

AKSH OPTIFIBRE LIMITED

A-32, 2nd Floor,
Mohan Co-operative Industrial Estate, Mathura Road,
New Delhi-110044, INDIA
Tel.: +91-11-26991508, 26991509
Fax : +91-11-26991510
Email : aksh@akshoptifibre.com
Website : www.akshoptifibre.com
CIN NO. : L24305RJ1986PLC016132

September 5, 2020

To

National Stock Exchange of India Limited Exchange Plaza, Bandra Kurla Complex, Bandra(E), Mumbai – 400051	BSE Limited Phiroze Jeejeebhoy Towers, Dalal Street, Bombay-400001
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Subject: Intimation pursuant to Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

Dear Sir,

Pursuant to the provisions of Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, we wish to inform you that Mr. Arvind Gupta (DIN: 00560901), has resigned from the position of Independent Director of the Company vide resignation letter dated September 5, 2020 with immediate effect. The detailed reason for the resignation are provided in the resignation letter, which is attached herewith as **Annexure - A**

In reference to the content of resignation letter, stakeholders are requested to refer the clarification submitted by the Company with the Stock Exchanges on 4th July 2020, which is also attached herewith as **Annexure B** for reference.

The above is for your kind information and records.

Thanking you,

for Aksh Optifibre Limited



Gaurav Mehta
Chief- Corporate Affairs & Company Secretary

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Dr. Arvind Gupta, Ph. D
Trustee

Dr. Kailash S Choudhari
Chairman
Aksh Optifibre Limited
A-32, 2nd Floor,
Mohan Co-operative Industrial Estate
Mathura Road, New Delhi - 110 0044
Email: dr@amail.co.in



Indian
Investors'
Protection
Council

I I P C

Safeguarding the investors' interests

5th September 2020

Subject: Statement narrating **material reasons qualifying Resignation** as an Independent Director on Board of Directors of the Aksh Optifibre Limited (AOL) emanating from precarious financial state of affairs compounded by the Board Members evading to hold **Promoters guilty of non-disclosure of Related Party (RTPs) dealings siphoning public funds** through Promoters RTPs in concert with **crony Board / Committee Members, KMPs and Auditors covering financial fraud by writing off Rs. 339 Cr** from the Books of Accounts **committing Serious Frauds** in violation of the Companies Act, SEBI (LODR) Regulations 2015, the Income Tax Act, FEMA and the Governance norms.

Mr. Chairman,

While discharging my obligation as an Independent Director of the company, please be advised that **pending appropriate probe by Investigative and Regulatory Agencies**, the undersigned considers appropriate to tender resignation with immediate effect to uphold the dignity and integrity of the institution of the Independent Directors as required by law to protect the interests of the minority shareholders in the listed companies. The following **distressing governance lapses** and mischievous **secretarial practices shielding Promoters constitute key material reasons** leading to **submission of my resignation:-**

Non-disclosures of **Related Party ownership and Transactions** benefiting the Promoters; Non-transparent **RTP dealings** with overseas subsidiaries namely, the **AOL FZE (UAE), Aksh Optifibre Limited (DMCC Branch), UAE** and overseas step down subsidiaries of the Aksh Optifibre conducting business with Promoters RTPs - **Africa One Telecom Limited and Electrum Telecom** group of Companies **prejudicial to the interests of the shareholders of the Indian Company** - Aksh Optifibre Limited; **Fraudulent Accounting and Auditing practices** in conflict of shareholders interest warranting Independent Forensic Audit by the Government appointed Auditors; and **Lack of Accountability, Transparency in Corporate Governance; stage managed Independent External Auditors Report** (ex-employee of AOL) approved by crony Audit Committee Members and other Members on the Board that was strongly dissented only by the undersigned Independent Director; and **Opaque corporate financial dealings** etc., defrauding stakeholders **constitute material reasons necessitating my resignation** as an Independent Director.

Having unravelled the jigsaw puzzle of your undisclosed BVI established Related Parties **siphoning shareholders funds** to your personal accounts, **abusing your authority** as Chairman of Parent Company and Managing Director of the AOL FZE, UAE for brother co-promoter, Mr. Popatlal F. Sundesha and your associates personal accounts evading Indian incomes and taxes which caused the financial health of the Aksh Optifibre Limited to hopelessly go deep into financial distress and defaults beyond recovery. The historic **evidences of Promoters financial fraud during FY 2010-2020** enticing the new Audit Committee Members approve **writing off Rs. 339 Crore losses** (within a month of their joining the Board as Independent Directors) **benefiting you through Accounting fraud** without ratification by the Board of Directors **during FY 2020**. The crony Independent Directors on Board act like rubber stamps where the Members on Board blindly 'Note' only what you want them to 'Note' without any application of mind and discussions.

Secretariat :

B - 19, Sector - 67, Noida - 201 301 (India)

You may recall while considering your invitation to come on Board you assured me to forthwith refrain from pursuing anti-minority shareholders and unethical business dealings draining funds via Dubai operation siphoning funds via **Africa One Telecom Limited, Bharat Telecom Limited and Electrum Telecom Group** of Companies enriching the Promoters of the Aksh Optifibre Limited. Adopting transparent corporate governance practices through induction of professionals in managing affairs of the Company was agreed upon vide my response dated 19th August 2019 to your invitation to join the Board as an Independent Director addressed to you as the Chairman, Aksh Optifibre Limited. Yet, **you committed Auditing Fraud by writing off Rs.339 Crore** fake losses.

Furthermore, by casting aspersions on outgoing Independent Directors you have further degenerated yourself to a person deprived of personal and professional virtues incapable of leading team of professional Directors on Board of a public listed company. You have belied all expectations of the minority shareholders over the past couple of decades. You have engineered financial embezzlement and wrongdoings cheating minority shareholders of the listed company hence deserve fair justice from the law enforcement agencies.

You have managed to take refuge under mischievous secretarial practices to **hide the beneficial ownership of the RTPs established overseas** and by destroying documentary evidences of your financial wrongdoings to obstruct the administration of justice. The conducted tour of accounts extended to the Independent Auditor giving clean chit to Promoters is Auditing sham. The **coverup exercise to obtain clean chit by the hired Independent External Auditors will get exposed** once a truly **Independent Forensic Audit is conducted to fix the criminality of the Promoters/KMPs corporate conduct.**

Even after my resignation, as a minority shareholder, I shall remain committed to establish pro active management and establish good governance in the Company. Hence, I look forward to intervention in the matter of stakeholders interest by the Government.

I wish the fellow Directors on Board a safe landing in their endeavour and pursuits.



(Arvind Gupta)

Trustee (IIPC)
and Pro-Whistle Blower
Shareholder of Aksh Optifibre Limited
(M) 98717 98080

CC: Mr. Ajay Tyagi, Chairman, (SEBI), Mumbai; chairman@sebi.gov.in

Mr. Rajesh Verma, Secretary, MoCA, Delhi; secy.mca@nic.in

Mr. U S Patole, RoC, Jaipur; roc.jaipur@mca.gov.in

Mr. Ashish Chauhan, BSE, Mumbai ; ashish.chauhan@bseindia.com

Mr. Vikram Limaye, CEO, NSE, Mumbai; cc_nse@nse.co.in

Members of the Board of Directors of Aksh Optifibre Limited



Live Smart

AKSH

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July 4, 2020

To

National Stock Exchange of India Limited
Exchange Plaza, Bandra Kurla Complex,
Bandra(E), Mumbai – 40005

BSE Limited
Phiroze Jeejeebhoy Towers
Dalal Street, Bombay-400 001

Subject: Clarification / update

Dear Sir,

- A) This is in furtherance to the letter dated 17th September 2019, submitted by the Company to Stock Exchanges, wherein the Company had informed the stock exchange that Company has received certain letters from one of the shareholder representing Indian Investor Protection Council, alleging certain non-disclosures and irregularities on commercial/financial transactions by the promoters with the alleged purported related parties.

It was also informed that in line with prudent Corporate Governance practices, all complaint letters received from shareholder were placed before the Stakeholders Relationship Committee of the company. Committee had taken cognizance of the allegations made by the shareholder and had initiated the process to check the authenticity of the allegations being made.

Further the complaint letters were also placed before the Audit Committee and Board of Directors, wherein the Stakeholders Relationship was delegated the power to investigate.

In this regard, we further wish to inform that pursuant to the directions of Stakeholders Relationship Committee, an Independent External Auditor was appointed to check the records and provide its report on the allegations of related party.

Pursuant to the extensive audit conducted by Independent External Auditors, they submitted their report before Stakeholders Committee Meeting on 3rd July 2020.

Stakeholders Relationship Committee consisting of four Independent Directors on the Board of the Company adopted the report of Independent External Auditor and concluded that none of the alleged purported related Company (total 13) is related to Company and/or its Directors. Company and its earlier/current Directors/KMPs are in compliance of law and allegations of related party are baseless.

- B) During the meeting, Committee members raised certain queries about Mr. Arvind Gupta. Committee asked about the shareholding details of Mr. Gupta in the Company and any transaction/agreement entered with Mr. Gupta.

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Committee was apprised that on 13th May 2019, a consultancy agreement was entered with the proprietorship Company of Mr. Gupta, Company had supplied material to BSNL and its payments for approx. Rs. 73 crores were pending for many months. Mr. Gupta assured that he has connections and shall arrange the payment within 10 days. As per the agreement, if the payment would be received by 23rd May 2019 (within 10 days) then Company would pay him commission @one percent (Rs. 73 lacs) and if payment would be received by 31st May 2019, then Company would pay him commission @one-half percent (Rs.36.50 lacs). However, since no payment was received hence no commission was paid and agreement expired on 31st May 2019.

Committee members noticed that the first complaint letter from Mr. Gupta about alleged related parties was received on 4th June 2019.

Committee members also noticed that Mr. Gupta had purchased 10,000 shares of the Company during third week of June 2019.

Committee was also apprised that on 24th January 2020, a proposal was moved in the Nomination & Remuneration Committee of the Company to appoint Mr. Arvind Gupta as Director and professional consultant at a fee of Rs. 10 (ten) Lac per month. The proposed resolution was not passed by the Committee.

Committee further noted that Mr. Arvind Gupta was appointed as Independent Director of the Company on 13th February 2020. It was also noted that as on date of appointment as Independent Director, Mr. Gupta was holding 80,000 equity shares of the Company, he had purchased 110,000 equity shares of the Company in March 2020 and as on 31st March 2020, he was holding 190,000 equity shares of the Company.

Members discussed about insider trading regulations & provisions and expressed concerns on purchase of shares after becoming Independent Director.

- C) Company has noticed that post the meeting of Stakeholders Relationship Committee happened on 3rd July 2020, for adoption of External Auditor Report and expressing concern about other Independent Director (Mr. Arvind Gupta), instantly on 4th July 2020, the alleged complaints of Mr. Arvind Gupta has been released by media, for the reasons best known to Mr. Arvind Gupta and media.

This letter may also be construed in reference to such media publications.

Thanking you,
for Aksh Optifibre Limited

Sd/-
Anuja Bansal
Chairman of Stakeholders
Relationship Committee and
Independent Director

Sd/-
Gaurav Mehta
Chief-Corporate Affairs &
Company Secretary

Sd/-
Pramod Kumar Srivastava
Chief Executive Officer

Sd/-
Sudhir Kumar Jain
Chief Financial Officer

Note: Due to ongoing COVID -19 pandemic outbreak, this intimation is being submitted without signature of the authorised persons in SD/- mode.

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