MAHANAGAR GAS

# MAHANAGAR GAS LIMITED

(GAIL, Govt. of Maharashtra & BGAPH Enterprise)

**Ref:** MGL/CS/SE/2018/159

**Date:** July 04, 2018

To,

| | |
|---|---|
| **Head, Listing Compliance Department**<br>**BSE Limited**<br>P. J. Towers,<br>Dalal Street,<br>Mumbai - 400 001<br>**Scrip Code/Symbol: 539957; MGL** | **Head, Listing Compliance Department**<br>**National Stock Exchange of India Ltd**<br>Exchange Plaza, Bandra –Kurla Complex,<br>Bandra (East),<br>Mumbai - 400051<br>**Script Symbol: MGL** |

**Sub: Regulation 30 of SEBI (LODR) Regulations, 2015 - Credit Rating**

Dear Sir/Madam,

Pursuant to Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we wish to inform you that ICRA Limited - the credit rating agency has re-affirmed the following ratings:-

| Instrument | Amount (Rs. crore) | Rating |
|---|---|---|
| Long Term, Non-fund based limits | 200.00 | [ICRA]AAA (Stable) |
| Short Term, Non-fund based limits | 400.00 | [ICRA]A1+ (Stable) |
| Long Term Debt Programme | 100.00 | [ICRA]AAA (Stable) |

Please find attached herewith the credit perspective issued by ICRA Limited.

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

Thanking you,

Yours sincerely,

**For Mahanagar Gas Limited**

MAHANAGAR GAS LIMITED MUMBAI

**Alok Mishra**
**Company Secretary and Compliance Officer**

Encl. As above

**Regd. Office:** MGL House, Block G-33, Bandra - Kurla Complex, Bandra (East), Mumbai - 400 051. | **T** +91 22 6678 5000
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**CIN No.** L40200MH1995PLC088133 | **An ISO 9001, 14001 & OHSAS 18001 Certified Company**

## RATING ACTION

**Ratings reaffirmed**

**Long - Term Rating**

[ICRA]AAA (Stable)

**Short - Term Rating**

[ICRA]A1+

**Total Limits Rated**

₹ 700 crore

## ANALYST CONTACTS

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## Rating Rationale

The reaffirmation of ratings factors in the strong parentage of Mahanagar Gas Limited (MGL), its current monopoly position in Greater Mumbai (Geographical Area (GA) - 1) and surrounding expansion areas (GA2) and its diversified customer profile. Despite the expiry of MGL's marketing exclusivity in both GA1 and GA2 some years back, ICRA expects the company to continue to enjoy a dominant market share because of its first-mover advantage, as evident from its established infrastructure network. In addition, there are significant entry barriers for third-party marketers arising mainly from concerns regarding availability of gas at competitive prices. MGL continues to enjoy physical exclusivity (25 years from the year 1995 for Greater Mumbai and from 2005 for expansion areas, which can be further extended for a block of 10 years) which is another positive for the company's operations. The ratings consider the favourable outlook for demand growth in both, CNG and PNG volumes given the push by the government to promote the use of cleaner fuels and the cost advantage of CNG and PNG over alternate fuels. The ratings also take into account the strong financial profile of the company characterised by healthy profitability levels and strong liquidity profile characterised by sizeable cash balances and liquid investments (of ~Rs. 800 crore as on March 31, 2018).

The ratings also take into account the price advantage of gas over alternate fuels (especially in the CNG and domestic gas sales) and the consequent positive impact on demand. While the City Gas Distribution (CGD) sector enjoyed lower gas costs in FY2017 and majority of FY2018 due to a decline in global gas indices. The price for government-allocated gas increased in H2FY2018 and H1FY2019 (following the recovery in global gas prices) leading to higher gas costs for CGD players. However, the company has undertaken regular price revisions (three upward revisions in last twelve months) which has led to improvement in its contribution levels. The company may have to undertake further price increase to factor in the recent depreciation of rupee which has increased the company's input costs.

ICRA notes that MGL has capex plans in Mumbai and the surrounding areas to expand its network. The company is also undertaking capex for setting up its network in Raigad (its third GA). The large scale of capex and the gestation period associated with build-up of sales volumes in Raigad may moderately impact the company's return indicators and coverage metrics. However, the company is expected to benefit from the location of Raigad district as it is in continuity to its existing GAs and has access to GAIL's pipeline network in the entire GA. MGL has, however, achieved limited progress on its infrastructure plans in Raigad compared to the Minimum Work Programme (MWP) submitted to the GoI due to delays in receiving necessary approvals and thus ramp-up of operations remains to be seen. ICRA also notes that MGL's participation in the recently concluded bidding round for new cities could result in higher bank guarantee liabilities. The company may look for inorganic growth and therefore any sizeable acquisition remains a key rating sensitivity.

## Rating Outlook

The stable outlook reflects ICRA's expectation that MGL will continue to benefit from its well-established position in the gas distribution business and strong parentage.

## Scenarios for Rating Downgrade

Encashment of any sizeable portion of performance bank guarantee provided by MGL to the Petroleum and Natural Gas Regulatory Board (PNGRB) for adherence to the MWP in Raigad or any material debt-funded acquisition undertaken by the company that could result in the moderation of its coverage metrics.

## Key Rating Considerations

### Credit Strengths

- Monopoly position in the gas distribution business in Greater Mumbai and expansion areas
- Strong parentage by virtue of being promoted by GAIL (India) Limited (GAIL) and British Gas Asia Pacific Holdings Pte Limited (BGAPH, a Royal Dutch Shell subsidiary)
- Favourable outlook on demand growth in both, CNG and PNG volumes
- Secure gas tie-up with GAIL
- Healthy financial profile characterised by negligible debt levels and comfortable liquidity profile

### Credit Challenges

- Operations in the industrial and commercial customer categories is exposed to changes in spread between PNG and alternate fuel prices
- Ongoing expansion plans in Raigad running behind schedule

## Company Profile

Mahanagar Gas Limited (MGL) is a joint venture between GAIL (India) Limited (GAIL) and BG Asia Pacific Holdings Pte Ltd (a Royal Dutch Shell Plc company). The company got listed in July 2016, after which both, GAIL and BG Asia Pacific Holdings Pte Limited's stake reduced to 32.5% each, with the remaining 35% stake being held by the public (of which 10% is with the government of Maharashtra). In April 2018, BG Asia Pacific Holdings (BGAPH) sold 8.5% stake in MGL, thereby reducing its total stake in the company to 24% from 32.5% while the pubic shareholding increased to 43.5%. MGL has, over the past 23 years, established a firm presence in the Greater Mumbai gas distribution business, where it is the monopoly player, with its growth being driven primarily by the CNG business, which presently contributes 70-75% of its revenues. The company also supplies piped natural gas (PNG) to industrial, commercial, and residential/ domestic customers. MGL has put in place large plans to augment its gas distribution network in the existing Mumbai region as well as to expand its network in the surrounding regions of Mumbai. The company currently operates in three Geographical Areas (GAs) – GA-1 which includes the Greater Mumbai region; GA-2 which includes expansion areas such as Mira-Bhayander, Thane-Vashi-Belapur (TVB), Kharghar-Panvel-Taloja (KPT), Kalyan-Dombivli-Ambernath and Ulhasnagar (KD& AB)); and GA-3 which is the Raigad district (won by the company in April 2015).

## BUSINESS RISK PROFILE

### Favourable outlook on demand growth in both CNG and PNG volumes

The company's sales volumes have been growing at a steady rate over the last few fiscals. In FY2017, MGL's sales volume averaged 2.57 mmscmd, growing 6% YoY. The volume growth continued in FY2018 reaching 2.71 mmscmd, up 5% YoY. The CNG volumes continues to be the key growth driver, accounting for about 74% of the total sales volume over the last 2-3 years.

### EXHIBIT 1. Sales Volume by Customer Category

| Segment | FY2016 | | FY2017 | | FY2018 | |
|---|---|---|---|---|---|---|
| | Qty. (mmscmd) | % YoY growth | Qty. (mmscmd) | % YoY growth | Qty. (mmscmd) | % YoY growth |
| CNG | 1.80 | 2.2% | 1.90 | 5.3% | 1.99 | 4.5% |
| *PNG – Industrial & Commercial* | *0.35* | *-3.1%* | *0.36* | *4.5%* | *0.38* | *4.2%* |
| *PNG - Domestic* | *0.28* | *7.8%* | *0.31* | *9.6%* | *0.34* | *10.5%* |
| Total PNG | 0.63 | 1.5% | 0.67 | 6.8% | 0.72 | 7.1% |
| **Total** | **2.43** | **2.0%** | **2.57** | **5.7%** | **2.71** | **5.1%** |

Source: MGL, ICRA research

The initial growth in the CNG sales volumes was mainly due to the legislative push (resulting from the August 2001 Mumbai High Court order) for compulsory CNG use by autorickshaws and taxis in the Mumbai region. While a number of autorickshaws and taxis have already switched over to CNG in the existing Mumbai region, the demand outlook for the growth in CNG volumes remains favorable due to increasing population and rapid urbanisation. Going forward, the incremental demand growth for CNG is likely to come from private taxis/aggregators who would convert their fleet to CNG. Other drivers for conversion of vehicles to CNG include (a) any legislative push from the High Court/ Supreme Court as seen in New Delhi, (b) auto vehicles in the ongoing expansion areas, and also (c) MoUs with State Transport Corporations such as BEST (Brihunmumbai Electricity Supply & Transport Undertaking), MSRTC (Maharashtra State Road Transport Corporation), NMTC (Navi Mumbai Transport Corporation) and TMT (Thane Municipal Transport Undertaking).

### EXHIBIT 2. MGL Customer Details

| | FY2015 | FY2016 | FY2017 | FY2018 |
|---|---|---|---|---|
| **CNG Vehicles** | | | | |
| Autos | 190,514 | 207,015 | 233,560 | 265,364 |
| Taxis/Private Cars | 221,598 | 253,946 | 302,154 | 333,915 |
| Buses/LCV/Trucks | 9,146 | 9,517 | 9,765 | 9,898 |
| Two Wheelers | - | - | 26 | 100 |
| **TOTAL** | **421,258** | **470,478** | **545,505** | **609,277** |
| *YoY Addition in CNG vehicles* | *62,190* | *49,220* | *75,027* | *63,771* |
| **CNG Stations** | **180** | **188** | **203** | **223** |
| **Total Number of Customers – PNG** | | | | |
| Industrial & Commercial | 2,664 | 2,926 | 3,280 | 3,604 |
| Domestic | 712,413 | 756,248 | 847,358 | 951,115 |
| **Total** | **715,077** | **759,174** | **850,638** | **954,719** |

Source: MGL, ICRA research

### MGL to continue to benefit from its monopoly position in the Mumbai gas distribution business as well as physical exclusivity in its GAs although marketing exclusivity has ended

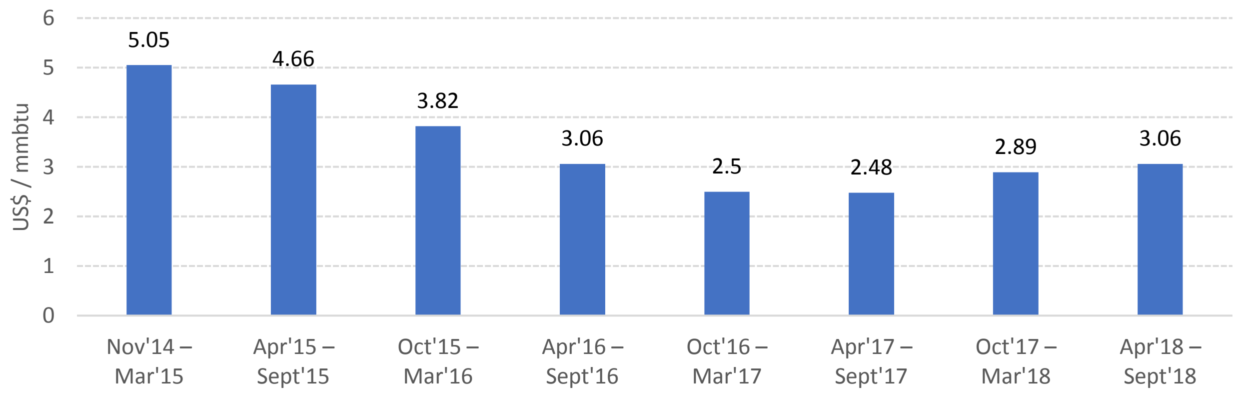
MGL enjoys near monopoly status and also the first-mover advantage in retail gas distribution in the Greater Mumbai region and has a diversified consumer portfolio comprising CNG, industrial, commercial, and domestic consumers. In line with the regulatory requirements under the PNGRB Act, the company received authorizations from PNGRB for the Greater Mumbai area in January 2009 and subsequently for other expansion areas which include Thane, Navi Mumbai, Thane-Vashi-Belapur, Kalyan, Dombivali, Ambarnath, Bhivandi, Panvel, and Taloja in August 2009. By virtue of the provisions of the PNGRB Act, the company enjoys physical exclusivity in the Greater Mumbai region for a 25-year period i.e. till 2020. It also had a three-year marketing exclusivity which expired in January 2012 after which it was required to make its network available to third-party marketers on an open access basis. In its expansion areas, the company enjoyed the marketing exclusivity till July 2014.

No progress has been made on the implementation of the open access system and hence the company continues to enjoy marketing exclusivity in its operations. While the expiry of marketing exclusivity in principle would imply an increase in competitive intensity for MGL, the actual competitive risk is expected to be limited due to the company's first mover advantage, established network and relationships, and security of existing gas supplies.

### Secure gas tie-up from GAIL

On February 3, 2014, the GoI announced allocation of 100% domestic gas towards the CNG and PNG (domestic) customers of CGD entities, up from the earlier limit of 80% proportional allocation (as decided in November 2013). The higher allocation to CGDs was made possible by cutting supplies to non-core sectors such as petrochemicals, steel, and refineries. Currently, the Administered Price Mechanism (APM) price for gas allocation is fixed at US$3.06/mmbtu (approx. Rs. 8/scm). As per the current allocation policy of the GoI, the company receives domestic gas for meeting its CNG and PNG (domestic) gas volume demand while the gas demand for the PNG (industrial) and PNG (commercial) customers is met through R-LNG, i.e. through spot purchases. The average spot price has increased to Rs. 20.82/scm in FY2018 from Rs. 20.48/scm in FY2017 while the trend in APM gas price (since introduction of the pricing mechanism) can be seen in Exhibit 3.

### EXHIBIT 3. Trend in APM Gas Price




Source: PPAC, ICRA research

As the potential in the expansion areas is large, MGL's ability to secure additional gas requirements remains critical to sustain growth through its expansion plans. The incremental gas availability is expected to come from additional domestic gas allocation for CNG and PNG (domestic) customers and R-LNG on spot basis.

### Healthy contribution margins; Operations, however, exposed to changes in spread between CNG/ PNG and alternate fuels

MGL has witnessed a consistent expansion in its contribution margin over the last few years owing to healthy average realisation coupled with decline in gas costs. The company's contribution (sales minus gas cost) has increased from Rs. 8.9/scm in FY2014 to Rs. 12.1/scm in FY2018 as shown in Exhibit 4.

### EXHIBIT 4. Trend in MGL Sales and Gas Procurement Cost

| Particulars | Unit | FY2014 | FY2015 | FY2016 | FY2017 | FY2018 |
|---|---|---|---|---|---|---|
| Net Sales* | Rs. crore | 1,868.6 | 2,177.5 | 2,064.7 | 2,017.6 | 2,213.8 |
| **Net Realisation (A)** | **Rs./ scm** | **22.7** | **23.9** | **23.2** | **21.5** | **22.4** |
| Total Gas Cost (B) | Rs./ scm | 13.9 | 14.9 | 13.8 | 10.8 | 10.4 |
| **Sales – Gas Cost (A-B)** | **Rs./ scm** | **8.9** | **9.0** | **9.4** | **10.7** | **12.1** |

Source: MGL, ICRA research; *net of excise and VAT

MGL has undertaken multiple price revisions in FY2018 and one in FY2019 so far. These include the price increase in August 2017 to offset the impact of GST implementation, price increases in October 2017 and April 2018 to pass on the increase in APM gas price, and recently in June 2018 to pass on the increase in APM price and to offset the impact of applicability of additional Gujarat VAT on part of gas supply from Gujarat, increase in OMC trade margin, and CNG franchisee dispensing charges.

Since CNG and PNG compete with alternate fuels such as petrol, diesel, light diesel oil, furnace oil, LPG, etc., a CGD player's operations are exposed to the spread between CNG/PNG and alternate fuels. However, since a number of alternate fuels track crude oil prices, an increase in crude oil prices leads to an increase in the prices of a majority of alternate fuels. This increase in prices of alternate fuels allows for an increase in CNG and PNG prices without affecting the demand as the CNG and PNG prices continue to have a cost advantage against alternate fuels. At present, CNG is cheaper than petrol and diesel by 35%-40%. Nonetheless, operations in the PNG industrial and PNG commercial customer category, where the gas allocation is not at the government-determined APM price, remain exposed to the spread between PNG and alternate fuels.

### Ongoing expansion plans in Raigad moving behind schedule

In April 2015, the company won the bid for the Raigad district, which became its new authorized geographical area (GA-3). The Raigad district includes Khopoli, Pen, Alibaug, Karjat, in addition to 3-4 Maharashtra Industrial Development Corporation areas. The company has undertaken limited capex in Raigad so far. MGL is currently operating five CNG stations while work on another three is ongoing. As per the PNGRB authorisation in April 2015, the company is required to achieve Minimum Work Program (MWP) for its Raigad Geographical Area (GA). MGL is yet to achieve MWP target specified up to 31st March 2018 in the Raigad GA. To achieve cumulative MWP required up to 2019-20, MGL has, has submitted the remedial action plan to be completed by 2020-21 to PNGRB on 4th April 2018.

## FINANCIAL RISK PROFILE

### Healthy increase in profitability levels in FY2018 with regular increase in prices

Despite an increase in sales volumes in FY2016 and FY2017, MGL's operating income remained largely flat due to reduction in input gas cost, part of which was passed on to the customers leading to lower realisation for the company. However, MGL reported a healthy 9.7% YoY growth in operating income in FY2018 driven by a 3.7% YoY increase in net realisation and a 5.1% increase in total sales volumes. The average gas costs declined by 3.7% YoY in FY2018 for the company, though there has been an increase in APM prices for H2FY2018 and H1FY2019 which would result in higher procurement costs for the company in FY2019. Nonetheless, the company has been taking regular price increases (thrice in FY2018) which has led to an improvement in its contribution margins to Rs. 12.1/scm in FY2018 from Rs. 10.7/scm in FY2017. The operating profits thus increased 21% YoY from Rs. 645 crore in FY2017 to Rs. 780 crore in FY2018. The company's net profits continue to remain robust and increased 21.5% YoY in FY2018. The return indicators have been healthy with RoCE (pre-tax) at 41.7% in FY2018.

### Low working capital intensity

The working capital intensity of the company's operations is low owing to the nature of its business. MGL offers a credit period of one week to the industrial customers, to whom bills are raised on a fortnightly basis. The company has a LC or BG for one month of sales to these industrial and commercial customers and hence the exposure to bad debts is negligible. For the OMCs, the billing and collection is done on a weekly basis. Purchase of gas from its suppliers is billed every fortnight with credit period of 3 to 4 working days.

### Negligible gearing levels and strong coverage metrics

The gearing levels of the company continue to remain negligible as it has been able to meet its financing requirements largely through its internal accruals. The current debt outstanding includes only interest-free sales tax deferred loan of Rs. 1.2 crore. With high profitability and limited debt levels, the company's coverage metrics remain strong.

## CAPITAL EXPENDITURE AND FUNDING PLANS

### Capacity expansion plans for existing and new GAs over the medium term

MGL plans to incur capex for its ongoing expansion in Raigad and its existing GAs where it is working on expanding its CNG stations network. The company has budgeted a capex of ~Rs. 300 crore in FY2019. The company plans to fund its capex largely through internal accruals. MGL's financing requirements may increase if it is successful in winning any new GA in the on-going auction round floated by the PNGRB.

## DEBT REPAYMENT AND LIQUIDITY PROFILE

MGL has limited long-term debt repayment obligations. The company has a healthy liquidity profile with a cash and liquid investments balance of ~Rs. 800 crore as of March 31, 2018. Further, MGL has been generating healthy cash accruals and has adequate cushion available in the form of unutilised working capital limits. The company's liquidity profile should remain healthy despite its expansion plans given the healthy profitability of its operations and the high liquid investments.

## BUSINESS & FINANCIAL OUTLOOK

The outlook for the CGD sector remains favourable for existing cities, where incumbents are already operational, with domestic gas allocation in place for the CNG and PNG (domestic) customers, both of which should see 8-10% growth in volumes. While growth of CNG would be supported further by conversion of taxis to the CNG, PNG (domestic) will continue to benefit from the cessation of LPG subsidy to high income consumers. The PNG (industrial and commercial) sector would, however, continue to face stiff competition from alternate liquid fuels. Further, the GoI has placed greater thrust on increasing the coverage of the CGD network, especially to increase penetration levels in the PNG (domestic) sector as PNG is a relatively clean fuel and also helps save on LPG subsidies and under-recoveries. The recent mega bidding round for new GAs will ensure that natural gas penetration levels improve rapidly over the next 5-10 years.

### EXHIBIT 5: Financial Outlook

| Parameters | ICRA's Comments |
|---|---|
| Revenue Growth | Expected to grow at a steady rate driven by a steady increase in sales volumes mainly for CNG and PNG (domestic) sectors |
| Profitability Indicators | Expected to remain healthy with stable operating margins |
| Repayment Obligations | Rs. 1.2 crore to be repaid by FY2020 |

| | |
|---|---|
| Capital Expenditure Plans | • ~Rs. 300 crore per annum for FY2019-FY2021<br>• Funding: Primarily through internal accruals |
| Leverage and Coverage Indicators | • Gearing to remain negligible with no significant addition to long-term debt and healthy cash accruals<br>• Coverage indicators expected to remain strong with healthy cash accruals |
| Working Capital Intensity | To remain low given the nature of operations |
| Retained Cash Flows | To remain positive and stable given steady generation of healthy cash accruals |
| Liquidity | • High cash and liquid investments (~Rs. 800 crore as of March 31, 2018)<br>• Adequate buffer in working capital limits |

Source: Company Data, ICRA research

## PROMOTER AND MANAGEMENT PROFILE

MGL was jointly promoted by GAIL and BGAPH, both of which are well-established players in the oil and gas business. MGL benefits from GAIL's dominant position in the domestic gas transmission business and from BGAPH's global exposure in the sector.

Mr. Sanjib Datta replaced Mr. Rajeev Mathur as the company's Managing Director (GAIL nominee) w.e.f. May 30, 2018. Mr. Datta has been heading the Business Development function in GAIL as an Executive Director and has over 32 years of experience in handling various functions (such as marketing, business development, project development and construction, and operation & maintenance of pipelines and LNG terminal) within the natural gas sector. MGL's Chairman, Mr. Akhil Mehrotra, has over 25 years of experience in the oil & gas, power and telecom sectors and also heads the city gas distribution business at BG Exploration & Production India Limited (a part of Royal Dutch Shell plc group of companies).

## ANNEXURE I: Key Financial Indicators

| In Rs. Crore<br>Accounting Method | FY2015<br>IGAAP | FY2016<br>IndAS | FY2017<br>IndAS | FY2018<br>IndAS |
|---|---|---|---|---|
| **Revenue & Profitability Indicators** | | | | |
| Operating Income (OI) | 2,094.9 | 2,078.3 | 2,034.0 | 2,233.0 |
| Growth in OI (%) | 11.1% | -0.8% | -2.1% | 9.8% |
| OPBDITA | 489.7 | 509.7 | 645.2 | 780.1 |
| Profit After Tax (PAT) | 301.0 | 310.9 | 393.4 | 477.9 |
| Net Cash Accruals (NCA) | 207.9 | 197.4 | 198.3 | 402.8 |
| | | | | |
| OPBDITA/OI (%) | 23.4% | 24.5% | 31.7% | 34.9% |
| PAT/OI (%) | 14.4% | 15.0% | 19.3% | 21.4% |
| ROCE (%) | 41.2% | 36.9% | 40.2% | 41.7% |
| | | | | |
| **Capitalisation & Coverage Indicators** | | | | |
| Short-term Debt | 0.0 | 0.0 | 0.0 | 0.0 |
| Long-term Debt | 6.2 | 5.0 | 2.7 | 1.2 |
| Total Debt | 6.2 | 5.0 | 2.7 | 1.2 |
| Tangible Net Worth (TNW) | 1,416.9 | 1,728.4 | 1,840.0 | 2,095.3 |
| | | | | |
| Total Debt/TNW | 0.0 | 0.0 | 0.0 | 0.0 |
| Total Debt/OPBDITA | 0.0 | 0.0 | 0.0 | 0.0 |
| Interest Coverage | 406.4 | 229.4 | 631.8 | 8,667.9 |
| TOL/TNW | 0.5 | 0.4 | 0.4 | 0.4 |
| NCA /TD (%) | 3380% | 3962% | 7344% | 33567% |
| DSCR (excl. STD/prepayments) | 329.7 | 174.5 | 295.4 | 6955.9 |
| | | | | |
| **Working Capital Indicators** | | | | |
| Debtor Days | 15 | 15 | 16 | 14 |
| Creditor Days | 32 | 33 | 53 | 39 |
| Inventory Days | 4 | 5 | 7 | 6 |
| NWC/OI (%) | -11% | -14% | -20% | -24% |
| | | | | |
| **Cash Flow Analysis** | | | | |
| Fund Flows from Operations | 355.4 | 362.8 | 454.7 | 568.3 |
| Retained Cash Flows | 275.4 | 257.7 | 317.1 | 516.2 |
| Free Cash Flows | 81.4 | 40.1 | 61.3 | 208.8 |

Source: Company Data, ICRA research

Note: ROCE calculated as Profit before Interest and Taxes / Average (Total Debt + Tangible Net Worth + Deferred Tax Liabilities – Capital Work in Progress)

## ANNEXURE II: DETAILS OF RATED FACILITY

### Details of Mahanagar Gas Limited's facilities rated on long term scale

| Instrument Name | Amount (Rs. crore) | Rating |
|---|---|---|
| Non-fund based limits | 200.00 | [ICRA]AAA (Stable) |
| **Total** | **200.00** | |

### Details of Mahanagar Gas Limited's debt programme rated on long term scale

| Instrument Name | Amount (Rs. crore) | Rating |
|---|---|---|
| Long-term debt programme | 100.00 | [ICRA]AAA (Stable) |
| **Total** | **100.00** | |

### Details of Mahanagar Gas Limited's facilities rated on short term scale

| Instrument Name | Amount (Rs. crore) | Rating |
|---|---|---|
| Non-fund based limits | 400.00 | [ICRA]A1+ (Stable) |
| **Total** | **400.00** | |

**Links to Applicable Criteria:**
Corporate Credit Rating Methodology
Rating Methodology for City Gas Distribution Companies

Disclosure: A Member of the Board of Directors of ICRA Limited is also an Independent Director on the Board of Directors of Mahanagar Gas Limited. This Director was not involved in any of the discussions and processes related to the rating of the instrument(s) mentioned herein.

## RELATIONSHIP CONTACT

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## About ICRA Limited:

ICRA Limited was set up in 1991 by leading financial/investment institutions, commercial banks and financial services companies as an independent and professional investment Information and Credit Rating Agency.

Today, ICRA and its subsidiaries together form the ICRA Group of Companies (Group ICRA). ICRA is a Public Limited Company, with its shares listed on the Bombay Stock Exchange and the National Stock Exchange. The international Credit Rating Agency Moody's Investors Service is ICRA's largest shareholder.

For more information, visit www.icra.in and www.icraresearch.in

**ICRA Limited**

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