

August 17, 2016

BSE Limited,
1st floor, Rotunda Building, Dalal Street
Fort, Mumbai 400051.

Kind Attn: Ms. Netra Sahani/Mr. Abhijit Pai

Sub: SEBI Order in the matter of Sharepro Services (I) Pvt. Ltd.
Ref: LC/SEBI/SP/173/2016-17.

Dear Madam/Sir,

We refer your letter dated August 05, 2016 bearing the aforesaid reference number received at our office on August 16, 2016.

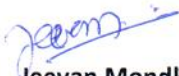
In this regard, please note that we have filed the report with the SEBI submitted by KPMG to conduct the audit of the share transfers and payment of dividend handled by Sharepro Services India Private Limited (Sharepro), the erstwhile Registrar and Share Transfer Agent of the Company on August 01, 2016.

The copy of the report and the acknowledgement of having submitted to SEBI is enclosed herewith for your reference.

Kindly take the same on record.

Thanking you,
Yours faithfully,

For MERCK LIMITED



Jeevan Mondkar
Manager (Legal and Secretarial)

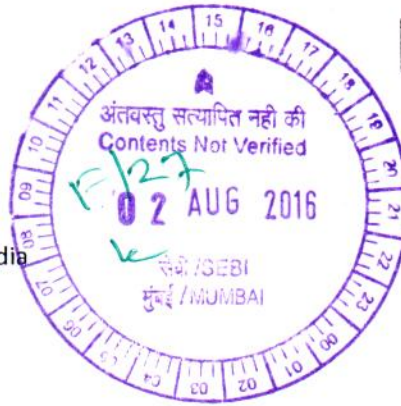


Merck Limited

Registered Office
Godrej One, 8th Floor, Pirojshanagar
Eastern Express Highway, Vikhroli East
Mumbai 400079, India.
Phone +91 22 62109000
Fax +91 22 62109999
www.merck.co.in
CIN: L99999MH1967PLC013726

MERCK

August 1, 2016



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

Sub: Audit Report pursuant to SEBI Orders dated March 22, 2016

Dear Sir,

Pursuant to the SEBI Order dated March 22, 2016 the Board of Directors vide their resolution dated 04th April 2016 had appointed KPMG as the auditors to conduct the audit of the share transfers and payment of dividend handled by Sharepro Services India Private Limited (Sharepro), the erstwhile Registrar and Share Transfer Agent of the Company.

KPMG has now completed their review and their report is enclosed herewith.

Should you require any further information we would be glad to provide you the same.

Thanking you,
Yours faithfully,

For MERCK LIMITED

Vikas R. Gupta
General Counsel & Company Secretary



Merck Limited

Registered Office
Godrej One, 8th Floor, Pirojshanagar
Eastern Express Highway, Vikhroli East
Mumbai 400079, India.
Phone +91 22 62109000
Fax +91 22 62109999
www.merck.co.in
CIN: L99999MH1967PLC013726



Merck Limited

Project Organic



Final report

Strictly private and confidential

July 2016

Table of content

- 1 Glossary
- 2 Notice to reader
- 3 Limitations
- 4 Background and objective
- 5 Work done
- 6 Executive summary
- 7 Detailed observations
- 8 Annexures



Glossary

Abbreviation	Expansion/Description
Accused entities/individuals	Entities banned vide SEBI order dated 22 March 2016 which includes: M/s Satyam Brush Industries, Mr. Prashant Karkera, Ms. Indira Karkera, Mr. Shrikant Bhalakia, Mr. Sadashiv Poojary, Mr. Raju Landge, Mr. Suresh Unawane, Mr. Narayan Devadiga, Mr. Anil Jathan, Mr. Nagesh Karkera, Mr. Mohit Karkera, Mr. Swapnil Sutar, Mr. Krishna M Ghosh, Mr. Sukhdev S Bhosale, Ms. Jayshree Shah, Mr. Anand S Bhalakia, Mr. Balaram Mukherjee, Ms. Bhavani Jathan, Mr. Govind Raj Rao, Mrs. Bhagyalaxrni Rao, Mr. Narayan Devadiga
DD	Demand Draft
DIVIDEND	Dividend file shared by Sharepro
EC	Electronic Clearing
EL	Engagement Letter
EMTRAN	Transaction file containing share transfers during the review period
FIR	First Information Report
IEPF	Investor Education and Protection Fund
INR	Indian Rupee
Merck or the Company	Merck Limited
Physical documents	Document set containing share transfer application, share transfer form, KYC documents, FIR, affidavit, income proof of surety and so on
RTA	Registrar and Transfer Agent
SEBI	Securities and Exchange Board of India
SEBI order	Interim order issued by SEBI on 22 March 2016 against Sharepro
Sharepro	Sharepro Services India Private Limited
TF	Category in DIVIDEND file which denotes transfer to IEPF
WR	Dividend warrant

Notice to reader

- This report has been prepared solely for the purpose set out in our Engagement Letter ('EL') dated 6 April 2016 and the general terms of business attached with it, and is not, without our prior written consent, to be used for any purpose other than as stipulated under the said EL. Accordingly, KPMG accepts no responsibility and disclaims liability in any manner whatsoever, for the use of this report for any purpose other than that for which it has been prepared.
- This report shall be disclosed to those authorized in entirety only without removing this section 'Notice to reader' of the report.
- This report is based on information and explanations provided to us by Sharepro Services India Private Limited ('Sharepro') and Merck Limited ('Merck' or 'the Company', pursuant to our request. Although, where appropriate, supporting information has been sought, we have not independently verified the sources of information unless stated otherwise in the report.
- We reserve the right to amend any findings, if deemed necessary by us, should any further information become available to us post submission of this report. Neither KPMG, nor any of its partners, directors or employees, undertake responsibility in any way whatsoever to any person in respect of errors in this report, arising from incorrect information provided by the Company's staff.
- Our findings are based on the procedures carried out during the engagement. Had additional procedures been performed, our findings may have been different.

Notice to reader

- In connection with the report or any part thereof, KPMG does not owe duty of care (whether in contract or in tort or under statute or otherwise) to any person or party or entity, other than the addressee of the report, to whom the report is circulated and KPMG shall not be liable to any such person or party or entity who uses or relies on this report. KPMG thus disclaims all responsibility or liability for any costs, damages, losses, liabilities, expenses incurred by such third party arising out of or in connection with the report or any part thereof.
- This report is confidential and is not to be copied, disclosed, circulated or referred to in whole or in part to any other third party other than to whom it has been issued by KPMG, without our prior written consent and you are hereby requested to preserve this document and not disclose or reveal the same, to any third party. KPMG does not assume any responsibility and disclaims any liability, however occasioned to you or any other party, as a result of the circulation, publication or reproduction of this report, contrary to the provisions of this paragraph.
- KPMG has not performed an audit and do not express an opinion or any other form of assurance. Further, comments in our report are not intended, nor should they be interpreted to be legal advice or opinion. KPMG does not make any form of representation regarding the sufficiency of procedures that we have performed.
- The scope of work performed by us under this engagement was as considered necessary at the given point in time. This report is based on information and evidence obtained as a result of work completed till 18 July 2016.
- By reading the report, the reader of the report shall be deemed to have accepted the terms mentioned hereinabove.

Limitations

- The outcome of our work and our findings reported herein, are the result of work procedures performed on the data provided to us by Sharepro and Merck till 18 July 2016.
- We have relied on the information and data obtained for the period 01 April 2006 to 31 March 2016 (review period) from the management of Sharepro and Merck. We have independently neither investigated nor verified such information and assume no responsibility for the accuracy and completeness of the information and data provided to us.
- We could not obtain certain information for our review from Sharepro. The details of such information are as under:
 - Dividend payment advice details for the years 2007 (paid in March 2007 and April 2007), 2009 (paid in April 2009) and 2010 (paid in October 2010).
 - Investor complaints received by Sharepro on behalf of the company for the years 2006-2011
 - Correspondence for DDs against either cancelled warrants or expired DDs.
 - Additional information/data that had been requested and was not made available on the date of this report. (refer [Annexure – I](#) for these details)
- In respect of clarification sought by us, we have relied on the explanation provided to us by Sharepro and/or Merck.
- While conducting document review we had attempted to identify cases of forgery and fake documentation to the extent possible. However, given the fact that there were certain documents which could not be verified on any of the Government website as they were related to the period details of which were either not available on the said websites or the copy of documents were not made available to us by Sharepro. Details of the same are mentioned in [Annexure-II](#)

Background and objective

- Merck is a public limited company listed on the Bombay and National Stock Exchange in India and had Sharepro as their Registrar and Transfer Agent (RTA) for the review period 1 April 2006 to 31 March 2016.
- Sharepro has been under review for alleged siphoning off of dividends and shares from rightful investors for the companies it is servicing. Securities and Exchange Board of India (SEBI), had passed an interim order dated 22 March 2016 against Sharepro inter alia restraining Sharepro and entities/individuals linked with the management of Sharepro from buying, selling or dealing in the securities market or associating themselves with securities market, either directly or indirectly.
- Companies who had Sharepro as their RTA agent had been directed by SEBI to conduct a thorough review of their records with Sharepro with respect to dividends paid and transfer of securities to determine whether dividends had been paid to actual/beneficial share holders and whether securities had been transferred as per the provisions of law.
- Merck engaged KPMG to conduct a diagnostic review of its records with Sharepro as directed by SEBI. The objective of this engagement was to ascertain:
 - whether shares of Merck had been fraudulently transferred to a person/entity who was not the rightful owner of the share/s; and
 - whether dividends distributed by Merck had been paid to the rightful owners of the shares.

Work performed

Work Area	Work performed
Process understanding	<p>Held discussions with Sharepro and/or Merck to obtain an understanding of the below processes:</p> <ul style="list-style-type: none"> • Transfer/ Transmission of shares • Re-print of duplicate share certificates for purportedly issuing to shareholders • Change in address of shareholders • Change in bank account details of shareholders • Dividend payments to shareholders • Re-issue of dividend warrants to shareholders
Data Analytics and review	<p>Based on the data provided for the review period by Merck and Sharepro, we reviewed the data and executed several data analytics routines to identify potential red flags and inconsistent patterns, if any.</p>
Underlying document review	<p>After reviewing the data and undertaking data analytic routines, we selected below sample transactions for a detailed review:</p> <ul style="list-style-type: none"> • Transfer of shares – 393 • Transmission of shares – 6 • Investor complaints – 15 • Re-print of duplicate share certificates – 113 • Transaction on holidays – 29 • Rectification entries – 26 • Deletion entry – 270 • Change in shareholder's address - 2 <p>For these selected samples, we reviewed the following:</p> <ul style="list-style-type: none"> • Attempted to verify the authenticity of the documentation to the extent possible. • Whether the process as explained during the process understanding to us was adequately followed or not. • Reviewed supporting documents for the transactions and obtained clarification for any anomalies identified by us from the management of Sharepro and/or Merck as required. • Highlighted potential cases where we were unable to check the veracity of the documents due to non-availability of information to verify the said cases.



Executive Summary



Executive Summary (1/3)

A. Data Analytic Routine

The below mentioned data analytic routines were undertaken by us on the data made available to us. The issues observed are mentioned in the detailed observations section of the report:

Routine no.	Description	Issues noted
1	Same bank account number and same bank name for different folio numbers	Yes
2	Same shareholder(identified basis same Folio) with multiple bank account numbers	Yes
3	Dividend claimed summary where we identified dividend claims in any given year by respective shareholders from unclaimed dividend for 4 or more years.	Yes
4	Rightful shareholders as per SEBI order in DIVIDEND file	Yes
5	Key word search for accused entities/individuals	Yes
6	Comparison of DIVIDEND file and bank payment advice	No
7	Same folio different shareholder name in DIVIDEND file	No
8	Shareholder name contains 'Karkera'	No
9	Shareholder name contains 'Bhalakia'	No
10	Payouts to accused entities/individuals bank account numbers mentioned in SEBI order	No
11	Irregularities in claims for same shareholder to identify cases where shareholder had no dividend claims in initial years of our review period but had claims after three years	No
12	Duplicate line items in DIVIDEND file based on folio number, shareholder name, quantity of shares, dividend amount and warrant/DD number.	No
13	Paid date of dividend is before the Issue date of dividend in DIVIDEND file	No
14	Comparison of dividend amount transferred to IEPF from the DIVIDEND file (category TF) received from Sharepro with the payments advice towards payment to IEPF.	No
15	Identify folios from the EMTRAN file with missing signature verification records	No
16	Check complaints register for the names of rightful shareholders identified in SEBI order.	No

Executive Summary (2/3)

Routine no.	Description	Issues noted
17	Transfer of Shares (EMTRAN) under multiple scenarios as under: a. Transfer from A to B and subsequent demat by B within one month b. Transfer from A to B, B to C and subsequent demat by C within one month c. Transfer from A to B and C to B and subsequent demat by B within one month d. Transfer from A to B and subsequent receipt of dividend by B within 4 months e. Transfer from A to B, B to C and subsequent receipt of dividend by C within 4 months f. Transfer from A to B and C to B and subsequent receipt of dividend by B within 4 months	No

Executive Summary (3/3)

B. Share Transactions Review

During the review of the share transaction data/documents, the below were observed by us. The details of the same are mentioned in [Annexure - III](#)

- In case of transfers, we observed that application for share transfer (39 folios) and appropriate set of KYC documents (20 folios) were missing.
- In cases of issue of duplicate share certificates, supporting documents such as copy of FIR (15 folios), affidavit (1 folio) and income proof of surety (7 folios) were missing.
- In cases of deletion of name, proof of transfer (1 folios) was missing.
- We were given to understand that shares are rematerialized by passing rectification entry. We identified 3 such cases in our sample where shares were rematerialized by passing rectification entries and there were no physical documents available to verify the same. We further observed 1 folio where neither physical documents nor any details were available in Sharepro's back office system. However, rectification entry was passed by them.

Executive Summary is not exhaustive and is to be read in conjunction with the detailed report.



Detailed observations - Data analytic routines



Detailed observations - Data analytic routines

Based on the understanding of the data and processes followed both at Sharepro and Merck, and the allegations against Sharepro mentioned in the interim order of SEBI dated 22 March 2016, we conducted multiple data analytic routines on the data provided to us by Sharepro and Merck. The primary objective of undertaking these data analytic routines on the data was to identify potential red flags and anomalies, if any for undertaking investigation thereon.

Routine 1: Same bank account number and same bank name for different folio numbers

Results of data analytic routine

Sample reviewed by us

Hit count	Number of shares	Dividend amount (in INR)
855	6,513,563	238,321,340

Sample Count	Sample - number of shares	Sample - dividend amount (in INR)	Data source
117	6,356,096	230,296,309	DIVIDEND file

We selected cases forming part of our sample based on the dividend amount greater than INR 40,000. We noted following observations for the sample selected and reviewed by us:

SN	Description	Number of instances	Amount of dividend (in INR)
1	Name of shareholder against one folio was not similar to the name against other folio(s). We have requested KYC documents from Sharepro for validating bank account details. But these documents were not made available to us on the date of this report. (refer Annexure - IV)	3	301,421
Total		3	301,421

Detailed observations - Data analytic routines

Routine 2: Same shareholder (identified basis same folio) with multiple bank account numbers

This routine was undertaken in the file shared by Sharepro named DIVIDEND file. We had further analysed this routine on DIVIDEND file by selecting a sample of 1,398 counts covering 76% of shares and 81% of dividend amount.

Results of data analytic routine

Hit count	No. of shares	Dividend amount (in INR)
6,476	1,892,372	226,969,963

Sample reviewed by us

Sample Count	Sample - number of shares	Sample - Dividend amount (in INR)	Data source
1,398	1,443,139	183,966,334	DIVIDEND file

We selected cases forming part of our sample based on the dividend amount greater than INR 25,000. We noted following observations for the sample selected and reviewed by us:

SN	Description	No of instances	Dividend amount (in INR)
1	Instances where dividend was paid to one account for consecutive years and no dividend was paid post the year in which bank account number was changed.	10	404,850
2	Instances where dividend was paid to three different bank accounts during the review period.	5	282,337
3	Instances where dividend was not claimed for one year and a considerable amount was paid post the year in which the bank account number was changed.	1	82,045
Total		16	769,232

We had requested for the KYC documents for above 16 cases to verify and validate the bank account details of the shareholders from Sharepro. However this data was not made available to us on the date of this report. [\(refer Annexure – V\)](#)

Detailed observations - Data analytic routines

Routine 3: Dividend claimed summary where we identified dividend claims in any given year by respective shareholders from unclaimed dividend for 4 or more years.

This routine was conducted on the DIVIDEND file shared by Sharepro. We noted 83 cases where there was a significant time gap between the year of declaration of dividend and the year in which it was claimed. The observations are as under:

Hit count	Number of shares	Dividend amount (in INR)	Sample Count	Data source
67,610	23,404,769	1,535,960,145	83	DIVIDEND file

We have categorized the total 83 cases into two categories as mentioned below:

SN	Description	Number of instances
1	Category I - The amounts for unclaimed dividend for 4 or more previous years was claimed in one year and there was no dividend claimed prior to or after the year in which it was claimed in lump sum	34
2	Category II - The amounts for unclaimed dividend for 4 or more previous years were claimed in multiple years and there was significant time gap between dividend claimed in one year with that to the subsequent year.	49
Total		83

We had requested for underlying documents from Sharepro for all such individual cases to further investigate and substantiate whether the payments had gone to the legitimate entity/individual in the year in which the dividend was claimed. However, the required documents were not made available to us till the date of this report. [\(refer Annexure – VI\)](#)

Detailed observations - Data analytic routines

Routine 4: Identified rightful shareholders as per SEBI order in DIVIDEND file

This routine was conducted on the DIVIDEND file shared by Sharepro in which we identified transactions where names of the shareholders mentioned as rightful shareholders in SEBI order were also shareholders for Merck.

Folio count	Sample Count	No. of shares	Amount of dividend (in INR)	Data source
8	8	1164	76,758	DIVIDEND file

We noted 8 folios of such rightful shareholders and individually evaluated their case in detail. Following are the details of these cases:

SN	Folio Number	Shareholder name	Number of shares	Amount of dividend (in INR)
1	IN30014210249265	Rachit Investments Limited	43	430
2	IN30018310114200	Kewal Krishna Thakar	235	43,358
3	IN30044110192281	Sankar Kumar Saha	30	525
4	IN30045010009204	Kewal Krishna Thakar	50	9,225
5	IN30047640335912	Rita Sapru	50	9,225
6	IN30047640335912	Rita Sapru	416	8,810
7	IN30051310000560	S S Kantilal Ishwar. Sec	220	3,145
8	IN30102220133516	Avutu Sambhi Reddy	120	2,040
Total			1,164	76,758

Detailed observations - Data analytic routines

Routine 5: Key word search for accused entities/individuals

This routine was conducted on the DIVIDEND file shared by Sharepro in which we conducted key word search on the names of the shareholders in order to match the names with accused entities/individuals mentioned in SEBI order.

Hit counts	Sample Count	No. of shares	Dividend amount (in INR)	Data source
96	96	50	168,884	DIVIDEND file

We noted one shareholder named Dina Shrikant Bhalakia sharing same address as Shrikant Bhalakia, identified as accused individual in SEBI order. The details of shareholding of Dina Shrikant Bhalakia is given below:

SN	Description	Number of instances
1	Dina Shrikant Bhalakia was holding 71 shares of Merck in 2005 and from 2006 onwards she was holding 50 shares of Merck in demat form as on 31 March 2015. She had claimed dividend amounting to INR 10,225 during the review period.	1



Detailed observations - Share transactions



Detailed observations – Share transactions

We have been provided an excel file named 'EMTRAN' and we were given to understand that this file contains the list of share transactions that took place during the period 01 April 2006 to 31 March 2016. Based on the materiality we selected sample transactions from 'EMTRAN' file for a detailed review. The observations on the review of underlying documents for these selected sample transactions are given below. The details for the same are mentioned in [Annexure – III](#).

SN	Category	Total no. of transactions	Sample transactions for review	Samples reviewed	Detailed observations with reference to the transaction
1	Transfer	2,164	393	393	<ul style="list-style-type: none"> There were 222 transactions for 39 folios where share transfer application request was not available. There were 118 transactions for 20 folios where proper KYC documents were not available.
2	Complaint register	15	15	14	<ul style="list-style-type: none"> The documents related to a complaint for non-receipt of dividend by Hari Kishan Lal Bhatia dated 02 February 2012 were not available for our review. However, we noted from the DIVIDEND file shareholder named Hari Krishan Lal Bhatia was paid dividend of INR 14,063 for the period 2006 to 2011 (prior to complaint date) and INR 1,275 for the period 2012 to 2015 (post complaint date)
3	Duplicate Share certificate	656	113	113	<ul style="list-style-type: none"> There were 42 transactions for 7 folios where income proof of surety was not available. There were 2 transactions for 1 folio where affidavit was not available. There were 72 transactions for 15 folios where FIR copy was not available.
4	Transaction on holiday	29	29	NA	<ul style="list-style-type: none"> It was observed that all the transactions which took place on holiday were entries for dematerialization of shares. We were given to understand that due to work pressure they were authorized to work on Sundays, hence, these transactions had taken place on holidays.

Detailed observations – Share transactions

SN	Category	Total no. of transactions	Sample transactions for review	Samples reviewed	Detailed observations with reference to the transaction
5	Rectification	26	26	24	<ul style="list-style-type: none"> We were provided with the physical documents only for 3 transactions for 1 folio. We were able to verify the data available on Sharepro's system for 21 transactions for 7 folios. However, we were not provided with the physical documents for these 21 transactions. There were 2 transactions for 1 folio for which neither physical documents were available nor was the transaction available in Sharepro's back office system. <ul style="list-style-type: none"> We were given to understand that shares were rematerialized by passing rectification entry. There were 12 transactions for 3 folios where shares were rematerialized by passing rectification entry and there are no physical documents available to verify the same. However, the details for the said transactions were available in Sharepro's back office system at their premises. There were 3 transactions for 2 folio where shares were first split and then transferred, this transaction took place by passing a rectification entry. There were 3 transactions for 1 folio which was originally a transmission entry where the original investor was deceased and his son wanted to transfer shares in his name, Sharepro had started the process and transferred it in his son's name, but due to incomplete documents and objection from Merck, shares were again transferred back to the original investor's name by passing a rectification entry.
6	Deletion	2,622	270	270	<ul style="list-style-type: none"> There were 37 transactions for 1 folio where proof of transfer was not available.

Detailed observations – Share transactions

SN	Category	Total no. of transactions	Sample transactions for review	Samples reviewed	Detailed observations with reference to the transaction
7	Transmission	6	6	6	• No observations
8	Change in shareholder's address	2	2	2	• No observations

We have mentioned in [Annexure - II](#), potential cases where we were unable to check veracity of the underlying documents as they were related to the period where details of which were either not available online or the copy of documents were not made available to us by Sharepro.



Annexures



Annexure I – Pending information / data



Microsoft Excel
Worksheet

Annexure II - Documents that could not be checked for veracity

SN	Sell folio	Seller name	Buy folio	Buy name	Observations	Number of shares
1	NSDLEM01	National Securities Depository Ltd	M002149	Mala Mahadevan Iyer	We are given to understand that in case of rematerialisation of shares entries are passed through rectification. However, there were no physical documents to verify the same.	134
			S002802	Surinder Kumar		119
2	CDSLEM01	Central Depository Services (I) Ltd	S010445	Swati Garg		83
3	V002450	Valerie Ann D'Souza	V002306	V Devarajan	Details for this transaction were neither available in physical forms nor any details available in the system.	100
4	G002022	Gopalkrishnan Vaidyanathan	G002023	Gopalkrishnan Vaidyanathan	In this case shares were split and then transferred to different folios. There were no physical documents available for review	30
			V003515	V S Mani		30
5	K000497	Kanchanben Prafulchandra Shah	P004667	Parida S Thanawala	We could not verify death certificate due to non-availability of information on government website.	50
6	R006094	Raghunath Vithal Prabhu	R003874	Raghunath Vithal Gaonker	This was the case of change in surname where no underslying documents available for review	50
Total						596

Annexure III – Sample transactions Transfer cases

(1/6)


 Back

222 transactions for 39 folios where share transfer application request was missing

SN	Transaction number	Seller folio	Seller name	Buyer folio	Buyer name	Number of shares
1	150285	P002131	Phoolchand J Dubey	N005197	Nitin Nautamlal Desai	110
2	150285	P003038	Phoolchand J Dubey	N005197	Nitin Nautamlal Desai	50
3	150299	B001429	Babubhai Dahyabhai Desai	S010440	Shishir Babubhai Desai	160
4	150319	C000674	Carmo Anthony D'Souza*	C001893	Carmo Anthony Dsouza*	244
5	150346	V001832	Vipul Jayraj Udeshi	A005070	Aruna Jayraj Udeshi	235
6	150377	S006885	Sunil Boran Chakraborty	S010462	Sunil Baran Chakraborty	160
7	150382	V000129	Vandna Jayrambhai Patel	J004286	Jayrambhai S Patel	168
8	150392	M003141	Manierach Engineer	R006020	Rusi Chacha	344
9	150394	D001985	Durgaiah M	N005197	Nitin Nautamlal Desai	100
10	150406	A000774	Anupchand Nathubhai Dagli	A005079	Anupchand Nathubhai Dagli	244
11	150433	K000497	Kanchanben Prafulchandra Shah	P004667	Parida S Thanawala	194
12	150449	U000692	Urmilakumari	S010481	Snehlata Kumari	375
13	150483	B002306	Baban Jagtap	N005153	Nitin Nautamlal Desai	50
14	150485	S005383	Sorab Cawas Bilimoria	P004671	Pervin Cawas Bilimoria	106
15	150492	T000571	Taridevi S Bhatt	N005153	Nitin Nautamlal Desai	225
16	150507	R000380	Rajendrakumar H Patel	R006043	Rajendra H Patel	244
17	150562	V002507	Virbala Bansirao Thakor	R006053	Rupa Vatsal Chhatrapati	194
18	150570	T000724	Tilak Raj Bahri	T001025	Tilakraj Bahri	100
19	150606	A000588	Anil Leonard Crasto	J004302	Joyce Merlyn Crasto	234
20	150629	R003501	Raghunath Das Kankani	S010525	Satish Chandra Kankani	115

**Instances where the buyer name and seller name is same indicate transfers cases where the shares were held in joint names and there is change in ownership in one or more joint share holders.*

Annexure III - Sample transactions - Transfer cases

(2/6)



222 transactions for 39 folios where share transfer application request was missing

SN	Transaction number	Seller folio	Seller name	Buyer folio	Buyer name	Number of shares
21	150663	P000193	Pankaj Jashbhai Patel	J004309	Jaypal Mukeshkumar Shah	244
22	150674	R003730	Rakesh Rashilal Patel	H002441	Haresh J Patel	110
23	150693	N001675	Narender Nath Shangari	U001122	Usha Shangari	235
24	150703	M001238	Minaxi Jashbhai Patel	J004309	Jaypal Mukeshkumar Shah	244
25	150710	S006826	Shyamala Shridhar Prabhu	M005569	Mahesh Shridhar Prabhu	150
26	150715	A001098	Asha Pandurang Nayak	S010542	Srinagendra Madhav Kamath	165
27	150720	V000355	Veena Ramakant Kamat	U001123	Uma Pandurang Kamat	85
28	150751	S002324	Sulochanaben Hiralal Parikh	S010549	Sulochna Hiralal Parikh	244
29	150775	P002609	Patricia D'Souza	P004712	Patricia Dsouza	244
30	150792	N004600	Nand Kishore Rathi	E000224	Ekta S	100
31	150845	N000401	Naresh S Maniar Karta	A005142	Arpan Naresh Maniar	95
32	150848	V000865	Vinodini Pradhan	V003521	Vinodini Chandrasen Pradhan	159
33	150856	R002610	Rita Suri	R006102	Rajiv Suri	150
34	150875	C000799	Charmaine Paul Fernandes	C001921	Carol Fernandes	79
35	150876	C000798	Carol Paul Fernandes	C001921	Carol Fernandes	298
36	150879	C000800	Cedric Paul Fernandes	C001919	Cynthia Rodrigues	127
37	150887	M005524	Meher Kaikhushroo Doctor	M005591	Meher K Doctor	168
38	150905	A002608	Abubakar Ahmed Sheth	H002457	Hashim Mahmed Akhalwaya	50
39	150913	L000279	Lednie D Gomes	L001234	Leonie Dorothy Gomes	125
Total						6,724

Annexure III - Sample transactions - Transfer cases

(3/6)



118 transactions for 20 folios where proper KYC documents were not available

SN	Transaction number	Seller folio	Seller name	Buyer folio	Buyer name	Number of shares
1	150449	U000692	Urmilakumari	S010481	Snehlata Kumari	375
2	150392	M003141	Manierach Engineer	R006020	Rusi Chacha	344
3	150539	A002405	Aruna Navanitlal Parekh	A005097	Aruna Navanitlal Parekh	315
4	150296	K001640	Kiritkumar Ramanbhai Patel	K004601	Kiritkumar Ramanbhai Patel	244
5	150319	C000674	Carmo Anthony D'Souza	C001893	Carmo Anthony Dsouza	244
6	150406	A000774	Anupchand Nathubhai Dagli	A005079	Anupchand Nathubhai Dagli	244
7	150346	V001832	Vipul Jayraj Udeshi	A005070	Aruna Jayraj Udeshi	235
8	150476	M002578	Mohan Rao Tamiri	M005534	Mohana Rao Tamiri	235
9	150492	T000571	Taridevi S Bhatt	N005153	Nitin Nautamlal Desai	225
10	150287	S008165	Shakuntala Dwarkadas	J004279	Janak Dwarkadas Merchant	200
11	150433	K000497	Kanchanben Prafulchandra Shah	P004667	Parida S Thanawala	194
12	150382	V000129	Vandna Jayrambhai Patel	J004286	Jayrambhai S Patel	168
13	150299	B001429	Babubhai Dahyabhai Desai	S010440	Shishir Babubhai Desai	160
14	150377	S006885	Sunil Boran Chakraborty	S010462	Sunil Baran Chakraborty	160
15	150285	P002131	Phoolchand J Dubey	N005197	Nitin Nautamlal Desai	110
16	150285	P003038	Phoolchand J Dubey	N005197	Nitin Nautamlal Desai	50
17	150379	K001750	Kirtiben Jasvantlal Shah	J004289	Jashvantlal Panjulal Shah	156
18	150485	S005383	Sorab Cawas Bilimoria	P004671	Pervin Cawas Bilimoria	106
19	150394	D001985	Durgaiah M	N005197	Nitin Nautamlal Desai	100
20	150483	B002306	Baban Jagtap	N005153	Nitin Nautamlal Desai	50
Total						3,915

Annexure III – Sample transactions – Customer complaints (4/6)

Final report
Strictly private and confidential

Back

Customer complaint for non-receipt of dividend despite being shown as paid in the DIVIDEND file

SN	Issue date	Folio number	Warrant Number	Paym ode	Shareholder name	Paid date	Number of shares	Amount of dividend (in INR)
1	5-May-06	IN30133017269012	16948	WR	Hari Kishan Lal Bhatia	9-May-06	75	1,125
2	30-Mar-07	IN30133017269012	17208	WR	Hari Kishan Lal Bhatia	23-Apr-07	75	750
3	6-Apr-07	IN30133017269012	17208	WR	Hari Kishan Lal Bhatia	24-Apr-07	75	1,500
4	21-Apr-08	IN30133017269012	17509	WR	Hari Kishan Lal Bhatia	28-Apr-08	75	750
5	24-Apr-09	IN30133017269012	17686	WR	Hari Kishan Lal Bhatia	5-May-09	75	1,313
6	5-Apr-10	IN30133017269012	16226	WR	Hari Kishan Lal Bhatia	3-Dec-10	75	1,500
7	28-Oct-10	IN30133017269012	17221	WR	Hari Kishan Lal Bhatia	8-Nov-10	75	7,125
8	28-Mar-13	IN30133017269012	17648	EC	Hari Kishan Lal Bhatia	NULL	75	188
9	24-Mar-14	IN30133017269012	18538	EC	Hari Kishan Lal Bhatia	NULL	75	638
10	16-Apr-15	IN30133017269012	20238	EC	Hari Kishan Lal Bhatia	NULL	75	450
Total							75	15,339

Annexure III - Sample transactions - Duplicate share certificate (5/6)



72 transactions for 15 folios where
FIR copy was not available

SN	Folio number	Shareholder name	Number of shares
1	D001992	D Suguna	240
2	S006553	Sushila Rajani	200
3	D000583	Dilipkumar R Parikh	190
4	D000702	Dipak Raj Sood	190
5	R001066	Ramilaben D Desai	169
6	K000722	Karanmal Doshi	134
7	R002512	Roshan Sam Boyce	120
8	R002906	Rustum Sam Boyce	119
9	K001085	Kiritkumar Talakshi Solani	119
10	R003247	Rekha D Shetye	115
11	H000890	Hasanali Sunderji Adtani	114
12	G001788	Gulshan Kumar	109
13	S007842	Saroj R Bhattad	100
14	B002524	B Udaya Kumar Hegde	100
15	R004004	Rekha Dilip Shetye	100
Total			2,119

2 transactions for 1 folio where affidavit was
not available

Folio number	Shareholder name	Certificate number	Number of shares
S007795	Sanghu Valley India Limited	267395	50
		267396	50
Total			100

42 transactions for 7 folios where
income proof of surety was not available

SN	Folio number	Shareholder name	Number of shares
1	S002555	Sunita Kumari Bali	244
2	D000702	Dipak Raj Sood	190
3	R001066	Ramilaben D Desai	169
4	K001085	Kiritkumar Talakshi Solani	119
5	H000890	Hasanali Sunderji Adtani	114
6	G001788	Gulshan Kumar	109
7	S007795	Sanghu Valley India Limited	100
Total			1,045

Annexure III – Sample transactions – Rectification entries (6/6)

SN	Particulars	Buyer folio number	Buyer name	Number of shares	Count of transactions
1	Instances where neither physical documents were available nor transaction was available in Sharepro's back office system	V002306	V Devarajan	100	2
2	Instances where shares were rematerialized by passing a rectification entry	M002149	Mala Mahadevan Iyer	134	4
		S002802	Surinder Kumar	119	6
		S010445	Swati Garg	83	2
3	Instances where shares were first split and then transferred by passing a rectification entry.	G002023	Gopalkrishnan Vaidyanathan	30	2
		V003515	V S Mani	30	1
4	Instances where shares belonging to one investor was deceased and his son wanted to transfer shares in his name. Sharepro had started the process and transferred it in his son's name, but due to incomplete documents and objection from Merck, shares were again transferred back to the original investor's name by passing a rectification entry.	R004868	Rajkumar Goel	14	3
Total				510	20

Annexure IV - Routine 1 : Same bank account number and same bank name for different folio numbers

[Back](#)

Bank account number	Bank name	Folio number	Shareholder name	Amount of dividend (in INR)
00000000000000002897	Central Bank of India	A001622	Asma A Bamboat	120,655
		IN30051310292362	T Krishnamoorthy	12,903
00000000000000005578	Bank of Maharashtra	IN30088814557267	Anju Arvind Kothari	21,850
		S003345	Shubhada Ramchandra Naniwadekar	96,933
000000000000000015222	Indian Bank	R002357	Roja Dorai	24,540
		S004084	Shiv Kumar	24,540
Total				301,421

Annexure V - Routine 2 : Same shareholder(identified basis same Folio) multiple account numbers


[Back](#)

SN	Particulars	Folio number	Bank account number	Amount of dividend (in INR)
1	Dividend paid, but stopped immediately after changing bank account number	1202000000137449	37692 and 596902010001048	33,948
		12021600000014934	6420 and 4631000027634	38,653
		C000701	219085 and 1721290409	29,813
		J001727	3346 and 0852500100334601	45,750
		M001238	1104 and 0115301000007566	45,750
		P000193	18045 and 0115301000001869	45,750
		P001132	4156 and 25260100006224	45,750
		S002324	1259 and 1579644008	45,750
		S002397	179 and 04980100002191	29,813
		T000198	2904 and 0392000100029048	43,875
2	Three or more bank accounts in the review period	1201070000001466	0012100003884, 00601330072752, 008290700001980 and 0601330072752	97,375
		1202810000004939	90279 ,03790400000019 and 006610110001535	79,264
		1302340000092438	480, 664501416443 and 3750101416443	37,900
		M000107	318043, 90092010074452 and 0415104000024471	39,673
		P003042	18095, 627801089383 and 041201000413	28,125
3	Dividend was not claimed for one year and a considerable amount was paid post the year in which the bank account number was changed.	1201320000003830	400947007 and 00600340012582	82,045
Total				769,232

Annexure VI - Routine 3 : Dividend claimed summary (1/3)



Category I - The amounts for unclaimed dividend for 4 or more previous years was claimed in one year and there was no dividend claimed prior to or after the year in which it was claimed in lumpsum

Folio number	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
H000519	0	0	0	0	5	0	0	0	0	0
B000408	0	0	0	0	0	0	7	0	0	0
S007972	0	0	0	0	0	0	7	0	0	0
S001682	0	0	0	0	6	0	0	0	0	0
IN30290242131250	0	0	0	0	0	0	0	0	6	0
S003323	0	0	0	0	0	0	7	0	0	0
S007150	0	0	0	0	6	0	0	0	0	0
N001021	0	0	0	0	0	0	0	0	6	0
M005545	0	0	0	0	0	0	0	0	0	5
J000447	0	0	0	0	0	0	7	0	0	0
IN30061010382877	0	0	0	0	5	0	0	0	0	0
J000153	0	0	0	0	0	0	0	0	0	6
IN30060110228744	0	0	0	5	0	0	0	0	0	0
P000915	0	0	0	0	4	0	0	0	0	0
J000060	0	0	0	0	0	0	7	0	0	0
K000746	0	0	0	0	7	0	0	0	0	0
K002080	0	0	0	4	0	0	0	0	0	0
H000497	0	0	0	4	0	0	0	0	0	0
R000163	0	0	0	0	0	0	0	0	6	0
H001942	0	0	0	0	0	0	7	0	0	0
N002158	0	0	0	0	0	7	0	0	0	0
K000054	0	0	0	0	0	4	0	0	0	0
S001060	0	0	0	0	0	7	0	0	0	0
C000518	0	0	0	0	0	6	0	0	0	0
N000651	0	0	0	0	0	6	0	0	0	0
K000386	0	0	0	0	0	0	0	0	8	0
A003192	0	0	0	4	0	0	0	0	0	0
S005486	0	0	0	0	0	6	0	0	0	0
C001257	0	0	0	0	0	0	7	0	0	0
B002738	0	0	0	0	0	0	0	0	6	0
S008543	0	0	4	0	0	0	0	0	0	0
C000392	0	0	0	0	6	0	0	0	0	0
C001451	0	0	0	4	0	0	0	0	0	0
A003238	0	0	0	0	0	6	0	0	0	0

0 denotes instances where no dividend was claimed in that year and a number denotes that dividend was claimed for those many years in that particular year

Annexure VI - Routine 3 : Dividend claimed summary (2/3)



Category II - The amounts for unclaimed dividend for 4 or more previous years were claimed in multiple years and there was significant time gap between dividend claimed in one year with that to the subsequent year.

Folio number	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
S002487	0	0	0	0	0	7	0	1	1	1
S008418	1	0	0	0	0	0	6	0	0	0
S009992	1	2	0	0	0	0	0	5	1	0
J001097	1	2	0	0	0	0	0	0	0	6
F000072	0	0	0	1	6	0	0	0	0	0
N004607	0	0	0	2	0	0	0	1	5	1
M003634	1	2	0	0	4	0	0	0	1	2
P000202	0	2	0	0	5	0	0	1	1	1
P003090	0	0	0	0	7	0	0	0	1	1
H000603	1	2	1	1	0	0	0	0	0	4
O000131	0	0	0	4	1	0	0	0	0	0
S004288	0	0	0	0	0	0	0	8	0	1
M000855	0	0	0	0	1	6	0	0	0	0
T000869	0	0	0	0	1	5	0	0	0	0
R005291	1	2	1	0	0	0	0	4	0	0
H000890	1	2	0	0	0	0	4	0	0	0
U000009	0	0	0	0	0	0	7	1	1	1
L000233	0	0	0	0	6	1	0	0	0	0
S006659	0	1	0	0	0	6	0	0	0	0
S006654	0	1	0	0	0	0	0	6	0	0
M002101	0	0	0	0	6	0	0	1	0	0
V000572	1	0	0	0	6	0	0	0	0	0
L000467	1	2	1	0	0	0	0	0	0	5
D001487	0	0	0	0	0	0	0	0	6	1
B001806	1	0	0	0	1	5	0	0	0	0
K001192	0	0	0	0	0	0	0	7	1	0

0 denotes instances where no dividend was claimed in that year and a number denotes that dividend was claimed for those many years in that particular year

Annexure VI - Routine 3 : Dividend claimed summary (3/3)



Category II - The amounts for unclaimed dividend for 4 or more previous years were claimed in multiple years and there was significant time gap between dividend claimed in one year with that to the subsequent year.

Folio number	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Z000175	1	1	0	0	0	0	0	0	0	6
P004232	0	0	0	1	0	0	6	0	0	0
K004073	1	0	0	0	0	6	0	1	0	0
R003594	0	0	0	0	6	1	0	0	0	0
S008500	0	0	0	0	0	7	0	1	1	1
L001023	0	0	0	0	7	0	0	0	2	0
H000862	0	0	3	0	0	0	0	4	0	0
D001098	0	0	0	0	0	6	0	1	2	1
A000717	1	0	0	0	5	0	0	1	0	0
A000163	0	0	0	1	0	0	6	1	1	0
A001400	1	2	0	0	0	0	0	5	0	0
V000390	0	0	0	0	0	6	1	0	0	0
B002334	0	1	0	0	5	0	0	0	0	0
IN30088813435000	1	1	0	1	0	0	0	5	0	0
J001570	1	0	0	4	2	0	0	0	0	0
J004105	1	0	0	0	6	0	0	0	0	0
I000122	1	1	1	0	0	0	0	0	5	0
V002353	0	1	0	0	0	0	0	6	0	2
K002203	0	0	0	0	0	7	0	1	0	1
P002169	0	0	1	0	0	0	6	0	0	3
C001330	0	0	0	4	1	0	0	0	0	0
I000401	0	0	0	4	0	1	0	0	0	0
N001293	0	0	0	5	1	0	0	0	0	0

0 denotes instances where no dividend was claimed in that year and a number denotes that dividend was claimed for those many years in that particular year



Thank You

The information contained herein is of a general nature and is not intended to address the circumstances of any particular individual or entity. Although we endeavour to provide accurate and timely information, there can be no guarantee that such information is accurate as of the date it is received or that it will continue to be accurate in the future. No one should act on such information without appropriate professional advice after a thorough examination of the particular situation.

© [2016] KPMG, an Indian Registered Partnership and a member firm of the KPMG network of independent member firms affiliated with KPMG International Cooperative ("KPMG International"), a Swiss entity. All rights reserved.

The KPMG name and logo are registered trademarks or trademarks of KPMG International.