



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,
16 BHIKAJI CAMA PLACE
NEW DELHI-110066, INDIA
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फैक्स/FAX: +9111 26185941
ई-मेल/E-mail: info@gail.co.in

ND/GAIL/SECTT/2020

6th May, 2020

Shri Pradeep Ramakrishnan
General Manager
Compliance & Monitoring Division – 1
Corporation Finance Department

Sub : Reply - Caution Letter – Disclosure of Material Events / Information to Stock Exchange under Regulation 30 of SEBI (LODR) Regulation.

Dear Sir,

This is with reference to SEBI's Caution Letter No. SEBI/CFD/CMD1/PR/OW/10545/1/2020 dated 5th May, 2020 on the cited subject.

As advised, the subject letter was placed before the Board in its 413th meeting held today (i.e. 06.05.2020) along with relevant communications made with Stock Exchanges in this regard on 23.01.2020, 19.02.2020 and Clarification issued dated 29.01.2020 (**Copies Enclosed**) pertaining to provisional Assessment orders towards Annual License Fees in respect of IP-II Licence pertaining to several financial years from the office of Controller of Communications Accounts, Department of Telecommunication (DoT), Ministry of Communications, Govt. of India. Further the Board of the company was kept updated from time to time with the status on these provisional assessment Orders vide its 409th, 411th and 412th meetings held on 20.12.2019, 10.02.2019 and 03.03.2020 respectively.

As already informed to Stock Exchange(s), vide the communications mentioned above that the amount assessed in provisional assessment orders are not payable, being unrelated matter to the terms and conditions of the IP-II Licence obtained by the company and hence are also legally not tenable and Company had refuted these provisional assessment orders and requested for withdrawal of these orders by DoT. Accordingly, the event(s) of receipt of provisional orders was not considered material to be disclosed in terms of Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Further it is to bring your kind notice that GAIL management is in agreement to the abovementioned view that all these assessment orders/ demand notices received from DoT are not found material as per the GAIL Policy for determination of Materiality and disclosure and therefore same does not require disclosure to the Stock Exchanges within twenty – four

hours from the receipt. However as part of good corporate governance, intimation/clarifications to Stock Exchanges were submitted from time to time.

Hope the above clarifies the matter.

Regards


A K Jha
Company Secretary

Encl. : As above.

CC:

1. Listing Department
National Stock Exchange of India Limited
Exchange Plaza, 5th Floor,
Plot No. C/1, G Block,
Bandra-Kurla Complex, Bandra (East)
Mumbai – 400051
2. Listing Department
BSE Limited
Floor 1, Phiroze Jeejeebhoy Towers
Dalal Street
Mumbai – 400001



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ई-मेल/E-mail : info@gail.co.in

ND/GAIL/SECTT/2020

19.02.2020

Listing Department National Stock Exchange of India Limited Exchange Plaza, 5 th Floor, Plot No. C/1, G Block, Bandra-Kurla Complex, Bandra (East) Mumbai – 400051	Listing Department BSE Limited Floor 1, Phiroze Jeejeebhoy Towers Dalal Street Mumbai – 400001
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Sub.: Reply – Clarification on news item appearing in “Media/Publication”

Dear Sir,

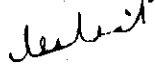
This is in reference to your e-mail dated 18.02.2020. In this regard, please refer our earlier letter No. ND/GAIL/SECT/ 2020 dated 23.01.2020 on the subject matter (letter attached).

Further, may please note that the matter is under examination for needful action keeping in view the observations made by Supreme Court on 14-2-2020 for non-Telecom Companies/PSUs.

In view of the same, clarification sought on news item appeared in the www.thehindubusinessline.com is not applicable.

This is for your information and records please.

Thanking you,
Yours faithfully,


Company Secretary

From: A K Jha - CS (ए के झा - सी एस)

Sent: Wednesday, January 29, 2020 11:49 AM

To: Ketul Jain (LISCO)

Cc: Avishkar Naik (LISCO); Lokesh Bhandari (LISCO); Joyce Rodrigues (LISCO); A K Jha - CS (ए के झा - सी एस); Nikhil Joshi (निखिल जोशी); Preeti Aggarwal (प्रीति अग्रवाल); Devesh Varshney (देवेश वाष्ण्य); Niraj Priyadershi; Jaishree Mardikar (जयश्री मरडीकर); Shiv Prasad Rungta (शिव प्रसाद रूंगटा)

Subject: GAIL | Clarification - AGR dated 29.01.2020

Dear Sir,

Please refer to your trailing mail on the cited subject.

At the outset, it is mentioned that as a responsible Corporate and part of Good Corporate Governance, upon filing an application with Hon'ble Supreme Court on 23rd January, 2020 for seeking clarification of the judgement related to provisional assessment orders pertaining to different Financial Years, the Company submitted an information to the exchanges immediately on the same date, being an important development.

Further, the Point wise details/ clarifications on the queries are given as under:

1. The details of provisional assessment orders received by GAIL from DoT are as under:

S.N.	Reference of the Letter from DoT	Amount (in Rs.)	Date of Receipt
1	No.1-9/CCA/Assmt./IP-II/GAIL/2001-02to2003-04/1106	1,362,239,204,194	27.06.2018
2	No.1-9/CCA/Assmt./IP-II/GAIL/2015-16/1107	93,254,485,368	27.06.2018
3	No.1-9/CCA/Assmt./IP-II/GAIL/2016-17/1108	75,528,586,568	27.06.2018
4	No.1-9/CCA/Assmt./IP-II/GAIL/2014-15/693	121,118,917,040	27.06.2018
5	No.1-9/CCA/Assmt./IP-II/GAIL/2017-18/2568	76,083,409,649	25.03.2019
6	No.1-9/CCA/Assmt./IP-II/GAIL/2018-19/1611	102,536,012,779	21.11.2019
	Total	1,830,760,615,598	

2. The event of receipt of provisional orders were not considered material in terms of Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as the amount assessed in provisional assessment orders is not payable, being unrelated matter to the terms & conditions of the IP-II License obtained by company. The company had also refuted these provisional assessment orders and requested DoT to withdraw these orders from time to time.
3. Refer to reply given at Sr.No.2 above, no disclosure required in Stock exchange
4. Refer to reply given at Sr.No.2 above

Regards,

A K Jha

Company Secretary

GAIL (India) Limited

Mob. 9958087154

From: Ketul Jain (LISCO) [<mailto:ketulj@nse.co.in>]

Sent: Tuesday, January 28, 2020 1:17 PM

To: A K Jha - CS (ए के झा - सी एस); Nidhi Gola (निधि गोला); Nikhil Joshi (निखिल जोशी); Preeti Aggarwal (प्रीति अग्रवाल); Devika Srivastava (देविका श्रीवास्तव); Sarvesh Vijay Sane (सर्वेश विजय साने)

Cc: Avishkar Naik (LISCO); Lokesh Bhandari (LISCO); Joyce Rodrigues (LISCO)

Subject: GAIL | Clarification - AGR

Dear Sir/Madam,

This is with respect to your announcement dated January 23, 2020 informing about filing of application with Supreme Court in relation to provisional assessment orders of Dept of Telecommunication.

In this regard your good self are requested to provide the following details/clarifications:

- Dates on which the provisional orders/demand notices were received by the company along with the quantum of demand.
- Whether the event(s) of receipt of provisional orders/demand notice was material to be disclosed in terms of Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, taking into consideration Point no 7 & 8 of Para B of SEBI Circular dated September 09, 2015 on continuous disclosures.
- If yes, the reasons for not disclosing the same to the stock exchanges under Regulation 30.
- If no, justification for non-materiality of the said event(s) taking into consideration materiality policy of the listed entity.

Your good self are requested to provide the response by January 29, 2020, 12:00 noon.

Best Regards

Ketul Jain

Deputy Manager – Listing Compliance

National Stock Exchange of India Limited (NSE)

Exchange Plaza, Bandra Kurla Complex, Bandra East, Mumbai – 400051

Board Line: 022-26598100 (Extn: 25355); Direct Line: 022 - 26598311; Email ID: ketulj@nse.co.in

www.nseindia.com





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ई-मेल/E-mail: info@gail.co.in

ND/GAIL/SECTT/2020

23.01.2020

Listing Department National Stock Exchange of India Limited Exchange Plaza, 5 th Floor, Plot No. C/1, G Block, Bandra-Kurla Complex, Bandra (East) Mumbai - 400051	Listing Department BSE Limited Floor 1, Phiroze Jeejeebhoy Towers Dalal Street Mumbai - 400001
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Sub.: Provisional Assessment Orders received from Department of Telecommunications, Ministry of Communications, Government of India.

Dear Sir,

Pursuant to Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, it is hereby informed that the Company had received provisional assessment orders towards Annual License Fees in respect of IP-II License for several financial years from the Office of Controller of Communication Accounts, Department of Telecommunication (DoT), Ministry of Communications, Government of India. DoT had submitted an allegedly total outstanding amount of Rs.1, 83,076 Crore (One Lakh Eighty Three Thousand and Seventy Six Crore rupees) including interests and penalty computed on the entire revenues of the Company, which were refuted by the Company being an unrelated matter to the terms & conditions of the License.

Based on the legal opinion sought in this regard and facts of the case, the Company is of the view, that the amount assessed in provisional assessment orders are legally not tenable. In this regard, the Company has also filed an application with Hon'ble Supreme Court on 23rd January, 2020 for seeking clarification of the judgement passed.

Thanking you,
Yours faithfully,


(A.K. Jha)
Company Secretary

सीआईएन/CIN
L40200DL1984G01018976
www.gailonline.com



भारतीय प्रतिभूति
और विनियम बोर्ड
**Securities and Exchange
Board of India**

Pradeep Ramakrishnan
General Manager
Compliance and Monitoring Division-1
Corporation Finance Department
Email: pradeepr@sebi.gov.in

SEBI/CFD/CMD1/PR/OW/10545/1/2020
May 05, 2020

To

Mr. A.K. Jha
Company Secretary & Compliance Officer,
GAIL (India) Limited
GAIL Bhawan,
16, Bhikaji Cama Place,
New Delhi – 110066

Dear Sir,

**Sub: Caution Letter – Disclosure of material events/information to the stock exchanges under
Regulation 30 of SEBI LODR Regulation**

1. This has reference to the assessment orders / demand notices received by the company from Department of Telecommunications (DoT), Ministry of Communications, Government of India, from time to time, seeking payment of license fees on total reported revenue.
2. As you may be aware, disclosure requirements for listed entities are governed by the provisions of Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (**LODR**), which mandate listed companies to disclose material information as soon as reasonably possible and not later than twenty-four hours from the occurrence of event or information to the stock exchanges. Further, various information/events have been specified under Part A of Schedule III of LODR. Particularly, clause no. 8 of Para B of Part A of Schedule III of LODR stipulates disclosure of "*litigation(s) / dispute(s) / regulatory action(s) with impact*".
3. Further, SEBI vide circular dated September 09, 2015 had stipulated the details of events/information given in the Part A of Schedule III of LODR. The said circular, *inter alia*, stipulates disclosure of 'assessment' to which a company becomes party or which is instituted against the company. Accordingly, the company should have disclosed the receipt of the aforesaid assessment orders / demand notices as soon as possible and not later than twenty-four hours from their receipt. However, the same were disclosed after considerable delay.
4. This caution letter is being issued after considering the company's explanation on the matter. The company is advised to place this letter before its board of directors and disclose the same to the stock exchanges. You are also advised to disclose the reason of non-disclosure of the aforesaid assessment orders / demand notices within the stipulated timeframe.

Yours faithfully,


Pradeep Ramakrishnan

सेबी भवन, प्लॉट सं. सी 4-ए, "जी" ब्लॉक, बान्द्रा कुर्ला कॉम्प्लेक्स, बान्द्रा (पूर्व), मुंबई - 400 051.
दूरभाष : 2644 9950 / 4045 9950 (आई.बी.आर. एस.), 2644 9000 / 4045 9000 फैक्स : 2644 9019 से 2644 9022 वेब : www.sebi.gov.in

