MAHANAGAR GAS

MAHANAGAR GAS LIMITED

Ref: MGL/CS/SE/2026/737 **Date:** November 06, 2026

To,

Head, Listing Compliance Department **BSE Limited** **P. J. Towers,** **Dalal Street,** **Mumbai – 400 001** **Scrip Code: 539957**	**Head, Listing Compliance Department** **National Stock Exchange of India Limited** **Exchange Plaza, Bandra – Kurla Complex,** **Bandra (East),** **Mumbai – 400 051** **Symbol: MGL**

Dear Sir / Madam,

Sub: Transcript of Earnings Conference Call for the quarter and half year ended September 30, 2026

Pursuant to Regulation 30 and Schedule III of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we submit herewith the transcript of the Earnings Conference Call held on November 04, 2026 on the Unaudited Standalone and Consolidated Financial Results and Operational performance of the Company **for the quarter and half year ended September 30, 2026**.

The said transcript is also available on the website of the Company at www.mahanagargas.com.

You are requested to take the above information on record.

Thanking you,

Yours sincerely,

For **Mahanagar Gas Limited**

Atul Trimbak Prabhu
Digitally signed by Atul Trimbak Prabhu
Date: 2026.11.06 16:12:21 +05'30'

Atul Prabhu
Company Secretary & Compliance Officer

Encl.: as above

Mahanagar Gas Limited

Q2 FY27 Earnings Conference Call

November 04, 2026

MANAGEMENT: **MR. PRAVEER KUMAR SRIVASTAVA – MANAGING DIRECTOR**
MR. AJAY SINHA – DEPUTY MANAGING DIRECTOR
MR. RAJESH PATEL – CHIEF FINANCIAL OFFICER

MODERATOR: **MR. NITIN TIWARI – PHILLIPCAPITAL INDIA PRIVATE LIMITED**

Moderator: Ladies and gentlemen, good day and welcome to Mahanagar Gas Q2 FY27 Earnings Conference Call hosted by PhillipCapital India Private Limited. As a reminder, all participant lines will be in the listen-only mode and there will be an opportunity for you to ask questions after the presentation concludes. Should you need assistance during the conference call, please signal an operator by pressing star then zero on your touchtone phone. Please note that this conference is being recorded.

I now hand the conference over to Mr. Nitin Tiwari from PhillipCapital India Private Limited. Thank you, and over to you, sir.

Nitin Tiwari: Thank you, Nitesh. Good day, ladies and gentlemen. Best wishes to everyone in advance for Diwali. On behalf of PhillipCapital India Limited, I welcome everyone to Mahanagar Gas Limited's Q2 FY27 earnings call. Today, we have the pleasure of having with us the senior management of MGL led by Mr. Praveer Kumar Srivastava, Managing Director, Mr. Ajay Sinha, Deputy Managing Director, and Mr. Rajesh Patel, Chief Financial Officer.

Before we begin, I would like to mention that some of the statements made in today's discussion may be forward-looking in nature, and we believe that expectations contained in the statement are reasonable. However, these statements involve a number of risks and uncertainties that may lead to different results. We urge you to consider that quarterly numbers are not a reflection of long-term trends or indication of full-year results. With that said, I will now hand over the call to the management. Over to you, sir.

Praveer Srivastava: Thank you. A very good day and best wishes in advance for Diwali and welcome to the earnings call of Mahanagar Gas Limited for the second quarter of the financial year 2026-27. I would like to thank all of you for attending our earnings call today. The ongoing West Asia conflicts and uncertainties surrounding the Strait of Hormuz continue to affect global LNG availability and prices.

India's natural gas supply situation is gradually improving, though with the LNG imports showing signs of recovery. However, 100% of our domestic PNG, DPNG requirement and the major portion of our CNG requirements are sourced from domestically produced natural gas ensuring uninterrupted supply to our domestic PNG customers and continued reliable supply to our CNG consumers.

Gas supplies to industrial and commercial customers are partly curtailed. Gas prices may remain volatile in the near term, but are expected to gradually decline as geopolitical tensions ease. We continue to closely monitor the situation and remain committed to maintain uninterrupted gas supply to our customers.

Currently, we are into PNG Drive 3.0 that builds on the achievements of PNG Drive 2.0, focusing on accelerating domestic PNG connections, activating dormant connections, improving infrastructure utilization, and expanding PNG adoptions through strong stakeholder coordination. MGL continues to create CGD infrastructure across its business segments in the licensed area.

During the quarter, 70,501 DPNG conversions were achieved taking the cumulative DPNG conversions to 2.24 million as on 30th September 2026. We have laid 65 km of steel and PE pipeline, taking the total length to over 8,500 km. We added 9 CNG stations during this quarter and with this, we have 528 stations as on 30th September 2026. We added 248 industrial and commercial customers during this quarter. As on 30th September 2026, we have 6,409 industrial and commercial customers. During the quarter, there is an addition of 29,524 CNG vehicles and now we have more than 1.34 million CNG vehicles registered in our geographies as of 30th September 2026.

Coming to MGL's operations compared to the corresponding quarter of the last year, overall sales volumes has increased by 6.49% and that is from 4.59 to 4.89 million standard cubic meter per day. Sales volume of CNG has increased by 9.14% from 3.26 MMSCMD to 3.55 MMSCMD.

Sales volume for domestic DPNG has increased by 9.84% from 0.58 MMSCMD to 0.64 MMSCMD. In case of industrial and commercial, mainly due to the supply restrictions and higher Brent, there is a decrease in sales volume of 7.48% from 0.76 MMSCMD to 0.70 MMSCMD.

During the quarter, we achieved overall sales volume of 4.892 MMSCMD as against 4.766 MMSCMD in the previous quarter, which is an increase of 2.63%. Sales volume in case of CNG has increased from 3.496 MMSCMD to 3.552 MMSCMD, which is an increase of 1.63%.

Sales for domestic DPNG have increased from 0 .623 MMSCMD to 0 .639 MMSCMD, which is an increase of 2.62%. In case of industrial and commercial sales, volume were 0.70 MMSCMD as compared to 0.648 MMSCMD in the previous quarter, an increase of 8.07%. EBITDA from operations for this quarter is INR287 crores as compared to previous quarter's EBITDA of INR343 crores.

H1 EBITDA is INR630 crores compared to previous year H1 EBITDA of INR839 crores. Net profit after tax for the quarter is INR137 crores as compared to previous quarter net profit after tax of INR194 crores. Net profit after tax is INR331 crores for the H1 as compared to INR513 crores in the H1 of previous year. With this, I conclude and would like to now like to open the floor for the questions. Thank you very much for your patient listening and once again wish you a very Happy Diwali. Thank you.

Moderator: Thank you very much. We will now begin the question and answer session. We have first question from the line of Mr. Probal Sen from ICICI Securities. Sir, please go ahead.

Probal Sen: Yes. Sir, very Happy Diwali to all of you in advance, first of all. Two or three questions from my side. Firstly, as far as the sourcing is concerned, sir, can we get a sense of how much was spot LNG as a percentage of our total volume sourcing for this quarter and what was sort of the blended price of the same in this quarter?

Rajesh Patel: Our at the company level volume, if you compare spot was around 4%. When I'm saying spot, I'm referring to other than HPHT spot, which comes through IGX. If we include spot through IGX HPHT also, then it was around 11%. Okay?

Probal Sen: So, 11% including exchange spot volumes, but pure spot LNG per se was only about 4% for the quarter.

Rajesh Patel: Yes. And that too I'm saying with respect to, CNG volumes, this is 4% is with respect to CNG volume. If you take it at company level, then it is hardly 2.5% of the overall company volumes. Pure spot RLNG.

Probal Sen: Okay. And sir, what was sort of roughly the range of the pricing that we saw in the quarter for LNG?

Rajesh Patel: LNG was hovering, $22 to $23.

Probal Sen: Right. So just as a follow-up, sir, we have seen a sharp escalation in LNG prices, particularly in the spot markets in Q3. So how are we sort of looking at it now and are we planning any further pricing actions to protect margins? Anything being looked at?

Rajesh Patel: We would have even completely avoided spot during Q2 also, but I don't know whether you are aware there was a circular on HPHT gas allocation formula. That was changed in favor of the larger CGD entities. Okay? But probably because of the sudden change, the earlier formula which was benefiting all entities equally when the HPHT used to come up for bidding, when it was removed, sudden vacuum happened at, smaller entities probably and some benefit accrued to larger entities because of higher HPHT availability through IGX mainly.

So, then I think there was a reconsideration of that formula and formula remains same, but it has been phased out over up to June. So let's say next two months, November, December, it will be 25%, then next three months it will be 50%, then another 75% and then 100% from July. So with this phasing out, we see that good amount of HPHT allocation will be available to us.

Now, when, suddenly some amount of HPHT was removed and this was applied, we ended up buying some spot. So, having said that, some increase will happen on account of HPHT. Other than that, we have already tied up new term gas with some tweaking of formula for this shorter time of turmoil and then matching with the long-term contracts which is in the range of around 40,000 MMBTU. So that will help us in managing the cost.

Of course, depending on how the imported LNG supply remains in India, there has been plus and minuses on the actual supply despite having a term contract with all the suppliers. So that will determine whether, costs remains or we may have to again fall back on spot for a interim period.

So, we are doing a fine tune management of the cost by mostly ensuring that term contracts are available and dependence on spot is minimum. And that is what you can see our gas cost also.

Probal Sen: Yes, absolutely. No, fair enough, sir. The second question was about in the industrial and commercial segment. Can we get a sense or at least of blended pricing that was there for the industrial and commercial? I know that there is differential pricing for different segments, but just a rough cut idea what was it for industrial and what was it for commercial in this quarter? We can get a sense?

Rajesh Patel: Industrial commercial prices has been ranging anywhere between 65 to 100, sometimes more than 100 also, depending on the type of consumer, depending on the combination of fuel to which we are billing and depending on the Brent in that month, because the pricing is reset every month, depending on the contract with individual customer. So, I'm talking about this is the range.

Probal Sen: Got it. Sir, one last question, if I may, on the overall volume guidance, if you can kindly help us, what kind of volume growth guidance is now there for FY27 and 28? And if you can break up the growth that was seen in the MMR region and for the outside areas for this quarter?

Rajesh Patel: So I'll talk about in overall at company level, if you see compared to last half -- this half. We have at a company level grown by around 6.75%, okay? Now that could have been much better than 6.75%. Why I'm saying so because be it CNG, domestic and even small commercial customers. All CNG and domestic we have grown by 9.5% almost. Okay? In case of small commercial we have grown by almost 12%.

The overall dip you see is because of cut in the industrial supplies, mainly because of the curtailment of the supplies because of the West Asia crisis. So, once gas availability and pricing, if to a certain extent pricing also impacts the offtake by the existing customers. So, the sign contract and normal level consumption during normal if -- restores, our growth will be definitely more than 8% to 9% for both the years. That is what the trend is being -- currently.

Moderator: We have next question from the line of Achal from Axis Capital.

Achal: So, I just wanted to know clarification so when like when a year back when UEPL was amalgamated. So, did MGL had to pay any penalty with respect to the non-achievement of MWP, especially with respect to UEPL targets on DPNG and any other PNG pipeline layout?

Rajesh Patel: So while the control is transferred by PNGRB, at that time they review the MWP and the actual achievement. So, at the time of transferring those GA authorization from Unison to MGL, certainly PNGRB had asked for the shortfall of MWP. However, while signing the JV agreement with Unison, the agreement we had covered recovery of the same through the erstwhile promoters, partly and some small portion was borne by us post takeover.

Achal: And that portion has been recovered, sir? Like from the promoters?

Rajesh Patel: The manner in which the contract was structured with the erstwhile promoters was some understanding was there. So up to that level they have borne. Beyond that a nominal amount was borne by us. But, the company only, but not out of the price which was committed to the promoters. Ultimately it went from the Unison accounts only. Because there was a cash also in the balance sheet, right? It was an operating company.

Achal: And sir, secondly, on this HPHT norm. So, sir, can you give a detailed sense of what is the rule which is currently in place? And in volume terms if how much volumes are you expecting in, let's say, next few quarters and then next year, especially from the HPHT allocation change now?

Rajesh Patel: So, just to reiterate, earlier HPHT was getting allocated between all the legal entities who are bidding for the gas equally irrespective of how much they consumed for priority segment, CNG and domestic, okay? The new formula is that allocation will happen in the ratio of whatever is your previous consumption for CNG and domestic.

So obviously, if I am selling CNG of 3.5 million and another 0.7 million of domestic, 4.2, and somebody else is selling 2 million, say, I will get double than what he is getting. This is the current formula.

Now, with this current formula, if you do a sudden change, then there will be slightly hiccups for people who have reduction in the HPHT to tie up for another gas because the times are slightly difficult. So the formula remains the same, but formula has been phased out over next 7, 8 months.

For the first 2 months, that is November and December, the new formula will be applied for 25% of the quantity, and 75% will be allocated based on the number of legal entities bidding. Then for January, February, and March, it will be 50/50. 50% based on the proportion of consumption, 50% based on the number of entities bidding for the gas.

And then April, May, June, it will be 75% based on proportion of gas consumption, and 25% will be based on the number of legal entities. From July onwards, it will be 100% on the new formula. That is the way it is set up.

Now, coming to what is my allocation, if you consider legal entity, it would have depended on how many entities have bid for. But usually, most of the entities were bidding, so even if there are 17, 18 entities, we were getting in the range of 4.5%-5%, which in absolute terms was in the range of 5,000 to 6,000 MMBtu per day. Now, with the change of the formula, if the full order is implemented, if the flow of monthly HPHT through IGX remains at similar level, I should get at 3.5 times, around 16,000 to 18,000 MMBtu, most likely. Okay?

In between because of this change and step up, I think initially, instead of 5,000, 6,000, I will start getting around 7,000 to 8,000. And then every, this two months, three months, another 2,500 will be added, assuming that the quantity which is coming up for spot sale through IGX remains in the same range.

Another thing to be noted here is probably for the, either the term contracts may not come during this period or term contract if comes, will be divided into two portions, the time up to June 2027 and beyond June, that means July onwards, so that the formula is added by the suppliers who are producing HPHT and coming up for bidding.

Moderator: Thank you. We have next question from the line of Yogesh Patil from Dolat Capital. Please go ahead.

Yogesh Patil: Thanks for an opportunity, sir, and a couple of questions from my side. Can we get the gas details in terms of the MMSCMD, how much was APM, NWG, HPHT, Henry Hub, Crude like LNG during the quarter? And how much it has been in the month of November now?

Rajesh Patel: You that way know what is my total sales, okay?

Yogesh Patil: Yes.

Rajesh Patel: Even if we discuss percentage, I think it should be more than sufficient.

Yogesh Patil: Yes, sir.

Rajesh Patel: Yes. So first of all, domestic PNG is 100% APM, okay? Industrial commercial 100% through RLNG term contracts mostly. Mainly HH and some small quantity through Brent link contract, okay? When it comes to CNG, you can broadly divide 60% as domestically produced gas and 40% out of term which is maximums term gas and 4% is around spot gas.

Within that 60% I am saying domestically produced, APM and NWG is 40% and HPHT is around 40%, which includes HPHT through term as well as HPHT through IGX at the current level. So, which is going to increase in the month of November and going forward based on this new formula.

Yogesh Patil: Okay. Sir, next question, like HPHT allocation policy, do we expect the government will also frame the NWG allocation policy in which the CNG transport will get a priority? Any discussion, any updates on that side?

Rajesh Patel: We have been always requesting that or, you know, representing at the forum or the at individual level whenever there is a chance to do that. But no clue on whether anything will be implemented on that front. But yes, I do recognize that there is not much difference between NWG price under current scenario and any other RLNG or any other term contract. So, there is a need to do something on NWG.

Yogesh Patil: So, sir, question on the unit EBITDA margin side, you generally guide the unit EBITDA margins. What will be for this year current year FY27 and the next year FY28? And based on the current gas sourcing mix and the gas prices, how much CNG price hike is required to maintain a minimum INR7 per SCM kind of unit EBITDA in FY27?

Rajesh Patel: If you look at, I think my current quarter margin also, it is slightly lower than INR7. Around 6.77. So, we are not very far. You can guess how much increase I should do considering tax at the rate of 25%. So, even if I do INR1, INR1.5, if everything remains same, INR7 is achievable.

Yogesh Patil: Okay. And sir, any guidance for FY27 and FY28 EBITDA margins?

Rajesh Patel: I think it's a very difficult question to answer under current scenario where lot of factors are so much volatile that nobody is able to predict. Say, I might have tied up in terms of whatever I can do tying up term contracts or I can undertake some amount of hedging also, which we have done partly through changing the contract from index-based to fixed contract.

So some part of index, even if it goes a little higher in winters, we are protected partly. But on the factor of how much will be the supply of RLNG and what will be cut on the sign term contracts, we don't have any control. So, I think we are also evaluating situation every fortnight every month and taking a call on how should we move.

Our endeavor is always to maintain reasonable profitability under the scenario with an eye on it should not impact consumers adversely so that the momentum of CNG vehicle addition on CNG gets impacted. Though if you look at current petrol diesel prices, with respect to petrol we are almost offering 45% discount, which I am saying probably the blended petrol ethanol blended petrol.

So, the discount in actual terms could be much more than this if you consider pure petrol. With respect to even diesel, I am offering at the current level 10% to 11% discount. So I think with this, I can't really give you a number on what will happen, but our endeavor is to maintain whatever we have been giving the guidance.

Yogesh Patil: Okay. Lastly, sir, any particular reason why the operating expenses are much higher during the quarter, any one-off item?

Rajesh Patel: There are two, three reasons. You can see that volumes have gone up, but margins have remained same or gone down slightly because of current scenario. The moment situation improves, margins will go up. Now, when I say volumes go up, there are a lot of expenses which are linked to volume directly, like power and fuel, LCV transportation, dispensing charges, etcetera. If I am not able to recover those, those will recover once things normalize and the margins should come to normalcy.

Other than that, generally July is the month where you get promotions, increment, etcetera and in our case, we do have a long-term pay correction for all the employees, which was implemented in the quarter and though it was provided, but the actuarial valuation impact because of the interest rate changes in the market and the salary revision has an impact of around INR10 crores, INR12 crores, which is one-time in this quarter likely to go away. Maybe in the subsequent quarter it will not be so high.

Moderator: We have next question from the line of Vanshika Jain from Aequitas Investment. Please go ahead.

Vanshika Jain: Hi, sir. So, I just had one question. And it was that the PNG commercial and industrial volumes they have fallen about 7% in both the quarters given the current war situation. So what is the outlook for volume growth and margins in this segment?

Rajesh Patel: See as I said earlier in the beginning of the call itself, that commercial volumes have actually grown, when I am saying commercial small category restaurants, who are, you know, otherwise consuming LPG bottles, 19 kg LPG bottles. There the volumes have gone up actually by around 9%-10%. Okay?

Whereas it is industrial volumes where there is a cut. Two reasons, the supply was also restricted in the first quarter and second quarter also RLNG supplies were restricted in the range of 70%. So, that has impacted this and Brent being so high and our pricing formula is linked to the alternate fuel pricing, okay?

So, if the prices go up slightly, people become cautious and they consume less. And as such, there was a cut from our side also because of the restriction in the first quarter. Predominantly

my customer base with the DCQ, they have signed the daily optic they have signed has not gone down, it has increased. Okay? So, the moment situation comes to normalcy, this volumes will bounce back by more than double-digit. And margin is dependent on the gas cost and the Brent-link realization.

Moderator: We have next question from the line of Varatharajan from Antique Limited. Please go ahead.

Varatharajan: Thank you for the opportunity, sir. You had given the APM plus New Well Gas, if we can give a split between APM and new well gas as well. And secondly, like you know, in terms of the incentivization of commercial vehicles, where do we stand and is the program still on and what has been the expense there?

And in terms of run rate, we see round about 600 to 700 vehicles a month, which has gone up from 300, 400, which is a good thing. But still, what we see is that you know, why is it that it is not expanded into the diesel or like you know, other vehicles available? That proportion is still fairly high. Why are we not making a bigger dent on that front?

Rajesh Patel: So, to your first question, my answer is that for APM and NWG available for CNG is roughly 50-50. Both put together if it is 40, it is 50-50 divided.

Coming to marketing scheme, yes, we have continued with the large-size commercial vehicle, the schemes and almost there is a registration and commitment for more than 800 vehicles, okay? But we actually disbursed only when the vehicle is delivered and it starts consuming gas on our gas stations, okay?

So, by now out of those 800, roughly 110 vehicles have been delivered and expenses incurred in the range of, you know, if you consider roughly 3.5 lakh is per vehicle, around INR3.5 crores to INR4 crores expenses has been incurred in this quarter. Okay?

So, balance around 700-800, and if any more new registration comes, that will be addition. This I am talking excluding the type of vehicle like Tata Sumo and those small vehicles which are running and getting added on the fleet without any scheme. These are larger fleet size and larger vehicles, above 10 tons.

Varatharajan: If I have to understand it right, so you have discontinued on the LCVs, you are moving more towards the larger ones? Is that the way it is? So, LCVs we are not incentivizing as of now.

Rajesh Patel: Yes, the model which are anyway selling on CNG and have a very good market share, we need not sponsor them, right? It is the higher segment where we want penetration more.

Moderator: We have next question from the line of Bineet Banka from Nomura. Please go ahead.

Bineet Banka: Hi, sir. Thanks for the opportunity. Sir, on the INC margin for 2Q, was there a decline on a quarter-on-quarter basis because your gas costs have gone up and the alternate fuel prices, which is Brent and propane was down on an average basis quarter-on-quarter?

Rajesh Patel: If you look at LPG cylinder, the prices went up by almost more than 25% compared to the last quarter. But if you look at LDO and FO, the prices went down by around 6%. So, in the similar

range, my prices have also moved. So, in case of commercial, there was definitely an upside in that percentage. And in case of industrial and the large customers, there was a reduction compared to the previous quarter Q1. But it still remains higher than the same quarter last year. Or maybe Q4 as well.

Bineet Banka: So, you said margins are higher or prices are higher? I think margins, right? Prices are anyway higher, which is understandable.

Rajesh Patel: No, no. See, I bill, let's say, some customers bill to 19 kg LPG cylinder. Okay? Compared to Q1, Q2 LPG cylinder prices have gone up by more than 25%, which is publicly available data. So, my realization also to such customer has gone up by 25%. Whereas customers whom I am billing either on FO, LDO, or combination of FO and LDO, these both the fuels have gone down by from the range of 6% to 15%. And so, compared to Q1, in case of large customer, yes, there is a reduction. On the sales realization.

Bineet Banka: Okay. And margins will be largely similar or there will be a slight cut, I think because…

Rajesh Patel: Term gas and I have used. More or less, I think it has remained slightly better or equal to previous quarter, not much change in the gas cost.

Bineet Banka: Okay. And sir, second question is on capex. So, I think first half capex is around INR643 crores and I think earlier you gave a guidance of INR1,500 to INR1,800 crores. So, will that guidance still hold because the first half run rate has been slightly, I think lower than what you would have wanted?

Rajesh Patel: Generally, first half run rate is always lower. Reason is post mid of May till October monsoon season, you don't get permissions to lay pipeline. Okay? So, our actual work starts picking up from October onwards only. So, you will see, we still maintain that run rate of INR1,500 to 1,800 crores. However, I have been earlier also saying and adding –that the wish and ambition of the company is to do more and more capex and capture the market.

However, there could be a lot of impediments in terms of availability of manpower, material, etcetera, etcetera, because you can't scale up operations and get the manpower at one shot. Though you may make a lot of effort because most of the CGDs are doing the similar thing, so segment may be under pressure for same material, same labor skill, etcetera. So, our endeavor is to do that and we still maintain it should be in the range of INR1,500 crores plus.

Bineet Banka: Sir and because of this high capex run rate, I think for at least next couple of years the FCF will be negative. So, how do you plan to fund this?

Rajesh Patel: You mean cash flow generated out of business and capex?

Bineet Banka: Yes, sir, yes. Operating cash flow minus capex that would be negative for, I think, FY27 and 28.

Rajesh Patel: Negative by INR200-300 crores, you are right.

Bineet Banka: So, are you going to raise some debt, I think because on the balance sheet, right now there is no debt? Or will you be liquidating mutual funds?

Rajesh Patel: Debt may not be warranted. Okay? Some part gets funded through the customer deposit as well. Okay? So, debt may not get warranted as such because I have still surplus of almost INR1,000 crores. And my cash inflow from operations should be in the range of more than INR1,000 crores, INR1,000 to INR1,200 crores.

Moderator: We have next question from the line of Mayank Maheshwari from Morgan Stanley. Please go ahead.

Mayank Maheshwari: So, thank you for the call. Just one question around your I&C customers. Would you have a bit of a break up in terms of what percentage of your customers are now on fuel oil, what percentage is linked to LPG bottles, and how you're thinking about the strategy around pricing for these customers going forward, considering the growth and now the supply constraint that you've seen?

Rajesh Patel: For a number of customers, I don't have bifurcation that way. But majority is small customer, commercial customers, but their volumes are lower.

Mayank Maheshwari: Do you have a volume-wise percentage?

Rajesh Patel: Volume-wise, it could be 22% to balances large customers. 20%-22% is smaller customer and balances industrial larger customer. And as far as pricing is concerned, I think our strategy is a very simple alternate fuel-based pricing. There is no change as of now.

Mayank Maheshwari: Okay, so no change there at all. So, for these 80% of the customers, you will be kind of doing on an alternative fuel-based pricing.

Rajesh Patel: 100% of the INC customers, It is formula linked, every month formula prices reset based on the LPG bottle LPG price. And it is not that some customers are buying 100% linked to FO and LDO, there is a combination also in the pricing. There's a part of the price is linked to LDO, part is linked to FO. Those kinds of customers are also there.

Moderator: We have next question from the line of Khushboo Ravalani from Aquarius Securities Private Limited. Please go ahead.

Khushboo Ravalani: Yes, so given the current scenario, can you elaborate a bit on the long-term gas sourcing strategy and the expected sourcing mix over the next two, three years, maybe? And more about the 40,000 MMBTU which you said in your opening remarks that you have signed, the clarity on the counterparty or the tenure or the terms or the supply has started already. So that is kind of RLNG which I understand is the long-term RLNG. So, whether it is brand-linked or Henry Hub-linked or anything on that.

Rajesh Patel: I think on the counterparty, we don't share the data. Okay? But it is both, it is smaller quantity of Brent and higher quantity linked to Henry Hub. And on the strategy, generally we sign small trenches of contract as and when my sales volume base stabilizes, and only by spot for peaking requirement. And during current period, we have been tying up more term LNG, more than our requirement because there is a supply restriction also in the range of 70%, sometimes 80%. But majority of these contracts have a threshold for take-or-pay. So, generally, if there is a take-or-

pay threshold, if I am able to minimum consume that based on my requirement, then I am able to leverage better if there is a change in the trend compared to say spot and the term prices.

So, we should have leverage in our hand to switch to any of these depending on the prices. Okay? So, currently whatever term contracts we are signing, they are in the similar line as the old contracts, but there is a marginal tweaking in the formula for this difficult period when availability of gas and the prices are because of the supply consent going up.

Khushboo Balani: Okay, sir. So, this volume actually has started flowing in, that 40,000 MMBTU which you said?

Rajesh Patel: Signed and is already flowing in, yes.

Khushboo Balani: Yes, okay. So, my second question will be on if you have any like your internal like something like targeted discount versus the petrol and diesel prices and how much price and headroom does the company has actually against these fuels because at the end of the day, it depends on the alternate fuel.

Rajesh Patel: I think in the earlier question also, I said that compared to petrol today, we are almost at 45% discount and compared to diesel around 10%-11% discount is there. And that has been for a very long time, maybe with some 5% movement here and there, depending on when was the petrol diesel prices gets revised and when we have done the price change.

Moderator: We have next question from the line of Achal Shah from Axis Capital. Please go ahead.

Achal Shah: Yes. So, can you give a total CNG compression charge for FY26 or if possible, for 2Q FY27, rupees per SCM or absolute number would work?

Rajesh Patel: There is nothing called compression charges as of now as far as regulation is concerned. But yes, small amount of quantity, if suppose I have a facility of, you know, CGS in my GA, and any adjacent GA does not have CGS in their area, then we do some amount of gas receiving on behalf of those other CGD entities. But those are very, very minuscule volumes. It does not impact you know, a company with INR10,000 crores turnovers.

Moderator: And as there are no further questions from the participants, I now hand the conference over to management for closing comments.

Ajay Sinha: Yes, thank you very much Nitin from PhillipCapital and wish you all a very happy Diwali. The results have been better we feel than the market expectations. We are growing at a rate of almost 9% to 10% in terms of sales volume. And we hope we will maintain the same in the current year also coming financial year also. So, thank you once again and wish you once again a very happy Diwali.

Moderator: Thank you. Participants, on behalf of PhillipCapital India Private Limited, that concludes this conference. Thank you for joining us. Thank you.

(This transcript has been edited, without altering the content, to ensure clarity and improve readability.)

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