

# NILE DEVELOPERS PRIVATE LIMITED

09.09.2021

The Manager/ Assistant Manager  
Listing Operations-Corporate Services Dept.  
BSE Limited, Phiroze Jeejeebhoy Towers  
Dalal Street, Mumbai 400001

Dear Madam/ Sir,

**Sub:** Request for waiver of fine levied - Fines as per SEBI circular no. SEBI/HO/DDHS/CIR/P/2020/231 dated November 13, 2020

**Ref:** Regulation 54(2) of the SEBI(LODR) - Non-disclosure of extent and nature of security created and maintained with respect to secured listed NCDs in the financial statements

We take reference to your email dt 20.8.2021 informing us that the company has failed to disclose the charge created in respect of the Debentures issued.

The Company has submitted its explanation letter vide email dated 04.09.2021 and the following details of the fine paid:

Scrip Code	Regulation & Quarter	Amount paid	TDS deducted, if any	Net Amount paid	GST No. (Mandatory to upload on BSE Listing Centre) (*)
960402	54(2)- Annual	55460	-	55,460	33AACCN4252E2ZV

Cheque/DD No.	Date	UTR No. for RTGS /NEFT
NEFT	04-09-2021	UBINJ21247585223

We request you to consider the matters stated herein and waive the fine levied as the Company is yet to register any turnover.

We would like to submit that the Company had created the charge as per the Regulations and the same has been filed with the Registrar of Companies, MCA duly and on time. Further, while filing the required disclosure, you have indicated that the company has not disclosed the extent and nature of security in the financial statements. In this regard, we would like to submit the following:

1. Our financial statements clearly indicate the nature of security and the extent of security created. A copy of our audited financial statements for the year ending 31.3.2021 is herewith enclosed. You will find that in note 9 of the financial statements for the year ended 31.03.2021, we have clearly disclosed the required details and hence, prima facie, there is no error or omission in this regard.
2. Even in the disclosure made to the Exchange, you would find that the security cover is clearly disclosed as 0.999 and it is indicated that the debenture is secured.
3. We further submit that though Regulation 54 (2) requires the disclosure of assets cover, while, the manner of disclosure is provided in Regulation 54(4). Entire disclosure requirement is covered by Regulation 54 (4). It may kindly be noted that Regulation 54 (1) was framed initially which was general in nature and with a view to have a proper list of disclosures, sub Regulation (4) is inserted and the general requirement remained unamended. However, the specific insertion of Sub Regulation (4) provides for the disclosures and all the disclosures have been itemised in this sub Regulation. Therefore, we submit that entire disclosure required to be made should be as per Regulation 54(4) only and if the disclosure made is as per this sub Regulation, the disclosure is total and complete.
4. We therefore submit that our disclosure covers all the items specified in Regulation 54 (4), which is the relevant Regulation for the entire disclosure and there is no non compliance in this regard.
5. Further, with an intention to comply with your notice, we have immediately filed a revised statement of disclosures also so that, we do not remain non complaint as per your interpretation.

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6. We request you however to consider that the disclosure requirement as of date should be as per Regulation 54 (4) and so long as the disclosure is as per the listed items under this Regulation, there cannot be any non compliance.
7. We hope that you would find the above in order and request you not to levy any penalty as we have created charge on time and also disclosed properly in our financial statements and made the disclosure as per the items specified in Regulation 54 (4). Regulation 54 (4) specifies the items to be disclosed which are narrated elsewhere and there cannot be any additional disclosure requirements on this account.
8. Without prejudice to the above, a technical error cannot result into levy of penalty as penalty is a discretionary levy and it can be levied if there is a fundamental violation like non creation of charge and not for a trivial error as per a different interpretation. We request you to note that Regulation 54 (4) was not in the Regulations originally and it is inserted to bring a clarity about the nature of disclosures to be made and upon its insertion, the disclosure made as per this sub Regulation shall be in full compliance to the Regulations in this regard.

We therefore humbly request you to consider the matters stated herein and waive the fine levied as the Company is yet to register any turnover and drop the proceedings initiated.

Kindly let us know for clarifications, if any.

Thanking you,

Yours sincerely,  
For Nile Developers Private Limited

ABHISHEK NIRANKAR KAPOOR  
Chief Financial Officer