



**MAHANAGAR
GAS**

MAHANAGAR GAS LIMITED

Ref: MGL/CS/SE/2023/500

Date: October 27, 2023

To,

**Head, Listing Compliance Department
BSE Limited**
P. J. Towers,
Dalal Street,
Mumbai - 400 001
Scrip Code/Symbol: **539957; MGL**

**Head, Listing Compliance Department
National Stock Exchange of India Ltd.**
Exchange Plaza, Bandra –Kurla Complex,
Bandra (East),
Mumbai - 400051
Script Symbol: **MGL**

Sub: Outcome of Board Meeting – October 27, 2023

Dear Sir/ Madam,

In continuation to our letter dated 20th October 2023 and pursuant to Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”), we wish to inform you that the Board of Directors of the Company at its meeting held today i.e. Friday, October 27, 2023 has inter-alia approved the Unaudited Financial Results for the quarter and half year ended September 30, 2023 along with the Limited Review Report thereon, Statement of Assets and Liabilities and Statement of Cash Flows for the half year ended September 30, 2023, as reviewed and recommended by the Audit Committee, pursuant to Regulation 33 of the Listing Regulations. The Performance Indicators being shared with the analyst/ Institutional Investors for the said period are also enclosed.

The Board Meeting commenced at 1500 hours and concluded at 1745 hours.

We request you to take the above information on your records.

Thanking you,

Yours sincerely,

For **Mahanagar Gas Limited**

**Atul Prabhu
Company Secretary & Compliance Officer**



Encl.: As above

MAHANAGAR GAS LIMITED

CIN : L40200MH1995PLC088133

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

Part - I : Statement of Unaudited Financial Results for the quarter and six months ended September 30, 2023

(₹ in Crore)

Sr. No.	Particulars	For three months ended			For six months ended		For the year ended
		30.09.2023	30.06.2023	30.09.2022	30.09.2023	30.09.2022	31.03.2023
		(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
I	Revenue from Operations	1,728.94	1,690.18	1,717.53	3,419.12	3,310.71	6,920.96
II	Other Income	43.71	38.95	25.98	82.66	45.99	111.88
III	Total Income (I + II)	1,772.65	1,729.13	1,743.51	3,501.78	3,356.70	7,032.84
IV	Expenses :						
	Cost of Natural Gas and Traded Items	899.28	843.86	1,147.64	1,743.14	2,152.17	4,435.64
	Changes in Inventories	(0.09)	0.30	(0.11)	0.21	(0.73)	(0.79)
	Excise Duty	158.01	152.39	154.87	310.40	293.30	621.68
	Employee Benefits Expense	31.07	28.55	31.94	59.62	53.68	107.89
	Finance Costs	2.47	2.51	2.47	4.98	4.76	9.39
	Depreciation and Amortisation Expenses	65.79	62.04	55.10	127.83	108.78	231.14
	Other Expenses	161.79	143.81	130.35	305.60	273.90	572.35
	Total Expenses	1,318.32	1,233.46	1,522.26	2,551.78	2,885.86	5,977.30
V	Profit Before Tax for the period (III- IV)	454.33	495.67	221.25	950.00	470.84	1,055.54
VI	Income Tax Expense :						
	(i) Current Tax	106.66	119.67	57.21	226.33	116.98	257.34
	(ii) Deferred Tax	9.17	7.60	0.07	16.77	4.69	8.15
	Total Income Tax Expense (i+ii)	115.83	127.27	57.28	243.10	121.67	265.49
VII	Profit After Tax for the period (V - VI)	338.50	368.40	163.97	706.90	349.17	790.05
VIII	Other Comprehensive Income						
	Items that will not be reclassified to profit or loss :						
	Gains/(Losses) on Remeasurements of the Defined Benefit Plans	(4.52)	(0.40)	2.99	(4.92)	3.03	(1.61)
	Income tax relating to items that will not be reclassified to profit or loss	1.14	0.10	(0.75)	1.24	(0.76)	0.35
	Total Other Comprehensive Income	(3.38)	(0.30)	2.24	(3.68)	2.27	(1.26)
IX	Total Comprehensive Income for the period (VII + VIII)	335.12	368.10	166.21	703.22	351.44	788.79
X	Paid up Equity Share Capital (Equity Shares of ₹10 each fully paid up) Other Equity Excluding Revaluation Reserve	98.78	98.78	98.78	98.78	98.78	98.78 4,035.44
XI	Earnings per equity share (EPS) (Face value of ₹ 10/- each) Basic and Diluted (₹)*	34.27	37.30	16.60	71.56	35.35	79.98
	* Not annualised for the interim periods						

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



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Part - II : Statement of Unaudited Assets and Liabilities

(₹ in Crore)

Particulars	As at 30th September, 2023 (Unaudited)	As at 31st March, 2023 (Audited)
ASSETS		
I. Non-current Assets		
(a) Property, Plant and Equipment	3,057.01	2,831.78
(b) Capital Work-in-Progress	621.99	708.62
(c) Intangible Assets	6.73	5.14
(d) Right of Use Assets	188.04	188.78
(e) Financial Assets		
(i) Other Financial Assets	96.17	170.72
(f) Income Tax Assets (net)	84.24	82.78
(g) Other Non-current Assets	43.12	38.27
Total Non-current Assets (I)	4,097.30	4,026.09
II. Current assets		
(a) Inventories	36.62	33.84
(b) Financial Assets		
(i) Investments	1,865.26	1,309.82
(ii) Trade Receivables	268.62	294.03
(iii) Cash and Cash Equivalents	48.86	117.90
(iv) Bank balances other than (iii) above	222.43	109.97
(v) Other Financial Assets	96.38	107.29
(c) Other current assets	20.89	33.37
Total Current assets (II)	2,559.06	2,006.22
Total Assets (I+II)	6,656.36	6,032.31
EQUITY AND LIABILITIES		
I. Equity		
(a) Equity Share Capital	98.78	98.78
(b) Other Equity	4,580.61	4,035.44
Total Equity (I)	4,679.39	4,134.22
II. Liabilities		
A. Non-current Liabilities		
(a) Financial Liabilities		
(i) Lease Liabilities	93.82	93.84
(ii) Security Deposits	1.36	1.05
(b) Provisions	40.96	33.43
(c) Deferred Tax Liabilities (net)	224.13	208.60
Total Non-current Liabilities (A)	360.27	336.92
B. Current Liabilities		
(a) Financial Liabilities		
(i) Trade Payables		
- outstanding dues of micro and small enterprises	8.10	14.76
- outstanding dues other than micro and small enterprises	285.40	307.45
(ii) Security Deposits	896.11	820.29
(iii) Lease Liabilities	21.09	20.77
(iv) Other Financial Liabilities	241.55	275.58
(b) Other Current Liabilities	102.50	103.01
(c) Provisions	13.97	16.34
(d) Income Tax Liabilities (net)	47.98	2.97
Total Current Liabilities (B)	1,616.70	1,561.17
Total Liabilities (II = A+B)	1,976.97	1,898.09
Total - Equity and Liabilities (I+II)	6,656.36	6,032.31



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Part - III : Unaudited Cash Flow Statement

(₹ in Crore)

Particulars	For the period ended 30th September 2023 (Unaudited)	For the period ended 30th September 2022 (Unaudited)
I. CASH FLOW FROM OPERATING ACTIVITIES		
Profit Before Tax for the period	950.00	470.84
Adjustments for:		
Depreciation and Amortisation Expense	127.83	108.78
Finance Costs	4.98	4.76
Interest Income	(28.23)	(20.19)
Realised Gain on sale of Investments	(22.11)	(17.21)
Unrealised (Gain)/Loss on Investments	(16.57)	3.05
Gain on disposal of Property, Plant and Equipment (Net)	(0.13)	-
Write-off, Allowance and Loss on Disposal of CWIP and Property, Plant and Equipment (Net)	10.81	4.18
Allowance for inventory obsolescence	1.19	(0.59)
Expected credit loss allowance and write off on Financial Assets (Net)	4.06	1.73
Net unrealised foreign exchange (gain)/ loss	(0.05)	(0.04)
Operating Profit Before Working Capital Changes	1,031.78	555.31
Movements in working capital :		
(Increase)/Decrease in Inventories	(2.78)	(4.03)
(Increase)/Decrease in Trade Receivables	24.78	(101.56)
(Increase)/Decrease in Other Financial Assets	7.10	(23.91)
(Increase)/Decrease in Other Non Current Assets	(6.51)	1.30
(Increase)/Decrease in Other Current Assets	12.48	(19.45)
Increase/(Decrease) in Other Financial Liabilities	(19.20)	13.00
Increase/(Decrease) in Provisions	0.22	1.51
Increase/(Decrease) in Trade Payables	(28.66)	77.70
Increase/(Decrease) in Security Deposits (Liability)	76.08	45.84
Increase/(Decrease) in Other Current Liabilities	(0.51)	28.62
	63.00	19.02
Cash Generated from Operations	1,094.78	574.33
Income Taxes Paid (Net of refund)	(182.78)	(96.44)
Net Cash Generated from Operating Activities	912.00	477.89
II. CASH FLOW FROM INVESTING ACTIVITIES		
Payments for Property, Plant and Equipment, CWIP and Intangible Assets (includes capital advances)	(281.19)	(296.24)
Proceeds from Sale of Property, Plant and Equipment	0.80	0.13
Payments for purchase of Investments	(3,300.47)	(3,287.24)
Proceeds from sale of Investments	2,797.50	3,054.36
Movements in Bank Balances other than Cash and Cash Equivalents	(29.78)	126.00
Interest Received	6.70	29.29
Net Cash Used in Investing Activities	(806.44)	(373.70)
III. CASH FLOW FROM FINANCING ACTIVITIES		
Payment of Lease Liability	(16.57)	(16.20)
Dividend Paid	(158.03)	(153.10)
Net Cash Used in Financing Activities	(174.60)	(169.30)
Net Increase in Cash and Cash Equivalents (I+II+III)	(69.04)	(65.11)
Cash and Cash Equivalents at the beginning of the period	117.90	82.48
Cash and Cash Equivalents at the end of the period	48.86	17.37



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Notes:

1. The above financial results are submitted by the Company pursuant to Regulation 33 of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015. Financial results were reviewed and recommended by the Audit Committee and approved by the Board of Directors at their meetings held on October 27, 2023.
2. Financial results have been prepared in accordance with the Indian Accounting Standards (Ind AS) prescribed under section 133 of the Companies Act, 2013 read with rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and the Companies (Indian Accounting Standards) Rules, 2016.
3. 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.
4. GAIL (India) Limited (GAIL) raised demand in April 2014 for transportation tariff with respect to ONGC's Uran Trombay Natural Gas Pipeline (UTNGPL) pursuant to demand on them by Oil and Natural Gas Corporation Limited (ONGC), based on the Petroleum and Natural Gas Regulatory Board (PNGRB) order dated December 30, 2013, determining tariff for ONGC's UTNGPL as a common carrier. The total demand raised by GAIL for the period from November 2008 till July 2021 was Rs. 331.80 Crore. The Company disputed the demand with GAIL based on contractual provisions and since the transportation charges are to be paid by a third-party user for utilisation of UTNGPL to ONGC as common carrier and not for transportation of its own gas by ONGC.

The Company filed an appeal with the PNGRB in February 2015, the same was dismissed in October 2015. The Company filed a writ petition, in November 2015, with the Hon'ble High Court of Delhi. The Court advised the Company to file an appeal with Appellate Tribunal for Electricity (APTEL) being Appellate Authority of the PNGRB in November 2016. The matter was heard by APTEL and remanded back to the PNGRB on technical grounds in September 2019. PNGRB in March 2020, had passed an Order which directed the Company and GAIL to pay the disputed transportation tariff to ONGC. The Company filed an Appeal before APTEL against the PNGRB order in April 2020. The matter was heard by APTEL in October 2020. APTEL remanded back the case in July 2021 to PNGRB for proper adjudication. The matter was heard by PNGRB in April 2022 and an order was passed in September 2022 directing the Company to pay the disputed transportation tariff for the period 2014 to 2021 as per the transportation tariff fixed by PNGRB for UTNGPL. The Company had filed a writ before the Hon'ble High Court of Delhi challenging the PNGRB's September 2022 order. The Hon'ble High Court of Delhi vide its order dated December 13, 2022 has stayed the recovery against the PNGRB order and has directed the Company to deposit a sum of Rs. 50 Crore with GAIL by February 15, 2023, which was deposited with GAIL on February 14, 2023. The Hon'ble High Court of Delhi has rescheduled the next hearing to December 06, 2023.

Based on the legal opinions obtained, the Company believes that it has a strong case and does not expect any outflow of resources. Hence, no provision has been recognised.

5. On March 03, 2023, the Company has signed a Share Purchase Agreement (SPA) with Unison Enviro Private Limited (UEPL) and existing shareholders of UEPL for acquisition of 100% stake in UEPL for a consideration of Rs 531 crore subject to other adjustments if any as per SPA. As per SPA, transfer of shares by the existing shareholders is subject to the approval of Petroleum and Natural Gas Regulatory Board (PNGRB).
6. On October 17, 2023, the Company has signed a Joint Venture Agreement with Baidyanath LNG Private Limited (BLNG) for incorporating a Joint Venture Company (JVC) for undertaking the business of selling Liquefied Natural Gas (LNG) as fuel to LNG vehicles. The Company and BLNG shall subscribe to the initial share capital of JVC in the ratio of 51:49.
7. Previous period/year figures have been regrouped/reclassified wherever necessary.

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



Place: Mumbai
Date: October 27, 2023

Sanjay Shende
Deputy Managing Director
DIN: 09172642



INDEPENDENT AUDITOR'S REVIEW REPORT ON REVIEW OF INTERIM FINANCIAL RESULTS TO THE BOARD OF DIRECTORS OF MAHANAGAR GAS LIMITED

1. We have reviewed the accompanying Statement of Unaudited Financial Results of Mahanagar Gas Limited ("the Company"), for the quarter and six months ended September 30, 2023 ("the Statement"), being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.
2. This Statement, which is the responsibility of the Company's Management and approved by the Company's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in the Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other accounting principles generally accepted in India. 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 (ICAI). A review of interim financial information consists of making inquiries, primarily of the Company's personnel responsible for financial and accounting matters and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing specified under section 143(10) of the Companies Act, 2013 and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.
4. Based on our review conducted as stated in paragraph 3 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 aforesaid Indian Accounting Standard and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, including the manner in which it is to be disclosed, or that it contains any material misstatement.

For **DELOITTE HASKINS & SELLS LLP**
Chartered Accountants
(Firm's Registration No. 117366W/ W-100018)

Rupen K. Bhatt
Partner
Membership No. 046930
UDIN: 23046930BGXRMX4340

Place: Mumbai
Date: October 27, 2023

MAHANAGAR GAS LIMITED

PERFORMANCE - CURRENT QUARTER V/S PREVIOUS QUARTER

Particulars	UOM	For the quarter ended September 30, 2023	For the quarter ended June 30, 2023	% Increase / (Decrease)
SALES VOLUMES:				
CNG	SCM Million	237.62	225.81	5.23%
PNG - Domestic	SCM Million	45.18	45.10	0.18%
PNG – Industry / Commercial	SCM Million	46.07	39.58	16.39%
PNG - TOTAL	SCM Million	91.25	84.68	7.76%
TOTAL VOLUMES	SCM Million	328.87	310.49	5.92%
TOTAL VOLUMES	MMSCMD	3.575	3.412	4.77%
NET REVENUE FROM OPERATIONS :				
Net Sales				
CNG (Net of Excise Duty)	Rs. Crores	1,127.68	1,108.01	1.77%
PNG	Rs. Crores	435.98	423.65	2.91%
Traded Items	Rs. Crores	1.47	1.57	
Total Sales	Rs. Crores	1,565.13	1,533.23	2.08%
Other Operating Income	Rs. Crores	5.80	4.56	27.11%
TOTAL NET REVENUE FROM OPERATIONS	Rs. Crores	1,570.93	1,537.79	2.15%
REVENUE FROM OPERATIONS (Gross)	Rs. Crores	1,728.94	1,690.18	2.29%
Less: Excise Duty	Rs. Crores	158.01	152.39	3.69%
REVENUE FROM OPERATIONS (Net)	Rs. Crores	1,570.93	1,537.79	2.15%
EBIDTA	Rs. Crores	478.88	521.27	-8.13%
% of EBIDTA to Net Revenue from Operation	%	30.48%	33.90%	
NET PROFIT (axter tax)	Rs. Crores	338.50	368.40	-8.12%
% of PAT to Net Revenue from Operation	%	21.55%	23.96%	
EARNINGS PER SHARE	Rs.	34.27	37.30	-8.12%

* CNG volume in million kg for quarter ended Sep'23 was 174.49 as compared to 167.25 during quarter ended Jun'23.



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MAHANAGAR GAS LIMITED

PERFORMANCE FOR THE SIX MONTHS ENDED SEPTEMBER 30, 2023 V/S SEPTEMBER 30, 2022

Particulars	UOM	For the six months ended September 30, 2023	For the six months ended September 30, 2022	% Increase / (Decrease)
SALES VOLUMES:				
CNG *	SCM Million	463.43	464.86	-0.31%
PNG - Domestic	SCM Million	90.28	86.06	4.91%
PNG – Industry / Commercial	SCM Million	85.65	81.02	5.72%
PNG - TOTAL	SCM Million	175.93	167.08	5.30%
TOTAL VOLUMES	SCM Million	639.36	631.94	1.18%
TOTAL VOLUMES	MMSCMD	3.494	3.453	1.18%
NET REVENUE FROM OPERATIONS :				
Net Sales				
CNG (Net of Excise Duty)	Rs. Crores	2,235.70	2,071.45	7.93%
PNG	Rs. Crores	859.62	934.02	-7.97%
Traded Items	Rs. Crores	3.04	2.88	
Total Sales	Rs. Crores	3,098.36	3,008.35	2.99%
Other Operating Income	Rs. Crores	10.36	9.06	14.39%
TOTAL NET REVENUE FROM OPERATIONS	Rs. Crores	3,108.72	3,017.41	3.03%
REVENUE FROM OPERATIONS (Gross)	Rs. Crores	3,419.12	3,310.71	3.27%
Less: Excise Duty	Rs. Crores	310.40	293.30	5.83%
REVENUE FROM OPERATIONS (Net)	Rs. Crores	3,108.72	3,017.41	3.03%
EBIDTA	Rs. Crores	1,000.15	538.39	85.77%
% of EBIDTA to Net Revenue from Operation	%	32.17%	17.84%	
NET PROFIT (after tax)	Rs. Crores	706.90	349.17	102.45%
% of PAT to Net Revenue from Operation	%	22.74%	11.57%	
EARNINGS PER SHARE	Rs.	71.56	35.35	102.45%

* CNG volume in million kg for six months ended Sep'23 was 341.73 as compared to 332.48 during six months ended Sep'22.

