



MAHANAGAR GAS LIMITED

Ref: MGL/CS/SE/2017/74

Date: May 26, 2017

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
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Sub: Submission of Audited Financial Results for the quarter and year ended March 31, 2017 and recommendation of final Dividend.

Dear Sir/Madam,

In continuation to our letter dated May 16, 2017, we wish to inform you that, the Board of Directors at its meeting held today i.e May 26, 2017, inter alia:

1. Approved the audited financial results for the quarter and year ended March 31, 2017 as recommended by the Audit committee.
2. Recommended a final dividend of Rs. 11/- per equity share of face value Rs. 10/- each for the financial year ended March 31, 2017, subject to approval of the Shareholders. This is in addition to the interim dividend of Rs. 8/- per equity share paid to all eligible shareholders on February 23, 2017. With this, the total dividend for the year shall be Rs. 19/- per equity share (normal dividend of Rs. 12.50 and special dividend of Rs. 6.50) of face value Rs. 10/- each.

Pursuant to regulation 33 of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015, we enclose herewith the statement showing the audited financial results for the quarter and year ended March 31, 2017 along with Auditors' Report thereon.

The report of the Auditors is with unmodified opinion with respect to Audited Financial Results of the company for the quarter and year ended March 31, 2017

The Board Meeting commenced at 1030 hrs and concluded at 1530 hrs.





**MAHANAGAR
GAS**

CONTINUATION SHEET

You are requested to take the above information on your records and disseminate the same on your website.

Thanking you,

Yours faithfully,

For Mahanagar Gas Limited

Alok Mishra

Company Secretary and Compliance Officer



Encl.: As above

INDEPENDENT AUDITORS' REPORT TO THE BOARD OF DIRECTORS OF MAHANAGAR GAS LIMITED

1. We have audited the accompanying Statement of Financial Results of **Mahanagar Gas Limited** ("the Company"), for the year ended March 31, 2017 ("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 modified by Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016.

This Statement, which is the responsibility of the Company's Management and approved by the Board of Directors, has been compiled from the related Ind AS financial statements which has been prepared in accordance with the Indian Accounting Standards prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder ('Ind AS') and other accounting principles generally accepted in India. Our responsibility is to express an opinion on the Statement based on our audit of such financial statements.

2. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the Statement is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the Statement. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Statement, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the Statement in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Management, as well as evaluating the overall presentation of the Statement.

We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion.

3. In our opinion and to the best of our information and according to the explanations given to us, the Statement:
 - (i) is presented in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as modified by Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016; and
 - (ii) gives a true and fair view in conformity with the aforesaid Indian Accounting Standards and other accounting principles generally accepted in India of the net profit and Total comprehensive income and other financial information of the Company for the year ended March 31, 2017.

4. The Statement includes the results for the Quarter ended March 31, 2017 being the balancing figure between audited figures in respect of the full financial year and the published year to date figures up to the third quarter of the current financial year which were subject to limited review by us.

For DELOITTE HASKINS & SELLS
Chartered Accountants
(Firm's Registration No. 117365W)



Rupen K. Bhatt
(Partner)
(Membership No. 46930)

Place: Mumbai
Date: 26th May, 2017



MAHANAGAR GAS LIMITED

Part - I : Statement of Financial Results for the quarter and year ended March 31, 2017

(₹ in Crore)

Sr. No.	Particulars	For three months ended (Unaudited)			For the year ended (Audited)	
		Mar-17	Dec-16	Mar-16	Mar-17	Mar-16
I	Revenue from Operations	576.41	554.34	561.42	2,239.07	2,285.13
II	Other Income	12.95	12.40	14.54	52.66	47.18
III	Total Income (I + II)	589.36	566.74	575.96	2,291.73	2,332.31
IV	Expenses :					
	Cost of Natural Gas and Traded Items	260.75	243.00	282.11	1,018.36	1,229.63
	Changes in Inventories	0.01	0.01	0.04	0.04	0.07
	Excise Duty	51.08	50.03	51.17	205.10	206.84
	Employee Benefits Expense	16.04	14.34	15.73	60.02	56.30
	Finance Costs	(0.07)	0.46	0.49	1.02	2.22
	Depreciation and Amortisation Expenses	25.68	24.73	21.04	95.14	82.61
	Other Expenses	85.40	79.81	77.70	311.40	283.01
	Total Expenses	438.89	412.38	448.28	1,691.08	1,860.68
V	Profit Before Tax for the period(III- IV)	150.47	154.36	127.68	600.65	471.63
VI	Income Tax Expense :					
	(i) Current Tax	47.23	49.47	37.89	189.47	144.74
	(ii) Deferred Tax	3.77	5.89	5.40	17.76	16.00
	Total Income Tax Expense (i+ii)	51.00	55.36	43.29	207.23	160.74
VII	Profit After Tax for the period(V - VI)	99.47	99.00	84.39	393.42	310.89
VIII	Other Comprehensive Income					
	Gain/(loss) that will not be reclassified to profit or loss (Net of Income Tax)	1.59	0.19	1.35	(0.66)	1.69
	Total Other Comprehensive Income	1.59	0.19	1.35	(0.66)	1.69
IX	Total Comprehensive Income for the period (VII + VIII)	101.06	99.19	85.74	392.76	312.58
X	Paid up Equity Share Capital (Equity Shares of ₹10 each fully paid up) (refer note 3) Other Equity Excluding Revaluation Reserve	98.78	98.78	89.34	98.78	89.34
					1,741.26	1,639.09
XI	Earnings per equity share (EPS) (Face value of ₹ 10/- each)					
	Basic (₹)*	10.07	10.02	8.54	39.83	31.47
	Diluted (₹)*	10.07	10.02	8.54	39.83	31.47
	* Not annualised for the quarters					

See accompanying notes to the financial results



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MAHANAGAR GAS LIMITED

Part - II : Statement of Assets and Liabilities as at March 31, 2017 (Audited)

(₹ in Crore)

Particulars	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
ASSETS			
I. Non-current Assets			
(a) Property, Plant and Equipment	1,300.31	1,124.06	1,029.00
(b) Capital Work-in-Progress	411.53	428.87	379.62
(c) Intangible Assets	4.44	4.69	4.57
(d) Financial Assets			
(i) Trade receivables	0.37	1.08	1.53
(ii) Security Deposits	21.72	17.10	9.86
(iii) Other Financial Assets	0.43	0.07	13.01
(e) Income Tax Assets (net)	7.99	10.80	6.06
(f) Other Non-current Assets	81.53	44.78	43.54
Total Non Current Assets (I)	1,828.32	1,631.45	1,487.19
II. Current assets			
(a) Inventories	23.76	18.03	17.35
(b) Financial Assets			
(i) Investments	466.67	393.39	371.85
(ii) Trade Receivables	94.54	92.33	95.87
(iii) Cash and Cash Equivalents	7.39	22.19	16.79
(iv) Bank balances other than (iii) above	140.72	152.84	119.86
(v) Security Deposits	12.19	9.76	14.88
(vi) Other Financial Assets	28.69	32.30	27.15
(c) Other current assets	21.97	18.19	15.99
Total Current Assets (II)	795.93	739.03	679.74
TOTAL (I+II)	2,624.25	2,370.48	2,166.93
EQUITY AND LIABILITIES			
I. Equity			
(a) Equity Share Capital	98.78	89.34	89.34
(b) Other Equity	1,741.26	1,639.09	1,514.68
Total Equity (I)	1,840.04	1,728.43	1,604.02
II. Liabilities			
A. Non-current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	2.70	4.38	6.76
(ii) Other Financial Liabilities	0.20	0.46	1.02
(b) Provisions	14.00	11.18	11.59
(c) Deferred Tax Liabilities (net)	137.63	119.95	102.85
Total Non-current Liabilities (A)	154.53	135.97	122.22
B. Current Liabilities			
(a) Current Financial Liabilities			
(i) Trade Payables			
- Micro, Small and Medium Enterprises	2.97	1.78	2.66
- Other Trade Payables	145.99	109.83	103.68
(ii) Security Deposits	387.81	318.64	274.01
(iii) Capital Creditors			
- Micro, Small and Medium Enterprises	1.69	4.13	1.81
- Other Capital Creditors	22.96	22.83	13.43
(iv) Other Financial Liabilities	13.42	0.61	0.92
(c) Provisions	14.77	11.63	9.76
(d) Income Tax Liabilities (net)	1.16	0.95	1.74
(b) Other Current Liabilities	38.91	35.68	32.68
Total Current Liabilities (B)	629.68	506.08	440.69
Total Liabilities (II = A+B)	784.21	642.05	562.91
TOTAL (I+II)	2,624.25	2,370.48	2,166.93



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Notes :

- 1 The company has completed an Initial Public Offer ('IPO') through offer for sale by the Selling shareholders, ('the offer'). The equity shares of the company got listed on Stock Exchanges (NSE and BSE) on July 1, 2016.
- 2 The Company adopted Indian Accounting Standards ("IND AS") from April 1, 2016 and has adopted all the IND-AS standards. The adoptions were carried out in accordance with IND-AS 101 First time adoption of Indian Accounting Standards. The transition was carried out from Indian Accounting Principles generally accepted in India as prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder (IGAAP) which was the previous GAAP. The impact of transition has been adjusted in the opening reserve as at April 1, 2015 and periods presented have been restated accordingly.
- 3 94,36,178 Unsecured Compulsorily Convertible Debentures (CCDs) allotted to Government of Maharashtra have been converted at par into equity shares on June 7, 2016, i.e., prior to the date of filing of Red Herring Prospectus with ROC, Mumbai.
- 4 Reconciliation of Equity previously reported (referred to as 'Previous GAAP') and as prescribed under IND AS is given below :

Particulars	(₹ in Crore)	
	As at 31.03.2016	As at 01.04.2015
Balance as reported under IGAAP :	1,527.98	1,407.47
Effect of measuring investments at Fair Value through profit or loss	5.20	0.37
9% Compulsorily Convertible Debentures treated as compound financial instrument	8.83	8.11
Reversal of Proposed Dividend and Tax on Dividend	188.18	188.18
Deferred taxes adjustments	(1.83)	(0.15)
Others	0.07	0.05
Balance as reported under INDAS :	1,728.43	1,604.02

- 5 Reconciliation of Statement of Profit and Loss previously reported (referred to as 'Previous GAAP') and as prescribed under IND AS is given below. The reconciliation for quarter ended March 31, 2016 has not been provided since the Company was listed on July 1, 2016.

Particulars	(₹ in Crore)	
	Year ended 31.03.2016	
Net Profit after tax (as reported under previous GAAP)	308.69	
Effect of measuring investments at Fair Value through profit or loss	4.84	
Re-measurement of defined benefit plans recognised in Other Comprehensive Income	(2.59)	
Others	0.72	
Tax on above adjustments	(0.77)	
Net Profit after tax (as reported above under IND AS)	310.89	
Other Comprehensive Income	1.69	
Total Comprehensive Income (as reported above under IND AS)	312.58	

- 6 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 Segment.
- 7 The above financial results were reviewed by the Audit committee and approved at the meeting of the Board of Directors of the Company at its meeting held on May 26, 2017 and have been Audited by the statutory auditors. The financial results are prepared in accordance with the Indian Accounting Standards (IND-AS) as prescribed under Section 133 of the Companies Act, 2013 read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016.
- 8 The Board of Directors, at its meeting held on May 26, 2017, have proposed a final dividend of ₹11/- per equity share of face value ₹10/- each for the financial year ended March 31, 2017. This is in addition to the interim dividend of ₹8/- per equity share paid during the year. With this, the total dividend for the year is ₹19/- per equity share (normal dividend of ₹12.50 and special dividend of ₹6.50) of face value ₹10/- each. The proposal is subject to the approval of shareholders at the Annual General Meeting to be held and if approved would result in a cash outflow of approximately ₹128.48 Crore, including corporate dividend tax.
- 9 The figures of last quarter are the balancing figures between audited figures in respect of the full financial year and the published year-to-date figures upto the third quarter of the current financial year.

For and on behalf of the Board of Directors


Rajeev Mathur
Managing Director

Place: Mumbai
Date : May 26, 2017



