



MAHANAGAR GAS LIMITED

Ref: MGL/CS/SE/2020/355

Date: August 28, 2020

To,

Head, Listing Compliance Department BSE Limited P. J. Towers, Dalal Street, Mumbai - 400 001 Scrip Code/Symbol: 539957; MGL	Head, Listing Compliance Department National Stock Exchange of India Ltd Exchange Plaza, Bandra –Kurla Complex, Bandra (East), Mumbai - 400051 Script Symbol: MGL
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Sub: Notice of Twenty Fifth Annual General Meeting along with Annual Report of the Company for the Financial Year 2019-2020


Dear Sir/ Madam,

In continuation to our letter (Ref: MGL/CS/SE/2020/350) dated August 07, 2020, we wish to inform you that the Twenty-Fifth Annual General Meeting (AGM) of the Company is scheduled to be held on **Thursday, September 24, 2020 at 11.00 a.m. (IST) through Video Conferencing (VC) / Other Audio Visual Means (OAVM).**

A copy of the Notice of the Twenty-Fifth AGM, setting out the Businesses to be transacted in the meeting as well as Annual Report for the Financial Year 2019-20 is enclosed herewith.

You are requested to take the above information on your records and disseminate the same on your website.

For Mahanagar Gas Limited


Sahan Srivastava
Company Secretary and Compliance Officer



Encl.: As above





MAHANAGAR GAS LIMITED

MUMBAI

Regd. Off.: MGL House, Block No: G-33, Bandra-Kurla Complex, Bandra (E), Mumbai -400051
 CIN: L40200MH1995PLC088133I Tel No. +91 22 6678 5000
 Website: www.mahanagargas.com | E-mail: info@mahanagargas.com

To,
 The Members

NOTICE is hereby given that the **Twenty-Fifth Annual General Meeting (AGM)** of the Members of Mahanagar Gas Limited will be held on Thursday, September 24, 2020 at 11.00 a.m. (IST) through Video Conferencing ("VC") / Other Audio Visual Means ("OAVM") to transact the following business:

ORDINARY BUSINESS:

- To consider and adopt the Audited Financial Statements of the Company for the financial year ended March 31, 2020, together with the Reports of the Board of Directors and Auditors thereon.
- To confirm the payment of Interim Dividend of ₹9.50 per equity share, already paid and to declare the Final dividend of ₹10.50 and Special Dividend of ₹15 per equity share for the financial year ended on March 31, 2020.
- To appoint a Director in place of Mr. Sanjib Datta (DIN: 07008785), who retires by rotation and being eligible, offers himself for re-appointment.

SPECIAL BUSINESS:

- Ratification of Cost Auditors' remuneration.

To consider and if thought fit, to pass, the following Resolutions as an **Ordinary Resolution**:

"RESOLVED THAT pursuant to the provisions of the Section 148 and other applicable provisions, if any, of the Companies Act, 2013 read with rules thereunder (including any statutory modifications and re-enactments thereof for the time being

in force) the remuneration payable to M/s. Dhananjay V. Joshi & Associates, Cost Accountants (Registration No. 30) re-appointed by the Board of Directors as cost auditors to conduct the audit of cost records maintained by the Company for the financial year ending March 31, 2021 being ₹3,45,000/- (Rupees Three Lakh Forty Five Thousand only) plus applicable taxes and reimbursement of Out of Pocket expenses that may be incurred by them in connection with the aforesaid audit, be and is hereby ratified.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to do all such acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

- To approve Material Related Party Transactions.

To consider and if thought fit, to pass, the following Resolutions as an **Ordinary Resolution**:

"RESOLVED THAT pursuant to the provisions of Section 188 and other applicable provisions, if any, of the Companies Act, 2013 read with the Rules made thereunder, and in terms of Regulation 23 of the Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015 and any other applicable statutory laws, and in continuation to earlier resolution passed by the Shareholders in 24th Annual General Meeting held on September 09, 2019, consent of the Shareholders of the Company be and is hereby accorded for entering into the Material Related Party Transactions as per the details provided in the table appended below:

Sr. No.	Name of the Related Party	Relationship	Nature of Transaction	Maximum value of transactions
01.	GAIL (India) Limited	Promoter	Agreements entered / to be entered for purchase and transportation of gas.	₹2,500 Crores (for the financial year ending on March 31, 2022)
02.	Petronet LNG Limited	Promoter Group Entity		

RESOLVED FURTHER THAT the Board of directors of the Company be and is hereby authorized to take such steps as may be necessary, in relation to the above and to do all acts, deeds, matters and things that may be necessary, proper, expedient or incidental thereto for the purpose of giving effects to this Resolution”.

6. Appointment of Mr. Syed S. Hussain (DIN: 00209117) as an Independent Director.

To consider and if thought fit, to pass the following Resolution, as an **Ordinary Resolution**:

“**RESOLVED THAT** pursuant to the provisions of Sections 149, 152 and 161 (f) and other applicable provisions of the Companies Act, 2013 (“Act”), the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), relevant applicable regulation(s) of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 and Articles of Association of the Company, Mr. Syed S. Hussain (DIN: 00209117), who was appointed as an Additional Director (Independent Category) of the Company, by the Board of Directors with effect from September 09, 2019 and who holds the said office in terms of Section 161 of the Companies Act, 2013 up to the date of this Annual General Meeting and who has submitted a declaration that he meets the criteria prescribed for Independent Director under Section 149 (6) of the Companies Act, 2013 and applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, and who is eligible for appointment and in respect of whom the Company has received a notice in writing from a member proposing his candidature for the office of Director and as recommended by the Nomination and Remuneration Committee and Board of Directors in their meetings, be and is hereby appointed as an Independent Director of the Company for a period of 3 (Three) consecutive years i.e. from September 09, 2019 upto September 08, 2022, not liable to retire by rotation.”

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to do all the acts and take all such steps as may be necessary to give effect to the above resolution.

7. Re-Appointment of Mrs. Radhika Vijay Haribhakti (DIN: 02409519) as an Independent Director.

To consider and if thought fit, to pass the following Resolution, as a **Special Resolution**:

“**RESOLVED THAT** pursuant to the provisions of Section 149, 152 and other applicable provisions of the Companies Act, 2013, the Companies (Appointment and Qualification of Directors) Rules, 2014 read with Schedule IV to the said

Act, applicable provisions of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 and Articles of Association of the Company, Mrs. Radhika Vijay Haribhakti (DIN: 02409519), who was re-appointed as an Independent Director of the Company, by the Board of Directors with effect from March 05, 2020 and who has submitted a declaration that she meets the criteria prescribed for Independent Director under Section 149 (6) of the Companies Act, 2013 and applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, and who is eligible for re-appointment and in respect of whom the Company has received a notice in writing from a member proposing her candidature for the office of Director and as recommended by the Nomination and Remuneration Committee and Board of Directors in their meetings, be and is hereby re-appointed as an Independent Director of the Company for a second term commencing from March 05, 2020 upto March 04, 2023, not liable to retire by rotation.”

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to do all the acts and take all such steps as may be necessary to give effect to the above resolution.

8. To appoint Mr. Manoj Jain (DIN: 07556033) as Director.

To consider and if thought fit, to pass the following Resolution, as an **Ordinary Resolution**:

“**RESOLVED THAT** pursuant to the provisions of Section 160 and any other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), Mr. Manoj Jain (DIN: 07556033), who was appointed as an Additional Director of the Company by the Board of Directors in terms of Section 161 of the Companies Act, 2013 and Articles of Association of the Company and whose term of office expires at the ensuing Annual General Meeting and in respect of whom the Company has received a notice in writing from a member proposing his candidature for the office of Director, as recommended by the Nomination and Remuneration Committee and Board of Directors, be and is hereby appointed as Director of the Company, whose period of office shall be liable to determination by retirement of directors by rotation.”

By Order of the Board
For **Mahanagar Gas Limited**

Sd/-

Place: Mumbai
Date: August 07, 2020 Company Secretary & Compliance Officer

Saghan Srivastava

Notes:

1. In view of the massive outbreak of the COVID-19 pandemic, social distancing is a norm to be followed and pursuant to the Circular No. 14/2020 dated April 08, 2020, Circular No.17/2020 dated April 13, 2020 issued by the Ministry of Corporate Affairs followed by Circular No. 20/2020 dated May 05, 2020 (collectively referred to as 'MCA Circulars'), physical attendance of the Members to the AGM venue is not required and Annual General Meeting (AGM) be held through video conferencing (VC) or other audio visual means (OAVM). Hence, Members can attend and participate in the AGM through VC/OAVM only. In view of this, Route Map showing the location of the Venue of the AGM is also not attached.
2. The relative Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 ("Act") setting out material facts concerning the business under Item Nos. 4 to 8 of the Notice, is annexed hereto. The relevant details, pursuant to Regulations 26(4) and 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations" or "SEBI LODR") and Secretarial Standard on General Meetings (SS-2) issued by the Institute of Company Secretaries of India, in respect of Directors seeking appointment/re-appointment at this Annual General Meeting ("AGM") are also annexed.
3. Pursuant to the provisions of the Act, a member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his/her behalf and the proxy need not be a member of the company. Since this AGM is being held pursuant to the MCA Circulars, through VC/OAVM, the requirement of physical attendance of members has been dispensed with. Accordingly, the facility for appointment of proxies by the members will not be available for the AGM and hence the proxy form and attendance slip are not annexed to this notice.
4. The Members can join the AGM in the VC/OAVM mode 30 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available for 1000 members on first come first served basis as per the MCA Circulars. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.
5. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.
6. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015, and the Circulars issued by the Ministry of Corporate Affairs dated April 08, 2020, April 13, 2020 and May 05, 2020 the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with National Securities Depository Limited (NSDL) for facilitating voting through electronic means, as the authorized agency. The facility of casting votes by a member using remote e-voting system as well as voting during the AGM will be provided by NSDL.
7. In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13, 2020, the Notice calling the AGM has been uploaded on the website of the Company at www.mahanagargas.com. The Notice can also be accessed from the websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively and the AGM Notice is also available on the website of NSDL (agency for providing the Remote e-Voting facility) i.e. www.evoting.nsdl.com.
8. Members may kindly note that the Company has made arrangement of dematerialization of its Equity Shares and the ISIN No. allotted for the same by NSDL and CDSL is INE002S01010. Members are requested to consider this and avail the facility of dematerialization of the equity shares of the Company held by them. Considering the amendment in the Regulation 40 of "SEBI LODR" all the shareholders who continue to hold shares in physical form are advised to get the shares in Dematerialized as it is mandated that transfer of securities would be carried out in dematerialized form only. The investors are requested to contact to the Registrar & Transfer Agents in order to complete the process.
9. In case of joint holders, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote at the AGM.
10. The Company strongly believes in green initiatives and in pursuance of the same members are requested to provide their e-mail address or update their existing e-mail address with their DPs in case the shares are held by them in electronic form and with the Registrar and Share Transfer Agents in case the shares are held by them in physical form, to enable the Company communicate with the Members in a better, eco-friendly and faster way.
11. Members are requested to intimate changes, if any, pertaining to their name, postal address, e-mail address, telephone/ mobile numbers, Permanent Account Number (PAN), mandates, nominations, power of attorney, bank

- details such as, name of the bank and branch details, bank account number, MICR code, IFSC code, etc., to their DPs in case the shares are held by them in electronic form and to the Registrar and Share Transfer Agents of the Company in case the shares are held by them in physical form.
12. The Board of Directors, in its meeting held on February 26, 2020, had declared an Interim Dividend of ₹9.50/- per equity Share of the face value of ₹10/- each, on the paid-up Equity Share Capital of the Company, for the Financial Year 2019-2020 and was paid on March 16, 2020 to all eligible shareholders as on record date i.e. March 09, 2020.
 13. Pursuant to the provisions of section 91 of the Act, the register of members and share transfer books of the company will remain closed from Friday, September 18, 2020 to Thursday, September 24, 2020 (both days inclusive).
 14. If the Final Dividend, as recommended by the Board of Directors, is approved at the AGM, payment of such dividend subject to deduction of tax at source will be made as under:
 - (i) To all Beneficial Owners in respect of shares held in dematerialized form as per the data as may be made available by the National Securities Depository Limited (“NSDL”) and the Central Depository Services (India) Limited (“CDSL”), collectively “Depositories”, as of the close of business hours on Thursday, September 17, 2020.
 - (ii) To all Members in respect of shares held in physical form after giving effect to valid transfer, transmission or transposition requests lodged with the Company as of the close of business hours on Thursday, September 17, 2020.
 15. The Final Dividend for the financial year ended March 31, 2020, as recommended by the Board, if approved at the AGM, will be paid on Tuesday, October 06, 2020 to those Members whose name appears in the Register of Members of the Company as on Thursday, September 17, 2020.
 16. Pursuant to Finance Act 2020, dividend income will be taxable in the hands of shareholders w.e.f. April 1, 2020 and the Company is required to deduct tax at source from dividend paid to shareholders at the prescribed rates. For the prescribed rates for various categories, the shareholders are requested to refer to the Finance Act, 2020 and amendments thereof. The shareholders are requested to update their PAN with the Company/ Registrar and Share Transfer Agents (in case of shares held in physical mode) and depositories (in case of shares held in dematerialized mode).

A Resident individual shareholder with PAN and who is not liable to pay income tax can submit a yearly declaration in Form No. 15G/15H, to avail the benefit of non-deduction of

tax at source by e-mail to mgldividend@linkintime.co.in or update the same by visiting the link <https://linkintime.co.in/formsreg/submission-of-form-15g-15h.html> on or before Wednesday, September 09, 2020 by 11:59 p.m. (IST) in order to enable the Company to determine and deduct appropriate TDS / withholding tax rate. Shareholders are requested to note that in case their PAN is not registered, the tax will be deducted at a prescribed rate of 20%.

Non-resident shareholders can avail beneficial rates under tax treaty between India and their country of residence, subject to providing necessary documents i.e. No Permanent Establishment and Beneficial Ownership Declaration, Tax Residency Certificate, Form 10F, any other document which may be required to avail the tax treaty benefits by sending an e-mail to mgldividend@linkintime.co.in or update the same by visiting the link : <https://linkintime.co.in/formsreg/submission-of-form-15g-15h.html> The aforesaid declarations and documents need to be submitted by the shareholders on or before Wednesday, September 09, 2020 by 11:59 p.m. (IST) in order to enable the Company to determine and deduct appropriate TDS / withholding tax rate.

17. Dividend will be preferably paid through National Electronic Clearing Service (NECS), wherever the facility is available. Where dividend payments are made through NECS, intimations regarding such remittances would be sent separately to the Members. In cases, where the dividend cannot be paid through NECS, the same will be paid by account payee/non-negotiable instruments.
18. The Members who are unable to receive the dividend directly in their bank accounts through Electronic Clearing Service or any other means, due to non-registration of the Electronic Bank Mandate, the Company shall within 30 days of normalisation of the postal services dispatch the dividend warrant/ Bankers' cheque/ demand draft to such Members.
19. To ensure timely credit of dividend through National Electronic Clearing Service (NECS) or dividend warrants/ payment instruments, members are requested to notify change of address, or particulars of their bank account, if changed, along with the 9 digit MICR/NECS details, to the respective depository participant in case of shares held in demat mode/to the Registrar and Share Transfer Agent of the company by visiting the link https://linkintime.co.in/emailreg/email_register.html, in case of shares held in physical mode, on or before Thursday, September 17, 2020.
20. In compliance with SEBI Circular No. SEBI/HO/CFD/CMD1/ CIR/P/2020/79 dated May 12, 2020, Notice of the AGM along with the Annual Report 2019-20 is being sent only through electronic mode to those Members whose e-mail addresses are registered with the Company/ Depositories. Members may note that the Notice and Annual Report 2019-20 will also be available on the Company's website www.mgl.com.

mahanagargas.com, websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively, and on the website of NSDL at <https://www.evoting.nsdl.com>.

21. The requirement to place the matter relating to appointment of auditors for ratification by members at every AGM has been done away by the Companies (Amendment) Act, 2017 with effect from May 07, 2018. Accordingly, no resolution is being proposed for ratification of appointment of statutory auditors at the Twenty-Fifth AGM.
22. The Board of Directors has appointed Mr. Upendra C. Shukla, Practicing Company Secretary (Membership No. F2727) as the Scrutinizer to scrutinize the voting at the meeting and remote e-voting process in a fair and transparent manner.
23. Shareholders are requested to send their share transfer and all other requests and complaints to Link Intime India Private Limited (Registrar and Share Transfer Agents (RTA) of the Company) at the following address:

C-101, 247 Park, Lal Bahadur Shastri Marg, Gandhi Nagar, Vikhroli (West), Mumbai - 400083, Maharashtra.
24. As per the provisions of Section 72 of the Companies Act, 2013, nomination facility is available to the members, in respect of equity shares held by them. Nomination forms can be obtained from the RTA.
25. As per Rule 3 of Companies (Management and Administration) Rules, 2014, Register of Members of the Company should have additional details pertaining to e-mail, PAN / CIN, UID, Occupation, Status, Nationality. We request all the Members of the Company to update their details with their respective Depository Participants in case of shares held in electronic form and with the Company's RTA in the case of physical holding, immediately.
26. Members wishing to claim dividends, which remain unclaimed, are requested to correspond with Company Secretary, at the Company's Registered Office. Members are requested to note that dividend not claimed within seven years from the date of transfer to the Company's Unpaid Dividend Account, will, as per the provisions of Section 124 of the Companies Act, 2013, be transferred to the Investor Education and Protection Fund.
27. Process for registering e-mail addresses to receive this Notice of AGM and Annual Report electronically and cast votes electronically:

- (i) **Registration of e-mail addresses with Link Intime India Private Limited:** The Company has made special arrangements with the RTA for registration of e-mail addresses of those Members (holding shares either in electronic or physical form) who wish to receive this

Notice electronically and cast votes electronically. Eligible Members whose e-mail addresses are not registered with the Company / DPs are required to provide the same to the RTA on or before 5:00 p.m. (IST) on Thursday, September 17, 2020 by visiting the link : https://linkintime.co.in/emailreg/email_register.html and thereafter selecting the Company name 'Mahanagar Gas Limited'.

- (ii) **Registration of e-mail address permanently with Company/DP:** Members are requested to register the same with their concerned DPs, in respect of electronic holding and with the RTA, in respect of physical holding, by writing to them at rnt.helpdesk@linkintime.co.in. Further, those Members who have already registered their e-mail addresses are requested to keep their e-mail addresses validated/updated with their DPs / RTA to enable servicing of notices / documents / Annual Reports and other communications electronically to their e-mail address in future.
- (iii) Alternatively, those Shareholders who have not registered their e-mail addresses are required to send an e-mail request to evoting@nsdl.co.in along with the following documents for procuring user id and password and registration of e-mail ids for e-Voting for the resolutions set out in this Notice:
 - In case shares are held in physical mode, please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), self-attested scanned copy of PAN card, self-attested scanned copy of Aadhar Card.
 - In case shares are held in demat mode, please provide DPID-Client ID (8 digit DPID + 8 digit Client ID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, self-attested scanned copy of PAN card, self-attested scanned copy of Aadhar Card.
28. Instructions for attending the AGM through VC/OAVM and remote e-Voting (before and during the AGM) are given below.

A. INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE AGM THROUGH VC/OAVM

- i) The Members will be provided with a facility to attend the AGM through VC/OAVM through the NSDL e-Voting system and they may access the same at <https://www.evoting.nsdl.com> under the Shareholders/Members login by using the remote e-Voting credentials, where the EVEN of the Company will be displayed. On clicking this link, the Members will be able to attend and participate in the proceedings of the AGM and submit votes on announcement by the Chairman. Please note

that the Members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the Notice to avoid last minute rush. Further, Members may also use the OTP based login for logging into the e-Voting system of NSDL.

- ii) Members may join the Meeting through Laptops, Smartphones, Tablets and iPads for better experience. Further, Members will be required to use Internet with a good speed to avoid any disturbance during the Meeting. Members will need the latest version of Chrome, Safari, Internet Explorer 11, MS Edge or Firefox. Please note that participants connecting from Mobile Devices or Tablets or through Laptops connecting via mobile hotspot may experience Audio/Video loss due to fluctuation in their respective network. It is therefore recommended to use stable Wi-Fi or LAN connection to mitigate any glitches.
- iii) Members are encouraged to submit their questions in advance with regard to the financial statements or any other matter to be placed at this AGM, from their registered e-mail address, mentioning their name, DP ID and Client ID number / folio number and mobile number, to reach the Company's e-mail address at 25thagm@mahanagargas.com on or before 3.00 p.m. (IST) on Tuesday, September 22, 2020. Queries that remain unanswered at the AGM will be appropriately responded by the Company at the earliest post the conclusion of the AGM.
- iv) Members who would like to express their views/ask questions as a speaker at the Meeting may pre-register themselves by sending a request from their registered e-mail address mentioning their names, DP ID and Client ID/folio number, PAN and mobile number at 25thagm@mahanagargas.com between Friday, September 18, 2020 (9.00 a.m. IST) and Tuesday, September 22, 2020 (5.00 p.m. IST). Only those Members who have pre-registered themselves as a speaker will be allowed to express their views/ask questions during the AGM. The Company reserves the right to restrict the number of speakers depending on the availability of time for the AGM.
- v) Members who need assistance before or during the AGM, can contact NSDL on evoting@nsdl.co.in

or call on toll free no.:- 1800-222-990 or contact Mr. Amit Vishal, Senior Manager – NSDL at amitv@nsdl.co.in or call on +91 22 24994360 or contact Ms. Pallavi Mhatre, Manager, NSDL at pallavid@nsdl.co.in or call on 022-24994545.

B. INSTRUCTIONS FOR E-VOTING BEFORE / DURING THE AGM

- INSTRUCTIONS FOR REMOTE E-VOTING BEFORE THE AGM ARE AS UNDER :

The remote e-voting period begins on Monday, September 21, 2020 at 09:00 A.M. (IST) and ends on Wednesday, September 23, 2020 at 05:00 P.M. (IST) The remote e-voting module shall be disabled by NSDL for voting thereafter.

The way to vote electronically on NSDL e-Voting system consists of 'Two Steps' which are mentioned below:

Step 1: Log-in to NSDL e-Voting system at <https://www.evoting.nsdl.com/>

Step 2: Cast your vote electronically on NSDL's e-voting system.

Details on Step 1 is mentioned below:

How to log in to NSDL e-voting website?

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholders' section.
3. A new screen will open. You will have to enter your User ID, your Password and a Verification Code as shown on the screen.

Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.

4. Your User ID details are given below:

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical

- a) For Members who hold shares in demat account with NSDL.
- b) For Members who hold shares in demat account with CDSL.
- c) For Members holding shares in Physical Form.

Your User ID is:

8 Character DP ID followed by 8 Digit Client ID
For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.

16 Digit Beneficiary ID
For example if your Beneficiary ID is 12***** then your user ID is 12*****.

EVEN Number followed by Folio Number registered with the company
For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***.

5. Your password details are given below:

- a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
- b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
- c) How to retrieve your 'initial password'?
- (i) If your e-mail ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your e-mail ID. Trace the e-mail sent to you from NSDL from your mailbox. Open the e-mail and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
- (ii) If your e-mail ID is not registered, please follow steps mentioned below in process for those shareholders whose e-mail ids are not registered.

- b) **"Physical User Reset Password?"** (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.
- c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/folio number, your PAN, your name and your registered address.
- d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.

7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
8. Now, you will have to click on "Login" button.
9. After you click on the "Login" button, Home page of e-Voting will open.

Details on Step 2 is given below:

How to cast your vote electronically on the NSDL e-voting system?

6. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:
- a) Click on **"Forgot User Details/Password?"**(If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.
1. After successful login at Step 1, you will be able to see the Home page of e-Voting. Click on e-Voting. Then, click on Active Voting Cycles.
2. After click on Active Voting Cycles, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle is in active status.
3. Select "EVEN" of company i.e. "Mahanagar Gas Limited" which is 113603.
4. Now you are ready for e-Voting as the Voting page opens.

5. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on “Submit” and also “Confirm” when prompted.
6. Upon confirmation, the message “Vote cast successfully” will be displayed.
7. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
8. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

• **THE INSTRUCTIONS FOR MEMBERS FOR e-VOTING ON THE DAY OF THE AGM ARE AS UNDER:-**

- i) The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for remote e-voting.
- ii) Only those Members/ shareholders, who will be present in the AGM through VC/ OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the AGM.
- iii) Members who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.
- iv) The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the AGM shall be the same person mentioned for Remote e-voting.

General Guidelines for shareholders :

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to ucshukla@rediffmail.com with a copy marked to evoting@nsdl.co.in.
2. It is strongly recommended not to share your password with any other person and

take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the “Forgot User Details/Password?” or “Physical User Reset Password?” option available on www.evoting.nsdl.com to reset the password.

3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on toll free no.: 1800-222-990 or send a request at evoting@nsdl.co.in.

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

Item No. 4

Pursuant to Section 148 of the Act, read with the Companies (Cost Records and Audit) Rules, 2014, as amended from time to time, the Company is required to have the audit of its cost records conducted by a cost accountant in practice.

The Board of Directors in its meeting held on May 09, 2020, had approved the appointment of M/s. Dhananjay V Joshi & Associates, Cost Accountants (Registration No. 30) on the recommendation of the Audit Committee to conduct audit of cost records of the Company for the financial year 2020-2021 at a remuneration of ₹3,45,000/- (Travelling and Out of Pocket expenses to be paid on actual basis) plus taxes as applicable, subject to ratification of remuneration by the shareholders.

M/s. Dhananjay V Joshi & Associates have the necessary experience in the field of cost audit, and have submitted a certificate regarding their eligibility for appointment as Cost Auditors of the Company.

In accordance with the provision of Section 148 of the Act read with Rules, the remuneration payable to the Cost Auditors has to be ratified by the Shareholders of the Company. Accordingly, consent of the members is being sought for the proposal of ratification of remuneration to payable to the Cost Auditors, as contained in the Resolution set out in Item no. 4 of the Notice.

None of the Directors and/or Key Managerial Personnel of the Company and/or their relatives are, in any way, concerned or interested financially or otherwise in the said resolution at Item No. 4 of the Notice.

The Board recommends the Ordinary Resolution set out at Item No. 4 of this Notice for approval of the Members.

Item No. 5

GAIL (India) Limited ("GAIL") is the largest state-owned gas transmission and marketing company in India and your Company purchases a substantial requirement of the natural gas from GAIL in the ordinary course of business and at arm's length basis. GAIL supplies entire domestic gas allotment provided by MOPNG to your Company at a price determined pursuant to MOPNG guidelines.

Further, your Company procures SPOT RLNG for its additional requirement through an approved competitive bidding mechanism from gas suppliers such as GAIL (India) Limited (GAIL), BG India Energy Solutions Private Limited (BGIES), Shell Energy India Private Limited (SEIPL) (formerly known as Hazira LNG Private Limited), Shell Energy Marketing and Trading India Private Limited (SEMTIPL), Gujarat State Petroleum Corporation Limited (GSPCL), Bharat Petroleum Corporation Limited (BPCL), Hindustan Petroleum Corporation Limited (HPCL), Indian Oil Corporation Limited (IOCL), Petronet LNG Limited (PLL) and Torrent Power Limited (TPL). Accordingly, the Company has entered into various agreements/term sheet with GAIL, BGIES, SEIPL, SEMTIPL, GSPCL, BPCL, HPCL, IOCL, PLL and TPL for purchase and transportation of gas. As the gas is procured through bidding process, it is not possible to ascertain the parties to whom the contract may be awarded. Hence, calculating the amount of gas to be purchased from individual gas suppliers may not be possible. In this regard, an estimated amount of gas

to be purchased from all the parties is ascertained and submitted for the approval of the shareholders as referred below.

As per the applicable provisions of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015, the following entities may be treated as Related Parties for purchase of gas:-

- i. GAIL (India) Limited
- ii. Petronet LNG Limited

Although, the present provisions of Section 188 of the Companies Act, 2013 read with Rule 15 and 16 of Companies (Meetings of Board and its Powers) Rules, 2014 prescribe certain procedure for approval of related party transactions, read together with the exceptions therein, indicate that transaction/s entered into by the company, in its ordinary course of business and at arm's length basis, do not require any approval from the shareholders. The provisions of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 (hereinafter referred as "Listing Regulations") prescribe for seeking of shareholders' approval, by way of Ordinary resolution, for material related party transactions.

Pursuant to provisions of the Listing Regulations, the transaction of purchase and transportation of gas is in ordinary course of business and at arm's length price but being material in nature, per se, the same requires approval of the unrelated shareholders of the Company in a general meeting by an Ordinary resolution.

1	The name of the related party and nature of relationship;	GAIL (India) Limited, Promoter Petronet LNG Limited (PLL), Promoter Group Entity
2	Name of the Director or Key Managerial Personnel, who is related.	Mr. Manoj Jain, Chairman Mr. Sanjib Datta, Managing Director Mr. Deepak Sawant, Deputy Managing Director
3	The nature, duration of the contract and particulars of the contract or arrangement;	Mahanagar Gas Limited is in business of City Gas Distribution, it purchases a substantial requirement of natural gas from GAIL (India) Limited. MGL purchases domestic gas through Government allocation of domestic Gas for CNG and Domestic PNG customers. MGL purchases SPOT RLNG through board approved process of competitive bidding system. Accordingly, Company has entered into various agreements with GAIL (India) Limited (GAIL) for purchase and transportation of natural gas.

A. Details of existing contracts entered with GAIL are as follows:

1. APM Agreement (Administered Price Mechanism)

- Nature: Long Term Gas Sales and Transportation Contract.
- Duration: June 05, 2009 - March 31, 2021.

2. Non-APM (for CNG-Transport & PNG-Domestic Segment) Term Sheet

- Nature: Term Sheet
- Duration: August 16, 2017 - July 06, 2021.

3. SPOT RLNG Contracts (Spot Gas Sale Agreement)

- Nature: Short Term Spot Gas Sales Agreement.
- Date of signing the agreement: November 29, 2010.
- Existing agreement valid till July 31, 2021.

		<p>4. Gas Transmission Agreement</p> <ul style="list-style-type: none"> GTA dated January 02, 2008. Duration: January 02, 2008 till January 01, 2033. <p>B. Further, to meet requirement of natural gas as per business needs, company may enter into various Agreements (e.g. Gas Sale / Purchase / Term Sheet / Transportation Agreements / Hooking up Agreements / pipeline connectivity / CGS capacity enhancement related agreement / any other business-related transactions approved by SMG) with GAIL & PLL not exceeding the monetary limits as mentioned in the notice of Annual General Meeting, Subject to approval of Shareholders.</p>
4	The material terms of the contract or arrangement including the value, if any;	<p>Purchase of Domestic Gas from GAIL is through Domestic Gas allocation by MoPNG.</p> <p>Purchase of SPOT RLNG is through a Board approved process of Competitive bidding in the ordinary course of business and on arm's length basis.</p> <p>Purchase of Gas from GAIL & PLL is as per the terms of the agreement/ term sheet.</p>
5	Any advance paid or received for the contract or arrangement, if any;	NA
6	The manner of determining the pricing and other commercial terms, both included as part of contract and not considered as part of the contract;	<p>A. GAIL</p> <p>1. APM</p> <ul style="list-style-type: none"> As per Article 10 of APM GSTC, subsequent Domestic Natural Gas Pricing Guidelines issued by MoPNG and Pricing orders/amendments from PPAC <p>2. Non-APM (CNG-Transport & PNG-Domestic)</p> <ul style="list-style-type: none"> As per clause 16 of the Term Sheet <p>3. SPOT RLNG</p> <ul style="list-style-type: none"> As per Article 9 of Spot GSA. <p>4. GTA</p> <ul style="list-style-type: none"> According to the tariff orders of PNGRB
7	Whether all factors relevant to the contract have been considered, if not, the details of factors not considered with the rationale for not considering those factors; and	YES
8	Any other information relevant or important for the Board to take a decision on the proposed transaction.	--
9	Actual / Estimated Value of Transaction (for which approval sought)	Rs. 2,500 Crores (for the FY Ending on March 31, 2022)*

***Note:** - The estimated value of transaction is derived from Board approved Business Plan with reasonable escalation, considering uncertainties that may prevail in various parameters during the transaction period like Exchange Rate, Spot RLNG price, Government of India's Domestic Gas Allocation / Domestic Gas Pricing guidelines, any other transactions for erection of gas supply facilities like tap-off, pipeline connectivity for MGL, downstream customers etc.

The above proposals were approved by the Audit Committee at its meeting held on February 07, 2020 and is recommended by the Board of Directors vide resolution passed at its meeting held on February 07, 2020 to the unrelated shareholders of the Company for their approval.

The Board of Directors therefore recommends the resolution as set out at Item No. 5 of the Notice for approval of shareholders of the Company. As per Regulation 23 of the Listing Regulations, all entities / persons that are directly / indirectly related parties of the Company shall abstain from voting on resolution(s) wherein approval of Material Related Party Transactions is sought from the shareholders. Accordingly, all related parties of the Company will not vote on this resolution.

None of the Directors or Key Managerial Personnel of the Company or their relatives except Mr. Manoj Jain, Chairman, Mr. Sanjib Datta, Managing Director and Mr. Deepak Sawant, Deputy Managing Director (Nominees of GAIL), are in any way, concerned or interested financially or otherwise, in the said resolution.

The Board recommends the Ordinary Resolution set out at Item No. 5 of this Notice for approval of the Members.

Item No. 6

The Board of Directors, on the recommendation of the Nomination and Remuneration Committee, appointed Mr. Syed S. Hussain, as an Additional Director (Independent Director Category) of the Company, not liable to retire by rotation, from September 09, 2019. The appointment of Mr. Syed S. Hussain is subject to approval of the Members at the ensuing Annual General Meeting. Pursuant to the provisions of Section 161 (1) of the Act and Articles of Association of the Company, Mr. Syed S. Hussain shall hold office up to the date of this AGM and is eligible to be appointed as a Director. The Company has, in terms of Section 160 (1) of the Act, received a notice in writing from himself, proposing his candidature for the office of Director.

Mr. Syed S. Hussain is not disqualified from being appointed as a Director in terms of Section 164 of the Act and has given his consent to act as a Director. The Company has received a declaration from Mr. Syed S. Hussain to the effect that he meets the criteria of independence as provided in Section 149 (6) of the Act and Regulation 16 (1) (b) of the "SEBI LODR".

In the opinion of the Board, Mr. Syed S. Hussain fulfils the conditions specified in the Act and "SEBI LODR" for appointment as Independent Director and is independent of the management of the Company.

Brief Resume of Mr. Syed S. Hussain

Mr. Hussain graduated in B.A. (Hons.) in English with Distinction in Persian and M.A. in English from University of Patna. He has also completed his M.Sc. in Admin Sciences & Development Problems from York University, UK. He belongs to 1973 batch of Indian

Revenue Service (IRS) and 1976 batch of Indian Administrative Service (IAS), Maharashtra cadre. Mr. Hussain retired as Vice-Chairman and Managing Director of City & Industrial Development Corp. of Maharashtra Ltd. (CIDCO). He has worked as Chairman of JNPT and Joint Managing Director of CIDCO.

Prior to taking over the charge of Additional Chief Secretary, Government of Maharashtra, he has held the posts of Principal Secretary of Public Health, Revenue, Forest and Rural Development departments. He was also the CEO of Zilla Parishad, Nagpur and District Collector & Magistrate, Latur and Nasik, Maharashtra.

Mr. Syed s. Hussain was awarded with "Business Leader of the year - Ports" award at Leadership & Excellence Awards Shipping, Marine & Ports 2010 and also bestowed with "Maritime Gateway - Major Port of the year" Award consecutively for two years during his tenure as Chairman of JNPT.

Details as required pursuant to Regulation 36 of "SEBI LODR" and Secretarial Standard-2, of Mr. Syed S. Hussain, are provided in the "Annexure" to the Notice.

In compliance with the provisions of Section 149 read with Schedule IV of the Act, the appointment of Mr. Syed S. Hussain as an Independent Director is now being placed before the Members for their approval.

None of the Directors or Key Managerial Personnel of the Company or their relatives are, in any way, concerned or interested financially or otherwise, in the said resolution.

The Board recommends the Ordinary Resolution set out at Item No. 6 of this Notice for approval of the Members.

Item No. 7

The Board of Directors, on the recommendation of the Nomination and Remuneration Committee, re-appointed Mrs. Radhika Vijay Haribhakti, as an Independent Director of the Company, not liable to retire by rotation, from March 05, 2020. The re-appointment of Radhika Vijay Haribhakti is subject to approval of the Members at the ensuing Annual General Meeting. The Company has, in terms of Section 160 (1) of the Act, received a notice in writing from herself, proposing her candidature for the office of Director.

Mrs. Radhika Vijay Haribhakti is not disqualified from being appointed as a Director in terms of Section 164 of the Act and has given his consent to act as a Director. The Company has received a declaration from Mrs. Radhika Vijay Haribhakti to the effect that she meets the criteria of independence as provided in Section 149 (6) of the Act and Regulation 16 (1) (b) of the "SEBI LODR".

In the opinion of the Board, Mrs. Radhika Vijay Haribhakti fulfils the conditions specified in the Act and "SEBI LODR" for appointment as Independent Director and is independent of the management of the Company.



Brief Resume of Mrs. Radhika Vijay Haribhakti

Mrs. Radhika Haribhakti is an MBA in Finance from IIM, Ahmedabad. She is a commerce graduate from Gujarat University. Mrs. Haribhakti has over 31 years of experience in Commercial Investment Banking with Bank of America, JM Morgan Stanley and DSP Merrill Lynch. She has advised several large corporates and led their Equity and Debt fundraising in domestic as well as international capital markets. She now heads RH Financial, a boutique Advisory Firm focused on M&A and Private Equity.

She is also a Director on the Board of EIH Associated Hotels Limited, ICRA Limited, Navin Fluorine International Limited and Rain Industries Limited and Designated Partner in Koss Medical Devices LLP.

Mrs. Haribhakti has also been closely involved with issues of women empowerment, financial inclusion and CSR and has served on Boards of nonprofits for over 18 years, including 12 years as Chairperson. She is the former Chair of Friends of Women's World Banking (FWWB) and Swadhaar Finances, both non-profits engaged in providing financial solutions to women in economically disadvantaged communities. She has served on the National Jury and Governing Council of Citigroup Mirco Enterprise Award and also on CII's National Committee on Women Empowerment.

Mrs. Haribhakti is on the Board of Mahanagar Gas Limited since March 05, 2017. She has actively contributed in the Corporate Social Responsibility initiatives undertaken by MGL through various projects by her advice and initiatives.

Details as required pursuant to Regulation 36 of "SEBI LODR" and Secretarial Standard-2, of Mrs. Radhika Vijay Haribhakti, are provided in the "Annexure" to the Notice.

In compliance with the provisions of Section 149 read with Schedule IV of the Act, the appointment of Mrs. Radhika Vijay Haribhakti as an Independent Director is now being placed before the Members for their approval.

None of the Directors or Key Managerial Personnel of the Company or their relatives are, in any way, concerned or interested financially or otherwise, in the said resolution.

The Board recommends the Special Resolution set out at Item No. 7 of this Notice for approval of the Members.

Item No. 8

Mr. Manoj Jain, nominated by GAIL (India) Limited, was appointed as an Additional Director, with effect from May 06, 2020, in accordance with the provisions of Section 161 of the Companies Act, 2013 and Article 40 of the Articles of Association of the Company, to hold office up to the date of ensuing Annual General Meeting.

In this regard, the Company has received notice in writing under Section 160 of the Companies Act, 2013, from a member proposing his candidature for appointment as a Director of the Company liable to retire by rotation.

Brief Resume of Mr. Manoj Jain

Mr. Manoj Jain is a Mechanical Engineering Graduate and MBA in Operations Management possesses rich and diverse experience encompassing more than 34 years with GAIL (India) Ltd. in the areas of Business Development, Projects, O&M, Petrochemicals, Pipeline Integrity Management and Marketing which has allowed him to gain insight and knowledge across multiple business units and functional areas. As Chairman and Managing Director of GAIL (India) Limited, Mr. Manoj Jain is also currently Chairman of GAIL GLOBAL (USA) Inc. (GGUI), GAIL GLOBAL (USA) LNG LLC (GGULL) GAIL Gas Limited (GGL), Brahmputra Cracker & Polymer Limited (BCPL), Mahanagar Gas Limited (MGL) and Director in Petronet LNG Limited (PLL). In his previous stint as Director(BD), he was responsible for building GAIL's Business Portfolio in India and abroad, Merger and Acquisition, Petrochemical O&M and Expansion, Exploration & Production, R&D, Start-Up, Health Safety & Environment management, Quality Management, Project Development including feasibility study and investment approval for new pipelines, process plants, renewables etc.

Mr. Manoj Jain was responsible for Gas Marketing activities in his role as Executive Director (Marketing-Gas). He also spearheaded the installation and commissioning of the USD 1.4 Billion grassroots Petrochemical complex, as Chief Operating Officer of Brahmputra Cracker and Polymer Ltd, (BCPL). Earlier, Mr. Jain worked in Operation & Maintenance at the Corporate Level for a number of years and his experience includes managing logistics of Gas Business with a perspective of Operation and Management of all pipelines of company and in the process played a significant role in establishing the National Gas Management Centre (NGMC) and systems and procedures for transmission and marketing of comingled gases.

Other details as required pursuant to Regulation 36 of "SEBI LODR" and Secretarial Standard-2, of Mr. Manoj Jain, are provided in the "Annexure" to the Notice.

None of the Directors and/or Key Managerial Personnel of the Company and/or their relatives other than Mr. Manoj Jain, Mr. Sanjib Datta and Mr. Deepak Sawant (Nominees of GAIL), are in any way concerned or interested, financially or otherwise, in the said resolution.

The Board view the presence of Mr. Manoj Jain on the Board as desirable and beneficial to the Company and hence recommends Resolution set out at Item No. 8 of this Notice for approval as an Ordinary resolution.

By Order of the Board
For **Mahanagar Gas Limited**

Place: Mumbai
Date: August 07, 2020 Company Secretary & Compliance Officer

Sd/-

Saghan Srivastava

ANNEXURE TO THE AGM NOTICE

Details of Directors seeking Appointment / Re-appointment at the 25th Annual General Meeting,
pursuant to SEBI (LODR) Regulations, 2015 and SS-2

Name of the Director	Mr. Sanjib Datta	Mr. Syed S. Hussain	Mrs. Radhika Haribhakti	Mr. Manoj Jain
Director Identification Number	07008785	00209117	02409519	07556033
Date of Birth	December 07, 1962	May 01, 1950	December 20, 1957	August 19, 1962
Age	57	70	63	57
Qualification(s)	Bachelor's degree in Electrical Engineering from Jadavpur University, Kolkata	IAS (Retd.) B.A. (Hons.) in English with Distinction in Persian and M.A. in English from University of Patna, M.Sc. in Admin Sciences & Development Problems from York University, UK	MBA - IIM Ahmedabad, B.Com – Gujarat University	Mechanical Engineering Graduate; MBA in Operations Management possesses
Date of Appointment / re-appointment	May 30, 2018	September 09, 2019	March 05, 2020	May 06, 2020
Brief Resume of the Director and other details viz: experience/expertise	<p>Mr. Sanjib Datta has around 34 years of experience in handling multifarious assignments in the natural gas sector covering diverse functions like, Business Development, Gas Retailing, Marketing, Project Development and Construction as well as Operation & Maintenance of Pipelines and LNG Terminal.</p> <p>Before joining MGL, Mr. Datta has been heading the Business Development functions in GAIL (India) Limited as an Executive Director.</p> <p>His assignments in GAIL covered Merger & Acquisition initiatives as well as steering of Globalization and Diversification efforts. He steered GAIL to its successful participation in a shale gas asset in USA and also headed the team instrumental in finalizing the gas supplies and tolling service agreements pertaining to the LNG liquefaction project at Cove Point. Mr. Sanjib Datta also handled GAIL's initiatives</p>	<p>Mr. Hussain belongs to 1973 batch of Indian Revenue Service (IRS) and 1976 batch of Indian Administrative Service (IAS), Maharashtra cadre. Mr. Hussain retired as Vice-Chairman and Managing Director of City & Industrial Development Corp. of Maharashtra Ltd. (CIDCO). He has worked as Chairman of JNPT and Joint Managing Director of CIDCO.</p>	<p>Mrs. Radhika Haribhakti has over 31 years of experience in Commercial Investment Banking with Bank of America, JM Morgan Stanley and DSP Merrill Lynch. She has advised several large corporates and led their Equity and Debt fundraising in domestic as well as international capital markets. She now heads RH Financial, a boutique Advisory Firm focused on M&A and Private Equity.</p>	<p>Mr. Manoj Jain possesses rich and diverse experience encompassing more than 34 years with GAIL (India) Ltd. in the areas of Business Development, Projects, O&M, Petrochemicals, Pipeline Integrity Management and Marketing which has allowed him to gain insight and knowledge across multiple business units and functional areas.</p> <p>In his previous stint as Director(BD), he was responsible for building GAIL's Business Portfolio in India and abroad, Merger and Acquisition, Petrochemical O&M and Expansion, Exploration & Production, R&D, Start-Up, Health Safety & Environment management, Quality Management, Project Development including feasibility study and investment approval for new pipelines, process plants, renewables etc.</p>

Name of the Director	Mr. Sanjib Datta	Mr. Syed S. Hussain	Mrs. Radhika Haribhakti	Mr. Manoj Jain
	<p>to import of gas into India through the TAPI pipeline apart from overseeing GAIL's investments in China, Egypt and Myanmar in the areas of city gas distribution and cross country pipeline.</p> <p>In India, Mr. Sanjib Datta has led GAIL's forays into the solar business and has also steered GAIL's initiatives in diverse areas, like, floating LNG regasification terminals, LNG shipping, gas based power generation, petrochemicals and specialty chemicals etc. As a Project Manager, he had handled GAIL's participation in the restructuring and revival of the Dabhol Project after departure of Enron.</p> <p>Mr. Datta has rich board level experience and has served on the Boards of GAIL Global (USA) Inc., a wholly owned subsidiary of GAIL through which GAIL is channelizing its business initiatives in E&P and LNG sourcing in USA and also on those of South East Asia Gas Pipeline Company, TAPI Pipeline Company Limited, National Gas Company Limited and Fayum Gas Limited. Besides, he has also been GAIL's nominee Director on the Board of ONGC Petro-additions Limited.</p>	<p>Prior to taking over the charge of Additional Chief Secretary, GOM, he has held the posts of Principal Secretary of Public Health, Revenue, Forest and Rural Development departments. He was also the CEO of Zilla Parishad, Nagpur and District Collector & Magistrate, Latur and Nasik, Maharashtra.</p> <p>Mr. Syed S. Hussain was awarded with "Business Leader of the year - Ports" award at Leadership & Excellence Awards Shipping, Marine & Ports 2010 and also bestowed with "Maritime Gateway - Major Port of the year" Award consecutively for two years during his tenure as Chairman of JNPT.</p>	<p>Mr. Haribhakti is on the Board of Mahanagar Gas Limited since March 05, 2017. She has actively contributed in the Corporate Social Responsibility initiatives undertaken by MGL through various projects by her advice and initiatives.</p>	<p>Mr. Manoj Jain was responsible for Gas Marketing activities in his role as Executive Director (Marketing-Gas). He also spearheaded the installation and commissioning of the USD 1.4 Billion grassroots Petrochemical complex, as Chief Operating Officer of Brahmaputra Cracker and Polymer Ltd, (BCPL). Earlier, Mr. Jain worked in Operation & Maintenance at the Corporate Level for a number of years and his experience includes managing logistics of Gas Business with a perspective of Operation and Management of all pipelines of company and in the process played a significant role in establishing the National Gas Management Centre (NGMC) and systems and procedures for transmission and marketing of comingled gases.</p>

Name of the Director	Mr. Sanjib Datta	Mr. Syed S. Hussain	Mrs. Radhika Haribhakti	Mr. Manoj Jain
Chairman/Member of the Committees of the Board of Directors of the Company	Member - 1. Audit Committee 2. Stakeholders Relationship Committee 3. Risk Management Committee 4. Corporate Social Responsibility Committee 5. Performance Review Board Committee	Chairman – 1. Performance Review Board Committee Member – 1. Audit Committee 2. Corporate Social Responsibility Committee 3. Risk Management Committee 4. Nomination & Remuneration Committee	Chairman – 1. Corporate Social Responsibility Committee Member – 1. Audit Committee 2. Nomination & Remuneration Committee 3. Performance Review Board Committee 4. Risk Management Committee	Member - Nomination and Remuneration Committee
List of other Companies in which Directorship held	NIL	1. Mahagenco Ash Management Services Limited	1. Navin Fluorine International Limited. 2. Rain Industries Limited. 3. ICRA Limited. 4. EIH Associated Hotels Limited 5. Koss Medical Devices LLP (Designated Partner)	1. GAIL (India) Limited 2. GAIL GLOBAL (USA) Inc. 3. GAIL GLOBAL (USA) LNG LLC 4. GAIL Gas Limited 5. Brahmaputra Cracker and Polymer Limited 6. Petronet LNG Limited
Chairman/ Member of the Committee of Board of Directors of other Companies	NIL	1. Mahagenco Ash Management Services Limited Chairman -Tech Advisory Committee	1. Navin Fluorine International Limited. Member- Stakeholder Committee & Audit Committee 2. Rain Industries Limited. Member- Audit Committee Chairperson- Nomination and Remuneration Committee 3. ICRA Limited. Chairperson- Nomination and Remuneration Committee Member - Audit Committee Member – Risk Management Committee 5. EIH Associated Hotels Limited. Chairperson- Audit Committee	NIL



Name of the Director	Mr. Sanjib Datta	Mr. Syed S. Hussain	Mrs. Radhika Haribhakti	Mr. Manoj Jain
Shareholding in the Company	NIL	NIL	NIL	15
Inter-se relationships between - Director - Key Managerial Personnel (KMP)	There is no inter-se relationship with other directors and KMP of the Company.	There is no inter-se relationship with other directors and KMP of the Company.	There is no inter-se relationship with other directors and KMP of the Company.	There is no inter-se relationship with other directors and KMP of the Company.
No. of Board Meetings attended during the financial year 2019-20	6	3	5	NA
Details of remuneration last drawn (in ₹)	NA	NA	NA	NA
Terms and Conditions of appointment along with remuneration sought to be paid	Appointment as Director liable to retire by rotation.	Non-Executive Independent Director, not liable to retire by rotation. Terms of appointment are as per the explanatory statement of item no. 6 of the notice.	Non-Executive Independent Director, not liable to retire by rotation. Terms of appointment are as per the explanatory statement of item no. 7 of the notice.	Director (Non-Executive) liable to retire by rotation.



Investing in a Green Future

LEADING RESPONSIBLY
FOR 25 YEARS



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Website : www.mahanagargas.com

Forward-looking statements

Some information in this report may contain forward-looking statements which include statements regarding Company's expected financial position and results of operations, business plans and prospects etc. and are generally identified by forward-looking words such as "believe," "plan," "anticipate," "continue," "estimate," "expect," "may," "will" or other similar words. Forward-looking statements are dependent on assumptions or basis underlying such statements. We have chosen these assumptions or basis in good faith, and we believe that they are reasonable in all material respects. However, we caution that actual results, performances or achievements could differ materially from those expressed or implied in such forward-looking statements. We undertake no obligation to update or revise any forward-looking statement, whether as a result of new information, future events, or otherwise.

Sustainability lies at the core of our operations – to open the doors of a new energy future, to usher a new dawn of opportunities and to continuously reaffirm trust.

In a world with limited supplies and a burgeoning energy demand, the carrying capacity of the global ecosystem is highly overwhelmed. To ease the burden and to limit our carbon footprint, at Mahanagar Gas we endeavour to adopt and encourage the use of a reliable, efficient and cleaner fuel – to responsibly sustain the use of greener sources of energy.

In comparison to conventional sources of energy, natural gas remains a favourable choice, fostering our commitment towards a green future. Building on its 25 year old legacy, Mahanagar Gas is

perfectly poised to create an energy-efficient future – banking on its scale, size and expertise to efficiently fulfil the escalating natural gas demand evident in its key markets.

As the company reiterates its position as a trusted natural gas supplier, it remains steadfast to further expand and extend green footprints – far and wide - taking strides to responsibly fuel India.





All about Mahanagar Gas Limited

Incorporated in 1995, Mahanagar Gas Limited (MGL) today is one of the leading Natural Gas Distribution Companies in India. MGL is the sole authorized distributor of compressed natural gas (CNG) and piped natural gas (PNG) in Mumbai, Thane and Raigad district of Maharashtra. Promoted by GAIL (India) Limited, the largest state-owned natural gas processing and distribution Company in India and BG Asia Pacific Holdings Pte. Ltd (BGAPH), MGL distributes CNG for motor vehicles and PNG for domestic, commercial as well as industrial use.

MGL believes in maintaining safe and uninterrupted supply of natural gas through an extensive CGD network. The Company has exclusive authorization to operate, lay, build and expand pipelines in Mumbai, Thane (Urban) and adjoining Municipalities, along with Raigad district in accordance with the Petroleum and Natural Gas Regulatory Board Regulations 2008.



Vision

To be a World Class, Consumer & Environment Friendly Employer of Choice; committed to provide Safe, Efficient and Reliable energy; while creating Value for all our Stakeholders.

Objectives & Goals



Reduce pollution

Lead in health and safety performance

Increase consumer satisfaction. Give quality value added services

Expansion plan in Mumbai & beyond

NATURAL GAS DISTRIBUTION CHAIN



Business Segment Overview

PNG

With a wide network of over 5,630 kms of carbon steel (CS) and polyethylene (PE) pipeline, MGL has the distinction of pioneering the Natural Gas distribution network in Mumbai and its adjoining areas, serving over 1.26 million domestic customers.

Domestic PNG is used for various purposes like cooking and water heating. It is also widely used in hospitals, nursing homes, hotels, flight kitchens, restaurants, places of worship etc. PNG efficiently satisfies fuel requirements across all segments and is a non-polluting and an economical energy source.

Highlights of FY 2019-20

- ▲ We improved our PNG coverage by adding **1,05,371** households during the year, thereby taking our cumulative customer base to more than **1.26 million** households
- ▲ We added **329** industrial and commercial customers, to reach over **3,949** small commercial establishments and **72** industrial establishments
- ▲ We augmented the capacity of **21** stations to serve an estimated **0.75 million** vehicles
- ▲ We propelled the current compression capacity to about **35.10 lakh kg/day**, an increase in capacity by 2.05 lakh kg/day
- ▲ We have also expanded our network in Raigad with **14** CNG stations and we plan to add more stations in the coming financial year

Future plan

- ▲ Maintain a superior safety record
- ▲ Enhance the pipeline development program
- ▲ Continue to improve customer experience
- ▲ Continue to deploy methods to reduce methane emissions from gas infrastructure and operations

Cumulative since inception as on 31st March 2020

5,630 Kms

Pipeline network (MDPE + STEEL)

11,68,297

Household consumers

256

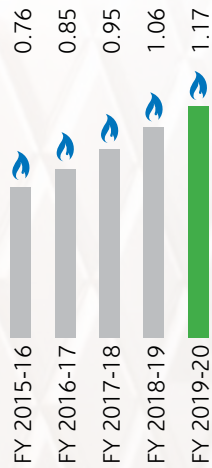
CNG Stations

2.95 MMSCMD

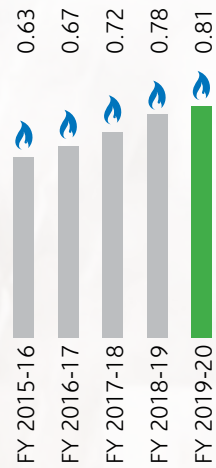
Total Volume of Natural Gas Supplied

Key Statistics

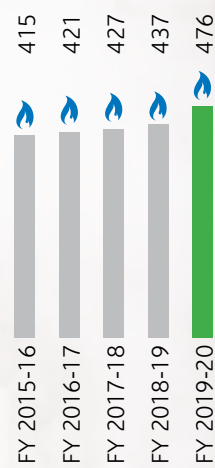
PNG Burning Customers (Millions)



PNG Volume (MMSCMD) inclusive of I&C



Steel Pipeline (in Kms)



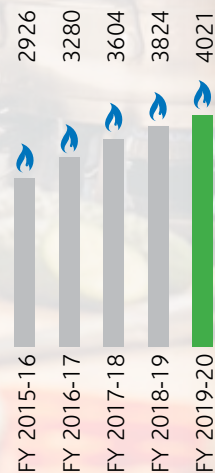
PE Pipeline (in Kms) (MP +LP)



Households covered (MCV installations – Millions)



Commercial and industrial Customers



Business Segment Overview

CNG

With a well-established network of 256 CNG stations and over 1,511 dispensing points spread across Mumbai and its adjoining areas, we offer CNG, an extremely efficient fossil fuel substitute for replacing the use of petrol, diesel, and auto LPG in automobiles.

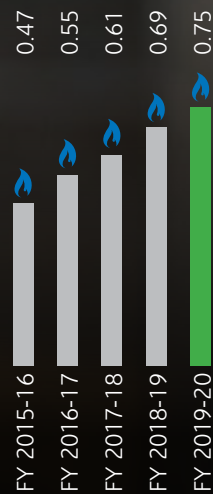
At present, all auto-rickshaws and taxis plying in an around our areas of operation are fuelled by CNG. Additionally, CNG is supplied to bus depots of BEST, TMT, MSRTC & NMMT. Apart from these, all types of light and heavy vehicles also run on CNG.

In comparison to conventional auto-fuel, CNG is substantially economical and is an eco-friendly alternative. Moreover, it is easily accessible in and around Mumbai, making it a preferred choice for customers in this region.

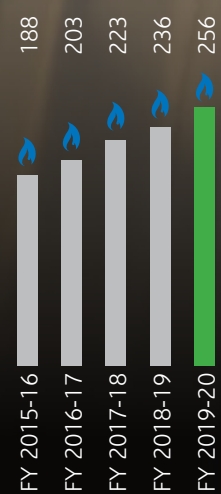
Highlights of FY 2019-20

- ▲ Since our inception, for the first time, we crossed **24 Million** Man-Hours successfully without any Loss Time Injury
- ▲ We crossed a milestone of **250** CNG stations
- ▲ Achieved **100%** completion of total target of Minimum Work Program, ahead of time, in GA -3
- ▲ For our GA 3, we received our first Emergency Response and Disaster Management Plan (ERDMP) accreditation from PNGRB empanelled Third Party Agency
- ▲ Successfully done registration of **7,290 sq. mtr.** plot at Savroli in Raigad district for constructing a City Gate Station. This will enable us to further extent out pipeline network in GA-3 area
- ▲ Successfully commissioned main trunk Steel Pipeline laid from Durgadi Creek to Bhiwandi Bypass naka of length of **5,158 mtrs** facilitating gas availability for Kongaon area.
- ▲ Successfully commissioned 12" NB Steel Pipeline laid across Kalamboli railway crossing of total length **800 mtrs.** This has made looping of both CGS (Mahape and Taloja) in Navi Mumbai area and will facilitate uninterrupted gas supply.
- ▲ Commenced SMS link based bill delivery to every customers accompanied with ease of payment facility
- ▲ We have been successfully recommended for Re-certification of Quality Management System as per **ISO 9001:2015** standard requirements with no non-conformity post external audit

Key statistics

CNG Customers
(Millions)CNG Volume
(MMSCMD)

CNG Stations

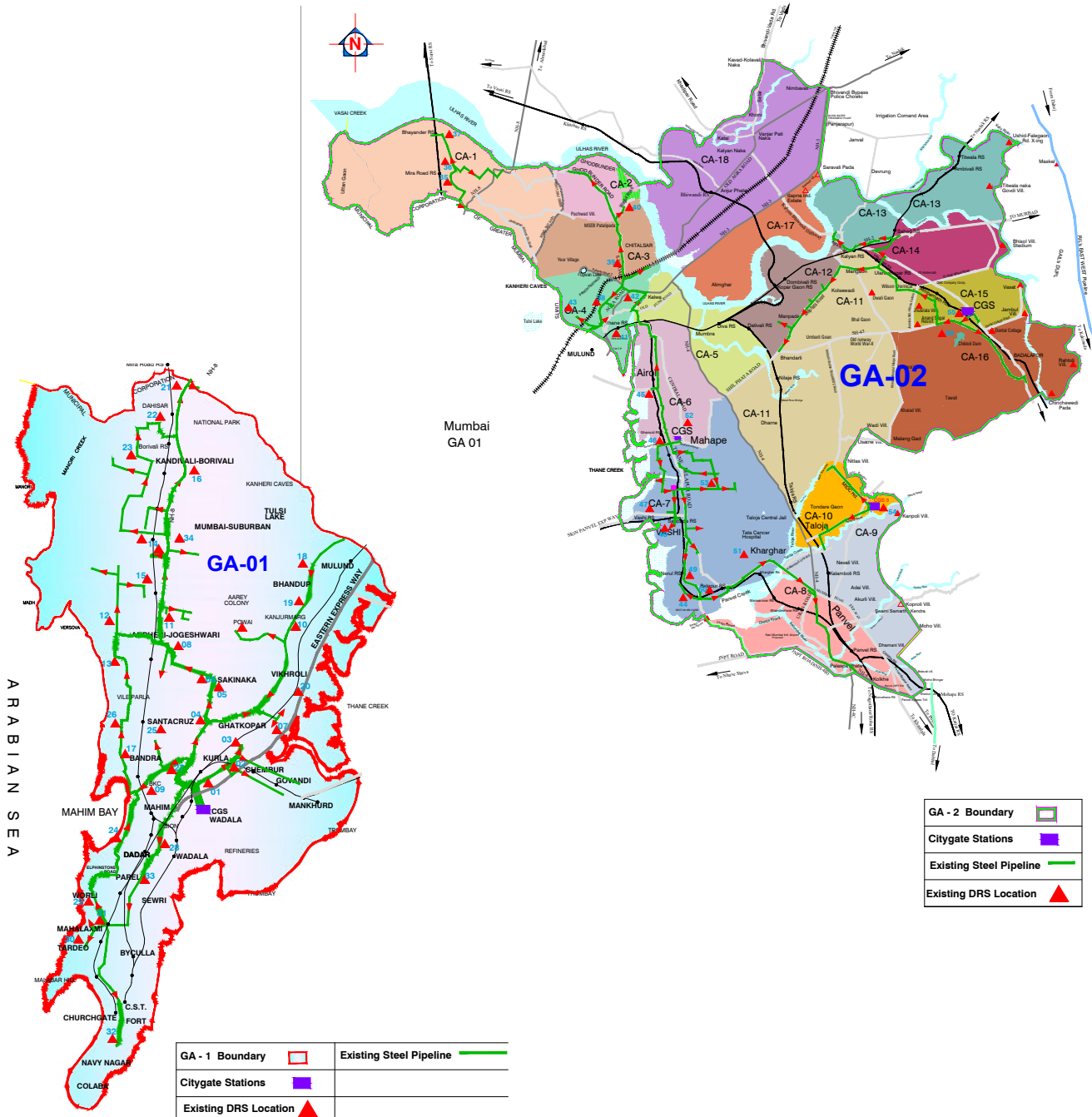


Future plan

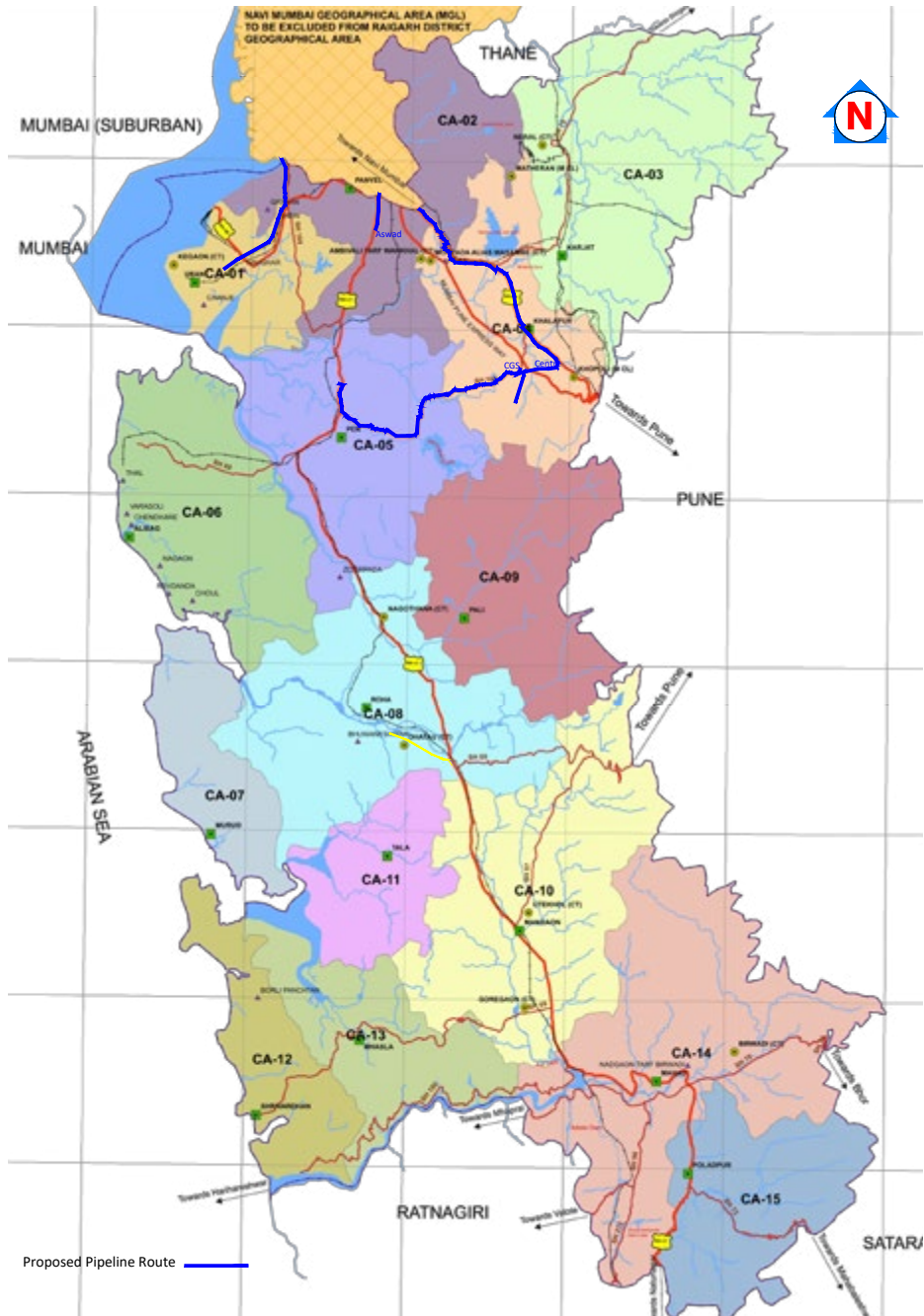
- ▶ We plan to further augment our coverage area by taking our services to an additional 11 lakh households and 400 CNG stations
- ▶ We plan to expand the steel pipeline network to around 600 kms, and the PE pipeline network to over 7,600 kms

Our Expansive Network

Gas Distribution Network
Geographical area (GA-1 and GA-2)



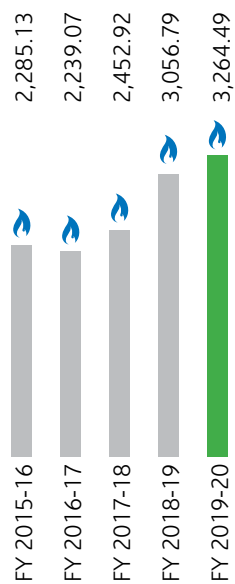
New Authorised area for Gas Distribution Network (GA-3)



Key Metrics - Measuring Our Progress

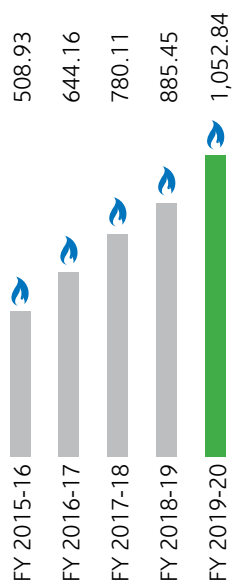
Revenue from operations

(₹ In crores)



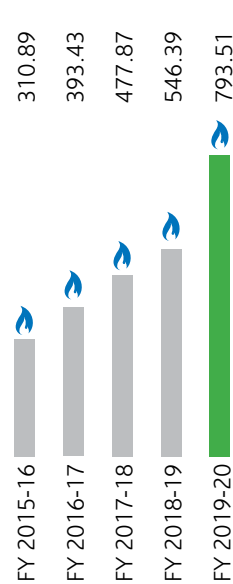
EBITDA

(₹ In crores)



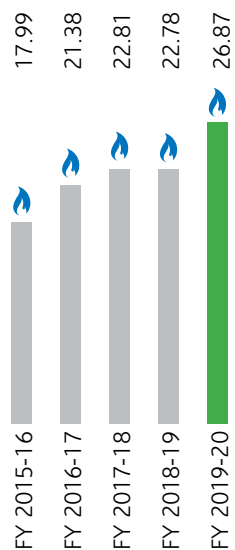
PAT

(₹ In crores)



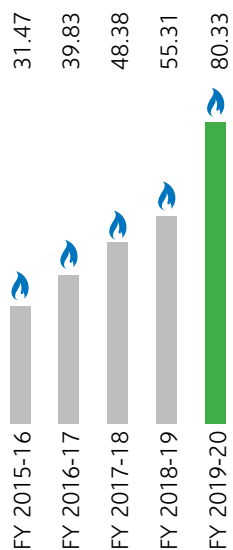
RoNW

(in %)



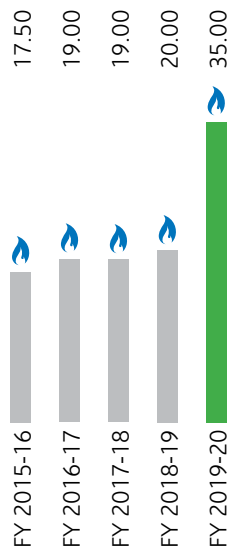
EPS

(₹)



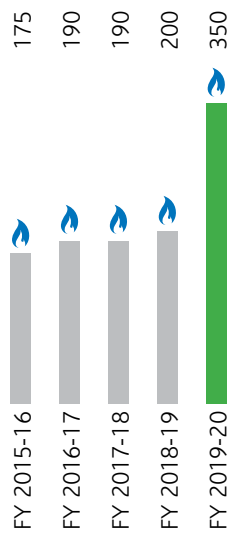
Dividend per share

(₹)

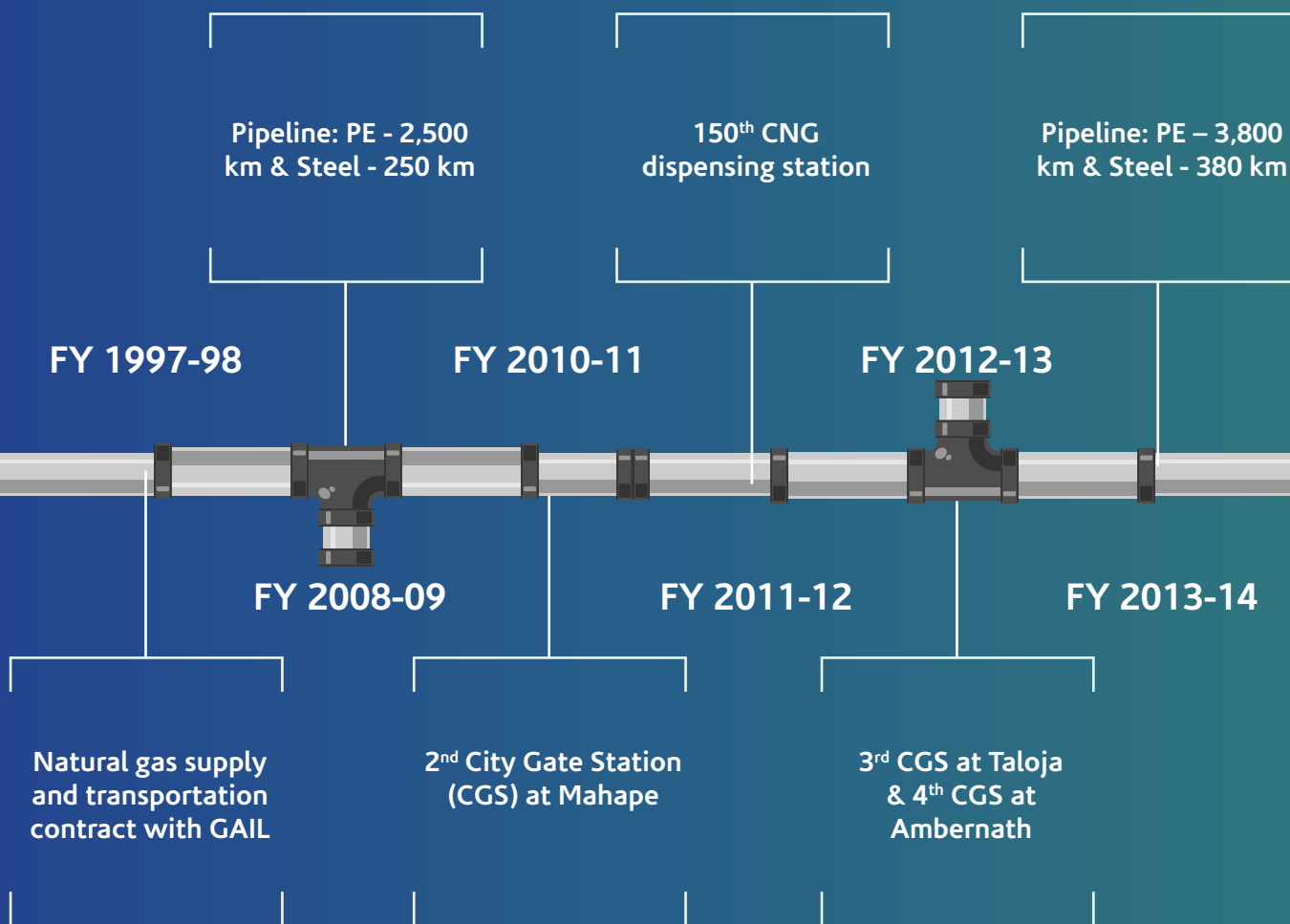


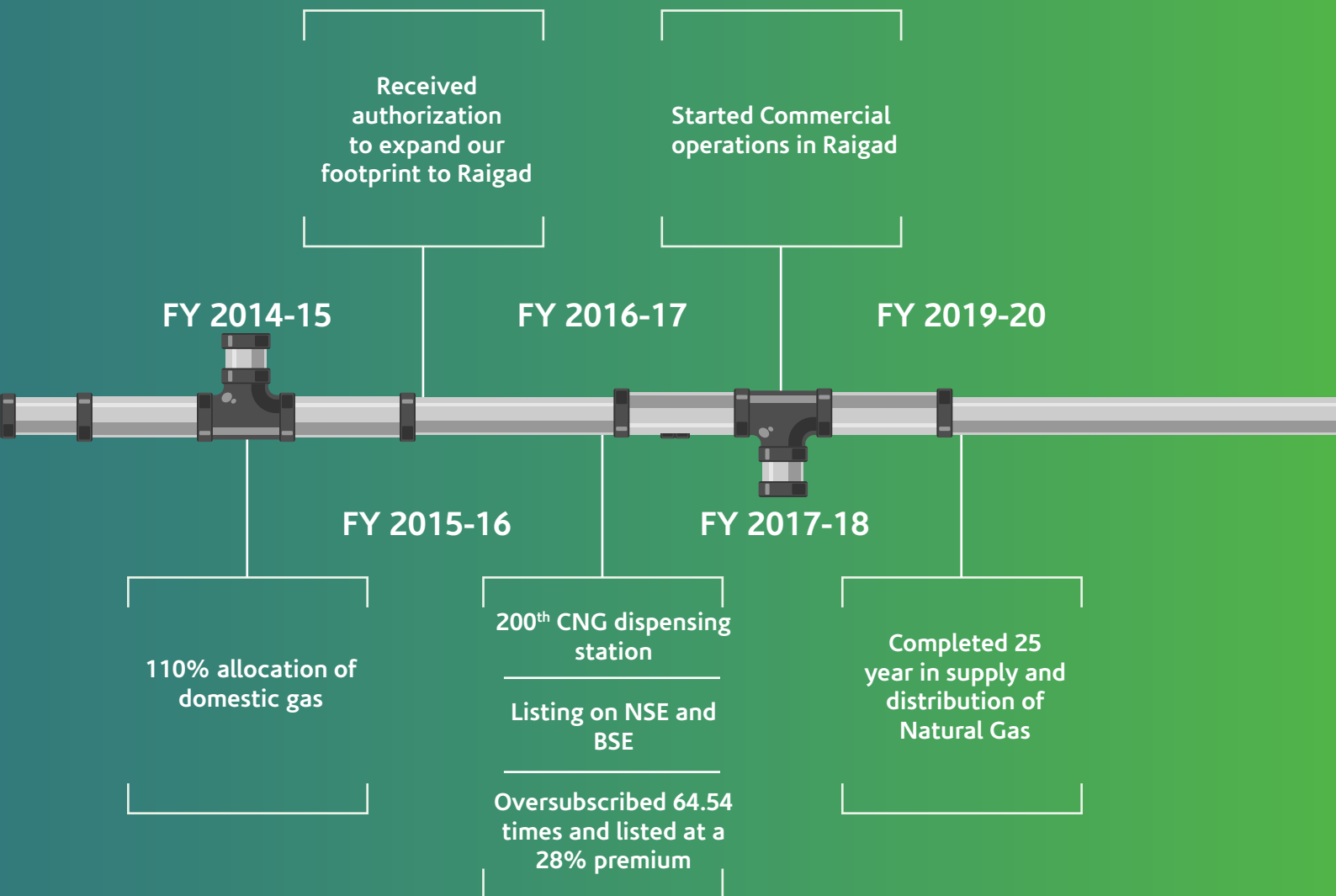
Dividend Rate

(%)



Looking Back With Pride





Chairman's Message



Dear Shareholders,

It gives me pleasure to share with you MGL's progress in FY19-20, as your company celebrates its 25th anniversary. In its years of operations, it has witnessed various dynamic shifts but, there are certain things that still remain unchanged – foremost amongst them is its commitment to provide safe, efficient and reliable energy to its customers and creating value for all its stakeholders.

Since few years, the Indian economy has emerged as an economic powerhouse among developing nations. However, this year has been a challenging one with the Covid-19 outbreak towards the end of the financial year leading to

country wide lockdown and hampering economic activity, weakening consumer sentiment, posing critical health challenges, along with creating large scale socio-economic distress and general uncertainty. It has raised serious concerns about the country's economic outlook in the near term. Reforms and measures from the government are also underway to arrest the downward economic trajectory to a certain extent. An uptick in activity and a revival of the core sector will play a vital role in overall recovery of the economy. Even in such adversities your company has strived to ensure that all its customers who need natural gas in this situation to

run their operations had uninterrupted access to the same. Your company has proactively geared itself up to sustain its business in this pandemic situation and is firmly on the way to recovery towards pre-Covid performance levels. The health and safety of its employees and customers has been its topmost priority.

Burgeoning world population and rising concerns about climate change has shifted attention of all the economies of the world towards the imminent need for clean energy. Natural gas has emerged as a reliable alternative for more polluting fossil fuels. It is safe, reliable, eco-friendly and cost effective fuel, additionally consumer preference is also rapidly shifting towards this segment. The Government of India has set an ambitious target of increasing the share of natural gas in its primary energy basket from 6% to 15% by 2030 pursuant to its clean energy agenda.

The city gas distribution (CGD) network i.e. PNG and CNG is growing at a rapid pace in the country. MGL remains enthused to capitalize on growing opportunities in this space by leveraging its expertise, financial strength and core capabilities to drive and sustain its growth. While there is ample scope for growing the business of MGL organically in its currently authorized geographical areas, your company is also continuously looking out for inorganic growth opportunities. After the conclusion of the 9th and 10th rounds of bidding for CGD networks, natural gas coverage now extends to around 53% of the country's geographical area and 70% of its population.

During the year under review, your company continued to add more customers to its portfolio. As on 31st March 2020, MGL supplied gas to more than 11.68 lakhs households and 4,021 industrial and commercial customers. It also opened many new CNG stations in its areas of operation, taking the total count to 256 CNG stations as on 31st March 2020, with a cumulative compression capacity of 35.10 lakhs kg per day.

MGL's revenue from operations grew by 6.79% YoY from ₹ 3,056.79 crore in FY 2018-19 to ₹ 3,264.49 crore in FY 2019-20. Its EBITDA increased from ₹ 885.45 crore in FY 2018-19 to ₹ 1052.84 crore in FY 2019-20, registering a growth of 18.90% YoY. During the year under review, your company's PAT increased by 45.23% YoY to ₹ 793.51 crore, in comparison to ₹ 546.39 crore in the previous year. The increase in profits is primarily driven by an improved gross margin inter-alia on account of lower gas prices, efficient gas sourcing and operations and reduction in corporate tax rates. MGL is also pleased to inform you that it has declared final dividend of 255% (including special dividend of 150%) for its valued shareholders.

For your company, safety comes first, for all its stakeholders. It implements the best possible health and safety measures to ensure safety of its employees, customers, contractors and workers. Taking into consideration the health risks posed by the global pandemic, it was imperative to reduce points of physical contact to

The city gas distribution (CGD) network in India has been growing at a rapid pace and natural gas in the form of PNG and CNG is being extensively used around the country.



ensure safety of customers as well as representatives. New and innovative contact-less solutions were introduced to address issues promptly and enhance safety of its staff. A majority of MGL's employees continue to work from the safety of their homes and while the ones who are required to be on the field on a 24x7 basis have been rendering yeoman service to the consumers.

The coming fiscal year is anticipated to be challenging for most sectors. At MGL, we remain committed to build on resilient and agile business model to successfully sustain future operations. Your company remains optimistic about creating long-term value for all its stakeholders, despite current hurdles and obstacles.

On behalf of the Board of Directors, I would like to express my heartfelt gratitude towards everyone at MGL for

their hard work, dedication and support to deliver impeccable service and embed resilience across our operations, while delivering exceptional value to all stakeholders. I would also like to extend my appreciation to all shareholders, investors, customers and business partners for continued trust and support as we mark our path ahead to rebound the company's growth trajectory.

Regards,

Manoj Jain
Chairman

¹Subject to approval of shareholders at the forthcoming annual general meeting

Message from Managing Director



We registered an overall sales volume growth of 2.6% as compared to the previous year. Our CNG sales volume grew by 1.8%, domestic sales volume increased by 6.9%, while industrial and commercial sales volume expanded by 2.6% during the same period ”

Dear Shareholders,

I am pleased to inform that we have ended yet another year by continuing to grow our business profitably, backed by proficiency and deep domain knowledge of a dedicated team.

During FY 2019-20, we converted with 105,317 domestic households and supplied piped gas to a cumulative customer base of more than 1.26 million households. We also did set up 21 new CNG stations and upgraded 21 more. Besides, we connected a total of 26 industrial and commercial customers. This period also saw our revenue from operations grow by 6.79% in comparison to the previous year to reach a turnover of ₹ 32,645 million. Our EBITDA registered a growth of 18.90% YoY to reach ₹ 1,052.84 crores in FY 2019-20 as compared to ₹ 885.45 crores in FY 2018-19. Our PAT increased from ₹ 546.39 crore in FY 2018-19 to ₹ 793.50 crore in FY 2019-20, registering a growth of 45.23%.

In the first three quarters, the financial year had witnessed modest growth in

gas consumption but even such gain petered out in the last quarter as we witnessed slowing of growth in gas offtake which became more pronounced as disruptive effects of COVID-19 started setting in and reaching its culmination upon imposition of a complete lockdown. For 9 months ending 31st December 2019 in FY2019-20, we registered an overall sales volume growth of 2.6% as compared to the previous year. Our CNG sales volume grew by 1.8%, domestic sales volume increased by 6.9%, while industrial and commercial sales volume expanded by 2.6% during the same period. But this growth got set off in the last quarter. The overall stagnation in sales happened due to lower consumption in some of the segments despite addition to our physical customer base as well as roll out of additional PNG and CNG infrastructure. However, on the back of better operational and financial performances, we managed to improve our profitability duly aided by lowering of corporate tax rates. Taking into account the highest ever PAT and the momentous occasion of being the Silver Jubilee Year, a final dividend of 225%

has been recommended in addition to an interim dividend of 95% for FY 2019-20.

While restoration of normalcy from the ongoing pandemic and a general economic upswing assume great urgency for improving our performance, the sectoral outlook is encouraging. With the Government's stated objective to achieve high levels of economic growth in an environmentally benign manner, reliance on usage of Natural Gas is slated to rise and share of Natural Gas in India's total energy mix is expected to increase to 15% by 2030. Apart from its environmental benefits, the growing preference for Natural Gas is also stemming from it being a safe, convenient, reliable and affordable source of energy. Government's emphasis on creation of infrastructure along the entire gas value chain is also going to play an important role in making Natural Gas available across the country. All these factors are contributing to make Natural Gas an excellent choice of energy for a better tomorrow.

Due to the above mentioned benefits and scope for reaching out to vastly under penetrated areas, Natural Gas as a fuel stands to gain in the long term. Favourable regulatory environment, Government's initiatives to replace LPG connections with PNG in urban areas, increased availability of CNG filling facilities, replacement of polluting fuels with Natural Gas in industrial sector, are likely to fuel this momentum in the City Gas Distribution (CGD) sector. In keeping pace with such developments, CGD sector has emerged as a niche segment with the Petroleum and Natural Gas Regulatory Board (PNGRB) authorizing 228 Geographical Areas, spread over 406 districts with a potential to cover about 70% of the population of India and 53% of the country's area.

A few risks have also emerged on the horizon. To add to the COVID induced stress, some uncertainties have emerged with regard to termination of marketing exclusivity and the likely start of trading of domestic gas in commodity exchanges which would make it market linked. While the impact of these changes will be felt across the CGD sector but the established players who have painstakingly developed the local gas markets will be affected more than the others. With regard to third party access to our infrastructure, we have made our submissions to PNGRB to safeguard our interests. Other step changes are also taking place in our business environment primary of which are advent of electric vehicles and introduction of BS VI fuels, both of which have the potential to impact our CNG business. Setting up of LNG dispensing stations could potentially pit LNG against CNG but only in the long haul segment.

In the course of the year, we had also undertaken a strategy exercise which has given us some leads in our core

as well as adjacent areas which we intend to pursue in days to come. The proliferation of new license areas and entry of new players will also provide us with opportunities of growth through organic and inorganic routes. However, expanding our core operations in the existing license areas of Mumbai and adjoining areas as well as in Raigad district will remain our topmost priority. These areas have large untapped opportunities and offer good potential for long term growth.

Completion of 25 years is a good vantage point to reflect on a Company's past. MGL has not only pioneered introduction of a structured way of doing CGD business in India but continues to be a very important player in the field. From the very beginning, we had embraced high aspirations, inculcated a great value system and pursued set goals with unwavering commitment. MGL is seen as a benchmark by its industry peers and though we share the industry space with other CGD companies but we truly stand out in terms of stakeholder commitment, customer outreach, operational efficiencies and most importantly our business practices and our value systems. This is a feat to be proud of. While there will be new challenges but the strong foundation that the Company has built will surely stand in good stead.

At MGL, we believe that the most important aspect of our success is our people. Our people are fundamental to our all-round performance and we try to nurture a workplace that is engaging, rewards performances, safe, inclusive and encourages expression of diverse views. Even during the difficult times of Mumbai Flood of 2005 and the current pandemic, we ensured uninterrupted supply of gas to our customers. I would like to take this opportunity to thank

all the employees for their resilience, hard work and dedication in ensuring smooth operations at all times despite challenges.

Today, MGL is one of the leading companies in the CGD sector with substantial strength and core capabilities. We are serving one of the most economically advanced, yet under-penetrated regions in the country. Given the low penetration rates in our areas of operation, MGL is strategically poised to strengthen its position. Although we expect an impact on our earnings in the current financial year due to COVID-19, but as a debt free company, we stand on a firm footing to successfully navigate through these challenging times and emerge as a better and stronger organisation.

We aim to leverage our extensive experience and competitive strengths to expand our customer base and penetrate into new regions. As we remain continuously enthused to augur our potential, we look forward to invest in infrastructure to cater to MGL's burgeoning customer base and improve the quality of services.

I believe, with the determined efforts of our team, MGL will execute its business strategies effectively and achieve its vision while creating value for all our stakeholders. As we start our journey towards our next Jubilee, we shall evolve and have to diversify. Growth is not going to be enough it has to be diversified growth. I am optimistic and sure that every tomorrow will be a better tomorrow.

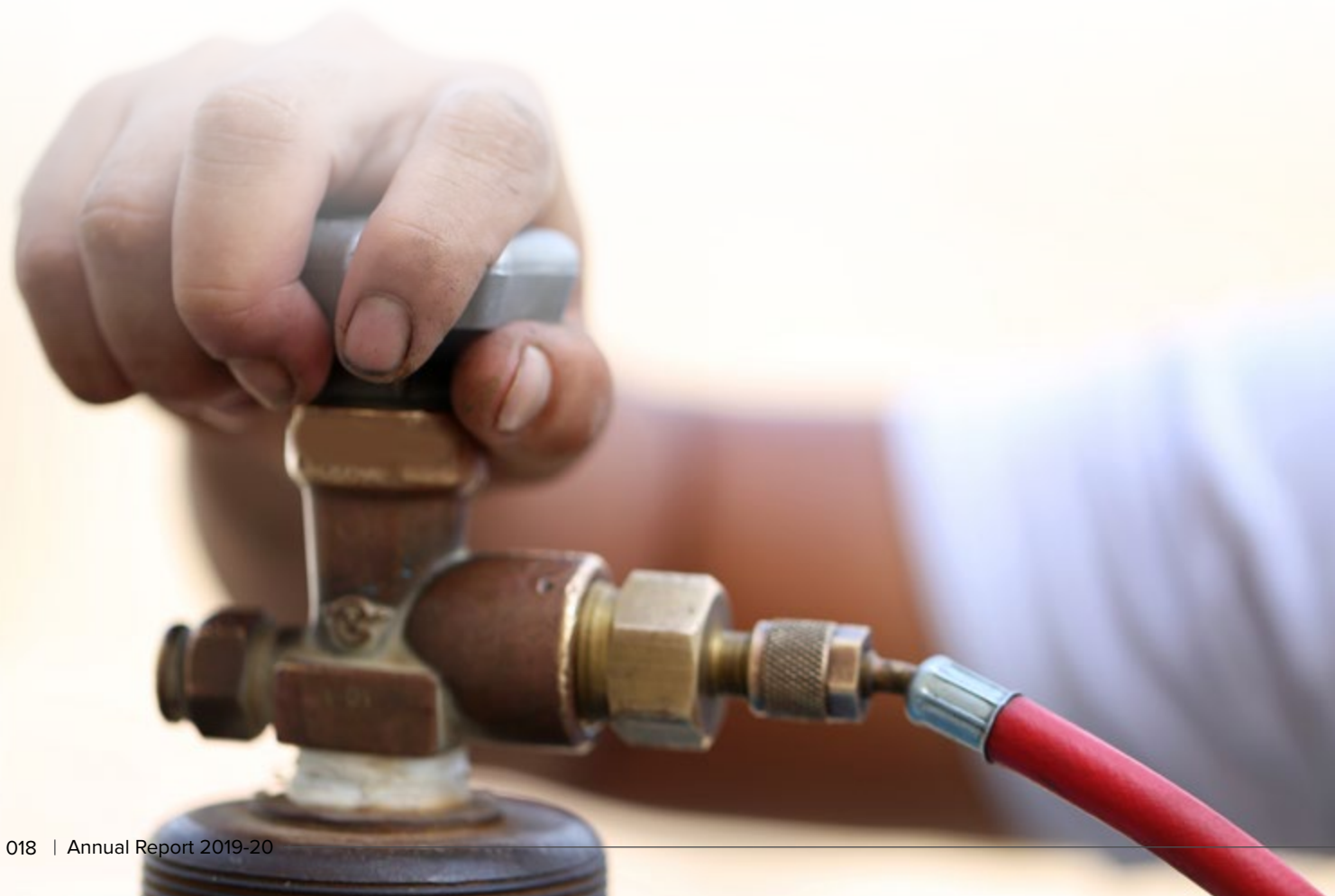
Regards,

Sanjib Datta
Managing Director

Setting Standards – to Ensure Safety

At MGL, our endeavour is to provide safe and healthy working conditions for all our employees and service providers. Additionally, we strive to minimise the impact of our operations on the environment and communities in which we operate. Our strong emphasis on abiding by our corporate Health, Safety, Environment, and Quality Policy enables us to maintain a zero harm approach. Accordingly, we have developed Injury prevention programmes, transport and fire safety programmes, strictly adhering to our integrated HSE and risk management system.

In the event of an incident, we investigate the matter and devise measures to prevent it in future. Information about incidents is communicated to all employees and contractors engaged by us and necessary preventive actions are conveyed across the organization in the form of regular safety alerts and introduction of additional control measures.



Our commitments

Our key HSE priorities include a continuous improvement of health and safety by reducing accidents, occupational injuries, and work-related illnesses. Thereby, we remain committed to:

- ▲ Provide a safe & healthy working environment to prevent work-related injuries and ill health
- ▲ Protect and Contribute to societies in which we operate
- ▲ Develop consistent energy resources, products and services
- ▲ Publicly report our performance
- ▲ Play a leading role in promoting best industry practices
- ▲ Manage HSE matters as any other critical business activity
- ▲ Promote a culture wherein all MGL employees share this commitment through mutual consultations and participation

Compliance and standards

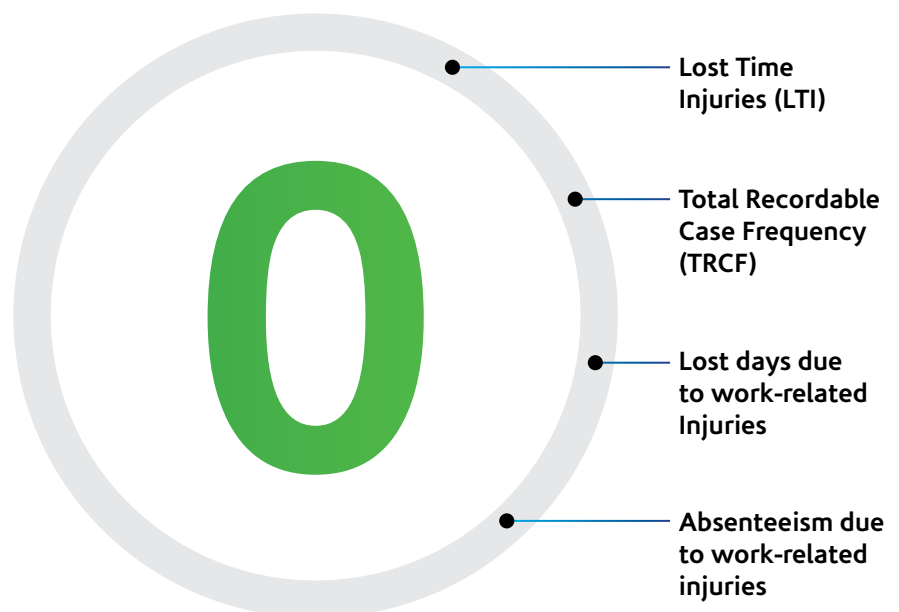
Our HSE and social protection management system complies with the following standards:

- ▲ ISO 45001:2018 for Occupational Health & Safety Management system
- ▲ ISO 14001:2015 for Environment Management System
- ▲ ISO 9001:2015 for Quality Management Systems
- ▲ We also strictly adhere to international standards across all facilities

Highlights for FY 2019-20

- ▲ Achieved more than 23 million 'Lost Time Incident free' man hours.
- ▲ Emergency Response and Disaster Management Plan (ERDMP) of GA3 area has been successfully certified as per PNGRB ERDMP Regulations 2010 (GSR39).
- ▲ Successfully completed transition of our Occupational Health and Safety Management system to ISO 45001:2018 from OHSAS 18001:2007. We have also integrated it with Environmental Management System (ISO 14001:2015) requirements.
- ▲ A Major Mock drill involving Fire Brigade, Disaster Management Cell, Directorate of Industrial Safety and Health (DISH), Mutual Aid Response Group (MARG) members and Traffic police officials has been conducted to demonstrate our Emergency Response and Disaster Management Plan (ERDMP). The efforts were well appreciated by the statutory authorities.
- ▲ Celebrated National Safety Week and World Environment Day with zeal and enthusiasm.
- ▲ Conducted First-aid training for 347 employees covering theory and practical aspects.

Our achievements in FY 2019-20



Accelerating Performance - with Our People

To perform competitively in an evolving industry landscape, MGL requires competent and proficient people to work safely across its operations. We recruit, train and recompense people according to a strategy that aims to organize our businesses effectively. We accelerate development of our people; grow and strengthen our leadership capabilities; and enhance employee performance through strong engagement policies. Our people are essential to the successful delivery of the MGL strategy and to sustain business performance over the long term.



493

Employees as on 31st March 2020

1:9


Gender diversity ratio

938.5

Man days of training and development in FY 2019-20

₹0.43 crore

Invested in training and development of employees in FY 2019-20

 Employee participation for enhancing performance

Diversity and Inclusion

Our intention is to sustain a diverse workforce and an inclusive environment that respects and cares for our people and helps to improve our business performance. Our diversity and inclusion (D&I) approach focuses on talent acquisition, progression, retention, leadership visibility, and an inclusive culture. Our leaders aim to be role models of D&I and assume accountability for continuous progress. We believe that diverse teams led by inclusive leaders are more engaged, and therefore deliver better safety and business performance. By embedding D&I into our operations, we have a better understanding of the needs of our people as well as that of our varied customers, partners and stakeholders throughout the world.

Employee Engagement Initiatives

We strive to create a positive workplace experience to ensure higher productivity, better employee retentions and newer milestones in business success. We have also launched an engagement survey to provide a venue to our employees for open feedback and capture their satisfaction level. Through this survey, we understand our employees' connect with the organization and their views on working environment, expectations about the Company and its leadership.

We undertake the review of people policies and we update it to align with the current need and to support their wellbeing. In addition to this, we also share performance update with all employees on a quarterly basis. In-house communication channels both digital and offline, are in place that help our employees to connect two-way and celebrate achievements.

Training and development

Proper development of human resources is of key importance for successful achievement of our strategic goals. We consider Training & Development an ongoing process that helps us to achieve our organizational goals by improving the skills, tackling skill gaps, improving performance, increasing productivity, increase job satisfaction and knowledge enhancement of our employees.

Over time, Training and development function at MGL has gained prominence due to advancement in technology and changes in market force. We remain at the forefront of this change and have been making significant progress to embrace this change and use it as a competitive advantage.

Training allows our employees to acquire new skills, hone existing ones, perform better, increase productivity and be better leaders. We consider training a systematic procedure for transferring technical know-how to the employees to increase their knowledge and skills for doing particular jobs. Based on this concept, we at MGL have great thrust on training and development. Our annual trainings include a mix of technical, functional & behavioural programs and are based on training needs identified in a joint effort of employee and manager keeping organizational and personal growth in mind.



🔥 25th Foundation Day celebration

Driving Digital Efficiency

The technological landscape continues to evolve and digital transformation lies at the core of organizational success. At MGL, we continue to adopt new-age tools and technologies to drive efficiency, optimise resources and derive cost synergies. We continue to strategically focus on the development and deployment of technology that enables us to make way for an agile and responsive business model.

Investing in new-age technologies

Cloud-based technology: We have deployed cloud technology to ensure efficiency in our operations. Our corporate website is hosted on cloud to ensure on-demand scalability, especially in emergency situations like the Covid-19 outbreak. To enable safety and recovery of non-SAP applications, we have resorted to cloud-based systems. Further, with successful implementation of these applications, we aim to take further initiatives in this domain in the near future.

Supplier Relationship Management (SRM) solution: To strengthen and bring transparency in our e-tendering process, we are trying to implement a state-of-the-art SRM solution. Through this system, digital signatures and bid encryption can be easily integrated with SAP ERP.

SAP HANA: We are commencing to migrate our existing processes to SAP

HANA in line with our strategy to increase our operational efficiency.

Business Intelligence and Analytics: At MGL, we plan to utilize business intelligence and analytics to aid management decisions. We also intend to use analytics tools for monitoring vehicles transporting CNG to daughter booster stations.

Cyber-security: At MGL, cyber-security is given utmost importance and efforts are undertaken to adopt the latest solutions to ensure safety and security of organizational data. To strengthen our cyber security framework, we comply with ISO 27001 standards and have implemented web application firewall, to provide additional layers of security for all internet applications. We also aim to introduce Data Leak Prevention systems to further protect our network from intermittent cyber threats.

Committed to Holistic Care

At MGL, we recognize sustainable development to be a critical aspect for long-term success and it is connected to everything we do. We strive to encourage holistic development of communities in which we operate through direct engagements as well through collaborations with our NGO partners. We also aim to inspire our employees to participate in CSR activities through voluntary employee engagement initiatives.

Some of the major highlights:

- ▲ We were conferred with the “Star of Industry” award by ET NOW for excellence in Community Development in 2019-20
- ▲ We donated ₹ 10 Lakhs under our CSR initiative towards Armed Forces Flag Day Fund
- ▲ We pledged ₹ 2 crores to fight the Coronavirus (COVID-19) pandemic

Our focus areas



Education



Youth
Empowerment



Skill
development



Healthcare



Rural
development



Environment
sustainability





MGL Vidya – Fostering Primary Education

At MGL, we take great pride in providing education to our future generations. Our endeavour is to make education easily accessible for underprivileged children. We introduced various primary education programs in Pen & Uran Taluka of Raigad District and the slums of Bandra and Mankhurd in Mumbai.

Project 'Unnati' helps us to mentor students who have the talent but do not have the means to prepare for competitive exams for admission to premier technical institutes.

'Bridge learning intervention' also provides support to out of school children and undertakes renovation work for schools. Here are some of our initiatives –

- ♣ Construction of school classroom block in ZP School, Nagaon
- ♣ Construction of toilet blocks in ZP School, Nagaon and ZP School, Chowk
- ♣ Renovation of Dr. Ambedkar School, Pen
- ♣ Setting up computer laboratories at 2 MCGM schools and providing the support of a computer teacher
- ♣ Installation of water coolers in various schools

12,000+

Students benefitted from remedial educational initiatives

50,000+

Lives impacted

95%+

Success rate of Project Unnati

200+

Students supported through Project Unnati

1,500

Out of school children supported through Bridge Learning Intervention



♣ Spreading Computer literacy by setting up computer labs in schools



♣ School benches provided in schools



MGL Saksham – Empowering People

MGL Saksham aims to empower marginalized sections of society with opportunities for skill development and vocational training. It aims to bridge the gap between skills and job requirements to efficiently fulfil the needs of particular job roles. These interventions are expected to assist and result in income generation and social inclusion of underprivileged sections of society.

We undertook multiple youth development programs under MGL Saksham: -

- ▲ Around **450 marginalized and disadvantaged children** and their families were supported under Family strengthening program
- ▲ MGL Saksham an empowerment initiative, benefitted close to **250 toddlers, children and women** of migrant labourers in Bhiwandi region
- ▲ by offering classes, adult literacy, skills training, health camps and mid-day meal support
- ▲ Undertook a welfare program for slums, Project Disha, to promote self-help groups, support education, offer skill training for women, encourage entrepreneurship and environmental awareness. Health camps, awareness drives and anti-tobacco campaigns were also organized. This initiative benefitted nearly **22,000 individuals** across various slums of Mumbai
- ▲ Project Parvarish ensures holistic development of more than **50 orphaned, abandoned or destitute children**
- ▲ Supported **500 specially abled individuals** with aids to enhance their abilities and improve confidence

- ▲ An initiative was undertaken for rehabilitation of individuals with multiple disabilities with activities like Occupational Therapy, Physiotherapy, Early Intervention, School Transition and Income Generation Training

35,000+

Lives impacted through initiatives under MGL Saksham



▲ Income Generation guidance to ladies from slums of Mumbai



MGL Hunar - Livelihood and Employment enhancement programs

MGL Hunar aims to improve livelihood opportunities and facilitate skill training for a large section of young and unemployed people. We facilitated skill development through mentorships and hands-on training for gas plumbing jobs. The trainees were also offered a stipend during the course of their training. Additionally, we offered skills augmentation training for Banking, Financial Services and Insurance. Scholarships were also offered to 75 trainees, enrolled for Industrial Training Institute (ITI)

120 people

Offered skill development training

100 women

Trained in Banking, Financial Services and Insurance

75 people

Received scholarships



▲ Skill training for Gas Plumbing



MGL Aarogya – Providing quality and cost-effective healthcare services

The backbone of a society is a healthy populace. Since its inception, MGL has initiated curative as well as preventive health programs under the aegis of project Aarogya, for the underserved sections of society. MGL provides a comprehensive range of services to benefit the community and healthcare is a key pillar of its social responsibility programme.

We undertook the following projects during the year –

- Initiated Project Poshan to offer mid-day meals to **25,000** children from **180** schools in Mumbai

- Organized health camps to benefit **3,000** individuals
- Facilitated upgradation of medical facilities at various hospitals and day care centres
- Supported Ramkrishna Mission Hospital by upgrading its dialysis unit and provided equipment for ophthalmology, orthopaedic and critical care
- Facilitated access to safe drinking water to **5 tribal villages** in Karjat Taluka of Raigad District and supported installation of water

filtration plants in **3 villages** of Raigad District

- Undertook an initiative to support **440** children of sex workers through **8 balwadis** to enable pre-academic skills development, mid-day meals, health check-ups, exposure, etc.



Mid-day Meal for school-children



Providing safe drinking water in villages of Karjat



MGL Vikas - Building Social Capital & Infrastructure

Infrastructure plays a vital role to improve the quality of life in rural communities. It not only contributes towards better living conditions, but it also accelerates faster movement of goods and services and fosters economic growth.

MGL Vikas facilitated holistic development of 6 villages of Sudhagad Taluka of Raigad District. This initiative

was designed as a villager owned intervention and focused on things that mattered - education, health, sanitation, water, livelihoods, youth empowerment, collectivism, community-based organizations and environment.

6

 villages

Benefitted from the initiative



Beautified Village School



MGL Hariyali - Rural development

We have undertaken several environment-friendly initiatives for rural development. MGL Hariyali helped to install 100 solar street-lights and 200 dual pole mounted litter bins within our operational area.

Reinforcing our commitment towards ecological sustainability, we planted more than 1500 saplings under various initiatives. Additionally, use of renewable energy has been ensured through the Naal Pani Yojana.

100

Solar street lights Installed

200

Installed dual pole mounted litter bins



Installed Solar Street Light in Panvel

Contribution to Armed Forces Fund

As a mark of respect towards the nation's armed forces, we contributed to the Armed Forces Flag Day Fund, developed for the welfare of war veterans and their families.



Contribution for Armed Forces

Board of Directors



Mr. Manoj Jain
Non-Executive
Chairman

(Nominee of GAIL)

- Chairman and Managing Director of GAIL (India) Limited.
- Possesses rich and diverse experience encompassing more than 34 years with GAIL (India) Ltd. in the areas of Business Development, Projects, O&M, Petrochemicals, Pipeline Integrity Management and Marketing.
- Mechanical Engineering Graduate and MBA in Operations Management



Mr. Sanjib Datta
Managing Director

(Nominee of GAIL)

- Heading the Business Development functions in GAIL (India) Limited as an Executive Director.
- Over 33 years of experience in handling multifarious assignments in the natural gas for eg. Business Development, Marketing, Project Development and Construction as well as Operation & Maintenance of Pipelines and LNG Terminal
- Holds a Bachelor's degree in Electrical Engineering from Jadavpur University, Kolkata.



Mr. Deepak Sawant
Deputy Managing
Director

(Nominee of GAIL)

- 29 years of experience in gas business this includes overseas assignment in Myanmar for exploration and production of Natural Gas.
- Handling 6 Geographical areas directly including Bengaluru and 6 Geographical areas with JV partners.
- Mr. Deepak Sawant is a Mechanical Engineer having experience with in-depth knowledge in chemical and hydrocarbon sector.



Mrs. Radhika Haribhakti
Independent Director

- Over 32 years of experience in Commercial and Investment banking with Bank of America, JM Morgan Stanley and DSP Merrill Lynch.
- Serves as an Independent Director on the Boards of EIH Associated Hotels, Ltd., ICRA Ltd., Navin Flourine International Ltd., Rain Industries Ltd and as Designated Partner in Koss Medical Devices LLP.
- PGDM, Finance specialization, IIM Ahmedabad and Commerce graduate from Gujarat University.



Mr. Raj Kishore Tewari
Independent Director

- On the board since March 2015.
- Previously served as the Chairman of the Central Board of Direct Taxes in the Ministry of Finance, Govt. of India.
- M.Sc. (Fiscal Studies) from the University of Bath, UK, M.Sc. (Physics) from the University of Lucknow and Bachelor's degree in Law from the University of Mumbai.



Mr. Premesh Kumar Jain
Independent Director

- On the Board since April 09, 2018 and has over 7 years Board level experience as Director (Finance) in GAIL.
- Over 35 years of experience in Oil and Gas Sector.
- A Chartered Accountant and MBA (University of Hull, UK).



Mr. Syed S. Hussain
Independent Director

- On the Board since September 09, 2019.
- He belongs to 1973 batch of Indian Revenue Service (IRS) and 1976 batch of Indian Administrative Service (IAS), Maharashtra cadre.
- Graduate in B.A. (Hons.) in English with Distinction in Persian and M.A. in English from University of Patna.
- Mr. Hussain retired as Vice-Chairman and Managing Director of City & Industrial Development Corp. of Maharashtra Ltd. (CIDCO).



Corporate Information

BOARD OF DIRECTORS

Mr. Manoj Jain

Chairman
(w.e.f. May 06, 2020)

Dr. Ashutosh Karnatak

Chairman
(Upto May 06, 2020)

Mr. Bhuwan Chandra Tripathi

Chairman
(Upto August 01, 2019)

Sanjib Datta

Managing Director

Deepak Sawant

Deputy Managing Director
(w.e.f. May 09, 2019)

Mr. Akhil Mehrotra

Director
(Upto May 09, 2019)

Mr. Trivikram Arun Ramanathan

Director
(Upto August 20, 2019)

Mr. Satish Gavai

Director
(Upto July 31, 2019)

Mr. Arun Balakrishnan

Independent Director
(Upto September 09, 2019)

Mr. Santosh Kumar

Independent Director
(Upto September 09, 2019)

Mr. Raj Kishore Tewari

Independent Director

Mrs. Radhika Haribhakti

Independent Director

Mr. Premesh Kumar Jain

Independent Director

Mr. Syed S. Hussain

Independent Director
(w.e.f. September 09, 2019)

CHIEF FINANCIAL OFFICER

Mr. S.M. Ranade

COMPANY SECRETARY & COMPLIANCE OFFICER

Mr. Saghan Srivastava



BANKERS

The Hongkong & Shanghai Banking Corporation Limited
 United Bank of India
 ICICI Bank
 AXIS Bank
 Standard Chartered Bank
 Yes Bank Limited
 BNP PARIBAS
 Kotak Mahindra Bank Limited
 IDBI Bank Limited
 Oriental Bank of Commerce
 HDFC Bank
 Indian Bank
 Punjab National Bank
 The Dhanlaxmi Bank Limited

The Development Bank of Singapore Limited

CITI Bank NA
 Development Credit Bank Limited
 State Bank of India

STATUTORY AUDITORS

M/s. S R B C & CO LLP,
 Chartered Accountants,
 12th Floor, The Ruby,
 29 Senapati Bapat Marg, Dadar (West),
 Mumbai – 400 028, India

COST AUDITORS

M/s. Dhananjay V. Joshi & Associates,
 Cost Accountants,
 “CMA Pride” Ground Floor, Plot No. 6, S.
 No. 16/6, Erandawana Co.op. Hsg. Soc.,
 Erandawana, Pune 411 004

SECRETARIAL AUDITORS

M/s. Dholakia & Associates, LLP,
 (Company Secretaries)
 A/302, Sarvodaya CHSL, Bldg No. 11,
 Nr. P.F. Office, Khernagar, Bandra (E),
 Mumbai – 400 051

REGISTERED OFFICE

MGL House, Block No. G-33,
 Bandra-Kurla Complex, Bandra (E),
 Mumbai – 400 051

REGISTRAR & SHARE TRANSFER AGENT

M/s. Link Intime India Private Limited
 C 101, 247 Park, LBS Marg,
 Vikhroli (West) Mumbai – 400 083,
 Maharashtra, India

R GAS

BAY-4

BAY-5

BAY-6



Statutory Reports

Management Discussion and Analysis



Stepping-up for transforming Mumbai into a greener city- MGL partners with Maruti Suzuki for a fleet of staff vehicles on CNG

Indian Economy

Indian economy is emerging as an economic powerhouse among the developing countries and today it is the 5th largest economy in the world, in terms of GDP. The economy is estimated to have grown by around 4.2% in FY 2019-20, which is lower in comparison to the previous year.

Despite this slowdown in the economy, the country has improved its ranking in World Bank's Ease of Doing Business and stood at 63rd position in CY 2019 as compared to 142nd position in CY 2014. This improvement was backed by reforms introduced by the Government of India such as corporate tax rate cuts, ease in manufacturing policies to boost the Make in India campaign, infusion of funds in public sector banks, etc. With these initiatives, the PMI for the month of January 2020 rose to 55.3, taking it to an eight-year high.¹

However, the recent outbreak of Covid-19, which led to a country wide lockdown to curtail the spread of the virus, has posed a challenge and altered the outlook of the Indian economy and growth is likely to remain subdued in FY 2020-21. Other factors such as the credit crisis in the NBFC sector and demand- supply disruption are likely to aggravate this slowdown. Nevertheless, India and China appear to be the only two major economies likely to register growth while all other major economies are expected to contract. However, the Government of India and the Reserve Bank of India have been working in tandem to revive the economy and address the demand side contraction. Fiscal as well as monetary measures worth ₹ 20 lakh crore have been

introduced and are expected to counter this slowdown and will help the economy to grow in future. Looking ahead, the Indian economy is expected to grow by 7.4% by FY 2021-22 (For additional information refer Table 1).

Table 1:

Global economic growth (in %)

	2018	2019E	2020P	2021P
World	3.6	2.9	-3.0	5.8
India	6.8	4.2	1.9	7.4
Advanced Economies	2.2	1.7	-6.1	4.5
Emerging markets and Developing Economies	4.5	3.7	-1.0	6.6

[Source: IMF WEO April 2020]

Indian Oil and Gas Industry Overview

The Indian Oil and Gas industry has been instrumental in fuelling the rapid growth of the economy and is among the eight core industries influencing decision making for all the other important sections of the economy.² The growth in energy demand is highly correlated to the growth of the economy and with an increase in the country's population and GDP, the sector is expected to grow in tandem. However, as energy demand will rise significantly, it will also lead to emissions of associated greenhouse gases (GHG). In order to tackle such situations, a number of policy measures are being discussed to focus on increased access to energy while aiming to keep emissions in check.

¹ IHS Markit India – PMI Index

² <https://www.ibef.org/industry/oil-gas-india.aspx>

Currently, India is the 3rd largest energy consumer in the world, after US and China. It is also the 4th largest importer of Liquefied Natural Gas (LNG)³. The oil refining capacity of India stood at 249.4 million tonnes, making it the 2nd largest refiner in Asia. Private companies own about 35.36% of the total refining capacity. India's energy demand is projected to double to 1516 Mtoe by 2035 from 753.7 in 2017. Moreover, India's share in global primary energy consumption is projected to reach 11% by 2040.⁴ This increase in consumption is expected to be supplemented by an alteration in the primary energy mix, on account of the substitution of oil by natural gas.

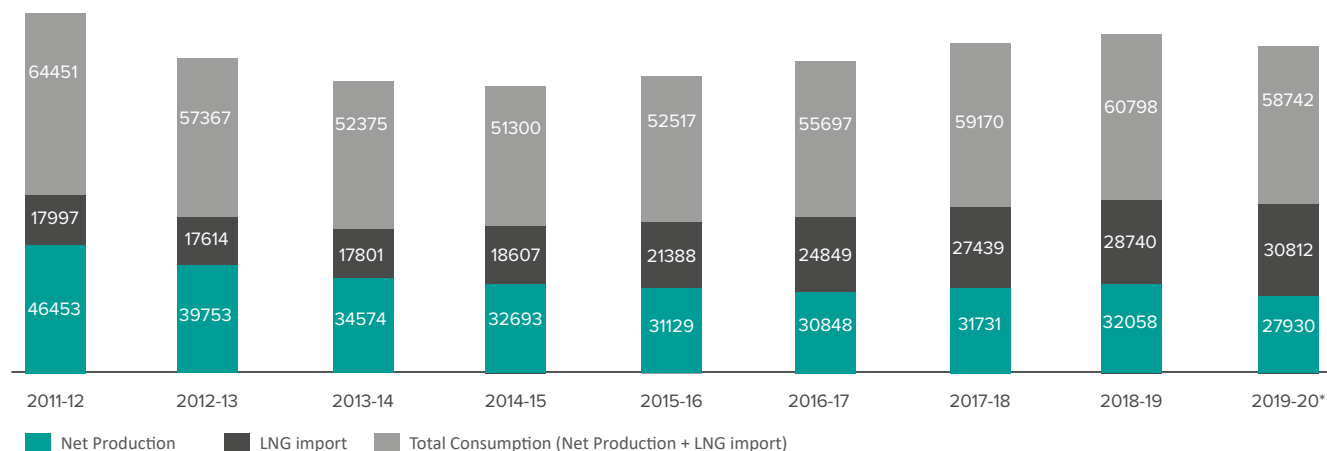
Natural gas is the cleanest among all the fossil fuels. It is used as a feedstock in the manufacturing of fertilizers, plastics and other commercially important organic chemicals as well as fuel for power generation and heating purposes in industrial and commercial units. Natural gas is also used for cooking in domestic households and as a transportation fuel for vehicles.

The proportion of gas in the country's primary energy mix stood at 6%⁴ of the total. The current consumption comprises about 80-90 MMSCMD of domestic production and the remaining comes by way of imports (For details refer graph 1). The country has set an ambitious target to increase the share of natural gas from 6% to 15% in the total energy mix by 2030. To achieve this, the country needs to increase the current 166 MMSCMD⁵ per day in gas consumption to 600 million standard cubic metres per day by 2030.

Government Policies and Reforms

- Union Budget FY 2020-21 allocation:** The Ministry of Petroleum and Natural Gas ('Ministry') has been allocated ₹42,901 crore for FY 2020-21. The allocation for the Ministry has remained unchanged from the allocation from the revised estimates for the FY 2019-20. Of the total allocated budget given to the Ministry, approximately 87% is reserved for LPG subsidies given by GoI through Direct Benefit Transfer (DBT) programme, making it the largest component of the Ministry's expenditure.
- Pradhan Mantri Ujjwala Yojana Scheme (PMUY):** The PMUY scheme was launched in May 2016 with the objective of providing LPG connections to women from 'Below Poverty Line' (BPL) households with a support of ₹1600 per connection. The scheme was initially aimed to target 5 crore households and in February 2018 was revised to target 8 crore households by 2020. The ambit of the scheme was also expanded to cover all SC/ST households, beneficiaries of Pradhan Mantri Awas Yojana (Gramin), forest dwellers, backward classes, in addition to households identified under the Socio Economic and Caste Census. According to the Ministry, as of January 2020, a total of 8.03 crore⁶ PMUY connections have been released across 715 districts in the country. Nearly all states have seen a rapid increase in connections released under the scheme.

Graph 1: Trend of natural gas consumption in India (in MMSCM) [Till February 2020]



³ U.S. Energy Information Administration

⁴ BP Energy Outlook 2019

⁵ Minister of Petroleum & Natural Gas

⁶ <https://www.ppac.gov.in/WriteReadData/Reports/202003200232519665146SnapshotofIndia%E2%80%99sOil&Ga%20sdata,February2020-compressed.pdf>

- **Exploration and Licensing Policy for Oil & Gas:** The Cabinet approved a policy framework on reforms in the exploration and licensing policy for oil and gas fields in February 2019. The policy is aimed to attract new investment in Exploration and Production (E&P) Sector.
- **Open Acreage License Policy (OALP):** The Ministry of Petroleum & Natural Gas had announced Open Acreage Licensing Policy (OALP) for oil and gas exploration in the FY 2016-17. OALP is a part of the strategy to make India a business and investor friendly destination and cut import dependence. It also gives companies an option to look for opportunities to explore hydrocarbons and select the exploration areas on its own. Owing to this, Government of India in its Union Budget FY 2020-21 announced that Hydrocarbon acreages covering 137,000 sq. km has been awarded to the private sector and central public sector enterprises for exploration, under the OALP. The government also awarded 32 blocks under OALP bid round 2nd and 3rd covering an approximate area of 59,000 sq. km during July 2019⁷.
- **National Gas Grid Expansion plan:** With an aim to boost the use of environment friendly fuel, the Government of India has laid down plans to expand the national natural gas pipeline network from current 16,200 km to 27,000 km, marking an increase of about 67%. Apart from encouraging people to use natural gas, the move is also expected to deepen the gas market in the country, and to facilitate transparent price discovery & ease of transactions across the nation.⁸
- **Foreign Direct Investment (FDI) Inflows:** The Government of India is encouraging FDI in the oil and gas sector to supplement and augment domestic investment and technological capabilities. At present, FDI policy in petroleum & natural gas sector allows 100% FDI through automatic route for exploration & production, refining by private companies, marketing of petroleum products, pipelines, storage and LNG regasification infrastructure and all related services. With this initiative, FDI inflows in India's petroleum and natural gas sector stood at US\$7.07⁹ billion during April 2000 – December 2019.
- **Discovered Small Fields Policy (DSF)¹⁰:** This policy was launched in 2016 with an aim to encourage extraction of

oil & gas from un-monetized small oil/gas discoveries that are available in the country. It features an easy investment option for new and existing players with minimal risk. The policy received overwhelming success with 134 bidders for 34 blocks on offer, under the DSF Bid Round-I launched by the Government and was completed in a record time of 10 months. Looking at the interest from the industry, especially from the Private Sector, bid round – II was launched in 2018 and was successfully completed on January 30, 2019. The production from areas offered in DSF-I have been as per contract timelines from FY 2019-20.

- **Pratyaksha Hastaantarit Laabh (PAHAL):** This scheme was launched in 2014, initially covering 54 districts and was launched in the rest of the country in 2015. The aim of this policy is to offer Direct Benefit Transfer (DBT) of cash subsidy for LPG cylinders to consumers (with annual income up to ₹10 lakh) and to boost LPG demand. As of January 2020, nearly 27.59 crore¹¹ LPG consumers have joined the scheme and has resulted in an estimated savings of ₹65,661 crore (up to December 2019).

City Gas Distribution (CGD)

Gas Pipeline infrastructure is an economical and safe mode of transporting natural gas by connecting gas sources to gas consuming markets. Gas pipeline grid determines the structure of the gas market and its development. Therefore, an interconnected National Gas Grid has been envisaged to ensure the adequate availability and equitable distribution of natural gas in India.

Supply of natural gas in the form of Piped Natural Gas (PNG) to households, commercial units and industries and supply of natural gas in the form of Compressed Natural Gas (CNG) to vehicles are part of the development of CGD network and the same is carried out by the entities authorized by Petroleum and Natural Gas Regulatory Board (PNGRB). So far, PNGRB has authorized 228 Geographical Areas spread over 406 districts with a potential to cover about 53% of the country's area and 70% of country's population. There are 2,086 CNG stations, 6.06 million domestic connections and 40,588 industrial and commercial connections in India as on February 2020.¹² Approximately 76% of the CNG stations and around 80-90% of the PNG connections are

⁷ Ministry of Petroleum and Gas – 100 days document

⁸ <https://economictimes.indiatimes.com/industry/energy/oil-gas/gas-grid-to-be-expanded-to-27000-km-pricing-reforms-in-offing/articleshow/73851426.cms?from=mdr>

⁹ IBEF - Oil & Gas Industry in India

¹⁰ http://dghindia.gov.in/assets/downloads/5c790f6729839Press_Release_Award_of_blocks_DSf_Bid_Round_II_ver.1.pdf

¹¹ <https://www.ppac.gov.in/WriteReadData/Reports/202003200232519665146SnapshotofIndia%E2%80%99sOil&Gadata,February2020-compressed.pdf>

¹² <https://www.ppac.gov.in/WriteReadData/Reports/202003200232519665146SnapshotofIndia%E2%80%99sOil&Gadata,February2020-compressed.pdf>

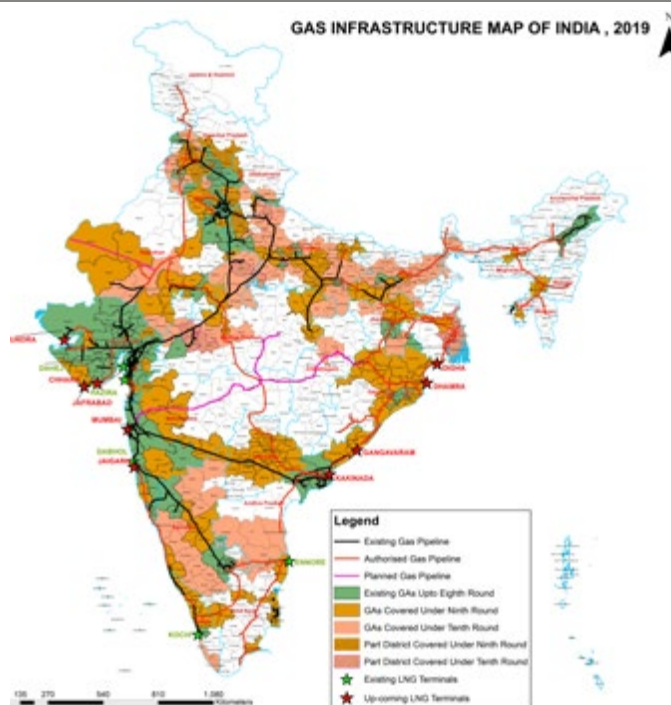
concentrated in Delhi, Gujarat and Maharashtra. With the conclusion of the 9th and 10th rounds of bidding for CGD networks, the numbers of CNG stations and domestic PNG connections are expected to increase by 8,181 and 4.2 crore, respectively. Additionally, the PNGRB has proposed 44 new geographical areas for the upcoming 11th round of bidding for city gas distribution (CGD). The aim is to make environment friendly fuel i.e. CNG/PNG available to public at large¹³.

To promote the development of CGD networks, the Government of India has accorded priority in domestic gas allocation to PNG and CNG segments and 100% gas requirement of CNG and PNG segments are being met through supply of domestic gas which is cheaper than imported gas. At present, CGD sector is consuming about 14.36 MMSCMD of domestic Gas in CNG and domestic PNG sectors. About 10.91 MMSCMD of imported Re-gasified Liquefied Natural Gas (RLNG) is used by the Commercial and Industrial segments of CGD sector.

Table X: City Gas Distribution - Coverage of population of India and its Area

CGD Authorizations	Geographical Areas (GAs)		% Population of India		%Area of India	
	Standalone	Cumulative	Standalone	Cumulative	Standalone	Cumulative
Pre-PNGRB	30	30	9.28	9.28	2.95	2.95
Round 1 (Oct '08)	6	36	0.33	9.61	0.03	2.98
Round 2 (Feb '09)	3	39	0.23	9.84	0.03	3.01
Round 3 (Jul'10)	6	45	0.77	10.61	1.21	4.22
Round 4 (Sept '13)	9	54	2.27	12.88	1.29	5.51
Round 5 (Jan '15)	8	62	2.04	14.92	1.82	7.33
Round 6 (Oct '15)	17	79	2.07	16.99	2.02	9.35
Round 7 (Jun '16)	1	80	0.36	17.35	0.46	9.81
Round 8 (Nov '16)	6	86	0.94	18.29	0.57	10.38
Sec.42 (Mar '18)	6	92	1.57	19.86	0.61	10.99
Round 9 (Apr '18)	86	178	26.38	46.24	23.82	34.81
Round 10 (Nov '18)	50	228	24.23	70.47	17.92	52.73

[Source: Petroleum and Natural Gas Regulatory Board]



[Source: Petroleum and Natural Gas Regulatory Board – Updated date 17/02/2020]

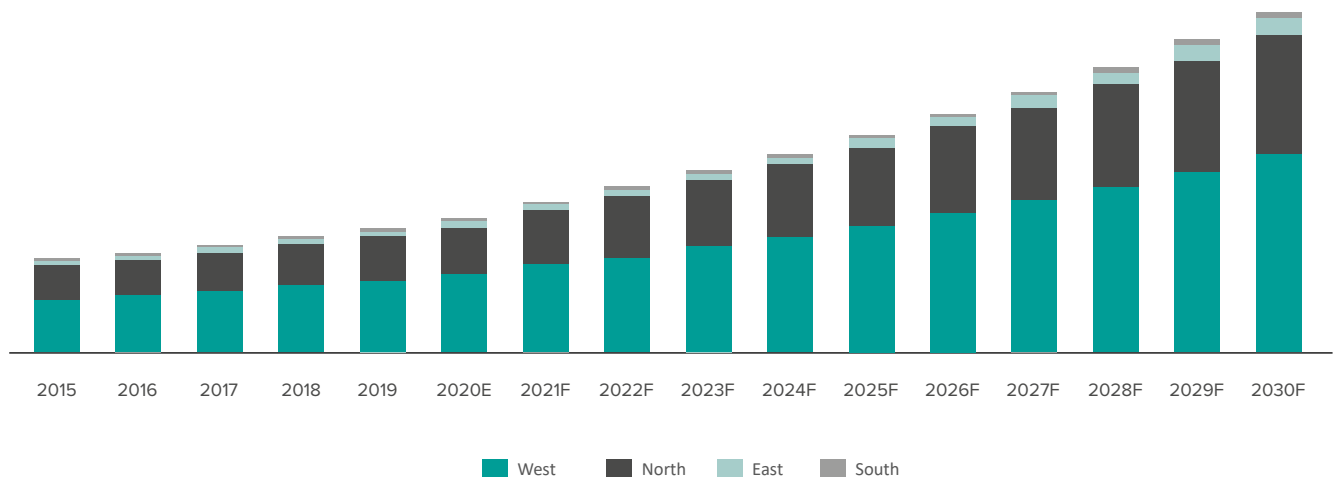
¹³ PIB, Ministry of Petroleum and Natural Gas – Initiatives taken for increasing domestic production of Oil and Gas

Region Wise Gas Distribution Network

Region Wise Grids - A brief of major gas pipeline projects which are being implemented by Central Government PSUs are as under:

- Jagdishpur – Haldia / Bokaro – Dhamra Pipeline Project (JHBDPL) and Barauni – Guwahati Pipeline project (BGPL):** GAIL (India) Limited is executing a 2,655 km long pipeline project. Phase-I of the project from Phulpur upto Dobhi (Gaya) with spur line to Varanasi, Patna, Gorakhpur, and Barauni has been commissioned in 2019. In September 2016, Government of India took a policy decision to provide 40% grant for this pipeline project which is also popularly known as 'Pradhan Mantri Urja Ganga (PMUG) for Eastern India'. Timely development of this project is supporting the revival of 3 Fertilizer Plants located at Gorakhpur, Barauni and Sindri and new Fertilizer Unit at Durgapur. Moreover, Pipeline from Barauni to Guwahati is also being implemented as an integral part of the JHBDPL project to connect North East Region (NER) with the National Gas Grid. The approximate length of the pipeline is 729 km. The entire project will cater the energy demand of Eastern and North-Eastern Region, covering 6 states, namely Uttar Pradesh, Bihar, Jharkhand, Odisha, West Bengal and Assam.
- North East Region (NER) Gas Grid:** A joint venture of 5 oil and gas companies has been entrusted to develop trunk pipeline connectivity in all North Eastern States i.e. Assam, Sikkim, Mizoram, Manipur, Arunachal Pradesh, Tripura, Nagaland and Meghalaya in a phased manner. The prime objective of the grid would be to meet the local demand in the north eastern states. It shall also connect the NER grid to the National Gas Grid.
- Kochi – Kootanad – Bangalore – Mangalore Pipeline Project (KKB MPL):** A total of 41 Km of pipeline has been commissioned in Phase-I and 887 Km of Phase-II is in progress in two sections. Construction work by GAIL in Kochi – Kootanad – Mangalore section (444 Kms) is in progress and is expected to be commissioned in the near future, while in other sections are still underway.
- Ennore – Thiruvallur – Bangalore – Nagapattinam – Madurai – Tuticorin pipeline (ETBNMTPL):** Indian Oil Corporation Limited is laying ETBNMTPL pipeline having a length of 1,385 km. This pipeline will connect new Ennore LNG Terminal with various demand centres in the region.

India City Gas Distribution Region Wise



[Source: Tech-sci research report on Indian City Gas Distribution Region Wise]

Auto Fuel Trends

CNG powered engines are gaining popularity among buyers in the automotive segment as CNG is economical while being highly fuel efficient with low polluting potential. With rising popularity and increased demand of CNG powered engines, demand for CNG is expected to increase in tandem. To cater to this increased demand, 8,181 new CNG stations across the country are slated to be opened from present 2,086 CNG stations.¹⁴

Adoption of CNG as an alternative fuel to petrol or diesel for economic and environmental reasons will be a major growth driver in the market. Moreover, the sector is expected to have a favourable outlook as various policies and reforms introduced by the Government of India to promote investments in CNG infrastructure creation and to invite wider participation in developing pipeline infrastructure will offer growth opportunities for key market players.

According to Nomura Research Institute Limited's report on 'Transforming Mobility Through Natural Gas', Natural Gas Vehicles (NGVs) are likely to account for 50% of the sales of new three and four wheelers in India by 2030, on the back of rapidly developing infrastructure and cost reduction due to domestic manufacturing.

In addition, to curb pollution and reduce reliance on import-dependent fossil fuel, the Government of India has been promoting Electric Vehicles (EVs). According to Society of Manufacturers of Electric Vehicles, as many as 1.56 lakh EVs were sold in the country in 2019-20 as against 1.3 lakh units in the previous fiscal. The number is projected to grow and the country India has the potential to become one of the largest electric vehicles (EVs) markets in the world. Two and three wheeler segments are likely to get penetrated to a larger extent as compared to four wheeler segment. In the heavy commercial vehicle segment, LNG could be introduced as a means for propulsion.

Industry Outlook

Global energy demand is projected to increase by about 20%¹⁵ by 2040, primarily driven by expanding economies and growing population. The future of energy consumption will vary considerably among countries and regions. However, the net increase in energy consumption will be mainly due to the Emerging Markets and Developing Economies. China is expected to remain the world's largest consumer, followed by India, and other ASEAN countries.¹⁶ Economies have realised the importance of transitioning to a low carbon world and will be shifting towards renewable energy and natural gas to replace coal and other fossil fuels. According to IEEJ, increased

consumption of natural gas will be more than any other energy source. Natural gas is projected to surpass coal in the mid-2030s to become the 2nd largest energy source after oil.

With a population of over 1.4 billion and one of the world's fastest-growing economies, India will be vital for the future of the global energy markets. The Government of India has made progress in recent years to increase citizens' access to electricity and clean cooking through LPG. It has also successfully implemented a range of energy market reforms and carried out huge capacity additions in renewable electricity, notably in solar energy. Moreover, the government has laid out an ambitious vision to bring secure, affordable and sustainable energy to all its citizens. The government aims to increase the share of natural gas in the country's energy mix to 15% by 2030, from the present 6%.

Growth in LNG demand largely depends on the pace of city gas and re-gasification infrastructure build-out. Demand for LNG in the country grew 2% year-on-year through 2019, owing to a slowdown in the 1st quarter of 2019. Overall, RLNG usage was driven by the fertiliser sector which increased 9% Y-o-Y and city gas increased 7% Y-o-Y. Together, these sectors offset decreased consumption in the industrial sector, which registered a decline of 8% Y-o-Y.

City Gas Distribution (CGD) market in India is projected to grow at a CAGR of 10% from an estimated 9,223 MMSCM (Million Metric Standard Cubic Meter) in 2020 to 25,570 MMSCM by 2030. Growth in the sector is anticipated on account of increasing natural gas demand from automotive, industrial, commercial as well as residential end-user segments. With an increasing number of favourable initiatives taken in the CGD sector by the Government of India, an increasing number of companies have been authorized and granted licenses in Round 9 and 10 to expand the CGD network in the country. In 2019, CGD sales in India were dominated by the CNG segment, owing to stringent environmental regulations and rapidly growing penetration of CNG fitted vehicles in India. Backed by booming PNG and CNG segments, the country's CGD network is anticipated to witness robust expansion in the coming years.

However, the recent outbreak of Covid-19 will deter growth in the sector in the 1st half of FY 2020-21. Due to the pandemic led lockdown, the demand side is expected to be impacted as overall demand for energy will decrease due to reduction in the number of vehicles on roads and industries being shut across the country. Although, demand for PNG is likely to continue as people are staying at home. Government of India and Reserve Bank of India have introduced a slew of initiatives for the economy to come out of the slowdown. With these measures, the economy is expected to recover in the 2nd half of FY 2020-21¹⁷

¹⁴ Census 2011-2020 and Transport Ministry (Transport.maharashtra.gov.in)

¹⁵ https://corporate.exxonmobil.com/-/media/Global/Files/outlook-for-energy/2019-Outlook-for-Energy_v4.pdf

¹⁶ <https://eneken.ieej.or.jp/data/8650.pdf>

¹⁷ KPMG Report on Potential Impact of CoVID-19 on the Indian Economy



MGL goes green with its fleet of CNG vehicles

Company Overview

Mahanagar Gas Limited (MGL) is one of India's leading natural gas distribution companies. MGL's robust gas pipeline infrastructure and expanding operations in Mumbai and its adjoining areas will further help the Company to establish its market leadership in a large and growing market that still remains underpenetrated.

With an industry experience of ~25 years and with the perfect blend of resources and competencies required for setting up and managing gas distribution networks, MGL strives to increase customer satisfaction by providing exceptional service. MGL connects with over 1.26 million households, over 3,949 small commercial establishments, 72 industrial establishments and supplies CNG to more than 0.75 million vehicles in Mumbai, Thane, Mira-Bhayander, Navi Mumbai and its adjoining areas.

The Company provides safe and uninterrupted gas supply through its extensive distribution network. As of March 31, 2020, it had a supply network of over 476 kms of steel pipelines, over 5154 kms of polyethylene pipeline and 256 CNG filling stations with more than 1511 dispensing points.

To cater to the growing demand for natural gas in existing as well as new areas, MGL sources gas from existing suppliers through its 04 City Gate Stations. In the next four years, MGL plans to further augment its coverage area by taking its services to an additional 11 lakh households and 400 CNG stations. It also aims to expand the steel pipeline network to around 600 kms, and the PE pipeline network to over 7600 kms.

Key Business Highlights

In the financial year 2019-20, for 9 months ending 31st December 2019, the Company registered overall sales volume growth of 2.6% as compared to the corresponding period in the previous year. Its CNG sales volume grew by 1.8%, domestic sales volume increased by 6.9%, while industrial and commercial sales volume expanded by 2.6% during the same period. The increase has been modest in tune with general economic situation of the period.

However, the recent COVID-19 outbreak has impacted sales volumes significantly in March 2020, with overall sales volumes for the current fiscal remaining almost at same levels as the previous financial year, increasing by only 0.1%. In comparison to the previous fiscal, Domestic PNG volumes have increased by 7%, while CNG volumes reduced marginally by 1.1%. Industrial and Commercial sales volumes also reduced by 0.1% due to the lockdown. Effect of COVID-19 will continue to impact the Company's performance at least in H1 of the next fiscal.

During the year, the Company improved its PNG coverage by 1,05,371 households, thereby taking its cumulative customer base to more than 1.26 million households. The Company also added 329 industrial and commercial customers, to reach over 3,949 small commercial establishments and 72 industrial establishments. To further boost capacity of its current CNG network of 256 stations, the capacity of 21 stations were upgraded to serve an estimated 0.75 million vehicles. The Company propelled its current compression capacity to about

35.10 lakh kg/day, an increase in capacity by 2.05 lakh kg/day. The Company also expanded its network in Raigad with 14 CNG stations and plans to add more stations in the coming financial year. It is also planning to extend its supply services across under-penetrated regions of Pen, Ulwe and Karjat amongst others, initially with the help of virtual pipeline networks to serve domestic PNG customers.

Financial Overview

Discussion on financial performance with respect to operational performance.

Revenue from Operations

During the financial year 2020, the revenue from operations grew by 6.79% to ₹ 3,264.49 crore from ₹ 3,056.79 crore in the previous year.

EBITDA and EBITDA Margin

During the financial year 2020, the operating EBITDA increased by 18.90% to ₹ 1052.84 crore in comparison to ₹ 885.45 crore

in FY 2019. Moreover, the EBITDA margin rose by 370 bps to 35.42% from 31.72% in the previous year.

PAT and PAT Margin

The Company registered a robust growth in PAT by 45.23% to ₹793.51 crore in FY 2019-20 from ₹546.39 crore during FY 2018-19. The PAT margin grew to 26.70% in FY 2019-20 from 19.58% in FY 2018-19.

PBT

The Company registered a rise in profit before tax by 17.52% to ₹983.54 crore in FY 2019-20 from ₹836.91 crore in FY 2018-19.

EPS

The Company recorded earnings per share of ₹ 80.33 per share in FY 2019-20 as compared to ₹ 55.31 per share in FY 2018-19.

Details of significant changes (i.e. change of 25% or more as compared to the immediately previous financial year) in key financial ratios, along with detailed explanations therefor, including:

Ratio Analysis

Sr. No.	RATIOS	For the year ended	
		31 st March 2020	31 st March 2019
1	Debtors Turnover Ratio (No. of times) (Gross Turnover/Average Trade Receivables)	30	27
2	Inventory Turnover Ratio (No. of times) (Cost of Gas Sold/Average Inventory of Gas)	2956	3189
3	Current Ratio (No. of times) (Current Assets/Current Liabilities)	1.59	1.43
4	Operating Profit Margin (Operating Income - EBIT/Revenue from Operations - Net)	29.98%	27.36%
5	Net Profit Margin (PAT/Revenue from Operations-Net)	26.70%	19.58%
6	Return on Networth (PAT / Net Worth)	26.87%	22.78%

Interest coverage ratio and Debt Equity ratio not applicable as company is debt free.

Details of any change in Return on Net Worth as compared to the immediately previous financial year along with a detailed explanation thereof:

The Company registered a Return on Networth (PAT / Networth) of 26.87% in FY 2019-20 as compared to 22.78% in FY 2018-19. Increase in Return on Networth is due to increase in Profit After

Tax, mainly on account of adoption of lower tax rate of 25.17% as compared to 34.94% in previous year and better margin due to favourable spot gas prices during the year.

Disclosure of Accounting Treatment:

Applicable Accounting Standards have been followed and there is no deviation compared to prescribed accounting standards.

Strengths

- One of the largest suppliers of natural gas in the country connecting more than 1.26 million lakh households in Mumbai and adjoining areas.
- It supplies CNG through 256 filling stations with more than 1511 dispensing points and serves over 7.5 lakh vehicles.
- It operates over 470 km of steel pipelines and over 5150 km of MDPE pipeline in Mumbai and its adjoining authorized areas.
- With its robust management, the Company has leveraged its expertise to strengthen its position in the industry.
- MGL's rich experience and its long-term relationship with vendors, suppliers and contractors have empowered it to expand its network in a timely and cost-efficient manner.
- With an established infrastructure and strong presence in Mumbai and its adjoining areas, it has fortified its presence and offers significant entry barriers.
- De-facto exclusivity in one of the most densely populated and economically growing regions of the country.
- Access to low cost domestic gas.
- Strong focus on safety.
- A customer-centric culture.
- Extremely favourable evaluation by credit rating agencies with one of the highest financial ratings.
- The Company relies on a strong balance sheet and cash flow matrices to sustain its business momentum.

Weaknesses

- Slower roll out of infrastructure primarily due to long drawn authorization process of various authorities.
- Unable to set up more CNG stations in Mumbai due to constraints related to land.

Opportunities

- Exploring new areas of operation outside Mumbai and Maharashtra
- Lot of untapped potential in existing operating areas.



Exploring more business opportunities and contributing to energy sector, MGL signed an MOU with Tata Power

- Possibility of regulatory restrictions of using polluting fuels in urban areas which can then be replaced with gas.

Threats

- Possibilities of free market pricing of natural gas by Government of India which may reduce demand.
- Lack of economic growth and adverse policy interventions.

Technology

MGL continues to invest in latest technological developments, matching up to a rapidly changing business environment and constantly upgrading ways to interact with its customers.

To efficiently sustain its business operations, the Company constantly upgrades and implements innovative technology. During the year, the Company witnessed smooth operation of SAP R/3 ERP systems. The Company's data centre is located in a Tier-IV certified facility, offering maximum uptime of IT Infrastructure, systems and services within stipulated time frames. Additionally, the Company has a fully operational disaster recovery site, both on-premise and on cloud infrastructure, to ensure business continuity.

The Company's in-house resources were utilized for major functional upgrades of SAP systems to facilitate finance and procurement procedures. Within the framework of standard SAP, an innovative dashboard was developed for open customer complaints, CWIP and to track Purchase Order expiry.

The Company has also developed innovative applications for paperless registration of customers, maintenance of PNG infrastructure and capturing of CNG readings.

The Company has taken its first step in Machine Learning by integrating a Chatbot with its corporate website. In addition, online name transfer facility with relevant supporting documents have been implemented for customers. Cyber security remains one of the key focus areas and accordingly, significant initiatives have been taken to enhance the Company's security layers. The Company is also providing expert services to other City Gas Distribution entities to achieve their digitization goals.

In the operational front, the Company has successfully sustained and enhanced its SCADA system across all four City Gate Stations, 246 CNG stations, 02 Sectionalising Valves (SV) and 45 Cathodic Protection Transformer Rectifier Units. The Company plans to include all its CNG stations and additional SVs under the ambit of SCADA. To strengthen the safety of operations and provide improved services to customers, the Company is implementing LoRA-based Automated Meter Reading (AMR) system on a trial basis for 7,000 domestic customers in its operational areas.

152 industrial and commercial customers (with regulating skid) have fitted with AMR facilities. Further, 1000 diaphragm meters for commercial customers have been replaced with SMART meters which enables remote acquisition of meter readings. This has eliminated the need for visit to customers' premises for meter reading.

The Company has also completed the installation of 08 Internal Corrosion Monitoring systems and aims to install 05 more in the days ahead.

To improve productivity and reduce cost of installation, the Company continues to implement Multi Layered Composite (MLC) piping system in lieu of copper piping systems. The joints in this system are installed by crimping, a safe method that does not require soldering. A vendor network is being developed to ensure supply of the same and it will be implemented accordingly.

To automate the daily CNG progress report preparation process at daughter booster stations, an in-house CNG mobile app has been developed. Moreover, to enhance customer experiences, awareness initiatives about voluntary meter reading procedures have been rolled out along with several new initiatives.

Efforts continue to further enhance domestic meter reading accuracy and efficiency. Improvements in domestic meter reading continued using Android software as it aims to help meter readers capture details with greater ease and accuracy while providing value-added inputs to customers. The software

is upgraded at regular intervals to provide customers access to information on meter reading through SMSs.

Going forward, the Company plans to undertake trials for implementation of a pre-paid metering system for domestic customers. These initiatives shall render the capability for remote acquisition of meter readings, detect instances of meter malfunctioning / tampering and deliver an enhanced user experience, thereby ensuring safety and accurate revenue realization for the Company.

MGL's pipeline network as well as associated assets are being mapped in GIS (Geographical Information System) on an ongoing basis, enabling users to view the entire network from their desktop/device, allowing them to regularly plan and monitor repair and maintenance activities on the network. User specific tools are also incorporated from time to time, in 'myWorld'- a GIS application that supports 'on the move' usage and proves to be useful during field access and emergency handling.

Data enhancement activities such as reliability/completeness of network mapping, landbase updation, incorporation of building addresses, accuracy enhancements based on DGPS surveys of exposed pipeline etc. are undertaken on continuous basis. GIS database backup practices are also strengthened by the introduction of Windows Backup Manager for daily backups which ensure readiness to restore GIS systems during undesired system breakdowns.

As a regular practice, all technical records submitted to the GIS team is scanned and made available to users through MGL ARS (Archival Retrieval System).

The Company has also purchased Gas Detection Camera (FLIR) for gas leak surveys. This camera has been certified as Intrinsically Safe. It is specifically tuned to visualize emissions that are impossible to see with the human eye.

MGL has completed introduction of 6 Type-3 composite cylinder cascades for CNG transportation and is carrying out trials for Type-4 composite cylinder cascades. These cascades have resulted in transporting more CNG per trip, thereby reducing the number of trips. Further, procurement of 10 more composite cascades is being planned.

The Company plans to set up solar power facilities at the upcoming Mankhurd and Ghatkopar CNG stations as a green initiative aimed at reducing power intake from the grid. The installation of a natural gas Microturbine has been completed at the MGL's Mahape Office to utilize exhaust heat for its centralized air conditioning system.

A small footprint of CNG package has been installed at one



 Team MGL pledging for conservation of fuel and environment protection

of the CNG stations in Mumbai, with integrated packaging of a CNG compressor, CNG dispenser and CNG cascade in a single enclosure.

Further, the Company plans to conduct trials for Mobile CNG Dispensing facilities at one of its operational areas in Raigad and more deployment of such units can be further explored after successful technical trials.

Project Monitoring

Corporate Project Monitoring Cell (CPMC) makes an earnest endeavour to improve its project monitoring services. Web based modules designed for capturing and displaying performance of key processes of all ongoing projects have been advanced further, to assist executing departments in figuring out the areas of concern. The system has also benefitted the Company in terms of accuracy improvement and timely submission of requisite information to stakeholders and Regulator.

Further to improve efficiency of existing project operations, certain new applications, like, Last Mile Connectivity, Working at Height, Plumber Tracking and Work Plan and Work Progress (WPWP) were developed with the help of the BIS department.

Salient features of these developments are listed below:

Work Plan and Work Progress: This system is developed to plan daily activities and monitor daily progress, directly from the site. The system also helps to track resources available with the contractors and in turn, allows execution planning at the site.

This application also helps to identify the gaps between the plan and the actual achievements on site.

Last Mile Connectivity (LMC): LMC relates to the final activity with regards to the acquisition of a domestic customer and implementation takes place at the customer's kitchen. This system helps to capture relevant customer information along with required images (Meter, Meter Location, etc.) directly from the customer's premise. This results in immediate reporting of customer conversion date in the system, which in turn results in faster domestic billing.

Work at Height (WAH) – Permit to Work: This system helped to reduce delays in the issuance of Work at Height permits, enabling early start of work at respective sites. This has increased productivity, created a centralized record of all WAH permits and enabled safety at the site. The system also helps to track exact number of plumbing resources with contractors and in turn, allows execution planning at site and resources monitoring.

Inch-Kilometer Module: This system is developed to capture Inch-Kilometer details of network laid across authorized geographical areas. The system facilitates reporting of data to the Regulatory Board, as per their requirement.

Health, Safety and Environment (HS&E)

a. Health and Safety

The continuous initiatives directed towards 'Occupational Safety Excellence', has enabled MGL to achieve more than

23 million 'Lost Time Incident free' man hours – the highest ever in the Company's corporate history.

Being in the business of supplying PNG and CNG, the Company complies with high standards of Health, Safety & Environment practices and believes that outstanding business performance requires outstanding HS&E performance. Moreover, the Company also adheres to all legal and statutory requirements applicable to its operations and aspires to attain high standards of operational performance.

MGL is accredited to applicable Health, Safety & Quality management systems including ISO 45001:2018 for Occupational Health & Safety Management system, ISO 14001:2015 for Environment Management System and ISO 9001:2015 for Quality Management. The Company has successfully upgraded its Occupational Health and Safety Management system to ISO 45001:2018 from OHSAS 18001:2007 standard. It has also been integrated with Environmental Management System (ISO 14001:2015) requirements. The Company has already been audited by certified third party agencies and has successfully met international requirements.

Regular safety audits in the form of Senior Management Safety Tours are conducted by the Company's Senior Management. This helps to maintain highest standards of Health and Safety for personnel as well as for the Company's assets. The Company is committed to the Health and Safety of not only its employees but also the employees of its contractors and any other stakeholder who may be affected by the Company's operations. The contractors are considered business partners of the Company and duly comply with the Company's HSE standards. To meet the necessary standards, the Company provides coaching and assistance to its business partners, as and when required.

The Company also takes various initiatives for raising general awareness in relevant communities and operating environments as a part of its continual efforts to improve safety measures.

Initiatives such as PNG Awareness Campaigns in residential societies as well as for industrial and commercial customers; MGL Emergency Management Systems awareness for local Fire Brigade offices; District Disaster Management Cells and CNG Awareness Campaigns for various customers are undertaken by the Company. Animation videos on 'MGL Life Saving Rules' and 'Work At Height' in Hindi and English are extensively used to spread an awareness about the Company's Life Saving Rules, amongst employees,


contractors' employees and other stakeholders. Fire Alarm systems have been upgraded at MGL offices at Mahape and CGS Taloja and new fire alarm systems have also been installed at important offices.

Continual improvement in MGL Life Saving Rules and implementation of Safety & Technical Competency (STC) training policy - 'No STC No Work' and CNG filling policy - 'No Metal Plate No Gas' are in vogue. In order to ensure safe execution of work, in accordance with recommended procedures and standards, the Company makes sure that all the manpower involved in its work is trained as per STC framework and certified accordingly.

MGL has implemented HSE Reward Program to identify the frontline workers who significantly contribute to achieve HSE excellence at site.

For reporting safety incidents, monitoring recommendations and closing recommendations with evidences related to the incident in a methodical way, the Company has implemented Online Action Tracking System. It also has an Emergency Control Room with a toll Free number- 1800 22 99 44 - available 24x7. The Company also has tie ups with Emergency Ambulance Services across its operational areas for medical emergencies. Moreover, to contribute to a safe working environment, the Company also has a 'Dial-before-Dig' continuous pipeline surveillance and network mapping system on Geographical Information Systems (GIS).



 Connecting with Customers -In-house Call Center

To prevent hazardous incidents and continual improvement of HSE performance at Company installations and sites, MGL expects all its employees and contractors to report incidents, hazards and near misses to provide effective safety suggestions. These inputs are carefully assessed and investigated and the lessons learnt from these incidents are shared with all concerned people. The Company also takes note of the lessons learnt from other Oil and Gas companies around the world.

The Company has successfully installed In-Vehicle Monitoring System (IVMS) / VTS (Vehicle Tracking Systems) in all CNG transport vehicles and emergency vehicles, to inculcate safe driving behaviour and to track all vehicles. The data generated from IVMS/VTS monitoring system is analysed and the driver's behaviour and any on-road violation are tracked for continual improvement of road transport safety performance. Additionally, it conducts Defensive Driving Training (DDT) for all drivers and vehicle helpers plying within the organization, namely Light Commercial Vehicles (LCVs) carrying CNG, pool vehicles, and Master Control Centre (MCC) / emergency vehicles.

The Company has also built a Fire Management System, which complies with national standards. Competent firefighting workforce has been deployed at all City Gate Stations (CGS) and important MGL offices to combat any potential fire emergency. The Fire Management System is maintained in accordance with statutory requirements of respective local authorities. The Fire Management System has been audited / assessed by an external, third party agency of international repute, validating the effectiveness of the system.

MGL Emergency Response and Disaster Management Plan (ERDMP) of Raigad license area has been successfully certified as per PNGRB ERDMP Regulations 2010 (GSR39). The Company has conducted a series of mock drills at all installations including City Gate stations, project sites, CNG stations and offices, as per the recommendations of PNGRB guidelines. A major mock drill with the involvement of Fire Brigade, Disaster Management Cell, Directorate of Industrial Safety and Health (DISH), Mutual Aid Response Group (MARG) members and Traffic Police officials has been conducted to demonstrate MGL's Emergency Response and Disaster Management Plan (ERDMP), as well as to undertake continuous improvements based upon the inputs of the participants of mock drills.

b. Environment

The focus on environment is one of the core areas of

emphasis for the Company. In addition to the processes and procedures, the Company adheres to the requirements of ISO 14001:2015 accreditation. MGL celebrates World Environment Day every year wherein the employees undertake initiatives and activities to work towards protecting the environment and promote the use and benefits of natural gas to improve the environment through public awareness campaigns. As per this year's World Environment Day theme - 'Air Pollution', the Company has organized an awareness session by a renowned environment consultant.

The Company has developed animated videos on Energy Conservation Tips, available on the Company's website and social media pages. Furthermore, the Company has initiated many more online applications like Online Permit System, Life Saving Rules Audit Module to minimize the usage of paper and contribute towards environmental conservation.


Security

Changing business dynamics coupled with continuous shifts in the socio-economic scenario and rapid business expansion of the Company demanded thorough re-assessment of the security function to reinforce and strengthen the security management processes. This was achieved through risk assessment, focusing on protection of company assets, with increased emphasis on pipeline network protection. The function responded positively to the changing security challenges by incorporating better technology and adopting efficient security mechanisms in its operations. New procedures were also incorporated and implemented to suit varied security requirements.

A dynamic socio-economic scenario demands the security processes of the Company to be continuously put to test and reinforced through feedbacks from various stakeholders. This is backed by reviews of processes, through risk and vulnerability assessments, threat appreciation and is achieved through accurate access control, security awareness training and incident management drills and exercises.

In order to augment the security surveillance mechanism, the existing CCTV network was upgraded from an Analog to IP based system. The state of the art Security Control Room was further augmented through incorporation of D3D two-way communication camera system. Plans to further expand the existing Security Control Room by enhancing its surveillance capability with latest surveillance software and integration of other security devices like Intruder Alarm System & Fire Alarm systems are underway. The Company also plans to establish



 Management's interaction with employees for discussing the business outlook, the organizational priorities, the challenges and opportunities ahead

an Incident Control Room inside the Security Control Room for better incident management during crisis. During the year, a decision to source security manpower from Security Guard Board was taken to enhance the efficiency of the guarding force.

The primary focus of the Department is to achieve maximum security effectiveness through optimum manpower deployment. The vision of the department has always been to provide efficient and timely security support to all the stakeholders of the Company and to make MGL a secure place to work.

Human Resources & Industrial Relations

The HR team made good strides during the year and at the closure of financial year, MGL's head count was 493. A congenial working environment could be maintained by providing stable employment, safe working conditions and job satisfaction which encourage the employees to contribute their best. Our responsible approach to structured working conditions includes fair treatment at work, equitable compensation system and flexible working arrangements. HR Policies are revisited in a time bound manner to keep abreast with the industry practices.

Learning and Development (L&D), Career Growth, Reward and Recognition are part and parcel of life at MGL.

MGL believes in continual learning for its employees and competency development is a key focus area. Our L&D team is committed to nurture a culture of learning and structured training initiatives are taken in the interest of overall employee development. Alongside professional trainings, awareness

sessions are also arranged for conveying Corporate Values.

Career advancement is one of the most important elements for employee satisfaction and retention in a company. Regular development dialogues between employees and supervisors provide an opportunity to discuss career development perspectives.

MGL has various Reward and Recognition programs to promote a sense of belongingness and motivation among employees by recognizing and rewarding exemplary behaviour, thus improving employee morale and satisfaction.

MGL also focuses on attracting and retaining talent in the emerging competitive scenario and our impetus is on selection of quality talent through multiple channels. Transparent and effective communication is given due priority for ensuring team based working and promoting a culture based on trust and confidence.

MGL engages a large work force through service providers and contractors. The Company treats them as partners in progress and maintains cordial industrial relations.

Internal Control System & adequacy and Risk Management

The Company continued its efforts to provide an effective internal control environment where ethical behaviour, accountability, controls and assurances are practised. The Company has a robust framework for Internal Controls, covering both operational as well as financial reporting, commensurate with the size and

to have a continued assurance on adequacy and operating effectiveness. A strong culture of corporate governance and the right tone at the top serve as strong pillars for excellence.

Various business segments have well documented policies and standard operating procedures covering their business processes. Policies and procedures have been delegated to respective authorities within the senior management, to efficiently disseminate it to various departments under their control in a calibrated manner. Procedures to ensure conformance to policies and standards have been put in place with respect to all types of activities within the organization. Policies and procedures are reviewed periodically to accommodate changes due to shifts in business needs and improvements are also suggested during internal audits to strengthen the overall internal control systems of the Company. The Company has its Code of Conduct and Whistle Blower policies in place. Internal controls are expected to be embedded in business operations and standard operating procedures.

Internal Audit is conducted by a reputed and experienced external firm, covering major business operations, ensuring effectiveness of existing processes, controls and compliances. This has been further augmented with the introduction of implementation review which is aimed at tracking the audit findings until its closure. Internal audit reports along with management comments and action plan on recommendations as well as findings of implementation review are presented to Strategic Management Group (SMG) and Audit Committee. The Company also has a dedicated in-house internal audit team. Functioning of the auditing firm is overseen, guided and facilitated by the Company's dedicated in-house team.

The Risk Management Committee is in place to identify and review the risks. The Operational and Business Risks are reviewed and assessed periodically by the Risk Management Committee and then placed before the Audit Committee as well as the Board.

Corporate Social Responsibility

MGL believes that the growth of the Company is intrinsically linked to the wellbeing of society at large. The recent global pandemic has reaffirmed this belief. MGL is actively pursuing opportunities to contribute to communities and societies where it operates through multiple engagements. MGL being a responsible corporate citizen, its CSR initiatives aim at supporting environmental protection, development of healthy and empowered citizens, social upliftment and sustainable community development.

During the year, various initiatives under the banner of MGL Aarogya, MGL Saksham, MGL Hunar, MGL Vidya and MGL Vikas were undertaken to further reiterate the Company's commitment

to the society. For more information refer to Report on CSR Activities as annexed to Directors' Report.

Cautionary Statement

This document contains statements about expected future events, financial, and operating results of Mahanagar Gas Limited, which are forward-looking. By their nature, forward-looking statements require the Company to make assumptions and are subject to inherent risks and uncertainties. There is significant risk that the actual results may differ from the forward-looking statements mentioned in the Annual Report. Readers are cautioned not to place undue reliance on forward-looking statements.

Disclaimer

Certain statements in the MD&A section concerning future prospects may be forward-looking statements which involve a number of underlying identified / non identified risks and uncertainties that could cause actual results to differ materially. In addition to the foregoing changes in the macro- environment, global pandemic, like, COVID-19 may pose an unforeseen, unprecedented, unascertainable and constantly evolving risk(s), inter-alia, to the Company and the environment in which it operates. The results of these assumptions made, relying on available internal and external information, are the basis for determining certain facts and figures stated in the report. Since the factors underlying these assumptions are subject to change over time, the estimates on which they are based, are also likely to change accordingly. These forward-looking statements represent only the Company's current intentions, beliefs and expectations and any forward-looking statement speaks only as of the date on which it was made. The Company assumes no obligation to revise or update any forward-looking statement, whether as a result of new information, future events, or otherwise.



ET-Star Award- Star of the Industry Award for excellence in Community Development

Directors' Report

To,
The Members,

Your Company's Directors have pleasure in presenting the Twenty-Fifth Annual Report along with the Audited Financial Statements of the Company for the Financial Year ended March 31, 2020 and the Auditors' Report.

1. FINANCIAL RESULTS:

During the year under review, your Company has achieved turnover of ₹ 3,264 Crores, registering a growth of 6.77% over previous financial year. The Profit after Tax is ₹ 795 Crores for the financial year 2019-2020 as compared to ₹ 546 Crores for the financial year 2018-2019. The Company's financial results for the financial year ended March 31, 2020 are depicted below:

(₹ in Crores)

Sr. No.	Particulars	As on	As on
		March 31, 2020	31st March 2019
a.	Revenue from operations	3,264	3,057
b.	Other Income	99	78
c.	Profit before Depreciation and Finance cost	1,152	963
d.	Depreciation and Amortisation Expenses	162	126
e.	Finance cost	7	-
f.	Profit before Tax (PBT) [c-d-e]	984	837
g.	Income Tax	190	291
h.	Profit after Tax (PAT) [f-g]	794	546
i.	Other Comprehensive Income	-2	1
j.	Total Comprehensive Income [h+i]	792	548
k.	Balance of Profit for earlier years	2,299	1,996
l.	Balance Available for appropriation (j+k)	3,091	2,544
Appropriations:			
m.	Dividend Paid		
	Final – FY 2017-18	-	108
	Interim – FY 2018-19	-	94
	Final – FY 2018-19	104	-
	Interim – FY 2019-20	94	-
n.	Tax on Dividend	41	42
o.	Total Appropriations (n+o)	239	244
p.	Balance of profit carried in Balance Sheet[m-p]	2,852	2,300
	Earning Per Share (Face value of ₹ 10.00 each) – Basic and Diluted (₹)	80.33	55.31

2. TRANSFER TO RESERVES:

The closing balance of the Retained Earnings of the Company after appropriation for the financial year 2019-20 was ₹ 2,852 crores.

3. DIVIDEND:

Your Company is consistently distributing dividends to the Shareholders. Your Directors recommend for approval of shareholders at the 25th Annual General Meeting, the Final Dividend of ₹ 10.50/- per share and a Special Dividend of ₹ 15/- for the financial year 2019-2020. The Board of Directors,

in its meeting held on February 26, 2020, declared an Interim Dividend of ₹ 9.50/- per equity share for the financial year 2019-20 and the same has been paid on March 16, 2020 to all the eligible shareholders as on record date i.e. March 09, 2020.

The Dividend Distribution Policy is disclosed in the Annual Report for FY 2019-2020, (refer Annexure 1) as per requirement of Regulation 43A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as the "Listing Regulations"). The policy is also available on the Company's website at https://www.mahanagargas.com/UploadAssets/UploadedFiles/_DividendDistributionPolicy_f4049de0be.pdf

4. STATE OF COMPANY'S AFFAIRS:

The Financial Year 2019-2020 was one of the significant years in terms of growth and operations. Further information on the business overview and outlook of the Company is discussed in detail in the Management Discussion & Analysis section forming part of the Annual Report.

The revenue from operations for financial year 2019-2020 at ₹ 3,264 crores, higher by 6.8% over previous year's revenue at ₹ 3,057 crores in financial year 2018-2019.

5. DEPOSITS:

During the financial year 2019-2020, your Company has not accepted any deposit within the ambit of Chapter V i.e. Section 73 of the provisions of the Companies Act, 2013 read with Companies (Acceptance of Deposit) Rules, 2014. Therefore, default in repayment of deposits or payment of interest thereon during the year under review does not arise.

6. DIVESTMENT OF SHAREHOLDING BY PROMOTER:

BG Asia Pacific Holdings Pte. Limited (BGAPH), one of the Promoters of the Company sold its remaining stake of 10% in the Company on August 20, 2019, thereby divesting its entire shareholding in the Company during the Financial Year 2019-2020 consequent to which BGAPH ceased to be one of the Promoters of the Company. Post the divestment, GAIL (India) Ltd. (GAIL) is currently the sole promoter of the Company.

7. NUMBER OF MEETINGS OF THE BOARD:

During the year under review, the Board met 6 (Six) times on (1) May 09, 2019, (2) August 08, 2019, (3) September 09, 2019, (4) November 11, 2019, (5) February 07, 2020 and (6) February 26, 2020 respectively.

8. DIRECTORS' RESPONSIBILITY STATEMENT:

Pursuant to Sections 134(3)(c) and 134(5) of the Companies Act, 2013, your Directors hereby confirm that:

- a) In preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- b) the Directors had selected such accounting policies and applied them consistently and reasonable and prudent judgments and estimates were made, so as to give a true and fair view of the state of affairs of your Company as at the end of the year and of the profit & loss of your Company for that period;

- c) the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act, for safeguarding the assets of your Company and for preventing and detecting fraud and other irregularities;
- d) the Directors had prepared the annual accounts on a 'going concern' basis;
- e) the Directors had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively.
- f) the Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

Further, your Directors confirm that during the year, the Company has been in compliance with the applicable Secretarial Standards issued by the Institute of Company Secretaries of India.

9. RISK MANAGEMENT:

The Board had constituted the Risk Management Committee and also adopted the terms of reference of the Committee at its meeting held on January 29, 2019 in compliance with the requirements of the listing regulations. The Company has also developed and implemented Enterprise Risk Management Policy. The framework also includes objective of identification of elements of risks which includes operational risks as well as business risks and assessment of Management's actions to mitigate the exposures periodically. Further, the Risk Management Systems under the policy are in place for identification of the elements of risks.

10. INTERNAL FINANCIAL CONTROLS AND ITS ADEQUACY:

The Company maintains appropriate systems of internal controls, including monitoring procedures, to ensure that all assets and investments are safeguarded against loss from unauthorized use or disposition. Company policies, guidelines and procedures provide for adequate checks and balances and are meant to ensure that all transactions are authorized, recorded and reported correctly.

The Internal Auditors review the efficiency and effectiveness of these systems and procedures. The Internal Auditors submit their Reports periodically which are placed before and reviewed by the Audit Committee.

11. VIGIL MECHANISM AND WHISTLE BLOWER POLICY:

The Company has established a Whistle Blower Policy as part of formal mechanism, which has provided a stage to the employees to come forward and raise their genuine concerns without any fear of victimization. The details of the Vigil Mechanism and Whistle Blower Policy are available on the web link of the Company www.mahanagargas.com/investors/Policies.aspx.

12. CORPORATE SOCIAL RESPONSIBILITY:

The Company has constituted the Corporate Social Responsibility (CSR) Committee in accordance with Section 135 of the Act read with the Companies (Corporate Social Responsibility Policy) Rules, 2014. Pursuant to the provisions of Section 135 of the Companies Act, 2013, the Company has also formulated a Corporate Social Responsibility Policy which is also available on the website of the Company at https://www.mahanagargas.com/UploadAssets/UploadedFiles/MGL-CSR_Policy_952a5a4889.pdf.

The Annual Report on CSR activities as required under Companies (Corporate Social Responsibility Policy) Rules, 2014 (including the activities undertaken by the Company during the period of COVID-19 under CSR) is enclosed herewith as Annexure 2 to this report.

13. DISCLOSURES PURSUANT TO THE SEXUAL HARASSMENT OF WOMEN AT THE WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013:

Your Company has in place a Policy on Prevention of Sexual Harassment of Women at Workplace which is in line with requirements of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 ("POSH Act"). The objective of this policy is to provide an effective complaint redressal mechanism if there is an occurrence of sexual harassment.

Your Company has also complied with the provisions of setting up of an Internal Complaints Committee which

is duly constituted in compliance with the provisions of the POSH Act. Further, the Company also conducts adequate awareness programmes and interactive sessions against sexual harassment for all the employees, to build awareness amongst employees about the policy and the provisions of POSH Act. During the year under review, there were no complaints pertaining to sexual harassment.

14. SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS/COURTS/TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND THE COMPANY'S OPERATIONS IN FUTURE:

There are no significant material orders passed by the Regulators/Courts/Tribunals which would impact the going concern status and the Company's future operations.

Note:

PNGRB had passed an order dated 18.03.2020 wherein while dismissing the complaint filed by MGL, PNGRB has directed MGL and GAIL to pay to ONGC, the transportation charges as per the transportation tariff fixed by PNGRB from time to time for the Uran – Trombay Natural Gas Pipeline (UTNGPL). Pursuant to the Order passed by PNGRB, MGL had filed as appeal before the APTEL.

APTEL is currently non-functional due to want of quorum pursuant to retirement of the technical member of the said bench in December 2019. The matter shall be listed when the bench quorum is complete and APTEL starts functioning. Since APTEL was non functioning we filed one writ before the Delhi High Court (DHC). DHC while disposing of the writ vide its order dated 04.05.2020 inter alia ordered that "Pending the decision of the APTEL, on the appeal, preferred by the petitioner, or the application filed therewith for interim relief, no coercive steps shall be taken against the petitioner, consequent upon the impugned order, dated 18th March, 2020, passed by the PNGRB."

Current Status: Pursuant to the order of DHC, operation of PNGRB order dated 18.03.2020 stands stayed. Status Quo is maintained.

15. BOARD OF DIRECTORS AND KEY MANAGERIAL PERSONNEL:

A. APPOINTMENT AND CESSATION OF DIRECTORS

The details of appointment and cessation of Directors of the Company, during the year under review, are given in the table as hereunder:

Sr. No.	Name of the Director and DIN	Date of Appointment /Cessation with reason
1.	Mr. Deepak Sawant (DIN: 07339381)	Appointed by Board as Additional Director on May 09, 2019 and regularized by Shareholders as Whole-Time Director (Designated as Deputy Managing Director) at the AGM held on September 09, 2019.
2.	Mr. Akhil Mehrotra (DIN: 07197901)	Resigned as Non-Executive Director on May 09, 2019 due to withdrawal of nomination by BG Asia Pacific Holdings Pte. Ltd.
3.	Mr. Trivikram Arun Ramanathan (DIN: 08035390)	Appointed by Board as Additional Director (Non-Executive) on May 10, 2019 [#] and resigned on August 20, 2019 due to withdrawal of nomination by BG Asia Pacific Holdings Pte. Ltd. consequent to divestment of its entire shareholding in the Company.
4.	Mr. Bhuwan Chandra Tripathi (DIN: 01657366)	Resigned as Chairman and Non-Executive Director on August 01, 2019 due to completion of tenure as Chairman and Managing Director of GAIL (India) Limited.
5.	Dr. Ashutosh Karnatak (DIN: 03267102)	Appointed by Board as Chairman and Additional Director w.e.f. August 01, 2019 [@] and regularized by Shareholders as Director at the AGM held on September 09, 2019.
6.	Mr. Satish Gavai (DIN: 01559484)	Vacated the office as Non-Executive Director w.e.f. July 31, 2019, under Section 167(1)(b) of the Companies Act, 2013.
7.	Mr. Arun Balakrishnan (DI: 00130241)	Ceased to be Non-Executive, Independent Director w.e.f. September 09, 2019 on Completion of second term as Independent Director of the Company.
8.	Mr. Santosh Kumar (DIN: 00239324)	Ceased to be Non-Executive, Independent Director w.e.f. September 09, 2019 on Completion of second term as Independent Director of the Company.
9.	Mr. Syed S. Hussain (DIN: 00209117)	Appointed by Board as Additional Director (Non-Executive, Independent Director) on September 09, 2019.
10.	Mrs. Radhika Vijay Haribhakti (DIN: 02409519)	Appointed by Board as Independent Director for a second term (Non-Executive) on March 05, 2020 ^{\$} .

[#] The Appointment of Mr. Trivikram Arun Ramanathan was made at the meeting of the Board of Directors held on May 09, 2019.

[@] The Appointment of Dr. Ashutosh Karnatak was made by the Board of Directors on August 07, 2019 vide resolution passed through Circulation.

^{\$} The Re-appointment of Mrs. Radhika Vijay Haribhakti was made at the meeting of the Board of Directors held on February 07, 2020.

The Board places on record its appreciation for the valuable services rendered as well as advice and guidance provided by Mr. Akhil Mehrotra, Mr. Trivikram Arun Ramanathan, Mr. Bhuwan Chandra Tripathi, Mr. Arun Balakrishnan and Mr. Santosh Kumar during their tenure as Directors of the Company.

GAIL (India) Limited, Promoter of the Company nominated Mr. Manoj Jain (DIN: 07556033) as its Nominee in place of Dr. Ashutosh Karnatak (DIN: 03267102) as Chairman on the Board of your Company consequent to which Dr. Ashutosh Karnatak tendered his resignation. Accordingly, the Board of Directors through Circular Resolution appointed Mr. Manoj Jain as an Additional Director (Non-Executive,

Non- Independent category) with effect from May 06, 2020, designated as Chairman on the Board of the Company to hold office upto the date of the ensuing Annual General Meeting. Special Business with respect to his appointment is one of the agenda items of the ensuing Twenty- Fifth Annual General Meeting of the Company.

The Board places on record its sincere appreciation for the valuable advice and guidance provided by Dr. Ashutosh Karnatak during his tenure as Chairman and Non-Executive Director of the Company.

In accordance with the provisions of Section 149 of the Companies Act, 2013, Mr. Syed S. Hussain and Mrs. Radhika Vijay Haribhakti are being appointed as

Independent Directors to hold office as per their tenure of appointment mentioned in the Notice of the ensuing Annual General Meeting of the Company.

The Company has received declarations from all Independent Directors of the Company confirming that they meet with the criteria of independence as prescribed both under 149(6) of the Companies Act, 2013 and the Listing Regulations and there has been no change in the circumstances which may affect their status as Independent Director during the year. The Board of Directors, after undertaking assessment and on evaluation of the relationships disclosed, considered the Non-Executive Directors as Independent Directors. All Independent Directors have affirmed compliance

to the Code of Conduct for Independent Directors as prescribed in Schedule IV of the Companies Act, 2013.

Mr. Raj Kishore Tewari, Mrs. Radhika Haribhakti, Mr. Premesh Kumar Jain and Mr. Syed S. Hussain are Independent Directors of the Company and pursuant to the provisions of Section 149 of the Companies Act, 2013 and Regulation 25 of Listing Regulations, they have submitted the Declaration of Independence to the Company.

Brief profiles of the directors proposed to be appointed / re-appointed are annexed to the Notice convening Twenty-Fifth Annual General Meeting. The aforesaid appointments were based on the recommendation of the Nomination and Remuneration Committee of the Board.

B. KEY MANAGERIAL PERSONNEL:

The details of appointment and cessation of Key Managerial Personnel of the Company, during the year under review, are given in the table as hereunder:

Sr. No.	Name of the Key Managerial Personnel	Designation	Date of Appointment during the FY 2019-2020	Date of Resignation during the FY 2019-2020	Reason for Resignation
1.	Mr. Alok Mishra	Company Secretary & Compliance Officer	--	May 14, 2019	Better Growth Opportunity
2.	Mr. Anand Upadhyay	Company Secretary & Compliance Officer	May 15, 2019	August 08, 2019	Vacation of Interim Charge as Company Secretary & Compliance Officer
3.	Mr. Arvind Kumar	Company Secretary & Compliance Officer	August 09, 2019 *	September 09, 2019	Personal Reasons
4.	Mr. Anand Upadhyay	Company Secretary & Compliance Officer	September 09, 2019	February 07, 2020	Vacation of Interim Charge as Company Secretary & Compliance Officer
5.	Mr. Saghan Srivastava	Company Secretary & Compliance Officer	February 08, 2020 *	--	--

*The Appointments of Mr. Arvind Kumar and Mr. Saghan Srivastava were made at the meeting of the Board of Directors held on August 8, 2019 (effective from August 9, 2019) and February 7, 2020 (effective from February 8, 2020) respectively.

Pursuant to Section 203 of the Act, the Key Managerial Personnel of the Company as at March 31, 2020 are Mr. Sanjib Datta, Managing Director, Mr. Sunil Ranade, Chief Financial Officer and Mr. Saghan Srivastava, Company Secretary and Compliance Officer.

16. STATEMENT ON DECLARATION GIVEN BY INDEPENDENT DIRECTORS:

The Company has received declarations from all Independent Directors of the Company confirming that they meet with the criteria of independence as prescribed both under 149(6) of the Companies Act, 2013 and the Listing Regulations and there has been no change in the circumstances which may affect their status as independent director during the year.

17. ANNUAL EVALUATION OF THE PERFORMANCE OF THE BOARD, ITS COMMITTEES AND OF INDIVIDUAL DIRECTORS:

Pursuant to the provisions of the Companies Act, 2013 and Listing Regulations, the annual evaluation of the performance of the Board and that of its Committees as well as of individual Directors was carried out during the year under review based on the formal mechanism adopted

by the Board covering various aspects mentioned in the framework for evaluation through questionnaire. This questionnaire was prepared with various parameters which included Board composition and structure, effectiveness of Board processes, information and functioning, attendance of the Directors, composition of Committees, effectiveness of Committee meetings, etc. The same was carried out by the Nomination and Remuneration Committee, the Board of Directors and the Independent Directors at their respective meetings. In the meeting of Independent Directors, the performance evaluation of Board as a whole, Chairman of the Board and of other Independent and Non-Independent Directors (excluding the Director being evaluated) was done on the basis of Questionnaire and Evaluation Sheet after taking into account the views of Executive and Non-Executive Directors of the Company. In the Board meeting that followed the meeting of the Independent Directors and meeting of Nomination and Remuneration Committee, the performance of the Board, its committees, and individual Directors was also discussed. Performance evaluation of Independent Directors was done by the entire board, excluding the Independent Director being evaluated.

18. NOMINATION AND REMUNERATION POLICY:

In terms of Section 178 of the Companies Act, 2013 and the Listing Regulations, a policy on nomination and remuneration of Directors, Key Managerial Personnel (KMP), Senior Management and other employees of the Company act as a guideline for determining, inter-alia, qualifications, positive attributes and independence of a Director, matters relating to the remuneration, appointment, removal and evaluation of performance of the Directors, Key Managerial Personnel, Senior Management and other employees.

The policy is available on the website of the Company at https://www.mahanagargas.com/UploadedFiles/_MGL-Nomination_and_Remuneration_Policy_329e2e5b7e.pdf

19. AUDITORS: STATUTORY AUDITORS:

At the Twenty-Third Annual General Meeting of the Company held on September 17, 2018, the Members approved appointment of M/s. S R B C & Co. LLP, Chartered Accountants (Firm Reg. No. 324982E/E-300003) as Statutory Auditors of the Company to hold office from the conclusion of the Twenty-Second Annual General Meeting held on September 25, 2017 till the conclusion of the Twenty-Seventh Annual General Meeting to be held in the year 2022, subject to ratification of their appointment by Members at every Annual General Meeting, if so required under the Act. As the requirement of ratification by Members of appointment of Auditors at every AGM is no longer required under the Act with effect from May 7, 2018, resolution for the same is not included in the Notice for this AGM.

M/s. S R B C & Co. LLP, Chartered Accountants (Firm Reg. No. 324982E/E-300003) has carried out the Statutory Audit of your Company for the financial year 2019-2020. Further, the Auditors' Report "with an unmodified opinion", given by the Statutory Auditors on the Financial Statements of the Company for FY 2019-2020, is disclosed in the Financial Statements forming part of this Annual Report. There has been no qualification, reservation, adverse remark or disclaimer given by the Statutory Auditors in their Report for the year under review.

The Notes to the financial statements referred to in the Auditors' Report for FY 2019-2020 of M/s. S R B C & Co. LLP are self-explanatory and do not call for any further comments.

20. REPORTING OF FRAUDS BY AUDITORS:

The Statutory Auditors have not reported any incident of fraud to the Audit Committee or the Board of Directors under Section 143(12) of the Act during the financial year under review.

21. SECRETARIAL AUDITORS:

Pursuant to provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Board of Directors of the Company had appointed M/s. Dholakia & Associates LLP, Company Secretaries to conduct the Secretarial Audit of the Company for the financial year 2019-2020. The Secretarial Audit Report for the financial year 2019-2020, issued by M/s. Dholakia & Associates LLP, Company Secretaries, in Form MR-3 is enclosed herewith as Annexure 3 to this report. The Secretarial Audit Report is self-explanatory in nature. There has been no qualification, reservation, adverse remark or disclaimer given by the Secretarial Auditor in his Report for the year under review.

22. COST AUDITORS:

Your Company is required to carry out Cost Audit pursuant to Section 148 of the Companies Act, 2013 read with the Companies (Cost Records and Audit) Rules, 2014.

M/s. Dhananjay V. Joshi & Associates, a firm of Cost Accountants, conducted this audit for the Company's financial year ended March 31, 2019 and submitted their report to the Central Government in Form CRA 4 on August 08, 2019. The Board of Directors has on the recommendation of the Audit Committee appointed M/s. Dhananjay V. Joshi & Associates, Cost Auditors to audit the Cost Accounts of the Company for financial year 2020-2021 on remuneration of ₹ 3,45,000/- (Rupees Three Lakh Forty Five Thousand) plus applicable taxes (travelling and out of pocket expenses to be paid at actuals).

As required under the Companies Act, 2013, the remuneration payable to the Cost Auditors is required to be placed before the Members in General Meeting for their ratification. Accordingly, the necessary resolution seeking Members' ratification for the remuneration payable to the Cost Auditors for FY 2020-2021 has been included in the Notice convening the Annual General Meeting. Your Company is maintaining cost records as specified by the Central Government under Section 148 of the Companies Act, 2013 and accordingly such accounts and records are made and maintained by the Company.

23. PARTICULARS OF LOANS, ADVANCES, GUARANTEES AND INVESTMENTS:

Pursuant to Section 186 of Companies Act, 2013 and Schedule V of the Listing Regulations, disclosure on particulars relating to loans, advances, guarantees and investments are provided as part of the financial statements, if any.

24. RELATED PARTY TRANSACTIONS:

All Related Party Transactions entered during the year were in ordinary course of business and on arm's length basis and same have been disclosed in the Notes to the Financial Statements. All Related Party Transactions are placed before the Audit Committee for approval. Prior omnibus approval of the Audit Committee is obtained for the transactions which are repetitive in nature. A statement of all Related Party Transactions is placed before the Audit Committee for its review on a quarterly basis.

All material Related Party Transaction arising from contracts/ arrangements with Related Parties referred to in the Section 188(1) of the Companies Act, 2013 and as required under Section 134(3)(h) of the Companies Act, 2013 in Form AOC-2 has been attached as Annexure 4 to this Report. The Company has adopted a Related Party Transactions Policy. The Policy, as approved by the Board, is uploaded on the Company's website at the web link www.mahanagargas.com/investors/Policies.aspx.

Disclosures of transactions of the listed entity with any person or entity belonging to the promoter/promoter group which hold(s) 10% or more shareholding in the listed entity, in the format prescribed in the relevant accounting standards for annual results.

GAIL (India) Limited (GAIL) has a significant influence on the Company. BG Asia Pacific Holdings Pte. Limited (BGAPHL) had a significant holding till 23rd August 2018 on which date its shareholding reduced to 10%.

Details of transactions with related entities (including entities transacting on behalf of related entities), in ordinary course of business:

(₹ in Lakh)

Particulars	For the year ended	For the year ended
	March 31, 2020	March 31, 2019
Purchase of Natural Gas (from GAIL)	134,554.44	1,25,625.68
Secondment Charges (also included in KMPs' remuneration, refer table below)	164.33	204.51
Expense incurred and recovered / recoverable (relates to IPO)	-	18.34
Refundable Security Deposit given/ received	-	-
Other Expense	17.73	37.24
Capital Expense	17.87	94.61
Other Income (subsidiary/Joint Ventures of GAIL)	3.47	0.88
Remittance of IPO proceeds to promoters	-	649.16
Capital Advance	310.50	-

25. DISCLOSURE REGARDING REMUNERATION TO DIRECTORS AND EMPLOYEES:

Disclosures pertaining to remuneration of Directors and employees, as required under Section 197(12) of the Act and Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, are enclosed as Annexure 5 to this Report.

A statement containing, inter alia, the names of top ten employees in terms of remuneration drawn is provided at Annexure 6.

Further, there is no employee employed throughout the financial year who was in receipt of remuneration of ₹ 102 lakhs or more and, employees employed for part of the year and in receipt of remuneration of ₹ 8.50 lakhs or more per month, pursuant to Rule 5(2) the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

26. CONSERVATION OF ENERGY AND TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO:

Your Company consciously makes all efforts to conserve energy across all its operations. A report containing

details with respect to conservation of energy, technology absorption and foreign exchange earnings and outgo, required to be disclosed in terms of Section 134(3)(m) of the Act read with the Companies (Accounts) Rules, 2014, is enclosed as Annexure 7 to this Report.

27. MANAGEMENT DISCUSSION AND ANALYSIS:

A separate report on Management Discussion and Analysis as stipulated by the Listing Regulations forms part of this Annual Report.

28. BUSINESS RESPONSIBILITY REPORT:

The Business Responsibility Report for the year ended March 31, 2020 as stipulated under Regulation 34 of the Listing Regulations is annexed which forms part of this Annual Report.

29. CORPORATE GOVERNANCE:

As per the requirements of the Listing Regulations a detailed report on Corporate Governance and certificate regarding compliance of conditions of Corporate Governance are part of this Annual Report.

M/s. Santosh Singh & Associates, Practising Company Secretary vide certificate dated May 29, 2020, have confirmed that the Company is and has been compliant with the conditions stipulated in the Chapter IV of the Listing Regulations.

30. STATEMENT REGARDING OPINION OF THE BOARD WITH REGARD TO INTEGRITY, EXPERTISE AND EXPERIENCE:

The Board confirms that Independent Directors appointed during the year possess integrity, expertise and experience.

31. EXTRACT OF ANNUAL RETURN:

Pursuant to the provisions of Sections 92(3) and 134(3) (a) of the Act and the Companies (Management and Administration) Rules, 2014, an extract of the Annual Return for FY 2019 in Form No. MGT-9 is given in Annexure 8 to this Report. The same is available on the website of the Company i.e. www.mahanagargas.com.

32. OTHER DISCLOSURES

In terms of the applicable provisions of the Act and SEBI Listing Regulations, your Company additionally discloses that during the year under review :

- there was no change in the nature of business of your Company;
- your Company has not issued any shares with differential voting rights;
- your Company has not issued any Sweat Equity Shares; and It is further disclosed that :
- There is no plan to revise the Financial Statements or Directors' Report in respect of any previous financial year.
- No material changes and commitments have occurred between the end of the Financial Year of the Company to which the Financial Statements relate and the date of the Report affecting the financial position of the Company.
- Your Company does not engage in Commodity hedging activities.

33. AWARDS AND RECOGNITIONS:

Various CSR initiatives of Mahanagar Gas Limited received accolades and recognitions during the year. MGL was conferred with Stars of Industry Award, 2019 for outstanding achievement in CSR.

34. ACKNOWLEDGEMENT:

We take this opportunity to place on record our appreciation to the Ministry of Petroleum & Natural Gas, Government of India, Petroleum & Natural Gas Regulatory Board, Government of Maharashtra (GOM), Municipal Corporations of Greater Mumbai, Navi Mumbai, Thane, Mira-Bhayander, Kalyan-Dombivali, Raigad, other State and Central Government Authorities, Mumbai Metropolitan Regional Development Authority (MMRDA), Maharashtra Industrial Development Corporation (MIDC), Police and Fire Brigade Authorities, all our customers, members, investors, vendors, suppliers, business associates, bankers and financial institutions for their continuous co-operation and support.

We acknowledge the patronage of the GAIL (INDIA) Limited, Shell Group and GOM for their support and above all, we place on record our sincere appreciation for the hard-work, solidarity and contribution of each and every employee of the Company in driving the growth of the Company.

For and on behalf of the Board of Directors

Place : New Delhi
Date : June 30, 2020

Manoj Jain
Chairman

Annexure 1

DIVIDEND DISTRIBUTION POLICY

Preamble

The Securities Exchange Board of India (SEBI) on July 8, 2016 has notified the SEBI (Listing Obligations and Disclosure Requirements) (Second Amendment) Regulations, 2016 (Regulations).

Vide these Regulations, SEBI has inserted Regulation 43A after Regulation 43 of SEBI (LODR) Regulations, 2015, which requires the Company to frame and adopt a Dividend Distribution Policy, which shall be disclosed in its Annual Report and on its website.

Accordingly, this Dividend Distribution Policy has been approved and adopted by the Board of Directors of the Company at its meeting held on February 11, 2017.

Circumstances under which the shareholders may expect dividend

The equity shareholders of the Company may expect an annual dividend if the Company is having surplus funds after providing for all expenses, depreciation etc. and after complying with related requirements of the Companies Act, 2013 and under other statutes. Company's sustainability of business, position of Reserves to handle unforeseen financial impact and immediate expansion plans shall also be important factors to be considered for taking the dividend decision.

The financial parameters that shall be considered while declaring dividend

The factors to be considered while arriving at the quantum of dividend will include :

- Reasonable consistency to be maintained in dividend pay-out ratio, except in cases of abnormal change in profit for the year.
- Current year profits and outlook in line with the development of internal and external environment.
- Operating cash flows and treasury position keeping in view the debt to equity ratio.
- Any cash reserves to be created either mandatory or voluntary.
- Possibilities of alternate usage of cash, e.g. capital expenditure, M&A opportunities with potential to create greater value for shareholders.
- Providing for unforeseen events and contingencies with financial implications.
- Contingent liabilities.

The Board may declare interim dividend(s) as and when considered fit and recommend final dividend to the shareholders for their approval in the general meeting of the Company. The Board may additionally recommend special dividend in special circumstances.

Internal and external factors that shall be considered for declaration of dividend

The decision regarding dividend pay-out is a crucial decision as it determines the amount of profit to be distributed among shareholders and amount of profit to be retained in business. The Board of Directors will endeavour to take a decision with an objective to enhance shareholders' wealth and market value of the shares. However, the decision regarding pay-out is subject to several factors and hence, any optimal policy in this regard may be far from obvious.

The dividend pay-out decision will depend upon certain external and internal factors as follows:

External Factors:

State of Economy - in case of uncertain or recessionary economic and business conditions, Board will endeavour to retain larger part of profits to build up reserves to absorb future shocks.

Government policies & Regulation - when Policies & Regulations are favourable to the business, dividend pay-out can be liberal. However, in case of unfavourable Policies & Regulations, Board may resort to a conservative dividend pay-out in order to conserve cash outflows.

Statutory & other Restrictions - The Board will keep in mind the restrictions imposed by the Companies Act, other applicable statutes, lenders with regard to declaration of dividend.

Internal Factors:

Apart from the external factors aforementioned, the Board will take into account various internal factors while declaring Dividend, which inter alia will include :

- (i) Profits earned during the year;
- (ii) Present & future capital requirements of the existing businesses;
- (iii) Plan for business acquisitions;
- (iv) Expansion / modernization of existing businesses / assets;
- (v) Contingent liabilities
- (vi) Any other factor as deemed fit by the Board.

Utilisation of retained earnings:

The profits retained in business may be used for corporate actions in accordance with applicable laws and for investments towards growth of the business. The Company may choose to retain a part of its profits and distribute the balance among its shareholders as dividend. The Board of Directors will aim to balance between all these needs.

Parameters that shall be adopted with regard to various classes of share

The Company does not have different classes of shares. In case, the Company issues Preference Shares, equity dividend shall stand second in priority.

The Board shall assess the policy, as and when need arises.

Annexure 2

REPORT ON CSR ACTIVITIES

Mahanagar Gas Limited (MGL) is conscious of its social responsibility and has been continuously contributing towards national and global developmental agenda. In accordance with the vision of the Company, MGL's CSR initiatives will supplement its contribution to environment protection, development of healthy and enlightened citizens, social upliftment and sustainable community development through its service, conduct and social initiatives.

MGL VIDYA: Education

1. MGL Unnati

It is an intervention designed with the objective to promote vertical socio-economic mobility through education. The project envisages coaching and mentoring of meritorious children from economically fragile background, who have the talent but not the means to compete for admission in premier technical institutes. With the aim to remove barriers, hindering access to higher education, the project seeks to bring about a radical change in the lives of individuals. The project in the current batch is mentoring 30 students and supporting them in their quest for admission in higher technical courses.

2. MGL Vidya (for mainstreaming of out of school children)

With an objective of mainstreaming 1500 out of school children, Mahanagar Gas Limited is implementing project MGL Vidya in and around Thane. The project is designed as a bridge learning intervention to ensure that the identified children have acquired adequate learning abilities related to their age before they are mainstreamed. The bridge learning is based on step up methodology of learning.

3. MGL Vidya (remedial education of children in 50 villages of Pen & Uran Taluka)

It is an intervention designed to enhance the learning level outcomes. The ASER 2016 report shows that the proportion of children in Std. III who were able to read Std. I level text was only 42.5% and those who could do 2-digit subtraction was only 27.7%. Among Std. V Children, only 26% were able to solve simple division problems as per their grades. Under MGL Vidya, Mahanagar Gas Limited is facilitating remedial education of children in 50 villages of Pen and Uran Taluka of Raigad district. The project draws its strength from specially designed activities that augment grasp of the concepts for the children thereby enhancing their learning levels.

- MGL has also been facilitating enhancement of infrastructure in schools, anganwadis, etc. within its operational area, either directly or by integrating augmentation of these infrastructure in its projects implemented through its NGO partners. Refurbishing of structural portion of the schools, providing desks & benches and water filters cum coolers in schools are some of these initiatives.
- In addition, MGL has in past installed computer laboratories in 2 MCGM Schools. The Company continues to support these laboratories with a dedicated computer instructor.

MGL SAKSHAM: EMPOWERMENT

1. MGL Saksham for strengthening of families

A Family Strengthening Program designed as a community-based intervention to prevent children being deprived of parental care or from being abandoned is being implemented in Raigad District. The activities include age appropriate tuition support, providing education material, promoting good parenting habits, promotion of SHGs and income generation activities, providing knowledge and capital support for income generation activities, facilitating market linkage, promoting habit of savings etc. The essence of the intervention is well-being of the child and the program is benefitting nearly 450 such vulnerable children.

2. MGL Saksham for empowering adolescents

It is an initiative for empowerment of 10,000 youth through remedial education and counselling under project 'MGL Saksham'. The project was implemented in 30 schools in suburbs of Mumbai. The project includes component for improved learning level outcomes in STEM subjects, infrastructural support to schools, scholarships, group counselling and individual counselling to vulnerable and disturbed students. The project was designed to enable students to cope up with various social, psychological and physical challenges that they face.

3. MGL Saksham for Children of marginalised communities in Bhiwandi

It is an intervention for empowerment of deprived communities in the Bhiwandi Nizampur Municipal region. The targeted communities are amongst the most deprived communities in the region and have extremely poor socio-economic indicators. The main components of the project include pre academic skills development in toddlers, support classes for children and mid-day meal to the beneficiaries. For young girls and women, course on tailoring is conducted, besides steps are undertaken for increasing literacy levels of this

segment. The project has been able to mobilize a number of social benefits, like, enrolment in Adhaar, obtaining Ration Card etc. for the community members. Nearly 250 toddlers, children and girls are directly benefitting from the project.

4. MGL Saksham for rehabilitation of individuals with multiple disabilities

This intervention focusses on rehabilitation of individuals, especially children with multiple disabilities including primary intellectual disability. 65 individuals (mostly children) are benefitting from the interventions which include Occupational Therapy for creation of necessary life skills and reducing the effect of disability, physiotherapy, Early Intervention for social and learning skills, Transition for school readiness and Income Generation Training.

5. MGL Saksham for Alternately abled

It is an intervention for supporting 500 alternately abled individuals with assistive aids and appliances to enhance their abilities. These individuals have been identified through assessment camps.

6. MGL Saksham for Migrant Labourers

It is a project aimed at welfare of migrant labourers in Navi Mumbai. The intervention includes pre-academic skill development in children, mid-day meal support, health check-up and awareness camps, promoting hygiene and imparting financial literacy to parents.

7. MGL Saksham for Family Like Home Care

Project Parvarish a curative intervention for holistic development of more than 50 children who are orphaned, abandoned or destitute has been launched. This family-based home care program is designed to ensure holistic development of children. The intervention ensures continuous education, health care, nutrition and other requirements in a loving and caring family environment.

MGL HUNAR (Empowerment through Skills Development)

1. MGL Hunar for Vocational Training

It is an initiative of Mahanagar Gas Limited for enhancing employability of unemployed and underemployed youth. Under the intervention, MGL is facilitating skills augmentation training to 120 youth in the trade of Gas Plumbing. These trainees are being provided hand holding support and industry orientation through On Job Training and Stipend.

Under a similar intervention, MGL has facilitated skills augmentation to nearly 100 women in the Banking Financial Services and Insurance domain.

2. MGL Hunar for support through scholarships for technical education

MGL is supporting technical education of 75 youth enrolled in ITI, by providing scholarships to identified youth to support their skilling.

MGL DISHA (Slum Development)

1. MGL Disha

It is MGL's intervention for empowerment of urban slum communities. The urban slums are the manifestation of wide inequality that exists in our society. Slums are the unorganised habitation of people often lacking in basic amenities, like, water, electricity and sanitation. The lack of basic facilities or poor access to basic services reduces the capacity of dwellers to act. The key features of employment avenues of the slum dwellers in general and women in particular are that the jobs are highly insecure, low income, untimely and irregular. With low income and lack of financial literacy, saving is either nil or unproductive triggering a debt trap. This project is designed as an empowerment initiative to enable the communities to fight many of the constraints that limit their capacities to enjoy their rights and lead a dignified life. The project is being implemented across various slums of Mumbai and has benefitted more than 11,000 individuals with interventions like support classes, formation and strengthening of SHGs, entrepreneurship training, advance skills training, anti-tobacco campaign, health camps, awareness on environment protection, distribution of sewing machines and beauty care materials for enterprise promotion and financial literacy. The focus of the intervention is to create and strengthen community institutions and develop their capabilities to ensure sustainability.

MGL HARIYALI: Environment related initiatives

1. SOLAR STREET LIGHTS

In an endeavour to reduce carbon footprint, MGL has facilitated installation of 100 solar street-lights within its operational area.

2. LITTER BINS

To enhance the sanitation facility in the community, MGL has facilitated installation of 200 dual pole mounted litter bins in its operational area.

MGL AAROGYA Child Welfare, Nutrition and Health

1. Project Poshan Under MGL Aarogya

Project Poshan supported mid-day meal for 25,000 children. India has large number of malnourished children. The prevalence of underweight children in India is among the highest in the world and is nearly double that of Sub-Saharan Africa. Deficiencies in nutrition inflict long-term damage to both individual and society. Project Poshan is designed as a strategic initiative to address simultaneously the issues of malnourishment and education. Every day hot and nutritious meals are served to the students spread across more than 180 schools in and around Mumbai.

2. Health Check-up Camps (MGL Aarogya)

Under the initiative, MGL has facilitated health check-up of more than 3,000 auto rickshaw drivers, taxi drivers and general public through health camps. The camps provided services related to General Health Check-up, Ophthalmological Check-up, Cardiac Check-up, Hematology, Referral and other related supports.

3. Support for upgradation of medical facilities at Hospitals & Day Care Centres

MGL had facilitated up-gradation of medical facilities in Holy Family Hospital, Bandra by providing equipment for Neuro-Surgical Department by reducing the duration and increasing accuracy of complicated surgeries.

Under a similar intervention MGL has facilitated up-gradation of Dialysis Unit in a Day Care Centre with equipment like Hemodialysis Machines and Dialyzer Re-processor.

MGL has also facilitated up-gradation of medical facilities in Ramakrishna Mission Hospital, Khar with equipment like Dialysis Machines, Dialyzer Re-processor, X Ray Unit, Ventilator, etc.

4. Project NalPaani Yojana under MGL Aarogya

MGL is facilitating access to safe drinking water to 5 tribal villages in Karjat Taluka of Raigad District. The women in these villages faced severe hardship as they have to fetch water from source located at distance of 2 to 4 Kms downhill. Through the initiative, MGL is touching more than 2,000 lives. Under the initiative, water from the source is pumped into a tank (installed as a part of the project) in the village. Water is dispensed through outlet twice daily for one hour each. The villagers have constituted a committee to oversee operations and maintenance of the infrastructure and each household makes a monthly contribution, which

is utilised for salary of operator and maintenance of the infrastructure. MGL has also facilitated strengthening of water source to ensure availability of water during the lean seasons too.

5. Community Based Drinking Water Project

Under a similar intervention for safe drinking water, MGL is facilitating installation of water filtration plants in 3 villages of Raigad District. The filtration plants will dispense safe drinking water to the communities.

6. Balwadi for children of Sex Workers

MGL is facilitating mainstream education for kids of sex workers through operation of 8 balwadis. The balwadis offer a learning environment for cognitive development of a child and also addresses the issue of malnutrition through mid-day meal intervention. The initiative is benefitting 440 children. These kids represent one of the most vulnerable groups as they face exclusion, which deprive them from having a normal growth trajectory. Owing to lack of inclusion and grooming, these children start developing a tough exterior at an early stage, thereby, killing their innocence. Through balwadi intervention, MGL seeks to groom the children from an early age for their further development.

MGL VIKAS : Rural Development

- Under the intervention MGL Vikas, MGL is facilitating holistic development of 6 villages of Sudhagad Taluka of Raigad District. The intervention has been designed as a villager owned intervention and focuses on themes of education, health, sanitation, water, livelihoods, youth empowerment, collectivism, community-based organizations and environment.

WELFARE OF ARMED FORCES VETERANS, WAR WIDOWS, ETC.

- As a mark of respect towards armed forces personnel who make sacrifices to safeguard the interest of the nation, MGL has made financial contribution towards Armed Forces Flag Day Fund. The fund is meant for welfare of armed forces veterans, war widows, etc.

Awards & Recognitions

MGL was conferred with Stars of Industry Award, 2019 for outstanding achievement in CSR.

CSR Policy

The Company adopted a revised CSR Policy during the year 2019 aligned with the Companies (Corporate Social

Responsibility Policy) Rules, 2014. The CSR Policy was approved by the Board of Directors and is uploaded on MGL website. The Company's Policy on Corporate Social Responsibility can be accessed on our website through the link: <https://www.mahanagargas.com/investors/Policies.aspx>

The implementation, monitoring and evaluation of CSR projects will be as per the guidelines in the Companies (Corporate Social Responsibility Policy) Rules 2014.

Composition of the CSR Committee:

The Committee is constituted of the Managing Director, Deputy Managing Director and three Independent Directors. The following are the members of the CSR committee:

1. Mrs. Radhika Haribhakti, Independent Director (Chairperson)
2. Mr. Raj Kishore Tewari, Independent Director
3. Mr. Syed S. Hussain, Independent Director
4. Mr. Sanjib Datta, Managing Director
5. Mr. Deepak Sawant, Deputy Managing Director

Average net profit of the Company for last three financial years under Section 198 of Companies Act, 2013 is ₹ **70,924.55 Lakh**.

Prescribed CSR Expenditure (Two per cent of the average profit mentioned above)

The prescribed CSR expenditure of the company for the financial year 2019-2020 was ₹ **1,418.49 Lakh**.

Details of amount spent on CSR activities during the financial year:

Of the prescribed CSR expenditure of ₹ **1,418.49 Lakh** for financial year 2019-2020, ₹ **859.48 Lakh** was utilized in the financial year. Amount unspent: ₹ **559.01 Lakh**.

MGL has adopted a robust process for management and effective implementation of CSR project. Funding against many projects is linked to achievement of milestones. Since, milestone against some of the funding was not achieved; the payment could not be released. Some of our implementing partners have also reported an underutilization which has also adversely impacted the overall CSR spent by the company.

However, MGL has achieved significant improvement in its CSR spending during the year (~50% more than that in previous financial year) and will continue to strive to complement its commitment towards social responsibility with greater zeal. The year 2019-2020 has not only witnessed a significant improvement in the CSR investment of the company but has also witnessed graduating of CSR as a strategic tool of interaction with various stakeholders.

The CSR Committee confirms that the implementation and monitoring of CSR Policy is in compliance with the CSR Policy and Objectives of the company.

Manner in which the amount was spent during the financial year is detailed below.

(1) Sr. No.	(2) CSR projects or activity identified	(3) Sector in which the project is covered	(4) Project or program (1) local area or other (2) specify the state and district where projects or programs was undertaken	(5) Amount outlay (budget project or program wise)	(6) Amount spent on the projects or programs sub heads: (1) direct expenditure on projects or programs (2) overheads	(7) Cumulative expenditure up to reporting period	(8) Amount spent direct or through implementing agency
1.	MGL Vidya	Education	Local area	43.32 (lakh)	12.14 (lakh)	17.79 (lakh)	Direct
2.	MGL Vidya	Education		524.98 (lakh)	148.26 (lakh)	423.67 (lakh)	Implementing agency (Aseema Charitable Trust, CSRL, Humana People to People India, Pratham Mumbai Education Initiative, Pratham Education Foundation, etc.)
3.	MGL Hunar	Education – skills development	Local area	234.35 (lakh)	80.54 (lakh)	157.47 (lakh)	Implementing agency (Devloka Education Trust, Udyogini, St. Joseph's Technical School, Don Bosco Yuva Sansthan, etc.)

(1) Sr. No.	(2) CSR projects or activity identified	(3) Sector in which the project is covered	(4) Project or program (1) local area or other (2) specify the state and district where projects or programs was undertaken	(5) Amount outlay (budget project or program wise)	(6) Amount spent on the projects or programs sub heads: (1) direct expenditure on projects or programs (2) overheads	(7) Cumulative expenditure up to reporting period	(8) Amount spent direct or through implementing agency
4.	MGL Saksham	Empowerment	Local area	332.51 (lakh)	85.44 (lakh)	139.62 (lakh)	Implementing agency (SOS Children's Villages of India, Urvi Vikram Charitable Trust, Artificial Limbs Manufacturing Corporation of India, Sahayogini Palak Sansthan, SETU Charitable Trust, Don Bosco Development Society, etc.)
5.	MGL Hariyali	Environment	Local area	95.86 (lakh)	48.24 (lakh)	48.24 (lakh)	Direct
6.	MGL Aarogya	Health	Local area	38.23 (lakh)	30.35 (lakh)	34.38 (lakh)	Direct
7.	MGL Aarogya	Health	Local area	854.47 (lakh)	309.88 (lakh)	760.03 (lakh)	Implementing partner (Annamrita Foundation, Sri Chaitanya Seva Trust, Holy Family Hospital, Venus Cultural Association, Ramakrishna Mission, Savali Charitable Trust, Enable Health Society, etc.)
8.	MGL Aarogya	Health	Parbhani and Jalna districts of Maharashtra	89.55 (lakh)	36.10 (lakh)	58.30 (lakh)	SETU Charitable Trust
9.	MGL Disha	Slum development	Local area	92.80 (lakh)	53.93 (lakh)	83.52 (lakh)	Implementing agency (Don Bosco Development Society)
10.	MGL Vikas	Rural development	Local area	239.04 (lakh)	40.90 (lakh)	40.90 (lakh)	Implementing agency (The Pride India)
11.	Armed forces veterans / war widows	Welfare of armed forces veterans, war widows, etc.	Local area	10.00 (lakh)	10.00 (lakh)	10.00 (lakh)	Armed Forces Flag Day Fund
12.	Administrative expenses			70.9 lakh	3.71 (lakh)	14.06 (lakh)	
Total				2626.01 (lakh)	859.48 (lakh)	1787.97 (lakh)	

Sd/-

Sanjib Datta

Managing Director

Sd/-

Radhika Haribhakti

Chairperson - CSR Committee



Annexure 3

FORM NO. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2020

[Issued in Pursuance to Section 204(1) of the Companies Act, 2013 and Rule No.9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 with modifications as deemed necessary, without changing the substance of format given in MR-3]

To,
The Members,
Mahanagar Gas Limited
MGL House, Block No.G-33,
Bandra-Kurla Complex, Bandra (E),
Mumbai- 400051

We have conducted the secretarial audit through electronic platform namely online means to verify the documents by our authorized person(s) during the lock down period, of the compliance of applicable statutory provisions and the adherence to good corporate practices by Mahanagar Gas Limited (CIN L40200MH1995PLC088133) (hereinafter called 'the Company') for the financial year ended 31st March, 2020. Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon. This Company is governed mainly under the provisions of the Petroleum and Natural Gas Regulatory Board Act, 2006 and the Gas Cylinder Rules, 2004 ("Special Acts") and under the Companies Act, 2013 and rules framed thereunder where there is no inconsistency with the Special Acts applicable to the Company.

A. In expressing our opinion, it must be noted that-

- i. Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
- ii. We have followed the audit practices and processes as were appropriate to obtain reasonable assurances about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis of our opinion.
- iii. We have not verified correctness and appropriateness of financial records and books of accounts of the Company.
- iv. Wherever required, we have obtained the management representation about the compliance of laws, rules and regulations and happening of events etc.
- v. The compliance of provisions of Corporate and other applicable laws, rules, regulations, standards is the

responsibility of the management. Our examination was limited to the online verification of procedures on test basis.

- vi. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.
- B. Based on online verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and made available to us and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, the explanations and clarifications given to us and the representations made by the Management and considering the relaxations granted by the Ministry of Corporate Affairs and the Securities and Exchange Board of India warranted due to the spread of the COVID-19 pandemic, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2020 generally complied with the statutory provisions listed hereunder and also that the Company has proper Board-process (duly evolved) and compliance-mechanism in place to the extent and as applicable to the Company, in the manner and subject to the reporting made hereinafter:
- C. We have conducted an online examination of the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2020 according to the provisions of:
- I. The Companies Act, 2013 ('the Act') and the rules made thereunder;
 - II. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
 - III. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;

- IV. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- V. A. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'): -
- (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - (c) The Securities and Exchange Board of India (Registrars to an issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
- V. B. The Company has not undertaken any of the activities during the audit period as envisaged in the following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') and hence are not relevant for the purpose of audit: -
- a. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009.
 - b. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018;
 - c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
 - d. The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;
 - e. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
- VI. And the Company being in the business of Gas Distribution, the Special Act as applicable to it is the Petroleum and Natural Gas Regulatory Board Act, 2006 and Gas Cylinder Rules, 2004;

We have also examined compliance with the applicable clauses of the following:

- (i) Secretarial Standards in respect of Meetings of the Board of Directors (SS-1) and General Meetings (SS-2) as amended from time to time issued by The Institute of Company Secretaries of India;

- (ii) The Listing Agreements entered into by the Company with National Stock Exchange of India Limited and BSE Limited read with the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 to the extent applicable for listing of its Equity Shares;

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards etc. mentioned above.

- D. We further report that--
- I. The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Companies Act, 2013;
 - II. Adequate notice was given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent well in advance for meetings as per the prescribed timelines and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting;
 - III. Majority decision is carried through and there was no instance of any director expressing any dissenting views.
- E. We further report that there are adequate systems and processes in the Company commensurate with its size and operations to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.
- F. We further report that during the audit period none of the following events has taken place which had bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards etc.,-
- I. Public/Rights/Preferential Issue of Shares/Debentures etc.
 - II. Redemption/buy-back of securities.
 - III. Major decision taken by the members in pursuance to section 180 of the Companies Act, 2013.
 - IV. Merger/Amalgamation/Reconstruction, etc.
 - V. Foreign Technical Collaborations.

For **DHOLAKIA & ASSOCIATES LLP**
(Company Secretaries)

Place: Mumbai
Date: 10th June, 2020
UDIN: F000977B000330636

CS Bhumitra V. Dholakia
Designated Partner
FCS-977 CP No. 507

Annexure 4

Form No. AOC-2

(Pursuant to clause (h) of sub-Section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-Section (1) of Section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto

1. Details of contracts or arrangements or transactions not at arm's length basis: Mahanagar Gas Limited (the Company) has not entered into any contract/arrangement/transaction with its related parties which are not in ordinary course of business or at arm's length during FY20.

- (a) Name(s) of the related party and nature of relationship: Not Applicable
- (b) Nature of contracts/arrangements/transactions: Not Applicable
- (c) Duration of the contracts / arrangements/transactions: Not Applicable
- (d) Salient terms of the contracts or arrangements or transactions including the value, if any: Not Applicable
- (e) Justification for entering into such contracts or arrangements or transactions: Not Applicable
- (f) Date(s) of approval by the Board: Not Applicable
- (g) Amount paid as advances, if any: Not Applicable
- (h) Date on which the special resolution was passed in general meeting as required under first proviso to Section 188: Not Applicable

2. Details of material contracts or arrangement or transactions at arm's length basis: Mahanagar Gas Limited (the Company) has entered into material contract / arrangement /transaction with its related parties which are in ordinary course of business or at arm's length during FY20. The Company has laid down policies and processes/procedures so as to ensure compliance to the subject section in the Companies Act, 2013 (Act) and the corresponding Rules. In addition, the process goes through internal and external checking, followed by quarterly reporting to the Audit Committee.

- (a) Name(s) of the related party and nature of relationship:
 - I. GAIL (India) Limited, (GAIL), Promoter

- II. BG India Energy Solutions Private Limited, (BGIESPL), Promoter Group Entity - (No transaction during the year)
- III. Hazira LNG Private Limited, (HLPL) (Now known as to Shell Energy India Private Limited), (SEIPL), Promoter Group Entity - (Transactions considered till August 20, 2019)
- IV. Shell India Markets Private Limited, (SIMPL), Promoter Group Entity - (No transaction during the year)
- V. Shell Energy Marketing and Trading India Private Limited, (SEMTIPL) Promoter Group Entity - (No transaction during the year)

(b) Nature of contracts/arrangements/transactions:

- I. APM Agreement (Administered Price Mechanism) Nature: Long Term Gas Sales and Transportation Contract
- II. PMT Agreement (Panna Mukta Tapti Fields) Nature: Long Term Gas Sales and Transportation Contract
- III. Non- APM (for CNG Transport & PNG Domestic Segment) Term Sheet Nature: Term Sheet
- IV. SPOT RLNG Contracts (Spot Gas Sale Agreement) Nature: Short Term Spot Gas Sales Agreement
- V. Gas Transmission Agreement Nature: GTA dated January 02, 2008
- VI. HLPL (Now SEIPL): Nature: Framework Gas Sale Agreement on RE basis
- VII. BG India Energy Solutions Private Limited: Nature: Supply Framework Agreement on RE basis
- VIII. SEMTIPL: Nature: Framework Gas Sale Agreement (FGSA) on RE basis.

(c) Duration of the contracts/arrangements/transactions

- I. Duration: June 05, 2009 – March 31, 2021.
- II. Duration: March 28, 2014 – Full Term
- III. Duration: August 14, 2017 - July 06, 2021.
- IV. Duration: November 29, 2010 - July 31, 2021
- V. Duration: January 02, 2008 - January 01, 2033
- VI. Duration: September 13, 2013 -May 09, 2022

- VII. Duration: November 13, 2009 Validity: Shall remain in effect unless terminated by either party.
- VIII. Duration: December 18, 2017 - December 17, 2022.
- (d) Salient terms of the contracts or arrangements or transactions including the value, if any:
- I. Purchase of Domestic Gas (₹ 1,27,123.44 Lakhs) from GAIL is through Domestic GAS allocation by MoPNG.
 - II. Purchase of RLNG (₹ 9,379.95 Lakhs) from GAIL, HLPL, BGIES and SEMTIPL is as per the terms of the agreement/term sheet.
- III. Purchase of SPOT RLNG is through a Board approved process of competitive bidding in the ordinary course of business and at arm's length basis.
- (e) Date(s) of approval by the Board, if any: February 09, 2018
- (f) Amount paid as advances, if any: NA
- For and on behalf of the Board of Directors
- Place : New Delhi
Date : June 30, 2020
- Manoj Jain**
Chairman

Annexure 5

Particulars of Employees

The information required under Section 197 of the Companies Act, 2013 (the Act) read with Rule 5(1) of the (Companies Appointment and Remuneration of Managerial Personnel) Rules, 2014 are given below:

The ratio of the remuneration of each director to the median remuneration of the employees of the Company for the financial year 2019-2020:

Sr. No.	Name of Director (Executive/Non-Executive Independent Director)	Directors' Remuneration (₹ In lakhs)	Employee Median Remuneration (₹ In lakhs)	Ratio
1.	Mr. Sanjib Datta, Managing Director	91.02	12.72	7.16:1
2.	Mr. Deepak Sawant, Whole Time Director	73.31	12.72	5.76:1
3.	Mr. Arun Balakrishnan	2.67	12.72	0.21:1
4.	Mr. Santosh Kumar	3.07	12.72	0.24:1
5.	Mr. Raj Kishore Tewari	7.15	12.72	0.56:1
6.	Mrs. Radhika Haribhakti	7.15	12.72	0.56:1
7.	Mr. Premesh Kumar Jain	7.15	12.72	0.56:1
8.	Mr. Syed S. Hussain	5.15	12.72	0.40:1

Note:-

- Mr. Deepak Sawant was appointed as Director with effect from May 09, 2019
- Mr. Arun Balakrishnan ceased to be a Director post completion of his second term with effect from September 09, 2019.
- Mr. Santosh Kumar ceased to be a Director post completion of his second term with effect from September 09, 2019.
- Mr. Syed S. Hussain was appointed as Director with effect from September 09, 2019.

	Employee Name	Designation	% increase on CTC in 2019-20
The percentage increase in remuneration of each Director, Chief Financial Officer, Company Secretary, if any, in the financial year.	Sunil Ranade	CFO	5%
	Alok Mishra	Company Secretary & Compliance Officer	5%
	Anand Upadhyay	Company Secretary & Compliance Officer	0%
	Arvind Kumar	Company Secretary & Compliance Officer	0%
	Saghan Srivastava	Company Secretary & Compliance Officer	0%
The percentage increase in the median remuneration of employees in the financial year.	Median Remuneration Increase for eligible employees during the Financial Year is 8.50% (Including S level and excluding SMG & KMP)		
	Permanent Employees	Fixed Term Contract (FTC)	Total
	As on 31 st March 2020	As on 31 st March 2020	
	493	0	493
Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year.	Eligible employees percentage increase in 2019-2020 excluding SMG and KMP		6.71% (Average % increment actual at paid)
And its comparison with the Percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration	Percentage increase in 2019-2020 for SMG and KMP (including CFO, SVP (Mktg), SVP (O & M), SVP (Projects), VP (HR & CC), VP (C&P) and Company Secretary & Compliance Officer.		4.04% (Average % increment actual at paid)

It is affirmed that the remuneration paid is as per the Remuneration Policy of the Company.

Employee Median Remuneration (in Lakhs) for the Financial Year 2019-2020 (including SGM, KMP and S grade) – ₹ 12.72 lakhs

Annexure 6

Names Of Top Ten Employees In Terms Of Remuneration Drawn

Details as per Rule 5(2) and 5(3) for employee remuneration under the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (as on 31st March 2020)

Sr. No.	Name of the Employee	DOJ	Designation	CTC PA	Nature of Employment	Age	Qualification	Total Years of Experience	Last Employment held
1.	Rajesh Wagle	22.07.2002	Sr. VP - Marketing	88,16,258.00	Permanent	54	BTech Chem, MS - Comp Science	31	M/s Quantum Information Systems Limited
2.	Sunil Ranade	01.03.1996	Chief Financial Officer	87,74,955.00	Permanent	58	CA, CS	34	M/s Wander Ltd
3.	S Murali	04.10.2002	SVP - O & M	82,22,227.00	Permanent	56	BTech (Mech), Advanced Dip in Mgmt	34	M/s Cabot India Limited
4.	T.L. Sharnagat	17.05.2008	VP - C & P	67,64,420.00	Permanent	51	BE (Mech), Dipl. Import & Export, MBA (Mktg Mgt)	29	M/s Gas Authority of India Limited
5.	Chakrapani Atmakur	16.01.2019	Vice President (HR&CC)	63,94,272.00	Permanent	54	BSc, MBA – HR	29	M/s SI Groups - India Pvt Limited
6.	Rajesh Patel	07.04.2009	VP - FINANCE	61,54,152.00	Permanent	50	CA, ICWA	25	M/s Adani Infrastructure and Developers Pvt Ltd.
7.	Gurvinder Singh Anand	12.06.2019	Vice President (Projects)	58,66,446.00	Permanent	50	BE (Mech), M Sc (Environmental Sc), PMP	28	M/s Nyara Energy Ltd
8.	Ramesh Narayanan	07.08.2008	AVP-Revenue & Taxation	52,94,060.00	Permanent	56	ICWA, LLB, ICSI- CS	30	M/s Tide Water Oil Company Ltd.
9.	GJPN Murthy	26.04.2012	AVP (Construction)	52,74,800.00	Permanent	55	BE (Civil)	36	Freelancer
10.	Bhaskar Jyoti Das	21.12.2009	General Mgr. (Sec & Vig)	47,34,000.00	Permanent	58	BSc, MA, , Dip in Personnel Mgmt , Certification in Advanced Security -ASIS	34	M/s Petronet LNG Ltd.

Notes:

- None of the employees employed throughout the financial year or part thereof, were in receipt of remuneration in that year, which in the aggregate, or as the case may be at a rate which, in the aggregate, is in excess of that drawn by the Managing Director or Whole Time Director or Manager and holds by himself or along with his spouse and dependent children, not less than two percent of the equity shares of the Company.
- None of the above employee is a relative of any director or manager of the company.

Annexure 7

CONSERVATION OF ENERGY:

A) Steps taken for conservation and utilizing alternate sources of energy :

Your Company has implemented a number of energy conservation measures at various operating installations and CNG stations. It includes successful implementation of cascades of water capacity of 3000 litres to reduce the frequency of start-stop of the compressor, thereby improving efficiency and also implementation of cascades of water capacity of 4500 liters and 9000 liters for CNG transportation from mother station to daughter booster station through cascades mounted on vehicles, to reduce the frequency of movement of cascade carrying vehicles.

Use of 6 numbers of Type III composite cylinder cascades of 8800 liters water capacity is implemented. Further 10 more Type III cascades and 1 Type IV cascade are being planned in coming year.

This has resulted in considerable savings and contribution to environmental improvements.

Solar Power Plants of 117kw in total are installed at MGL Offices and City Gate Stations (CGS) - CGS, Sion (17kw), MGL Office, Mahape (20kw), CGS, Talaja (50kw), CGS, Ambernath (10kw), MGL owned station at MSRTC, Khopat, Thane (5kw) and MGL owned station at NMMT, Turbhe, Navi Mumbai (5kw). This has been commissioned and successfully catering to the electrical lighting load of the office building.

Similarly installation of Solar Power Plant of 10kw each is being planned at MGL owned CNG station at Ghatkopar, Mumbai and MGL owned CNG station at Mankhurd, Mumbai in coming year.

At MGL Office, Mahape, a natural gas-fueled Microturbine set has been commissioned generating sufficient power as the primary source (of power) for the office building wherein the grid power source is used only as the secondary or backup source. The exhaust heat emission of this Microturbine contributes to the air-conditioning system of the same building by being utilized for the installed Vapor Absorption Machine with a heat recovery feature. This is a showcase of clean and green initiative.

Natural Gas fueled Generator sets are installed at City Gate stations (Mahape, Talaja and Ambernath) and MGL owned CNG station at Owala, Thane to provide electrical power back up during grid power failure.

An Energy Conservation unit has been installed at MGL House, Bandra-Kurla Complex, which gives about 14-15% reduction in energy consumption on account of lighting load.

Continuous efforts are put to maintain electrical power factor at CNG stations at desired level to achieve efficient use of electric energy. IGBT (Insulated Gate Bipolar Transistor) based advanced technology power factor correction panels are installed at 10 CNG stations. This will be extended to all MGL owned stations in coming year.

Your Company has also taken various initiatives like development of compact DRS, improvement in the technical specification of flexible hose used for domestic connections in high rise buildings, standardization in usage of materials (to facilitate effective management of inventory) like GI pipes, Service Regulators and RCC tiles.

Integrated CNG package is installed at one of the CNG station in Mumbai which has CNG compressor, CNG dispenser and CNG cascade in a single enclosure.

Use of CNG fueled vehicles for CNG transportation is implemented with deployment of 4 CNG fueled vehicles. Further 28 more CNG fueled vehicles are planned for deployment in coming year.

B) Capital investment on energy conservation equipment's:

Proposed installation of Solar Power Plant at GOM, Mankhurd and GOM, Ghatkopar (₹ 12 Lakh approx.)

Installation of Natural Gas based Microturbine for power generation is in progress at MGL Office, Mahape. (₹ 81.48 Lakh) – implemented

TECHNOLOGY ABSORPTION:

Sr. No.	Particulars	Previous Year 2018-19	Current Year 2019-20
1	Research and Development (R&D)		
A	Specific areas in which R&D carried out by the Company	<p data-bbox="488 431 839 455">(a) Continuity with development of:</p> <ul data-bbox="520 479 959 1802" style="list-style-type: none"> • LoRa-based AMR system for Domestic customers. • GSM/GPRS based AMR system for Commercial Customers. • Compact underground DRS with butterfly valves. • Usage of multi-layered composite pipes as a replacement of copper pipes. • Usage of PE pipes (embedded with copper wire) for better traceability. • CNG HPRS for supply of PNG to remote areas. • Practical and cost-effective data logger in DRS. • Upgradation of Design of Canopy Fascia of CNG station. • Replacement of higher sizes of diaphragm gas meters with RPD meters (which has better accuracy) • Usage of ultrasonic meters and thermal mass meters for Commercial customers. • Full review of technical specifications and Codes of Practice in process. • Design of PNG riser and lateral system in high-rise building with height more than 120 metres. • Design of PNG riser and lateral system for buildings having glass facades. • Upgradation of Design of ancillary equipment in CNG station, Canopy Columns and Bay Indicators, Totem, Dispenser, Flag Post, Sales building, Bus Shelter, etc. • Usage of SS canopy for commercial customer. • Indigenous development of fittings for PE riser system as an alternative to GI riser system. 	<p data-bbox="983 431 1334 455">(b) Continuity with development of:</p> <ul data-bbox="1015 479 1474 1665" style="list-style-type: none"> • LoRa-based AMR system for Domestic customers • GSM/GPRS based AMR system for Commercial Customers • Compact underground DRS with butterfly valves. • Usage of multi-layered composite pipes as a replacement of copper pipes. • Usage of PE pipes (embedded with copper wire) for better traceability • CNG HPRS for supply of PNG to remote areas • Practical and cost-effective data logger in DRS • Upgradation of Design of Canopy Fascia of CNG station • Replacement of higher sizes of diaphragm gas meters with RPD meters (which has better accuracy) • Usage of ultrasonic meters and thermal mass meters for Commercial customers • Full review of technical specifications and Codes of Practice in process. • Design of PNG riser and lateral system in high-rise building with height more than 120 metres. • Design of PNG riser and lateral system for buildings having glass facades • Upgradation of Design of ancillary equipment in CNG station, Canopy Columns and Bay Indicators, Totem, Dispenser, Flag Post, Sales building, Bus Shelter, etc. • Seismic survey in GA III areas.

Sr. No.	Particulars	Previous Year 2018-19	Current Year 2019-20
B	Benefits derived as a result of the above R&D	<ul style="list-style-type: none"> • Improvement in the existing business processes and working standards of a City Gas Distribution Project. • Facilitating better gas balancing of network. • Development of Natural Gas Market. • Safe and effective operation of Gas Supply Network. • Cost saving and energy saving. • Effective inventory management. • Supply of PNG to areas in GA-III • Enhancement of branding of MGL at CNG outlets. 	<ul style="list-style-type: none"> • Improvement in the existing business processes and working standards of a City Gas Distribution Project. • Facilitating better gas balancing of network. • Development of Natural Gas Market. • Safe and effective operation of Gas Supply Network. • Cost saving and energy saving. • Effective inventory management. • Supply of PNG to remote areas • Enhancement of branding of MGL at CNG outlets
C	Future plan of action	<ul style="list-style-type: none"> • Continuing vendor development (Regulators, Gas Meters, etc.) • Review feasibility of providing PNG / CNG to remote locations through LNG / LCNG facilities. • Supply of PNG to areas of Pen, Karjat and other parts of GA III by using CNG HPRS system 	<ul style="list-style-type: none"> • Continuing vendor development (Regulators, Gas Meters, etc.) • Review feasibility of providing PNG / CNG to remote locations through LCNG facilities. • Supply of PNG to areas of Pen and other parts of GA III by using CNG HPRS system • Implement installation of Multi-layered composite (MLC) piping system as a replacement of GI piping system - on a trial basis
D	Expenditure on R&D: a) Capital b) Recurring c) Total d) Total R&D expenditure as a percentage of total turnover	NIL	NIL
2	Technology absorption, adaptation and innovation		
A	Efforts, in brief, made towards technology adaptation and innovation	Further development of Standards, Specifications and Operating Procedures adapted for local implementation.	Further development of Standards, Specifications and Operating Procedures (from Shell Group) adapted for local implementation.
B	Benefits derived as a result of the above efforts e.g. Product Improvement, Cost Reduction, Product Development, Import Substitution, etc.	<ul style="list-style-type: none"> • Safe operation of Gas Supply Network. • Import substitution by development of indigenous vendor for supply of Diaphragm Gas Meters, Service Regulators and AMR systems. • Growth strategy. 	<ul style="list-style-type: none"> • Safe operation of Gas Supply Network. • Import substitution by development of indigenous vendor for supply of Diaphragm Gas Meters, Service Regulators and AMR systems. • Growth strategy.

Sr. No.	Particulars	Previous Year 2018-19	Current Year 2019-20
C	In case of imported technology (imported during the last 3 years reckoned from the beginning of the financial year), following information may be furnished :		
(a)	Technology imported	NA	NA
(b)	Year of import	NA	NA
(c)	Has technology been fully absorbed?	NA	NA
(d)	If not fully absorbed, areas where this has not taken place, reasons therefore and future plans of action	NA	NA

Sr. No.	Particulars	Previous Year 2018-19	Current Year 2019-20
3	Foreign Exchange Earning and Outgo		
	Total Foreign Exchange Earned	NIL	NIL
	Total Foreign Exchange outgo	37.01	15.65



Annexure 8

Form No. MGT-9

Extract of Annual Return

as on the financial year ended on March 31, 2020

[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS

1	CIN	L40200MH1995PLC088133
2	Registration Date	May 08, 1995
3	Name of the company	Mahanagar Gas Limited
4	Category	Company limited by Shares
5	Sub Category of the Company	Indian Non – Government Company
6	Whether listed company (Yes/No)	Yes
7	Address of the registered office and contact details	MGL House, Block No.G-33, Bandra-Kurla Complex, Bandra (E), Mumbai – 400051 Tel. No. +9122- 6678 5000 Fax. No. +9122- 2652 8925
8	Name, address and contact details of registrar and transfer agents, if any	M/s. Link Intime India Private Limited C 101, 247 Park, LBS Marg, Vikhroli (West) Mumbai – 400 083, Maharashtra, India Tel. No. +9122 – 4918 6000 Fax. No. +9122 - 4918 6060

II. PRINCIPAL BUSINESS ACTIVITY OF THE COMPANY

All the business activities contributing 10% or more of the total turnover of the Company shall be stated:-

Sr. No.	Name and Description of Main Product / Services	NIC of the Product	% of total turnover of the Company
1	The Company operates presently in the business of City Gas Distribution. The Company earns revenue by selling Natural Gas.	3520	99.19%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sr. No.	Name and Address of the Company	CIN/GIN	Holding/Subsidiary of the Company	% of shares held	Applicable Section
NOT APPLICABLE					

IV. SHAREHOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

(I) Category wise Shareholding

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. PROMOTERS									
1. Indian									
a. Individual	-	-	-	-	-	-	-	-	-
b. Central Govt.	-	-	-	-	-	-	-	-	-
c. State Govt.	-	-	-	-	-	-	-	-	-
d. Bodies Corporate	3,21,02,750	-	3,21,02,750	32.50	3,21,02,750	-	3,21,02,750	32.50	0.00
e. Bank / FI	-	-	-	-	-	-	-	-	-
f. Any Other	-	-	-	-	-	-	-	-	-
Sub Total – A (1)	3,21,02,750	-	3,21,02,750	32.50	3,21,02,750	-	3,21,02,750	32.50	0.00
2. Foreign									
a. NRI – Individuals	-	-	-	-	-	-	-	-	-
b. Other Individuals	-	-	-	-	-	-	-	-	-
c. Body Corporate	98,77,780	-	98,77,780	10.00	-	-	-	-	-10.00
d. Bank / FI	-	-	-	-	-	-	-	-	-
e. Any Others	-	-	-	-	-	-	-	-	-
Sub Total – A(2)	98,77,780	-	98,77,780	10.00	-	-	-	-	-10.00
Total Share Holding of Promoters (1+2)	4,19,80,530	-	4,19,80,530	42.50	3,21,02,750	-	3,21,02,750	32.50	-10.00
B. Public Shareholding									
1. Institution									
a. Mutual Funds	58,97,687	-	58,97,687	5.9707	78,13,041	-	78,13,041	7.9097	1.9390
b. Banks/FI	4,87,183	-	4,87,183	0.4932	18,71,862	-	18,71,862	1.8950	1.4018
c. Central Govt	-	-	-	-	-	-	-	-	-
d. State Govt	98,77,778	-	98,77,778	10.00	98,77,778	-	98,77,778	10.00	0.0000
e. Venture Capital	-	-	-	-	-	-	-	-	-
f. Insurance Co.	58,93,750	-	58,93,750	5.9667	68,46,593	-	68,46,593	6.9313	0.9646
g. FIs	-	-	-	-	-	-	-	-	-
h. Foreign Portfolio Corporate	2,40,64,677	-	2,40,64,677	24.3624	3,09,02,115	-	3,09,02,115	31.2845	6.9221
i. Foreign venture Capital Fund	-	-	-	-	-	-	-	-	-
j. Alternate Investment Fund	4,24,000	-	4,24,000	0.4292	2,90,691	-	2,90,691	0.2943	-0.1349
k. Others	-	-	-	-	-	-	-	-	-
Sub – Total B (1)	3,67,67,297	-	3,67,67,297	37.2222	4,77,24,302	-	4,77,24,302	48.3148	11.0926
2. Non – Institution									
a. Body Corporate	7,03,880	-	7,03,880	0.7126	6,66,687	-	6,66,687	0.6749	-0.0377
b. Individual									
i. Individual Shareholders holding nominal share capital upto ₹ 1,00,000	80,88,544	331	80,88,875	8.1890	72,26,512	331	72,26,843	7.3163	-0.8727

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
ii. Individual shareholder shodling nominal share capital in excess of ₹ 1,00,000	2,07,557	0	2,07,557	0.2101	2,40,281	-	2,40,281	0.2433	0.0332
c. NBFC registered with RBI	8,050	-	8,050	0.0081	-	-	-	-	-0.0081
d. Others									
i. NRI (Rep)	4,13,608	-	4,13,608	0.4187	3,29,330	-	3,29,330	0.3334	-0.0853
ii. NRI (Non – Rep)	1,08,179	-	1,08,179	0.1095	3,33,856	-	3,33,856	0.3380	-0.0341
iii. Trust	5,420	-	5,420	0.0055	6,216	-	6,216	0.0063	0.0008
iv. In Transit	-	-	-	-	-	-	-	-	-
v. Hindu Undivided Family	3,67,597	-	3,67,597	0.3721	3,33,856	-	3,33,856	0.3380	-0.0341
vi. Foreign Portfolio Investor (Individual)	40	-	40	0.0000	40	-	40	0.0000	0.0000
vii. Clearing Member	2,48,967	-	2,48,967	0.2520	1,71,311	-	1,71,311	0.1734	-0.0786
Sub - Total B (2)	1,01,51,842	331	10,152,173	10.2778	90,72,617	331	9,072,948	9.1852	-1.0926
Net Total (1+2)	5,67,96,917	331	56,797,248	57.50	6,66,74,697	331	6,66,75,028	67.50	10.00
Shares held by Custodian for GDRs & ADRs									
Promoter and Promoter Group	-	-	-	-	-	-	-	-	-
Grand total (A+B+C)	9,87,77,447	331	9,87,77,778	100.00	9,87,77,447	331	9,87,77,778	100.00	-

(ii) Shareholding of Promoters:

Sr. No.	Shareholder's Name	Shareholdings at the beginning of the year			Shareholdings at the end of the year			% change in shareholding during the year
		No. of Shares	% of total shares of the Company	% of Shares Pledged /encumbered to total shares	No. of Shares	% of total shares of the Company	% of Shares Pledged /encumbered to total shares	
1	GAIL (India) Limited	321,02,750	32.50	-	3,21,02,750	32.50	-	0
2	BG Asia Pacific Holdings PTE Limited	98,77,780	10.00	-	-	-	-	-10.00

(iii) Change in Promoters' Shareholding (please specify, if there is no change)

Sr. No.	Shareholder's Name	Shareholding at the beginning of the year – 2019		Transactions during the year		Cumulative Shareholding at the end of the year - 2020	
		No. of Shares Held	% of total shares of the company	Date of transaction	No. of shares	No. of Shares Held	% of total shares of the company
1	GAIL (India) Limited	3,21,02,750	32.50	-	-	3,21,02,750	32.50
	AT THE END OF THE YEAR					3,21,02,750	32.50
2	BG Asia Pacific Holdings PTE Limited	98,77,780	10.00	-	-	98,77,780	10.00
	Market Sell			23 Aug 2019	-9877780	-	-
	AT THE END OF THE YEAR					-	-

Sr. No.	Name of the Shareholder & Type of Transaction	Shareholding at the beginning of the year – 2019		Transactions during the year		Cumulative Shareholding at the end of the year – 2020	
		No. of Shares Held	% of total shares of the company	Date of transaction	No. of shares	No. of Shares Held	% of total shares of the company
	Market Sell			13 Mar 2020	-2,400	33,28,350	3.3695
	Market Buy			20 Mar 2020	13,800	33,42,150	3.3835
	Market Sell			27 Mar 2020	-3,600	33,38,550	3.3799
	Market Buy			31 Mar 2020	1,30,872	34,69,422	3.5124
	AT THE END OF THE YEAR					34,69,422	3.5124
4	SBI Life Insurance Co. Ltd.	3510259	3.5537			35,10,259	3.5537
	Market Sell			05 Apr 2019	-3,79,263	31,30,996	3.1697
	Market Sell			12 Apr 2019	-1,09,749	30,21,247	3.0586
	Market Sell			26 Apr 2019	-34,000	29,87,247	3.0242
	Market Buy			24 May 2019	22,166	30,09,413	3.0466
	Market Buy			31 May 2019	2,03,820	32,13,233	3.253
	Market Buy			21 Jun 2019	6,204	32,19,437	3.2593
	Market Buy			29 Jun 2019	30,000	32,49,437	3.2896
	Market Sell			05 Jul 2019	-14,848	32,34,589	3.2746
	Market Buy			12 Jul 2019	5,000	32,39,589	3.2797
	Market Buy			19 Jul 2019	3,000	32,42,589	3.2827
	Market Buy			26 Jul 2019	4,642	32,47,231	3.2874
	Market Sell			02 Aug 2019	-11,000	32,36,231	3.2763
	Market Sell			09 Aug 2019	-39,566	31,96,665	3.2362
	Market Sell			16 Aug 2019	-1,85,616	30,11,049	3.0483
	Market Buy			23 Aug 2019	7,09,400	37,20,449	3.7665
	Market Buy			30 Aug 2019	9,716	37,30,165	3.7763
	Market Buy			06 Sep 2019	7,000	37,37,165	3.7834
	Market Buy			20 Sep 2019	15,000	37,52,165	3.7986
	Market Buy			27 Sep 2019	3,37,376	40,89,541	4.1401
	Market Buy			11 Oct 2019	10,000	40,99,541	4.1503
	Market Buy			18 Oct 2019	22,000	41,21,541	4.1725
	Market Sell			25 Oct 2019	-10,033	41,11,508	4.1624
	Market Sell			01 Nov 2019	-26,528	40,84,980	4.1355
	Market Sell			08 Nov 2019	-4,05,000	36,79,980	3.7255
	Market Sell			15 Nov 2019	-2,85,000	33,94,980	3.437
	Market Sell			22 Nov 2019	-35,101	33,59,879	3.4015
	Market Buy			29 Nov 2019	24,000	33,83,879	3.4257
	Market Sell			06 Dec 2019	-25,798	33,58,081	3.3996
	Market Buy			13 Dec 2019	42,000	34,00,081	3.4422
	Market Sell			20 Dec 2019	-1,000	33,99,081	3.4411
	Market Sell			31 Dec 2019	-1,000	33,98,081	3.4401
	Market Buy			03 Jan 2020	53,791	34,51,872	3.4946
	Market Sell			17 Jan 2020	-69,000	33,82,872	3.4247
	Market Sell			24 Jan 2020	-87,400	32,95,472	3.3362
	Market Sell			31 Jan 2020	-2,000	32,93,472	3.3342
	Market Sell			14 Feb 2020	-4,200	32,89,272	3.33
	Market Sell			21 Feb 2020	-3,50,000	29,39,272	2.9756
	Market Sell			28 Feb 2020	-32,245	29,07,027	2.943
	Market Buy			06 Mar 2020	82,629	29,89,656	3.0266
	Market Buy			13 Mar 2020	6,111	29,95,767	3.0328

Sr. No.	Name of the Shareholder & Type of Transaction	Shareholding at the beginning of the year – 2019		Transactions during the year		Cumulative Shareholding at the end of the year – 2020	
		No. of Shares Held	% of total shares of the company	Date of transaction	No. of shares	No. of Shares Held	% of total shares of the company
	Market Sell			20 Mar 2020	-2,99,300	26,96,467	2.7298
	Market Sell			27 Mar 2020	-2,34,400	24,62,067	2.4925
	Market Sell			31 Mar 2020	-23,258	24,38,809	2.469
	AT THE END OF THE YEAR					24,38,809	2.469
5	Stichting Depository Apg Emerging Markets Equity Pool	8,45,972	0.8564			8,45,972	0.8564
	Market Buy			17 May 2019	23,142	8,69,114	0.8799
	Market Buy			24 May 2019	29,013	8,98,127	0.9092
	Market Buy			31 May 2019	20,473	9,18,600	0.93
	Market Buy			21 Jun 2019	14,876	9,33,476	0.945
	Market Buy			29 Jun 2019	10,904	9,44,380	0.9561
	Market Buy			19 Jul 2019	17,440	9,61,820	0.9737
	Market Sell			02 Aug 2019	-22,723	9,39,097	0.9507
	Market Buy			23 Aug 2019	1,76,661	11,15,758	1.1296
	Market Buy			30 Aug 2019	1,84,148	12,99,906	1.316
	Market Buy			06 Sep 2019	68,017	13,67,923	1.3848
	Market Buy			22 Nov 2019	21,613	13,89,536	1.4067
	Market Buy			20 Dec 2019	52,153	14,41,689	1.4595
	Market Buy			24 Jan 2020	33,296	14,74,985	1.4932
	Market Buy			31 Jan 2020	83,498	15,58,483	1.5778
	Market Buy			07 Feb 2020	79,191	16,37,674	1.6579
	Market Buy			28 Feb 2020	67,554	17,05,228	1.7263
	Market Sell			06 Mar 2020	-19,318	16,85,910	1.7068
	AT THE END OF THE YEAR					16,85,910	1.7068
6	Life Insurance Corporation Of India	0	0			0	0
	Market Buy			08 Nov 2019	80,000	80,000	0.081
	Market Buy			15 Nov 2019	12,12,50	2,01,250	0.2037
	Market Buy			22 Nov 2019	2,05,219	4,06,469	0.4115
	Market Buy			29 Nov 2019	93,531	5,00,000	0.5062
	Market Buy			06 Dec 2019	45,000	5,45,000	0.5517
	Market Buy			13 Dec 2019	75,000	6,20,000	0.6277
	Market Buy			20 Dec 2019	46,000	6,66,000	0.6742
	Market Buy			27 Dec 2019	34,000	7,00,000	0.7087
	Market Buy			07 Feb 2020	53,000	7,53,000	0.7623
	Market Buy			14 Feb 2020	1,28,156	8,81,156	0.8921
	Market Buy			21 Feb 2020	1,46,172	10,27,328	1.04
	Market Buy			28 Feb 2020	1,72,672	12,00,000	1.2148
	Market Buy			06 Mar 2020	137,413	13,37,413	1.354
	Market Buy			13 Mar 2020	1,13,024	14,50,437	1.4684
	Market Buy			20 Mar 2020	1,40,347	15,90,784	1.6105
	AT THE END OF THE YEAR					15,90,784	1.6105
7	Bajaj Allianz Life Insurance Company Ltd.	9,93,986	1.0063			9,93,986	1.0063
	Market Buy			05 Apr 2019	10,005	10,03,991	1.0164
	Market Sell			12 Apr 2019	-1,00,000	9,03,991	0.9152

Sr. No.	Name of the Shareholder & Type of Transaction	Shareholding at the beginning of the year – 2019		Transactions during the year		Cumulative Shareholding at the end of the year – 2020	
		No. of Shares Held	% of total shares of the company	Date of transaction	No. of shares	No. of Shares Held	% of total shares of the company
	Market Buy			17 May 2019	20,000	9,23,991	0.9354
	Market Buy			31 May 2019	1,00,000	10,23,991	1.0367
	Market Sell			29 Jun 2019	-1,52,000	8,71,991	0.8828
	Market Sell			05 Jul 2019	-2,00,000	6,71,991	0.6803
	Market Sell			12 Jul 2019	-50,000	6,21,991	0.6297
	Market Sell			02 Aug 2019	-17,000	6,04,991	0.6125
	Market Sell			16 Aug 2019	-92,000	5,12,991	0.5193
	Market Buy			23 Aug 2019	1,30,000	6,42,991	0.6509
	Market Buy			27 Sep 2019	20,000	6,62,991	0.6712
	Market Buy			30 Sep 2019	48,995	7,11,986	0.7208
	Market Buy			04 Oct 2019	46,005	7,57,991	0.7674
	Market Buy			15 Nov 2019	2,50,000	10,07,991	1.0205
	Market Sell			27 Dec 2019	-1,00,000	9,07,991	0.9192
	Market Buy			03 Jan 2020	35,000	9,42,991	0.9547
	Market Buy			06 Mar 2020	5,000	9,47,991	0.9597
	Market Buy			13 Mar 2020	28,000	9,75,991	0.9881
	Market Buy			20 Mar 2020	95,000	10,70,991	1.0842
	AT THE END OF THE YEAR					10,70,991	1.0842
8	Fidelity Investment Trust Fidelity Series Emerging Markets Opportunities Fund	0	0			0	0
	Market Buy			15 Nov 2019	2,28,685	2,28,685	0.2315
	Market Buy			13 Dec 2019	3,55,774	5,84,459	0.5917
	Market Buy			20 Dec 2019	13,000	5,97,459	0.6049
	Market Buy			17 Jan 2020	79,500	6,76,959	0.6853
	Market Buy			28 Feb 2020	1,84,600	8,61,559	0.8722
	Market Buy			06 Mar 2020	72,600	9,34,159	0.9457
	Market Buy			31 Mar 2020	44,200	9,78,359	0.9905
	AT THE END OF THE YEAR					9,78,359	0.9905
9	HDFC Life Insurance Company Limited	0	0			0	0
	Market Buy			27 Sep 2019	1,93,349	1,93,349	0.1957
	Market Buy			04 Oct 2019	61,208	2,54,557	0.2577
	Market Buy			11 Oct 2019	45,443	3,00,000	0.3037
	Market Buy			13 Dec 2019	50,000	3,50,000	0.3543
	Market Buy			27 Dec 2019	1,12,688	4,62,688	0.4684
	Market Buy			31 Dec 2019	12,833	4,75,521	0.4814
	Market Buy			03 Jan 2020	4,282	4,79,803	0.4857
	Market Buy			10 Jan 2020	1,20,197	6,00,000	0.6074
	Market Sell			17 Jan 2020	-25,000	5,75,000	0.5821
	Market Sell			31 Jan 2020	-25,000	5,50,000	0.5568
	Market Buy			28 Feb 2020	20,255	5,70,255	0.5773
	Market Buy			06 Mar 2020	29,745	6,00,000	0.6074
	Market Buy			20 Mar 2020	2,75,000	8,75,000	0.8858

Sr. No.	Name of the Shareholder & Type of Transaction	Shareholding at the beginning of the year – 2019		Transactions during the year		Cumulative Shareholding at the end of the year – 2020	
		No. of Shares Held	% of total shares of the company	Date of transaction	No. of shares	No. of Shares Held	% of total shares of the company
	Market Buy			27 Mar 2020	75,000	9,50,000	0.9618
	AT THE END OF THE YEAR					9,50,000	0.9618
10	HDFC Trustee Company Limited - HDFC Tax Saver Fund	185000	0.1873			1,85,000	0.1873
	Market Sell			12 Apr 2019	-21,936	1,63,064	0.1651
	Market Buy			23 Aug 2019	6,85,000	8,48,064	0.8586
	Market Buy			06 Sep 2019	216,600	10,64,664	1.0778
	Market Buy			13 Sep 2019	1,200	10,65,864	1.0791
	Market Buy			20 Sep 2019	1,200	10,67,064	1.0803
	Market Sell			18 Oct 2019	-18,600	10,48,464	1.0614
	Market Sell			15 Nov 2019	-24,000	10,24,464	1.0371
	Market Sell			13 Dec 2019	-6,000	10,18,464	1.0311
	Market Sell			31 Dec 2019	-38,400	9,80,064	0.9922
	Market Sell			03 Jan 2020	-55,200	9,24,864	0.9363
	Market Buy			10 Jan 2020	27,600	9,52,464	0.9642
	Market Buy			07 Feb 2020	42,600	9,95,064	1.0074
	Market Sell			21 Feb 2020	-41,000	9,54,064	0.9659
	Market Sell			20 Mar 2020	-18,600	9,35,464	0.947
	Market Sell			27 Mar 2020	-16,800	9,18,664	0.93
	AT THE END OF THE YEAR					9,18,664	0.93

(v) Shareholding of Directors and Key Managerial Personnel

Sr. No.	For each of the Directors and KMP Name of the Director / KMP	Shareholdings at the beginning of the year		Shareholdings at the end of the year	
		No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
1	Saghan Srivastava, Company Secretary & Compliance Officer	Nil	NA	Nil	NA
2	Sunil M. Ranade, CFO	449	Negligible	449	Negligible

V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment.

(₹ in lakhs)

Particulars	Secured Loans excluding Deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the year				
Principal Amount	-	-	-	-
Interest due but not paid	-	-	-	-
Interest accrued but not paid	-	-	-	-
Total of (1+2+3)	-	-	-	-
Change in the Indebtedness during the year				
+ Additions (including interest)	-	-	-	-
Reduction	-	-	-	-
Net Change	-	-	-	-

(₹ in lakhs)

Particulars	Secured Loans excluding Deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the end of the year				
Principal Amount	-	-	-	-
Interest due but not paid	-	-	-	-
Interest accrued but not due	-	-	-	-
Total of (1+2+3)	-	-	-	-

VI. REMUNERATION TO DIRECTORS AND KEY MANAGERIAL PERSONNEL

I. Remuneration to Managing Director and Whole-Time Director (Deputy Managing Director)

Sr. No.	Particulars of Remuneration	Name of the Managing Director and Whole Time Director	
		Mr. Sanjib Datta Managing Director	Mr. Deepak Sawant Deputy Managing Director (From May 09, 2019)
1.	Gross Salary	₹ 91,02,153	₹ 73,30,788
	*Secondment charges paid to promoters & Expenses of MD and DMD paid by MGL.		
	(a) Salary as per provisions contained in Section 17(1) of the Income tax Act, 1961	-	-
	(b) Value of perquisites u/s 17(2) of the Income Tax Act, 1961	-	-
	(c) Profits in lieu of Salary under Section 17(3) of the Income Tax Act, 1961	-	-
2	Stock Options	N.A.	N.A.
3	Sweat Equity	N.A.	N.A.
4	Commission	N.A.	N.A.
	- As % of Profit		
	- Others, specify		
5	Others, please specify Provident Fund & other Funds.	-	-
	Total (A)	₹ 91,02,153	₹ 73,30,788
	Ceilings as per Act	5% of the net profits of the Company	

*** Note:-**

- Mr. Sanjib Datta and Mr. Deepak Sawant are getting remuneration / salary from their employer i.e. GAIL. Your Company has paid the amount of ₹ 164,32,940/- to the promoter, i.e. GAIL respectively as secondment charges as these Directors are not the employees of the Company.
- Secondment charges paid to GAIL above does not include expenditure incurred by MGL on account of lease accommodation expenses, Telephone Expenses and club facility by Managing Director and Deputy Managing Director as applicable.

B) Remuneration to Non-Executive (Non Independent Directors)

The Company has not paid any remuneration or made any reimbursement to any Non- Executive (Non-Independent Director) for attending meetings during the Financial Year 2019 -2020.

C) Commission to Non-Executive Independent Directors:

The Board of Directors and Shareholders of the Company in their respective meetings have approved the payment of commission to Non-Executive Independent Directors, in addition to the payment of Sitting Fees and reimbursement of expenses for attending meetings of the Board and / or Committees, at a rate not exceeding one percent (1%) of the net profits of the Company and calculated and allocated amongst them in such manner as the Board may from time to time, determine, for a period of five years commencing from the Financial Year 2016-17.

The details of Commission paid to the Independent Directors during the financial year 2019- 2020 are mentioned below:

Sr. No.	Name of the Director	Number of Board meetings attended	Amount Paid	Chairmanship held for Committee meeting										Total Amount Paid	
				Audit	Amount Paid	NRC	Amount Paid	CSR	Amount Paid	PRBC	Amount Paid	SRC	Amount Paid		
1	Mr. Arun Balakrishnan	8	4.00	-	-	8	0.8	-	-	-	-	-	-	-	4.80
2	Mr. Santosh Kumar	7	4.00	-	-	-	-	-	-	3	0.3	-	-	-	4.30
3	Mr. Raj Kishore Tewari	8	4.00	5	0.5	-	-	-	-	-	-	1	0.1	4.60	
4	Mrs. Radhika Haribhakti	6	3.00	-	-	-	-	4	0.40	-	-	-	-	3.40	
5	Mr. Premesh Kumar Jain	8	4.00	-	-	-	-	-	-	-	-	-	-	4.00	
TOTAL			19.00	-	0.5	-	0.8	-	0.4	-	0.3	-	0.1	21.10	

The Commission for the financial year 2018-2019 was approved in the Board Meeting held on May 09, 2019 and was paid on June 11, 2019.

D) Remuneration Paid to Key Managerial Personnel (other than MD and WTD) (₹ in Lakhs)

Sr. No.	Particulars of Remuneration	Name of Key Managerial Personnel					Total
		Mr. S. M Ranade CFO	Mr. Alok Mishra [#] Company Secretary & Compliance officer	Mr. Anand Upadhyay [@] Company Secretary & Compliance officer	Mr. Arvind Kumar [§] Company Secretary & Compliance officer	Mr. Saghan Srivastava [*] Company Secretary & Compliance officer	
1.	Gross Salary	81.42	23.64	13.56	3.01	3.69	125.32
	(a) Salary as per provisions contained in Section 17(1) of the Income tax Act, 1961	0.39	-	-	-	-	0.39
	(b) Value of perquisites u/s 17(2) of the Income Tax Act, 1961	-	-	-	-	-	-
	(c) Profits in lieu of Salary under Section 17(3) of the Income Tax Act, 1961	-	-	-	-	-	-
2.	Stock Options	-	-	-	-	-	-
3.	Sweat Equity	81.42	23.64	13.56	3.01	3.69	125.32
4.	Commission As % of Profit	-	-	-	-	-	-
	Others, specify	-	-	-	-	-	-
5.	Others, please specify Provident Fund & other Funds	4.16	0.22	0.53	0.13	0.10	5.14
Total		85.97	23.86	14.09	3.14	3.79	130.85

[#] Mr. Alok Mishra was Company Secretary and Compliance Officer upto May 14, 2019

[@] Mr. Anand Upadhyay was Company Secretary and Compliance from May 15, 2019 to August 08, 2019 and for a further period from September 09, 2019 to February 07, 2020.

[§] Mr. Arvind Kumar was Company Secretary and Compliance Officer from August 09, 2019 to September 09, 2019.

^{*} Mr. Saghan Srivastava was appointed as Company Secretary and Compliance Officer w.e.f. February 08, 2020.



Business Responsibility Report

Section A: General Information about the Company.

1	Corporate Identity Number (CIN)	L40200MH1995PLC088133
2	Name of the Company	Mahanagar Gas Limited
3	Registered address	MGL House, Block G-33, Bandra- Kurla Complex, Bandra (E), Mumbai-400051.
4	Website	www.mahanagarqas.com
5	E-mail id	info@mahanagarqas.com
6	Financial Year reported	2019-2020
7	Sector(s) that the Company is engaged in (industrial activity code-wise)	The Company operates presently in the business of City Gas Distribution. National Industrial Classification code of the Product is 3520.
8	List three key products/services that the Company manufactures/provides (as in balance sheet)	Supply and Distribution of Natural Gas in the city of Mumbai, Thane urban and adjoining municipalities and the Raigad district.
9	Total number of locations where business activity is undertaken by the Company	
	(a) Number of International Locations	Nil
	(Provide details of major 5)	
	(b) Number of National Locations	i. Registered Office in Bandra Kurla Complex, Mumbai and ii. City Gas Stations (CGS) at- a) Wadala, Mumbai b) Mahape, Navi Mumbai c) Ambernath, Thane d) Taloja, Raigad
10	Markets served by the Company – Local / State / National / International	Local

Section B: Financial details of the Company

1	Paid up Capital (INR)	₹ 9,877.78 lakhs
2	Total Turnover (INR)	₹ 3,26,448.61 lakhs
3	Total profit after taxes (INR)	₹ 79,350.98 lakhs
4	Total Spending on Corporate Social Responsibility (CSR) as percentage of profit after tax (%)	The Company has spent ₹ 859.52 lakhs, which is 1.21% of average net profit of the last 3 years, calculated in the manner specified in section 135 of the Companies Act, 2013 and rules made there under.
5	List of activities in which expenditure in 4 above has been incurred:-	<ul style="list-style-type: none"> • MGL Aarogya for Health Care and Sanitation • MGL Vidya for Education • MGL Saksham for Empowerment • MGL Hunar for employment enhancing vocational Skills • MGL Vikas for Community Development • MGL Disha – Slum development initiative • MGL Unnati – Higher Education • MGL Hariyali – for Environment / Flora / Fauna Sustainability • Training & Capacity Building of CSR personnel & Administrative Expenses

Section C: Other Details

1. Does the Company have any Subsidiary Company/ Companies?

Mahanagar Gas Limited (MGL) does not have any subsidiary company.

2. Do the Subsidiary Company/Companies participate in the BR Initiatives of the parent company? If yes, then indicate the number of such subsidiary company(s).

Not Applicable.

3. Do any other entity/entities (e.g. suppliers, distributors etc.) that the Company does business with, participate in the BR initiatives of the Company? If yes, then indicate the percentage of such entity/entities? [Less than 30%, 30-60%, More than 60%]

No, none of the entity / entities with whom Company does business participates in the BR initiatives of the Company. However, such entities may be having BR initiatives of their own which they may be following.

Section D: BR Information

1. Details of Director/Directors responsible for BR:

a. Details of the Director/Directors responsible for implementation of the BR policy/policies	Sanjib Datta, Managing Director DIN: 07008785
b. Details of the BR head	Sanjib Datta, Managing Director DIN: 07008785 Telephone Number: 022 6678 5000 Email ID: info@mahanagargas.com

2. Principle-wise (as per NVGs) BR Policy / policies:

The National Voluntary Guidelines on Social, Environmental and Economic Responsibilities of Business (NVGs) released by the Ministry of Corporate Affairs has adopted nine areas of Business Responsibility. These briefly are as under:

P-1 Businesses should conduct and govern themselves with Ethics, Transparency and Accountability.

P-2 Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle.

P-3 Businesses should promote the wellbeing of all employees.

P-4 Businesses should respect the interests of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalized.

P-5 Businesses should respect and promote human rights.

P-6 Business should respect, protect, and make efforts to restore the environment.

P-7 Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner.

P-8 Businesses should support inclusive growth and equitable development.

P-9 Businesses should engage with and provide value to their customers and consumers in a responsible manner.



Sr. No.	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
1	Do you have a policy/ policies for...	Y	Y	Y	Y	Y	Y	Y	Y	Y
2	Has the policy being formulated in consultation with the relevant stakeholders?	Y	Y	Y	Y	Y	Y	Y	Y	Y
3	Does the policy conform to any national / international standards? If yes, specify? (50 words)	Yes, all the policies have been framed as per the applicable legal framework.								
4	Has the policy being approved by the Board? If yes, has it been signed by MD / owner / CEO / appropriate Board Director?	Y	Y	Y	Y	Y	Y	Y	Y	Y
5	Does the Company have a specified committee of the Board / Director / Official to oversee the implementation of the policy?	Y	Y	Y	Y	Y	Y	Y	Y	Y
6	Indicate the link for the policy to be viewed online?	Ref \$	Ref &	Ref &	Ref \$	Ref &	Ref &	Ref \$	Ref &	Ref &
7	Has the policy been formally communicated to all relevant internal and external stakeholders?	Y	Y	Y	Y	Y	Y	Y	Y	Y
8	Does the Company have in-house structure to implement the policy / policies?	Y	Y	Y	Y	Y	Y	Y	Y	Y
9	Does the Company have a grievance redressal mechanism related to the policy / policies to address stakeholders' grievances related to the policy / policies?	Y	Y	Y	Y	Y	Y	Y	Y	Y
10	Has the Company carried out independent audit / evaluation of the working of this policy by an internal or external agency?	Y	Y	Y	Y	Y	Y	Y	Y	Y

\$: <https://www.mahanagargas.com/investors/Policies.aspx>

&: Policy is available on the Company's intranet portal, which is accessible to all employees.

(b) If answer to the question at serial number 1 against any principle, is 'No', please explain why: (Tick up to 2 options)

Sr. No.	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
1	The company has not understood the Principles	Not Applicable								
2	The company is not at a stage where it finds itself in a position to formulate and implement the policies on specified principles									
3	The company does not have financial or manpower resources available for the task									
4	It is planned to be done within next 6 months									
5	It is planned to be done within the next 1 year									
6	Any other reason (please specify)									

3. Governance related to BR:

- (a) Indicate the frequency with which the Board of Directors, Committee of the Board or CEO assess the BR performance of the Company. Within 3 months, 3-6 months, Annually, More than 1 year.

MGL is committed to remain a strong and sustainable organization. Managing Director and Senior Management Personnel monitored the BR performance of the company on an ongoing basis and the Board of Directors and other Committees of the Board get an opportunity to review during their respective meetings.

- (b) Does the Company publish a BR or a Sustainability Report? What is the hyperlink for viewing this report? How frequently it is published?

The Company's Equity Shares got listed on Stock Exchanges (BSE and NSE) on July 01, 2016 and as mandated by SEBI, the Company released its first Business Responsibility Report for the Financial Year 2016-17. The Business Responsibility Report for the Financial Year 2019-2020 forms part of this Annual Report. The same is available on the website of the Company and can be accessed at <https://www.mahanagargas.com/investors/annual-reports.aspx>.

Section E: Principle-wise Performance

Principle 1: Businesses should conduct and govern themselves with Ethics, Transparency and Accountability.

1. Does the policy relating to ethics, bribery and corruption cover only the Company? Does it extend to the Group / Joint Ventures / Suppliers / Contractors / NGOs / Others?

The Company has adopted a Code of Conduct for Board Members and Senior Management as per applicable regulatory standards. A culture of integrity and ethics is promoted throughout the Company. Annual affirmation for compliance of the Code of Conduct is obtained from each of the Board Members and Senior Management. A separate Code of Conduct for all employees has been formulated. The values and the commitment to ethical business practices are also binding to all Suppliers, Contractors, and other external agencies dealing with the Company. MGL does not have any Joint Venture, Subsidiary or Associate Company. We have a robust and effective Whistle Blower Policy which aims to deter and detect actual or suspected misconduct. Under this policy, employees can forward their concerns under Whistle Blower Policy in writing directly addressed to the Chairman, Audit Committee. The Company also has in place a Vigilance Mechanism policy and the same may be accessed on the website of the Company at <https://www.mahanagargas.com/investors/Policies.aspx>

2. How many stakeholder complaints have been received in the past financial year and what percentage was satisfactorily resolved by the management?

Stakeholders	Complaints Received during FY 2019-20	Complaints Resolved during FY 2019-2020	Complaints Resolved (%)
Investor's Complaints	3	3	100%
Vendor/Contractor's Complaints	Nil	NA	NA
Employees	Nil	NA	NA
Public (received through CPGRAM)	100	101*	101%

*3 complaints received in FY 18-19 were closed in FY 19-20.

Principle 2: Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle.

1. List up to three of your products or services whose designs have incorporated social or environmental concerns, risks and/ or opportunities.

Supply and Distribution of Natural Gas.

2. For each such product, provide the following details in respect of resource use (energy, water, raw material etc.) per unit of product (optional) : Reduction during sourcing / production / distribution achieved since the previous year throughout the value chain?

- (a) Reduction during usage by consumers (energy, water) has been achieved since the previous year.

MGL is supplying Natural Gas, which is a cleaner fuel thereby leading to a transition to the low carbon growth. MGL always encourages the community to use

PNG and CNG over conventional energy resources which generate higher emissions. Use of CNG today in MGL's supply areas is reducing vehicular emissions / pollutants by about 1600 tons per day, making a significant improvement in the environment. As Natural Gas is a relatively benign fossil fuel, this has led to reduction of emissions at customers end.

MGL has augmented Solar Power Plant capacity at City Gate Station, Talaja by 30 KW which has reduced conventional energy consumption. Installation of Natural Gas fueled Microturbine of 65 KW is completed at MGL office exhaust heat from which is utilized for centralized Air Conditioning system of office. This is a green initiative leading to reduction in the power taken from the grid.

3. Does the company have procedures in place for sustainable sourcing (including transportation)? If yes, what percentage of your inputs was sourced sustainably? Also, provide details thereof, in about 50 words or so.

The Ministry of Petroleum and Natural Gas (MoPNG) allocates domestically produced Natural Gas, an environmentally benign fuel, for the entire requirement of CNG and domestic PNG on top most priority. As per the MoPNG Guidelines, the Company has access to cost effective domestic Natural Gas equal to 110% of our past period CNG and domestic PNG sales.

For our industrial and commercial PNG consumers, the Company sources Regasified Liquefied Natural Gas (RLNG), again a clean fuel from a number of sources. The Company has entered into framework agreements for supply of RLNG with suppliers to source RLNG in a competitive manner and address the daily and seasonal fluctuations in gas demand.

4. Has the company taken any steps to procure goods and services from local & small producers, including communities surrounding their place of work? If yes, what steps have been taken to improve their capacity and capability of local and small vendors?

The Company sources Natural Gas from GAIL and other suppliers as mentioned above. We follow a transparent least cost tendering approach for procurement. MGL selects its vendors based on carefully designed evaluation criteria for all goods and services to be procured. In this procurement process, an equal opportunity is given to the local established vendors as well as to any other small vendors, and as applicable they are invited for the tendering process. The Company has a detailed Contract and Procurement manual and the contracts are made as per the rules and criteria laid down in the manual. For MSME vendors and service providers MGL gives exemption for

tender fee and EMD which increases participation of such vendors and service providers in our tenders.

5. Does the company have a mechanism to recycle products and waste? If yes what is the percentage of recycling of products and waste (separately as <5%, 5-10%, >10%). Also, provide details thereof, in about 50 words or so.

The nature of business being supply and distribution of Natural Gas, our operations consume minimal raw material and resources and generate minimal waste. The Company has a documented procedure for generation, handling, storage and disposal of various types of hazardous wastes as per the consent to operate, granted to City Gate Stations at Sion, Mahape, Ambarnath and Talaja by Maharashtra Pollution Control Board. Assets like laptops, printers and storages are given back under buyback to the vendors (desktops / laptops to employees at times), who supplies new assets. HP original cartridges are given back to HP under their HP Planet Partner MVC benefits which ensure recycling of these cartridges. Additionally, we have also been certified by HP for e-Waste management.

Principle 3: Businesses should promote employee well-being

1. Please indicate the total number of employees.

493 permanent employees (as on March 31, 2020).

2. Please indicate the total number of employees hired on temporary / contractual / casual basis.

The total numbers of employees hired on temporary / contractual / casual basis: 1482 (as on March 31, 2020).

3. Please indicate the number of permanent women employees.

Number of permanent women employees is 48 (as on March 31, 2020).

4. Please indicate the number of permanent employees with disabilities.

Number of permanent employees with disabilities is Nil.

5. Do you have an employee association that is recognized by management?

Yes, Company has one recognized employee association i.e. Petroleum Employee Union.

6. What percentage of your permanent employees is members of this recognized employee association?

19.06% of permanent employees are members of the recognized employee association (as on March 31, 2020).

7. Please indicate the number of complaints relating to child labour, forced labour, involuntary labour, sexual harassment in the last financial year and pending, as on the end of the financial year.

Sr. No.	Category	No of complaints filed during the financial year	No of complaints pending as on end of the financial year
1	Child labour / forced labour / involuntary labour	Nil	Nil
2	Sexual harassment	Nil	Nil
3	Discriminatory employment	Nil	Nil

8. What percentage of your under mentioned employees were given safety & skill up- gradation training in the last year?

Category	Safety (No. of employees)	Skill Upgradation (No. of employees)
Permanent Employees	737	459
Permanent Women Employees	39	43
Casual / Temporary / Contractual Employees [#]	21,140	NA
Employees with Disabilities	NA	NA

[#]MGL has conducted the "Safety and Technical Competency Training" for 21,140 (Twenty One Thousand One Hundred and Forty) personnel during the year 2019-20. The training has been imparted to various types of manpower including Site Supervisors, Project Managers, Technicians, Labourers, Helpers, Site Engineers, Safety Officers electricians, carpenters, plumbers etc. deployed by contractors for MGL work.

Principle 4: Businesses should respect the interests of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalised.

1. Has the company mapped its internal and external stakeholders? Yes/No

Yes, the Company has mapped its various key internal and external stakeholders which include investors, customers, potential customers, employees, suppliers, vendors, Government bodies, media, civil society, facilitators, Regulating Authorities, communities and public at large and employs various mechanisms and practices for engaging with them for fruitful dialogue and continued relationship. MGL regularly engages with its community stakeholder group, including those falling under disadvantaged, vulnerable and marginalized category in our areas of operations in Mumbai, Thane urban, the adjoining municipalities and the Raigad district to understand and respond to community needs in an effective manner. The Company organizes various interactive sessions with its suppliers, vendors and customers for their feedback and to offer better services. The Company has also registered an active presence in social media for interaction with external stakeholders. The Company also publishes Newsletters on monthly and quarterly basis for communication with internal stakeholders.

2. Out of the above, has the Company identified the disadvantaged, vulnerable and marginalized Stakeholders?

The Company has mapped disadvantaged, vulnerable and marginalized stakeholders, and is actively working with them towards inclusive growth. At MGL we understand that our growth and future is intrinsically linked with the well-being of communities around the areas we operate. MGL had broadly identified the following as disadvantaged, vulnerable and marginalized stakeholders: -

Slum Communities, Unemployed and underemployed youths, Migrant Labours, Daily Wage Earners, Tribals, Rural Communities, Alternately abled, etc. especially women, adolescent and youths within these broad categories.

MGL partners with various non-government and government agencies for detailed mapping of disadvantaged, vulnerable and marginalized stakeholders.

3. Are there any special initiatives undertaken by the Company to engage with the disadvantaged, vulnerable and marginalised stakeholders? If so, provide details thereof, in about 50 words or so.

At MGL, we have catalyzed reforms and identified role of 3 E's in shaping the community around. MGL through its community outreach programs and initiatives continues to contribute and focus on Education (through our initiative Vidya), Environment (through our initiative Hariyali), Empowerment (through our initiatives Saksham and Hunar), Health (through our initiative Aarogya), Slum Development

(through our initiative Disha) and Rural Development (through our initiative Vikas) thereby fostering the philosophy of taking care of the community for a sustainable tomorrow. These projects are being implemented in partnerships with various government and non-government agencies.

Being a responsible corporate MGL proactively responds to any emergency needs of the society through our implementing partners.

Principle 5: Businesses should respect and promote human rights.

1. Does the policy of the Company on human rights cover only the Company or extend to the Group / Joint Ventures / Suppliers / Contractors / NGOs / Others?

There is no dedicated human right policy. However, the Company ensures protection of the human rights at all levels. The Company had formed an Internal Complaints Committee in compliance with the requirements of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. The members of this committee include representatives from the Company and external experts / NGO. MGL does not have any Group / Joint Ventures / Subsidiary / Associate Companies.

2. How many stakeholder complaints have been received in the past financial year and what percent was satisfactorily resolved by the management?

There were no grievances or complaints from any of the stakeholders of the Company with respect to the human rights during the past financial year.

Principle 6: Businesses should respect, protect, and make efforts to restore the environment.

1. Do the policies related to Principle 6 cover only the Company or extends to the Group / Joint Ventures / Suppliers / Contractors / NGOs / Others?

As a responsible organization, we are committed to take necessary steps for protection of the environment. MGL believes that outstanding business performance requires outstanding HSE performance by way of protecting the health and safety of our people, those affected by our operations, our physical assets, our reputation and the environment. MGL is accredited to ISO 14001:2015 pertinent to Environment Management System for all its city gate stations i.e. at Sion, Mahape, Ambernath and Talaja. Regular audits are undertaken at par with international requirements by independent certification agencies. Environmental policies and procedures to protect environment are in place.

MGL does not have any Group / Joint Ventures / Subsidiary / Associate Companies.

MGL is committed to the Health and Safety of all its employees, the employees of our contractors and other stakeholders who may be affected by the Company's operations. The Company considers its contractors as business partners and expects them to adhere to Company's HSE standards. Coaching and assistance is provided to the business partners as and when required.

2. Does the company have strategies / initiatives to address global environmental issues such as climate change, global warming, etc.? Y/N. If yes, please give hyperlink for webpage etc.

MGL understands its role and responsibility of mitigating the adverse effects of climate change and is committed to environmental protection. The Company is in the business of distribution of Natural Gas which is cleaner in comparison with other fossil fuels. The objectives and goals of the Company include its contribution towards reduction of pollution in GA1, GA2 and GA3 areas by expanding its operation and bringing Natural Gas to more customers for use as fuel in domestic, commercial, industrial sectors as well as in transport.

In order to address the environmental issues, MGL under its CSR initiative, has installed 100 nos. of solar power operated street lights in GA3 area. The Company, as a part of contribution to energy conservation, has installed Solar Power Systems at Mahape Admin office and CGS offices situated at Wadala, Mahape, Ambernath and Talaja, which are successfully catering to the electrical lighting load of the office buildings.

Similarly, such Solar Power Systems are installed at MGL offices at Thane and NMMT, Turbhe. MGL along with MPCB officials, conducts interactive sessions with industries who are using coal and FO/LDO to switchover to Natural Gas to reduce environmental pollution.

3. Does the Company identify and assess potential environmental risks? Y/N

Yes, the Company identifies and assesses potential environmental risks. MGL has identified all environmental risk aspects within the defined scope of the Environmental Management System i.e. at CGS - Sion, Ambernath, Mahape and Talaja for its activities, products and services that it can control and those that it can influence, and their associated impacts, considering the entire life cycle perspective. These environmental risks are addressed by appropriate scenarios in the Emergency Response Plan of the Company.

4. Does the Company have any project related to Clean Development Mechanism? If so, provide details thereof, in about 50 words or so. Also, if yes, whether any environmental compliance report is filed?

No, the Company does not have any project related to Clean Development Mechanism. The environment is both a brand image as well as a core area of focus for MGL. In addition to the process and procedures that the Company has in place, to meet the requirements of ISO- 14001:2015 accreditation, every year the Company celebrates World Environment Day wherein the employees rededicate themselves to protect the environment and promote the benefits of Natural Gas to improve the environment through public awareness campaigns. The Company distributed more than 500 saplings during the FY 2019-2020 amongst its employees and staff and also organized a Health, Safety and Environment Exhibition to enhance awareness about advanced environmental technologies for its employees, staff, business partners and neighboring industries. More than 140 nos. of personnel visited the exhibition. A lecture cum workshop was organized through a renowned consultant in the field of environment on the topic of rain water harvesting.

This year, Company also celebrated Oil and Gas Conservation Month (Saksham 2020) by organizing 5 km Cycle Rally 2020 in Thane and Navi Mumbai on 2nd February 2020. This was aligned to the initiatives of Petroleum Conservation Research Association (PCRA) under the aegis of Ministry of Petroleum and Natural Gas, Government of India, wherein, propagating the message of 'Cycle for Health, Environment & Conservation', PCRA organized Cycle Rallies in many cities across the country on the same day.

The 2-km walkathon was organized to inspire people to lead a healthier lifestyle, while contributing for a better environment and spreading awareness on fuel conservation by promoting the use of cycles for short distances.

5. Has the Company undertaken any other initiatives on – clean technology, energy efficiency, renewable energy, etc. Y/N. If yes, please give hyperlink for web page etc.

The Company has successfully implemented EMS standard of ISO 14001:2015. The Company has developed several online modules for various Management Systems like Online training Module, Audit Module, Action Tracking Module, Work Permit Issue Module, PPE Issue Module etc. for reducing the consumption of paper. These online modules are made

available on the Company portal at <http://122.15.117.199/mglintranet/login.aspx>. Energy Conservation Tips have been made available on the Company website www.mahanagargas.com - Health, Safety & Environment - Environment Conservation Tips for Domestic and Industrial Usage. The company has conducted an awareness session on Rainwater Harvesting Techniques thru a renowned consultant in the field of environment.

6. Are the emissions / wastes generated by the company within the permissible limits given by CPCB/SPCB for the financial year being reported?

Yes, the emissions / wastes generated by the Company for the Financial Year 2019-2020 are within the regulatory defined limits stipulated by Maharashtra Pollution Control Board (MPCB).

7. Number of show cause / legal notices received from CPCB/ SPCB which are pending (i.e. not resolved to satisfaction) as on end of Financial Year

As per our records during the year 2019-2020, we were not in receipt of any Show Cause / Legal Notices from CPCB / SPCB.

Principle 7: Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner.

1. Is your Company a member of any trade and chambers or association? If yes, name only those major ones that your business deals with.

Yes, MGL is Member of:

1. Natural Gas Society
2. The Employers Federation of India

2. Have you advocated/lobbied through above associations for the advancement or improvement of public good? Yes/ No; if yes specify the broad areas (drop box: Governance and Administration, Economic Reforms, Inclusive Development Policies, Energy security, Water, Food Security, Sustainable Business Principles, Others)

The Company's Senior Management puts forth our views through various forums on various ongoing issues concerning the CGD sector. They understand their responsibility while representing MGL in such associations/forums and engage in constructive dialogues and discussions and refrain from influencing public policy with vested interests.

Principle 8: Businesses should support inclusive growth and equitable development.

1. Does the Company have specified programmes / initiatives / projects in pursuit of the policy related to Principle 8? If yes, provide details thereof.

The Company has put in place a policy on Corporate Social Responsibility to guide its efforts on CSR initiatives. MGL being a responsible corporate has been contributing in social investments primarily in the areas of Education, Empowerment, Environment and Health Care. Some of the major CSR initiatives of the organization are detailed below:-

Education

- **Family Strengthening Program:-** MGL is supporting integrated development of families of 450 vulnerable children to ensure their continuing education and general wellbeing.
- **MGL Saksham:-** The initiative is being implemented in 30 schools of Mumbai and is planned as an education centric empowerment initiative for 10000 students (targeting mostly adolescent) with focus on various social, psychological and physical challenges that adolescents face. The activities revolve around remedial education and counseling of adolescent to enable them to reorient and realize their potential.
- **MGL Unnati:-** Under this CSR initiative, the Company provides for mentoring of youth from socio-economically underprivileged communities and prepares them to appear for competitive engineering entrance examination. 30 students are being provided free of cost residential training to hone up their skills and prepare for engineering and medical entrance examination.
- **Drinking Water Facility:-** MGL has supported installation of drinking water facilities in various schools and other public places.
- **MGL Vidya:-** MGL Vidya is an intervention designed to enhance the educational outcomes through remedial education. The initiatives implemented by MGL in slums of Mankhurd and Bandra benefit nearly 7000 children spread across 80 communities.
- **MGL Vidya:-** The project is being implemented in 50 villages of Pen and Uran taluka of Raigad District. The project seeks to address the learning gaps through intervention like learning camps, gram shikshakendra, community report card, support of reading material and active stakeholder engagement.

- **MGL Vidya:-** The project is for mainstreaming of 1500 out of school children and entails grooming of identified out of school children through step – up methodology.
- **Computer Laboratory:-** MGL had installed computer laboratories in 2 MCGM schools. Apart from the infrastructure support, MGL has also been extending support of a computer instructor in the 2 schools.
- **Desks & benches in schools:-** MGL has facilitated supply and installation of desks & benches in various schools.
- **Repair of School:-** With the objective of enhancing the infrastructure in the school, MGL has initiated repair of a school which is in dilapidated condition.

Empowerment

- **MGL Saksham (Family Strengthening Program):-** MGL is supporting integrated development of families of 450 vulnerable children to ensure their continuing education and general wellbeing. These children are amongst the most vulnerable in the identified communities.
- **MGL Saksham:-** The initiative is being implemented in 30 schools of Mumbai and is planned as an education centric empowerment initiative for 10000 students (targeting mostly adolescent) with focus on various social, psychological and physical challenges that adolescents face. The activities revolve around remedial education and counseling of adolescent to enable them to reorient and realize their potential.
- **MGL Saksham:-** Under MGL Saksham, MGL is facilitating distribution of assistive aids and appliances to 500 alternately abled individuals in Raigad District of Maharashtra.
- **MGL Saksham:-** Under MGL Saksham, MGL is extending therapeutic support to 60 individuals with multiple disability (mostly children).
- **MGL Saksham:-** Under MGL Saksham, MGL is operating balwadis, support classes, adult literacy center and vocational skills center in areas under Bhiwandi Nizampur Municipal Corporation. The beneficiaries of the project are amongst the most marginalized communities with extremely poor social indicators. The project has also enabled a number of rights realizations like enrollment in Aadhar, Ration Card, etc. Nearly 200 children and women are benefitting from the project.
- **Family Like Home Care Program (MGL Saksham):-** The family like home care program is benefitting more than 50 children who are either orphaned or abandoned. Under the initiative such children are being groomed in home like loving and caring environment to ensure normal growth trajectory.

Empowerment Through Skills Development (Hunar)

- **MGL Hunar:-** Under MGL Hunar, MGL has facilitated skills augmentation training to 30 youth in the trade of Gas Plumbing. The youth were also provided handholding support through On Job Training. The project achieved 100% placement. Based on the success of the project, MGL has scaled the project up and is reaching out to 120 youths through skills training and handholding support.
- **MGL Hunar:-** An intervention for skills augmentation of 100 women in Banking Financial Services and Insurance is being implemented by MGL.
- **Scholarships:-** 75 youth undergoing technical education in ITIs were extended financial support in the form of scholarships.

Slum Development (MGL Disha)

MGL Disha:- MGL Disha is MGL's intervention for empowerment of slum communities. The project is being implemented in various slums of Mumbai (Kurla-Ghatkopar, Sion-Koliwada, Antop Hill, Reay Road, Cotton Green, Mahim, Andheri, Bandra, Matunga, Wadala, Sewri and Dockyard Road). The project seeks to benefit more than 11000 individuals with interventions like support classes, formation and strengthening of SHGs, entrepreneurship training, advance skills training, anti – tobacco campaign, health camp, awareness on environment protection, distribution of sewing machines and beauty care materials for enterprise promotion and financial literacy.

Environment (MGL Hariyali)

- **Solar Street Lights:-** MGL has facilitated installation of 100 solar operated street lights in Panvel Municipal Region of Maharashtra.
- **Litter Bins:-** As a part of MGL's initiative towards Swatch Bharat", MGL has installed 200 litter bins in Panvel and Karjat Municipal Region of Maharashtra.

Health (MGL Aarogya)

- MGL has initiated community-based drinking water project in 5 tribal hamlets of Karjat Taluka of Raigad District. Under the initiative water from foothills is pumped into a community tank created under the project. The water is filtered and is then dispensed through various dispensing outlets installed around the village. This ensures access to safe drinking water to the villagers at their doorsteps.
- **Up-gradation of Hospital and Day Care Centre:-** MGL has extended financial support to Venus Cultural

Association for upgradation of facilities in Day Care Centre. The centre provides free of cost dialysis to patients. MGL's support was towards purchase of Hemodialysis Machines and Dialyzer Reprocessor.

Under a similar intervention, MGL has extended support to Rama Krishna Mission Hospital, Khar for upgradation of facilities. The support has enabled upgradation of medical facilities related to Renal Unit, Ophthalmology Unit, Orthopaedic Unit, ICU, etc.

- **Balwadis:-** Balwadis for children of sex workers is an intervention of MGL to facilitate mainstream education as well as address the severe level of malnourishment amongst the children of sex workers. MGL is operating balwadis for early educational inputs to more than 400 such kids in Parbhani and Jalna Districts of Maharashtra. The intervention primarily includes provision for mid-day meal, routine health camps and play way method for early education.
- **Mid-Day Meal:-** Mid Day Meal is a strategic intervention targeting both the high dropout rates in the schools and the challenge of malnutrition that the nation faces. 25000 children in government and government aided schools are getting hot and nutritious meal with support from MGL.
- **MGL Aarogya:-** MGL Aarogya is MGL's intervention for health. More than 3000 individuals were benefitted from 50 health camps organized under the initiative.
- **Community Based Drinking Water Project:-** MGL is facilitating installation of community based, community owned and community operated water filtration plant in 3 villages of Raigad District of Maharashtra.

Rural Development Projects

- **MGL VIKAS:-** Under MGL Vikas, MGL is facilitating integrated development of 6 villages of Raigad District. The activities include support towards Infrastructure Up gradation, Individual and community level sanitation, environment protection, enhancing quality of education, awareness generation, rights realization, health, etc.

Welfare Of Armed Forces Veterans

- MGL has extended financial support for welfare of Armed Forces Veterans, War Widows and their dependent.

2. Are the programmes / projects undertaken through in-house team / own foundation / external NGO / government structures / any other organization?

To effectively manage, monitor and implement CSR initiatives of the Company and in terms of provisions of

Companies Act, 2013, the Company has constituted a Corporate Social

Responsibility Committee. Most of the programs are undertaken through external NGO's. However, MGL has a dedicated CSR department which continuously monitors the progress of CSR activities. The projects are also regularly reviewed by Senior Management including the Corporate Social Responsibility Committee and the Board of Directors. A detailed report on CSR initiatives forms part of Director's Report to the Annual Report and may be accessed on the website of the Company at <https://www.mahanagar gas.com/investors/annual-reports.aspx>

3. Have you done any impact assessment of your initiative?

The Company regularly monitors and conducts assessment of impact of the CSR initiatives undertaken on an ongoing basis, with the help of third-party agency(s). MGL's CSR team also regularly visits the project for assessment of progress and to find the efficacy of the programmes. All the partners also submit monthly and quarterly progress and financial reports, which assists us in monitoring of the interventions.

4. What is your company's direct contribution to community development projects- Amount in INR and the details of the projects undertaken.

₹ 859.49 Lakhs were spent during the financial year 2019-20. Details of some of the key projects undertaken are as under:-

Sr. No.	Initiative(s)	Amount Spent (₹ in Lakhs)
1	Health and Sanitation Initiatives including expenses towards 'Swachh Bharat Abhiyaan'	376.33
2	Education initiatives	160.40
3	Employability / Skill Enhancement interventions and Empowerment	219.91
4	Environment initiative including animal welfare	48.24
5.	Others	54.61
Total		859.49

5. Have you taken steps to ensure that this community development initiative is successfully adopted by the community? Please explain in 50 words, or so.

MGL employs Result Based Management approach towards CSR. The entire approach is process driven wherein focus is laid on need assessment at the inception. MGL focuses to invest in need-based projects.

MGL has instituted a robust framework for selection of

project. A mandatory part of the framework is visit by MGL's official to the proposed community / site to gauge the needs of the community, their enthusiasm and acceptance towards the proposed intervention. MGL has implemented various new interventions on a pilot basis (e.g. MGL Disha, MGL Hunar, etc.) and then scaled it up, based on review of the project. Further, MGL has also adopted a robust in-house monitoring strategy. Regular monitoring visits are carried out to ensure that project is implemented in lines with the expectations of the stakeholders.

Principle 9: Businesses should engage with and provide value to their customers and consumers in a responsible manner.

1. What percentage of customer complaints / consumer cases is pending, as at the end of the financial year?

The details of complaints are given in Principle 1 of this report.

2. Does the Company display product information on the product label, over and above what is mandated as per local laws? Yes / No / N.A. / Remarks (additional information).

MGL does not deal with any physical product, however, the Company displays the Natural Gas information prominently at all its CNG Stations and also on the light commercial vehicles and the heavy commercial vehicles carrying the CNG cascades from CGS to various CNG Stations. Adherence to all laws pertaining to product handling, branding, distribution is of utmost significance to the Company, and MGL ensures full compliance to these. The PNG Bill issued to consumers contains information regarding safety and other information related to PNG.

3. Is there any case filed by any stakeholder against the company regarding unfair trade practices, irresponsible advertising and/or anti-competitive behaviour during the last five years and pending as on end of financial year. If so, provide details thereof, in about 50 words or so.

As per our records we are not aware of any case which has been filed by any stakeholder against the Company regarding unfair trade practices, irresponsible advertising and/or anti-competitive behavior during the last financial year.

4. Did your company carry out any consumer survey/ consumer satisfaction trends?

We continuously interact with our stakeholders and engage with our customers across various platforms. We carry Customer Satisfaction Surveys on a yearly basis across CNG and PNG Customers by engaging a third party agency as empaneled by PNGRB.

Corporate Governance Report

1. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE:

Your Company's Corporate Governance Philosophy is based on transparency, accountability and values which form an integral part of Company's initiatives in its ongoing pursuit towards achieving excellence through safe environment, customer delight, reliable energy and stakeholder value creation. Mahanagar Gas Limited ("your Company"/ "MGL") is committed to adoption of best practices of Corporate Governance and its adherence in true spirit, at all times. MGL's governance practices reflect strong stakeholder commitment, underpinned by a great value system that is deeply ingrained in our thought process. The Corporate Governance philosophy of your Company ensures transparency in all dealings and in the functioning of the Management, Strategic Management Group and the Board and its Committees. The Corporate Governance philosophy has been further strengthened through the various stakeholders' policies, MGL's Code of Conduct and Code of Internal Procedures and Conduct for regulating, monitoring and reporting of trading by insiders.

Your Company firmly believes that, Corporate Governance is a continuing process beyond the scope of mere legislation. Accordingly, policies and processes are in place to establish, shape and maintain appropriate Governance standards and behaviors throughout the Company, consistent with this philosophy.

Your Company is committed to the highest standards of social and environmental responsibility and ethical conduct. This is good for our customers, our shareholders and our Company. The Company is of the opinion that high standards of Corporate Governance are achieved when individual Directors and the Board as a whole acts ethically and in a manner consistent with the values of the business. The Board takes appropriate steps to protect and enhance the value of the assets of MGL in the best interest of the Company and its shareholders.

Your Company is in compliance with the requirements stipulated under Chapter IV read with Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time ("Listing Regulations") with respect to Corporate Governance.

2. BOARD OF DIRECTORS:

(i) Composition and Category of Directors:

The Board of Directors along with its Committees provide leadership and guidance to the Management and direct and supervise the performance of the Company, thereby enhancing stakeholder value. Your Company has an engaged and well-informed Board with qualification and experience in diverse areas.

Apart from Board, various Committees of the Board handle specific responsibilities mentioned under the applicable laws, namely, Audit Committee, Nomination and Remuneration Committee, Stakeholders Relationship Committee, Corporate Social Responsibility Committee, Risk Management Committee and Performance Review Board Committee to empower and support the Board by accomplishing expedient resolution of varied matters.

The Board has a fiduciary relationship in ensuring that the rights of all stakeholders are protected. The Board composition is in conformity with the Listing Regulations and the Companies Act, 2013 ("the Act").

The Company's Board has an optimum combination of Executive and Non-Executive Directors including a Women Director. The Board of Directors as at the end of March 31, 2020, comprised of 7 Directors, out of which 2 were Executive Directors and 5 were Non-executive Directors which includes 4 Independent Directors. The Chairman of the Board is a Non-Executive Director and more than half of the total number of Directors comprised of Non-Executive Directors.

None of the Directors on the Board is a member of more than Ten Committees or Chairman of Five Committees (Committees being Audit Committee and Stakeholders' Relationship Committee) of the Companies in which she/he is a Director. Necessary disclosures regarding their Committee positions have been made by all the Directors.

None of the Directors holds office in more than Ten Public Companies. None of the Independent Directors of the Company serve as an Independent Director in more than Seven Listed Companies. All Directors are also in compliance with the limit on Independent Directorships of listed companies as prescribed under Regulation 17A of the Listing Regulations. The Board confirms that the Independent Directors fulfil the conditions specified in these regulations and that they are Independent of the Management.

- (ii) The names and categories of the Directors on the Board, their attendance at Board Meetings held during the year and the number of Directorships and Committee Chairmanships/Memberships held by them in other public limited companies as on March 31, 2020 are given below. Other directorships do not include directorships of private limited companies, foreign companies and companies under Section 8 of the Companies Act, 2013. For the purpose of determination of limit of the Board Committees, Chairpersonship and Membership of the Audit Committee and Stakeholders' Relationship Committee has been considered as per Regulation 26(1)(b) of the Listing Regulations.

Sr. No.	Name of the Director	Category of Director	*Other Directorships		**No. of Committee positions held in other Companies	
			Chairperson	Member	Member	Chairman
1.	Dr. Ashutosh Karnatak (Chairman) DIN: 03267102	Non- Independent Non-Executive Director	2	2	1	-
2.	Mr. Sanjib Datta (Managing Director) DIN: 07008785	Non- Independent Executive Director	-	-	-	-
3.	Mr. Deepak Sawant (Deputy Managing Director) DIN: 07339381	Non- Independent Executive Director	-	-	-	-
4.	Mr. Raj Kishore Tewari DIN: 07056080	Non-Executive Independent Director	-	1	3	3
5.	Mrs. Radhika Haribhakti DIN: 02409519	Non-Executive Independent Director	-	4	6	1
6.	Mr. Premesh Kumar Jain DIN: 02145534	Non-Executive Independent Director	-	1	3	-
7.	Mr. Syed S. Hussain DIN: 00209117	Non-Executive (Independent Director)	-	1	1	-

*Excluding Directorship held in MGL, Private Limited Companies, Foreign Companies and Section 8 Companies.

**In accordance with SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Memberships/Chairmanships of only Audit Committees and Stakeholders Relationship Committees in all Public Limited Companies have been considered.

- (iii) Name of other listed entities where Directors of the Company are Directors and the category of Directorship :

Sr. No.	Name of Director	Directorship in other listed Companies	Category of directorship in other listed entities
1.	Dr. Ashutosh Karnatak (Chairman) DIN: 03267102	GAIL (India) Limited Petronet LNG Limited	Director (Projects) Non-Executive Director
2.	Mr. Sanjib Datta (Managing Director) DIN: 07008785	-	-
3.	Mr. Deepak Sawant (Deputy Managing Director) DIN: 07339381	-	-
4.	Mr. Raj Kishore Tewari DIN: 07056080	Shipping Corporation of India Limited	Independent Director
5.	Mrs. Radhika Haribhakti DIN: 02409519	Navin Fluorine International Limited Rain Industries Limited ICRA Limited EIH Associated Hotels Limited	Independent Director Independent Director Independent Director Independent Director
6.	Mr. Premesh Kumar Jain DIN: 02145534	-	-
7.	Mr. Syed S. Hussain DIN: 00209117	-	-

- (iv) The Details of attendance of Directors at each such meeting of the Board and at the 24th Annual General Meeting of the Company held on September 09, 2019, are provided herein below:

Name of the Director	Board Meeting						AGM held on September 09, 2019
	May 09, 2019	August 08, 2019	September 09, 2019	November 11, 2019	February 07, 2020	February 26, 2020	
Mr. Bhuwan Chandra Tripathi ⁴	Y	NA	NA	NA	NA	NA	NA
Mr. Akhil Mehrotra ²	Y	NA	NA	NA	NA	NA	NA
Dr. Ashutosh ⁵ Karnatak	NA	Y	Y	Y	Y	Y	Y
Mr. Sanjib Datta	Y	Y	Y	Y	Y	Y	Y
Mr. Deepak Sawant ¹	NA	Y	Y	Y	Y	Y	Y
Mr. Arun Balakrishnan ⁶	Y	Y	NA	NA	NA	NA	N
Mr. Santosh Kumar ⁶	Y	Y	NA	NA	NA	NA	Y
Mr. Raj Kishore Tewari	Y	Y	Y	Y	Y	Y	Y
Mrs. Radhika Haribhakti	LOA	Y	Y	Y	Y	Y	Y
Mr. Premesh Kumar Jain	Y	Y	Y	Y	Y	Y	Y
Mr. Satish Gavai	LOA	NA	NA	NA	NA	NA	NA
Mr. Trivikram Arun Ramanathan ³	NA	Y	NA	NA	NA	NA	NA
Mr. Syed S. Hussain ⁷	NA	NA	Y	Y	Y	Y	NA

In the report, the abbreviations below, wherever they appear, denote the following:

Y : Present for the meeting

LOA : Leave of Absence

N : Absent for the meeting

NA : Not Applicable being not a director at the time of meeting

Note:

- 1) Mr. Deepak Sawant was Appointed as Deputy Managing Director with effect from May 09, 2019.
- 2) Mr. Akhil Mehrotra resigned from the Board as Non-Executive Director and Chairman with effect from May 09, 2019.
- 3) Mr. Trivikram Arun Ramanathan was appointed as an Additional Director with effect from May 10, 2019 and resigned from the Board with effect from August 20, 2019
- 4) Mr. Bhuwan Chandra Tripathi resigned from the position of Non-Executive Director and Chairman with effect from August 01, 2019.
- 5) Dr. Ashutosh Karnatak was appointed as Non-Executive Director and Chairman with effect from August 01, 2019.
- 6) Mr. Arun Balakrishnan and Mr. Santosh Kumar resigned from Board on account of completion of second term on September 09, 2019
- 7) Mr. Syed S. Hussain was appointed on Board as Non-Executive Independent Director with effect from September 09, 2019.

(v) Board Procedure:

Your Company's Board plays a role in ensuring good governance and functioning of your Company. The Board's role, functions, responsibilities and accountabilities are well defined. The annual tentative calendar of Board Meetings is circulated to the members of the Board, well in advance. The agenda is circulated well in advance to the Board members, along with comprehensive background information on the items in the agenda to enable the Board members to take informed decisions. The agenda and related information are circulated in electronic form through email and in secured electronic mode, which is accessible only to the Board members.

The Board meets at least once in every quarter to review the quarterly results and other items on the agenda and additional Meetings are held to address specific needs and business requirements of your Company. In case of business exigencies, the Board's approval is taken through circular resolutions and the same are noted at the subsequent meeting of the Board and/or Committees.

Video-conferencing facility is made available to facilitate Director(s) travelling abroad or present at other locations, in case they wish to participate in the meetings. The same is conducted in compliance with the applicable laws.

vi) Number of Board Meetings:

During the financial year 2019-2020, the Board met 6 times. The maximum time gap between any two board meetings was less than 120 days. Details of the Board Meetings held during the financial year, dates on which the meetings were held and number of Directors present are as under :

Date of Board Meeting	Board Strength	No. of Directors present
May 09, 2019	09	07
August 08, 2019	09	09
September 09, 2019	06	06
November 11, 2019	07	07
February 07, 2020	07	07
February 26, 2020	07	07

(vii) Chart/Matrix setting out the Skills / Expertise / Competencies of the Board of Directors:

The following is the list of core skills / expertise / competencies identified by the Board of Directors as

required in the context of the Company's business and that the said skills are available with the Board Members.

- Knowledge on Company's businesses (City Gas Distribution), policies and culture (including the Mission, Vision and Values) major risks / threats and potential opportunities and knowledge of the industry in which the Company operates
- Behavioral skills - attributes and competencies to use their knowledge and skills to contribute effectively to the growth of the Company
- Business Strategy
- Decision Making
- Financial and Management skills
- Technical / Professional skills and specialized knowledge in relation to Company's business

The skills / expertise of each Director are given as hereunder:-

Sr. No.	Name of Director	Designation	Nature of expertise in specific functional area
1.	Dr. Ashutosh Karnatak	Chairman	Hydrocarbon sector, Project Management, Oil & Gas
2.	Mr. Sanjib Datta	Managing Director	Business Development, Marketing, Project Development and Construction as well as Operation & Maintenance of Pipelines and LNG Terminal
3.	Mr. Deepak Sawant	Deputy Managing Director	City Gas Distribution, exploration and production of Natural Gas
4.	Mr. Raj Kishore Tewari	Independent Director	(IRS) Direct Taxes Administration
5.	Mr. Premesh Kumar Jain	Independent Director	Financial Management
6.	Mrs. Radhika Haribhakti	Independent Director	Commercial and Investment Banking
7.	Mr. Syed S. Hussain	Independent Director	(IRS, IAS) Public Health, Revenue, Forest and Rural Development, General Administration (Rural and Urban)

(viii) Relationship between the Directors :

There is no relationship amongst any of the Directors of the Company.

(ix) Shareholding of Non-Executive Directors :

None of the Non-Executive Directors holds any equity shares in the Company.

(x) Independent Directors:

The Independent Directors of the Company have been appointed in terms of the requirements of the Act, the Listing Regulations and formal letters of appointment have

been issued to the Independent Directors and the terms and conditions of their appointment are disclosed on the Company's website at www.mahanagargas.com. During the financial year under review, Mr. Arun Balakrishnan and Mr. Santosh Kumar completed their second term as Independent Director on September 09, 2019 consequent to which they ceased to become Independent Directors on the Board of the Company.

(xi) Confirmation on the Independence of Directors:

The Board confirms that all the Independent Directors on the Board fulfill the conditions specified in listing regulations and that they are Independent of the Management.

(xii) Separate meeting of Independent Directors:

During the financial year 2019-2020, a separate meeting of Independent Directors of the Company without the presence of the Executive Directors & the Management representatives was held on February 07, 2020, as required under Schedule IV to the Act (Code for Independent Directors) and Regulation 25 (3) of the Listing Regulations. At the said meeting, the Independent Directors:

- (a) reviewed the performance of Non-Independent Directors and the Board of Directors as a whole;
- (b) reviewed the performance of the Chairperson of the Company, taking into account the views of Executive Directors and Non-Executive Directors;

It assessed the quality, quantity and timeliness of flow of information between the Management of the listed entity and the Board of Directors that is necessary for the Board of Directors to effectively and reasonably perform their duties.

All the Independent Directors of the Company attended the meeting of Independent Directors held on February 07, 2020. The Independent Directors expressed their satisfaction on effective functioning of the Board in maintaining qualitative governance of the organization.

(xiii) Familiarization Programme for Independent Directors:

The Company familiarizes its Independent Directors with their roles, rights, responsibilities in the Company, nature of the industry in which the Company operates, etc. through various programmes. These include orientation programme upon induction of new Director, as well as other initiatives to update the Directors on an ongoing basis.

Further, the Company also makes periodic presentations at the Board and Committee meetings on various aspects of the Company's operations including Health and Safety, Sustainability, performance updates of the Company, Industry scenario, Business Strategy, Internal Control and Risks involved and mitigation plan.

The detailed Familiarization Programme for Independent Directors is available on the website of the Company and can be accessed at https://www.mahanagargas.com/UploadAssets/UploadedFiles/_Familiarisation_Program_8edfa8520b.pdf

3. COMMITTEES OF THE BOARD:

The Committees of the Board play a vital role in the governance structure of the Company. They have been

constituted under the formal approval of the Board to carry out clearly defined roles. The Committees meet at regular intervals and take necessary steps to perform its duties entrusted by the Board. There is continuous flow of information between the Board and its Committees, as the Committees report their recommendations and opinions to the Board, which in turn supervises the execution of respective responsibilities by the Committees. The minutes of the meetings of all the Committees are placed before the Board for its review.

As on March 31, 2020, the Company has in place below mentioned committees constituted by the Board of Directors:

- a) Audit Committee;
- b) Nomination and Remuneration Committee;
- c) Stakeholders Relationship Committee;
- d) Corporate Social Responsibility Committee;
- e) Performance Review Board Committee; and
- f) Risk Management Committee.

Company Secretary & Compliance Officer acts as Secretary of all the aforesaid Committees.

A. Audit Committee:

The Audit Committee has been constituted by the Board in compliance with the requirements of Section 177 of the Act and Regulation 18 of the Listing Regulations.

Composition and attendance during the financial year:**Composition:**

The Audit Committee of the Company is constituted in accordance with the provisions of Regulation 18 of the Listing Regulations and the provisions of Section 177 of the Act. All members of the Committee are financially literate. As on March 31, 2020, Audit Committee comprises of the following Directors:

Name of the Member	Category/Designation(s)
Mr. Raj Kishore Tewari	Independent & Non-Executive Director (Chairman)
Mrs. Radhika Haribhakti	Independent & Non-Executive Director (Member)
Mr. Premesh Kumar Jain	Independent & Non-Executive Director (Member)
Mr. Syed S. Hussain	Independent & Non-Executive Director (Member)
Mr. Sanjib Datta	Managing Director (Member)

Note:

1. Mr. Akhil Mehrotra who resigned from the Board with effect from May 09, 2019 was member of the Audit Committee.
2. Mr. Trivikram Arun Ramanathan who resigned from the Board with effect from August 20, 2019 was member of the Audit Committee.
3. Mr. Arun Balakrishnan and Mr. Santosh Kumar who resigned from the Board on completion of their Second Term with effect from September 09, 2019 were members of the Audit Committee
4. Mr. Syed S. Hussain was appointed as member of the Audit Committee with effect from September 09, 2019.

Number of meetings held and attendance records:

The Audit Committee of the Company met 4 times during the financial year 2019- 2020 and the gap between any two meetings did not exceed 120 days. The details of meetings attended by its members during the financial year ended March 31, 2020 are as under:

Name of the Member	Audit Committee Meeting			
	May 09, 2019	August 08, 2019	November 11, 2019	February 07, 2020
Mr. Raj Kishore Tewari	Y	Y	Y	Y
Mr. Akhil Mehrotra	Y	NA	NA	NA
Mr. Arun Balakrishnan	Y	Y	NA	NA
Mr. Santosh Kumar	Y	Y	NA	NA
Mrs. Radhika Haribhakti	LOA	Y	LOA	Y
Mr. Premesh Kumar Jain	Y	Y	Y	Y
Mr. Trivikram Arun Ramanathan	NA	Y	NA	NA
Mr. Sanjib Datta	Y	Y	Y	Y
Mr. Syed S. Hussain	NA	NA	Y	Y

The Audit Committee meetings are usually attended by the Deputy Managing Director and CFO as the permanent invitees, and the respective departmental heads, as required. The Company Secretary acts as the Secretary of the Audit Committee. The Statutory Auditors and Internal Auditors also attend the Audit Committee meetings by invitation for their respective agenda items.

All the recommendations of the Audit Committee have been accepted by the Board of Directors. The Chairman of the Audit Committee was present at the Annual General Meeting of the Company held on September 09, 2019.

Role and Terms of Reference of Audit Committee:

The role of the audit committee shall include the following:

1. Oversight of the company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
2. Review and recommend for approval to the Board - proposals on Borrowings and proposals on non-fund based facilities from banks;
3. Review and recommend for approval to the Board - Business plan;
4. Review and recommend for approval to the Board - capital expenditure proposals exceeding authority limit of SMG but not exceeding ₹ 50.0 Crores;
5. Review and recommend for approval to the Board - treasury policies of MGL;
6. Review and recommend for approval to the Board - Corporate Annual Budget and Revised Estimates;
7. To review PNG and CNG Pricing Policy at least on a quarterly basis and to recommend to the Board for approval, changes required in it, if any;
8. Recommending to the Board, the appointment, re-appointment, terms of appointment and, if required, the replacement or removal of the internal auditor, cost auditor and statutory auditors and the fixation of audit fees and remuneration;
9. Approval of payment to statutory internal and cost auditors for any other services rendered by them, as applicable;
10. Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the Board for approval, with particular reference to:

- (a) Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub section 3 of section 134 of the Companies Act, 2013;
- (b) Changes, if any, in accounting policies and practices and reasons for the same;
- (c) Major accounting entries involving estimates based on the exercise of judgment by Management;
- (d) Significant adjustments made in the financial statements arising out of audit findings;
- (e) Compliance with listing and other legal requirements relating to financial statements;
- (f) Disclosure of any related party transactions;
- (g) Modified opinion(s) in the draft audit report.
- (h) The going-concern assumption;
- (i) Compliance with accounting standards;
- (j) Contingent liabilities; and
- (k) Claims against the Company and their effect on the financial statements; the term "financial statement" shall have the meaning ascribed to such term under Section 2(40) of the Companies Act, 2013.
11. Reviewing, with the Management, the quarterly and annual financial statements and such other periodical statements before submission to the Board for approval;
 12. Reviewing, with the Management, the statement of uses/application of funds raised through an issue (public issue, rights issue, preferential issue etc.), the statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice and the report submitted by the monitoring agency, monitoring the utilization of proceeds of a public or rights issue and making appropriate recommendations to the Board to take up steps in the matter;
 13. Review and monitor the auditor's independence and performance, and effectiveness of audit process;
 14. Examination of the financial statement and the auditor's report thereon;
 15. Approval or any subsequent modification of transactions of the Company with related parties, provided that the Audit Committee may make omnibus approval for related party transactions proposed to be entered into by the Company subject to such conditions as may be prescribed;
 16. Lay down the criteria for granting omnibus approval in line with the Company's policy on related party transactions and such approval shall be applicable in respect of transactions which are repetitive in nature;
 17. The Audit Committee to satisfy itself regarding the need for omnibus approval and that such approval is in the interest of the Company;
 18. Scrutiny of inter-corporate loans and investments;
 19. Valuation of undertakings or assets of the Company, wherever it is necessary;
 20. Evaluation of internal financial controls and risk management systems;
 21. Reviewing, with the Management, performance of statutory, cost and internal auditors, adequacy of the internal control systems;
 22. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
 23. Discussion with internal auditors of any significant findings and follow up there on;
 24. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;
 25. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussions to ascertain any area of concern;
 26. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
 27. To formulate the scope, functioning, periodicity and methodology for conducting the internal audit in consultation with the internal auditors;
 28. Approval of appointment of CFO (i.e. the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate;
 29. To review the functioning of the whistle blower mechanism;
 30. Reviewing the utilization of loans and/or advances from/investment by the holding company in the subsidiary exceeding rupees 100 crore or 10% of the asset size of

the subsidiary, whichever is lower including existing loans / advances / investments existing as on the date of coming into force of this provision ;

- Carrying out any other function as is mentioned in the terms of reference of the Audit Committee as per the Companies Act, 2013, Rules framed there under, and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and other applicable Rules and Regulations.

B. Nomination and Remuneration Committee (“NRC”):

The Nomination and Remuneration Committee has been constituted by the Board in compliance with the requirements of Section 178 of the Act and Regulation 19 of the Listing Regulations. Mr. Arun Balakrishnan was the Chairman of the Nomination and Remuneration Committee upto September 09, 2019. Mr. Premesh Kumar Jain was appointed as Chairman of the Nomination and Remuneration Committee w.e.f. September 09, 2019 and was also present at the 24th Annual General Meeting of the Company.

Composition and attendance during the financial year 2019-2020:

Composition:

As on March 31, 2020, Nomination and Remuneration Committee comprises of following Directors:

Name of the Member	Category/Designation(s)
Mr. Premesh Kumar Jain	Independent & Non-Executive Director (Chairman)
Dr. Ashutosh Karnatak	Non Independent & Non-Executive Director (Member)
Mrs. Radhika Haribhakti	Independent & Non-Executive Director (Member)

Name of the Member	Category/Designation(s)
Mr. Syed S. Hussain	Independent & Non-Executive Director (Member)

Note:

- Mr. Akhil Mehrotra who resigned from the Board with effect from May 09, 2019 was member of Nomination and Remuneration Committee.
- Mr. Trivikram Arun Ramanathan was appointed as member of Nomination and Remuneration Committee with effect from May 10, 2019 and resigned with effect from August 20, 2020
- Dr. Ashutosh Karnatak was appointed as member of Nomination and Remuneration Committee with effect from August 01, 2019.
- Mr. Bhuwan Chandra Tripathi who resigned from the Board with effect from August 01, 2019 was member of Nomination and Remuneration Committee.
- Mr. Arun Balakrishnan and Mr. Santosh Kumar resigned from the Board on account of completion of their second term with effect from September 09, 2019 and consequently ceased to be member of Nomination and Remuneration Committee.
- Mr. Premesh Kumar Jain was appointed as Chairman of Nomination and Remuneration Committee with effect from September 09, 2019.
- Mrs. Radhika Haribhakti was appointed as member of Nomination and Remuneration Committee with effect from September 09, 2019.
- Mr. Syed S. Hussain was appointed as member of Nomination and Remuneration Committee with effect from September 09, 2019.

Number of meetings held and attendance records:

The Nomination and Remuneration Committee of the Company met 04 times during the financial year 2019-2020.

The details of meetings attended by its members during the financial year ended March 31, 2020 are given below:

Name of the Member	Nomination and Remuneration Committee Meeting			
	May 09, 2019	August 08, 2019	November 11, 2019	February 07, 2020
Mr. Arun Balakrishnan	Y	Y	NA	NA
Mr. Akhil Mehrotra	Y	NA	NA	NA
Mr. Santosh Kumar	Y	Y	NA	NA
Mr. Bhuwan Chandra Tripathi	Y	NA	NA	NA
Dr. Ashutosh Karnatak	NA	Y	Y	Y

The details of meetings attended by its members during the financial year ended March 31, 2020 are given below:(Contd..)

Name of the Member	Nomination and Remuneration Committee Meeting			
	May 09, 2019	August 08, 2019	November 11, 2019	February 07, 2020
Mr. Premesh Kumar Jain	NA	NA	Y	Y
Mrs. Radhika Haribhakti	NA	NA	LOA	Y
Mr. Trivikram Arun Ramanathan	NA	Y	NA	NA
Mr. Syed S. Hussain	NA	NA	Y	Y

Terms of Reference of the Nomination and Remuneration Committee:

The role of the Nomination and Remuneration Committee shall inter-alia include:

- 1) Formulation of the criteria for determining qualifications, positive attributes and independence of a Director and recommend to the Board a policy, relating to the remuneration of the Directors, key managerial personnel and other employees;
- 2) The Nomination and Remuneration Committee would be reviewing the Terms and Conditions of services including remuneration in respect of Managing Director and Deputy Managing Director and submit their recommendations to the Board;
- 3) Formulation of criteria for evaluation of performance of Independent Directors and the Board;
- 4) Devising a policy on Board diversity;
- 5) Identifying persons who are qualified to become Directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal and shall specify the manner for effective evaluation of performance of Board, its committees and individual Directors to be carried out either by the Board, by the Nomination and Remuneration Committee or by an independent external agency and review its implementation and compliance;
- 6) Determination of extension or continuation of the term of appointment of Independent Director on the basis of the report of performance evaluation of Independent Directors;
- 7) Evaluating the current composition, organization and governance of the Board and its Committees, as well as determine future requirements and make recommendations to the Board for approval;
- 8) Determine on an annual basis, desired Board qualifications, expertise and characteristics and conducting searches for potential Board Members with corresponding attributes. Evaluate and propose Nominees for election to the Board. In performing these tasks, the Committee shall have the sole authority to retain and terminate any Search Firm to be used to identify Director candidates;
- 9) Evaluate and recommend termination of membership of individual Directors in accordance with the Board's governance principles for cause or for other appropriate reasons;
- 10) To recommend to the Board regarding the appointment, promotion and removal of the Senior Management personnel at such level/s;
- 11) To recommend to the Board, all remuneration, in whatever form, payable to Senior Management;\
- 12) To review, amend, modify and approve all other Human Resources related Policies of the Company from time to time;
- 13) To review and recommend to the Board Manpower Plan / budget, sanction of new Senior Management positions from time to time in future;
- 14) To review and recommend to the Board matters relating to revision of compensation / salary and long term wage settlements;
- 15) To review with the Management, all HR related issues from time to time so as to maintain harmonious employer-employee relations;
- 16) To periodically review and re-examine the Terms of Reference and make recommendations to the Board for any proposed changes;
- 17) In performing its responsibilities, the Committee shall have authority to obtain advice, reports or opinions from internal or external counsel and expert advisors;

- 18) Ensuring proper induction program for new Directors, KMP and Senior Management and reviewing its effectiveness; ensuring that on appointment receive a formal letter of appointment in accordance with guidelines provided under the Companies Act, 2013;
- 19) Developing a Succession Plan for the Board and Senior Management and regularly reviewing the plan;
- 20) Consider and determine the Nomination and Remuneration policy, based on the performance and also bearing in mind that the remuneration is reasonable and sufficient to attract retain and motivate members of the Board and such other factors as the Committee shall deem appropriate; and
- 21) The Committee should ensure that it proactively maintains a balance between fixed and incentive pay reflecting short and long term performance objectives appropriate to the working of the Company.

a) Performance Evaluation:

Pursuant to the provisions of the Companies Act, 2013 and the applicable provisions of the Listing Regulations, the Annual Performance Evaluation was carried out for the financial year 2019 - 2020 by the Board in respect of its own performance, the Directors individually as well as the evaluation of the working of its Committees viz. Audit Committee, Nomination and Remuneration Committee, Risk Management Committee, Stakeholders' Relationship Committee and Corporate Social Responsibility Committee and Performance Review Board Committee. A structured questionnaire covering various aspects of the Board's functioning such as adequacy of the composition of the Board and its Committees, Board culture, execution and performance of specific duties, obligations and governance was prepared.

The performance evaluation of the Independent Directors and also of the Chairman of the Board and the Board as a whole was carried out by the entire Board of Directors except by the member(s) of the Board who are subject to evaluation. The Directors expressed their satisfaction with the evaluation process.

The evaluation process focused on various aspects of the functioning of the Board and its Committees, such as composition and performance of the Board and Committees, experience and competencies,

time devoted, attendance etc. The Board also carried out the evaluation of the performance of individual directors based on criteria such as contribution of the Director at the meetings, strategic perspective or inputs regarding the growth and performance of the Company etc.

b) Remuneration of Directors:

i) Criteria for making payment to Non-Executive Independent Directors:

Independent Directors are paid sitting fees for attending the meetings of the Board and of Committees of which they are Members, and Commission within regulatory limits, as approved by the Board. None of the Non-Executive Independent Directors had any pecuniary relationship or transactions with the Company during the Financial Year ended on March 31, 2020.

The Board has increased payment of sitting fees to Non-Executive Independent Director(s) from ₹40,000/- to ₹50,000/- for attending Board Meetings and from ₹32,500/- to ₹40,000/- for attending meetings of committees and sub-committees of Board, vide resolution passed on August 08, 2019.

ii) Details of Remuneration to Directors:

The aggregate Commission payable to all the Independent Directors is approved by the Board based on Company performance, profits, return to investors, shareholder value creation and any other significant qualitative parameters as may be decided by the Board. The Board approves the quantum of Commission payable to Independent Directors based upon the outcome of the evaluation process which is driven by various factors including attendance and time spent in the Board and Committee meetings, individual contributions at the meetings and contributions made by Directors other than in meetings at a rate not exceeding 1% of net profits of the Company as approved by the shareholders.

iii) The details of sitting fees for the FY 2019-2020 paid during the year to the Non-Executive Independent Directors are mentioned below:

Sr. No.	Name of the Director	Number of Meetings Attended								Total Amount Paid (Amount in Lakhs)
		Board	Audit Committee	Nomination and Remuneration Committee	Corporate Social Responsibility Committee	Stakeholders Relationship Committee	Independent Directors Meeting	Performance Review Board Committee	Risk Management Committee	
	Total Meetings	6	4	4	3	1	1	4	3	-
1	Mr. Arun Balakrishnan	2	2	2	NA	NA	NA	NA	1	2.675
2	Mr. Santosh Kumar	2	2	2	NA	NA	NA	2	NA	3.075
3	Mr. Raj Kishore Tewari	6	4	NA	3	1	1	2	NA	7.15
4	Mrs. Radhika Haribhakti	5	2	1	3	NA	1	2	2	6.825
5	Mr. Premesh Kumar Jain	6	4	2	NA	1	1	NA	3	7.15
6	Mr. Syed S. Hussain	3	2	2	3	NA	1	2	2	5.90
	Total									32.75

iv) The details of Commission for the FY 2018-2019 paid during the year 2019-2020 to the Independent Directors are mentioned below: (₹ in Lakhs)

Sr. No.	Name of the Director	Number of Board meetings attended	Amount Paid	Chairmanship held for Committee meeting										Total Amount Paid	
				Audit	Amount Paid	NRC	Amount Paid	CSR	Amount Paid	PRBC	Amount Paid	SRC	Amount Paid		
1	Mr. Arun Balakrishnan	8	4.00	-	-	8	0.8	-	-	-	-	-	-	-	4.80
2	Mr. Santosh Kumar	7	4.00	-	-	-	-	-	-	3	0.3	-	-	-	4.30
3	Mr. Raj Kishore Tewari	8	4.00	5	0.5	-	-	-	-	-	-	1	0.1	4.60	
4	Mrs. Radhika Haribhakti	6	3.00	-	-	-	-	4	0.40	-	-	-	-	3.40	
5	Mr. Premesh Kumar Jain	8	4.00	-	-	-	-	-	-	-	-	-	-	4.00	
	Total		19.00	-	0.5	-	0.8	-	0.4	-	0.3	-	0.1	21.10	

Notes:

- Total 8 Board Meetings were held during the financial year 2018-2019.
- The above calculations have been made, as per the method detailed below:
 - If the attendance in the Board Meeting is 80% or more - No. of Meetings HELD X ₹ 50,000/-
 - If the attendance in the Board Meeting is less than 80% - No. of meetings ATTENDED X ₹ 50,000/-
- Additional payment of commission of ₹ 10,000/- is paid to the chairman for chairing Committee meetings.
- The total amount of commission payable to each Non-Executive Independent Director is subject to the maximum limit of ₹ 5 Lakhs.

The Commission to be paid to Non-Executive Independent Directors for the financial year 2019-2020 shall be approved in the financial year 2020-2021 and shall be disclosed in the Report on Corporate Governance pertaining to FY 2020-2021.

iv) Remuneration to Executive Directors:

In terms of the provision of the Act and in line with the Nomination and Remuneration Policy of the Company, the appointment and remuneration of Executive Directors i.e. Managing Director & Whole-Time Director designated is approved by the Board and Members of the Company, on recommendation of the NRC. The details of remuneration paid to Executive Directors are disclosed in the Directors' Report of the Company.

The Company does not have any stock options plan or performance linked incentive for the Directors. Chairman, Managing Director and Deputy Managing Director are nominated by GAIL (India) Limited, Promoter of the Company.

C. Stakeholders Relationship Committee (“SRC”):

The Stakeholders’ Relationship Committee has been constituted by the Board in compliance with the requirements of Section 178 (5) of the Act and Regulation 20 of the Listing Regulations in order to consider and resolve the grievances of the shareholders including the complaint/request regarding transfer/transmission of shares, non-receipt of Annual Report, non-receipt of Dividend etc. Mr. Raj Kishore Tewari, Independent (Non-Executive) Director is the Chairman of this Committee.

Composition and attendance during the financial year:

Composition:

As on March 31, 2020, Stakeholders Relationship Committee comprises of the following Directors:

Name of the Member	Category/Designation(s)
Mr. Raj Kishore Tewari	Non-Executive Independent Director (Chairman)
Mr. Premesh Kumar Jain	Non-Executive Independent Director (Member)
Mr. Sanjib Datta	Managing Director (Member)
Mr. Deepak Sawant	Deputy Managing Director (Member)

Note:

Mr. Saghan Srivastava, Company Secretary, being the Compliance Officer of the Company, is responsible for redressal of Shareholder Grievances.

Meetings and attendance:

The Stakeholders Relationship Committee met once during the financial year 2019- 2020.

The details of meeting attended by its members during the financial year ended March 31, 2020 are as under:

Name of the Member	Stakeholders Relationship Committee Meeting August 08, 2019
Mr. Raj Kishore Tewari	Y
Mr. Premesh Kumar Jain	Y
Mr. Sanjib Datta	Y
Mr. Deepak Sawant	Y

Note:

- Mr. Deepak Sawant was appointed as member of Stakeholders’ Relationship Committee with effect from May 09, 2019.

Terms of Reference of the Stakeholders’ Relationship Committee:

The Stakeholders’ Relationship Committee shall be responsible to resolve the grievances and complaints of all the security holders and shall specifically look into the various aspects of interest of shareholders, debenture holders and other security holders. The functions of the Stakeholders’ Relationship Committee include the following:

- Collecting and analysing reports received periodically from Registrar and Share Transfer Agent (RTA) on the following:
 - Requests regarding non-receipt of the Shares, Debentures, Deposit Receipt, declared Dividend or Interest;
 - Requests regarding non-receipt of the notice of Annual General Meeting, Balance Sheet and Profit & Loss Account Statement;
 - Complaints of investors routed by SEBI or Stock Exchanges and others;
 - Transfer, sub-division, consolidation, split, exchange, endorsement, transmission of share certificates, transposition of share certificates;
 - Issue of Share Certificates, Debenture Certificate, Duplicate Share or Debenture Certificate in lieu of lost/torn/mutilated /defaced certificates;
 - Request relating to dematerialisation and rematerialisation of shares;
 - Request relating to modes of paying the Dividend i.e. through Electronic clearing service, RTGS and issue of Dividend Warrant for dividend payment/ Interest etc.; and
 - Complaints related to transfer of shares, non-receipt of annual report and non- receipt of declared dividends.
- Other matters related to or arising out of shareholders / investors services including preparation and approval of periodical reports.

Details of complaint registered by shareholders during the year:

During the financial year 2019-2020, total 02 (two) complaints were registered by the shareholders and other

stakeholders with the Company Secretary. Details on the status of such complaints are mentioned below:

Complaints outstanding as on April 01, 2019	Nil
Complaints received during the year ended March 31, 2020	02
Complaints resolved during the year ended March 31, 2020	02
Complaints pending as on March 31, 2020	Nil

All the complaints received during the year were resolved to the satisfaction of the corresponding Shareholders.

D. Corporate Social Responsibility Committee (“CSR”):

The composition, powers, role and terms of reference of CSR Committee are in accordance with the requirements mandated under Section 135 of the Act.

Composition and attendance during the financial year:

Composition:

As on March 31, 2020, Corporate Social Responsibility Committee comprises the following Directors:

Name of the Member	Category/Designation(s)
Mrs. Radhika Haribhakti	Non-Executive Independent Director (Chairperson)
Mr. Raj Kishore Tewari	Non-Executive Independent Director (Member)
Mr. Syed S. Hussain	Non-Executive Independent Director (Member)
Mr. Sanjib Datta	Managing Director (Member)
Mr. Deepak Sawant	Deputy Managing Director (Member)

Note:

- Mr. Deepak Sawant was appointed as member of Corporate Social Responsibility Committee with effect from May 09, 2019.
- Mr. Syed S. Hussain was appointed as member of Corporate Social Responsibility Committee with effect from September 09, 2019.

Number of meetings held and attendance records:

The Corporate and Social Responsibility Committee met 3 times during the financial year 2019-2020.

The details of meetings attended by its members during the financial year ended March 31, 2020 are as under :

Name of the Member	CSR Committee Meeting		
	June 12, 2019	September 24, 2019	February 07, 2020
Mrs. Radhika Haribhakti	Y	Y	Y
Mr. Raj Kishore Tewari	Y	Y	Y
Mr. Sanjib Datta	Y	Y	Y
Mr. Deepak Sawant	Y	Y	Y
Mr. Syed S. Hussain	NA	Y	Y

Terms of Reference of the CSR Committee:

Following are the functions and powers of CSR Committee including those as enumerated in the Companies Act, 2013 and Rules made thereunder;

- To formulate and recommend to the Board a Corporate Social Responsibility Policy and subsequent amendments as required from time to time;
- To ensure that the Corporate Social Responsibility Policy shall include / indicate the activities to be undertaken by the Company as specified in Schedule VII of the Companies Act, 2013 and the rules made there under, from time to time excluding the activities undertaken in pursuance of its normal course of business;
- To monitor the Corporate Social Responsibility Policy by instituting a transparent monitoring mechanism for implementation of the CSR projects or programs or activities undertaken by the Company from time to time;
- To recommend the annual budget for the Corporate Social Responsibility activities of the Company in compliance with the relevant statutory provisions;
- To assist the Board to ensure that the Company spends towards the Corporate Social Responsibility activities, in every Financial Year, such percentage of average net profit/amount as may be prescribed in the Companies Act, 2013 and/or Rules made there under;
- To explain to the Board of Directors of the Company, if the Company fails to spend the prescribed amount within the financial year;
- To provide updates to the Board at regular interval of six months on the Corporate Social Responsibility activities;
- Subject to these terms of reference, the Corporate Social Responsibility Committee shall have the power to regulate its own proceedings;

9. To review and recommend the CSR Plan for the ensuing financial year to the Board of Directors;
10. To approve any project that may come during the year and which is not covered in the CSR Plan up to such amount as may be prescribed by the Board of Directors from time to time; and
11. Such other functions as may be prescribed.

E. Performance Review Board Committee (“PRBC”):

Composition and attendance during the financial year:

Composition:

As on March 31, 2020, Performance Review Board Committee comprises of the following Directors:

Name of the Member	Category/Designation(s)
Mr. Syed S. Hussain	Non-Executive Independent Director (Chairman)
Mrs. Radhika Haribhakti	Non-Executive Independent Director (Member)
Mr. Raj Kishore Tewari	Non-Executive Non Independent Director (Member)

Name of the Member	Category/Designation(s)
Mr. Sanjib Datta	Managing Director (Member)
Mr. Deepak Sawant	Deputy Managing Director (Member)

Note:

1. Mr. Akhil Mehrotra who resigned from the Board with effect from May 09, 2019 was member of Performance Review Board Committee.
2. Mr. Deepak Sawant was appointed as Member of Performance Review Board Committee with effect from May 09, 2019
3. Mr. Trivikram Arun Ramanathan was appointed as member of Performance Review Board Committee with effect from May 10, 2019 and resigned with effect from August 20, 2019.
4. Mr. Santosh Kumar who resigned from the Board on account of completion of his second term with effect from September 09, 2019 was member of Performance Review Board Committee
5. Mr. Raj Kishore Tewari was appointed as Member of Performance Review Board Committee with effect from September 09, 2019.
6. Mr. Syed S. Hussain was appointed as Chairman of Nomination and Remuneration Committee with effect from September 09, 2019.

Number of Meetings held and attendance records:

The Performance Review Board Committee met 4 times during the financial year 2019-2020.

The details of meeting attended by its members during the financial year ended March 31, 2020 are as under:

Name of the Member	PRBC Meeting			
	May 09, 2019	August 08, 2019	November 11, 2019	February 07, 2020
Mr. Santosh Kumar	Y	Y	NA	NA
Mr. Akhil Mehrotra	Y	NA	NA	NA
Mrs. Radhika Haribhakti	LOA	Y	LOA	Y
Mr. Sanjib Datta	Y	Y	Y	Y
Mr. Trivikram Arun Ramanathan	NA	Y	NA	NA
Mr. Deepak Sawant	NA	Y	Y	Y
Mr. Raj Kishore Tewari	NA	NA	Y	Y
Mr. Syed S. Hussain	NA	NA	Y	Y

Terms of Reference and Role of the Performance Review Board Committee:

The terms of reference and role of the Performance Review Board Committee in relation to the information / activity(ies) as mentioned in above para shall include the following :

- i) The Performance Review Board Committee may invite such number of the executives/officers of the Company, as it considers appropriate to be present at the meetings of the Committee, but on occasions it may also meet without the presence of any executives/officers of the Company;
- ii) Meetings of the Performance Review Board Committee shall be conducted in English and the Minutes thereof shall be recorded in writing in English;
- iii) The minutes of meetings of the Performance Review Board Committee shall be produced before the MGL Board on a regular interval;
- iv) The Performance Review Board Committee shall submit its report to the MGL Board periodically;
- v) The Committee shall review actual achievement versus budgeted targets;
- vi) The Committee shall review and note the variances, if any, in the actual versus budgeted;
- vii) The Committee shall review the comments and also ascertain or find out the reasons of variances, if any;
- viii) In case of variances or under achievement of physical targets, the Committee shall discuss the necessary remedial actions and provide advice and guidance on remedial actions;
- ix) The Committee shall review the physical performance report of the Company on regular intervals;
- x) The Committee shall review the Customer Care management activities;
- xi) The Committee shall review the Asset Integrity management on regular intervals;
- xii) The Committee shall review the Key Performance Area (KPA) of concerned departments;
- xiii) Carrying out any other functions as mentioned herewith or as the MGL Board may advice the Committee from time to time.

F. Risk Management Committee (“RMC”):

The Risk Management Committee of the Company is constituted in line with the provisions of Regulation 21 of the Listing Regulations. The Board of the Company has constituted a Risk Management Committee to frame, implement and monitor the Risk Management Plan for the Company. The Committee is responsible for reviewing the Risk Management Plan and ensuring its effectiveness. Major risks identified by the businesses and functions are systematically addressed through mitigating actions on a continuing basis:

Composition and attendance during the financial year:

Composition:

As on March 31, 2020, Risk Management Committee comprises of the following Directors:

Name of the Member	Category/Designation(s)
Mr. Premesh Kumar Jain	Non-Executive Independent Director (Chairman)
Mrs. Radhika Haribhakti	Non-Executive Independent Director (Member)
Mr. Syed S. Hussain	Non-Executive Independent Director (Member)
Mr. Sanjib Datta	Managing Director (Member)
Mr. Deepak Sawant	Deputy Managing Director (Member)

Number of meetings held and attendance records:

The Risk Management Committee met 3 times during the financial year 2019-2020.

The details of meeting attended by its members during the financial year ended March 31, 2020 are as under:

Name of the Member	Risk Management Committee Meeting		
	June 27, 2019	November 11, 2019	January 28, 2020
Mr. Premesh Kumar Jain	Y	Y	NA
Mr. Arun Balakrishnan	Y	NA	NA
Mrs. Radhika Haribhakti	NA	Y	Y
Mr. Trivikram Arun Ramanathan	Y	NA	NA
Mr. Syed S. Hussain	NA	Y	Y
Mr. Sanjib Datta	Y	Y	Y
Mr. Deepak Sawant	Y	LOA	Y

Note:

1. Mr. Deepak Sawant was appointed as Member of Risk Management Committee with effect from May 09, 2019
2. Mr. Trivikram Arun Ramanathan was appointed as member of Risk Management Committee with effect from May 10, 2019 and resigned with effect from August 20, 2019.
3. Mr. Arun Balakrishnan ceased to be member of Risk Management Committee with effect from September 09, 2019 on completion of his second term of appointment.
4. Mr. Syed S. Hussain was appointed as member of Risk Management Committee with effect from September 09, 2019.

Roles and Responsibilities of the RMC:

- i) Recommend to Board the Risk Management Policy;
- ii) Overseeing implementation of Risk Management Policy;
- iii) Monitoring of Risk Management Policy;
- iv) Monitoring and advising internal Business Risk Review Committee;
- v) Periodically reviewing and evaluating the Risk Management Policy and practices with respect to risk assessment and risk management processes;
- vi) Monitoring and reviewing the risk pertaining to cyber security;
- vii) The Committee shall make regular reports to Audit Committee and Board, including with respect to risk management and minimization procedures as per the Risk Management Policy;
- viii) The Committee may form and delegate authority to sub committees when appropriate;
- ix) Performing such other functions as may be necessary or appropriate for the performance of its oversight function; and
- x) The roles and responsibilities of the Risk Management Committee shall include such other items as may be prescribed by applicable law or the Board in compliance with applicable law, from time to time.

4. GENERAL BODY MEETINGS:

a) Annual General Meetings (“AGM”):

Details of venue, date, time and special resolutions passed in previous three Annual General Meetings of the Company, are tabled herein below:

Financial Year	Date & Time	Venue	Special Resolution(s) passed
2018-2019	September 09, 2019 at 1100 Hours	Rangsharda Auditorium, Krishna Chandra Marg, Near Lilavati Hospital, Bandra Reclamation, Bandra (West), Mumbai - 400 050	Nil
2017-2018	September 17, 2018 at 1100 Hours	IES Manik Sabhagriha, Bandra Reclamation, Bandra (West), Mumbai	1) To re-appoint Mr. Raj Kishore Tewari as an Independent Director of the Company. 2) To enhance in aggregate Foreign Investment limit for Investment by FIIs/ FPIs from 24% to 40% of paid up equity share capital.
2016-2017	September 25, 2017 at 1100 Hours	IES Manik Sabhagriha, Bandra Reclamation, Bandra (West), Mumbai	1) To re-appoint Mr. J.K. Jain as an Independent Director of the Company.

b) Extra-Ordinary General Meeting:

No Extra-Ordinary General meeting of the members was held during the financial year 2019-2020.

c) Postal Ballot:

No resolutions were passed by means of postal ballot, during the year.

5. MEANS OF COMMUNICATION:

a) Quarterly Results :

The quarterly/half yearly/annual results, alongwith the Limited Review/Auditor's Report thereon, are filed with BSE Limited and National Stock Exchange of India Limited (collectively referred to as "Stock Exchanges") at their respective electronic platforms i.e. BSE Corporate Compliance & Listing Centre and NSE Electronic Application Processing System (NEAPS), so as to enable them to display the same on their respective websites. The said results are simultaneously uploaded on the website of the Company i.e. www.mahanagargas.com for the ease of reference of the Members of the Company. The aforesaid results were also published in 'Financial Express' and 'Loksatta' (a regional daily newspapers published from Mumbai), within the stipulated timelines.

b) Annual Report: Annual Report containing inter alia, the Director's Report, the Management Discussion and Analysis, the Business Responsibility Report, the report on Corporate Governance, Audited Annual Accounts and other important information, is another channel of communication with the Shareholders.

c) Corporate Filing: Announcements, quarterly results, shareholding pattern etc. of the Company are regularly filed with the Stock Exchanges and are available on the website of BSE Limited at www.bseindia.com, National Stock Exchange of India Limited at www.nseindia.com and are also available on the website of the Company at www.mahanagargas.com.

d) Website: In compliance with Regulation 46 of the Listing Regulations, Company's website (www.mahanagargas.com) contains a separate dedicated section 'INVESTORS' which acts as the primary source of information to the shareholders and enables the Investors to take informed decision. The full Annual Report is also available on the website in a user friendly and downloadable form.

e) Official news/press releases, if any, issued from time to time, are hosted on the Company's website and also informed to Stock Exchanges.

f) The Schedule of Institutional Investors/Analysts Meetings and the presentation(s) made to the institutional investors or to the analysts are also uploaded on the website of the Company.

6. GENERAL SHAREHOLDER INFORMATION:

a) Twenty Fifth Annual General Meeting:

Day & Date : Thursday, September 24, 2020

Time : 11:00 a.m.

Venue : Meeting through Video Conferencing (VC) / Other Audio Visual Means (OAVM)

Book Closure date for Final Dividend: Friday September 18, 2020 to Thursday September 24, 2020 (both days inclusive)

As required under Regulation 36(3) of the SEBI Listing Regulations, particulars of Directors seeking appointment/re-appointment at Annual General Meeting ("AGM") are given in the Annexure to the Notice of this AGM.

b) Financial Year:

Your Company follows April-March as the Financial Year.

c) Dividend Payment:

The Board of Directors at their meeting held on February 26, 2020, declared Interim Dividend for the financial year 2019-2020 of ₹9.50/- per equity share of face value of ₹10/- each and was paid to those members whose names appeared in the Register of Members/List of Beneficial Owners as on the record date i.e. March 09, 2020.

The Board has recommended Final Dividend of ₹10.50/- and a Special Dividend of ₹ 15/- per equity share for Financial Year 2019-2020. If approved by the members, Final Dividend and Special Dividend will be paid to those members of the Company whose names would appear in the Register of Members on September 17, 2020.

d) Listing on Stock Exchanges and Stock Codes:

Your Company's Shares are listed on the following stock exchanges:

Name	Address	Stock Code
BSE Limited	Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai – 400001	539957
National Stock Exchange of India Limited	Exchange Plaza, Bandra - Kurla Complex, Bandra (East), Mumbai – 400051	MGL

e) Payment of Annual Listing/Custody Fees:

Annual Listing Fees for the financial year 2020-2021 have been paid to the both the stock exchanges.

Annual Custody Fees to National Securities Depository Limited ("NSDL") and Central Depository Services (India) Limited ("CDSL") have been paid for the financial year 2020-2021.

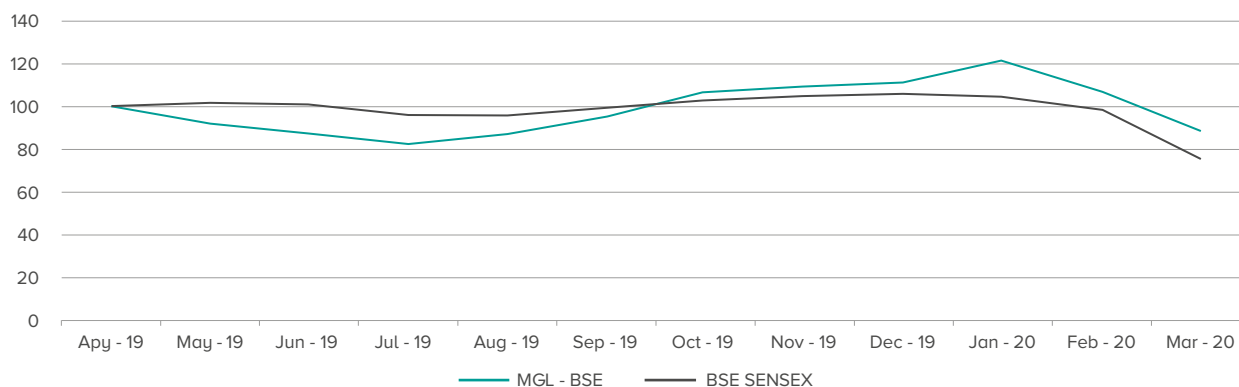
f) Market Price Data:

The market price data (High, Low based on daily closing prices) of your Company's share traded during each month in the year 2019-2020 on BSE and NSE are as under:

Month - Year	BSE		NSE	
	High Price	Low Price	High Price	Low Price
April-2019	1,053.35	946.75	1,054.15	946.10
May-2019	974.15	836.50	974.50	836.00
June-2019	905.50	815.00	906.10	814.90
July-2019	850.00	754.70	849.00	754.15
August-2019	878.35	766.80	882.10	766.05
September-2019	940.00	821.60	939.90	821.35
October-2019	1,029.90	871.70	1,029.80	870.55
November-2019	1,064.40	952.00	1,064.00	951.00
December-2019	1,089.00	1,012.80	1,089.00	1,012.85
January-2020	1,246.80	1,001.00	1,246.20	999.00
February-2020	1,240.00	995.95	1,234.40	995.00
March-2020	1,068.90	666.40	1,069.00	663.90

Performance of the share price of the Company in comparison to the BSE Sensex:

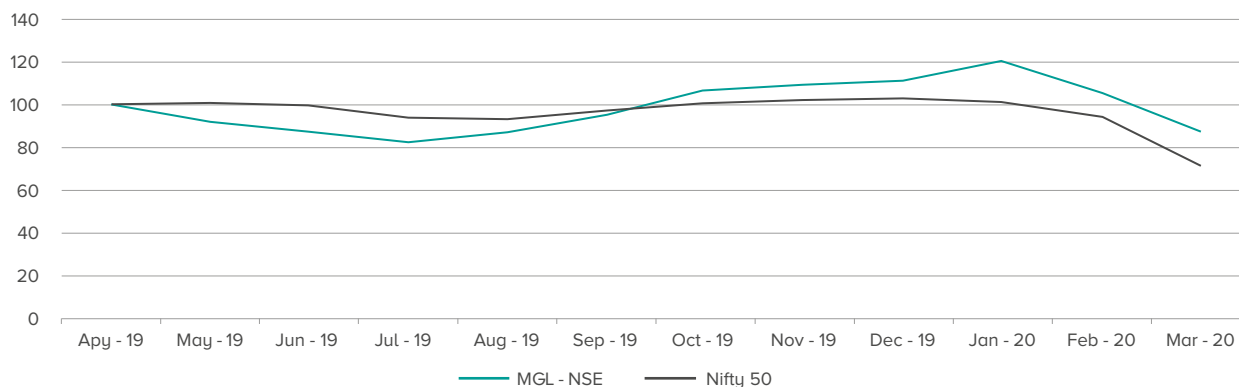
Stock Performance vis-a-vis BSE Sensex



Note: The Months are indicated on 'X Axis' and the Share price range on BSE is indicated on 'Y Axis'. The price is assumed as 100 as at the first month of the year in correlation with the Index of BSE Sensex (Index) and further calculated for every month on the basis of average change in Index.

Performance of the share price of the Company in comparison to the NIFTY:

Stock Performance vis-a-vis NIFTY 50



Note: The Months are indicated on 'X Axis' and the Share price range on NSE is indicated on 'Y Axis'. The price is assumed as 100 as at the first month of the year in correlation with the Index of Nifty 50 (Index) and further calculated for every month on the basis of average change in Index.

g) Dematerialization of Shares:

As on March 31, 2020, 99.99% of the total Equity Share Capital of the Company was held in dematerialized form with NSDL and CDSL under International Securities Identification Number ("ISIN") – INE002S01010.

SEBI vide notification dated June 08, 2018 and press release dated December 03, 2018 provided that except in case of transmission or transposition of securities, requests for effecting transfer of securities shall not be processed unless the securities are held in the dematerialized form with effect from April 01, 2019. Hence, shareholders holding physical shares are requested to dematerialize their shares before depositing transfer deed with the Company or its RTA.

Further shareholders are also requested to update their bank accounts details and email ids with their respective depository participants to enable the Company to provide better services.

For any clarification, assistance or information relating to dematerialization of shares, the Company's RTA may be contacted.

h) Share Transfer System:

Your Company has an appropriate Share Transfer system. The shares of the Company are traded in dematerialized form since share transactions are simpler and faster in electronic form. A summary of transfer, transmission, split, remat and demat of physical securities of the Company so approved by the Managing Director / Company Secretary is placed at Stakeholders' Relationship Committee Meeting.

In compliance with SEBI Circulars, the request for physical transfer of shares shall not be processed by the Company or RTA, except in case of transmission and transposition, with effect from April 01, 2019. RTA of your Company ensures compliance with all the procedural requirements with respect to transmission and transposition of shares and formalities with respect to name deletion, sub-division, consolidation, renewal, exchange and endorsement of share certificates. Further, as stipulated under Regulation 40(9) of the SEBI Listing Regulations, the RTA also obtains a half yearly certificate in that regard from Practicing Company Secretaries and the same is filed with the stock exchanges.

i) Distribution of Shareholding as on March 31, 2020:

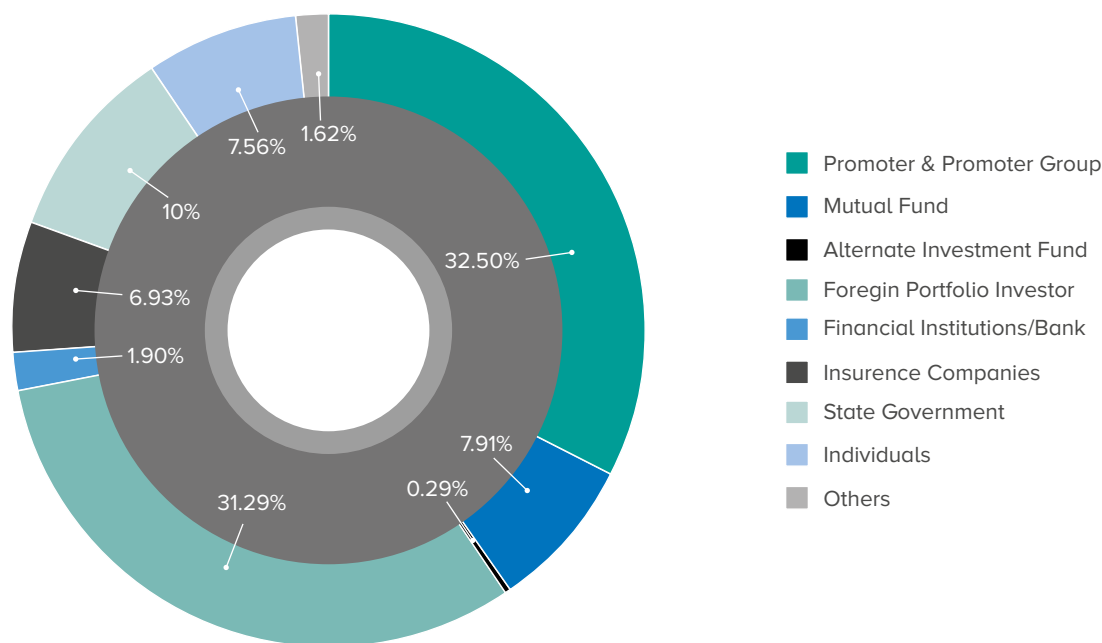
Shareholding of nominal value	Shareholders	Percentage	Nominal Value of Equity Shares	Percentage holding
1 – 1000	1,04,958	85.6793	3,14,75,520	3.1865
1001 – 2000	10,942	8.9322	1,58,29,510	1.6025
2001 – 5000	4,438	3.6228	1,43,20,620	1.4498
5001 – 10000	1,136	0.9273	82,67,800	0.8370
10001 – 20000	438	0.3575	63,03,840	0.6382
20001 – 30000	128	0.1045	31,83,020	0.3222
30001 – 40000	38	0.031	12,95,630	0.1312
40001 – 50000	50	0.0408	23,08,880	0.2337
50001 – 100000	80	0.0653	58,03,610	0.5875
100001 – *****	293	0.2392	89,89,89,350	91.0113
Total	1,22,501	100	98,77,77,780	100

j) Categories of equity shareholding as on March 31, 2020:

Sr. No.	Category of Shareholders	No. of Shareholders	No. of Equity Shares	Nominal Value of Equity Shares	Percentage Holding
1.	Promoters & Promoters Group	1	3,21,02,750	32,10,27,500	32.50
2.	Institutions				
	a) Mutual Funds	21	78,13,041	7,81,30,410	7.91
	b) Venture Capital Funds	-	-	-	-
	c) Alternate Investment Funds	3	2,90,691	29,06,910	0.29
	d) Foreign Venture Capital Investors	-	-	-	-
	e) Foreign Portfolio Investor	271	3,09,02,115	30,90,21,150	31.28
	f) Financial Institutions / Banks	5	18,71,862	1,87,18,620	1.90
	g) Insurance Companies	21	68,46,593	6,84,65,930	6.93
	h) Provident Funds/ Pension Funds	-	-	-	-

Sr. No.	Category of Shareholders	No. of Shareholders	No. of Equity Shares	Nominal Value of Equity Shares	Percent age Holding
3.	Central Government/ State Government(s)/ President of India				
	(i) Governor of Maharashtra	1	98,77,778	9,87,77,780	10.00
4.	Non-Institutions				
	a) Individuals				
	Individual shareholders holding nominal share capital upto ₹ 2 lakh.	1,12,730	73,00,848	7,30,08,480	7.39
	Individual shareholders holding nominal share capital in excess of ₹ 2 lakh	5	1,66,276	16,62,760	0.17
	b) NBFCs registered with RBI	-	-	-	-
	c) Employee Trusts	3	1,010	10,100	0.00
	d) Overseas Depositories(holding DRs) (balancing figure)	-	-	-	-
	e) Any Other (Specify)	7,210	16,04,814	1,60,48,140	1.63
	i) Trusts	10	6,216	62,160	0.01
	ii) Hindu Undivided Family	3,775	3,33,856	33,38,560	0.34
	iii) Non Resident Indians (Non Repat)	771	97,374	9,73,740	0.10
	iv) Non Resident Indians (Repat)	1,813	3,29,330	32,93,300	0.33
	v) Foreign Portfolio Investor (Individual)	1	40	400	0.00
	vi) Clearing Member	168	1,71,311	17,13,110	0.17
	vii) Bodies Corporate	672	6,66,687	66,66,870	0.68
	Total	1,20,270	98,77,778	98,77,77,780	100

k) Shareholding Pattern as on March 31, 2020:



l) Top ten equity shareholders of the Company as on March 31, 2020 :

Sr. No.	Name of the Shareholder	No. of Shares held	Percentage (%)
1	GAIL (India) Ltd	3,21,02,750	32.50
2	Governor of Maharashtra	98,77,778	10.00
3	Schroder International Selection Fund Emerging Asia	47,36,682	4.80
4	SBI Life Insurance Co. Ltd	24,38,809	2.47
5	Stichting Depository APG Emerging Markets Equity Pool	16,85,910	1.71
6	L&T Mutual Fund Trustee Limited-L&T Emerging Businesses Fund	16,43,950	1.66
7	Life Insurance Corporation Of India	15,90,784	1.61
8	Bajaj Allianz Life Insurance Company Ltd.	10,70,991	1.08
9	Fidelity Investment Trust Fidelity Series Emerging Markets Opportunities Fund	9,78,359	0.99
10	HDFC Life Insurance Company Limited	9,50,000	0.96

m) Plant Locations:

- City Gate Station, Opposite Anik Bus Depot, Sion, Mumbai - 400 022.
- City Gate Station, MIDC Mahape, Post-Koper Khairane, Navi Mumbai - 400 709.
- City Gate Station, Plot No : TAK-A, Ambernath Industrial Area, Ambernath - Badlapur Road, Village - Chikhhaloli, Tal-Ambernath, District – Thane – 421 506.
- City Gate Station, Plot No: J-93/2, Taloja MIDC Area, Taloja, District – Raigad – 410 208.

n) List of all credit ratings obtained by the entity along with any revisions thereto during the relevant financial year, for all debt instruments of such entity or any fixed deposit programme or any scheme or proposal of the listed entity involving mobilization of funds, whether in India or abroad:

- Letter dated May 31, 2019 – ₹600 Crore Line of Credit (Non-fund based limit)
 - Long-term rating ₹ 200 Crore - [ICRA]AAA (Stable) and
 - Short term rating ₹ 400 Crore [ICRA]A1+ Outlook on long term rating is stable.
- Letter dated May 31, 2019 – ₹100 Crore Long-term debt - [ICRA]AAA. The outlook on long term rating is stable.

o) Outstanding GDRs/ADRs/ Warrants or any Convertible instruments, conversions details and likely impact on equity:

The Company has not issued any GDR/ADRs in the Past and hence not applicable as on March 31, 2020. The Company

does not have any outstanding GDRs/ ADRs/ Warrants or any convertible instruments.

p) Commodities Price Risk/Foreign Exchange Risk and Hedging activities:

During the financial year under review, the Company had not undertaken any activity of Commodities Price Risk, Foreign Exchange Risk and Hedging activities.

7. DISCLOSURES:

a. Disclosure on material significant related party transactions:

All the Related party transactions (“RPTs”) entered into by your Company, during the Financial year 2019-2020 were at arm’s length and in the ordinary course of business of the Company.

All such transactions had prior approval of Audit Committee and in case of material related party transactions; approval of shareholders is also obtained in compliance with the applicable provisions of the Companies Act, 2013 and Listing Regulations.

b. Details of non-compliance :

Your Company has complied with all applicable provisions of the SEBI Listing Regulations and all other applicable regulations and guidelines issued by SEBI and stock exchanges. Consequently, there has been no instance of non-compliance with any legal requirements and hence, no penalties or strictures are imposed on your Company by SEBI or the stock exchanges or any statutory authority on any matter related to the capital markets during the last 3 years. The shares of the Company were listed on BSE

Limited and National Stock Exchange of India Limited on July 01, 2016.

c. Whistle Blower Policy/Vigil Mechanism :

Your Company has in place Whistle Blower Policy/Vigil Mechanism which facilitates direct access to the Management and the Audit Committee of the Board for all Stakeholders to report concerns about any unethical behaviour, actual or suspected fraud or violation of the Company's Code of Conduct. It is hereby affirmed that no personnel had been denied access to the Audit Committee under Whistle Blower Policy. The said policy has been uploaded on the website of the Company (www.mahanagargas.com).

Also, the Company has in place the "Policy for Prevention of Sexual Harassment at Workplace". This ensures a work environment that is professional and mature, free from animosity and which includes respect for the individuals.

d. Other Policies, Programmes and Codes of the Company:

i. Corporate Social Responsibility Policy:

In terms of the provisions of Section 135 of the Act and the Companies (Corporate Social Responsibility Policy) Rules, 2014, your Company has adopted Corporate Social Responsibility policy having the following scope:

- Planning projects or programmes which a Company plans to undertake falling within the purview of Schedule VII of the Act; and
- Monitoring process of such project or programmes.

ii. Risk Management Policy:

For assessment and minimisation of risks in terms of the provisions of Regulation 17 of the SEBI Listing Regulations, your Company has framed a Risk Management Policy. The policy covers inherent business risks and appropriate mitigation measures to be taken by the Company.

iii. Policy on Related Party Transactions (RPTs):

In terms of the provisions of Regulation 23 of the SEBI Listing Regulations, your Company has framed a Policy on RPTs to regulate transactions of the Company with its related parties (as defined and identified under the Act, SEBI Listing Regulations), to ensure high standards of Corporate Governance while dealing with related parties and also to ensure optimum compliance with

applicable laws prescribed for RPTs. The policy is also available on the website of the Company i.e. www.mahanagargas.com.

iv. Code of internal procedure and conduct to monitor and report trading by Designated Persons in listed Securities of Mahanagar Gas Limited:

Your Company had adopted Insider Trading Code to be observed by all the insiders as defined under the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, as may be amended from time to time ("SEBI Insider Trading Regulations").

Further, the SEBI Insider Trading Regulations, 2015 have been amended and pursuant to such amendment, your Company has adopted a revised Code i.e. "Code of internal procedures and Conduct to regulate, monitor and report trading by Designated Persons in listed Securities of Mahanagar Gas Limited" w.e.f. April 1, 2019, which states your Company's policy and code to be followed by Designated Persons for dealing in securities of the Company.

v. Policy for Determination of Materiality of Information or Event:

In terms of the provisions of Regulation 30 of the SEBI Listing Regulations, your Company has adopted this policy for determination of materiality of information or event for facilitating prompt disclosure of material price sensitive information to the Stock Exchange(s) in compliance with the provisions of the SEBI Listing Regulation.

vi. Policy on Preservation of Documents:

In terms of the provisions of Regulation 9 of the SEBI Listing Regulations, your Company has adopted a policy for preservation of documents.

vii. Code of Practice and Procedures for Fair Disclosure of Unpublished Price Sensitive Information:

The SEBI (Prohibition of Insider Trading) Regulations, 2015, as amended, mandates every listed company to formulate a code of practices and procedures for fair disclosure of Unpublished Price Sensitive Information that it would follow in order to adhere to each of the principles set out in Schedule A to the SEBI (Prohibition of Insider Trading) Regulations, 2015.

The aforementioned code is also available on the website of the Company i.e. www.mahanagargas.com

e. Details of compliance with mandatory requirements and adoption of non-mandatory requirements:

- I. Your Company complies with corporate governance requirements as specified under Listing Regulations.
- II. The Company has not maintained an office for its non-executive Chairman.
- III. The Company publishes its results on its website at www.mahanagargas.com which is accessible to the public at large. A half-year declaration of financial performance including summary of the significant events is presently not being sent separately to each household of each shareholder. Your Company's results for each quarter are published in the newspapers having a wide circulation.
- IV. During the period under review, there is no audit qualification in the Company's financial statements. Your Company continues to adopt best practices to ensure regime of unqualified financial statements.
- V. The Company has separate position for Chairman and Managing Director.
- VI. The Internal Auditor reports their findings to the Audit Committee of the Company.

f) Subsidiary companies:

As on March 31, 2020, your Company do not have any subsidiary.

g) Code of Conduct:

In compliance with Regulation 26(3) of the Listing Regulations and the Companies Act, 2013, the Company has in place comprehensive Code of Conduct applicable to the Board and Senior Management Personnel. The Code of Conduct is formulated with a purpose to ensure good corporate governance and ethical and transparent process in managing the affairs of the Company. A copy of the Code has been uploaded on the Company's website (www.mahanagargas.com). All members of the Board and Senior Management Personnel have affirmed compliance with the Code of conduct for the financial year 2019-2020.

h) Disclosure of Accounting Treatment:

The Company has followed all applicable and relevant Accounting Standards while preparing the Financial Statements.

i) Certification from Company Secretary in Practice:

A certificate has been received from M/s. Subhash Kulkarni & Associates, Practising Company Secretary, certifying that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as Directors of Companies by the Board/Ministry of Corporate Affairs or any such statutory authority which forms part of this Report.

j) Details of recommendation of any Committee of the Board not accepted by the Board and reasons thereof: Not Applicable

- k) S R B C & Co. LLP, Chartered Accountants (Firm Registration No. 324982E/E300003) have been appointed as the Statutory Auditors of the Company. The particulars of payment of Statutory Auditor's fees, on consolidated basis is for FY 2019-2020 given below:

(₹ in lakh)	
Particulars	Amount
Audit Fees	50.74
Out-of-pocket expense	1.16
Total	51.90

- l) Disclosures in relation to the Sexual Harassment of Woman at Workplace (Prevention, Prohibition and Redressal) Act, 2013:

In compliance with the Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013 and Rules made thereunder, the Company has constituted Internal Complaint Committee (ICC). While maintaining the highest governance norms, the members of this committee comprises of representatives from the Company and external expert/NGO who have worked in this area and have the requisite experience in handling such matters. The Company has zero tolerance on sexual harassment at workplace.

The details of complaint received, resolved and pending under Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013 are mentioned below:

Sr. No.	Particulars	No. of Complaints
1	Number of complaints filed during the FY 2019-2020	0
2	Number of complaints disposed of during the FY 2019-2020	0
3	Number of complaints pending as on end of the FY 2019- 2020	0

m) Unclaimed Dividend:

Pursuant to Sections 124 and 125 of the Act, read with Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ("IEPF Rules"), including amendment thereto, dividend, if not claimed within seven years from the date of transfer to Unpaid Dividend Account of the Company, are liable to be transferred to the Investor Education and Protection Fund ("IEPF").

The following table provides information relating to various outstanding dividends and the dates by which they can be claimed by the shareholders from the Company's Registrar and Transfer Agent and if not claimed within the period of 7 years, then, the same would become eligible to be transferred to the IEPF on the dates mentioned below:

Financial Year	Date of declaration of dividend and type of dividend	Total Dividend (in ₹)	Unclaimed Dividend as on March 31, 2019 (in ₹)	Due Date for transfer of unclaimed dividend to IEPF	Percentage of unclaimed dividend over Total Dividend
2019-20	February 26, 2020 – Interim Dividend	938,388,891.00	99,577,480.00	March 28, 2027	10.61
2018-19	September 09, 2019 – Final Dividend	1,037,166,669.00	104,184,601.50	October 09, 2026	10.05
2018-19	January 29, 2019 – Interim Dividend	938,388,891.00	94,274,903.40	February 28, 2026	10.05
2017-18	September 17, 2018 – Final Dividend	1,086,555,558.00	109,290,027.01	October 17, 2025	10.06
2017-18	February 09, 2018 – Interim Dividend	790,222,224.00	2,93,776.00	March 10, 2025	0.03
2016-17	September 25, 2017 – Final Dividend	1,067,494,478.44	389,906.35	October 25, 2024	0.03
2016-17	February 11, 2017 – Interim Dividend	1,563,478,000.00	310,888.00	March 13, 2024	0.02
2015-16	September 26, 2016 – Final Dividend	776,351,042.00	578,585.00	October 26, 2023	0.08

n) Corporate Identity Number (CIN):

The Company is registered with Registrar of Companies (ROC) in State of Maharashtra, India. The Corporate Identity Number (CIN) allotted to the Company by the Ministry of Corporate Affairs (MCA) is L40200MH1995PLC088133.

o) Registered Office:

MGL House, Block No: G-33, Bandra-Kurla Complex, Bandra (East), Mumbai - 400 051

p) Company Secretary and Compliance Officer of the Company:

Mr. Saghan Srivastava
Company Secretary and Compliance Officer
MGL House, G-33 Block
Bandra-Kurla Complex, Bandra (East) Mumbai - 400 051
Tel: +91 (22) 6678 5000
Email: investorrelations@mahanagargas.com

The members may communicate their complaints, relating to the securities issued by the Company, to the Company Secretary on the above mentioned co-ordinates.

q) Registrar and Transfer Agents ("RTA"):

Link Intime India Pvt. Ltd.

C 101, 247 Park,
L B S Marg, Vikhroli West, Mumbai 400 083
Telephone No: +91 22 49186000
Fax: +91 22 49186060
Website: www.linkintime.co.in

r) Reconciliation of Share Capital Audit:

As stipulated by SEBI, a qualified Practicing Company Secretary carries out the Reconciliation of Share Capital Audit to reconcile the total admitted capital with NSDL and CDSL and the total issued and paid-up capital. This audit is carried out every quarter and the report thereon is submitted to the Stock Exchanges and is placed before the Stakeholders' Relationship Committee and the Board of Directors of the Company. The audit, inter alia, confirms that the total listed and paid-up capital of the Company are in agreement with the aggregate of the total number of shares in dematerialized form held with NSDL and CDSL and total number of shares in physical form.

s) Equity Shares in the Suspense Account:

As per Schedule V read with Schedule VI, Regulation 34(3), 53(f) and 39(4) of the SEBI LODR, the details in respect of equity shares lying in the suspense / escrow account are as under:

Particulars	Number of share holders	Number of equity shares held
Aggregate number of shareholders and the outstanding shares in the suspense / escrow account (maintained with CDSL & NSDL) lying as on April 1, 2019	0	0
Number of shareholders who approached the Company for transfer of shares from suspense / escrow account (maintained with NSDL) during the year	0	0
Number of shareholders to whom shares were transferred from the suspense / escrow account (maintained with NSDL) during the year	0	0
Aggregate Number of shareholders and the outstanding shares in the suspense account (maintained with CDSL & NSDL) lying as on March 31, 2020	0	0

t) Feedback:

Your feedback is valuable to us to help us serve you better. Members are requested to give us their valuable suggestions, if any, for enhancement of our Investor Services by writing to us/RTA at the address provided hereinabove.

u) CEO and CFO Certification:

As required under the provisions of Regulation 33 of the SEBI Listing Regulations, Mr. Sanjib Datta, Managing Director and Mr. Sunil Ranade, Chief Financial Officer have reviewed the Audited Financial Results and Cash Flow Statements for the Financial Year ended March 31, 2020 and accordingly have provided a certificate, which forms part of this Report.

v) Report on Corporate Governance

As required under Regulation 27 of the SEBI Listing Regulations, your Company has been duly submitting the quarterly compliance report in the prescribed format and within the required timelines to the Stock Exchanges and the same are available on their websites. The said reports are also available on the website of the Company i.e. www.mahanagargas.com.

The Compliance Certificate received from the Practicing Company Secretary i.e. M/s. Santosh Singh & Associates regarding compliance of Corporate Governance requirements is forming part of to this report.

Further, your Company has complied with the Corporate Governance requirements specified in Regulations 17 to 27 and clauses (b) to (i) of Sub-regulation (2) of Regulation 46 and the same has been disclosed in this Report.



CEO - CFO CERTIFICATION

To
The Board of Directors
Mahanagar Gas Limited

- A. We have reviewed the Audited Financial Statements and the Cash Flow Statement of Mahanagar Gas Limited (the “Company”) for the Financial Year ended on March 31, 2020 and to the best of our knowledge and belief:
- I. These statements do not contain any materially untrue statement or omit any material fact or contain statement that might be misleading;
 - II. These statements together present a true and fair view of the Company’s affairs and are in compliance with the existing accounting standards, applicable laws and regulations.
- B. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the Financial Year ended on March 31, 2020 which are fraudulent, illegal or violative of the Code of Conduct of the Company.
- C. We accept responsibility for establishing and maintaining internal controls for financial reporting and we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting. We have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of internal controls, if any, of which we are aware and the steps that we have taken or proposed to be taken to rectify the deficiencies.
- D. We have indicated to the Auditors and the Audit Committee:
- I. Significant changes in the Company’s internal control over financial reporting during the Financial Year ended on March 31, 2020;
 - II. Significant changes in accounting policies, if any, during the Financial Year ended March 31, 2020 have been disclosed in the notes to the Financial Statements; and
 - III. Instances of significant fraud of which we have become aware and involvement therein, if any, of the Management or other employees having a significant role in the Company’s internal control system over financial reporting.

Place: Mumbai
Date: May 29, 2020

Sunil M. Ranade
Chief Financial Officer

Sanjib Datta
Managing Director

DECLARATION

As provided under the provisions of Schedule V of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations 2015, I hereby declare that all the Board of Directors and Senior Management Personnel of the Company have affirmed the compliance with the Code of Conduct for the year ended March 31, 2020.

Place: Mumbai
Date: May 29, 2020

Sanjib Datta
Managing Director

CERTIFICATE ON CORPORATE GOVERNANCE

To,
The Members,
Mahanagar Gas Limited
MGL House, Block No. G-33,
Bandra Kurla Complex, Bandra (East)
Mumbai-400 051

We have examined the compliance of conditions of Corporate Governance by **Mahanagar Gas Limited** (hereinafter referred as "Company") for the year ended March 31, 2020 as prescribed in Regulations 17 to 27, clauses (b) to (i) of sub-regulation (2) of regulation 46 and paras C, D and E of Schedule V of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred as "Listing Regulations").

We state that compliance of conditions of Corporate Governance is the responsibility of the Management and our examination was limited to procedures and implementation thereof adopted by the Company for ensuring compliance with conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion, and to the best of our information and according to our examination of the relevant records and the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as prescribed under Listing Regulations.

We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

This certificate is issued solely for the purposes of complying with Listing Regulations and may not be suitable for any other purpose.

For **Santosh Singh & Associates,**
Company Secretaries
(ICSI Unique Code S2002UP057500)

Santosh Kumar Singh
Proprietor
ACS No. : 15964
CP No. : 17638

Place : Mumbai
Date : May 29, 2020

**CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS**

(pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI
(Listing Obligations and Disclosure Requirements) Regulations, 2015)

To,
The Members of
Mahanagar Gas Limited
MGL House, Block No.G-33,
Bandra-Kurla Complex,
Bandra (E), Mumbai - 400051

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **Mahanagar Gas Limited** having CIN L40200MH1995PLC088133 and having registered office at MGL House, Block No.G-33, Bandra-Kurla Complex, Bandra (E), Mumbai - 400051 and (hereinafter referred to as the Company), produced before me by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para- C Sub clause 10(i) of the **Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015**.

In my opinion and to the best of my information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to me by the Company & its officers, I hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31st March, 2020 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority.

Sr. No.	Name of Director	DIN	Date of appointment in Company
1	Mr. Ashutosh Karnatak	03267102	28/05/2015
2	Mr. Sanjib Datta	07008785	30/05/2018
3	Mr. Deepak Sawant	07339381	09/05/2019
4	Mr. Premesh Kumar Jain	02145534	09/04/2018
5	Mrs. Radhika Vijay Haribhakti	02409519	05/03/2017
6	Mr. Raj Kishore Tewari	07056080	05/03/2015
7	Mr. Syed Shahzad Hussain	00209117	09/09/2019

Ensuring the eligibility of for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. My responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For Subhash Kulkarni & Associates
Company Secretaries

Subhash Kulkarni
Proprietor

Place: Mumbai
Date: 21st May, 2020

CP No. : 18464
Membership No.: F4903
UDIN: F004903B000267154

Independent Auditor's Report

To
The Members of
Mahanagar Gas Limited

Report on the Audit of the Ind AS Financial Statements

Opinion

1. We have audited the accompanying Ind AS financial statements of Mahanagar Gas Limited ("the Company"), which comprise the Balance sheet as at March 31, 2020, the Statement of Profit and Loss, including the statement of Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and notes to the Ind AS financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS financial statements give the information required by the Companies Act, 2013, as amended ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2020, its profit including other comprehensive income its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

2. We conducted our audit of the Ind AS financial statements in accordance with the Standards on Auditing (SAs), as specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the Ind AS Financial

Statements' section of our report. We are independent of the Company in accordance with the 'Code of Ethics' issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Ind AS financial statements.

Key Audit Matters

3. Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the financial year ended March 31, 2020. These matters were addressed in the context of our audit of the Ind AS financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.
4. We have determined the matters described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the Ind AS financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the Ind AS financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying Ind AS financial statements.

Key audit matters

Contingencies: Raigarh Minimum Work Programme Commitment (MWP)

(as described in notes 31.8 containing details of contingencies in the financial statements)

The Company has a commitment to achieve MWP for its Raigarh Geographical Area (GA) as per the PNGRB authorization letter dated April 01, 2015 under the PNGRB (Authorizing Entities to Lay, Operate or Expand City or Local Natural Gas Distribution Networks ((GSR 196 (E)) Regulations, 2008. The commitment was to be achieved by March 2020 with yearly rest as stated in the authorization letter. The Company has provided a performance bank guarantee amounting to ₹ 10,500 lakhs against this commitment to PNGRB.

How our audit addressed the key audit matter

- We read the copies of communication exchanged between PNGRB and the Company during the year. We have compared the said communication with the appropriateness of disclosure in the financial statements.

Key audit matters

Till March 31, 2018, the Company was unable to achieve the cumulative MWP target and basis the meeting with PNGRB representatives dated 12th March 2018 and the Show Cause Notice received from PNGRB dated July 23, 2018 the Company submitted the remedial action plan on August 2, 2018 to achieve the target by March 31, 2020 with revised yearly rest and had achieved its cumulative targets as per revised plan for domestic connections till March 31, 2019, however it had not achieved the cumulative target for steel inch km.

Subsequently, during the current year, considering the inability to complete the stated obligations, PNGRB had asked the Company to submit a revised catch up plan for the next 2 years i.e till March 2022 which was submitted by the Company.

The Company till March 31, 2020 has completed its obligations for domestic connections and the steel inch km as per this revised plan. Considering the uncertainty, the Company has disclosed the matter as a contingent liability as at March 31, 2020 as there has been no further communication received from PNGRB in this matter.

Further, COVID 19 induced lockdown may impact the execution of the revised catch up plan.

This area is significant to our audit, since the encashment of bank guarantee is dependent on the Company achieving the targets as committed to the PNGRB as per the revised remedial plan and any further extension thereof including PNGRBs' view of such default.

Due to the complexity involved in the execution of the MWP, the management's judgement regarding completion of MWP as per revised plan and measurement of provisions for this matter is inherently uncertain and might change over time as the work on MWP progresses. Accordingly, it has been considered as a key audit matter.

How our audit addressed the key audit matter

- We performed inquiries with the in-house legal counsel on the legal evaluation of the PNGRB show cause letter including the legal advice obtained by the Company in the previous year which holds good even in the current situation and understood their interpretation of the implications on the Company and obtained a specific representation on the management's interpretation and implication.
- We obtained and discussed with the management and Board of Directors on its ability to achieve the commitment as per the remedial action plan.
- We evaluated the disclosures in the financial statements with the representations given by the management.

Impairment of slow moving/non-moving projects lying in Capital Work-in-Progress

(as described in note 2.2(b) of the significant accounting policies, and note 3 for details and movement in capital work-in-progress in the financial statements)

As at March 31, 2020, the Company has ₹ 48,652.99 lakhs of Capital Work-in-Progress.

The Company's spending on Capital Work-in-progress is material as indicated by the total value as at date. The assessment and the timing of put to use of the asset as set out in Ind AS 16, 'Property, Plant and Equipment', requires judgement and is dependent on the completion of projects after obtaining all necessary approvals.

The Company has long outstanding capital work-in progress relating to old slow/nonmoving projects which have been delayed because several internal and external factors.

Our audit procedures among others included the following:

- Assessed the design and implementation and tested the operating effectiveness of key controls over the management review of capital work in progress.
- We obtained the list of delayed projects from the management and on a sample basis obtained reasons of the delay and the expected capitalization dates from the management after considering the delays expected on account of the current pandemic.
- For assets capitalized during the year, we considered the planned vs actual capitalization dates to test the management's assessment of expected capitalization dates.

Key audit matters

Further, on account of the COVID 19 induced lockdown, further delays in completing these projects are expected.

As a result, this is considered as a key audit matter, with focus on certain slow moving/non moving projects, where the risk of assessment of impairment of such items was deemed higher because of the complexity of the specific project's and the delays involved

How our audit addressed the key audit matter

- We tested management's assessment of indicators of impairment of old projects as may be required and the write off's made in the current year.
- For old projects capitalized during the year, we tested on sample basis to determine that the useful life of the asset was adjusted to reflect the wear and tear of such assets.
- For capital inventory forming part of Capital work in progress, we assessed the allowance for old obsolescence created basis the allowance policy on aged inventory approved by the Board. Further we have tested the accuracy of the ageing analysis of inventories, on a sample basis.

Key audit matters**Contingencies : Uran Trombay Transportation Tariff Matter**

(as described in notes 31. 9 containing details of contingencies of the financial statements)

The Company has entered into an agreement with GAIL (India) Limited for supply of Natural Gas, which is being supplied by ONGC to GAIL at ONGC Trombay. ONGC is transporting its own gas from ONGC Uran to Trombay through its Uran Trombay Natural Gas Pipeline (UTNGPL).

The Company has certain disputes with GAIL with respect to applicability of transportation tariff of UTNGPL as levied retrospectively from 20 November 2008 till 31 March 2020 of ₹ 22,332.14 lacs which has not been provided in the books of accounts or paid to GAIL till date.

The dispute was being discussed at the Appellate Tribunal for Electricity (APTEL) which has been referred back to PNGRB to consider several facts before concluding on the matter.

On March 18, 2020, PNGRB ruled the case against the Company and the company subsequently in April 2020 have filed an appeal against the order with APTEL and a writ petition with the Delhi High Court.

The claims made by the Company involves complex estimation and the Company is required to assess the need to make provision or disclose a contingency considering the underlying facts of the litigation and its probability of winning the case at the APTEL. The Company has disclosed this fact as at contingent liability as at the balance sheet date.

Due to the complexity involved in the litigation, the management's judgement and assessment of the outcome of the matter and the measurement of provisions is inherently uncertain and might change over time as the legal case progresses. Accordingly, the legal dispute has been considered as a key audit matter.

How our audit addressed the key audit matter

Our audit procedures among others included the following:

- We evaluated the design and tested the operating effectiveness of controls in respect of the identification and evaluation of claims, proceedings and investigations at different levels, and the recording and continuous re-assessment of the related contingent liabilities and disclosures.
- We performed inquiries with the in-house legal counsel on the legal evaluation of the litigation.
- We have tested the underlying computation of the management in relation to the measurement of the contingency.
- We have obtained written legal confirmation of litigation claims from the legal counsel and have also relied on the written legal opinion obtained by the Company from an independent legal counsel for the matter relating to their expectations of the company's prospects in this case and have evaluated the conclusions as said in the legal opinion with the current treatment and disclosures given in the financial statements
- We evaluated the disclosures in the financial statements

We have determined that there are no other key audit matters to communicate in our report.

Other Information

5. The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the annual report but does not include the Ind AS financial statements and our auditor's report thereon.

Our opinion on the Ind AS financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the Ind AS financial statements, our responsibility is to read the other information and, in doing so, consider whether such other information is materially inconsistent with the Ind AS financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management for the Ind AS Financial Statements

6. The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.
7. In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so. Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Ind AS Financial Statements

8. Our objectives are to obtain reasonable assurance about whether the Ind AS financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Ind AS financial statements.
9. As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:
 - Identify and assess the risks of material misstatement of the Ind AS financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
 - Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143 (3) (i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system with reference to financial statements in place and the operating effectiveness of such controls.
 - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
 - Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such

disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the Ind AS financial statements, including the disclosures, and whether the Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
10. We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.
 11. We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.
 12. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements for the financial year ended March 31, 2020 and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.
- (c) The Balance Sheet, the Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;
 - (d) In our opinion, the aforesaid Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;
 - (e) On the basis of the written representations received from the directors as on March 31, 2020 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2020 from being appointed as a director in terms of Section 164 (2) of the Act;
 - (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company with reference to these Ind AS financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2" to this report;
 - (g) In our opinion, the managerial remuneration for the year ended March 31, 2020 has been paid / provided by the Company to its directors in accordance with the provisions of section 197 read with Schedule V to the Act.
 - (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its Ind AS financial statements - refer note 31.9 to the Ind AS financial statements;
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

Report on Other Legal and Regulatory Requirements

13. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure 1 a statement on the matters specified in paragraphs 3 and 4 of the Order.
14. As required by Section 143(3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;

For **SRBC & CO LLP**

Chartered Accountants

ICAI Firm Registration Number: 324982E/E300003

per Vikram Mehta

Partner

Membership Number: 105938

UDIN: 20105938AAAACN8638

Place of Signature: Mumbai

Date: June 10, 2020

Annexure 1 referred to in paragraph 13 of our report of even date

Re: Mahanagar Gas Limited ('the Company')

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) All fixed assets have not been physically verified by the management during the year but there is a regular programme of verification of all assets except for underground assets in relation to the gas distribution network which cannot be physically verified. The programme for physical verification in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.
- (c) According to the information and explanations given by the management, the title deeds of immovable properties, included in property, plant and equipment are held in the name of the company.
- (ii) The management has conducted physical verification of inventory at reasonable intervals during the year and no material discrepancies were noticed on such physical verification.
- (iii) According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013. Accordingly, the provisions of clause 3(iii) (a), (b) and (c) of the Order are not applicable to the Company and hence not commented upon.
- (iv) In our opinion and according to the information and explanations given to us, there are no loans, investments, guarantees, and securities given in respect of which provisions of section 185 and 186 of the Companies Act 2013 are applicable and hence not commented upon.
- (v) The Company has not accepted any deposits within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the provisions of clause 3(v) of the Order are not applicable.
- (vi) We have broadly reviewed the books of account maintained by the Company pursuant to the rules made by the Central Government for the maintenance of cost records under section 148(1) of the Companies Act, 2013 related to the sale of natural gas and are of the opinion that prima facie, the specified accounts and records have been made and maintained. We have not, however, made a detailed examination of the same.
- (vii) (a) The Company is regular in depositing with appropriate authorities undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of custom, duty of excise, value added tax, cess, GST and other statutory dues applicable to it.
- (b) According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees' state insurance, income-tax, service tax, sales-tax, duty of custom, duty of excise, value added tax, goods and service tax, cess and other statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable.
- (c) According to the records of the Company, the dues outstanding of income-tax, sales-tax, service tax, excise duty on account of any dispute, are as follows:

Name of the Statuante	Nature of Dues	Amount ₹ in lakhs	Period to which the amount related	Forum where the dispute is pending
Central Excise Act, 1944	Excise Duty	316.81	March 2001 - December 2004	High Court
		3,554.55	July 2005 - April 2016	CESTAT/CESTAT (Appeal)
		1,778.19	April 2014 - April 2016	Commissioner / Commissioner (Appeal)
		247.85	March 2010 - July 2017	Joint Commissioner/ Joint Commissioner (Appeals)
		173.92	October 2014 - April 2017	Assistant Commissioner
		298.47	April 2014 - April 2016	Additional Commissioner
		7.74	Jan 2016 - April 2017	Superintendent of Central Goods and Service Tax
Central Excise Act, 1944	Service Tax	34.09	May 2005 - September 2015	CESTAT/CESTAT (Appeal)
		67.82	April 2006 - September 2015	Commissioner/Commissioner (Appeal)
		18.20	October 2015 - March 2017	Deputy Commissioner
Maharashtra Value Added Tax Act, 2002	Sales Tax	4.10	October 2015 - March 2017	Assistant Commissioner
		354.38	April 2006 - March 2011	Joint Commissioner/ Joint Commissioner (Appeals)
Income Tax Act, 1961	Income Tax	1,431.26	AY 2002-2003 to AY 2016-2017	Commissioner of Income Tax / Commissioner of Income Tax (Appeals)
		13.05	AY 2005-2006	Income Tax Assessing Office

(viii) In our opinion and according to the information and explanations given by the management, the Company has not defaulted in repayment of loans to government. The Company did not have any outstanding loans or borrowing dues in respect of a financial institution or bank or dues to debenture holders during the year.

(ix) According to the information and explanations given by the management, the Company has not raised any money by way of initial public offer / further public offer/ debt instruments and term loans hence, reporting under clause (ix) is not applicable to the Company and hence not commented upon.

(x) Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given by the management, we report that no fraud by the company or no material fraud on the company by the officers and employees of the Company has been noticed or reported during the year.

(xi) According to the information and explanations given by the management, the managerial remuneration has been paid / provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act, 2013.

(xii) In our opinion, the Company is not a nidhi company. Therefore, the provisions of clause 3(xii) of the order are not applicable to the Company and hence not commented upon.

(xiii) According to the information and explanations given by the management, transactions with the related parties are in

compliance with section 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the notes to the financial statements, as required by the applicable accounting standards.

(xiv) According to the information and explanations given to us and on an overall examination of the balance sheet, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review and hence, reporting requirements under clause 3(xiv) are not applicable to the company and, not commented upon.

(xv) According to the information and explanations given by the management, the Company has not entered into any non-cash transactions with directors or persons connected with him as referred to in section 192 of Companies Act, 2013.

(xvi) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act. According to the information and explanations given to us, the provisions of section 45 -IA of the Reserve Bank of India Act, 1934 are not applicable to the Company.

For **S R B C & C O L L P**

Chartered Accountants

ICAI Firm Registration Number: 324982E/E300003

per **Vikram Mehta Partner**

Membership Number: 105938

UDIN: 20105938AAAACN8638

Place of Signature: Mumbai

Date: June 10, 2020

Annexure 2 Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of Mahanagar Gas Limited ("the Company") as of March 31, 2020 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's Management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting with reference to these financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing as specified under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting with reference to these financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls over financial reporting with reference to these financial statements and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting with reference

to these financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls over financial reporting with reference to these financial statements.

Meaning of Internal Financial Controls Over Financial Reporting With Reference to these Financial Statements

A company's internal financial control over financial reporting with reference to these financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting with reference to these financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting With Reference to these Financial Statements

Because of the inherent limitations of internal financial controls over financial reporting with reference to these financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting with reference to these financial statements to future periods are subject to the risk that the internal financial control

over financial reporting with reference to these financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, adequate internal financial controls over financial reporting with reference to these financial statements and such internal financial controls over financial reporting with reference to these financial statements were operating effectively as at March 31, 2020, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **SRBC & CO LLP**

Chartered Accountants

ICAI Firm Registration Number: 324982E/E300003

per Vikram Mehta

Partner

Membership Number: 105938

UDIN: 20105938AAAACN8638

Place of Signature: Mumbai

Date: June 10, 2020



Balance Sheet

as at March 31, 2020

(₹ in Lakh)

Particulars	Notes	As at	
		March 31, 2020	March 31, 2019
ASSETS			
I. Non-current Assets			
(a) Property, Plant and Equipment	3	1,92,621.92	1,75,875.27
(b) Capital Work-in-Progress (CWIP)	3	48,653.26	36,968.66
(c) Intangible Assets	3	463.52	466.14
(d) Right of Use Assets	3, 31.5	11,833.73	-
(e) Financial Assets			
(i) Trade Receivables	4	2.32	6.32
(ii) Security Deposits	5	2,798.90	1,921.37
(iii) Other Financial Assets	6	3.80	35.75
(f) Income Tax Assets (net)		4,092.83	3,361.37
(g) Other Non-current Assets	7	1,812.44	8,057.70
Total Non-current Assets (I)		2,62,282.72	2,26,692.58
II. Current assets			
(a) Inventories	8	1,856.79	1,911.79
(b) Financial Assets			
(i) Investments	9	1,12,146.81	65,401.65
(ii) Trade Receivables	4	6,843.01	9,953.11
(iii) Cash and Cash Equivalents	10	1,537.60	2,653.12
(iv) Bank balances other than (iii) above	11	21,409.73	27,230.90
(v) Security Deposits	5	441.41	859.63
(vi) Other Financial Assets	12	5,010.17	7,749.32
(c) Other current assets	13	1,321.90	1,650.34
Total Current Assets (II)		1,50,567.42	1,17,409.86
TOTAL (I+II)		4,12,850.14	3,44,102.44
EQUITY AND LIABILITIES			
I. Equity			
(a) Equity Share Capital	14	9,877.78	9,877.78
(b) Other Equity	15	2,85,389.00	2,30,009.23
Total Equity (I)		2,95,266.78	2,39,887.01
II. Liabilities			
A. Non-current Liabilities			
(a) Financial Liabilities			
(i) Lease Liabilities	16	4,900.13	-
(ii) Others	17	55.72	180.88
(b) Provisions	18	1,841.01	1,431.12
(c) Deferred Tax Liabilities (net)	19	16,066.55	20,483.87
Total Non-current Liabilities (A)		22,863.41	22,095.87
B. Current Liabilities			
(a) Current Financial Liabilities			
(i) Trade Payables	20		
- outstanding dues of micro and small enterprises		195.10	647.47
- outstanding dues of creditors other than micro and small enterprises		12,982.35	14,597.40
(ii) Security Deposits from customers		58,174.80	51,791.67
(iii) Lease Liabilities	16	1,760.70	-
(iv) Other Financial Liabilities	21	15,909.38	9,944.61
(b) Provisions	18	792.88	688.36
(c) Income Tax Liabilities (net)		296.91	80.77
(d) Other Current Liabilities	22	4,607.83	4,369.28
Total Current Liabilities (B)		94,719.95	82,119.56
Total Liabilities (II = A+B)		1,17,583.36	1,04,215.43
TOTAL (I+II)		4,12,850.14	3,44,102.44
See accompanying notes to the financial statements	1-31		

In terms of our report attached

For **SRBC & CO LLP**
Chartered Accountants
FRN 324982E/E300003

Per **Vikram Mehta**
Partner
Membership No: 105938

Place : Mumbai
Date : June 10, 2020

For and on behalf of the Board of Directors of Mahanagar Gas Limited

Sanjib Datta
Managing Director
DIN: 07008785

S M Ranade
Chief Financial Officer
ACA No: 39230

Deepak Sawant
Deputy Managing Director
DIN: 07339381

Saghan Srivastava
Company Secretary & Compliance Officer
FCS No. 7512

Place : Mumbai
Date : June 10, 2020

Statement of Profit and Loss

for the year ended March 31, 2020

(₹ in Lakh)

Particulars	Notes	For the year ended March 31, 2020	For the year ended March 31, 2019
I Revenue from Contracts with Customers	23	3,26,448.61	3,05,679.34
II Other Income	24	9,895.31	7,771.25
III Total Income (I + II)		3,36,343.92	3,13,450.59
IV Expenses :			
Cost of Natural Gas and Traded Items	25	1,37,949.01	1,39,926.42
Changes in Inventories	26	5.04	(10.42)
Excise Duty on Sale of Compressed Natural Gas		29,235.80	26,572.00
Employee Benefits Expense	27	8,063.37	7,087.90
Finance Costs	28	652.50	32.28
Depreciation and Amortisation Expenses	3, 31, 5	16,172.62	12,593.07
Other Expenses	29	45,911.89	43,558.12
Total Expenses		2,37,990.23	2,29,759.37
V Profit Before Tax for the year (III- IV)		98,353.69	83,691.22
VI Income Tax Expense :			
(i) Current Tax		23,310.14	26,139.71
(ii) Deferred Tax		(4,307.43)	2,912.60
Total Income Tax Expense (i+ii)		19,002.71	29,052.31
VII Profit After Tax for the year (V - VI)		79,350.98	54,638.91
VIII Other Comprehensive Income			
Items that will not be reclassified to profit or loss :	30		
Gains/(Losses) on Remeasurements of the Defined Benefit Plans		(289.69)	192.51
Income tax relating to items that will not be reclassified to profit or loss		134.85	(67.27)
Total Other Comprehensive Income		(154.84)	125.24
IX Total Comprehensive Income for the year (VII + VIII)		79,196.14	54,764.15
X Earnings per equity share (EPS) (Face value of ₹ 10/- each)	31.7		
Basic (₹)		80.33	55.31
Diluted (₹)		80.33	55.31
See accompanying notes to the financial statements	1-31		

There were no exceptional item(s) and discontinued operation(s) during the years presented.

In terms of our report attached

For **S R B C & CO LLP**
Chartered Accountants
FRN 324982E/E300003

Per Vikram Mehta
Partner
Membership No: 105938

For and on behalf of the Board of Directors of Mahanagar Gas Limited

Sanjib Datta
Managing Director
DIN: 07008785

S M Ranade
Chief Financial Officer
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Deepak Sawant
Deputy Managing Director
DIN: 07339381

Saghan Srivastava
Company Secretary & Compliance Officer
FCS No. 7512

Place : Mumbai
Date : June 10, 2020

Place : Mumbai
Date : June 10, 2020

Statement of Cash Flows

for the year ended March 31, 2020

(₹ in Lakh)

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
I. CASH FLOW FROM OPERATING ACTIVITIES		
Profit before tax as per Statement of Profit and Loss	98,353.69	83,691.22
Adjustments for:		
Depreciation and Amortisation Expense	16,172.62	12,593.07
Finance Costs	652.50	32.28
Dividend Income on Investments	(1,568.40)	(1,952.64)
Interest Income	(3,293.45)	(2,674.94)
Gain on sale of Investments	(2,251.97)	(281.60)
Unrealised Gain on Investments	(886.84)	(1,178.92)
Writeoff, Disposal of Property, Plant and Equipment (Net)	(88.81)	421.66
Allowance for inventory obsolescence	229.05	549.76
Expected credit loss allowance and write off on Financial Assets	1,001.39	759.84
Net unrealised foreign exchange (gain)/ loss	6.90	(74.47)
Operating Profit Before Working Capital Changes	1,08,326.68	91,885.26
Movements in working capital :		
(Increase)/Decrease in Inventories	99.42	(33.40)
(Increase)/Decrease in Trade Receivables	2,940.14	(1,152.04)
(Increase)/Decrease in Security Deposits	(542.08)	(65.96)
(Increase)/Decrease in Other Financial Assets	2,003.65	(2,756.46)
(Increase)/Decrease in Other Non Current Assets	300.44	(9.88)
(Increase)/Decrease in Other Current Assets	328.44	(110.82)
Increase/(Decrease) in Other Financial Liabilities	3,867.54	(4,949.89)
Increase/(Decrease) in Provisions	224.72	322.46
Increase/(Decrease) in Trade Payables	(2,074.32)	4,316.65
Increase/(Decrease) in Security Deposits (Liability)	6,349.58	7,573.34
Increase/(Decrease) in Other Current Liabilities	238.55	525.64
	13,736.08	3,659.64
Cash Generated from Operations	1,22,062.76	95,544.90
Income Taxes Paid (Net off refund)	(23,800.50)	(27,080.68)
Net Cash from Operating Activities	98,262.26	68,464.22
II. CASH FLOW FROM INVESTING ACTIVITIES		
Payments for Property, Plant and Equipment/ Intangibles/ Right to Use Assets	(43,488.87)	(36,273.31)
Sale of Property, Plant and Equipment/ Intangibles/ Right to Use Assets	1,167.03	26.64
Payments for purchase of Investments	(4,58,625.12)	(4,04,961.68)
Proceeds from sale of Investments	4,15,464.79	4,09,696.61
Movements in Bank Deposits not considered as Cash and Cash Equivalents	5,513.32	(16,119.52)
Interest Received	3,178.04	1,822.30
Dividend Received on Investments	1,568.40	1,952.64
Net Cash (used in) Investing Activities	(75,222.41)	(43,856.32)

Statement of Cash Flows

for the year ended March 31, 2020

(₹ in Lakh)

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
III. CASH FLOW FROM FINANCING ACTIVITIES		
Repayment of Borrowings	-	(119.51)
Payment of Lease Liability	(1,578.76)	-
Dividend Paid (Includes Dividend Distribution Tax)	(21,832.50)	(23,302.41)
Interest on Lease Liability	(579.66)	-
Interest Paid	(164.45)	(34.40)
Net Cash used in Financing Activities	(24,155.37)	(23,456.32)
Net Increase/(Decrease) in Cash and Cash Equivalents (I+II+III)	(1,115.52)	1,151.58
Cash and Cash Equivalents at the beginning of the year (refer note 10)	2,653.12	1,501.54
Cash and Cash Equivalents at the end of the year (refer note 10)	1,537.60	2,653.12
See accompanying notes forming part of the financial statements		

In terms of our report attached

For **SRBC & COLLP**
Chartered Accountants
FRN 324982E/E300003

Per Vikram Mehta
Partner
Membership No: 105938

For and on behalf of the Board of Directors of Mahanagar Gas Limited

Sanjib Datta
Managing Director
DIN: 07008785

S M Ranade
Chief Financial Officer
ACA No: 39230

Deepak Sawant
Deputy Managing Director
DIN: 07339381

Saghan Srivastava
Company Secretary & Compliance Officer
FCS No. 7512

Place : Mumbai
Date : June 10, 2020

Place : Mumbai
Date : June 10, 2020



Statement of Changes in Equity

for the year ended March 31, 2020

(₹ in Lakh)

Particulars	Equity Share Capital		Reserves and Surplus		Total [a+b+c]
	Number of shares	Equity share capital [a]	General Reserve [b]	Retained earnings [c]	
Balance as at 1st April 2018	9,87,77,778.00	9,877.78	21,183.81	1,78,473.04	2,09,534.63
Add: Profit for the Year	-	-	-	54,638.91	54,638.91
Other Comprehensive Income (Net of Tax) (refer note 30)	-	-	-	125.24	125.24
Final Dividend Paid for FY 2017-18	-	-	-	(10,865.55)	(10,865.55)
Interim Dividend Paid for FY 2018-19	-	-	-	(9,383.89)	(9,383.89)
Tax on Dividend Paid	-	-	-	(4,162.33)	(4,162.33)
Balance as at 1st April 2019	9,87,77,778.00	9,877.78	21,183.81	2,08,825.42	2,39,887.01
Add: Profit for the Year	-	-	-	79,350.98	79,350.98
Other Comprehensive Income (Net of Tax) (refer note 30)	-	-	-	(154.84)	(154.84)
Final Dividend Paid for FY 2018-19	-	-	-	(10,371.67)	(10,371.67)
Interim Dividend Paid for FY 2019-20	-	-	-	(9,383.89)	(9,383.89)
Tax on Dividend Paid	-	-	-	(4,060.81)	(4,060.81)
Balance as at 31st March 2020	9,87,77,778.00	9,877.78	21,183.81	2,64,205.19	2,95,266.78

In terms of our report attached

For **S R B C & CO LLP**

Chartered Accountants

FRN 324982E/E300003

Per **Vikram Mehta**

Partner

Membership No: 105938

For and on behalf of the Board of Directors of Mahanagar Gas Limited

Sanjib Datta

Managing Director

DIN: 07008785

S M Ranade

Chief Financial Officer

ACA No: 39230

Deepak Sawant

Deputy Managing Director

DIN: 07339381

Saghan Srivastava

Company Secretary & Compliance Officer

FCS No. 7512

Place : Mumbai

Date : June 10, 2020

Place : Mumbai

Date : June 10, 2020

Notes to the Financial Statements

for the year ended March 31, 2020

1. General Information

Mahanagar Gas Limited (“MGL” or “the company”) is a limited company domiciled in India and was incorporated on May 8, 1995. Equity shares of the Company are listed in India on the Bombay Stock Exchange and The National Stock Exchange. The registered office of the Company is located at MGL House, G-33 Block, Bandra-Kurla Complex, Bandra (East), Mumbai 400051.

MGL is in the business of City Gas Distribution (“CGD”), presently supplying Natural Gas in the city of Mumbai including its adjoining areas and the Raigad district, in the State of Maharashtra, India.

The financial statements are presented in Indian Rupee (INR) which is also Functional Currency of the Company. The financial statements were approved for issue by the Company’s Board of Directors on 10th June, 2020.

All values are rounded off to the nearest ₹ lakh except when stated otherwise.

2. Summary of Significant accounting policies

This note provides a list of the significant accounting policies adopted in the preparation of these financial statements. These policies have been consistently applied to all the years presented, unless otherwise stated.

2.1 Basis of preparation

a. Statement of Compliance

The Financial Statements have been prepared in accordance with the accounting principles generally accepted in India including Indian Accounting Standards (Ind AS) prescribed under the section 133 of the Companies Act, 2013 read with rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time) and presentation requirement of Division II of Schedule III of the Companies Act 2013, (Ind AS Compliant Schedule III), as applicable to financial statements.

b. Historical cost convention

The financial statements have been prepared on a historical cost convention and on an accrual basis, except for certain items that are measured at fair value as required by relevant Ind AS:

- Financial assets and financial liabilities measured initially at fair value (refer accounting policy on financial Instruments);
- Defined benefit and other long-term employee benefits.

c. Current vs Non-Current Classification:

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification.

An asset is classified as current when it satisfies any of the following criteria:

- it is expected to be realized in, or is intended for sale or consumption in, the Company’s normal operating cycle.
- it is held primarily for the purpose of being traded
- it is expected to be realised within 12 months after the reporting date; or
- it is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least 12 months after the reporting date.

All other assets are classified as non-current.

A liability is treated as current when it satisfies any of the following criteria:

- it is expected to be settled in the Company’s normal operating cycle;
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period, or
- the Company does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting date.

All other liabilities are classified as non-current.

Deferred tax assets and liabilities are classified as non-current only.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The company has considered operating cycle of 12 months from acquisition of assets to realisation of cash and cash equivalents.

Notes to the Financial Statements

for the year ended March 31, 2020

d. Use of estimates and judgements

The preparation of the financial statements in conformity with Ind AS requires the management to make estimates, judgements and assumptions. These estimates, judgements and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the period. The application of accounting policies that require critical accounting estimates involving complex and subjective judgments and the use of assumptions in these financial statements have been disclosed in Note no. 2.18. Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as management becomes aware of changes in circumstances surrounding the estimates. Changes in estimates are reflected in the financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the financial statements.

e. Estimation of uncertainties relating to the global health pandemic from COVID-19 :

On March 11, 2020, the World Health Organization characterised the outbreak of a strain of the new coronavirus ("COVID-19") as a pandemic. This outbreak is causing significant disturbances and slowdown of economic activity. The Company's operations were impacted in the last week of March 2020, resulting in reduction of sales volumes (except for sales volumes in household gas consumption mainly used for cooking requirements) due to nationwide lockdown advised by the Government of India in view of COVID-19.

In assessing the recoverability of carrying amounts of Company's assets such as Investments, loans / advances, trade receivables, inventories etc., the Company has considered various internal and external information up to the date of approval of these financial statements and concluded that they are recoverable based on the cash flow projections.

During lockdown company has been able to receive gas supplies and has maintained the supply of gas to all types of consumers as per their requirement. Daily sales volumes recorded during lockdown has been in the range of 25 to 30% compared to volumes recorded pre lockdown period.

Considering continuation of its gas supply during lockdown, volumes recorded and with opening of lockdown, it is estimated that sales volumes are likely to pick up due to vehicular traffic coming to normalcy, opening up of restaurants, industries and other businesses using gas in automotive and other commercial consumer categories.

The impact of the global health pandemic may be different from that estimated as at the date of approval of these financial statements and the Company will continue to closely monitor any material changes to future economic conditions.

2.2 Property, plant and equipment

All items of property, plant and equipment are carried at cost less accumulated depreciation and accumulated impairment losses, if any. Cost includes expenditure that is directly attributable to the acquisition or construction of the items. Subsequent costs are added to existing item's carrying amount or recognised as a separate item, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. All other subsequent costs related to an item are charged to the statement of profit and loss during the reporting period in which they are incurred. In case of commissioned assets where final payment to the contractors is pending, capitalisation is made on provisional basis subject to necessary adjustment in cost and depreciation in the year of settlement.

a. Commissioning

Gas distribution systems are treated as commissioned when supply of gas reaches to the individual points and ready for intended use.

b. Capital work-in-progress (CWIP)

Capital Work-in-Progress includes, material, labour and other directly attributable costs incurred on assets, which are yet to be commissioned. Capital Inventory is included in Capital work-in-progress and comprises stock of capital items and construction materials at stores and with contractors.

c. Depreciation methods, estimated useful lives and residual value

Depreciation is calculated using the straight-line method to allocate cost, net of estimated residual value, over estimated useful lives. The useful lives and

Notes to the Financial Statements

for the year ended March 31, 2020

residual values are as prescribed under schedule II to Companies Act, 2013, except in respect of, following category of property plant and equipment where useful life estimated as per management estimate is based on technical advice, taking into account the nature of the asset, replacements generally required from the point of view of operational effectiveness:

Type of assets	Useful lives
CNG Compressors and Dispensers	10 Years
CNG Cascades	20 Years
Underground pipeline network	25 Years
Intangible assets (Software's/Licenses)	6 Years

The asset's residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

Depreciation on the property, plant and equipment added / disposed off / discarded during the year is provided on pro-rata basis with reference to the time of addition/disposal/discarding.

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in the statement of profit and loss under Other Expenses.

- d. Ind AS 101 permits a first-time adopter to elect to continue with the carrying value for all of its property, plant and equipment as recognised in the financial statements as at the date of transition to Ind AS, measured as per the previous GAAP and use that as its deemed cost as at the date of transition after making necessary adjustments for de-commissioning liabilities. This exemption can also be used for intangible assets covered by Ind AS 38 - Intangible Assets.

Accordingly, the Company had elected to measure all of its property, plant and equipment and intangible assets at their previous GAAP carrying value.

2.3 Impairment of assets

The carrying values of assets/cash generating units at each balance sheet date are reviewed for impairment. The cash generating unit is the group of asset that generates identified independent Cash Flows. If any indication of impairment exists, the recoverable amount of such assets is estimated and impairment is recognised, if the carrying amount of these assets exceeds their recoverable amount. The recoverable amount is the greater of the fair value less costs of disposal and their value in use. Value in use

is arrived at by discounting the future cash flows to their present value based on an appropriate discount factor. When there is indication that an impairment loss recognised for an asset in earlier accounting periods no longer exists or may have decreased, such reversal of impairment loss is recognised in the Statement of Profit and Loss.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used.

2.4 Leases

The Company as a lessee

The Company's lease asset classes primarily consist of leases for land and buildings, Motor Vehicles, Plant and Equipment and Computers. The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether: (i) the contract involves the use of an identified asset (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Company has the right to direct the use of the asset.

At the date of commencement of the lease, the Company recognizes a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

Certain lease arrangements include the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised.

The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Notes to the Financial Statements

for the year ended March 31, 2020

Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. Right of use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable.

For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the Company changes its assessment if whether it will exercise an extension or a termination option.

Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

2.5 Investments and other financial assets

a. Classification

The company classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss), and
- those measured at amortised cost.

The classification depends on the Company's business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will either be recorded in profit or loss or other comprehensive income. For investments in debt instruments, this will depend on the business model in which the investment is held.

The company reclassifies debt investments when and only when its business model for managing those assets changes.

Assets that are held for collection of contractual cash flows where those cash flows represent sole payment of principal and interest are measured at amortised cost.

Investments in mutual funds are primarily held for the Company's cash requirements and can be readily convertible in cash. These investments are initially recognised at fair value and carried at fair value through profit or loss (FVTPL).

b. Initial recognition and measurement

All financial assets are recognised initially at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial asset (other than financial asset at fair value through Profit or Loss) are added to or deducted from the fair value of the financial assets, as appropriate on initial recognition. Transaction costs directly attributable to the acquisition of financial assets at fair value through the Statement of Profit and Loss are recognised immediately in Statement of Profit and Loss.

c. Subsequent measurement

All recognised financial assets are subsequently measured in their entirety at either amortized cost or 'fair value through profit or loss' or 'fair value through other comprehensive income', depending on the classification of the financial asset.

d. Impairment of financial assets

The company assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk. For trade receivables, except for specifically identified cases, Company follow a simplified approach where provision is made as per the ageing buckets which are designed based on historical facts and patterns. For refundable security deposits and reinstatement charges recoverable with government authorities, the company recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition. Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. ECL is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the company expects to receive (i.e., all cash shortfalls), discounted at the original EIR.

Notes to the Financial Statements

for the year ended March 31, 2020

ECL impairment loss allowance (or reversal) recognized during the period is recognized as income/ expense in the statement of profit and loss (P&L). This amount is reflected under the head 'other expenses' in the P&L. The balance sheet presentation for various financial instruments is described below:

- Financial assets measured as at amortised cost: ECL is presented as an allowance, i.e., as an integral part of the measurement of those assets in the balance sheet. The allowance reduces the net carrying amount. Until the asset meets write-off criteria, the Company does not reduce impairment allowance from the gross carrying amount.

For assessing increase in credit risk and impairment loss, the Company combines financial instruments on the basis of shared credit risk characteristics with the objective of facilitating an analysis that is designed to enable significant increases in credit risk to be identified on a timely basis.

e. De-recognition of financial assets

A financial asset is de-recognised only when

- The Company has transferred the rights to receive cash flows from the financial asset or
- retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the company has transferred an asset, the Company evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is de-recognised. Where the company has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not de-recognised.

Where the company has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is de-recognised if the Company has not retained control of the financial asset. Where the Company retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

2.5.1 Cash and cash equivalents

For the purpose of presentation in the statement of cash flows, Cash and cash equivalents includes cash on hand, cash in transit and short term deposits with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

2.6 Financial Liabilities

a. Classification as debt or equity

Debt and equity instruments issued by Company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

b. Measurement

Financial liabilities are initially recorded at fair value and are subsequently measured at amortised cost using effective interest method or at FVTPL

c. Financial liabilities subsequently measured at amortised cost

Financial liabilities that are not held-for-trading and are not designated as at FVTPL are measured at amortised cost at the end of subsequent accounting periods. The carrying amounts of financial liabilities that are subsequently measured at amortised cost are determined based on the effective interest method. Interest expense that is not capitalised as part of costs of an asset is included in the 'Finance Cost' line item.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the gross carrying amount on initial recognition.

d. De-recognition of financial liabilities

The Company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or have expired. An exchange between with a lender of debt instruments with

Notes to the Financial Statements

for the year ended March 31, 2020

substantially different terms is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. Similarly, a substantial modification of the terms of an existing financial liability (whether or not attributable to the financial difficulty of the debtor) is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. The difference between the carrying amount of the financial liability de-recognised and the consideration paid and payable is recognised in profit or loss.

e. Trade and other payables

These amounts represent liabilities for goods and services received by the Company prior to the end of reporting period which are unpaid. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at their fair value and subsequently measured at amortised cost.

2.7 Offsetting financial instruments

Financial assets and liabilities are offset and the net amount is reported in the balance sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously.

2.8 Inventories

Stock of gas is valued at lower of cost computed on First In First Out (FIFO) basis and estimated net realisable value.

Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

Inventories other than stock of gas are valued at cost, which is determined on weighted average net off provision for cost of obsolescence / slow moving inventory and other anticipated losses, wherever considered necessary.

Cost of inventories includes all other costs incurred in bringing the inventories to their present location and condition.

2.9 Revenue from contracts with customers

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services.

The disclosures of significant accounting judgements, estimates and assumptions relating to revenue from contracts with customers are provided in Note 2.18

The Company earns revenues primarily from sale of natural gas. Revenue is recognised on supply of gas to customers by metered/assessed measurements. The Company has concluded that it is the principal in all its revenue arrangements since it is the primary obligor in all the revenue arrangements as it has the pricing latitude and is also exposed to credit risk.

Based on the Educational Material issued by the ICAI, the company has assumed that recovery of excise duty flows to the company on its own account. This is for the reason that it is a liability of the manufacturer which forms part of the cost of production, irrespective of whether the goods are sold or not. Since the recovery of excise duty flows to the company on its own account, revenue includes excise duty.

However, sales tax/ value added tax (VAT) / Goods and Service Tax (GST) is not received by the company on its own account. Rather, it is tax collected on value added to the commodity by the seller on behalf of the government. Accordingly, it is excluded from revenue.

Revenue is measured at the fair value of the consideration received or receivable, inclusive of excise duty. Amounts disclosed as revenue are net of trade allowances, rebates, value added taxes and amounts collected on behalf of third parties.

Compensation receivable from customers with respect to shortfall in minimum guaranteed Off take of gas is recognised on contractual basis. Delayed payment charges are recognised on receipt basis in view of uncertainty of collection.

2.10 Interest and Dividend income

Interest income from a financial asset is recognised when it is probable that the economic benefit will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on time basis, by reference to the principal outstanding and at the effective interest rate applicable.

Dividend income from investments is recognised when the right to receive dividend has been established.

2.11 Foreign currencies

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and

Notes to the Financial Statements

for the year ended March 31, 2020

from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are recognised in the statement of profit and loss. At the end of each reporting period, monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates prevailing at the reporting date.

Foreign exchange differences regarded as an adjustment to borrowing costs are presented in the statement of profit and loss, within finance costs. All other foreign exchange gains and losses are presented in the statement of profit and loss on a net basis within other gains/(losses).

2.12 Income tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from "profit before tax" as reported in the statement of profit and loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Company's current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period. Income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities.

Current Tax

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred Tax

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred tax assets are recognised for all deductible temporary differences and unused tax losses only if it is

probable that future taxable amounts will be available to utilise those temporary differences and losses.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the company has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Current and deferred tax is recognised in statement of profit and loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

2.13 Borrowing costs

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

All other borrowing costs are expensed in the period in which they are incurred.

2.14 Provisions

Provisions are recognised when the Company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Provisions are not recognised for future operating losses.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense.

Notes to the Financial Statements

for the year ended March 31, 2020

2.15 Employee benefits

a. Short-term obligations

Liabilities for wages and salaries, including other monetary and non-monetary benefits that are expected to be settled wholly within 12 months after the end of the reporting period are recognised and measured at the undiscounted amounts expected to be paid when the liabilities are settled.

b. Post-employment obligations (Defined Benefit Obligations)

The Company operates the following post-employment schemes:

- defined benefit plans - gratuity and post-retirement medical benefit scheme
- defined contribution plans such as provident fund.

Defined Benefit Plans - Gratuity obligations and post-retirement medical benefit obligations

The liability or asset recognised in the balance sheet in respect of gratuity is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by actuaries using the projected unit credit method.

The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the statement of profit and loss. Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the balance sheet. Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in the statement of profit and loss as past service cost.

Compensated absences

The Company's liabilities under for long term compensated absences is determined on the basis of actuarial valuation made at the end of each financial year using the projected unit credit method except for short term compensated absences which are provided for based on estimates. The benefits are discounted using the market yields at the end of the reporting period that gave terms approximating to the terms of the related obligation. Re-measurements as a result of experience adjustments and changes in actuarial assumptions are recognised in profit or loss.

Defined contribution plans

Company pays provident fund contributions to publicly administered provident funds and National Pension Scheme(NPS) as per local regulations. Company's contribution to provident fund and NPS is recognised on accrual basis in the Statement of Profit and Loss. Company has no further payment obligations once the contributions have been paid.

c. Other long-term employee benefit obligations

The liabilities for long service awards and compensated absences which are not expected to be settled wholly within 12 months after the end of the reporting period are measured at the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period, using the projected unit credit method. Re-measurements as a result of experience adjustments and changes in actuarial assumptions are recognised in the statement of profit and loss.

2.16 Segment reporting

The board of directors assesses performance of the Company as Chief Operating Decision Maker.

The Company has a single operating segment that is "Sale of Natural Gas". Accordingly, the segment revenue, segment results, segment assets and segment liabilities are reflected in the financial statements themselves as at and for the financial year ended March 31, 2020.

2.17 Earnings per share

Basic earnings per share is computed by dividing the profit after tax before other comprehensive income by the weighted average number of equity shares outstanding during the financial year. Diluted earnings per share is

Notes to the Financial Statements

for the year ended March 31, 2020

computed by dividing the profit after tax by the weighted average number of equity and dilutive equity equivalent shares outstanding during the year, except where the results would be anti dilutive.

2.18 Critical accounting judgements and key sources of estimation uncertainty

In the application of the Company's accounting policies, which are described in note 2, the management of the Company are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

In the following areas the management of the Company has made critical judgements and estimates

Useful lives of property, plant and equipment

The Company reviews the useful lives and carrying amount of property, plant and equipment at the end of each reporting period. This reassessment may result in change in depreciation expense in future periods.

Estimation of defined benefit obligation

The company has defined benefit plans for its employees which are actuarially valued. Such valuation is based on many estimates and other factors, which may have a scope of causing a material adjustment to the carrying amounts of assets and liabilities.

Recognition of deferred tax assets

Deferred tax asset is recognised for all the deductible temporary differences to the extent that it is probable that taxable profit will be available against which the deductible temporary difference can be utilised. The management assumes that taxable profits will be available while recognising deferred tax assets.

Provision on receivables

The Company has a defined policy for provision of receivables which is based on the ageing of receivables. The Company reviews the policy at regular intervals.

Provision for Inventory

The Company has a defined policy for provision of slow and non-moving inventory based on the ageing of inventory. The Company reviews the policy at regular intervals.

Provision for Refundable Security Deposits and recoverable re-instatement charges

The Company provides non recoverable refundable security deposits and recoverable re-instatement charges from local authorities based on expected credit loss model.

Recognition and measurement of other provisions

The recognition and measurement of other provisions are based on the assessment of the probability of an outflow of resources and on past experience and circumstances known at the balance sheet date. The actual outflow of resources at a future date may therefore vary from the figure so provided and included as liability.

Recognition and measurement of unbilled gas sales revenue

In case of customers where meter reading dates for billing is not matching with reporting date, the gas sales between last meter reading date and reporting date has been accrued by the company based on past average sales. The actual sales revenue may vary compared to accrued unbilled revenue so included in Sale of natural gas and classified under current financial assets.

2.19 Fair Value Measurements

The Company measures financial instruments such as derivatives at fair value at each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- (a) In the principal market for the asset or liability, or
- (b) In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible by the Company.

Notes to the Financial Statements

for the year ended March 31, 2020

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the company can access at the measurement date;
- Level 2 inputs are inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly or indirectly; and
- Level 3- Level 3 inputs are unobservable inputs for the asset or liability.

For assets and liabilities that are recognized in the financial statements on a recurring basis, the company determines whether transfer have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level of input that is significant to the fair value measurement as a whole) at the end of each reporting period.

Fair value for measurement and/or disclosure purposes in these financial information is determined on such a basis, except for share-based payment transactions that are within the scope of Ind AS 102, leasing transactions that are within the scope of Ind AS 17, and measurements that have some similarities to fair value but are not fair value, such as net realisable value in Ind AS 2 or value in use in Ind AS 36.

2.20 Changes in accounting policies and disclosures - New and amended standards

Ind AS 116 Leases was notified by MCA on 30 March 2019 and it replaces Ind AS 17 Leases, including appendices

thereto. Ind AS 116 is effective for annual periods beginning on or after 1 April 2019.

Ind AS 116 supersedes Ind AS 17 Leases including its appendices (Appendix C of Ind AS 17 Determining whether an Arrangement contains a Lease, Appendix A of Ind AS 17 Operating Leases-Incentives and Appendix B of Ind AS 17 Evaluating the Substance of Transactions Involving the Legal Form of a Lease). The standard sets out the principles for the recognition, measurement, presentation and disclosure of leases and requires lessees to recognize most leases on the balance sheet.

Effective April 1, 2019, the Company adopted Ind AS 116 "Leases" and applied the standard to all lease contracts existing on April 1, 2019 using the modified retrospective method as per para C8 (b)(ii) of Ind AS 116 with right-of-use asset recognized at an amount equal to the lease liability.

Comparatives as at and for the year ended March 31, 2019 have not been retrospectively adjusted and therefore will continue to be reported under the accounting policies included as part of our Annual Report for year ended March 31, 2019.

On transition, the adoption of the new standard resulted in recognition of 'Right of Use' asset of ₹12,228 lakh, (including reclassification of leasehold land of ₹6,237 lakh) and a lease liability of ₹5,991 lakh. Lease expenses have changed to depreciation cost on the right to use assets and finance cost for interest accrued on lease liability. The effect of this adoption is insignificant on the profit before tax, profit for the period and earnings per share. Ind AS 116 will result in an increase in cash inflows from operating activities and an increase in cash outflows from financing activities on account of lease payments.

The following is the summary of practical expedients elected on initial application:

- a. Applied a single discount rate to a portfolio of leases of similar assets in similar economic environment with a similar end date
- b. Applied the exemption not to recognize right-of-use assets and liabilities for leases with less than 12 months of lease term on the date of initial application
- c. Excluded the initial direct costs from the measurement of the right-of-use asset at the date of initial application.

The Ministry of Corporate Affairs (MCA) notifies the new standards or amendments to the existing standards. There is no such notification which would have been applicable from April 1, 2020.

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for the year ended March 31, 2020

Note - 3 : Property, Plant and Equipment & Intangible Assets

Description of Assets	Gross Carrying Amount			Accumulated Depreciation/Amortisation			Net Carrying Amount		
	As at April 1st, 2019	Additions	Disposals	As at March 31, 2020	As at April 1st, 2019	Depreciation/Amortisation	Disposals	As at March 31, 2019	As at March 31, 2020
i. Property, Plant and Equipment									
Freehold Land	-	821.80	-	821.80	-	-	-	-	821.80
Buildings & Bunk Houses	2,672.09	6.31	-	2,678.40	152.90	51.61	-	2,519.19	2,473.89
Roads & Fences	1,676.81	995.28	-	2,672.09	113.73	39.17	-	1,563.08	2,519.19
	426.97	1.24	-	428.21	95.10	44.11	-	331.87	289.00
	314.75	112.22	-	426.97	68.73	26.37	-	95.10	331.87
Plant & Equipment - Gas Distribution System	2,07,076.67	29,442.62	(481.87)	2,36,037.42	37,607.62	13,283.50	(323.73)	1,69,469.05	1,85,470.03
	1,73,779.48	33,711.20	(414.01)	2,07,076.67	26,014.95	11,791.63	(198.96)	1,47,764.53	1,69,469.05
	2,584.39	81.88	(0.85)	2,665.42	662.34	184.84	(0.77)	1,922.05	1,819.01
Plant & Equipment - Others	2,388.98	195.41	-	2,584.39	488.34	174.00	-	1,900.64	1,922.05
	973.51	259.45	(23.91)	1,209.05	600.26	172.33	(18.43)	373.25	454.89
Computers	828.18	153.63	(8.30)	973.51	448.92	156.97	(5.63)	379.26	373.25
	852.21	58.22	-	910.43	363.23	101.73	-	488.98	445.47
Electrical Installations	675.62	176.59	-	852.21	274.11	89.12	-	401.51	488.98
Office Equipments	1,073.68	161.82	(2.30)	1,233.20	663.33	158.32	(1.74)	410.35	413.29
	827.85	249.09	(3.26)	1,073.68	566.57	97.64	(0.88)	261.28	410.35
	96.40	14.42	-	110.82	50.19	17.12	-	46.21	43.51
Communication Systems	108.47	0.99	(3.06)	96.40	43.09	13.74	(6.64)	65.38	46.21
	460.67	130.69	(2.36)	589.00	146.35	53.11	(1.49)	314.32	391.03
Furniture and Fixtures	328.55	132.12	-	460.67	104.34	42.01	-	224.21	314.32
Total - Property, Plant and Equipment (i)	2,16,216.59	30,978.45	(511.29)	2,46,683.75	40,341.32	14,066.67	(346.16)	1,75,875.27	1,92,621.92
	1,80,928.69	35,726.53	(438.63)	2,16,216.59	28,122.78	12,430.65	(212.11)	1,52,805.91	1,75,875.27
ii. Intangible Assets									
Computer Softwares / Licences (Acquired)	1,183.90	168.99	-	1,352.89	717.76	171.61	-	466.14	463.52
	944.42	239.48	-	1,183.90	555.34	162.42	-	389.08	466.14
Total - Intangible Assets (ii)	1,183.90	168.99	-	1,352.89	717.76	171.61	-	466.14	463.52
	944.42	239.48	-	1,183.90	555.34	162.42	-	389.08	466.14
iii. Total - Property, Plant and Equipment & Intangible Assets (i+ii)	2,17,400.49	31,147.44	(511.29)	2,48,036.64	41,059.08	14,238.28	(346.16)	1,76,341.41	1,93,085.44
	1,81,873.11	35,966.01	(438.63)	2,17,400.49	28,678.12	12,593.07	(212.11)	1,53,194.99	1,76,341.41
	12,228.01	2,248.44	(733.71)	13,742.74	-	1,934.34	(25.33)	1,909.01	11,833.75
iv. Right-Of-Use Assets (refer note 3.15)									
v. Total (iii+iv)	2,29,628.50	33,395.88	(1,245.00)	2,61,779.38	41,059.08	16,172.62	(371.49)	1,76,341.41	2,04,919.17
	1,81,873.11	35,966.01	(438.63)	2,17,400.49	28,678.12	12,593.07	(212.11)	1,53,194.99	1,76,341.41
vi. Capital work-in-progress									
Grand Total (v+vi)									
								2,13,310.07	2,13,310.07

(₹ in Lakh)

NOTES:

- Capital Work-in-Progress includes Capital inventory of ₹10,837.51 Lakh (as at 31st March, 2019 ₹8,253.66 Lakh)
 - Capital inventory includes material with contractors ₹3,308.39 Lakh (as at 31st March, 2019 ₹2,229.24 Lakh)
 - Capital inventory includes material in transit ₹148.92 Lakh (as at 31st March, 2019 ₹130.74 Lakh)
 - As at March 31, 2020, ₹680.34 Lakh (March 31, 2019 ₹406.87 Lakh) has been recognised as an allowance for inventory obsolescence.
- Figures in bold represent current year's figures.

Notes to the Financial Statements

for the year ended March 31, 2020

4. Trade Receivables

Particulars	(₹ in Lakh)	
	As at March 31, 2020	As at March 31, 2019
(a) Current		
Secured, Considered Good (secured against security deposits)	2,962.70	2,621.72
Unsecured, Considered Good #	3,880.31	7,331.39
With significant increase in credit risk	-	-
Unsecured, Considered doubtful	406.18	243.04
	7,249.19	10,196.15
Less : Allowance for Doubtful Trade Receivables	406.18	243.04
	6,843.01	9,953.11
(b) Non-current		
Unsecured Considered Good	2.32	6.32
Total - Trade Receivables (a+b)	6,845.33	9,959.43

Includes ₹0.97 Lakh (Previous year ₹0.88 Lakh) receivable from related parties (refer note 31.3)

5. Security Deposits

Particulars	(₹ in Lakh)	
	As at March 31, 2020	As at March 31, 2019
(a) Current		
Unsecured, Considered Good #	441.41	859.63
Unsecured, Considered Doubtful	293.30	363.18
	734.71	1,222.81
Less: Expected credit loss allowance for Security Deposits	293.30	363.18
Subtotal(a)	441.41	859.63
(b) Non-current		
Unsecured, Considered Good	2,798.90	1,921.37
Unsecured, Considered Doubtful	385.61	344.07
	3,184.51	2,265.44
Less: Expected credit loss allowance for Security Deposits	385.61	344.07
Subtotal(b)	2,798.90	1,921.37
Total - Security Deposits (a+b)	3,240.31	2,781.00

Includes ₹6.00 Lakh (Previous year ₹6.00 Lakh) receivable from related parties (refer note 31.3)

6. Other Non-current Financial Assets

Particulars	(₹ in Lakh)	
	As at March 31, 2020	As at March 31, 2019
Other Bank Balances #	3.80	26.58
Other Loans and Advances	-	9.17
	3.80	35.75

Includes margin money deposit ₹3.80 Lakh (previous year ₹26.58 Lakh)

Notes to the Financial Statements

for the year ended March 31, 2020

7. Other Non-current Assets

(₹ in Lakh)

Particulars	As at	As at
	March 31, 2020	March 31, 2019
Capital Advances #	311.22	19.19
Prepaid Rent on Leasehold Land	345.24	6,493.14
Prepaid Expenses	994.26	1,368.41
Balances with Government Authorities	161.72	176.96
	1,812.44	8,057.70

Includes ₹310.50 Lakh (Previous year ₹Nil) receivable from related parties (refer note 31.3)

8. Inventories (at lower of Cost and Net Realisable Value)

(₹ in Lakh)

Particulars	As at	As at
	March 31, 2020	March 31, 2019
Stock in Trade:		
Stock of Natural Gas	43.99	49.03
Stores and Spares	1,812.80	1,862.76
	1,856.79	1,911.79

Stores and Spares in Transit is ₹0.61 Lakh (previous year ₹Nil)

As at March 31, 2020, ₹528.62 Lakh (March 31, 2019: ₹573.04 Lakh) has been recognised as an allowance for inventory obsolescence

Note - 9 : Investments

a. Carried at Fair Value through Profit or Loss

Name of Mutual Fund Scheme (Unquoted)	Face Value (₹)	Number of Units		Amount (₹ in Lakh)	
		31.03.2020	31.03.2019	31.03.2020	31.03.2019
Aditya Birla Sun Life Liquid Fund - Direct Plan - Daily Dividend	100	-	16,72,437	-	1,676.47
Aditya Birla Sun Life Liquid Fund - Direct Plan - Growth	100	13,65,139	-	4,362.43	-
Axis Banking & PSU Debt Fund - Growth	1,000	1,41,738	1,41,738	2,751.14	2,508.19
Axis Liquid Fund - Direct Plan - Dly Dividend	1,000	-	2,500	-	25.02
Axis Liquid Fund - Direct Plan - Growth	1,000	3,55,447	-	7,835.25	-
DSP Liquidity Fund - Direct Plan - Daily Dividend	1,000	-	10,05,799	-	10,067.37
DSP Liquidity Fund - Direct Plan - Growth	1,000	3,53,273	-	10,035.48	-
HDFC Liquid Fund - Direct Plan - Growth	10	41,510	-	1,621.65	-
ICICI Prudential Savings Fund-Growth - DIRECT PLAN	100	18,45,040	18,45,040	7,202.49	6,663.71
ICICI PRU EQUITY ARBITRAGE FUND -DIVIDEND		1,76,37,014	-	2,569.75	-
ICICI Prudential Liquid Fund - Direct Plan - Growth	100	11,95,920	-	3,513.39	-
IDFC Banking & PSU Debt Fund - Growth		5,79,49,553	-	10,410.12	-
IDFC ARBITRAGE FUND - DIRECT PLAN - MONTHLY DIVIDEND		1,94,14,241	-	2,568.35	-
KOTAK EQUITY ARBITRAGE FUND - DIRECT PLAN-MONTHLY DIVIDEND	10	1,19,06,234	1,13,75,115	1,330.18	1,252.13
Kotak Low Duration Fund - Standard Growth (Regular Plan)	1,000	3,08,948	3,08,948	7,613.60	7,063.85
Kotak Equity Arbitrage Fund - Direct Plan - Fortnightly Dividend	10	55,00,103	-	1,295.88	-
L&T Liquid Fund - Direct Plan - Growth	1,000	3,71,388	-	10,107.80	-
Reliance Arbitrage Fund - Direct Monthly Dividend Plan	10	2,42,44,541	2,09,28,899	2,701.01	2,301.51
Reliance Liquid Fund - Direct Plan - Daily Dividend	1,000	-	2,78,661	-	4,261.71
Reliance Prime Debt Fund - Growth Plan -Growth Option	10	-	1,67,48,485	-	6,554.74
SBI Liquid Fund - Direct Plan - Growth	1,000	2,12,428	-	6,604.42	-
TATA Liquid Fund -Direct Plan- Daily Dividend	1,000	-	9,99,625	-	10,011.44
TATA Liquid Fund - Direct Plan - Growth	1,000	37,113	-	1,162.38	-
Total Investment in Mutual Funds (Unquoted)				83,685.32	52,386.14

Notes to the Financial Statements

for the year ended March 31, 2020

b. Carried at Amortised Cost

(₹ in Lakh)

Particulars	31.03.2020	31.03.2019
Fixed Deposit with LIC Housing Finance Ltd.	15,421.08	5,408.00
Fixed Deposit with HDFC Ltd.	13,040.41	7,607.51
Total of Corporate FDs	28,461.49	13,015.51
Grand Total (a+b) (Unquoted Investments)	1,12,146.81	65,401.65

10. Cash and Cash Equivalents

(₹ in Lakh)

Particulars	As at March 31, 2020	As at March 31, 2019
Cash on Hand	2.20	1.48
Cash in Transit	87.60	431.04
Balances with Banks		
- in Current Accounts	1,447.80	2,220.60
Total - Cash and Cash Equivalents (refer Cash Flow Statement)	1,537.60	2,653.12

11. Other Bank Balances

(₹ in Lakh)

Particulars	As at March 31, 2020	As at March 31, 2019
In Deposit Accounts	18,171.71	26,004.08
Margin Money Deposits	144.78	117.46
In Dividend Accounts	3,093.24	1,109.36
	21,409.73	27,230.90

12. Other Current Financial Assets

(₹ in Lakh)

Particulars	As at March 31, 2020	As at March 31, 2019
Unbilled Revenue	4,214.92	3,854.29
Miscellaneous Receivable and Others	1,008.43	3,895.03
	5,223.35	7,749.32
Less : Allowance for Doubtful Miscellaneous Receivable	213.18	-
	5,010.17	7,749.32

13. Other Current Assets

(₹ in Lakh)

Particulars	As at March 31, 2020	As at March 31, 2019
Prepaid Expenses	917.68	760.11
Balances with Government Authorities (Central Excise, GST, VAT, etc.)	320.33	810.84
Advances to Employees / Vendors	83.89	79.39
	1,321.90	1,650.34

Notes to the Financial Statements

for the year ended March 31, 2020

14. Equity Share Capital

(₹ in Lakh)

Particulars	(₹ in Lakh)	
	As at March 31, 2020	As at March 31, 2019
Authorised Equity Share Capital		
13,00,00,000 (previous year 13,00,00,000) Equity Shares of ₹10/- each	13,000.00	13,000.00
Issued, Subscribed and Fully Paid Equity Shares		
9,87,77,778 (previous year 9,87,77,778) Equity Shares of ₹10/- each	9,877.78	9,877.78

Terms/rights attached to equity shares :

The Company has only one class of equity shares having par value at ₹10 per share, each holder of equity shares is entitled to one vote per share. The Company declares and pays dividends in Indian rupees. The final dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

(₹ in Lakh)

Particulars	(₹ in Lakh)	
	As at March 31, 2020	As at March 31, 2019
Details of Shareholders holding more than 5% Shares		
GAIL (India) Limited		
Number of Shares	3,21,02,750	3,21,02,750
Percentage	32.50	32.50
BG Asia Pacific Holding Pte. Ltd., Singapore		
Number of Shares	-	98,77,778
Percentage	-	10.00
Government of Maharashtra		
Number of Shares	98,77,778	98,77,778
Percentage	10.00	10.00

15. Other Equity

(₹ in Lakh)

Particulars	(₹ in Lakh)	
	As at March 31, 2020	As at March 31, 2019
General Reserve	21,183.81	21,183.81
Retained Earnings	2,64,205.19	2,08,825.42
	2,85,389.00	2,30,009.23

16. Lease Liabilities (refer note 31.5)

(₹ in Lakh)

Particulars	(₹ in Lakh)	
	As at March 31, 2020	As at March 31, 2019
Non Current Lease Liabilities	4,900.13	-
Current Lease Liabilities	1,760.70	-
	6,660.83	-

Notes to the Financial Statements

for the year ended March 31, 2020

17. Non Current Financial Liabilities - Others

Particulars	(₹ in Lakh)	
	As at March 31, 2020	As at March 31, 2019
Security Deposits from vendors	55.72	180.88
	55.72	180.88

18. Provisions

Particulars	(₹ in Lakh)	
	As at March 31, 2020	As at March 31, 2019
a. Current (refer note 31.1)		
Leave Encashment	520.99	487.89
Post Retirement Medical Benefit	4.26	2.03
Gratuity	252.11	180.45
Other Employee Benefits Obligations	15.52	17.99
Total (a)	792.88	688.36
b. Non-current (refer note 31.1)		
Leave Encashment	1,021.87	928.44
Post Retirement Medical Benefit	636.68	378.58
Other Employee Benefits Obligations	182.46	124.10
Total (b)	1,841.01	1,431.12
Total Provisions (a+b)	2,633.89	2,119.48

19. Deferred Tax Liabilities (Net) (refer note 31.6)

Particulars	(₹ in Lakh)	
	As at March 31, 2020	As at March 31, 2019
Deferred Tax Liabilities	18,968.51	21,463.86
Less : Deferred Tax Assets	2,901.96	979.99
	16,066.55	20,483.87

20. Trade Payables

Particulars	(₹ in Lakh)	
	As at March 31, 2020	As at March 31, 2019
Micro, Small and Medium Enterprises (refer note 31.10)	195.10	647.47
Other Trade Payables	10,571.21	7,643.02
	10,766.31	8,290.49
To Related Parties (refer note 31.3)	2,411.14	6,954.38
	13,177.45	15,244.87

21. Current Financial Liabilities - Others

Particulars	(₹ in Lakh)	
	As at March 31, 2020	As at March 31, 2019
Unpaid Dividends	3,093.23	1,109.36
Payables for purchase of property, plant and equipment	5,719.52	5,606.16
Others	7,096.63	3,229.09
	15,909.38	9,944.61

Notes to the Financial Statements

for the year ended March 31, 2020

22. Other Current Liabilities

(₹ in Lakh)

Particulars	As at	As at
	March 31, 2020	March 31, 2019
Statutory Payables	2,605.30	2,555.73
Advances from Customers	1,957.77	1,813.55
Others	44.76	-
	4,607.83	4,369.28

23. Revenue from Contracts with Customers (refer note 31.13)

(₹ in Lakh)

Particulars	For the year ended	For the year ended
	March 31, 2020	March 31, 2019
Sale of Natural Gas (Including Excise Duty)	3,23,809.52	3,03,126.77
Sale of Pipes, Fittings and Other Materials	529.48	524.28
Other Operating Income	2,109.61	2,028.29
	3,26,448.61	3,05,679.34

24. Other Income

(₹ in Lakh)

Particulars	For the year ended	For the year ended
	March 31, 2020	March 31, 2019
a. Interest Income		
From Bank Deposits	1,720.26	1,667.57
From Other Financial Assets	1,573.19	1,007.37
	3,293.45	2,674.94
b. Dividend Income		
From Mutual Funds designated at FVTPL	1,568.40	1,952.64
c. Other Gains and Losses		
Gain/(Loss) on Debt Instruments designated at FVTPL *	3,138.81	1,460.52
	3,138.81	1,460.52
d. Other Non-operating Income		
	1,894.65	1,683.15
Total Other Income (a+b+c+d)	9,895.31	7,771.25

*Includes unrealised increase in fair value of ₹2,722.34 lakh (previous year - ₹ 1,444.28 lakh)

25. Cost of Natural Gas and Traded Items

(₹ in Lakh)

Particulars	For the year ended	For the year ended
	March 31, 2020	March 31, 2019
Purchase Cost of Natural Gas and Other Charges	1,37,861.63	1,39,754.09
Less: Captive Consumption (Including VAT)	371.73	279.43
	1,37,489.90	1,39,474.66
Purchase of Pipes, Fittings and Other Materials	459.11	451.76
	1,37,949.01	1,39,926.42

Notes to the Financial Statements

for the year ended March 31, 2020

26. Changes in Inventories

(₹ in Lakh)

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Changes in Stock of Natural Gas:		
Opening Stock	49.03	38.61
Closing Stock	43.99	49.03
(Increase) / Decrease in Stock	5.04	(10.42)

27. Employee Benefits Expense

(₹ in Lakh)

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Salaries, Wages and Allowances	8,639.10	8,062.84
Contribution to Provident Fund and Other Funds (refer note 31.1)	422.35	391.13
Gratuity (refer note 31.1)	124.23	121.59
Staff Welfare	914.35	406.67
Secondment Charges	164.33	204.51
	10,264.36	9,186.74
Less: Transfer to Capital Work-in-Progress	2,200.99	2,098.84
	8,063.37	7,087.90

28. Finance Costs

(₹ in Lakh)

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Interest on lease liability (refer note 31.5)	579.66	-
Other Interest Expense	72.84	32.28
	652.50	32.28

29. Other Expenses

(₹ in Lakh)

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Power and Fuel	11,701.33	11,622.39
CNG Dispensing Charges (refer note 31.5)	6,605.74	5,648.44
Consumption of Stores and Spares	3,191.33	2,838.48
Insurance	292.18	246.85
Rent Expense (refer note 31.5)	1,776.43	2,859.90
Rates and Taxes	438.68	276.51
Repairs to Buildings	12.14	2.54
Repairs to Plant and Machinery	6,512.73	6,459.76
Write-off and Loss on Disposal of CWIP and Property, Plant and Equipment	205.55	421.66
Bad Trade Receivables Written Off	10.82	62.81
Allowance for Doubtful Trade Receivables (Net)	163.14	-
Allowance for Doubtful Miscellaneous Receivable	213.18	-
Security Deposits Written off	111.11	53.11
Expected credit loss allowance for Security Deposits (Net)	(28.34)	559.04
Refundable Reinstatement Charges written off	48.78	-
Expected credit loss allowance for Refundable Reinstatement Charges (Net)	482.70	87.71
Allowance for inventory obsolescence	229.05	549.76
Corporate Social Responsibility Expenditure (refer note 31.12)	859.48	576.48
Miscellaneous Expenses (refer note 31.5, 31.11)	13,479.68	11,962.31
	46,305.71	44,227.75
Less: Transfer to Capital Work-in-Progress	393.82	669.63
	45,911.89	43,558.12

Notes to the Financial Statements

for the year ended March 31, 2020

30. OCI - Items that will not be reclassified to profit or loss

(₹ in Lakh)

Particulars	For the year ended	For the year ended
	March 31, 2020	March 31, 2019
Gains/(Losses) on Remeasurements of the Defined Benefit Plans	(289.69)	192.51
Less : Income Tax on Remeasurements of the Defined Benefit Plans	134.85	(67.27)
OCI - Items that will not be reclassified to profit or loss (Net of Income Tax)	(154.84)	125.24

31 Disclosures under Indian Accounting Standards:

31.1 Employee Benefit Obligations

a. Short-term Employee Benefits

These benefits include wages and salaries, including other monetary and non-monetary benefits, compensated absences which are either non-accumulating or accumulated and expected to be availed within twelve months after the end of the reporting period.

b. Long-term Employee Benefits

i) Defined Contribution Plans

The Company makes Provident Fund and National Pension Scheme (NPS) contributions, which are defined contribution plans, for qualifying employees. Company has no further payment obligations once the contributions have been paid. Under the Provident Fund Schemes and NPS, the Company is required to contribute a specified percentage of the payroll costs to fund the benefits. The contributions payable to these plans by the Company are in compliance with the rates specified in the rules of the schemes. The Company recognised **₹422.35 Lakh** (previous year ₹391.13 Lakh) as an expense and included in Note 27 – Employee Benefit Expenses ‘Contribution to Provident Fund and Other Funds’ in the Statement of Profit and Loss for the year ended March 31, 2020.

ii) Defined Benefit Plans

The Company offers the following defined benefit schemes to its employees:

- Gratuity (refer note 27): The Company’s gratuity plan is governed by the Payment of Gratuity Act, 1972. Under the Act, Employee who has completed five years of service is entitled to specific benefit, the plan is funded.
- Post-Retirement Medical Benefit Plan (PRMB) (refer note 27): The Company has provided Post-Retirement Medical Scheme. Under the scheme eligible retired employees of the company and their spouse are provided medical claims for hospitalisation through insurance policy coverage.

The following table sets out the funded/unfunded status of the defined benefit schemes and the amount recognised in the financial statements:

Amount recognised in Statement of Profit and Loss

(₹ in Lakh)

Particulars	For the year ended March 31, 2020		For the year ended March 31, 2019	
	Gratuity (Funded)	PRMB (Unfunded)	Gratuity (Funded)	PRMB (Unfunded)
Current Service Cost	110.62	44.27	115.09	76.36
Interest Cost (Net)	13.61	28.70	6.50	40.74
Past Service Cost	-	-	-	-
Total Expense recognised in the Statement of Profit and Loss	124.23	72.97	121.59	117.10

Notes to the Financial Statements

for the year ended March 31, 2020

Amount recognised in Other Comprehensive Income

(₹ in Lakh)

Particulars	For the year ended March 31, 2020		For the year ended March 31, 2019	
	Gratuity (Funded)	PRMB (Unfunded)	Gratuity (Funded)	PRMB (Unfunded)
Due to change in Demographic Assumptions	4.81	(26.32)	60.01	(182.62)
Due to change in Financial Assumptions	91.25	140.89	38.49	15.50
Due to Experience	(14.48)	75.94	(40.82)	(85.63)
Return on Plan Assets (excluding amounts included in net interest expense)	17.59	-	2.56	-
Total Remeasurement (gains)/losses recognised in OCI	99.17	190.51	60.24	(252.75)

Net Asset/ (Liability) recognised in the Balance Sheet

(₹ in Lakh)

Particulars	As at March 31, 2020		As at March 31, 2019	
	Gratuity (Funded)	PRMB (Unfunded)	Gratuity (Funded)	PRMB (Unfunded)
Present value of Defined Benefit Obligation	(1,745.16)	(640.93)	(1,562.54)	(380.61)
Fair value of Plan Assets	1,493.05	-	1,382.09	-
Net Asset/ (Liability) recognised in the Balance Sheet	(252.11)	(640.93)	(180.45)	(380.61)

Change in Defined Obligation (DBO) during the year

(₹ in Lakh)

Particulars	As at March 31, 2020		As at March 31, 2019	
	Gratuity (Funded)	PRMB (Unfunded)	Gratuity (Funded)	PRMB (Unfunded)
Present value of DBO at beginning	1,562.54	380.61	1,357.62	518.29
Current Service Cost	110.62	44.27	115.09	76.36
Past Service Cost	-	-	-	-
Interest Cost	117.82	28.70	106.71	40.74
Remeasurement (gain)/loss	81.58	190.51	57.68	(252.75)
Benefits paid	(127.40)	(3.16)	(74.56)	(2.03)
Present value of DBO at the end	1,745.16	640.93	1,562.54	380.61

Change in the fair value of Asset during the year – Gratuity (Funded)

(₹ in Lakh)

Particulars	As at	As at
	March 31, 2020	March 31, 2019
Plan Assets at beginning	1,382.09	1,274.98
Interest Income	104.21	100.21
Return on Plan Assets (excluding amounts included in net interest expense)	(17.59)	(2.56)
Employer contribution	151.74	84.02
Benefits paid	(127.40)	(74.56)
Plan Assets as at the end \$	1,493.05	1,382.09
Actual return on Plan Assets	86.62	97.65

\$Category-wise composition of the plan assets is not available with the Company since the fund is managed by LIC.

Notes to the Financial Statements

for the year ended March 31, 2020

Principal Actuarial Assumptions

Particulars	As at March 31, 2020		As at March 31, 2019	
	Gratuity (Funded)	PRMB (Unfunded)	Gratuity (Funded)	PRMB (Unfunded)
Discount rate	6.82%	6.82%	7.54%	7.54%
Expected rate of escalation in salary	7.50%	NA	7.50%	NA
Attrition	6.49%	6.49%	6.00%	6.00%
Medical Cost Inflation	NA	3.00%	NA	3.00%
Mortality tables	Indian Assured Lives Mortality (2006-08) Ultimate			
Estimate of amount of contribution in the immediate next year (₹Lakh)	250.40	NA	241.30	NA

Maturity analysis of Projected Benefit Obligation

(₹ in Lakh)

Particulars	As at March 31, 2020	
	Gratuity (Funded)	PRMB (Unfunded)
1st Following Year	128.36	17.79
2nd Following Year	140.29	22.61
3rd Following Year	149.08	20.63
4th Following Year	142.35	18.88
5th Following Year	137.77	26.49
Sum of Years 6 To 10	839.41	176.01

These plans typically expose the Company to actuarial risks such as:

Investment risk - The present value of the defined benefit plan liability is calculated using a discount rate determined by reference to market yields at the end of the reporting period on government bond yields; if the return on plan asset is below this rate, it will create a plan deficit.

Interest rate risk - A decrease in the bond interest rate will increase the plan liability; however, this will be partially offset by an increase in the return on the plan's debt investments.

Demographic risk - This is the risk of variability of results due to unsystematic nature of decrements that include mortality, withdrawal, disability and retirement. The effect of these decrements on the defined benefit obligation is not straight forward and depends upon the combination of salary increase, medical cost inflation, discount rate and vesting criteria.

Salary risk - The present value of the defined benefit plan liability is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the plan's liability. The expected rate of return on plan assets is determined after considering several applicable factors such as the composition of the plan assets, investment strategy, market scenario, etc.

In order to protect the capital and optimise returns within acceptable risk parameters, the plan assets are well diversified. The estimate of future salary increases considered, takes into account the inflation, seniority, promotion, increments and other relevant factors.

Notes to the Financial Statements

for the year ended March 31, 2020

Sensitivity

Sensitivity of the defined benefit obligation to changes in the weighted principal assumptions is:

Particulars	Change in Assumption	As at March 31, 2020		As at March 31, 2019	
		Increase by ₹ Lakh	Decrease by ₹ Lakh	Increase by ₹ Lakh	Decrease by ₹ Lakh
Discount rate	+/- 1%	242.27	(297.61)	223.93	184.89
Expected rate of escalation in salary	+/- 1%	(96.99)	96.63	92.05	93.11
Attrition rate	+/- 1%	92.11	(158.83)	201.10	200.39
Medical Cost Inflation	+/- 1%	(164.24)	125.12	97.48	74.27

The sensitivity analysis presented above may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated. Furthermore, in presenting the above sensitivity analysis, the present value of the defined benefit obligation has been calculated using the projected unit credit method at the end of the reporting period, which is the same as that applied in calculating the defined benefit obligation liability recognised in the balance sheet.

There was no change in the methods and assumptions used in preparing the sensitivity analysis from prior years.

iii) Other Long-term Employee Benefits

Compensated absences which are accumulated and not expected to be availed within twelve months after the end of the reporting period in which the employee renders the related service are recognised as a liability at the present value of the defined benefit obligation as at the balance sheet date. Long Service Awards are recognised as a liability based on actuarial valuation of the defined benefit obligation as at the balance sheet date.

An amount of ₹306.30 Lakh (previous year ₹323.01 Lakh) and ₹ 76.44 Lakh (previous year ₹(14.63) Lakh) has been charged to the Statement of Profit and Loss towards Compensated absences and Long Service Awards respectively.

Actuarial assumptions for long-term compensated absences

Particulars	(₹ in Lakh)	
	For the year ended March 31, 2020	For the year ended March 31, 2019
Discount rate	6.82%	7.54%
Salary escalation	7.50%	7.50%
Attrition	6.49%	6.00%

The discount rate is based on the prevailing market yields of Government of India securities as at the balance sheet date for the estimated term of the obligations.

NA : Not Applicable

31.2 Segment Information

a. Description of segments and principal activities

The Company has a single operating segment that is "Sale of Natural Gas". Accordingly, the segment revenue, segment results, segment assets and segment liabilities are reflected by the financial statements themselves as at and for the financial year ended March 31, 2020.

b. Entity wide disclosures

Information about products and services:

The Company is in a single line of business of "Sale of Natural Gas."

Notes to the Financial Statements

for the year ended March 31, 2020

Geographical Information:

The company operates presently in the business of city gas distribution in India. Accordingly, revenue from customers earned and non-current asset are located, in India.

Information about major customers:

Three customers during the year ended March 31, 2020 and three customers during the year ended March 31, 2019 contributed to more than 10% of the revenue individually. Revenue from these customers is ₹1,56,891.13 Lakh (previous year ₹1,30,425.10 Lakh).

31.3 Related Party Transactions

GAIL (India) Limited (GAIL) has a significant influence on the Company. BG Asia Pacific Holdings Pte. Limited (BGAPHPL) had 10% holding till 20th August 2019 on which date its shareholding reduced to Nil.

Details of transactions with related entities (including entities transacting on behalf of related entities), in ordinary course of business:

(₹ in Lakh)

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Purchase of Natural Gas (from GAIL)	134,554.44	1,25,625.68
Secondment Charges (also included in KMPs' remuneration, refer table below)	164.33	204.51
Expense incurred and recovered / recoverable (relates to IPO)	-	18.34
Other Expense	17.73	37.24
Capital Expense	17.87	94.61
Other Income (subsidiary/Joint Ventures of GAIL)	3.47	0.88
Remittance of IPO proceeds to promoters	-	649.16
Capital Advance	310.50	-

Following is the list of Key Managerial Personnel (KMPs') as per Ind AS 24:

- a. Mr. Rajeev Mathur, Managing Director (upto 30th May 2018)
- b. Mr. Sanjib Datta, Managing Director (from 30th May 2018)
- c. Mr. Goutam Ghosh, Whole Time Director (from 20th November 2017 to 28th November 2018)
- d. Mr. Deepak Sawant, Whole Time Director (from 9th May 2019)
- e. Mr. Arun Balakrishnan, Independent Director (upto 9th September 2019)
- f. Mr. Santosh Kumar, Independent Director (upto 9th September 2019)
- g. Mr. Raj Kishore Tewari, Independent Director
- h. Mrs. Radhika Haribhakti, Independent Director
- i. Mr. Premesh Kumar Jain, Independent Director (from 9th April 2018)
- j. Mr. Syed S. Hussain, Independent Director (from 9th September 2019)
- k. Mr. Akhil Mehrotra (Non-Executive Director upto 9th May 2019) - BGAPHPL Nominee #
- l. Mr. Trivikram Arun Ramanathan (Non-Executive Director from 10th May 2019 to 20th August 2019) - BGAPHPL Nominee #
- m. Mr. Bhuwan Chandra Tripathi (Non-Executive Chairman from 29th November 2018 to 1st August 2019) - GAIL Nominee #
- n. Dr. Ashutosh Karnatak (Non-Executive Chairman from 1st August 2019) - GAIL Nominee #
- o. Mr. Virendra Nath Dutt (Non-Executive Director upto 25th October 2018)- GAIL Nominee #
- p. Mr. Ashu Shinghal (Non-Executive Director from 2nd November 2018 to 28th November 2018) - GAIL Nominee #

No remuneration paid to nominee directors.

Notes to the Financial Statements

for the year ended March 31, 2020

Details of KMPs' remuneration including directors sitting fee

(₹ in Lakh)

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Short Term Employee Benefits (including secondment charges paid to related entities)	244.66	272.55

Outstanding balance with related entities having significant influence on the Company:

(₹ in Lakh)

Particulars	As at March 31, 2020	As at March 31, 2019
Trade Payables #	2,411.14	6,954.38
Trade Receivables	0.97	0.88
IPO related Payables	-	-
Capital Advance	310.50	-
Other Receivable	0.08	0.08
Security Deposits (Receivable)	6.00	6.00

#Mainly on account of gas purchases (secured by Stand by Letter of Credit) to be settled as per contract within 4 days, from receipt of invoices, being general terms of payment for such transactions.

31.4 Financial Instruments (Fair Value Measurements) :

The Company has various financial assets and liabilities. The disclosures regarding the classification, fair value hierarchy, capital management, markets risk, credit risks and liquidity risks are as follows:

Classification of Financial Assets and Liabilities

(₹ in Lakh)

Particulars	Notes	As at March 31, 2020	As at March 31, 2019
A. Financial Assets			
I. Measured at Fair Value Through Profit or Loss (FVTPL)			
(i) Investments	9	83,685.32	52,386.14
II. Measured at Amortised Cost			
(i) Corporate Fixed Deposits	9	28,461.49	13,015.51
(ii) Trade Receivables	4	6,845.33	9,959.43
(iii) Security Deposits	5	3,240.31	2,781.00
(iv) Cash and Cash Equivalents	10	1,537.60	2,653.12
(v) Bank balances other than (iv) above	11	21,409.73	27,230.90
(vi) Other Financial Assets	6,12	5,013.97	7,785.07
Total (A)		1,50,193.75	1,15,811.17
B. Financial Liabilities			
I. Measured at Amortised Cost			
(i) Trade Payables	20	13,177.45	15,244.87
(ii) Lease Liabilities	16	6,660.83	-
(iii) Security Deposits	17	58,230.52	51,972.55
(iv) Other Financial Liabilities	21	15,909.38	9,944.61
Total (B)		93,978.18	77,162.03

Notes to the Financial Statements

for the year ended March 31, 2020

a. Fair Value Hierarchy of Financial Assets and Liabilities

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are (i) recognised and measured at fair value and (ii) measured at amortised cost and for which fair values are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, Company has classified its financial instruments into three levels prescribed under the accounting standards below:

Level 1: Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the company can access at the measurement date.

Level 2: Level 2 inputs are inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3: Level 3 inputs are unobservable inputs for the asset or liability.

Company's policy is to recognise transfers into and transfers out of fair value hierarchy levels as at the end of the reporting period. There is no Level 3 type Financial Assets or Financials Liabilities as on 31st March 2020.

(i) Measured at Fair Value Through Profit or Loss (FVTPL)

The company has investments in debt mutual funds which are not quoted in the active market. These debt mutual funds are subsequently measured at FVTPL as per the closing NAV statement provided by the mutual fund house. The corresponding unrealized gain or loss on fair valuation is recorded in profit and loss account under other income. Accordingly, such debt mutual funds fall under fair value hierarchy level 2. The fair value of these mutual funds as at March 31, 2020 is ₹ **83,685.32 Lakh** (previous year ₹ 52,386.14 Lakh).

(ii) Measured at Amortised Cost for which Fair Value is disclosed

The fair values of all current financial assets and liabilities including trade receivables and unbilled revenue, cash and cash equivalents, bank balances, bank fixed deposits, corporate fixed deposits, security deposits, trade payables, Payables for purchase of property, plant and equipment and other current financial assets and liabilities are considered to be the same as their carrying values, due to their short term nature. The fair values of all non-current financial assets and liabilities including security deposits, trade receivables and borrowings and other non-current financial assets and liabilities are considered to be the same as their carrying values, as the impact of fair valuation is not material.

b. Capital Management

Total equity as shown in the balance sheet includes equity share capital, general reserves and retained earnings.

The Company aims to manage its capital efficiently so as to safeguard its ability to continue as a going concern and to optimise returns to its shareholders.

The Company's policy is to maintain a stable and strong capital structure with a focus on total equity so as to maintain investor, creditors and market confidence and to sustain future development and growth of its business. The Company will take appropriate steps in order to maintain, or if necessary adjust, its capital structure. The management monitors the return on capital as well as the level of dividends to shareholders.

The Company does not have any borrowing, sales tax deferred loan has been paid off during the year.

c. Financial Risk Management

Company's activities expose it to credit risk, liquidity risk and market risk. This note explains the sources of risk which the company is exposed to and how the company manages the risk and its impact on the financial statements.

Notes to the Financial Statements

for the year ended March 31, 2020

(i) Credit Risk

Credit risk refers to the risk that the counterparty will default on its contractual obligations resulting in financial loss to the Company. The credit risk arises from trade receivables, security deposits, cash and cash equivalents and deposits with banks and corporates.

Trade receivables

The company supplies natural gas to customers.

Concentrations of credit risk with respect to trade receivables are limited as majority credit sales are made to high credit worthy entities and balance credit sales are against securities in the form of customer security deposits, bank guarantees and letter of credit. All trade receivables are reviewed and assessed for default on regular basis. Our historical experience of collecting receivables, supported by the level of default, is that credit risk is low.

For trade receivables, except for specifically identified cases, Company follow a simplified approach where provision is made as per the ageing buckets which are designed based on historical facts and patterns.

Age of receivables as on March 31, 2020

Ageing	(₹ in Lakh)				
	Within the Credit Period	Upto 6 months	6 months to 1 year	Above 1 year	Total
Gross Amount	4,568.72	2,182.02	155.60	345.17	7,251.51
Allowance for bad receivables	-	(30.10)	(131.51)	(244.57)	(406.18)
Net Trade receivables	4,568.72	2,151.92	24.09	100.60	6,845.33

Age of receivables as on March 31, 2019

Ageing	(₹ in Lakh)				
	Within the Credit Period	Upto 6 months	6 months to 1 year	Above 1 year	Total
Gross Amount	8,513.64	1,347.82	78.45	262.56	10,202.47
Allowance for bad receivables	-	(0.53)	-	(242.51)	(243.04)
Net Trade receivables	8,513.64	1,347.29	78.45	20.05	9,959.43

Reconciliation of loss allowance

Particulars	(₹ in Lakh)
	Amount
Loss allowance as at March 31, 2019	243.04
Changes in loss allowance	163.14
Loss allowance as at March 31, 2020	406.18

Other Financial Assets

The Company maintains exposure in security deposits, reinstatement charges receivable, cash and cash equivalents and term deposits with banks and corporates.

In case of security deposits and reinstatement charges, majority of which are given to Municipal authorities (which are government controlled entities) towards pipeline laying activity, the credit risk is low. However, historically the company has experienced a delay/ non receipt of these amounts and hence allowances have been taken into account for the expected credit losses of these security deposits and reinstatement charges.

In case of bank /corporate fixed deposits regular quotations for interest rate are invited and based on best offered rate the bank deposits are placed with banks/corporates having reasonably high net worth. Exposures of deposit placed are restricted to limits per bank/corporate as per policy and limits are actively monitored by the Company. We understand that the credit risk is very low to moderate for such deposits.

Notes to the Financial Statements

for the year ended March 31, 2020

The Company's maximum exposure to credit risk is the carrying value of each class of financial assets as disclosed in note 4,5,6,9,10,11 and 12.

The company has considered the possible effects that may result from the pandemic relating to COVID-19 on the carrying amounts of receivables and unbilled revenues. In developing the assumptions relating to the possible future uncertainties in the economic conditions because of this pandemic, the company, as at the date of approval of these financial statements has used internal and external sources of information. The impact of COVID-19 on the Company's financial statements may differ from that estimated as at the date of approval of these financial statements.

(ii) Liquidity Risk

Liquidity risk is the risk that the Company will find it difficult in meeting its obligations associated with its financial liabilities on time.

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due and to close out market positions. Due to the dynamic nature of the underlying business, Company's treasury maintains flexibility in funding by maintaining availability under cash and cash equivalents, bank fixed deposits, corporate fixed deposits and mutual funds.

Management monitors rolling forecasts of the Company's liquidity position and cash and cash equivalents on the basis of expected cash flows.

Investments in banks and corporate deposits though carries counterparty credit risk considering situation due to COVID-19, is well diversified and tenure is less than 1 year, is valued at amortised cost, as no material impact is expected. The value of investments in mutual funds which mainly consists of debt securities is marked to market, which factors the uncertainties arising out of COVID-19. The impact of COVID-19 on the Company's financial statements may differ from that estimated as at the date of approval of these financial statements.

The tables below analyses the Company's financial liabilities into relevant maturity groupings based on their contractual maturities.

As at March 31, 2020

(₹ in Lakh)

Particulars	Upto 1 year	More than 1 year	Total
Trade Payables	13,177.45	-	13,177.45
Lease Liabilities	2,287.52	7,297.73	9,585.25
Security Deposits	58,174.80	55.72	58,230.52
Others	15,909.38	-	15,909.38
Total	89,549.15	7,353.45	96,902.60

As at March 31, 2019

(₹ in Lakh)

Ageing	Upto 1 year	More than 1 year	Total
Trade Payables	15,244.87	-	15,244.87
Security Deposits	51,791.67	180.88	51,972.55
Others	9,944.61	-	9,944.61
Total	76,981.15	180.88	77,162.03

Notes to the Financial Statements

for the year ended March 31, 2020

(iii) Market Risk

Foreign Exchange Risk

Company is exposed to foreign exchange risk arising from direct transactions in foreign currency and also indirectly through transactions denominated in foreign currency though settled in functional currency (INR), primarily with respect to the US Dollar (USD). Foreign exchange risk arises from future commercial transactions and recognised assets and liabilities denominated in a currency that is not the company's functional currency (INR).

The risk is measured through a forecast of highly probable foreign currency cash flows. As per the risk management policy, the foreign currency exposure is unhedged however managed partially through natural hedge under gas sales contracts and balance through adjustment in sales prices.

The table below shows the unhedged currency exposure of financial liabilities

Particulars	Currency	As on March 31, 2020		As on March 31, 2019	
		Forex	₹ Lakh	Forex	₹ Lakh
Capital Imports	USD	2,22,494.73	167.73	2,00,936.78	138.99
Capital Imports	EUR	-	-	29,450.00	22.88
Import of Goods & Services	USD	30,791.00	23.21	30,791.00	21.30

The sensitivity of profit or loss and equity to changes in the exchange rates that arise from foreign currency denominated financial instruments mentioned above is as below:

Particulars	(₹ in Lakh)	
	As on March 31, 2020	As on March 31, 2019
USD Sensitivity :		
Increase by 5%	9.55	8.01
Decrease by 5%	9.55	8.01
EUR Sensitivity :		
Increase by 5%	-	1.14
Decrease by 5%	-	1.14

Interest Rate Risk:

There are no interest bearing borrowings and hence company is not exposed to interest rate risk presently.

The Company's investments in fixed deposits with banks/corporates and liquid debt mutual funds are for short durations, and therefore do not expose the Company to significant interest rates risk.

31.5 Adoption of new accounting standard on Leases – Ind AS 116:

The Company has adopted the new standard, Ind AS 116 Leases with effect from 1st April, 2019 using the modified retrospective approach as per para C5 (b) and recognition of lease liability as per para C8 (a) and Right-Of-Use asset as per para C8 (b) (ii) of "IND AS 116 - Leases" to its leases. The Company has not restated the comparative information as per para C7 of Ind AS 116.

On transition, as at 1st April 2019, the Company has recognised a lease liability and Right-Of-Use asset (ROU), both at an equal amount, measured at the present value of the remaining lease payments. Accordingly, a Right-Of-Use asset (ROU) and corresponding lease liability of ₹ 5991.15 Lakh has been recognized. Further prepaid rent on leasehold land of ₹6236.86 Lakh, has been reclassified and added to Right-Of-Use asset, as at 1st April 2019. There is no debit to opening retained earnings due to application of the standard.

In statement of profit and loss for the current year, the nature of expenses in respect of operating leases has changed from lease rent in previous periods to depreciation cost for the Right-Of-Use asset (ROU) and finance cost for interest accrued on lease liability.

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for the year ended March 31, 2020

In the context of initial application, the Company has exercised the option not to apply the new recognition requirements to short-term leases and to leases of low-value asset.

The weighted average discount rate used for recognition of lease liabilities was 9%.

The difference between the lease obligation recorded as of March 31, 2019 under Ind AS 17 and the value of the lease liability as of April 1, 2019 is primarily on account of inclusion of extension and termination options reasonably certain to be exercised, in measuring the lease liability in accordance with Ind AS 116 and discounting the lease liabilities to the present value under Ind AS 116.

The following are the practical expedients availed by the Company on transition:

- Discount rate of 9.00% per annum has been applied to all leases being likely incremental rate of borrowing.
- Right-Of-Use assets and liabilities for leases not recognised for leases with lease tenure less than 12 months from transition date.
- Initial direct cost not considered for measurement of Right-Of-Use asset, as the same is insignificant.

Company as a Lessee

1. The company has various operating lease arrangements for hiring of vehicles, equipment, offices, stores premises and land. Operating leases relate to land with lease term of 17 to 116 years. The Company does not have an option to purchase at the end of the lease term
2. Leases are shown as follows in the Company's Balance Sheet and Profit & Loss account:

Following are the changes in the carrying value of Right-Of-Use assets for the year ended March 31, 2020: (₹ in Lakh)

Particulars	Land	Building	Plant & Machinery	Vehicles	Total
Reclassification on account of adoption of IND AS 116	8,763.58	2,243.80	1,171.44	49.19	12,228.01
Additions	89.56	1096.69	693.44	368.75	2,248.44
Disposals	733.71	-	-	-	733.71
Total Asset	8,119.43	3,340.49	1,864.88	417.94	13,742.74
Depreciation for the year	281.7	815.55	728.39	108.7	1,934.34
Depreciation on Disposals	(25.33)	-	-	-	(25.33)
Closing net carrying balance	7,863.06	2,524.94	1,136.49	309.24	11,833.73

The following is the break-up of current and non-current lease liabilities as at March 31, 2020

Lease liabilities - Other financial liability	As at March 31, 2020
Current Lease liabilities	1,760.70
Non-current Lease liabilities	4,900.13
Total lease liabilities	6,660.83

Notes to the Financial Statements

for the year ended March 31, 2020

The table below provides details regarding the contractual maturities of lease liabilities as at March 31, 2020 on an undiscounted basis: (₹ in Lakh)

Maturity analysis of contractual undiscounted cash flow	Less than 1 year	1 - 5 years	6 - 10 years	More than 10 years	Total
Land	337.47	1,360.43	1,317.79	1,825.38	4,841.07
Building	1,014.68	2,078.27	-	-	3,092.95
Plant & Machinery	814.97	468.37	-	-	1,283.34
Vehicles	120.40	247.49	-	-	367.89
Total undiscounted lease liabilities	2,287.52	4,154.56	1,317.79	1,825.38	9,585.25

Some of the leases contain extension and termination options. Such options are taken into account in the determination of the lease term only if extension or non-termination can be assumed with reasonable certainty. On this basis, there were no such amounts included in the measurement of lease liabilities as at March 31, 2020

3. Amounts recognized in the Statement of Profit and Loss:

Amounts recognized in the Statement of Profit and Loss	(₹ in Lakh) 2019-2020
Other expenses	
Short-term lease rent expense	521.77
Low value asset lease rent expense	6.15
Variable lease rent expense	4,099.70
Depreciation and Amortisation Expenses	
Depreciation of right of use lease asset	1,934.34
Finance cost	
Interest expense on lease liability	579.66

4. Amount recognized in Statement of Cash flow:

Amount recognized in Statement of Cash Flow	(₹ in Lakh) 2019-2020
Total cash outflow for leases	2,158.42

Notes to the Financial Statements

for the year ended March 31, 2020

31.6 Income Tax

a. Components and movements of Deferred Tax Liability (Net):

Particulars	₹ in Lakh)								
	As at 31st March 2018 (a)	Recognised to Statement of Profit and Loss (b)	Recognised in Statement of Other Comprehensive Income (c)	As at March 31, 2019 (d=a+b+c)	Recognised to Statement of Profit and Loss (e)	Recognised in Statement of Other Comprehensive Income (f)	Relating to Previous periods on change in tax rate (g)	Relating to Previous periods on change in tax rate of Other Comprehensive Income (h)	As at March 31, 2020 (j=d+e+f-g-h)
i. Items of Deferred Tax Liabilities:									
Property, Plant and Equipment and Intangible Assets	(17,854.89)	(2,587.34)	-	(20,442.23)	(1,675.92)	-	(5,718.95)	-	(16,399.20)
RoU Assets	-	-	-	-	(1,608.55)	-	-	-	(1,608.55)
Financial Assets Fair Value through profit or loss	(608.35)	(413.28)	-	(1,021.63)	(224.95)	-	(285.82)	-	(960.76)
Total Deferred Tax Liability (i)	(18,463.24)	(3,000.62)	-	(21,463.86)	(3,509.42)	-	(6,004.77)	-	(18,968.51)
ii. Items of Deferred Tax Assets :									
Lease Assets	-	-	-	-	1,676.40	-	-	-	1,676.40
Allowance for doubtful trade receivables and deposits and other balances	137.71	(52.70)	-	85.01	266.67	-	23.78	-	327.90
Disallowance under Section 43B of the Income Tax Act, 1961	792.60	140.72	(88.33)	844.99	205.12	47.95	298.34	(61.94)	861.66
Others	49.99	0.00	-	49.99	-	-	13.99	-	36.00
Total Deferred Tax Assets (ii)	980.30	88.02	(88.33)	979.99	2,148.19	47.95	336.11	(61.94)	2,901.96
Net Deferred Tax Liability (i-ii)	(17,482.94)	(2,912.60)	(88.33)	(20,483.87)	(1,361.23)	47.95	(5,668.66)	(61.94)	(16,066.55)

Notes to the Financial Statements

for the year ended March 31, 2020

b. Components of Income Tax Expense

(₹ in Lakh)

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Income Tax Expense		
i. Current Tax		
Current Tax on Profits for the year	23,034.90	25,971.04
Effect of tax relating to prior periods	275.24	168.67
Total Current Tax (i)	23,310.14	26,139.71
ii. Deferred Tax		
Decrease / (Increase) in Deferred Tax Assets	(2,148.19)	(88.02)
Increase / (Decrease) in Deferred Tax Liability	3,509.42	3,000.62
Adjustment: Due to Change in Tax Rate	(5,668.66)	-
Total Deferred Tax (ii)	(4,307.43)	2,912.60
Total Income Tax Expense (i+ii)	19,002.71	29,052.31

c. Reconciliation of Income Tax Expense with Accounting Profit:

(₹ in Lakh)

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
i. Profit Before Tax	98,353.69	83,691.22
ii. Tax at Indian Tax Rate of 25.17% (Previous Year 34.94%)	24,753.66	29,245.06
iii. Tax effect of Permanent Differences:		
a. Due to impact of change in tax rates	(5,668.66)	-
b. Effect of exempt income	(394.73)	(682.33)
c. Effect of Long Term Capital Gain	(218.78)	-
d. Effect of tax relating to prior periods	228.16	(29.29)
e. Effect of expenses not deductible for tax purposes	303.07	518.88
Total Tax effect of Permanent Differences (a+b+c+d+e)	(5,750.95)	(192.74)
iv. Income Tax Expense as per Statement of Profit and Loss (ii+iii)	19,002.71	29,052.32

31.7 Earnings per Share (EPS)

Basic EPS amounts are calculated by dividing the profits for the year by the weighted average number of equity shares outstanding during the year. There are no dilutive potential equity shares as at the respective dates. The following data has been used for calculating basic and diluted EPS.

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
a) Net profit after tax attributable to equity shareholders (₹ Lakh)	79,350.98	54,638.91
b) Weighted Average Number of Equity Shares for basic and diluted EPS	9,87,77,778	9,87,77,778
c) EPS (₹) [Basic and Diluted (a/b)] (Face value per share ₹ 10)	80.33	55.31

Notes to the Financial Statements

for the year ended March 31, 2020

31.8 Capital and other commitments

- a. Estimated amount of contracts to be executed for project execution including labour and purchase of material relating to construction of pipeline network and CNG outlets not provided for (net of advances) ₹ 29,622.36 Lakh (previous year ₹24,863.75 Lakh).
- b. All term contracts for purchase of natural gas with suppliers, has contractual obligation of “take or pay” for shortfall in contracted Minimum Guaranteed Quantity (MGQ) as specified in individual contracts. Estimation of these MGQ commitments is dependent on nomination of quantity by suppliers and actual purchase by the company. As both the factors “quantity nomination by supplier” and “quantity to be purchased by the company”, are not predictable, MGQ commitment is not quantifiable.
- c. As per authorisation terms and conditions of the PNGRB for Raigad Geographical Area, the Company is required to meet Minimum Work Programme (MWP) targets by March 2020 (with reference to connections and pipeline inch Kilo Meters) and the Company had submitted Performance Bank Guarantee of ₹105.20 Crore dated March 19, 2015 to the PNGRB. Show cause notice dated July 23, 2018 was given by the PNGRB for shortfall in periodic MWP, asking the Company to explain why penalty should not be levied for the interim MWP target shortfall. The Company submitted catch up plan vide letter dated August 2, 2018 for meeting MWP target by March 2020 and reiterated host of factors beyond control of the Company causing a shortfall. Further, PNGRB called a Joint Progress Review Meeting on August 27, 2019 wherein PNGRB asked MGL to submit an aggressive catch-up plan (quarter wise) for next two years to achieve MWP targets duly approved by MGL's Board of Directors. MGL's Board of Directors approved revised catch-up plan and was submitted to PNGRB on November 15, 2019. As of 31st March 2020, the Company has achieved cumulative number of Domestic connections as per PNGRB MWP target. And cumulative Inch-Kms target has been achieved as per revised catch-up plan dated November 15, 2019 for period up to March 31, 2020. The company has further requested PNGRB to extend the timeline for achieving the minimum work program of Inch-Kms by six months i.e. from September 30, 2021 to March 31, 2022 due to outbreak of COVID-19 vide letter dated April 30, 2020. The management is of the view that it will be able to achieve the inch km targets as per timelines submitted and the penalty can be avoided. Accordingly, no provision is deemed necessary in relation to the bank guarantee issued to the PNGRB at this stage.

31.9 Contingent Liabilities (to the extent not provided for)

Claims against the Company not acknowledged as debts in respect of which the Company does not expect outflow of resources ₹28,066.23 Lakh (previous year ₹19,725.83 Lakh), includes:

- i) Claims disputed by the Company relating to issues of applicability aggregating to ₹2,565.59 Lakh (previous year ₹ 2,518.52 Lakh) as detailed below

Particulars	(₹ in Lakh)	
	As at March 31, 2020	As at March 31, 2019
a) Excise Duty	1,589.08	1,480.74
b) Service Tax	128.69	537.28
c) Sales Tax / Input VAT credits	354.38	330.03
d) Income Tax	493.44	170.47
Total	2,565.59	2,518.52

Future cash outflows in respect of above matters are determinable only on receipt of judgments / decisions pending at various forums / authorities.

Notes to the Financial Statements

for the year ended March 31, 2020

- ii) Central/State/Local Authority property taxes, lease rents, pipeline related re-instatement charges etc. claims disputed by the Company relating to issues of applicability and determination aggregating to **₹447.93 Lakh** (previous year ₹ 328.46 Lakh).
- iii) Third party/other claims arising from disputes relating to contracts aggregating to **₹ 1.67 Lakh** (previous year ₹ 14.21 Lakh).
- iv) GAIL (India) Limited (GAIL) raised demand in April 2014 for additional transportation tariff pursuant to demand on them by Oil and Natural Gas Corporation Limited (ONGC), based on the Petroleum and Natural Gas Regulatory Board (PNGRB) order dated 30.12.2013, determining tariff for ONGC's Uran Trombay pipeline (UTPL) as a common carrier. The Company disputed the demand with GAIL based on contractual provisions and since the transportation charges are to be paid by a third-party user for utilisation of UTPL to ONGC as common carrier and not for transportation of its own gas by ONGC.

Finally, the complaint was filed with the PNGRB in February 2015. However, it was dismissed in October 2015. The writ petition was filed in November 2015 with the High Court of Delhi. The Court advised to appeal before Appellate Tribunal for Electricity (APTEL) being Appellate Authority of the PNGRB in November 2016. The matter was heard by APTEL and remanded back to the PNGRB on technical grounds in September 2019. PNGRB on 18 March 2020 had passed an Order through which it directed MGL and GAIL to pay to ONGC. MGL has filed its Appeal before APTEL on 20th April 2020 during lockdown.

Total demand from November 2008 till March 2020 is **₹25,027.19 Lakh** (including **₹22,332.14 Lakh** covered in the case filed with APTEL and **₹2,695.05 Lakh** demand received subsequently). Based on the legal opinion, the Company believes that it has a strong case and does not expect any outflow of resources. Hence, no provision has been made.

- v) Claims from consumers not acknowledged as debts **₹23.85 Lakh** (previous year ₹99.86 Lakh).
- vi) Liability on account of revision of trade margin as per contracts with Oil Marketing Companies with effect from April 1, 2018 is yet to be determined in view of undergoing negotiations.

31.10 Disclosure required under Micro, Small and Medium Enterprises Development Act, 2006 (the Act) are as follows:

(₹ in Lakh)

Sr. Particulars No	As at March 31, 2020	As at March 31, 2019
(i) Principal amount remaining unpaid to any supplier as at the end of the accounting year		
a) Trade Payables	195.10	647.47
b) Payables for purchase of property, plant and equipment	12.61	904.96
(ii) Interest due thereon remaining unpaid to any supplier as at the end of the accounting year	-	-
(iii) The amount of interest paid by the company in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during the accounting year	-	-
(iv) The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006	-	-
(v) The amount of interest accrued and remaining unpaid at the end of the accounting year	-	-
(vi) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006	-	-

The above information regarding Micro enterprises and Small enterprises has been determined based on information available with the company. This has been relied upon by the auditors.

Notes to the Financial Statements

for the year ended March 31, 2020

31.11 Payments to Auditor (included in Miscellaneous Expenses under note 29):

(₹ in Lakh)

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
a. For Audit	50.74	46.02
b. For Company Law matters	-	-
c. For Other Services	-	-
d. Reimbursement of expenses	1.16	1.07

31.12 CSR Expenditure:

- (a) Gross amount required to be spent by company for the year is **₹1,418.49 Lakh** (previous year ₹1,179.68 Lakh)
- (b) Amount spent during the period:
- Construction/acquisition of asset ₹ **Nil** (previous year ₹ Nil)
 - On purposes other than (i) above ₹ **859.48 Lakh** (previous year ₹ 576.48 Lakh) (refer note 29)

31.13 Revenue from contracts with customers:

Disaggregated revenue information

Set out below is the disaggregation of the Company's revenue from contracts with customers (refer note 23):

(₹ in Lakh)

Type of goods or service	For the year ended March 31, 2020	For the year ended March 31, 2019
Sale of Natural Gas (Including Excise Duty)	3,23,809.52	3,03,126.77
Sale of Pipes, Fittings and Other Materials	529.48	524.28
Other Operating Income	2,109.61	2,028.29
Total revenue from Contract with Customers	3,26,448.61	3,05,679.34

Sale of Natural gas is the main activity of city gas distribution business and other operating income is incidental to sale of natural gas. Other Operating Income includes significantly the compensation towards minimum contracted quantity for the respective billing period and application fee collected from customers. Sale of pipes, fittings and other material is revenue incidental to the activity of construction of pipeline network for own use for the purpose of sale and distribution of natural gas to customers. The company sells and distributes natural gas in India.

Sale of natural gas includes excise duty but excludes VAT collected from the customers on behalf of the Government.

All the revenue mentioned above are earned by transfer of goods or services at a point of time.

Contract Balances

(₹ in Lakh)

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Trade Receivables (refer note 4)	6,845.33	9,959.43
Unbilled Revenue (refer note 12)	4,214.92	3,854.29
Contract Liabilities (refer note 22)	1,957.77	1,813.55



Notes to the Financial Statements

for the year ended March 31, 2020

Trade receivables are non-interest bearing and are generally on terms of 7 to 60 days. Contract liabilities are the advances paid by the customers against which supply of natural gas is to happen after the reporting date.

Revenue recognised out of amounts included in contract liabilities at the beginning of the year is ₹866.13 Lakh (previous year ₹742.14 Lakh). No amount recognised as revenue out of performance obligations satisfied fully or partially in previous year.

Reconciling the amount of revenue recognised in the statement of profit and loss with the contracted price.

(₹ in Lakh)

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Revenue as per Contracted Price	3,26,460.40	3,05,693.38
ECS Discount	11.79	14.04
Revenue from Contract with Customers (refer note 23)	3,26,448.61	3,05,679.34

Performance obligations

The Company earns revenues primarily from sale of natural gas. Revenue is recognised on supply of gas to customers by metered/assessed measurements. There are not any return rights attached to the sale, hence no right of return liability or asset exists.

There are not any performance obligations remaining to be satisfied as at reporting date for which transaction price has been allocated.

31.14 The Board of Directors, at its meeting held on 10th June 2020, has proposed a final dividend of ₹25.50 (including normal dividend ₹10.50 and special dividend ₹15.00) per equity share of face value ₹10/- each for the financial year ended March 31, 2020. This is in addition to the interim dividend of ₹9.50/- per equity share paid during the year. With this, the total dividend for the year is ₹35.00 (including normal dividend ₹20.00 and special dividend ₹15.00) per equity share of face value ₹10/- each. The proposal is subject to the approval of shareholders at the Annual General Meeting to be held and if approved would result in a final dividend cash outflow of approximately ₹25,188.33 Lakh.

31.15 The previous year numbers have been reclassified wherever necessary.

For **S R B C & CO LLP**
Chartered Accountants
FRN 324982E/E300003

For and on behalf of the Board of Directors of Mahanagar Gas Limited

Per Vikram Mehta
Partner
Membership No: 105938

Sanjib Datta
Managing Director
DIN: 07008785

Deepak Sawant
Deputy Managing Director
DIN: 07339381

S M Ranade
Chief Financial Officer
ACA No: 39230

Saghan Srivastava
Company Secretary & Compliance Officer
FCS No. 7512

Place : Mumbai
Date : June 10, 2020

Place : Mumbai
Date : June 10, 2020



🔥 Long Service Awardees



🔥 Cycle Rally & Walkathon flagged off by Shri Sanjib Datta, MD-MGL at Navi Mumbai



Business Partner Meet



State of Art MGL Stores at Taloja





**MAHANAGAR
GAS**

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