of share transfer deeds and related documents
3	Share Transfer Register	Unsigned soft copy and Physical copy of List of transfers approved by the Share Transfer Committee
4	Requests for Dematerialisation of Shares	Hard copies of requests and related documents



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## ANNEXURE B

PRESENCE, IN THE DATA AUDITED BY US, OF NAMES OF PERSONS NAMED  
AS ACCUSED IN THE SEBI ORDER

FOLIO NO	NAME	DATE OF BECOMING A MEMBER	DATE OF CESSATION	NO OF SHARES	SIMILARITY TO NAME ACCUSED MENTIONED IN ORDER
00017849	Dr. Madhumita Ghosh	Prior to 2006	Still a member	50	Krishna M Ghosh
00000391	Krishna Ghosha	Prior to 2006	Still a member	50	Krishna M Ghosh
00022578	Anil	Prior to 2006	Still a member	50	Anil Jathan
00016852	Jayshree Ben Shah	Prior to 2006	Still a member	50	Jayshree B. Shah [sister of Shrikant Bhalakia]
00002952	Jayshree Shah	Prior to 2006	Still a member	50	Jayshree B. Shah [sister of Shrikant Bhalakia]
00013077	Jayshree Shah	Prior to 2006	28.04.06	50	Jayshree B. Shah [sister of Shrikant Bhalakia]
00024730	Suresh	Prior to 2006	Still a member	50	Suresh Unawane
00040496	Krishna Murthy G	Prior to 2006	Still a member	250	Krishna M Ghosh

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00008817	Anil Chhabria	Prior to 2006	Data NA	50	Anil C. Jathan
DP ID: IN301160 Client ID:30304240	Anil Chhabria	01.09.2006	08.09.2016	50	Anil C. Jathan



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## ANNEXURE C

### OBSERVATIONS ON REGISTER OF MEMBERS [BENEFICIARY POSITION LIST, commonly known as BENPOS]

SR. NO.	OBSERVATIONS	SHAREPRO'S RESPONSE TO OBSERVATIONS
1	The following entire week's column of shareholder data i.e., BENPOS were missing: 1) 09.06.2006 2) 11.05.2007 3) 08.02.2008 4) 19.11.2010 5) 23.09.2011 6) 30.09.2013	It was informed that the files have got corrupted and proper files were not provided to us.
2	On 12.02.2010 and 19.02.2010, the total number of shares is 93,05,065 and 93,05,912 instead of 89,93,149 shares. This is beyond the issued share capital	It was informed that as regards data of 12.02.2010 and 19.02.2010, the data were not given properly by both the depositories during the said two dates. They expressed their inability to provide any further explanation.
3	1) 07.07.2006, the total number of shares is 24,853 2) 02.02.2007, the total number of shares is 24,181 3) 01.02.2008, the total number of shares is 23,556 4) 31.12.2007, the total number of shares is 89,28,229	It was informed that there is no difference in number of shares as regards data for 07.07.06, 02.02.07, 01.02.08 and 31.12.07 and we were asked to follow certain technical steps to tally the data. However, the BENPOS is not getting tallied even after following the technical steps suggested by Sharepro.



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## ANNEXURE D

### OBSERVATIONS ARISING OUT OF OUR SCRUTINY OF DEMATERIALISATION / REMATERIALISATION OF SHARES

OBSERVATIONS	SHAREPRO'S RESPONSE TO OBSERVATIONS
Dematerialisation Request Forms for the year 2015 & 2016 were not provided to us for audit	They informed that all the documents relating to DEMAT requests have been provided.
There was not a single request for Rematerialisation in the documents made available to us	They informed that all the documents relating to REMAT requests have been provided.



The image shows a handwritten signature in blue ink that reads "Ketan". To the right of the signature is a circular professional stamp. The stamp contains the following text: "KETAN DAND" at the top, "F. C. S." in the center, "No. 5288" below that, and "CP.No.4478" at the bottom. The words "COMPANY SECRETARY" are written around the inner edge of the circle.

Mr. Ketan Shantilal Dand  
Practising Company Secretary  
Membership No.: F.C.S. 5288  
C.O.P. No. 4470

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## ANNEXURE E

LIST OF NAMES OF SHAREHOLDERS WHO HAVE MULTIPLE FOLIOS IN THE COMPANY, DESPITE THE NAMES BEING EXACTLY THE SAME IN ALL THE FOLIOS

SR. NO.	NAME OF THE SHAREHOLDERS	FOLIO NO.
1	Aarti Arun Deshmukh	00037967, 00038726, 00040599, 00041892 and 00042041
2	Ravi Dayanand Ochanic Nita Dayanand Ochanic	00032660, 00441543, 00441543 and 00031210
3	Pabhudas Tapubhai Moradiar	00031535 and 00031574
4	Padamchand Choudhary	00441774, 00001213 and 00441781
5	Rameshwar Dayal Chauhan	00034830 and 00037065
6	Surendra Mohan Bhagat	00441933 and 00008283
7	Sunil Abraham	00020607 and 00039288
8	Usha Bhasin	00033376 and 00040574
9	Ashishkumar Thakorbbhai Gandhi	00014440 and 00442136
10	Sahil M Shah	00033451, 00040238, 00041254, 00032930 and 00033451
11	Sagar M Shah	00032931, 00033450, 00040228, 00041256
12	Asha M Shah	00040222, 00040229, 00041257, 00041260
13	Manu C Shah	00040237 and 00041263
14	Krishana Kumar Sharma	00031450 and 00040466
15	Urmila Rungta	00000535 and 00034887

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16	Poonam Subhash Agrawal Subhash Ramkrishan Agarwal	00018861 and 00040982
17	Sarla Singhal	00441363, 00030557, 00441363, 00441363, 00036605, 00441363
18	Hemshekhkar J Shah	00440898, 00440644, 00440176
19	Vinay Harshadkumar Shah	00442041 and 00004867
20	Seema Rajeshkumar Thawani	00033620 and 00035250



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## ANNEXURE F

### LIST OF DOCUMENTS/RECORDS REQUIRED AND REQUESTED BY US, BUT NOT PROVIDED

- Share Certificate Print Reconciliation Register
- Rematerialisation Request Forms
- Specimens of signatures of the shareholders of the company [the data provided was incoherent and indecipherable]
- The BENPOS and Share Transfer Register provided to us was unsigned. There was no way of ascertaining whether any such changes had been made in it, so as to prevent discovery of any fraud, before it was provided to us.
- The Query Module, which is part of the software used by Sharepro, and which has been quoted extensively in the SEBI Order dated 22<sup>nd</sup> March, 2016, was not made available to us remotely, adding to the difficulty in carrying out a thorough, investigative audit.



Mr. Ketan Shantilal Dand  
Practising Company Secretary  
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C.O.P. No. 4470

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