



**Ref:** MGL/CS/SE/2023/463

**Date:** 03<sup>rd</sup> March 2023

To,

<b>Head, Listing Compliance Department BSE Limited</b> P. J. Towers, Dalal Street, Mumbai - 400 001 <b>Scrip Code/Symbol: <u>539957; MGL</u></b>	<b>Head, Listing Compliance Department National Stock Exchange of India Ltd</b> Exchange Plaza, Bandra –Kurla Complex, Bandra (East), Mumbai - 400051 <b>Script Symbol: <u>MGL</u></b>
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**Sub: Execution of definitive documents for proposed acquisition of shares of Unison Enviro Private Limited**

Dear Sir/ Madam,

Pursuant to Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements), Regulations 2015 (“Listing Regulations”), we wish to inform that Mahanagar Gas Limited (“**Company**”) has entered into definitive documents (“**Transaction Documents**”), to acquire 100% of the shareholding of Unison Enviro Private Limited (“**UEPL**”), through purchase of shares from its existing shareholders which shall take place upon receipt of approval for 100% transfer of shares from Petroleum and Natural Gas Regulatory Board (“**PNGRB**”/ “**Regulator**”) (unless otherwise agreed between the Company, UEPL and existing shareholders of UEPL in accordance with the terms of the definitive documents) (“**Transaction**”) and such other consent(s) and approval(s), as may be required. The said Transaction is subject to the fulfilment of various terms and conditions as specified in the Transaction Documents.

In this regard, we enclose herewith, the details pursuant to Regulation 30(6) of the Listing Regulations, read with SEBI Circular No. CIR/CFD/CMD/4/2015 dated September 09, 2015 as **Annexure 1**.

A copy of the Press Release is enclosed herewith as **Annexure 2**.

We request you to take the above information on record.

For, **Mahanagar Gas Limited**

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

Encl.: As above

**ANNEXURE 1**

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

<b>Sr. No.</b>	<b>Particulars</b>	<b>Description</b>
a)	Name of the target entity, details in brief such as size, turnover etc.	Unison Enviro Private Limited (UEPL), a private limited company incorporated in India. The details of UEPL for the financial year 2021-2022 are as under:  Turnover: INR 89.44 Crores Net worth: INR 83.44 Crores PAT/ (Loss): INR (24.94 Crores)
b)	Whether the acquisition would fall within related party transaction(s) and whether the promoter/ promoter group/ group companies have any interest in the entity being acquired? If yes, nature of interest and details thereof and whether the same is done at “arm’s length”	The acquisition does not fall within related party transactions. The promoter/ promoter group/ group companies have no interest in UEPL.
c)	Industry to which the entity being acquired belongs	Oil and Gas (City Gas Distribution)
d)	Objects and effects of acquisition (including but not limited to, disclosure of reasons for acquisition of target entity, if its business is outside the main line of business of the listed entity)	Acquisition to enter new Geographical Areas for pursuing inorganic growth opportunities.
e)	Brief details of any governmental or regulatory approvals required for the acquisition	The acquisition of shareholding is subject to PNGRB Approval.
f)	Whether the transaction will be in tranches?	No
g)	Indicative time period for completion of the acquisition	Acquisition of 100% shareholding is expected to be completed upon receipt of PNGRB approval and subject to fulfilment

		of terms and conditions under the Transaction Documents.								
h)	Nature of consideration- whether cash consideration or share swap and details of the same	Cash consideration								
i)	Cost of acquisition or the price at which the shares are acquired	INR 531 Crores, subject to any adjustments as per transaction documents.								
j)	Existing Percentage of shareholding held by acquirer	Nil								
k)	Percentage of control acquired	Nil								
l)	Percentage of shares acquired (additional, if existing holding persists)	Nil								
m)	Brief background about the entity acquired in terms of products/line of business acquired, date of incorporation, history of last 3 years turnover, country in which the acquired entity has presence and any other significant information (in brief)	UEPL was incorporated on December 14, 2015, under the provisions of the Companies Act, 2013.								
		UEPL has been authorised 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 & Devengere in the state of Karnataka.								
		The turnover from operations of UEPL for the last three years is as follows:								
		<table border="1"> <thead> <tr> <th>Year</th> <th>Turnover (Rs Crores)</th> </tr> </thead> <tbody> <tr> <td>FY 2021-22</td> <td>89.44</td> </tr> <tr> <td>FY 2020-21</td> <td>23.52</td> </tr> <tr> <td>FY 2019-20</td> <td>7.35</td> </tr> </tbody> </table>	Year	Turnover (Rs Crores)	FY 2021-22	89.44	FY 2020-21	23.52	FY 2019-20	7.35
		Year	Turnover (Rs Crores)							
FY 2021-22	89.44									
FY 2020-21	23.52									
FY 2019-20	7.35									

**Press Release**

**Mahanagar Gas Limited signs Agreement to acquire  
Unison Enviro Private Limited**

**Opens avenues for growth and geographical expansion**

**Mumbai, 3<sup>rd</sup> March 2023:** Mahanagar Gas Limited (MGL or the Company) has signed a Share Purchase Agreement (SPA) with Unison Enviro Private Limited (UEPL) and existing shareholders of UEPL (Ashoka Buildcon Ltd. and an investment fund managed by Morgan Stanley India Infrastructure) for acquisition of 100% stake in UEPL. The SPA will be subject to customary approvals from Regulatory Authorities.

This acquisition will enable MGL to expand to newer geographical areas in Maharashtra (Ratnagiri, Latur & Osmanabad) and Karnataka (Chitradurga & Davanagere) thereby providing new avenues for long term growth. The transaction is of strategic importance to MGL and the extended footprint would help the Company to scale its future business development activities across a larger network and customer base.

HDFC Bank Investment Banking was exclusive Transaction Advisor to MGL. Kotak Investment Banking was exclusive Financial Advisor to Ashoka Buildcon Limited and the investment fund managed by Morgan Stanley India Infrastructure on this transaction.

**Mr. Ashu Shinghal, Managing Director of MGL,** said, “We are delighted to sign the agreement for acquisition of 100% stake in Unison Enviro Private Limited. There is great potential of integrating resources and derive synergies from this acquisition. MGL, with its deep-domain knowledge, strategies for long-term growth and capable workforce, is well equipped to seize the opportunities that lie ahead of it. MGL is strategically poised to leverage new opportunities in the CGD sector, as it continues to expand its areas of operations while providing high quality services to its customers. The acquisition would help MGL expand its network within and beyond Maharashtra and offer its quality services with safety to a broader customer base, thereby contributing towards long term growth of the organisation.”

**Mr. Ashish Kataria, Director of Ashoka Buildcon Limited and Chairman of Unison Enviro,** said, “Ashoka Buildcon has consistently sought growth opportunities that leverage the company’s proven project execution skills. In 2016, we identified gas distribution as one such opportunities. Within a short period of time, we gained domain knowledge, won 3 licenses, commissioned these networks and implemented a number of industry leading innovative



solutions. We are happy with the way UEPL has scaled-up. We believe this transaction will help UEPL leverage MGL's strengths to realize its full potential. This successful divestment continues to substantiate ABL's full cycle credentials and efficient use of capital to develop, construct, commission, operate and sale of investments." He also appreciated the contribution of employees who have taken this business to its truest potential. He further told about the fulfilment of commitment of delivering value to the Investors.

**Mr. Shyamsundar Gurumoorthy, Managing Director of Morgan Stanley India Infrastructure**, said "Since our partnership with Ashoka Buildcon Limited and investment in UEPL in 2019 we are delighted we could support ABL and the management team to scale-up UEPL from a pre-revenue platform to one of the fastest-growing sustainable city gas distribution companies in India. We believe UEPL's city gas distribution licenses are attractive with inherent long-term growth potential in its areas of operation. These licenses offer an excellent inorganic growth opportunity and a strategic fit for Mahanagar Gas Limited. This investment is a validation of our thesis to be an early entrant in an emerging infrastructure space, partner with like-minded sponsors and successfully scale-up businesses".

**About Mahanagar Gas Limited:**

Mahanagar Gas Limited (BSE: 539957, NSE: "MGL") is one of India's leading Natural Gas Distribution Company based out of Mumbai, that provides clean and affordable fuel to over 2.1 million households, around 0.91 million vehicles including 4488 commercial and industrial establishments. MGL has an experience of over 28 years in supplying Natural Gas by way of Compressed Natural Gas (CNG) to vehicles and Piped Natural Gas (PNG) to domestic, commercial, and industrial consumers in Mumbai, Navi Mumbai, Thane including adjoining areas and Raigad district. For more information about Mahanagar Gas Limited, please visit [www.mahanagargas.com](http://www.mahanagargas.com).

**About Unison Enviro Private Limited:**

Unison Enviro Private Limited is a subsidiary company of Ashoka Buildcon Limited. UEPL has been granted authorization from Petroleum and Natural Gas Regulatory Board (PNGRB) to develop City Gas Distribution business in districts of Ratnagiri, Latur, Osmanabad and Chitradurga & Davanagere. It is engaged in supplying natural gas to domestic, commercial, industrial and transport sector.

**About Ashoka Buildcon Limited:**

Ashoka Buildcon Limited (BSE:533271, NSE: ASHOKA EQ) Ashoka Buildcon Limited is a Fortune India 500 company and one of the leading highway developers in India. The company is an integrated EPC, BOT and HAM player. The Company has experience of more than 28 years in the field of construction and infrastructure development. The Company has executed / been executing 41 PPP Projects and has presence over 20 states in the country. The Company has constructed various prestigious projects across the country in roads and highways sectors.



### **About Morgan Stanley:**

Morgan Stanley (NYSE: MS) is a leading global financial services firm providing investment banking, securities, wealth management and investment management services. With offices in more than 41 countries, the Firm's employees serve clients worldwide including corporations, governments, institutions and individuals. For more information about Morgan Stanley, please visit [www.morganstanley.com](http://www.morganstanley.com).

Morgan Stanley India Infrastructure is the India infrastructure investing platform of Morgan Stanley Infrastructure Partners. Part of Morgan Stanley Investment Management, Morgan Stanley Infrastructure Partners is a leading global infrastructure investment platform with offices in New York, London, Melbourne, Hong Kong, Amsterdam and Mumbai.

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