एस सा आई
SCI
Navratna Company
ISO 9001:2008

भारतीय नौवहन निगम लिमिटेड
(भारत सरकार का उद्यम)
पंजीकृत कार्यालय: शिपिंग हाउस, 245 मादाम कामा रोड, मुंबई - 400 021.
फोन: 91-22-2202 6666, 2277 2000 फैक्स: 91-22-2202 6905 वेबसाइट: www.shipindia.com

The Shipping Corporation Of India Ltd.
(A GOVERNMENT OF INDIA ENTERPRISE)
Regd. Office: Shipping House, 245, Madame Cama Road, Mumbai-400 021. Ph: 91-22 2202 6666, 2277 2000
Fax: 91-22 22026905 • Website: www.shipindia.com
सीआईएन/CIN-L63030MH1950GOI008(

30.06.2016

Ref.No.: A10-SEC- BD-808-14

To,

Corporate Relationship Department, **Bombay Stock Exchange Ltd,** 1st Floor, New Trading Ring, Rotunda Building, P.J. towers, Dalal Street, Fort, Mumbai – 400 001	The Manager, Listing Department, **The National Stock Exchange of India Ltd.,** 'Exchange Plaza' Bandra-Kurla Complex, Bandra (East) MUMBAI - 400 051.
The Secretary **The Calcutta Stock Exchange Association Ltd.** 7, Lyons Range, KOLKATA 700 001.	

REF: SEBI Order no WTM/RKA/MIRSD2/41/2016 dated 22nd March 2016 in matter of M/s Sharepro Services (India) Pvt .Ltd.

SUB: Submission of Audit Report of Practicing Company Secretary in respect of M/s Sharepro Services (India) Pvt.Ltd.

Dear Sir,

In the order, SEBI directed to the clients of Sharepro to conduct a thorough audit of the records and systems of Sharepro with respect to the dividend paid and transfer of securities to determine whether dividends have been paid to actual/beneficial holders and whether securities have been transferred as per the provisions of the Law. SEBI also directed to conduct audit for at least 10 years of Sharepro and submit a report to SEBI.

In Compliance of the order of SEBI, SCI being a client of Sharepro Services (India) Pvt.Ltd, entrusted the audit work to M/s UC Shukla, Practising Company Secretary .We hereby submit the Audit Report dated 29.06.2016 received from them.

Thanking You,

Yours Faithfully,

कृते भारतीय नौवहन निगम लिमिटेड
For THE SHIPPING CORPORATION OF INDIA LTD.

दिपांकर हाल्दार/DIPANKAR HALDAR
कार्यकारी निदेशक (विधिक मामले) एवं कंपनी सचिव
Executive Director (Legal Affairs) & Company Secretary

UPENDRA SHUKLA
B. Com., F. C. S.
Company Secretary

504, Navkar,
Nandapatkar Road,
Vile Parle East, Mumbai - 400 057.
Resi : 2611 8257
Mob.: 98211 25846
E-mail : ucshukla@rediffmail.com

The Executive Director & Company Secretary
The Shipping Corporation of India Ltd.
Shipping House, 7th floor,
Nariman Point,
MUMBAI 400 021.

Audit Report pursuant to SEBI directives in the matter of Sharepro Services (India) Pvt. Ltd.

Preamble:

The Securities & Exchange Board of India (SEBI) has found fraudulent activities by Sharepro Services (India) Pvt. Ltd. (Sharepro) inter alia fraudulent/forged transfer of dividend and shares by Sharepro thereby fabricating the records to benefit persons, who were not actual/bonafide members of the Company. Pending investigation, as a measure of remedial action, SEBI passed an ad-interim ex-parte order bearing no. WTM/RKA/MIRSD2/41/2016 dated 22nd March, 2016, to protect the interest of investors and preserve the safety and integrity of the securities market. Under the said order, SEBI also directed the Companies, who were availing the services of Sharepro, to undertake thorough audit of the records and systems of Sharepro with respect to dividend paid and transfer of shares to determine whether dividends have been paid to actual shareholders and whether the securities have been transferred as per the provisions of law.

The Shipping Corporation of India Ltd. (SCI) is availing the services of Sharepro in connection with maintenance of register of members, dividend register and other allied register and providing services to its shareholders in connection share transfers, transmission and payment of dividend.

Audit

We had undertaken the assignment of audit of records of SCI being maintained by Sharepro for the period April, 2006 to 31st March, 2016. For the purpose, as asked for the following records were provided by SCI/Sharepro/Banks:

1) Minutes of share transfer committee.
2) Share Transfer Registers.
3) Demat/remat request forms.
4) Transfer Deeds.
5) Correspondence with shareholders relating to transmission/deletion/issuance of duplicate.
6) Beneficiary position directly provided by NSDL/CDSL as on record date for payment of dividend declared for the years 2009, 2010 and 2011 (both final and inerim). There was no dividend between 2012 to 2016. Dividend for the years 2006 to 2008 were not considered since the unpaid amount is already transferred to IEPF and the issue stands closed.
7) Dividend master provided to NSDL/CDSL by Sharepro.
8) Bank reconciliation statement as also details of shareholders to whom the dividend was actually paid either by ECS or cheques/pay orders/demand drafts. These were obtained directly from the banks with whom dividend accounts are being maintained.

...2/-



Procedure: Details of procedure followed and findings are as under:

S/No.	Procedure	Finding
1)	Transfer of shares in favour of NSDL/ CDSL on dematerialisation: Verified Demat Request Forms (DRFs) with Share Transfer Register	3 DRFs involving 201 shares pertaining to quarter January, 2015 to March, 2015 are missing.
2)	Remat Verified Remat Request Forms with Remat Register, correspondence with concerned shareholder and minutes of Share Transfer Committee.	Out of 57 cases, no document pertaining to 4 cases were available for verification
3)	Transfer of shares held in physical form: Checked & verified Transfer Deeds with Share Transfer Register as also entries made in register of members and minutes of Share Transfer Committee.	Out of 49 cases, documents pertaining to 6 cases were missing. However, relevant entries appear in the minutes of Share Transfer Committee.
4)	(a) Transmission (b) Deletion of name Verified with relevant death certificates	OK OK.
5)	Issue of Duplicate Share Certificate	OK.
6)	Issue of fresh share certificate	OK.
7)	Dividend: a) Verified dividend register as provided by Sharepro with the beneficiary position provided by CDSL/NSDL as on record date/book closure; b) Verified the dividend register as provided by Sharepro with the details of payment made by the HDFC/Axis Bank with whom dividend a/cs are maintained; c) Reconciliation statement provided by the Banks as on 31st March, 2016	Data provided by Sharepro, CDSL/NSDL and Banks are matching and there was no critical variation that leads to any suspicion of tampering of the data.

Besides above, I have particularly verified whether the following persons against whom investigation is initiated by SEBI, are holding any share and/or any payment on account of dividend was made:

1) Mr. Govind Raj Rao
2) Mrs. Bhagyalaxmi Rao
3) Mrs. Indira Karkera
4) Mr. Prashant Karkera
5) Mr. Anil Jathan



...3/-

6) Mr. Raju Landge
7) Mr. Suresh Unawane
8) Mr. Narayan Devadiga
9) Mr. Swapnil Sutar
10) Mr. Shrikant C. Bhalakia
11) Mr. Anand S. Bhalakia
12) Mr. Balram Mukherjee
13) Mr. Krishna M. Ghosh
14) Mr. Sukhdev Bhosale
15) Mr. Nagesh N. Karkera.

None of the above persons appears in the record.

Conclusion: Based on the above, I conclude that there was no critical variation in data and documents available for inspection, that leads to any suspicion of tampering of the data. However, systems of maintaining the hard copies/documents in warehouse is poor.

Thanking you,



Yours faithfully,

(U.C. SHUKLA)

Date: 29/06/2016
Place: Mumbai

Encl: Lists of missing cases as reported are enclosed.

List of Missing cases Pertaining toDematerialisation

TRAN_NO	TRN_DATE	YEAR_CODE	APP_DATE	SEL_FOLIO	SEL_NAME	BUY_FOLIO	BUY_NAME	CERT_NO	DIST_FR	DIST_TO	SHARES	TRN_TYPE
600115	04/02/2015	2015	11/02/2015	P000199	PRAMOD BOTHRA	CDSLSI01	CENTRAL DEPOSITORY SERVICES (I) LTD	214457	280320319	280320319	1	DM
701260	05/01/2015	2015	14/01/2015	D000103	DHIRUBHAI VALLABHBHAI PATEL	NSDLSI01	NATIONAL SECURITIES DEPOSITORY LTD	215263	423449151	423449250	100	DM
701260	05/01/2015	2015	14/01/2015	D000103	DHIRUBHAI VALLABHBHAI PATEL	NSDLSI01	NATIONAL SECURITIES DEPOSITORY LTD	215264	423449251	423449350	100	DM

List of Missing cases Pertaining to Rematerialisation

TRAN_NO	TRN_DATE	YEAR_CODE	APP_DATE	SEL_FOLIO	SEL_NAME	BUY_FOLIO	BUY_NAME	CERT_NO	DIST_FR	DIST_TO	SHARES	TRN_TYPE
500041	04/10/2007	2006	04/10/2007	NSDLSI01	NATIONAL SECURITIES DEPOSITORY LTD	V000127	VASANTRAO JANARDANPANT MEHENDALE	9000001	226985116	226985120	5	RM
500042	05/08/2008	2007	05/08/2008	NSDLSI01	NATIONAL SECURITIES DEPOSITORY LTD	K000170	KISHANCHAND BHARWANI	9000001	226984116	226985115	1000	RM
800001	04/08/2008	2007	04/08/2008	CDSLSI01	CENTRAL DEPOSITORY SERVICES (I) LTD	S000456	SURAJ BHAN JAIN	169	17943641	17943650	10	RT
800002	14/01/2009	2008	14/01/2009	CDSLSI01	CENTRAL DEPOSITORY SERVICES (I) LTD	A000261	ASHA DAMODHAR MUNDHADA	90000151	17750506	17750700	195	RT

List of Missing cases Pertaining to Transfer of Shares

TRAN_NO	TRN_DATE	YEAR_CODE	APP_DATE	SEL_FOLIO	SEL_NAME	BUY_FOLIO	BUY_NAME	CERT_NO	DIST_FR	DIST_TO	SHARES	TRN_TYPE
7	02/12/2008	2009	30/12/2008	R000002	RAJESH KUMAR LATH	J000120	JITENDRA KUMAR LATH	160682	280030031	280030130	100	TF
7	02/12/2008	2009	30/12/2008	R000002	RAJESH KUMAR LATH	J000120	JITENDRA KUMAR LATH	160683	280030131	280030230	100	TF
7	02/12/2008	2009	30/12/2008	R000002	RAJESH KUMAR LATH	J000120	JITENDRA KUMAR LATH	160684	280030231	280030330	100	TF
7	02/12/2008	2009	30/12/2008	R000002	RAJESH KUMAR LATH	J000120	JITENDRA KUMAR LATH	214619	423424554	423424703	150	TF
8	12/01/2009	2009	24/01/2009	B000055	BHARAT P BROKER	P000207	PRASANN P BROKER	214550	423416728	423416977	250	TF
9	23/01/2009	2009	13/02/2009	P000089	PREMJI SHAMJI AJANI	V000129	VAISHALI KIRTI AJANI	214612	423424003	423424102	100	TF

