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DEEPAK FERTILISERS AND PETROCHEMICALS CORPORATION LIMITED

15th December, 2017

The Secretary
BSE Limited
Phiroze Jeejeebhoy Towers,
Dalal Street, Fort,
Mumbai – 400 001

Listing Department
National Stock Exchange of India Ltd.
"Exchange Plaza",
Bandra-Kurla Complex, Bandra (E)
Mumbai – 400 051

Subject: Intimation of the Arbitration Award in respect of dispute with GAIL

Dear Sir/Madam,

Pursuant to Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we wish to give an update on Arbitration process in respect of dispute with GAIL as under;

GAIL had claimed a sum of Rs.357 Crores in respect of supply of domestic natural gas for the period July 2006 to May 2014, alleging usage for manufacture of products other than Urea. As per two contracts entered into 2006 and 2010 between the Company and GAIL, the purchase of gas was contractually and clearly intended, supplied and utilized for industrial applications. It had been in full knowledge of Department of Fertilisers, Government of India that as per the Industrial License, utilization of gas since the Company's inception was for its Integrated NPK Fertiliser Complex. The Company was never engaged in the manufacture of Urea despite which the dispute was referred to Arbitration. Accepting the Company's stand, the Arbitration Tribunal had earlier rejected the claim under 2006 contract amounting to Rs.244 Crores.

The final Award in the Arbitration proceedings is received now and the entire claim of Rs.357 Crores by GAIL is rejected for want of merits, besides being time barred.

We request you to kindly take the above information on record.

Thanking you,

Yours faithfully,

For DEEPAK FERTILISERS AND
PETROCHEMICALS CORPORATION LIMITED

K. Subharaman
EVP – Legal & Company Secretary