



INDRAPRASTHA GAS LIMITED

(A Joint Venture of GAIL (India) Ltd., BPCL & Govt. of NCT of Delhi)

ND/IGL/CS//2017

January 17, 2017

The Manager
Dept. of Corporate Services
Bombay Stock Exchange Ltd.
Rotunda Building, 1st Floor
Dalal Street
Mumbai – 400 001

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

SUB : News Clarification - Indraprastha Gas Limited

Dear Sir/Madam,

This is with reference to recent news item appearing in Business Line dated January 14, 2017, titled "IGL settles Rs.800-cr dispute with North Delhi Municipal Corporation". At the outset, we would like to clarify that there is no settlement as such reached by the Company with North Delhi Municipal Corporation. Moreover, the amount of Rs. 800 Crores mentioned in the publication has not been provided by the Company. Further, In this regard, the facts of the matter are as under:

1. During the year 2015-16, North Delhi Municipal Corporation issued a Circular in relation to recovery of usage charges @ Rs. 75,162 per meter per annum for granting of way leave facility used by the Company for its network of underground gas pipelines under North Delhi Municipal Corporation's jurisdiction ('way leave facility'). North Delhi Municipal Corporation has issued the same Circular to various telecom service providers and other service providers who use land under North Delhi Municipal Corporation's jurisdiction for their business operation. The Company gave a suitable disclosure regarding the same in notes to Unaudited/Audited Financial Results for the Quarter and Year ended March 31, 2016 submitted to Stock Exchanges on May 13, 2016 and it was also mentioned in Annual Report 2015-16 under heading Additional information to the Financial Statements – Contingent liabilities.
2. There was lack of clarity/interpretational issues in the said Circular of North Delhi Municipal Corporation. Moreover, the Company has not received any communication from North Delhi Municipal Corporation specifying the total amount payable in this regard.

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CIN : L23201DL1998PLC097614

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3. The Company made a representation to North Delhi Municipal Corporation to review usage charges for granting of way leave facility mentioned in the Circular.
4. Subsequently, another circular was issued by North Delhi Municipal Corporation in September 2016 and the amount was reduced to only one time charge of Rs. 684 per running meter. The same was suitably disclosed by the Company by way of a note in the half yearly results of September 30, 2016.
5. The Company again made a representation to North Delhi Municipal Corporation to review the charges and for further clarification regarding applicability of one time charges. North Delhi Municipal Corporation in December 2016, clarified that Rs. 684 per meter charges are one time prospective charges and no part of the same is retrospective.
6. As mentioned earlier, from the beginning itself, there were interpretational issues/lack of clarity in the said Circulars which have now been clarified. Based on the clarifications, **there is no material impact of the Circulars/clarifications on the Company which has been the subject matter of news item appeared in Business Line dated January 14, 2017.**

Thanking you,

Yours sincerely,
for **Indraprastha Gas Ltd.,**

(S. K. Jain)
Company Secretary & Compliance Officer