

Ref: MGL/CS/SE/2023/524

Date: February 12, 2024

To,

Head, Listing Compliance Department BSE Limited P. J. Towers, Dalal Street, Mumbai – 400 001 Script Code/Symbol: <u>539957; MGL</u>	Head, Listing Compliance Department National Stock Exchange of India Ltd Exchange Plaza, Bandra –Kurla Complex, Bandra (East), Mumbai – 400051 Script Symbol: <u>MGL</u>
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Sub: Execution of Share Subscription Agreement for proposed acquisition of shares of 3EV Industries Private Limited

Dear Sir/ Madam,

Pursuant to Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements), Regulations 2015 (“Listing Regulations”) read with SEBI Master Circular No. SEBI/HO/CFD/PoD2/CIR/P/2023/120 dated 11th July, 2023 and SEBI Circular No. SEBI/HO/CFD/CFD-PoD1/P/CIR/2023/123 dated 13th July, 2023 (“SEBI Circulars”), we wish to inform that Mahanagar Gas Limited (“**Company**”) has entered into Share Subscription Agreement (“**SSA**”) with 3EV Industries Private Limited (“**3ev**”), Founders and Promoters of 3ev, to acquire 30.97% shareholding in 3ev through equity instruments in various tranches. The said transaction is subject to the fulfilment of various terms and conditions as specified in the definitive agreements entered/ to be entered into by the Company in connection with the above mentioned transaction.

The details required under Listing Regulations read with above referred SEBI Circulars are enclosed herewith and marked as **Annexure – 1**.

The copy of Press Release is attached as **Annexure – 2**.

We request you to take the above information on record.

Thanking You
Yours faithfully,
For **Mahanagar Gas Limited**

Atul Prabhu
Company Secretary & Compliance Officer
ACS No.: 64051

Encl.: As above

ANNEXURE 1

Disclosure under sub-para (1) i.e. Acquisition(s) (including agreement to acquire) of Para (A) of Part (A) of Schedule III to the Regulation 30 of Listing Regulations

Sr. No.	Particulars	Description
a)	Name of the target entity, details in brief such as size, turnover etc.	3EV Industries Private Limited (“3ev”), a private limited company incorporated under the Companies Act, 2013. The details of 3ev for the Financial Year 2022-2023 are as under: Turnover: INR 19.68 Cr. Net worth: INR 11.5 Cr. PAT/ (Loss): INR (15.2 Cr.)
b)	Whether the acquisition would fall within related party transaction(s) and whether the promoter/ promoter group/ group companies have any interest in the entity being acquired? If yes, nature of interest and details thereof and whether the same is done at “arm’s length”	The acquisition does not fall within related party transactions. The promoter/ promoter group/ group companies have no interest in 3ev.
c)	Industry to which the entity being acquired belongs	Manufacturing of 3-wheeler Electric Vehicles
d)	Objects and effects of acquisition (including but not limited to, disclosure of reasons for acquisition of target entity, if its business is outside the main line of business of the listed entity)	Diversification for developing sustainable business model
e)	Brief details of any governmental or regulatory approvals required for the acquisition	NA
f)	Whether the transaction will be in tranches?	Yes. The acquisition of shareholding will be made in equity instruments in various tranches.

g)	Indicative time period for completion of the acquisition	Acquisition of 30.97% shareholding through equity instruments is subject to fulfilment of terms and conditions under the definitive agreements entered/ to be entered into by the Company in connection with the above mentioned transaction.								
h)	Nature of consideration- whether cash consideration or share swap and details of the same	Cash consideration								
i)	Cost of acquisition or the price at which the shares are acquired	INR 96 crore, subject to any adjustments as per SSA.								
j)	Existing Percentage of shareholding held by acquirer	Nil								
k)	Percentage of control acquired	Nil								
l)	Percentage of shares acquired (additional, if existing holding persists)	Nil								
m)	Brief background about the entity acquired in terms of products/line of business acquired, date of incorporation, history of last 3 years turnover, country in which the acquired entity has presence and any other significant information (in brief)	<p>3ev was incorporated on April 30, 2019, under the provisions of the Companies Act, 2013.</p> <p>3ev provides micro-mobility solutions from the ground up. 3ev offers end-to-end solutions in each hyper-local community it serves, including professional services for passengers, small-parcel deliveries, and freight. 3ev focuses on each local ecosystem where it operates and strives to provide the highest quality connections to all members in order to build-up and enhance our communities.</p> <p>The turnover from operations of 3ev for the last three years is as follows:</p> <table border="1"> <thead> <tr> <th>Year</th> <th>Turnover (Rs.)</th> </tr> </thead> <tbody> <tr> <td>FY 2022-23</td> <td>19.68 Cr.</td> </tr> <tr> <td>FY 2021-22</td> <td>7.96 Cr</td> </tr> <tr> <td>FY 2020-21</td> <td>1.21 Cr</td> </tr> </tbody> </table>	Year	Turnover (Rs.)	FY 2022-23	19.68 Cr.	FY 2021-22	7.96 Cr	FY 2020-21	1.21 Cr
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FY 2022-23	19.68 Cr.									
FY 2021-22	7.96 Cr									
FY 2020-21	1.21 Cr									

MGL forays into E-mobility sector

Mahanagar Gas Limited (MGL) signed a Share Subscription Agreement (SSA) with 3EV Industries Pvt. Ltd (3ev) on Monday, 12th February 2024 for an equity infusion of Rs. 96 crore in the company. The investment, which is to be made in tranches, is subject to normal closing provisions. The first tranche is expected to be invested before the end of this month.

3EV Industries is an Electric Vehicle OEM established in 2019 in Bangalore, Karnataka. The company manufactures L5 category three-wheel cargo, passenger, and ICE-to-EV converted electric vehicles. It's premium EVs are used to serve the transportation needs of leading e-commerce, retail, and last mile logistics companies. The investment will be used by the company to ramp up production capacity to meet increasing customer demand, support R&D projects focused on electronics efficiency, and further develop aftermarket services including Battery-as-a-Service (BaaS).

Speaking on the occasion, Mr. Ashu Shinghal, Managing Director of MGL said, "MGL, since its inception, had been a proponent of greener environment. This investment would help strengthen the EV ecosystem for the last mile logistics segment, facilitate faster adoption primarily replacing diesel vehicles and significantly reduce the carbon footprint. MGL can additionally facilitate setting up of charging or swapping facilities which can help 3ev expand its business through assured charging infrastructure to its customers." Mr. Shinghal reiterated, that "MGL is strengthening its core sector business and simultaneously positioning itself in the emerging sectors. Investment in the EV sector will further supplement our presence in the energy value chain. MGL maintains a holistic view in the EV sector and believes that participation in the EV value chain is critical to support the sector during its emerging phase."

Mr. Peter Voelkner, Managing Director of 3ev said, "We are deeply honored to have MGL demonstrate its confidence in our business, management team, and future prospects by investing in 3ev. There are substantial synergies between MGL and our growing business as an EV technology platform, not only through the accelerated adoption of EVs, but critically in the emerging battery ecosystem including 3ev's proprietary BaaS model. Our focus on total life-cycle management enabling highly competitive TCOs for EV users, their customers and other stakeholders, gives our clean technology a clear value proposition in the marketplace. With MGL's valuable support we see many opportunities to rapidly increase the penetration and commercialization of EVs in India and beyond."

CRISIL was the transaction advisor to MGL. HDFC Bank was the transaction advisor to 3ev.