



गेल (इंडिया) लिमिटेड

(भारत सरकार का उपक्रम -- महारत्न कंपनी)

GAIL (India) Limited

(A Government of India Undertaking - A Maharatna Company)

ND/GAIL/SECTT/2017

गेल भवन,
16 भीकाएजी कामा प्लेस
नई दिल्ली-110066, इंडिया
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3rd August, 2017

Shri Jiten Patel
Assistant Manager – Listing Compliance
National Stock Exchange of India Limited
Exchange Plaza, 5th Floor,
Plot No. C/1, G Block,
Bandra-Kurla Complex, Bandra (East)
Mumbai – 400051

Subject – News Clarification - GAIL (India) Limited

Dear Sir,

1. Please refer to your e-mail dated 1st August, 2017 in respect of news item appearing in 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 not material impact of aforesaid cases on the Company.
5. GAIL is disclosing all events or information to Stock Exchanges as per requirement of Regulation 30 of SEBI LODR Regulations, 2015 from time to time.

Hope that above will be to your satisfaction.

Thanking you
Yours faithfully

(A.K.Jha)
Company Secretary