



**गेल (इंडिया) लिमिटेड**

(भारत सरकार का उपक्रम -- महारत्न कंपनी)

**GAIL (India) Limited**

(A Government of India Undertaking - A Maharatna Company)

गेल भवन,  
16 भीकाएजी कामा प्लेस  
नई दिल्ली-110066, इंडिया  
GAIL BHAWAN,  
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ND/GAIL/SECTT/2017

3<sup>rd</sup> August, 2017

Listing Department  
BSE Limited  
Floor 1, Phiroze Jeejeebhoy Towers  
Dalal Street  
Mumbai – 400001

**Subject – News Clarification - GAIL (India) Limited**

Dear Sir,

1. This is respect of news item appearing in [www.economictimes.indiatimes.com](http://www.economictimes.indiatimes.com) dated August 01, 2017, titled "GAIL under CCI scanner for breaching competition norms.
2. GAIL has signed Long Term RLNG contracts having Take-or-Pay obligation wherein, if customers have not drawn gas in any contract year then they become liable to pay for the gas, which is also flowing from back to back basis from GAIL's upstream contracts. Some of small customers drawing Long Term RLNG have raised concerns regarding Take-or-Pay which were operating smoothly for more than a decade and approached Competition Commission of India (CCI) alleging abuse of dominant position by GAIL. Similar contractual provision exists with all customers having Long Term RLNG Gas Sales contract.
3. Out of 13 such complaints, 5 complaints have been dismissed by CCI, as it did not find the clause to be abusive. CCI referred 07 cases to the DG-Investigation to look into conduct & implementation aspects of contractual provisions by the parties, however, CCI has not found the said clause to be abusive per-se. In case of one complaint of customer, CCI dismissed the complaint against which customer approached COMPAT and COMPAT allowed his appeal vide and directed DG -investigation to conduct enquires . GAIL has filed statutory appeal before the Hon'ble Supreme Court. The Hon'ble Supreme Court has stayed the above order of COMPAT CCI has also filed Appeal before Hon'ble Supreme Court against the said order of COMPAT
4. There is no material impact of aforesaid cases on the Company.

This is in compliance of Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Hope that above will be to your satisfaction.

Thanking you  
Yours faithfully

(A.K.Jha)  
Company Secretary