MAHANAGAR GAS

MAHANAGAR GAS LIMITED

Ref: MGL/CS/SE/2024/553 **Date:** August 01, 2024

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**

Sub: Submission of Notice of the 29th Annual General Meeting of the Company and Annual Report for FY 2023-24

Dear Sir/ Madam,

Pursuant to Regulation 34 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we are submitting herewith the Annual Report of the Company for the financial year 2023-24 along with Notice of the 29th Annual General Meeting (**'AGM'**) which is being sent through electronic mode to the Members of the Company.

Web-links for accessing Notice of 29th AGM and Annual Report for the FY 2023-24 along with brief details of the 29th AGM of the Company are as below:

Notice of 29th AGM	https://www.mahanagargas.com:3000/Notice%20of%2029th%20AGM%20-%2023.08.204.pdf
Annual Report for FY 2023-24	https://www.mahanagargas.com:3000/Annual%20Report%202023-24.pdf
Day, Date and Time of AGM	Friday, August 23, 2024, 11:30 A.M. IST
Mode	Video Conference / Other Audio Video Means
Record date for Final Dividend	Wednesday, August 14, 2024
Cut-off date for e-voting	Friday, August 16, 2024
Remote e-voting start date and time	Tuesday, August 20, 2024, 9.00 A.M. IST
Remote e-voting end date and time	Thursday, August 22, 2024, 5.00 P.M. IST

You are requested to take the above information on your records.

Thanking you,

Yours sincerely,

For **Mahanagar Gas Limited**

ATUL TRIMBAK PRABHU Digitally signed by ATUL TRIMBAK PRABHU Date: 2024.08.01 22:57:56 +05'30'

Atul Prabhu
Company Secretary & Compliance Officer
Encl.: As above

Unlocking
THE NEXT PHASE OF GROWTH

MAHANAGAR GAS

MAHANAGAR GAS LIMITED
Annual Report 2023-24

Corporate Overview

About Us	02
Our Journey	04
GA 1,2	05
GA-3 Raigad	06
MGL at a Glance	07
Our Value Creation Model	08
Enablers that drive our business growth	10
Future-focused strategy	12
Chairman's Message	14
Managing Director's Message	16
Board of Directors	20
Risk and Opportunities	24
Stakeholder Engagement	26
Materiality Assessment	28
Financial Capital	30
Manufactured and Intellectual Capital	32
Human Capital	36
Social and Relationship Capital	38
Our Esteemed Customers	42
Corporate Social Responsibility	46
Natural Capital	70
Awards and Recognition	76

Statutory Reports

Management Discussion and Analysis	77
Directors' Report	100
Business Responsibility & Sustainability Report	121
Corporate Governance Report	165

Financial Statements

Standalone Financial Statements	191
Consolidated Financial Statements	256
Notice	315
Abbreviations	334

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.

Our extensive network of over

6,968

Kms of pipeline

₹ 1,843 Cr.

EBITDA

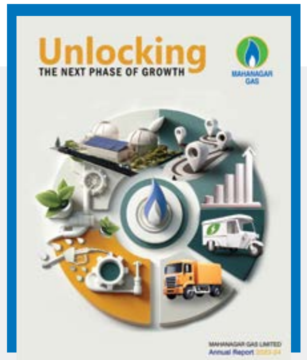
₹ 1,289 Cr.

Net Profit

347

CNG filling stations

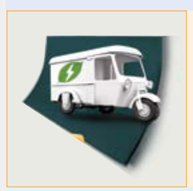
To know more about us in digital mode, scan this QR code in your QR mobile application.



These design elements symbolise MGL's recent acquisition of Unison Enviro Private Limited, a company operating in the same sector. This acquisition will unlock synergies, enhancing our ability to supply clener fuel to households, commercial establishements and industries as well as vehicles.

It represents our Joint Venture (JV) with Baidyanath LNG Private Limited, named Mahanagar LNG Private Limited. This is aimed at scaling up our Liquified Natural Gas (LNG) business. This JV will propel our business from local / close loop CNG transport to national long-haul trucking. By reducing emissions, this will also contribute to national net-zero ambitions.

This denotes our initiative of setting up a biogas plant with Municipal Corporation of Greater Mumbai. This plant will enhance the air quality of the city, prevent food waste from going into landfills and production of renewable natural gas.



It highlights our investment in 3ev Industries, an electric vehicle OEM, to boost production, advance R&D, and expand aftermarket services.

It represents our focus on embedding sustainability into every aspect of our operations. This is in line with our deep-rooted commitment to shaping a greener tomorrow for all.

In a country as vast as India, energy demand has risen at a phenomenal pace. To limit its environmental burden, a rapid transition towards cleaner sources of energy continues to be evident. At Mahanagar Gas, we have attuned to this shift as a leading natural gas supplier. Our extensive City Gas Distribution (CGD) network enables us to ensure reliable supply of natural gas for residential as well as industrial customers.

Unlocking a new phase of our journey, we have acquired Unison Enviro Private Limited (UEPL), a CGD with 3 Geographical Area (GA) and formed a joint venture with Baidyanath LNG Private Limited (BLNG) to expand our reach and make natural gas easily accessible to a larger number of people. From supplying Piped Natural Gas (PNG) to around 1.69 million domestic customers and Compressed Natural Gas (CNG) to around 1 million vehicles in and around Mumbai, Navi Mumbai, Thane and Raigad districts, the UEPL acquisition has increased our reach to Ratnagiri, Latur and Osmanabad districts of Maharashtra and Chitradurga and Davanagere districts of Karnataka. Moreover, we are now equipped to provide Liquified Natural Gas (LNG) for long haul trucks, thereby addressing the need for limiting emissions and contributing towards national net zero initiative. We also plan to set up LNG filling stations across the country, leveraging the strength of our JV Company, Mahanagar LNG Private Limited (MLPL).

To realise the potential arising from the Electric Vehicle (EV) sector, we have recently acquired stake in 3EV Industries Private Limited (3EV), a 3 wheeler (3W) EV manufacturer. Predominantly serving e-commerce players, these 3W EV's are expected to replace diesel fueled small commercial vehicles. Going forward, we also intend to set up one of the largest Bio Gas plant in Mumbai based on Municipal solid waste.

We believe, these efforts will substantially take us forward in fulfilling India's objective of reaching Net Zero emissions by 2070. Combined with our pursuit for meeting climate action goals, we are now broadening our horizon on the back of a strong diversification strategy – to fuel our growth endeavours and add mileage to a fulfilling journey towards a greener future.

About Us

We are one of India's leading city gas distribution company providing Compressed Natural Gas (CNG) for mobility and Piped Natural Gas (PNG) to residential, commercial, and industrial customers, serving Mumbai, Urban thane, and Raigad district of Maharashtra.

We are guided by...

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.

Our Core Values

- Excellence
- Accountability
- Integrity
- Innovation
- Customer Centricity

...building on

Capitals

- Financial Capital
- Manufactured and Intellectual Capital
- Human Capital
- Social and Relationship Capital
- Natural Capital

...while enabling growth with our

Business drivers

- Significant growth potential backed by favourable industry conditions
- Underpenetrated market with significant potential for expansion
- Robust infrastructure in place to support future growth
- Strong operational and financial performance
- Cost-effective sourcing strategy
- Focused growth strategy in place

and Creating Values for

Our stakeholders

- Customers
- Investors and shareholders
- Employees
- Government and regulators
- Community

...ensuring we focus on

Material Issues

M1 M2 M3 M4 M5
M6 M7 M8 M9 M10
M11 M12 M13 M14

...with a consistent eye on

Risks and opportunities

R1 R2
R3 R4

Our Journey

2023-24

- Acquisition of UEPL
- Joint Venture for LNG
- Investment in EV Space
- MOU with BMC for CBG Plant

2022-23
300th CNG station, 5th CGS & 1st LNG station at Savroli, Raigad

2020-21
Uninterrupted PNG/CNG supplies during Pandemic

2019-20
Glorious 25 years

2016-17
MGL Listed on BSE NSE
200th CNG station

2015-16
PNGRB Awards Raigad GA to MGL in competitive bidding

2012-13
3rd CGS at Taloja and 4th CGS at Ambernath

2010-11
2nd City Gate Station (CGS) at Mahape

2004-05
100th CNG station

1997-98
Gas Supply Agreement with GAIL

1996-97
1st City Gate Station **(CGS)** at Sion and 1st CNG station

GA 1,2

GA-3 Raigad

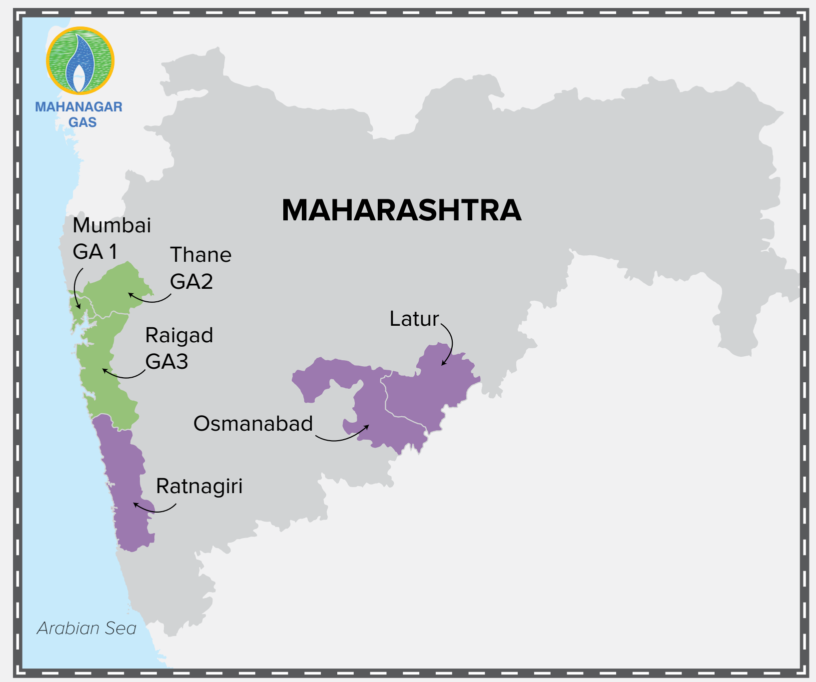
MGL at a Glance

Geographical Expansion and Synergy

MGL		(Sq. Km.)	UEPL	(Sq. Km.)
GA-1	Mumbai	465	Ratnagiri	8,276
GA-2	Thane	990	Latur-Osmanabad	14,726
GA-3	Raigad	6,917	Chitradurga-Davanagere	14,360
	Total area	8,372	Total area acquired	37,362

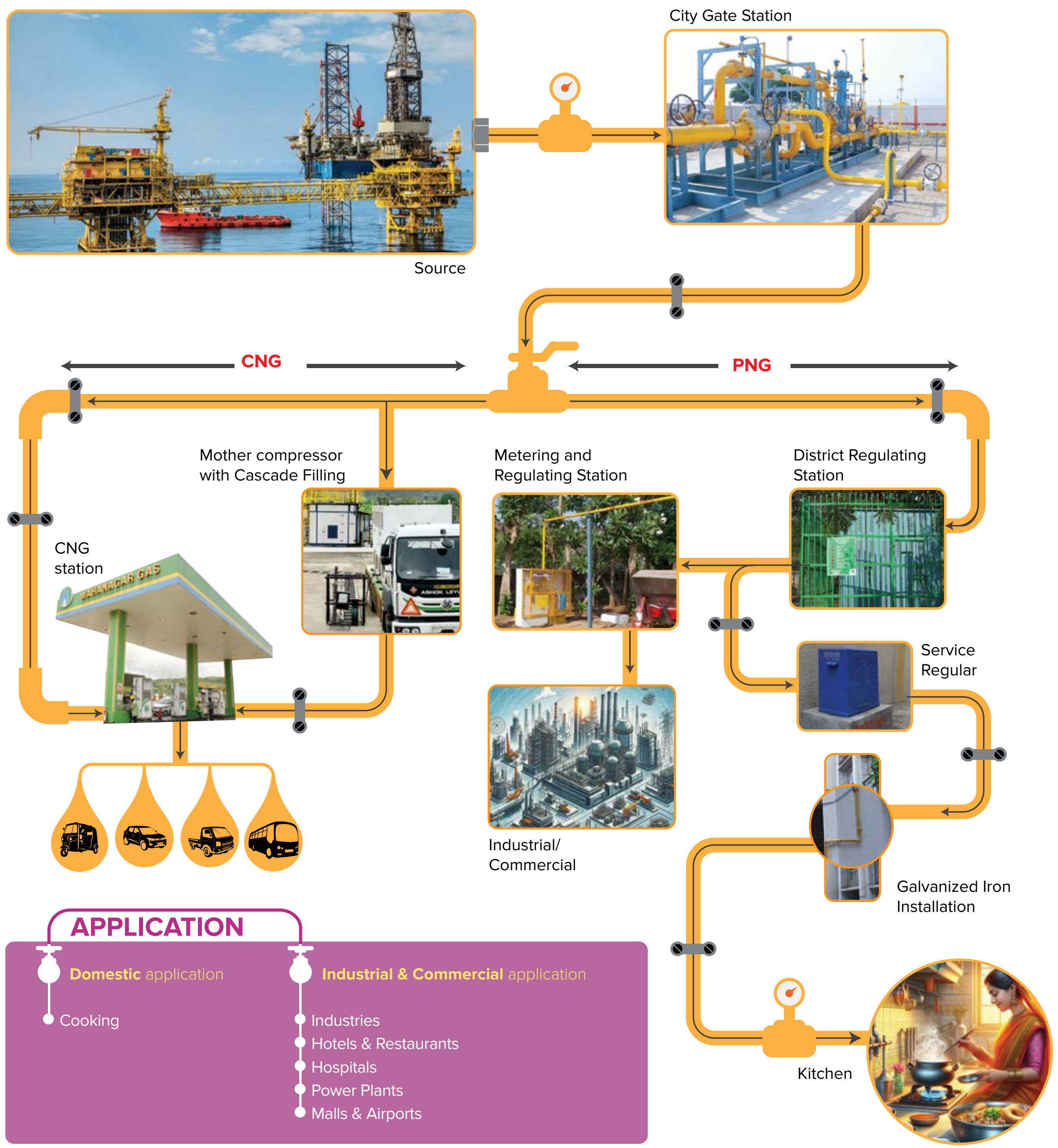
Total area of operation (Sq. Km.) **45,734**

	MGL	UEPL	Total
CNG Stations (Nos)	347	56	403
PNG Connectivity (Lakh)	24.90	0.27	25.17
Pipeline (Steel+PE) (Km)	7,000	266	7,266



Map not to scale
Existing MGL's Geographical Area (GA)
Newly Acquired GA's of UEPL
Data as on 31 March 2024

Our Value Creation Model



INPUT | OUTPUT | OUTCOME

Financial Capital (₹ Cr)

Input
- Net worth 5,143
- Current Asset 1,861
- Current Liability 1,670

Output (₹ Cr)
- Revenue 6,862
- PAT 1,289
- Market Capitalisation* 13,468

Outcome
- Enhancing revenue and profitability growth
- Creating and maintaining shareholder value
- Ensuring a strong cash flow

Manufactured and Intellectual Capital

Input
- Net capex (₹ Cr) ~802
- PNG Volume (in MMSCMD) 1.02
- CNG Volume (in MMSCMD) 2.59
- Total Gas Network (PE+Steel) ~7,000 Kms
- Leveraging technology to improve the overall customer experience.
- Optimizing operations through location tracking and data-driven insights.

Output
- Domestic Connectivity 320,125
- New CNG Stations (in Nos.) 36
- Commercial and Industrial Customers 402
- CNG Stations Upgraded (in Nos.) 45
- Streamlined payment options
- Real-time CNG station monitoring
- simplified digital registration for PNG

Outcome
- Enhanced operational efficiency
- Improved connectivity and network
- Enhanced customer experience
- Improved turnaround time

Human Capital

Input
- Permanent Employees 532
- Training (Man-days) ~ 2,770
- Total Women Employees 55

Output
- Diversity Ratio: 10:1
- Sexual Harassment Complaints: Nil
- Complaints on Discriminatory Employment: Nil
- Complaints on Child/ Involuntary Labour: Nil
- Attrition rate: 3.27%

Outcome
- Building a safe and inclusive workplace.
- Ensuring an engaged and future-ready workforce

Social & Relationship Capital

Input
- CSR Expenditure ~₹ 19 Cr.
- CSR Projects 30

Output
- Number of Beneficiaries ~1,02,700
- Number of Pets Benefitted ~1,100
- Key focus areas: Health, Education, Skill development, Livelihood, Rural Development, Environment

Outcome
- Consistent value for stakeholders
- Building long-term relationship
- Uplifting the local communities

Natural Capital

Input
- Energy Consumed (in GJ) 6,47,867
- Water Consumed (in KL) 44,232
- Investment in Renewable Energy (₹ Cr) 0.36
- Responsible procurement
- Sustainable resource extraction and transportation

Output
- Reduction GHG Emissions (in t Co2 e p.a) 6,738
- Water Recycled (in KL) 27
- Reduced carbon footprint
- Enabling sustainable energy transition

Outcome
- Effective environmental management systems
- Responsible usage of electricity and water
- Reduction of carbon emissions

*As per close price on BSE as on 31st March 2024

Enablers that drive our business growth

Significant growth potential backed by favourable industry conditions

We, at MGL, operate in the CGD sector, which is experiencing strong growth due to the increasing demand for cleaner and more efficient energy sources. Our operations are well-positioned to benefit from this favourable trend.

Robust infrastructure in place to support future growth

We have built a strong infrastructure network including pipelines, CGS and CNG stations, to support our operations and future growth. This robust infrastructure provides a strong foundation for us to expand our reach and serve more customers.

Cost-effective sourcing strategy

We have a prudent cost-effective sourcing strategy that involves procuring natural gas from various sources, including domestic and imported supplies based on different benchmark price indices. This strategy helps us maintain competitive pricing and profitability.

Underpenetrated market with significant potential for expansion

Despite our strong presence in the Mumbai Metropolitan Region, we still have significant room for growth as the market for CNG and PNG distribution remains underpenetrated especially in GA2 and GA3. Our expansion plans aim to capitalize on this untapped potential.

Focused growth strategy in place

We have a focused growth strategy that involves expanding our network, increasing our customer base, and ensuring uninterrupted supplies & services to our customers.

Strong operational and financial performance

We have consistently demonstrated strong operational and financial performance, with a focus on efficiency, cost control, safety, and revenue growth. Our financial strength and operational excellence position's us well for future growth and expansion.

CNG Station (Cascade for Storage)

CNG Station

LNG Filling

Industrial Customer

Future-focused strategy

Seeking growth opportunities

Go-to-Market Excellence

Implementing targeted strategies to enhance conversion rates across various customer segments.

Digitization

Enhancing customer experience, streamlining project timelines, and boosting operational efficiency through digital initiatives. Implement various schemes and loyalty programs to engage customers.

Inorganic CGD Expansion

Pursuing strategic acquisitions and partnership to expand the CGD network.

Building New Pillars

Developing new business pillars to safeguard and diversify future revenue streams, thereby mitigating potential risks.

Cost-effective and reliable sourcing arrangements

Monitor Cost of Natural Gas

Continuously track natural gas prices to ensure the most cost-effective sourcing.

Commercially Viable Sourcing

Maintaining and tracking sourcing arrangements that are commercially sustainable.

Compliance with MoPNG Allocation Policy

Adhering to the Ministry of Petroleum and Natural Gas (MoPNG) allocation policies and pricing guidelines for domestic gas.

Term and Spot Contracts

Utilizing a mix of term and spot contracts to efficiently meet the needs of commercial and industrial customers.

Increased penetration in the existing markets

Rising Demand

Leveraging the expected population growth to drive higher demand for commercial and domestic PNG.

Customer Expansion

Extending services to new customers for CNG and PNG, with a focus on growth opportunities in the Raigad district.

Commercial Vehicle Growth

Capitalizing on the increase in commercial goods vehicles running on CNG, due to affordability and wider choice of CNG fueled OEM vehicles.

LNG Station Development

Establishing LNG stations to serve the needs of long-haul vehicles.

Developing Infrastructure

Network Strategy

Implementing a strategic approach to accelerate infrastructure development.

Investment in Infrastructure

Allocate resources to enhance infrastructure, supporting MGL's expanding customer base and improving service quality.

Capital Expenditure

Prudent capital allocation strategy to expand operational capabilities.

Expansion Goals

Plans in place to add 180+ Kms of steel pipeline, 1,000 Kms of PE pipeline and 200 CNG filling stations within the next five years within area of our operations.

Chairman's Message

> We formed Mahanagar LNG Private Limited (MLPL), a joint venture with a 51% equity stake, which marks a significant step towards establishing an LNG supply-side ecosystem.

Dear Shareholders,

I am pleased to present the Annual Report for Mahanagar Gas Limited (MGL) for the financial year 2023-24. This year has been a pivotal one, marked by exceptional growth, strategic expansion, and a continued commitment to building a sustainable future for all.

Today, MGL stands at a crucial point of a transformative era in India's energy landscape. The nation's burgeoning economy and expanding population have ignited a surge in energy demand. India's growing stature as a global economic powerhouse is also intricately linked with its energy consumption. As the world's third-largest energy consumer, India's energy demand is projected to rise significantly in the coming years. This presents a tremendous opportunity for MGL, as natural gas is poised to play a dominant role in fuelling this growth. Clean and efficient, natural gas offers a compelling alternative to traditional fuels, aligning perfectly with India's environmental and economic aspirations.

A Legacy of Leadership and a Vision for the Future

As the authorised distributor of CNG and PNG in Mumbai, Urban Thane and Raigad district (Geographical Area's or GA) for over 25 years, MGL has a proven track record of consistent growth. Your Company's extensive network of ~7,000 Kms of pipeline and 347 CNG stations portrays its commitment to infrastructure development and accessibility. MGL's vast infrastructure, coupled with a strong safety management system, ensures the safe, reliable, and uninterrupted distribution of natural gas to its ever-growing customer base.

Performance Highlights

FY 2023-24 has been a year of significant achievements for your Company. We have made exceptional progress in expanding our Domestic PNG (D-PNG) connection base. Together with our 100% subsidiary, Unison Enviro Pvt Ltd (UEPL), we have connected a staggering 3,30,330 homes to provide clean and convenient PNG, highest ever by any CGD in the country. We along with UEPL also added 43 new CNG stations & upgraded 45 CNG stations ensuring easy availability of CNG for almost one million CNG vehicles plying in our GA's.

Our gas sales volume has also seen a steady rise across all segments. The average daily sales volume for the year ended March 31st, 2024, stood at 3.61 mmscmd, with CNG contributing the most at 2.59 mmscmd. We have achieved growth of ~4% in CNG sales volume compared to the previous year. D-PNG sales volume has also seen an increase of ~8%, reaching 0.52 mmscmd. The industrial and commercial segment witnessed a commendable growth of ~11%, with sales volume reaching 0.50 mmscmd. These achievements help solidify your Company's position as a leading player in CGD sector.

Financially, the year has been equally impressive. We have witnessed a robust growth of 56% in our EBITDA, reaching ₹ 1,843 Cr. compared to the previous year's ₹ 1,184 Cr. This strong performance led to 63% increase in net profit, reaching ₹ 1,289 Cr. for FY 2023-24, the highest ever.

Building a Sustainable Future

We, at MGL are actively pursuing strategic acquisitions to solidify your Company's position within our core business. The acquisition of UEPL expands our service offerings and strengthens our customer base. The strategic move involved acquiring 100% of UEPL for ₹ 562 Cr. Not only does it strengthen your Company's presence in CGD Sector, but also aligns perfectly with government's plan to increase share of natural gas in the energy mix to 15% by 2030. Through UEPL acquisition, we gain access to new territories viz. Ratnagiri, Latur, Osmanabad in Maharashtra and Chitradurga & Davanagere in Karnataka. This expansion allows us to broaden the customer base and network, derive synergies, positioning us to take advantage of the burgeoning CGD sector in India.

The Company also formed Mahanagar LNG Private Limited (MLPL), a joint venture with a 51% equity stake, which marks a significant step towards establishing LNG as a preferred fuel for Heavy duty trucking in the long haul & close loop segment. MGL is already operating its 1st LNG station at Savroli since August 2023. MLPL's construction of LNG stations within Maharashtra is underway, positioning MGL & MLPL to capitalise on expected growth in LNG for heavy duty trucking, substituting diesel.

Your Company's investment in 3EV Industries Private Limited (3EV), a manufacturer of electric three-wheeler cargo and passenger vehicles, positions it as an entity committed to a cleaner and more sustainable future. These 3W EV's are expected to replace mostly Diesel & Petrol fuelled small commercial vehicles. We are pushing innovation in the electric vehicle space, and we are actively contributing to the reduction of greenhouse gas emissions and the promotion of environmentally friendly transportation options.

On our trajectory to build a sustainable future, we have signed a Memorandum of Understanding (MoU) with the Municipal Corporation of Greater Mumbai (MCGM) to establish a Compressed Biogas (CBG) plant within Mumbai. This initiative holds the potential to significantly reduce urban pollution as well as arrest the growing menace of landfill mountains. It will also add to MGL's portfolio "Renewable Natural Gas".

Investing in the Future

MGL's growth strategy is focused on capitalising on India's underpenetrated CGD market. We plan to achieve this through a multi-pronged approach. Primarily, we will leverage your Company's expertise in Go-to-Market strategies to drive conversions across segments, from domestic to commercial to industrial. The ongoing digitisation efforts will enhance the customer experience, improve operational efficiency, and allow for the creation of loyalty programs. We will also pursue inorganic CGD expansion opportunities to broaden our geographic reach. We remain committed to securing cost-effective and reliable gas sources through a mix of APM allocations, term contracts, and spot purchases.

Your Company's locus of operation is expanding as is evident by its increasing penetration within the existing markets, particularly in the Raigad district as well as GAs of recently acquired M/s. UEPL. This strategy is fuelled by the growing population and the increasing demand of PNG due to safety, convenience and lower carbon footprint. We also aim to expand CNG and PNG customer base by promoting the adoption of CNG vehicles and developing LNG stations to cater to long-haul vehicles. To support this growth, MGL plans to invest significantly in network expansion by adding over 180 Kms of steel pipeline, 1,000 Kms of PE pipeline and 200 CNG filling stations in the coming years.

Safety First

Safety is your Company's paramount concern. We operate under the guiding principle of "Zero Injuries", a philosophy that underscores the commitment to preventing accidents and ensuring the well-being of our workforce. MGL's comprehensive training programs and ongoing safety initiatives cultivate a culture where everyone embraces responsibility for a safe working environment. We adhere to the highest international safety standards and empower all employees to actively identify unsafe situations and work towards mitigating them. By prioritising safety and well-being, we are not only building a stronger company but also contributing to a more sustainable future for all.

"WE CARE"

MGL recognises the importance of giving back to society. Your Company's CSR initiatives, encapsulated under the umbrella of **"WE CARE"** encompass a broad range of programs designed to create a more sustainable and equitable future. These programs span various thematic areas viz. healthcare (MGL AAROGYA), rural development (MGL VIKAS), women's empowerment (MGL SAKSHAM), education (MGL VIDYA), environmental protection (MGL HARIYALI), skill development (MGL HUNAR), and community support (MGL SAATHI).

Through these initiatives, we are actively engaged in improving the lives in the communities where we operate. MGL's CSR efforts extend beyond Mumbai covering Navi Mumbai, Urban Thane, and the Raigad district of Maharashtra, creating a positive and lasting impact on a wider population.

Building a Brighter Future Together

On behalf of the entire MGL team, I express my sincere gratitude to the dedicated employees, shareholders, customers, and partners for their unwavering support. We are committed to keeping you informed of your Company's progress in unlocking the next phase of growth.

Regards,

Sandeep Kumar Gupta
Chairman

Our extensive network of over
6,968
Kms of pipeline

347
CNG filling stations

Managing Director's Message

> I am confident that Mahanagar Gas Limited (MGL) is well-positioned to navigate evolving landscape and maintain its leadership position.

Dear Shareholders,

This has been a watershed year for MGL. We have accomplished quite a lot over the financial year and have strategically opened doors to future. I am pleased to bring to you the year's performance of the Company as we embark on an exciting phase of growth.

₹ 1,289 Cr.
Net Profit

₹ 1,843 Cr.
EBITDA

According to the PPAC, India's CGD sector witnessed a significant rise in Gas consumption during the first half of FY 2023-24. This trend aligns perfectly with MGL's own financial performance for FY 2023-24, which reflects a ~ 5.5% year-on-year increase in average sales volumes to 3.61 mmscmd (million metric standard cubic meters per day).

Nationally, industrial PNG sales reached 11.37 mmscmd during the first half of FY 2023-2024. This surge in industrial PNG consumption nationally is a clear indicator of the growing preference for cleaner-burning fuel sources within India's industrial sector. This trend is also mirrored in our sales mix, with industrial PNG contributing 10.3% to the Company's overall volume.

While CNG remains the dominant segment for MGL, accounting for 71% of its sales volume, we are experiencing growth across all segments. Domestic PNG sales rose to 0.52 mmscmd (14.4% of total volume), while commercial PNG consumption reached 0.13 mmscmd (3.5% of total volume). Notably, the industrial and commercial segment witnessed a combined increase of ~11% compared to the previous year.

MGL's EBITDA surged by an impressive 56% to ₹ 1,843 Cr., while Net Profit witnessed a remarkable 63% increase, reaching ₹ 1,289 Cr. Our strong fixed asset base of ₹ 4,337 Cr. and a healthy Capex of ₹ 802 Cr. for FY24 is also a clear indicator of our financial strength and commitment to infrastructure development.

Network Expansion Reaches New Heights

This year, MGL achieved a healthy growth in our CNG station network. Your company has commissioned 36 new CNG stations, surpassing all previous records. Additionally, also upgraded 45 existing stations, further enhancing accessibility and convenience for CNG users across our GAs. This commitment to infrastructure development underscores our dedication to providing a reliable and convenient source of clean energy to an ever growing & environmentally conscious customer base.

MGL, alongside our new, wholly owned subsidiary M/s UEPL, has established a new national benchmark by connecting a record-breaking 3,30,330 domestic PNG consumers in FY 2023-24. This achievement highlights our commitment to providing a cleaner and more convenient cooking fuel option for households.

We are actively pursuing strategic acquisitions to strengthen our resolve to a greener future. The acquisition of UEPL aligns to our product offerings, while the formation of Mahanagar LNG Private Limited (MLPL), a joint venture with a 51% equity stake, marks a significant step towards establishing an LNG supply-side ecosystem. This initiative positions MGL to capitalise on the growing demand for cleaner transportation solutions.

Navigating the regulatory landscape

The past year has witnessed significant developments in the regulatory environment governing India's CGD sector. While these changes present both challenges and opportunities, I am confident that MGL is well-positioned to navigate this evolving landscape and maintain its leadership position. Your Company's dominant position in Mumbai, Urban Thane and rapidly growing Raigad district is expected to drive future sustainable growth, with an eye for expanding our presence in other geographies, notably the new GA's of UEPL.

Additionally, MoPNG's prioritisation of domestic gas allocation to CGD entities assures a reliable and cost-effective input for our core business. This is further bolstered by the January 2023 notification for High-Pressure, High-Temperature (HPHT) gas, which prioritises CGD entities in price bidding, giving preferential access to this critical domestic source of gas.

The government's implementation of APM pricing for gas adds another layer of stability to our business. With a price ceiling of $6.5/MMBTU and controlled annual increases, we can effectively manage margins and plan without worrying about drastic price fluctuations.

While the PNGRB's Unified Tariff may introduce some operational adjustments, the overall impact is positive. The streamlined regulatory framework simplifies our operations and enhances regulatory clarity. This, coupled with market-benchmarked pricing that mitigates long-term risk, positions MGL for continued leadership in the evolving CGD landscape.

Operational Excellence Across Geographical Areas

We at MGL are committed to operational excellence across all our GAs. We have successfully connected nearly 2.5 million households in our three GAs, with a focus on domestic PNG penetration. Stepping ahead, we have laid a network of 433 Kms of steel and PE pipelines during the year, expanding our overall network to an impressive ~7,000 Kms. Our CNG network also witnessed significant growth with 36 new stations added, bringing the total to 347 as of March 31, 2024. The industrial and commercial customer base also saw an expansion of 402 new connections, reaching a total of 4,769 customers by the end of the financial year.

Our focus on regional development is reflected in the progress made within our Raigad GA. We have successfully connected ~80,000 domestic households and are currently operating 47 CNG stations within this region. Additionally, MGL laid 34 Kms of steel and PE pipelines in Raigad, expanding our total network to 416 Kms of steel and PE pipelines.

> MGL, alongside our new, wholly owned, subsidiary UEPL, has established a new national benchmark by connecting a record-breaking 3,30,330 domestic PNG consumers in FY 2023-24.

"Safety and social responsibility remain core values at MGL. We are proud to be recognised with the 2nd prize at the 18th CII Western Region HSE Awards and the Excellence & Innovation Award 2024."

Investing in Innovation and Sustainability

Our strategic equity investment in 3EV Industries Private Limited, a pioneering start-up in the electric three-wheeler cargo and passenger vehicle sector, underscores our dedication to fostering a cleaner and more sustainable future. By championing advancements in the electric vehicle segment, we are making significant strides toward a greener tomorrow.

Furthermore, we have entered a Memorandum of Understanding (MoU) with the Municipal Corporation of Greater Mumbai (MCGM) to develop a Compressed Biogas (CBG) plant in Mumbai. This initiative aims to reduce dependence on fossil fuels, while enhancing air quality in the city, thus reflecting our commitment to environmental stewardship and urban sustainability.

A Future Fuelled by Growth and Sustainability

We prioritise domestic gas allocated under APM and HPHT gas sources. This ensures a reliable supply for our core CNG and Domestic PNG segments, which constitute most of our sales volume. We utilise a mix of term contracts indexed to market benchmarks and spot purchases for the industrial and commercial segments to manage price fluctuations. This diversified approach safeguards our ability to deliver competitive gas pricing to all customer segments.

MGL is poised for continued growth and leadership in the Indian CGD sector. Our focus on network expansion, strategic acquisitions, technological / digital innovation, and environmental responsibility positions us to capitalise on emerging opportunities within the Indian energy landscape.

We feel LNG holds immense potential for the Heavy Duty Trucking segment. Construction activities for LNG stations under the newly formed JV, MLPL have commenced, and the JV is positioned to become a key player in supplying LNG as a transportation fuel. This initiative aligns with the growing demand for cleaner transportation solutions and strengthens MGL's position in the ever-evolving energy market.

Continuing Commitment to Safety and Social Responsibility

Safety and social responsibility remain core values at MGL. We are proud to be recognised with the 2nd prize at the 18th CII Western Region HSE Awards and the Excellence & Innovation Award 2024. These awards demonstrate our commitment to upholding the highest standards in HSE areas. MGL will continue to prioritise safety across its operations. Your Company is committed to economic development and improving quality of life not only of its employees and their families but also of the local communities in its GAs and society at large through CSR initiatives under "We Care".

A Shared Journey

On behalf of the entire Team MGL, I express my sincere gratitude to our dedicated employees, shareholders, customers, and partners for their unwavering support. Their collective contribution has been instrumental in propelling MGL to new heights. Looking ahead, we remain confident in our ability to deliver exceptional value to all stakeholders and contribute to a cleaner and more sustainable future for India.

Regards,

Ashu Shinghal
Managing Director

Board of Directors

Mr. Sandeep Kumar Gupta
Chairman

Mr. Sandeep Kumar Gupta, joined as Chairman of Mahanagar Gas Limited w.e.f October 31, 2023. He is Chairman and Managing Director of GAIL (India) Limited, a leader in natural gas trading, transmission, LPG production, petrochemicals, city gas distribution, and E&P. He also chairs GAIL Gas Limited, Brahmaputra Cracker and Polymer Limited, and serves as Director at Petronet LNG Limited. Previously, as Director (Finance) at Indian Oil Corporation Limited, he oversaw F&A, Treasury, Pricing, International Trade, Optimisation, Information Systems, Corporate Affairs, Legal, and Risk Management.

A Fellow member of the Institute of Chartered Accountants of India, Mr. Gupta has been conferred with accolades such as “CA CFO – Large Corporate – Manufacturing and Infrastructure Category” and inclusion among India’s Top 30 CFOs. With over 35 years in the Oil & Gas Industry, he brings extensive expertise and leadership to his roles.

Mr. Ashu Shinghal
Managing Director

Mr. Ashu Shinghal was appointed as Managing Director on the Board of MGL effective December 23, 2022. He is a Mechanical Engineering graduate from NIT Silchar and holds an MBA in Operations Management. Prior to joining MGL, he served as Executive Director at GAIL (India) Limited, overseeing Corporate Strategy, Planning & Advocacy, Risk Management, Total Quality Management, and Sustainable Developments. He also served as Chief Risk Officer on the Board of MGL in 2018.

With over 31 years of experience in the hydrocarbon sector, Mr. Shinghal has extensive expertise in Corporate Strategy, large-scale Project Execution, and stakeholder engagement. At GAIL, he managed significant risks under LNG contracts and led a Profit Maximisation initiative, accruing benefits of over ₹1,000 Cr. He has also represented India in the International Visitor Leadership program by the US Government.

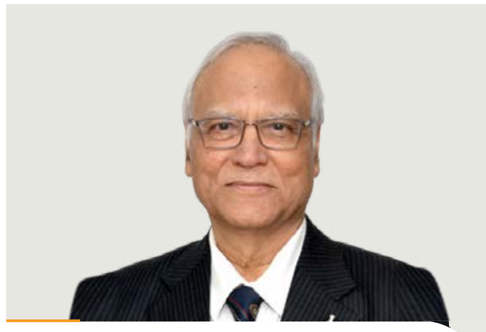
Mr. Sanjay Shende
Deputy Managing Director

Mr. Sanjay Shende was appointed as Deputy Managing Director on the Board of Mahanagar Gas Limited on May 24, 2021. He holds a degree in civil engineering and an MBA from IIM Lucknow. With over three decades of experience in Marketing, B2B sales, Exports, and City Gas Distribution, he began his career at GAIL, working at the petrochemical complex at Pata, UP. He later managed polymer sales in Maharashtra and Goa, initiated deemed exports of polymers, and developed market of three-layer PE coating for gas pipelines. Mr. Shende also led RLNG sales in Maharashtra and Goa and significantly contributed to GAIL's revenue as Marketing-In Charge of Gujarat. Before joining MGL, he headed GAIL's Hyderabad Zonal Office looking after Andhra Pradesh and Telengana.

Dr. Harshadeep S. Kamble
Nominee Director
Government of Maharashtra

Dr. Harshadeep S. Kamble was appointed as Director on the Board of MGL on November 11, 2022. An M.B.B.S. from Government Medical College, Nagpur. Dr. Kamble belongs to the 1997 Batch of the Indian Administrative Service (IAS). He is currently the Principal Secretary (Industries), Government of Maharashtra and chairs the Prime Minister Employment Generation Scheme and Export Committee of Maharashtra. Throughout his career, he has held various significant positions, including Food & Drug Administration Commissioner, Secretary to the Minister of Social Justice, Metropolitan Commissioner of Nagpur, Municipal Commissioner of Malegaon and Aurangabad, CEO at Zilla Parishad in Parbhani and Nandurbar, and Assistant Collector in Akola.

Board of Directors



Mr. Syed S. Hussain
Independent Director

Mr. Syed S. Hussain was appointed as an Independent Director on the Board of MGL on September 9, 2019. He holds a B.A. (Hons.) and M.A. in English from Patna University, and an M.Sc. in Administrative Sciences from York University, U.K. A member of the 1976 IAS and 1973 IRS (Income Tax) batches, Mr. Hussain has served as Vice-Chairman and Managing Director of CIDCO, Chairman of Jawaharlal Nehru Port Trust, and held several key positions in the Government of Maharashtra, including Additional Chief Secretary and Principal Secretary of Revenue, Forests, Rural Development, and Public Health. He has also been recognized with several awards, including the “Business Leader of the Year - Ports” Award and a Gold Medal as Collector of Latur.

Mrs. Malvika Sinha
Independent Director

Mrs. Malvika Sinha was appointed as an Independent Director on the Board of MGL on August 24, 2021. She holds a Master’s Degree in Public Administration from Princeton University, USA, and an MA from Mumbai University. She is also a Certified Associate of the Indian Institute of Banking. She was an Executive Director at RBI and retired in February 2020, after serving for 38 years in various capacities in Human Resource Development, Foreign Exchange Department, Internal Debt Management Department and Deposit Insurance and Credit Guarantee Department. In the past, she served as RBI’s Nominee Director on the Board of State Bank of Bikaner and Jaipur and presently she holds Directorship in Mahindra Logistics Limited, Tata Capital Housing Finance Limited, National Asset Reconstruction Company Limited and Bajaj Finserv Asset Management Limited.

Mr. Rajeev Bhaskar Sahi
Independent Director

Mr. Rajeev Bhaskar Sahi was appointed as an Independent Director on the Board of MGL on August 24, 2021. He holds an MBA in Finance and Marketing from IIM Ahmedabad and completed a Marketing Management Program at Columbia Business School. With over 35 years of experience in the petroleum, media, hospitality, education, and retail sectors, he has held senior roles, including CEO of Kwality Group, Career Knowledge Resources, and International Business at Esselgroup, as well as President of Retail Petroleum Business at Reliance Industries. He is currently a volunteer at Ramakrishna Mission in Mumbai.

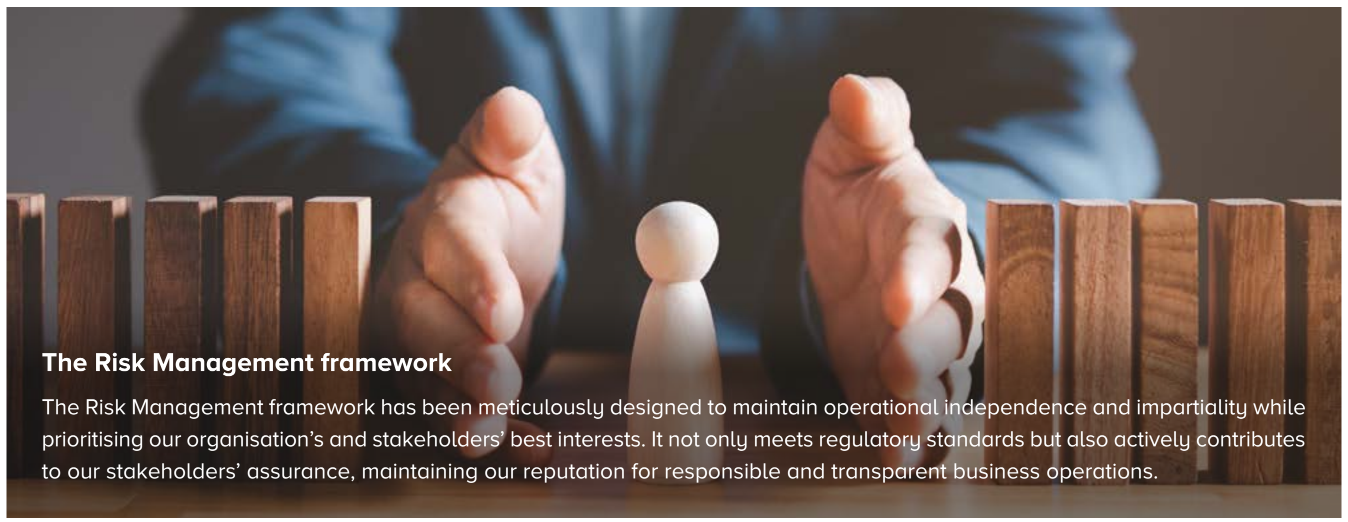
Mr. Venkatraman Srinivasan
Independent Director

Mr. Venkatraman Srinivasan was appointed as an Independent Director on the Board of MGL on August 24, 2021. A Fellow member of the Institute of Chartered Accountants of India, he graduated from Sydenham College of Commerce and Economics, Mumbai, and attended Harvard Business School’s program on “Audit Committees in the New Era of Corporate Governance.” He was a Partner in V. Sankar Aiyar & Co. since 1984, with specialization in statutory audits, direct tax, and corporate advisory services. He has served on the Expert Advisory Committee (EAC) of ICAI and the Financial Reporting Review Board (FRRB) of ICAI. Presently, he holds Directorship in Amal Limited, Fairchem Organics Limited, Eimco Elecon (India) Limited, HDFC Life Insurance Company Limited and UTI Trustee Company Private Limited.

Risk and Opportunities

Aligned with our Enterprise Risk Management (ERM) policy and integrated assurance methodologies, we have developed procedures and practices throughout our organization that allow us to proactively identify, assess, and address risks that could affect our operations. We understand that risks are multifaceted and thus must be managed comprehensively, taking into account external environmental changes and the strength of our internal processes.

Led by the Risk Management Committee (RMC), we have our ERM policy in place across our organisation that helps us to actively identify, analyse and mitigate risks that might impact our operation. Our ERM policy ensures a well-defined RMC structure, fostering reliability through organised reporting.



R1 Strategic Risk

Impact of unforeseen pandemics and similar crisis situations on business operations and continuity

Impact	Mitigation	Opportunities
- Health and well-being of employees - Business Disruptions - Supply chain disruptions - Possibility of major incident due to delay in preventive maintenance - Additional regulatory requirements	- Core Team constituted to closely monitor the dynamic situation and take appropriate business decisions subject to guidelines issued by Government Authorities. - War room established for continuous monitoring and decision-making to maintain uninterrupted gas supply. - WFH (Work from Home) guidelines immediately circulated to minimize operational disruptions. - Emergency operations (emergency vans, health, and safety teams) continue under revised guidelines to ensure customer health and safety.	- Strengthening remote work capabilities and technologies. - Enhancing crisis management and business continuity planning. - Building stronger health and safety protocols for future resilience.

R2 Compliance Risk

Absence of a robust framework to monitor and track various regulations and compliance.

Impact	Mitigation	Opportunities
- Penalties - Inquiries - Action against management (Penalty/ Imprisonment)	- Implementation of a compliance management tool where all compliances are listed and tagged to "Compliance Owners" in the relevant department. - Compliance owners update the status of compliance based on a defined frequency. - Tool updated by service provider based on regulatory changes. - Third-party checks of compliance reporting by Compliance Owners on a sample basis.	- Developing a comprehensive compliance management framework. - Enhancing regulatory knowledge and awareness across the organization. - Utilizing technology to automate compliance tracking and reporting

R3 Financial Risk

Potential threats that can lead to financial losses due to factors like market fluctuations, forex risk, credit issues, substitution risks, liquidity shortages, and operational failures.

Impact	Mitigation	Opportunities
- Loss of sales volumes and margins.	- Continuously opening new CNG stations to stimulate demand and capture market share before the advent of EVs/alternate fuels. - Incentivizing the purchase of new CNG vehicles and retrofitting existing alternate fuel vehicles by offering various promotional schemes. - Exploring policy advocacy with Government/Policy Makers to extend similar incentives to CNG car customers as those offered to EVs. - Maintaining price differentials between alternate fuels and CNG. - LNG as an alternate fuel for the commercial segment and expanding the fuel portfolio to include LNG based on pilot results.	- Positioning CNG as a viable and green alternative to other fuels - Expanding into new markets with growing demand for clean energy. - Innovating product offerings to include a wider range of alternative fuels.

R4 Operational Risk

Loss of data, deviation from established processes and business disruptions due to intrusions/ virus attacks/ransomware.

Impact	Mitigation	Opportunities
- Loss of Data - Business Disruptions	- Installation of Trend Micro end-point security on desktops/laptops to prevent virus attacks. - Protection of critical servers with Trend Micro Deep Security Software. - Firewalls set up for incoming network traffic to provide virus and malware protection. - Implementation of Unified Threat Management systems with in-built IPS, Anti-Virus, and Anti-Malware protection. - IT policy in place with procedures related to IT security. - Regular backups of critical servers. - Ongoing Vulnerability Assessment and Penetration Testing for Internet-facing applications. - Installation of Network Intrusion and Prevention Systems. - External and internal threat reviews by Audit, with necessary steps taken post-review. - Completion of Web Application Firewall (WAF) installation.	- Enhancing cybersecurity measures and protocols. - Investing in advanced threat detection and prevention technologies. - Training employees on cyber threat awareness and response.

Stakeholder Engagement

We recognize that continuous, transparent communication with our stakeholders is essential for cultivating trust and delivering positive results. By empowering our employees, engaging our customers, suppliers, and investors, we are dedicated to building a lasting legacy and a brighter future.

Through regular discussions on matters relevant to our operations and societal impact, we actively involve our stakeholders in shaping and executing our strategic vision.

	Stakeholder	Channel of Communication	Frequency of Engagement	Purpose and scope of Engagement
	Local Communities	Community Meetings through NGO implementation partners.	As per requirement	Understanding the needs and concerns of the community. CSR Projects monitoring and review, Feedback from beneficiary.
	Investors, Shareholders	Emails, Media Outreach, Meetings, Corporate announcement, Intimations	Continuous	Financial results Business plans & regular updates Redressal of Shareholders Complaints Shareholder returns
	Employees	Email Communication, Newsletters, Townhall Meetings, Virtual/ Online meetings, E-bulletin, Intranet portal.	Continuous	Employee Retention Grievance redressal and feedback of employee Learning opportunities, building a safety culture inculcating safe work practices among employees, improving diversity and inclusion
	Suppliers	Supplier Meets, Pre-tender or Pre-bid Meetings.	Continuous	Understanding the concerns of suppliers Dispute/ grievance resolution Supply chain sustainability
	Customers	Website, Emails and SMS, MGL Connect App, Social media,WhatsApp	Continuous	Customer engagement. Feedback and improvements in offerings New initiatives
	Government & Regulatory Authorities	Website and emails	As per requirement	Understanding concerns and requirements of Regulatory authorities. Regulatory Complainces

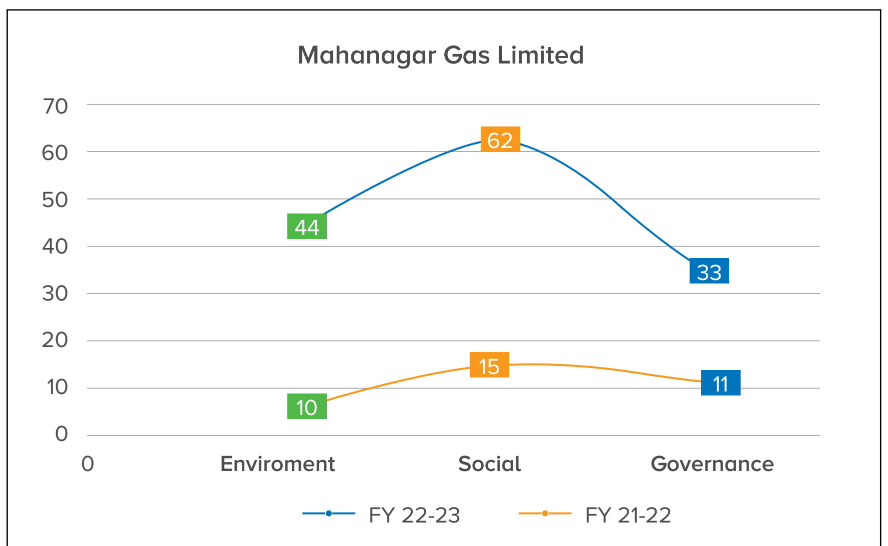
Materiality Assessment

To ensure long-term value creation for stakeholders, we identify material issues critical to our success in a dynamic operating landscape. Through comprehensive evaluations of potential environmental, social, and governance issues impacting our performance, we undertake materiality assessments to create sustainable value.

Materiality Matrix

Environment	Social	Governance
M1 Energy Management	M2 Asset integrity and critical incident management	M10 Business Ethics and Compliance
M3 GHG emission	M4 Human Rights	M13 Data Security
M5 Water Stewardship	M6 Local communities including Corporate Social Investment	M14 Risk Management
M8 Waste Management	M7 Customer relationships, experience, and satisfaction	
	M9 Occupational health and safety including Employment practices	
	M11 Diversity	
	M12 End-use Safety	

Overall ESG Rating



S&P Global (FY-2021-22)

11

S&P Global (FY-2022-23)

47

During FY 2023-24, MGL participated voluntarily in rating exercise with S&P Global , a renowned International Firm for ESG Rating and could secure overall score of 47 for 2022-23 compared to 11 of 2021-22.

SDG

Material issues addressed

- M10 — Business Ethics and Compliance
- M13 — Data Security
- M14 — Risk Management

Key Highlights

₹6,862 Cr.
Revenue

₹1,289 Cr.
PAT

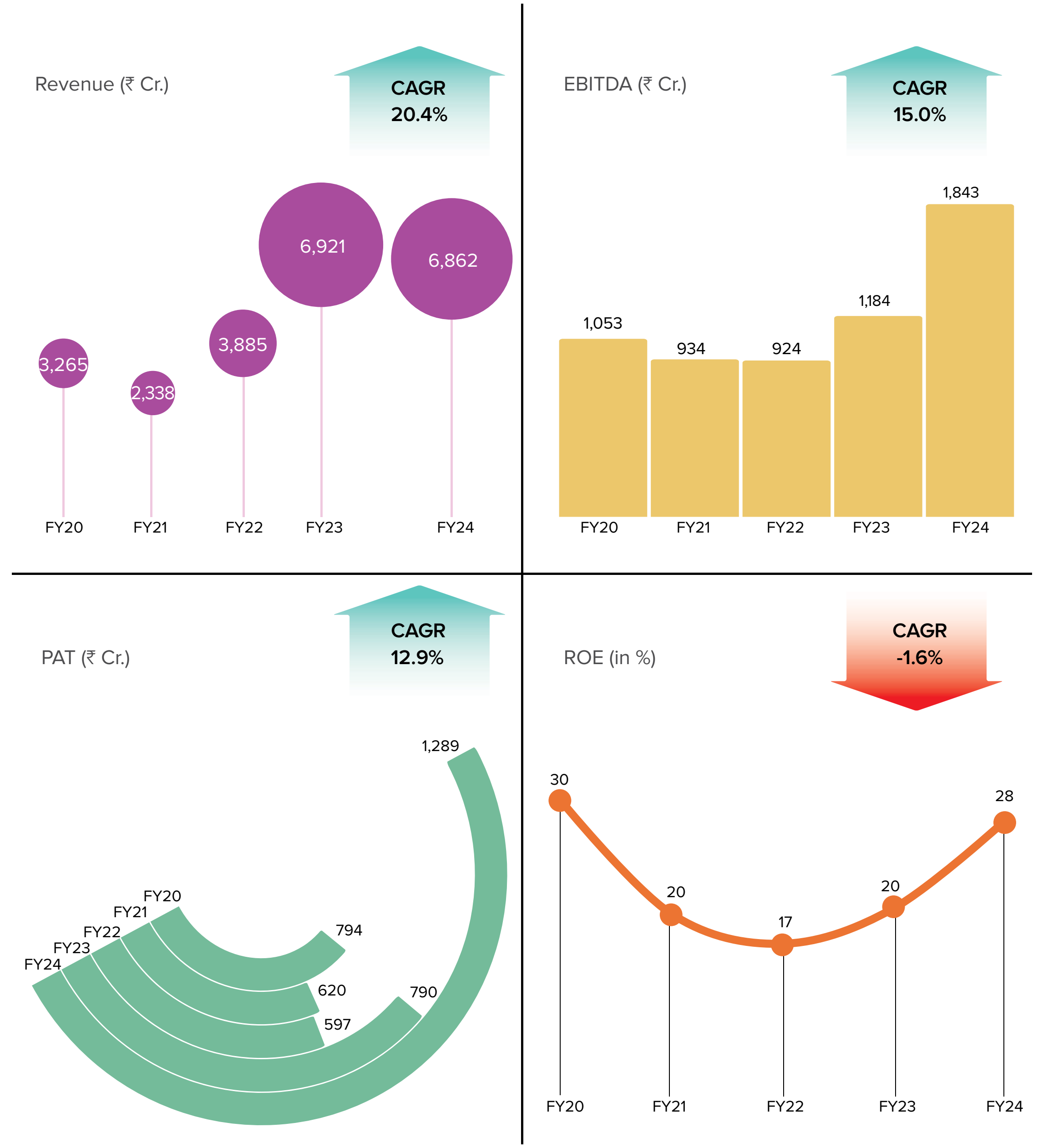
₹1,563 Cr.
Operating Cash Flow

Financial
Capital

What does Financial Capital mean to us?

At MGL, we rely on judicious investments to enhance returns and ensure optimum utilisation of resources. It empowers us to continuously sustain financial performances and generate value for our stakeholders. Our financial strength also enables us to expand our reach and capitalise on emerging opportunities in India's energy landscape.

Performance in Numbers



Way forward

We leverage our financial strength to expand our network across existing and new markets. By focusing on the commercial vehicle segment and partnering with original equipment manufacturers (OEMs), we incentivize transporters to switch from diesel to CNG. This strategic approach enhances our market presence and promotes sustainable fuel alternatives.

SDG

Key Highlights

Total number of connected households to nearly
24,90,000

Number of vehicles on the ground currently is around
9,96,000

6,370 Kms
PE pipelines were laid

4,769
Total I & C customers

347
Total number of CNG stations

Material issues addressed

- M2 — Asset Integrity and Critical Incident Management
- M7 — Customer relationships, experience, and satisfaction
- M12 — End-use Safety
- M13 — Data Security

Manufactured and Intellectual Capital

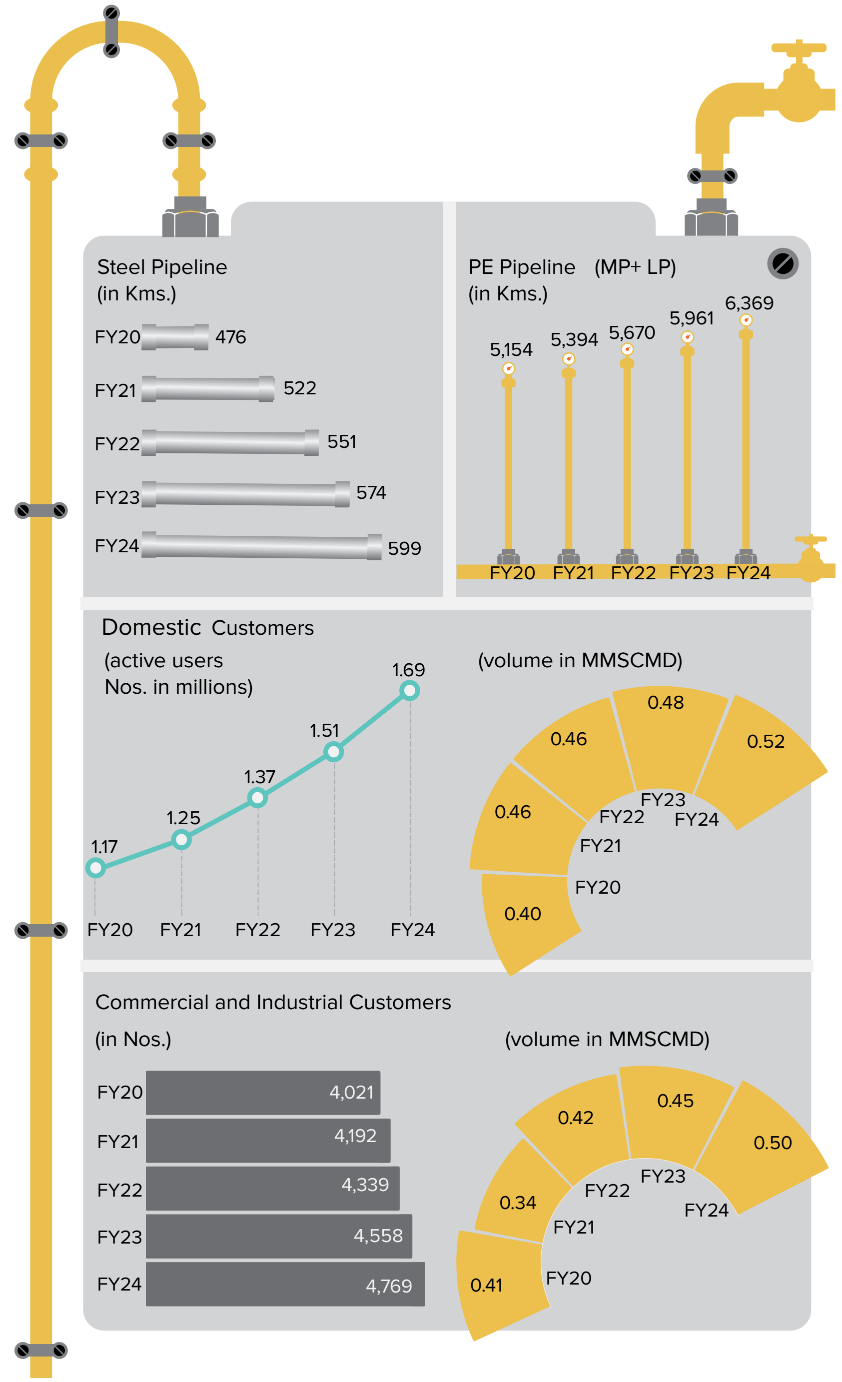
What does Manufactured and Intellectual Capital mean to us?

Backed by an advanced CGD infrastructure, we ensure uninterrupted supply of natural gas to residential, commercial and industrial users. With a growing preference for cleaner alternatives to fossil fuel, we expect to expand the number of CNG stations. Moreover, our intellectual capital lends us the ability to constantly explore innovative and sustainable energy solutions to pave the way for a cleaner future.

The Company has five CGSs, (Mahape, Ambernath, Taloja, Wadala and Savroli) where the natural gas is received, metered, pressure regulated, and odourised. From the CGSs, the natural gas is then transmitted to our CNG filling stations and our PNG customers through our network of steel and PE pipelines.

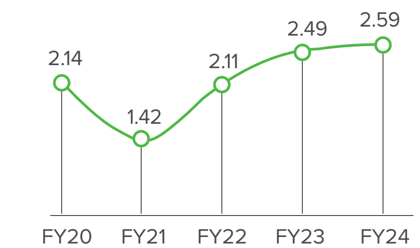
Performance highlight

Piped Natural Gas (PNG)

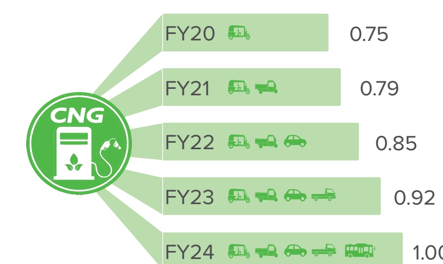


Compressed Natural Gas (CNG)

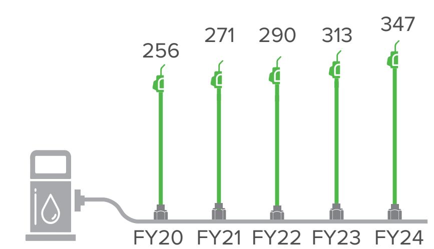
Compressed Natural Gas (CNG)
CNG Volume (MMSCMD)



CNG Customers
(Nos. in million)



CNG Station
(Nos.)



(As on 31st March of each year)

The company received awards in the categories of IT infrastructure excellence and digital transformation leader at the Governance Now Awards.

To attain the highest standards of safety, we have implemented an extensive Health, Safety, Security, and Environment (HSS&E) Management System. This system establishes a framework for continual performance improvement by allowing us to make a continuous effort to assess and improve our processes. This helps us to ensure that our clients have the safest service possible.

Keeping up with the changing consumer preference

To facilitate prospective customers in obtaining a D-PNG connection more easily, we conducted a thorough analysis of different markets to pinpoint customer segments not yet using D-PNG. This process enabled us to develop innovative solutions aimed at addressing their concerns effectively.

We have introduced a Fixed Daily Charges payment plan specifically designed for tenant-occupied flats and low-income groups. Under this plan, customers pay a nominal amount of **₹ 1 per day** instead of a lump sum connection security deposit of **₹ 5,000** at the time of registration.

For buildings connected with piped gas and wherein few residents remain without PNG connections were offered assured connection within 21 days of registration along with instant discount of ₹ 500 for web registrations and free PNG worth ₹ 3,000 which could be utilised within 1 year.

To incentivize the Builder community to adopt D-PNG, we streamlined and enhanced the Reticulated Agreement, making it simple, friendly and attractive for builder. This initiative has led to a significant increase in partnerships between major builders and MGL.

CNG Mahotsav scheme

MGL launched a massive, first-of-its-kind promotion in India, called “CNG ka MAHOTSAV” wherein customers were incentivized to opt for a new CNG vehicle or get their existing vehicle retrofitted. This promotion was jointly implemented in close coordination between MGL, various leading Auto OEMs and CNG kit manufacturers. The most noteworthy result was seen in the Heavy Commercial Vehicles segment (10 tons and above payload) wherein a 60% growth in new vehicle sales was achieved as compared to the previous 6 months. CNG ka MAHOTSAV has also breathed new life into the dormant retrofitment industry by ensuring that the retrofitment is done using the best quality parts, and subsidising the cost of retrofitment by ₹ 2 to 5 lakhs per vehicle (depending upon category) thereby making it very attractive.

MGL Tez App: Simplifying CNG Refueling for Commercial Vehicles

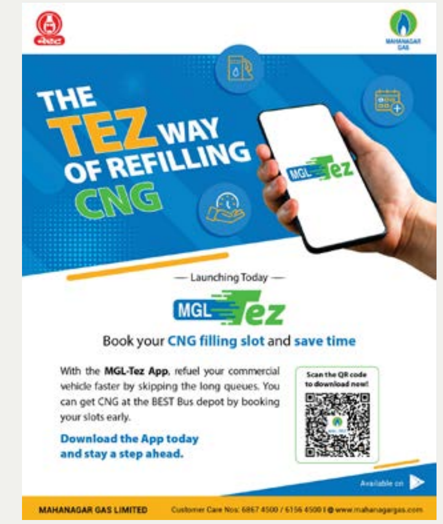
The MGL Tez app tackles the challenges of traditional CNG outlets for larger commercial vehicles. Key benefits include:

- Convenience for Drivers: Book time slots for refueling.
- No Waiting: Ensures vehicles are ready to go at the scheduled time.
- Maximizing Transporters’ Profit: Efficient scheduling boosts operational efficiency and profitability.

All MGL Tez RO’s are online CNG stations colocated in the existing BEST depots which are very strategically located ensuring gas availability at good pressure.

The MGL Tez RO’s offer the most comfortable turning radius for the large commercial vehicles, thereby making the entire fuelling process more comfortable and modern.

All payments at MGL Tez RO’s are done digitally thereby making it smooth and efficient.



Website to WhatsApp

The revamped website is now upgraded with the latest technology and best practices to make it even more user friendly. The database is shared with MGL connect App to provide a common view to the customer across various devices. The website is updated on a real time basis so that information about the various campaigns, rates of CNG/ PNG and other essential information is available to the customers at all times.

Way forward

We are dedicated to expanding our CGD infrastructure by adding new CNG stations and upgrading existing ones to enhance capacity utilisation and reduce waiting times. Through increased customer awareness initiatives, we anticipate growth in compression capacity and sales volumes. Additionally, we have a sharp focus on our I&C segment for securing contracts to meet the full requirements of our industrial and commercial customers. Our collaboration with the BMC for the production and utilization of municipal solid waste for bio gas generation and LNG for long haul trucking through JV MLPL underscores our commitment to innovative and sustainable energy solutions.

SDG

Key Highlights

97%
Employee retention rate

55
No. of Female employees

Material issues addressed

- M4 — Human Rights
- M9 — Occupational Health and Safety including Employment Practices
- M11 — Diversity
- M12 — End-use safety

Human Capital

What does Human Capital mean to us?

As a people-centric organisation, we value the contributions of our workforce. Our emphasis on building a diverse, inclusive and conducive working environment enables us to create a team of motivated and engaged people who are empowered to fulfil organisational objectives.

We recognize our employees' vital role in our success and prioritise their growth and development through robust human resource management. By investing in our people, we create an engaging workplace that nurtures excellence. Our focus on effective human resource management ensures that our team remains competent, motivated, and adaptable, preparing MGL for long-term success in the changing energy sector.

Inclusive and Equitable Work Culture

At MGL, we are committed to cultivating a work culture that values sensitivity, impartiality, and fairness. We recognize the importance of gender diversity and ensure its presence at every level of our workforce. Our environment is welcoming and supportive of individuals from diverse ethnic and cultural backgrounds. We uphold fair treatment in the workplace through equitable compensation and a strong focus on diversity and belongingness. Our aim is to create a workplace where all employees feel valued, respected, and supported in their careers.

Empowering Our People

We believe that our employees are our most valuable asset and are dedicated to creating an engaging work environment that fosters growth, learning, and a sense of belonging. Our HR policies are regularly reviewed and updated to align with industry best practices. We emphasize transparent and effective communication throughout the organization, promoting a culture of open dialogue and collaboration. This approach enables us to harness the collective talents and ideas of our employees, fostering innovation, creativity, and productivity.

Rewarding Excellence

To further fuel motivation and acknowledge outstanding contributions, we have established robust Reward and Recognition programs. These initiatives celebrate exemplary behavior, exceptional performance, and notable achievements of our employees. By recognizing and rewarding their efforts, we aim to boost employee morale, enhance job satisfaction, and cultivate a culture of appreciation and excellence within our organization.

Holistic Approach to Employee Development

We are committed to fostering learning and development as key drivers of employee growth and the achievement of strategic goals. With a dedicated Learning and Development Team, we offer structured training initiatives for comprehensive employee development. Our training programs cover a wide range of areas, including technical, functional, and behavioural aspects, ensuring a holistic approach to development. Through collaboration between employees and managers, we identify training needs that align with individual and organizational growth objectives, empowering our workforce to adapt to industry demands and drive innovation.

Developing and Retaining Top Talent

We focus on attracting and retaining top performers in today's competitive landscape. Through a multi-channel approach, we carefully select high-quality individuals to join our workforce. Career advancement is a key element of employee satisfaction and retention, supported by regular development dialogues and assessment centers. These centers evaluate identified competencies, driving skill enhancement initiatives and career progression opportunities. Our commitment to talent management ensures a skilled workforce and a culture of continuous learning and development at MGL.

Creating a Safe Workplace

Fostering a safe workplace is our topmost priority at MGL. Our goal is Zero Injuries, as we believe all injuries are preventable. We conduct our business responsibly, adhering to internationally accepted practices. HSE performance is everyone's responsibility, and each employee is empowered to intervene in unsafe acts or situations. Our commitment to HSE excellence is demonstrated in all our operations and behaviors. By embracing the highest safety standards, we promote an HSE culture in which all employees and stakeholders share the commitment to safe working conditions. This is achieved through training, education, consultation, and participation in HSE matters.

SDG

Key Highlights

~₹ 19 Cr.
CSR Spent

1,02,700
CSR Beneficiaries

~1,100
Pets Benefitted

Material issues addressed

- M5 — Water stewardship
- M6 — Local Communities including Corporate Social Investment
- M7 — Customer Relationships, Experience, and Satisfaction
- M13 — Data Security

Social and Relationship Capital

What does Social and Relationship Capital mean to us?

We believe in building mutually beneficial ties with our stakeholders, ranging from customers to shareholders and the community. As a responsible corporate, we realise our responsibility towards people. It is this approach that enables us to improve customer experience, undertake social welfare projects and ensure the well-being of our workforce.

Collaborating with the stakeholder

We regularly interact with major CGD players to keep ourselves updated with the latest developments in the industry.

We have joined industry associations and forums related to the natural gas sector. These associations provide a platform for networking, sharing best practices, and discussing common challenges.

We hold discussions with the suppliers and transporters to ensure that our supply chain is well oiled & protected in case of any disruption either in the domestic or international market.

By participating in all such forums, we gain valuable insights into industry trends, regulatory developments, and emerging technologies that can enhance supply chain resilience.

Strenthening our relationship capital

Building Strong Relationships

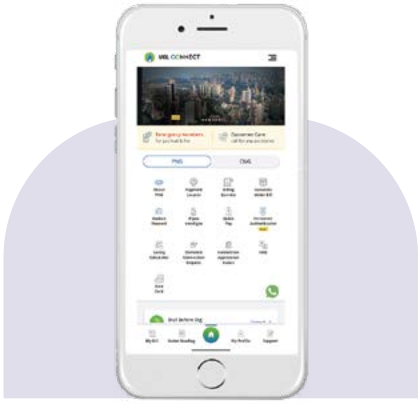
We recognize the significance of building strong relationships and fostering open communication with our valued customers. By engaging with customers, we build trust, strengthen our brand reputation, and ensure a better tomorrow for all. Through a range of customer outreach initiatives, we create meaningful connections, promote sustainable practices, and enhance customer satisfaction. These initiatives demonstrate our commitment to delivering reliable and eco-friendly energy solutions while empowering customers to make informed choices.

Digital Engagement and Convenience

MGL Connect App

Our app reflects our dedication to enhancing customer convenience and satisfaction. We have upgraded the industry benchmark with MGL Connect 2.0, enabling customers in the segments of CNG to locate retrofitters and hydro testers for CNG kits, find nearest CNG station on the go and calculate savings.

In PNG segment, we have provided a bouquet of self help digital options like PNG connection request and its status tracking, bill generation, submission of meter reading, saving calculation, quick pay etc.



Meter Reading and OCR Application

To avoid inconveniences due to meter reader visits, we launched an AI-enabled Optical Character Recognition (OCR) application. Customers can submit their meter readings digitally by photographing their meters. The AI function captures the reading and generates bills instantaneously. This initiative earned us the ISGF Innovation Award 2023 under the "Smart Technology – Smart Gas Distribution" category.

Go Green Initiative

In line with our slogan **"Indhan Hariyali Ka,"** we have encouraged customers to save trees & opt for e-bills and SMS delivery of bills to reduce carbon footprints and save trees.

Connecting through WhatsApp

We have launched a dedicated WhatsApp number for customers to raise queries, seek information about billing, submit meter readings, request new connections, raise complaints, and access other services.

Additionally, CNG customers can use WhatsApp to locate the nearest CNG station, find a list of CNG kit suppliers, and access CNG cylinder testing facilities.

Enhancing Payment Options

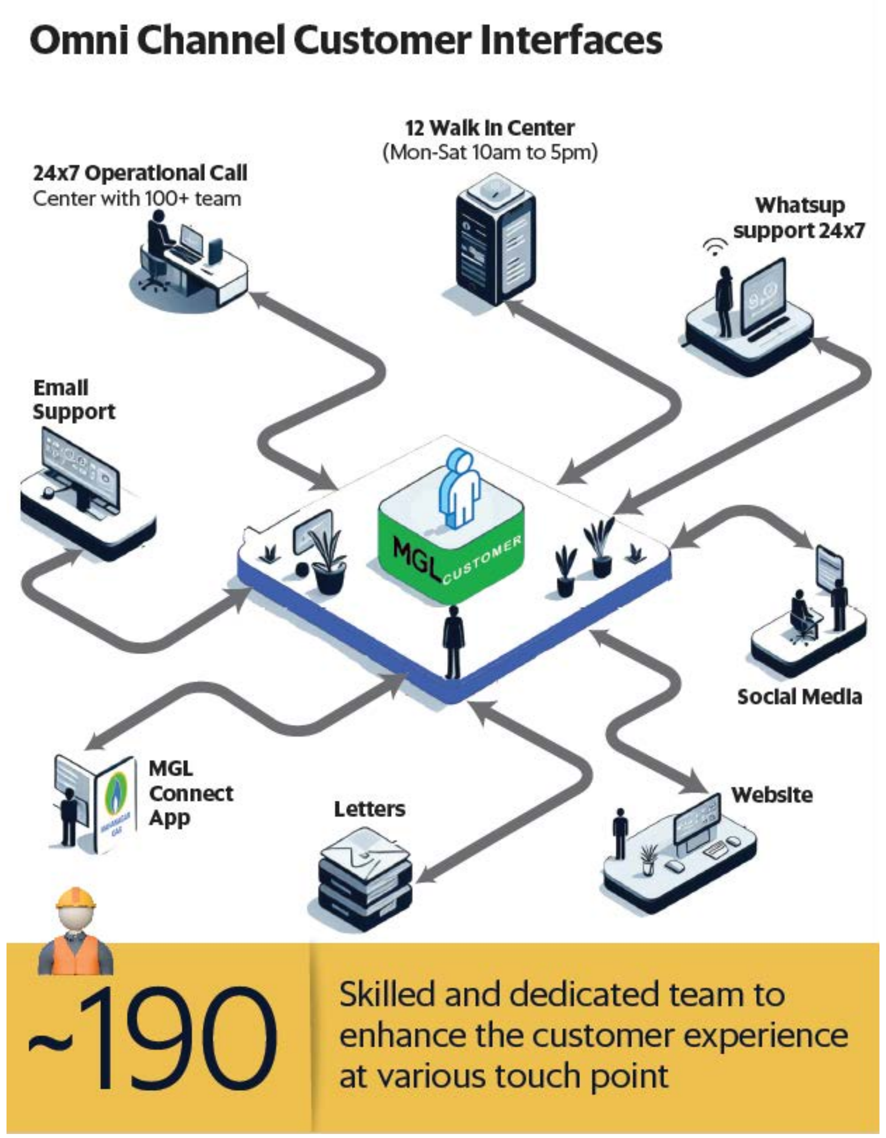
SMS-Enabled UPI Payment

We introduced an 'SMS link for UPI payments' for PNG customers, allowing faster payment of PNG bills. This has led to a more than 200% increase in UPI payments compared to previous year. Our efforts, supported by HSBC Bank, were recognized with the Asset Triple A Treasuries Awards 2023 for payments and collection solutions.

Addressing Customer Concerns

Customer Service Initiatives

MGL has a multi-mode customer-centric approach that is constantly evolving to enhance convenience and engagement. In addition to its 24x7 Call Centre, WhatsApp and E-mail support as well as its digital presence, MGL has a network of 12 Walk-in Centers in its areas of operations. Additionally, we have provided 24x7 emergency numbers and have emergency response teams at 29 strategic locations



Suppliers and Business Partners

Strategies to optimise supply chain network

To achieve a balanced mix in the gas sourcing portfolio and for better price stability as well as security of supplies, we have contracted Domestic MDP gas / RLNG under term contract(s) for 3-5 years, in addition to spot purchases.

However, as the trend has changed and Spot RLNG prices have increased substantially in the recent past, we have adopted a portfolio approach with a mix of Spot and Term Contracts. Hence, to ensure supply security and mitigate price risk due to spikes in procurement prices, at least 50% of additional gas requirements are being met through Term Contract(s) i.e. a mix of Domestic MDP gas as well as Term RLNG. The balance quantity are being met through Spot RLNG/HPHT gas sourced through tender/ Indian gas exchange (IGX).

Maintaining strong relationships with suppliers

We have entered into Framework Agreements / Term Sheets for Spot RLNG supplies with all major gas suppliers, viz, GAIL, IOCL, BPCL, GSPCL, HPCL, PLL, SEIPL (Shell), Torrent, Adani Total & IGS (RIL-BP) and we are also member of IGX.

1. We issue monthly tenders for the supply of Spot RLNG either on a Reasonable Endeavour (RE) or Firm basis or a combination of both.
2. A Gas Sales and Purchase Notice (GSPN) / Supply Notice (SN) / Supply Proposal is executed with the selected L1 bidder for supply of gas under the Framework Agreement / Term Sheet with such entity.
3. We work closely with suppliers while forecasting demand and plan accordingly. By sharing information about seasonal variations and future requirements, we assess each other's needs resulting in optimal supplies to MGL minimizing disruptions.

Investors and Shareholders

At MGL, we emphasise transparency and a close relationship with our investors. We value investor relationships, aiming to understand their expectations and create value. Through prudent financial management and sound corporate governance, we achieved industry-leading revenue growth, boosting share value. We ensure transparency via quarterly post-result calls, analysts' meets, and regular interactions. The recent 'Investors' and Analysts' Meet 2024' engaged over 100 investors and analysts to discuss business strategy and performance. Shareholders are kept well-informed about Board decisions through detailed communications and the Annual General Meeting (AGM). Overall, we are committed to effective communication, transparency, and value creation for our shareholders.

Government and Industrial Bodies

MGL has joined industry associations and forums related to the natural gas/ CGD sector. These associations often provide a platform for networking, sharing best practices, and discussing common challenges. By participating in such forums, we gain valuable insights into industry trends, regulatory developments, and emerging technologies that can enhance supply chain resilience. MGL through industry bodies like FIPI (Federation of Indian Petroleum Industry), NGS (Natural Gas Society) voices concerns with various ministries, various Government bodies and CGD sector regulator, PNGRB (Petroleum & Natural Gas Regulatory Board).

MGL participates in interaction session organized by the Ministry of Petroleum & Natural Gas (MoP&NG), PNGRB to highlight various issue like domestic gas allocation to PNG (Domestic) and CNG (Transport) segment, availability of gas at affordable price, expedite granting for permission to setup CGD infrastructure etc.

Further, MGL regularly interacts with major industry players to keep itself updated with the latest news and movements in the industry and also has discussions with the suppliers and transporters to ensure that our supply chain is protected in case of any disruption either in the domestic or international market.

Overall, collaborating with other stakeholders within the natural gas industry provides MGL with access to resources, expertise, and networks that can strengthen its supply chain resilience.

Our Esteemed Customers

For a builder, a project with pre-installed PNG connection can be a value-added feature that makes project more attractive. It also prevents expensive rework. To encourage builders to adopt PNG infrastructure in their forthcoming projects we have offered a vastly simplified and attractive reticulated model agreement which has been lauded by builders and widely accepted as evident from their testimonies below.

Over the period, we have successfully secured an umbrella agreement with over 40 renowned builders, encompassing more than 200 upcoming projects.

Reputed developers such as Lodha Group, Oberoi Realty, Rustomjee Group, Godrej Properties Ltd, K. Raheja group, L&T Realty, Piramal Group and Kalpataru Group etc have enthusiastically embraced this innovative approach. A multitude of projects are now in progress under our comprehensive agreement, delighting our partners with its efficiencies.

Voice of customers

Piramal Group

A prestigious name in the construction industry, has inked the reticulated agreement in August 2023. Their impressive portfolio of 17 new projects spans across various areas of Mumbai, including Mulund, Byculla, Mahalaxmi, and Thane, catering to over 7,000 residential customers.

Dear MGL Team,

I am writing to extend our sincere appreciation for the service in the B2B Reticulated Model for Mumbai.

Piramal Realty places great emphasis on customer satisfaction and delivering top-quality homes to our clients. The introduction of the new Reticulated Model by MGL has allowed us to offer a convenient and secure solution for cooking gas to our customers upon possession.

The recent updates in the model, such as the introduction of a one-point contact, extending coverage to all projects under one agreement, elimination of BGs, and doing away with minimum billing requirements, have effectively addressed many of our concerns and enabled us to proactively plan for PNG installation in our projects. The assistance received from MGL in our Piramal Vaikunth Thane project and Piramal Revanta Mulund Project is commendable.

I would like to acknowledge Tanusree's unwavering dedication and professionalism in managing our queries to new residential projects have been exceptional. Her prompt responses, thorough understanding and commitment have significantly help us to streamline our operations.

We are excited to maintain our successful collaboration with MGL and anticipate further enhancements to the model for seamless integration by builders.

Warm regards,

Rajkumar Mane
Deputy Executive Vice President
Piramal Realty

Oberoi Realty and Rustomjee Group

Both Oberoi Realty and Rustomjee Group have entered into new reticulated agreements in early 2024 to bring to life a multitude of high-end residential projects. Oberoi Realty's partnership encompasses 5,000 residential units spread overin Mahim, Bandra, Versova, Thane, and Chembur area and Rustomjee Group has entered into an agreement for nearly 3,700 residential units in prime areas such as Lokhandwala, Worli, Bandra and Goregaon.

Dear Mr Adil Alam and Tanusree,

Wish to inform you that we that we are in the closing stages of our revised agreement for our commercial property COMM III at Goregaon. It could only happen due to your timely intervention and guidance. I sincerely appreciate the problem-solving approach of your team.

Furthermore, we have initiated PNG network works at our Sky City project where we have started the piping works for 5 towers. Additionally, design is in advanced stage for our Goregaon and Thane development.

Ever since we entered into our current reticulated agreement through your help, it has been a smooth sailing in terms of Inter-organizational co-ordination. All our projects are steadily getting under this umbrella agreement.

Your support in mobilizing MGL for our Mulund project has been a true blessing. We are well on course to work piping works here also. With your directions, on ground teams are absolutely aligned.

We really look forward to your continued support in future.

Thanks,

Vikas Beniwal
Senior GM (Projects & Operations)
Oberoi Realty

Our Esteemed Customers contd..

idemitsu

Idemitsu Lube's shift from High Speed Diesel (HSD) to Piped Natural Gas (PNG) enhances economic benefits and supports lubricant production. Natural gas offers a stable, reliable energy supply, improving operational efficiency and reducing maintenance costs. It fuels boilers crucial for manufacturing, ensuring consistent product quality. This strategic move boosts economic competitiveness, operational efficiency, and safety, exemplifying sustainable industrial practices in automotive and industrial lubricant production.

FINE ORGANICS

Fine Organic is a leading producer of Oleochemical derivatives used in foods, plastics, rubbers, cosmetics, personal care, pharmaceuticals, coatings and textile auxiliaries. Fine Organics introduced to the Indian market high-quality additives for specialty applications with raw materials from locally-grown plant sources and using highly automated facilities that deliver quality & consistency at global benchmarks. Fine Organics' products have achieved wide acceptance among customers in over 80 countries. To achive ESG goal, they have made a policy of using piped natural gas wherever available instead of using alternate fuels like furnace oil/light diesel oil.

PANCHAMRUT

Panchmahal Dairy has integrated PNG in its dairies from the start, ensuring sustainable energy and significant economic benefits. This transition eliminates storage needs, ensuring continuous, reliable operations and cost savings. Natural gas-fueled boilers and hot water generators maintain high safety, quality, and hygiene standards. Committed to natural gas, Panchmahal Dairy drives growth, operational excellence, and environmental sustainability, staying at the forefront of industry innovation.

Novozymes South Asia has enhanced operational efficiency and sustainability by transitioning from High Speed Diesel (HSD) to Piped Natural Gas (PNG). This shift ensures an uninterrupted energy supply, reducing storage needs and operational complexities. Natural gas-fueled boilers optimize production processes and maintain consistent product quality. This strategic move boosts economic competitiveness, operational efficiency, and environmental stewardship.

MGL-TEZ Application: Revolutionising CNG Fuelling for Commercial Vehicles

The "MGL-Tez" initiative is a joint initiative between the Brihanmumbai Electric Supply and Transport Undertaking (BEST) and Mahanagar Gas Ltd (MGL). This joint effort aims to optimise the use of existing Captive CNG Stations, initially developed for BEST buses, by transforming them into retail outlets that provide CNG to external vehicles in non peak hours. This initiative marks a significant milestone as India's first app-based CNG fuelling facility, launched on May 18, 2023.

Key Features and Benefits of MGL-TEZ

- Exclusive CNG Fuelling Facility for Commercial Vehicles:
  - The MGL-Tez service is currently available at the BEST Ghatkopar and Goregaon Bus Depots. Operational hours are from 9:00 AM to 7:00 PM every day.
  - Similar facility shall be available in 13 more Depots, taking the total count to 15 Depots across city of Mumbai.
  - Designed to cater specifically to commercial vehicles such as trucks, buses, dumpers, and tempos, which often face difficulties at regular CNG retail outlets due to space constraints.
- Streamlined Fuelling Process:

  Commercial vehicles can now enjoy hassle-free CNG refuelling without manoeuvring challenges or long queues. The MGL-Tez service ensures a smooth and efficient refuelling experience.
- User-Friendly Mobile Application:

  To utilise the MGL-Tez service, users need to download the "MGL Connect" or "MGL-TEZ" mobile application from the Google Play Store.

  The app simplifies the booking process into four easy steps:

Select Depot: Choose the depot where you want to refuel your vehicle.

Select Time Slot: Pick a convenient time for refuelling

Display QR Code: Show the booking QR code at the depot entry gate.

Fill CNG and Pay: Refuel your vehicle and complete the payment digitally using payment wallets or credit/debit cards.

Advantages for Commercial Vehicle Operators:

Priority Fuelling: The app-based system allows for scheduled time slots, ensuring that users experience minimal wait times and a more predictable fuelling routine.

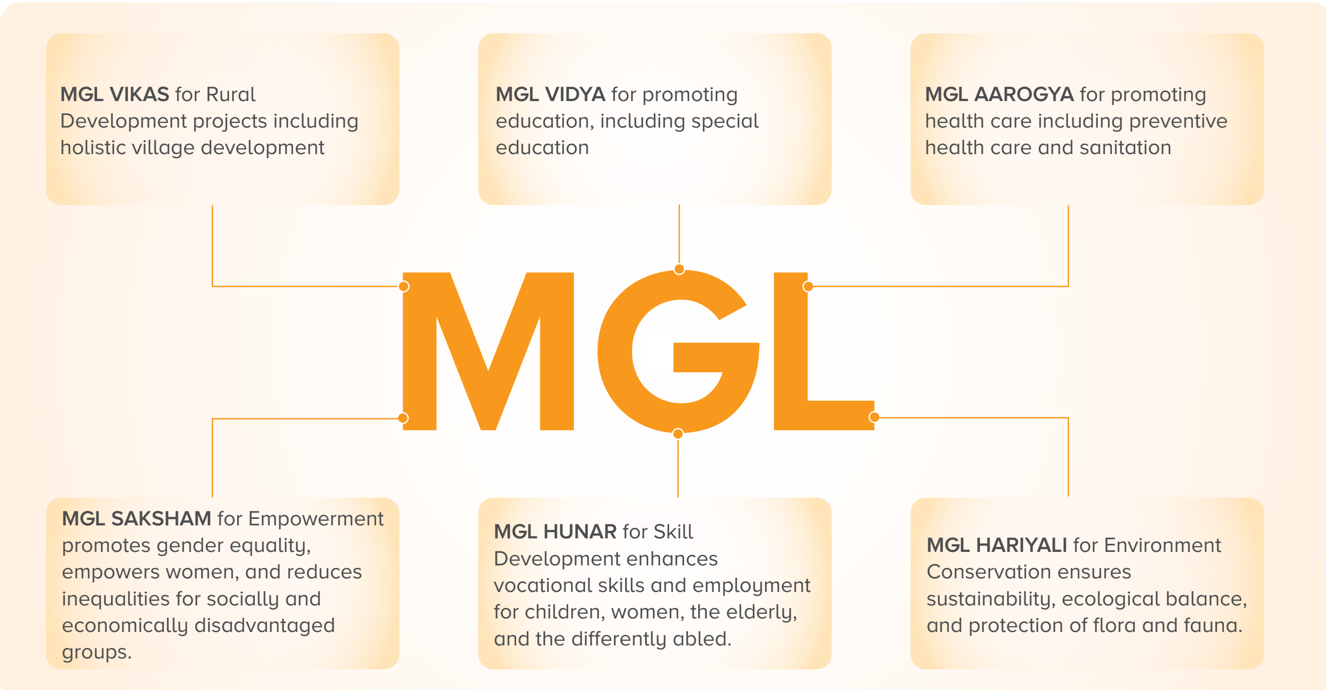
Digital Integration: The entire process, from booking to payment, is digital, enhancing convenience and reducing the need for physical cash transactions.

The MGL-Tez initiative represents a significant step forward in improving CNG fuelling experience. By leveraging technology and existing resources, it provides a more efficient, user-friendly solution for commercial vehicle operators, addressing key challenges such as space constraints and waiting times. You can experience the convenience of priority CNG fuelling with MGL-Tez today!

Inauguration of MGL-Tez at BEST depot by Shree Lokesh Chandra, IAS, General Manager (BEST) in May 2023.

Corporate Social Responsibility

Your company is constantly working towards integrating Environmental, Social & human development concerns in its value chain. CSR initiatives under “We Care” endeavors eradicating hunger, poverty & malnutrition, promoting health care including preventive healthcare, improving education, enhancing livelihood for vulnerable groups, promoting gender equality & women empowerment, reduce inequalities faced by socially and economically backward groups and constantly ensuring environmental sustainability.



We Care

Before outlining the various CSR initiatives undertaken by your company this year, let’s look at how your company’s initiatives are trying to transform healthcare for needy & poor in Mumbai .

Transforming Healthcare In Mumbai: The Power of Targeted CSR Interventions

At MGL, we are deeply appreciative of the other energy that keeps communities at their optimum best - health. And this is why we are committed to being more than an energy supplier : we’re a neighbor, invested fully in the city’s well-being through various initiatives. This year, our CSR initiatives were able to positively impact two of Mumbai’s renowned public hospitals – Topiwala National Medical college & BYL Nair Charitable Hospital (**TNMC**) and Nair Hospital Dental College (**NHDC**). MGL’s journey of impact began in 2021, when the entire world was coming back to normal after COVID-19.

The humble hearts

At TNMC, we sat down with Dr Ajai Chaurasia, HOD, Cardiology to first understand all the myriad things that go behind the working, patient load, and infrastructural constraints of the hospital. He was also able to orient our team around the needs of TNMC being a teaching hospital and the requirements around training post-graduate medical students.

This background gave us all the right context to understand the need gaps and figure out how the next steps could be covered under MGL’s CSR budget. Given the scale of work done at the hospital, it was soon clear that we would need a long-term comprehensive approach in place of one-time intervention to yield optimal results.

Keeping that in mind, we started off with addressing immediate needs like creating a High Dependency Unit or step-down ICU to ease the burden on main cardiology ICU, providing Fowler beds, Hydraulic trolleys, ACT Machine, Advanced ECG machines, Defibrillators, Temporary pacemakers & Multipora monitors etc., all with 5 years warranty & 3 years CMC - solutions that would ensure operations for the next 5 years.

In addition to these equipments, MGL went on to provide very critical & high value consumable like BMV Balloons to complement the equipment for diagnosis, patient care & hands on experience for the PG & super-specialization students. Regular visits, Monthly MIS & focused meetings to monitor outcomes, saw improvements in patient care as well as students’ learning. Other crucial parameters were also tracked, including enhanced output in terms of number of patients treated, their prognosis as well as recovery speed.

Medical equipment donated by MGL to Nair Hospital’s Cardiology Department

It was extremely heartening that the results were outstanding on crucial parameters of patient care, speed of recovery and most importantly - lives saved. To put things in perspective, your company donated 20 single & dual-chamber pacemakers - taking the total number of pacemakers at TNMC from 2 to 22. Previously, one pacemaker was kept exclusively at Cath lab & only one pacemaker was available for emergency walk-in patients. These pacemakers are used for increasing the pulse of patients who report at the Emergency room with very low pulse. In the absence of these pacemakers, these patients are at high risk of mortality. The average daily utilization of these pacemakers at TNMC today is 4-5! If you do math, this is up to 120 lives saved every month. Something made possible solely because of your company's intervention.

In the second year of the partnership, MGL provided a Stress Test machine for diagnosis & preventive care. Additional BMV balloons, PTV balloons, Single as well as dual chamber ICD, LA coiled wires were also supplied. The balloons were especially useful to perform scar-free cardiac interventions or those without incisions, especially in girls. In FY 2023-24, your company has continued crucial support in the form of donating Ventilators, ICD machines & most importantly TAVI Valves to further narrow down the gaps in providing world class cardiac treatment to patients all over the country at negligible cost.

It is interesting to note that TNMC is a household name not only in and around the Mumbai region but also in Maharashtra as well as northern states like UP & Bihar with up to 30% of their patients traveling to receive care are from outside Mumbai. These patients are typically from the most underprivileged sections of society - making our CSR interventions even more meaningful and impactful.

Dr Ajai Chaurasia, Head of the Cardiology Department at TNMC, provided compelling insights into the transformative impact of MGL's contributions to the cardiology department.

"MGL's donations, encompassing heart valve opening balloons, shocking machines, monitors, and generators, have significantly enhanced the department's capabilities, ensuring comprehensive cardiac care for patients. Specifically, the provision of 50 beds and generators has been instrumental in improving patient care infrastructure, enabling effective response to critical cardiac emergencies"
Dr. Chaurasia said.

Dr Ajai Chaurasia

Dr Chaurasia further underscored the profound impact of MGL's provision of generators, citing tragic incidents due to shortages that had previously resulted in patient fatalities. Since MGL's donation of 20 generator machines, such tragedies have been averted, leading to numerous lives being saved. In addition, MGL's provision of defibrillators has ensured the department met state-of-the-art standards to deal with any cardiac events.

Expressing profound gratitude, Dr Chaurasia stated, ***"It's beyond words. I strongly believe that MGL has "not impacted, but adopted"*** the cardiology department, TNMC & Nair Hospital for providing world class patient care to the poorest of the society." He highlighted the immeasurable impact these contributions have had on patient care and underscored the invaluable role MGL has played in transforming the department's capabilities and saving lives.

MGL's CSR intervention coupled with the sincerity and leadership of Dr Ajai Chaurasia and the hard work of his staff and students will undoubtedly go a long way in furthering TNMC's stellar reputation as one of the country's finest public cardiac care center. As MGL cheers from the sidelines, we will look forward to future opportunities of creating impact and saving lives......

Brightening the faces that make world smile batter

Nair Hospital Dental College (NHDC), a 90+ year old premier institute of the country is in the heart of the maximum city i.e. Mumbai. Dating back to the British era (1933), it had a very humble beginning, it was literally housed in a stable at Topiwala National Medical College (TNMC) with just 6 dental chairs. However, the objective was lofty one, to establish a National Dental College offering dental treatment to the Indian cross section of the society.

The Municipal Corporation of Mumbai took over NHDC in 1946. In 1971, it moved out of the shadows of TNMC into a separate new 8 storied building with 76 dental chairs, 4 well equipped laboratories and other equipments in a donated plot near TNMC in Mumbai Central. Another 5 storied extension was added three years later to overcome space constraints faced while treating ever increasing number of patients.

Currently NHDC is on the same plot with an 8 storied building, a 5 storied extension & a brand new 11 storied building housing total of 300+ dental chairs and rendering yeomen services to around ₹ 3.5 Lakh patients / Year from the MMR region as well as outside. Patients as far as from UP, Bihar, west Bengal etc. come to NHDC for advanced maxillofacial surgeries.

In 2021, NDHC approached MGL for donation for dental equipments like intraoral automatic processor, physiodispensors, Portable dental chairs, Radiovisiographers, Portable X-Ray Machines, Vacuum Induction Casting m/c, Typhodonts with Metal Teeth, Automatic blood cell counter etc. The immediate procurement & installation of the equipments with consumables & 5-year AMC invigorated almost all the departments of NHDC resulting in better patient care as well as learnings for the students.

During the dedication ceremony of MGL implantology centre, MGL had a detailed discussion with NHDC (which was already ranked in NIRF 2021, 11th amongst top 40 dental colleges in the country) wherein NHDC leadership wanted to reach the top bracket in national ranking on the strength of existing infrastructure, dedication of the doctors & staff resulting in better patient care as well as embracing the new technology. Digital dentistry was gaining a very vital role in patient care. Digital dentistry is very precise, reduces the visit frequency of patients to the hospitals, does not require to take various manual impressions. The technical work-up is done on computer and milling & printing is done by machine which results in extremely high accuracy and prevents rework.

The above benefits to NHDC & society at large were the prime mover for MGL to fund a top class end to end Digital Dental Centre at NHDC. The requirement was established after a through research & consultation between NHDC & MGL keeping in mind that such centre of excellence should remain relevant & at the cutting edge of technology for the coming decade when NHDC will complete 100 years. Advanced scanner(s), 3D printing m/c, milling m/c, Furnace (with AMC's) were installed & associated consumables were supplied to the MGL Digital dental Centre in NHDC.

MGL Digital Dental Centre

Dr. Neelam Andrade, Dean, NHDC & Director of Major BMC Hospitals, expressed profound gratitude towards MGL for their significant CSR contributions supplementing the BMC budget.

Dr. Neelam Andrade

"The combined efforts of CSR funding and available equipments benefit patients, students, and faculty, ensuring advanced treatment and education.MGL's CSR funding has made advanced dental treatments and implants, which are extremely costly and beyond the reach of even upper-class patients in private settings, available at minimal or no cost to economically disadvantaged patients.Implants, RVG, and other materials provided by MGL have been instrumental in training postgraduate students and treating patients who otherwise couldn't afford such treatments.

The MGL Digital Dental Centre housing end to end CAD/CAM technology setup is unique across government hospitals in the country, which drastically reduces treatment time, from 10-15 visits to just 1-2 days, while also making procedures like crown, bridges, and implants available for negligible amount to general population & free for poor patients."

The advanced technology and equipment reduce treatment time significantly, preventing delays and improving patient management. On the other hand, Postgraduate students benefit immensely from learning with advanced technologies, preparing them to serve their profession better globally.

Moreover, apart from all the benefits that the patients are getting, we can now train our precious postgraduate students and the young faculty, hence securing our future generation's skilled dentist and enabling them to be at the same level as any other top institutions in the country. This also eliminates them from spending huge amounts of money on 2–3 days external programs/courses to keep abreast of latest techniques. Now, instead of 2 to 3 days external paid programme, we endeavour to continuously train them during their academic years by integrating multiple processes under one roof. This has manifested in higher number of applications of students for our various department in the past 2-3 years as word has spread like a wildfire that NHDC has its own end-to-end Cad Cam Lab & other advanced equipments & consumables. Another positive fallout of the MGL interventions is that Korean companies like Dentium and Osteem has offered implant packages to batches of three students. Each batch gets 1 kit to work along with 45 implants at ₹3 Lakh, shared between them thereby providing world class implants at minimal cost. Another interesting fact is that in the past 6 months we have been able to perform 161 implants using zirconia (post MGL donations of equipments and materials). Before that we hadn't performed any implant using zirconia!

Having all the necessary equipments and facilities, we now ensure that every PG student should perform at least 100 implants surgeries to become highly skilled & confident in using these advanced technologies to treat patients.

Today MGL Implantology centre & MGL Digital Dental Centre occupies a place of pride amongst the students, Teaching faculties & me personally!!

1 MGL VIKAS

Organization Name	: **PRIDE INDIA**
Location	: Raigad District – Sudhagad & Mahad Blocks
No of Beneficiaries	: **5,739**
Type of Beneficiaries	: 11 villages, with a focus on marginalized, and needy rural families
Key Stakeholders	: Gram Panchayats, Panchayat Samiti, Zilha Parishad, Schools and Communities
SDGs	: 1, 2, 3, 4, 5, 6, 7, 10, 11, 13, 15
Project Impact	: Holistic development including improvement in living standards of 11 villages in Raigad.

Kitchen garden demo plot

Self-help Group Orientation on Sustainable agricultural practices

MGL adopted 11 villages (Daryagaon, Nandsur, Thanale, Kansal Adiwasi Wadi, Ghantemal, Bhalgul, Narvan, Bheloshi, Wamane, Ghurupacha Kond, Kolose) in the Sudhagad-Pali and Mahad block of Raigad under the "MGL Vikas" initiative. An integrated village development program encompassing support towards infrastructure upgradation, individual and community level sanitation, environment protection, enhancement of education level through teacher training & school strengthening programs, citizen rights awareness, health camps, water management, livelihoods, women & youth empowerment, agriculture yield improvement, renewable energy, etc was implemented resulting in holistic development of these villages.

MGL VIKAS PROGRAM

Mr. Amol Prakash Deshmukh is a resident of Bhalgul Village in Sudhagad District, Raigad, Maharashtra. He has seven members in his family, including his wife, one brother, father, mother, uncle, and their son. While his brother is the bread earner, their family struggles to survive. Amol completed his ITI but was unemployed for some time. He approached the village Development committee facilitated by PRIDE INDIA to be selected as a livelihood beneficiary. Despite possessing excellent welding skills, he lacked the capital to start his own business.

He participated in training sessions organized by the Project on Entrepreneurship under the MGL Vikas initiative. After receiving support from the project, he initiated his own business by purchasing welding machines and necessary equipment. The Ideal Village Program in his village further facilitated access to tools such as various types of grills, safety doors, ladders, steps, and other welding materials. This effort enabled him to earn an income of ₹ 1,000 to ₹ 1,500 daily.

"I am self-employed because of this initiative supported by Pride India and Mahanagar Gas Limited for young individuals like me."

- Amol Deshmukh

2 MGL AAROGYA

Organization Name	:	HKM Foundation
Location	:	KEM Hospital, Mumbai
No of Beneficiaries	:	36,500
Type of Beneficiaries	:	Attendants of Marginalized & needy Patients,
Key Stakeholders	:	KEM Hospital & Patients
SDGs	:	
Project Impact	:	Ending hunger, malnutrition and Improving Health of attendants of outstation poor patients admitted at KEM Hospital, Mumbai

Meals distribution for the attendants of the patients admitted in KEM Hospital

Organization Name	:	Anushka Foundation for Eliminating Clubfoot
Location	:	Mumbai & Suburban areas
No of Beneficiaries	:	440
Type of Beneficiaries	:	Marginalized & needy Pediatric Patients
Key Stakeholders	:	Public Hospitals
SDGs	:	
Project Impact	:	Promoting the well-being of differently abled children.

MGL Aarogya- Eliminating Clubfoot Program," was an initiative to create awareness and treat a congenital disability among children in Mumbai and Mumbai Suburban areas by operating through 3 clubfoot clinics in Rajawadi Hospital, Nair Hospital and Kandivali Hitwardhak Mandal Hospital.

Getting first-hand experience of treatment of the Eliminating clubfoot program at Rajawadi Hospital

ELIMINATING CLUB FOOT

Harsiddhi's story begins in the vibrant neighborhood of Chakala in Mumbai, where he was born on June 21, 2023. His father, a diligent worker at a local garment store, and his loving family welcomed him with open arms, unaware of the clubfoot challenge that awaited their young son. During a routine visit, Anushka Foundation staff noticed the clubfoot of Harsiddhi. His family was unaware of clubfoot and that it was treatable. Under the program, a pre-counseling session started where they received information on clubfoot, the Ponseti treatment method, and all its stages. Over the following months, Harsiddhi underwent a series of casts, a crucial step in addressing his clubfoot condition. The casts were changed weekly until his feet were corrected, and then the bracing phase began in Nair Hospital. Today, Harsiddhi continues his journey at Nair Hospital, where he receives regular follow-up care to monitor his progress in the bracing phase. His parents stand by his side, proud of their son's courage and determination in overcoming the challenges posed by his condition. Harsiddhi's story is a testament to the transformative power of dedicated healthcare professionals, supportive families, and the resilience of the human spirit.

Organization Name	St. Jude India Childcare Center
Location	Mumbai
No of Beneficiaries	2,196
Type of Beneficiaries	Marginalized & needy Pediatric Cancer outstation Patients
Key Stakeholders	Public Hospitals, Rural & Urban Communities, Local NGOs
SDGs	3
Project Impact	Safe, secure, hygienic housing and holistic support and care to needy, out-of-town families of pediatric cancer-affected children undergoing treatment in Mumbai.

MGL supports outstation pediatric cancer patients and their families by providing lodging and boarding facilities St Jude Childcare Center, Mumbai . Transportation of patients from the child care center to the hospital, cooking facility with weekly rations, and nutritional supplements is also provided under the "MGL Aarogya" initiative.

Spreading the message of preventive pediatric cancer on the occasion 'World Cancer Day' at St Jude Childcare Center

Organization Name	J.J. Hospital, Mumbai, MGM Hospital Belapur
Location	Mumbai , Navi Mumbai
No of Beneficiaries	1,457+ 676 =2,133
Type of Beneficiaries	Marginalized and Needy patients
Key Stakeholders	BMC, Rural and Urban Communities
SDGs	3
Project Impact	Primary health care to lead a normal life

MGL Aarogya initiative provided 6 dialysis machines, 1 Reprocessor and 1 Reverse Osmosis unit to the Artificial Kidney (Nephrology) department of Sir J. J. Hospital, Mumbai to cater to the increasing demand of dialysis for the needy patients coming from various corners of Mumbai and adjoining areas.

MGL also provided 5 dialysis machines and 1 Reprocessor to the Mahatma Gandhi Mission (MGM) Hospital and Research Centre, CBD Belapur. This would cater to the dialysis need for the needy patients mainly from Navi Mumbai & adjoining areas in Raigad District.

Organization Name	Dr. Prabhakar Patwardhan Rugnalaya
Location	Raigad
No of Beneficiaries	Project initiated
Type of Beneficiaries	Marginalized and Needy patients
Key Stakeholders	Rural and Urban Communities
SDGs	3
Project Impact	Primary health care to lead a normal life

An Ultrasound machine with its computer console, monitor & its peripherals were donated to Dr. Prabhakar Patwardhan Smruti Rugnalaya, Panvel. The equipment would help the poor patients undergoing medical examination to study a developing fetus, an abdominal & pelvic organs at subsidized rates. This initiative would reduce patient drudgery by developing in house service at the hospital.

Organization Name	Maharashtra State TB Office
Location	Mumbai, Raigad
No of Beneficiaries	Project initiated
Type of Beneficiaries	Marginalized and Needy patients
Key Stakeholders	BMC, Rural and Urban Communities, State Health Department
SDGs	3
Project Impact	Reduction in TB prevalence rate due to higher testing.

MGL has contributed to the National TB Elimination Program through Maharashtra State TB Office by donating 5 TruNAAT Machines with UPS & Cartridges. This initiative will significantly improve the TB testing facility capability of the National TB elimination Program aiding TB Mukt Bharat Abhiyan.

Taking TB pledge to eradicate TB by the senior management of MGL under the National TB Elimination program

Organization Name	: Bai Jerbai Wadia Children Hospital
Location	: Mumbai
No of Beneficiaries	: **Patients admitted at the hospital**
Type of Beneficiaries	: Marginalized and Needy patients
Key Stakeholders	: Urban & Rural Communities
SDGs	:
Project Impact	: Creating a sterile condition for ante-natal and post-natal care

MGL Aarogya initiative has supported Bai Jerbai Wadia Hospital for the upgradation of their air conditioning system from electricity based to gas-based Vapour Absorption Machines (VAM) leading to electricity saving as well as enhancing sterile conditions in the hospital thereby minimizing infection especially to newborn children suffering from life-threatening ailments.

Inauguration of VAM machine at Bai Jerbai Wadia Hospital

Organization Name	: Holy Family Hospital, Bandra
Location	: Mumbai
No of Beneficiaries	: **430**
Type of Beneficiaries	: Marginalized and Needy patients
Key Stakeholders	: Urban Communities
SDGs	:
Project Impact	: Access to critical care facilities to the economically poor patients at discounted rates

Post COVID-19, MGL donated ICU beds to Holy Family Hospital, Bandra. This equipment continues to serve the poor and marginalized patients of Mumbai and its suburbs. Poor & needy Patients are charged discounted rates based on submission of income proof.

Organization Name	: Shanmukhananda Sangeetha Sabha
Location	: Mumbai
No of Beneficiaries	: **400**
Type of Beneficiaries	: Marginalized and Needy patients
Key Stakeholders	: Urban Communities
SDGs	:
Project Impact	: Free eye care/ cataract surgeries to the low-income group

MGL has supported Shanmukhanada Sangeetha Sabha to perform 400 cataract surgeries to the poor patients of Mumbai and its suburbs who otherwise couldn't afford such surgeries.

Organization Name	: Artificial Limbs Manufacturing Corporation of India (ALIMCO)
Location	: Raigad
No of Beneficiaries	: **1,710**
Type of Beneficiaries	: Differently abled Adults and Children
Key Stakeholders	: Rural and Urban Communities
SDGs	:
Project Impact	: Empowering persons with disability by providing assistive aid and devices.

MGL through Artificial Limbs Manufacturing Corporation (ALIMCO) has provided wide range of assistive devices to the differently abled adults and children of Raigad district. The devices include Tricycle, Motorized Tricycle, Wheelchairs, Braille Kit, Artificial Shoes, Smartphones, Cellphones, BTE Hearing Aids, Caliper, Stick etc. Furthermore, the program also seeks to provide post distribution repair and maintenance services to the beneficiaries.

Assistive aid distribution camp at Alibaug

Organization Name	:	Lok Bharti Education Society
Location	:	Mumbai and Navi Mumbai
No of Beneficiaries	:	**3,000**
Type of Beneficiaries	:	Underprivileged women from Slums
Key Stakeholders	:	Community, Self Help Groups, Ward office, BMC Primary health centers, Local NGOs
SDGs	:	
Project Impact	:	Reduce the Anemia deficiency in underprivileged women residing in urban slum

Under this initiative, your company has provided awareness and preventive health care to trace and treat low iron deficiency levels causing anemia for 3,000 women and adolescent girls in ten slums of Navi Mumbai. Thereafter, free tablets and iron tonics for 2,000 women patients (HB Level 7-9) were provided and follow-up is continued till HB levels reach normal range.

Blood sample collection for anaemia detection under MGL Aarogya- Health Care Camp

Organization Name	:	TNMC & BYL Nair Hospital
Location	:	Mumbai
No of Beneficiaries	:	**3,625**
Type of Beneficiaries	:	Underprivileged and Needy patients
Key Stakeholders	:	Community, Mumbai Municipal Corporation, Medical Students & Staff
SDGs	:	
Project Impact	:	Improved treatment & faster recovery of cardiac patients

Under MGL Aarogya, MGL has donated two ventilators and three AICD to the cardiology department, Topiwala National Medical College & B.Y.L Nair Charitable Hospital, Mumbai. The Ventilator is a life support machine, and an Automated implantable cardioverter defibrillator (AICD) is a specialized device to treat ventricular tachyarrhythmias which otherwise causes sudden demise.

Additionally, the postgraduate students of the Medical college received hands-on training in conducting such cardiac procedures which adds to their learning experience.

Organization Name	:	Nair Hospital Dental College
Location	:	Mumbai
No of Beneficiaries	:	**17,339**
Type of Beneficiaries	:	Underprivileged and Needy patients ,
Key Stakeholders	:	Community, Mumbai Municipal Corporation, Dental staff & students
SDGs	:	
Project Impact	:	Enhanced dental care to public and skill upgradation of teachers and students

MGL has donated medical equipments like an Intraoral Scanner, Laboratory Scanner, Milling Machine, 3D Printer, and Sintering Furnace to establish a one of its kind Digital Dental center at Nair Hospital Dental College. This center revolutionizes the dental treatment immensely benefitting patients as well as enhances skill level of Teaching staff & Students

Organization Name	:	Roha-Ashtami Nagar Parishad
Location	:	Raigad
No of Beneficiaries	:	**Project Initiated**
Type of Beneficiaries	:	Marginalized and Needy cataract patients
Key Stakeholders	:	Nagar Parishad Roha- Ashtami, Taluka Health Office
SDGs	:	
Project Impact	:	Availability of blood for medical exigencies.

Roha-Ashtami Nagar Parishad constructed the Roha Blood Bank building to solve the challenges of needy patients undergoing medical treatment under the Roha Nagar Parishad Hospital. Under MGL Arogya, blood storage unit has been provided to the newly constructed blood bank at Roha- Ashtami.

Organization Name	:	MUMBAI VETERINARY COLLEGE
Location	:	MUMBAI
No of Beneficiaries	:	**1,115**
Type of Beneficiaries	:	Animals
Key Stakeholders	:	Mumbai Veterinary College, Community,
SDGs	:	
Project Impact	:	Providing surgery services to the animals

Teaching Veterinary Clinical Complex of Mumbai Veterinary College provides extensive critical care for various diseases to all species of Pets. MGL provided a well-equipped light source, HD camera, and other accessories for clinical services for sick pets which is helping treatment of nearly 300 pets every day. This has also helped the student studying veterinary sciences.

Pet Surgery under progress at Mumbai Veterinary College

3 MGL SAKSHAM

Organization Name	:	Seva Sahyog Foundation
Location	:	Raigad district
No of Beneficiaries	:	**208**
Type of Beneficiaries	:	Marginalized and needy Adolescent Girls
Key Stakeholders	:	Village Panchayat, Govt. Schools
SDGs	:	3, 4, 5
Project Impact	:	Empowering underprivileged adolescent girls by conducting physical, intellectual and emotional development sessions

"MGL Saksham- Kishori Vikas Program" was conducted in 11 villages in Karjat, Raigad Dist . for adolescent girls from underprivileged communities to empower them for social, emotional, and health-related awareness through various sessions.

MGL KISHORI VIKAS PROGRAM

Tejashri Mohan Dhole, a dedicated 9 grade student enrolled in Jai Hanuman Kishori Varg, Barne Village, Karjat block, has achieved an impressive feat by clinching a gold medal in the sub-junior category at the Thane District Powerlifting Association's state-level selection test. Competing in the challenging 52 kg body weight category, she showcased her strength by successfully lifting an impressive 32.5 kg in the bench press event.

Her remarkable accomplishment highlights her commitment and talent in the realm of powerlifting. MGL Kishori Vikas program has instilled confidence to achieve many more accolades.

Organization Name	:	Setu Charitable Trust
Location	:	Thane district
No of Beneficiaries	:	**415**
Type of Beneficiaries	:	Marginalized & needy Women, Children, and Youth
Key Stakeholders	:	Marginalized Communities
SDGs	:	2, 4, 5, 8
Project Impact	:	Preserved the right to education and mainstream marginalized communities through skill development and livelihood intervention.

MGL has catered to the need for early childhood education through the Balwadi program and distributed daily mid-day meals. The focus is on developing pre-academic skills, cognitive development, and adequate nourishment for kids in a fulfilled environment. Also, school drop out girls were enrolled in vocational training for tailoring courses and the adult education center honed their basic literacy skills through the 'MGL Saksham' initiative.

Strengthening the Balwadi program for the children of urban slums

Organization Name	Sahyogini Palak Sanstha
Location	Thane District
No of Beneficiaries	**103**
Type of Beneficiaries	Differently abled Children & Adults
Key Stakeholders	Educational institutes for differently abled, Health Institutions, and Communities
SDGs	
Project Impact	Healthy living and equitable opportunities for differently abled children and adults

MGL has supported two rehabilitation centers for +100 differently abled children & adults. The centers provide Occupational Therapy for the creation of necessary life skills & reducing the effect of disability. Physiotherapy sessions are conducted for enhancing abilities and addressing the root cause of disability. Early Intervention for social and learning skills which includes foundation level academic skills, transition for school readiness, and Income generation training is also provided.

Flagging off the school bus donated to sanstha for ferrying differently abled children to center

STORY OF SAMAR

10-year-old Samar is a special child. He suffers from multiple disabilities. Samar has a mild intellectual disability. Due to this, he depends on his mother for day-to-day activities and household matters. His vision is normal, and he has a good sense of humor and loves learning new things. Samar's father is the only earning member in the family, his mother being a housewife. They both are worried about Samar's future and expect that he must learn to become independent in daily life.

With this objective, they enrolled him in MGL Saksham - Sahayogini Palak Sanstha Centre. When he came to the center, he had difficulty walking and could not even write because he had problems with eye-hand coordination. Due to continuous in-person training and physiotherapy sessions, he has started walking with his legs straight.

There has been a development in his social behaviour. He is identifying the alphabet from A to Z. He has learned the names of colours, fruits, and vegetables. He expresses his needs by speaking.

Organization Name	Centre for Social Responsibility and Leadership
Location	Navi Mumbai
No of Beneficiaries	**60**
Type of Beneficiaries	Meritorious youth from economically weaker section
Key Stakeholders	Educational institutes, Communities
SDGs	
Project Impact	Providing level playing field to the students of weaker section of the society for engineering entrance exam.

The project involved coaching and mentoring talented students to remove barriers hindering access to higher education. The project seeks to bring about a radical change in the lives of individuals. We provided 11 months of free residential coaching cum mentoring to students appearing for various engineering entrance exams. The results were outstanding with 100% of students clearing the entrance test.

Super 30 batch Students at Panvel Centre

Organization Name	Don Bosco Development Society
Location	Mumbai
No of Beneficiaries	**14,244**
Type of Beneficiaries	Marginalized and needy Women, Children, and Youth
Key Stakeholders	Marginalized Communities, Primary Health Centers, Public hospitals, and schools
SDGs	
Project Impact	Safe, affordable, accessible and sustainable slum communities through social and economic development.

MGL Disha" initiative covered 21 slums of Mumbai which included activities like Health Camp and Health Awareness, remedial classes for children of Std I to VII, Self Help Group (SHG) formation, Income Generation and Entrepreneurship Training, and Financial Literacy.

Financial Literacy classes organised for 34 slum SHG groups

4 MGL VIDYA

Organization Name	:	Quality Education Support Trust
Location	:	Raigad district
No of Beneficiaries	:	3,000
Type of Beneficiaries	:	Children - 3 to 6 years of age
Key Stakeholders	:	Rural communities, District & Block educational institutions, Village panchayats
SDGs	:	
Project Impact	:	Upgrading the skill set of Anganwadi workers and helpers in Anganwadis of Mangaon Block.

MGL Palavee program focused on early childhood education and worked in 21 model Anganwadis by training Anganwadi workers and Anganwadi helpers who in turn imparted training to 240 Anganwadis of Mangaon block in Raigad district. This initiative is likely to result in transformation of Mangaon block Anganwadis into vibrant Early Childhood Education (ECE) centers in coming years.

Anganwadi worker demonstrating the process of early childhood education at Mangaon Taluka

Early childhood education training for 21 model Anganwadi workers at Mangaon Taluka

Organization Name	:	Annamrita Foundation
Location	:	Mumbai
No of Beneficiaries	:	10,910 children for midday meal
Type of Beneficiaries	:	73 Govt. aided /BMC School students
Key Stakeholders	:	Govt. aided/ BMC Schools, Teachers, BMC
SDGs	:	
Project Impact	:	Eradicating hunger & malnutrition, improving health, resulting in improved attendance and education standard at Government aided /BMC schools

MGL Palavee program focused on early childhood education and worked in 21 model Anganwadis by training Anganwadi workers and Anganwadi helpers who in turn imparted training to 240 Anganwadis of Mangaon block in Raigad district. This initiative is likely to result in transformation of Mangaon block Anganwadis into vibrant Early Childhood Education (ECE) centers in coming years.

Mid Day Meals distribution at BMC run schools at Mumbai

5 MGL HARIYALI

Organization Name	**Savali Charitable Trust**
Location	Raigad
No of Beneficiaries	Project completed in March 2024
Type of Beneficiaries	7 hamlets of Kashele Village, Karjat
Key Stakeholders	Village Panchayat, Village Management Committee, SHG groups
SDGs	6, 13, 15
Project Impact	Providing clean drinking water resulting in reduced drudgery of women and reduced cases of water borne disease

MGL Hariyali initiative is for installation of solar based Nal-Pani Yojana for developing a water management system in seven tribal hamlets of Kashele Gram Panchayat in Karjat block of Raigad District. This initiative helps to eliminate the drinking water problem of villagers, promoting plantation and other livelihood activities.

The Gram Panchayat of Kashele in Karjat Taluka, Raigad District, received nearly ₹ 3.12 Cr. house-to-house water project under the Jal Jeevan Mission for seven Villages. The 'Har Ghar Jal' project aimed to provide water to every household. The Gram Panchayat laid new pipelines for the seven villages, Installed a water filtration plant, and set up equipment to ensure a good water flow from the Pej River to Kashele Village. However, the problem of irregular electricity supply and the high cost thereof were simply unaffordable for the poor and hence the water project faced challenges. The villagers, especially ladies had to spend considerable time and effort to get water from available sources.

This is when MGL came into the picture to resolve the problem faced by villagers by proposing to use solar energy. With CSR funding of ₹51 lakhs, implemented to solar-powered water scheme through an NGO Savali Trust. MGL provided a 30 hp solar-powered water pump at Pej Village and a 10 hp pump at the water tank at Kashele Village along with Solar panels of the required capacity at both locations. The completion of this project ensured water supply to all 7000-8000 villagers' homes predominantly tribals thereby ensuring piped water availability year-round.

Inauguration of the Nal Pani Yojana at Kashele Grampanchayat, Karjat Taluka

6 MGL HUNAR

Organization Name	**Prabodhan Goregaon**
Location	Raigad
No of Beneficiaries	Project under progress
Type of Beneficiaries	Unemployed youths of Raigad district
Key Stakeholders	NSDC, Panchayats , NGO
SDGs	4, 8, 10
Project Impact	Skill development of youths residing in rural/ triable areas

Under MGL Hunar, a state of the art training center is being constructed at Mangaon taluka of Raigad district. Once the training center is constructed, it can train 350-400 students annually in various trades like electrician, plumbing, beautician, and General Duty Assistant etc. This facility would cater to the training needs of youth from sixty surrounding villages.

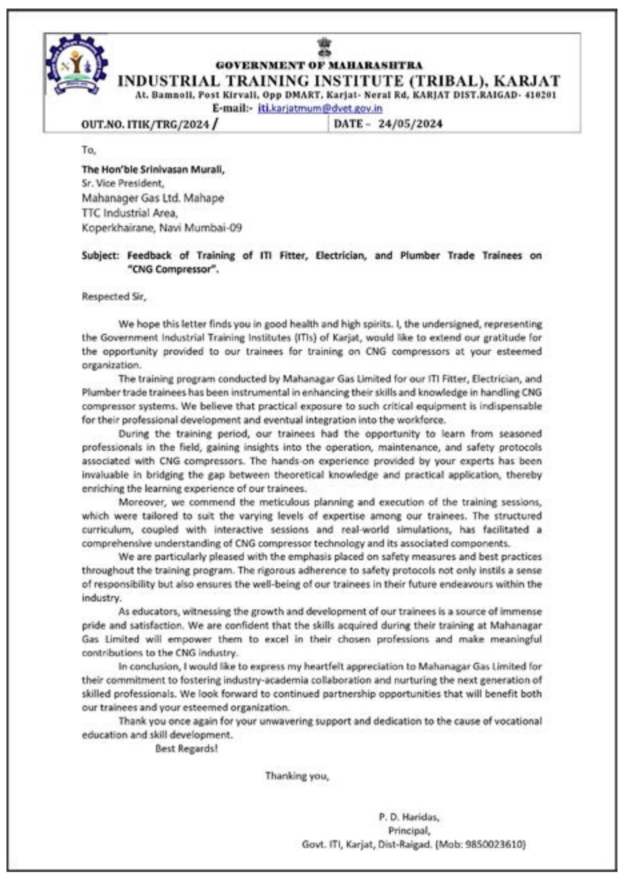
Training centre under construction at Mangaon, Raigad

Organization Name	:	Government ITI, Karjat
Location	:	Raigad
No of Beneficiaries	:	180
Type of Beneficiaries	:	Student of plumbing and Electrical trade
Key Stakeholders	:	ITI, DVET
SDGs	:	
Project Impact	:	Ensuring high quality training standards through industry exposure resulting in skilled workforce for world market

MGL Hunar initiative is for upgradation of plumbing and electrical laboratories at government ITI, Karjat. The upgraded lab with recent innovation makes students industry ready.

MGL has installed a compressor at ITI Karjat to give a better understanding of equipment and its components to students who are undergoing "CNG Compressor Operations & Maintenance training", which includes technical aspects of the compressor, its operation, and maintenance.

Installation of gas compressor at ITI Karjat.



GOVERNMENT OF MAHARASHTRA
INDUSTRIAL TRAINING INSTITUTE (TRIBAL), KARJAT
At. Bamnoli, Post Kirvali, Opp DMART, Karjat- Neral Rd, KARJAT DIST.RAIGAD- 410201
E-mail:- iti.karjatmum@dvet.gov.in

OUT.NO. ITIK/TRG/2024 / | DATE - 24/05/2024

To,

The Hon'ble Srinivasan Murali,
Sr. Vice President,
Mahanager Gas Ltd. Mahape
TTC Industrial Area,
Koperkhairane, Navi Mumbai-09

Subject: Feedback of Training of ITI Fitter, Electrician, and Plumber Trade Trainees on "CNG Compressor".

Respected Sir,

We hope this letter finds you in good health and high spirits. I, the undersigned, representing the Government Industrial Training Institutes (ITIs) of Karjat, would like to extend our gratitude for the opportunity provided to our trainees for training on CNG compressors at your esteemed organization.

The training program conducted by Mahanagar Gas Limited for our ITI Fitter, Electrician, and Plumber trade trainees has been instrumental in enhancing their skills and knowledge in handling CNG compressor systems. We believe that practical exposure to such critical equipment is indispensable for their professional development and eventual integration into the workforce.

During the training period, our trainees had the opportunity to learn from seasoned professionals in the field, gaining insights into the operation, maintenance, and safety protocols associated with CNG compressors. The hands-on experience provided by your experts has been invaluable in bridging the gap between theoretical knowledge and practical application, thereby enriching the learning experience of our trainees.

Moreover, we commend the meticulous planning and execution of the training sessions, which were tailored to suit the varying levels of expertise among our trainees. The structured curriculum, coupled with interactive sessions and real-world simulations, has facilitated a comprehensive understanding of CNG compressor technology and its associated components.

We are particularly pleased with the emphasis placed on safety measures and best practices throughout the training program. The rigorous adherence to safety protocols not only instils a sense of responsibility but also ensures the well-being of our trainees in their future endeavours within the industry.

As educators, witnessing the growth and development of our trainees is a source of immense pride and satisfaction. We are confident that the skills acquired during their training at Mahanagar Gas Limited will empower them to excel in their chosen professions and make meaningful contributions to the CNG industry.

In conclusion, I would like to express my heartfelt appreciation to Mahanagar Gas Limited for their commitment to fostering industry-academia collaboration and nurturing the next generation of skilled professionals. We look forward to continued partnership opportunities that will benefit both our trainees and your esteemed organization.

Thank you once again for your unwavering support and dedication to the cause of vocational education and skill development.

Best Regards!

Thanking you,

P. D. Haridas,
Principal,
Govt. ITI, Karjat, Dist-Raigad. (Mob: 9850023610)

Feedback and appreciation letter from principal ITI Karjat.

Organization Name	:	Centum Foundation
Location	:	Raigad
No of Beneficiaries	:	Project Initiated
Type of Beneficiaries	:	Rural unemployed youth
Key Stakeholders	:	NSDC, Schools, ITIs
SDGs	:	
Project Impact	:	Imparting vocational training to students to make them industry ready.

MGL Hunar has initiated an employment linked skill development programme for the rural youth of Raigad district. The sector of skilling includes Plumbing, Automotive Service Technician, Domestic Electrician, AC/ Refrigeration Service Technician for 400 no of beneficiaries.

Organization Name	:	Foundation for Innovation in Health
Location	:	Raigad
No of Beneficiaries	:	140
Type of Beneficiaries	:	Marginalized & needy women
Key Stakeholders	:	Govt. & Private health institutes, NGOs, Villages
SDGs	:	
Project Impact	:	Providing livelihood opportunities to marginalized women making them independent.

MGL is skilling rural girls from poor economic backgrounds as General Duty Assistant. After completion of the course, the trainees were placed in hospitals in and around the Raigad district of Maharashtra. The training was provided through a well-equipped practical laboratory imparting extensive hands-on exposure and enhances their ability to understand the subjects fully and perform the job better.

Practical classes being undertaken for skill development -General Duty Assistant course

Trainer of the skill development program explaining the program execution strategy to the MGL CSR Team

SDG

Key Highlights

₹ 36 Lakh
Investment in renewable energy

Material issues addressed

- M1 — Energy Management
- M3 — GHG Emission
- M5 — Water Stewardship
- M8 — Waste Management

Natural Capital

What does Natuarl Capital mean to us?

For us, environmental sustainability is a core concern. As a natural gas supplier, we aspire to enhance its reach and accessibility to a larger number of people and minimise dependence on polluting fuels. Moreover, our emphasis on preserving water and limiting emission and waste enables us to make a positive difference to the planet.

We understand that as our operations expand, the importance of environmental sustainability grows. As a leading CGD company, we have always maintained a strong commitment to positively impacting the environment, our customers, employees, and the community as a whole. We contribute significantly to India's climate change mitigation by supplying reliable, secure, and efficient energy across regions.

We are also in the process of developing and implementing targets for energy, waste reduction, water, and other environment-related KPIs.

ESG journey

As part of our continued commitment to sustainability, we have started an ESG journey to better understand our impact on the environment, society, and government. To guide our efforts, we first conducted a materiality assessment to identify the most important ESG issues for our organisation. The choice of material subjects was essential for MGL's sustainability objectives. The following are the material topics that we identified in order to better understand our overall effort to focus on these KPIs and develop an action plan for them.

Environment

- Energy management
- GHG emissions
- Water Stewardship
- Waste Management

Social

- Asset integrity and critical incident management
- Occupational health and safety including Employment practices
- Human Rights
- Local communities including Corporate Social Investment
- Customer relationships, experience and satisfaction
- End-use Safety
- Diversity

Governance

- Business Ethics and Compliance
- Risk Management
- Data Security

Throughout this process, we interacted with internal and external stakeholders to better understand their perspectives on the topics that are most important to them. We then used this feedback to prioritise our ESG focus areas and establish improvement objectives. To ensure ongoing development and accountability, we have implemented a regular stakeholder interaction programme. This entails maintaining an ongoing conversation with our stakeholders to better understand their changing needs and expectations, as well as sharing updates on our ESG performance.

The company has been working on sustainable development goals and has been awarded the Mahatma award for working on the maximum number of sustainable development goals under the banner "We Care."

ESG Policy

Your company's ESG Policy is a set of operating guidelines outlining the Company's approach to ESG parameters that influence our approach and future strategies.

Our ESG policy guides our sustainability strategy and underlines our commitment to conducting business in an environmentally, socially, economically, and sustainably responsible manner. Our goal in our daily operations is to minimise our environmental impact while providing the best possible customer service in order to create value that extends beyond our company.

Throughout this process, we engaged with both internal and external stakeholders to identify their key concerns. Their feedback enabled us to prioritise our ESG focus areas and establish improvement goals. We have implemented a regular stakeholder interaction programme to ensure continuous development and accountability, understand their evolving expectations and share updates on our ESG performance.

ESG Policy Coverage

Environment

- Waste Management
- Energy Management
- Renewable Energy
- Climate Change
- Biodiversity

Social

- Employee Safety
- Employee Well Being
- Employee Training & Development
- Responsible Procurement
- Human Rights
- Diversity and Inclusion
- Customer centricity
- CSR

Governance

- Corporate Governance
- Employee Ethics & Code of Conduct
- Data Privacy and Security
- Vigil mechanism / Whistle Blower Policy

Energy management

Future initiatives

- Implementation of IoT-based HVAC automation System at MGL-owned offices to reduce energy usage.
- Integration of HVAC with Solar module for efficient use of energy.
- Procurement of green power to mitigate scope 2 emission partially.

Water management

Strategies

Water Conservation by

- Reuse and Recycling
- Infrastructure improvements
- Data Monitoring and Analysis

Targets and Plans

Reduce overall intake water consumption by
10%
by the end of the five years, compared to the baseline year of FY 2023-24.

Increase the percentage of water recycled to
5%
by the end of the five years, compared to the baseline year of FY 2023-24.

We plan to implement a digital water management system across
MGL-owned offices
within the next two years.

Rain water Harvesting System

Your Company's two significant initiatives stand out, viz., installation of Rainwater Harvesting Systems at CGS Savroli and CGS Ambernath.

₹5.06 Lakh
Invested

417.72 cubic metres
Capacity

At CGS Savroli, located in Raigad district, we installed a Roof Top Rainwater Harvesting Unit with Flush Chamber and Recharging Pit on the existing borewell to significantly mitigate water scarcity challenges in the region.

By capturing and storing rainwater runoff, we reduce dependence on traditional water sources and alleviate strain on local water supplies.

₹6.05 Lakh
Invested

439.35 cubic metres
Capacity

At CGS Ambernath, Thane we installed a similar Rainwater Harvesting System.

This initiative is strategically positioned to combat water scarcity challenges prevalent in the area by capturing rainwater runoff and reducing dependency on conventional water sources.

These installations not only directly benefit our workforce by ensuring a consistent supply of water for operational needs but also indirectly benefit the local community and ecosystem. By conserving water resources and reducing strain on local supplies, we contribute to community resilience and enhance environmental sustainability.

Waste management

Sewage Treatment Plants

5 Kilo Litres per Day (KLD)
Capacity of STP

14.09 Lakh each
Total investment

We have taken significant strides towards sustainable water management through the implementation of two Sewage Treatment Plants (STPs) at CGS Savroli and CGS Taloja.

These plants recycle wastewater, thereby reducing reliance on fresh municipal/ tanker water supply. The recycled water is utilised for various applications such as toilet flushing and landscaping, effectively mitigating strain on local water resources and fostering sustainable practices.

These initiatives not only contribute to environmental sustainability but also yield significant benefits for both direct and indirect beneficiaries.

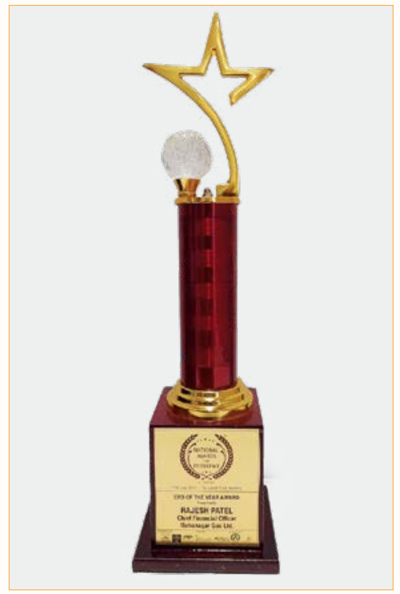
- Directly, they provide employment opportunities for local professionals, including technicians and staff.
- Indirectly, they alleviate pressure on municipal water resources, potentially benefiting nearby communities by ensuring access to a more reliable and sustainable water supply.

These measures align with broader regional water conservation efforts, promoting long-term environmental resilience and socio-economic stability. Additionally, cost savings on water procurement are anticipated, with an expected monthly saving of approximately ₹ 40,000 to 50,000 per plant on full-fledged operations.

Emission management

We promote natural gas as a cleaner fuel, reducing vehicular emissions daily. We are expanding renewable energy use, installing solar panels, using higher capacity cascades to reduce the number of trips of CNG transporting vehicles and converting our light commercial vehicles to CNG/LNG to further our emission reduction goals.

Awards and Recognition



Mr. Rajesh Patel, Chief Financial Officer, MGL was awarded the CFO of the Year Award by The National Awards for Excellence.

The CFO Award winner was selected by an independent jury consisting of senior Leaders, Researchers and Academicians on the basis of various parameters including strategic perspective, process management, future orientation, track record, integrity and ethics among others.

Management and Discussion Analysis Report

Global economic overview[1]

Despite a tumultuous 2023, the world economy demonstrated resilience and maintained a steady pace as inflation gradually returned to the target levels. With the reported year recording supply-chain disruptions, the Ukraine-Russia war leading to a worldwide food and energy crisis, an inflation spike and the tightening of monetary policies, the global economy navigated various challenges in Calendar Year (CY) 2023. Global growth, estimated at 3.2 percent in CY 2023, is projected to continue at the same pace in CY 2024, reinforcing cautious optimism that the steady recovery will persist amidst ongoing global uncertainties.

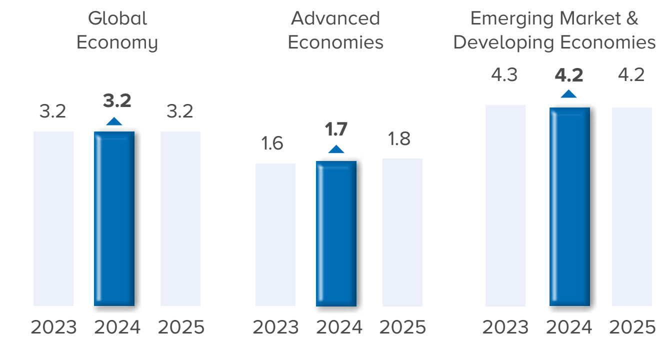
As major developing economies sustained the headwinds, the global economy avoided the predicament of a recession. According to the International Monetary Fund (IMF), most indicators for global growth are pointing towards a soft landing.

The markets responded positively to the prospect of central banks easing the tight monetary policies. Financial conditions improved, equity values surged and capital flows poured into most emerging market economies, aside from China. Certain low-income nations and frontier economies reclaimed their position in the market.

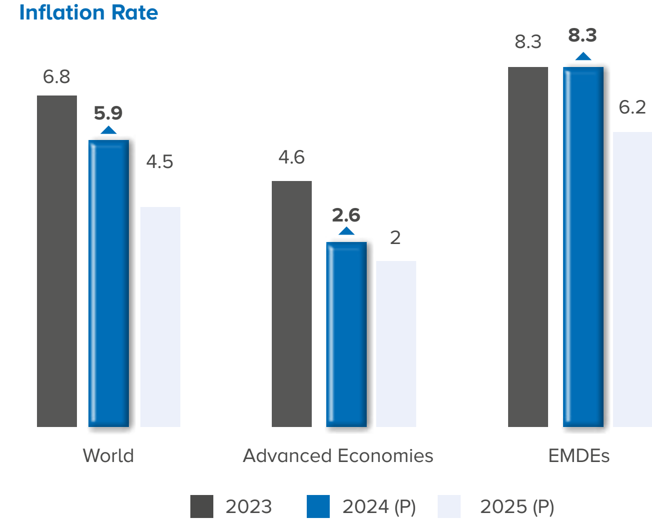
Outlook

While emerging market and developing economies (EMDE) are expected to record a slight downturn from 4.3% in 2023 to 4.2% in both 2024 and 2025, advanced economies will experience growth, increasing from 1.6% in 2023 to 1.7% in 2024 and 1.8% in 2025. Looking five years ahead, the predicted 3.2% growth rate for the world economy is the lowest in decades. Global inflation is expected to decline at a normal rate from 6.8% in 2023 to 5.9% in 2024 and 4.5% in 2025, with advanced economies reaching their target inflation rates faster than developing economies.

Real GDP growth projections (%)



Inflation Rate



Source : World Economic Outlook April 2024 by IMF International Monetary Fund

(P)-Projection

[1]https://www.imf.org/en/Publications/WEO/Issues/2024/04/16/world-economic-outlook-april-2024

Indian economic overview[2]

In FY24, the Indian economy recorded a robust 8.2% growth rate of real gross domestic product (GDP), supported by strong domestic consumption and effective governmental investments, mitigating the effects of trade deficit. The Monetary Policy Committee (MPC) has mentioned that the Gross Value Added (GVA) on the supply side increased by 6.9% in FY 2023-24, facilitated by buoyant manufacturing and construction activities.

The ability of the Indian economy to withstand global economic downturn can be attributed to substantial consumer and government expenditure, a robust services sector, expanded manufacturing witnessing a growth of 11.6% YoY and six central bank rate hikes since 2022. The Indian government aims to increase infrastructure spending and attract investment from international businesses, especially in technology production, as world seeks alternatives to China.

Outlook[3]

The Asian Development Bank (ADB) estimates India's gross domestic product (GDP) growth for 2024–25 (FY25) to be 7%, catalysed by robust development in the services sector and increased public and private investments.

The main threats to India's economy include unforeseen global shocks, such as adverse weather conditions affecting agricultural output and supply shocks to the crude oil markets. However, India's strategic positions and proactive approach positions the country for future growth.

Industry overview

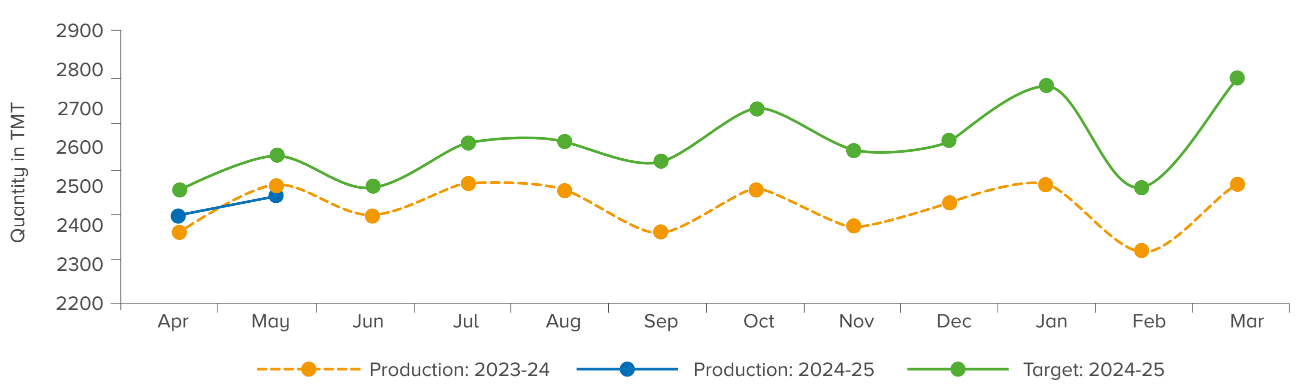
Indian oil and gas industry[4]

India is the world's fourth-largest Liquefied Natural Gas (LNG) consumer, after South Korea, China and Japan. With the government's relentless pursuit to promote environmental sustainability, it is expected that LNG consumption will continue to increase with the growing demand for natural gas.

The GOI intends to raise natural gas's share in India's energy mix from the present 7.6% to 15% by 2030. Currently, local production accounts for about half of India's natural gas supply, while the remaining comes from LNG imports. With increasing LNG demand, analysts predict that by 2025, the LNG may contribute to 70% of NG consumption and rest 30% will be domestics supplies.

India expanded its overseas supplier base of crude Petroleum, Oils and Lubricants (POL) products, anticipating future demand and forged long-term supplier arrangements with nations such as the US and Russia.

Monthly Crude Oil Production



Source: Ministry of Petroleum and Natural Gas

[3]https://www.business-standard.com/economy/news/adb-ups-india-gdp-forecast-to-7-for-fy25-on-investments-consumer-demand-124041100163_1.html

[4]https://www.trade.gov/energy-resource-guide-india-oil-and-gas

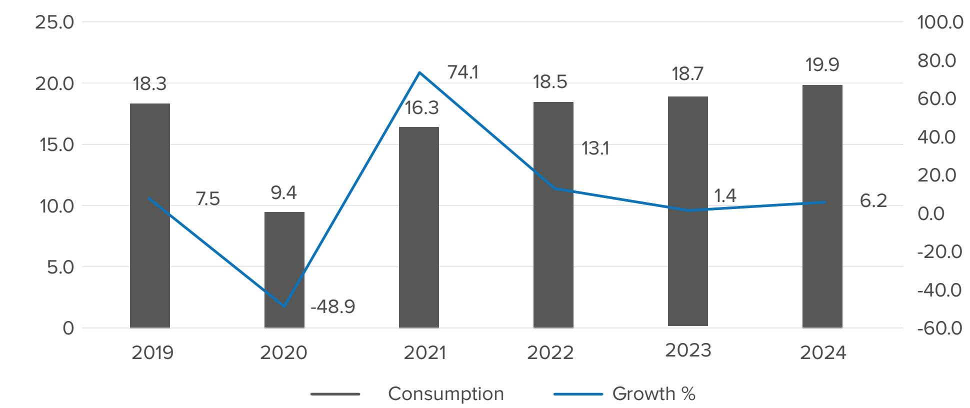
Natural Gas Consumption (including internal consumption)

(in MMSCM)

MONTH	APRIL - 2023	MAY - 2023	JUNE - 2023	JULY - 2023	AUG - 2023	SEP - 2023	OCT - 2023	NOV - 2023	DEC - 2023	JAN - 2024	FEB - 2024	MAR - 2024	TOTAL
Net Production	2,671	2,838	2,844	3,063	3,111	2,976	3,111	2,991	3,078	3,074	2,887	3,072	3,5717
LNG import	2,514	2,854	2,380	2,355	2,729	2,584	2,653	2,416	2,557	2,831	2,522	2,522	3,0917
Total Consumption	5,185	5,692	5,224	5,418	5,841	5,560	5,764	5,408	5,635	5,905	5,409	5,594	66,634

Source: Petroleum Planning & Analysis Cell (PPAC)

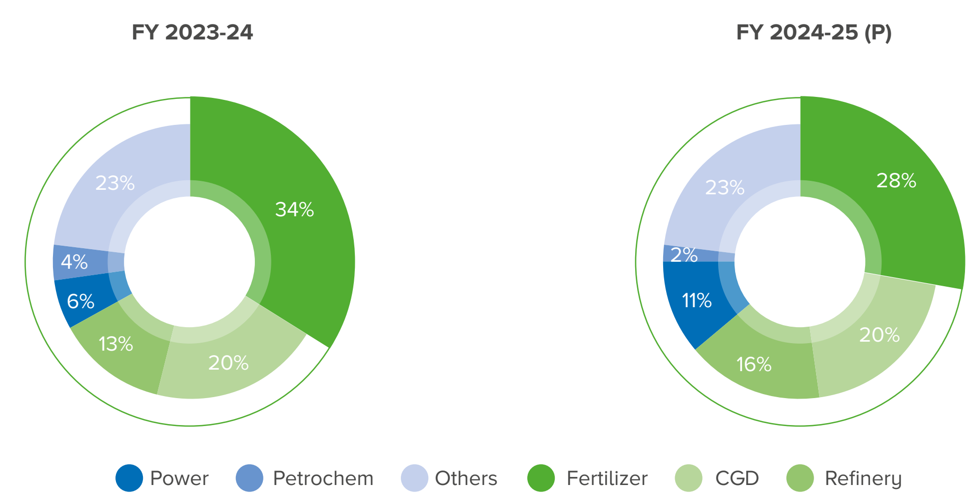
POL consumption & Growth rate (YoY basis)



Source: Petroleum Planning & Analysis Cell (PPAC)

Sales data in TMT

Sectoral Natural Gas consumption



*P-Projected

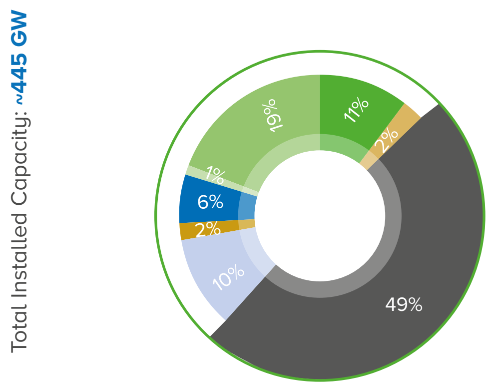
Source: Petroleum Planning & Analysis Cell

India's energy basket

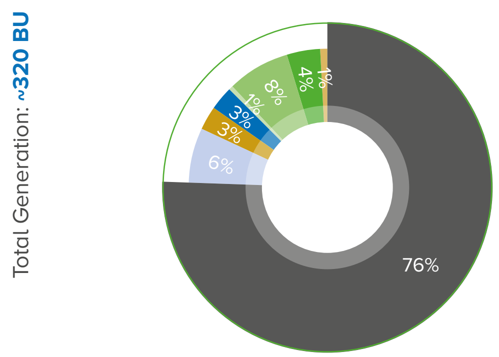
As per the latest Energy Statistics report 2024, there has been a notable shift in the energy demand from non-renewable to renewable sources. Despite the renewable segment gaining share in the basket, the non-renewable sector continues to dominate, with the energy sector being the largest consumer of raw coal and lignite in India. India is projected to rely on coal to meet the rising electricity demand through 2026. Coal-fired generations is expected to meet 68% of India's electricity demand by 2026, Renewable energy (RE) generation remained relatively stable with a 23% share of electricity generation in 2023-24. The rise in solar and wind was largely offset by reduced hydropower output. Close to 18.48 gigawatts (GW) of RE capacity was added during 2023-24, with RE accounting for nearly 44% of total installed capacity in 2024.

India's electricity demand surged by 7% in 2023, driven by rapid economic growth and increased space cooling needs. The demand is further anticipated to grow by 6.5%, on an average, until 2026.

Power Sources Mix - Installed Capacity
(as on 31st May 2024)



Power Sources Mix - Generation
(as on 31st May 2024)



Coal · Hydro · Nuclear · Oil & Gas · Small-Hydro · Solar · Wind · Bio Power

Source: India Climate & Energy Dashboard

Crude Oil, LNG and Petroleum Products at a glance

Sr. No.	Details	Unit/Base	2021-22	2022-23	2023-24
1	Crude oil production in India	MMT	29.7	29.2	29.4
2	Consumption of petroleum products	MMT	201.7	223.0	234.3
3	Production of petroleum products	MMT	254.3	266.5	276.1
4	Gross natural gas production	MMSCM	34,024	34,450	36,438
5	Natural gas consumption	MMSCM	64,159	59,969	67,512

Source: May 2023 & Petroleum Planning & Analysis Cell

India's city gas distribution network[5]

India's gas distribution network supplies natural gas for industrial and commercial use, transportation, and power generation. The Petroleum and Natural Gas Regulatory Board (PNGRB) oversees licensing, establishing tariffs with a vison to create a vibrant energy market with rapid and orderly growth through facilitation of flow of investments into the basic infrastructure for efficient transportation and distribution of petroleum, petroleum products and natural gas & protection of consumer interests through fair trade practices and competition.

The recent reforms in India's gas distribution infrastructure aim to ensure that people can access affordable and clean energy.

[5]https://mopng.gov.in/en/pdc/investible-projects/oil-amp-gas-infrastructure/city-gas-distribution

One of the major initiative by GOI, the Pradhan Mantri Urja Ganga project, facilitates the availability of natural gas in the hinterlands, particularly in the eastern and north-eastern region of India.

The Indian government has planned to invest $67 billion in the natural gas sector over the next six years to provide natural gas to end consumers at a stable price. This investment is expected to lead to a three-fold increase in natural gas consumption, from 185 MMSCMD to 500 MMSCMD, by 2030, and promote the development of industries. There are currently 24,623 Kms of natural gas pipelines in operation out of 33,753 Kms authorised.[6]

There are 308 Geographical Areas (GAs) authorized in the country for the development of City Gas Distribution (CGD) network covering 98% of the population and 88% of its area. The recent 12 and 12A bidding rounds covered more than 100 districts across 8 GAs in North East States and Union Territories.

PNG connections and CNG stations across India (Nos), as on 31.03.2024

CNG Stations	PNG Connections		
	Domestic	Commercial	Industrial
6,861	1,29,22,516	41,360	18,756

Source: Petroleum Planning & Analysis Cell

GOI has taken various steps to improve the share of natural gas in the energy basket to 15% by 2030. These, inter-alia, include expansion of National Gas Grid (24,623 Kms operational and 10,860 Kms under construction), expansion of CGD network and setting up of LNG Terminals (current 47.7 MMTPA capacity to 66.7 MMTPA).

India's import in 2024

With significant restrictions on international maritime trade, India is closely monitoring the Houthi Red Sea conflict. While some flag countries, such as China and Russia, are continuing to sail through the Red Sea, most Western maritime operators are redirecting their vessels via the Cape of Good Hope. India imports gas and oil from the Persian Gulf, Iran, Saudi Arabia, the United Arab Emirates, Qatar and Russia. However, it has major military-economic interest in the free passage in the Suez Canal and Red Sea region & hence it has deployed its Navy in the region recently.

India's auto fuel

India's auto fuel consumption has seen significant fluctuations, with petrol and diesel remaining the dominant fuels.

Sustainable Alternative Towards Affordable Transportation (SATAT) aims to establish plants for producing Compressed Biogas (CBG) to be used as an alternate sustainable energy source.

It was estimated that currently, about 98% of the fuel requirement in India for transportation sector is met by fossil fuels and the remaining 2% by biofuels. Blending of ethanol up to 20% with gasoline will lead to savings of around $4 billion foreign exchange. Government has also started an interest subvention scheme for molasses and grain based distilleries to promote ethanol production. It is also foreseen that flex fuel vehicles, which are capable of utilising ethanol blended gasoline up to 85%, and are already operational in the USA and Brazil, are soon to make an entry in India.

As per PPAC, fuel demand for the financial year ending March 31, 2024 reached a record high of 233 million tonnes (4.7 mbpd), up from 223 million tonnes (4.5 mbpd). Diesel sales, primarily used by trucks, buses, and the agriculture sector, increased by 4.4% in the 2023-24 fiscal year compared to the previous year, reflecting higher levels of economic activity in India.

The drop in Compressed Natural Gas (CNG) prices, following the central government's review of new domestic gas pricing guideline 2014, is expected to drive greater adoption of CNG-powered passenger vehicles in India. Along with this, India plans mandatory blending of compressed biogas in domestic CNG and piped natural gas to cut its reliance on expensive imports of LNG. Blending will initially be voluntary for automobiles and households from the April 2024-March 2025 fiscal year and become mandatory from 2025-26 as per the oil ministry.

Company overview

Established in 1995, MGL is one of India's leading City Gas Distribution (CGD) companies. With a rich legacy spanning over nearly three decades, MGL has been instrumental in setting up gas infrastructure and promoting gas usage among various customer segments across the Mumbai Metropolitan region, such as Mumbai, Urban Thane, Mira Bhayandar, Navi Mumbai, Kalyan, Dombivali, Ambernath, Badlapur, Ulhasnagar, Bhiwandi, Panvel, Taloja and Kharghar. In 2015, MGL was entrusted by PNGRB with the responsibility of developing the city gas distribution network in the Raigad district of Maharashtra.

With an increasing awareness about environmental repercussions caused by traditional energy sources, a paradigm shift towards cleaner alternatives is being observed. Both global and Indian energy markets are inclining towards embracing renewables, energy efficiency and carbon reduction, accelerating the demand for cleaner fuels. MGL takes pride in facilitating India's progression towards a gas-based economy.

[6]https://pib.gov.in/PressReleaseIframePage.aspx?PRID=2011361

The government aims to increase natural gas share in the total energy mix from 7.6% to 15% by 2030. With a commitment towards expanding the gas distribution network and advocating for increased gas usage, MGL has invested ₹ 4,800 Cr. since inception, investments to bolster the gas distribution infrastructure. Going forward, MGL plans to add 180 Kms of steel pipeline and 1,000 Kms of PE pipeline over the next five years.

MGL takes pride in having an impeccable track record of safety in project execution and operations in one of India's most urban and densely populated cities. With focus on the core sector, MGL is steadily increasing its pipeline and its allied infrastructure in D-PNG (Domestic Piped Natural Gas) segment comprising of households who use Natural Gas for domestic cooking purposes & CNG for Transportation.

During FY 2023-24, the Company has laid 433 Kms of (PE and Steel) pipeline, provided 3,20,125 D-PNG connectivity and constructed 36 CNG stations while upgrading capacity of 45 existing CNG stations. The Company has clocked sales of 3.61 MMSCMD through 347 CNG Stations and 2,141 dispensing point, over 16.85 lakhs D-PNG active users and 4,769 Industrial & Commercial (I&C) customers. With a Capex of ₹ 802 Cr., the Company's focus remains on fortifying the core business, thereby, enhancing access to eco-friendly fuel solutions to the population in its GA. The steadfast dedication highlights MGL's commitment to fostering sustainable growth and contributing to a cleaner, greener future for all.

Presently, the Company has an extensive network comprising over 600 Kms of steel pipeline and approximately 6,400 Kms of poly-ethylene pipeline.

MGL caters to the diverse needs of its varied customer base across different categories within its operating GA.

1. **Automotive segment (CNG)** – MGL has ensured easy and reliable availability of CNG by developing a network of 347 CNG stations in its GAs. This has played a crucial role in adoption of CNG as a transportation fuel. Furthermore, the Company has been able to earn consumers' trust to promote CNG as an alternative to traditional fuels. Today, more than 9 lakh vehicles are relying on CNG in the Company's operational areas. The neighbourhood transport undertakings (BEST, TMT, MSRTC and NMMT) have 2,346 buses on CNG in their fleet. Also, MGL, MSRTC is actively working with MSRTC to ensure conversion of 700 buses to CNG in the next two years in MGL's GA. The significant contribution of this transition towards mitigating air pollution and improving air quality in Mumbai has proven to be effective for the residents of Mumbai. MGL is committed to expanding the network further by adding 200 CNG stations over the next five years.

2. **Domestic Piped Natural Gas (D-PNG)** –During the fiscal year, the Company has installed 25 Kms of steel and 408 Kms of PE pipelines, cumulatively installing a total of 433 Kms of pipeline in its GA. Till date, MGL has provided connectivity to more than 24.90 lakh households, making MGL one of the highest D-PNG provider in India. MGL plans to add around 3 lakh households each year to its existing customer base going forward. This has resulted in enhancing sales for D-PNG by ~8%, growing from 0.49 mmscmd to 0.52 mmscmd.

3. **Industrial and Commercial –** MGL supplies PNG to 4,769 commercial and industrial establishments, including restaurants, hotels (ranging from basic to high-end), healthcare centres (from small nursing homes to large hospitals), and small to medium-sized industries within its operational areas. These establishments have transitioned from solid fuels like coal, pet coke and liquid fuels such as furnace oil and light diesel oil (LDO), to natural gas, resulting in significant emission reduction. While India's target of net zero by 2070 and 50% energy through renewable demonstrates its focus on reducing carbon footprint; MGL ensures its positive contribution in this journey.

   The Company's sales volume, including industrial and commercial, has significantly surged by ~11%, increasing from 0.45 mmscmd to 0.50 mmscd. During the year, we gained 402 new industrial and commercial customers, bringing our total to 4,769 customers.

4. **Automotive segment (LNG)** - LNG is another gas variant that is especially suitable for Long Haul Trucking. GOI has been aiming to increase the adoption and use of LNG in India. In pursuance of this national objective, MGL had set up its 1st LNG station at Savroli, strategically positioned for truckers just off the Mumbai-Pune expressway. With a vision to enhance LNG infrastructure nationwide, MGL has established a JVC, Mahanagar LNG Pvt Ltd., in partnership with Baidyanath LNG Pvt Ltd.

Mumbai Metropolitan Region: Transition from City of Dreams to the Global Financial Hub

In the Annual report of last FY, the following major infrastructure projects having a substantial upside for MGL were discussed viz:

1. Navi Mumbai International Airport (NMIA)
2. Mumbai Trans harbour Link (Atal Setu)
3. Mumbai Nagpur Samruddhi Expressway
4. Virar Alibaug Multimodal Corridor

The impact of these projects is already felt by MGL in both PNG as well as CNG segments. We are poised to tap every opportunity that these infrastructure projects are creating.

Construction of NMIA is in full swing & it's likely to be operationalized in the coming year. Atal setu , Mumbai Trans Harbour Link, connecting Sewri in South Mumbai to Nhava Sheva in MGL's GA3 is a 21.8 Kms 6-lane expressway bridge is in operation since January 2024. Both these projects will give tremendous push to urbanisation, creating 3rd Mumbai in Raigad thereby pushing growth of CNG as well as PNG in MGL's GA3 to an unprecedented levels.

The 700 Kms Mumbai Nagpur Samruddhi Expressway which was opened to traffic between Nagpur & Shirdi in December 2022 is now operational till Igatpuri in the FY 2023-24 and is expected to be fully operational in the FY 2024-25. The Virar-Alibaug Multimodal Corridor, which is a 14-lane expressway is expected to be completed by 2030. The construction will be done in 2 phases. Phase 1 – a 98.5-Kms highway between Navghar and Balavali and Phase 2 – 129.9-Kms highway between Balavali and Alibaug. The project will incorporate various modes of transportation like roads, rail and metro to create an efficient transport network. These two projects will position JNPT & NMIA as logistic hub thereby aiding the growth of both CNG as well as LNG. Your company's CNG growth plans as well as Mahanagar LNG Pvt Ltd (MGL's JV) are in a perfect position to have a first mover advantage to cater to this green mobility opportunity.

In the next two decades or so, MMR region is expected to emerge as one of the largest urban agglomeration in the world creating unprecedented growth in services thereby emerging as economic hub of South Asia.

5. **Automotive segment (EV)** - In the recent years, the surge in electric vehicles marks a paradigm shift within the automotive sector. MGL has remained abreast of this consumer trend and established its footprints in EV sector by acquiring ~31% stake in 3ev, a three-wheeler electric vehicle (EV) manufacturer.

MGL stands as a trailblazer within the CGD sectors, steadfastly strengthening its core while venturing into adjacent areas having a "Right to Win".

Key business highlights

The reported year has been a year filled with opportunities, challenges and achievements for MGL. Geopolitical instability led to a spike in natural gas prices, negatively affecting the CNG sector, particularly within the commercial market. However, governmental initiatives played a crucial role in mitigating the challenges. The review of domestic gas pricing guideline 2014 by GOI post Kirit Parikh Committee report ensured stability in CNG prices. MGL has utilised this opportunity to bolster the number of CNG stations and improve adoption of CNG-based vehicles.

In the D-PNG business, MGL achieved highest ever connectivity of 3,20,125 households, surpassing the previous number of 3,05,030 households in FY 2022-23. Similarly, it has also achieved the highest ever connectivity number in a single month i.e. 54,464 in March 2024, surpassing the previous highest of 37,844 in March 2023. Also, MGL has achieved the highest ever conversions of 1,75,571 in the history of MGL in FY 2023-2024, surpassing the previous highest conversions of 1,38,000 in the year 2022-2023. It is pertinent to mention that the total PNG additions by MGL with MGL's 100% subsidiary, M/s. UEPL in the current year is highest by any CGD entity in the country.

In an effort to make it easier for prospective customers to avail D-PNG connection, MGL performed detailed assessment of various markets to identify consumer segments that are yet to adopt D-PNG. This has enabled the Company to devise solutions that can effectively mitigate the concerns of the customers.

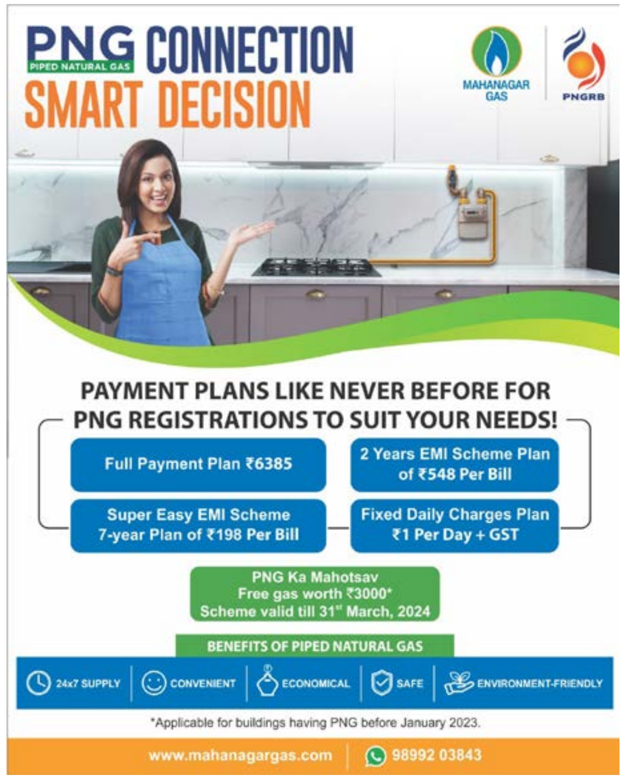
MGL launched the Fixed Daily Charges payment plan for the tenant-occupied flats and low-income groups. In this scheme, customers will only pay a nominal amount of ₹ 1 per day as well as Super-Easy EMI plan of ₹ 99/- month, instead of paying a lumpsum amount of ₹ 6,385 at the time of registration.

In order to encourage the builder community to embrace D-PNG, the Reticulated Agreement was simplified and made more customer-friendly. This has facilitated collaboration between major builders and MGL under the New Reticulated agreement. Today around 40 builders in Mumbai, Thane & Navi Mumbai are part of this model which not only simplifies the infrastructure creation but also gives the convenience of D-PNG to the flat owners once they move in.

Another notable milestone in MGL's D-PNG business was when MGL signed the Memorandum of Understanding (MoU) with the Indian Navy. This has opened the potential to supply to more than 8,000 households in the prestigious Navy Nagar in South Mumbai. MGL also has similar tie-ups with Indian Army (South Mumbai) and the Indian Navy establishments at Karanja, Ghatkopar, among other locations.

The reported year has witnessed one of the first-of-its-kind initiatives by any energy company in India. MGL introduced PNG Ka Mahostav scheme. The Company offered an incentive of

₹ 3,000 worth of free-gas to any customer who opted for D-PNG connection in a building which had been gasified prior to January 2023. This scheme enabled various non-users to choose MGL's PNG connection immediately.



The Company has also launched the "21 days MGL ki guarantee" scheme, where customers from gasified buildings have the option to register either via our personalized teams of Direct marketing Agent (DMA) or through MGL Website (www.mahanagargas.com), which aims to provide PNG connection within 21 days of payment.

For enhancing customer delight and hassle-free registration process, the Company has simplified the customer registration and name transfer process.

MGL achieved significant milestones in the CNG business as well. The Company has set up more than 110 MGL exclusive Retail Outlets (ROs). The Company also commissioned 20 new CNG ROs in the Raigad district. MGL has partnered with Reliance Jio-BP Mobility Pvt Ltd to co-locate CNG facilities at Jio-BP RO's in MGL's Geographical areas.

As a responsible CGD entity, MGL has always strived to bring greater value to its customers through induction of new technologies, systems and processes. As an endeavour to usher positive changes in the lives of people, the Company aims to expand its geographical footprint. The focus is not only to develop business but also to catapult the access of greener fuel to the society at large.

Core competencies

Safety and Efficiency : MGL upholds a stringent safety-first policy across all its operations, maintenance, and project-related activities. This ensures secure and efficient distribution of natural gas through pipelines and cascades to both PNG and CNG customers. The Integrated Command and Control Centre (ICCC) at Mahape highlights the expertise of the Company in the CGD industry. The ICCC is equipped to swiftly address any hazards or accidents.

Prioritising customers: With a steadfast commitment to customer satisfaction, MGL provides robust customer support services. Offering round-the-clock support through various channels such as phone, email, WhatsApp and social media, MGL ensures prompt assistance to meet the diverse needs of its customers.

Collaborative partnerships: MGL has built strong partnerships with various stakeholders, including government agencies, regulators, suppliers and customers. These collaborative endeavours have played a pivotal role in expanding MGL's business footprint, enhancing its service portfolio and in representing the sector at various forums.

New Technologies: Leveraging advanced systems and processes supported by cutting-edge technologies, MGL ensures streamlining of its daily operations. The Company has been at the forefront of technological innovation, as evident by its utilisation of top-tier software and hardware for asset integrity, control systems, engineering, planning, project monitoring and more. The Company further aims to strengthen its digital interface to enhance customers' experience and facilitate seamless, digital transactions. The Company has successfully deployed in-house tools, facilities, software and technologies comprising thorough network review, flow modelling, identification of susceptible spots, proof of concept, expert field validation as well as specialized Non-Destructive Testing (NDT) of the CGS terminals, in a completely non-intrusive mode, thereby ascertaining the integrity of the pipeline network.

Further, Company has implemented automation of forecourt operations at MGL owned CNG stations, wherein, high-resolution cameras are installed in forecourt area of CNG stations and relevant information is being captured through these cameras which help to devise marketing strategies as well as monitor safety of operations at CNG stations.

Environmental Sustainability: MGL proactively implements measures to reduce its carbon footprint. Through advocating the use of natural gas as a clean and green fuel alternative to traditional polluting fuels, MGL promotes environmental sustainability. Also various ESG initiatives like Solar Rooftop, Rainwater harvesting etc. have been undertaken by MGL

Overall, MGL's core competencies encompass efficient and safe distribution, exemplary customer service, technological innovation, environmental sustainability and robust partnerships. These competencies have played a pivotal role in fortifying the Company's position as a leading CGD Company.

Strengths, Weakness, Opportunities and Threat (SWOT)

Strength
- Leading Market Presence
- Impeccable Safety Record
- Extensive Infrastructure
- Synergistic Operations
- Engineering Expertise
- Agility

Weakness
- Lengthy permitting process
- Land Availability Constraints
- Limited Execution Window

(SWOT)

Threat
- Exclusivity Expiry
- NG Price Volatility
- Reduced APM supplies
- EV penetration

Opportunity
- Net Zero Targets
- Rising Demand for CNG
- Increased OEM Variants
- Urbanization & Infra Development

Strengths:

1. **Leading Market Presence:** MGL stands as one of the largest CGD companies in India. The Company has built a network that connects over ₹ 24.90 lakh domestic households through pipeline, ensuring supply of D-PNG. Additionally, MGL operates 347 CNG stations to cater to the energy requirements of the expanding mobility customers. This extensive network highlights the Company's deep market reach and strong customer trust.

2. **Impeccable Safety Record:** MGL takes pride in a legacy spanning more than 28 years in one of the world's most densely populated areas. The commitment to safety highlights MGL's reliability and credibility in the industry.

3. **Extensive Infrastructure:** MGL has expanded its gas network by laying 7,000 Kms of pipelines in its GA to serve ₹ 24.90 lakhs DPNG customers and 347 gas stations to cater to the increasing demands for CNG. This extensive infrastructure guarantees convenience and accessibility for customers seeking affordable, greener fuel alternatives.

4. **Synergistic Operations:** Our presence in three adjacent GAs provides us with a unique advantage, fostering synergy in infrastructure creation and operations, leading to cost efficiencies and streamlined processes. With Ratnagiri GA coming in MGL's fold due to UEPL acquisition, today MGL has uninterrupted highway corridor to market CNG as well as LNG from Mumbai to Ratnagiri spanning 340 Kms on Mumbai-Goa highway.

5. **Engineering Expertise:** With expertise in engineering, planning and laying infrastructure, MGL has successfully laid 433 Kms of Steel and PE pipeline this year, bringing the cumulative pipeline length to 7,000 Kms.

6. **Agility:** MGL's experience of over 28 years in the Gas Industry enables it to adapt quickly to the changing customer preferences and business scenario thereby maintaining the momentum and agility required in the dynamic energy sector. Additionally, MGL maintains a strong balance sheet and a healthy financial position, empowering the Company to invest in prospective growth opportunities and navigate market fluctuations effectively.

Weaknesses:

1. **Lengthy Permitting Process:** The prolonged authorisation process involving various statutory authorities poses a challenge as it leads to delays in project implementation. Streamlining this process is imperative to expedite infrastructure development of pipelines as well as rollout of CNG stations.

2. **Land Availability Constraints:** The limited availability of land combined with exorbitant prices hinders the ability to set up new CNG stations in the Mumbai region. It is essential to explore alternative solutions or forge partnerships for land acquisition to overcome this obstacle. Also the concentration of large number of utilities like Power, Telecom, Water etc. in a limited space is a big hindrance in laying NG pipeline.

3. **Limited Project Execution Window:** The extended monsoon in Mumbai region reduces the project execution window (October to April), limiting infrastructure development work to approximately 7 months in a year.

Opportunities:

1. **Net Zero Target:** India's commitment toward's achieving net zero emissions by 2070, along with enabling policies of the government for green fuels, presents significant opportunities to participate in newer forms of energy in the Industrial and mobility sectors. MGL is proactively diversifying its portfolio to include CBG and green hydrogen, positioning itself to capitalize on this growing market.

2. **Rising Demand for CNG:** With rising awareness towards sustainability and cleaner fuels, the demand for CNG is expected to surge. This presents a significant growth opportunity for the Company to capitalise on.

3. **Increased OEM Variants:** The introduction of more CNG variants by OEMs in both passenger and commercial vehicle segments offers potential for market expansion. Collaborating with OEMs to promote CNG adoption can further augment business prospects.

4. **Urbanisation and Infra Development:** Accelerated urbanisation and infrastructure development in Thane and Raigad regions are accelerating natural gas demand. It can prove to be a lucrative opportunity for the Company to unlock new avenues for business growth.

For more detail please refer to page 42 & 43.

Threats:

1. The potential expiry of both marketing and infrastructure exclusivity poses significant risks for the Company. The infrastructure exclusivity in Mumbai and Greater Mumbai areas expired, as per a notice from the Petroleum and Natural Gas Regulatory Board (PNGRB). This means MGL may have to offer up to 20% of its pipeline capacity on a common carrier basis, allowing other entities to lay and operate natural gas distribution networks in the same geography. The expiry of exclusivity rights introduces the risk of increased competition, which could impact MGL's competitiveness and margins. This uncertainty may stall future infrastructure development, potentially hindering the government's ambitious plan to establish a gas-based economy and achieve a 15% share of natural gas in India's total energy mix by 2030.

2. **Natural Gas Price Volatility:** Volatility in gas prices and regulatory interventions, such as capping of fuel prices, pose a threat as it reduces the arbitrage between fuels like CNG-diesel and DPNG-LPG. This could potentially slow down vehicle conversion and adoption.

3. **Reduced APM Supplies:** The reduced availability of domestic gas for priority sectors (CNG & D-PNG) necessitates reliance on more expensive R-LNG (Regasified Liquefied Natural Gas). This significantly impacts cost structure and competitiveness.

4. **EV penetration:** With the development of charging ecosystem, evolving battery technologies and reducing battery cost, EV is gaining traction in 2,3 & 4 wheeler segment mostly for intracity commute. The matured ecosystem, availability of CNG variant across wider vehicle segments and the cost competitiveness of CNG against petrol and diesel is expected to drive penetration and growth of CNG with EV penetration mostly impacting the petrol and diesel sales. However, the long-term from EVs cannot be ignored. While CNG can co-exist with other alternate fuels but its growth will be moderate.

   MGL has implemented strategic measures to mitigate the identified threats. The Company has established long-term supply contracts, employing a portfolio approach that includes a mix of Spot and Term Contracts. Furthermore, MGL has also secured Term gas supply agreements with key suppliers, ensuring a stable and reliable gas supply to meet demand beyond the APM allocation.

The Company is continuously strengthening its position as a leading player in the CGD sector by identifying opportunities, addressing weaknesses, leveraging strengths and efficiently mitigating risks.

Business Transformation

The FY 2023-24 marked a significant and eventful year for the company, characterised by a series of groundbreaking decisions and initiatives. The launch of 'Project Lakshya' in FY 2022-23, symbolised a strategic shift in the journey of MGL so far. From September 2022, the Company has been working with the Boston Consulting Group (BCG) with an aim to reinvent the Company, accelerate growth, be more customer-focused and emerge as an employer of choice. Project Lakshya has been completed with great success with a focus on the core businesses, diversification opportunities, digitisation and improving customer connect. The company is now moving to scale up the ongoing initiatives and undertaking new endeavours as emerged. The focus will continue to be on operational excellence, leveraging technology and data to the maximum potential, building new businesses and developing a future-ready organisation.

Project Lakshya aimed at reimagining, reshaping and transforming the Company into a future-ready organisation. MGL has outlined a long-term strategy encompassing growth in its core sector and diversification into adjacent area with enhanced employee engagement and digitisation identified as key enablers. The Company aims to consolidate its CNG and PNG businesses, improve customer-centricity and bolster digital advancement while simultaneously explore new business avenues aligned with the Company's vision.

MGL is critically examining and streamlining internal processes to expedite network development, increase customer acquisition and elevate customer experience. The goal is to expand the customer base across CNG, D-PNG and I&C segments over the next five years, driving overall volume growth and margins.

Merger and Acquisition

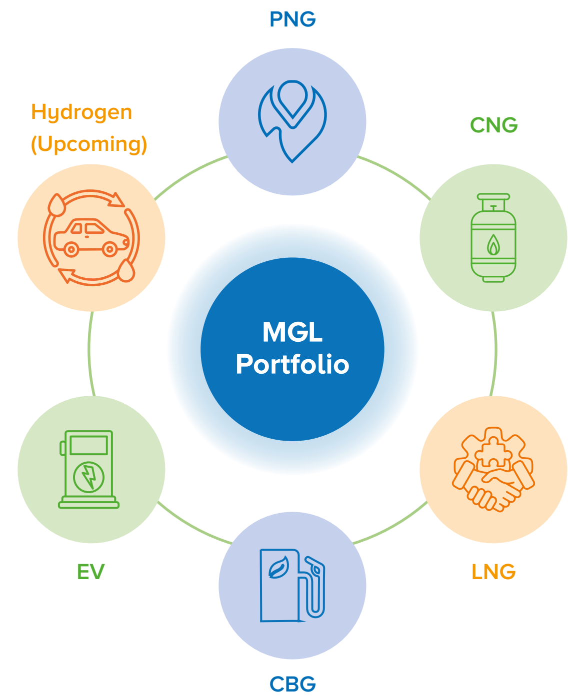
With the intent to strengthen the core business and increase footprint beyond the operational areas, the Company completed acquisition of Unison Enviro Private Limited (UEPL) on 1st February 2024. This first MGL's historical strategic acquisition, represents a significant step for the Company's growth push into city gas distribution and fortifies the Company's commitment to its long-term growth strategy and enabled MGL to increase its foot prints in new Geographical area of Ratnagiri, Latur and Osmanabad in Maharashtra and Davangere and Chitradurga in Karnataka.

UEPL's substantial investments in gas distribution infrastructure, totalling ₹ 329 Cr. since its inception, positions it well for future growth. The planned expansion, including the addition of 175 Kms of steel pipeline and 1200 Kms of PE pipeline over the next five years, demonstrates a forward-looking approach to meeting increasing demand for clean energy solutions.

During FY 2023-24, UEPL achieved notable milestones, including the laying of 46 Kms of (Steel and PE) pipeline, provision of D-PNG connectivity to 10,205 users, and the construction of 7 CNG stations. These accomplishments, alongside sales of 0.13 MMSCMD through 56 CNG stations and the establishment of 57 I&C customers, showcase the company's operational effectiveness and market penetration.

With a focus on fortifying its core business and expanding access to eco-friendly fuel solutions within its GA, UEPL plans to invest more than ₹ 250 Cr. in capital expenditure in the coming year. Presently, UEPL has network comprising over 18 Kms of steel pipeline and approximately 250 Kms of polyethylene pipeline, providing a solid foundation for future growth and service expansion.

Overall, the acquisition of UEPL represents a strategic move that aligns with the Company's goals of expansion and sustainability in the energy sector.



New Business

LNG

The establishment of a Joint Venture Company with Baidyanath LNG Private Limited (BLNG), named "Mahanagar LNG Private Limited (MLPL)," on December 26, 2023, underscores the Company's commitment towards enhancing the LNG ecosystem. MGL holds 51% shareholding in the JVC which aims to facilitate the transition of long-haul transport and mining sector vehicles to greener fuel.

MLPL plans to add 6 stations by FY 2025. To develop the LNG market, MGL worked with M/s. Ashok Leyland Limited for more that a year. In October 2023, M/s Ashok Leyland Limited launched a 1st made in India LNG fuelled trucks and it is noteworthy to mention that the first twelve trucks are being used by MGL for CNG transportation through cascade. MGL has also tied-up with transporters to ply LNG fuelled vehicles resulting in LNG sales from Savroli increasing from less than 700 Kg/Day in August 2023 to almost 4,000 Kg/Day by end of FY 2023-24.

EV

MGL entered the EV space by signing a Share Subscription Agreement (SSA) with 3ev Industries Private Limited ("3ev") on February 12, 2024, for an equity infusion of ₹ 96 Cr. for acquiring upto ~31% shareholding in 3ev and has completed acquisition of 19% shareholding as on 31st March 2024.

3ev is an Electric 3W Vehicle OEM established in 2019 in Bengaluru, Karnataka. The Company manufactures L5 category three-wheel cargo, passenger and ICE-to-EV converted electric vehicles. 3ev's premium EVs are used to serve the transportation needs of leading e-commerce, retail and last mile logistics companies. The Company aims to utilise the investment to ramp up production capacity to meet increasing customer demand, support R&D projects focused on electronics efficiency and further develop aftermarket services including Battery-as-a-Service (BaaS). These 3W EV's are expected to replace mostly Diesel and Petrol fuelled small commercial vehicles.

CBG

Aligned with the National Policy on Biofuels, the company has inked MOU with the Brihanmumbai Municipal Corporation (BMC) for establishing **one of the largest CBG plant**, capable of processing around 1,000 TPD of municipal solid waste into compressed biogas in two phases, facilitating pollution reduction within the city, consequently improving the overall health and hygiene, promoting circular economy and aligning with the government's mandate of blending CBG into City Gas Distribution (CGD) network.

Hydrogen

To align with the government's vision of making India a global hub for green hydrogen production, MGL is also exploring alternatives to develop practical applications for hydrogen. Hydrogen, considered to be the fuel of the future, is being evaluated closely. MGL is exploring collaboration on the production and utilisation of Green Hydrogen and associated products for various applications. A pilot-scale plant may be established to develop insights and experience in blending and distributing hydrogen to the mobility, domestic, industrial and commercial segments.

MoU with M/s Mitsui O.S.K Lines Ltd. for Hydrogen pilot.

MGL is continuously evaluating opportunities in the energy value chain to actively participate in the India's energy transition mission. Leveraging its strengths in customer service, operational efficiency and strategic foresight, MGL aims to navigate the evolving energy landscape and emerge as a leader in the clean energy space. MGL's strategic initiatives, commitment to innovation and focus on sustainability, positions the Company as a trailblazer in the energy sector. Through relentless pursuit of excellence, MGL continues to drive positive change in shaping the future of energy in India.

Financial Overview

Revenue from operations

During the FY 2023-24 the revenue from operations stood at ₹ 6,862 crore.

EBITDA and EBITDA margins

During the FY 2023-24, the operating EBIDTA increased by 56% to ₹ 1,843 crore in comparison to ₹ 1,184 crore in FY 2022-23. The EBIDTA margin for FY 2023-24 is 30% as compared to 19% in the FY 2022-23.

PAT and PAT margin

Your Company registered an increase in PAT by ₹ 499 crore to ₹ 1,289 crore in FY 2023-24 from ₹ 790 crore during FY 2022-23. The PAT Margin for the FY 2023-24 is 20.64% as compared to 12.54% in FY 2022-23.

PBT

Your Company registered an increase in profit before tax by 64.11% to ₹ 1,733 crore in FY 2023-24 from ₹ 1,056 crore in FY 2022-23.

EPS

Your company recorded earnings per share of ₹ 130.50 per share in FY 2023-24 as compared to ₹ 79.98 per share in FY 2022-23.

Details of significant changes in the key financial ratios, along with detailed explanation thereof

Sr. No	Ratios	March 2024	March 2023
1	Debtors Turnover Ratio (No. of times) (Net Credit Sales of natural gas /Average Accounts Receivables)	17.94	21.33
2	Inventory Turnover Ratio (No. of times) (Cost of Gas Sold/Average Inventory of Gas)	2,536	3,968
3	Current Ratio (No. of times) (Current Assets/Current Liabilities)	1.11	1.29
4	Operating Profit Margin (Operating Income - EBIT/Revenue from Operations-Net)	29.51%	18.80%
5	Net Profit Margin (PAT/Revenue from Operations-Net)	20.64%	12.54%
6	Return on Networth (PAT/Networth)	27.79%	20.44%

a) Explanation for major change in Ratios as compared to the previous FY

i. The increase in Return on equity is mainly due to reduction in gas purchase price.

ii. Decrease in Inventory turnover ratio is due to reduction in gas purchase price.

iii. Increase in Net Profit Ratio in percentage terms is mainly due to reduction in gas purchase price.

iv. Due to the increase in interest rates, the overall return on investment has improved compared to the previous year.

b) Disclosure of Accounting Treatment

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

Company outlook

The fuel and energy sector is undergoing rapid transformations. Today, the customer can avail multiple fuel options, each with its own promises and limitations. Choosing a fuel for automobiles has thus become a daunting task. In such a scenario, the difficulty of developing strategies that keeps the Company ahead of the curve cannot be overstated.

MGL is committed to adapting to the evolving market landscape by continuously reassessing its strategy, processes and policies. The company is strategically leveraging its core expertise in CNG, DPNG and I&C segment while expanding into new energy sectors. MGL is poised to innovate and bolster sustainability in the evolving energy landscape. In order to sustain its growth trajectory, MGL has prioritised delivery of exceptional customer service across its segments. The Company continues to digitally transform its operations and enhance customer experiences.

The Company is conducting primary research to garner insights into the CNG customer segment, creating the desired marketing, loyalty and digital strategies. This initiative is targeted to enhance the perception of CNG usage among existing and potential customers, aligning with MGL's aspiration to position CNG as a premium fuel. Concurrently, efforts were made to improve the customer experience at CNG retail outlets, addressing issues like long queues through TAT reduction initiatives and enhancing amenities and streamlining payment processes. Moreover, strategic planning and optimisation of MGL's CNG network were pursued, involving benchmarking, demand analysis and increasing efficiency of setup processes. This initiative also sought to accelerate DPNG conversions, emphasising sustainability and customer engagement through coordinated efforts across multiple departments.

In the CNG business vertical, MGL introduced the first-of-its-kind consumer promotion, "CNG ka Mahotsava" to bolster adoption of CNG vehicles, wherein customers were incentivised on opting for a new CNG vehicle or getting their existing vehicle retrofitted. A customer purchasing CNG vehicle got a guaranteed benefit from MGL, ranging from ₹ 19,999 to ₹ 5 lakhs, depending on the category of vehicle purchased during the promotion period. This promotion also catapulted the working relationship between MGL and various OEMs. Additionally, the scheme also revived hitherto defunct Retrofitment industry in Mumbai market. It can be thus said that the sales of new Commercial vehicles grew by more than 200% over the last year's volumes. Similarly, retrofitment of heavy commercial vehicles also increased by nearly 170%. Additionally, to expand the market for CNG, MGL has started working with large corporates/fleet operators like M/s Godrej & Boyce, Allcargo Logistics Limited, Mahindra Logistics Limited etc. for faster adoption of CNG/LNG fuelled vehicle on the strength of sustainability or lower carbon footprint.

MoU signing with Gati Express and Supply Chain Private Limited

MGL is extremely focussed on commissioning at least three more City Gate Stations in Raigad district. MGL, thereby, has already concluded the land acquisition process for CGS at Vile Bhagad and Usarghar. For its CGS at Alibaug, MGL is in the final stage of concluding the land negotiations. The opening of the three CGS will have a two-pronged effect; it will increase gas availability for the CNG consumer in Raigad district and will also lower operating costs for MGL.

In order to gain deeper insights into the purchasing behaviour of nearly 10 lakh CNG-based vehicles in its market, MGL has implemented automation at its CNG retail outlets. In the 1st phase, 17 MGL-owned outlets have been equipped with the Nawgati (a BITS Pilani start up). The Company aims to introduce this initiative to more outlets in the coming year.

MGL is all set to digitise its retail outlet operations by introducing the Retail Outlet Application. In this application, the retail outlet operator will be able to assess different parameters, including sales, commercials, equipment performance statistics and supply updates, on his mobile. This is also expected to enhance customer service standards.

MGL commissioned its first-ever Mystery Customer Audit through an external agency to obtain an unbiased view of its customer service levels.

In the DPNG vertical, MGL offered free PNG worth ₹ 3,000 to customers in gasified buildings who had previously not adopted DPNG connection. This scheme was part of the 5 month-long "PNG ka Mahotsav" a joint initiative of MGL and PNGRB .

The Industrial and Commercial business volume grew ~11% over last year. MGL signed long-term agreements for 1,52,000 scmd with various new industries during this financial year.

MGL's is taking all possible measures to increase the number of domestic, commercial and industrial customers to MGL's PNG network. The Company has ensured streamlining processes as quite evident through the various steps taken in the last financial year.

MGL has expanded its footprint into the LNG business. Its first LNG station at Savroli achieved sales volume of nearly 4 tons/ day by the end of the financial year. MGL is in discussions with various transporters to convert part of their fleets from HSD/ Diesel to LNG. MGL, through its JV, Mahanagar LNG Private Limited is committed to opening at least 6 more LNG stations in Maharashtra.

A strategic HR initiative bolstered recruitment and succession planning, resulting in a 20% reduction in turnaround time (TAT) and the implementation of Strategic Management Group (SMG) succession plans. Employee engagement was enhanced through measures, such as Annual Townhalls, MGL Sargam singing competition, revamped travel policy, Idea Dropbox for business ideas and a knowledge management portal integrated into the MGL Intranet for easy access to policies and documents. These efforts aim to create a more engaged and aligned workforce.

Additionally, MGL embarked on a digital transformation journey, aiming to enhance customer centricity and improve operational efficiency. The Company recognises the pivotal role of digital tools in modernisation. Through workshops, expert sessions, benchmarking and analysis, digital use cases were identified and prioritised. This led to the creation of specialised apps for stakeholder engagement, enhancement of the MGL Connect 2.0 app and implementation of a Gas Demand Forecasting Model to predict gas consumption patterns. MGL is also well-positioned for a significant transformation in Digital Personal Data Protection Act (DPDP), engaging with a renowned organisation to consolidate its applications and ensuring readiness for regulatory compliance through strategic partnerships. MGL has signed a license agreement with one of the leading providers of customer relationship management software to digitise its sales and services process. This will streamline the companies IT landscape and provide enhanced quality of services to the end customer. Moreover, MGL is in the process of migrating its applications to a unified platform, further advancing its digital-first strategy to enhance customer experience and operational efficiency.

Technology

MGL utilises a tailored Geographical Information System (GIS) for its gas pipeline network. Both desktop and mobile users can easily access the system, receiving regular updates relating to network growth. Continuous mapping, improved accuracy and database upgrades ensures the efficiency of the system. Integration of the "ESRI ArcGIS Enterprise" software has streamlined operations and increased accessibility for regular GIS users. Additionally, MGL has also created a cloud-based Document Management System (DMS) for technical record submission and archiving.

MGL has set up an Integrated Command & Control Centre (ICCC) at Mahape, Navi Mumbai to enhance operational efficiency, quick response and resource mobilisation during emergencies. The centre ensures overall control and monitoring from one location. It is a digital platform integrated with all other operations software like SCADA, GIS, Vehicle Monitoring System, Forecourt Automation, CNG transport software and Automated meter reading. In the next phase, it will be integrated with SAP to incorporate maintenance planning and expenses. ICCC will facilitate management of operations effectively through combined view of entire operations at a single place with features like outage manager, identifying nearest emergency response team and many analytical features and dashboards for senior management.

Member, PNGRB's visit to MGL's Integrated Command and Control Centre, Navi Mumbai

Operationally, the Company has improved its SCADA system across 5 CGS, 329 CNG stations and 62 Cathodic Protection Transformer Rectifier Units. MGL has implemented a LoRA-based Automated Meter Reading (AMR) system for 7,000 domestic customers on a trial basis. The Company is exploring suitable technology to augment AMR implementation, enabling actual meter readings and billing for each customer. MGL aims to improve safety, security and enhance customer experience. Over a thousand business and industrial clients have been equipped with AMR technology, eliminating the need for manual meter reading. Additionally, another 500 I&C customers are scheduled to receive AMR facilities in the fiscal year 2024-25.

The Company has completed installation of 18 probes for monitoring health of the pipeline and aims to install four more probes in the FY 2024-25.

MGL aims to provide a seamless customer experience through various new initiatives and self-meter reading awareness campaigns. The Company continues to enhance the efficiency of household meter readings in the process. The initiation of using Android software for domestic meter reading has significantly improved accuracy and efficiency. The software is updated regularly to facilitate consumers to access meter reading through SMS.

An SMS system ensures that the residential consumers receive notification regarding meter reading date and details about the service technician. Customers can verify the details through the link sent on their registered mobile number.

Due to 59 Type-3/ Type-4 composite cascades for CNG transportation, MGL ensures more CNG is transported through each trip, reducing environmental impact consequently as well lowering the number of journeys and fuel usage. Additionally, more composite cylinder cascades are intended to be installed, particularly in remote locations.

The Company has set up Solar Plants at 6 MGL owned CNG stations, all 5 City Gate Stations (CGS) and MGL office at Mahape totalling to 187 kw power generation capacity. Furthermore, the Company plans to set up solar power facilities at Savroli, Ghansoli, Sion CGS etc. as a green initiative aimed at increasing its renewable power capacity, thereby reducing power intake from the grid. MGL has installed wind power turbine at CGS, Taloja and same will be replicated at few more feasible sites.

MGL has inducted India's First 12 LNG-fuelled made in India trucks in GA-3 (Raigad district) to transport CNG between mother and daughter booster stations. These trucks will be refuelled from MGL's own LNG dispensing facility at Savroli.

MGL has started SCADA based daily CNG sales reporting and preparation of joint tickets, enabling further billing to retail CNG station operators or OMCs.

MGL has installed metering systems in 30 District Regulating Stations and planned another 40 DRSs in FY2024-25. This will complete provision of meters in all above ground DRSs and will enable reconciliation of gas quantity up to DRS and identify possible areas of gas loss.

Digital Initiatives

1. **Improve PNG and CNG customer experience through revamped MGL Connect App**

   To enhance the CNG and PNG customer experience, some of the existing features of the MGL Connect app have been revamped. New features such as Personalised Loyalty (Like Cashback or Rewards), CNG Station Locator and Chatbot have been added.

2. **Workflow Automation & Management**

   Workflow Automation can greatly reduce the time for getting approvals in various processes. With this objective in mind, two new workflows have been implemented in MGL.

   One initiative focused on expediting the Letter of Intent for new CNG stations, aiming to reduce the time required for LOI Issuance.

   The second initiative was automating the approval process for any process change within the organisation.

3. **Integrated Comman & Control Centre for O&M (ICCC)**

   O&M Team is currently using three data sources-

   - SCADA for transaction data and key efficiency and operational parameters of assets such as steel pipelines and compressors.
   - GIS for geographical representation of pipeline network, location of assets like stations and valves, mapping of customer base to pipeline network.
   - IVMS for live monitoring of emergency vehicles and their locations.

   MGL has completed the mission to implement ICCC which integrates the SCADA, IVMS and GIS systems. This will provide a combined view to the operations team and senior management, reducing response time for various emergencies, dry outs at CNG stations and can also provide metrics for various KPIs.

4. **Gas Demand Forecasting Model**

   The objective of the model is to predict daily sales at City Gate Station (CGS) level. The input variables for the model include 5-year historical demand data, weather parameters (e.g. rain, temperature and cloud cover), holidays, weekday or weekend, price of CNG or PNG and alternate fuels and is being used for machine learning.

   The model is expected to aid the commercial team in anticipating gas demand changes and provide inputs for optimal gas procurement.

5. **Robotic Process Automation (RPA)**

   RPA is the use of software robots to automate repetitive tasks and processes, allowing employees to focus on higher-value work. RPA has the potential to transform the Company's operations and efficiency. It works by mimicking human interactions with digital systems. RPA can navigate through applications, manipulate data, trigger responses and communicate with other systems to execute defined tasks.

   Benefits of RPA:

   Enhanced Efficiency - Streamlines processes, reduces human errors and accelerates task completion, leading to improved productivity.

   Cost Savings - Significant cost reductions by minimising manual labour and monotonous or repetitive work.

Improved Accuracy- Consistent and precise execution of tasks, reducing the chances of errors in repetitive processes.

MGL has procured a market leading RPA tool to automate some of its processes like

- IT Network Outage Monitoring
- Finance and Accounting – Vendor Invoice Processing
- Customer Service – Duplicate Bill requests
- Customer Service – Automated Meter Reading upload
- Customer Service – Archival of Customer letters/communication

This set of processes will be followed by wider implementation of RPA at MGL.

6. Forecourt automation

MGL has collaborated with a startup to digitise its retail outlet forecourt operations. This includes monitoring the vehicle queues and providing waiting time to CNG customers, reading vehicle number plates and using the data to query Vahan database and determine the CNG cylinder inspection date, integration with SCADA to get the type of vehicles filling at the CNG station etc.

7. Implementation of ISO 27001

MGL continues to strengthen its security posture.

MGL has obtained ISO 27001 certification which is the international framework that defines the requirements of an Information Security Management System (ISMS). ISMS is a systematic approach consisting of Processes, Technology and People that helps to protect and manage the Company's information on the following three aspects.

- Confidentiality: Only authorised people have the right to access information.
- Integrity: Only the authorised personnel can change or modify the information.
- Availability: It ensures that only authorised users can access data whenever required.

Benefits of ISO 27001

- ISMS contains 114 Security controls which improve the existing IT processes to keep the organisation secure and resilient from cyber-attacks and data breach.
- ISMS implementation helps the organisation to continuously identify, monitor and mitigate security threats.

8. Internal Audit Portal

The Internal Audit Portal is a web-based platform that enables MGL to manage internal audit planning, execution and reporting in a centralised location. With this new system in place, MGL will be able to track audit progress, collaborate more effectively and enhance the quality of the audit work.

The portal also offers a user-friendly interface that allows executives to easily upload audit-related documents, including findings, recommendations and corrective actions. It can also schedule audit activities and track follow-up progress, all in one place.

9. Study and assessment for Digital Personal Data Protection Act

The Digital Personal Data Protection Act (DPDP) was enacted in August 2023 after receiving President's assent. The Act will come into effect after the rules are finalised and released. The DPDP Act provides the process of digital personal data in a manner that recognises both the right of individuals to protect their personal data and need to process such personal data for lawful purposes and for matters connected therewith or thereto.

Since the Company operates in both B2C and B2B segment, it requires to maintain personal data of its customers, such as name, mobile number, and address etc. MGL has engaged consultant for strengthening its existing data privacy infrastructure as envisaged in the DPDP Act.

Customer Relationship Management (CRM)

MGL has a well-defined robust mechanism dedicated to addressing customer concerns efficiently and promptly. The CRM department serves as the vital link between customers and MGL, employing a strong infrastructure and well-defined processes for effective issue resolution. Pioneering technological advancements, MGL established the first-ever live enterprise solution for its Customer Care Centre through SAP and introduced a WhatsApp solution to enhance the overall customer experience.

Setting a precedent in 2003, MGL became the first CGD company to establish an In-house Call Centre, evolving from five workstations to an impressive 108 workstations today. Expanding the Company's reach, MGL has introduced two new walk-in centres in this financial year, at Badlapur and Kharghar, bringing the total to 12 walk-in centres for better physical accessibility.

Ensuring a comprehensive approach, MGL's back-office operations diligently handles all written correspondences, acknowledging and responding within specified timelines. The Company has also extended CRM support to CNG, commercial and industrial customers in the current financial year.

MGL's CRM setup has become the industry standard, attracting visits from various reputable CGDs, to study and replicate the exemplary processes and systems.

Health, Safety and Environment (HSE)

MGL is committed to providing a safe and healthy working environment for its employees, while minimising any negative impact on local communities due to its operations. The Company has been able to maintain a zero-harm strategy, while focusing on health, safety, environment and quality. MGL has created injury prevention, transportation and fire safety programmes which aligns with the SHEQ and risk management system.

At MGL, Health, Safety and Environment commitment is a fundamental responsibility. All employees are responsible and accountable for safety, health, and environmental protection. They demonstrate strict adherence to the HSE policy and procedures to the highest level.

Obligations

The Company's key HSE priorities include a continual improvement of our health, safety and environment performance by reducing accidents, occupational injuries, work-related illnesses and improvements on the key environmental parameters such as energy conservation, monitoring emissions etc. thereby, remains committed to:

- Provide a safe & healthy workplace to prevent work-related injuries and ill-health
- Comply 100 % with MGL Life Saving Rules
- Monitor HSE and Quality performance
- Play a leading role in promoting best industry practices
- Manage HSE matters as any other critical business activity
- Promote a culture wherein major stakeholders share this commitment through mutual consultations and participation

Compliance and standard

MGL has HSE and Quality Management System which complies with the following standards and has been certified for the same by third party inspection agencies:

- ISO 45001:2018 for Occupational Health & Safety Management System
- ISO 14001:2015 for Environment Management System
- ISO 9001:2015 for Quality Management System
- PNGRB ERDMP Regulation 2010 (amendment 2020)
- Integrity Management System for City or Local Natural Gas Distribution Networks (PNGRB) Regulation 2013 (amendment 2020)
- ISO 27001 for Information Security Management System

The company adheres to all HSE, legal and statutory requirements and aspires to achieve recognised world-class performance.

Accomplishments and appreciation

MGL has been awarded with

- **APEX INDIA Platinum** Safety **AWARD** 2023 under Gas Sector.
- Greentech 2023 award under **"Construction Safety"** category.
- Certificate of Merit 2022 from National Safety Council India – Maharashtra Chapter for CGS, Mahape, Ambernath and CGS Taloja.
- CII Western Region Safety, Health & Environment (SHE) Excellence & Innovation AWARD under Service Sector from Confederation of Indian Industry.

HSE highlights for the year

- A Major Mock Drill involving Fire Brigade, Disaster Management Cell, Directorate of Industrial Safety and Health, Mutual Aid Response Group (MARG) members and Police officials was conducted to demonstrate our Emergency Response and Disaster Management Plan (ERDMP). The efforts were well appreciated by the statutory authorities.
- MGL has coordinated and actively participated in MARG activities in all operational areas.
- Hosted first Knowledge sharing session "Gyanpravah Sahayatra" coordinated by Natural Gas Society of India for CGD Industry.
- During Fire Service Week, instituted "Agnisuraksha Padak" for employees and contractual manpower for demonstration of bravery during fire fighting.

- During World Environment Day, MGL undertook plantation drive on forest plots and organised Biodiversity Tour in Forest for employees with help from Forest Department, Government of Maharashtra.
- Use of Online Application for capturing site compliances & observations thereby reducing paper usage.
- Collaboration with City Institute of Disaster Management, Mumbai Disaster Control Centre under Mumbai Municipal Corporation for training of employees engaged in emergency response.
- Collaboration with Training Ship Chanakya, Indian Maritime University for hands-on training of employees on Fire Fighting at its state of art facility at Navi Mumbai campus.

HSE Processes

In order to bring uniformity into the system, MGL has integrated Occupational Health and Safety Management System, Environment Management System and Quality Management System. A core team comprising of ISO Representative from each department has been formed for effective implementation of the system. Various trainings were imparted for effective implementation of SHEQ Management System. Furthermore, gap assessment was carried out and road map was prepared. The final documentation review was conducted by external third party and subsequently, re-certification audit was successfully completed with no major non-conformity.

HSE processes and practices such as Senior Management Tours by MGL Management, interaction and awareness sessions with frontline workers and utility coordination meets as per MGL Sahayogi Campaign, are followed to ensure compliance and to improve HSE performance.

HSE training

MGL takes every step to ensure that the safety competency of the manpower is maintained at optimum level by providing them relevant trainings on HSE by engaging competent agencies apart from inhouse training resources.

MGL has provided trainings for employees on Disaster Management, Defensive Driving, Fire Fighting, First Aid and CPR, ESG Awareness, LNG Terminal safety.

To ensure that training is provided by competent trainers and at best facilities, MGL partners with agencies such as the National Safety Council, City Institute of Disaster Management, Indian Maritime University and SGS India and Petronet LNG.

The Company also ensures that the contractual manpower engaged at ground level gets access to best infrastructure during training. Technical institutes such as Bharti Vidhyapeeth Institute of Technology, Don Bosco Centre for Learning and Ahmed Abdullah Garib Private ITI were engaged for providing Safety and Technical Competency Training.

Till date MGL has trained 120+ employees at TS Chanakya in Fire Fighting and Rescue Techniques, as well as over 400 employees and key personnel.

Outbound Training held on 6th & 7th November, 2023 at Rambhau Mhalgi Prabodhini, Uttan, Mumbai

Project monitoring

The web-based modules and applications such as Last Mile Connectivity, Working at Height, Plumber Tracking, CWIP Ageing Analysis, and Project Cost Monitoring are being diligently used to enhance the efficiency of existing project operations. An app was also developed and implemented to facilitate monitoring of safety during risky operations like working in a high rise building or while undertaking deep excavation etc..

Furthermore, an add-on feature was also developed in LMC app, which is used for obtaining feedback from newly onboarded domestic customers to further enhance customer experience.

Regular on-line and off-line interactions are done to ensure early detection and mitigation of the issues faced by the ground staff. On the other hand, collaborating with authorities ensure laying of infrastructure without damage to the new roads and bridges being constructed by these authorities.

Security

The need for a comprehensive revaluation of the security function to strengthen business expansion of the Company amidst difficult times was essential. The Company, therefore, focused on risk assessment, emphasising asset protection and increasing use of technology in security operations.

Security procedures and guidelines were constantly examined and updated to improve the systems and reduce any weaknesses. The Company ensured the security procedures were constantly tested and updated based on inputs from stakeholders. This enabled precise access control, improved security awareness training, effective incident management exercises, comprehensive risk and vulnerability assessments and threat appraisal workouts.

With the Company's expansion into unchartered domains, the need for proper security operations increased. The installation of command-and-control software enhanced the security control room's monitoring capabilities and on-site physical guarding. The ability of the Integrated Command and Control Centre (ICCC) to drive a single user interface streamlined operations and facilitated centralised command over them. With the incorporation of pattern analysis, AI and machine learning, swift operational decisions were made easily. The Incident Control Room allows multiple users access and provides the top management to watch, evaluate and react to any incident in a timely manner. The ability to record, store and analyse digital video images and recordings improved operating efficiency and removed false alerts. Camera with edge-based analytics were also installed for additional security.

The automation has overcome the challenges of human errors and inadequacies. The seamless integration of technology into legacy security system has improved overall efficacy of security operations.

Cybercrimes and fraudulent activities performed by scrupulous persons pose a tough challenge in the present day. MGL's clients are also vulnerable to cyber threats and hence MGL Team has been focused on reducing such incidents by proactive approach and conducting successful investigations. The security team was successful in recovering the money fleeced by these criminals, generating confidence and goodwill among the customers.

Human resources and industrial relations

At MGL, we consider our employees critical to our success. They are our key assets, and we are committed to provide an employee-centric climate, focusing on diversity and equity. We strive to create a professional atmosphere to nurture our employees to grow and achieve their career aspirations. We continue to create a work environment that supports innovation and inclusion with an ongoing focus on overall wellbeing of our employees. Our culture and reputation as a pioneer in CGD business, commitment to environment, ethical behaviour and usage of next-generation technology enables us to attract, develop and retain a highly talented workforce. We have onboarded 41 employees during FY 2023-24 and our total employee strength stands at 532 as on March 31, 2024 with Gender diversity ratio of 9:1.

Our endeavour is to engage employees and enable them to perform to their potential. Nurturing talent for the future is essential for our continued success. Our Talent Management processes focus on building talent pipeline of future leaders. This is done through transparent Performance Management system, learning interventions like Management Development Program (MDP) etc. Employees are provided with innovative platforms to learn and grow, by leveraging both digital and classroom modes of learning which is a key element of our people strategy. We have organized a wide range of learning initiatives for overall development of our employees across the Grades to enhance their skills for taking higher responsibilities. One of such initiative is 'Udaan' Programme which aims to identify high potential employees through assessment centres to develop future business leaders.

Our women workforce was trained in a special outbound program for discovering the power within. Senior Leadership team members participated in MDPs organized by various prestigious Management institutes like IIMs, etc.

POSH, Human Rights, Grievance Handling, Cybersecurity Awareness, Code of Conduct are such compliance related programs that have been conducted to make our workplace more aware and inclusive.

Special emphasis was given on strengthening our organizational culture through "voice of employees" by conducting Town Hall meeting. Leadership connects and communication throughout the year played a significant role in building a high-performance culture. Further employees were duly recognized and appreciated in various forums for their contributions to the organization. We also reached out to the family members of our employees by providing a platform to display their talent.

MGL believes that a competency based culture and the Assessment Development Centres helps in identifying top talent and fast track employee progression to build leadership and develop competencies. Learning and Leadership are inextricably linked. With this objective, a sustainable and measurable development journey is charted out for our identified Hi-potential employees, who have been consistent high performers.

Motivated employees add to the productivity and success of the organization, while also leading happier and fulfilling lives.

Policies like flexible working hours, death relief, health check-up, holiday home, long service award, reward & recognition are in place. These help in promoting a motivated, transparent and participative organization culture, while rewarding merit and sustained high performance.

We also aim to create a workplace where our employees feel supported at the hour of need. We have extended insurance coverage for our employees and their dependent family members. We have an in-house medical officer to address the health concerns of our employees and their extended family members. Tie-ups are in place with various health clinics as well as hospitals for preventive health check-up.

The Company continues to maintain harmonious relations with the Staff Union. All Labour related Statutory Compliances are continuously monitored and the compliances are adhered to.

We are proud to state that MGL is in the top quartile of employee engagement as part of Global survey undertaken by BCG, in Energy sector. Thus, all round efforts were made to drive employee motivation, experience and performance which in turn translated into excellent business results. Together, we make our company the special place it is - because we are MGL family. Each day, we make MGL greater than ever.

Risk management

Risk management is an integral part of MGL business operation as all aspects of its business are subject to market fluctuations and investor confidence play crucial roles. The Company emphasises on the commitment to ensure robust risk management practices to safeguard stakeholders' interests and facilitate sustainable growth.

The risk management function, under the Risk Management Committee's guidance, formulates policies, identifies risks, and monitors mitigation measures to achieve strategic objectives. Functional Heads are responsible for ongoing implementation.

Enterprise Risk Management (ERM) stands as the cornerstone of the Company's corporate strategy, ensuring that MGL effectively navigates uncertainties while capitalising on opportunities. MGL underscores its steadfast dedication to ERM, recognising its pivotal role in safeguarding shareholder value and driving sustainable growth.

The Company's ERM framework is comprehensive and adaptive, encompassing a diverse array of risks across financial, operational, strategic and regulatory landscapes. Through regular risk assessments and scenario analyses, MGL systematically identifies, evaluates and prioritises risks, enabling the Company to allocate resources effectively and proactively mitigate potential threats.

Risk management policy and plans are reviewed regularly to reflect changes in market conditions and the Company's activities. The major financial risks identified by the businesses are systematically addressed through mitigation actions on a continual basis.

MGL reaffirms its commitment to uphold stakeholder trust, long-term value creation and sustainable business practices. The Company is confident that its proactive approach to risk management will continue to fortify its resilience and drive success in the marketplace.

Internal control system

MGL has made significant efforts to establish and maintain robust internal control systems aligned with the complexities of its business operations. MGL has meticulously documented procedures, SOPs, and controls, which have been digitised and integrated into business processes. This comprehensive approach aims to mitigate risks in operations, reporting and compliance. Internal controls undergo regular testing for both their design adequacy and operating effectiveness by in-house internal audit team. This ensures that controls are not only well-designed but also functional in practice.

The Audit Committee approves a risk-based internal audit plan that focuses on key business processes and expenses. This targeted approach allows for efficient allocation of audit resources to areas of highest risk. Internal audit is conducted by a reputed external firm and significant audit observations and corrective actions are periodically presented to the Audit Committee. This external perspective adds credibility and depth to the audit processes. To maintain objectivity and independence, the Internal Auditor reports directly to the Chairman of the Audit Committee. This reporting structure helps ensure impartiality in audit activities.

The Audit Committee holds independent sessions with both the Statutory Auditor and Management to discuss the adequacy and effectiveness of Internal Financial Controls (IFC). This collaborative approach fosters transparency and accountability.

In the current year, MGL has developed and implemented an in-house module to manage the entire internal audit process. This system-driven approach enhances efficiency and creates an online repository for future reference. Similarly, the entire IFC process has been moved to an online module, streamlining scheduling, document management, and control testing. Management and Internal Auditors have conducted thorough due diligence and testing of the control environment. This rigorous process ensures that controls are effectively implemented and embedded in business processes. Despite the thorough assessment, no material weaknesses were observed in the control environment during the year under review. This indicates the effectiveness of our control systems in mitigating risks. Overall, MGL's commitment to establishing and maintaining effective internal controls and audit processes is robust. By embracing technology, engaging with stakeholders, and conducting rigorous testing, MGL assures enhanced integrity and reliability of business operations and financial reporting.

Cautionary statement

This document contains statements about expected future events, financial, and operating results of Mahanagar Gas Limited, which may be forward-looking. By their nature, forward looking statements requires 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.

Directors' Report

To,
The Members

Your Company's Directors have pleasure in presenting the Twenty-Ninth Annual Report along with the Audited Standalone and Consolidated Financial Statements of the Company for the Financial Year ended March 31, 2024 and the Auditors' Report.

FINANCIAL RESULTS

During FY 2023-24, the turnover on a standalone basis was ₹ 6,862 Cr. vis a-vis ₹ 6,921 Cr. in FY 2022-23. The Profit after Tax (PAT) was ₹ 1,289 Cr. for FY 2023-24 as compared to ₹ 790 Cr. in FY 2022-23. The Company's financial results for the financial year ended March 31, 2024 are depicted below:

(₹ in Cr.)

Sr. No.	Particulars	Standalone		Consolidated
		As on March 31, 2024	As on March 31, 2023	As on March 31, 2024
a.	Revenue from operations	6,862	6,921	6,914
b.	Other Income	175	112	175
c.	Profit before Depreciation and Finance cost	2,019	1,296	2,019
d.	Depreciation and Amortization Expenses	274	231	284
e.	Finance cost	12	9	13
f.	Profit before Tax (PBT) [c-d-e]	1,733	1,056	1,722
g.	Income Tax	444	266	445
h.	Profit after Tax (PAT) [f-g]	1,289	790	1,276
i.	Other Comprehensive Income	(4)	(1)	(4)
j.	Total Comprehensive Income [h+i]	1,285	789	1,273
k.	Balance of Profit for earlier years	4,036	3,499	4,035
l.	Balance Available for appropriation (j+k)	5,321	4,288	5,308
	Appropriations:			
m.	Dividend Paid			
	Final – FY 2021-22	-	153	-
	Interim – FY 2022-23	-	99	-
	Final – FY 2022-23	158	-	158
	Interim – FY 2023-24	119	-	119
n.	Total Appropriations (m+n)	277	252	277
o.	Balance of profit carried in Balance Sheet [l-o]	5,044	4,036	5,031
	Earning Per Share (Face value of ₹ 10.00 each) – Basic and Diluted (₹)	130.50	79.98	129.21

TRANSFER TO RESERVES

During the year under review, no amount was transferred to any of the reserves by the Company. The closing balance of the Retained Earnings of the Company after appropriation for the financial year 2023-24 was ₹ 5,044 Cr.

CHANGES IN SHARE CAPITAL

During the year under review, there was no change in share capital structure of the Company.

DIVIDEND

Your Company is consistently distributing dividends to the Shareholders. The Board of Directors at their meeting held on January 23, 2024, declared Interim Dividend for the financial year 2023-24 of ₹ 12/- 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. February 5, 2024.

Further, your Directors recommended the Final Dividend of ₹ 18/- per share in its Board Meeting held on May 09, 2024, subject to approval of shareholders at the 29th Annual General Meeting.

The Company's Dividend Distribution Policy is available on the Company's website at https://www.mahanagargas.com/MGL-corporate/investors/dividend/dividend-policy

STATE OF COMPANY'S AFFAIRS

The Financial Year 2023-24 was one of the phenomenal year in terms of strategic investment as your Company has grown inorganically and has spread its wings by entering into new GAs and business of LNG through acquisition and joint venture. Your Company has achieved new heights in its business growth. Your Company has successfully acquired 100% equity share capital of Unison Enviro Private Limited (UEPL). UEPL has been authorized by PNGRB to implement the City Gas Distribution (CGD) network in the Geographical Areas (GAs) of Ratnagiri, Latur & Osmanabad in the state of Maharashtra and Chitradurga & Davanagere in the State of Karnataka. Further, your Company has also incorporated a Joint Venture Company with Baidyanath LNG Private Limited, i.e. Mahanagar LNG Private Limited to carry out business of Liquefied Natural Gas (LNG) in India. Further, your Company has established its footprint in EV sector by entering into a Share Subscription Agreement (SSA) with 3EV Industries Private Limited (3ev), a three-wheeler (3W) electric vehicle (EV) manufacturer, for acquiring ~31% shareholding in 3ev and completed acquisition of 19% shareholding as on March 31, 2024. These 3W EV's are expected to replace mostly diesel and petrol fuelled small commercial vehicles. The detailed information on the business overview and outlook of the Company is discussed in the Management Discussion & Analysis section forming part of the Annual Report.

SUBSIDIARY, JOINT VENTURE AND ASSOCIATE COMPANIES

A list of bodies corporate which are subsidiaries/ associates/ joint ventures of your Company is provided as part of the notes to Consolidated Financial Statements. During the year under review, following subsidiary and joint venture have been formed/ acquired:

- Unison Environ Private Limited (Wholly Owned Subsidiary)
- Mahanagar LNG Private Limited (Subsidiary Company - Joint Venture)

As on March 31, 2024, your Company has two subsidiaries. Pursuant to the provisions of Section 129, 134 and 136 of the Companies Act, 2013 read with rules made thereunder and Regulation 33 of the SEBI Listing Regulations, your Company has prepared Consolidated Financial Statements and a separate statement containing the salient features of financial statement of subsidiaries in Form AOC-1 have been attached as **Annexure 1** to this Report, which forms part of this Annual Report.

The financial statements of the subsidiary / joint venture companies shall also be kept for inspection by any shareholder during working hours of the Company's registered office and that of the respective subsidiary/ joint venture companies concerned. In accordance with Section 136 of the Companies Act, 2013, the Audited Financial Statements, including Consolidated Financial Statements and related information of your Company and audited accounts of each of its subsidiary/ joint venture, are available on website of the Company at https://www.mahanagargas.com

Your Company has formulated a policy for determining Material Subsidiaries. The policy is available on your Company's website at https://www.mahanagargas.com/MGL-corporate/investors/policies

DEPOSITS

During the Financial Year 2023-24, your Company has not accepted any deposit.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to Sections 134(3)(c) and 134(5) of the Companies Act, 2013, your Directors hereby confirm that for the financial year ended March 31, 2024:

a) In the preparation of the annual accounts, the applicable accounting standards have been followed and there are no material departures;

b) They have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent, so as to give a true and fair view of the state of affairs of your Company as at the end of the financial year and of the profits of your Company for that period;

c) They have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of your Company and for preventing and detecting fraud and other irregularities;

d) They have prepared the annual accounts on a 'going concern' basis;

e) They have laid down internal financial controls to be followed by the Company which are adequate and are operating effectively;

f) They have devised proper systems to ensure compliance with the provisions of all applicable laws and such systems are adequate and are operating effectively.

RISK MANAGEMENT

MGL recognizes the importance of proactively identifying and managing risks to ensure the Company's long-term profitability and sustainability. The Risk Management Committee is mandated to monitor the effectiveness of the risk management process and systems in MGL.

Ethical leadership and human capital are the cornerstones of MGL's Risk Management philosophy as these ensure entrepreneurial flair, sound corporate reputation and effective governance.

As part of Enterprise Risk Management policy, we have conducted a thorough risk assessment to identify potential risks and their potential impact on our business. The risks identified fall into several categories, including but not limited to Strategic risks, Operational risks, Financial risks and Compliance risks.

Our Board Committee recognized the risk associated with data protection posture and expanding cyber security threats, which are currently the top concerns for organizations. MGL has started taking numerous measures to improve the data protection and security posture in accordance with the Digital Personal Data Protection Act, 2023.

INTERNAL FINANCIAL CONTROLS AND ITS ADEQUACY

Your Company places a strong emphasis on maintaining effective Internal Financial Controls over financial reporting to ensure the accuracy and integrity of its financial statements. Your Company has designed and implemented a comprehensive Internal Financial Control system over financial reporting. This system ensures that all transactions are authorized, recorded, and reported accurately in a timely manner. The Internal Financial Control system provides reasonable assurance over the integrity and reliability of the Company's financial statements. This assurance is crucial for stakeholders in evaluating the company's financial performance and position.

A robust mechanism is in place for periodic review of Risk Assessment and Control Matrix and testing of controls for both design and operating effectiveness. This testing is conducted twice a year to ensure that controls are not only appropriately designed but also functioning effectively in practice. The results of these tests are reported to the Audit Committee. This ensures transparency and accountability in the evaluation of the company's internal controls and provides oversight by a key governance body.

VIGIL MECHANISM AND WHISTLE BLOWER POLICY

Your Company prioritizes the establishment of a robust vigil mechanism to ensure adherence to the MGL's Code of Conduct and related policies. Your Company has a Whistle Blower Policy for its directors, employees, and other stakeholders. This policy allows individuals to report unethical practices and irregularities without fear of reprisal. The Whistle Blower Policy is periodically reviewed and revised to align with regulatory requirements and changing workplace needs. This ensures that the Policy remains effective and relevant over time. No person is denied access to the Chairman of the Audit Committee, ensuring that individuals have a direct channel to report concerns or grievances.

The Vigil Mechanism fosters a culture of trust and transparency among all stakeholders, encouraging open communication and accountability. The Whistle Blower Policy provides adequate protection to those who report unethical practices and irregularities. This protection is crucial in encouraging individuals to come forward with concerns without fear of retaliation. All reported incidents are investigated, and suitable action is taken in line with the Whistle Blower Policy. This ensures that reported concerns are addressed effectively and responsibly. The Whistle Blower Policy has been appropriately communicated within the Company and is available on the Company's website at https://www.mahanagargas.com/MGL-corporate/investors/policies.

This ensures that all stakeholders are aware of the policy and know how to access it for reference or reporting purposes.

CORPORATE SOCIAL RESPONSIBILITY

The Company has constituted the Corporate Social Responsibility (CSR) Committee in accordance with Section 135 of the Companies Act, 2013 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/MGL-corporate/investors/policies

The Annual Report on CSR activities as required under Companies (Corporate Social Responsibility Policy) Rules, 2014 is enclosed herewith as **Annexure 2** to this report.

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

In the commitment to fostering a workplace environment built on respect, inclusivity and safety, your Company prioritizes the eradication of all forms of harassment, including sexual harassment. Your Company firmly believes that every employee deserves to work in an environment free from any form of intimidation, coercion, or discrimination. As such, your Company has in place a Policy on Prevention of Sexual Harassment of Women at Workplace which is in line with the requirements of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (POSH Act). Your Company has implemented robust policies and procedures aimed at preventing and addressing instances of sexual harassment. These policies are regularly communicated to all employees and are strictly enforced. Your Company conducts comprehensive training programs to ensure that all staff members understand what constitutes sexual harassment and their rights and responsibilities in reporting any such incidents.

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. Furthermore, your Company maintains confidentiality and offers multiple avenues for reporting complaints, ensuring that every individual feels empowered to come forward without fear of retaliation. By upholding these standards, your Company is dedicated in cultivating a workplace culture where all individuals are valued, respected and supported.

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

During the FY 2023-24, there was no order or direction of any court or tribunal or regulatory authority either affecting Company's status as a going concern or which significantly affected Company's business operations. However, the Petroleum and Natural Gas Regulatory Board (PNGRB) has issued public notice (PNGRB/Auth/1-CGD(08)/2023) dated March 4, 2024, informing that the infrastructure exclusivity of CGD Network related to MGL GA's namely Mumbai and Greater Mumbai has come to an end against which MGL has filed an application before the Delhi High Court in the pending Exclusivity Writ seeking a stay on the operation, implementation and execution of the Public Notice issued by the PNGRB. Further, MGL has also sought for extension of Infrastructure Exclusivity for the said GAs.

The process of ending the exclusivity as per the PNGRB Act requires PNGRB to lay down the principles for fixing the exclusivity period of CGD entities and their expiry, by passing specific orders fixing such periods. PNGRB has not yet initiated any of these actions and its efforts of bypassing this statutory process has been challenged. Further, even post-expiry of exclusivity period, there is a separate process to declare an entity as a common carrier. There is pending litigation on all these aspects, and in view of orders of the Hon'ble Delhi High Court passed till date, the Company is of the view that presently there is no risk that MGL's exclusivity period has ended and MGL's CGD network being declared as a common carrier till the matter gets finally disposed of by Hon'ble Delhi High Court.

MATERIAL CHANGES AFFECTING THE COMPANY

There have been no material changes and commitments affecting the financial position of the Company between the end of the Financial Year and date of this report. There has been no change in the nature of the business of the Company.

INSOLVENCY AND BANKRUPTCY CODE, 2016

No application has been made under the Insolvency and Bankruptcy Code; hence the requirement to disclose the details of the application made or any proceeding pending under the Insolvency and Bankruptcy Code, 2016 (31 of 2016) during the year along with their status as at the end of the financial year is not applicable.

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:

Name of the Director	Date of Appointment/ Cessation	Details of Appointment or Cessation
Mr. Mahesh V. Iyer (DIN: 08198178)	October 31, 2023	Ceased to be Director of the Company on account of withdrawal of nomination by GAIL (India) Limited.
Mr. Sandeep Kumar Gupta (DIN: 07570165)	October 31, 2023	Appointed as Non-Executive Non-Independent Director, designated as Chairman of the Company, until further orders from GAIL (India) Limited ("GAIL").

The Board places on record its appreciation for the valuable services rendered by Mr. Mahesh V. Iyer during his tenure as Chairman of the Company. The Company has immensely benefitted from the contribution, guidance and leadership of Mr. Iyer as the Chairman of the Company.

All Independent Directors of the Company have submitted the Declaration of Independence to the Company and pursuant to the provisions of Section 149 of the Companies Act, 2013 and Regulation 25 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations").

The appointment of the Director mentioned above was recommended by the Nomination and Remuneration Committee of the Board and was approved by the shareholders through Postal Ballot.

B. Key Managerial Personnel other than Directors:

During the year under review, there was no change in the Key Managerial Personnel of the Company.

Pursuant to Section 203 of the Companies Act, 2013, Mr. Ashu Shinghal, Managing Director, Mr. Sanjay Shende, Deputy Managing Director, Mr. Rajesh D. Patel, Chief Financial Officer and Mr. Atul Prabhu, Company Secretary and Compliance Officer are the Key Managerial Personnel of the Company as on March 31, 2024.

COMMITTEES OF BOARD

The details of various committees constituted by the Board, including the committees mandated pursuant to the applicable provisions of the Act and Listing Regulations, are given in the Corporate Governance Report, which forms part of this Annual Report.

NUMBER OF MEETINGS OF THE BOARD

During the year under review, the Board met 11 (Eleven) times. The details of board meetings and the Company attendance of the Directors are provided in the Corporate Governance Report, which forms part of this Annual Report.

INDEPENDENT DIRECTORS' MEETING

The Independent Directors met on March 07, 2024, without the attendance of Non-Independent Directors and members of the management. The Independent Directors reviewed the performance of Non-Independent Directors, the Committees and the Board as a whole along with the performance of the Chairman of your Company, taking into account the views of Non-Executive Directors and assessed the quality, quantity and timeliness of flow of information between the management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

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

The Board adopted a formal mechanism for evaluating its performance as well as that of its Committees and Individual Directors, including the Chairman of the Board. The exercise was carried out through a structured evaluation process covering various aspects of the Boards' functioning such as composition of the Board and Committees, experience and competencies etc.

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, Senior Management and other employees of the Company, acts 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/MGL-corporate/investors/policies

STATUTORY AUDITORS

M/s. Deloitte Haskins & Sells LLP, Chartered Accountants (Firm Reg. No. 117366W/W-00018) was appointed as Statutory Auditors of the Company to hold office for a period of 5 years from the conclusion of the 27th Annual General Meeting held on August 24, 2022 till the conclusion of the 32nd Annual General Meeting of the Company.

M/s. Deloitte Haskins & Sells LLP, Chartered Accountants (Firm Reg. No. 117366W/W-00018) has carried out the Statutory Audit of your Company for the financial year 2023-24. Further, the Auditors' Report "with an unmodified opinion", given by the Statutory Auditors on the Standalone and Consolidated Financial Statements of the Company for FY 2023-24, 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 2023-24 of M/s. Deloitte Haskins & Sells LLP are self-explanatory and do not call for any further comments.

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 Companies Act, 2013, during the financial year under review.

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 has appointed M/s. Mayekar & Associates, Company Secretaries to conduct the Secretarial Audit of the Company for the Financial Year 2023-24. The Secretarial Audit Report for the Financial Year 2023-24, issued by M/s. Mayekar & Associates in Form MR-3 is enclosed herewith as **Annexure 3** to this report.

The Secretarial Audit Report is self-explanatory in nature and does not contain any qualification, reservation, adverse remark or disclaimer except delay in submission of disclosure on Related Party Transactions for the half year ended September 2023 by one day. The Company has complied with the provisions of the applicable laws.

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. The Board of Directors has on the recommendation of the Audit Committee appointed M/s. ABK & Associates, Cost Auditors to audit the Cost Accounts of the Company for the Financial Year 2023-24 on remuneration of ₹ 2,50,000/- (Rupees Two Lakh Fifty Thousand Only) plus out of pocket expenses to be reimbursed up to 5% of basic fee and applicable taxes.

Your Company is maintaining cost records as specified by the Central Government under Section 148 of the Companies Act, 2013.

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 of loan given, investment made, guarantee given and security provided are given in the Standalone Financial Statement of the Company. (Please refer Note 5, 9 and 31.3 to the Standalone Financial Statement).

RELATED PARTY TRANSACTIONS

During the year under review, all Related Party Transactions were entered at arm's length and in ordinary course of business of the Company. The Audit Committee accords prior approval for all the Related Party Transactions. Prior approval of shareholders is obtained for all Material Related Party Transactions to be entered into by the Company. The details of Related Party Transactions entered into by the Company during the year under review are mentioned in the notes to the Financial Statements. Further, all Material Related Party Transactions arising from contracts/ arrangements with the 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 have been attached as **Annexure 4** to this Report. Your Company has adopted a Board approved Related Party Transactions Policy and is uploaded on the Company's website at the web link https://www.mahanagargas.com/MGL-corporate/investors/policies

DISCLOSURE REGARDING REMUNERATION TO DIRECTORS AND EMPLOYEES

The statement of Disclosure of Remuneration under Section 197 of the Companies Act, 2013 and Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 ('Rules'), is appended as **Annexure 5** to the Report. The information as per Rule 5 of the Rules, forms part of this Report. However, as per second proviso to Section 136(1) of the Companies Act, 2013 and second proviso of Rule 5 of the Rules, the Report and Financial Statements are being sent to the Members of the Company excluding the statement of particulars of employees under Rule 5(2) of the Rules. Any member interested in obtaining a copy of the said statement may write to the Company Secretary at the Registered Office of the Company.

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 Companies Act, 2013 read with the Companies (Accounts) Rules, 2014, is enclosed as **Annexure 6** to this Report.

MANAGEMENT DISCUSSION AND ANALYSIS

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

BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT

The Business Responsibility and Sustainability Report for the year ended March 31, 2024, as stipulated under Regulation 34 of the Listing Regulations, is annexed which forms part of this Annual Report.

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. Akansha Rathi & Associates, Practicing Company Secretary vide certificate dated July 25, 2024 has confirmed that the Company is compliant with the conditions stipulated in the Chapter IV of the Listing Regulations.

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

The Board confirms that Independent Directors appointed by the Company possess integrity, expertise and experience.

ANNUAL RETURN

Pursuant to the provisions of Sections 92(3) and 134(3) of the Companies Act, 2013 read with Rules made thereunder, the copy of Annual Return is available on the website of the Company i.e. https://www.mahanagargas.com

OTHER DISCLOSURES

In terms of the applicable provisions of the Companies Act, 2013 and Listing Regulations, your Company additionally discloses that during the year under review:

- Your Company has not issued any shares with differential voting rights or Sweat Equity Shares;
- There is no plan to revise the Financial Statements or Directors' Report in respect of any previous financial year;
- Your Company does not engage in commodity hedging activities.

ACKNOWLEDGEMENT

We take this opportunity to place on record our appreciation to the Ministry of Petroleum & Natural Gas (MOPNG), Government of India (GOI), Petroleum & Natural Gas Regulatory Board (PNGRB), Government of Maharashtra (GOM), Maharashtra State Road Development Corporation Limited (MSRDC), Municipal Corporations of Greater Mumbai (MCGM), Navi Mumbai, Thane, Mira-Bhayander, Kalyan-Dombivali, Raigad, Panvel, 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, media and stock exchanges for their continuous co-operation and support.

We are grateful for the guidance and support received from Statutory Auditors, Internal Auditors, Cost Auditors and Secretarial Auditors of the Company.

We acknowledge the patronage of GAIL (India) Limited 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 : Mumbai Date : July 04, 2024	**Ashu Shinghal** **Managing Director** (DIN: 08268176)	**Sanjay Shende** **Deputy Managing Director** (DIN: 09172642)

Annexure 1

Form AOC-1

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

Statement containing salient features of the financial statement of subsidiaries or associate companies or joint ventures.

Part A – Subsidiaries

(₹ In Cr.)

Sr. No.	Particulars	Name of the Subsidiary	
		Unison Enviro Private Limited	Mahanagar LNG Private Limited
1.	The date since when subsidiary was acquired	February 01, 2024	December 26, 2023
2.	Reporting period for the subsidiary concerned, if different from the holding company's reporting period.	Reporting period is as per Holding Company	Reporting period is as per Holding Company
3.	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries.	INR	INR
4.	Share capital	135.43	10.00
5.	Reserves and surplus	(58.99)	(0.01)
6.	Total assets	315.92	10.17
7.	Total Liabilities	239.48	0.18
8.	Investments	NIL	NIL
9.	Turnover	52.40 *	(0.0028)
10.	Profit/(Loss) before taxation	(3.66) *	(0.0084)
11.	Provision for taxation	3.43 *	(0.0006)
12.	Profit /(Loss) after taxation	(7.09) *	(0.0077)
13.	Proposed Dividend	NIL	NIL
14.	Extent of shareholding (in percentage)	100%	51%

* For the period from 01-02-2024 to 31-03-2024

Notes: The following information shall be furnished at the end of the statement:

1. Names of subsidiaries which are yet to commence operations- NA.
2. Names of subsidiaries which have been liquidated or sold during the year- NA.

Part B – Associates and Joint Ventures

Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures

Not Applicable

For and on behalf of the Board of Directors

Place : Mumbai Date : July 04, 2024	**Ashu Shinghal** **Managing Director** (DIN: 08268176)	**Sanjay Shende** **Deputy Managing Director** (DIN: 09172642)

Annexure 2

Annual Report on Corporate Social Responsibility Activities

1. Brief outline on CSR Policy of the Company.

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 implementation, monitoring and evaluation of CSR projects was in compliance as per the guidelines in the Companies (Corporate Social Responsibility Policy) Rules 2014. Further, fund disbursed for CSR activities have been utilized for the purpose and in manner as approved by the Board.

2. Composition of CSR Committee:

Sr. No.	Name of Director	Designation/ Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1.	Mrs. Malvika Sinha	Independent Director	6	6
2.	Mr. Syed S. Hussain	Independent Director	6	6
3.	Mr. Ashu Shinghal	Executive Director	6	6
4.	Mr. Sanjay Shende	Executive Director	6	5

3. Provide the web link where the Composition of the CSR committee, CSR Policy, and CSR projects approved by the Board are disclosed on the website of the company: https://www.mahanagargas.com/MGL-corporate/csr/csr-policy

4. Provide the executive summary along with web link(s) of the Impact Assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable: 12 Impact Assessment CSR Projects.

The Company has carried out Impact Assessments through Independent third parties. The summary of the reports is attached and available at https://www.mahanagargas.com/MGL-corporate/csr/csr-project

5. Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, and the amount required for set off for the financial year, if any,

(a) Average net profit of the company as per Section 135(5) : ₹ **877.54 Cr.**

(b) Two percent of the average net profit of the company as per Section 135(5) : ₹ **17.55 Cr.**

(c) Surplus arising out of the CSR projects or programs or activities of the previous financial years- **NA**

(d) Amount required to be set off for the financial year, if any : **NA**

(e) Total CSR obligation for the Financial Year [(b)+(c)-(d)] : ₹ **17.55 Cr.**

6. (a) Amount spent on CSR Projects (both Ongoing Projects and other than Ongoing Projects) : ₹ **13.62 Cr.**

(b) Amount spent on Administrative Overheads: ₹ **0.66 Cr.**

(c) Amount spent on Impact Assessment, if applicable – **NA**

(d) Total amount spent for the Financial Year : ₹ **14.28 Cr.**

(e) CSR amount spent or unspent for the financial year:

Total Amount spent for the Financial Year (₹ in Cr.)	Amount Unspent (in ₹): Total Amount transferred to Unspent CSR Account as per Section 135(6) (₹ in Cr.)		Amount transferred to any fund specified under Schedule VII as per second proviso to Section 135(5)		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
14.28	3.26	29th April 2024	NA	NA	NA

(f) Excess amount for set off, if any – **NA**

Sr. No.	Particular	Amount (₹ in Cr.)
(i)	Two percent of the average net profit of the company as per Section 135(5)	17.55
(ii)	Total amount spent (allotted) for the Financial Year	17.55
(iii)	Excess amount spent for the financial year [(ii)-(i)]	0
(iv)	Surplus arising out of the CSR projects, programs or activities of the previous financial years, if any	NA
(v)	The amount available for set off in succeeding financial years [(iii)-(iv)]	NA

7. Details of Unspent CSR amount for the preceding three financial years:

Sr. No.	Preceding Financial Year	Amount transferred to Unspent CSR Account under section 135(6) (₹ in Cr.)	Balance Amount in Unspent CSR Account under Section 135(6) (₹ in Cr.)	Amount spent in the reporting Financial Year (in ₹)	Amount transferred to any fund specified under Schedule VII as per section 135(5), if any			Amount remaining to be spent in succeeding financial years (₹ in Cr.)	Deficiency, if any
					Name of the Fund	Amount (₹ in Cr.)	Date of transfer		
1	2022-23	3.17	3.17	2.27	NA	NA	NA	0.89	NA
2	2021-22	8.61	2.90	1.53	NA	NA	NA	1.37	NA
3	2020-21	5.38	0	0.92	NA	NA	NA	NA	NA

8. In case of the creation or acquisition of a capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year (asset-wise information).

(a) Date of creation or acquisition of the capital asset(s)- **NA**

(b) Amount of CSR spent for creation or acquisition of capital asset- **NA**

(c) Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc. - **NA**

(d) Short Particulars of the property or asset(s) created or acquired (including complete address and location of the property) – **NA**

9. Specify the reason(s), if the company has failed to spend two percent of the average net profit as per section 135(5) - **NA**

Summary of independent Impact Assessment studies conducted Year 2023-24

MGL has completed impact assessment for CSR projects having budget costs of more than one crore. The projects lie under the verticals of MGL Aarogya, MGL Vidya, MGL Saksham, MGL Hunar, etc. Some of the significant findings of the assessments are all the project benefits reached to the end beneficiaries, need base approach is visible, tie up with local NGOs for smooth implementation of the program, and more focus is required on the active involvement of indirect stakeholders with the objective of long-term project sustainability, level of gratitude and respect towards the MGL intervention is quiet high. Following are the highlights of the projects:

1. Ideal Village Program: Pride India

Objective: Integrated village development program

Thematic Areas: Education, Health and Sanitation, Income generation and Community Development.

Intervention area: Raigad district (Aptavane, Adulse, Bharje, Vavloli, Zap and Chikhalgaon)

Benefits:

- The Anganwadi teacher received qualitative training, which has been reflected in their work. The attendance at the Anganwadi has shown growth as well.
- Private India has strengthened School Management Committee (SMC) and Parents Teachers Association (PTA), and these platforms have become vital for inclusive child development as well as school development.
- Villages have shown significant signs of cleanliness, and the Ideal Village Program has helped with behavioral change about sanitation.
- Greatly contributed to transforming the physical infrastructure of the school and Anganwadis.

2. Assistive Device Distribution Program: ALIMCO

Objective: To provide a dignified life to the differently abled.

Thematic Areas: To offer various assistive devices such as Tricycle, Motorized Tricycle, Wheelchairs, Caliper, Artificial Shoes, Stick, BTE Hearing Aids, Braille Kits, MSIED Kits, etc. to the identified differently abled persons.

Intervention area: Raigad District (Alibaug, Panvel, Shrivardhan and Mahad blocks

Benefits:

- Assistive devices have a profound impact on the lives of the beneficiaries, as 88% of the beneficiaries admitted that these devices have been helping them to lead quality lives.
- ALIMCO has provided good post-distribution support to the beneficiaries.

3. Home From Home Away: St. Jude India Child Care Centers

Objective: To support pediatric cancer patients

Thematic Areas: Accommodation & Food, Free Transportation Facilities, Recreational Services, Psycho-Social Counseling and Vocational Training.

Intervention area: Cotton Green Campus, Mumbai

Benefits:

- Delivered safe and clean accommodation, rations, and transportation facilities to the beneficiaries.
- Patients suffering from cancer have self-reported feeling a boost in their immunity.
- Psychological counseling has further helped to consolidate mental health and unearth stress and trauma caused by a series of incidents ranging from the diagnosis of the disease to lengthy treatment for the same.

4. MGL Saksham: SOS Children Village of India

Objective: To Render Family Care to the Children who need care and support

Thematic Areas: Health and Nutrition, Education

Intervention area: Alibaug

Benefits:

- All the students received three square meals every day.
- Students received shelter equipped with facilities in the village, including a living room, common rooms, dining room, toilet, bathroom, playground, reading room, playing instruments, sports instruments, and study materials.
- The majority of the students have scored 51% to 70% in their previous classes.

5. MGL Saksham: Balawadi and an Adult Education Skilling Centre

Objective: Early Childhood Education and Vocational Training Program

Thematic Areas: Balwadi Interventions, Tutorial Classes, Adult Education and Vocational Training.

Benefits:

Intervention area: Mumbra and Bhiwandi

- The project has succeeded in achieving its objectives pertaining to hygiene and behavior.
- Around 89% of the women have now started earning after the vocational training.
- Moreover, 80% of children could identify alphabets and numbers, 50% could read simple words, and 50% were able to describe themselves and their environment.

6. MGL Saksham: Deva Loka Educational Trust

Objective: To develop a skill and enable underprivileged youth.

Thematic Areas: Gas Plumbing Skills

Intervention area: Mumbai

Benefits:

- The program has significantly increased the weekly income of participants, helping them move from lower to higher income levels through the development of their skills.
- The trust has helped 60% of trainees get the jobs. Others have started their startup.

7. MGL Unnati: Center for Social Responsibility and Leadership

Objective: To provide educational support to underprivileged students to crack competitive exams.

Thematic Areas: Free residential academic monitoring

Intervention area: Mumbai

Benefits:

- The level of gratitude and respect towards the MGL Unnati intervention are remarkable and appreciable for enhancing inclusivity and equality of opportunity, as said by the parents and the students.
- The residential space was decent, food quality at the coaching center was good as per the regional test that maintained the hygiene and diet of students.
- The majority of the participants were admitted to various engineering colleges. Out of 30 students, 6 students got admitted to IITs, another 3 students to NITs, and the remaining 21 students got admitted to various other private and government engineering colleges.

8. MGL Arogya: Midday Meal Project

Objective: No Hunger

Thematic Areas: Midday Meal program, perceptions about the meals among children and staff members, MDM menu

Intervention area: Mumbai

Benefits:

- The majority of the schools had a committee set up for the smooth functioning of the MDM program at the school level, and around 3 to 7 staff members were involved in the duties related to the MDM program.
- Children are satisfied with the quantity of meals served to them.

9. MGL Disha: SHGs and Remedial Classes

Objective: To strengthen SHG and support remedial education classes

Thematic Areas: Health, Education, Women Empowerment, Financial Literacy

Intervention area: Mumbai

Benefits:

- SHGs have significantly transformed members' economic activities and positively impacted their personal, family, and societal lives through their significant role in society.
- Training on income generation and entrepreneurship played an important role in this; however, the evaluation found that it is of critical importance to introduce more rigorous selection criteria, offer much more intensive training, and, what's more important, train not only in skills development but also in marketing and linking the beneficiaries with the market.
- The remedial classes helped children raise their inquisitiveness and creativity. There is a marked positive difference in the grades scored by many children.

10. MGL Kadam: Education for all

Objective: To enroll migrant children in mainstream education

Thematic areas: Identifying School dropouts, recruiting teachers, training and capacity building for the teachers, pre-admission assessment tests of school dropouts, Special Training Classes

Intervention area: Mumbra and Bhiwandi

Benefits:

- All the teachers were active and robust in restarting the activities related to KADAM, which can be seen as a positive effect of the project.
- There was a change in students' knowledge, attitude, and practices regarding education.
- The significant effect of this project is that the children who were school dropouts or never went to school started pursuing the education they needed

For and on behalf of the Board of Directors

	Malvika Sinha	**Ashu Shinghal**
Place : Mumbai	Chairperson – CSR Committee	Managing Director
Date : July 04, 2024	(DIN: 08373142)	(DIN: 08268176)

Annexure 3

Secretarial Audit Report

for the financial year ended 31st March, 2024

[Pursuant to section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]

To,
The Members,
MAHANAGAR GAS LIMITED
(CIN - L40200MH1995PLC088133)
MGL House, Block No. G-33,
Bandra-Kurla Complex,
Bandra (E), Mumbai -40005,

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **MAHANAGAR GAS LIMITED (CIN - L40200MH1995PLC088133)** (hereinafter called "the company"). 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.

Based on our verification of the company's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, We hereby report that in our opinion, the company has, during the audit period covering the financial year ended on **31st March, 2024** complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the company through electronic mode for the financial year ended on **31st March, 2024** according to the provisions of:

(i) The Companies Act, 2013 (the Act) and the rules made there under;

(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 there under;

(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 ***(To the extent Applicable to the Company during audit period)***;

(v) A. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') to the extent applicable:-

(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 (Issue of Capital and Disclosure Requirements) Regulations, 2009

(d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 ***(Not Applicable to the Company during audit period)***

(e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2015;

(f) The Securities and Exchange Board of India (Registrars to Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client; ***(Not Applicable to the Company during audit period)***

(g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; ***(Not Applicable to the Company during audit period)*** and

(h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 ***(Not Applicable to the Company during audit period)***;

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, 2021.

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 (up to 12th August 2021) and the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 (with effect from 13th August 2021);

e. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 (up to 16th August 2021) and the Securities and Exchange Board of India (Issue and Listing of Non- Convertible Securities) Regulations, 2021 (with effect from 17th August 2021);

VI. and the Company being in the business of Gas Distribution, the Special Act as applicable to the Company is the Petroleum and Natural Gas Regulatory Board Act, 2006 and Gas Cylinders Rules amended up to 2022.

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

(i) Secretarial Standards issued by The Institute of Company Secretaries of India;

(ii) Listing Agreements entered into by the Company with BSE Ltd. and National Stock Exchange of India Ltd. as per 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. as mentioned, except delay in submission of disclosure on Related Party Transactions for the half year ended September 2023, by one day.

We further report that –

The Board of Directors of the Company is duly constituted. 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 Act.

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;

All decisions at Board Meetings & Committee Meetings are carried out unanimously as recorded in the minutes of the meetings of the Board of Directors or the Committees of the Board, as the case may be.

We further report that there are reasonable systems and processes in the Company commensurate with its size and operations to monitor and ensure compliance with applicable laws, rules, regulations and guidelines and the Company is in the process of strengthening the same.

We further report that during the year under review,

None of the following events has taken place-

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.

We further report that during the audit period there was no other event/action having major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, and standards.

For Mayekar & Associates
Company Secretaries
Firm U.I.N - P2005MH007400

Date: May 09, 2024
Place: Mumbai
U.D.I.N – F007282F000311905

Jatin Prabhakar Patil
Partner
FCS – 7282
COP – 7954

Note: This report is to be read with our letter of even date which is annexed as Annexure 'A' and forms an integral part of this report.

Annexure A

To,
The Members,
MAHANAGAR GAS LIMITED
(CIN - L40200MH1995PLC088133)
MGL House, Block No. G-33,
Bandra-Kurla Complex,
Bandra (E), Mumbai -40005,

1) Management's responsibility

The Management along with the Board of Directors are responsible for ensuring that the Company complies with the provisions of all applicable laws and maintains the required statutory records and documents in the prescribed manner.

2) Auditor's responsibility

Based on audit, our responsibility is to express an opinion on the compliance with the applicable laws and maintenance of records by the Company. We conducted our audit in accordance with the auditing standards CSAS 1 to CSAS 4 ("CSAS") prescribed by the Institute of Company Secretaries of India ("ICSI"). These standards require that the auditor complies with statutory and regulatory requirements and plans and performs the audit to obtain reasonable assurance about compliance with applicable laws and maintenance of records.

Due to the inherent limitations of an audit including internal, financial and operating controls, there is an unavoidable risk that some misstatements or material non-compliances may not be detected, even though the audit is properly planned and performed in accordance with the CSAS.

3) Basis for Opinion

i. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial Records. The verification was done to ensure that correct facts are reflected in the Secretarial Records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.

ii. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.

iii. Wherever required, we have obtained a Management Representation about the compliance of laws, rules and regulations and happening of events, etc.

iv. The Secretarial Audit report is neither an assurance as to future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For Mayekar & Associates
Company Secretaries
Firm U.I.N - P2005MH007400

Jatin Prabhakar Patil
Partner
FCS – 7282
COP – 7954

Date: May 09, 2024
Place: Mumbai
U.D.I.N – F007282F000311905
PR – 777/2020

Annexure 4

Form 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]

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 has not entered into any contract/ arrangement/transaction with its related parties which are not in ordinary course of business or not at arm's length during FY 2023-24.

2. Details of material contracts or arrangement or transactions at arm's length basis:

The Company has entered into material contract/ arrangement/ transaction with its related parties which are in ordinary course of business and at arm's length during FY 2023-24. The Company has laid down policies and processes/procedures so as to ensure compliance to the subject section in the Companies Act, 2013 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

(b) Nature and Duration of contracts/ arrangements/ transactions:

i. APM Agreement (Administered Price Mechanism) Nature: Long Term Gas Sales and Transportation Contract (Duration: July 07, 2021 – July 06, 2026) and side letter dated August 01, 2022 for APM Gas from KG Basin.

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

Nature: Term Sheet (Duration: July 07, 2021 – July 06, 2026)

iii. Gas Sales Agreement (GSA) for Pooled Natural Gas Nature: Long Term Gas sales agreement (Duration: May 16, 2022 – July 06, 2026) and supplementary agreement to GSA for Pooled Natural gas on May 14, 2002 (Duration: May 16, 2022 – July 06, 2026)

iv. SPOT RLNG Contracts (Spot Gas Sale Agreement) Nature: Short Term Spot Gas Sales Agreement (Duration: August 19, 2021 - December 31, 2025)

v. Gas Transmission Agreement (GTA) Nature: GTA dated January 02, 2008 (Duration: January 02, 2008 - January 01, 2033)

vi. TERM HH Portfolio GSA (Gas Sale Agreement): Nature: Term HH Portfolio GSA dated March 04, 2022 (Duration: March 05, 2022 – March 31, 2027)

vii. TERM HH RLNG GSA (Gas Sale Agreement): Nature: Term HH RLNG GSA dated June 14, 2023 (Duration: June 16, 2023 – May 15, 2028)

viii. TERM HH RLNG GSA (Gas Sale Agreement): Nature: Term HH RLNG GSA dated December 22, 2023 (Duration: December 25, 2023 – December 31, 2028)

(c) **Salient terms of the contracts or arrangements or transactions including the value, if any**

i. Purchase of Domestic Gas (₹ 2,223.24 Cr.) from GAIL is through Domestic GAS allocation by Ministry of Petroleum & Natural Gas.

ii. Purchase of SPOT RLNG (₹ 1.27 Cr.) from GAIL is as per the terms of the agreement/ term sheet.

iii. Purchase of TERM HH Portfolio RLNG dated March 4, 2022 (₹ 468.72 Cr.) from GAIL is as per the terms of the agreement.

iv. Purchase of TERM HH RLNG GSA dated 14th June 2023 (₹ 107.54 Cr.) from GAIL is as per the terms of the agreement

v. Purchase of TERM HH RLNG GSA dated 22nd December 2023 (₹ 89.89 Cr.) from GAIL is as per the terms of the agreement

vi. Amount paid to GAIL towards transportation charges for Purchase of SPOT RLNG from vendors other than GAIL (₹ 18.33 Cr.).

vii. Purchase of SPOT RLNG is through a Board approved process/ Sourcing Policy of competitive bidding in the ordinary course of business and at arm's length basis.

viii. Purchase of TERM HH Portfolio GSA dated 04th March 2022, TERM HH RLNG GSA dated 14th June 2023 and TERM HH RLNG GSA dated 22nd December 2023: The price for gas consumption in terms of the GSA is linked to a global standard (HH Price), which is solely based on the applicable market conditions.

(d) Date(s) of approval by the Board, if any:

Not applicable, since the contracts were entered into in the ordinary course of business and on arm's length basis.

(e) Amount paid as advances, if any: NA

For and on behalf of the Board of Directors

Place : Mumbai
Date : July 04, 2024

Ashu Shinghal
Managing Director
(DIN: 08268176)

Sanjay Shende
Deputy Managing Director
(DIN: 09172642)

Annexure 5

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

I. Ratio of the remuneration of each director to the median remuneration of the employees of the Company for the financial year 2023-24 and the percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary in the financial year 2023-24:

Sl. No.	Name of Director (Executive/ Non-Executive/ Independent Director)	Ratio of remuneration to median remuneration of Employees	% increase in remuneration in the financial year
	Executive Director & Key Managerial Personnel		
1.	Mr. Ashu Shinghal, Managing Director	6.9:1	NA*
2.	Mr. Sanjay Shende, Deputy Managing Director	6.3:1	6.00%
	Non-Executive, Independent Director		
3.	Mr. Syed S. Hussain	1.1:1	- 4.78%
4.	Mrs. Malvika Sinha	1:1	- 1.60%
5.	Mr. Venkatraman Srinivasan	0.9:1	NA
6.	Mr. Rajeev Bhaskar Sahi	0.9:1	16.36%
	Non-Executive Director		
7.	Mr. Mahesh V. Iyer	NA	NA
8.	Mr. Sandeep Kumar Gupta	NA	NA
9.	Dr. Harshadeep Kamble	NA	NA
	Key Managerial Personnel		
10.	Mr. Rajesh Patel – Chief Financial Officer	4.9:1	4.50%
11.	Mr. Atul Prabhu - Company Secretary	3.4:1	6.50%

* Mr. Ashu Shinghal was appointed as Managing Director of the Company w.e.f. 23rd December 2022, hence, % increase in remuneration in the financial year is not comparable.

Notes:

1. *Mr. Mahesh V. Iyer was not paid any remuneration during his tenure. He ceased to be the Chairman of the Company with effect from the close of business hours of 31st October 2023 on account of withdrawal of nomination by GAIL (India) Limited.*
2. *Mr. Sandeep Kumar Gupta was appointed as Director and designated as Chairman of the Company, with effect from 31st October, 2023. He was not paid any remuneration.*
3. *Dr. Harshadeep Shriram Kamble was appointed as the Non-Executive Non-Independent Director, Nominee of Government of Maharashtra w.e.f. 11th November 2022. He was not paid any remuneration.*

II. The percentage increase in the median remuneration of employees in the financial year;

The median remuneration of the eligible employees (Including S level and excluding SMG & KMP) has increased by 8.50% in the financial Year 2023-24.

III. Company has 532 number of permanent employees on the rolls of company as on March 31, 2024. There was one employee on Fixed Term Contract (FTC) who has not been considered for calculation purpose.

IV. Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration:

Percentage increase in salary of eligible employees in FY 2023-24 (excluding SMG and KMP)	7.88% (Avg % Increase due to Annual Increment)
Percentage increase in 2023-24 for SMG and KMP [i.e. comprising of SVP (Mktg.), VP (O&M), VP (Projects), VP (HR & CSR), VP (C&P and CRO), VP (BD & Commercial), Chief Financial Officer and Company Secretary & Compliance Officer]	4.79% (Avg % Increase due to Annual Increment)

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

For and on behalf of the Board of Directors

Place : Mumbai
Date : July 04, 2024

Ashu Shinghal
Managing Director
(DIN: 08268176)

Sanjay Shende
Deputy Managing Director
(DIN: 09172642)

Annexure 6

Conservation of Energy:

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

MGL has set up Solar Power Plant at 12 MGL owned CNG stations and Gas receiving terminals and MGL Admin office at Mahape totalling to 180kw of power generation capacity. Further, MGL plans to set up solar power facilities at MGL owned CNG stations at Sion, Ghansoli and Savroli as a green initiative aimed at reducing power intake from the grid.

MGL has installed natural gas fuelled Microturbine at the MGL's Mahape Office to use it as primary power source for office building and utilize its exhaust heat for centralised air conditioning system of office building. This reduces power intake from grid and utilises exhaust heat which is otherwise wasted.

MGL has installed IGBT (Insulated Gate Bipolar Transistor) based power factor correction panels at all MGL owned CNG stations and STU (State Transport Utility) depots to ensure power factor at desired level which ensures optimum use of electrical energy from grid and avoid burden on grid. All other CNG stations are also installed with power factor correction panels which ensure optimum utilisation of grid power.

MGL has completed deployment of 59 nos. of Type-3/ Type-4 composite CNG cylinder cascades for CNG transportation. These cascades have resulted in transporting more CNG per trip, thereby reducing the number of trips and hence fuel consumption. Further, 40 more composite cylinder cascades are planned to be deployed.

MGL plans to install heat resistant facade glasses on the exterior of the some existing and new buildings to minimize the impact of the heat and facilitate natural light during the day.

B) Capital investment on energy conservation equipment's

Your Company has spent ₹ 28.25 Lakh during the year on installation of Solar Power Plant and an an amount of ₹ 40.00 Lakh is proposed to be spent in FY:2024-25.

Technology Absorption:

1. Research and Development:

A) Specific areas in which R&D carried out by the Company

Continuity with development of:

- Type 3/ Type 4 composite CNG cylinder cascades for CNG transportation
- LoRa-based AMR system for Domestic 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
- Upgradation of Design of Canopy Fascia of CNG station
- Replacement of higher sizes of diaphragm gas meters with RPD meters (which has better accuracy)
- Study of potential seismic impact assessment of CGSs
- Technical Solution for automation of forecourt operations at CNG stations for identification of vehicle, gas quantity and amount transaction details, type/mix of vehicles coming for fueling, time based analysis etc.
- SMS/WhatsApp based communication to customers for meter reading and other after sales services
- In-house development of mobile application for daily progress report at DB Stations
- Electric Vehicle charging facility at existing MGL CNG stations
- In- house App developed for online approvals for WAH activity using Pedzel and ropeways for GI works in high rise buildings

B) Benefits derived as a result of the above R&D

- Enhanced efficiency and reduction in transportation expenses in CNG transportation with use of composite cylinder cascades mounted on CNG fuelled vehicles
- Better customer experience and satisfaction with forecourt automation and SMS/ WhatsApp based messaging services
- Real time monitoring of gas quality
- Supply of PNG and CNG to remote areas
- Development of other avenues of business
- 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
- Enhancement of branding of MGL at CNG outlets\

C) Future plan of action

- Integrated Command and Control Centre at Mahape for overall operational monitoring and control
- Electric vehicle charging facility at MGL owned stations as an additional service for customers
- Use of four arm CNG dispenser thereby reducing queuing at CNG stations and enhancing customer satisfaction
- Use of non-space CNG dispenser for optimum space utilization and customer satisfaction
- Geo tagging of all domestic, commercial and industrial customers and CNG stations
- Paperless CNG sales joint ticketing activity for CNG Stations
- Continuing vendor development (Diaphragm Gas Meters, Brass Ball Valves, etc)
- Review feasibility of providing PNG/ CNG to remote locations through LNG facilities
- Implement installation of Multi-layered composite (MLC) piping system as a replacement of ERW GI piping system - on a trial basis

D) Expenditure on R&D:

During the year, your Company has incurred ~ ₹ 29 Cr. on the specific areas of R&D as mentioned in the above para of technology absorption.

2. Technology absorption, adaptation and innovation

A. Efforts, in brief, made towards technology adaptation and innovation

- Review of Codes of Practice by third party agency.

B. Benefits derived as a result of the above efforts e.g. Product Improvement, Cost Reduction, Product Development, Import Substitution, etc.

- Safe operation of Gas Supply Network
- Import substitution by development of indigenous vendor for supply of Diaphragm Gas Meters, Brass Ball Valves, CNG compressors and dispensers
- Growth strategy

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
(b)	Year of import	
(c)	Has technology been fully absorbed	
(d)	If not fully absorbed, areas where this has not taken place, reasons therefore and future plans of action	

D. Foreign Exchange Earning and Outgo:

Total Foreign Exchange Earned	NIL
Total Foreign Exchange Outgo	4.77 Cr.

For and on behalf of the Board of Directors

Place : Mumbai
Date : July 04, 2024

Ashu Shinghal
Managing Director
(DIN: 08268176)

Sanjay Shende
Deputy Managing Director
(DIN: 09172642)

Business Responsibility & Sustainability Report

Section A: General disclosures

Pursuant to amendment in SEBI Listing Regulations, top 1,000 listed entities based on market capitalization are required to submit the Business Responsibility and Sustainability Report (BRSR) with effect from FY 2022-2023. Accordingly, the Company is publishing its second Business Responsibility & Sustainability Report (BRSR) for the FY 2023-24 in the format prescribed by SEBI forming part of the Annual Report, to provide investors with enhanced disclosures about its ESG practices. The BRSR framework is based on the National Guidelines for Responsible Business Conduct (NGRBC) and consists of three sections:

Section A provides a broad overview of the business, its offerings, business and operations footprint, employees, related parties, CSR, and transparency.

Section B covers management and process disclosures related to the businesses aimed at demonstrating the structures, policies and processes put in place towards adopting the NGRBC Principles and Core Elements.

Section C provides indicator-wise disclosures mapped to the nine principles of NGRBC which are listed at the start of Section B.

I. Details of the listed entity

1.	Corporate Identity Number (CIN) of the Listed Entity	L40200MH1995PLC088133
2.	Name of the Entity	Mahanagar Gas Limited
3.	Year of Incorporation	08/05/1995
4.	Registered office address	MGL House, Block No. G-33, Bandra-Kurla Complex, Bandra (E), Mumbai - 400051
5.	Corporate address	MGL House, Block No. G-33, Bandra-Kurla Complex, Bandra (E), Mumbai - 400051
6.	E-mail	investorrelations@mahanagargas.com
7.	Telephone	+91-(022) 6678 5000
8.	Website	www.mahanagargas.com
9.	Financial year for which reporting is being done	2023-24
10.	Name of the Stock Exchange(s) where shares are listed	Bombay Stock Exchange (BSE) Limited & National Stock Exchange (NSE) of India Limited
11.	Paid-up Capital	INR 98,77,77,780
12.	Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR report	Mr. Atul Prabhu (Company Secretary and Compliance Officer, Internal Audit & Vigilance) T: +91 (22) 66785000 E: investorrelations@mahanagargas.com
13.	Reporting boundary Are the disclosures under this report made on a standalone basis (i.e., only for the entity) or on a consolidated basis (i.e., for the entity and all the entities which form a part of its consolidated financial statements, taken together).	Disclosures made in this report are on standalone basis and pertain only to "Mahanagar Gas Limited", unless otherwise stated.
14.	Name of assurance provider	Mahanagar Gas Limited has not engaged with any third party for obtaining external assurance
15.	Type of assurance obtained	Not Applicable

II. Products/services

16. Details of business activities (accounting for 90% of the turnover):

S. No.	Description of Main Activity	Description of Business Activity	% Of Turnover of the Entity (FY 2023-24)
1.	Distribution of Natural Gas	Sale of Piped Natural Gas (PNG) /Compressed Natural Gas (CNG) to Domestic, Commercial, Industrial and transport sector customers	99.61**

(**) - Balance turnover is from category Liquefied Nature Gas (LNG).

Products/Services sold by the entity (accounting for 90% of the entity's Turnover) (need to collect)

S. No.	Product/Service	NIC Code	% Of Total Turnover Contributed
1.	Distribution of gaseous fuels through mains	3520	100%

III. Operations

17. Number of locations where plants and/or operations/offices of the entity are situated:

Location	Number of operational locations	Number of offices	Total number of plants and /or operations/offices
National	5 - City Gate Stations (CGS) at: a) Sion, Mumbai b) Mahape, Navi Mumbai c) Ambernath, Thane d) Taloja, Raigad e) Savroli, Raigad	28	33
International	0	0	0

18. Markets served by the entity:

a. Number of locations

Locations	Number
National (No. of States)	1 - Maharashtra
International (No. of Countries)	0

b. What is the contribution of exports as a percentage of the total turnover of the entity? (Please check the response)

The Company is not involved in the export of any products. Therefore the value stands at 0%.

c. A brief on types of customers

MGL is suppling Piped Natural Gas (PNG) to Domestic, Commercial, Industrial customers and Compressed Natural Gas (CNG) to the Transport Sector. Additionally, started Liquefied Natural Gas (LNG) to Heavy Motor Vehicles.

IV. Employees

19. Details as at the end of Financial Year:

a. Employees and workers:

S. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B / A)	No. (C)	% (C / A)
Employees						
1.	Permanent (D)	443	391	88.3%	52	11.7%
2.	Other than Permanent (E)	3	3	100%	0	0
3.	**Total employees (D + E)**	**446**	**394**	**88.3%**	**52**	**11.7%**
Workers						
4	Permanent (F)	89	86	96.6%	03	3.4%
5	Other than Permanent (G)	1694	1636	96.6%	58	3.4%
6	**Total employees (F + G)**	**1783**	**1722**	**96.6%**	**61**	**3.4%**

b. Differently abled Employees:

S. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B / A)	No. (C)	% (C / A)
1.	Permanent (D)	The Company does not have any differently abled employees.				
2.	Other than Permanent (E)					
3.	**Total employees (D + E)**					

c. Differently abled Workers:

S. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B / A)	No. (C)	% (C / A)
1.	Permanent (F)	The Company does not have any differently abled workers.				
2.	Other than Permanent (G)					
3.	**Total employees (F + G)**					

20. Participation/Inclusion/Representation of women

S. No.	Total (A)	Male	
		No. (B)	% (B / A)
Board of Directors	8	1	12.50%
Key Management Personnel (KMP)	2	0	NA

21. Turnover rate for permanent employees and workers

Category	FY2023-24			FY2022-23			FY2021-22		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent Employees	3.7%	0	3.70%	4.3%	0.2%	4.6%	9.3%	0.5%	9.8%
Permanent Workers	1.1%	0	1.11%	1.10%	0	1.1%	1.1%	0	1.1%

V. Holding, Subsidiary and Associate Companies (including joint ventures)

22. (i) Names of holding / subsidiary / associate companies / joint ventures

S. No.	Name of the holding / subsidiary / associate companies / joint ventures (A)	Indicate whether holding/ Subsidiary/ Associate/ Joint Venture	% of shares held by listed entity	Does the entity indicated at column A, participate in the Business Responsibility initiatives of the listed entity? (Yes/No)
1.	Unison Enviro Private Limited (UEPL)	Wholly owned subsidiary Company	100%	No
2.	Mahanagar LNG Private Limited (MLPL)	Subsidiary Company (Joint Venture)	51%	No

VI. CSR Details

23. (i) Whether CSR is applicable as per section 135 of Companies Act, 2013: (Yes/No) –

S. No.	Particulars	Details
1	Whether CSR is applicable as per section 135 of Companies Act, 2013	Yes
2	Turnover in INR	6,862 Crores
3	Net worth in INR	5,143 Crores

VII. Transparency and Disclosures Compliances

24. Complaints/Grievances on any of the principles (Principles 1 to 9) under the National Guidelines on Responsible Business Conduct:

The Company has identified both external and internal stakeholders through stakeholder mapping and regular engagement exercises. To ensure effective communication and resolution of issues, the Company has established a grievance redressal mechanism. This mechanism is designed to promptly address grievances from all stakeholders.

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in place (Yes/No)	FY 2023-24			FY 2022-23		
		Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks
Communities	Yes	0	0	-	0	0	-
Investors (Other than shareholders)	Yes	0	0	-	0	0	-
Shareholders	Yes	2	0	-	1	0	-
Employees and workers	Yes	0	0	-	0	0	-
Customers	Yes	35,012	1,186	The Company has resolved 97% of the complaints for the FY 2023-24. The remaining complaints shall be closed in the FY 2024-25.	27,738	166	-
Value Chain Partners	Yes	0	0	-	0	0	-
Other (please specify)	Yes	0	0	-	0	0	-

Notes:

- The Company has formulated a Grievance Redressal policy incorporating various stakeholders' and grievance redressal mechanisms. It is placed on the website of the Company at https://www.mahanagargas.com/MGL-corporate/investors/policies and Grievance Redressal Policy for employees/ trainees is available on the Company's intranet to address the Grievances, concerns or complaints in a systematic and trustful manner.
- Further, the Company has a well-defined vigilance framework which provides a platform to the employees, Directors, vendors, suppliers, and other stakeholders to lodge their grievances/ complaints.
- The shareholders can directly submit their complaints to Company through investorrelations@mahanagargas.com or to RTA at rnt.helpdesk@linkintime.co.in Further, the Company has empowered a Board-level Stakeholders Relationship Committee ("SRC") to examine and redress complaints by shareholders.
- MGL has set up various online and offline touch points such as 24*7 call centers, website, chatbot, mobile application (MGL Connect), social media platform viz., Facebook, Twitter, WhatsApp and Instagram to address queries, concerns and grievance redressal of large customer base, that customer may use. Complaint can be made through emails, physical letters and walk-in to back office and front office also.
- Further, MGL is also a part of the Centralized Public Grievance Redressal and Monitoring System (CPGRAMS). This system is aimed at providing the citizens and the public at large with a platform for redressal of their grievances, where complaints are directly received by the Ministry of Petroleum and Natural Gas (MoP&NG). MGL redress and resolve all the complaints received through CPGRAMS.

25. Overview of the entity's material responsible business conduct issues

The Company has identified following material issues, which could impact their business operation:

Sr. No.	Material issues identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
1	Energy management	Risk	Under City Gas distribution (CGD) sector where compressors consume substantial power for compression of natural gas to dispense it as CNG, inefficient energy management can lead to increase in operational cost. Energy utilized for office air conditioning system is also an important factor.	Some of the important initiatives undertaken by the Company for energy management at its premises are listed below: • Maintaining electrical power factor of electrical systems at all CNG stations at desired level (close to unity) to operate the system at best efficiency. • Installation of stationary cascades of adequate capacity at every CNG station to provide buffer and reduce number of start/ stops and idle running of CNG compressor. • Installation of solar power panels at MGL offices and gas receiving stations. • Most offices of the Company are equipped with LED lights for energy saving.	Energy Management serves as a Risk and has a potential negative implication on the Company. However, due to various energy efficiency initiatives undertaken, the negative implication is minimal.

Sr. No.	Material issues identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
				• The Company has also installed smart switching device for energy management at 3 CNG ROs. These fault identification and error diagnostic equipment help the Company to rectify the issue before any incident and lowering the energy consumption. • MGL has implemented UFAD (underfloor air distribution) in Parinee office at Bandra Kurla Complex, Mumbai instead of conventional OHAD (overhead air distribution). Fundamental difference in OHAD & UFAD is the supply air travel distance to reach and touch the occupants. Due to this, distance travel by supply air is 3 to 5 times more in OHAD as compared UFAD. Accordingly final temperature requirement is also different 18 to 20 C in UFAD and 12 to 15 C in OHAD. Hence Air Handling Unit (AHU) loading & ton of refrigeration (TR) consumption is always higher for OHAD as compared to UFAD. A properly designed UFAD system at MGL is resulting into at least 20 to 25% energy consumption as compared to OHAD.	
2	Asset integrity and critical incident management	Risk	Pipeline & compressor infrastructure is backbone of CGD industry. Gas being inflammable and a necessity of life; asset safety, human life and continuity of supply can be at risk without efficient systems in place.	MGL has a Board-approved Asset Integrity Policy & Integrity Management Plan. Additionally, the Company has implemented various policies and procedures which includes risk audit framework, operation and maintenance guidelines covering gas pipeline surveillance, defect assessment & repair policy, Management of Change (MOC) procedure, Non-Routine Operation (NRO) procedure to optimize asset integrity, safety & productivity. Regular mock drills are conducted to check effectiveness and for monitoring and control as part of Emergency Response & Disaster Management Plan (ERDMP).	Negative implication would depend upon extent of damage and /or period for which gas supply is discontinued.
3	GHG emissions	Opportunity	The combustion of natural gas emits fewer greenhouse gases (GHGs) compared to coal and liquid fuels, and also releases significantly fewer pollutants per unit of energy delivered. The increasing emissions of CO2 and other air pollutants are primarily attributed to the rapidly expanding road transportation sector in India. The transition from liquid fuels to natural gas is proving beneficial for India, addressing both global warming concerns and health hazards associated with pollution.	Continuous expansion of operations gives the Company an opportunity to increase gas sales and thereby reduce GHG emissions which could be caused by other energy alternatives such as petroleum products. The Company has undertaken systematic study for GHG inventory & Net Zero targets setting. The Company is also, replacing, re-sizing gas meters, conducting regular maintenance of risers in domestic customer category, carrying out leak survey using FLIR (Forward Looking Infrared) camera at all CNG stations, CGSs and DRSs etc. are other actions carried out to minimize the methane leakage /emissions. MGL is in process to appoint Fluid Control Research Institute (FCRI – established by GOI and comes under Ministry of Heavy Industries) as Technical Consultant to verify and validate metering system in MGL and validate methodology of computation of lost and unaccounted gas.	Positive implication because of increased geographical coverage & incremental sale of natural gas helps to reduce GHG emissions otherwise caused by petroleum products.
4	Human Rights	Risk	Non-adherence of human rights, a Company can be prone to operational delays, lawsuits, reduced employee satisfaction, lost opportunities in expansion or new investments, and reputational harm.	MGL has developed and implemented a formal Human Rights policy in place apart from code of conduct, which is applicable to different stakeholders including employees. Periodically the Company has taken positive affirmation from employees about understanding & adherence to the Human Rights Policy. MGL supports the safeguarding and upholding of human rights. The Company conducts its activities in a way that respects human rights and is a business imperative. The Company prohibits any kind of employment of children or minors below the age of 18 at its workplace.	Negative implications on case-to-case basis
5	Water Stewardship	Risk	Water is a scarce & precious natural resource. Wastage & sub-optimal usage of water can lead to acute shortage of potable water and rise in costs for business processes.	MGL has developed and implemented a formal Water Stewardship Policy in addition to general guidelines for saving water issued to all employees. The Company commissioned multiple Sewage Treatment Plant & Rainwater Harvesting projects at 2 of its city gas stations in FY 2023 -24 The Company has also installed, sensor-based taps to avoid wastage of water.	Negative Implication. Over usage of fresh water can lead to increased business operation costs

Sr. No.	Material issues identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
6	Local communities including Corporate Social Investment	Opportunity	In developing nations like India, Companies have good role to play in ensuring inclusive growth. While CSR related Regulations make it mandatory, at MGL it is considered as one of the ways of uplifting needy, marginalized community through various projects.	MGL has a Corporate Social Responsibility policy in place. The Company considers local community as an important stakeholder. It continuously engages with communities through awareness camps to understand their expectations and explain the benefits of nature gas distribution. Under the banner of 'MGL We Care,' the Company covers seven thematic areas. These are MGL Aarogya for health care, MGL Vikas for rural development, MGL Saksham for empowerment, MGL Vidya for Education, MGL Hariyali for environment protection, MGL Hunar for skill development and MGL Saathi for other social development initiatives.	Positive reputation with community will translate into faster project executions.
7	Customer relationships and experience and satisfaction	Risk & Opportunity	**Risk:** In future era of losing marketing exclusivity, unsatisfactory CRM can lead to loss of market share. **Opportunity:** On the other hand, due to a common product of natural gas without any differentiation, excellent CRM can help retain market share and aid in increase of sales volume.	MGL has a robust consumer grievance redressal mechanism in place. All the Company's CRM processes & practices are ISO certified. The Company has an omni channel customer interface consisting of a 108-call agents - 24x7 customer helpline, 12 walk-in centers. To provide additional support to customers, there are back offices, mobile application, and social media channels. A customer satisfaction survey is also conducted annually by an independent agency to gauge the satisfaction index of domestic PNG customers.	Negative implication. There are financial costs involved in running CRM system, but customer satisfaction is a positive outcome of it.
8	Waste Management	Risk:	Unless hazardous as well as other wastage is disposed of carefully or generation minimized, it will harm environment and would entail costs due to storage space occupied.	The Company's products PNG and CNG do not result in waste generation. But some items which are part of the pipe network and electronic items used in the Company offices need due attention. The Company has a formal Waste Management Policy in place. All types of waste generated are handed over to authorized agencies to dispose of. Also, the Company has established 2 Sewage treatment plants which are already in operation and additional sewage treatment plants are planned to be initiated in the coming years. This is in alignment with the Company's Waste Management Policy.	Negative Implication due to non-effective waste management

Sr. No.	Material issues identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
9	Occupational health and safety including Employment practices.	Risk	**Risk:** The employees are the greatest assets, and their safety and wellbeing are of paramount importance. Improper handling of health and lack of training with respect to safety risks can lead to disastrous impacts on both property and the stakeholders.	MGL is an ISO 45001:2018 certified Company and has a Health and Safety Environment Policy in place which is available on the Company's website. This confirms the Company's commitment towards health and safety practices. The following are some of the initiatives taken by the Company to ensure complete Health and Safety in the Company's operations: ● Personal protective equipment is distributed to all eligible individuals and usage of the same is ensured. ● Every contract person working for MGL gets trained in the required safety and technical competency (STC) and Employees are suitably trained. ● Apart from the mandatory annual health surveillance for all employees, periodic executive health check-up is also carried out to keep track of the health of the employees. ● Health and term life insurances, financial aids are also part of the benefits provided to the employees.	Positive implications due to various employee policies and safety practices in place
10	Business Ethics and Compliance	Risk	High business risk is associated in case of non-compliance or unethical business practices, and it can lead to financial penalties as well as reputational damages.	The Company has established and put in place a code of business ethics policy to be followed by the Company as well as all the Company's value chain partners. The Company also has a code of conduct policy applicable to all its employees and Directors which covers various topics such as values, stakeholder treatment, Company's beliefs & culture, and safeguarding provisions. The Company has also formulated and implemented a formal policy on anti-corruption and anti-bribery. There are policies / guidance notes on human rights, diversity, conflict management and other important topics.	Negative implication due to non-compliance. There are no cases reported due to fraud, money laundering or executive misconduct during the year.
11	Diversity	Risk & opportunity	Not only gender diversity but other aspects of identity such as race, ethnicity, age, socio-economic status etc. need careful dealing in any organization to foster equal opportunity & inclusiveness to all concerned.	The Company is committed to providing equal opportunities in employment and thus create an inclusive work environment which gets reflected through its talent acquisition policy. In its continued efforts to boost the performances of the employees, training programs are planned throughout the year to enhance the skills and knowledge of the employees. The Company has also formulated and implemented an Equal Opportunity policy. This policy is available on the Company's website.	Positive implications due to various policy & systems in place.

Sr. No.	Material issues identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
12	End-use Safety	Risk	MGL takes adequate safety measures including pressure reduction at appropriate levels as a CGD Company but lack of awareness about product usage, hazards etc. at end of customers could pose significant risk of accidents.	MGL caters to a large number of domestic customers. While at CGS the Company may receive gas at pressure of around 49 bar, MGL follows a pressure reduction methodology such that at cooking stoves, the gas pressure is just 21 millibar. The Company's invoices, mailers, web site, newsprint advertisements, registration camps and other mediums of communication. facilitate awareness creation. A strong after sales service mechanism is also in place for any eventuality.	Negative implication. This can be due to consequential costs and reputational damages for the Company.
13	Data Security	Risk	A large amount of personal data is captured for operational reasons, particularly in household customer category which puts customers' data privacy at significant risk. Ensuring data privacy of customers is necessary for the Company and is also covered under the data protection laws.	Data privacy is covered as a separate chapter under MGL's Code of Conduct policy. Also, the Company has a web enabled registration process for its potential customers. In case, customer prefers to provide data in hard form, post scanning, the collected data is stored in the ERP system where the Company follows a strict access control guideline with due care on segregation of duty.	Negative Implication. Leakage of personal data can lead to negative implications including penalties, fines, and reputational damages.
14	Risk Management	Risk	Risk Management is important in any business for various stakeholders but assumes much higher significance in CGD industry due to risk of accidents, volatility in gas prices and need for uninterrupted gas supply.	MGL has enterprise risk management policy in place which details the Risk Management principles and framework along with the associated procedures for MGL's business environment and act as guidance for critical decision-making process such as strategic, operational, financial, legal etc. The Policy framework 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, Risk Management tool is in place to aggregate risk data for identification of the elements of risks.	Negative implication. This can be due to consequential costs and reputational damages for the Company.

Section B: Management and process disclosures

This section is aimed at helping business demonstrate the structures, policies and processes put in place towards adopting the NGRBC Principles and Core Elements.

The Company has put in place structures, policies and processes conforming to below mentioned National Guidelines on Responsible Business Conduct (NGRBC) Principles:

Sr. No.	Principle Description	Reference of Mahanagar Gas Limited Policies /Procedure/Standard
1	Businesses should conduct and govern themselves with Ethics, Transparency and Accountability.	• Code of Conduct • Vigil Mechanism and Whistleblower Policy • Policy for dealing with Related Party Transactions (RPT) • Dividend Policy • Policy For Determining Material Information • Policy for preservation of documents • Code of Fair Disclosure – Insider Trading
2	Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle	• Grievance Redressal Policy • Stakeholder Engagement Policy • Policy on Sustainable Supply chain and Responsible sourcing
3	Businesses should promote the well-being of all employees.	• Code of Conduct Policy • Vigil Mechanism & Whistle Blower Policy • Nomination and Remuneration Policy • Policy Framework on Business Responsibility • Grievance Redressal Policy • Equal Opportunity Policy • Freedom of Association Policy
4	Businesses should respect the interests of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalized.	• Code of Conduct Policy • Stakeholder Engagement Policy • Corporate Social Responsibility Policy
5	Businesses should respect and promote human rights.	• Code of Conduct Policy • Human Rights Policy • Vigil Mechanism & Whistle Blower Policy • Grievance Redressal Policy • Prevention of Sexual Harassment Policy • Equal Opportunity Policy
6	Businesses should respect, protect, and make efforts to restore the environment.	• ESG Policy • Water Stewardship Policy • HSE Policy • Waste Management Policy • Product Stewardship Policy
7	Businesses when engaged in influencing public and regulatory policy, should do so in a responsible manner	• Policy for dealing with Related Party Transactions (RPT) • Policy For Determining Material Information
8	Businesses should support inclusive growth and equitable development	• Corporate Social Responsibility Policy
9	Businesses should engage with and provide value to their customers and consumers in a responsible manner	• Cybersecurity Policy and IT Policy • Risk Management Policy • Customer Support Policy

Disclosure Questions	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
Policy and management processes									
1. a. Whether your entity's policy/policies cover each principle and its core elements of the NGRBCs. (Yes/No)	Y	Y	Y	Y	Y	Y	Y	Y	Y
b. Has the policy been approved by the Board? (Yes/No)	Yes. All mandatory policies under the Indian Laws and Regulations have been adopted by the Board. Other operational Internal Polices are approved by the management.								
c. Web Link of the Policies, if available	• Board Diversity Policy: https://www.mahanagargas.com:3000/_57_MGL-Board_Diversity_Policy_252c2d1c26.pdf • Whistle blower Policy: https://www.mahanagargas.com:3000/_whistle-blower-and-vigil-mechanism_80f19ef31b.pdf • Nomination and Remuneration Policy: https://www.mahanagargas.com:3000/_MGL-Nomination_and_Remuneration_Policy_329e2e5b7e.pdf • Product Stewardship Policy: https://www.mahanagargas.com:3000/Product%20Stewardship%20Policy.pdf • ESG Policy: https://www.mahanagargas.com:3000/ESG%20Policy.pdf • Policy on Sustainable Supply chain and Responsible sourcing: https://www.mahanagargas.com/assets/images/pdf/Sustainable%20Supply%20chain%20and%20Responsible%20Sourcing%20Policy.pdf • Grievance Redressal Policy for Stakeholders: https://www.mahanagargas.com:3000/Grievance%20Redressal%20Policy.pdf • Grievance Redressal Policy for Employee: Available on the Company's Intranet • Equal Opportunity Policy: https://www.mahanagargas.com:3000/Equal%20Opportunity%20Policy.pdf • Freedom of association and collective Bargaining Policy: https://www.mahanagargas.com:3000/Freedom%20of%20Association%20&%20Collective%20Bargaining%20Policy.pdf • Stakeholders Engagement Policy: https://www.mahanagargas.com:3000/Stakeholder%20Engagement%20Policy.pdf • Human Right Policy: https://www.mahanagargas.com:3000/Human%20Rights%20Policy.pdf • POSH of women at workplace: Available on the Company's Intranet • HSE Policy: https://www.mahanagargas.com/MGL-corporate/safety-health-and-environment/policies/hse-policy • Corporate Social Responsibility Policy: https://www.mahanagargas.com:3000/_MGL-CSR_Policy_952a5a4889.pdf • Customer support: https://www.mahanagargas.com/residential-png/domestic-connection¬request/domestic-png-registration/png-overview • PNG related important Policies & Procedure: https://www.mahanagargas.com/residential-png/policies-and-procedures/important-policy • Framework on Cyber Security and Data Protection: https://www.mahanagargas.com:3000/Cyber%20Security%20Framework%20v2.pdf • IT Policy: Available on the Company's Intranet • Waste Management Policy: https://www.mahanagargas.com:3000/Waste%20Management%20Policy.pdf • Code of Conduct: https://www.mahanagargas.com:3000/Code%20of%20Conduct.pdf • Preservation of documents Policy: https://www.mahanagargas.com:3000/_72_MGL-Policy_on_preservation_of_documents_013b799fd6.pdf • Tax Policy: https://www.mahanagargas.com:3000/Tax%20Policy.pdf • Biodiversity Policy: https://www.mahanagargas.com:3000/Biodiversity%20Policy.pdf								

Disclosure Questions	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
2. Whether the entity has translated the policy into procedures. (Yes / No)	Yes								
3. Do the enlisted policies extend to your value chain partners? (Yes/No)	Yes. The suppliers are required to comply with all the Company's policies including ESG as stated in the Code of Conduct Policy for business partners and suppliers code of conduct.								
4. Name of the national and international codes/ certifications/ labels/ standards (e.g., Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trustee) standards (e.g., SA 8000, OHSAS, ISO, BIS) mapped to each principle.	(a) Provision of SEBI (Listing Obligation and Disclosure Requirement) Regulations, 2015 (b) ISO 9001:2015 – Quality Management System (c) ISO 14001:2015 – Environment Management System (d) ISO 45001:2018 – Occupational Health & Safety Management System (e) PNGRB Emergency Response & Disaster Management Plan (ERDMP)								
5. Specific commitments, goals and targets set by the entity with defined timelines, if any.	• Installation of Sewage Treatment Plant (STPs) at 2 City Gate Station (CGS) viz. CGS Mahape, CGS Ambernath and Rainwater harvesting system at 2 City Gate Station (CGS) viz. CGS Mahape, CGS Taloja for recycling of wastewater for FY 2024-25. • Reduce overall intake water consumption by 10% by the end of the five-year period, compared to baseline year of FY 2023-24. • Integration of HVAC with Solar module for efficient use of energy in FY 2024-25. • Increase the percentage of water recycled to 5% by the end of the five-year period, compared to baseline year of FY 2023-24. • Obtain green certifications for 50% office buildings and facilities, such as LEED or GRIHA, by FY 2025-26. • Use of 100% CNG powered CTVs/ LCVS for CNG transport by FY 2024-25. • Lost Time Injury Frequency (LTIF) to be maintained less than 0.5 in FY 2024-25. • More than 80% employees to be trained on Health Safety in FY 2024-25. • Achieve a 90% customer satisfaction rate for service quality by FY 2024-25.								
6. Performance of the entity against specific commitments, goals, and targets along with reasons in case the same are not met.	• Conducted Energy Efficiency Audit for 4 CGS, 3 RO's and 2 Offices in FY 2023-24. • Installed Sewage Treatment Plant (STPs) at 2 City Gate Station (CGS) viz. CGS Savroli & CGS Taloja and Rainwater harvesting system at 2 City Gate Station (CGS) viz. CGS Savroli and CGS Ambernath for recycling of wastewater in FY 2023-24. • Three offices (Mahape, Parinee & Zion) are registered at IGBC for obtaining Green Building Certifications in Green Interior category in FY 2023-24. • Installed additional Solar Panel at Offices, CGS and Retail Outlets (RO's) summing up to 37 KW in FY 2023-24. • Lost Time Injury Frequency (LTIF) is maintained less than 0.083 in FY 2023-24. • 97.37% employees have been trained on Health Safety in FY 2023-24. • Achieved 93% customer satisfaction rate for service quality in FY 2023-24. • 74% of Procurement and timely payment done to Micro Small and Medium Enterprises in FY 2023-24.								

Governance, leadership, and oversight

7. Statement by director responsible for the business responsibility report, highlighting ESG related challenges, targets and achievements (listed entity has flexibility regarding the placement of this disclosure)

We at MGL aspire to play a pivotal role in addressing the twin challenges of meeting growing energy needs of the country and reducing the carbon intensity by providing innovative, low-carbon and sustainable energy solutions. MGL is already an eminent name in the city gas distribution (CGD) sector in India , with a mission to create a greener and more sustainable future in its Geographical Areas (GA) of Greater Mumbai, Urban Thane & Raigad district.

With a steadfast commitment to environmental stewardship, the company recognizes its crucial role in mitigating the impact of climate change. In pursuit of this goal, MGL has not only made significant strides towards promoting sustainable practices, with natural gas as the pivot of its efforts, but also kept sharp focus on the Environmental, Social & Governance factors. MGL continues to strengthen these pillars while implementing changes throughout its value chain to meet the most pressing challenges including

Disclosure Questions	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9

India is one of the fastest-growing economies worldwide and has pledged to achieve "Net Zero" by 2070. The share of Natural Gas in India's total energy mix is around 6.3 % and GOI has set a target to raise the share of natural gas in the energy mix to 15% in 2030. To align with the same, MGL intends to expand its scale of operations to promote the use of natural gas as a "Clean & Green Fuel. The company's flagship product, natural gas, is renowned for its superior eco-friendliness in comparison to other available alternatives. Its usage significantly reduces the carbon footprint, making it a much cleaner and efficient fuel option. MGL has been supplying PNG & CNG at rates lesser than that of other CGD players as well as competing fuels like LPG, Petrol & Diesel thereby reducing the barriers and creating better access to the customers (Households, Industries, Commercial establishment & Vehicle owners) and promoting affordability. In the current year, MGL has completed the 100% acquisition of another CGD entity M/s Unison Enviro Private Ltd (UEPL) thereby expanding its footprints in three additional GA's viz Ratnagiri, Latur & Osmanabad in Maharashtra and Chitridurga & Davengere in Karnataka. This acquisition will enable MGL to leverage the synergies & competitive advantage in substantially enhancing the Natural Gas coverage in these three GA's of UEPL.

To minimize the methane emissions & reduce the waste going to landfills, MGL is planning to set up a Compressed Biogas (CBG) plant in Mumbai, capable of processing up to 1000 Tons Per Day (TPD) of organic Municipal Solid Waste (MSW), mainly food waste from 28,000 restaurants & over 400 star hotels, Banquet halls, Malls as well as Airports, Vegetable markets in association with Brihanmumbai Municipal Corporation (BMC). MGL is proud to be a part of this innovative and impactful initiative, which is aligned with the Central government's SATAT (Sustainable Alternative Towards Affordable Transportation) scheme to promote CBG. This project will not only eliminate 1000 TPD waste from going to the huge mountain of Landfill & methane emissions from the dumped waste but will also produce bio gas as well as Organic Fertilizer.

In any CGD operations, methane leakage is possible. We, at MGL are very mindful of such emissions & are constantly devising ways & investing to decarbonize its natural gas supply chain with a focus on methane detection and reduction of emissions related to the gas it purchases as well as the downstream carbon emissions emanating from supply chain. Replacing or Re-sizing gas meters, regular maintenance of risers in buildings, Leak survey using FLIR (Forward Looking Infrared) camera at all CNG stations, CGSs and DRSs etc. are some of the actions carried out to eliminate/ minimize the methane emissions.

During the year, MGL installed sewage treatment plant (STP) at City Gate Stations (CGS) at Savroli and Taloja. These STP's collect, treat, and discharge wastewater, providing a service essential to environmental and public health thereby eliminating the possibility of sewage leaching into subsoil and contaminating ecosystems. Also during the year, MGL implemented Rain Water Harvesting system at CGS Savroli and Ambernath for collecting and storage of rain water , rather than allowing it to run off and utilizing it for gardening purpose as well as replenishment of ground water.

MGL has initiated Green Building Certification for its CGS at Savroli, Mahape, Ambernath , Taloja and two Administrative offices in Mumbai & expect to get the Green Building Certification of a CGS & Office building in FY 2024-25.

The long haul trucking market of India is expected to quadruple from 4 million trucks in 2022 to around 17 million trucks by 2050 as per Niti Aayog – Zero Emission Trucking Report. This segment of automobile market is predominantly on diesel offering a huge potential in reduction of PM & carbon Intensity. It is worthwhile to note that due to the characteristics of this auto segment, EV penetration is likely to be miniscule. To effectively tap this potential, MGL has taken three initiatives this year. We have worked with an OEM for making LNG fueled trucks. We also commissioned LNG dispensing at CGS Savroli , MGL's first LNG station which has been receiving very good response .Also , MGL has formed a JV with Baidyanath LNG Private Limited, Mahanagar LNG Private Limited ("MLPL" incorporated in December 2023) to set up LNG Stations initially across Maharashtra to spearhead the shift of the heavy trucking and the logistics sector to LNG as a fuel. In phase- I MLPL will be setting up LNG stations at six locations viz., Aurangabad, Bhiwandi, JNPT, Gadchandur, Amravati & Kolhapur. Simultaneously, MLPL is also working with various OEM's , LNG retrofitters & Fleet owners to expand the LNG ecosystem thereby "Greening" the Long haul trucking market .

The Government has established an ambitious target of achieving 30% market penetration for EVs by the year 2030. An early investment in EV will help MGL diversify its revenue &mitigate future risk on CNG business. MGL is investing ₹ 96 Cr. in 3EV Industries Pvt. Ltd, an EV three-wheeler manufacturing company based out of Bangalore for an equity stake of around 31%. MGL has already disbursed ₹ 50 Cr, a part of which would be used to augment the manufacturing capacity from the current 2400 units to 6000 units per annum in FY 2024-25.

Disclosure Questions	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9

MGL remains committed to give back to the society through its various CSR activities. Under the banner of 'MGL We Care,' we cover seven thematic areas. These are MGL Aarogya for health care, MGL Vikas for rural development, MGL Saksham for empowerment, MGL Vidya for Education, MGL Hariyali for environment protection, MGL Hunar for skill development and MGL Saathi for other social development initiatives. Under MGL Hariyali, we have provided at doorstep, drinking water through solar setup covering 10,000 people including 5000 tribal population of Karjat Taluka. Under MGL Vikas, 5739 marginalized villagers from 11 villages of the Raigad area were benefitted on health, education, water & sanitation, livelihood through microfinance, women empowerment and innovative agricultural practices. This initiative encompassed nine SDG Goals. Under MGL Aarogya, MGL donated various medical equipment for infectious and non-infectious diseases to public and charitable hospitals of Mumbai, Thane, and Raigad area that cater free-of-cost services to rural and urban communities from lower socio-economic strata.

MGL drives the business with utmost safety measures and in adherence with its Health Safety and Environment policy. Customers are kept at the center of business operations. Every necessary step is taken to ensure that customers get the best services without any disruptions. MGL also has in place Enterprise Risk Management policy which is the guidance for critical decision making to mitigate the business Risk.

I am also delighted to share that MGL's Corporate Sustainability Assessment Rating (by S&P Global) score has improved from 11 (FY 2021-22) to 47 (FY 2022-23)

8.	Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy/policies	Name: Mr. Sanjay Shende Designation: Deputy Managing Director (Executive) DIN: 09172642
9.	Does the entity have a specified Committee of the Board/ Director responsible for decision making on sustainability related issues? (Yes / No). If yes, provide details.	Yes, Deputy Managing Director (DMD) is responsible for decision making on sustainability related issues and he is also a Chairman of the ESG committee, who is handling various aspects of ESG across all MGL locations.

10. Details of Review of NGRBCs by the Company:

Subject for Review	Indicate whether review was undertaken by Director / Committee of the Board/Any other Committee									Frequency (Annually/Half yearly/Quarterly/ Any other– please specify)								
	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
Performance against above policies and follow up action	Yes, the Company follows up for the performance against above policies. The Deputy Managing Director and the ESG Committee are responsible for carrying out the reviews.									On an annual basis and as and when need arises for the review related to performance against above policies during their review meetings.								
Compliance with statutory requirements of relevance to the principles, and rectification of any non-compliances	The Company complies with all the applicable statutory requirements.									Annually								

		P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
11.	Has the entity carried out independent assessment/ evaluation of the working of its policies by an external agency? (Yes/No). If yes, provide the name of the agency.	Periodically Company gets specific policies reviewed independently. In addition, Company has a comprehensive internal audit mechanism through independent firm. The scope involves review of policies. Following External Agencies, over a period, have carried out audits/ assessments of working of the below mentioned policies: • BCG for marketing policies relating to LOI issuance. • M/s. Pinnacle Global Consultancy for BCP and Disaster Management								

12. If answer to question (1) above is "No" i.e., not all Principles are covered by a policy, reasons to be stated:

	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
1. The entity does not consider the principles material to its business (Yes/No)	Not Applicable								
2. The entity is not at a stage where it is in a position to formulate and implement the policies on specified principles (Yes/No)									
3. The entity does not have the financial or/human and technical resources available for the task (Yes/No)									
4. It is planned to be done in the next financial year (Yes/No)									
5. Any other reason (please specify)									

Section C: Principle wise performance disclosure

This section is aimed at helping entities demonstrate their performance in integrating the Principles and Core Elements with key processes and decisions. The information sought is categorized as "Essential" and "Leadership". While the essential indicators are expected to be disclosed by every entity that is mandated to file this report, the leadership indicators may be voluntarily disclosed by entities who aspire to progress to a higher level in their quest to be socially, environmentally, and ethically responsible.

Principle 1

Businesses should conduct and govern themselves with integrity, and in a manner that is Ethical, Transparent and Accountable

Essential Indicators

1. Percentage coverage by training and awareness programmes on any of the principles during the financial year:

Segment	Total number of training and awareness programmes held	Topics / principles covered under the training and its impact	% Age of persons in respective category covered by the awareness programmes
Board of Directors (BoD)	4	Business, Strategy, Risks, Policies of BRSR and update on applicable provisions to the Company and amendments.	100%
Key Managerial Personnel (KMP)	2	Code of Conduct, Human Rights awareness, Fire Prevention & Fire Fighting, Office Safety & Hazardous Waste Management.	Principle 1 – 71% Principle 5 – 100%
Employees other than BoD and KMPs	Principle 1 – 1 Principle 2 – 10 Principle 5 – 1 Principle 6 – 3 Principle 9 – 1	Principle 1 • Training on Code of Conduct Principle 2 • Pipeline Integrity • Corrosion Control • Safe Material Handling • Asset Integrity and Reliability Management • Root Cause Failure Analysis • Non- Destructive Testing • Parker Dispenser operational technique • Dispenser and Compressor Management • Cathodic Protection • Earthing, Bonding, Lightning and Surge Protection • Best Practices in Contractor Safety Management • Defensive Driving Training • Disaster Management Principle 5 • Human Rights awareness Principle 6 • Effect of Climate Change on Industrial Operations • Session on ESG • Fire Prevention & Fire Fighting • Office Safety • Hazardous Waste Management Principle 9 • Personal Effectiveness	Principle 1 – 94% Principle 2 – 52% Principle 5 – 89% Principle 6 – 68% Principle 9 – 26%

Segment	Total number of training and awareness programmes held	Topics / principles covered under the training and its impact	% Age of persons in respective category covered by the awareness programmes
Workers	Principle 1 – 1 Principle 2 – 10 Principle 5 – 1 Principle 6 – 1 Principle 9 – 1	Principle 1 • Training on Code of Conduct Principle 2 • Dispenser and Compressor Management • Parker Dispenser operational technique • Best Practices in Contractor Safety Management • Defensive Driving Training • Disaster Management Principle 5 • Human Rights awareness Principle 6 • Effect of Climate Change on Industrial Operations • Session on ESG • Fire Prevention & Fire Fighting • Office Safety • Hazardous Waste Management Principle 9 • Customer Service Excellence	Principle 1 – 84% Principle 2 – 100% Principle 6 – 75% Principle 9 – 91%

2. **Details of fines / penalties /punishment/ award/ compounding fees/ settlement amount paid in proceedings (by the entity or by directors / KMPs) with regulators/ law enforcement agencies/judicial institutions, in the financial year, in the following format (Note: the entity shall make disclosures on the basis of materiality as specified in Regulation 30 of SEBI (Listing Obligations and Disclosure Obligations) Regulations, 2015 and as disclosed on the entity's website):**

There have been no instances of fines/penalties/compounding fee/settlement/imprisonment/punishment for FY 2023-24.

3. **Of the instances disclosed in Question 2 above, details of the Appeal/ Revision preferred in cases where monetary or non-monetary action has been appealed.**

Case details	Name of the regulatory/ enforcement agencies/ judicial institution
NIL	Not applicable

4. **Does the entity have an anti-corruption or anti-bribery policy? If yes, provide details in brief and if available, provide a web-link to the policy.**

Yes, MGL has defined anti-corruption & antibribery policy which is available on the website of the Company at https://www.mahanagargas.com:3000/Anti-Bribery%20&%20Anti-Corruption%20Policy.pdf.

MGL strictly prohibits its employees, agents and intermediaries from engaging in any illegal or inappropriate payments or benefits, either directly or indirectly, that may be perceived as an attempt to gain undue advantages for the business operations. It is crucial to note that any violation of anti-bribery, anti-corruption, anti-competition, data privacy laws, etc. can lead to severe financial penalties and irreparable damage to the Company's reputation.

MGL has adopted Code of Conduct for Board members and senior management personnel which is available on the website of the Company at https://www.mahanagargas.com:3000/_Code_of_Conduct_39a9c780c6.pdf and Code of Conduct for employees and trainees is available on the intranet of the Company.

Further, MGL's Code of Conduct policy and Standard Operating Procedures for business partners and suppliers covers the aspects of anti-corruption/ anti-bribery as well, which is available on the website of the Company at https://www.mahanagargas.com/assets/images/pdf/Code%20of%20Conduct%20Policy%20for%20Business%20Partners.pdf.

The Company has Board approved Whistle Blower Policy and Vigil Mechanism which is applicable to all Employees and Directors of MGL which is available on the website of the Company at https://www.mahanagargas.com:3000/_whistle-blower-and-vigil-mechanism_80f19ef31b.pdf. The policy provides a channel to report genuine concerns about unethical behavior or frauds and safeguards a whistle blower from any victimization.

5. **Number of Directors/KMPs/employees/workers against whom disciplinary action was taken by any law enforcement agency for the charges of bribery/corruption:**

Case details	FY 2023-24	FY 2022-23
Directors	Nil	Nil
KMPs	Nil	Nil
Employees	Nil	Nil
Workers	Nil	Nil

6. **Details of complaints with regard to conflict of interest:**

There have been no complaints with regard to conflict of interest against Board of Directors or KMPs for FY 2023-24 and FY 2022-23.

7. **Provide details of any corrective action taken or underway on issues related to fines / penalties /action taken by regulators/ law enforcement agencies/ judicial institutions, on cases of corruption and conflicts of interest.**

As there have been no instances of corruption and conflicts of interest no specific corrective actions were required to be taken.

8. **Number of days of accounts payables ((Accounts payable*365) / Cost of goods/services procured) in the following format:**

Case details	FY 2023-24	FY 2022-23
Number of days of accounts payables	24	19

9. **Open-ness of business**

Provide details of concentration of purchases and sales with trading houses, dealers, and related parties along-with loans and advances & investments, with related parties, in the following format:

Parameter	Metrics	FY 2023-24	FY 2022-23
Concentration of Purchases	a. Purchases from trading houses as % of total purchases	--	--
	b. Number of trading houses where purchases are made from	--	--
	c. Purchases from top 10 trading houses as % of total purchases from trading houses	--	--
Concentration of Sales	a. Sales to dealers / distributors as % of total sales	--	--
	b. Number of dealers / distributors to whom sales are made	--	--
	c. Sales to top 10 dealers / distributors as % of total sales to dealers / distributors.	--	--

Parameter	Metrics	FY 2023-24	FY 2022-23
Share of Related Party Transactions in	a. Purchases (Purchases with related parties / Total Purchases)	68.4%	65.9%
	b. Sales (Sales to related parties / Total Sales)	--	--
	c. Loans & advances (Loans & advances given to related parties / Total loans & advances)	100%	100%
	d. Investments (Investments in related parties / Total Investments made)	29%	--

Leadership Indicators

1. **Awareness programmes conducted for value chain partners on any of the principles during the financial year:**

Total number of awareness programmes held	Topics/ principles covered under the training	% of value chain partners covered (by value of business done with such partners) under the Awareness programmes
Supplier and Contractors	Basic principles under BRSR were covered	80%

2. **Does the entity have processes in place to avoid/ manage conflict of interests involving members of the Board? (Yes/No) If yes, provide details of the same.**

   Yes, MGL has processes in place to avoid/ manage conflict of interests involving members of the Board. Whenever any Director has a direct or indirect interest in the agenda/ matter, they are refrain from participating in the discussion and voting. Further, each Director gives the disclosure of his/ her interest in any Company or body's corporate firm, or other association of individuals by giving a notice in writing as per provisions of Companies Act, 2013 and the same is put up to the Board for information.

   Further, the Company also has in place Related party transaction policy, which has specific provisions for entering into transaction with any related party. The said policy is available on the Company's website at: https://www.mahanagargas.com:3000/_MGL_Policy_on_Related_Party_Transactions_7e65246e63.pdf.

Principle 2

Businesses should provide goods and services in a manner that is Sustainable and Safe

Essential Indicators

1. **Percentage of R&D and capital expenditure (capex) investments in specific technologies to improve the environmental and social impacts of product and processes to total R&D and capex investments made by the entity, respectively.**

Parameter	FY 2023-24	FY 2022-23	Details of improvements in environmental and social impacts
R&D	0	0	Installation of IoT/ AI Based smart electrical DB which monitor the Electrical system on continuous basis and provide the live data and intimation of all electrical faults through the Dashboard, Email and SMS. For the protection of Electrical system from major electrical faults, system has MCCB which trips the device and isolate the fault. Also, for the smooth operation of electrical system, device provides daily, weekly, and monthly report of all electrical data through email. The IoT/ AI Based smart electrical DB was installed at 16 MGL offices in FY 2022-23.
Capex	0	0.048%	

2. **Does the entity have procedures in place for sustainable sourcing? (Yes/No) b. If yes, what percentage of inputs were sourced sustainably?**

   Yes, the Company has Sustainable Supply Chain and Responsible Sourcing policy which assist all business partners, contractors, suppliers, and vendors in meeting its expectations of doing business as they relate to certain legal requirements, ethical practices, human rights, and environmental management. Through this policy the Company seeks to safeguard ethical practices in supply chain, reduce impact to the environment and support workers and grower communities. This policy is available on the website of the Company at: https://www.mahanagargas.com/assets/images/pdf/Sustainable%20Supply%20chain%20and%20Responsible%20Sourcing%20Policy.pdf

   This policy ensures to share the Company's key sustainability principles for doing business with its suppliers, to support suppliers to identify, mitigate and manage their sustainability risks (including environmental, social human rights, modern slavery, and governance) and to communicate MGL's expectations to its suppliers through active supply chain engagements.

   The Company also encourages its suppliers to be compliant with social and environmental standards such as SA8000, ISO 14001, and ISO 45001. However, at present, percentage of inputs sourced sustainably is not currently mapped for MGL.

3. **Describe the processes in place to safely reclaim your products for reusing, recycling, and disposing at the end of life, for (a) Plastics (including packaging) (b) E-waste (c) Hazardous waste and (d) other waste.**

   Not Applicable as MGL is a city gas distribution Company. The Company's primary product is natural gas.

4. **Whether Extended Producer Responsibility (EPR) is applicable to the entity's activities (Yes / No). If yes, whether the waste collection plan is in line with the Extended Producer Responsibility (EPR) plan submitted to Pollution Control Boards? If not, provide steps taken to address the same.**

   Owing to the nature of the Company's product/service offerings, EPR is not applicable to the Company.

Leadership Indicators

1. **Has the entity conducted Life Cycle Perspective / Assessments (LCA) for any of its products (for manufacturing industry) or for its services (for service industry)?**

   MGL is a city gas distribution and is more of a service-based Company, detail study of LCA has not been carried out.

2. **If there are any significant social or environmental concerns and/or risks arising from production or disposal of your products / services, as identified in the Life Cycle Perspective / Assessments (LCA) or through any other means, briefly describe the same along-with action taken to mitigate the same.**

   Not Applicable

3. **Percentage of recycled or reused input material to total material (by value) used in production (for manufacturing industry) or providing services (for service industry).**

   Not applicable, considering the Company's nature of business.

4. **Of the products and packaging reclaimed at end of life of products, amount (in metric Tons) reused, recycled, and safely disposed of.**

   Not applicable, considering the Company's nature of business.

5. **Reclaimed products and their packaging materials (as percentage of products sold) for each product category.**

   Not applicable, considering the Company's nature of business.

Principle 3

Businesses should respect and promote the well-being of all employees, including those in their value chains.

Essential Indicators

1. a. **Details of measures for the well-being of employees:**

Category	% of employees covered by										
	Total(A)	Health Insurance		Accident Insurance		Maternity Benefits		Paternity Benefits		Day Care Facilities	
		Number (B)	% (B/ A)	Number (C)	% (C/A)	Number (D)	% (D/A)	Number (E)	% (E/ A)	Number (F)	% (F/ A)
Permanent Employees											
Male	391	391	100	391	100	0	0%	391	100	0	0%
Female	52	52	100	52	100	52	100	0	0%	0	0%
Total	**443**	**443**	**100%**	**443**	**100%**	**52**	**100%**	**391**	**100%**	**0**	**0%**
Other than Permanent Employees											
Male	3	2	66	0	0	NA	NA	NA	NA	NA	NA
Female	0	0	0	0	0	NA	NA	NA	NA	NA	NA
Total	**3**	**2**	**66**	**0**	**0**	**NA**	**NA**	**NA**	**NA**	**NA**	**NA**

b. **Details of measures for the well-being of workers:**

Category	% of employees covered by										
	Total(A)	Health Insurance		Accident Insurance		Maternity Benefits		Paternity Benefits		Day Care Facilities	
		Number (B)	% (B/ A)	Number (C)	% (C/A)	Number (D)	% (D/A)	Number (E)	% (E/ A)	Number (F)	% (F/ A)
Permanent Workers											
Male	86	86	100	86	100	0	0	86	100	0	0
Female	3	3	100	3	100	3	100	0	0	0	0
Total	**89**	**89**	**100%**	**89**	**100%**	**3**	**100%**	**86**	**100%**	**0**	**0**
Other than Permanent Workers											
Male	1636	1636	100	1636	100	0	0	0	0	0	0
Female	58	58	100	58	100	58	100	0	0	0	0
Total	**1694**	**1694**	**100%**	**1694**	**100%**	**58**	**100%**	**0**	**0**	**0**	**0**

c. **Spending on measures towards well-being of employees and workers (including permanent and other than permanent) in the following format –**

Metrics	FY 2023-24	FY 2022-23
Cost incurred on well- being measures as a % of total revenue of the Company	0.05%	0.05%

2. **Details of retirement benefits.**

Benefits	FY 2023-24			FY 2022-23		
	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)
PF	100%	100%	Y	100%	100%	Y
Gratuity	100%	100%	Y	100%	100%	Y
ESI	NA	NA	NA	NA	NA	NA
Others – 1. Annual Health Checkup 2. Mediclaim	100%	100%	NA	100%	100%	NA

3. **Accessibility of workplaces: Are the premises / offices of the entity accessible to differently abled employees and workers, as per the requirements of the Rights of Persons with Disabilities Act, 2016? If not, whether any steps are being taken by the entity in this regard.**

Yes, the Company offices and factories are accessible to differently abled employees using wheelchairs. The Company has installed ramps at entry locations and lobbies to facilitate wheelchairs at MGL premises/ offices as per the requirements of the Rights of Persons with Disabilities Act, 2016.

4. **Does the entity have an equal opportunity policy as per the Rights of Persons with Disabilities Act, 2016? If so, provide a web-link to the policy.**

Yes, the Company has formulated and implemented an Equal Opportunity Policy as per the Rights of Persons with Disabilities Act, 2016. The policy is available on MGL's website at https://www.mahanagargas.com/MGL-corporate/investors/policies.

The Company is dedicated to providing equal employment opportunities, fostering a harassment-free work environment, and ensuring fair treatment for all employees. It prohibits discrimination in all aspects of employment, promotes equal pay and terms of employment and provides a robust grievance mechanism.

5. **Return to work and Retention rates of permanent employees and workers that took parental leave:**

Gender	Permanent employees		Permanent workers	
	Return to work rate	Retention rate	Return to work rate	Retention rate
Male	100%	100%	100%	100%
Female	100%	100%	100%	100%
Total	**100%**	**100%**	**100%**	**100%**

6. **Is there a mechanism available to receive and redress grievances for the following categories of employees and workers? If yes, give details of the mechanism in brief.**

Permanent workers Permanent employees	Yes. The Company has a Grievance Redressal Policy for employees/ workers which provides expeditious redressal of grievances. All employees are encouraged to report grievances to the immediate reporting officer. In case of an unsatisfied redressal of the reported concern, the complaint can be escalated to the concerned Head of the Department. Further if the complainant is still not satisfied with the redressal then a Grievance Committee is formulated to resolve the grievance. All attempts are made to redress the grievance and a final response is delivered to the complainant with information on how the complaint was resolved or rejected, along with a written justification for each decision.
Other than permanent workers Other than permanent employees	Yes. Employees and Workers who are engaged on a project basis or contractual basis are governed by the terms & conditions of the contract and they can report their grievances to their respective contractor representative or the Company supervisor. The contractor is expected to take the required action to address the worker grievances, and if required, can raise the grievance to HR and respective functional heads of MGL

7. Membership of employees and worker in association(s) or Unions recognized by the listed entity:

Category	FY 2023-24			FY 2022-23		
	Total employees/ workers in respective category (A)	No. of employees / Workers in Respective category, who are part of association(s) or Union (B)	% (B/A)	Total employees/ workers in respective category (C)	No. of employees / workers in respective category, who are part of association(s) or Union (D)	% (D /C)
Total Permanent - Employees	**443**	**0**	**0**	**419**	**0**	**0**
- Male	391	0	0	373	0	0
- Female	52	0	0	46	0	0
Total Permanent - Workers	**89**	**89**	**100%**	**90**	**90**	**100%**
- Male	86	86	100%	87	87	100
- Female	3	3	100%	3	3	100

8. Details of training given to employees and workers:

Category	FY 2023-24					FY 2022-23				
	Total (A)	On Health and Safety Measures		On Skill Upgradation		Total (D)	On Health and Safety Measures		On Skill Upgradation	
		No. (B)	% (B/A)	No. (C)	% (C/A)		No. (E)	% (E/D)	No. (F)	% (F/D)
Permanent Employees										
Male	391	391	100%	371	95%	373	356	95%	373	100%
Female	52	45	87%	46	88%	46	44	96%	45	98%
Total	**443**	**436**	**99%**	**417**	**94%**	**419**	**400**	**95%**	**418**	**100%**
Permanent Workers										
Male	86	86	100%	84	97%	87	85	98%	65	75%
Female	3	2	67%	1	33%	3	3	100%	3	100%
Total	**89**	**88**	**99%**	**85**	**95%**	**90**	**88**	**98%**	**68**	**76%**

9. Details of performance and career development reviews of employees and worker:

Category	FY 2023-24			FY 2022-23		
	Total (A)	No. (B)	% (B/A)	Total (C)	No. (D)	% (D/C)
Employees						
Male	391	391	100%	373	373	100%
Female	52	52	100%	46	46	100%
Total	**443**	**443**	**100%**	**419**	**419**	**100%**
Permanent Workers						
Male	86	86	100%	87	87	100%
Female	3	3	100%	3	3	100%
Total	**89**	**89**	**100%**	**90**	**90**	**100%**

10. Health and safety management system:

a. Whether an occupational health and safety management system has been implemented by the entity? (Yes/ No). If yes, what is the coverage of such a system?

Yes, MGL is an ISO 45001 certified Company, having an occupational health and safety management system in place. The scope covers "Designing, Laying, Testing, Commissioning and Operation & maintenance of pipeline network for distribution of natural gas for domestic industrial, commercial customers and CNG Vehicles across areas GA-I, GA-II & GA-III". The Company also has a Health, Safety & Enviornment (HSE) policy available at the website which illustrates their commitment towards occupational health and safety standards.

b. What are the processes used to identify work-related hazards and assess risks on a routine and non-routine basis by the entity?

MGL has adopted a Qualitative Risk Assessment (QRA) methodology process for identification and evaluation of hazards and risks. Work and process related major accident hazards have been identified by using various risk assessment methods like Process Hazard Analysis (PHA), Hazard Operability Procedure (HAZOP) and pre-commissioning safety review of CGS and CNG ROs and are mitigated in line with Safety, Health, Environment & Quality (SHEQ) Management System processes and procedures.

Site-specific hazard identification and risk assessments have been carried out on routine basis and are managed as per hierarchy of control to protect the stakeholders and achieve goal of zero injury. Risks and opportunities are identified and discussed in the management review of SHEQ management system.

Non-Routine Operation (NRO) processes have been established and implemented for identification of potential hazards and risks, and contingency arrangements. Quantitative Risk Assessment (QRA) and Hazard Identification and Risk Assessment (HIRA), and studies to identify hazards and high-risk areas and action plans are reviewed regularly to further prevent and mitigate the risks.

c. Whether you have processes for workers to report the work-related hazards and to remove themselves from such risks.

Yes, the Company has established and maintained an online reporting portal for reporting of work-related hazards and near-misses. The Company has implemented online incident tracking module for analysis of risks with respect to People, Environment, Asset and Reputation. Followed by a comprehensive Root Cause Failure Analysis (Investigation), formulation of corrective actions are carried out as per Hierarchy of Controls, along with its tracking and monitoring and subsequent closure. The learnings from these incidents are communicated to all concerned personnel and departments associated with the incident. The status of corrective actions and recommendations are reviewed and monitored during HSE Steering committee Meetings.

d. Do the employees/ workers of the entity have access to non-occupational medical and healthcare services?

Yes, the employees and workers of the Company have access to non-occupational medical and healthcare services. MGL has tie-up with external ambulance service provider and this service can be availed by employees and workers at site.

MGL has a health and safety policy in place which aims to provide annual medical health check-up to employees, retired employees and their spouses for assessing their current health parameters. Further, all MGL employees and their family consisting of spouse, dependent children and parents are covered under Mediclaim Insurance Policy of the Company, wherein grade-wise sum insured is specified to cover the hospitalisation and medical expenses.

The Company also has an in-house Medical Officer, who visits the Company's offices weekly so that all employees / workers can consult the doctor for any medical advice. Further, MGL also conducts awareness session periodically to promote physical and mental wellbeing for all the employees and workers.

11. Details of safety related incidents, in the following format:

Safety Incident/Number	Category	FY 2023-24	FY 2022-23
Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)	Employee	0	0
	Worker	0.083	0
Total recordable work-related injuries	Employee	0	0
	Worker	3	1
No. of fatalities	Employee	0	0
	Worker	0	0
High consequence work-related injury or ill-health (excluding fatalities)	Employee	0	0
	Worker	0	0

12. Describe the measures taken by the Company to ensure a safe and healthy workplace.

The following are the various measures being taken by the Company to ensure a safe and healthy workplace:

- The Company embeds the guidelines and principles of ISO 9001 Quality Management System, ISO 14001 Environmental Management System and ISO 45001 Occupational Health and Safety Management system in the overall business operations.
- MGL has implemented Safety, Health, Environment and Quality (SHEQ) Management System which is applicable to the Company's employees and contractors to ensure safe and healthy workplace. Employees and workers are provided with safe workplaces at all MGL work locations. MGL Life Saving Rules have been defined and employees and workers are made aware about the same.
- Updated MGL "Life Saving Rules" (LSR) calendar was released during the FY 2023-24 at the hands of the Managing Director in the presence of the Deputy Managing Director and SMG members. These rules are displayed at various work locations. These workplaces are audited periodically, and actions/ recommendations are implemented. MGL Senior Management demonstrates leadership by conducting safety tours with site team through 'Senior Management Tour' (SMT) process.
- Employees and stakeholders are encouraged for reporting any potential hazards, near-misses, safety suggestions, and incidents through Online Reporting system.
- Contractor Safety Management is in place right from contractor pre-bid meet, mobilization, monthly evaluation. Monthly zonal safety meetings are conducted with the contractors to discuss and share SHEQ related observations, learnings from MGL and other entities, and areas for improvement. Contractor Safety Forums with the front-line workers are being conducted for sensitizing them with respect to HSE issues related to their work.
- It is mandatory to carry out site specific Hazard Identification and Risk Assessment for all the activities in MGL. The control measures are implemented based on this exercise and same are explained to the personnel involved in the activity during Toolbox Talk prior to commencing the site activity. Other hazards and control measures identified by the site personnel are also discussed during Toolbox Talk. For high hazard activities like Work at Heights etc. Permit to Work system is applicable and these activities are started only upon verification of fulfilment of site safety requirements. MGL has identified 13 such activities where Permit to Work system is applicable.
- HSE Reward scheme has been in place at MGL which recognizes significant contribution of ground level personnel in improving Safety. Workmen irrespective of their designation can be recognized through this scheme. This scheme rewards personnel on monthly, and quarterly basis.
- Additionally, a new award "Agni Suraksha Padak" has been introduced. This award is dedicated to all brave employees/Business Partners involved in Fire – Fighting in critical situations and who have displayed exceptional dedication and commitment to their duties.
- Apart from this, all workmen are encouraged to report Hazards, Near Miss and give safety suggestion through online portal. This portal is accessible through smartphones through internet explorer. MGL also recognizes Business Partners for their performance annually. The performance of Business Partners are measured and monitored through well-established system of Contractors Performance Evaluation based on leading and lagging indicators. During routine payment processing of Invoices submitted by Business Partners, their Safety Performance during applicable billing cycle is considered and penalties are imposed in case persuasion by means of counselling and communication does not work effectively.
- Safety trainings including hands-on firefighting have been imparted to employees and contractors. MGL has taken initiative to impart Fire Prevention training at TS Chanakya. In this training employees are given hands on experience on firefighting for two days at TS Chanakya (Indian Marine time Institute). In this training the theoretical along with practical knowledge was imparted to the participants. The participants were asked to wear boiler suits and perform the firefighting.
- Safety and Technical Competency (STC) training to all contractor employees are being provided before start of the job. Transport Safety Management System has been implemented focused on drivers and helpers' behavior during transportation of CNG Transport Vehicles (CTVs).
- MGL has In-vehicle Monitoring System and accesses penalty data from website of Government Authorities. This data enables MGL to measure actual driving behavior of the individual drivers. Based on the actual on road driving performance, best drivers are selected on quarterly basis, and they are rewarded at the hands of Senior MGL Officials during high level HSE forums. The helpers accompanying drivers are also rewarded for their contribution towards safe transportation. In FY 2023-24 four best drivers had been rewarded by Senior MGL Officials. Monthly transport contractor meetings are held with business partners in which site safety concerns are shared along with Contractor Performance Evaluation for respective months. This evaluation is based on transport related parameters and contractor with consistent performance are recognized during the meetings. The contract clause also has provisions for penalty which is executed considering monthly performance of the respective contractors. On similar lines dispenser operators are rewarded for their contribution towards accident prevention at Retail Outlets.
- MGL has implemented application-based solutions for many of the HSE related monitoring and evaluation tools. Android based application has been developed to ensure site compliance through real time site photos. MGL Lifesaving Rules is a set of rules which are mandatory for work execution and checklists are developed based on MGL Lifesaving Rules. These checklists are converted into android based application and this app records site audits and generates report in the form of percentage safety compliance at the site. This app which is used by HSE team for site safety monitoring also has facility to take photographs of non-compliances for record. Additionally, virtual audits are conducted by HSE team using facility of video calls.

13. Number of complaints on the following made by employees and workers:

Category	FY 2023-24			FY 2022-23		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Working Conditions	572**	0	--	419**	0	--
Health & Safety	0	0	--	0	0	--

(**) - These are mainly routine electrical fault related complaints from owned & hired offices with respect to bulbs, socket, switch replacements and other electrical related incidents.

14. Assessments for the year:

Aspect	% Of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Health and safety practices	100%
Working Conditions	100%

15. Provide details of any corrective action taken or underway to address safety-related incidents (if any) and on significant risks / concerns arising from assessments of health & safety practices and working conditions.

Total Corrective Actions/Preventive Actions from the Incident Investigations in FY 2023-24	Corrective Actions/Preventive Actions Implemented	Corrective Actions/Preventive Actions Underway
57	49	8

Leadership Indicators

1. **Does the entity extend any life insurance or any compensatory package in the event of death of (A) Employees (Y/N) (B) Workers (Y/N).**

Yes, the Company has a Group Term Insurance Policy wherein a lumpsum amount is paid to the nominee of the employee upon his/ her death. In addition to this the Company has a policy on Employee Death Relief and it aims to provide financial and other assistance to the family members of deceased employee for a period of 3 years from the date of death so that on monthly basis they get a fixed amount.

Employees and workers are also covered under Group Accident Insurance in case of deaths due to accident /disability. The contract workers are covered under the Employee's Compensation Act, 1923 and an insurance policy is obtained by the Contractor regularly for the grant of death/ disablement benefits wherever Employees' State Insurance Act (ESI), 1948 is not applicable; and wherever ESI Act,1948 is applicable, the contract workers are ensured benefits under ESI Act,1948 through the contractor.

2. **Provide the measures undertaken by the entity to ensure that statutory dues have been deducted and deposited by the value chain partners.**

The Company has multiple mechanism and systems in place which ensure the statutory dues of the value chain partners are deducted and deposited, when it comes to direct contracts engaging manpower services and job contracts. The Company gets the statements of PF, ESIC, PT deducted as applicable with respect to employees deployed by them for the Company's services on regular basis. The Company has a well defined processe and procedure which includes all possible measures which have been complied by the Company such as contract clause, bill approval etc.

3. **Provide the number of employees / workers having suffered high consequence work related injury / ill-health / fatalities (as reported in Q11 of Essential Indicators above), who have been rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment:**

Category	Total no. of affected employees/ workers		No. of employees/workers that are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment	
	FY 2023-24	FY 2022-23	FY 2023-24	FY 2022-23
Employee	0	0	0	0
Worker	0	0	0	0

4. **Does the entity provide transition assistance programs to facilitate continued employability and the management of career endings resulting from retirement or termination of employment? (Yes/ No)**

Yes, as per business requirement, some highly qualified employees are retained as consultants or advisor's post-retirement.

Principle 4

Businesses should respect the interests of and be responsive to all its stakeholders.

Essential Indicators

1. **Describe the processes for identifying key stakeholder groups of the entity.**

The Company has adopted Stakeholder Engagement Policy which has been duly approved by the Board and is available on the Company website at https://www.mahanagargas.com:3000/Stakeholder%20Engagement%20Policy.pdf which provides process to acknowledge each stakeholder's expectations and concerns, where negative issues could be effectively prevented and mitigated, and positive issues could be used as a key to achieve the greatest benefit. It defines Stakeholder management process which include identification and assessment of stakeholder prioritization, analysis, management, review and improvement.

This policy also defines engagement method for identified key stakeholders including customers, business partners and vendors, employees, regulatory bodies, shareholders and investors, lenders and rating agencies, government agencies & local authorities, service providers and suppliers, media, communities and public at large.

2. **List stakeholder groups identified as key for your entity and the frequency of engagement with each stakeholder group:**

Stakeholder Group	Whether identified as Vulnerable & Marginalized Group (Yes/No)	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Other	Frequency of engagement (Annually/ Half yearly/ Quarterly / others – please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Government & Regulatory Authorities	No	Website and emails	As per requirement.	• Understanding concerns and requirement of Regulatory authorities.
NGOs	No	Community meetings through NGO implementation partners.	As per requirement.	• Understanding the needs and concerns of the community. • CSR Projects monitoring and review, feedback from beneficiary.
Academia	No	Website and emails	As per requirement.	• Understanding concerns and requirement
Employees	No	Email communication, newsletters (monthly & quarterly), townhall meeting, virtual/online meetings, intranet portal	Continuous	• Employee Retention • Grievance redressal and feedback of employee • Learning opportunities, building a safety culture and inculcating safe work practices among employees, and improving diversity and inclusion
Customers	No	Websites, Emails and SMS, MGL Connect APP, social media	Continuous	• Consider customers service requirement and any concerns.
Suppliers	No	Suppliers meets, pre-tender or Pre-bid meetings for all tenders	Continuous	• Understanding concerns of suppliers • Dispute/grievance resolution • Supply chain sustainability

Stakeholder Group	Whether identified as Vulnerable & Marginalized Group (Yes/No)	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Other	Frequency of engagement (Annually/ Half yearly/ Quarterly / others – please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Local Community	Yes, only in certain geography pockets	Community meetings through NGO implementation partners.	As per requirement.	• Understanding the needs and concerns of the community. • CSR Projects monitoring and review, Feedback from beneficiary.
Investors	No	E-mails, Newspaper notice, meetings, intimations, Corporate Announcement on Stock Exchange	Annual, Half-yearly, Quarterly, Continuous	• Redressal of Shareholders Complaints. • Shareholder returns. • Quarterly Earning Calls
Shareholders	No	E-mails, Newspaper notice, meetings, intimations, Corporate Announcement on Stock Exchange	Annual, Half-yearly, Quarterly, Continuous	• Redressal of Shareholders Complaints. • Shareholder returns. • Quarterly Earning Calls

Leadership Indicators

1. **Provide the processes for consultation between stakeholders and the Board on economic, environmental, and social topics or if consultation is delegated, how feedback from such consultations is provided to the Board.**

We believe that consultation with our stakeholders is an ongoing process, and our leadership takes the lead by engaging with them regularly across various platforms. Also, we provide shareholders with the opportunity to interact with all Board members on an annual basis during Annual General Meeting. This enables us to keep a constant pulse on the needs and concerns of our stakeholders and ensures that we remain accountable to them.

Additionally, there is a quarterly Safety Steering Committee Meeting Chaired by MD, where Health Safety, Environment details along with Head of the functions of all departments are discussed and reviewed during the Board of director meeting on quarterly basis.

MGL through its CSR activities engages directly with the local communities. The Company identifies the areas where there is a scope for intervention to improve the lives of deprived communities and make a plan to undertake CSR actions around them through NGOs and implementation partners to help execute the same by identifying the beneficiaries. The areas includes Health, Empowerment, Education, Sanitation and Environment.,

MGL keeps track of the CSR initiatives progress and gets input from local communities by engaging with them on a regular basis through various channels. The Company also gets impact assessment done so that effectiveness of the initiatives can be assessed. Apart from this through various field visits, MGL ensures active participation of the community in the planning and implementation of our numerous CSR programmes.

Every year Board approves the Annual CSR plan with CSR budget on the recommendation of Corporate Social Responsibility (CSR) Committee. During discussion and deliberation on the approval of CSR projects, CSR Committee update the Board about the proposed project with an feedback received from the NGO's along with the requirement of local communities to enable the Board to approve the annual CSR plan, considering the needs and requirement of deprived communities.organization.

2. **Provide details of instances of engagement with, and actions taken to, address the concerns of vulnerable/ marginalized stakeholder groups.**

MGL has taken following actions to address the concerns of vulnerable/ marginalized stakeholder groups:

- MGL is supporting the boarding and lodging of outstation paediatric cancer patients and their parents undergoing treatment at Tata Memorial Hospital.
- MGL with support of local reputed NGO has organised life skill training for tribal girls of Karjat Taluka of Raigad district.
- 1000 tribal households provided with drinking water facility at Karjat Taluka of Raigad district.

Principle 5

Businesses should respect and promote human rights.

Essential Indicators

1. **Employees and workers who have been provided training on human rights issues and policy(ies) of the entity, in the following format:**

Category	FY 2023-24			FY 2022-23		
	Total (A)	No. of employees / workers covered (B)	% (B/A)	Total (C)	No. of employees / workers covered (D)	% (D/C)
Employees						
Permanent	443	402	91%	419	403	96%
Other than permanent	3	0	0	0	0	0
Total Employees	**446**	**402**	**91%**	**419**	**403**	**96%**
Workers						
Permanent	89	75	84%	90	63	70%
Other than permanent	1694	0	0	0	0	0
Total Workers	**1783**	**75**	**84%**	**90**	**63**	**70%**

2. **Details of minimum wages paid to employees and workers, in the following format.**

Category	FY 2023-24					FY 2022-23				
	Total (A)	Equal to Minimum Wage		More than minimum Wage		Total (D)	Equal to Minimum Wage		More than minimum wage	
		No. (B)	% (B/A)	No. (C)	% (C/A)		No. (E)	% (E/D)	No. (F)	% (F/D)
Employees										
Permanent	443	0	NA	443	100	419	0	NA	419	100
Male	391	0	NA	391	100	373	0	NA	373	100
Female	52	0	NA	52	100	46	0	NA	46	100
Other than Permanent	3	0	NA	3	100	5	0	NA	5	100
Male	3	0	NA	3	100	5	0	NA	51	100
Female	0	0	NA	0	NA	0	0	0	0	0
Workers										
Permant	89	0	NA	89	100	90	0	NA	90	100
Male	86	0	NA	86	100	87	0	NA	87	100
Female	3	0	NA	3	100	3	0	NA	3	100
Other than Permanent	1694	972	57.4	722	42.6	1650	879	53.4	771	46.7
Male	1636	972	59	664	41	1593	879	55	714	45
Female	58	0	NA	58	100	57	0	NA	57	100

3. a. **Details of remuneration/salary/wages, in the following format:**

Category	Male		Female	
	Number	Median remuneration/ salary/ wages of respective category	Number	Median remuneration/ salary/ wages of respective category
Board of Directors (BoD)	7	INR 17.55 Lakhs	1	INR 16.50 Lakhs
Key Managerial Personnel (KMP)	2	INR 76.51 Lakhs	0	0
Employees other than BoD and KMP	389	INR 20.37 Lakhs	52	INR 22.35 Lakhs
Workers	86	INR 12.83 Lakhs	3	INR 17.63 Lakhs

b. **Gross wages paid to females as % of total wages paid by the entity, in the following format:**

Metrics	FY 2023-24	FY 2022-23
Gross wages paid to females as % of total wages	9.11%	9.84%

4. **Do you have a focal point (Individual/ Committee) responsible for addressing human rights impacts or issues caused or contributed to by the business? (Yes/No)**

The Human rights is guided by Human Rights Policy, the web link of the policy https://www.mahanagargas.com:3000/Human%20Rights%20Policy.pdf . Focal point of contact is Mr. Sanket Dhotre – AVP – HR.

5. **Describe the internal mechanisms in place to redress grievances related to human rights issues.**

MGL has established a Code of Conduct detailing its commitment towards human rights that is applicable to all employees, directors, officers and contractual staff. MGL ensures to conduct business in such a way that it respects human rights. The mechanism to redress grievances related to human rights is same as for other grievances as mentioned in Principle 3 - Question 6.

We also have robust internal controls and procedures in place to ensure compliance with applicable labour laws including human rights.

The Company also 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"). responsibility.

- **Number of Complaints on the following made by employees and workers:**

Aspect	FY 2023-24			FY 2022-23		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Sexual Harassment	0	0	0	0	0	0
Discrimination at workplace	0	0	0	0	0	0
Child Labour	0	0	0	0	0	0
Forced Labour/ Involuntary Labour	0	0	0	0	0	0
Wages	0	0	0	0	0	0
Other human rights related issues	0	0	0	0	0	0

6. **Complaints filed under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, in the following format:**

	FY 2023-24	FY 2022-23
Total Complaints reported under Sexual Harassment on of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (POSH)	0	0
Complaints on POSH as a % of female employees / workers	0	0
Complaints on POSH upheld	0	0

7. **Mechanisms to prevent adverse consequences to the complainant in discrimination and harassment cases.**

MGL has a robust Harassment Policy to ensure expeditious redressal of grievances related to discrimination towards all employees and workers. MGL follows a specified procedure outlined in the given policy to provide a fair and unbiased judgement. Any non-compliance with this Policy may be communicated to Mr. Sanket Dhotre, AVP (HR): +91 22 66785000.

MGL also has a Policy on Prevention of Sexual Harassment of Women at Workplace. The Company has constituted an Internal Complaints Committee (ICC) in compliance with the requirements under the POSH Act to address and handle complaints related to discrimination and harassment cases. Further, policy also provides protection against retaliation. Regardless of outcome of the complainant made in good faith, the employee lodging the complaint and any person providing information or any witness, will be protected from any retaliation. There were no complaints or concerns received or observed during FY 2023-24, pertaining to discrimination and sexual harassment.

8. **Do human rights requirements form part of your business agreements and contracts? (Yes/No)**

Yes, human rights requirements are incorporated into all business agreements and contracts entered into by the Company.

9. **Assessments of the year**

Aspects	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Child labor	100%
Forced labor	100%
Sexual harassment	100%
Discrimination at workplace	100%
Wages	100%

10. **Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 9 above.**

There were no risks/concerns identified to be emanating from the above areas in the reporting year.

Leadership Indicators

1. **Details of a business process being modified / introduced as a result of addressing human rights grievances/complaints.**

MGL has not received any complaint with respect to human rights during FY 2023-24 and grievance handling mechanism is in place, hence there was no such requirement to modify the business processes.

2. **Details of the scope and coverage of any Human rights' due diligence conducted**

100% of new suppliers will be screened through human rights criteria.

3. **Is the premise/office of the entity accessible to differently abled visitors, as per the requirements of the Rights of Persons with Disabilities Act, 2016?**

Yes, we have installed ramps at entry locations and lobbies to facilitate wheelchairs at MGL premises/ offices as per the requirements of the Rights of Persons with Disabilities Act, 2016.

Principle 6

Businesses should respect and make efforts to protect and restore the environment.

Essential Indicators

1. **Details of total energy consumption (in Joules or multiples) and energy intensity:**

Parameter	Unit	FY 2023-24	FY 2022-23
From renewable sources (in gigajoules)			
Total electricity consumption (A)	GJ	--	--
Total fuel consumption (B)	GJ	--	--
Energy consumption through other sources (C)	GJ	308.02 GJ	197.02 GJ
Total energy consumption from renewable sources (A+B+C) (GJ)	GJ	308.02 GJ	197.02 GJ
From non - renewable sources (in gigajoules)			
Total electricity consumption (D)	GJ	4,81,091.20 GJ	4,62,454.38 GJ
Total fuel consumption (E)	GJ	1,66,467.78 GJ	1,67,559.56 GJ
Energy consumption through other sources (F)	GJ	--	--
Total energy consumption from non - renewable sources (D+E) (GJ)	GJ	**6,47,558.98 GJ**	**6,30,013.94 GJ**
Total energy consumption (C+D+E) (GJ)	GJ	6,47,866.84 GJ	6,30,210.96 GJ
Energy intensity per rupee of turnover (Total energy consumption in GJ/ turnover in rupees in Crores)	GJ/turnover in crores	94.41 GJ/Rupee Cr	91.06 GJ/Rupee Cr
Energy intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total energy consumed / Revenue from operations adjusted for PPP)	GJ/ Revenue from operations adjusted for PPP	4.21 GJ/Rupee Cr adjusted for PPP	4.06 GJ/Rupee Cr adjusted for PPP
Energy intensity in terms of physical output**	GJ used for CNG /CNG sold in tons in year	0.69 GJ /CNG sold per ton	0.70 GJ /CNG sold per ton
**excluded PNG sales since most of the energy consumed is for CNG		-	-

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.: There is no Independent Assessment done. All the required statutory and internal audits are carried out on a periodic basis.

2. **Does the entity have any sites / facilities identified as designated consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India? (Y/N) If yes, disclose whether targets set under the PAT scheme have been achieved. In case targets have not been achieved, provide the remedial action taken, if any.**

   Not applicable. The Company does not come under the PAT scheme.

3. **Provide details of the following disclosures related to water.**

Parameter	Unit	FY 2023-24	FY 2022-23
Water withdrawal by source (in kiloliters)	KL	--	--
(i) Surface water	KL	--	--
(ii) Groundwater	KL	44,232 KL	41,187 KL
(iii) Third party water	KL	--	--
(iv) Seawater / desalinated water	KL	--	--
(v) Others	KL	44,232 KL	41,187 KL
Total volume of water withdrawal (in kiloliters) (i + ii + iii + iv + v)	KL	**44,232 KL**	**41,187 KL**
Total volume of water consumption (in kiloliters)	KL/turnover in Cr.	6.45 KL/Rupee Cr	5.95 KL/Rupee Cr
Water intensity per Cr. rupee of turnover (Water consumed / turnover)	KL/ Revenue from operations adjusted for PPP	0.28 KL/Rupee Cr adjusted for PPP	0.26 KL/Rupee Cr adjusted for PPP
Water intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total water consumption / Revenue from operations adjusted for PPP)		--	--
Water intensity in terms of physical output	NA	NA	NA
Water intensity (optional)– the relevant metric may be selected by the entity			

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.: There is no Independent Assessment done. All the required statutory and internal audits are carried out on a periodic basis.

4. **Provide the following details related to water discharged:**

Parameter	Unit	FY 2023-24	FY 2022-23
Water discharge by destination and level of treatment (in kiloliters)			
(i) Surface water	KL	--	--
No treatment	KL	--	--
With treatment – please specify the level of treatment	KL	--	--
(ii) Ground water	KL		
No treatment	KL	--	--
With treatment – please specify the level of treatment	KL	--	--
(iii) Sea water	KL		
No treatment	KL	--	--
With treatment – please specify the level of treatment	KL	--	--
(iv) Sent to third parties	KL		
No treatment	KL	--	--
With treatment – please specify the level of treatment	KL	--	--
(v) Others	KL	--	--
No treatment	KL	6,608 KL	--
With treatment – please specify the level of treatment	KL	27 KL Treated water by STP.	*Nil
Total water discharged (in kiloliters)	KL	**6,635 KL**	

(*) – The recording system commenced in FY 2023-24.

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.: There is no independent assessment done. All the required statutory and internal audits are carried out on a periodic basis.

5. **Has the entity implemented a mechanism for Zero Liquid Discharge? If yes, provide details of its coverage and implementation.**

   No, the entity has not implemented a mechanism for Zero Liquid Discharge. The water consumption is mainly for domestic purposes and not used in any process operation, hence no industrial effluent is discharged. However, the Company has set up WTP (Water Treatment Plant)/ STP (Sewage Treatment Plant) at CGS Savroli and CGS Taloja and rainwater harvesting system at CGS Ambernath and CGS Savroli for recycling of wastewater and to conserve the water by recycling and reusing the treated water.

6. **Please provide details of air emissions (other than GHG emissions) by the entity, in the following format:**

Parameter	Unit	FY 2023-24	FY 2022-23
NOx	Tons/annum	68.01	67.74
Sox	Tons/annum	0.025	0.020
Particulate matter (PM 10)	Tons/annum	0.709	0.600
Persistent organic pollutants (POP)	Tons/annum	Nil	Nil
Volatile organic compounds (VOC)	Tons/annum	0.92	0.90
Hazardous air pollutants (HAP)	Tons/annum	0.002	0.002
Others – Process Emission (CO)	Tons/annum	113.90	113.90

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.: There is no independent assessment done. All the required statutory and internal audits are carried out on a periodic basis.

7. **Provide details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) & its intensity, in the following format:**

Parameter	Unit	FY 2023-24	FY 2022-23
Scope 1	Metric tons of CO2 equivalent	2,62,212	2,32,847
Scope 2	Metric tons of CO2 equivalent	95,684	91,526
Total Scope 1 and Scope 2 emissions per rupee of turnover	tc02 e/Cr (INR)	52.16	46.87
Total Scope 1 and Scope 2 emission intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total Scope 1 and Scope 2 GHG emissions / Revenue from operations adjusted for PPP)	tc02 e/Cr (INR) adjusted for PPP	2.33	2.11
Total Scope 1 and Scope 2 emission intensity (optional) – the relevant metric may be selected by the entity		--	--

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.: There is no independent assessment done. All the required statutory and internal audits are carried out on a periodic basis.

8. **Does the entity have any project related to reducing Greenhouse Gas emission? If yes, then provide details.**

MGL has taken up following projects/ initiatives to reduce Green House Gas emission:

1. **Solarization:** MGL has set up Solar Power Plant at 12 MGL owned CNG stations and Gas receiving terminals and MGL Admin office. Further your Company plans to set up solar power facilities at Savroli, Ghansoli, Sion CNG stations as a green initiative aimed at increasing its renewable power capacity thereby reducing power intake from the grid. MGL has installed wind power turbine at CGS, Taloja and same will be replicated at few more feasible sites.

2. **Energy Audit:** MGL has conducted Energy Efficiency Audit for 4 CGS, 3 RO's and 2 Offices in FY 2023-24.

3. **Decarbonization of Fleets:** Amongst all CNG transportation vehicles (CTV), 90% are CNG powered. As per plan, all diesel fueled vehicles will be replaced with CNG fueled vehicles by FY 2024-25. MGL has inducted 12nos. of LNG fueled trucks in Raigad district of operation to transport CNG between mother and daughter booster stations. These trucks will be refueled from MGL's own LNG dispensing facility at Savroli.

4. **Integrated Command & Control Center (ICCC)** - MGL has set up an Integrated Command & Control Center (ICCC) at Mahape, Navi Mumbai to enhance operational efficiency, quick response and resource mobilization during emergencies, overall control and monitoring from one location. It is a digital platform integrated with all other operations software like SCADA, GIS, Vehicle Monitoring System, Forecourt Automation, CNG transport software and Automated meter reading. In a next phase same will be integrated with SAP to incorporate maintenance planning and expenses. ICCC will help to manage operations effectively through combined view of entire operations at a single place with features like outage manager, identifying nearest emergency response team and many analytical features and dashboards for senior management.

5. **Greenhouse Gas Reduction:** MGL has recently signed MOU with BMC to setup 1000 tons per day CBG plant. In this CBG plant substantial Greenhouse Gas Reduction is expected. By capturing methane, the plant will significantly reduce the environmental impact.

9. **Provide details related to waste management by the entity, in the following format:**

Parameter	FY 2023-24	FY 2022-23
Total Waste generated (in metric tons)		
Plastic waste (A)	7.72 MT	10.42 MT
E-waste (B)	0.24 MT	2.27 MT
Bio-medical waste (C)	0	0
Construction and demolition waste (D)	0	0
Battery waste (E)	2.01 MT	3.00 MT
Radioactive waste (F)	Nil	Nil
Other Hazardous waste. Please specify, if any. (G)		
- Used Oil	57.75	60.55
- Empty Oil Drum	9.07	11.85
- Wastes or residues containing oil (Cotton Wate)	0.68	0.56
- Wastes or residues containing oil (Filter)	0.64	0.75
- Wastes or residues containing oil (Scrubber)	0.02	0.02
Other Non-hazardous waste generated (H).	5.44 MT	8.30 MT
Total (A+B + C + D + E + F + G + H)	**83.57 MT**	**97.72 MT**
Waste intensity per rupee of turnover (Total waste generated / Revenue from operations)	0.012 MT/Rupee Cr	0.014 MT/Rupee Cr
Waste intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total waste generated / Revenue from operations adjusted for PPP)	0.001 MT/Rupee Cr adjusted for PPP	0.001 MT/Rupee Cr adjusted for PPP
Waste intensity in terms of physical output	N.A.	N.A.
Waste intensity (optional) – the relevant metric may be selected by the entity	--	--

For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tons)

Category	FY 2023-24	FY 2022-23
(i) Recycled	76.79 MT	77.72 MT
(ii) Re-used	0	0
(iii) Other recovery operations	0	0
Total	**76.79 MT**	**77.72 MT**

For each category of waste generated, total waste disposed by nature of disposal method (in metric tons)

Category	FY 2023-24	FY 2022-23
(i) Incineration:	6.78 MT	20.00 MT
(ii) Landfilling	0	0
(iii) Other disposal operations	0	0
Total	**6.78 MT**	**20.00 MT**

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.: There is no independent assessment done. All the required statutory and internal inspections/ audits are carried out on a periodic basis.

10. **Briefly describe the waste management practices adopted in your establishments. Describe the strategy adopted by your Company to reduce usage of hazardous and toxic chemicals in your products and processes and the practices adopted to manage such wastes.**

The company has well established Environment Management System in place which is certified as per ISO 14001:2015. Waste management procedures in place to address safe disposal of hazardous waste, e-waste and other waste.

The hazardous wastes are handled, segregated, stored and transported in accordance with applicable regulatory requirements and best industry practices. The hazardous waste is disposed of in an environmentally sound manner through authorized vendors for recycling as required by regulation.

11. **If the entity has operations/offices in/around ecologically sensitive areas (such as national parks, wildlife sanctuaries, biosphere reserves, wetlands, biodiversity hotspots, forests, coastal regulation zones etc.) where environmental approvals / clearances are required, please specify details:**

The Company does not have any offices or operational site in any of the ecologically sensitive areas.

12. **Details of environmental impact assessments of projects undertaken by the entity based on applicable laws, in the current financial year:**

The Company has not carried out any environmental impact assessment in current FY 2023-24.

13. **Is the entity compliant with the applicable environmental law/ regulations/ guidelines in India, such as the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, Environment protection act and rules thereunder (Y/N). If not, provide details of all such non-compliances, in the following format:**

Yes, the Company is compliant with the applicable environmental law/ regulations/ guidelines in India; such as the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, Environment protection act and rules thereunder.

Leadership Indicators

1. **Water withdrawal, consumption, and discharge in areas of water stress (in kiloliters):**

During the year under review, MGL has not withdrawn any water or discharged water in the areas of water stress and do not have operations in these areas.

2. **Please provide details of total Scope 3 emissions & its intensity, in the following format:**

Parameter	Unit	FY 2023-24	FY 2022-23
Total Scope 3 emissions (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)	Metric tons of CO2 equivalent	30,55,816	28,17,372
Total Scope 3 emissions per rupee of turnover	Metric tons of CO2 Equivalent/ Rupee Cr	445.32	407.08
Total Scope 3 emissions per rupee of turnover adjusted for Purchasing Power Parity (PPP)	Metric tons of CO2 Equivalent/ Rupee Cr adjusted to PPP	19.88	18.17
Total Scope 3 emission intensity (optional) – the relevant metric may be selected by the entity		--	--

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.: There is no independent assessment done. All the required statutory and internal inspections/ audits are carried out on a periodic basis.

3. **With respect to the ecologically sensitive areas reported at Question 10 of Essential Indicators above, provide details of significant direct & indirect impact of the entity on biodiversity in such areas along-with prevention and remediation activities.**

Currently none of the locations(including outlets and head office) of the Company fall in/around ecologically sensitive areas.

4. **Does the entity have a business continuity and disaster management plan? Give details in 100 words/ web link.**

MGL has a Business Continuity Plan (BCP) in place that outlines how the business will continue to operate during an unplanned disruption in service. It contains contingencies for business processes, assets, human resources and business partners and every aspect of the business that might be affected.

The aim of BCP is to identify in advance, as far as possible, the actions that are necessary and the resources which are needed to enable the organization to manage a disaster whatever its cause considering the Business Continuity Recovery Strategies.

The BCP details out the arrangement which forms part of the overall Disaster (Crisis) Management Plan of the Company. MGL has an Emergency Response and Disaster Management Plan (ERDMP) which is in conformity with PNGRB Regulations and covers identification of emergencies, necessary mitigation measures, preparedness plans, response, and recovery measures with respect to MGL gas supply assets.

Principle 7

Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent.

Essential Indicators

1. a. **Number of affiliations with trade and industry chambers/ associations.**

MGL is affiliated with 3 National Trade and Industry Chambers.

b. **List the top 10 trade and industry chambers/ associations (determined based on the total members of such a body) the entity is a member of/ affiliated to.**

Sl. No.	Name of the trade and industry chambers/ associations	Reach of trade and industry chambers/ associations (State/National)
1	Natural Gas Society	National
2	Confederation of Indian Industry	National
3	National Safety Council of India	National

2. **Provide details of corrective action taken or underway on any issues related to anti-competitive conduct by the entity, based on adverse orders from regulatory authorities.**

No, there were no cases of anti-competitive conduct during the reporting period.

Leadership Indicators

1. **Details of public policy positions advocated by the entity:**

The Company does not currently advocate for any public policy positions.

Principle 8

Businesses should promote inclusive growth and equitable development.

Essential Indicators

1. **Details of Social Impact Assessments (SIA) of projects undertaken by the entity based on applicable laws, in the current financial year.**

Name and brief details of the project	SIA Notification No.	Date of notification	Whether conducted by an independent external agency (Yes / No)	Results communicated in the public domain (Yes / No)	Relevant Web link
MGL Arogya- For Children of Sex Workers	MGL/C&P/ CSR/4326/21-22/SR	12-10-2021	YES	NO	NA
MGL Disha - Training in the Gas Plumbing Domain	MGL/C&P/ CSR/4326/21-22/SR	12-10-2021	YES	NO	NA
MGL Disha - SHGs and Remedial Classes	MGL/C&P/ CSR/4326/21-22/SR	12-10-2021	YES	NO	NA
Mainstream 1500 out of school children in Navi Mumbai, Maharashtra in one year	MGL/C&P/ CSR/4326/21-22/SR	12-10-2021	YES	NO	NA
MGL Saksham: MGL Ashraya	MGL/C&P/ CSR/4326/21-22/SR	12-10-2021	YES	NO	NA
MGL Saksham: MGL Ashraya	MGL/C&P/ CSR/4326/21-22/SR	12-10-2021	YES	NO	NA
MGL Aarogya - Home From Home Away	MGL/C&P/ CSR/4326/21-22/SR	12-10-2021	YES	NO	NA
MGL Vikas - Ideal Village Program	MGL/C&P/ CSR/4326/21-22/SR	12-10-2021	YES	NO	NA
MGL Vidya: MGL Unnati	MGL/C&P/ CSR/4326/21-22/SR	12-10-2021	YES	NO	NA
MGL Vidya: MGL Unnati	MGL/C&P/ CSR/4326/21-22/SR	12-10-2021	YES	NO	NA
MGL Aarogya - Home From Home Away	MGL/C&P/ CSR/4326/21-22/SR	12-10-2021	YES	NO	NA
MGL Rehabilitation of Wards of Sex Workers	MGL/C&P/ CSR/4326/21-22/SR	12-10-2021	YES	NO	NA
MGL Saksham - Balawadi and an Adult Education Skilling Centre	MGL/C&P/ CSR/4326/21-22/SR	12-10-2021	YES	NO	NA
MGL Aarogya- Midday Meal Project	MGL/C&P/ CSR/4326/21-22/SR	12-10-2021	YES	NO	NA
MGL Saksham: Assistive Devices Distribution Program	MGL/C&P/ CSR/4326/21-22/SR	12-10-2021	YES	NO	NA

2. **Provide information on project(s) for which ongoing Rehabilitation and Resettlement (R&R) is being undertaken by your entity, in the following format:**

   The Company does not have any ongoing Rehabilitation and Resettlement (R&R) for FY 2023-24.

3. **Describe the mechanisms to receive and redress grievances of the community.**

   MGL implements its Corporate Social Responsibility (CSR) initiatives through multi pronged approach. This results in giving direct benefits to the marginalized community as well as a snowball effect to more beneficiaries. MGL's CSR initiatives under the banner of "We Care" cover 14 out of the 17 United Nations Development Goals. The entire approach is process-driven, focusing on need assessment at the inception. MGL has instituted a robust framework for the selection of projects. A mandatory part of the framework is a visit by MGL's official to the proposed community/ site to gauge the community's needs, enthusiasm, and acceptance of the proposed intervention. Instances of grievances of the community are almost NIL in our case since our business operations , project activities do not cause any air pollution , water pollution , severe noise pollution, acquisition of private lands , damage of natural resources etc. Our pipeline network is laid generally on public roads with due permissions and with minimum disturbance to general public.

4. **Percentage of input material (inputs to total inputs by value) sourced from suppliers:**

	FY 2023-24	FY 2022-23
Directly sourced from MSMEs/ small producers*	74%	64%
Directly from within India	99.8%	99.9%

*Above figures are excluding Gas purchase value. In case total input by value is considered inclusive of gas purchase, the figures would be 11% & 7 % for FY 2023-24 and 2022-23 respectively.

5. **Job creation in smaller towns – Disclose wages paid to persons employed (including employees or workers employed on a permanent or non-permanent / on contract basis) in the following locations, as % of total wage cost.**

Location	FY 2023-24	FY 2022-23
Rural	0	0
Semi-urban	0	0
Urban	0	0
Metropolitan	100%	100%

Leadership Indicators

1. **Provide details of actions taken to mitigate any negative social impacts identified in the Social Impact Assessments (Reference: Question 1 of Essential Indicators above):**

   Not Applicable.

2. **Provide the following information on CSR projects undertaken by your entity in designated aspirational districts as identified by government bodies:**

   No CSR projects are being undertaken in designated aspirational districts as identified by government bodies.

3. (a) **Do you have a preferential procurement policy where you give preference to purchase from suppliers comprising marginalized /vulnerable groups? (Yes/No) –** No, the Company does not have a preferential procurement policy.

   (b) **From which marginalized /vulnerable groups do you procure? –** Not Applicable

   (c) **What percentage of total procurement (by value) does it constitute? –** Not Applicable

4. **Details of the benefits derived and shared from the intellectual properties owned or acquired by your entity (in the current financial year), based on traditional knowledge:**

   Not Applicable

5. **Details of corrective actions taken or underway, based on any adverse order in intellectual property related disputes wherein usage of traditional knowledge is involved.**

   Not Applicable.

6. Details of beneficiaries of CSR Projects:

CSR projects mentioned below and pursued by the Company are meant to benefit vulnerable and marginalized groups of communities.

SL. No.	CSR Project	No. of persons benefited from CSR Projects	% of beneficiaries from vulnerable and marginalized groups
1	MGL Vikas- Integrated Village Development	2500	100%
2	MGL Saksham- Anganwadi strengthening, Women's skill development	415	100%
3	MGL Saksham- 'General Duty Assistant' Skill Development	140	100%
4	MGL Vidya- Palavee- Anganwadi strengthening	3000	100%
5	MGL Vikas- Rural development (Project II)	3239	100%
6	MGL Hunar - Support children for Competitive Exam	60	100%
7	MGL Saksham- Support Differently-abled Children	103	100%
8	MGL Aarogya-Swasthya Ahara Program	36500	100%
9	MGL Aarogya- Mid-day meal distribution	10910	100%
10	MGL Aarogya- EYE Cataract Operation Program	400	100%
11	MGL Aarogya- Eliminating Clubfoot Program	440	100%
12	MGL Aarogya- Childcare Centres - supporting child cancer patients	2196	100%
13	MGL Aarogya - Adolescent Girls Empowerment	208	100%
14	MGL Aarogya- Health camps for anemia detection & treatment	3000	100%
15	MGL Aarogya- Cardiology medical equipments donation	3625	100%
16	MGL Aarogya- Dental medical equipments donation	17339	100%
17	MGL Aarogya - Dialysis Machine Donation	1457	100%
18	MGL Aarogya - Dialysis Machine Donation	676	100%
19	MGL Aarogya – Medical equipments donation	430	100%
20	MGL Saksham- Health awareness & Skill development	14244	100%
21	MGL Aarogya- Assistive aids distribution	1710	100%
22	MGL Hunar- Skill Development at Govt.ITI	180	100%
23	MGL Aarogya- Medical equipments donation for sick animal patients	1115	100%
24	MGL Aarogya - National Tuberculosis Eradication Mission	CSR projects were initiated during F.Y.2023-24, however, beneficiaries will avail of facilities in the F.Y. 2024-25.	
25	MGL Aarogya - Medical Sonography Machine Donation		
26	MGL Hunar- Skill Development through Centum Foundation		
27	MGL Hariyali- Nal Pani Yojana		
28	MGL Aarogya- VAM Machine Donation		
29	MGL Aarogya- Blood Storage Unit		
30	MGL Saksham- MGL Prabodhan Kaushalya Vikas Program		

Principle 9

Businesses should engage with and provide value to their consumers in a responsible manner.

Essential Indicators

1. Describe the mechanisms in place to receive and respond to consumer complaints and feedback.

MGL has a robust consumer grievance redressal mechanism in place. All our Customer Relationship Management (CRM) processes & practices are ISO certified. We have set up various online and offline touchpoints to cater to omni channel communication medium to proactively interact with its various stakeholders, citizens and customers address queries, concerns, and grievance redressal of such a large customer base, that the customer may use. MGL has the following mechanism in place to receive and respond to consumer complaints and feedback. Such as:

a) Call Centers: MGL has a robust consumer redressal mechanism in place. It has an Omni Channel Customer Interface consisting of a 108-seater - 24x7 Customer Helpline (365 days).

b) PNGRB QOSS guidelines (Quality of Service Standards): MGL has designated officers for the following positions: Complaint in-charge, Nodal Officer, and Appellate Authority. The contact details of these officers are printed on the reverse of our PNG bills and the Company's website.

c) Back Office: employed service agencies with a dedicated team to cater to customer queries and concerns received through emails, physical letters, customer posts on MGL Website.

d) Front Office: 12 exclusive customers walk-in centers across its area of operations where customers can visit and get their concerns addressed.

e) CRM also interacts with various consumer forums and NGOs to address customers concerns addressed by them.

f) Website: MGL website is a one-stop solution for all information needs of prospective and existing customers regarding MGL. The website also helps existing customers to register and log their concerns.

g) Mobile App (MGL Connect): Customers can use MGL Connect for a bouquet of services including view bill, make payments, view payment history, submit meter reading etc.

h) Social Media and Online portal viz. Twitter, Facebook, Instagram, and WhatsApp.

i) All customer concerns are registered in SAP & unique docket numbers allotted. Based on the TAT efforts are made to address the customer's concern. Exceptions & delays in addressing concerns are escalated to HoD's on a weekly & monthly basis.

j) A Customer Satisfaction Survey is conducted annually by an independent agency to gauge the satisfaction index of D-PNG customers & CNG customers.

2. Turnover of products and/ services as a percentage of turnover from all products / service that carry information about:

	As a percentage to total turnover
Environmental and social parameters relevant to the product	0
Safe and responsible usage	100%
Recycling and/or Safe Disposal	0

3. Number of consumer complaints in respect of the following:

Aspect	FY 2023-24		Remarks	FY 2022-23		Remarks
	Received during the year	Pending resolution at end of year		Received during the year	Pending resolution at end of year	
Data privacy	0	0		0	0	
Advertising	0	0		0	0	
Cyber-security	0	0		0	0	
Delivery of essential services	209	0	Nil	181	0	Nil
Restrictive Trade Practices	0	0		0	0	
Unfair Trade Practices	0	0		0	0	
Others	0	0		0	0	

4. Details of instances of product recalls on account of safety issues:

Aspect	Number	Reason for Recall
Voluntary recall /Mock recall	0	NA
Forced recall	0	NA

5. Does the entity have a framework/ policy on cyber security and risks related to data privacy? (Yes/No) If available, provide a web-link of the policy.

To ensure complete integrity and safety of data we have formulated an Information Technology (IT) Policy covering aspects related to confidentiality, integrity, availability, and security of the corporate information handled by the Company. In addition to the IT Policy, we have also formulated Information Security Management System (ISMS) policy in line with the ISO 27001:2013 standard. We provide relevant training and awareness sessions to employees on cybersecurity and privacy protection issues to ensure that the policy is well sensitized throughout the workforce.

a) Framework on Cybersecurity and Data Protection - https://www.mahanagargas.com:3000/Cyber%20Security%20Framework%20v2.pdf

b) Privacy Policy - https://www.mahanagargas.com/privacy-policy

6. Provide details of any corrective actions taken or underway on issues relating to advertising, and delivery of essential services; cyber security and data privacy of customers; re-occurrence of instances of product recalls; penalty / action taken by regulatory authorities on safety of products / services.

There has been no such instance which has occurred during FY2023-24.

7. Provide the following information relating to data breaches:

a. Number of instances of data breaches - None

b. Percentage of data breaches involving personally identifiable information of customers - None

c. Impact, if any, of the data breaches - There have not been any such instances.

Leadership Indicators

1. Channels / platforms where information on products and services of the entity can be accessed (provide web link, if available).

MGL has dedicated platform and channels for information on products and services, which can be accessed at www.mahanagargas.com and through Mobile APP (MGL Connect) which provides the complete product/ services information.

2. Steps taken to inform and educate consumers about safe and responsible usage of products and/or services.

MGL takes all the steps to inform and educate about the safe and responsible usage of products/ or services in various ways. The safety norms/ Dos and Don't, related to its product is displayed at MGL website www.mahanagargas.com and its Mobile APP (MGL Connect). Best practices are displayed on our PNG Bills (sent to PNG customers bimonthly). The safety guidelines are also intermittently disseminated to our customer through SMS to PNG customers. The following are the additional points:

- During festivals, the safety norms are given in all prominent News Paper to create safety awareness.
- Safety Guidelines are also displayed at across all MGL Offices.
- Marketing/ HSE departments conducts awareness program before PNG connection is provided to the Society/ Building.
- Awareness about PNG and CNG is released twice to thrice in a year in print and alternate months on social media, SMS alerts are also sent periodically, PNG bill Inserts (leaflets) are also sent to customers along with their PNG Bills.
- Safety Information placards are also put up in Societies/ Buildings.

3. Mechanisms in place to inform consumers of any risk of disruption/discontinuation of essential services.

In case of a sudden disruption in the supply of gas for a longer period, a SMS is sent to customers by the Operations& Maintenance department and posts are put-up on social media for general awareness. In case of a planned shutdown / maintenance activity, letters are sent out to individual societies / buildings informing the customers in advance about the activity, to enable them to take the required precautions / steps.

4. Does the entity display product information on the product over and above what is mandated as per local laws? (Yes/No/Not Applicable) If yes, provide details in brief. Did your entity carry out any survey with regard to consumer satisfaction relating to the major products / services of the entity, significant locations of operation of the entity or the entity as a whole? (Yes/No)

Display of product information on the product is not applicable to the Company. However, MGL does communicate about the product by displaying information at various customer touch points such as customer walk-in centers, CNG Retail Outlets, customer/ Stakeholders meets, etc. MGL conducts customer satisfaction survey in its geographical areas for DPNG and CNG segments periodically.

Corporate Governance Report

1. MGL's PHILOSOPHY ON CORPORATE GOVERNANCE

Good corporate governance underpins the success and integrity of the organizations. The Company believes that good governance facilitates efficient, effective and entrepreneurial management that can deliver stakeholders' value over a long term. It also one of the essential pillars for building an efficient and sustainable environment. MGL is of the firm conviction that good corporate governance practices are powerful enablers, which infuse trust and confidence that enables the Company to attract and retain financial and human capital and meeting social aspirations.

MGL is committed to achieve and maintain high standards of transparency in its dealings and operations and in creating robust policies and practices, effective processes and systems with clear accountability, integrity, fairness to benefit all the stakeholders comprising customers, vendors, investors, regulators, employees and society at large.

MGL believes that Corporate Governance is a continuous process beyond the scope of mere legislation. The Company has developed a corporate governance framework which ensures effective board governance procedures, strong internal control systems, accountability and transparency. The Company has implemented various codes and policies to ensure best corporate governance practices at all levels. The Company's Code of Conduct for Board Members and Senior Management Personnel and Code of Conduct for Regulating, Monitoring and Reporting of Trading by Designated Persons demonstrates our values and commitment to ethical business practices, integrity and regulatory compliances.

MGL's governance structure comprises of Board of Directors ('**the Board**'), Committees of the Board and the Strategic Management Group ('**SMG**'). The Board along with its Committees provide leadership and guidance to the Management and direct and supervise the performance of the Company, thereby enhancing stakeholders' value. SMG of the Company, comprising of Whole-Time Directors and Senior Executives of the Company, has been constituted by the Board to operate and manage business of the Company effectively.

2. BOARD OF DIRECTORS

Board Leadership

The Board is responsible for sound principles of Corporate Governance in the Company. The Board is committed to the goal of sustainably thereby elevating the Company's value creation. The present strength of the Board reflects judicious mix of professionalism, competence and sound knowledge which enables the Board to provide effective leadership to the Company. The Directors of the Company, in their fiduciary position, are empowered to oversee the management functions with a view to ensuring its effectiveness and enhancement of stakeholders' value. The Board also reviews and approves management's strategic plan & business objectives and monitors the Company's strategic direction.

The Board of the Company plays a crucial role in overseeing how the management serves the short-term and long-term interests of shareholders and other stakeholders. This belief is reflected in the Company's governance practices, under which the Company strives to maintain an effective, informed and independent Board.

The Company recognizes that an independent, dynamic and well-informed Board is essential to ensure the highest standards of Corporate Governance.

The Committees of the Board, viz., Audit Committee, Nomination and Remuneration Committee, Stakeholders Relationship Committee, Corporate Social Responsibility Committee and Risk Management Committee fulfill the responsibilities specified under the applicable laws to support the Board by accomplishing expedient resolutions on varied matters.

3. BOARD SIZE AND COMPOSITION

The Board of the Company has an optimum combination of Executive Directors, Non-Executive Non-Independent Directors and Independent Directors. The composition of the Board is in conformity with Regulation 17 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (**'Listing Regulations'**) and Sections 149 & 152 of the Companies Act, 2013 **('the Act')**.

As on March 31, 2024, the Board of the Company consists of eight directors of which two are Executive Directors consisting of Managing Director and Deputy Managing Director, two are Non-Executive Non-Independent Directors and four are Independent Directors including one Woman Independent Director. The Chairman of the Board is Non-Executive Non-Independent Director.

All Directors are in compliance with the limit on Directorships of listed companies including position as an Independent Director and Whole-Time Director/ Managing Director pursuant to Regulation 17A of the Listing Regulations. The age of all the Directors on the Board as on the date of this report is less than seventy-five years.

The Directors have submitted necessary disclosures regarding their positions held in the Audit Committee and Stakeholders Relationship Committee of other Companies in which they hold Directorship. None of the Directors of the Company is a member of more than ten such Committees or Chairman of five such Committees.

The Company has not issued any convertible securities and none of the Directors of the Company are holding any equity shares of the Company. Further, no Directors of the Company are related to each other.

The details of Directorships and Committee positions held by the Directors in public limited companies including MGL as on March 31, 2024 are as below:

Sr. No.	Name of the Director and DIN	Position held in MGL	Directorship in Listed Companies (excluding MGL)		No. of Committee positions held (including MGL)*	
			Name of Listed Company	Position	Member	Chairman
1.	Mr. Sandeep Kumar Gupta (Chairman) DIN: 07570165	Non-Executive, Non Independent-Chairman related to Promoter	- GAIL (India) Limited - Petronet LNG Limited	Chairman & Managing Director Director	1	0
2.	Mr. Ashu Shinghal (Managing Director) DIN: 08268176	Executive	-		2	0
3.	Mr. Sanjay Shende (Deputy Managing Director) DIN: 09172642	Executive	-		1	0
4.	Dr. Harshadeep Kamble (Nominee of Government of Maharashtra) DIN: 07183938	Non-Executive, Non-Independent-Nominee Director	-		0	0
5.	Mrs. Malvika Sinha DIN: 08373142	Non-Executive, Independent	Mahindra Logistics Limited	Independent Director	6	0
6.	Mr. Syed S. Hussain DIN: 00209117	Non-Executive, Independent	-		2	1
7.	Mr. Rajeev Bhaskar Sahi DIN: 06662067	Non-Executive, Independent	-		0	0
8.	Mr. Venkatraman Srinivasan DIN: 00246012	Non-Executive, Independent	- Amal Limited - Eimco Elecon (India) Limited - Fairchem Organics Limited	Independent Director Independent Director Independent Director	6	2

*Note:

*In accordance with Regulation 26 of the Listing Regulations, Membership(s) / Chairpersonship(s) of Audit Committees and Stakeholders Relationship Committee in public limited companies have been considered.

During the year under review, 11 Board Meetings were held. The details of attendance of Directors for each such meetings and at the 28th Annual General Meeting of the Company held on August 24, 2023 as well as quorum of each Board Meetings out of total strength on the date of Meeting are provided herein below:

Board attendance

Name of the Director	28th AGM	No. of Board Meetings											No. of Meetings held during tenure of the Director	No. of Meetings attended	% of attendance of Director
		1 April 20, 2023	2 May 08, 2023	3 July 13, 2023	4 August 3, 2023	5 September 08, 2023	6 October 04, 2023	7 October 27, 2023	8 November 02, 2023	9 January 23, 2024	10 February 20, 2024	11 March 15, 2024			
Mr. Mahesh V.Iyer	✓	✓	✓	✓	X	✓	X	X	NA	NA	NA	NA	7	4	57%
Mr. Sandeep Kumar Gupta	NA	NA	NA	NA	NA	NA	NA	NA	✓	✓	✓	✓	4	4	100%
Mr. Ashu Shinghal	✓	✓	✓	✓	✓	✓	✓	X	✓	✓	✓	✓	11	10	91%
Mr. Sanjay Shende	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	X	11	10	91%
Dr. Harshadeep Kamble	X	X	X	X	X	X	✓	X	✓	X	✓	X	11	3	27%
Mr. Syed S. Hussain	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	11	11	100%
Ms. Malvika Sinha	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	11	11	100%
Mr. Rajeev Bhaskar Sahi	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	11	11	100%
Mr. Venkatraman Srinivasan	✓	✓	✓	✓	✓	X	✓	✓	✓	✓	X	X	11	8	72%
% of Attendance at Meeting	88%	88%	88%	88%	75%	75%	88%	63%	100%	88%	88%	63%	--	--	--

✓ : Present

X : Leave of Absence

NA: Not Applicable for not being a Director on the date of meeting

Notes:

1. Mr. Mahesh V. Iyer ceased to be Director and Chairman of the Company with effect from October 31, 2023.

2. Mr. Sandeep Kumar Gupta was appointed as Non-Executive Non-Independent Director and Chairman of the Company, with effect from October 31, 2023.

Board Procedure

The Board meets at regular intervals to review and deliberate various business strategies, financial performance and to address specific needs and business requirements of the Company. In case of business exigencies, the approval of the Board / Committee is taken through circular resolutions, as the case may be, and the same are noted at the subsequent meetings of the Board / Committee respectively. The Board and Committee Meetings are pre-scheduled and decided in advance after confirmation from the Members of the Board and respective Committees.

Video-conferencing facility is made available to the Directors to attend the Board and Committee Meetings from a place other than the venue of the meeting in compliance with the Act and Secretarial Standards.

The agenda along with comprehensive background information on the items in the agenda is circulated well in advance to the Board Members as per the provisions of the Act and Secretarial Standards and in exceptional cases, tabled at the Meeting with the permission of the Chairperson and consent of majority of the Directors present in the Meeting, to enable the Board and Committee Members to take informed decisions. The agenda and related information are circulated through secured electronic mode, which is accessible only to the Board and respective Committee Members.

The decisions taken at the Board and Committee Meetings are communicated to the concerned department/ division for further course of action.

Chart/Matrix setting out the Skills / Expertise / Competencies of the Board of Directors

List of core skills / expertise / competencies as required in the context of the Company's business:

Skills available with the Directors of the Company:

Skills / Expertise / Competencies[1]	Mr. Sandeep Kumar Gupta	Mr. Ashu Shinghal	Mr. Sanjay Shende	Mr. Harshadeep Kamble	Mr. Syed S. Hussain	Ms. Malvika Sinha	Mr. Rajeev Bhaskar Sahi	Mr. Venkatraman Srinivasan
Leadership, Industry Experience & Strategic Planning	✓	✓	✓	✓	✓	✓	✓	✓
Strong management and leadership experience, including in areas of domain expertise, strategic planning, project management, senior level government experience and academic administration.								
Business Development	✓	✓	✓	-	✓	✓	✓	✓
Experience in developing strategies to grow sales and market share, build brand competitiveness, awareness and equity, and build a strong corporate reputation. Suggesting innovative new ideas and formulation of new strategies for the business, keeping in mind the changing requirements of the industry and customers.								
Diversity	✓	✓	✓	✓	✓	✓	✓	✓
Diversity of thought, experience, knowledge, perspective, gender and culture brought to the Board by individual members. Varied mix of strategic perspectives.								
Functional and Managerial Experience	✓	✓	✓	✓	✓	✓	✓	✓
Knowledge and skills in accounting and finance, business judgement, general management practices and processes, crisis response and management, industry knowledge, macro-economic perspectives, human resources, labour laws, international markets, sales and marketing, and risk management								
Governance including Legal Compliance	✓	✓	✓	✓	✓	✓	✓	✓
Experience in developing and implementing good corporate governance practices, maintaining board and management accountability, managing stakeholders' interests and Company's responsibilities towards customers, employees, suppliers, regulatory bodies, and the communities in which it operates. Experience in boards and committees of other large companies.								
Personal Values	✓	✓	✓	✓	✓	✓	✓	✓
Personal characteristics that match the Company's values, such as integrity, accountability, and high-performance standards								

[1] These skills/competencies are broad-based, encompassing several areas of expertise/experience as shown in the table above. Each Director may possess varied combinations of skills/experience within the described set of parameters.

Independent Directors

Focused on better Corporate Governance, half of the Board composition of the Company comprises of Independent Directors. The Board is of the opinion that the Independent Directors of the Company fulfill the conditions specified in the Act read with rules framed thereunder, Schedule IV of the Act and the provisions of Listing Regulations and are independent of the management. The Independent Directors have been issued formal letters of appointment stating the terms and conditions of their appointment and the same are disclosed on the Company's website at www.mahanagargas.com. All Independent Directors on the Board of the Company during the financial year 2023-24 were registered on the Independent Director's Databank of the Indian Institute of Corporate Affairs. No Independent Director has resigned during the financial year 2023-24 before expiry of his / her tenure.

The Independent Directors of the Company actively participate in the Board and Committee Meetings which gives significant value addition in the decision making process.

In order to enable the Company's Independent Directors to discuss matters pertaining to the Company's affairs, all the Independent Directors met on March 7, 2024 without the presence of non-independent directors and members of the management pursuant to Schedule IV to the Act i.e. Code for Independent Directors and Regulation 25(3) of the Listing Regulations.

Further, the Company familiarizes its Independent Directors with their roles, rights, responsibilities in the Company, nature of the industry in which the Company operates and other significant information at the time of induction of the Directors as well as during the Board and Committee Meetings in order to update the Directors from time to time. The Company also makes periodic presentations at the Board and Committee meetings on various aspects of Its operations including health and safety, sustainability, performance updates of the Company, industry scenario, business strategy, internal control and risks involved and its mitigation plans.

The details of Familiarization Programme for Independent Directors is available on the website of the Company and can be accessed at https://www.mahanagargas.com:3000/Familiarization%20Programme.pdf

Board Support

The Company Secretary supports the Board to ensure that it has policies, processes, information, time and resources which are required to function effectively and efficiently. The Company Secretary attends all the Meetings of the Board and its Committees in the capacity of Secretary of the Board/ Committees. The Company Secretary advises/ assures the Board and its Committees on compliance and governance principles and ensures appropriate recording of minutes of the meetings.

Statutory Compliance assurance to the Board

The Company has in place a web-based Statutory Compliance Monitoring Tool, which has been implemented to streamline and manage compliances for tracking of all the statutory and legal compliances which are required to be followed by the Company and provides the necessary assurance to the Board.

4. COMMITTEES OF THE BOARD

The Board Committees play a vital role in the Governance Structure of the Company and have been constituted to deal with specific areas/activities, as mandated by applicable regulations, which concern the Company and need a closer review. Our Board has constituted Committees to focus on specific areas and make informed decisions within the authority delegated to each of the Committees. Each Committee of the Board is guided by its Charter, which defines the scope, powers and composition of the Committee. All decisions and recommendations of the Committees are placed before the Board for information or approval. The Board Committees requests special invitees including permanent invitees to join the meeting, as and when appropriate. Company Secretary & Compliance Officer acts as Secretary of all the Board Committees.

The composition of the Committees of the Board of Directors as on March 31, 2024 is as below:

Committees	Composition		Category
Audit Committee	Mr. Venkatraman Srinivasan	(C)	Independent Director
	Mr. Syed S. Hussain		Independent Director
	Ms. Malvika Sinha		Independent Director
	Mr. Ashu Shinghal		Managing Director
Nomination and Remuneration Committee	Mr. Syed S. Hussain	(C)	Independent Director
	Mr. Sandeep Kumar Gupta*		Non-Executive Director
	Mr. Rajeev Bhaskar Sahi		Independent Director
Stakeholders Relationship Committee	Mr. Syed S. Hussain	(C)	Independent Director
	Mr. Venkatraman Srinivasan		Independent Director
	Mr. Ashu Shinghal		Managing Director
	Mr. Sanjay Shende		Deputy Managing Director
Corporate Social Responsibility Committee	Ms. Malvika Sinha	(C)	Independent Director
	Mr. Syed S. Hussain		Independent Director
	Mr. Ashu Shinghal		Managing Director
	Mr. Sanjay Shende		Deputy Managing Director
Risk Management Committee	Mr. Rajeev Bhaskar Sahi	(C)	Independent Director
	Mr. Venkatraman Srinivasan		Independent Director
	Mr. Ashu Shinghal		Managing Director
	Mr. Sanjay Shende		Deputy Managing Director

Note: (C) denotes Chairperson

* Mr. Sandeep Kumar Gupta was appointed as Non-executive Non-Independent Director and Chairman of the Company, with effect from October 31, 2023

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 and all the members of the Committee are financially literate. The gap between any two Audit Committee Meetings did not exceed 120 days.

The Audit Committee meetings are usually attended by the Deputy Managing Director and Chief Financial Officer as permanent invitees and the respective departmental heads, if required. 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 28th Annual General Meeting of the Company held on August 24, 2023.

Terms of Reference of Audit Committee

a) 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;

b) Review and recommend to the Board for approval of proposals on borrowings and proposals on non-fund based facilities from banks and Business plan;

c) Review and recommend for Board approval of capital expenditure proposals exceeding authority limit of SMG but not exceeding Rs. 50 Crores, treasury policies of MGL and Corporate Annual Budget and Revised Estimates;

d) Reviewing of 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;

e) Recommending to the Board, appointment, re-appointment, terms of appointment and, if required, replacement or removal of the internal auditor, cost auditor and statutory auditors and fixation of their audit fees and remuneration and payment for any other services rendered by the statutory auditors, as applicable;

f) Reviewing with the management, the annual financial statements and auditor's report thereon before submission to the Board for approval, with particular reference to:

   i. 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 Act;

   ii. Changes, if any, in accounting policies and practices and reasons for the same;

   iii. Major accounting entries involving estimates based on the exercise of judgment by Management;

   iv. Significant adjustments made in the financial statements arising out of audit findings;

   v. Compliance with listing and other legal requirements relating to financial statements;

   vi. Disclosure of any related party transactions;

   vii. Modified opinion(s) in the draft audit report;

   viii. Investments made by the Company's unlisted subsidiaries;

   ix. The going-concern assumption;

   x. Compliance with accounting standards;

   xi. Contingent liabilities; and

   xii. Claims against the Company and their effect on the financial statements;

g) Reviewing and examining with the Management, the quarterly and annual financial statements, auditor's report thereon and such other periodical statements before submission to the Board for approval, 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 or preferential issue or qualified institutional placement and making appropriate recommendations to the Board to take up steps in the matter;

h) Review and monitor the auditor's independence and performance and effectiveness of audit process;

i) Approval or any subsequent modification of the transactions of the Company with related parties in accordance with the provisions of the Act and Listing Regulations;

j) 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;

k) Satisfy itself regarding the need for omnibus approval and that such approval is in the interest of the Company;

l) Scrutiny of inter-corporate loans and investments;

m) Valuation of undertakings or assets of the Company, wherever it is necessary;

n) Evaluation of internal financial controls and risk management systems;

o) Reviewing with the Management, performance of statutory, cost and internal auditors, adequacy of the internal control systems, 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;

p) Discussion with internal auditors of any significant findings and follow up there on;

q) 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;

r) 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;

s) Looking 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;

t) Formulation of the scope, functioning, periodicity and methodology for conducting the internal audit in consultation with the internal auditors;

u) Approval of appointment of Chief Financial Officer (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;

v) Reviewing of the functioning of the whistle blower mechanism / oversee the vigil mechanism;

w) Reviewing the utilization of loans and/or advances from/ investment by the holding company in the subsidiary exceeding Rs. 100 crore or 10% of the asset size of the subsidiary, whichever is lower;

x) Considering and commenting on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc. on the Company and its shareholders;

y) Carrying out any other function as is mentioned in the terms of reference of the Audit Committee as per the Act, rules framed there under, Listing Regulations and other applicable Rules and Regulations;

Meetings and Attendance Details

Name of the Member	Audit Committee Meeting Details									No. of Meetings held during the tenure	No. of Meetings attended	% of attendance of Member
	1	2	3	4	5	6	7	8	9			
	April 28, 2023	May 08, 2023	July 25, 2023	August 3, 2023	September 01, 2023	October 27, 2023	October 31, 2023	January 23, 2024	February 29, 2024			
Mr. Venkatraman Srinivasan	✓	✓	✓	✓	✓	✓	✓	✓	✓	9	9	100%
Mr. Syed S. Hussain	✓	✓	✓	✓	✓	✓	✓	✓	✓	9	9	100%
Mrs. Malvika Sinha	✓	✓	✓	✓	✓	✓	✓	✓	✓	9	9	100%
Mr. Ashu Shinghal	✓	✓	✓	✓	✓	✓	✓	✓	✓	9	9	100%
% of Attendance at Meeting	100%	100%	100%	100%	100%	100%	100%	100%	100%	--	--	--

✓ : Present

The Audit Committee of the Company met 09 times during the financial year 2023-24. The necessary quorum was present at all the meetings.

B. Nomination and Remuneration Committee

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. Syed S. Hussain has been appointed as Chairman of the Nomination and Remuneration Committee and was also present at the 28th Annual General Meeting of the Company.

Terms of Reference of the Nomination and Remuneration Committee

a) 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;

b) 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;

c) Formulation of criteria for evaluation of performance of Independent Directors and the Board and Devising a policy on Board diversity;

d) 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;

e) 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;

f) 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;

g) 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;

h) Evaluate and recommend termination of membership of individual Directors in accordance with the Board's governance principles for cause or for other appropriate reasons;

i) To recommend to the Board regarding the appointment and removal of the Senior Management personnel at such level/s and all remuneration, in whatever form, payable to Senior Management;

j) To review, amend, modify and approve all other Human Resources related Policies of the Company from time to time;

k) To review and recommend to the Board Manpower Plan / budget, sanction of new Senior Management positions from time to time in future and the matters relating to revision of compensation / salary and long term wage settlements;

l) To review with the Management, all HR related issues from time to time so as to maintain harmonious employer-employee relations;

m) To periodically review and re-examine the Terms of Reference and make recommendations to the Board for any proposed changes;

n) In performing its responsibilities, the Committee shall have authority to obtain advice, reports or opinions from internal or external counsel and expert advisors;

o) 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 Act;

p) Developing a Succession Plan for the Board and Senior Management and regularly reviewing the plan;

q) 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

r) 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.

Meetings and Attendance Details

Name of the Member	Nomination and Remuneration Committee Meeting Details				No. of Meetings held during the tenure	No. of Meetings attended	% of attendance of Member
	1	2	3	4			
	April 28, 2023	September 08, 2023	January 16, 2024	March 15, 2024			
Mr. Syed S. Hussain	✓	✓	✓	✓	4	4	100%
Mr. Mahesh V. Iyer	X	✓	NA	NA	2	1	50%
Mr. Sandeep Kumar Gupta	NA	NA	X	✓	2	1	50%
Mr. Rajeev Bhaskar Sahi	✓	✓	✓	✓	4	4	100%
% of Attendance at Meeting	67%	100%	67%	100%	--	--	--

✓ : Present

X : Leave of Absence

NA : Not Applicable for not being a Director on the date of meeting

Note: Nomination and Remuneration Committee was re-constituted on October 31, 2023 on account of cessation of Mr. Mahesh V. Iyer and appointment of Mr. Sandeep Kumar Gupta as a Director of the Company with effect from October 31, 2023.

The Nomination and Remuneration Committee of the Company met 04 times during the financial year 2023-24. The necessary quorum was present at all the meetings.

Performance Evaluation

The Board adopted a formal mechanism for evaluating its performance as well as that of its Committees and Individual Directors including the Chairman of the Board. The exercise was carried out through a structured evaluation process covering various aspects of the Boards' functioning. The criteria for the evaluation of the performance of the Board, the Committees of the Board and the individual Directors, including the Chairman of the Board was approved by the Nomination and Remuneration Committee of the Company.

Remuneration of Directors

i) Remuneration to Non-Executive Directors

The Independent Directors are paid Sitting Fees for attending the Board and Committee meetings for a respective amount of ₹ 40,000/- and ₹ 30,000/- per meeting as well as fixed Commission of ₹ 9,50,000/- per annum to each of the Independent Director of the Company.

The details of remuneration paid to the Independent Directors for the financial year 2023-24 are as below:

(₹ in Lacs)

Sr. No.	Name of the Director	Sitting Fees	Commission
1	Mr. Syed S. Hussain	10.40	9.50
2	Ms. Malvika Sinha	8.90	9.50
3	Mr. Rajeev Bhaskar Sahi	6.50	9.50
4	Mr. Venkatraman Srinivasan	7.10	9.50
	Total	**32.90**	**38.00**

The Non-Executive Non-Independent Directors are not paid any remuneration for attending Board and Committee Meetings. None of the Non-Executive Directors had any pecuniary relationship or transactions with the Company during the financial year ended on March 31, 2024.

ii) **Remuneration to Executive Directors:**

Pursuant to the provisions 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 and Deputy Managing Director, designated as Whole-Time Director of the Company, is based on recommendation of the Nomination and Remuneration Committee and Board of Directors and as approved by the Members of the Company. 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.

C. Stakeholders Relationship Committee

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/ requests of the shareholders.

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:

a) Collecting and analyzing reports received periodically from Registrar and Share Transfer Agent ('**RTA**') on the following:

   i. Requests regarding non-receipt of the Shares, Debentures, Deposit Receipt, declared Dividend or Interest;

   ii. Requests regarding non-receipt of the notice of Annual General Meeting, Balance Sheet and Profit & Loss Account Statement;

   iii. Complaints of investors routed by SEBI or Stock Exchanges and others;

   iv. Transfer, sub-division, consolidation, split, exchange, endorsement, transmission of share certificates, transposition of share certificates;

   v. Issue of Share Certificates, Debenture Certificate, Duplicate Share or Debenture Certificate in lieu of lost/torn/mutilated/defaced certificates;

   vi. Request relating to dematerialisation and rematerialisation of shares;

   vii. 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

   viii. Complaints related to transfer of shares, non-receipt of annual report and non-receipt of declared dividends.

b) Other matters related to or arising out of shareholders / investors services including preparation and approval of periodical reports.

Details of complaints received by the Company during the year:

During the financial year 2023-24, three complaints were received by the Company and the same were resolved to the satisfaction of the shareholder. The details on the status of the complaint is mentioned below:

Complaints outstanding as on April 01, 2023	Nil
Complaints received during the year	3
Complaints resolved during the year	3
Complaints pending as on March 31, 2024	Nil

Company Secretary and Compliance Officer of the Company

Mr. Atul Prabhu
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.

Meeting and Attendance Details

The Stakeholders Relationship Committee met once during the financial year 2023-24 on July 25, 2023. All the members were present at the meeting.

D. Corporate Social Responsibility Committee ('CSR Committee')

The composition, powers, role and terms of reference of CSR Committee are in accordance with the requirements mandated under Section 135 of the Act.

Terms of Reference of the CSR Committee

The Terms of Reference of CSR Committee inter alia include the following:

a) Recommend the amount of expenditure to be incurred on the activities;

b) Monitor implementation and adherence to the CSR Policy of the Company from time to time;

c) Prepare a transparent monitoring mechanism for ensuring implementation of the projects/ programmes/ activities proposed to be undertaken by the Company;

d) Subject to these terms of reference, the Corporate Social Responsibility Committee shall have the power to regulate its own proceedings;

e) To review and recommend the CSR Plan for the ensuing financial year to the Board of Directors;

f) 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 such other functions as may be prescribed.

Meetings and Attendance Details

Name of the Member	CSR Committee Meeting Details						No. of Meetings held during the tenure	No. of Meetings attended	% of attendance of Member
	1	2	3	4	5	6			
	April 17, 2023	July 06, 2023	November 22, 2023	December 21, 2023	January 17, 2024	March 21, 2024			
Ms. Malvika Sinha	✓	✓	✓	✓	✓	✓	6	6	100%
Mr. Syed S. Hussain	✓	✓	✓	✓	✓	✓	6	6	100%
Mr. Ashu Shinghal	✓	✓	✓	✓	✓	✓	6	6	100%
Mr. Sanjay Shende	✓	✓	✓	✓	✓	X	6	5	83%
% of Attendance at Meeting	100%	100%	100%	100%	100%	75%	--	--	--

✓ : Present

X : Leave of Absence

The CSR Committee met 06 times during the financial year 2023-24. The necessary quorum was present at all the meetings.

E. Risk Management Committee

The Risk Management Committee of the Company is constituted in line with the provisions of Regulation 21 of the Listing Regulations. The Board 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. The Company has also appointed a Chief Risk Officer.

Terms of Reference of the Risk Management Committee:

a) Formulate a detailed Risk Management Policy which shall include:

   i. A framework for identification of internal and external risks specifically faced by the listed entity, in particular including financial, operational, sectoral, sustainability (particularly ESG related risks), information, cyber security risks or any other risk as may be determined by the Committee.

   ii. Measures for risk mitigation including systems and processes for internal control of identified risks.

   iii. Business Continuity Plan.

b) To ensure that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company.

c) To monitor and oversee implementation of the Risk Management Policy, including evaluating the adequacy of risk management systems.

d) To periodically review the Risk Management Policy, at least once in two years, including by considering the changing industry dynamics and evolving complexity.

e) To keep the Board of Directors informed about the nature and content of its discussions, recommendations and actions to be taken.

f) The appointment, removal and terms of remuneration of the Chief Risk Officer (if any) shall be subject to review by the Risk Management Committee.

g) The Risk Management Committee shall have powers to seek information from any employee, obtain outside legal or other professional advice and secure attendance of outsiders with relevant expertise, if it considers necessary.

h) The Risk Management Committee shall coordinate its activities with other committees, in instances where there is any overlap with activities of such committees, as per the framework laid down by the board of directors.

i) Recommend to Board the Risk Management Policy;

j) Overseeing implementation of Risk Management Policy;

k) Monitoring of Risk Management Policy;

l) Monitoring and advising internal Business Risk Review Committee;

m) Periodically reviewing and evaluating the Risk Management Policy and practices with respect to risk assessment and risk management processes;

n) Monitoring and reviewing the risk pertaining to cyber security;

o) 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;

p) The Committee may form and delegate authority to sub committees when appropriate;

q) Performing such other functions as may be necessary or appropriate for the performance of its oversight function; and,

r) 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.

Meetings and Attendance Details

Name of the Member	Risk Management Committee Meetings			No. of Meetings held during the tenure	No. of Meetings attended	% of attendance of Member
	1 April 20, 2023	2 September 15, 2023	3 March 05, 2024			
Mr. Rajeev Bhaskar Sahi	✓	✓	✓	3	3	100%
Mr. Venkatraman Srinivasan	✓	✓	✓	3	3	100%
Mr. Ashu Shinghal	✓	✓	✓	3	3	100%
Mr. Sanjay Shende	✓	✓	X	3	2	67%
% of Attendance at Meeting	100%	100%	75%	--	--	--

✓ : Present

X : Leave of Absence

The Risk Management Committee met 03 times during the financial year 2023-24. The necessary quorum was present at all the meetings.

5. PARTICULARS OF SENIOR MANAGEMENT OF THE COMPANY

Sr. No.	Name of Senior Management Personnel	Category
1	Mr. Ashu Shinghal	Managing Director
2	Mr. Sanjay Shende	Deputy Managing Director
3	Mr. Rajesh Wagle	Senior Vice President, Marketing
4	Mr. T. L. Sharnagat	Senior Vice President, Contact & Procurement and Chief Risk Officer
5	Mr. Chakrapani Atmakur	Vice President, Human Resource & CSR
6	Mr. Gurvinder Singh	Vice President, Projects
7	Mr. Manas Das	Vice President, Business Development, Business Information System, Commercial & Strategic Transformation Unit
8	Mr. Rajesh Patel	Chief Financial Officer
9	Mr. Sitanshu Roychowdhury	Vice President, Operation & Maintenance

There has been no change in the Senior Managerial Personnel of the Company since the close of previous financial year.

6. GENERAL BODY MEETINGS

General Meetings of Shareholders

The details of previous three Annual General Meetings of the Company are tabled herein below:

AGM	Date & Time	Date & Time	Category
28th	August 24, 2023 at 15:00 Hours	18th Floor, Parinee Crescenzo, G Block, Bandra-Kurla Complex, Bandra (East), Mumbai – 400051 (Through Video Conference/ Other Audio-Visual Means)	1. Alteration of Objects Clause of Memorandum of Association
27th	August 24, 2022 at 11:00 Hours	MGL House, Block No. G-33, Bandra-Kurla Complex, Bandra (East), Mumbai - 400 051 (Through Video Conference/ Other Audio-Visual Means)	No special resolution passed
26th	September 28, 2021 at 11:00 Hours	MGL House, Block No. G-33, Bandra-Kurla Complex, Bandra (East), Mumbai - 400 051 (Through Video Conference/ Other Audio-Visual Means)	1. Alteration of Articles of Association of the Company 2. Re-appointment of Mr. Syed S. Hussain (DIN:00209117) as an Independent Director

No Extra-Ordinary General Meeting of members was held during the financial year 2023-24.

No special resolution was passed by the shareholders through Postal Ballot during the financial year 2023-24.

MEANS OF COMMUNICATION

a) Financial Results

The financial results of the Company are published in 'Financial Express' and 'Loksatta' (regional daily newspapers published from Mumbai), within the stipulated timelines.

b) Annual Report

Annual Report containing inter alia, the Directors' Report, the Management Discussion and Analysis, the Business Responsibility and Sustainability Report, the report on Corporate Governance, Audited Annual Accounts and other important information, is another mode of communication with the shareholders.

c) Stock Exchange Filings

Corporate announcements and statutory compliances are filed with the stock exchanges and can be accessed from the website of BSE Limited i.e. www.bseindia.com and National Stock Exchange of India Limited i.e. www.nseindia.com

d) Website and Press Release

Pursuant to 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 Annual Report is also available on the website in a user friendly and downloadable form. Official news/press releases, if any, issued from time to time, are hosted on the Company's website and also informed to the stock exchanges.

e) Analysts Presentations

The schedule of Institutional Investors/Analysts Meetings, audio recordings and the presentation(s) made to the Institutional Investors or to the Analysts are also uploaded on the website of the Company.

GENERAL SHAREHOLDER INFORMATION

a) Twenty Ninth Annual General Meeting

Day & Date : Friday, August 23, 2024

Time : 11:30 Hours (IST)

Venue : Meeting through Video Conferencing (VC) / Other Audio Visual Means (OAVM)

b) Financial Year

The Financial Year of your Company starts on 1st April and ends on 31st March each year.

c) Dividend Payment

The Board of Directors at their meeting held on January 23, 2023, declared Interim Dividend for the financial year 2023-24 of ₹ 12/- 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. February 05, 2024.

The Board has recommended Final Dividend of ₹ 18/- per equity share for financial year 2023-24. If approved by the members, Final Dividend will be paid to those members of the Company whose names would appear in the Register of Members on Wednesday, August 14, 2024.

d) Listing on Stock Exchanges and Stock Codes

Name	Address	Stock Code
BSE Limited	Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai – 400 001	539957
National Stock Exchange of India Limited	Exchange Plaza, C-1, Block G, Bandra-Kurla Complex, Bandra (East), Mumbai – 400 051	MGL

e) Payment of Annual Listing/Custody Fees

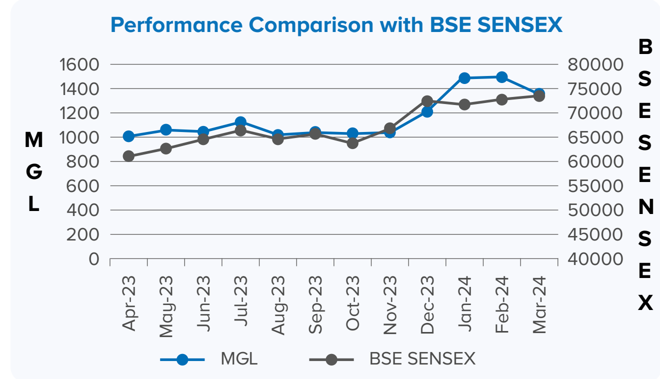
Annual Listing Fees for the financial year 2023-24 have been paid to both the stock exchanges. Annual Custody Fees to National Securities Depository Limited (**'NSDL'**) and Central Depository Services (India) Limited (**'CDSL'**) have been paid for the financial year 2023-24.

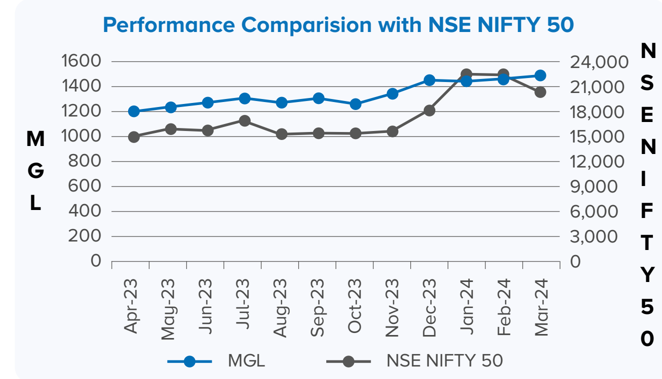
f) Market Price Data

The market price data (high & low based on daily closing prices) of the Company's share traded during each month in the financial year 2023-24 on BSE and NSE are as under:

Month – Year	BSE		NSE	
	High (₹)	Low (₹)	High (₹)	Low (₹)
April 2023	1035.00	909.10	1035.00	909.00
May 2023	1104.80	971.10	1103.00	976.00
June 2023	1079.50	991.05	1079.90	1010.00
July 2023	1137.00	1044.30	1137.00	1043.25
August 2023	1144.75	971.40	1144.00	970.55
September 2023	1077.00	1004.30	1077.90	1002.90
October 2023	1151.85	979.05	1152.00	978.75
November 2023	1070.95	999.05	1070.95	999.00
December 2023	1231.35	1045.00	1231.40	1043.10
January 2024	1488.30	1169.95	1488.80	1168.25
February 2024	1558.85	1405.50	1554.30	1435.70
March 2024	1579.00	1202.00	1580.00	1201.00

Stock Performance of the Company in comparison to the broad based indices i.e. BSE Sensex and NSE Nifty (based on monthly closing price):





Source: BSE and NSE website

g) Dematerialization of Shares

As on March 31, 2024, 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.

Mode of Holding	Percentage of total holding
NSDL	96.20%
CDSL	3.80%
Physical	Negligible
Total	**100.00**

h) Share Transfer System

The 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 and other such approved requests is placed at Stakeholders Relationship Committee Meeting.

As per the notifications / circulars / guidelines issued by the Securities and Exchange Board of India (**'SEBI'**) from time to time, listed entities are required to issue securities in demat mode only while processing any investor service requests, such as issuance of duplicate share certificates / exchange / sub-division / split / consolidation of securities, transmission / transposition of securities and claim from Suspense Escrow Demat Account. Hence, shareholders holding physical shares are requested to dematerialize their shares.

As per circulars issued by the SEBI from time to time, it is mandatory for holders of physical securities to furnish PAN, KYC and Nomination/Opt-out of Nomination details before getting any investor service request processed. Security holders holding securities in physical form, whose folio(s) do not have PAN, KYC or Nomination/Opt-out of Nomination, shall be eligible for dividend in respect of such folios, only through electronic mode with effect from April 01, 2024.

Members who are yet to update details in their physical folios are, therefore, urged to furnish PAN, KYC and Nomination/Opt-out of Nomination by submitting the prescribed forms duly filled, to the RTA by email from their registered email id to kyc@linkintime.co.in or by sending a physical copy of the prescribed forms duly filled and signed by the registered holders to M/s. Link Intime India Private Limited, C 101, 247 Park, L.B.S. Marg, Vikhroli (West), Mumbai – 400 083. In accordance with the SEBI circular dated March 16, 2023, the Company has sent out intimations to those Members, holding shares in physical form, whose PAN, KYC and/or Nomination details are not updated, requesting them to update the details.

Further, the Company obtains an Annual Certificate from a Practicing Company Secretary as stipulated under Regulation 40(9) of the Listing Regulations and the same is filed with the stock exchanges.

i) Distribution of shareholding as on March 31, 2024

No. of Equity Shares	Shareholders		Shareholding	
	No.	% of Total	No.	% of Total
Upto 1000	1,51,310	99.23	66,92,678	6.78
1001 to 2000	490	0.32	7,12,745	0.72
2001 to 5000	294	0.19	9,14,926	0.93
5001 to 10000	115	0.08	8,43,922	0.86
Above 10000	297	0.19	8,96,13,507	90.72
Total	**1,52,506**	**100.00**	**9,87,77,778**	**100.00**

j) Categories of equity shareholding as on March 31, 2024

Category of Shareholder(s)	No. of Share Holders	No. of Shares	% of Total No. of Shares
(A) Shareholding of Promoter(s) and Promoter(s) Group			
(1) Bodies Corporate	1	3,21,02,750	32.50
Total Shareholding of Promoter(s) and Promoter(s) Group (A)	**1**	**3,21,02,750**	**32.50**
(B) Public shareholding			
(1) State Government	1	98,77,778	10.00
(2) Central Government / President of India	1	516	0.00
(3) Institutions			
i) Financial Institutions/ Banks/ Insurance Companies	45	1,71,84,892	17.40
ii) Foreign Portfolio Investors (Category I & II)	295	3,01,75,756	30.55
(4) Non-Institutions			
i) Key Managerial Personnel	1	250	0.00
ii) Other Bodies Corporate	433	5,49,290	0.56
iii) Non Resident Individuals/ Foreign Portfolio Investor (Category III)	3,114	6,15,231	0.62
iv) Individuals	1,42,628	79,30,825	8.03
v) Trusts/ Clearing Members/ Hindu Undivided Family/ Other	3,199	3,40,490	0.34
Total Public Shareholding (B)	**1,49,717**	**6,66,75,028**	**67.50**
Total (A)+(B)	**1,49,718**	**9,87,77,778**	**100.00**

k) Plant Locations

(i) City Gate Station, opposite Anik Bus Depot, Sion, Mumbai – 400 022

(ii) City Gate Station, Plot No. X-5/5, MIDC Mahape, TTC Industrial Area, Post – Koper Kairane, Navi Mumbai – 400 079

(iii) City Gate Station, Plot No. TAK-A, Ambernath Industrial Area, Village – Chikaloli, Taluka - Ambernath – 421 501

(iv) City Gate Station, Plot No. J-93/2, Taloja MIDC Area, Taloja District, Raigad - 410 208

(v) City Gate Station, CTS No. 39/2, Village Savroli, Taluka Khalapur, District Raigad - 410 203

l) 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

Rating Agency	Rating
ICRA – Long Term	AAA
ICRA – Short Term	A1+

m) Outstanding GDRs/ADRs/ Warrants or any Convertible instruments, conversions details and likely impact on equity

The Company has not issued any GDRs/ADRs in the past and hence disclosure pertaining to the same is not applicable as on March 31, 2024. The Company does not have any outstanding GDRs/ ADRs/ Warrants or any convertible instruments.

n) Commodities price risk/ foreign exchange risk and hedging activities

During the financial year under review, the Company has not undertaken any activity of commodities price risk, foreign exchange risk and hedging activities.

DISCLOSURES

a) Disclosure on materially significant related party transactions

All the related party transactions entered into by the Company, during the financial year 2023-24 were at arm's length and in the ordinary course of business of the Company and did not have any potential conflict with the interests of the Company at large.

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 Act and Listing Regulations.

b) Details of non-compliance by the Company, penalty, strictures imposed on the Company by the stock exchanges or Securities and Exchange Board of India, or any statutory authority on any matter related to capital markets during the last three financial years

There were no non-compliance by the Company or penalty, strictures imposed on the Company by the stock exchanges or by the Securities and Exchange Board of India, or any statutory authority on any matter related to capital markets during the last three financial years except a penalty of ₹ 5,000 each levied by BSE and NSE during the financial year 2023-24, towards delay of one day in filing of related party transaction disclosure for the half year ended September 30, 2023 with the stock exchanges.

c) Whistle Blower Policy and Vigil Mechanism

The Company has in place Whistle Blower Policy and Vigil Mechanism which facilitates direct access to the Management and the Audit Committee of the Board for all stakeholders to report concerns about any corrupt, illegal or other undesirable 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. Further, the Company has in place the "Policy for Prevention of Sexual Harassment at Workplace". This ensures a safe work environment, free from sexual harassment/ discrimination and ensure that all are treated with dignity and respect.

d) Other Policies and Code adopted by the Company and hosted on its website

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, the Company has adopted Corporate Social Responsibility Policy with a vision to supplement its contribution in environment protection, social upliftment and sustainable community development through its service, conduct and social initiatives.

ii. Risk Management Policy

For assessment and minimization of risks in terms of the provisions of Regulation 17 of the Listing Regulations, the 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 compliance with the provisions of Regulation 23 of the Listing Regulations, the Company has framed a Policy on RPTs to set out the manner of dealing with RPTs and material modifications thereof for ensuring due and proper compliance with the applicable statutory provisions and to fortify that proper procedure is followed for approval/ratification and reporting of transactions between the Company and its related parties. The Policy is also available on the website of the Company i.e. www.mahanagargas.com.

iv. Code of Conduct to monitor and report trading by Designated Persons and their immediate relatives

The Company has adopted the standards set out in the SEBI (Prohibition of Insider Trading) Regulations, 2015 in order to regulate, monitor and report trading by its designated persons and immediate relatives of designated persons towards achieving compliance with the Regulations.

v. Policy for Determination of Materiality of Information or Event

Pursuant to Regulation 30 of the Listing Regulations, the 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 exchanges in compliance with the provisions of the Listing Regulations.

vi. Policy on Preservation and Archival of Documents

In terms of the provisions of Regulation 9 of the Listing Regulations, the Company has adopted a policy for Preservation and Archival of Documents to aid the employees in understanding their obligations in handling, retaining, preserving the documents and records efficiently and for the safe disposal as per statutory or regulatory requirements.

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 the Regulations. The Code is hosted on the website of the Company i.e. www.mahanagargas.com

viii. Code of Conduct

In compliance with Regulation 26(3) of the Listing Regulations, 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. All members of the Board and Senior Management Personnel have affirmed compliance with the Code of Conduct for the financial year 2023-24.

e) Details of compliance with mandatory requirements and adoption of non-mandatory requirements

i. The Company complies with corporate governance requirements as specified under Listing Regulations.

ii. The Company publishes its quarterly, half yearly and yearly results on its website viz. www.mahanagargas.com such that the same is accessible to the public at large. The Company's financial results are published in the newspapers having a wide circulation.

iii. During the year under review, there is no audit qualification in the Company's financial statements. The Company continues to adopt best practices to ensure regime of unqualified financial statements.

iv. The Company has separate post for Chairman and Managing Director.

v. The Internal Auditors of the Company report their findings directly to the Audit Committee.

f) Subsidiary Companies

The Company has a wholly owned subsidiary, Unison Enviro Private Limited w.e.f. February 01, 2024 and a subsidiary, Mahanagar LNG Private Limited w.e.f. December 26, 2023.

During the financial year 2023-24, the Company did not have any material unlisted subsidiary, incorporated in India or abroad and hence, it was not required to appoint an Independent Director on the Board of unlisted subsidiary company.

The minutes of the subsidiary companies are placed before the Board of Directors of the Company on a quarterly basis and the attention of the Directors is drawn to significant transactions and arrangements entered into by the subsidiary companies. The performance of its subsidiaries is also reviewed by the Board periodically. The Company is compliant with other requirements under Regulation 24 of the Listing Regulations with regard to its subsidiary companies.

g) Disclosure of Accounting Treatment

The Company has followed all applicable and relevant Accounting Standards while preparing the Financial Statements.

h) Certification from Company Secretary in Practice

A certificate has been received from M/s. Santosh Singh & Associates, Practicing Company Secretaries, certifying that none of the Directors on the Board of the Company has been debarred or disqualified from being appointed or continuing as Directors of Companies by the the Securities and Exchange Board of India / Ministry of Corporate Affairs or any such statutory authority which forms part of this Report.

i) Details of recommendation of any Committee of the Board not accepted by the Board and reasons thereof

Not Applicable.

j) M/s. Deloitte Haskins & Sells LLP, Chartered Accountants (Firm Reg. No. 117366W/W-100018) have been appointed as the Statutory Auditors of the Company.

The particulars of payment of Statutory Auditor's fees, on consolidated basis for the financial year 2023-24 given below:

(₹ in Crs.)

Particulars	Deloitte Haskins & Sells LLP
Audit Fees	0.76
Out-of-pocket expense	0.00
Total	**0.76**

k) Disclosures in relation to the Sexual Harassment of Woman at Workplace (Prevention, Prohibition and Redressal) Act, 2013

Pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013 and rules made thereunder, the Company has constituted Internal Complaint Committee. While maintaining the highest governance norms, the members of this Committee comprise 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 during the financial year 2023-24 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	0
2	Number of complaints disposed off	0
3	Number of complaints pending	0

l) Loans and Advances

The Company has not given any loans or advances to firms or companies in which directors are interested, except to its wholly-owned subsidiary, Unison Enviro Private Limited.

m) Unclaimed Dividend

Pursuant to Sections 124 and 125 of the Act read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ('**IEPF Rules**'), including amendment thereto, dividend, if not claimed for a period of 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**').

Further, all the shares in respect of which dividend has remained unclaimed for seven consecutive years or more from the date of transfer to unpaid dividend account shall also be transferred to IEPF. The said requirement does not apply to shares in respect of which there is a specific order of Court, Tribunal or Statutory Authority, restraining any transfer of the shares.

In the interest of the shareholders, the Company sends periodical reminders to the shareholders to claim their dividends in order to avoid transfer of dividends/ shares to IEPF Authority. Notices in this regard are also published in the newspapers and the details of unclaimed dividends and shareholders whose shares are liable to be transferred to the IEPF Authority, are uploaded on the Company's website.

The Company has appointed a Nodal Officer under the provisions of IEPF, the details of which are available on the website of the Company at https://www.mahanagargas.com/MGL-corporate/investors/investor-guide.

The details of unclaimed dividends and shares transferred to IEPF during the financial year 2023-24 are as follows:

Particulars of Dividend	Amount of unclaimed dividend transferred (Amt. in ₹)	Number of shares transferred
Final Dividend 2015-16	5,69,222.50	636
Interim Dividend 2016-17	3,06,016.00	175
Total	**8,75,238.50**	**811**

The details of outstanding unclaimed dividend and corresponding due dates for transfer to IEPF as on March 31, 2024 are as under:

Sr. No.	Financial Year	Type of Dividend Declared	Date of declaration of dividend	Due Date for transfer of unclaimed dividend to IEPF	Amount (In ₹)
1	2016-17	Final	25-09-2017	30-10-2024	3,79,676.00
2	2017-18	Interim	09-02-2018	16-03-2025	2,80,536.00
		Final	17-09-2018	22-10-2025	5,70,097.01
3	2018-19	Interim	29-01-2019	05-03-2026	3,73,540.40
		Final	09-09-2019	14-10-2026	4,37,566.50
4	2019-20	Interim	26-02-2020	02-04-2027	13,47,926.50
		Final	24-09-2020	30-10-2027	26,01,849.50
5	2020-21	Interim	09-02-2021	16-03-2028	3,51,935.00
		Final	28-09-2021	02-11-2028	3,51,945.00
6	2021-22	Interim	08-02-2022	15-03-2029	3,22,756.50
		Final	24-08-2022	28-09-2029	2,36,816.00
7	2022-23	Interim	02-02-2023	09-03-2030	4,74,033.50

n) Corporate Identification Number ('CIN')

The Company is registered with Registrar of Companies in State of Maharashtra, India. The CIN allotted to the Company by the Ministry of Corporate Affairs is L40200MH1995PLC088133.

o) Registered Office

MGL House, Block No: G-33, Bandra-Kurla Complex, Bandra (East), Mumbai - 400 051

p) 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
Email: rnt.helpdesk@linkintime.co.in
Website: www.linkintime.co.in

q) Reconciliation of Share Capital Audit

As stipulated by the 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. 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.

r) Equity Shares in the Suspense Account

As per Schedule V read with Schedule VI, Regulation 34(3), 53(f) and 39(4) of the Listing Regulations, none of the equity shares are lying in the suspense / escrow account.

s) 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 at investorrelations@mahanagargas.com or to RTA at rnt.helpdesk@linkintime.co.in or at the address provided hereinabove.

t) CEO and CFO Certification

Pursuant to Regulation 33 of the Listing Regulations, Mr. Ashu Shinghal, Managing Director and Mr. Rajesh Patel, Chief Financial Officer have reviewed the Audited Financial Results and Cash Flow Statements for the financial year ended March 31, 2024 and have provided a certificate, which forms part of this Report.

u) Report on Corporate Governance

As required under Regulation 27 of the Listing Regulations, the Company has been duly submitting the quarterly corporate governance 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 M/s. Akansha Rathi & Associates, Practicing Company Secretaries regarding compliance of Corporate Governance requirements is forming part of this report.

Further, the Compliance with Corporate Governance requirements as specified in Regulations 17 to 27 and clauses (b) to (i) of sub-regulation (2) of Regulation 46 of the Listing Regulation have been disclosed in this Report.

v) Disclosure of certain type of agreements binding listed entities

In terms of Schedule II, Para A, Clause 5A of the Listing Regulations, there are no agreements impacting management or control of the Company imposing any restriction or create any liability upon the Company.

CEO - CFO Certification

To
The Board of Directors
Mahanagar Gas Limited

A. We have reviewed the Audited Standalone and Consolidated Financial Statements and the Cash Flow Statement of Mahanagar Gas Limited **(the "Company")** for the financial year ended on March 31, 2024 and to the best of our knowledge and belief:

1) These statements do not contain any materially untrue statement or omit any material fact or contain statement that might be misleading;

2) 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, 2024 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 not come across any reportable deficiencies in the design or operation of such internal controls.

D. We have indicated to the Auditors and the Audit Committee:

1) There have been no significant changes in internal control system during the year;

2) There have been no significant changes in accounting policies during the year; and

3) There have been no instances of significant fraud of which we have become aware, involving management or an employee having a significant role in the Company's internal control system over financial reporting.

	Ashu Shinghal	**Rajesh Patel**
Place: Mumbai	Managing Director	Chief Financial Officer
Date: July 04, 2024	DIN: 08268176	FCA No.: 048326

DECLARATION

As provided under the provisions of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, I hereby declare that all the members of Board of Directors and Senior Management Personnel of the Company have affirmed the compliance with the Code of Conduct for Board Members and Senior Management Personnel for the year ended March 31, 2024.

	Ashu Shinghal
Place: Mumbai	Managing Director
Date: July 04, 2024	DIN: 08268176

Corporate Governance Compliance Certificate

To,
The Members of
Mahanagar Gas Limited
MGL House, Block No. G-33,
Bandra-Kurla Complex, Bandra (East),
Mumbai - 400 051, Maharashtra

We have examined the compliance of conditions of Corporate Governance by **Mahanagar Gas Limited** (hereinafter referred as "Company") for the year ended March 31, 2024 as prescribed in Regulations 17 to 27, clauses (b) to (i) of sub-regulation (2) of regulation 46 of Chapter IV and Para C and D of Schedule V of the 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 Akansha Rathi & Associates
Company Secretaries

Place: Navi Mumbai
Date: July 04, 2024
Peer Review No. 793/2020
UDIN: F009288F000657463

Akansha Rathi
Proprietor
FCS No.: 9288
CP No.: 10134

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 G-33,
Bandra-Kurla Complex, Bandra East,
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 G-33, Bandra-Kurla Complex, Bandra East, 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 and 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, 2024 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 the Director	DIN	Date of appointment in Company
1	MR. SANDEEP KUMAR GUPTA	07570165	31-Oct-2023
2	MR. ASHU SHINGHAL	08268176	23-Dec-2022
3	MR. SANJAY YESHWANTRAO SHENDE	09172642	24-May-2021
4	MR. SYED SHAHZAD HUSSAIN	00209117	09-Sep-2019
5	MR. VENKATRAMAN SRINIVASAN	00246012	24-Aug-2021
6	MR. RAJEEVBHASKAR TARACHAND SAHI	06662067	24-Aug-2021
7	MRS. MALVIKA SAHNI SINHA	08373142	24-Aug-2021
8	MR. HARSHADEEP SHRIRAM KAMBLE	07183938	11-Nov-2022

Ensuring the eligibility 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 my 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 SANTOSH SINGH & ASSOCIATES
(Company Secretaries)

SANTOSH KUMAR SINGH
Proprietor
ACS: 15964 / COP: 17638
P.R.: 1289 of 2021
UDIN: A015964F000342171

PLACE : NAVI MUMBAI
DATE : May 09, 2024

Standalone Financial Statements

Independent Auditor's Report

To The Members of **Mahanagar Gas Limited**

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of Mahanagar Gas Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2024, and the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Cash Flows and the Statement of Changes in Equity for the year ended on that date, and notes to the financial statements, including a summary of material 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 standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2024, and its profit, total comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing ("SAs") specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibility for the Audit of the Standalone 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 ("ICAI") together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

Sr. No.	Key Audit Matter	Auditor's Response
1.	**Slow moving/non-moving Projects lying in Capital Work–in-Progress** (as described in note 2.2(b) of the material accounting policies, and note 3 for details and movement in capital work-in-progress in the standalone financial statements) As at March 31, 2024, the Company has Rs. 774.29 crore 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 recognition of asset, as to whether the asset is in the location and condition necessary for it to be capable of operating in the manner intended by management 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.	**Our audit procedures among others included the following:** • Assessed the design and implementation and tested the operating effectiveness of key financial controls over the management review of capital work-in-progress. • We obtained the list of projects where there is delay in capitalisation along with the reasons of the delay and the expected capitalization dates from the management. • For assets capitalized during the year, we considered the planned vs actual capitalization dates to test the management's assessment of expected capitalization dates.

Sr. No.	Key Audit Matter	Auditor's Response
	The Company has Slow moving / non-moving projects lying in capital work-in- progress amounting to Rs. 117.31 crores where there is significant delay in capitalisation because of several external factors. 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 projects and the delays involved.	• We tested management's assessment of indicators of impairment of old projects and the estimated allowance created and write offs made in the current year basis the policy on slow moving and non-moving projects as approved by the Board. We have tested the appropriateness of categorizing the projects as slow and non-moving basis the expected period of completion as determined by the Company. • 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. • We evaluated the disclosures in the standalone financial statements.
2.	**Contingencies: Uran Trombay Transportation Tariff Matter** (as described in note 31.9 containing details of contingencies of the standalone 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). GAIL (India) Limited (GAIL) raised demand in April 2014 for transportation tariff with respect to ONGC's Uran Trombay Natural Gas Pipeline (UTNGPL) 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 December 30, 2013, determining tariff for ONGC's UTNGPL as a common carrier. The total demand raised by GAIL for the period from November 2008 till July 2021 was Rs. 331.80 crore. 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 UTNGPL to ONGC as common carrier and not for transportation of its own gas by ONGC. The Company filed an appeal with the PNGRB in February 2015, the same was dismissed in October 2015. The Company filed a writ petition, in November 2015, with the Hon'ble High Court of Delhi. The Court advised the Company to file an appeal with 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	**Our audit procedures 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.
	in September 2019. PNGRB in March 2020, had passed an Order which directed the Company and GAIL to pay the disputed transportation tariff to ONGC. The Company filed an Appeal before APTEL against the PNGRB order in April 2020. The matter was heard by APTEL in October 2020. APTEL remanded back the case in July 2021 to PNGRB for proper adjudication. The matter was heard by PNGRB in April 2022 and an order was passed in September 2022 directing the Company to pay the disputed transportation tariff for the period 2014 to 2021 as per the transportation tariff fixed by PNGRB for UTNGPL. The Company had filed a writ before the Hon'ble High Court of Delhi challenging the PNGRB's September 2022 order. The Hon'ble High Court of Delhi vide its order dated December 13, 2022 has stayed the recovery against the PNGRB order and has requested the Company to deposit a sum of Rs. 50 Crores with GAIL by February 15, 2023, which was deposited by the Company on February 14, 2023. The Hon'ble High Court of Delhi has listed the next hearing on July 22, 2024. The evaluation of claims made by GAIL 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 PNGRB. The Company has disclosed this fact as 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.	• We have obtained written legal confirmation of litigation claims from the legal counsel and have also relied on the additional legal opinion obtained by the Company along with the legal opinion obtained in the earlier year's 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 standalone financial statements. • We evaluated the disclosures in the standalone financial statements.
3.	**Litigation: Demand for Additional trade discount by Oil Marketing Companies** (as described in note 31.9 containing details of litigations of the standalone financial statements) The Company has an ongoing dispute with Oil Marketing Companies (OMCs) with respect to revision of trade discount with effect from April 1, 2018 on sales made to OMCs. The last settlement on trade discount with the OMCs was finalized in June 2018 for the period ended March 31, 2018.	**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 and management on the legal evaluation of the claims disputed. • We read the copies of communication exchanged between OMCs, MoP & NG and the Company during the year.

Sr. No.	Key Audit Matter	Auditor's Response
	In the earlier years, the OMC's, have communicated to the Company the revised trade discount basis a formal study conducted by them for the various geographical regions. The Company had contested the proposed revisions in trade discount and the Company along with the other City Gas distribution (CGD) companies had approached the Ministry of Petroleum and Natural Gas (MoP&NG) regarding such high trade discounts. MoP&NG vide its letter dated November 1, 2021 had issued guidelines pertaining to revised Trade discounts and subsequently citing MoP&NG guideline, OMCs had raised their demand to the Company. However, the demand raised by OMCs is not as per the guidelines issued by the MoP&NG and hence the Company has contested the demand raised by OMCs. Further, the Company has raised the matter to the MoP&NG vide its letter dated December 30, 2021, requesting their intervention and advise the OMCs to adhere to the guidance provided by the MoP&NG. The Company has recognised provision for trade discount based on management's estimate. As at the balance sheet date, the matter is yet awaiting final settlement with OMCs. Pending such settlement and considering the management's judgement and assessment of the outcome of the matter, the measurement of provision involves significant estimates and thereby the matter has been considered as a key audit matter.	• For management's estimate of discounts recorded, we evaluated the details of assumptions used by the management to arrive at such estimate. • We evaluated the disclosures in the standalone financial statements and have compared the communications of the Company with the OMC and MoP&NG with the appropriateness of the disclosure in the standalone financial statements.

Information Other than the Financial Statements and Auditor's Report Thereon

- The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Directors' Report, Business Responsibility Report, Management Discussion and Analysis and Corporate Governance Report, but does not include the consolidated financial statements, standalone financial statements and our auditor's report thereon.
- Our opinion on the standalone 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 standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our 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 and Those Charged with Governance for the Standalone Financial Statements

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 standalone 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 Ind AS specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding 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 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 financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, management and Board of Directors 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 the Board of Directors either intend to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Company's Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibility for the Audit of the Standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the standalone 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 standalone financial statements.

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 standalone 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 financial controls 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 with reference to standalone 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 the 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 standalone 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 standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the standalone financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the standalone financial statements.

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 financial controls that we identify during our audit.

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.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period 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.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit 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, except for the matters stated in (i)(vi) below.

   c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Statement of Cash Flows 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 standalone financial statements comply with the Ind AS specified under Section 133 of the Act.

   e) On the basis of the written representations received from the directors as on March 31, 2024 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2024 from being appointed as a director in terms of Section 164(2) of the Act.

   f) The modification relating to the maintenance of accounts and other matters connected therewith, is as stated in paragraph (b) above.

   g) With respect to the adequacy of the internal financial controls with reference to standalone financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls with reference to standalone financial statements.

   h) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.

   i) 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 standalone financial statements - Refer Note 31.9 to the standalone 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 has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

      iv. (a) The Management has represented that, to the best of its knowledge and belief, as disclosed in the Note 31.15 to the standalone financial statements no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

      (b) The Management has represented, that, to the best of its knowledge and belief, as disclosed in the Note 31.15 to the standalone financial statements, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

      (c) Based on the audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

      v. The final dividend proposed in the previous year, declared and paid by the Company during the year is in accordance with section 123 of the Act, as applicable. The interim dividend declared and paid by the Company during the year and until the date of this report is in accordance with section 123 of the Act, as applicable.

      As stated in Note 31.18 to the standalone financial statements, the Board of Directors of the Company has proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. Such dividend proposed is in accordance with section 123 of the Act, as applicable.

      vi. Based on our examination which included test checks, the Company has used accounting software for maintaining its books of account for the year ended March 31, 2024 which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software, except that audit trail was not enabled at the database level to log any direct data changes.

      Further, during the course of our audit, we did not come across any instance of audit trail feature being tampered with, in respect of accounting software for which the audit trail feature was operating.

      As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable from April 1, 2023, reporting under Rule 11 (g) of the Companies (Audit and Auditors) Rules, 2014 on preservation of audit trail as per the statutory requirements for record retention is not applicable for the financial year ended March 31, 2024.

2. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order.

For **Deloitte Haskins & Sells LLP**
Chartered Accountants
(Firm's Registration No. 117366W/W-100018)

Rupen K. Bhatt
(Partner)
(Membership No.46930)
(UDIN: 24046930BKEZVY2334)

Place: Mumbai
Date: May 9, 2024

Annexure "A" to the Independent Auditor's Report

(Referred to in paragraph 1(g) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date on the standalone financial statements of Mahanagar Gas Limited for the year ended March 31, 2024)

Report on the Internal Financial Controls with reference to standalone financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls with reference to standalone financial statements of Mahanagar Gas Limited ("the Company") as at March 31, 2024 in conjunction with our audit of the standalone Ind AS 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 with reference to standalone financial statements based on the internal control with reference to standalone financial statements 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 respective 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 with reference to standalone financial statements of the Company 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") issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls with reference to standalone financial statements. 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 with reference to standalone 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 with reference to standalone financial statements and their operating effectiveness. Our audit of internal financial controls with reference to standalone financial statements included obtaining an understanding of internal financial controls with reference to standalone 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 Company's internal financial controls with reference to standalone financial statements.

Meaning of Internal Financial Controls with reference to standalone financial statements

A company's internal financial control with reference to standalone 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 with reference to standalone 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 with reference to standalone financial statements

Because of the inherent limitations of internal financial controls with reference to standalone 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 with reference to standalone financial statements to future periods are subject to the risk that the internal financial control with reference to standalone 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, to the best of our information and according to the explanations given to us the Company has, in all material respects, an adequate internal financial controls with reference to standalone financial statements and such internal financial controls with reference to standalone financial statements were operating effectively as at March 31, 2024, based on the criteria for internal financial control with reference to standalone financial statements 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 **Deloitte Haskins & Sells LLP**
Chartered Accountants
(Firm's Registration No. 117366W/W-100018)

Rupen K. Bhatt
(Partner)
(Membership No.46930)
(UDIN: 24046930BKEZVY2334)

Place: Mumbai
Date: May 9, 2024

Annexure "B" to the Independent Auditor's Report

(Referred to in paragraph 2, under 'Report on Other Legal and Regulatory Requirements' section of our Report of even date on standalone financial statements of Mahanagar Gas Limited for the year ended March 31, 2024)

In terms of the information and explanations sought by us and given by the company and the books of accounts and records examined by us in the normal course of audit and to the best of our knowledge and belief, we state that:

(i) (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment, capital work in progress and relevant details of right of use assets.

(B) The Company has maintained proper records showing full particulars of intangible assets.

(b) Some of the Property, Plant and Equipment, were physically verified during the year by the Management in accordance with programme of verification except for underground assets in relation to the gas distribution network which cannot be physically verified. Programme of verification in our opinion provides for physical verification of all the Property, Plant and Equipment, at reasonable intervals having regard to the size of the Company and the nature of its activities. According to the information and explanations given to us, no material discrepancies were noticed on such verification.

(c) Based on our examination of the registered sale deed /transfer deed / conveyance deed provided to us, we report that, the title deeds of all the immovable properties (other than immovable properties where the Company is the lessee and the lease agreements are duly executed in favour of the Company) disclosed in the financial statements included in property, plant and equipment are held in the name of the Company as at the balance sheet date.

(d) The Company has not revalued its Property, Plant and Equipment (including Right of use assets) and intangible assets during the year.

(e) No proceedings have been initiated during the year or are pending against the Company as at March 31, 2024 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.

(ii) (a) The inventories were physically verified during the year by the Management at reasonable intervals including inventory lying with third parties. In our opinion and according to the information and explanations given to us, the coverage and procedure of such verification by the Management is appropriate having regard to the size of the Company and the nature of its operations. No discrepancies of 10% or more in the aggregate for each class of inventories were noticed on such physical verification of inventories.

(b) According to the information and explanations given to us, at any point of time of the year, the Company has not been sanctioned any working capital facility from banks or financial institutions on the basis of security of current assets, and hence reporting under clause (ii)(b) of the Order is not applicable.

(iii) The Company has made investments in, provided guarantee and granted loans, unsecured, to companies during the year, in respect of which:

(a) The Company has provided loans and stood guarantee during the year, details of which are given below:

(₹ in Crore)

	Loans	Guarantee
A. Aggregate amount granted / provided during the year:		
- Subsidiaries	201.00	566.00
B. Balance outstanding as at balance sheet date in respect of above cases:		
- Subsidiaries	201.00	566.00

(b) The investments made, guarantees provided and the terms and conditions of the grant of all the above-mentioned loans and guarantees provided, during the year are, in our opinion, prima facie, not prejudicial to the Company's interest.

(c) The Company has granted loans that are payable on demand. During the year the Company has not demanded such loan. Having regard to the fact that the repayment of principal or payment of interest has not been demanded by the Company, in our opinion the repayments of principal amounts and receipts of interest are regular.

(d) According to information and explanations given to us and based on the audit procedures performed, in respect of loans granted by the Company, there is no overdue amount remaining outstanding as at the balance sheet date.

(e) None of the loans granted by the Company have fallen due during the year.

(f) The Company has granted loans which are repayable on demand, details of which are given below:

(₹ in Crore)

	All Parties	Related Parties
Aggregate of loans/advances in nature of loans:		
- Repayable on demand	201.00	201.00
Total	**201.00**	**201.00**
Percentage of loans to the total loans	100%	100%

(iv) The Company has complied with the provisions of Sections 185 and 186 of the Companies Act, 2013 in respect of loans granted, investments made and guarantees and securities provided, as applicable.

(v) The Company has not accepted any deposit or amounts which are deemed to be deposits. Hence, reporting under clause (v) of the Order is not applicable.

(vi) The maintenance of cost records has been specified by the Central Government under section 148(1) of the Companies Act, 2013. We have broadly reviewed the books of account maintained by the Company pursuant to the Companies (Cost Records and Audit) Rules, 2014, as amended, prescribed by the Central Government for maintenance of cost records under Section 148(1) of the Companies Act, 2013, and are of the opinion that, prima facie, the prescribed cost records have been made and maintained by the Company. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.

(vii) In respect of statutory dues:

(a) Undisputed statutory dues, including Goods and Service tax, Provident Fund, Employees' State Insurance, Income-tax, Sales tax, Service Tax, duty of Custom, duty of excise, value added tax, cess and other material statutory dues applicable to the Company have been regularly deposited by it with the appropriate authorities in all cases during the year.

There were no undisputed amounts payable in respect of Goods and Service tax, Provident Fund, Employees' State Insurance, Income-tax, Sales tax, Service Tax, duty of Custom, duty of excise, value added tax, cess and other material statutory dues in arrears as at March 31, 2024 for a period of more than six months from the date they became payable.

(b) Details of statutory dues referred to in sub-clause (a) above which have not been deposited as on March 31, 2024 on account of disputes are given below:

Name of the Statute	Nature of Dues	Forum where the dispute is pending	Period	Amount ₹ in crore
Central Excise Act, 1944	Excise Duty	High Court	March 2001 – December 2004	3.63
		CESTAT/CESTAT (Appeal)	July 2005 - April 2016	5.53
		Commissioner/Commissioner (Appeal)	July 15 to April 16	0.04

Name of the Statute	Nature of Dues	Forum where the dispute is pending	Period	Amount ₹ in crore
The Finance Act, 1994	Service Tax	CESTAT/CESTAT (Appeal)	2014-15	0.02
		Commissioner/Commissioner (Appeal)	April 2014 – January 2016	0.23
		Deputy Commissioner	October 2015 to March 2017	0.23
		Principal Commissioner	October 2015 to March 2017	10.72
		Superintendent-Range II-Division IV	April 2016 to June 2017	0.01
		Superintendent CGST Range-III Division-I	April 2017 to June 2017	0.05
Income Tax Act, 1961	Income Tax	Income Tax Appellate Tribunal	AY 2020-21 and 2021-22	3.39
		Commissioner of Income Tax (Appeals)	AY 2002-03, AY 2016-17, AY 2018-19, and AY 2022-23	3.72
		Assessing Officer	AY 2005-06	0.13

(viii) There were no transactions relating to previously unrecorded income that were surrendered or disclosed as income in the tax assessments under the Income Tax Act, 1961 (43 of 1961) during the year.

(ix) (a) The Company has not taken any loans or other borrowings from any lender. Hence reporting under clause (ix)(a) of the Order is not applicable to the Company.

(b) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

(c) The Company has not taken any term loan during the year and there are no unutilised term loans at the beginning of the year and hence, reporting under clause (ix)(c) of the Order is not applicable.

(d) On an overall examination of the financial statements of the Company, funds raised on short-term basis have, prima facie, not been used during the year for long-term purposes by the Company.

(e) On an overall examination of the financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries.

(f) The Company has not raised any loans during the year and hence reporting on clause (ix)(f) of the Order is not applicable.

(x) (a) The Company has not issued any of its securities (including debt instruments) during the year and hence reporting under clause (x) (a) of the Order is not applicable.

(b) During the year the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) and hence reporting under clause (x)(b) of the Order is not applicable to the Company.

(xi) (a) To the best of our knowledge, no fraud by the Company and no material fraud on the Company has been noticed or reported during the year.

(b) To the best of our knowledge, no report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report.

(c) As represented to us by the Management, there were no whistle blower complaints received by the Company during the year (and upto the date of this report).

(xii) The Company is not a Nidhi Company and hence reporting under clause (xii) of the Order is not applicable.

(xiii) In our opinion, the Company is in compliance with Section 177 and 188 of the Companies Act, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements etc. as required by the applicable accounting standards.

(xiv) (a) In our opinion the Company has an adequate internal audit system commensurate with the size and the nature of its business.

(b) We have considered, the internal audit reports issued to the Company during the year and covering the period upto December 31, 2023 and the draft internal audit reports where issued after the balance sheet date covering the period from January 1, 2024 to March 31, 2024 for the period under audit.

(xv) In our opinion during the year the Company has not entered into any non-cash transactions with its directors or persons connected with its directors and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.

(xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause (xvi)(a), (b) and (c) of the Order is not applicable.

(xvii) The Company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.

(xviii) There has been no resignation of the statutory auditors of the Company during the year.

(xix) On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

(xx) (a) There are no unspent amounts towards Corporate Social Responsibility (CSR) on other than ongoing projects requiring a transfer to a Fund specified in Schedule VII to the Companies Act in compliance with second proviso to sub-section (5) of Section 135 of the said Act. Accordingly, reporting under clause 3(xx)(a) of the Order is not applicable for the year.

(b) In respect of ongoing projects, the Company has transferred unspent Corporate Social Responsibility (CSR) amount, to a Special account before the date of this report and within a period of 30 days from the end of the financial year in compliance with the provision of section 135(6) of the Act. This matter has been disclosed in note 30.13 to the standalone financial statements.

For **Deloitte Haskins & Sells LLP**
Chartered Accountants
(Firm's Registration No. 117366W/W-100018)

Rupen K. Bhatt
(Partner)
Place: Mumbai (Membership No.46930)
Date: May 9, 2024 (UDIN: 24046930BKEZVY2334)

Standalone Balance Sheet

as at March 31, 2024

(₹ in Crore)

Particulars	Note	As at March 31, 2024	As at March 31, 2023
ASSETS			
I. Non-current Assets			
(a) Property, Plant and Equipment	3	3,319.23	2,831.78
(b) Capital Work-in-Progress	3	774.29	708.62
(c) Other Intangible Assets	3	7.01	5.14
(d) Right of Use Assets	3, 31.5	216.72	188.78
(e) Financial Assets			
(i) Investments	9	617.19	-
(ii) Loans	5	201.00	-
(iii) Other Financial Assets	6	97.27	170.72
(f) Income Tax Assets (net)		99.83	82.78
(g) Other Non-current Assets	7	32.45	38.27
Total Non-current Assets (I)		**5,364.99**	**4,026.09**
II. Current assets			
(a) Inventories	8	39.84	33.84
(b) Financial Assets			
(i) Investments	9	1,018.77	1,309.82
(ii) Trade Receivables	4	280.61	294.03
(iii) Cash and Cash Equivalents	10	102.69	117.90
(iv) Bank balances other than (iii) above	11	295.78	109.97
(v) Other Financial Assets	12	102.37	107.29
(c) Other current assets	13	20.94	33.37
Total Current Assets (II)		**1,861.00**	**2,006.22**
Total Assets (I+II)		**7,225.99**	**6,032.31**
EQUITY AND LIABILITIES			
I. Equity			
(a) Equity Share Capital	14	98.78	98.78
(b) Other Equity	15	5,044.09	4,035.44
Total Equity (I)		**5,142.87**	**4,134.22**
II. Liabilities			
A. Non-current Liabilities			
(a) Financial Liabilities			
(i) Lease Liabilities	16, 31.5	116.13	93.84
(ii) Security Deposits	17	2.66	1.05
(b) Provisions	18	45.22	33.43
(c) Deferred Tax Liabilities (net)	19, 31.6	244.08	208.60
(d) Other Non-current Liabilities	22	5.07	-
Total Non-current Liabilities (A)		**413.16**	**336.92**
B. Current Liabilities			
(a) Financial Liabilities			
(i) Lease Liabilities	16, 31.5	23.13	20.77
(ii) Trade Payables	20, 31.10		
- outstanding dues of micro and small enterprises		23.47	14.76
- outstanding dues of creditors other than micro and small enterprises		310.72	307.45
(iii) Security Deposits	17	940.89	820.29
(iv) Other Financial Liabilities	21	300.74	275.58
(b) Other Current Liabilities	22	53.94	103.01
(c) Provisions	18	14.10	16.34
(d) Income Tax Liabilities (net)		2.97	2.97
Total Current Liabilities (B)		**1,669.96**	**1,561.17**
Total Liabilities (II = A+B)		**2,083.12**	**1,898.09**
Total Equity and Liabilities (I+II)		**7,225.99**	**6,032.31**
See accompanying notes to the standalone financial statements	1-31		

As per our report of even date attached

For DELOITTE HASKINS & SELLS LLP
Chartered Accountants
(Firm's Registration No. 117366W/ W-100018)

Rupen K. Bhatt
Partner
Membership No: 046930

For and on behalf of the Board of Directors of
Mahanagar Gas Limited

Ashu Shinghal
Managing Director
DIN: 08268176

Syed S. Hussain
Director
DIN:00209117

Rajesh Patel
Chief Financial Officer
FCA No:048326

Atul Prabhu
Company Secretary and Compliance officer
ACS No:64051

Place : Mumbai
Date : May 09, 2024

Place : Mumbai
Date : May 09, 2024

Standalone Statement of Profit and Loss

for the year ended March 31, 2024

(₹ in Crore)

	Particulars	Note	For the year ended March 31, 2024	For the year ended March 31, 2023
I	Revenue from Operations	23, 31.14	6,861.95	6,920.96
II	Other Income	24	175.30	111.88
III	**Total Income (I + II)**		**7,037.25**	**7,032.84**
IV	**Expenses :**			
	Cost of Natural Gas and Traded Items	25	3,617.90	4,435.64
	Changes in Inventories	26	0.17	(0.79)
	Excise Duty on Sale of Compressed Natural Gas		617.42	621.68
	Employee Benefits Expenses	27	118.13	107.89
	Finance Costs	28	11.53	9.39
	Depreciation and Amortisation Expenses	3, 31.5	273.64	231.14
	Other Expenses	29	665.70	572.35
	Total Expenses		**5,304.49**	**5,977.30**
V	**Profit Before Tax for the year (III- IV)**		1,732.76	1,055.54
VI	Income Tax Expense :			
	(i) Current Tax		406.92	257.34
	(ii) Deferred Tax		36.77	8.15
	Total Income Tax Expense (i+ii)	31.6	**443.69**	**265.49**
VII	**Profit After Tax for the year (V - VI)**		**1,289.07**	**790.05**
VIII	**Other Comprehensive Income**			
	Items that will not be reclassified to profit or loss :	30		
	Gains/(Losses) on Remeasurements of the Defined Benefit Plans		(5.14)	(1.61)
	Income tax relating to items that will not be reclassified to profit or loss		1.29	0.35
	Total Other Comprehensive Income		**(3.85)**	**(1.26)**
IX	**Total Comprehensive Income for the year (VII + VIII)**		**1,285.22**	**788.79**
X	Earnings per equity share (EPS) (Face value of ₹ 10/- each)	31.7		
	Basic (₹)		130.50	79.98
	Diluted (₹)		130.50	79.98
	See accompanying notes to the standalone financial statements	1-31		

There were no exceptional item(s) and discontinued operation(s) during the years presented.

As per our report of even date attached

For DELOITTE HASKINS & SELLS LLP
Chartered Accountants
(Firm's Registration No. 117366W/ W-100018)

Rupen K. Bhatt
Partner
Membership No: 046930

For and on behalf of the Board of Directors of
Mahanagar Gas Limited

Ashu Shinghal
Managing Director
DIN: 08268176

Syed S. Hussain
Director
DIN:00209117

Rajesh Patel
Chief Financial Officer
FCA No:048326

Atul Prabhu
Company Secretary and Compliance officer
ACS No:64051

Place : Mumbai
Date : May 09, 2024

Place : Mumbai
Date : May 09, 2024

Standalone Statement of Cash Flows

for the year ended March 31, 2024

(₹ in Crore)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
I. CASH FLOW FROM OPERATING ACTIVITIES		
Profit before tax	**1,732.76**	**1,055.54**
Adjustments for:		
Depreciation and Amortisation Expense	273.64	231.14
Finance Costs	11.53	9.39
Interest Income	(38.42)	(42.96)
Realised gain on sale of Investments	(73.24)	(36.06)
Unrealised (Gain) / Loss on Investments	(29.87)	(8.32)
Write-off, Allowance and Loss on Disposal of Capital Work in Progress and Property, Plant and Equipment (Net)	6.76	5.32
Allowance for inventory obsolescence	3.47	0.51
Expected credit loss allowance and write off on Financial Assets (Net)	9.78	5.14
Net unrealised foreign exchange (gain)/ loss	-	(0.02)
Operating Profit Before Working Capital Changes	**1,896.41**	**1,219.68**
Movements in working capital :		
(Increase) in Inventories	(6.00)	(6.35)
Decrease/(Increase) in Trade Receivables	12.35	(111.05)
(Increase) in Other Financial Assets	(4.82)	(94.47)
Decrease in Other Non Current Assets	1.33	1.38
Decrease/(Increase) in Other Current Assets	12.43	(20.81)
(Decrease)/Increase in Other Financial Liabilities	(18.29)	34.67
Increase in Provisions	4.41	12.56
Increase in Trade Payables	11.98	50.38
Increase in Security Deposits (Liability)	121.27	105.53
Increase in Other Non-Current Liabilities	5.07	-
(Decrease)/Increase in Other Current Liabilities	(49.07)	41.56
	90.66	**13.40**
Cash Generated from Operations	**1,987.07**	**1,233.08**
Income Taxes Paid (Net of refund)	(423.97)	(263.78)
Net Cash Generated from Operating Activities	**1,563.10**	**969.30**
II. CASH FLOW FROM INVESTING ACTIVITIES		
Payments for Property, Plant and Equipment, CWIP and Intangible Assets (includes capital advances)	(770.86)	(713.07)
Proceeds from Sale of Property, Plant and Equipment	1.04	0.40
Purchase of current Investments	(6,533.43)	(7,232.11)
Proceeds from sale / redemption of current Investments	6,910.36	7,057.30
Purchase of non-current investments - Subsidiaries	(567.19)	-
Purchase of other non-current investments	(50.00)	-
Loan given to subsidiary	(201.00)	-
Movements in Bank Balances other than Cash and Cash Equivalents	(106.32)	192.39
Interest Received	50.65	46.00
Net Cash Used in Investing Activities	**(1,266.75)**	**(649.09)**

Standalone Statement of Cash Flows

for the year ended March 31, 2024

(₹ in Crore)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
III. CASH FLOW FROM FINANCING ACTIVITIES		
Payment of Lease Liabilities	(34.97)	(32.97)
Dividend Paid	(276.59)	(251.82)
Net Cash Used in Financing Activities	**(311.56)**	**(284.79)**
Net (Decrease)/Increase in Cash and Cash Equivalents (I+II+III)	**(15.21)**	**35.42**
Cash and Cash Equivalents at the beginning of the year (refer note 10)	117.90	82.48
Cash and Cash Equivalents at the end of the year (refer note 10)	**102.69**	**117.90**
See accompanying notes forming part of the standalone financial statements		

Note:

The above Statement of Cash flows has been prepared under the ''Indirect Method' as set out in the Indian Accounting Standard (Ind AS 7) - Statement of Cash Flows.

As per our report of even date attached

For DELOITTE HASKINS & SELLS LLP
Chartered Accountants
(Firm's Registration No. 117366W/ W-100018)

Rupen K. Bhatt
Partner
Membership No: 046930

Place : Mumbai
Date : May 09, 2024

For and on behalf of the Board of Directors of
Mahanagar Gas Limited

Ashu Shinghal
Managing Director
DIN: 08268176

Syed S. Hussain
Director
DIN:00209117

Rajesh Patel
Chief Financial Officer
FCA No:048326

Atul Prabhu
Company Secretary and Compliance officer
ACS No:64051

Place : Mumbai
Date : May 09, 2024

Standalone Statement of Changes in Equity

for the year ended March 31, 2024

(₹ in Crore)

Particulars	Equity Share Capital		Reserves and Surplus		
	Number of shares	Equity share capital [a] (₹ in Crore)	General Reserve [b]	Retained earnings [c]	Total [a+b+c]
Balance as at April 01, 2022	**9,87,77,778.00**	**98.78**	**211.84**	**3286.69**	**3,597.31**
Add: Profit for the Year	-	-	-	790.05	790.05
Other Comprehensive Income (Net of Tax) (refer note 30)	-	-	-	(1.26)	(1.26)
Final Dividend Paid for FY 2021-22	-	-	-	(153.10)	(153.10)
Interim Dividend Paid for FY 2022-23	-	-	-	(98.78)	(98.78)
Balance as at March 31, 2023	**9,87,77,778.00**	**98.78**	**211.84**	**3,823.60**	**4,134.22**
Add: Profit for the Year				1,289.07	1,289.07
Other Comprehensive Income (Net of Tax) (refer note 30)				(3.85)	(3.85)
Final Dividend Paid for FY 2022-23				(158.04)	(158.04)
Interim Dividend Paid for FY 2023-24				(118.53)	(118.53)
Balance as at March 31, 2024	**9,87,77,778**	**98.78**	**211.84**	**4,832.25**	**5,142.87**

For DELOITTE HASKINS & SELLS LLP
Chartered Accountants
(Firm's Registration No. 117366W/ W-100018)

Rupen K. Bhatt
Partner
Membership No: 046930

Place : Mumbai
Date : May 09, 2024

For and on behalf of the Board of Directors of
Mahanagar Gas Limited

Ashu Shinghal
Managing Director
DIN: 08268176

Syed S. Hussain
Director
DIN:00209117

Rajesh Patel
Chief Financial Officer
FCA No:048326

Atul Prabhu
Company Secretary and
Compliance officer
ACS No:64051

Place : Mumbai
Date : May 09, 2024

Notes to Standalone Financial Statements

for the year ended March 31, 2024

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 May 09, 2024.

All values are rounded off to the nearest Rupees crore except when stated otherwise.

2. Summary of Material accounting policies

This note provides a list of the material 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 and disclosures requirement of Division II of Schedule III of the Companies Act 2013, (Ind AS Compliant Schedule III), as applicable to financial statements.

Accordingly, the Company has prepared these Financial Statements which comprise the Balance Sheet as at March 31, 2024, the Statement of Profit and Loss, the Statement of Cash Flows and the Statement of Changes in Equity for the year ended March 31, 2024, and material accounting policies and other explanatory information (together hereinafter referred to as "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 at the end of each reporting period as required by relevant Ind AS:

- Financial assets and financial liabilities measured 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 treated 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 trading,
- 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

Notes to Standalone Financial Statements

for the year ended March 31, 2024

- 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.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents.

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, judgments 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. 2.19. 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. Business Combinations

Business combinations are accounted for using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred measured at fair value on acquisition date. The amount of any non-controlling interests in the acquiree for each business combination, the Company elects whether to measure the non-controlling interests in the acquiree at fair value or at the proportionate share of the acquiree's identifiable net assets. Acquisition-related costs as and when incurred are expensed.

At the acquisition date, the identifiable assets acquired, and the liabilities assumed are recognised at their fair values on acquisition date. For this purpose, the liabilities assumed include contingent liabilities representing present obligation and they are measured at fair values on acquisition date irrespective of the fact that outflow of resources embodying economic benefits is not probable. However, the following assets and liabilities acquired in a business combination are measured at the basis indicated below:

- Deferred tax assets or liabilities and potential tax effects of temporary differences and carry forwards of an acquiree that exist at the acquisition date or arise because of the acquisition are accounted in accordance with Ind AS 12-Income Tax.
- The assets or liabilities related to employee benefit arrangements are recognised and measured in accordance with Ind AS 19-Employee Benefits.
- Assets (or disposal groups) that are classified as held for sale and Non-current Assets Held for Sale and Discontinued Operations are measured in accordance with Ind AS 105-Non-current Assets Held for Sale and Discontinued Operations.

f. Investment in subsidiaries, joint ventures and associates

i. The company has accounted for its investment in subsidiaries at cost. The company assesses whether there is any indication that these investments may be impaired. If any such indication exists, the investment is considered for impairment based on the fair value thereof.

ii. When the company issues financial guarantees on behalf of subsidiaries, initially it measures the financial guarantee at their fair values and subsequently measures at higher of:

- The amount of loss allowance determined in accordance with impairment requirements of Ind AS 109 and
- The amount initially recognized less, when appropriate, the cumulative amount of income recognized in accordance with the principles of Ind AS 115 'Revenue from Contracts with Customers'

iii. The financial statements of the Company's subsidiaries are prepared for the same reporting period as the Company. When necessary, adjustments are made to bring the accounting policies in line with those of the Group.

iv. The Company recognize the initial fair value of financial guarantee as deemed investment with a corresponding liability recorded as financial guarantee obligation. Such deemed investment is added to the carrying value amount of the investment in subsidiaries, joint venture and associates. Financial guarantee obligation is recognized as other income in Statement of Profit and Loss over the remaining period of financial guarantee.

g. The Company has applied the following Ind AS pronouncements pursuant to issuance of the Companies (Indian Accounting Standards) Amendment Rules, 2023 with effect from April 01, 2023. The effect is described below:

Ind AS 1 – Presentation of Financial Statements – the amendment prescribes disclosure of material accounting policies instead of significant accounting policies. The disclosure of accounting policies has been accordingly modified wherever deemed fit. The impact such modifications to the accounting policies are insignificant.

Ind AS 8 – Accounting Policies, Changes in Accounting Estimates and Errors – the amendment added definition of accounting estimate and clarifies what is accounting estimate and treatment of change in the accounting estimate and accounting policy. There is no impact of the amendment on the financial statements.

Ind AS 12 – Income taxes – the definition of deferred tax asset and deferred tax liability is amended to apply initial recognition exception on assets and liabilities that does not give rise to equal taxable and deductible temporary differences. There is no impact of the amendment on the financial statements.

There are no new Standards that became effective during the year. Amendments that became effective during the year did not have any material effect.

2.2 Property, plant and equipment

An item of property, plant and equipment (PPE) that qualifies as an asset is measured on initial recognition at cost. Following initial recognition, 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.

An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognized in Statement of Profit and Loss.

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.

The Company has provisioning policy for slow and non-moving CWIP (Refer note 2.19).

Notes to Standalone Financial Statements

for the year ended March 31, 2024

c. Depreciation methods, estimated useful lives and residual value

Depreciation is calculated using the straight-line method to allocate cost of the asset, net of estimated residual value, over their estimated useful lives. The useful lives and 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 (Softwares/Licenses)	6 Years
Furniture provided for the use of employees	6 Years
Electrical Equipment provided for the use of employees	4 Years

The residual values and useful lives of the assets 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. On transition to Ind AS, the company has elected to continue with the carrying value of all its property, plant and equipment and intangible assets recognised as at April 01, 2015 measured as per previous GAAP and use that carrying value as deemed cost of property, plant and equipment and intangible assets.

2.2.1 Goodwill and Other Intangible assets

Goodwill acquired in a business combination is initially measured at cost, being the excess of the considerationtransferred over the net identifiable assets acquired and liabilities assumed, in accordance with Ind AS 103

Intangible assets acquired separately are measured on initial recognition at cost. Intangible assets arising on acquisition of business are measured at fair value as at date of acquisition.

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 assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

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. 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 the economic benefits from use of the asset throughout the period of the lease and (iii) the Company has the right to direct the use of the asset.

Notes to Standalone Financial Statements

for the year ended March 31, 2024

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.

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).

A financial asset is classified as FVTOCI only if it meets both of the following conditions and is not recognized at FVTPL:

Notes to Standalone Financial Statements

for the year ended March 31, 2024

- The asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and

- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial Asset included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI). However, the Company recognizes interest income, impairment losses & reversals in the Statement of Profit and Loss, if any. On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to Statement of Profit and Loss.

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 (ECL) 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, the Company follows 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 Effective Interest Rate (EIR).

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.

Notes to Standalone Financial Statements

for the year ended March 31, 2024

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 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 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:

Notes to Standalone Financial Statements

for the year ended March 31, 2024

(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.

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 inputs are unobservable inputs for the asset or liability.

For assets and liabilities that are recognised 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 this 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.

2.8 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.

2.9 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.

2.10 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 2.19

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

Notes to Standalone Financial Statements

for the year ended March 31, 2024

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.

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 towards satisfaction of a performance obligation is measured at the amount of transaction price (net of variable consideration) allocated to that performance obligation. The transaction price of goods sold and service rendered is net of variable consideration on account of trade allowances, rebates, value added tax, goods and service tax (GST) and inclusive of excise duty.

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.

2.11 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.

2.12 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 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).

2.13 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

Notes to Standalone Financial Statements

for the year ended March 31, 2024

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.

Uncertain tax positions

The management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and considers whether it is probable that a taxation authority will accept an uncertain tax treatment. The Company reflects the effect of uncertainty for each uncertain tax treatment by using one of two methods, the expected value method (the sum of the probability - weighted amounts in a range of possible outcomes) or the most likely amount (single most likely amount method in a range of possible outcomes), depending on which is expected to better predict the resolution of the uncertainty. The Company applies consistent judgements and estimates if an uncertain tax treatment affects both the current and the deferred tax.

2.14 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.

2.15 Provision and Contingencies

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.

A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not require an outflow of resources embodying economic benefits or the amount of such obligation cannot be measured reliably. When there is a possible obligation or a present obligation in respect of which likelihood of outflow of resources embodying economic benefits is remote, no provision or disclosure is made.

2.16 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.

Notes to Standalone Financial Statements

for the year ended March 31, 2024

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.

2.17 Segment reporting

The board of directors assesses performance of the Company as Chief Operating Decision Maker.

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker (CODM).

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 as at and for the financial year ended March 31, 2024.

2.18 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 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.

2.19 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

Notes to Standalone Financial Statements

for the year ended March 31, 2024

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.

Provision for Capital Work in Progress

The Company has a defined policy for provision of slow and non-moving capital work in progress (CWIP) based on the ageing of CWIP. The Company reviews the policy at regular intervals.

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 for Inventory including Capital 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.

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.

Notes to Standalone Financial Statements

for the year ended March 31, 2024

3 : Property, Plant and Equipment, Intangible Assets, Right of Use and Capital Work in Progress

(₹ in Crore)

Description of Assets	Gross Carrying Amount				Accumulated Depreciation/Amortisation (including Accumulated Impairement Losses)				Net Carrying Amount	
	As at 1st April 2023	Additions	Disposals	As at March 31, 2024	As at 1st April 2023	Depreciation/ Amortisation	Disposals	As at March,31 2024	As at March,31 2024	As at March,31 2023
i. Property, Plant and Equipment										
Freehold Land	**10.31**	**1.11**	**-**	**11.42**	**-**	**-**	**-**	**-**	**11.42**	**10.31**
	8.22	*2.09*	*-*	*10.31*	*-*	*-*	*-*	*-*	*10.31*	*8.22*
Buildings and Bunk Houses	**139.58**	**22.43**	**(0.02)**	**161.99**	**6.43**	**2.86**	**(0.02)**	**9.27**	**152.72**	**133.15**
	135.04	*4.54*	*-*	*139.58*	*3.89*	*2.54*	*-*	*6.43*	*133.15*	*131.15*
Roads and Fences	**12.41**	**0.25**	**-**	**12.66**	**3.32**	**1.31**	**-**	**4.63**	**8.03**	**9.09**
	9.00	*3.41*	*-*	*12.41*	*2.39*	*0.93*	*-*	*3.32*	*9.09*	*6.61*
Plant and Equipment - Gas Distribution System	**3,614.74**	**662.35**	**(3.89)**	**4,273.20**	**988.61**	**225.50**	**(2.87)**	**1,211.24**	**3,061.96**	**2,626.13**
	3,079.37	*541.96*	*(6.59)*	*3,614.74*	*804.44*	*189.07*	*(4.90)*	*988.61*	*2,626.13*	*2,274.93*
Plant and Equipment - Others	**30.68**	**10.48**	**(0.02)**	**41.14**	**14.10**	**2.17**	**(0.02)**	**16.25**	**24.89**	**16.58**
	29.18	*1.80*	*(0.30)*	*30.68*	*12.27*	*1.98*	*(0.15)*	*14.10*	*16.58*	*16.91*
Computers	**23.57**	**5.40**	**(0.61)**	**28.36**	**13.51**	**4.15**	**(0.53)**	**17.13**	**11.23**	**10.06**
	17.00	*7.20*	*(0.63)*	*23.57*	*11.02*	*3.05*	*(0.56)*	*13.51*	*10.06*	*5.98*
Electrical Installations	**19.68**	**8.23**	**(0.06)**	**27.85**	**7.73**	**1.76**	**(0.01)**	**9.48**	**18.37**	**11.95**
	13.25	*6.51*	*(0.08)*	*19.68*	*6.54*	*1.25*	*(0.06)*	*7.73*	*11.95*	*6.71*
Office Equipments	**20.10**	**17.24**	**(0.09)**	**37.25**	**12.29**	**4.15**	**(0.02)**	**16.42**	**20.83**	**7.81**
	14.73	*5.52*	*(0.15)*	*20.10*	*10.67*	*1.76*	*(0.14)*	*12.29*	*7.81*	*4.06*
Communication Systems	**1.73**	**0.68**	**(0.01)**	**2.40**	**1.14**	**0.31**	**-**	**1.45**	**0.95**	**0.59**
	1.29	*0.44*	*-*	*1.73*	*1.00*	*0.14*	*-*	*1.14*	*0.59*	*0.29*
Furniture and Fixtures	**10.05**	**3.92**	**(0.01)**	**13.96**	**3.94**	**1.19**	**-**	**5.13**	**8.83**	**6.11**
	6.54	*3.58*	*(0.07)*	*10.05*	*3.33*	*0.68*	*(0.07)*	*3.94*	*6.11*	*3.21*
Total - Property, Plant and Equipment (i)	**3,882.85**	**732.09**	**(4.71)**	**4,610.23**	**1,051.07**	**243.40**	**(3.47)**	**1,291.00**	**3,319.23**	**2,831.78**
	3,313.63	*577.05*	*(7.82)*	*3,882.85*	*855.55*	*201.40*	*(5.88)*	*1,051.07*	*2,831.78*	*2,458.08*
ii. Intangible Assets										
Computer Softwares / Licences (Acquired)	**19.25**	**3.95**	**-**	**23.20**	**14.11**	**2.08**	**-**	**16.19**	**7.01**	**5.14**
	17.35	*1.90*	*-*	*19.25*	*12.12*	*1.99*	*-*	*14.11*	*5.14*	*5.23*
Total - Intangible Assets (ii)	**19.25**	**3.95**	**-**	**23.20**	**14.11**	**2.08**	**-**	**16.19**	**7.01**	**5.14**
	17.35	*1.90*	*-*	*19.25*	*12.12*	*1.99*	*-*	*14.11*	*5.14*	*5.23*
iii. Total - Property, Plant and Equipment and Intangible Assets (i+ii)	**3,902.10**	**736.04**	**(4.71)**	**4,633.43**	**1,065.18**	**245.48**	**(3.47)**	**1,307.19**	**3,326.24**	**2,836.92**
	3,330.97	*578.95*	*(7.82)*	*3,902.10*	*867.67*	*203.39*	*(5.88)*	*1,065.18*	*2,836.92*	*2,463.31*
iv. Right to Use Assets (refer note 31.5)	**281.39**	**56.10**	**-**	**337.49**	**92.61**	**28.16**	**-**	**120.77**	**216.72**	**188.78**
	215.27	*66.12*	*-*	*281.39*	*64.85*	*27.76*	*-*	*92.61*	*188.78*	*150.42*
v. Total (iii+iv)	**4,183.49**	**792.14**	**(4.71)**	**4,970.92**	**1,157.79**	**273.64**	**(3.47)**	**1,427.96**	**3,542.96**	**3,025.70**
	3,546.25	*645.07*	*(7.82)*	*4,183.49*	*932.52*	*231.15*	*(5.88)*	*1,157.79*	*3,025.70*	*2,613.73*
vi. Capital work-in-progress									**774.29**	**708.62**
									708.62	*615.94*
Grand Total (v+vi)									**4,317.25**	**3,734.32**
									3,734.32	*3,229.67*

Figures in *italic* represent previous year's figures.

Notes to Standalone Financial Statements

for the year ended March 31, 2024

3 : Property, Plant and Equipment, Intangible Assets, Right of Use and Capital Work in Progress (Contd..)

vii) Capital-Work-in Progress (CWIP)

Projects have been categorised based on Geographical Area (GA) and each Geographical Area includes multiple projects.

a) Ageing of capital-work in Progress as at March 31, 2024

(₹ in Crore)

Particulars	Amount in CWIP for a period of				Total
	<1 year	1-2 years	2-3 years	More than 3 years	
- Projects in progress	**467.59**	**133.58**	**93.50**	**79.62**	**774.29**
	389.74	*152.59*	*52.81*	*113.48*	*708.62*
- Projects temporarily suspended	**-**	**-**	**-**	**-**	**-**
	-	*-*	*-*	*-*	*-*
Total	**467.59**	**133.58**	**93.50**	**79.62**	**774.29**
	389.74	*152.59*	*52.81*	*113.48*	*708.62*

b) CWIP , whose completion is overdue, completion schedule is as below:

(Completion is overdue mainly on account of delay in permissions from local authorities and other parties)

(₹ in Crore)

Particulars	To be completed in				Total
	<1 year	1-2 years	2-3 years	More than 3 years	
Mumbai & Greater Mumbai (GA1)	**25.75**	**-**	**-**	**-**	**25.75**
	21.58	*1.32*	*-*	*-*	*22.90*
Thane City & adjoining Contiguous Area (GA2)	**30.55**	**0.42**	**-**	**-**	**30.97**
	40.52	*7.24*	*-*	*-*	*47.76*
Raigad District (GA3)	**31.90**	**28.69**	**-**	**-**	**60.59**
	37.97	*45.29*	*-*	*-*	*83.26*
Total	**88.20**	**29.11**	**-**	**-**	**117.31**
	100.07	*53.85*	*-*	*-*	*153.92*

Notes :-

1) Capital Work-in-Progress includes Capital inventory of ₹ 159.40 Crore (Previous year ₹ 148.50 Crore)

   a) Capital inventory includes material in transit ₹ 0.16 Crore (Previous year ₹ NIL)

   b) As at March 31, 2024, ₹ 7.94 Crore (Previous year ₹ 6.67 Crore) has been recognised as an allowance for Capital inventory obsolescence.

   c) As at March 31, 2024, ₹ 13.48 Crore (Previous year ₹ 12.86 Crore) has been recognised as an allowance for Capital Work-in-Progress write off.

2) There are no projects as at reporting date which has exceeded cost as compared to its original approved plan. The Company follows practice of seeking approval for annual capital expenditure plan for each of the geographical/project areas.

3) Figures in *italic* represent previous year's figures.

Notes to Standalone Financial Statements

for the year ended March 31, 2024

4. Trade Receivables (Refer note 31.14)

(₹ in Crore)

Particulars	As at March 31, 2024	As at March 31, 2023
Secured, Considered Good (secured against security deposits)	53.61	46.24
Unsecured, Considered Good	227.00	247.79
Unsecured, Considered doubtful	3.32	3.52
	283.93	**297.55**
Less : Allowance for Doubtful Trade Receivables	3.32	3.52
	280.61	**294.03**

Trade Receivable ageing schedule as at March 31, 2024

(₹ in Crore)

Particulars	Not Due	Outstanding for following periods from due date of payment					Total
		Less than 6 months	6 Months - 1 Year	1-2 Years	2-3 Years	More than 3 Years	
Undisputed Trade receivables - considered Good	**199.03**	**46.75**	**10.80**	**23.31**	**0.25**	**0.44**	**280.58**
	171.18	*105.60*	*15.54*	*0.94*	*0.42*	*0.34*	*294.02*
Undisputed Trade Receivables - considered doubtful	**-**	**-**	**-**	**-**	**0.11**	**-**	**0.11**
	-	*-*	*-*	*-*	*0.32*	*-*	*0.32*
Disputed Trade Receivables -considered good	**-**	**0.01**	**-**	**0.01**	**-**	**0.01**	**0.03**
	-	*-*	*-*	*-*	*-*	*0.01*	*0.01*
Disputed Trade Receivables - considered doubtful	**-**	**-**	**-**	**-**	**-**	**3.21**	**3.21**
	-	*-*	*-*	*-*	*-*	*3.20*	*3.20*
Less : Allowance for trade receivables	**-**	**-**	**-**	**-**	**(0.11)**	**(3.21)**	**(3.32)**
	-	*-*	*-*	*-*	*(0.32)*	*(3.20)*	*(3.52)*
Total	**199.03**	**46.76**	**10.80**	**23.32**	**0.25**	**0.45**	**280.61**
	171.18	*105.60*	*15.54*	*0.94*	*0.42*	*0.35*	*294.03*

Notes:-

1) Figures in *italic* represent previous year's figures.

2) "Undisputed Trade receivables - considered Good" under age bucket 2-3 years and more than 3 years are secured against security deposits

5. Loans

(₹ in Crore)

Particulars	As at March 31, 2024	As at March 31, 2023
Unsecured - Considered Good		
To Related Party (Refer note 31.3) $	201.00	-
	201.00	**-**

$ Repayment of this loan shall not be before March 31, 2025, tenure extension if any to be agreed mutually. Rate of Interest @9.05% p.a. Loans are repayable on demand but the same has not been demanded during the year by the Company.

Notes to Standalone Financial Statements

for the year ended March 31, 2024

6. Other Non-current Financial Assets

(₹ in Crore)

Particulars		As at March 31, 2024	As at March 31, 2023
Security Deposits			
Unsecured, Considered Good @		96.56	95.53
Unsecured, Considered doubtful		8.55	3.47
		105.11	99.00
Less: Expected credit loss allowance for Security Deposits		8.55	3.47
Subtotal	(a)	96.56	95.53
Bank deposits with more than 12 months maturity #	(b)	0.22	75.19
Interest accrued but not due on unsecured loan given	(c) (Refer note 31.3)	0.49	-
Total - Other Non-current Financial Assets (a+b+c)		97.27	170.72

@ Includes ₹ 50.00 crore (Previous year ₹ 50.00 crore) receivable from related parties (refer note 31.3 & 31.9(iv))

Includes deposits given as margin money (including accrued interest) of ₹ 0.22 crore (Previous year ₹0.17 crore)

7. Other Non-current Assets

(₹ in Crore)

Particulars	As at March 31, 2024	As at March 31, 2023
Capital Advances #	19.68	26.04
Prepaid Expenses	12.77	12.23
	32.45	38.27

Includes ₹ 19.19 crore (Previous year ₹ 23.59 crore) towards transaction with related party (refer note 31.3)

8. Inventories (at lower of Cost and Net Realisable Value)

(₹ in Crore)

Particulars	As at March 31, 2024	As at March 31, 2023
Stock in Trade:		
Stock of Natural Gas	1.34	1.51
Stores and Spares	38.50	32.33
	39.84	33.84

As at March 31, 2024, ₹ 1.85 crore (Previous year ₹1.21 crore) has been recognised as an allowance for stores and spares inventory obsolescence

9 : Investments

Non Current

A. Investments in Equity Instruments, Unquoted - Measured at Cost

Name of the Company	Face Value (₹)	Number of Shares		Amount (₹ in crore)	
		March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023
Investment in equity shares of Subsidiaries					
Unison Enviro Private Limited	10	13,54,28,600	-	562.09	-
Mahanagar LNG Private Limited	10	51,00,000	-	5.10	-
Total		14,05,28,600	-	567.19	-

Notes to Standalone Financial Statements

for the year ended March 31, 2024

9 : Investments (Contd..)

B. Investments in Equiy instruments and Compulsorily Convertible Preference Shares (CCPS), Unquoted - Measured at Fair value through Other Comprehensive Income- (FVTOCI)

Name of the Company	Face Value (₹)	Number of Shares		Amount (₹ in crore)	
		March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023
3EV Industries Private Limited (CCPS)	100	9,543	-	49.95	-
3EV Industries Private Limited (Equity)	10	10	-	0.05	-
Total		9,553	-	50.00	-
Total Non-Current Investments (A+B)		14,05,38,153	-	617.19	-

Current

C. Investment in Mutual Fund Carried at Fair Value through Profit or Loss

Name of Mutual Fund Scheme (Unquoted)	Face Value (₹)	Number of Units		Amount (₹ in crore)	
		March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023
Baroda BNP Paribas Liquid Fund - Direct Plan - Growth	1,000	16,632	-	4.63	-
Bandhan Liquid Fund - Growth - Direct Plan (erstwhile - IDFC Cash Fund - Direct Plan - Growth)	1,000	3,72,279	-	108.61	-
Edelweiss Liquid Fund - Direct Plan - Growth	1,000	2,59,460	-	80.91	-
HSBC Liquid Fund - Direct Plan - Growth	1,000	-	54,353	-	12.19
ICICI Prudential Liquid Fund - Direct Plan - Growth	100	-	28,95,632	-	96.48
Bandhan Banking & PSU Debt Fund - Direct Plan - Growth (Erstwhile IDFC Banking & PSU Debt Fund)	10	5,39,39,624	5,48,55,456	123.55	117.13
LIC MF Liquid Fund - Direct Plan - Growth	1,000	-	2,23,834	-	91.50
Mirae Asset Cash Management Fund - Direct Plan - Growth	1,000	-	2,37,795	-	56.51
Nippon India Liquid Fund - Direct Plan - Growth	1,000	3,33,710	75,865	197.19	41.78
SBI Liquid Fund - Direct Plan - Growth	1,000	-	2,85,096	-	100.45
TATA Liquid Fund - Direct Plan - Growth	1,000	5,30,180	2,82,205	202.01	100.22
UTI Liquid Fund - Cash Plan - Direct Plan - Growth	1,000	-	2,73,612	-	100.95
Edelweiss Arbitrage Fund - Direct Plan - Growth	10	2,11,49,311	-	40.00	-
Invesco India Arbitrage Fund - Direct Plan - Growth	10	1,35,66,120	-	42.56	-
Kotak Equity Arbitrage Fund - Direct Plan - Growth	10	1,17,32,509	-	42.69	-
Mirae Asset Arbitrage Fund - Direct Plan - Growth	10	1,62,59,350	-	20.00	-
Nippon India Arbitrage Fund - Direct Plan - Growth	10	80,73,521	-	21.10	-
SBI Arbitrage Opportunities Fund - Direct Plan - Growth	10	1,29,80,730	-	42.49	-
Tata Arbitrage Fund - Direct Plan - Growth	10	3,10,52,178	-	42.64	-
Total Investment in Mutual Funds (Unquoted)				968.38	717.21

Notes to Standalone Financial Statements

for the year ended March 31, 2024

9 : Investments (Contd..)

D. Carried at Amortised Cost

(₹ in Crore)

Particulars	March 31, 2024	March 31, 2023
Fixed Deposit with LIC Housing Finance Limited	-	261.22
Fixed Deposit with HDFC Limited	-	331.39
Fixed Deposit with Bajaj Finance Limited	50.39	-
Total of Corporate FDs	**50.39**	**592.61**
Total (C+D) (Unquoted Investments)	**1,018.77**	**1,309.82**

Notes :-

1) On March 03, 2023, the Company had signed a Share Purchase Agreement (SPA) with Unison Enviro Private Limited (UEPL) and erstwhile shareholders of UEPL for acquisition of 100% stake in UEPL. On February 01, 2024, the Company acquired 100% stake in UEPL from its erstwhile shareholders for a consideration of ₹ 562.09 crore. Consequently, UEPL has become wholly owned subsidiary of Mahanagar Gas Limited w.e.f. February 01, 2024. UEPL is in the City Gas Distribution (CGD) business and is authorised by Petroleum and Natural Gas Regulatory Board (PNGRB) to lay, build and operate CGD pipeline network in the 3 geographic areas (GA). Two GAs in the State Maharashtra namely 1. Ratnagiri District and 2. Osmanabad and Latur District and One GA in the State of Karnataka namely Chitradurga and Davangere.

2) On October 17, 2023, the Company had signed a Joint Venture Agreement with Baidyanath LNG Private Limited (BLNG) for incorporating a Joint Venture Company (JVC) for undertaking the business of selling Liquefied Natural Gas (LNG) as fuel to LNG vehicles. The JVC, Mahanagar LNG Private Limited (MLPL) was incorporated on December 26, 2023. As of March 31, 2024, the Company has invested ₹ 5.10 Crore in equity shares and is holding 51% equity shares of the JVC. MLPL is a subsidiary of the Company.

3) On February 12, 2024, the Company has signed Share Subscription Agreement (SSA) with 3EV Industries Private Limited (3EV). 3EV is in the business of manufacturing of 3-wheeler cargo and passenger electric vehicles. Under SSA total commitment for investment is ₹ 96 Crore and as per the terms and conditions of SSA the Company has invested ₹ 50 Crore in Compulsorily Convertible Preference Shares (CCPS) as of March 31, 2024.

4) Out of the total investment of the company in the shares of Unison Enviro Private Limited (UEPL), 51% shares (6,90,68,586 shares) are pledged with PNB Investment Services Limited, (Security Trustee) for security against the sanctioned rupee term loan for UEPL. The outstanding loan amount as of March 31, 2024 stands ₹ NIL

10. Cash and Cash Equivalents

(₹ in Crore)

Particulars	As at March 31, 2024	As at March 31, 2023
Cash on Hand	0.01	0.01
Cash in Transit	8.56	4.17
Balances with Banks in Current Accounts	94.12	113.72
Total - Cash and Cash Equivalents (refer Cash Flow Statement)	**102.69**	**117.90**

Notes to Standalone Financial Statements

for the year ended March 31, 2024

11. Other Bank Balances

(₹ in Crore)

Particulars	As at March 31, 2024	As at March 31, 2023
Bank Deposits with original maturity of more than 3 months but less than 12 months	289.07	103.00
Balance with banks for fuel cards	0.93	-
Margin Money Deposits	2.60	2.27
Unpaid dividend accounts	0.83	0.85
Unspent CSR Accounts	2.35	3.85
	295.78	**109.97**

12. Other Current Financial Assets

(₹ in Crore)

Particulars		As at March 31, 2024	As at March 31, 2023
Unbilled Revenue (Refer note 31.14)	(a)	**80.42**	**85.39**
Security Deposits			
Unsecured, Considered Good #		10.01	12.43
Unsecured, Considered doubtful		1.32	4.18
		11.33	**16.61**
Less: Expected credit loss allowance for Security Deposits		1.32	4.18
Subtotal	(b)	**10.01**	**12.43**
Unsecured, Miscellaneous Receivable and Others^		21.03	14.70
Less : Allowance for Doubtful and Expected Credit Loss on Miscellaneous Receivable		9.09	5.23
Subtotal	(c)	**11.94**	**9.47**
Total - Other Current Financial Assets (a+b+c)		**102.37**	**107.29**

Includes ₹0.34 crore (Previous year ₹ 0.42 crore) receivable from related parties (refer note 31.3)

^ Includes ₹6.68 crore (Previous year ₹ Nil) receivable from related parties (refer note 31.3)

13. Other Current Assets

(₹ in Crore)

Particulars	As at March 31, 2024	As at March 31, 2023
Prepaid Expenses	12.40	13.78
Balances with Government Authorities	0.96	0.04
Advances to Vendors	7.58	19.55
	20.94	**33.37**

14. Equity Share Capital

(₹ in Crore)

Particulars	As at March 31, 2024	As at March 31, 2023
Authorised Equity Share Capital		
13,00,00,000 (previous year 13,00,00,000) Equity Shares of ₹ 10/- each	**130.00**	**130.00**
Issued, Subscribed and Fully Paid Equity Shares		
9,87,77,778 (previous year 9,87,77,778) Equity Shares of ₹ 10/- each	**98.78**	**98.78**

Notes to Standalone Financial Statements

for the year ended March 31, 2024

14. Equity Share Capital (Contd..)

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.

Details of Shareholders holding more than 5% Shares

(₹ in Crore)

Particulars	As at March 31, 2024	As at March 31, 2023
GAIL (India) Limited		
Number of Shares	3,21,02,750	3,21,02,750
Percentage	32.50	32.50
Government of Maharashtra		
Number of Shares	98,77,778	98,77,778
Percentage	10.00	10.00
Life Insurance Corporation Of India - P & GS Fund		
Number of Shares	75,76,510	82,19,236
Percentage	7.67	8.32
Details of shares held by promoters		
GAIL (India) Limited		
No. of shares at the beginning of the year	3,21,02,750	3,21,02,750
No. of shares at the end of the year	3,21,02,750	3,21,02,750
Change during the year	-	-
Percentage of total shares	32.50	32.50
Percentage change during the year	-	-

15. Other Equity (refer Statement of Changes in Equity (SOCIE))

(₹ in Crore)

Particulars	As at March 31, 2024	As at March 31, 2023
General Reserve	211.84	211.84
Retained Earnings	4,832.25	3,823.60
	5,044.09	**4,035.44**

16. Lease Liabilities (refer note 31.5)

(₹ in Crore)

Particulars	As at March 31, 2024	As at March 31, 2023
Non Current Lease Liabilities	116.13	93.84
Current Lease Liabilities	23.13	20.77
	139.26	**114.61**

Notes to Standalone Financial Statements

for the year ended March 31, 2024

17. Security Deposits

(₹ in Crore)

Particulars	As at March 31, 2024	As at March 31, 2023
a. Non-current		
Security Deposits from vendors	2.66	1.05
Total (a)	**2.66**	**1.05**
b. Current		
Security Deposits from customers	923.28	807.75
Security Deposits from vendors	17.61	12.54
Total (b)	**940.89**	**820.29**
Total Security Deposits (a+b)	**943.55**	**821.34**

18. Provisions

(₹ in Crore)

Particulars	As at March 31, 2024	As at March 31, 2023
a. Non-current (refer note 31.1)		
Leave Encashment	27.57	22.57
Post Retirement Medical Benefits	13.80	8.00
Other Employee Benefits Obligations #	3.85	2.86
Total (a)	**45.22**	**33.43**
b. Current (refer note 31.1)		
Leave Encashment	11.06	10.01
Post Retirement Medical Benefits	0.19	0.11
Gratuity	2.34	5.71
Other Employee Benefits Obligations #	0.51	0.51
Total (b)	**14.10**	**16.34**
Total Provisions (a+b)	**59.32**	**49.77**

Represents long service award and death relief benefits.

19. Deferred Tax Liabilities (Net) (refer note 31.6)

(₹ in Crore)

Particulars	As at March 31, 2024	As at March 31, 2023
Deferred Tax Liabilities	300.31	258.12
Less : Deferred Tax Assets	56.23	49.52
	244.08	**208.60**

20. Trade Payables

(₹ in Crore)

Particulars	As at March 31, 2024	As at March 31, 2023
Micro and Small Enterprises (MSME) (refer note 31.10)	23.47	14.76
Other Trade Payables	180.57	157.31
	204.04	**172.07**
Payable to Related Parties (Refer note 31.3)	130.15	150.14
	334.19	**322.21**

Notes to Standalone Financial Statements

for the year ended March 31, 2024

20. Trade Payables (Contd..)

Trade Payables ageing schedule as at March 31, 2024

(₹ in Crore)

Particulars	Unbilled	Not due	Outstanding for following periods from due date of payment**				Total
			Upto 1 year	1-2 Years	2-3 Years	More than 3 Years	
MSME	**0.18**	**23.29**	-	-	-	-	**23.47**
	-	*14.76*	-	-	-	-	*14.76*
Others	**1.26**	**309.46**	-	-	-	-	**310.72**
	0.65	*306.80*	-	-	-	-	*307.45*
Disputed Dues – MSME	-	-	-	-	-	-	-
	-	-	-	-	-	-	-
Disputed Dues – Others	-	-	-	-	-	-	-
	-	-	-	-	-	-	-
Total	**1.44**	**332.75**	-	-	-	-	**334.19**
	0.65	*321.56*	-	-	-	-	*322.21*

** Figures in italic represent previous year's figures.

21. Current Financial Liabilities - Others

(₹ in Crore)

Particulars	As at March 31, 2024	As at March 31, 2023
Unpaid Dividends *	0.83	0.85
Payables for purchase of property, plant and equipment	132.04	88.57
Others^	167.87	186.16
	300.74	**275.58**

* There is no amount due and outstanding to be transferred to the Investor Education and Protection Fund (IEPF) by the Company. Unclaimed Dividend, if any, shall be transferred to IEPF as and when they become due.

^ Includes provision for Unspent CSR of ₹ 5.53 crore (previous year ₹ 6.75 crore) (Refer note 31.13)

22. Other Liabilities

(₹ in Crore)

Particulars	As at March 31, 2024	As at March 31, 2023
(a) Non - Current		
Deferred Revenue (Refer note 31.3)	5.07	-
	5.07	**-**
(b) Current		
Statutory dues Payables	19.95	75.35
Advances from Customers (Refer note 31.14)	32.53	27.07
Deferred Revenue (Refer note 31.3)	0.51	-
Others	0.95	0.59
	53.94	**103.01**
Total Other Liabilities (a+b)	**59.01**	**103.01**

Notes to Standalone Financial Statements

for the year ended March 31, 2024

23. Revenue from Contracts with Customers (refer note 31.14)

(₹ in Crore)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Sale of Natural Gas (Including Excise Duty)	6,835.09	6,893.45
Sale of Pipes, Fittings and Other Materials	6.04	5.50
Other Operating Income	20.82	22.01
	6,861.95	**6,920.96**

24. Other Income

(₹ in Crore)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
a. Interest Income earned on financial assets designated as amortised cost		
Bank Deposits	13.19	11.70
From related parties (Refer note 31.3)	0.55	-
Other interest income	24.68	31.26
	38.42	**42.96**
b. Other Gains and Losses		
Gain/(Loss) on Debt Instruments designated at FVTPL *	103.11	44.38
Net Foreign Exchange Gain/(Loss) (net)	-	0.02
	103.11	**44.40**
c. Other Non-operating Income	33.77	24.52
Total Other Income (a+b+c)	**175.30**	**111.88**

* Includes unrealised increase/(decrease) in fair value ₹ 29.87 crore (previous year - ₹ 8.32 crore)

25. Cost of Natural Gas and Traded Items

(₹ in Crore)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Purchase Cost of Natural Gas and Other Charges	3,623.96	4,450.29
Less: Captive Consumption	11.22	19.29
	3,612.74	**4,431.00**
Purchase of Pipes, Fittings and Other Materials	5.16	4.64
	3,617.90	**4,435.64**

26. Changes in Inventories

(₹ in Crore)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Changes in Stock of Natural Gas:		
Opening Stock	1.51	0.72
Closing Stock	1.34	1.51
Decrease/(Increase) in Stock	**0.17**	**(0.79)**

Notes to Standalone Financial Statements

for the year ended March 31, 2024

27. Employee Benefits Expense

(₹ in Crore)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Salaries, Wages and Allowances	129.65	120.32
Contribution to Provident Fund and Other Funds (Refer note 31.1)	9.68	8.17
Staff Welfare *	8.34	6.14
Secondment Charges (Refer note 31.3)	2.40	2.46
	150.07	**137.09**
Less: Transfer to Capital Work-in-Progress	31.94	29.20
	118.13	**107.89**

* Includes PRMB (Refer note 31.1)

28. Finance Costs

(₹ in Crore)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Interest on lease liabilities (refer note 31.5)	10.59	9.39
Other Interest Expense	0.94	-
	11.53	**9.39**

29. Other Expenses

(₹ in Crore)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Power and Fuel	156.90	148.18
CNG Dispensing Charges (refer note 31.5)	75.79	82.01
Consumption of Stores and Spares	34.82	31.99
Insurance	6.12	6.46
Rent Expense (refer note 31.5)	22.95	20.07
Rates and Taxes	7.69	6.65
Repairs to Buildings	7.87	0.71
Repairs to Plant and Machinery	102.57	86.80
Write-off, Allowance and Loss on Disposal of CWIP and Property, Plant and Equipment	6.76	5.32
Bad Trade Receivables Written Off	1.28	1.59
Allowance for Doubtful Miscellaneous Receiveable	-	(0.08)
Security Deposits Written off	0.57	0.96
Expected credit loss allowance for Security Deposits (Net)	2.22	0.88
Refundable Reinstatement Charges written off	2.07	1.57
Expected credit loss allowance for Refundable Reinstatement Charges (Net)	3.85	0.74
Allowance for inventory obsolescence	3.47	0.51
Corporate Social Responsibility Expenditure (Refer Note 31.13)	17.55	16.91
Miscellaneous Expenses (refer note 31.11)	216.57	162.66
	669.05	**573.93**
Less: Transfer to Capital Work-in-Progress	3.35	1.58
	665.70	**572.35**

Notes to Standalone Financial Statements

for the year ended March 31, 2024

30. OCI - Items that will not be reclassified to profit or loss

(₹ in Crore)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Gains/(Losses) on Remeasurements of the Defined Benefit Plans (Refer note 31.1)	(5.14)	(1.61)
Less : Income Tax on Remeasurements of the Defined Benefit Plans	1.29	0.35
OCI - Items that will not be reclassified to profit or loss (Net of Income Tax)	**(3.85)**	**(1.26)**

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 ₹ 7.85 crore (previous year ₹ 6.79 crore) as an expense and included in Note 27 – Employee Benefits Expense 'Contribution to Provident Fund and Other Fund's in the Statement of Profit and Loss for the year ended March 31, 2024.

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 Crore)

Particulars	For the year ended March 31, 2024		For the year ended March 31, 2023	
	Gratuity (Funded)	PRMB (Unfunded)	Gratuity (Funded)	PRMB (Unfunded)
Current Service Cost	1.41	0.77	1.28	0.80
Past Service Cost	-	-	-	-
Interest Cost (Net)	0.42	0.61	0.10	0.57
Total Expense recognised in the Statement of Profit and Loss	**1.83**	**1.38**	**1.38**	**1.37**

Notes to Standalone Financial Statements

for the year ended March 31, 2024

31.1 Employee Benefit Obligations (Contd..)

Amount recognised in Other Comprehensive Income

(₹ in Crore)

Particulars	For the year ended March 31, 2024		For the year ended March 31, 2023	
	Gratuity (Funded)	PRMB (Unfunded)	Gratuity (Funded)	PRMB (Unfunded)
(Gain)/Loss Due to change in Demographic Assumptions	(0.31)	(0.19)	(0.22)	(0.13)
(Gain)/Loss Due to change in Financial Assumptions	0.83	0.49	(0.40)	(0.62)
(Gain)/Loss Due to Experience	(0.02)	4.33	3.85	(0.51)
Return on Plan Assets (excluding amounts included in net interest expense)	0.01	-	(0.36)	-
Total Remeasurement (gains)/losses recognised in OCI	**0.51**	**4.63**	**2.87**	**(1.26)**

Net Asset/ (Liability) recognised in the Balance Sheet

(₹ in Crore)

Particulars	As at March 31, 2024		As at March 31, 2023	
	Gratuity (Funded)	PRMB (Unfunded)	Gratuity (Funded)	PRMB (Unfunded)
Present value of Defined Benefit Obligation	(29.54)	(13.99)	(26.28)	(8.11)
Fair value of Plan Assets	27.20	-	20.57	-
Net Asset/ (Liability) recognised in the Balance Sheet	**(2.34)**	**(13.99)**	**(5.71)**	**(8.11)**

Change in defined obligation (DBO) during the year

(₹ in Crore)

Particulars	As at March 31, 2024		As at March 31, 2023	
	Gratuity (Funded)	PRMB (Unfunded)	Gratuity (Funded)	PRMB (Unfunded)
Present value of DBO at beginning	26.28	8.11	21.00	8.10
Current Service Cost	1.41	0.77	1.28	0.80
Past Service Cost	-	-	-	-
Interest Cost	1.96	0.61	1.47	0.57
Remeasurement (gain)/loss	0.50	4.63	3.23	(1.26)
Benefits paid	(0.61)	(0.13)	(0.70)	(0.10)
Present value of DBO at the end	**29.54**	**13.99**	**26.28**	**8.11**

Change in the fair value of Asset during the year – Gratuity (Funded)

(₹ in Crore)

Particulars	As at March 31, 2024	As at March 31, 2023
Plan Assets at beginning	20.57	19.54
Interest Income	1.54	1.37
Return on Plan Assets (excluding amounts included in net interest expense)	(0.01)	0.36
Employer contribution	5.71	-
Benefits paid	(0.61)	(0.70)
Plan Assets as at the end *	**27.20**	**20.57**
Actual return on Plan Assets	1.53	1.73

* Category-wise composition of the plan assets is not available with the Company since the fund is managed by LIC.

Notes to Standalone Financial Statements

for the year ended March 31, 2024

31.1 Employee Benefit Obligations (Contd..)

Principal Actuarial assumptions

(₹ in Crore)

Particulars	As at March 31, 2024		As at March 31, 2023	
	Gratuity (Funded)	PRMB (Unfunded)	Gratuity (Funded)	PRMB (Unfunded)
Discount rate	7.23%	7.23%	7.47%	7.47%
Expected rate of escalation in salary	9.02%	NA	8.67%	NA
Attrition	4.63%	4.63%	5.56%	5.56%
Medical Cost Inflation	NA	3.00%	NA	3.00%
Mortality tables	Indian Assured Lives Mortality (2012-14) Urban			
Estimate of amount of contribution in the immediate next year (₹ in Crore)	3.76	NA	3.75	NA
Retirement Age	60 years		60 years	

Maturity analysis of Projected Benefit Obligation

(₹ in Crore)

Particulars	As at March 31, 2024	
	Gratuity (Funded)	PRMB (Unfunded)
1st Following Year	2.15	0.97
2nd Following Year	2.04	0.84
3rd Following Year	2.55	1.02
4th Following Year	3.09	1.38
5th Following Year	3.56	0.70
Sum of Years 6 To 10	13.99	4.13
Sum of Years 11 and above	32.31	

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. 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.

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.

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 Standalone Financial Statements

for the year ended March 31, 2024

31.1 Employee Benefit Obligations (Contd..)

Sensitivity

Sensitivity of the defined benefit obligation to changes in the weighted principal assumptions is:

Particulars	Change in Assumption	As at March 31, 2024		As at March 31, 2023	
		Increase by ₹ Crore	Decrease by ₹ Crore	Increase by ₹ Crore	Decrease by ₹ Crore
Discount rate	+/- 1%	3.98	(4.76)	2.86	(3.38)
Expected rate of escalation in salary	+/- 1%	(3.24)	2.84	(0.85)	0.91
Attrition rate	+/- 1%	(0.49)	0.56	(0.36)	0.41
Medical Cost Inflation	+/- 1%	(2.38)	1.92	(1.36)	1.10

Positive figures represent decrease in obligation and negative figures represents increase obligation.

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 ₹ 7.62 crore (previous year ₹ 10.27 crore) and ₹ 1.59 crore (previous year ₹ 1.03 crore) 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

(₹ in Crore)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Discount rate	7.23%	7.47%
Salary escalation	9.02%	8.67%
Attrition	4.63%	5.56%

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.

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, 2024.

Notes to Standalone Financial Statements

for the year ended March 31, 2024

31.2 Segment Information (Contd..)

b. Entity wide disclosures

Information about products and services:

The Company is in a single line of business of "Sale of Natural Gas".

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 who contributed more than 10% of the revenue during the year ended March 31, 2024 is ₹ 2,914.79 crore (previous year ₹ 2,932.32 crore).

31.3 Related Party Transactions

Sr. No.	Name of the Related Party	Relationship
1	GAIL (India) Limited (GAIL)	Enterprise having significant influence
2	Unison Enviro Private Limited (UEPL)	Subsidiary (w.e.f. February 01, 2024)
3	Mahanagar LNG Private Limited (MLPL)	Subsidiary (w.e.f .December 26, 2023)
4	Petronet LNG Limited	JVC of Gail (India) Limited
5	The Boston Consulting Group	Relative of director has significant influence

Details of transactions during the year with GAIL (India) Limited

(₹ in Crore)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Purchase of Natural Gas	2,908.99	3,274.79
Purchase of Liquified Natural Gas	2.09	-
Secondment Charges (also included in KMPs' remuneration, refer table below)	2.40	2.46
Hooking up charges	2.28	-
Other Expense	0.06	0.46
Capital Expense	0.05	11.03
Capital Advance received back	1.65	-
Security Deposit given/(refund) (net)	(0.08)	50.14
Dividend paid	89.89	81.86

Details of transactions during the year with Unison Enviro Private Limited

(₹ in Crore)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Investment in Equity shares of Unison Enviro Private Limited	562.09	-
Corporate Guarantee given on behalf of Unison Enviro Private Limited	566.00	-
Unsecured Loan given	201.00	-
Commission on Performance Bank Guarantee issued on behalf of Unison Enviro Pvt Ltd	0.40	-

Notes to Standalone Financial Statements

for the year ended March 31, 2024

31.3 Related Party Transactions (Contd..)

(₹ in Crore)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Commission for issuance of corporate guarantee on behalf of Unison Enviro Private Limited	6.68	-
Interest on loan given to Unison Enviro Private Limited	0.55	-
Reimbursement for Expenses incurred by the Company on behalf of Unison Enviro Private Limited	0.19	-

Details of transactions during the year with other related parties

(₹ in Crore)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Investment in Equity shares of Mahanagar LNG Private Limited	5.10	-
Consultancy Services received from The Boston Consulting Group	12.91	8.93
Services received from Petronet LNG Limited for Employees Training	0.18	-

Following is the list of Key Managerial Personnel (KMPs') as per Ind AS 24:

a. Mr. Sandeep Kumar Gupta, Non-Executive Director (Chairman) (w.e.f. October 31, 2023) - GAIL Nominee #

b. Mr. Mahesh Vishwanathan Iyer, Non-Executive Director (Chairman) (upto October 31, 2023) - GAIL Nominee #

c. Mr. Manoj Jain, Non-Executive Director (Chairman) (Upto August 31, 2022) - GAIL Nominee #

d. Mr. Ashu Shinghal, Managing Director (From December 23, 2022) - GAIL Nominee

e. Mr. Sanjib Datta, Managing Director (Upto December 23, 2022) - GAIL Nominee

f. Mr. Sanjay Shende, Whole Time Director - GAIL Nominee

g. Mr. Baldev Singh, Nominee Director (Upto August 26, 2022)- Government of Maharashtra Nominee#

h. Dr. Harshadeep Shriram Kamble. Nominee Director (From November 11, 2022)- Government of Maharashtra Nominee#

i. Mr. Syed S. Hussain, Independent Director

j. Mrs. Malvika Sinha, Independent Director

k. Mr. S. Venkatraman, Independent Director

l. Mr. Rajeev Bhaskar Sahi, Independent Director

No remuneration paid to nominee directors.

Details of KMPs' remuneration including directors sitting fee:

(₹ in Crore)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
KMPs' remuneration including directors sitting fee and secondment charges paid to related entities.	3.24	*3.31
Reimbursement of expenses to KMP's	0.04	-

* Includes ₹ 0.03 crore for FY 2021-22 due to revision approved post March 31, 2022.

Notes to Standalone Financial Statements

for the year ended March 31, 2024

31.3 Related Party Transactions (Contd..)

Outstanding balance with Gail (India) Limited:

(₹ in Crore)

Particulars	As at March 31, 2024	As at March 31, 2023
Trade Payables #	129.62	150.14
Capital Advances Given	19.19	23.59
Other Receivable	*	*
Security Deposits (Receivable)	50.34	50.42

* Other receivable of ₹ 7,891/-

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.

Outstanding balance with Unison Enviro Private Limited:

(₹ in Crore)

Particulars	As at March 31, 2024	As at March 31, 2023
Unsecured loan receivable	201.00	-
Corporate Guarantee given	566.00	-
Interest receivable on loan	0.49	-
Other Receivable	7.08	-

Outstanding balance with other related parties:

(₹ in Crore)

Particulars	As at March 31, 2024	As at March 31, 2023
Payable against consultancy Services received from The Boston Consulting Group	0.49	3.40

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 Crore)

Particulars	Note	As at March 31, 2024	As at March 31, 2023
A. Financial Assets			
I. Measured at Fair Value Through Profit or Loss (FVTPL)			
(i) Investments	9	968.38	717.21
II. Measured at Fair Value Through Other Comprehensive Income (FVOCI)			
(i) Other Investment	9	50.00	-

Notes to Standalone Financial Statements

for the year ended March 31, 2024

31.4 Financial Instruments (Fair Value Measurements): (Contd..)

(₹ in Crore)

Particulars	Note	As at March 31, 2024	As at March 31, 2023
III. Measured at Amortised Cost			
(i) Investments: Corporate Fixed Deposits	9	50.39	592.61
(ii) Investment in Subsidiaries	9	567.19	-
(iii) Unsecured Loans, considered good	5	201.00	-
(iv) Trade Receivables	4	280.61	294.03
(v) Cash and Cash Equivalents	10	102.69	117.90
(vi) Bank balances other than (iv) above	11	295.78	109.97
(vii) Other Financial Assets (current and non current)	6,12	199.64	278.01
Total (A)		**2,715.67**	**2,109.73**
B. Financial Liabilities			
I. Measured at Amortised Cost			
(i) Trade Payables	20	334.19	322.21
(ii) Lease Liabilities	16	139.26	114.61
(iii) Security Deposits	17	943.55	821.34
(iv) Other Financial Liabilities	21	300.74	275.58
Total (B)		**1,717.74**	**1,533.74**

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 1 and Level 3 type Financial Assets or Financials Liabilities as on 31st March 2024.

(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, 2024 is ₹ 968.38 crore (previous year ₹ 717.21 crore).

(ii) Measured at Fair Value Through Other Comprehensive Income (FVOCI)

The company has investments in Compulsorily Convertible Preference Shares (CCPS) which are not quoted in the active market. These CCPS are subsequently measured at FVOCI on the basis of fair valuation on the reporting date. The corresponding unrealized gain or loss on fair valuation is recorded in OCI. The fair value of these CCPS as at March 31, 2024 is ₹ 50.00 crore (previous year ₹ Nil).

Notes to Standalone Financial Statements

for the year ended March 31, 2024

31.4 Financial Instruments (Fair Value Measurements): (Contd..)

(iii) 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, lease liabilities, 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 lease liabilities 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. There are no interest bearing loans and borrowings by the Company.

The Company aims to manage its capital efficiently 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.

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.

(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 follows a simplified approach where provision is made as per the ageing buckets which are designed based on historical facts and patterns.

Reconciliation of loss allowance for trade receivables

(₹ in Crore)

Particulars	As at March 31, 2024	As at March 31, 2023
Loss allowance at the beginning of the year	3.52	4.04
Changes in loss allowance	(0.20)	(0.52)
Loss allowance at the end of the year	3.32	3.52

Notes to Standalone Financial Statements

for the year ended March 31, 2024

31.4 Financial Instruments (Fair Value Measurements): (Contd..)

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.

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.

(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.

The tables below analyses the Company's financial liabilities into relevant maturity groupings based on their contractual maturities.

As at March 31, 2024

(₹ in Crore)

Particulars	Upto 1 year	More than 1 year	Total
Trade Payables	334.19	-	334.19
Lease Liabilities	23.13	116.13	139.26
Security Deposits	940.89	2.66	943.55
Others	300.74	-	300.74
Total	**1,598.95**	**118.79**	**1,717.74**

As at March 31, 2023

(₹ in Crore)

Particulars	Upto 1 year	More than 1 year	Total
Trade Payables	322.21	-	322.21
Lease Liabilities	20.77	93.84	114.61
Security Deposits	820.29	1.05	821.34
Others	275.58	-	275.58
Total	**1,438.85**	**94.89**	**1,533.74**

Notes to Standalone Financial Statements

for the year ended March 31, 2024

31.4 Financial Instruments (Fair Value Measurements): (Contd..)

(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:

(₹ in Crore)

Particulars	Currency	As at March 31, 2024		As at March 31, 2023	
		Forex	₹ in Crore	Forex	₹ in Crore
Capital Imports	USD	79,671.73	0.66	87,982.73	0.54
Capital Imports	EUR	2,11,860.00	1.91	-	-
Import of Goods & Services	USD	30,617.00	0.26	30,617.00	0.14

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:

(₹ in Crore)

Particulars	As at March 31, 2024	As at March 31, 2023
USD Sensitivity:		
Increase by 5%	0.05	0.05
Decrease by 5%	0.05	0.05
EUR Sensitivity:		
Increase by 5%	0.10	N.A
Decrease by 5%	0.10	N.A

(iv) 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 Leases – Ind AS 116:

Company as a Lessee

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.

The following are the practical expedients availed by the Company:

- Discount rate of 9.00% per annum has been applied to leases entered till Jun'21, thereafter discount rate of 7.55% per annum till September'22 and discount rate of 8.85% per annum from October'22 has been applied which is likely incremental rate of borrowing.

Notes to Standalone Financial Statements
for the year ended March 31, 2024

31.5 Leases – Ind AS 116: (Contd..)

- Right-to-use assets and liabilities for leases not recognised for leases with lease tenure less than 12 months from transition date.

1. Leases are shown as follows in the Company's Balance Sheet and Statement of Profit and Loss:

Following are the changes in the carrying value of right of use assets:

For the year ended March 31, 2024:

(₹ in Crore)

Particulars	Land	Building	Plant & Machinery	Vehicles	Total
Balance as at April 01, 2023	111.87	8.25	66.39	2.27	188.78
Additions	20.68	18.19	17.08	0.15	56.10
Depreciation for the year	4.62	8.12	14.12	1.30	28.16
Deletion	-	-	-	-	-
Balance as at March 31, 2024	**127.93**	**18.32**	**69.35**	**1.12**	**216.72**

For the year ended March 31, 2023:

(₹ in Crore)

Particulars	Land	Building	Plant & Machinery	Vehicles	Total
Balance as at April 01, 2022	85.08	15.84	45.96	3.54	150.42
Additions	30.91	2.57	31.97	0.67	66.12
Depreciation for the year	4.12	10.16	11.54	1.94	27.76
Deletion	-	-	-	-	-
Balance as at March 31, 2023	**111.87**	**8.25**	**66.39**	**2.27**	**188.78**

The following is the break-up of current and non-current lease liabilities:

(₹ in Crore)

Lease liabilities - Other financial liability	As at March 31, 2024	As at March 31, 2023
Non-current Lease liabilities	116.13	93.84
Current Lease liabilities	23.13	20.77
Total lease liabilities	**139.26**	**114.61**

The table below provides details regarding the contractual maturities of lease liabilities: -

As at March 31, 2024 on an undiscounted basis:

(₹ in Crore)

Maturity analysis of contractual undiscounted cash flow	Less than 1 year	1 - 5 years	6 - 10 years	More than 10 years	Total
Land	0.92	46.65	25.66	9.79	83.02
Building	2.35	20.36	-	-	22.71
Plant & Machinery	4.76	79.57	5.48	-	89.81
Vehicles	0.25	1.07	-	-	1.32
Total undiscounted lease liabilities	**8.28**	**147.65**	**31.14**	**9.79**	**196.86**

Notes to Standalone Financial Statements
for the year ended March 31, 2024

31.5 Leases – Ind AS 116: (Contd..)

As at March 31, 2023 on an undiscounted basis:

(₹ in Crore)

Maturity analysis of contractual undiscounted cash flow	Less than 1 year	1 - 5 years	6 - 10 years	More than 10 years	Total
Land	5.10	18.37	17.33	18.62	59.42
Building	6.54	3.85	-	-	10.39
Plant & Machinery	16.26	56.09	13.78	-	86.13
Vehicles	1.50	1.18	-	-	2.67
Total undiscounted lease liabilities	**29.39**	**79.49**	**31.11**	**18.62**	**158.61**

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, 2024 and as at March, 31 2023.

2. Amounts recognized in the Statement of Profit and Loss:

(₹ in Crore)

Amounts recognized in the Statement of Profit and Loss	2023-2024	2022-2023
Other expenses		
Short-term lease rent expense	3.29	2.57
Low value asset lease rent expense	0.11	0.40
Variable lease rent expense (CNG Dispensing Charges)	75.79	82.01
Depreciation and Amortisation Expenses		
Depreciation of right of use lease asset	28.16	27.76
Finance cost		
Interest expense on lease liability	10.59	9.39

3. Amount recognized in statement of cash flow:

(₹ in Crore)

Amount recognized in statement of cash flow	2023-2024	2022-2023
Total cash outflow for leases	**34.97**	**32.97**

31.6 Income Tax

a. Components Deferred Tax Asset and Liability (Net):

(₹ in Crore)

Particulars	Balance sheet		Statement of Profit and Loss	
	As at March 31,2024	As at March 31,2023	For the year ended March 31,2024	For the year ended March 31,2023
i. Items of Deferred Tax Liabilities:				
Property, Plant and Equipment and Intangible Assets	(255.65)	(225.01)	(30.64)	(13.71)
RoU Assets	(32.27)	(26.69)	(5.58)	(2.11)
Financial Assets Fair Value through profit or loss	(12.39)	(6.42)	(5.97)	(0.46)
Total (i)	**(300.31)**	**(258.12)**	**(42.19)**	**(16.28)**

Notes to Standalone Financial Statements

for the year ended March 31, 2024

31.6 Income Tax (Contd..)

(₹ in Crore)

Particulars	Balance sheet		Statement of Profit and Loss	
	As at March 31,2024	As at March 31,2023	For the year ended March 31,2024	For the year ended March 31,2023
ii. Items of Deferred Tax Assets:				
Lease Assets	30.57	28.84	1.73	2.92
Allowance for doubtful trade receivables and deposits and other balances	3.31	2.81	0.50	(0.76)
Dis-allowance under Section 43B of the Income Tax Act, 1961	18.26	14.56	3.70	3.56
Others	4.09	3.31	0.78	2.76
Total (ii)	**56.23**	**49.52**	**6.71**	**8.48**
Deferred tax expense / (income) (i+ii)			**(35.48)**	**(7.80)**
Net Deferred Tax assets /(liability) (i+ii)	**(244.08)**	**(208.60)**		

b. Components of Income Tax Expense

(₹ in Crore)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Income Tax Expense		
i. Current Tax		
Current Tax on Profits for the year	406.92	251.87
Effect of tax relating to prior periods	-	5.47
Total Current Tax (i)	**406.92**	**257.34**
ii. Deferred Tax		
Decrease / (Increase) in Deferred Tax Assets	(5.42)	(8.13)
Increase / (Decrease) in Deferred Tax Liability	42.19	16.28
Total Deferred Tax (ii)	**36.77**	**8.15**
Total Income Tax Expense (i+ii)	**443.69**	**265.49**

c. Reconciliation of Income Tax Expense with Accounting Profit:

(₹ in Crore)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
i. Profit Before Tax	**1,732.76**	**1,055.54**
ii. Tax at Indian Tax Rate of 25.168% (Previous Year 25.168%)	**436.10**	**265.66**
iii. Tax effect of Permanent Differences:		
a. Effect of Long Term Capital Gain	(0.32)	(1.18)
b. Effect of expenses not deductible for tax purposes	4.09	5.51
Total Tax effect of Permanent Differences (a+b)	**3.77**	**4.33**
iv. Others	**3.82**	**(4.49)**
v. Income Tax Expense as per Statement of Profit and Loss (ii+iii+iv)	**443.69**	**265.49**

Notes to Standalone Financial Statements

for the year ended March 31, 2024

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.

(₹ in Crore)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
a) Net profit after tax attributable to equity shareholders **(₹ Crore)**	1,289.07	790.05
b) Weighted Average Number of Equity Shares for basic and diluted EPS		
c) EPS (₹) [Basic and Diluted (a/b)]	9,87,77,778	9,87,77,778
(Face value per share ₹ 10)	130.50	79.98

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) ₹ 680.13 crore (previous year ₹ 468.52 crore).

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. The Company has issued Corporate Guarantees of ₹ 566.00 crore (Previous year ₹ Nil) on behalf of Unison Enviro Private Limited to the lenders for Rupee term loan and non-fund based facility. The amount of Rupee term loans outstanding as on March 31, 2024 against these Corporate Guarantee is ₹ Nil and non-fund based facility availed is ₹ 21.45 crore

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 ₹ **364.41 crore** (previous year ₹ 372.18 crore), includes:

i) Claims disputed by the Company relating to issues of applicability aggregating to ₹ 27.74 crore (previous year ₹ 36.16 crore) as detailed below:

(₹ in Crore)

Particulars	As at March 31, 2024	As at March 31, 2023
a) Excise Duty	9.36	9.20
b) Service Tax	11.26	9.96
c) Income Tax	7.12	17.00
Total	**27.74**	**36.16**

Future cash outflows in respect of above matters are determinable only on receipt of judgments / decisions pending at various forums / authorities.

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 ₹ 4.37 crore (previous year ₹ 3.93 crore).

iii) Third party/other claims arising from disputes relating to contracts aggregating to ₹ 0.01 crore (previous year ₹ 0.01 crore).

Notes to Standalone Financial Statements

for the year ended March 31, 2024

31.9 Contingent Liabilities (to the extent not provided for) (Contd..)

iv) GAIL (India) Limited (GAIL) raised demand in April 2014 for transportation tariff with respect to ONGC's Uran Trombay Natural Gas Pipeline (UTNGPL) 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 December 30, 2013, determining tariff for ONGC's UTNGPL as a common carrier. The total demand raised by GAIL for the period from November 2008 till July 2021 was ₹ 331.80 Crore. 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 UTNGPL to ONGC as common carrier and not for transportation of its own gas by ONGC.

The Company filed an appeal with the PNGRB in February 2015, the same was dismissed in October 2015. The Company filed a writ petition, in November 2015, with the Hon'ble High Court of Delhi. The Court advised the Company to file an appeal with 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 in March 2020, had passed an Order which directed the Company and GAIL to pay the disputed transportation tariff to ONGC. The Company filed an Appeal before APTEL against the PNGRB order in April 2020. The matter was heard by APTEL in October 2020. APTEL remanded back the case in July 2021 to PNGRB for proper adjudication. The matter was heard by PNGRB in April 2022 and an order was passed in September 2022 directing the Company to pay the disputed transportation tariff for the period 2014 to 2021 as per the transportation tariff fixed by PNGRB for UTNGPL. The Company had filed a writ before the Hon'ble High Court of Delhi challenging the PNGRB's September 2022 order. The Hon'ble High Court of Delhi vide its order dated December 13, 2022 has stayed the recovery against the PNGRB order and has directed the Company to deposit a sum of ₹ 50 Crore with GAIL by February 15, 2023, which was deposited with GAIL on February 14, 2023. The Hon'ble High Court has rescheduled the next hearing to July 22, 2024.

Based on the legal opinions obtained, the Company believes that it has a strong case and does not expect any outflow of resources. Hence, no provision has been recognised.

v) Claims from consumers are not acknowledged as debts ₹ 0.49 crore (previous year ₹ 0.29 crore).

vi) The revision of Trade Discount with the Oil Marketing Companies (OMCs) is pending from earlier years. In November 2021, The Ministry of Petroleum & Natural Gas (MoP&NG) issued guidelines pertaining to revised Trade Discounts. Basis the guidelines issue by MoP&NG and negotiation with OMCs, revised Trade Discounts are now agreed with OMCs with effect from 1st April 2023, however, for earlier years, the liability has been provided to the extent considered appropriate by the Company, pending final settlement.

31.10 Disclosure required under Micro, Small and Medium Enterprises Development Act, 2006 (the Act) are as follows:

(₹ in Crore)

Sr. No.	Particulars	As at March 31, 2024	As at March 31, 2023
(i)	Principal amount remaining unpaid to any supplier as at the end of the accounting year		
	a) Trade Payables	23.47	14.76
	b) Payables for purchase of property, plant and equipment	59.43	41.15
(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		

Notes to Standalone Financial Statements

for the year ended March 31, 2024

31.10 Disclosure required under Micro, Small and Medium Enterprises Development Act, 2006 (the Act) are as follows: (Contd..)

(₹ in Crore)

Sr. No.	Particulars	As at March 31, 2024	As at March 31, 2023
(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.

31.11 Payments to Auditor (included in Miscellaneous Expenses under note 29).

(₹ in Crore)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
a. Statutory audit fees (including limited reviews)	0.76	0.56
b. Certifications	0.01	-
c. Reimbursement	0.03	-

For year ending March 31, 2023, includes Audit Fees ₹ 0.02 crore and out of pocket expenses ₹17,700 paid to SRBC and Co LLP (predecessor auditor).

31.12 Ratio Analysis

(₹ in Crore)

Ratio	Numerator	Denominator	UoM	March 31,2024	March 31,2023	% Variance	Reason for Variance #
Current Ratio	Current Assets	Current Liabilities	No. of Times	1.11	1.29	13.95%	
Return on Equity (ROE)	Net Profit after taxes	Average Shareholder's Equity	%	27.8%	20.4%	36.27%	Note - i
Inventory Turnover Ratio	Cost of goods sold	Average Inventory	No. of Times	2,527	3,968	36.32%	Note - ii
Trade Receivables turnover ratio	Net Credit Sales of natural gas	Average Accounts Receivable (Incl. unbilled revenue)	No. of Times	14.19	17.40	15.89%	

Notes to Standalone Financial Statements

for the year ended March 31, 2024

31.12 Ratio Analysis (Contd..)

(₹ in Crore)

Ratio	Numerator	Denominator	UoM	March 31,2024	March 31,2023	% Variance	Reason for Variance #
Trade payables turnover ratio	Net Credit Purchases and all Operating Expenses *	Average Trade Payables	No. of Times	15.29	19.31	20.82%	
Net capital turnover ratio	Net Sales of natural gas	Working Capital (Excl. SD from customers)	No. of Times	6.14	5.51	11.43%	
Net profit ratio	Profit after tax	Net Sales of natural gas	%	18.9%	11.5%	64.35%	Note - iii
Return on capital employed	Earnings before interest and taxes	Capital Employed **	%	32.4%	24.5%	32.24%	Note - iv
Return on investment ##	Interest on fixed deposit and Gain/ loss on mutual fund	Investment in fixed deposit and mutual fund	%	7.5%	5.8%	29.31%	Note - v
Debt-Equity Ratio	Not Applicable. Since there are no borrowings in the company.						
Debt Service Coverage Ratio							

* Operating expenses include excise duty, employee benefits, other expenses.

** Capital employed – Tangible Net worth + Deferred Tax Liability

Explanation provided for change in the ratio by more than 25% as compared to the ratio in the previous year

The Company has recently made an equity investment in subsidiaries and other company during current financial year. Return on these investments in NIL.

Notes: -

i. The increase in Return on equity is mainly due to reduction in gas purchase price.

ii. Decrease in Inventory turnover ratio is due to reduction in gas purchase price.

iii. Increase in Net Profit Ratio in percentage terms is mainly due to reduction in gas purchase price.

iv. Increase in Net Profit Ratio in percentage terms is mainly due to reduction in gas purchase price.

v. Due to the increase in interest rates, the overall return on investment has improved compared to the previous year.

31.13 CSR Expenditure:

a. Amount spent during the year.

(₹ in Crore)

Particulars	F.Y 2023-24	F.Y 2022-23
Amount required to be spent as per Section 135 of the Companies Act, 2013	17.55	16.91
Amount approved by the Board to be spent during the year	17.55	16.91
Amount of expenditure incurred during the year on:		
(i) Ongoing Project	9.03	12.99
(ii) Other than ongoing projects	4.59	0.10
(iii) Administrative Cost	0.66	0.65
Total CSR Expenses	14.28	13.74

Notes to Standalone Financial Statements

for the year ended March 31, 2024

31.13 CSR Expenditure: (Contd..)

(₹ in Crore)

Particulars	F.Y 2023-24	F.Y 2022-23
Unspent amount in relation to:		
(a) Ongoing projects (Refer note 31.13(b))	3.27	3.17
(b) Other than ongoing projects	-	-
Other disclosures :		
1. Nature of CSR activities	Health, Education, Empowerment, Skill Development, Rural development, and others.	
2. Details of related party transactions	N.A	N.A

b. Disclosure u/s 135(6) of Companies Act 2013 (Ongoing Project)

(₹ in Crore)

Particulars	FY 2023-24	FY 2022-23
Unspent CSR amount pertaining to the year in respect of ongoing projects. (a) *	3.27	3.17
Opening Balance in Unspent CSR Bank a/c	3.85	1.83
Amount transferred to Unspent CSR bank a/c during the year	3.17	8.62
Amount spent during the year	(4.67)	(6.60)
Closing balance in Unspent CSR Bank a/c as on Reporting date (b)	2.35	3.85
Total unspent CSR amount (a+b)	5.62	7.02

*Subsequent to year-end it is transferred to separate CSR unspent account within 30 days.

c. Movement in provisions

(₹ in Crore)

Particulars	As at March 31, 2024	As at March 31, 2023
Balance as at the beginning of the year	6.75	10.34
Less: Utilised	(4.49)	(6.76)
Provision made during the year	3.27	3.17
Balance as at the end of the year	5.53	6.75

31.14 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 Crore)

Type of goods or service	For the year ended March 31, 2024	For the year ended March 31, 2023
Sale of Natural Gas (Including Excise Duty)	6,835.09	6,893.45
Sale of Pipes, Fittings and Other Materials	6.04	5.50
Other Operating Income	20.82	22.01
Total revenue from Contract with Customers	**6,861.95**	**6,920.96**

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 significantly includes the compensation towards minimum contracted quantity for the respective billing

Notes to Standalone Financial Statements

for the year ended March 31, 2024

31.14 Revenue from contracts with customers: (Contd..)

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.

(₹ in Crore)

Contract Balances	For the year ended March 31, 2024	For the year ended March 31, 2023
Trade Receivables (refer note 4)	280.61	294.03
Unbilled Revenue (refer note 12)	80.42	85.39
Contract Liabilities		
Advance from customers (refer note 22)	32.53	27.07

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 ₹ 6.57 crore (previous year ₹ 7.04 crore). No amount recognised as revenue out of performance obligations satisfied fully or partially in previous year.

Reconciliation of the amount of revenue recognised in the statement of profit and loss with the contracted price:

(₹ in Crore)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Revenue as per Contracted Price	6,862.11	6,921.08
ECS Discount	0.16	0.16
Revenue from Contract with Customers (refer note 23)	6,861.95	6,920.96

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 no goods return rights attached to the sale and hence no right of return liability or asset exists.

There are no performance obligations remaining to be satisfied as at reporting date for which transaction price has been allocated.

31.15 Other Statutory Information:

i. Title deeds of all immovable property are in the name of the Company.

ii. The Company does not have any benami property held in its name. No proceedings have been initiated on or are pending against the Company for holding benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and Rules made thereunder.

Notes to Standalone Financial Statements

for the year ended March 31, 2024

31.15 Other Statutory Information: (Contd..)

iii. The following table summarises the transactions with the struck off companies under section 248 of the Companies Act, 2013.

Name of struck off Company	Nature of transaction with struck off Company	Amount of Transactions	Balance outstanding	Relationship with the Struck off Company
Micro technosoft limited	AMC – Vehicle tracking system	-	#	Service provider
Shreemaurya Infoway Network Private Limited	Leased line Exp	0.01	-	Service provider
Vasant Construction Pvt Ltd	Sale of PNG	#	#	Customer

Amount is less than ₹ 50,000/-

iv. The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.

v. The Company have not traded or invested in Crypto currency or Virtual Currency during the financial year.

vi. The Company have not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

a. Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or

b. Provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries

vii. The Company have not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:

a. Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or

b. Provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

viii. The Company has not surrendered or disclosed any transaction, previously unrecorded in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year.

ix. The Company has not been declared wilful defaulter by any bank or financial institution or other lender or government or any government authority.

x. The Company has complied with the requirement with respect to number of layers as prescribed under Section 2(87) of the Companies Act, 2013 read with the Companies (Restriction on number of layers) Rules, 2017.

31.16 The Code on Social Security 2020 has been notified in the Official Gazette on September 29, 2020. However, the date on which the code will come into effect have not been notified and the final rules/interpretation have not yet been issued. The Company will assess the impact of the code when it comes into effect and will record any related impact in the period the code becomes effective. Based on a preliminary assessment, the entity believes the impact of the change will not be significant.

Notes to Standalone Financial Statements

for the year ended March 31, 2024

31.17 Events after the reporting period - The company has evaluated subsequent events from the balance sheet date through May 09, 2024, the date at which the financial statements were available to be issued, and determined that there are no material items to disclose other than those disclosed above.

31.18 The Board of Directors, at its meeting held on May 09, 2024, has proposed a final dividend of ₹ 18.00 per equity share of face value ₹ 10.00 each for the financial year ended March 31, 2024. This is in addition to the interim dividend of ₹ 12.00 per equity share paid during the year. With this, the total dividend for the year is ₹ 30.00 per equity share of face value ₹ 10.00 each.

The proposal is subject to the approval of shareholders at the Annual General Meeting to be held and if approved it would result in a final dividend cash outflow of approximately ₹ 177.80 crore.

31.19 Figures for the previous year have been regrouped/reclassified to conform to the figures of the current year.

For and on behalf of the Board of Directors of **Mahanagar Gas Limited**

Ashu Shinghal
Managing Director
DIN: 08268176

Syed S. Hussain
Director
DIN: 00209117

Rajesh Patel
Chief Financial Officer
FCA No: 048326

Atul Prabhu
Company Secretary and Compliance Officer
ACS No: 64051

Place: Mumbai
Date: May 09, 2024

Consolidated Financial Statements

Independent Auditor's Report

To The Members of **Mahanagar Gas Limited**

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of Mahanagar Gas Limited ("the Parent") and its subsidiaries, (the Parent and its subsidiaries together referred to as "the Group"), which comprise the Consolidated Balance Sheet as at March 31, 2024, and the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Cash Flows and the Consolidated Statement of Changes in Equity for the year ended on that date, and notes to the financial statements, including a summary of material accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of reports of the other auditors on separate financial statements of the subsidiaries referred to in the Other Matters section below, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act, ("Ind AS") and other accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at March 31, 2024, and their consolidated profit, their consolidated total comprehensive income, their consolidated cash flows and their consolidated changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the consolidated financial statements in accordance with the Standards on Auditing ("SAs") specified under section 143 (10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibility for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("ICAI") together with the ethical requirements that are relevant to our audit of the consolidated financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors in terms of their reports referred to in the sub-paragraphs (a) and (b) of the Other Matters section below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

Sr. No.	Key Audit Matter	Auditor's Response
1.	**Slow moving/non-moving Projects lying in Capital Work–in-Progress** (as described in note 2.2(b) of the material accounting policies, and note 3 for details and movement in capital work-in-progress in the consolidated financial statements) As at March 31, 2024, the Parent Company has Rs. 823.39 crore of Capital Work-in-Progress. The Parent 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 recognition of asset, as to whether the asset is in the location and condition necessary for it to be capable of operating in the manner intended by management 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 Parent Company has Slow moving / non-moving projects lying in capital work-in- progress amounting to Rs. 125.98 crore where there is significant delay in capitalisation because of several external factors. 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 projects and the delays involved.	**Our audit procedures among others included the following:** • Assessed the design and implementation and tested the operating effectiveness of key financial controls over the management review of capital work-in-progress. • We obtained the list of projects where there is delay in capitalisation along with the reasons of the delay and the expected capitalization dates from the management. • For assets capitalized during the year, we considered the planned vs actual capitalization dates to test the management's assessment of expected capitalization dates. • We tested management's assessment of indicators of impairment of old projects and the estimated allowance created and write offs made in the current year basis the policy on slow moving and non-moving projects as approved by the Board. We have tested the appropriateness of categorizing the projects as slow and non-moving basis the expected period of completion as determined by the Company. • 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. • We evaluated the disclosures in the consolidated financial statements.
2.	**Contingencies: Uran Trombay Transportation Tariff Matter** (as described in note 30.9 containing details of contingencies of the consolidated financial statements) The Parent 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). GAIL (India) Limited (GAIL) raised demand in April 2014 for transportation tariff with respect to ONGC's Uran Trombay Natural Gas Pipeline (UTNGPL) 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 December 30, 2013, determining tariff for ONGC's UTNGPL as a common carrier. The total demand raised by GAIL for the period from November 2008 till July 2021 was Rs. 331.80 crore. 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 UTNGPL to ONGC as common carrier and not for transportation of its own gas by ONGC. The Parent filed an appeal with the PNGRB in February 2015, the same was dismissed in October 2015. The Parent filed a writ petition, in November 2015, with the Hon'ble High Court of Delhi. The Court advised the Parent to file an appeal with 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.	**Our audit procedures 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.

Sr. No.	Key Audit Matter	Auditor's Response
	PNGRB in March 2020, had passed an Order which directed the Parent and GAIL to pay the disputed transportation tariff to ONGC. The Parent filed an Appeal before APTEL against the PNGRB order in April 2020. The matter was heard by APTEL in October 2020. APTEL remanded back the case in July 2021 to PNGRB for proper adjudication. The matter was heard by PNGRB in April 2022 and an order was passed in September 2022 directing the Parent to pay the disputed transportation tariff for the period 2014 to 2021 as per the transportation tariff fixed by PNGRB for UTNGPL. The Parent had filed a writ before the Hon'ble High Court of Delhi challenging the PNGRB's September 2022 order. The Hon'ble High Court of Delhi vide its order dated December 13, 2022 has stayed the recovery against the PNGRB order and has requested the Company to deposit a sum of Rs. 50 Crores with GAIL by February 15, 2023, which was deposited by the Company on February 14, 2023. The Hon'ble High Court of Delhi has listed the next hearing on July 22, 2024. The evaluation of claims made by GAIL involves complex estimation and the Parent 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 PNGRB. The Parent has disclosed this fact as 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.	• We have obtained written legal confirmation of litigation claims from the legal counsel and have also relied on the additional legal opinion obtained by the Company along with the legal opinion obtained in the earlier year's 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 consolidated financial statements.
3.	**Litigation: Demand for Additional trade discount by Oil Marketing Companies** (as described in note 30.9 containing details of litigations of the consolidated financial statements) The Parent has an ongoing dispute with Oil Marketing Companies (OMCs) with respect to revision of trade discount with effect from April 1, 2018 on sales made to OMCs. The last settlement on trade discount with the OMCs was finalized in June 2018 for the period ended March 31, 2018.	**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.

Sr. No.	Key Audit Matter	Auditor's Response
	In the earlier years, the OMC's, have communicated to the Company the revised trade discount basis a formal study conducted by them for the various geographical regions. The Parent had contested the proposed revisions in trade discount and the Company along with the other City Gas distribution (CGD) companies had approached the Ministry of Petroleum and Natural Gas (MoP&NG) regarding such high trade discounts. MoP&NG vide its letter dated November 1, 2021 had issued guidelines pertaining to revised Trade discounts and subsequently citing MoP&NG guideline, OMCs had raised their demand to the Parent. However, the demand raised by OMCs is not as per the guidelines issued by the MoP&NG and hence the Parent has contested the demand raised by OMCs. Further, the Parent has raised the matter to the MoP&NG vide its letter dated December 30, 2021, requesting their intervention and advise the OMCs to adhere to the guidance provided by the MoP&NG. The Parent has recognised provision for trade discount based on management's estimate. As at the balance sheet date, the matter is yet awaiting final settlement with OMCs. Pending such settlement and considering the management's judgement and assessment of the outcome of the matter, the measurement of provision involves significant estimates and thereby the matter has been considered as a key audit matter.	• We performed inquiries with the in-house legal counsel and management on the legal evaluation of the claims disputed. • We read the copies of communication exchanged between OMCs, MoP&NG and the Parent during the year. • For management's estimate of discounts recorded, we evaluated the details of assumptions used by the management to arrive at such estimate. • We evaluated the disclosures in the financial statements and have compared the communications of the Parent with the OMC and MoP&NG with the appropriateness of the disclosure in the consolidated financial statements.

Information Other than the Financial Statements and Auditor's Report Thereon

- The Parent's Board of Directors is responsible for the other information. The other information comprises the information included in the in the Directors' Report, Business Responsibility Report, Management Discussion and Analysis and Corporate Governance Report, but does not include the consolidated financial statements, standalone financial statements and our auditor's report thereon.
- Our opinion on the consolidated 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 consolidated financial statements, our responsibility is to read the other information, compare with the financial statements of the subsidiaries audited by the other auditors, to the extent it relates to these entities and, in doing so, place reliance on the work of the other auditors and consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. Other information so far as it relates to subsidiary is traced from its financial statements audited by the other auditors.
- 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 and Those Charged with Governance for the Consolidated Financial Statements

The Parent's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash flows and consolidated changes in equity of the Group in accordance with the accounting principles generally accepted in India, including Ind AS specified under section 133 of the Act. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group 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 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 financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Parent, as aforesaid.

In preparing the consolidated financial statements, the respective Management and Board of Directors of the companies included in the Group are responsible for assessing the ability of the respective entities to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Board of Directors either intend to liquidate their respective entities or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group are also responsible for overseeing the financial reporting process of the Group.

Auditor's Responsibility for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated 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 consolidated financial statements.

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 consolidated 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 financial controls 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 Parent has adequate internal financial controls with reference to consolidated 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 the 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 ability of the Group 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 consolidated 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 Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by the other auditors, such auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

Materiality is the magnitude of misstatements in the consolidated financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the consolidated financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the consolidated financial statements.

We communicate with those charged with governance of the Parent and such other entities included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal financial controls that we identify during our audit.

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.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period 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.

Other Matters

(a) We did not audit the financial statements of one subsidiary, whose financial statements reflect total assets of Rs. 10.17 crore as at March 31, 2024, total revenues of Rs. 0.00 crore and net cash inflows amounting to Rs. 0.17 crore for the year ended on that date, as considered in the consolidated financial statements. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of this subsidiary and our report in terms of subsection (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiary is based solely on the reports of the other auditors.

(b) We did not audit the financial statements of one subsidiary, whose financial statements reflect total assets of Rs. 315.92 crore as at March 31, 2024, total revenues of Rs. 52.40 crore and net cash inflows amounting to Rs. 1.70 crore for the year ended on that date, as considered in the consolidated financial statements. These financial statements are unaudited and have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of this subsidiary, is based solely on such unaudited financial statements. In our opinion and according to the information and explanations given to us by the Management, these financial statements are not material to the Group.

Our opinion on the consolidated financial statements above and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial statements certified by the Management.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit and on the consideration of the reports of the other auditors on the separate financial statements of the subsidiary referred to in the Other Matters section above we report, to the extent applicable 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 of the aforesaid consolidated financial statements.

   b) In our opinion, proper books of account as required by law maintained by the Group, including relevant records relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books, except for matters stated in paragraph (i)(vi) below.

   c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including Other Comprehensive Income, the Consolidated Statement of Cash Flows and the Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.

   d) In our opinion, the aforesaid consolidated financial statements comply with the Ind AS specified under Section 133 of the Act.

   e) On the basis of the written representations received from the directors of the Parent as on March 31, 2024 taken on record by the Board of Directors of the Company and the reports of the statutory auditors of its subsidiary company incorporated in India, none of the directors of the Group companies, incorporated in India is disqualified as on March 31, 2024 from being appointed as a director in terms of Section 164 (2) of the Act.

f) The modification relating to the maintenance of accounts and other matters connected therewith, is as stated in paragraph (b) above.

g) With respect to the adequacy of the internal financial controls with reference to consolidated financial statements and the operating effectiveness of such controls, refer to our separate Report in “Annexure A” which is based on the auditors’ reports of the Parent and subsidiary company incorporated in India. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of internal financial controls with reference to consolidated financial statements of those companies.

h) With respect to the other matters to be included in the Auditor’s Report in accordance with the requirements of section 197(16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us and based on the auditor’s reports of subsidiary company, incorporated in India, the remuneration paid by the Parent and such subsidiary company to their respective directors during the year is in accordance with the provisions of section 197 of the Act.

i) 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 consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group - Refer note 30.9 to the consolidated financial statements;

ii) The Group did not have any material foreseeable losses on long-term contracts including derivative contracts.

iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Parent and its subsidiary companies incorporated in India.

iv) (a) The respective Managements of the Parent and its subsidiary which is company incorporated in India, whose financial statements have been audited under the Act, have represented to us and to the other auditors of such subsidiary, to the best of their knowledge and belief, as disclosed in the Note 30.12 to the consolidated financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Parent or any of such subsidiary to or in any other person(s) or entity(ies), including foreign entities (“Intermediaries”), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Parent or any such subsidiary (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(b) The respective Managements of the Parent and its subsidiary, which are companies incorporated in India, whose financial statements have been audited under the Act, have represented to us and to the other auditors of such subsidiary, that, to the best of their knowledge and belief, as disclosed in the Note 30.12 to the consolidated financial statements, no funds have been received by the Parent or such subsidiary from any person(s) or entity(ies), including foreign entities (“Funding Parties”), with the understanding, whether recorded in writing or otherwise, that the Parent or such subsidiary shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(c) Based on the audit procedures performed that have been considered reasonable and appropriate in the circumstances performed by us and that performed by the auditors of the subsidiary which is company incorporated in India whose financial statements have been audited under the Act, nothing has come to our or other auditor’s notice that has caused us or the other auditors to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

v) The final dividend proposed in the previous year, declared and paid by the Parent during the year is in accordance with section 123 of the Act, as applicable. The interim dividend declared and paid by the Parent during the year and until the date of this report is in accordance with section 123 of the Act, as applicable.

As stated in note 30.15 to the consolidated financial statements, the Board of Directors of the Parent have proposed final dividend for the year which is subject to the approval of the members of the Parent at the ensuing respective Annual General Meetings. Such dividend proposed is in accordance with section 123 of the Act, as applicable.

vi) Based on our examination which included test checks and based on the other auditors’ reports of its subsidiary company incorporated in India whose financial statements have been audited under the Act, except for instances mentioned below, the Parent and its subsidiary company incorporated in India have used accounting software for maintaining their respective books of account for the financial year ended March 31, 2024 which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software(s)

Based on our examination, which included test checks, the Parent Company has used accounting software for maintaining its books of account for the financial year ended March 31, 2024 which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software except that, audit trail feature is not enabled at database level to log any direct any changes.

Further, during the course of our audit, we did not come across any instance of audit trail feature being tampered with, in respect of accounting software for which the audit trail feature was operating.

In respect of one subsidiary where the accounts are unaudited, we are unable to comment on the reporting requirement under Rule 11 (g).

As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable from April 1, 2023, reporting under Rule 11 (g) of the Companies (Audit and Auditors) Rules, 2014 on preservation of audit trail as per the statutory requirements for record retention is not applicable for the financial year ended March 31, 2024.

2. With respect to the matters specified in clause (xxi) of paragraph 3 and paragraph 4 of the Companies (Auditor’s Report) Order, 2020 (“CARO”/ “the Order”) issued by the Central Government in terms of Section 143(11) of the Act, according to the information and explanations given to us, and based on the CARO reports issued by us and the auditors of respective companies included in the consolidated financial statements to which reporting under CARO is applicable, as provided to us by the Management of the Parent, we report that there are no qualifications or adverse remarks by the respective auditors in the CARO reports of the said companies included in the consolidated financial statements.

For **Deloitte Haskins & Sells LLP**
Chartered Accountants
(Firm’s Registration No. 117366W/W-100018)

Rupen K. Bhatt
(Partner)
Place: Mumbai (Membership No. 46930)
Date: May 9, 2024 (UDIN: 24046930BKEZVZ9507)

Annexure “A” to the Independent Auditor’s Report

(Referred to in paragraph 1(g) under ‘Report on Other Legal and Regulatory Requirements’ section of our report of even date on the consolidated financial statements of Mahanagar Gas Limited for the year ended March 31, 2024)

Report on the Internal Financial Controls with reference to consolidated financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”)

In conjunction with our audit of the consolidated Ind AS financial statements of the Company as at and for the year ended March 31, 2024, we have audited the internal financial controls with reference to consolidated financial statements of Mahanagar Gas Limited (hereinafter referred to as “Parent”) and its subsidiary company, which are companies incorporated in India, as of that date.

Management’s Responsibility for Internal Financial Controls

The respective Board of Directors of the Parent and its subsidiary company, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls with reference to consolidated financial statements based on the internal control with reference to consolidated financial statements criteria established by the respective Companies 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 (ICAI). 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 respective 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 internal financial controls with reference to consolidated financial statements of the Parent and its subsidiary companies, which are companies incorporated in India, 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”) issued by the Institute of Chartered Accountants of India and the Standards on Auditing, prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls with reference to consolidated financial statements. 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 with reference to consolidated 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 with reference to consolidated financial statements and their operating effectiveness. Our audit of internal financial controls with reference to consolidated financial statements included obtaining an understanding of internal financial controls with reference to consolidated 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 and the audit evidence obtained other auditor of the subsidiary company, which is a company incorporated in India, in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to consolidated financial statements of the Parent and its subsidiary company which are companies incorporated in India.

Meaning of Internal Financial Controls with reference to consolidated financial statements

A company's internal financial control with reference to consolidated 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 with reference to consolidated 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 with reference to consolidated financial statements

Because of the inherent limitations of internal financial controls with reference to consolidated 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 with reference to consolidated financial statements to future periods are subject to the risk that the internal financial control with reference to consolidated 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 to the best of our information and according to the explanations given to us and based on the consideration of the reports of the other auditor referred to in the Other Matters paragraph below, the Parent and its subsidiary company, which are companies incorporated in India, have, in all material respects, an adequate internal financial controls with reference to consolidated financial statements and such internal financial controls with reference to consolidated financial statements were operating effectively as at March 31, 2024, based on the criteria for internal financial control with reference to consolidated financial statements established by the respective companies 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.

Other Matter

Our aforesaid report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to consolidated financial statements in so far as it relates to one subsidiary company which is a company incorporated in India, is based solely on the corresponding reports of the auditors of such company incorporated in India.

Our opinion is not modified in respect of the above matter.

For **Deloitte Haskins & Sells LLP**
Chartered Accountants
(Firm’s Registration No. 117366W/W-100018)

Rupen K. Bhatt
(Partner)
Place: Mumbai (Membership No. 46930)
Date: May 9, 2024 (UDIN: 24046930BKEZVZ9507)

Consolidated Balance Sheet

as at March 31, 2024

(₹ in Crore)

Particulars	Note	As at 31st March, 2024	As at 31st March, 2023
ASSETS			
I. Non-current Assets			
(a) Property, Plant and Equipment	3	3,556.72	2,831.78
(b) Capital Work-in-Progress (CWIP)	3	823.39	708.62
(c) Right of Use Assets	3, 30.5	220.11	188.78
(d) Goodwill	3	71.41	-
(e) Other Intangible Assets	3	517.68	5.14
(f) Financial Assets			
(i) Investments	8	50.00	-
(ii) Other Financial Assets	5	106.86	170.72
(g) Income Tax Assets (net)		100.17	82.78
(h) Other Non-current Assets	6	27.35	38.27
Total Non-current Assets (I)		**5,473.69**	**4,026.09**
II. Current assets			
(a) Inventories	7	42.07	33.84
(b) Financial Assets			
(i) Investments	8	1,018.76	1,309.82
(ii) Trade Receivables	4	296.49	294.03
(iii) Cash and Cash Equivalents	9	129.37	117.90
(iv) Bank balances other than (iii) above	10	296.75	109.97
(v) Other Financial Assets	11	96.71	107.29
(c) Other current assets	12	27.45	33.37
Total Current Assets (II)		**1,907.60**	**2,006.22**
Total Assets (I+II)		**7,381.29**	**6,032.31**
EQUITY AND LIABILITIES			
I. Equity			
(a) Equity Share Capital	13	98.78	98.78
(b) Other Equity	14	5,031.43	4,035.44
Equity attributable to owners of the Company		5,130.21	4,134.22
Non-controlling Interest		4.90	-
Total Equity (I)		**5,135.11**	**4,134.22**
II. Liabilities			
A. Non-current Liabilities			
(a) Financial Liabilities			
(i) Lease Liabilities	15, 30.5	117.83	93.84
(ii) Security Deposits	16	2.66	1.05
(b) Provisions	17	45.50	33.43
(c) Deferred Tax Liabilities (net)	18, 30.6	380.41	208.60
Total Non-current Liabilities (A)		**546.40**	**336.92**
B. Current Liabilities			
(a) Financial Liabilities			
(i) Lease Liabilities	15, 30.5	23.60	20.77
(ii) Trade Payables	19, 30.10		
- outstanding dues of micro and small enterprises		24.21	14.76
- outstanding dues of creditors other than micro and small enterprises		323.64	307.45
(iii) Security Deposits	16	946.01	820.29
(iv) Other Financial Liabilities	20	306.91	275.58
(b) Other Current Liabilities	21	58.15	103.01
(c) Provisions	17	14.29	16.34
(d) Income Tax Liabilities (net)		2.97	2.97
Total Current Liabilities (B)		**1,699.78**	**1,561.17**
Total Liabilities (II = A+B)		**2,246.18**	**1,898.09**
Total Equity and Liabilities (I+II)		**7,381.29**	**6,032.31**
See accompanying notes to the consolidated financial statements	1-30		

As per our report of even date attached

For DELOITTE HASKINS & SELLS LLP
Chartered Accountants
(Firm's Registration No. 117366W/ W-100018)

Rupen K. Bhatt
Partner
Membership No: 046930

Place : Mumbai
Date : May 09, 2024

For and on behalf of the Board of Directors of
Mahanagar Gas Limited

Ashu Shinghal
Managing Director
DIN: 08268176

Syed S. Hussain
Director
DIN:00209117

Rajesh Patel
Chief Financial Officer
FCA No:048326

Atul Prabhu
Company Secretary and
Compliance officer
ACS No:64051

Place : Mumbai
Date : May 09, 2024

Consolidated Statement of Profit and Loss

for the year ended March 31, 2024

(₹ in Crore)

Particulars	Note	For the year ended March 31, 2024	For the year ended March 31, 2023
I Revenue from Contracts with Customers	22, 30.11	6,914.35	6,920.96
II Other Income	23	174.87	111.88
III Total Income (I + II)		**7,089.22**	**7,032.84**
IV Expenses :			
Cost of Natural Gas and Traded Items	24	3,645.43	4,435.64
Changes in Inventories	25	0.17	(0.79)
Excise Duty on Sale of Compressed Natural Gas		624.25	621.68
Employee Benefits Expenses	26	119.41	107.89
Finance Costs	27	13.30	9.39
Depreciation and Amortisation Expenses	3, 30.5	283.87	231.14
Other Expenses	28	681.19	572.35
Total Expenses		**5,367.62**	**5,977.30**
V Profit Before Tax for the year (III- IV)		1,721.60	1,055.54
VI Income Tax Expense :			
(i) Current Tax		406.92	257.34
(ii) Deferred Tax		38.31	8.15
Total Income Tax Expense (i+ii)	30.6	**445.23**	**265.49**
VII Profit After Tax for the year (V - VI)		**1,276.37**	**790.05**
VIII Other Comprehensive Income			
Items that will not be reclassified to profit or loss :	29		
Gains/(Losses) on Remeasurements of the Defined Benefit Plans		(5.15)	(1.61)
Income tax relating to items that will not be reclassified to profit or loss		1.29	0.35
Total Other Comprehensive Income		**(3.86)**	**(1.26)**
IX Total Comprehensive Income for the year (VII + VIII)		**1,272.51**	**788.79**
X Profit for the year attributable to:			
Owners of the Parent		1,276.37	790.05
Non-controlling interest		#	-
XI Total Other Comprehensive Income / (Loss) for the year attributable to:			
Owners of the Parent		(3.86)	(1.26)
Non-controlling interest		-	-
XII Total Comprehensive Income / (Loss) for the year attributable to:			
Owners of the Parent		1,272.51	788.79
Non-controlling interest		#	-
XIII Earnings per equity share (EPS) (Face value of ₹ 10/- each)	30.7		
Basic (₹)		129.21	79.98
Diluted (₹)		129.21	79.98
See accompanying notes to the consolidated financial statements	1-30		

There were no exceptional item(s) and discontinued operation(s) during the years presented.

# Indicates amount less than ₹ 50,000
As per our report of even date attached

For DELOITTE HASKINS & SELLS LLP
Chartered Accountants
(Firm's Registration No. 117366W/ W-100018)

Rupen K. Bhatt
Partner
Membership No: 046930

Place : Mumbai
Date : May 09, 2024

For and on behalf of the Board of Directors of
Mahanagar Gas Limited

Ashu Shinghal
Managing Director
DIN: 08268176

Syed S. Hussain
Director
DIN:00209117

Rajesh Patel
Chief Financial Officer
FCA No:048326

Atul Prabhu
Company Secretary and
Compliance officer
ACS No:64051

Place : Mumbai
Date : May 09, 2024

Consolidated Statement of Cash Flows

for the year ended March 31, 2024

(₹ in Crore)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
I. CASH FLOW FROM OPERATING ACTIVITIES		
Profit Before Tax for the year	**1,721.60**	**1,055.54**
Adjustments for:		
Depreciation and Amortisation Expense	283.87	231.14
Finance Costs	13.30	9.39
Interest Income	(37.51)	(42.96)
Realised Gain on sale of Investments	(73.24)	(36.06)
Unrealised Gain on Investments	(29.87)	(8.32)
Write-off, Allowance and Loss on Disposal of Capital Work in Progress and Property, Plant and Equipment (Net)	6.76	5.32
Allowance for inventory obsolescence	3.47	0.51
Expected credit loss allowance and write off on Financial Assets (Net)	9.78	5.14
Net unrealised foreign exchange (gain)/ loss	-	(0.02)
Operating Profit Before Working Capital Changes	**1,898.14**	**1,219.68**
Movements in working capital :		
(Increase) in Inventories	(5.69)	(6.35)
Decrease/(Increase) in Trade Receivables	11.92	(111.05)
(Increase) in Other Financial Assets	(10.19)	(94.47)
(Increase)/Decrease in Other Non Current Assets	(1.42)	1.38
Decrease/(Increase) in Other Current Assets	5.16	(20.81)
(Decrease)/Increase in Other Financial Liabilities	(13.14)	34.67
Increase in Provisions	5.02	12.56
Increase in Trade Payables	19.27	50.38
Increase in Security Deposits (Liability)	121.27	105.53
(Decrease) in Other Non-Current Liabilities	(48.56)	-
(Decrease)/Increase in Other Current Liabilities	10.32	41.56
	93.96	**13.40**
Cash Generated from Operations	**1,992.10**	**1,233.08**
Income Taxes Paid (Net of refund)	(424.24)	(263.78)
Net Cash Generated from Operating Activities	**1,567.86**	**969.30**
II. CASH FLOW FROM INVESTING ACTIVITIES		
Payments for Property, Plant and Equipment, CWIP and Intangible Assets (includes capital advances)	(783.35)	(713.07)
Proceeds from sale of Property, Plant and Equipment	1.04	0.40
Purchase of Current Investments	(6,536.93)	(7,232.11)
Proceeds from sale/redemption of current Investments	6,910.36	7,057.30
Purchase of non-current investments - subsidiaries	(567.19)	-
Purchase of other non-current investments	(50.00)	-
Movements in Bank Balances other than Cash and Cash Equivalents	(106.66)	192.39
Interest Received	50.78	46.00
Net Cash Used in Investing Activities	**(1,081.95)**	**(649.09)**

Consolidated Statement of Cash Flows

for the year ended March 31, 2024

(₹ in Crore)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
III. CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from Issue of Equity Shares	10.00	-
Repayment of Borrowings	(194.80)	-
Repayment of Lease Liabilities	(34.97)	(32.97)
Dividend Paid	(276.59)	(251.82)
Interest on Lease Liability	(0.11)	-
Interest Paid	(2.78)	-
Net Cash Used in Financing Activities	**(499.25)**	**(284.79)**
Net Increase/(decrease) in Cash and Cash Equivalents (I+II+III)	**(13.33)**	**35.42**
On acquisition through business combination	24.80	-
Cash and Cash Equivalents at the beginning of the year (Refer note 9)	117.90	82.48
Cash and Cash Equivalents at the end of the year (Refer note 9)	**129.37**	**117.90**

Note: The above Statement of cash flows has been prepared under the "Indirect Method" as set out in the Indian Accounting Standard (Ind AS 7) - Statement of Cash Flows.

As per our report of even date attached

For DELOITTE HASKINS & SELLS LLP
Chartered Accountants
(Firm's Registration No. 117366W/ W-100018)

Rupen K. Bhatt
Partner
Membership No: 046930

Place : Mumbai
Date : May 09, 2024

For and on behalf of the Board of Directors of
Mahanagar Gas Limited

Ashu Shinghal
Managing Director
DIN: 08268176

Syed S. Hussain
Director
DIN:00209117

Rajesh Patel
Chief Financial Officer
FCA No:048326

Atul Prabhu
Company Secretary and
Compliance officer
ACS No:64051

Place : Mumbai
Date : May 09, 2024

Consolidated Statement of Changes in Equity

for the year ended March 31, 2024

(₹ in Crore)

Particulars	Equity Share Capital		Reserves and Surplus		
	Number of shares	Equity share capital [a] (₹ in Crore)	General Reserve [b]	Retained earnings [c]	Total [a+b+c]
Balance as at April 01, 2022	**9,87,77,778**	**98.78**	**211.84**	**3,286.69**	**3,597.31**
Add: Profit for the Year	-	-	-	790.05	790.05
Other Comprehensive Income (Net of Tax) (refer note 29)	-	-	-	(1.26)	(1.26)
Final Dividend Paid for FY 2020-21	-	-	-	(153.10)	(153.10)
Interim Dividend Paid for FY 2021-22	-	-	-	(98.78)	(98.78)
Balance as at March 31, 2023	**9,87,77,778**	**98.78**	**211.84**	**3,823.60**	**4,134.22**
Add: Profit for the Year				1,276.37	1,276.37
Other Comprehensive Income (Net of Tax) (refer note 29)				(3.86)	(3.86)
Final Dividend Paid for FY 2022-23				(158.02)	(158.02)
Interim Dividend Paid for FY 2023-24				(118.50)	(118.50)
Balance as at March 31, 2024	**9,87,77,778**	**98.78**	**211.84**	**4,819.59**	**5,130.21**

For DELOITTE HASKINS & SELLS LLP
Chartered Accountants
(Firm's Registration No. 117366W/ W-100018)

Rupen K. Bhatt
Partner
Membership No: 046930

Place : Mumbai
Date : May 09, 2024

For and on behalf of the Board of Directors of
Mahanagar Gas Limited

Ashu Shinghal
Managing Director
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Chief Financial Officer
FCA No:048326

Atul Prabhu
Company Secretary and
Compliance officer
ACS No:64051

Place : Mumbai
Date : May 09, 2024

Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

1. General Information

Mahanagar Gas Limited ("MGL" or "the company") is a limited company domiciled in India and was incorporated on May 08, 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.

The Company along with its subsidiaries ("the group") has diversified business portfolio and is in the business of supplying Piped Natural Gas (PNG) to domestic households, commercial establishments and industries and supply of Compressed Natural Gas (CNG) and Liquefied Natural Gas (LNG) to vehicles and sale of pipes and fittings required for construction of pipeline infrastructure.

The consolidated financial statements are presented in Indian Rupee (INR) which is also Functional Currency of the group. The financial statements were approved for issue by the Company's Board of Directors on May 09, 2024.

All values are rounded off to the nearest Rupees crore except when stated otherwise.

2. Summary of Material accounting policies

This note provides a list of the material 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 Consolidated 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 and disclosure requirement of Division II of Schedule III of the Companies Act 2013, (Ind AS Compliant Schedule III), as applicable to financial statements.

Accordingly, the Company has prepared these Financial Statements which comprise the Consolidated Balance Sheet as at March 31, 2024, the Consolidated Statement of Profit and Loss, the Consolidated Statement of Cash Flows and the Consolidated Statement of Changes in Equity for the year ended March 31, 2024, and material accounting policies and other explanatory information (together hereinafter referred to as "consolidated financial statements")

b. Historical cost convention

The Consolidated 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 at the end of each reporting period as required by relevant Ind AS:

- Financial assets and financial liabilities measured at fair value (refer accounting policy on financial Instruments).
- Defined benefit and other long-term employee benefits.

c. Current vs Non-Current Classification:

The group presents assets and liabilities in the balance sheet based on current/ non-current classification.

An asset is treated 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 Group's normal operating cycle,
- it is held primarily for the purpose of trading,
- 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 Group's normal operating cycle,
- it is held primarily for the purpose of trading,

Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

- it is due to be settled within twelve months after the reporting period, or
- the Group 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.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents.

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, judgments 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. 2.19. 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 consolidated financial statements.

e. Business Combinations

Business combinations are accounted for using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred measured at fair value on acquisition date. The amount of any non-controlling interests in the acquiree for each business combination, the Company elects whether to measure the non-controlling interests in the acquiree at fair value or at the proportionate share of the acquiree's identifiable net assets. Acquisition-related costs as and when incurred are expensed.

At the acquisition date, the identifiable assets acquired, and the liabilities assumed are recognised at their fair values on acquisition date. For this purpose, the liabilities assumed include contingent liabilities representing present obligation and they are measured at fair values on acquisition date irrespective of the fact that outflow of resources embodying economic benefits is not probable. However, the following assets and liabilities acquired in a business combination are measured at the basis indicated below:

- Deferred tax assets or liabilities and potential tax effects of temporary differences and carry forwards of an acquiree that exist at the acquisition date or arise because of the acquisition are accounted in accordance with Ind AS 12-Income Tax.
- The assets or liabilities related to employee benefit arrangements are recognised and measured in accordance with Ind AS 19-Employee Benefits.
- Assets (or disposal groups) that are classified as held for sale and Non-current Assets Held for Sale and Discontinued Operations are measured in accordance with Ind AS 105-Non-current Assets Held for Sale and Discontinued Operations.

f. Basis of Consolidation

The consolidated financial statements comprise the financial statements of MGL and its subsidiaries as at March 31, 2024. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Group controls an investee if and only if the Group has:

- Power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee)
- Exposure, or rights, to variable returns from its involvement with the investee, and

Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

- The ability to use its power over the investee to affect its returns.
- Generally, there is a presumption that a majority of voting rights result in control. To support this presumption and when the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:
  - The contractual arrangement with the other vote holders of the investee
  - Rights arising from other contractual arrangements
  - The Group's voting rights and potential voting rights
  - The size of the group's holding of voting rights relative to the size and dispersion of the holdings of the other voting rights holders.

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the elements of control. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated financial statements from the date the Group gains control until the date the Group ceases to control the subsidiary.

The financial statements of the Group and its subsidiaries have been consolidated using uniform accounting policies for like transactions and other events in similar circumstances. If necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Group's accounting policies if material to the group financials. The financial statements of the subsidiary companies used in the consolidation are drawn up to the same reporting date as that of the parent i.e. year ended March 31, 2024.

g. Consolidation Procedure

a) The consolidated financial statements of the Company and its subsidiaries are combined on a line-by-line basis by adding together the book values of like items of assets, liabilities, income and expenses after fully eliminating intra-Group balances and intra-Group transactions resulting in unrealized profits or losses.

b) Offset (eliminate) the carrying amount of the parent's investment in each subsidiary and the parent's portion of equity of each subsidiary.

c) Eliminate in full intragroup assets and liabilities, income, expenses and cash flows relating to transactions between entities of the group (profits or losses resulting from intragroup transactions that are recognised in assets, such as inventory and fixed assets, are eliminated in full). Intragroup losses may indicate an impairment that requires recognition in the consolidated financial statements. Ind AS 12 Income Taxes applies to temporary differences that arise from the elimination of profits and losses resulting from intragroup transactions.

d) Profit or loss and each component of other comprehensive income (OCI) are attributed to the equity holders of the parent of the Group and to the non-controlling interests, even if this results in the non- controlling interests having a deficit balance.

h. The Group has applied the following Ind AS pronouncements pursuant to issuance of the Companies (Indian Accounting Standards) Amendment Rules, 2023 with effect from April 01, 2023. The effect is described below:

Ind AS 1 – Presentation of Financial Statements – the amendment prescribes disclosure of material accounting policies instead of significant accounting policies. The disclosure of accounting policies has been accordingly modified wherever deemed fit. The impact such modifications to the accounting policies are insignificant.

Ind AS 8 – Accounting Policies, Changes in Accounting Estimates and Errors – the amendment added definition of accounting estimate and clarifies what is accounting estimate and treatment of change in the

Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

accounting estimate and accounting policy. There is no impact of the amendment on the financial statements.

Ind AS 12 – Income taxes – the definition of deferred tax asset and deferred tax liability is amended to apply initial recognition exception on assets and liabilities that does not give rise to equal taxable and deductible temporary differences. There is no impact of the amendment on the financial statements.

There are no new Standards that became effective during the year. Amendments that became effective during the year did not have any material effect.

2.2 Property, plant and equipment

An item of property, plant and equipment (PPE) that qualifies as an asset is measured on initial recognition at cost. Following initial recognition, 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 Group 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.

An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognized in Statement of Profit and Loss.

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.

The Group has provisioning policy for slow and non-moving CWIP (Refer note 2.19).

c. Depreciation methods, estimated useful lives and residual value

Depreciation is calculated using the straight-line method to allocate cost of the asset, net of estimated residual value, over their estimated useful lives. The useful lives and 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 (Softwares/Licenses)	6 Years
Furniture provided for the use of employees	6 Years
Electrical Equipment provided for the use of employees	4 Years

The residual values and useful lives of the assets 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

Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

are included in the statement of profit and loss under Other Expenses.

d.
On transition to Ind AS, the Group has elected to continue with the carrying value of all its property, plant and equipment and intangible assets recognised as at April 01, 2015 measured as per previous GAAP and use that carrying value as deemed cost of property, plant and equipment and intangible assets.

2.2.1 Goodwill and Other Intangible assets

Goodwill acquired in a business combination is initially measured at cost, being the excess of the consideration transferred over the net identifiable assets acquired and liabilities assumed, in accordance with Ind AS 103

Intangible assets acquired separately are measured on initial recognition at cost. Intangible assets arising on acquisition of business are measured at fair value as at date of acquisition.

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 assets 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 Group assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

The Group as a lessee

The Group's lease asset classes primarily consist of leases for land and buildings, Motor Vehicles, Plant and Equipment and Computers. The Group assesses whether a contract contains a lease, at inception of a contract. To assess whether a contract conveys the right to control the use of an identified asset, the Group assesses whether: (i) the contract involves the use of an identified asset (ii) the Group has substantially all the economic benefits from use of the asset throughout the period of the lease and (iii) the Group has the right to direct the use of the asset.

At the date of commencement of the lease, the Group 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 Group 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.

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

Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

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 Group 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 group 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 Group'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 Group 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 Group'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).

A financial asset is classified as FVTOCI only if it meets both the of the following conditions and is not recognized at FVTPL.

- The asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial Asset included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI). However, the Group recognizes interest income, impairment losses & reversals in the Statement of Profit and Loss, if any On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to Statement of Profit and Loss.

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 group assesses on a forward looking basis the expected credit losses (ECL) associated with its assets carried at amortised cost. The impairment

Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

methodology applied depends on whether there has been a significant increase in credit risk. For trade receivables, except for specifically identified cases, the Group follows 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 Group 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 Group in accordance with the contract and all the cash flows that the Group expects to receive (i.e., all cash shortfalls), discounted at the original Effective Interest Rate (EIR).

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 Group does not reduce impairment allowance from the gross carrying amount.

For assessing increase in credit risk and impairment loss, the Group 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 Group 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 Group has transferred an asset, the Group 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 Group has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not de-recognised.

Where the Group 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 Group has not retained control of the financial asset. Where the Group 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 Group 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

Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

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 Group derecognises financial liabilities when, and only when, the Group's obligations are discharged, cancelled or have expired. An exchange between with a lender of debt instruments with 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 Group 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 Fair Value Measurements

The group 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 Group.

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 Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing 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 Group 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 recognised in the financial statements on a recurring basis, the Group determines whether transfer have occurred between levels in the hierarchy by re-assessing categorization (based on the

Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

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 this 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.

2.8 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.

2.9 Inventories

Stock of Natural Gas and Liquefied Natural Gas (LNG) 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.

2.10 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 Group 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 2.19

The group earns revenues primarily from sale of natural gas. Revenue is recognised on supply of gas to customers by metered/assessed measurements. The group 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.

However, sales tax/ value added tax (VAT) / Goods and Service Tax (GST) are not received by the Group 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 towards satisfaction of a performance obligation is measured at the amount of transaction price (net of variable consideration) allocated to that performance obligation. The transaction price of goods sold and service rendered is net of variable consideration on account of trade allowances, rebates, value added tax, goods and service tax (GST) and inclusive of excise duty.

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.

2.11 Interest and Dividend income

Interest income from a financial asset is recognised when it is probable that the economic benefit will flow to the Group 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.

2.12 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 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.

Notes to the Consolidated Financial Statements
for the year ended March 31, 2024

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).

2.13 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 Group'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 Group 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.

Uncertain tax positions

The management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and considers whether it is probable that a taxation authority will accept an uncertain tax treatment. The Group reflects the effect of uncertainty for each uncertain tax treatment by using one of two methods, the expected value method (the sum of the probability - weighted amounts in a range of possible outcomes) or the most likely amount (single most likely amount method in a range of possible outcomes), depending on which is expected to better predict the resolution of the uncertainty. The Group applies consistent judgements and estimates if an uncertain tax treatment affects both the current and the deferred tax.

2.14 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.

2.15 Provision and Contingencies

Provisions are recognised when the Group 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.

Notes to the Consolidated Financial Statements
for the year ended March 31, 2024

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.

A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not require an outflow of resources embodying economic benefits or the amount of such obligation cannot be measured reliably. When there is a possible obligation or a present obligation in respect of which likelihood of outflow of resources embodying economic benefits is remote, no provision or disclosure is made.

2.16 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 Group 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 Group'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

The Group pays provident fund contributions to publicly administered provident funds and National Pension Scheme (NPS) as per local regulations. Group's contribution to provident fund and NPS is recognised on accrual basis in the Statement of Profit and Loss. Group 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

Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

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.

2.17 Segment reporting

The Board of Directors assesses performance of the Group as Chief Operating Decision Maker (CODM). Operating segments are reported in a manner consistent with the internal reporting provided to the CODM.

The Group has a single major 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 as at and for the financial year ended March 31, 2024.

2.18 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 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.

2.19 Critical accounting judgements and key sources of estimation uncertainty

In the application of the Group's accounting policies, which are described in note 2, the management of the Group 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 Group has made critical judgements and estimates

Useful lives of property, plant and equipment

The Group 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.

Provision for Capital Work in Progress

The Group has a defined policy for provision of slow and non-moving capital work in progress (CWIP) based on the ageing of CWIP. The Group reviews the policy at regular intervals.

Estimation of defined benefit obligation

The Group 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 for Inventory including Capital Inventory

The Group has a defined policy for provision of slow and non-moving inventory based on the ageing of inventory. The Group reviews the policy at regular intervals.

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 Group 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.

Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

3 : Property, Plant and Equipment, Intangible Assets, Right of Use and Capital Work in Progress

(₹ in crore)

Description of Assets	Gross Carrying Amount					Accumulated Depreciation/Amortisation (including Accumulated Impairement Losses)				Net Carrying Amount	
	As at 1st April 2023	Additions	Additions on Business Combination	Disposals	As at March 31, 2024	As at 1st April 2023	Depreciation/ Amortisation	Disposals	As at March 31, 2024	As at March 31, 2024	As at March 31, 2023
i. Goodwill											
Goodwill on Consolidation	-	-	71.41	-	71.41	-	-	-	-	71.41	-
	-	-	-	-	-	-	-	-	-	-	-
Total - Goodwill (i)	-	-	71.41	-	71.41	-	-	-	-	71.41	-
	-	-	-	-	-	-	-	-	-	-	-
ii. Property, Plant and Equipment											
Freehold Land	10.31	1.11	3.78	-	15.20	-	-	-	-	15.20	10.31
	8.22	*2.09*	-	-	*10.31*	-	-	-	-	*10.31*	*8.22*
Buildings & Bunk Houses	139.58	22.43	7.46	(0.02)	169.45	6.43	2.88	(0.02)	9.29	160.16	133.15
	135.04	*4.54*	-	-	*139.58*	*3.89*	*2.54*	-	*6.43*	*133.15*	*131.15*
Roads & Fences	12.41	0.25	-	-	12.66	3.32	1.31	-	4.63	8.03	9.09
	9.00	*3.41*	-	-	*12.41*	*2.39*	*0.93*	-	*3.32*	*9.09*	*6.61*
Plant & Equipment - Gas Distribution System	3,614.74	673.16	219.07	(3.89)	4,503.08	988.61	231.03	(2.87)	1,216.77	3,286.31	2,626.13
	3,079.37	*541.96*	-	*(6.59)*	*3,614.74*	*804.44*	*189.07*	*(4.90)*	*988.61*	*2,626.13*	*2,274.93*
Plant & Equipment - Others	30.68	10.48	-	(0.02)	41.14	14.10	2.17	(0.02)	16.25	24.89	16.58
	29.18	*1.80*	-	*(0.30)*	*30.68*	*12.27*	*1.98*	*(0.15)*	*14.10*	*16.58*	*16.91*
Computers	23.57	5.40	0.04	(0.61)	28.40	13.51	4.15	(0.53)	17.13	11.27	10.06
	17.00	*7.20*	-	*(0.63)*	*23.57*	*11.02*	*3.05*	*(0.56)*	*13.51*	*10.06*	*5.98*
Electrical Installations	19.68	8.23	-	(0.06)	27.85	7.73	1.76	(0.01)	9.48	18.37	11.95
	13.25	*6.51*	-	*(0.08)*	*19.68*	*6.54*	*1.25*	*(0.06)*	*7.73*	*11.95*	*6.71*
Office Equipments	20.10	17.24	0.09	(0.09)	37.34	12.29	4.16	(0.02)	16.43	20.91	7.81
	14.73	*5.52*	-	*(0.15)*	*20.10*	*10.67*	*1.76*	*(0.14)*	*12.29*	*7.81*	*4.06*
Communication Systems	1.73	0.68	-	(0.01)	2.40	1.14	0.31	-	1.45	0.95	0.59
	1.29	*0.44*	-	-	*1.73*	*1.00*	*0.14*	-	*1.14*	*0.59*	*0.29*
Furniture and Fixtures	10.05	3.92	0.33	(0.01)	14.29	3.94	1.20	-	5.14	9.15	6.11
	6.54	*3.58*	-	*(0.07)*	*10.05*	*3.33*	*0.68*	*(0.07)*	*3.94*	*6.11*	*3.21*
Vehicles	-	-	1.52	-	1.52	-	0.04	-	0.04	1.48	-
	-	-	-	-	-	-	-	-	-	-	-
Total - Property, Plant and Equipment (ii)	3,882.85	742.90	232.29	(4.71)	4,853.33	1,051.07	249.01	(3.47)	1,296.61	3,556.72	2,831.78
	3,313.63	*577.05*	-	*(7.82)*	*3,882.85*	*855.55*	*201.40*	*(5.88)*	*1,051.07*	*2,831.78*	*2,458.08*

Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

3 : Property, Plant and Equipment, Intangible Assets, Right of Use and Capital Work in Progress (Contd..)

(₹ in crore)

Description of Assets	Gross Carrying Amount					Accumulated Depreciation/Amortisation (including Accumulated Impairement Losses)				Net Carrying Amount	
	As at 1st April 2023	Additions	Additions on Business Combination	Disposals	As at March 31, 2024	As at 1st April 2023	Depreciation/ Amortisation	Disposals	As at March 31, 2024	As at March 31, 2024	As at March 31, 2023
iii. Other Intangible Assets											
Computer Softwares / Licences (Acquired)	**19.25**	**3.96**	**0.04**	**-**	**23.25**	**14.11**	**2.09**	**-**	**16.20**	**7.05**	**5.14**
	17.35	*1.90*	*-*	*-*	*19.25*	*12.12*	*1.99*	*-*	*14.11*	*5.14*	*5.23*
Authorisations	**-**	**-**	**515.15**	**-**	**515.15**	**-**	**4.52**	**-**	**4.52**	**510.63**	**-**
	-	*-*	*-*	*-*	*-*	*-*	*-*	*-*	*-*	*-*	*-*
Total - Other Intangible Assets (iii)	**19.25**	**3.96**	**515.19**	**-**	**538.40**	**14.11**	**6.61**	**-**	**20.72**	**517.68**	**5.14**
	17.35	*1.90*	*-*	*-*	*19.25*	*12.12*	*1.99*	*-*	*14.11*	*5.14*	*5.23*
iv. Total - Goodwill, Property, Plant and Equipment & Intangible Assets (i+ii+iii)	**3,902.10**	**746.86**	**818.89**	**(4.71)**	**5,463.14**	**1,065.18**	**255.62**	**(3.47)**	**1,317.33**	**4,145.81**	**2,836.92**
	3,330.97	*578.95*	*-*	*(7.82)*	*3,902.10*	*867.67*	*203.39*	*(5.88)*	*1,065.18*	*2,836.92*	*2,463.31*
v. Right of Use Assets (Refer Note 30.5)	**281.39**	**56.10**	**3.48**	**-**	**340.97**	**92.61**	**28.25**	**-**	**120.86**	**220.11**	**188.78**
	215.27	*66.12*	*-*	*-*	*281.39*	*64.85*	*27.76*	*-*	*92.61*	*188.78*	*150.42*
vi. Total (iv+v)	**4,183.49**	**802.96**	**822.37**	**(4.71)**	**5,804.11**	**1,157.79**	**283.87**	**(3.47)**	**1,438.19**	**4,365.92**	**3,025.70**
	3,546.25	*645.07*	*-*	*(7.82)*	*4,183.49*	*932.52*	*231.15*	*(5.88)*	*1,157.79*	*3,025.70*	*2,613.73*
vii. Capital work-in-progress										**823.39**	**708.62**
										708.62	*615.94*
Grand Total (vi+vii)										**5,189.31**	**3,734.32**
										3,734.32	*3,229.67*

Figures in *italic* represent previous year's figures.

Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

3 : Property, Plant and Equipment, Intangible Assets, Right of Use and Capital Work in Progress (Contd..)

viii) Capital-Work-in Progress (CWIP)

Projects have been categorised based on Geographical Area (GA) and each Geographical Area includes multiple projects.

a) Ageing of capital-work in Progress as at March 31, 2024

(₹ in Crore)

Particulars	Amount in CWIP for a period of				Total
	<1 year	1-2 years	2-3 years	More than 3 years	
- Projects in Progress	**498.58**	**146.96**	**98.11**	**79.74**	**823.39**
	389.74	*152.59*	*52.81*	*113.48*	*708.62*
- Projects temporarily suspended	**-**	**-**	**-**	**-**	**-**
	-	*-*	*-*	*-*	*-*
Total	**498.58**	**146.96**	**98.11**	**79.74**	**823.39**
	389.74	*152.59*	*52.81*	*113.48*	*708.62*

b) CWIP, whose completion is overdue, completion schedule is as below:

(Completion is overdue mainly on account of delay in permissions from local authorities and other parties)

(₹ in Crore)

Particulars	To be completed in				Total
	<1 year	1-2 years	2-3 years	More than 3 years	
Mumbai & Greater Mumbai	**25.75**	**-**	**-**	**-**	**25.75**
	21.58	*1.32*	*-*	*-*	*22.90*
Thane City & adjoining Contiguous Area	**30.55**	**0.42**	**-**	**-**	**30.97**
	40.52	*7.24*	*-*	*-*	*47.76*
Raigad District	**31.90**	**28.69**	**-**	**-**	**60.59**
	37.97	*45.29*	*-*	*-*	*83.26*
Chitradurga	**1.13**	**-**	**-**	**-**	**1.13**
	-	*-*	*-*	*-*	*-*
Latur	**0.27**	**-**	**-**	**-**	**0.27**
	-	*-*	*-*	*-*	*-*
Ratnagiri	**7.27**	**-**	**-**	**-**	**7.27**
	-	*-*	*-*	*-*	*-*
Total	**96.88**	**29.11**	**-**	**-**	**125.99**
	100.07	*53.85*	*-*	*-*	*153.92*

Notes :-

1) Capital Work-in-Progress includes Capital inventory of ₹ 159.40 Cr (as at March 31, 2023 ₹ 148.50 Cr)

   a) Capital inventory includes material in transit ₹ 0.16 Cr (as at March 31, 2023 ₹ NIL)

   b) As at March 31, 2024, ₹ 7.94 Cr (March 31, 2023 ₹ 6.67 Cr) has been recognised as an allowance for Capital inventory obsolescence.

   c) As at March 31, 2024, ₹ 13.48 Cr (March 31, 2023 ₹ 12.86 Cr) has been recognised as an allowance for Capital Work-in-Progress write off.

Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

3 : Property, Plant and Equipment, Intangible Assets, Right of Use and Capital Work in Progress (Contd..)

2) There are no projects as at reporting date which has exceeded cost as compared to its original approved plan. The Company follows practice of seeking approval for annual capital expenditure plan for each of the geographical/ project areas.

3) Figures in *italic* represent previous year's figures.

4. Trade Receivables (Refer Note No. 30.11)

(₹ in Crore)

Particulars	As at March 31, 2024	As at March 31, 2023
(a) Current		
Secured, Considered Good (secured against security deposits)	53.61	46.24
Unsecured, Considered Good	242.88	247.79
Unsecured, Considered doubtful	3.33	3.52
	299.82	**297.55**
Less : Allowance for Doubtful Trade Receivables	3.33	3.52
	296.49	**294.03**

Trade Receivable ageing schedule as at March 31, 2024

(₹ in Crore)

Particulars	Not Due	Outstanding for following periods from due date of payment					Total
		Less than 6 months	6 Months - 1 Year	1-2 Years	2-3 Years	More than 3 Years	
Undisputed Trade receivables - considered Good	**199.03**	**62.54**	**10.85**	**23.35**	**0.25**	**0.44**	**296.46**
	171.18	*105.60*	*15.54*	*0.94*	*0.42*	*0.34*	*294.02*
Undisputed Trade Receivables - considered doubtful	**-**	**-**	**-**	**-**	**0.12**	**-**	**0.12**
	-	*-*	*-*	*-*	*0.32*	*-*	*0.32*
Disputed Trade Receivables -considered good	**-**	**0.01**	**-**	**0.01**	**-**	**0.01**	**0.03**
	-	*-*	*-*	*-*	*-*	*0.01*	*0.01*
Disputed Trade Receivables - considered doubtful	**-**	**-**	**-**	**-**	**-**	**3.21**	**3.21**
	-	*-*	*-*	*-*	*-*	*3.20*	*3.20*
Less : Loss allowance for trade receivables	**-**	**-**	**-**	**-**	**(0.12)**	**(3.21)**	**(3.33)**
	-	*-*	*-*	*-*	*(0.32)*	*(3.20)*	*(3.52)*
Total	**199.03**	**62.55**	**10.85**	**23.36**	**0.25**	**0.45**	**296.49**
	171.18	*105.60*	*15.54*	*0.94*	*0.42*	*0.35*	*294.03*

Notes:-

1) Figures in *italic* represent previous year's figures.

2) "Undisputed Trade receivables - considered Good" under age bucket 2-3 years and more than 3 years are secured against security deposits

Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

5. Other Non-current Financial Assets (Contd..)

(₹ in Crore)

Particulars		As at March 31, 2024	As at March 31, 2023
Security Deposits			
Unsecured, Considered Good @		102.92	95.53
Unsecured, Considered doubtful		8.55	3.47
		111.47	**99.00**
Less: Expected credit loss allowance for Security Deposits		8.55	3.47
Subtotal	(a)	**102.92**	**95.53**
Bank deposits with more than 12 months maturity #	(b)	**3.94**	**75.19**
Total - Other Non-current Financial Assets (a+b)		**106.86**	**170.72**

Includes deposits given as margin money (including accrued interest) of ₹ 0.22 crore (previous year ₹ 0.17crore)

@ Includes ₹ 56.04 crore (Previous year ₹ 50.00 Crore) receivable from related parties (refer note 30.2 & 30.9(iv))

6. Other Non-current Assets

(₹ in Crore)

Particulars	As at March 31, 2024	As at March 31, 2023
Capital Advances #	22.52	26.04
Prepaid Expenses	4.83	12.23
	27.35	**38.27**

Includes ₹ 19.19 crore (Previous year ₹ 23.59 crore) towards transaction with related parties (refer note 30.2)

7. Inventories (at lower of Cost and Net Realisable Value)

(₹ in Crore)

Particulars	As at March 31, 2024	As at March 31, 2023
Stock in Trade:		
Stock of Natural Gas	1.93	1.51
Stores and Spares	40.14	32.33
	42.07	**33.84**

As at March 31, 2024, ₹ 1.85 crore (March 31, 2023: ₹ 1.21 crore) has been recognised as an allowance for stores and spares inventory obsolescence

8 : Investments

Non Current

A. Investments in Equiy instruments and Compulsorily Convertible Preference Shares (CCPS), Unqouted - Measured at Fair value through Other Comprehensive Income- (FVTOCI)

Name of the Company	Face Value (₹)	Number of Shares		Amount (₹ in crore)	
		March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023
3EV Industries Private Limited (CCPS)	100	9,543	-	49.95	-
3EV Industries Private Limited (Equity)	10	10	-	0.05	-
Total		**9,553**	**-**	**50.00**	**-**

Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

8 : Investments (Contd..)

Current

B. Investment in Mutual Fund Carried at Fair Value through Profit or Loss

Name of Mutual Fund Scheme (Unquoted)	Face Value (₹)	Number of Units		Amount (₹ in crore)	
		March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023
Baroda BNP Paribas Liquid Fund - Direct Plan - Growth	1,000	16,632	-	4.63	-
Bandhan Liquid Fund - Growth - Direct Plan (erstwhile - IDFC Cash Fund - Direct Plan - Growth)	1,000	3,72,279	-	108.61	-
Edelweiss Liquid Fund - Direct Plan - Growth	1,000	2,59,460	-	80.91	-
HSBC Liquid Fund - Direct Plan - Growth	1,000	-	54,353	-	12.19
ICICI Prudential Liquid Fund - Direct Plan - Growth	100	-	28,95,632	-	96.48
Bandhan Banking & PSU Debt Fund - Direct Plan - Growth (Erstwhile IDFC Banking & PSU Debt Fund)	10	5,39,39,624	5,48,55,456	123.55	117.13
LIC MF Liquid Fund - Direct Plan - Growth	1,000	-	2,23,834	-	91.50
Mirae Asset Cash Management Fund - Direct Plan - Growth	1,000	-	2,37,795	-	56.51
Nippon India Liquid Fund - Direct Plan - Growth	1,000	3,33,710	75,865	197.19	41.78
SBI Liquid Fund - Direct Plan - Growth	1,000	-	2,85,096	-	100.45
TATA Liquid Fund - Direct Plan - Growth	1,000	5,30,180	2,82,205	202.01	100.22
UTI Liquid Fund - Cash Plan - Direct Plan - Growth	1,000	-	2,73,612	-	100.95
Edelweiss Arbitrage Fund - Direct Plan - Growth	10	2,11,49,311	-	40.00	-
Invesco India Arbitrage Fund - Direct Plan - Growth	10	1,35,66,120	-	42.56	-
Kotak Equity Arbitrage Fund - Direct Plan - Growth	10	1,17,32,509	-	42.69	-
Mirae Asset Arbitrage Fund - Direct Plan - Growth	10	1,62,59,350	-	20.00	-
Nippon India Arbitrage Fund - Direct Plan - Growth	10	80,73,521	-	21.10	-
SBI Arbitrage Opportunities Fund - Direct Plan - Growth	10	1,29,80,730	-	42.49	-
Tata Arbitrage Fund - Direct Plan - Growth	10	3,10,52,178	-	42.64	-
Total Investment in Mutual Funds (Unquoted)				**968.38**	**717.21**

C. Carried at Amortised Cost

(₹ in Crore)

Particulars	March 31, 2024	March 31, 2023
Fixed Deposit with LIC Housing Finance Limited	-	261.22
Fixed Deposit with HDFC Limited	-	331.39
Fixed Deposit with Bajaj Finance Limited	50.38	-
Total of Corporate FDs	**50.38**	**592.61**
Total (B+C) (Unquoted Investments)	**1,018.76**	**1,309.82**

Note :-

On February 12, 2024, the Company has signed Share Subscription Agreement (SSA) with 3EV Industries Private Limited (3EV). 3EV is in the business of manufacturing of 3-wheeler cargo and passenger electric vehicles. Under SSA total commitment for investment is ₹ 96 Crore and as per the terms and conditions of SSA the Company has invested ₹ 50 Crore in Compulsorily Convertible Preference Shares (CCPS) as of March 31, 2024.

Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

9. Cash and Cash Equivalents

(₹ in Crore)

Particulars	As at March 31, 2024	As at March 31, 2023
Cash on Hand	0.02	0.01
Cash in Transit	9.28	4.17
Balances with Banks		
- in Current Accounts	99.75	113.72
- in Deposit Accounts with Original Maturity of less than 3 months	20.32	-
Total - Cash and Cash Equivalents (refer Cash Flow Statement)	**129.37**	**117.90**

10. Other Bank Balances

(₹ in Crore)

Particulars	As at March 31, 2024	As at March 31, 2023
Bank Deposits with original maturity of more than 3 months but less than 12 months	290.04	103.00
Balance with banks for fuel cards	0.93	-
Margin Money Deposits	2.60	2.27
Unpaid dividend accounts	0.83	0.85
Unspent CSR Accounts	2.35	3.85
	296.75	**109.97**

11. Other Current Financial Assets

(₹ in Crore)

Particulars		As at March 31, 2024	As at March 31, 2023
Unbilled Revenue (Refer Note No. 30.11)	(a)	80.42	85.39
Security Deposits			
Unsecured, Considered Good #		10.01	12.43
Unsecured, Considered doubtful		1.32	4.18
		11.33	**16.61**
Less: Expected credit loss allowance for Security Deposits		1.32	4.18
Subtotal	(b)	**10.01**	**12.43**
Miscellaneous Receivable and Others		15.37	14.70
Less : Allowance for Doubtful and Expected Credit Loss on Miscellaneous Receivable		9.09	5.23
Subtotal	(c)	**6.28**	**9.47**
Total - Other Current Financial Assets (a+b+c)		**96.71**	**107.29**

Includes ₹ 0.34 crore (Previous year ₹ 0.42 crore) receivable from related parties (refer note 30.2)

12. Other Current Assets

(₹ in Crore)

Particulars	As at March 31, 2024	As at March 31, 2023
Prepaid Expenses	18.04	13.78
Balances with Government Authorities	0.96	0.04
Advances to Vendors	8.45	19.55
	27.45	**33.37**

Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

13. Equity Share Capital

(₹ in Crore)

Particulars	As at March 31, 2024	As at March 31, 2023
Authorised Equity Share Capital		
13,00,00,000 (previous year 13,00,00,000) Equity Shares of ₹ 10/- each	**130.00**	**130.00**
Issued, Subscribed and Fully Paid Equity Shares		
9,87,77,778 (previous year 9,87,77,778) Equity Shares of ₹ 10/- each	**98.78**	**98.78**

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.

Details of Shareholders holding more than 5% Shares

(₹ in Crore)

Particulars	As at March 31, 2024	As at March 31, 2023
GAIL (India) Limited		
Number of Shares	3,21,02,750	3,21,02,750
Percentage	32.50	32.50
Government of Maharashtra		
Number of Shares	98,77,778	98,77,778
Percentage	10.00	10.00
Life Insurance Corporation Of India - P & GS Fund		
Number of Shares	75,76,510	82,19,236
Percentage	7.67	8.32
Details of shares held by promoters		
GAIL (India) Limited		
No. of shares at the beginning of the year	3,21,02,750	3,21,02,750
No. of shares at the end of the year	3,21,02,750	3,21,02,750
Change during the year	-	-
Percentage of total shares	32.50	32.50
Percentage change during the year	-	-

14. Other Equity (refer Statement of Changes in Equity (SOCIE))

(₹ in Crore)

Particulars	As at March 31, 2024	As at March 31, 2023
General Reserve	211.84	211.84
Retained Earnings	4,819.59	3,823.60
	5,031.43	**4,035.44**

Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

15. Lease Liabilities (refer note 30.5)

(₹ in Crore)

Particulars	As at March 31, 2024	As at March 31, 2023
Non Current Lease Liabilities	117.83	93.84
Current Lease Liabilities	23.60	20.77
	141.43	**114.61**

16. Security Deposits

(₹ in Crore)

Particulars	As at March 31, 2024	As at March 31, 2023
a. Non-current		
Security Deposits from vendors	2.66	1.05
Total (a)	**2.66**	**1.05**
b. Current		
Security Deposits from customers	928.40	807.75
Security Deposits from vendors	17.61	12.54
Total (b)	**946.01**	**820.29**
Total Security Deposits (a+b)	**948.67**	**821.34**

17. Provisions

(₹ in Crore)

Particulars	As at March 31, 2024	As at March 31, 2023
a. Non-current (refer note 30.3)	-	-
Leave Encashment	27.85	22.57
Post Retirement Medical Benefit	13.80	8.00
Other Employee Benefits Obligations #	3.85	2.86
Total (a)	**45.50**	**33.43**
b. Current (refer note 30.3)		
Leave Encashment	11.10	10.01
Post Retirement Medical Benefit	0.19	0.11
Gratuity	2.49	5.71
Other Employee Benefits Obligations #	0.51	0.51
Total (b)	**14.29**	**16.34**
Total Provisions (a+b)	**59.79**	**49.77**

Represents long service award and death relief benefits.

18. Deferred Tax Liabilities (Net) (refer note 30.6)

(₹ in Crore)

Particulars	As at March 31, 2024	As at March 31, 2023
Deferred Tax Liabilities	441.68	258.12
Less : Deferred Tax Assets	61.27	49.52
	380.41	**208.60**

Notes to the Consolidated Financial Statements
for the year ended March 31, 2024

19. Trade Payables

(₹ in Crore)

Particulars	As at March 31, 2024	As at March 31, 2023
Micro, Small and Medium Enterprises (MSME) (Refer Note 30.10)	24.21	14.76
Other Trade Payables	186.75	157.31
	210.96	**172.07**
To Related Parties (Refer note 30.2)	136.89	150.14
	347.85	**322.21**

Trade Payables ageing schedule as at March 31, 2024

(₹ in Crore)

Particulars	Unbilled	Not due	Outstanding for following periods from due date of payment**				Total
			Upto 1 year	1-2 Years	2-3 Years	More than 3 Years	
MSME	**0.18**	**23.29**	**0.74**	-	-	-	**24.21**
	-	*14.76*	-	-	-	-	*14.76*
Others	**1.26**	**309.46**	**12.87**	**0.04**	**0.01**	-	**323.64**
	0.65	*306.80*	-	-	-	-	*307.45*
Disputed Dues – MSME	-	-	-	-	-	-	-
	-	-	-	-	-	-	-
Disputed Dues – Others	-	-	-	-	-	-	-
	-	-	-	-	-	-	-
Total	**1.44**	**332.75**	**13.61**	**0.04**	**0.01**	-	**347.85**
	0.65	*321.56*	-	-	-	-	*322.21*

** Figures in *italic* represent previous year's figures.

20. Current Financial Liabilities - Others

(₹ in Crore)

Particulars	As at March 31, 2024	As at March 31, 2023
Unpaid Dividends *	0.83	0.85
Payables for purchase of property, plant and equipment	134.48	88.57
Others^	171.60	186.16
	306.91	**275.58**

* There is no amount due and outstanding to be transferred to the Investor Education and Protection Fund (IEPF) by the Company. Unclaimed Dividend, if any, shall be transferred to IEPF as and when they become due.

^ Includes provision for Unspent CSR of ₹ 5.53 crore (previous year ₹ 6.75 crore)

21. Other Current Liabilities

(₹ in Crore)

Particulars	As at March 31, 2024	As at March 31, 2023
Statutory Payables	24.66	75.35
Advances from Customers (Refer note 30.11)	32.53	27.07
Others	0.96	0.59
	58.15	**103.01**

Notes to the Consolidated Financial Statements
for the year ended March 31, 2024

22. Revenue from Contracts with Customers (refer note 30.11)

(₹ in Crore)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Sale of Natural Gas (Including Excise Duty)	6,885.12	6,893.45
Sale of Pipes, Fittings and Other Materials	6.04	5.50
Other Operating Income	23.19	22.01
	6,914.35	**6,920.96**

23. Other Income

(₹ in Crore)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
a. Interest Income earned on financial assets designated as amortised cost		
Bank Deposits	13.35	11.70
Other interest income	24.68	31.26
	38.03	**42.96**
b. Other Gains and Losses		
Gain/(Loss) on Debt Instruments designated at FVTPL *	103.11	44.38
Net Foreign Exchange Gain/(Loss) (net)	-	0.02
	103.11	**44.40**
c. Other Non-operating Income	**33.73**	**24.52**
Total Other Income (a+b+c)	**174.87**	**111.88**

* Includes unrealised increase/(decrease) in fair value ₹ 29.87 crore (previous year - ₹ 8.32 crore)

24. Cost of Natural Gas and Traded Items

(₹ in Crore)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Purchase Cost of Natural Gas and Other Charges	3,651.49	4,450.29
Less: Captive Consumption	11.22	19.29
	3,640.27	**4,431.00**
Purchase of Pipes, Fittings and Other Materials	5.16	4.64
	3,645.43	**4,435.64**

25. Changes in Inventories

(₹ in Crore)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Changes in Stock of Natural Gas:		
Opening Stock	1.51	0.72
Closing Stock	1.34	1.51
(Increase) / Decrease in Stock	**0.17**	**(0.79)**

Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

26. Employee Benefits Expense

(₹ in Crore)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Salaries, Wages and Allowances	130.69	120.32
Contribution to Provident Fund and Other Funds (Refer note 30.3)	9.90	8.17
Staff Welfare *	8.36	6.14
Secondment Charges (Refer note 30.2)	2.40	2.46
	151.35	**137.09**
Less: Transfer to Capital Work-in-Progress	31.94	29.20
	119.41	**107.89**

* Includes PRMB (Refer Note 30.3)

27. Finance Costs

(₹ in Crore)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Interest on Borrowings	2.22	-
Interest on lease liability (refer note 30.5)	10.63	9.39
Other Interest Expense	0.45	-
	13.30	**9.39**

28. Other Expenses

(₹ in Crore)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Power and Fuel	157.52	148.18
CNG Dispensing Charges (refer note 30.5)	75.79	82.01
Consumption of Stores and Spares	34.82	31.99
Insurance	6.22	6.46
Rent Expense (refer note 30.5)	23.30	20.07
Rates and Taxes	7.52	6.65
Repairs to Buildings	7.87	0.71
Repairs to Plant and Machinery	102.97	86.80
Write-off, Allowance and Loss on Disposal of CWIP and Property, Plant and Equipment	6.76	5.32
Bad Trade Receivables Written Off	1.28	1.59
Allowance for Doubtful Miscellaneous Receiveable	-	(0.08)
Security Deposits Written off	0.57	0.96
Expected credit loss allowance for Security Deposits (Net)	2.22	0.88
Refundable Reinstatement Charges written off	2.07	1.57
Expected credit loss allowance for Refundable Reinstatement Charges (Net)	3.85	0.74
Allowance for inventory obsolescence	3.47	0.51
Corporate Social Responsibility Expenditure	17.55	16.91
Miscellaneous Expenses	230.76	162.66
	684.54	**573.93**
Less: Transfer to Capital Work-in-Progress	3.35	1.58
	681.19	**572.35**

Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

29. OCI - Items that will not be reclassified to profit or loss

(₹ in Crore)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Gains/(Losses) on Remeasurements of the Defined Benefit Plans	(5.15)	(1.61)
Less : Income Tax on Remeasurements of the Defined Benefit Plans	1.29	0.35
OCI - Items that will not be reclassified to profit or loss (Net of Income Tax)	**(3.86)**	**(1.26)**

30. Disclosures under Indian Accounting Standards:

30.1 The Consolidated Financial Statements represent consolidation of accounts of the Company, its Subsidiaries as detailed below along with other disclosure requirements under Ind - AS 112:

A. Group Information:

Sl. No.	Name of Companies	Principal Activity	Relation	Proportion of ownership as on March 31, 2024	Proportion of ownership as on March 31, 2023
1	Unison Enviro Private Limited (UEPL)	City Gas Distribution	Subsidiary w.e.f. February 01, 2024	100%	NA
2	Mahanagar LNG Private Limited (MLPL)	Supply of LNG to Vehicles	Subsidiary w.e.f. December 26, 2023	51%	NA

B. The financial statements of all entities used for the purpose of consolidation are drawn up to same reporting date as that of the Parent Company, i.e., year ended on March 31, 2024.

C. The unaudited financial statements and relevant notes to the financial statements of Unison Enviro Private Limited, as approved by management is considered in consolidated financial statements.

D. UEPL became wholly owned subsidiary w.e.f. February 01, 2024, and MLPL became a subsidiary from December 26, 2023. Hence the Company has prepared these consolidated financial statements from the respective date of acquisition/investment. Accordingly, figures for the comparative period, prior to the acquisition represents the standalone financial statements of the Holding Company and are not comparable.

E. Out of the total investment of the company in the shares of Unison Enviro Private Limited(UEPL), 51% shares (6,90,68,586 shares) are pledged with PNB Investment Services Limited (Security Trustee), for security against the sanctioned rupee term loan for UEPL. The outstanding loan amount as of March 31, 2024 stands NIL.

Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

30.1 The Consolidated Financial Statements represent consolidation of accounts of the Company, its Subsidiaries as detailed below along with other disclosure requirements under Ind - AS 112: (Contd..)

F. Disclosure of additional information pertaining to the Parent Company and subsidiaries as per schedule III of the Companies Act, 2013:

Name of the Company	Net Assets (Total Assets - Total Liabilities)		Profit / (Loss)		OCI		TOCI	
	Net Assets	As % of Consolidated Net Assets	Profit / (Loss)	As % of Consolidated Profit / (Loss)	OCI	As % of Consolidated Profit / (Loss)	TOCI	As % of Consolidated Profit / (Loss)
Parent Company								
Mahanagar Gas Limited	5,142.87	100.15%	1,289.07	101.00%	(3.85)	99.74%	1,285.22	101.00%
Subsidiaries								
Unison Enviro Private Limited	76.44	1.49%	(7.09)	(0.56%)	#	0.00%	(7.09)	(0.56%)
Mahanagar LNG Private Limited	5.09	0.10%	#	0.00%	-	0.00%	#	0.00%
Minority Interest in Subsidiaries	4.90	0.10%	#	0.00%	-	0.00%	#	0.00%
Consolidation adjustments	(94.19)	(1.84%)	(5.61)	(0.44%)	(0.01)	0.26%	(5.62)	(0.44%)
Total	**5,135.11**	**100.00%**	**1,276.37**	**100.00%**	**(3.86)**	**100.00%**	**1,272.51**	**100.00%**

Amount is less than ₹ 50,000/-

Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

30.2 Related Party Transactions: (Contd..)

Sl. No.	Name of the Related Party	Relationship
1	GAIL (India) Limited	Enterprise having significant influence
2	Petronet LNG Limited	JVC of GAIL (India) Limited
3	The Boston Consulting Group	Relative of director having significant influence

Details of transactions of Group during the year with GAIL (India) Limited:

(₹ in Crore)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Purchase of Natural Gas	2,935.14	3,274.79
Purchase of Liquified Natural Gas	2.09	-
Secondment Charges (also included in KMPs' remuneration, refer table below)	2.40	2.46
Hooking up charges	2.28	-
Other Expense	0.06	0.46
Capital Expense	0.05	11.03
Capital Advance received back	1.65	-
Security Deposit given/(refund) (net)	(0.08)	50.14
Dividend paid	89.89	81.86

Details of transactions of Group during the year with other related parties:

(₹ in Crore)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Consultancy Services received from The Boston Consulting Group	12.91	8.93
Services received from Petronet LNG Limited for Employees Training	0.18	-

Following is the list of Key Managerial Personnel (KMPs') as per Ind AS 24:

a. Mr. Sandeep Kumar Gupta, Non-Executive Director (Chairman) (w.e.f. October 31, 2023) - GAIL Nominee #

b. Mr. Mahesh Vishwanathan Iyer, Non-Executive Director (Chairman) (up to October 31, 2023) - GAIL Nominee #

c. Mr. Manoj Jain, Non-Executive Director (Chairman) (Up to August 31, 2022) - GAIL Nominee #

d. Mr. Ashu Shinghal, Managing Director (From December 23, 2022) - GAIL Nominee

e. Mr. Sanjib Datta, Managing Director (up to December 23, 2022) - GAIL Nominee

f. Mr. Sanjay Shende, Whole Time Director - GAIL Nominee

g. Mr. Baldev Singh, Nominee Director (up to August 26, 2022)- Government of Maharashtra Nominee#

h. Dr. Harshadeep Shriram Kamble. Nominee Director (From November 11, 2022)- Government of Maharashtra Nominee#

i. Mr. Syed S. Hussain, Independent Director

j. Mrs. Malvika Sinha, Independent Director

k. Mr. S. Venkatraman, Independent Director

l. Mr. Rajeev Bhaskar Sahi, Independent Director

No remuneration paid to nominee directors.

Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

30.2 Related Party Transactions: (Contd..)

Details of MGL's KMPs' remuneration including directors sitting fee:

(₹ in Crore)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
KMPs' remuneration including directors sitting fee and secondment charges paid to related entities.	3.24	3.31*
Reimbursement of expenses to KMP's	0.04	-

* Includes ₹ 0.03 crore for FY 2021-22 due to revision approved post March 31, 2022.

Outstanding balance of Group with GAIL (India) Limited:

(₹ in Crore)

Particulars	As at March 31, 2024	As at March 31, 2023
Trade Payables #	136.40	150.14
Capital Advances Given	19.19	23.59
Other Receivable	*	*
Security Deposits (Receivable)	56.38	50.42

* Other Receivable of ₹ 7891/-

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.

Outstanding balances with other related parties:

(₹ in Crore)

Particulars	As at March 31, 2024	As at March 31, 2023
Payable against consultancy Services received from The Boston Consulting Group	0.49	3.40

30.3 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 Group makes Provident Fund and National Pension Scheme (NPS) contributions, which are defined contribution plans, for qualifying employees. Group has no further payment obligations once the contributions have been paid. Under the Provident Fund Schemes and NPS, the Group is required to contribute a specified percentage of the payroll costs to fund the benefits. The contributions payable to these plans by the Group are in compliance with the rates specified in the rules of the schemes. The Group recognised ₹ 7.94 crore (previous year ₹ 6.79 crore) as an expense and included in Note 26 – Employee Benefits Expense "Contribution to Provident Fund and Other Funds" in the Statement of Profit and Loss for the year ended March 31, 2024.

Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

30.3 Employee Benefit Obligations: (Contd..)

ii) Defined Benefit Plans

The Group offers the following defined benefit schemes to its employees:

- Gratuity (refer note 26): The Group'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 26): 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 Crore)

Particulars	For the year ended March 31, 2024		For the year ended March 31, 2023	
	Gratuity (Funded)	PRMB (Unfunded)	Gratuity (Funded)	PRMB (Unfunded)
Current Service Cost	1.53	0.77	1.28	0.80
Past Service Cost	-	-	-	-
Interest Cost (Net)	0.43	0.61	0.10	0.57
Total Expense recognised in the Statement of Profit and Loss	**1.96**	**1.38**	**1.38**	**1.37**

Amount recognised in Other Comprehensive Income:

(₹ in Crore)

Particulars	For the year ended March 31, 2024		For the year ended March 31, 2023	
	Gratuity (Funded)	PRMB (Unfunded)	Gratuity (Funded)	PRMB (Unfunded)
(Gain)/Loss Due to change in Demographic Assumptions	(0.30)	(0.19)	(0.22)	(0.13)
(Gain)/Loss Due to change in Financial Assumptions	0.83	0.49	(0.40)	(0.62)
(Gain)/Loss Due to Experience	(0.02)	4.33	3.85	(0.51)
Return on Plan Assets (excluding amounts included in net interest expense)	0.01	-	(0.36)	-
Total Remeasurement (gains)/losses recognised in OCI	**0.52**	**4.63**	**2.87**	**(1.26)**

Net Asset/ (Liability) recognised in the Balance Sheet:

(₹ in Crore)

Particulars	As at March 31, 2024		As at March 31, 2023	
	Gratuity (Funded)	PRMB (Unfunded)	Gratuity (Funded)	PRMB (Unfunded)
Present value of Defined Benefit Obligation	30.03	(13.99)	(26.28)	(8.11)
Fair value of Plan Assets	27.54	-	20.57	-
Net Asset/ (Liability) recognised in the Balance Sheet	**(2.49)**	**(13.99)**	**(5.71)**	**(8.11)**

Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

30.3 Employee Benefit Obligations: (Contd..)

Change in defined obligation (DBO) during the year:

(₹ in Crore)

Particulars	As at March 31, 2024		As at March 31, 2023	
	Gratuity (Funded)	PRMB (Unfunded)	Gratuity (Funded)	PRMB (Unfunded)
Present value of DBO at beginning	26.28	8.11	21.00	8.10
Current Service Cost	1.53	0.77	1.28	0.80
Past Service Cost	-	-	-	-
Transfer in / Transfer out	0.34	-	-	-
Interest Cost	1.98	0.61	1.47	0.57
Remeasurement (gain)/loss	0.51	4.63	3.23	(1.26)
Benefits paid	(0.61)	(0.13)	(0.70)	(0.10)
Present value of DBO at the end	**30.03**	**13.99**	**26.28**	**8.11**

Change in the fair value of Asset during the year – Gratuity (Funded):

(₹ in Crore)

Particulars	As at March 31, 2024	As at March 31, 2023
Plan Assets at beginning	20.57	19.54
Interest Income	1.55	1.37
Return on Plan Assets (excluding amounts included in net interest expense)	(0.01)	0.36
Employer contribution	6.04	-
Benefits paid	(0.61)	(0.70)
Plan Assets as at the end *	**27.54**	**20.57**
Actual return on Plan Assets	1.54	1.73

* Category-wise composition of the plan assets is not available with the Company since the fund is managed by LIC.

Principal Actuarial assumptions:

(₹ in Crore)

Particulars	As at March 31, 2024		As at March 31, 2023	
	Gratuity (Funded)	PRMB (Unfunded)	Gratuity (Funded)	PRMB (Unfunded)
Discount rate	7.20% to 7.23%	7.23%	7.47%	7.47%
Expected rate of escalation in salary	7.00% to 9.02%	NA	8.67%	NA
Attrition	4.63% to 15.00%	4.63%	5.56%	5.56%
Medical Cost Inflation	NA	3.00%	NA	3.00%
Mortality tables	Indian Assured Lives Mortality (2012-14) Urban / Ultimate			
Estimate of amount of contribution in the immediate next year (₹ in Crore)	3.76	NA	3.75	NA
Normal Retirement Age	58-60 years	60 years	60 years	60 years

Maturity analysis of Projected Benefit Obligation:

(₹ in Crore)

Particulars	As at March 31, 2024	
	Gratuity (Funded)	PRMB (Unfunded)
1st Following Year	2.21	0.97
2nd Following Year	2.11	0.84
3rd Following Year	2.62	1.02
4th Following Year	3.17	1.38

Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

30.3 Employee Benefit Obligations: (Contd..)

(₹ in Crore)

Particulars	As at March 31, 2024	
	Gratuity (Funded)	PRMB (Unfunded)
5th Following Year	3.66	0.70
Sum of Years 6 To 10	14.53	4.13
Sum of Years 11 and above	32.31	

These plans typically expose the Group 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. 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.

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.

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.

Sensitivity

Sensitivity of the defined benefit obligation to changes in the weighted principal assumptions is:

Particulars	Change in Assumption	As at March 31, 2024		As at March 31, 2023	
		Increase by ₹ Crore	Decrease by ₹ Crore	Increase by ₹ Crore	Decrease by ₹ Crore
Discount rate	+/- 1%	4.01	(4.79)	2.86	(3.38)
Expected rate of escalation in salary	+/- 1%	(3.26)	2.86	(0.85)	0.91
Attrition rate	+/- 1%	(0.49)	0.56	(0.36)	0.41
Medical Cost Inflation	+/- 1%	(2.38)	1.92	(1.36)	1.10

Positive figures represent decrease in obligation and negative figures represents increase obligation.

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.

Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

30.3 Employee Benefit Obligations: (Contd..)

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 ₹ 7.66 crore (previous year ₹ 10.27 crore) and ₹ 1.59 crore (previous year ₹ 1.03 crore) 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:

(₹ in Crore)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Discount rate	7.20% to 7.23%	7.47%
Salary escalation	7.00% to 9.02%	8.67%
Attrition	4.63% to 15.00%	5.56%

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.

30.4 A. The Group 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 Crore)

Particulars	Note	As at March 31, 2024	As at March 31, 2023
A. Financial Assets			
I. Measured at Fair Value Through Profit or Loss (FVTPL)			
(i) Investments	8	968.38	717.21
II. Measured at Fair Value Through Other Comprehensive Income (FVOCI)			
(i) Other Investment	8	50.00	-
III. Measured at Amortised Cost			
(i) Investments: Corporate Fixed Deposits	8	50.38	592.61
(ii) Trade Receivables	4	296.49	294.03
(iii) Cash and Cash Equivalents	9	129.37	117.90
(iv) Bank balances other than (iv) above	10	296.75	109.97
(v) Other Financial Assets (current and non current)	5,11	203.57	278.01
Total (A)		**1,994.94**	**2,109.73**
B. Financial Liabilities			
I. Measured at Amortised Cost			
(i) Trade Payables	19	347.85	322.21
(ii) Lease Liabilities	15	141.43	114.61
(iii) Security Deposits	16	948.67	821.34
(iv) Other Financial Liabilities	20	306.91	275.58
Total (B)		**1,744.86**	**1,533.74**

Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

30.4A (Contd..)

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, Group 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 Group 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.

Group'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 1 and Level 3 type Financial Assets or Financials Liabilities as on March 31, 2024.

(i) Measured at Fair Value Through Profit or Loss (FVTPL):

The Group 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, 2024 is ₹ 968.38 crore (previous year ₹ 717.21 crore).

(ii) Measured at Fair Value Through Other Comprehensive Income (FVOCI):

The Group has investments in Compulsorily Convertible Preference Shares (CCPS) which are not quoted in the active market. These CCPS are subsequently measured at FVOCI on the basis of fair valuation on the reporting date. The corresponding unrealized gain or loss on fair valuation is recorded in OCI. The fair value of these CCPS as at March 31, 2024 is ₹ 50.00 crore (previous year ₹ Nil).

(iii) 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, lease liabilities, 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 lease liabilities 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. There are no interest-bearing loans and borrowings by the Group as at March 31, 2024.

The Group aims to manage its capital efficiently to safeguard its ability to continue as a going concern and to optimise returns to its shareholders.

Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

30.4A (Contd..)

The Group'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 Group 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.

c. Financial risk management

Group's activities expose it to credit risk, liquidity risk and market risk. This note explains the sources of risk which the Group is exposed to and how the Group manages the risk and its impact on the financial statements.

(i) Credit Risk

Credit risk refers to the risk that the counterparty will default on its contractual obligations resulting in financial loss to the Group. The credit risk arises from trade receivables, security deposits, cash and cash equivalents and deposits with banks and corporates.

Trade receivables

The Group has a diversified business portfolio. It supplies natural gas to customers. Group also supplies Liquefied Natural Gas (LNG) to vehicles, providing services of compressing gas for the purpose of transportation using its compression facility and sale of pipes and fittings required for construction of pipeline infrastructure.

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, Group follows a simplified approach where provision is made as per the ageing buckets which are designed based on historical facts and patterns.

Reconciliation of loss allowance for trade receivables:

(₹ in Crore)

Particulars	As at March 31, 2024	As at March 31, 2023
Loss allowance at the beginning of the year	3.52	4.04
Changes in loss allowance	(0.19)	(0.52)
Loss allowance at the end of the year	3.33	3.52

Other financial assets

The Group maintains exposure in security deposits, reinstatement charges receivable, cash and cash equivalents and term deposits with banks and corporates.

In the case of security deposits and reinstatement charges, the 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 Group 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.

Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

30.4A (Contd..)

In the 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 Group. We understand that the credit risk is very low to moderate for such deposits.

The Group's maximum exposure to credit risk is the carrying value of each class of financial assets as disclosed in note 4, 5, 8, 9, 10 and 11.

(ii) Liquidity Risk

Liquidity risk is the risk that the Group 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, Group'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 Group's liquidity position and cash and cash equivalents on the basis of expected cash flows.

The tables below analyses the Group's financial liabilities into relevant maturity groupings based on their contractual maturities.

As at March 31, 2024

(₹ in Crore)

Particulars	Upto 1 year	More than 1 year	Total
Trade Payables	347.85	-	347.85
Lease Liabilities	23.60	117.83	141.43
Security Deposits	946.01	2.66	948.67
Others	306.91	-	306.91
Total	**1,624.37**	**120.49**	**1,744.86**

As at March 31, 2023

(₹ in Crore)

Particulars	Upto 1 year	More than 1 year	Total
Trade Payables	322.21	-	322.21
Lease Liabilities	20.77	93.84	114.61
Security Deposits	820.29	1.05	821.34
Others	275.58	-	275.58
Total	**1,438.85**	**94.89**	**1,533.74**

Notes to the Consolidated Financial Statements
for the year ended March 31, 2024

30.4A (Contd..)

(iii) *Market Risk*

Foreign Exchange Risk

Group 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 Group'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 at March 31, 2024		As at March 31, 2023	
		Forex	(₹ in Crore)	Forex	(₹ in Crore)
Capital Imports	USD	79,671.73	0.66	87,982.73	0.54
Capital Imports	EUR	2,11,860.00	1.91	-	-
Import of Goods & Services	USD	30,617.00	0.26	30,617.00	0.14

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:

(₹ in Crore)

Particulars	As at March 31, 2024	As at March 31, 2023
USD Sensitivity:		
Increase by 5%	0.05	0.05
Decrease by 5%	0.05	0.05
EUR Sensitivity:		
Increase by 5%	0.10	N.A
Decrease by 5%	0.10	N.A

(iv) *Interest Rate Risk:*

There are no interest bearing borrowings as at March 31, 2024 and hence Group is not exposed to interest rate risk presently. The Group's investments in fixed deposits with banks/corporates and liquid debt mutual funds are for short durations, and therefore do not expose the Group to significant interest rates risk.

B. Segment Information

a. Description of segments and principal activities

The Group 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, 2024.

b. Entity wide disclosures

Information about products and services:

The Group is in a single line of business of "Sale of Natural Gas".

Notes to the Consolidated Financial Statements
for the year ended March 31, 2024

30.4B (Contd..)

Geographical Information:

The Group 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 who contributed more than 10% of the revenue during the year ended March 31, 2024 is ₹ 2,938.35 crore (previous year ₹ 2,932.32 crore).

30.5 Leases – Ind AS 116:

Group as a Lessee

The Group has various operating lease arrangements for hiring of vehicles, equipment, offices, stores premises and land. Operating leases relate to land with lease term of 5 to 116 years. The Group does not have an option to purchase at the end of the lease term.

The following are the practical expedients availed by the Group:

- For Mahanagar Gas Limited (MGL) Discount rate of 9.00% per annum has been applied to leases entered till Jun'21, thereafter discount rate of 7.55% per annum till September'22 and discount rate of 8.85% per annum from October'22 has been applied, which is likely incremental rate of borrowing.
- For Unison Enviro Private Limited (UEPL) Discount rate of 13.00% per annum has been applied to leases entered in the Financial Year 2019-20, thereafter discount rate of 9.00% per annum has been applied which is incremental rate of borrowing.
- Right-to-use assets and liabilities for leases not recognised for leases with lease tenure less than 12 months from transition date.

1. Leases are shown as follows in the Group's Balance Sheet and Statement of Profit & Loss:

Following are the changes in the carrying value of Right of Use Assets:

For the year ended March 31, 2024:

(₹ in Crore)

Particulars	Land	Building	Plant & Machinery	Vehicles	Total
Balance as at April 01, 2023	111.87	8.25	66.39	2.27	188.78
Acquisitions	3.30	0.18	-	-	3.48
Additions	20.68	18.19	17.08	0.15	56.10
Depreciation for the year	4.67	8.16	14.12	1.30	28.25
Deletion	-	-	-	-	-
Balance as at March 31, 2024	**131.18**	**18.46**	**69.35**	**1.12**	**220.11**

For the year ended March 31, 2023:

(₹ in Crore)

Particulars	Land	Building	Plant & Machinery	Vehicles	Total
Balance as at April 01, 2022	85.08	15.84	45.96	3.54	150.42
Additions	30.91	2.57	31.97	0.67	66.12
Depreciation for the year	4.12	10.16	11.54	1.94	27.76
Deletion	-	-	-	-	-
Balance as at March 31, 2023	**111.87**	**8.25**	**66.39**	**2.27**	**188.78**

Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

30.5 Leases – Ind AS 116: (Contd..)

The following is the break-up of current and Non-Current Lease Liabilities:

(₹ in Crore)

Lease liabilities - Other financial liability	As at March 31, 2024	As at March 31, 2023
Non-current Lease liabilities	117.83	93.84
Current Lease liabilities	23.60	20.77
Total lease liabilities	**141.43**	**114.61**

The table below provides details regarding the contractual maturities of Lease Liabilities: -

As at March 31, 2024 on an undiscounted basis:

(₹ in Crore)

Maturity analysis of contractual undiscounted cash flow	Less than 1 year	1 - 5 years	6 - 10 years	More than 10 years	Total
Land	1.53	48.14	26.20	9.79	85.66
Building	2.42	20.50	-	-	22.92
Plant & Machinery	4.76	79.57	5.48	-	89.81
Vehicles	0.25	1.07	-	-	1.32
Total undiscounted lease liabilities	**8.96**	**149.28**	**31.68**	**9.79**	**199.71**

As at March 31, 2023 on an undiscounted basis

(₹ in Crore)

Maturity analysis of contractual undiscounted cash flow	Less than 1 year	1 - 5 years	6 - 10 years	More than 10 years	Total
Land	5.10	18.37	17.33	18.62	59.42
Building	6.54	3.85	-	-	10.39
Plant & Machinery	16.26	56.09	13.78	-	86.13
Vehicles	1.50	1.18	-	-	2.67
Total undiscounted lease liabilities	**29.39**	**79.49**	**31.11**	**18.62**	**158.61**

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, 2024 and as at March, 31 2023.

2. **Amounts recognized in the Statement of Profit and Loss:**

(₹ in Crore)

Amounts recognized in the Statement of Profit and Loss	2023-2024	2022-2023
Other expenses		
Short-term lease rent expense	3.36	2.57
Low value asset lease rent expense	0.11	0.40
Variable lease rent expense (CNG Dispensing Charges)	75.79	82.01
Depreciation and Amortisation Expenses		
Depreciation of right of use lease asset	28.25	27.76
Finance cost		
Interest expense on lease liability	10.63	9.39

Notes to the Consolidated Financial Statements
for the year ended March 31, 2024

30.5 Leases – Ind AS 116: (Contd..)

3. **Amount recognized in statement of cash flow:**

(₹ in Crore)

Amount recognized in statement of cash flow	2023-2024	2022-2023
Total cash outflow for leases	**35.08**	**32.97**

30.6 Income Tax:

a. **Components and movements of Deferred Tax Liability (Net)**

(₹ in Crore)

Particulars	Balance sheet		Statement of Profit and Loss	
	As at March 31,2024	As at March 31,2023	For the year ended March 31,2024	For the year ended March 31,2023
i. Items of Deferred Tax Liabilities:				
Property, Plant and Equipment and Intangible Assets	(258.28)	(225.01)	(36.51)	(13.71)
RoU Assets	(32.98)	(26.69)	(6.29)	(2.11)
Financial Assets Fair Value through profit or loss	(12.39)	(6.42)	(5.97)	(0.46)
Total	**(303.65)**	**(258.12)**	**(48.77)**	**(16.28)**
ii. Items of Deferred Tax Assets:				
Lease Assets	31.12	28.84	2.28	2.92
Allowance for doubtful trade receivables and deposits and other balances	3.31	2.81	0.50	(0.76)
Dis-allowance under Section 43B of the Income Tax Act, 1961	18.26	14.56	3.70	3.56
Others	8.58	3.31	5.27	2.76
Total	**61.27**	**49.52**	**11.75**	**8.48**
Deferred tax expense / (income)			**(37.02)**	**(7.80)**
DTL recognised Pursuant to Business Combination	**(138.03)**			
Net Deferred Tax assets /(liability)	**(380.41)**	**(208.60)**		

b. **Components of Income Tax Expense**

(₹ in Crore)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Income Tax Expense		
i. Current Tax		
Current Tax on Profits for the year	406.92	251.87
Effect of tax relating to prior periods	-	5.47
Total Current Tax (i)	**406.92**	**257.34**
ii. Deferred Tax		
Decrease / (Increase) in Deferred Tax Assets	(4.07)	(8.13)
Increase / (Decrease) in Deferred Tax Liability	42.38	16.28
Total Deferred Tax (ii)	**38.31**	**8.15**
Total Income Tax Expense (i+ii)	**445.23**	**265.49**

Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

30.6 Income Tax: (Contd..)

c. Reconciliation of Income Tax Expense with Accounting Profit:

(₹ in Crore)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
i. Profit Before Tax	**1,721.60**	**1,055.54**
ii. Tax at Indian Tax Rate of 25.168% (Previous Year 25.168%)	**434.21**	**265.66**
iii. Tax effect of Permanent Differences:		
a. Effect of Long Term Capital Gain	(0.32)	(1.18)
b. Effect of expenses not deductible for tax purposes	7.33	5.51
Total Tax effect of Permanent Differences (a+b)	**7.01**	**4.33**
iv. Others	**4.01**	**(4.49)**
v. Income Tax Expense as per Statement of Profit and Loss (ii+iii+iv)	**445.23**	**265.49**

Deferred tax liability has also been created on the assets that arouse from Purchase Price Allocation of ₹ 562.09 crores paid towards the acquisition of UEPL.

30.7 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.

(₹ in Crore)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
a) Net profit after tax attributable to equity shareholders **(₹ Crore)**	1,276.37	790.05
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)]	129.21	79.98
(Face value per share ₹ 10)		

30.8 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) ₹ 681.17 crore (previous year ₹ 468.52 crore).

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 Group. As both the factors "quantity nomination by supplier" and "quantity to be purchased by the Group", are not predictable, MGQ commitment is not quantifiable. Take or Pay obligations for gas purchase from GAIL & IOCL as at March 31, 2024 is ₹ 4.17 crore.

c. The Company has issued Corporate Guarantees of ₹ 566.00 crore (Previous year ₹ Nil) on behalf of Unison Enviro Private Limited to the lenders for Rupee term loan and non-fund based facility. The amount of Rupee term loans outstanding as on March 31, 2024 against these Corporate Guarantee is ₹ Nil and non-fund based facility availed is ₹ 21.45 crore.

Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

30.9 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 ₹ 364.41 crore (previous year ₹ 372.18 crore), includes:

i) Claims disputed by the Company relating to issues of applicability aggregating to ₹ 27.74 crore (previous year ₹ 36.16 crore) as detailed below:

(₹ in Crore)

Particulars	As at March 31, 2024	As at March 31, 2023
a) Excise Duty	9.36	9.20
b) Service Tax	11.26	9.96
c) Income Tax	7.12	17.00
Total	**27.74**	**36.16**

Future cash outflows in respect of above matters are determinable only on receipt of judgments / decisions pending at various forums / authorities.

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 ₹ 4.37 crore (previous year ₹ 3.93 crore).

iii) Third party/other claims arising from disputes relating to contracts aggregating to ₹ 0.01 crore (previous year ₹ 0.01 crore).

iv) GAIL (India) Limited (GAIL) raised demand in April 2014 for transportation tariff with respect to ONGC's Uran Trombay Natural Gas Pipeline (UTNGPL) 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 December 30, 2013, determining tariff for ONGC's UTNGPL as a common carrier. The total demand raised by GAIL for the period from November 2008 till July 2021 was ₹ 331.80 Crore. 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 UTNGPL to ONGC as common carrier and not for transportation of its own gas by ONGC.

The Company filed an appeal with the PNGRB in February 2015, the same was dismissed in October 2015. The Company filed a writ petition, in November 2015, with the Hon'ble High Court of Delhi. The Court advised the Company to file an appeal with 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 in March 2020, had passed an Order which directed the Company and GAIL to pay the disputed transportation tariff to ONGC. The Company filed an Appeal before APTEL against the PNGRB order in April 2020. The matter was heard by APTEL in October 2020. APTEL remanded back the case in July 2021 to PNGRB for proper adjudication. The matter was heard by PNGRB in April 2022 and an order was passed in September 2022 directing the Company to pay the disputed transportation tariff for the period 2014 to 2021 as per the transportation tariff fixed by PNGRB for UTNGPL. The Company had filed a writ before the Hon'ble High Court of Delhi challenging the PNGRB's September 2022 order. The Hon'ble High Court of Delhi vide its order dated December 13, 2022 has stayed the recovery against the PNGRB order and has directed the Company to deposit a sum of ₹ 50 Crore with GAIL by February 15, 2023, which was deposited with GAIL on February 14, 2023. The Hon'ble High Court has rescheduled the next hearing to July 22, 2024.

Based on the legal opinions obtained, the Company believes that it has a strong case and does not expect any outflow of resources. Hence, no provision has been recognised.

v) Claims from consumers are not acknowledged as debts ₹ 0.49 crore (previous year ₹0.29 crore).

vi) The revision of Trade Discount with the Oil Marketing Companies (OMCs) is pending from earlier years. In November 2021, The Ministry of Petroleum & Natural Gas (MoP&NG) issued guidelines pertaining to revised Trade Discounts. Basis the guidelines issue by MoP&NG and negotiation with OMCs, revised Trade Discounts are now agreed with OMCs with effect from 1st April 2023, however, for earlier years, the liability has been provided to the extent considered appropriate by the Company, pending final settlement.

Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

30.10 Disclosure required under Micro, Small and Medium Enterprises Development Act, 2006 (the Act) are as follows:

(₹ in Crore)

Sr. No.	Particulars	As at March 31, 2024	As at March 31, 2023
(i)	Principal amount remaining unpaid to any supplier as at the end of the accounting year		
	a) Trade Payables	24.21	14.76
	b) Payables for purchase of property, plant and equipment	59.43	41.15
(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 Group. This has been relied upon by the auditors.

30.10.1 On March 03, 2023, the Holding Company had signed a Share Purchase Agreement (SPA) with Unison Enviro Private Limited (UEPL) and erstwhile shareholders of UEPL for acquisition of UEPL. On February 01, 2024, the Holding Company has acquired 100% stake in Unison Enviro Private Limited (UEPL) from its erstwhile shareholders for a consideration of ₹ 562.09 crore. UEPL is in the City Gas Distribution (CGD) business and its authorised by Petroleum and Natural Gas Regulatory Board (PNGRB) to lay, build and operate CGD pipeline network in the 3 geographic areas (GA). Two GAs in the State of Maharashtra viz. 1. Ratnagiri District and 2. Osmanabad and Latur District and one GA in the State of Karnataka viz. Chitradurga and Davangere.

As per IND AS 103 -Business Combination, purchase consideration has been allocated on provisional basis, pending final determination of the fair value of the acquired assets and liabilities. Accordingly, the Holding Company has recognised goodwill of ₹ 71.41 Crore on a provisional basis.

Consequently, the group has consolidated the financial statement of UEPL for the period from February 01, 2024 to March 31, 2024. As the measurement period is on-going for fair valuation of Intangible assets and recognition of goodwill, the Purchase Price Allocation (PPA) has been provisionally recognised as under

(₹ in Crore)

Particulars	PPA
Goodwill	71.41
Intangible Asset (Authorisation)	515.15
Deferred Tax Liability	(138.03)
Net Assets	113.56
Total	**562.09**

Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

30.11 Revenue from contracts with customers:

Disaggregated revenue information

Set out below is the disaggregation of the Group's revenue from contracts with customers (refer note 22):

(₹ in Crore)

Type of goods or service	For the year ended March 31, 2024	For the year ended March 31, 2023
Sale of Natural Gas (Including Excise Duty)	6,885.12	6,893.45
Sale of Pipes, Fittings and Other Materials	6.04	5.50
Other Operating Income	23.19	22.01
Total revenue from Contract with Customers	**6,914.35**	**6,920.96**

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 significantly includes 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 Group 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.

(₹ in Crore)

Contract Balances	For the year ended March 31, 2024	For the year ended March 31, 2023
Trade Receivables (refer note 4)	296.49	294.03
Unbilled Revenue (refer note 11)	80.42	85.39
Contract Liabilities		
Advance from customers (refer note 21)	32.53	27.07

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 ₹ 6.57 crore (previous year ₹ 7.04 crore). No amount recognised as revenue out of performance obligations satisfied fully or partially in previous year.

Reconciliation of the amount of revenue recognised in the statement of profit and loss with the contracted price:

(₹ in Crore)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Revenue as per Contracted Price	6,914.51	6,921.08
ECS Discount	0.16	0.16
Revenue from Contract with Customers (refer note 22)	6,914.35	6,920.96

Performance obligations

The Group earns revenues primarily from sale of natural gas. Revenue is recognised on supply of gas to customers by metered/ assessed measurements. There are no goods return rights attached to the sale and hence no right of return liability or asset exists.

There are no performance obligations remaining to be satisfied as at reporting date for which transaction price has been allocated.

Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

30.12 Other Statutory Information:

i. The Group does not have any benami property held in its name. No proceedings have been initiated on or are pending against the Group for holding benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and Rules made thereunder.

ii. The following table summarises the transactions with the struck off companies under section 248 of the Companies Act, 2013.

Name of the Entity	Name of struck of Company	Nature of transaction with struck of Company	Amount of Transactions	Balance outstanding	Relationship with the Struck off Company
Mahanagar Gas Limited	Micro Technosoft Limited	AMC – Vehicle tracking system	-	#	Service provider
Mahanagar Gas Limited	Shreemaurya Infoway Network Private Limited	Leased line Exp	0.01	-	Service provider
Mahanagar Gas Limited	Vasant Construction Pvt Ltd	Sale of PNG	#	#	Customer

Amount is less than ₹ 50,000/-

iii. The Group does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.

iv. The Group have not traded or invested in Crypto currency or Virtual Currency during the financial year.

v. The Group have not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

a. Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the group (Ultimate Beneficiaries) or

b. Provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries

vi. The Group have not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Group shall:

a. Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or

b. Provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

vii. The Group has not surrendered or disclosed any transaction, previously unrecorded in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year.

viii. The Parent and Subsidiaries have not been declared willful defaulter by any bank or financial institution or other lender or government or any government authority.

ix. The Parent and Indian Subsidiaries have complied with the requirement with respect to number of layers as prescribed under Section 2(87) of the Companies Act, 2013 read with the Companies (Restriction on number of layers) Rules, 2017.

Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

30.13 The Code on Social Security 2020 has been notified in the Official Gazette on September 29, 2020. However, the date on which the code will come into effect has not been notified and the final rules/interpretation have not yet been issued. The Group will assess the impact of the code when it comes into effect and will record any related impact in the period the code becomes effective. Based on a preliminary assessment, the entity believes the impact of the change will not be significant.

30.14 Events after the reporting period - The Group has evaluated subsequent events from the balance sheet date through May 09, 2024, the date at which the financial statements were available to be issued and determined that there are no material items to disclose other than those disclosed above.

30.15 The Board of Directors, at its meeting held on May 09, 2024, has proposed a final dividend of ₹ 18.00 per equity share of face value ₹ 10.00 each for the financial year ended March 31, 2024. This is in addition to the interim dividend of ₹ 12.00 per equity share paid during the year. With this, the total dividend for the year is ₹ 30.00 per equity share of face value ₹ 10.00 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 ₹ 177.80 crore.

30.16 Figures for the previous year have been regrouped/reclassified to conform to the figures of the current year.

For and on behalf of the Board of Directors of **Mahanagar Gas Limited**

Ashu Shinghal
Managing Director
DIN: 08268176

Syed S. Hussain
Director
DIN: 00209117

Rajesh Patel
Chief Financial Officer
FCA No: 048326

Atul Prabhu
Company Secretary and Compliance Officer
ACS No: 64051

Place: Mumbai
Date: May 09, 2024

NOTICE

MAHANAGAR GAS LIMITED

CIN: L40200MH1995PLC088133
Regd. Off.: MGL House, Block No: G-33, Bandra-Kurla Complex, Bandra (E), Mumbai -400051
Website: www.mahanagargas.com | **E-mail:** info@mahanagargas.com | **Tel No.** +91 22 6678 5000

To,
The Members

NOTICE is hereby given that the **Twenty Ninth Annual General Meeting ('AGM')** of the Members of **Mahanagar Gas Limited** will be held on Friday, August 23, 2024 at 11:30 a.m. (IST) through Video Conferencing (**'VC'**)/ Other Audio Visual Means (**'OAVM'**), to transact the following businesses.

ORDINARY BUSINESS:

1. To receive, consider and adopt the Standalone and Consolidated Audited Financial Statements of the Company for the financial year ended March 31, 2024, together with the Reports of the Board of Directors' and Auditors' thereon.

2. To confirm the payment of Interim Dividend of ₹ 12/- per equity share, already paid and to declare the Final Dividend of ₹ 18/- per equity share for the financial year ended on March 31, 2024.

3. To appoint a Director in place of Dr. Harshadeep S. Kamble (DIN: 07183938), who retires by rotation and being eligible, offers himself for re-appointment.

SPECIAL BUSINESS:

4. **Ratification of remuneration of Cost Auditors for the financial year 2024-25**

   To consider and if thought fit, to pass, with or without modification(s), following resolution as an **Ordinary Resolution**:

   "**RESOLVED THAT** pursuant to the provisions of Section 148 and other applicable provisions, if any, of the Companies Act, 2013 read with rules made thereunder (including statutory amendments, modifications, variations or re-enactments thereof for the time being in force), the remuneration of ₹ 2,50,000/- (Rupees Two Lakh Fifty Thousand only) (excluding out of pocket expenses, to be reimbursed up to 5% of basic fee) plus taxes as applicable, payable to M/s. ABK & Associates, Cost Accountants (Firm Registration No. 000036), the Cost Auditors appointed by the Board of Directors of the Company, to conduct audit of the cost records of the Company for the financial year 2024-25, as approved by the Audit Committee and Board of Directors of the Company, be and is hereby ratified.

   RESOLVED FURTHER THAT the Board of Directors and/ or any person authorised by the Board, be and is hereby severally authorized to do all acts and take all such steps, as may be necessary, proper or expedient to give effect to the above resolution."

5. **Approval of Material Related Party Transactions with GAIL (India) Limited**

   To consider and if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution**:

   "**RESOLVED THAT** pursuant to applicable provisions of the Companies Act, 2013 read with Rules framed thereunder, and other provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (**'Listing Regulations'**), as amended from time to time, other applicable statutory laws (including statutory amendments, modifications, variations or re-enactments thereof for the time being in force), as per the Company's Policy on Related Party Transactions, based on recommendations and approval of the Audit Committee and Board of Directors, approval of the shareholders of the Company be and is hereby accorded to the Company to enter into or continue to enter into related party transaction(s)/ contract(s) / arrangement(s) / agreement(s) (in terms of Listing Regulations) as per details set out in the explanatory statement annexed to this Notice, whether by way of an individual transaction or transactions taken together or a series of transactions or otherwise with GAIL (India) Limited, a related party of the Company, during the financial year 2025-26 exceeding 10% of the consolidated turnover of the Company as per the audited financial statements for the financial year 2023-24 or such other threshold limits as may be specified in Listing Regulations from time to time.

   RESOLVED FURTHER THAT the Directors or Key Managerial Personnel of the Company be and are hereby jointly / severally authorized to do all such acts, deeds, matters and things and to take all such steps as may be necessary, desirable or expedient to give effect to this resolution."

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

Atul Prabhu
Company Secretary and Compliance Officer

Place: Mumbai
Date: July 25, 2024

Registered Office:
MGL House, Block No. G-33,
Bandra-Kurla Complex,
Bandra (East), Mumbai – 400 051

Notes:

1. Pursuant to the General Circular No. 20/2020 dated May 05, 2020 issued by the Ministry of Corporate Affairs (**'MCA'**) read with General Circulars No. 14/2020 and 17/2020 dated April 08, 2020 and April 13, 2020 respectively, MCA General Circular No. 09/2023 dated September 23, 2023 and other circulars issued in this regard (**'MCA Circulars'**) and pursuant to the Securities and Exchange Board of India (**'SEBI'**) vide its Circular No. SEBI/HO/CFD/CFD-PoD-2/P/CIR/2023/167 dated October 07, 2023 and other circulars issued in this regard (**'SEBI Circulars'**), the Company will be conducting the 29th Annual General Meeting (**'AGM'**) through Video Conferencing / Other Audio Visual Means (**'VC / OAVM'**).

2. The Company has availed the services of Central Depository Services (India) Limited (**'CDSL'**) for conducting the AGM through VC/OAVM and enabling participation of Members at the meeting thereto and for providing facility to the Members to cast their votes using an electronic voting system from any place before the meeting (**'Remote e-voting'**) and e-voting during the AGM. The procedure for participating in the meeting through VC / OAVM is explained in the notes below.

3. The Company's Registrar and Transfer Agent for its Share Registry Work (Physical and Electronic) is Link Intime India Private Limited, C 101, 247 Park, L.B.S. Marg, Vikhroli (West), Mumbai – 400 083 (**'RTA / Link Intime'**).

4. Pursuant to the above-mentioned MCA Circulars, physical attendance of the Members is not required at the AGM and attendance of the Members through VC/OAVM will be counted for the purpose of reckoning the quorum under section 103 of the Companies Act, 2013 (**'Act'**).

5. Pursuant to the applicable MCA Circulars and SEBI Circular, since the AGM is being conducted through VC / OAVM, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of Proxy by the Members is not available for this AGM and hence the Proxy Form and Attendance Slip including Route Map are not annexed to this Notice.

6. Institutional / Corporate Members / Governor of State are entitled to appoint authorised representatives to attend the AGM through VC/ OAVM on their behalf and cast their votes through remote e-voting or at the AGM. Institutional / Corporate Members / Governor of a State are requested to send a certified scanned copy of (PDF / JEPG format) of the Board Resolution to the Scrutinizer at sksacs@gmail.com and to the Company at agm@mahanagargas.com authorizing its representatives to attend the AGM and vote on the resolutions, pursuant to section 112 and 113 of the Act.

7. In case of joint holders, the Member whose name appear 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.

8. In accordance with the Secretarial Standard – 2 on General Meetings issued by the Institute of Company Secretaries of India (**'ICSI'**), proceedings of the AGM shall be deemed to be conducted at 18th Floor, Parinee Crescenzo, G Block, Bandra-Kurla Complex, Bandra (East), Mumbai – 400 051 which shall be the deemed venue of the AGM.

9. The Explanatory Statement pursuant to Section 102 of the Act setting out material facts concerning the business under Item Nos. 4 and 5 of the Notice is annexed hereto.

10. The relevant Statutory Registers and any other documents referred to in the accompanying Notice and Explanatory Statement, shall be made available for inspection electronically by the Members in accordance with the applicable statutory requirements based on the requests received by the Company at agm@mahanagargas.com. Additionally, such documents shall be made available for inspection at the Registered Office of the Company during business hours on all working days upto the date of AGM i.e. August 23, 2024.

11. Book Closure

Pursuant to the provisions of Section 91 of the Act, the Members and Share Transfer Books of the Company will remain closed from **Thursday, August 15, 2024 to Friday, August 23, 2024** (both days inclusive) for the purpose of Dividend and AGM.

12. The Board of Directors, in its meeting held on January 23, 2024, had declared an Interim Dividend of ₹ 12/- per equity share of face value of ₹ 10/- each, on the paid-up equity share capital of the Company for the financial year 2023-24 and was paid to those shareholders whose names appeared in the Register of Members / List if Beneficial Owners as on record date i.e. February 05, 2024.

13. The final dividend, as recommended by the Board of Directors, if approved at the AGM, would be paid subject to deduction of tax at source, as may be applicable, after August 23, 2024 through various modes, to those persons or their mandates:

(a) whose names appear as Beneficial Owners in respect of shares held in dematerialized form as at the end of the business hours on Wednesday, August 14, 2024 in the list to be made available by National Securities Depository Limited (**'NSDL'**) and Central Depository Services (India) Limited (**'CDSL'**) collectively referred to as '**Depositories**' and

(b) whose names appear as Members in respect of shares held in physical form in the Register of Members of the Company, as at the end of the business hours on Wednesday, August 14, 2024 after giving effect to valid transfer, transmission or transposition requests logged with the Company.

14. Payment of Dividend

SEBI has made it mandatory for all Companies to use the bank account details furnished by the Depositories and the bank account details maintained by the Registrar and Transfer Agent for payment of dividend to Members electronically. The Company has extended the facility of electronic credit of dividend directly to the respective bank accounts of the Member(s) through the National Electronic Clearing Service (**'NECS'**) / National Electronic Fund Transfer (**'NEFT'**) / Real Time Gross Settlement (**'RTGS'**) / Direct Credit, etc. In case the Company's dividend banker is unable to process the final dividend to any Member by electronic mode, due to non-availability of the details of the bank account or for any other valid reason whatsoever, the Company shall dispatch the dividend warrants/demand drafts to such members by post.

Members holding shares in physical/demat form are hereby informed that the bank particulars registered with RTA or their respective Depository Participant (**'DP'**), as the case may be, will be considered by the Company for payment of final dividend. Members holding shares in physical/demat form are required to submit their bank account details, if not already registered, as mandated by the SEBI.

SEBI vide its Master Circular No. SEBI/HO/MIRSD/POD-1/P/CIR/2024/37 dated May 7, 2024, has mandated that with effect from April 1, 2024, dividend to security holders who are holding securities in physical form, shall be paid only through electronic mode. Such payment shall be made only if the folio is KYC compliant i.e., the details of Permanent Account Number (**'PAN'**), nomination, contact details, mobile number, complete bank details and specimen signatures are registered. In case of non-updation of any of these details in respect of physical folios, dividend shall be paid only upon furnishing of all the aforesaid details in entirety.

The Members are requested to update their details with Company / Link Intime by submitting ISR forms available on website of the Company i.e. https://www.mahanagargas.com/MGL-corporate/investors/investor-guide or on the website of Link Intime at https://liiplweb.linkintime.co.in/KYC-downloads.html to avoid delay in receipt of dividend.

As directed by SEBI, the Members holding shares in physical form are requested to submit particulars of their bank account in Form ISR-1 alongwith the original cancelled cheque bearing the name of the Member to Link Intime / the Company to update their bank account details.

Shareholders are requested to ensure that their bank account details in their respective demat accounts are updated to enable the Company to provide timely credit of dividend in their bank accounts.

15. TDS on Dividend

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).

The Tax Deducted at Source (**'TDS'**) rate may vary depending on the residential status of the Shareholder and the documents submitted to the Company in accordance with the applicable provisions of the Act. The TDS for various categories of Shareholders along with required documents are provided in Table 1 and 2 below:

Table 1: Resident Shareholders

Category of Shareholder	Tax Deduction Rate	Exemption applicability / Documentation requirement
Any resident Shareholder **(Note iv and v)**	10%	Update valid PAN, if not already done, with depositories. No taxes will be deducted in the following cases - • If dividend income to a resident Individual Shareholder during FY 2024-25 does not exceed ₹ 5,000/- **(Note ii)** • If Shareholder is exempted from TDS provisions through any circular(s) or notification(s) and provides an attested copy of the PAN along with the documentary evidence in relation to the same **(Note iii)**
Submitting Form 15G/ Form 15H	NIL	Resident Individual Shareholder providing Form 15G (applicable to individuals) / Form 15H (applicable to an individual whose age is 60 years or more during FY 2024-25) provided that all the conditions are met. Please note that all fields are mandatory to be filled up and the Company may at its sole discretion reject the form if it does not fulfil the requirement of law. Blank Form 15G and 15H can be downloaded from the link given at the end of this communication **(Note vi)**
Order under section 197 Act of Income Tax Act, 1961	Rate provided in the order	Lower/NIL withholding tax certificate obtained from Income Tax authorities.
Insurance Companies: Public & Other Insurance Companies	NIL	Documentary evidence that the provisions of section 194 of the Income Tax Act, 1961 are not applicable **(Note vii)**
Corporation established by or under a Central Act which is, under any law for the time being in force, exempt from income-tax on its income	NIL	Declaration that it is a corporation established by or under a Central Act whereby income-tax is exempt on the income and accordingly, is covered under section 196 of the Income Tax Act, 1961, along with self-attested copy of registration certificate and relevant extract of the section whereby the income is exempt from tax.
Mutual Funds specified under clause (23D) of section 10 of the Income Tax Act, 1961	NIL	Declaration that it is a Mutual Fund specified under section 10(23D) of the Act and accordingly, is covered under section 196 of the Income Tax Act, 1961, along with self-attested copy of registration certificate or notification, as the case may be.
Alternative Investment Fund (AIF)	NIL	Declaration that AIF income is exempt under section 10(23FBA) of the Income Tax Act, 1961 as it has been granted a certificate of registration as a Category I or Category II AIF under the SEBI (AIF) Regulations, 2012 or under the International Financial Services Centre Authority Act, 2019. Also, to provide copy of registration document (self-attested).
New Pension System (NPS) Trust	NIL	Declaration that NPS Trust income is exempt under section 10(44) of the Income Tax Act, 1961. Self-attested copy of registration document for establishment of said trust under the Indian Trust Act, 1882 along with self-attested copy of PAN card.

Category of Shareholder	Tax Deduction Rate	Exemption applicability / Documentation requirement
Other resident Shareholder without PAN or having Invalid **PAN (Note viii and ix)**	20%	-
Non-filers of income-tax return - section 206AB **(Note x)**	20%	Non-compliance cast an obligation on the Company to deduct at higher rate

Table 2: Non-resident Shareholders

Category of Shareholder	Tax Deduction Rate	Exemption applicability / Documentation requirement
Any non-resident Shareholder **(Note xi)**	20% (plus applicable surcharge and cess) or Tax Treaty rate, whichever is beneficial	Non-resident Shareholders may opt for tax rate under Double Taxation Avoidance Agreement (**'Tax Treaty'**). In case of shareholder being tax resident of Singapore, please furnish the letter issued by the competent authority or any other evidence demonstrating the non-applicability of Article 24 - Limitation of Relief under India-Singapore Double Taxation Avoidance Agreement (DTAA). It is recommended that shareholders should independently satisfy its eligibility to claim Double Tax Avoidance Treaty benefit including meeting of all conditions laid down by Double Tax Avoidance Treaty. The Tax Treaty rate shall be applied for tax deduction at source on submission of following documents to the Company: a) Copy of PAN Card, if any, allotted by the Indian authorities. b) Self-attested copy of Tax Residency Certificate (**TRC**) valid as on the Record Date, obtained from the tax authorities of the Country of which the Shareholder is resident. c) Electronically Filed Form 10F on Income Tax Portal as per Notification No. 03/2022 dated July 16 2022 issued by the Income Tax Department Self-declaration confirming not having a Permanent Establishment in India and eligibility to Tax Treaty benefit. d) Self-declaration regarding 'Principle Purpose Test' (if any) as applicable to respective Treaty. e) Self-declaration as regards beneficial ownership. In case of Foreign Institutional Investors, Foreign Portfolio Investors (FII, FPI), Self-attested copy of certificate of registration accorded under the relevant regulations of the SEBI. TDS shall be deducted at 20% (plus applicable surcharge and cess), if any, if the above-mentioned documents are not provided.
Submitting Order under section 197 of the Income Tax Act, 1961.	Rate provided in the Order	Lower/NIL withholding tax certificate obtained from Income Tax authorities.

Kindly note that the documents as mentioned in the Table 1 and 2 above are required to be uploaded at https://liiplweb.linkintime.co.in/formsreg/submission-of-form-15g-15h.html.

No communication on the tax determination / deduction shall be considered after Wednesday, August 14, 2024 by 11:59 p.m. (IST) in order to enable the Company to determine and deduct appropriate TDS / withholding tax rate.

Notes:

(i) In due compliance of the applicable provisions of the Act, the Company will be issuing certificate for tax deducted at source in Form 16A. The credit for tax deducted at source can also be verified by the Shareholder by verifying Form 26AS, after the statement of tax deducted at source is furnished by the Company and thereafter Annual Information Statement (Form 26AS) is updated.

(ii) In case of any further dividend which is paid in the financial year 2024-25 and considering the amount of dividend payments made earlier, if the aggregate dividend pay-out exceeds ₹ 5,000/-, then, from the subsequent payment of dividend, the tax on the current as well as on earlier amount of dividend will be deducted and accordingly, the balance amount of dividend will be paid to the concerned Individual Shareholder.

(iii) Reference is drawn to Circular No. 18/2017 dated May 29, 2017 issued by the Government of India, Ministry of Finance, Department of Revenue, Central Board of Direct Taxes as regards requirement of TDS in case of entities whose income is exempt under section 10 of the Act.

(iv) In case dividend income under the provisions of the Act is chargeable to tax in hands of any other person other than the Registered Shareholder, then, a declaration to that effect is required to be submitted in terms of Section 199 of the Act read with Rule 37BA of the Income Tax Rules, 1962. On such submission, the Company will deduct tax in the name of such person, which would be due compliance of law on the part of the Company.

(v) The Shareholders holding shares under multiple accounts under different status / category and single PAN, may note that, higher of the tax as applicable to the status in which shares held under a PAN will be considered on their entire holding in different accounts.

(vi) The Company, in compliance with the provisions of the Act, will allot unique identification number and the declarations will be furnished along with the statement of deduction of tax to the income tax.

(vii) Insurance Companies: The Life Insurance Corporation of India, The General Insurance Corporation of India, The National Insurance Company Limited, The New India Assurance Company Limited, The Oriental Insurance Company Limited, The United India Insurance Company Limited and any other insurer as per section 2(28BB) of the Act. In case of any other insurer self-attested copy of registration is to be furnished. If shares are not owned but have full beneficial interest, then, a declaration to that effect.

(viii) Needless to mention, PAN will be mandatorily required. In absence of PAN / Valid PAN, tax will be deducted at a higher rate of 20% as per Section 206AA of the Act.

(ix) In terms of section 139AA of the Act read with rule 114AAA, Aadhaar number is required to be linked with PAN by May 31, 2024. In case of failure of linking Aadhaar number with PAN within the prescribed timelines, PAN shall be considered inoperative and, in such scenario, tax shall be deducted at higher rate of 20%. Therefore, the shareholders are advised to link Aadhar number with PAN if not done.

(x) TDS is to be deducted at higher rate in case of non-filers of Return of Income as per section 206AB of the Act which requires the Company to deduct tax at higher of the following rates in case of a 'specified person':

- At twice the rate specified in the relevant provision of the Act; or
- At twice the rates or rates in force; or
- At the rate of 5%; or
- At the rate 20%, if section 206AA is applicable

The 'specified person' means a person who has:

- not filed return of income for the assessment year relevant to the previous year immediately prior to the previous year in which tax is required to be deducted, for which the time limit of filing return of income under sub-section (1) of section 139 has expired; and

- Subjected to tax deduction/collection at source in aggregate amounting to H 50,000 or more in the said previous year.

A non-resident who does not have a permanent establishment is excluded from the scope of a specified person. Accordingly, non-resident shareholders are requested to provide declaration if they do not have permanent establishment and hence should not be considered as specified person.

The Income Tax Department has through the reporting portal utility made available the list of 'specified person' for the purpose of section 206AB which shall be obtained at the time of deduction of Tax at Source and accordingly, those shareholders who are classified as a specified person under section 206AB, TDS on the dividend amount will be deducted at higher rate of 20%.

(xi) The provisions of the tax treaty rate shall be applied even if tax is deductible under section 196D. Therefore, under both sections i.e. section 195/196D, the treaty provisions can be applied, subject to submissions of documents as mentioned above. However, the Company is not obligated to apply the Tax Treaty rates at the time of tax deduction/withholding on dividend amounts, if the completeness of documents submitted by the non-resident Shareholder is not to the satisfaction of the Company, including not in accordance with the provisions of the Act. The Company, in compliance of section 195 of the Act, will furnish information relating to the payment of dividend and deduction of tax at source thereon in Form 15CA by the Company and 15CB by a Chartered Accountant, as applicable.

(xii) In case tax on dividend is deducted at a higher rate in the absence of receipt of the aforementioned details / documents, the concerned Shareholder would still have the option of claiming refund of the excess tax deducted at the time of filing the income tax return. No claim shall lie against the Company for such taxes deducted.

(xiii) The above is only to facilitate the Shareholder so that appropriate TDS is deducted on the dividend amount in accordance with the applicable provisions of the Act.

(xiv) Shareholders may have already noted the tax implications in case their PAN is not registered with the Company/RTA/Depository Participants including non-linking of Aadhaar and non-filing of Returns. Further, it may be noted that:

- In terms of section 139A of the Act, it is mandatory to quote PAN if tax is deductible on the dividend amount at source under section 194 of the Act. Such non-quoting shall attract penalty of H 10,000/- under section 272B of the Act.
- SEBI has mandated the submission of PAN by every participant in the securities market.

(xv) Accordingly, Shareholders are once again requested to submit their PAN to the Depository Participants with whom they maintain their demat accounts, in case of holding in electronic form.

16. Investor Education and Protection Fund ('IEPF')

Pursuant to Section 124 and other applicable provisions, if any, of the Act, all dividend remaining unpaid and unclaimed for a period of 7 (seven) years from the date of declaration will be transferred to IEPF, established by the Central Government. Accordingly, unpaid and unclaimed final dividend for the financial year 2015-16 and unpaid and unclaimed interim dividend for the financial year 2016-17, have been transferred to the IEPF.

In terms of the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 (**'IEPF Rules'**), equity shares in respect of which dividend has not been paid or claimed for 7 (seven) consecutive years or more from the date of declaration will also be transferred to IEPF. In compliance with the IEPF Rules, the Company has transferred equity shares pertaining to the aforesaid financial years ie. 2015-16 and 2016-17 to the IEPF, after providing necessary intimations to the relevant Members.

Details of unpaid / unclaimed dividend and equity shares for the financial years 2015-16 and 2016-17 are uploaded on the website of the Company, as well as that of MCA (IEPF) and can be accessed through the link: www.iepf.gov.in. No claim shall lie against the Company in respect of unclaimed dividend amount and equity shares transferred to the IEPF, pursuant to the IEPF Rules.

In view of this, Members / Claimants are requested to claim their unpaid/unclaimed final dividend for the financial year 2016-17, on or before October 29, 2024. The Members, whose unclaimed dividends/ shares have been transferred to IEPF, may write to the Company/ Link Intime for advising the procedure for claiming the shares / dividend from IEPF Authorities and can submit Form IEP-5 alongwith other required documents as mentioned at www.iepf.gov.in and claim their shares from IEPF Authority. For details, please refer to the Corporate Governance Report which is a part of this Annual Report.

17. Members can avail nomination facility in respect of shares held by them in physical form pursuant to the provisions of Section 72 of the Act. Members desiring to avail this facility may send their nomination in the prescribed Form No. SH-13 duly filled in to Link Intime at the above-mentioned address. Members holding shares in electronic form may contact their respective DPs for availing this facility.

18. In terms of Regulation 40 of the Listing Regulations, securities of listed companies can be transferred only in dematerialized form with effect from April 01, 2019 except in case of transmission or transposition of securities. Further, SEBI vide its Master Circular dated May 07, 2024 has mandated that securities shall be issued only in dematerialized mode while processing duplicate / unclaimed suspense / renewal / exchange / endorsement / sub-division / consolidation / transmission / transposition services requests received from physical securities holders. In view of the above and to eliminate risk associated with physical shares and to avail various benefits of dematerialization, Members are advised to dematerialize their shares held in physical form.

19. Members may kindly note that the Company has made arrangement of dematerialization of its equity shares and the ISIN allotted for the same is INE002S01010. The shareholders holding shares in physical form are advised to get the shares in dematerialized form as the transfer of shares are mandated in dematerialized form only. The investors are requested to contact the Registrar and Share Transfer Agent of the Company i.e. Link Intime. In order to complete the process.

20. 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, viz. name of bank and branch details, bank account number, MICR code, IFSC code, etc. to DPs in case of shares held in electronic form and to their RTA in case of shares held in physical form.

21. Electronic dispatch of Annual Report and process of registration of email Id

In accordance with MCA Circulars and the SEBI Circulars, Annual Report for the financial year 2023-24 which inter-alia comprises of the Audited Financial Statements alongwith the Reports of the Board of Directors and Auditors thereon and documents required to be attached for the financial year ended March 31, 2024 pursuant to Section 136 of the Act and Notice calling 29th AGM pursuant to Section 101 of the Act read with Rules framed thereunder, are being sent in electronic mode to Members whose e-mail addresses are registered with the Company or Link Intime or the DPs.

The Notice of AGM alongwith Annual Report for the financial year 2023-24 is available on the website of the Company at www.mahanagargas.com, website of stock exchanges i.e. BSE Limited and the National Stock Exchange of India Limited and on the website of CDSL at www.evotingindia.com

Members who have not registered their e-mail address are requested to register the same in the following manner:

For shares held in the Physical form	By submitting their query(ies) by clicking on 'Service Request' option under 'Investor Services' tab available on the website of the RTA of the Company i.e. Link Intime at https://www.linkintime.co.in
For shares held in Dematerialized form	By contacting the concerned DP

22. Process for registering e-mail addresses to receive this 29th AGM alongwith Annual Report electronically and cast votes electronically

A. Registration of e-mail addresses with Link Intime:

The Company has made special arrangements with Link Intime for registration of email 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 email addresses are not registered with the Company / DPs are required to provide the same to Link Intime on or before 5:00 p.m. IST on Wednesday, August 14, 2024.

Process to be followed for registration of email address is as follows:

(a) Click on the URL: https://liiplweb.linkintime.co.in/EmailReg/Email_Register.html

(b) Select the Name of the Company from dropdown: **Mahanagar Gas Limited**

(c) Enter DP and Client ID (if shares held in electronic form)/Folio number (if shares held in physical form) and PAN. In the event PAN details are not registered for physical folio, Member to enter one of the Share Certificate numbers.

(d) Enter Mobile number and e-mail ID and click of Continue button.

(e) The system generated One Time Password (**'OTP'**) will be sent on mobile number and e-mail ID.

(f) Enter OTP received on mobile number and e-mail ID.

(g) Click on Submit button.

(h) On completing the above process your request will be accepted and request ID will be generated. The system will then confirm the email address for receiving this AGM Notice.

B. Registration of e-mail addresses permanently with Company / DPs

(a) For members holding shares in physical mode: Members are requested provide necessary details like Folio No., Name of Member, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) by email or submit Form ISR-1 to Link Intime at kyc@linkintime.co.in

(b) For members holding shares in dematerialized mode: Members are requested to register their email addresses with their concerned DPs.

(c) For Individual Demat shareholders – Please update your email id and mobile no. with your respective DPs which is mandatory while e-voting and joining virtual meetings through Depositories.

Furter, those Members who have already registered their e-mail addresses are requested to keep their e-mail addresses validated / updated with their DPs / Link Intime to enable servicing of notices / documents / Annual Reports and other communications electronically to their e-mail address in future.

23. The Board of Directors has appointed Mr. Santosh Singh & Associates, Practicing Company Secretary (Membership No. ACS 15964) as the Scrutinizer to scrutinize the voting at the meeting and remote e-voting process in a fair and transparent manner.

INSTRUCTIONS FOR REMOTE E-VOTING

24. In compliance with the provisions of Section 108 of the Act read with the Companies (Management and Administration) Rules, 2014, as amended from time to time, Regulation 44 of the Listing Regulations and the MCA Circulars, facility for Remote e-voting and voting during the AGM is provided to the Members in respect of the resolutions proposed in this Notice using the platform of CDSL.

25. In order to increase the efficiency of voting process and in terms of SEBI Circular No. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020, Demat account holders are being provided a single login credential, through their demat accounts/websites of Depositories/DPs. Demat account holders will now be able to cast their vote without having to register again with the e-voting service providers, thereby facilitating seamless authentication, enhancing ease and convenience of participating in the e-voting process.

26. A facility for e-voting at the AGM will be made available to the Members who have not already cast their votes by Remote e-voting prior to the Meeting. Members who have cast their votes by Remote e-voting prior to the Meeting may participate in the AGM but shall not be entitled to cast their votes during the meeting.

27. Voting Rights shall be reckoned on the paid-up value of equity shares registered in the name of the Members as on the cut-off date i.e. **Friday, August 16, 2024.** A person, whose name is recorded in the Register of Members or in the Register of Beneficial Owners (in case of electronic shareholding) maintained by the Depositories as on the cutoff date, i.e. Friday, August 16, 2024 only shall be entitled to avail the facility of Remote e-voting and e-voting at the AGM. A person who is not a Member as on the Cut-off Date should treat this Notice for information purposes only.

28. The Remote e-voting period commences from **9:00 a.m. IST** on **Tuesday, August 20, 2024** and ends at **5:00 p.m. IST** on **Thursday, August 22, 2024.** The Remote e-voting module shall be disabled by CDSL thereafter. Once the vote on a resolution is cast by the Member, the Member shall not be allowed to change it subsequently.

29. PROCEDURE FOR REMOTE E-VOTING AND JOINING THE VIRTUAL AGM

A. Details of the process and manner for Remote e-voting and joining virtual AGM for Individual shareholders holding securities in Demat mode are explained herein below

Type of shareholders	Login Method
Individual Shareholders holding securities in Demat mode with **CDSL Depository**	1) Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-voting page without any further authentication. To login to Easi / Easiest are requested to visit CDSL website www.cdslindia.com and click on 'Login' icon and then click 'My Easi New (Token)' Tab. 2) After successful login, the Easi / Easiest user will be able to see the e-voting option for eligible companies where the e-voting is in progress as per the information provided by the Company. On clicking the e-voting option, the user will be able to see e-voting page of the e-voting service provider for casting your vote during the Remote e-voting period or joining virtual meeting & voting during the meeting. Additionally, there are also links provided to access the system of all e-voting service providers, so that the user can visit the e-voting service providers' website directly. 3) If the user is not registered for Easi / Easiest, option to register is available at CDSL website at https://web.cdslindia.com/myeasitoken/Registration/EasiRegistration. 4) Alternatively, the user can directly access e-voting page by providing Demat Account Number and PAN from a e-voting link available on https://evoting.cdslindia.com/Evoting/EvotingLogin. The system will authenticate the user by sending OTP on registered Mobile number and email ID as recorded in the Demat Account. After successful authentication, user will be able to see the e-voting option where the e-voting is in progress and also able to directly access the system of all e-voting service providers.
Individual Shareholders holding securities in demat mode with **NSDL Depository**	1) If a user is already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: https://eservices.nsdl.com either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the 'Beneficial Owner' icon under 'Login' which is available under 'IDeAS' section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-voting services. Click on 'Access to e-voting' under e-voting services and you will be able to see e-voting page. Click on Company name or e-voting service provider name and you will be re-directed to e-voting service provider website for casting your vote during the remote e-voting period or joining virtual meeting and voting during the meeting. 2) If the user is not registered for IDeAS e-Services, an option to register is available at https://eservices.nsdl.com. Select 'Register Online for IDeAS' or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp 3) 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. Once the home page of e-voting system is launched, click on the icon 'Login' which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen-digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-voting page. Click on Company name or e-voting service provider name and you will be redirected to e-voting service provider website for casting your vote during the remote e-voting period or joining virtual meeting and voting during the meeting.

Type of shareholders	Login Method
Individual Shareholders (holding securities in demat mode) login through their **Depository Participants (DP)**	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-voting facility. After Successful login, you will be able to see e-voting option. Once you click on e-Voting option, you will be redirected to NSDL/ CDSL Depository site after successful authentication, wherein you can see e-voting feature. Click on Company name or e-voting service provider name and you will be redirected to e-voting service provider website for casting your vote during the remote e-voting period or joining virtual meeting and voting during the meeting.

Important note: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. CDSL and NSDL

Login type	Helpdesk details
Individual Shareholders holding securities in Demat mode with **CDSL**	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at toll free no. 1800 21 09911
Individual Shareholders holding securities in Demat mode with **NSDL**	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at 022 - 4886 7000 and 022 - 2499 7000

B. Login method for Remote e-voting and joining virtual meeting for non-individual shareholders holding shares in Demat form, shareholders holding shares in physical form and shareholders whose e-mail IDs are not registered with the Company

(a) The Members should log on to the e-voting website www.evotingindia.com.

(b) Click on 'Shareholders' module.

(c) Now enter your User ID:

i. For CDSL: 16 digits beneficiary ID,

ii. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,

iii. Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.

(d) Next enter the Image Verification as displayed and click on 'Login'.

(e) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier e-voting of any Company, then your existing password is to be used.

(f) If you are a first-time user follow the steps given below:

For Physical shareholders and other than individual shareholders holding shares in Demat	
PAN	• Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) • Members who have not updated their PAN with the Company / Depository Participant are requested to use the sequence number sent by Company / RTA or contact Company / RTA.
Dividend Bank Details **OR** Date of Birth (DOB)	• Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. • If both the details are not recorded with the depository or Company, please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (c).

(g) After entering these details appropriately, click on 'SUBMIT' tab.

(h) Members holding shares in physical form will then directly reach the Company selection screen. However, Members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

(i) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.

(j) Click on the EVSN of the Company – '**Mahanagar Gas Limited**' to vote.

(k) On the voting page, you will see 'RESOLUTION DESCRIPTION' and against the same the option 'YES/ NO' for voting. Select the option 'YES' or 'NO' as desired. The option 'YES' implies that you assent to the Resolution and option 'NO' implies that you dissent to the Resolution.

(l) Click on the 'RESOLUTIONS FILE LINK' if you wish to view the entire Resolution details.

(m) After selecting the resolution, you have decided to vote on, click on 'SUBMIT'. A confirmation box will be displayed. If you wish to confirm your vote, click on 'OK', else to change your vote, click on 'CANCEL' and accordingly modify your vote.

(n) Once you 'CONFIRM' your vote on the resolution, you will not be allowed to modify your vote.

(o) You can also take a print of the votes cast by clicking on 'Click here to print' option on the Voting page.

(p) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on 'Forgot Password' and enter the details as prompted by the system.

(q) There is also an optional provision to upload BR/ POA if any uploaded, which will be made available to scrutinizer for verification.

(r) **Additional Facility for Non – Individual Shareholders and Custodians – For Remote Voting only**

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to www.evotingindia.com and register themselves in the 'Corporates' module.
- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
- After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
- The list of accounts linked in the login will be mapped automatically & can be delink in case of any wrong mapping.
- It is mandatory that a scanned copy of the Board Resolution and Power of Attorney (**'POA'**) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- Alternatively, Non Individual shareholders are required mandatory to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address viz; agm@mahanagargas.com, if they have voted from individual tab and not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

30. Instructions to Members for participating in AGM through VC / OAVM

(a) Members will be provided with a facility to attend the AGM through VC/OAVM through the CDSL e-voting system. The procedure for attending meeting and e-voting on the day of the AGM is the same as the instructions mentioned for remote e-voting in note above. The link for Members to attend the meeting through VC/OAVM will be available in the members' login where the EVSN of Company will be displayed.

(b) The Members can join 15 (fifteen) minutes before the scheduled time of AGM and till 15 (fifteen) minutes after the commencement of the AGM.

(c) The facility of participation at the AGM through VC/OAVM will be made available for 1,000 members on first come first served basis. 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.

(d) Members are encouraged to join the Meeting through Laptops / IPads for better experience.

(e) Further, Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.

(f) Members are requested to note that participants connecting from mobile devices or tablets or through laptop 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 kind of aforesaid glitches.

31. Instructions to Members for e-voting on the day of the AGM are as under

(a) The procedure for e-voting on the day of the AGM is same as the instructions mentioned above for Remote e-voting.

(b) Only those Members who participate in the AGM through VC/OAVM facility and have not already cast 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 at the AGM.

(c) 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.

(d) If any votes are cast by the Members through the e-voting available during the AGM and if the same Members have not participated in the meeting through VC/OAVM facility, the votes cast by such Members shall be considered invalid as the facility of e-voting during the meeting is available only to the Members attending the meeting.

32. Procedure to raise questions / seek clarifications with respect to Annual Report

Members who would like to express their views/ask questions during the meeting may register themselves as a speaker by sending their request latest by **Wednesday, August 14, 2024** mentioning their name, demat account number/folio number, email id, mobile number at agm@mahanagargas.com. The Company reserves the right to restrict the number of questions and number of speakers, as appropriate for smooth conduct of the AGM, depending on availability of time.

The Members who do not wish to speak during the AGM but have queries may send their queries at agm@mahanagargas.com latest by **Wednesday, August 14, 2024** mentioning their name, demat account number/folio number, email id, mobile number. These queries will be replied to by the Company suitably by email.

Those Members who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.

33. General Instructions

(a) If you have any queries or issues regarding attending AGM & e-voting from the CDSL e-voting system, you can write an email to helpdesk.evoting@cdslindia.com or contact at toll free no. 1800 21 09911.

(b) All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Sr. Manager, Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to helpdesk.evoting@cdslindia.com or call toll free no. 1800 21 09911

34. Voting Results

The results will be announced within the time stipulated under the applicable laws. Once declared, the results along with the consolidated Scrutinizer's Report shall be placed on the Company's website www.mahanagargas.com and on the website of CDSL www.evotingindia.com.

Subject to the receipt of requisite number of votes, the Resolutions shall be deemed to be passed on the date of the Meeting i.e. Friday, August 23, 2024.

Explanatory Statement pursuant to Section 102 of the Companies Act, 2013

Item No. 4

The Board of Directors of the Company at its meeting held on May 09, 2024 approved the appointment of M/s. ABK & Associates, Cost Accountants (Firm Registration No. 000036), on the recommendation of Audit Committee, to conduct audit of cost records of the Company for the financial year 2024-25 at a remuneration as provided in the resolution.

In accordance with the provision of Section 148(3) of the Companies Act, 2013 (**'Act'**) read with Rule 14 of Companies (Audit and Auditor) Rules, 2014, the remuneration payable to the Cost Auditors is required to be ratified by the members of the Company. M/s. ABK & Associates has the necessary experience in the field of cost audit and accordingly, approval of the members is being sought for the proposal of ratification of remuneration payable to the Cost Auditors, as 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

In terms of provisions of Regulation 23 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (**'Listing Regulations'**), prior approval of the shareholders is required for related party transactions exceeding the threshold limit of lower of ₹ 1,000 crores or 10% of the annual consolidated turnover as per the last audited financial statements of the listed entity, either individually or taken together with previous transactions during a financial year, or for any subsequent material modifications thereto. The approval is required even if the transactions are in the ordinary course of business and at an arm's length basis.

The Company enters into various contracts, agreements, arrangements etc. (including procurement of substantial requirement of the natural gas) with GAIL (India) Limited (**'GAIL'**) in its ordinary course of business and at arm's length price. GAIL supplies domestic gas allotment provided by Ministry of Petroleum and Natural Gas (**'MOPNG'**) to the Company at a price determined pursuant to MOPNG Guidelines.

Further, the Company procures SPOT RLNG for additional requirement through an approved competitive bidding mechanism from various gas suppliers including GAIL. Accordingly, the Company has entered into various agreements/ terms sheet with the gas distribution companies for purchase and transportation of gas.

The estimated value of transactions for purchase and transportation of gas with GAIL is likely to exceed the prescribed thresholds under the Listing Regulations during the financial year 2025-26 and hence, the transactions are material in nature per se.

Further, the Company may also to enter into various other agreements / contracts arrangements for meeting natural gas requirements from time to time and for other ancillary business activities, such as gas sale / purchase / transportation agreements / extension to the existing agreements / hooking up agreements / pipeline connectivity / CGS capacity enhancement related agreements / or any other business-related transactions. The Company also reimburses secondment charges to GAIL pertaining to remuneration payable to the Managing Director and Deputy Managing Director who are GAIL nominated directors.

The Company estimates that the monetary value of the aforesaid transactions taken together with GAIL during the financial year 2025-26 to be upto ₹ 6,000 crores which will exceed the materiality threshold and hence will require prior approval of shareholders of the Company by way of ordinary resolution in a general meeting. Accordingly, it is proposed to obtain approval of shareholders for entering into aforesaid related party transactions with GAIL during the financial year 2025-26.

The information as required under Companies (Meetings of Board and its Powers) Rules, 2014 and amendments thereto and SEBI Circular dated November 22, 2021 and the Policy of the Company on Related Party Transaction is furnished hereunder:

Sr. No.	Particulars	Details
1	Name of the related party and its relationship with listed entity or its subsidiary, including nature of its concern or interest (financial or otherwise)	**Name of Related Party -** GAIL (India) Limited (**'GAIL'**) **Relationship –** GAIL is the Promoter of the Company and holds 32.50% of paid-up equity share capital of the Company.
2	Name of the Director or Key Managerial Personnel, who is related	Not Applicable
3	Nature, duration / tenure of the proposed contract and particulars	The Company is in business of City Gas Distribution; it purchases a substantial requirement of natural gas from GAIL. The Company purchases domestic gas through Government allocation of domestic Gas for CNG and Domestic PNG customers. The Company purchases SPOT RLNG through board approved process of competitive bidding system. Accordingly, the Company has entered into and will be entering into various agreements with GAIL for purchase and transportation of natural gas. **A. Details of existing long-term contracts entered with GAIL are as follows:** 1. APM Agreement (for GAs of the Company)- for use in CNG and D-PNG segments. 2. Non-APM (for GAs of the Company) - for use in CNG and D-PNG segments. 3. Supplementary Agreements – (for GAs of the Company). 4. Gas Sale Agreement (Term gas) 4.1 GSA dated 04.03.2022 4.2 GSA dated 14.06.2023 4.3 GSA dated 22.12.2023 5. Gas Transmission Agreement. 6. SPOT RLNG Contracts (Spot Gas Sale Agreement). **B. Other Contracts/ Transactions/ Agreements:** Further, to meet requirement of natural gas as per business needs, company may enter into various Agreements (e.g. Gas Sale / Purchase / Transportation Agreements / Extension to the existing agreements / Hooking up Agreements / pipeline connectivity / CGS capacity enhancement related agreement / any other business-related transactions approved by SMG).
4	Estimated Value of Transactions (for which approval sought)	₹ 6,000 Crores (for the financial year ending on March 31, 2026)*
5	Material terms	- Purchase of Domestic Gas/Pooled gas from GAIL is through Gas allocation by MoPNG. - Purchase of SPOT RLNG is through a Board approved process of Competitive bidding in the ordinary course of business and at an arm's length basis. - Purchase of Gas from GAIL is as per the terms of the agreement/ term sheet.
6	Percentage of the MGL's audited annual consolidated turnover for the financial year 2023-24	- 86.78%
7	Details of the transaction relating to any loans, inter-corporate deposits, advances or investments made or given by the listed entity or its subsidiary	Not Applicable
8	Justification as to why the RPT is in the interest of the Company / Benefits of the proposed transactions	- GAIL is Nominee of Government of India for supply of APM/NAPM/ Pooled Gas for CGD companies. - Long term RLNG contract is executed with GAIL for optimization of gas sourcing portfolio, to reduce price volatility and provide stability & security of gas supply.
9	A copy of the valuation or other external party report, if any such report has been relied upon	Not Applicable. All contracts with the related parties defined as per Section 2(76) of the Act are reviewed and approved by the Audit Committee and Board based on the applicable provisions of the Act, Listing Regulations and Company's Policy on Related Party Transactions.
10	Any advance paid or received for the contract or arrangement, if any	Not Applicable
11	The manner of determining the pricing and other commercial terms, both included as part of contract and not considered as part of the contract	**1. APM (for GAs of the Company) - for use in CNG and D-PNG segments:** As per Article 13 of APM GSTA, subsequent in CGD policy Guidelines issued by MoPNG and Pricing orders/amendments from PPAC/MoPNG **2. Non-APM (for GAs of the Company) - for use in CNG and D-PNG segments:** As per Article 13 of NAPM GSTA, subsequent in CGD policy Guidelines issued by MoPNG and Pricing orders/amendments from PPAC/MoPNG **3. Supplementary Agreements – (for GAs of the Company) - for use in CNG and D-PNG segments:** CGD policy Guidelines issued by MoPNG and Pricing orders/amendments from PPAC/ MoPNG **4. Gas Sale Agreement (Term Gas):** As per Article 11 of GSA **5. GTA:** According to the tariff orders of PNGRB **6. SPOT RLNG Contracts (Spot Gas Sale Agreement):** As per Article 9 of Spot GSA. **7. Other Contracts/ Transactions/ Agreements (subject to finalization):** Further, to meet requirement of natural gas as per business needs, Company may enter into various Agreements (e.g. Gas Sale / Purchase / Transportation Agreements / Extension to the existing agreements / Hooking up Agreements / pipeline connectivity / CGS capacity enhancement related agreement / any other business-related transactions approved by SMG). Accordingly, in addition to the transactions as listed above, approval of Board is also being sought for any other transactions between the Company and GAIL, for transfer of resources, services and obligations in ordinary course of business and at arm's length basis, in compliance with applicable laws, as approved by the Audit Committee, if required. The aggregate value of such additional transaction(s) with GAIL is already included in the value set out in the table above.

Sr. No.	Particulars	Details
12	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
13	Any other information relevant or important for the Board to take a decision on the proposed transaction.	--

*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 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 proposal was approved by the Audit Committee and the Board of Directors vide resolution passed at their respective meetings held on July 25, 2024. The Members may note that in terms of the provisions of the Listing Regulations, no related party shall vote to approve the Ordinary Resolution set out at Item No. 5 of the Notice.

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 of Directors recommends the Ordinary Resolution as set out in Item No. 5 of the Notice for approval of shareholders of the Company.

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

Atul Prabhu
Company Secretary & Compliance Officer

Place: Mumbai
Date: July 25, 2024

Registered Office:
MGL House, Block No. G-33,
Bandra-Kurla Complex,
Bandra (East), Mumbai – 400 051

ANNEXURE

Information required under Regulation 36(3) of the Listing Regulations and Secretarial Standards – 2 on General Meetings with respect to Director's re-appointment

Name of the Director	Mr. Harshadeep Kamble
Designation	Non-Executive Director
Director Identification Number	07183938
Age (in years)	54 years
Date of first appointment	November 11, 2022
Qualification	M.B.B.S., IAS
Nature of expertise and specific functional areas	He is presently working as a Principal Secretary (Industries), Government of Maharashtra. He is also Chairman of Prime Minister Employment Generation Scheme and Export Committee of the Maharashtra State. During his career, he worked as Food & Drug Administration Commissioner, Maharashtra State; Secretary to Minister of Social Justice, Government of India; Metropolitan Commissioner, Nagpur; Municipal Commissioner, Malegaon and Aurangabad; Chief Executive Officer at Zilla Parishad, Parbhani and Nandurbar and Assistant Collector, Akola.
Terms and Conditions of appointment	Non-Executive Non-Independent Director, liable to retire by rotation and nominated by the Government of Maharashtra.
Relationship with other Directors and Key Managerial Personnel	None
Directorship in other Companies	- Annasaheb Patil Arthik-Magas Vikas Mahamandal Maryadit - Maharashtra Airport Development Company Limited - Maharashtra Industrial Township Limited - Pune (Purandar) International Airport Limited - Maharashtra Petro Chemicals Corporation Limited - Maharashtra Vikrikar Rokhe Pradhikaran Limited - Sicom Limited - Maharashtra Information Technology Corporation Limited
Name of the entity in which the Director holds Committee Membership and Chairmanship (excluding foreign companies)	Nil
Listed entities from which the Director has resigned in past 3 years	Nil
Shareholding in the Company as on the date of this Notice	Nil
Details of remuneration last drawn and proposed	Nil

For details related to number of Board Meetings attended during the year, please refer to the Corporate Governance Report forming part of this Annual Report.

Abbreviations

3ev : 3 EV Industries Private Limited
3W : 3 wheeler
Act : Companies Act, 2013
ADB : Asian Development Bank
ADR : American Depository Receipt
AGM : Annual General Meeting
AIF : Alternative Investment Fund
AMR : Automated Meter Reading
APM : Administered Price Mechanism
B2B : Business to Business
B2C : Business to Customers
BaaS : Battery-as-a-Service
BCG : Boston Consulting Group
BCP : Business Continuity Plan
BEST : Brihanmumbai Electric Supply & Transport Undertaking
BLNG : Baidyanath LNG Private Limited
BMC : Brihanmumbai Municipal Corporation
Board / BoD : Board of Directors
BRSR : Business Responsibility and Sustainability Report
BSE : BSE Limited
CAGR : Compound Annual Growth Rate
Capex : Capital Expenditure
CBG : Compressed Biogas
CDSL : Central Depository Services Limited
CGD : City Gas Distribution
CGS : City Gate Station
CIN : Corporate Identification Number
CNG : Compressed Natural Gas
CO2 : Carbon Dioxide
CPGRAMS : Centralized Public Grievance Redressal and Monitoring System
CRM : Customer Relationship Management
CSR : Corporate Social Responsibility
CTV : CNG Transportation Vehicle
CWIP : Capital Work in progress
CY : Calendar Year
DC : Designated Consumer
DIN : Director Identification Number
DMA : Direct Marketing agent
DMS : Document Management System
DP : Depository Participant
DPDP : Digital Personal Data Protection Act
D-PNG : Domestic Piped Natural Gas
DRS : District Regulating Station
EAC : Expert Advisory Committee
EBITDA : Earning before interest, tax, depreciation and amortization
EMDE : Emerging Market and Developing Economies
EPR : Extended Procedure Responsibility
EPS : Earning per share
ERDMP : Emergency Response and Disaster Management Plan
ERM : Enterprise Risk Management
ESG : Environmental, Social and Governance
ESI : Employee State Insurance
ESIC : Employee State Insurance Corporation
ESP : E-Voting Service Provider
EV : Electric Vehicle
FCRI : Fluid Control Research Institute
FII : Foreign Institutional Investor
FIPI : Federation of Indian Petroleum Industry
FLIR : Forward Looking Infrared
FPI : Foreign Portfolio Investor
FRRB : Financial Reporting Review Board
FTC : Fixed Term Contract
FY : Financial Year
GA : Geographical Area
GAIL : GAIL (India) Limited
GDP : Gross Domestic Product
GDR : Global Depository Receipt
GHG : Greenhouse gas
GIS : Geographical Information System
GOI : Government of India
GOM : Government of Maharashtra
GSA : Gas Sales Agreement
GSPN : Gas Sales & Purchase Notice
GTA : Gas Transmission Agreement
GVA : Gross Value Added
GW : Gigawatts
HAZOP : Hazard Operability Procedure
HIRA : Hazard Identification and Risk Assessment

Abbreviations

HPHT gas : High Pressure, High Temperature
HR : Human Resource
HSD : High Speed Diesel
HSE : Health, Safety and Environment
HSS&E : Health, Safety, Security & Environment
I&C : Industrial and Commercial
ICC : Internal Complaint Committee
ICCC : Integrated Command and Control Centre
ICRA : Investment Information and Credit Rating Agency
ICSI : Institute of Company Secretaries of India
IEPF : Investor Education and Protection Fund
IFC : Internal Financial Controls
IGBT : Insulated Gate Bipolar Transistor
IMF : International Monetary Fund
IoT : Internet of Things
ISGF : India Smart Grid Forum
ISIN : International Securities Identification Number
ISMS : Information Security Management System
ISO : Indian Standard Organization
IST : Indian Standard Time
JNPT : Jawaharlal Nehru Port Trust
JV : Joint Venture
JVC : Joint Venture Company
KMP: Key Managerial Personnel
KPI : Key Performance Indicator
Kw : Kilowatt
KYC : Know Your Customer
LDO : Light Diesel Oil
Listing Regulations - SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015
LNG : Liquefied Natural Gas
LoI : Letter of Intent
LP : Low Pressure
LPG : Liquified Petroleum Gas
LSR : Life Saving Rule
LTIF : Lost Time Injury Frequency
LTIFR : Lost Time Injury Frequency Rate
MARG : Mutual Aid Response Group
MCA : Ministry of Corporate Affairs
MCGM : Municipal Corporation of Greater Mumbai
MDP : Market Determined Price
MGL : Mahanagar Gas Limited
MIDC : Maharashtra Industrial Development Corporation
MLC : Multi Layered Composite
MLPL : Mahanagar LNG Private Limited
MMBTU : Metric Million British Thermal Unit
MMR : Mumbai Metropolitan Region
MMRDA : Mumbai Metropolitan Regional Development Authority
MMSCMD : Million Metric Standard Cubic Meters per Day
MOC : Management of Change
MoPNG : Ministry of Petroleum & Natural Gas
MOU : Memorandum of Understanding
MP : Medium Pressure
MPC : Monetary Policy Committee
MSME : Micro, Small and Medium Enterprise
MSRDC : Maharashtra State Road Development Corporation Limited
MSRTC : Maharashtra State Road Transport Corporation
MSW : Municipal Solid Waste
NDT : Non Destructive Testing
NECS : National Electronic Clearing Service
NEFT : National Electronic Fund Transfer
NGRBC : National Guidelines for Responsible Business Conduct
NGS : Natural Gas Society
NMIA : Navi Mumbai International Airport
NPS : New Pension System
NRO : Non routine Operation
NSDC : National Skill Development Corporation
NSDL : National Securities Depository Limited
NSE : National Stock Exchange of India Limited
OAVM : Other Audio Visual Means
OCR : Optical Character Recognition
OEM : Original Equipment Manufacturers
OHAD : Overhead Air Distribution
OHSAS : Occupational Health and Safety Assessment Series
ONGC : Oil and Natural Gas Corporation Limited
OTP : One Time Password
PAN : Permanent Account Number

Abbreviations

PAT : Profit after Tax	**SATAT :** Sustainable Alternative towards Affordable Transportation
PBT : Profit before Tax	**SCADA :** Supervisory Control and Data Acquisition
PE : Poly- Ethylene	**SCMD :** Standard Cubic Meters Per Day
PF : Provident Fund	**SDG :** Sustainable Development Goals
PHA : Process Hazard Analysis	**SEBI :** Securities and Exchange Board of India
PM : Particulate Matter	**SHEQ :** Safety, Health, Environment and Quality
PNG : Piped Natural Gas	**SHG :** Self Help Group
PNGRB : Petroleum and Natural Gas Regulatory Board	**SIA :** Social Impact Assessment
POL : Petroleum, Oils and Lubricants	**SMG :** Strategic Management Group
POSH : Prevention of Sexual Harassment	**SMT :** Senior Management Tour
POSH Act : Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013	**SN :** Supply Notice
PPAC : Petroleum Planning & Analysis Cell	**SPA –** Share Purchase Agreement
PPP : Purchasing Power Parity	**SRC :** Stakeholders Relationship Committee
PT : Professional tax	**SSA :** Share Subscription Agreement
QRA : Qualitative Risk Assessment	**STC :** Safety and Technical Competency
RE : Reasonable Endeavour	**STP :** Sewage Treatment Plant
RE : Renewable Energy	**STU :** State Transport Utility
RLNG : Regassified Liquified Natural Gas	**TAT :** Turnaround time
RMC : Risk Management Committee	**TDS :** Tax Deducted at Source
RO : Retail Outlets	**TPD :** Tons per day
ROE : Return on Equity	**UEPL :** Unison Enviro Private Limited
RPA : Robotic Process Automation	**UFAD :** Underfloor Air Distribution
RPT : Related Party Transaction	**UPI :** Unified Payments Interface
RTA : Registrar and Share Transfer Agent	**VC :** Video Conferencing
RTGS : Real Time Gross Settlement	**WAF :** Web Application Firewall

Decade at a Glance : Financial Performance

FY ENDING MARCH 31	FY 15 *	FY 16 *	FY 17	FY 18	FY 19	FY 20	FY 21	FY 22	FY 23	FY 24
Gross Sales (Rs. Cr.)	2,292	2,285	2,239	2,453	3,057	3,264	2,338	3,885	6,921	6,862
Opex / SCM (INR)	3.55	3.82	3.96	4.30	4.70	5.00	5.84	5.39	5.44	5.93
PBT / SCM (INR)	5.16	5.30	6.40	7.37	7.77	9.11	10.33	7.36	8.45	13.03
Total Assets (Rs. Cr.)	2,167	2,370	2,624	3,010	3,441	4,128	4,601	5,234	6,032	7,226
Shareholder's Fund (Rs. Cr.)	1,604	1,728	1,840	2,095	2,399	2,953	3,232	3,597	4,134	5,143
ROE (%)	20.75%	18.76%	22.01%	24.28%	24.32%	29.66%	20.03%	17.48%	20.44%	27.79%
EPS Diluted (INR)	30.54	31.36	39.83	48.38	55.30	80.33	62.72	60.43	79.98	130.50
Dividend (%)	175%	175%	190%	190%	200%	350%	230%	250%	260%	300%

*Adjusted the amounts reported previously in financial statements prepared in accordance with the accounting standards notified under Companies (Accounting Standards) Rules, 2006 (as amended) and other relevant provisions of theAct (previous GAAP or Indian GAAP).

Note: ROE = Profit After Tax / Average Net Worth (Share Capital + Reserves and Surplus) for the current year and previous year.

MAHANAGAR GAS

BSE - 539957 I NSE - MGL I CIN - L40200MH1995PLC088133

Registered Office

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