

# 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](http://www.mahanagargas.com) | E-mail: [info@mahanagargas.com](mailto:info@mahanagargas.com) | Tel No. +91 22 6678 5000**

To,  
The Members

**NOTICE** is hereby given that the **Twenty-Seventh Annual General Meeting (AGM)** of the Members of Mahanagar Gas Limited will be held on Wednesday, August 24, 2022 at 11:00 a.m. (IST) through Video Conferencing ("VC")/ Other Audio Visual Means ("OAVM"), to transact the following business. The venue of the meeting shall be deemed to be registered address of the Company at MGL House, Block No: G-33, Bandra-Kurla Complex, Bandra (E), Mumbai -400051.

## ORDINARY BUSINESS:

- To receive, consider and adopt the Audited Financial Statements of the Company for the financial year ended March 31, 2022, together with the Reports of the Board of Directors and Auditors thereon.
- To confirm the payment of Interim Dividend of ₹9.50 per equity share, already paid and to declare the final dividend of ₹15.50 per equity share for the financial year ended on March 31, 2022.
- To appoint Statutory Auditors and fix their remuneration and in connection therewith, to consider and if thought fit, to pass, with or without modification(s), the following Resolution as an Ordinary Resolution:

**"RESOLVED THAT** pursuant to the provisions of Section 139, 141 and 142 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), and recommendation of the Audit Committee and Board of Directors, M/s. Deloitte Haskins & Sells LLP, Chartered Accountants

(Registration No.: 117366W/W100018), be and is hereby appointed to hold office as the Statutory Auditors of the Company for the term of 5 (five) consecutive years commencing from the conclusion of 27<sup>th</sup> Annual General Meeting up to conclusion of 32<sup>nd</sup> Annual General Meeting, at such remuneration as may be mutually agreed between the Board of Directors of the Company and the Statutory Auditors."

## SPECIAL BUSINESS:

### 4. Ratification of Cost Auditors' remuneration.

To consider and if thought fit, to pass, with or without modification(s), the following resolution as Ordinary Resolution:

**"RESOLVED THAT** pursuant to the provisions of the Section 148 and other applicable provisions, if any, of the Companies Act, 2013 read with rules 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, to M/s. ABK & Associates, Cost Accountants (Firm Registration No. 000036) for conducting Cost Audit of the Company for the Financial Year 2022-23 as approved by the 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. To approve Material Related Party Transactions.

To consider and if thought fit, to pass, with or without modification(s), the following resolution as Ordinary Resolution:

**“RESOLVED THAT** pursuant to the provisions of Section 188 and other applicable provisions, if any, of the Companies Act, 2013 read with the rules made thereunder, Regulation 23 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, other applicable statutory laws (including statutory amendments, modifications, variations or re-enactments thereof for the time being in force), the Company’s Policy on Related Party Transactions, and based on the recommendation/ approval of the Audit Committee and Board of Directors of the Company and in partial modification to the resolution passed by the shareholders at 26<sup>th</sup> Annual General Meeting, approval of the Shareholders of the Company be and is hereby accorded for the Material Related Party Transaction(s)/ Contract(s)/ Arrangement(s)/

Agreement(s) entered into/ proposed to be entered into (whether by way of an individual transaction or transactions taken together or a series of transactions or otherwise), with GAIL (India) Limited in ordinary course of business and on arm’s length basis, for an aggregate value up to ₹5,000 crore (for the Financial Year ending on March 31, 2023) and ₹6,200 crore (for the Financial Year ending on March 31, 2024);

**RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorized to delegate all or any of the powers conferred on it to any Committee of Board of Directors and/or Managing/Whole-time Director of the Company or any person authorised by the Board and to do all such acts and take all such steps as may be considered necessary or expedient to give effect to the aforesaid resolution;

**RESOLVED FURTHER THAT** all actions taken by the Board in connection with any matter referred to or contemplated in this resolution, be and are hereby approved, ratified and confirmed in all respects.”

For **Mahanagar Gas Limited**

By Order of the Board

Place : Mumbai

Date : July 27, 2022

Sd/-

**Atul Prabhu**

**Company Secretary & Compliance Officer**

**Notes:**

1. The Ministry of Corporate Affairs (MCA), vide its General Circular No. 20/2020 dated May 05, 2020 read with General Circular No. 14/2020 dated April 08, 2020, General Circular No. 17/2020 dated April 13, 2020, General Circular No. 20/2020 dated May 05, 2020, General Circular No. 02/2021 dated January 13, 2021, General Circular No. 19/2021 dated December 08, 2021, General Circular No. 21/2021 dated December 14, 2021 and General Circular No. 02/2022 dated May 05, 2022 and other applicable circulars issued by the Securities and Exchange Board of India (SEBI), has allowed the companies to conduct the Annual General Meeting ('AGM') through Video Conferencing (VC) or Other Audio Visual Means (OAVM) during the calendar year 2022. In accordance with the said circulars of MCA, SEBI and applicable provisions of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations), the 27<sup>th</sup> AGM of the Company shall be conducted through VC/OAVM. Central Depository Services (India) Limited ('CDSL') will be providing facility for voting through remote e-voting, for participation in the AGM through VC/OAVM facility and e-voting during the AGM. The procedure for participating in the meeting through VC/OAVM is explained in notes below and is also available on the website of the Company at [www.mahanagargas.com](http://www.mahanagargas.com). The proceedings of the AGM will be deemed to be conducted at the Registered Office of the Company which shall be the deemed Venue of the AGM.
2. Since, the AGM shall be conducted through VC/OAVM, 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.
3. Institutional/Corporate Members/ Governor of a State are requested to send a scanned copy (PDF/JPEG format) of the Board Resolution authorizing its representatives to attend and vote at the AGM, pursuant to Section 112 and 113 of the Companies Act, 2013, at [27thagm@mahanagargas.com](mailto:27thagm@mahanagargas.com). The Register of Members and Share Transfer Books of the Company will remain closed from Wednesday, August 17, 2022 to Wednesday, August 24, 2022 (both days inclusive).

**ELECTRONIC DISPATCH OF ANNUAL REPORT AND PROCESS FOR REGISTRATION OF E-MAIL ID FOR OBTAINING COPY OF ANNUAL REPORT:**

4. In accordance with, the General Circular No. 20/2020 dated May 05, 2020, General Circular No. 2/2021 dated January 13, 2021 and General Circular No. 02/2022 dated May 05, 2022 issued by MCA, and Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated May 12, 2020, Circular No. SEBI/HO/CFD/CMD2/ CIR/P/2021/11 dated January 15, 2021 and Circular No. SEBI/HO/CFD/CMD2/CIR/P/2022/62 dated May 13, 2022 issued by SEBI, owing to the difficulties involved in dispatching of physical copies of the financial statements (including Report of Board of Directors, Auditor's report or other documents required to be attached therewith), such statements including the Notice of AGM are being sent in electronic mode to Members whose e-mail address is registered with the Company or the Depository Participant(s).
5. The Notice of AGM along with Annual Report for the financial year 2021-22, is available on the website of the Company at [www.mahanagargas.com](http://www.mahanagargas.com), on the website of Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited and on the website of CDSL at [www.evotingindia.com](http://www.evotingindia.com).
6. The relative Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 ("Act") setting out material facts concerning the business under Item Nos. 4 and 5 of the Notice, is annexed hereto.
7. The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available for 1000 members on first come first served basis. 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. The detailed

- instructions for joining the Meeting through VC/OAVM form part of the Notes to this Notice.
8. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.
  9. The Statutory Registers will be available electronically for inspection by the Members during the AGM. Members seeking to inspect such documents can send an email to [27thagm@mahanagargas.com](mailto:27thagm@mahanagargas.com).
  10. Provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended from time to time), and in line with Circulars issued by the SEBI and Ministry of Corporate Affairs the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the AGM.
  11. Members may kindly note that the Company has made arrangement of dematerialization of its Equity Shares and the ISIN No. allotted for the same by NSDL and CDSL is INE002S01010. Members are requested to consider this and avail the facility of dematerialization of the equity shares of the Company held by them. Considering the amendment in the Regulation 40 of Listing Regulations, all the shareholders who continue to hold shares in physical form are advised to get the shares in Dematerialized as it is mandated that transfer of securities would be carried out in dematerialized form only. The investors are requested to contact to the Registrar & Transfer Agent in order to complete the process.
  12. In case of joint holders, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote at the AGM.
  13. Members are requested to intimate changes, if any, pertaining to their name, postal address, e-mail address, telephone/ mobile numbers, Permanent Account Number (PAN), mandates, nominations, power of attorney, bank details such as, name of the bank and branch details, bank account number, MICR code, IFSC code, etc., to their DPs in case the shares are held by them in electronic form and to the Registrar and Share Transfer Agent of the Company in case the shares are held by them in physical form.
  14. The Board of Directors, in its meeting held on February 08, 2022, had declared an Interim Dividend of ₹ 9.50 per equity Share of the face value of ₹10/- each, on the paid-up Equity Share Capital of the Company, for the Financial Year 2021-2022 and was paid on March 04, 2022 to all eligible shareholders as on record date i.e. February 18, 2022.
  15. Pursuant to the provisions of Section 91 of the Act, the register of members and share transfer books of the company will remain closed from Wednesday, August 17, 2022 to Wednesday, August 24, 2022 (both days inclusive).
  16. If the Final Dividend, as recommended by the Board of Directors, is approved at the AGM, payment of such dividend, subject to deduction of tax at source, will be made as under:
    - (i) To all Beneficial Owners in respect of shares held in dematerialized form as per the data as may be made available by the National Securities Depository Limited ("NSDL") and the Central Depository Services (India) Limited ("CDSL"), collectively "Depositories", as of the close of business hours on Tuesday, August 16, 2022.
    - (ii) To all Members in respect of shares held in physical form after giving effect to valid transfer, transmission or transposition requests lodged with the Company as of the close of business hours on Tuesday, August 16, 2022.
  17. The Final Dividend for the financial year ended March 31, 2022, as recommended by the Board, if approved at the AGM, will be paid within 30 days of the date of the 27<sup>th</sup> Annual General Meeting to those Members whose name appears in the Register of Members of the Company as on Tuesday, August 16, 2022.

18. 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 Agent (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 4 and 5)	10%	Update valid PAN, if not already done, with depositories. No taxes will be deducted in the following cases - <ul style="list-style-type: none"> <li>• If dividend income to a resident Individual Shareholder during FY 2022-23 does not exceed ₹ 5,000/- (Note 2)</li> <li>• 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 3)</li> </ul>
Submitting Form 15G/ Form 15H	NIL	Resident Individual Shareholder providing Form 15G / Form 15H (applicable to an Individual whose age is 60 years or more during FY 2022-23) - on fulfilment of prescribed conditions. (Note 6)
Order under section 197 of the Act	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 Act are not applicable (Note 7)
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 Act, along with self-attested copy of registration certificate and relevant extract of the section whereby the income is exempt from tax.

Category of Shareholder	Tax Deduction Rate	Exemption applicability/ requirement	Documentation
Mutual Funds specified under clause (23D) of section 10 of the Act	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 Act, 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 Act 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 Act. 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.	
Other resident Shareholder without PAN or having Invalid PAN (Note 8 and 9)	20%	-	
Non-filers of income-tax return - section 206AB (Note 10)	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/ Requirement	Documentation
Any non-resident Shareholder (Note 11)	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"). 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 ( <b>TRC</b> ) valid as on the Record Date, obtained from the tax authorities of the Country of which the Shareholder is resident. c) Self-declaration in Form 10F	

Category of Shareholder	Tax Deduction Rate	Exemption applicability/ Documentation Requirement
Submitting Order under section 197 of the Act	Rate provided in the Order	<p>d) Self-declaration confirming not having a Permanent Establishment in India and eligibility to Tax Treaty benefit</p> <p>e) Self-declaration regarding "Principle Purpose Test" (if any) as applicable to respective Treaty</p> <p>f) Self-declaration as regards beneficial ownership</p> <p>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.</p> <p>TDS shall be deducted at 20% (plus applicable surcharge and cess), if any, if the above-mentioned documents are not provided.</p> <p>Lower/NIL withholding tax certificate obtained from Income Tax authorities.</p>

The formats for the above referred declarations can be downloaded from the website of the Company i.e. [www.mahanagargas.com](http://www.mahanagargas.com). Kindly note that the documents as mentioned in the Table 1 and 2 above are required to be uploaded with at <https://linkintime.co.in/formsreg/submission-of-form-15g-15h.html>. No communication on the tax determination / deduction shall be considered after Tuesday, August 16, 2022 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 FY 2022-23 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 authority.

(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 March 31, 2023. 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 Aadhaar 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 ₹ 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 in format-10 attached herewith 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:
- a) 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 ₹10,000/- under section 272B of the Act.
  - b) 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.
19. Dividend will be preferably paid through National Electronic Clearing Service (NECS), wherever the facility is available. Where dividend payments are made through NECS, intimations regarding such remittances would be sent separately to the Members. In cases, where the dividend cannot be paid through NECS, the same will be paid by account payee/non-negotiable instruments.
20. To ensure timely credit of dividend through National Electronic Clearing Service (NECS) or dividend warrants/payment instruments, members are requested to notify change of address, or particulars of their bank account, if changed, along with the 9 digit MICR/NECS details, to the respective depository participant in case of shares held in demat mode/to the Registrar and Share Transfer Agent of the company by visiting the link [https://web.linkintime.co.in/EmailReg/Email\\_Register.html](https://web.linkintime.co.in/EmailReg/Email_Register.html) in case of shares held in physical mode, on or before Tuesday, August 16, 2022.
21. The Board of Directors has appointed Mr. Upendra C. Shukla, Practicing Company Secretary (Membership No. F2727) as the Scrutinizer to scrutinize the voting at the meeting and remote e-voting process in a fair and transparent manner.
22. Shareholders are requested to send their requests to Link Intime India Private Limited (Registrar and Share Transfer Agent (RTA) of the Company) at the following address:
- C-101, 247 Park, Lal Bahadur Shastri Marg, Gandhi Nagar, Vikhroli (West), Mumbai - 400083, Maharashtra.
23. As per the provisions of Section 72 of the Companies Act, 2013, nomination facility is available to the members, in respect of equity shares held by them. Nomination forms can be obtained from the RTA.
24. We request all the Members of the Company to update their bank account details and/or email address immediately with their respective Depository Participants in case of shares held in electronic form and with the Company's RTA in the case of physical holding.
25. Members are requested to correspond with Company Secretary or Company's RTA in case of claim of any unclaimed dividend. Members are requested to note that dividend not claimed

within seven years from the date of transfer to the Company's Unpaid Dividend Account, will, as per the provisions of Section 124 of the Companies Act, 2013, be transferred to the Investor Education and Protection Fund.

26. The Company strongly believes in green initiative and in pursuance of the same members are requested to provide their e-mail address or update their existing e-mail address with their DPs in case the shares are held by them in electronic form and with the Registrar and Share Transfer Agent in case the shares are held by them in physical form, to enable the Company communicate with the Members in a better, eco-friendly and faster way.

Process for registering e-mail addresses to receive this Notice of AGM and Annual Report electronically and cast votes electronically:

- (i) Registration of e-mail addresses with Link Intime India Private Limited: The Company has made special arrangements with the RTA for registration of e-mail addresses of those Members (holding shares either in electronic or physical form) who wish to receive this Notice electronically and cast votes electronically. Eligible Members whose e-mail addresses are not registered with the Company / DPs are required to provide the same to the RTA on or before Tuesday, August 16, 2022 by visiting the link [https://web.linkintime.co.in/EmailReg/Email\\_Register.html](https://web.linkintime.co.in/EmailReg/Email_Register.html) and thereafter selecting the Company name 'Mahanagar Gas Limited'.
- (ii) Registration of e-mail address permanently with Company/DP: Members are requested to register the same with their concerned DPs, in respect of electronic holding and with the RTA, in respect of physical holding, by writing to them at [rnt.helpdesk@linkintime.co.in](mailto:rnt.helpdesk@linkintime.co.in). Further, those Members who have already registered their e-mail addresses are requested to keep their e-mail addresses validated/updated with their DPs /RTA to enable servicing of notices / documents / Annual Reports and other communications electronically to their e-mail address in future.

- (iii) Alternatively, those Shareholders who have not registered their e-mail addresses are required to send an e-mail request to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) along with the following documents for procuring user id and password and registration of e-mail ids for e-Voting for the resolutions set out in this Notice:

- In case shares are held in physical mode, please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), self-attested scanned copy of PAN card, self-attested scanned copy of Aadhar Card.
- In case shares are held in demat mode, please update your email id & mobile no. with your respective Depository Participant (DP).

### **INTRUCTIONS OF SHAREHOLDERS FOR REMOTE E-VOTING AND JOINING VIRTUAL MEETING ARE AS UNDER:**

1. The remote e-voting period begins on Friday, August 19, 2022 at 09:00 A.M. (IST) and ends on Tuesday, August 23, 2022 at 05:00 P.M. (IST). During this period, the shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the record date i.e. Tuesday, August 16, 2022 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter. The voting right of shareholders shall be in proportion to their share in the paid-up equity share capital of the Company as on the record date.
2. Pursuant to SEBI Circular No. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 09.12.2020, under Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, listed entities are required to provide remote e-voting facility to its shareholders, in respect of all shareholders' resolutions. However, it has been observed that the participation by the public non-institutional shareholders/retail shareholders is at a negligible level.

Currently, there are multiple e-voting service providers (ESPs) providing e-voting facility to listed

entities in India. This necessitates registration on various ESPs and maintenance of multiple user IDs and passwords by the shareholders.

In order to increase the efficiency of the voting process, pursuant to a public consultation, it has been decided to enable e-voting to **all the demat account holders, by way of a single login credential, through their demat accounts/ websites of Depositories/ Depository Participants.**

Demat account holders would be able to cast their vote without having to register again with the ESPs, thereby, not only facilitating seamless authentication but also enhancing ease and convenience of participating in e-voting process.

**A. Access through Depositories CDSL/NSDL e-Voting system in case of Individual Shareholders holding shares in demat mode.**

- (i) In terms of SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

- (ii) Pursuant to above mentioned SEBI Circular, Login method for e-Voting and joining virtual meetings for Individual shareholders holding securities in **Demat mode CDSL/NSDL** is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in Demat mode with CDSL Depository	<ol style="list-style-type: none"> <li>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. The URL for users to login to Easi / Easiest are <a href="https://web.cdslindia.com/myeasi/home/login">https://web.cdslindia.com/myeasi/home/login</a> or visit <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on Login icon and select New System Myeasi.</li> <li>After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting 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 &amp; voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers i.e. CDSL/NSDL/KFINTECH/LINKINTIME, so that the user can visit the e-Voting service providers' website directly.</li> <li>If the user is not registered for Easi/Easiest, option to register is available at <a href="https://web.cdslindia.com/myeasi/Registration/EasiRegistration">https://web.cdslindia.com/myeasi/Registration/EasiRegistration</a></li> <li>Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on <a href="http://www.cdslindia.com">www.cdslindia.com</a> home page or click on <a href="https://evoting.cdslindia.com/Evoting/EvotingLogin">https://evoting.cdslindia.com/Evoting/EvotingLogin</a> The system will authenticate the user by sending OTP on registered Mobile &amp; Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.</li> </ol>

### Type of shareholders

Individual Shareholders holding securities in demat mode with NSDL Depository

### Login Method

1. If you are 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 & voting during the meeting.
2. If the user is not registered for IDeAS e-Services, option to register is available at <https://eservices.nsdl.com>. Select "Register Online for IDeAS" Portal 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 & voting during the meeting

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 & 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 <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> or contact at toll free no. 1800 22 55 33
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 <a href="mailto:evoting@nsdl.co.in">evoting@nsdl.co.in</a> or call at toll free no.: 1800 1020 990 and 1800 22 44 30

**B. Access through CDSL e-Voting system in case of shareholders holding shares in Physical Mode and Non-Individual shareholders in demat mode.**

- (i) Login method for e-Voting and joining virtual meetings for Physical shareholders and shareholders other than individual holding in Demat form.
  - a) The shareholders should log on to the e-voting website [www.evotingindia.com](http://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](http://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 form.**

PAN	<p>Enter your 10-digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"> <li>• Shareholders 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.</li> </ul>
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**For Physical shareholders and other than individual shareholders holding shares in Demat form.**

Dividend Bank Details OR Date of Birth (DOB)	<p>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.</p> <ul style="list-style-type: none"> <li>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.</li> </ul>
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- g) After entering these details appropriately, click on "SUBMIT" tab.
- h) Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders 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 shareholders 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 for Mahanagar Gas Limited.
- 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 & 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](http://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](mailto: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; [27thagm@mahanagargas.com](mailto:27thagm@mahanagargas.com), if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.
- INSTRUCTIONS FOR SHAREHOLDERS ATTENDING THE AGM THROUGH VC/OAVM & E-VOTING DURING MEETING ARE AS UNDER:**
1. The procedure for attending meeting & e-Voting on the day of the AGM is same as the instructions mentioned above for e-voting.
  2. The link for VC/OAVM to attend meeting will be available where the EVSN of Company will be displayed after successful login as per the instructions mentioned above for e-voting.
  3. Shareholders who have voted through Remote e-Voting will be eligible to attend the meeting. However, they will not be eligible to vote at the AGM.
  4. Shareholders are encouraged to join the Meeting through Laptops / IPads for better experience.
  5. Further shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
  6. Please 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.
  7. Shareholders who would like to express their views/ ask questions during the meeting may register themselves as a speaker by sending their request at [27thagm@mahanagargas.com](mailto:27thagm@mahanagargas.com) between Friday, August 12, 2022 (09.00 a.m. IST) and Tuesday, August 16, 2022 (05.00 p.m. IST) mentioning their name, demat account number/folio number, email id, mobile number at (company email id). The shareholders who do not wish to speak during the AGM but have queries may send their queries at [27thagm@mahanagargas.com](mailto:27thagm@mahanagargas.com) on or before 3.00 p.m. (IST) on Tuesday, August 16, 2022 mentioning their name, demat account number/folio number, email id, mobile number at (company email id). These queries will be replied to by the company suitably by email.

8. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.
9. Only those shareholders, who are present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system available during the AGM.
10. If any Votes are cast by the shareholders through the e-voting available during the AGM and if the same shareholders have not participated in the meeting through VC/OAVM facility, then the votes cast by such shareholders may be considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the meeting.

### **PROCESS FOR THE SHAREHOLDERS WHOSE EMAIL/ MOBILE NO. ARE NOT REGISTERED WITH THE COMPANY/DEPOSITORIES:**

1. For Physical shareholders, please provide necessary details like Folio No., Name of shareholder, 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 to Company at [27thagm@mahangargas.com](mailto:27thagm@mahangargas.com) or RTA at [rnt.helpdesk@linkintime.co.in](mailto:rnt.helpdesk@linkintime.co.in).
2. For Demat shareholders, please update your email id & mobile no. with your respective Depository Participant (DP).
3. For Individual Demat shareholders, please update your email id & mobile no. with your respective Depository Participant (DP) which is mandatory

while e-Voting & joining virtual meetings through Depository.

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](mailto:helpdesk.evoting@cdslindia.com) or contact at toll free no. 1800 22 55 33

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 (CDSL), A Wing, 25<sup>th</sup> Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or call toll free no. 1800 22 55 33.

### **GENERAL GUIDELINES:**

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to [ucshukla@rediffmail.com](mailto:ucshukla@rediffmail.com) with a copy marked to [27thagm@mahangargas.com](mailto:27thagm@mahangargas.com).
2. Any person holding shares in physical form and non-individual shareholders, who acquires shares of the Company and becomes member of the Company after the notice is send through e-mail and holding shares as of the record date i.e. Tuesday, August 16, 2022, may obtain the login ID and password by sending a request at [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or Company/RTA.

For **Mahanagar Gas Limited**

By Order of the Board

Place : Mumbai  
Date : July 27, 2022

Sd/-  
**Atul Prabhu**  
Company Secretary & Compliance Officer



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

### Item No. 4

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

The Board on the recommendation of Audit Committee, in its meeting held on June 29, 2022, had approved the appointment of M/s. ABK & Associates, Cost Accountants (Firm Registration No. 000036) to conduct audit of cost records of the Company for the financial year 2022-2023 at a 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, subject to ratification of remuneration by the shareholders.

M/s. ABK & Associates has the necessary experience in the field of cost audit and has submitted written consent and a certificate regarding their eligibility for appointment as Cost Auditors of the Company.

In accordance with the provision of Section 148(3) of the Companies Act, 2013 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. 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

GAIL (India) Limited ("GAIL") is the largest state-owned gas transmission and marketing company in India and your Company purchases a substantial part of

its requirement of the natural gas from GAIL in the ordinary course of business and at arm's length basis. GAIL supplies entire domestic gas allotment provided by MOPNG to your Company at a price determined pursuant to MOPNG guidelines.

Further, your Company had entered into Term RLNG contract with GAIL for procurement of gas. Your Company also procures SPOT RLNG for its additional requirement through an approved competitive bidding mechanism from GAIL (India) Limited (GAIL) among other gas suppliers. Hence, it is not possible to ascertain the parties to whom the contract may be awarded and the amount of gas to be purchased from individual gas suppliers.

Your Company had obtained approval from the shareholders at the 26<sup>th</sup> Annual General Meeting for the agreements entered/ to be entered for purchase and transportation of Domestic Gas and Spot/ Term RLNG for an aggregate amount of ₹ 2,500 Crore for the financial year 2022-23. However, on account of volatility in the gas prices due to geo-political situation and currency depreciation, the cost of imported gas has surged. Consequently, it is estimated that the aggregate amount of the related party transaction with GAIL for purchase and transportation of gas may increase beyond the approved limit of ₹ 2,500 Crore during the financial year 2022-23.

In this regard, an estimated amount of gas to be purchased from GAIL during the financial years 2022-23 and 2023-24 is ascertained and submitted for the approval of the members as referred below.

GAIL (India) Limited may be treated as a Related Party to the Company for purchase and transportation of domestic gas and Spot/ Term RLNG pursuant to the provisions of Companies Act, 2013 ("the Act") and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations").

Pursuant to Regulation 23 of the Listing Regulations, a transaction with a related party shall be considered material if the transaction(s) to be entered into individually or taken together with previous transactions during a financial year, exceeds rupees one thousand crore or ten percent of the annual consolidated turnover of the Company as per the last

audited financial statements of the Company, whichever is lower. Further, all material related party transactions shall require approval of the shareholders through ordinary resolution and no related party shall vote to approve such resolutions whether the entity is a related party to the particular transaction or not.

Pursuant to provisions of the Listing Regulations, the transaction of purchase and transportation of domestic gas and Spot/ Term RLNG with GAIL (India) Limited, in ordinary course of business and on arm's length basis, for an aggregate value up to ₹5,000 crore (for the Financial Year ending on March 31, 2023) and ₹6,200 crore (for the Financial Year ending on March 31, 2024) is material in nature, per se, the same requires approval of the unrelated shareholders of the Company by an Ordinary resolution.

The other related information as envisaged under Companies (Meetings of Board and its Powers) Rules, 2014 and amendments thereto and the Policy of the Company on Related Party Transaction are furnished hereunder:

1 The name of the related party and nature of relationship [including nature of its concern or interest (financial or otherwise);	GAIL (India) Limited, Promoter
2 Name of the Director or Key Managerial Personnel, who is related.	-
3 Actual / Estimated Value of Transactions (for which approval sought)	<ul style="list-style-type: none"> <li>• ₹ 5,000 Crores (for the FY ending on March 31, 2023)*</li> <li>• ₹ 6,200 Crores (for the FY ending on March 31, 2024)*</li> </ul>
4 The nature, duration/ tenure of the contract and particulars of the contract or arrangement;	<p>Mahanagar Gas Limited is in business of City Gas Distribution; it purchases a substantial requirement of natural gas from GAIL (India) Limited. MGL purchases domestic gas through Government allocation of domestic Gas for CNG and Domestic PNG customers. MGL purchases SPOT RLNG through board approved process of competitive bidding system. Accordingly, Company has entered into various agreements with GAIL (India) Limited (GAIL) for purchase and transportation of natural gas.</p>

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

**1. APM Agreement (for GA1,GA2 and GA3)- for use in CNG and D-PNG segments:**

- Nature: Long Term Gas Sales and Transportation Contract.
- Duration: July 06, 2021 - July 06, 2026.

**2. Non-APM (for GA1,GA2 and GA3)- for use in CNG and D-PNG segments:**

- Nature: Long Term Gas Sales and Transportation Contract.
- Duration: July 06, 2021 - July 06, 2026.

**3. Gas Sale Agreement (GSA) for supply of RLNG- (for GA1,GA2 and GA3) - for use in CNG and D-PNG segments:**

- GSA dated May 14, 2022
- Duration: May 16, 2022 till - July 06, 2026.

**4. Supplementary Agreements –(for GA1, GA2, GA3):**

- Supplementary Agreements for GA1, GA2, GA3 to supply pooled natural gas to MGL at Uniform Base Price (UBP) for use in CNG and D-PNG segments
- Supplementary Agreements for GA1, GA2, GA3 dated May 14, 2022
- Duration: May 16, 2022 till - July 06, 2026.

**5. Gas Sale Agreement (HH Portfolio GSA):**

- Nature: Term Gas.
- Date of signing the agreement: March 04, 2022.
- Duration: March 05, 2022 till - March 31, 2027.

**6. Gas Transmission Agreement:**

- GTA dated January 02, 2008.
- Duration: January 02, 2008 till January 01, 2033.

**7. SPOT RLNG Contracts (Spot Gas Sale Agreement):**

- Nature: Short Term Spot Gas Sales Agreement.
- Date of signing the agreement: October 01, 2021.
- Existing agreement valid till December 31, 2025.

**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).

5	The material terms of the contract or arrangement including the value, if any;	<p>Purchase of Domestic Gas/Pooled gas from GAIL is through Gas allocation by MoPNG.</p> <p>Purchase of SPOT RLNG is through a Board approved process of Competitive bidding in the ordinary course of business and on arm's length basis.</p> <p>Purchase of Gas from GAIL is as per the terms of the agreement/ term sheet.</p>
6	Percentage of the MGL's annual turnover, for the immediately preceding financial year, that is represented by the value of the proposed transactions	<ul style="list-style-type: none"> <li>• 128.70% (for the FY ending on March 31, 2023)*</li> <li>• 159.59% (for the FY ending on March 31, 2024)*</li> </ul>
7	Benefits of the proposed transaction	<ul style="list-style-type: none"> <li>• GAIL is Nominee of Government of India for supply of APM/NAPM/ Pooled Gas for CGD companies.</li> <li>• Long term RLNG contract is executed with GAIL for optimization of gas sourcing portfolio, to reduce price volatility and provide stability &amp; security of gas supply.</li> </ul>

8	A copy of the valuation or other external party report, if any such report has been relied upon	All contracts with the related parties defined as per Section 2(76) of the Companies Act, 2013 ("Act") are reviewed and approved by the Audit Committee and Board based on the applicable provisions of the Act, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Company's Policy on Related Party Transactions.
9	Any advance paid or received for the contract or arrangement, if any;	NA
10	The manner of determining the pricing and other commercial terms, both included as part of contract and not considered as part of the contract;	<p><b>1. APM (for GA1, GA2 and GA3) - for use in CNG and D-PNG segments:</b> As per Article 13 of APM GSTA, subsequent in CGD policy Guidelines issued by MoPNG and Pricing orders/amendments from PPAC/MoPNG</p> <p><b>2. Non-APM (for GA1, GA2 and GA3) - for use in CNG and D-PNG segments:</b> As per Article 13 of NAPM GSTA, subsequent in CGD policy Guidelines issued by MoPNG and Pricing orders/amendments from PPAC/MoPNG</p> <p><b>3. Gas Sale Agreement (GSA) for supply of RLNG- (for GA1, GA2 and GA3) - for use in CNG and D-PNG segments:</b> As per Article 9 of GSA, subsequent in CGD policy Guidelines issued by MoPNG and Pricing orders/amendments from PPAC/MoPNG</p> <p><b>4. Supplementary Agreements – (for GA1, GA2, GA3) - for use in CNG and D-PNG segments:</b> CGD policy Guidelines issued by MoPNG and Pricing orders/amendments from PPAC/MoPNG</p> <p><b>5. Gas Sale Agreement (HH Portfolio GSA):</b> As per Article 11 of GSA</p> <p><b>6. GTA:</b> According to the tariff orders of PNGRB</p> <p><b>7. SPOT RLNG Contracts (Spot Gas Sale Agreement):</b> As per Article 9 of Spot GSA.</p> <p><b>8. Other Contracts/ Transactions/ Agreements (subject to finalization):</b> 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). The aggregate value of the transaction(s) under such other contract(s)/ agreement(s) along with the contract(s) with GAIL, mentioned above shall not exceed the approved monetary limits for the respective financial years.</p>

11	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
12	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 June 28, 2022 and June 29, 2022.

The Board of Directors therefore recommends the resolution as set out in Item No. 5 of the Notice for approval of shareholders of the Company.

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, whether the entity is a Related Party to the particular transaction or not.

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

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

For **Mahanagar Gas Limited**

By Order of the Board

Place : Mumbai  
Date : July 27, 2022

Sd/-  
**Atul Prabhu**  
**Company Secretary & Compliance Officer**