

To,
 Mr. Vishal M Padole,
 AGM, ISD,
 SEBI
 Plot No.C4-A, "G" Block, BKC,
 Mumbai 400 051

June 13th 2011

Dear Sir,

Ref: Your letter ISD/BJD/VP?OW/18145/2011 dated June 7th 2011

We apologize for not replying to your letter dated 14/02/2011. If you can forward the same one more time, we will immediately reply to the same. We checked our records, and could not find the same. One reason was that some letters have been misplaced during the period because eventhough we had intimated shift of our office, some letters were still delivered there without our control. But thanks for your patience. But we have always been prompt in all our replies and we have given several replies to his grievances, the following are some of the important replies

Chronological order of previous correspondence with Mr. Vimal S Shah

S No	Date of complaint / Forward	From or CC's to	Date Received	Date Replied	Type	Gist
11	20/4/2010	BSE – Mr. Bagade	20/04/10	21/04/10	Email	Ref No.20100400313 He asks for 8 Lakhs, but when he realized that he paid for 3 and he got 3 on his name, sends a satisfaction with Demat details with CC to BSE – Extract attached as www.telecanor.com/vimal/EmailTranscriptSentToPradeepRamakrishnan-2ndJune2010.pdf
2	26/4/2010	BSE	04/05/10	10/05/10	Letter	BSE Ref:20100400313- Physical Copy – Replied as in www.telecanor.com/vimal/BSEMay11th.pdf More accusations
3	02/06/10	SEBI – Pradeep Ramakrishnan	02/06/10	03/06/10	Email	Explained to Pradeep Sir, and sent all the documents with covering letter as in www.telecanor.com/vimal/ReplyOnVimalToPradeepRamkrishnan-3rdJune.pdf
4	18/06/10	Advocate Notice	24/06/10	07/07/10	Letter	Now he is claiming 6 Lakh odd shares instead of 8 Lakhs he claimed earlier Complaint is in www.telecanor.com/vimal/LegalNoticeFromVimalThroughRakeshSharma-18June.pdf

						Reply is in www.telecanor.com/vimal/REPLY_TO_RakeshSharma-forVimal-7thJuly.pdf
5	18 th Feb 11	BSE officials	18-02-11	21-02-11	Email	Plz see Query and Answer in www.telecanor.com/vimal/Feb21st-2011-CorrespondenceOnVimalWithBSE.pdf
5	04/04/11	Notice under RTI Act –	11/04/11	27/04/11	Letter	Pls see http://telecanor.com/vimal/TeleCanor_repy_vimal_RTI.pdf issued to Mr.GK Iyer [BSE], SEBI Chennai, ROC [Hyderabad], Mr.JM Gupta [Market Regulations Dept, SEBI], Investigations

Analysis of the complaint forwarded by All Gujarat Investor Protection Trust:

Sir, in all, there are 3 letters from All Gujarat Investor Protection Trust which have been enclosed by you along with the above referred letter :

1. Two copies of Ref No.20/12/2010/1750
2. One copy of Ref No. 20/12/2010/1751

Doc 1750:

This doc has a covering letter of 3 pages containing 12 points of which the first three are generally about a fraud, next 2 contain complaint of Vimal Shah, sixth is on Mrs.Minaxi Shah, seventh is on Eshin Patel, Eighth is about general cheating by the company in collusion with everyone, ninth is about Hemant Gupta, tenth is again about cheating, eleventh is again a wild accusation and the twelfth is a reference to criminal complaint. This document has the following enclosures some of **which were not referenced in the main body, but enclosed apparently to add weight to the covering letter** which are as follows:

- a. Extracts of board meeting outcome as published at BSE.
- b. Notice from advocate Rakesh Sharma dated 18th June 2010.
- c. Notice from advocate Mr.Suren M Shah dated 2nd July 2010 which is appearing to have superseded the one above.
- d. Share allotment advise
- e. Sharewarrant consent letter cum account statement from Vimal Shah, which he says has been forged
- f. Four duplicate consent letters along with account statements which according to Vimal Shah are the correct ones.
- g. A letter from BSE that the complaint has been dealt with.
- h. Some scribblings in Gujarati, which seem to be like an account statement or some kind of an agreement.

Answers to each of the points are as follows:

1) Shareholders of have passed a resolution in the EGM dated 24th Aug 2008 based on which initial listing permission has been accorded by BSE. Sharewarrants do not have voting rights. Vimal Shah (VS) has added funda on take-over code applicable share allotment, to the subject of issuance of sharewarrant. **There is no problem here, no substance in his grievance and nothing needs to be resolved.**

2) The above point is reiterated and almost like a continuation of 1 above. **There is no problem here, no substance in his grievance and nothing needs to be resolved.**

3) Promoter does not have a special status in this preferential issue of sharewarrants since the IPO was in 1995 and this issue is just a preferential issue. He can sell the securities like any other preferential holder as long as the necessary 25% of Shares is kept under lock-in for 3 years and the initial lock-in of 1 year has been fulfilled like any other preferential holder. **There is no problem here, no substance in his grievance and nothing needs to be resolved.**

4) This is the main point which covers his grievance,

The real position is that Mr.Vimal Shah bought 3 lakh sharewarrants and he got his friends/relatives also to buy about 4 lakh sharewarrants. He took the sharewarrants from me duly transferred as a single sharewarrant certificate of 3 lakh sharewarrants. He kept paying the balance money payable over a period of time, and except for a couple of lakhs almost all the money was paid out by him either by DD or Cheques from his accounts. After he submitted the consent as seen in www.telecanor.com/vimal/vimal_consent.pdf [which now he says is a forgery] he realized that he had fallen short by a very small fraction of the amount. He also started having some issues with his erstwhile friends like Mr.Omprakash Shah [whom he claims as the company officer, where as Mr.Shah has no connection at all], Mrs.Minaxi Shah, and Mr.Dishant Shah. We received letters from Minaxi Shah that she wants shares for the Rs.1,00,000 which Mr.Vimal has claimed is his money in the statement that he initially submitted. In order to arm-twist the management to give him Shares even after there is a short fall in the balance money payable for conversion, he is resorting to such intimidation.

If you kindly see the chronological list of complaints carefully, you would notice that in the complaint on April 24th 2010 he said he is entitled to all of **8 Lakh** shares. When we replied that he was given 3 Lakh shares, and after we sent him the Share Allotment Advice, he was relieved that he got what is due and gave off the demat account details to BSE with cc to us.

In the month of May 2010, suddenly he did a volte-face and suddenly started demanding **6.25 Lakh shares**. He did not submit any account statements at that time, in spite of our repeated requests, but simply started using foul language and reasserting his right to have 6.25 Lakh shares.

Later during November 2010 he cooked up half-baked statements without proper details to claim that he paid about Rs.68 Lakhs. Only a part of the Rs.68 L are made to the Company, Out of the balance some belong to other peoples remittances to the company, for which he had no right nor does he have information such as the DD number or atleast the certified extract from the bank. He has also included the amounts paid to me in my personal capacity as a warrant holder as consideration for having transferred 3 Lakh share warrants.

Mr.Vimal Shah was given the transferred sharewarrants on his name, and he is entitled only to the extent of 3 Lakh shares. He had to pay at the rate of Rs.10.62 to the company for conversion, which covers Rs.31,86,000/- of which he paid only Rs.29,40,000. He then claimed the credits of Rs.2,30,460 from Mrs.Minaxi Shah and Dishant Shah [both of whom, do not have any sharewarrants and have raised a complaint but still not confirmed whether they want Vimal to take credit].

He still has a short fall of ts.15,580. In light of these claims that came after the allotment, the board had taken a view that it should clarity from the shareholders by holding an EGM on what is to be done about the shortfall and what is to be done if Minaxi shah and Dishant Shah do not confirm whether Vimal can use the Rs.2,30,460/-.

We have, in so many communications took the pains to explain him, that a sharewarrant holder can only get as many shares as the sharewarrants he had. If Vimal had an issue, in being cheated by the original warrant holder, on the sharewarrants that he should have got, after paying the amount that he paid, it is for a different organization to handle this issue, such as the civil court or the criminal court. But after he knew that he had only a total of 3 Lakh shares, how-much ever he pays he will only get 3Lakh shares, that too only after he paid the money in full and he had given a consent to get the shares converted.

The following is the extract of the reply we gave in RTI which had a similar query with all the attachments

“ The account statements filed by your are completely contorted. You have not even bothered to give details to a large number of entries giving an impression that by merely submitting a statement you can establish that you have made payments. Please realize that you have to give some credible reference like DD or Cheque No or RTGS number for your claim. When you make out such a statement, the authorities will request you to submit a bank statement and/or a CA certificate validating your claim. Any which way you have only 3 Lakh sharewarrants on your name and any excess paid by you cannot be refunded as per SEBI guidelines. Hence your claim that a great lot has been paid does not help you in getting more shares. But for record, you know very well that have paid for little short of balance money for 3 lakh sharewarrants at the rate of Rs.10.62 using the monies from DD Shah and Minaxi Shah. Now, in these fresh statements you have skipped thier amounts from those two associates, even though you have used these amounts in your initial consent. We are enclosing the correct statements of amouts paid by you”

Ultimately, if Mr.Vimal S Shah submits a confirmation from Mrs.Minaxi Shah and Mr.Dishant Shah, we can hold a board meeting and reverse the resolution to call an EGM in the near future to decide on his 3 Lakh shares. **Therefore, our stand is that the company has not created a problem here, no substance in his grievance and nothing needs to be resolved.**

5) Answer for point No.4 as above covers much of 5. In addition, Mr.Vimal does not need to apply to the company for sharewarrants, since he bought them from the original allottee or holder-in-due-course, they have been tranferred on his name by the request of the original allotte or holder-in-due-course. Distinctive numbers for the sharewarrants are different from the distinctive numbers for the shares. Distinctive numbers for the warrants are issued on 1/9/2008 when the warrants have been allotted. Distinctive numbers for shares are generated on 3/3/2010 when the shares were allotted in the Board Meeting.

6) Mrs.Minaxi Shah has her 1,10,000 shares on her name which can be ascertained by checking the filings under clause 41 of the Listing agreements and also by the fact that the registrar has not refused conversion to demat on the grounds that the name is wrong. Registrar could not demat since they are not eligible. They would become eligible, along with approx 30 Lakh other shares, once BSE releases the listing approval.

- 7) Once again, in the case of Eshin Patel 77800 sharewarrants on his name, which he submitted for conversion, entitles him to 77800 shares. If Eshin Patel categorically denies in a notarized affirmation that he does not want the shares, we can request the appropriate authorities and find out the procedure on how to entertain his request.
- 8) Baseless and irrelevant allegations
- 9) Mr. Hemant Kumar Gupta has not authorized Mr.Vimal to lodge a complaint, in fact he has requested for the duplicate share certificate for the 4,50,000 shares which was sent to him.
- 10) Irrelevant statements
- 11) Baseless and irrelevant allegation

Doc 1751:

This document has the identical covering letter as in 1750. It has more details on the demat rejection of Mrs. Minaxi Shah which is covered under (6) above.

Mr.Vishal, I have done as much as I can, with in this short time. Please give me an opportunity to explain this in person at your office along with all documents.

Thanking you,
Yours truly,
for TeleCanor Global Limited,

Maruti Ram Praturi
Managing Director