



**MAHANAGAR  
GAS**

# MAHANAGAR GAS LIMITED

GAIL, Govt. of Maharashtra & BGAPH Enterprise

Ref: MGL/CS/SE/2019/270

Date: August 08, 2019

To,

<b>Head, Listing Compliance Department</b> <b>BSE Limited</b> P. J. Towers, Dalal Street, Mumbai - 400 001 <b>Script Code/Symbol: 539957; MGL</b>	<b>Head, Listing Compliance Department</b> <b>National Stock Exchange of India Ltd</b> Exchange Plaza, Bandra –Kurla Complex, Bandra (East), Mumbai - 400051 <b>Script Symbol: MGL</b>
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**Sub: Submission of Unaudited Financial Results along with the Limited Review Report for the quarter ended June 30, 2019.**

Dear Sir/Madam,

In continuation to our letter dated July 17, 2019, we wish to inform that, the Board of Directors at their meeting held today i.e. August 08, 2019, approved the Unaudited Financial Results for the quarter ended June 30, 2019.

Pursuant to regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we enclose herewith the statement showing the Unaudited Financial Results for the **quarter ended June 30, 2019 along with Limited Review Report thereon**. Performance indicators being shared with the analyst/ Institutional Investors for the said period are also enclosed.

The Board Meeting commenced at 1400 hrs and concluded at **1645** hrs.

Please take the same on records.

Thanking you,

For Mahanagar Gas Limited

  
**Anand Upadhyay**  
**Company Secretary and Compliance Officer**



Encl.: As above

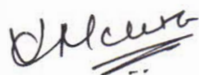


**Independent Auditor's Review Report on the Quarterly Unaudited Financial Results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended**

**Review Report to  
The Board of Directors  
Mahanagar Gas Limited**

1. We have reviewed the accompanying statement of unaudited financial results of Mahanagar Gas Limited (the "Company") for the quarter ended June 30, 2019 (the "Statement") attached herewith, being submitted by the Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the Regulation) as amended, read with SEBI Circular No. CIR/CFD/CMD1/44/2019 dated March 29, 2019 (the Circular).
2. The preparation of the Statement in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34, ("Ind AS 34") "Interim Financial Reporting" prescribed under Section 133 of the Companies Act, 2013, as amended, read with relevant rules issued thereunder and other accounting principles generally accepted in India, read with the Circular is the responsibility of the Company's management and has been approved by the Board of Directors of the Company. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.
4. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in the applicable Indian Accounting Standards ("Ind AS") specified under Section 133 of the Companies Act, 2013 as amended, read with relevant rules issued thereunder and other recognised accounting practices and policies has not disclosed the information required to be disclosed in terms of the Regulation, read with the Circular, including the manner in which it is to be disclosed, or that it contains any material misstatement.

For S R B C & CO LLP  
Chartered Accountants  
ICAI Firm registration number: 324982E/E300003



per Vikram Mehta  
Partner

Membership No.: 105938  
UDIN: 19105938 AAAA BM5969

Mumbai, August 08, 2019



# MAHANAGAR GAS LIMITED

CIN : L40200MH1995PLC088133

Regd Office : MGL House, G-33 Block, Bandra-Kurla Complex, Bandra (East), Mumbai - 400051

## Part - I : Statement of Unaudited Financial Results for the quarter ended June 30, 2019

(₹ in Crore)

Sr. No.	Particulars	For three months ended			For the year ended
		30.06.2019	31.03.2019	30.06.2018	31.03.2019
		(Unaudited)	(Audited) (refer note 6)	(Unaudited)	(Audited)
I	Revenue from Operations	831.19	793.24	676.27	3,056.79
II	Other Income	20.34	23.83	15.34	77.71
III	<b>Total Income (I + II)</b>	<b>851.53</b>	<b>817.07</b>	<b>691.61</b>	<b>3,134.50</b>
IV	Expenses :				
	Cost of Natural Gas and Traded Items	348.24	366.48	293.02	1,399.26
	Changes in Inventories	(0.01)	0.05	(0.10)	(0.10)
	Excise Duty	73.70	70.70	56.93	265.72
	Employee Benefits Expense	24.41	18.53	16.88	70.88
	Finance Costs	1.37	0.05	0.06	0.32
	Depreciation and Amortisation Expenses	37.19	32.87	29.51	125.93
	Other Expenses	108.02	123.53	98.60	435.58
	<b>Total Expenses</b>	<b>592.92</b>	<b>612.21</b>	<b>494.90</b>	<b>2,297.59</b>
V	<b>Profit Before Tax for the period(III- IV)</b>	<b>258.61</b>	<b>204.86</b>	<b>196.71</b>	<b>836.91</b>
VI	Income Tax Expense :				
	(i) Current Tax	80.81	60.52	61.18	261.40
	(ii) Deferred Tax	7.56	10.88	7.20	29.12
	<b>Total Income Tax Expense (i+ii)</b>	<b>88.37</b>	<b>71.40</b>	<b>68.38</b>	<b>290.52</b>
VII	<b>Profit After Tax for the period(V - VI)</b>	<b>170.24</b>	<b>133.46</b>	<b>128.33</b>	<b>546.39</b>
VIII	Other Comprehensive Income				
	Items that will not be reclassified to profit or loss :				
	Gains/(Losses) on Remeasurements of the Defined Benefit Plans	0.48	(0.91)	0.40	1.93
	Income tax relating to items that will not be reclassified to profit or loss	(0.17)	0.32	(0.14)	(0.68)
	<b>Total Other Comprehensive Income</b>	<b>0.31</b>	<b>(0.59)</b>	<b>0.26</b>	<b>1.25</b>
IX	<b>Total Comprehensive Income for the period (VII + VIII)</b>	<b>170.55</b>	<b>132.87</b>	<b>128.59</b>	<b>547.64</b>
X	Paid up Equity Share Capital	98.78	98.78	98.78	98.78
	(Equity Shares of ₹10 each fully paid up)				
	Other Equity Excluding Revaluation Reserve				2,300.09
XI	Earnings per equity share (EPS) (Face value of ₹ 10/- each)				
	Basic (₹)*	17.23	13.51	12.99	55.31
	Diluted (₹)*	17.23	13.51	12.99	55.31
	* Not annualised for the interim periods				

There were no exceptional item(s) and discontinued operation(s) during the periods presented.

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**Notes:**

- The above financial results were reviewed and recommended by the Audit Committee and approved by the Board of Directors at their meetings held on August 8, 2019.
- The limited review as required under Regulation 33 of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 has been completed by the auditors of the Company.
- The Company is in the business of selling and distribution of natural gas. There are no separate reportable segments, other than selling of natural gas, as per IND AS 108 - Operating Segments.
- The Company has adopted modified retrospective approach as per para C5 (b) and recognition of lease liability as per para C8 (a) and right to use asset as per para C8 (b) (ii) of "IND AS 116 - Leases" to its leases effective from annual reporting period beginning 1st April 2019. Restatement of comparative information is not required as para C7 of Ind AS 116. This has resulted in recognition of lease liability and right to use asset of ₹59.91 crore and further addition to right to use asset on account of leasehold land of ₹62.37 crore, reclassified now, as at 1st April, 2019. Operating lease expenses have changed to depreciation cost on the right to use assets and finance cost for interest accrued on lease liability. Reconciliation for the above effect on statement of profit and loss for the current period ending 30th June, 2019 as follows:

Adjustment to increase / (decrease) in net profit	Quarter ended 30th June, 2019 comparable basis	Changes due to IndAS 116 Increase/ (decrease)	Quarter ended 30th June, 2019 as reported
Other Expenses	112.72	(4.70)	108.02
Finance Costs	0.05	1.32	1.37
Depreciation and Amortisation Expenses	33.11	4.08	37.19
Profit Before Tax	259.31	(0.70)	258.61

- As per authorisation terms and conditions of the PNGRB for Raigad Geographical Area, the Company is required to meet Minimum Work Programme (MWP) targets by March 2020 (with reference to connections and pipeline inch Kilo Meters) and the Company had submitted Performance Bank Guarantee of ₹105.20 Crore dated March 19, 2015 to the PNGRB. Show cause notice dated July 23, 2018 was given by the PNGRB for shortfall in periodic MWP, asking MGL to explain why penalty should not be levied for the interim MWP target shortfall. The Company submitted catch up plan vide letter dated August 2, 2018 for meeting MWP target by March 2020 and reiterated host of factors beyond control of MGL causing a shortfall. No further written communication is received from PNGRB. The Company has achieved connection targets as per catch up plan up to 31st March 2019 and the progress on pipeline inch Kilo Meters is being expedited. The Company has received critical permissions from various authorities for laying pipelines as of April 2019. The management is of the view that it will be able to make substantial progress on the required work by March 31, 2020 and that the penalty can be avoided. Accordingly, no provision is deemed necessary in relation to the bank guarantee issued to the PNGRB at this stage.
- The figures of the last quarter are the balancing figures between audited figures in respect of the full financial year up to 31st March, 2019 and the unaudited year-to-date published figures up to 31st December, 2018 being the date of the end of the third quarter of the financial year which was subjected to limited review.
- The figures for the previous year / periods are re-arranged / re-grouped, wherever considered necessary.

Place : Mumbai  
Date : August 8, 2019



For and on behalf of the Board of Directors of Mahanagar Gas Limited

*Sanjib Data*  
Sanjib Data  
Managing Director

*AS* *SB*



MAHANAGAR GAS LIMITED

PERFORMANCE CURRENT QUARTER V/S PREVIOUS QUARTER

Particulars	UOM	For the Three months ended 30th June 2019	For the quarter ended 31st March 2019	% Increase / (Decrease)
<b>SALES VOLUMES:</b>				
CNG	SCM Million	196.95	197.57	-0.31%
PNG - Domestic	SCM Million	36.43	35.21	3.44%
PNG – Industry / Commercial	SCM Million	36.68	37.71	-2.73%
PNG - TOTAL	SCM Million	73.11	72.93	0.25%
<b>TOTAL VOLUMES</b>	<b>SCM Million</b>	<b>270.06</b>	<b>270.49</b>	<b>-0.16%</b>
<b>TOTAL VOLUMES</b>	<b>MMSCMD</b>	<b>2.968</b>	<b>3.005</b>	<b>-1.26%</b>
<b>NET REVENUE FROM OPERATIONS :</b>				
<b>Net Sales</b>				
CNG (Net of Excise Duty)	Rs. Crores	517.50	496.09	4.32%
PNG	Rs. Crores	232.70	219.05	6.23%
Traded Items	Rs. Crores	1.98	1.53	
<b>Total Sales</b>	<b>Rs. Crores</b>	<b>752.18</b>	<b>716.67</b>	<b>4.95%</b>
Other Operating Income	Rs. Crores	5.31	5.87	-9.54%
<b>TOTAL NET REVENUE FROM OPERATIONS</b>	<b>Rs. Crores</b>	<b>757.49</b>	<b>722.54</b>	<b>4.84%</b>
REVENUE FROM OPERATIONS (Gross)	Rs. Crores	831.19	793.24	4.79%
Less: Excise Duty	Rs. Crores	73.70	70.70	4.25%
<b>REVENUE FROM OPERATIONS (Net)</b>	<b>Rs. Crores</b>	<b>757.49</b>	<b>722.54</b>	<b>4.84%</b>
EBIDTA	Rs. Crores	276.83	213.95	29.39%
% of EBIDTA to Net Revenue from Operation	%	36.55%	29.61%	
NET PROFIT (after tax)	Rs. Crores	170.23	133.46	27.55%
% of PAT to Net Revenue from Operation	%	22.47%	18.47%	
EARNINGS PER SHARE	Rs.	17.23	13.51	27.55%

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MAHANAGAR GAS LIMITED

PERFORMANCE FOR THE THREE MONTHS ENDED JUNE 30, 2019 V/S JUNE 30, 2018

Particulars	UOM	For the Three months ended 30th June 2019	For the Three months ended 30th June 2018	% Increase / (Decrease)
<b>SALES VOLUMES:</b>				
CNG	SCM Million	196.95	193.08	2.01%
PNG - Domestic	SCM Million	36.43	33.29	9.41%
PNG – Industry / Commercial	SCM Million	36.68	35.05	4.67%
PNG - TOTAL	SCM Million	73.11	68.34	6.98%
<b>TOTAL VOLUMES</b>	<b>SCM Million</b>	<b>270.06</b>	<b>261.42</b>	<b>3.31%</b>
<b>TOTAL VOLUMES</b>	<b>MMSCMD</b>	<b>2.968</b>	<b>2.873</b>	<b>3.31%</b>
<b>NET REVENUE FROM OPERATIONS :</b>				
<b>Net Sales</b>				
CNG (Net of Excise Duty)	Rs. Crores	517.50	416.16	24.35%
PNG	Rs. Crores	232.70	197.58	17.77%
Traded Items	Rs. Crores	1.98	1.12	
<b>Total Sales</b>	<b>Rs. Crores</b>	<b>752.18</b>	<b>614.86</b>	<b>22.33%</b>
Other Operating Income	Rs. Crores	5.31	4.48	18.50%
<b>TOTAL NET REVENUE FROM OPERATIONS</b>	<b>Rs. Crores</b>	<b>757.49</b>	<b>619.34</b>	<b>22.31%</b>
REVENUE FROM OPERATIONS (Gross)	Rs. Crores	831.19	676.27	22.91%
Less: Excise Duty	Rs. Crores	73.70	56.93	29.47%
<b>REVENUE FROM OPERATIONS (Net)</b>	<b>Rs. Crores</b>	<b>757.49</b>	<b>619.34</b>	<b>22.31%</b>
EBIDTA	Rs. Crores	276.83	210.94	31.23%
% of EBIDTA to Net Revenue from Operation	%	36.55%	34.06%	
NET PROFIT (after tax)	Rs. Crores	170.24	128.33	32.66%
% of PAT to Net Revenue from Operation	%	22.47%	20.72%	
EARNINGS PER SHARE	Rs.	17.23	12.99	32.66%

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