



**GGL/SEC/1550/2026**

**10<sup>th</sup> March, 2026**

<b>BSE Limited</b> Phrionz Jijibhoy Tower, Dalal Street, Mumbai  Company Code: BSE-539336	<b>National Stock Exchange of India Ltd.</b> Exchange Plaza, 5th Floor, Plot No. C/1, G Block, Bandra Kurla Complex, Bandra (East), Mumbai 400 051  Company Code: NSE-GUJGASLTD
---	--

**Sub: Disclosure under Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 - Credit Rating Rationale published by CRISIL Ratings Limited**

Dear Sir/ Madam,

Please find attached the Rating Rationale dated 9<sup>th</sup> March, 2026 published by CRISIL Ratings Limited on its website viz. [www.crisilratings.com](http://www.crisilratings.com). CRISIL Ratings has reaffirmed its "CRISIL AAA/Stable" rating on the Long-term Bank Facilities of Gujarat Gas Limited.

You are requested to take the same on records.

Thanking you,

**For, Gujarat Gas Limited**

Sandeep Dave  
**Company Secretary**

## Rating Rationale

March 09, 2026 | Mumbai

### Gujarat Gas Limited

Rating reaffirmed at 'Crisil AAA / Stable'

#### Rating Action

<b>Total Bank Loan Facilities Rated</b>	<b>Rs.3350 Crore</b>
<b>Long Term Rating</b>	<b>Crisil AAA/Stable (Reaffirmed)</b>

*Note: None of the Directors on Crisil Ratings Limited's Board are members of rating committee and thus do not participate in discussion or assignment of any ratings. The Board of Directors also does not discuss any ratings at its meetings.*

*1 crore = 10 million*

*Refer to Annexure for Details of Instruments & Bank Facilities*

#### Detailed Rationale

Crisil Ratings has reaffirmed its 'Crisil AAA/Stable' rating on the long-term bank facilities of Gujarat Gas Ltd (GGL).

The rating continues to reflect the strong business risk profile of GGL after amalgamation of Gujarat State Petroleum Corporation (GSPC), Gujarat State Petronet Ltd (GSPL), and GSPC Energy Ltd (GEL) with GGL, with the merged entity being the largest CGD player in India and holding a strong position in the natural gas trading business, while having a strong financial risk profile. It also reflects potential synergy benefits from the merger of GSPC with GGL and valuation gains for the shareholders.

Crisil Ratings also understands that the merger is near completion and is awaiting **Hon'ble** MCA's final order from the hearing held on February 18, 2026. After the merger, demerger of transmission business and listing of the same as Gujarat Transmission Ltd (GTL) is expected to complete in the next 6-7 months. Till the completion of the merger process, all the three entities are likely to operate as per current arrangements, without any material impact on existing operations.

After ~6% growth in revenue in fiscal 2025 for CGD business, operating performance has been impacted this fiscal, as volumes dipped in the 9 months of fiscal 2026 to 8.63 mmscmd against 9.73 mmscmd for the same period last fiscal. Decline in volumes was due to fall in demand of Morbi clusters on the back of increasing premium of natural gas over propane. However, CNG and other than Morbi PNG I&C witnessed improvement in volumes on the back of increasing infrastructure. While the company has taken steps to improve volumes, near term volume sales will be monitorable due to potential geographical uncertainties, which can affect supplies from GSPC.. Furthermore, merger of the trading business is also expected to result in synergy gains to CGD business and support margins as 60-70% of overall sourcing is done from GSPC currently.

GSPC – mainly into natural gas trading business - is the country's secondlargest gas trading company. Owing to its scale, it has business moats such as long-term sourcing agreements with major natural gas suppliers and extensive access to the necessary infrastructure. In fiscal 2025, the revenue grew ~9% while margin remained at ~10%. However, this fiscal, due to the impact on sales to GGL and other sectors, the overall volumes dipped, resulting in dip in revenue to Rs 12,200 crore in the 9 months of this fiscal from Rs 15,600 crore same time previous fiscal. With potential disruptions in Middle East, supplies may witness cuts, which shall impact overall volumes sales and growth in the near term as majority of supplies is from Qatar and other Middle East countries. The same shall remain monitorable.

On the financial risk profile front, GGL and GSPC are both debt-free and are expected to remain debt-free after the merger. The CGD business in this fiscal till date has incurred Rs 408 crore capital expenditure (capex) funded from internal accrual. Furthermore, annual capex for CGD is expected to be incurred from internal accrual only. Moreover, Crisil Ratings understands that GSPC does not have any material capex plans and hence, balance sheets are expected to remain debt-free.

The management, however, has appointed external consultant with the objective of evaluating new business opportunities and expansion. Any major expansion or investment, leveraging the combined balance sheet, will remain monitorable.

These strengths are partially offset by exposure to volatility in re-gasified liquefied natural gas (R-LNG) and domestic natural gas prices, the project risk involved on timely and cost-efficiently setting up its CGD network in the newer geographical areas (GAs) awarded, and the exposure to regulatory risks.

#### Analytical Approach

Crisil Ratings has combined the business and financial risk profiles of GGL, GSPC, GEL, which are expected to be merged with GGL.

*Please refer Annexure - List of Entities Consolidated, which captures the list of entities considered and their analytical treatment of consolidation.*

### **Key Rating Drivers - Strengths**

#### **Largest CGD player in India with diversified customer profile, and GSPC being the country's second largest gas trading company**

GGL's strong and established market position in the CGD industry in India is indicated by its industry-leading presence with 27 CGD licences spread across 44 districts in 6 states and 1 Union Territory in Gujarat, Maharashtra, Rajasthan, Haryana, Punjab, Madhya Pradesh and Union Territory of Dadra & Nagar Haveli. The company's user base comprises more than 23 lakh domestic connections, 833 CNG stations and close to 4,400 industrial units as on December 31, 2025, providing strong revenue diversity.

GSPC has been India's second-largest gas marketing company. The company has a significant presence in Gujarat, which is the country's largest natural gas consumer. Owing to its scale, it has business moats such as long-term sourcing agreements with major natural gas suppliers and extensive access to the necessary infrastructure from its presence across the value chain through its subsidiaries/investments. In the past, GSPC was focused on gas trading and E&P of oil and natural gas; however, it has now largely exited the E&P business.

#### **Sustained healthy operating performance**

GGL is the largest CGD player in India in terms of gas sales volume and commands a sizeable market share of ~25%. The company has a healthy track record of being able to sustain its operating performance, despite volatility faced in the movement of RLNG prices.

While GGL's customer base is skewed towards the price-sensitive PNG-I segment, it has been able to grow its absolute profitability even in cycles with high gas prices. The Ebitda (earnings before interest, taxes, depreciation, and amortisation) per scm for the company has sustained at Rs 5.5-6.0/scm. This is on account of the company's ability to pass on rise in input prices in CNG and piped natural gas - domestic (PNG- D) segments and balance its volumes in PNG-I segment to maximise its cash accrual.

In fiscal 2025, GGL's gas sales volumes stood at 9.62 mmscmd (9.35 mmscmd in fiscal 2024). Due to continued increase in premium of natural gas over propane this year, volumes are expected to be 8.7-9 mmscmd for this fiscal.

The Ebitda/scm sustained at ~Rs 5.4 in fiscal 2025 compared to Rs 5.6 in fiscal 2024. The Ebitda per scm though has increased for the 9 months of fiscal 2026 to Rs 5.95/scm due to increase in the share of CNG share; potential disruptions due to ongoing conflicts can impact Ebitda per scm for the full fiscal.

For the trading business of GSPC, volumes had improved to 12.49 mmscmd in fiscal 2025 (11.5 mmscmd in fiscal 2024) due to increase in demand from power/fertiliser/CGGD sector and increased prices of spot gas. Margin had improved from ~Rs 1.100 crore to Rs 1,200 crore. Volumes, however, dipped in the 9 months of fiscal 2026 to ~7 mmscmd due to subdued demand from the power, fertiliser and CGD sectors (mainly GGL). Margin, though, was healthy at ~Rs 940 crore.

#### **Strong financial risk profile**

Standalone GGL and GSPC businesses enjoy strong financial risk profiles, backed by growth in accrual and negligible reliance on external debt. The increase in cash accrual helped fund its capex and prepayment of existing term liabilities. As on December 31, 2025, both the companies were debt-free. Furthermore, return on capital employed remained healthy at ~19% as of March 2025, despite having a higher concentration towards the PNG-I segment.

### **Key Rating Drivers - Weaknesses**

#### **Moderate risk in gas availability**

As per the government directives announced in 2014, CGD companies were to be given priority in terms of allocation of the cheaper domestic gas for CNG and domestic PNG sales. However, considering the pace at which the CGD industry is expected to grow its volumes, domestic administered pricing mechanism (APM) gas may not be sufficient to meet the entire requirements of CGD companies. As such, companies would increasingly have to resort to the costlier non-APM domestic gas or imported R-LNG to meet its supply requirement. Thus, GGL's ability to pass on the price hikes to its end consumers will be monitorable.

#### **Exposure to competition from alternate sources**

After the end of the marketing exclusivity period for authorised GAs, the CGD business remains exposed to competition that could set in from other CGD players, though limited to 20% open access.

About 52% of GGL's current volume mix accrues from the industrial or commercial segment, which is generally price sensitive to the pricing of alternate fuels. However, GGL has demonstrated a healthy track record of supplying gas in its authorised GAs, wherein it has been able to grow its customer base, despite competition from alternate fuels.

#### **Liquidity Superior**

Liquidity is supported by healthy cash and bank balance of more than Rs 1,500 crore as on March 31, 2025 in the form of deposits with Gujarat State Financial Services Ltd, compared to Rs 916 crore as on March 31, 2024, against nil outstanding debt as on March 31, 2024. GGL is expected to generate annual cash accrual excess of Rs 1,000-1,100 crore, which should be sufficient to support annual capex of Rs 800-1,000 crore, limiting any material reliance on external funding. Liquidity is further supported by unutilised working capital bank limit.

#### **Outlook** Stable

Crisil Ratings believes the merged entity will continue to maintain its market leading position in the industry with a robust operating performance, backed by healthy volume growth and stable realisation levels.

#### **Rating sensitivity factors**

##### **Downward factors**

- Material dilution in the business risk profile or any significant delays in project execution having material impact on operating performance
- Large debt-funded capex or acquisitions leading to net debt/Ebitda position exceeding 1 time on a sustained basis

#### **About the Company**

GGL is India's largest CGD company by gas sales volume. It has 27 CGD licences spread across 44 districts in 6 states and 1 union territory across Gujarat, Maharashtra, Rajasthan, Haryana, Punjab and Madhya Pradesh and Union Territory of Dadra & Nagar Haveli.

Scheme of amalgamation announced by the parent companies of GGL – GSPC and GSPL– is under implementation. As per the announcement, GSPC and GSPL are to be merged into GGL. However, the gas transmission business will subsequently be carved out and listed as a separate entity, GSPL Transmission Ltd, which will not be a part of GGL after successful completion of the scheme of arrangement.

#### **Key Financial Indicators**

Particulars	Unit	2025	2024
Revenue	Rs crore	16,503	15,597
Profit after tax (PAT)	Rs crore	1,146	1,143
PAT margin	%	6.96	7.28
Adjusted debt/adjusted networth	Times	NM	NM
Interest Coverage	Times	NM	NM

NM- Not meaningful

**Any other information:** Not applicable

#### **Note on complexity levels of the rated instrument:**

Crisil Ratings` complexity levels are assigned to various types of financial instruments and are included (where applicable) in the 'Annexure - Details of Instrument' in this Rating Rationale.

Crisil Ratings will disclose complexity level for all securities - including those that are yet to be placed - based on available information. The complexity level for instruments may be updated, where required, in the rating rationale published subsequent to the issuance of the instrument when details on such features are available.

For more details on the Crisil Ratings` complexity levels please visit [www.crisilratings.com](http://www.crisilratings.com). Users may also call the Customer Service Helpdesk with queries on specific instruments.

#### **Annexure - Details of Instrument(s)**

ISIN	Name Of Instrument	Date Of Allotment	Coupon Rate (%)	Maturity Date	Issue Size (Rs. Crore)	Complexity Levels	Rating Outstanding with Outlook
NA	Non-Fund Based Limit&	NA	NA	NA	3350.00	NA	Crisil AAA/Stable

& - Interchangeable with fund based working capital limits

#### **Annexure – List of entities consolidated**

Names of Entities Consolidated	Extent of Consolidation	Rationale for Consolidation
Gujarat Gas Ltd Employees Welfare Stock Option Trust	Full	100% sole beneficiary
Gujarat Info Petro Ltd	Equity method	Associate company

#### **Annexure - Rating History for last 3 Years**

	Current	2026 (History)	2025	2024	2023	Start of 2023

Instrument	Type	Outstanding Amount	Rating	Date	Rating	Date	Rating	Date	Rating	Date	Rating	Rating
Fund Based Facilities	LT		--		--		--	09-12-24	Crisil AAA/Stable	18-08-23	Crisil AAA/Stable	Crisil AAA/Stable
			--		--		--	10-09-24	Crisil AAA/Watch Developing	03-08-23	Crisil AAA/Stable	--
Non-Fund Based Facilities	LT	3350.0	Crisil AAA/Stable		--		--	09-12-24	Crisil AAA/Stable	18-08-23	Crisil AAA/Stable	Crisil AAA/Stable
			--		--		--	10-09-24	Crisil AAA/Watch Developing	03-08-23	Crisil AAA/Stable	--

All amounts are in Rs.Cr.

#### Annexure - Details of Bank Lenders & Facilities

Facility	Amount (Rs.Crore)	Name of Lender	Rating
Non-Fund Based Limit <sup>&amp;</sup>	1300	HDFC Bank Limited	Crisil AAA/Stable
Non-Fund Based Limit <sup>&amp;</sup>	850	IDBI Bank Limited	Crisil AAA/Stable
Non-Fund Based Limit <sup>&amp;</sup>	1200	Kotak Mahindra Bank Limited	Crisil AAA/Stable

<sup>&</sup> - Interchangeable with fund based working capital limits

#### Criteria Details

<b>Links to related criteria</b>
<a href="#">Basics of Ratings (including default recognition, assessing information adequacy)</a>
<a href="#">Criteria for consolidation</a>
<a href="#">Criteria for manufacturing, trading and corporate services sector (including approach for financial ratios)</a>

Media Relations	Analytical Contacts	Customer Service Helpdesk
<p><b>Ramkumar Uppara</b> Media Relations <b>Crisil Limited</b> M: +91 98201 77907 B: +91 22 6137 3000 <a href="mailto:ramkumar.uppara@crisil.com">ramkumar.uppara@crisil.com</a></p> <p><b>Kartik Behl</b> Media Relations <b>Crisil Limited</b> M: +91 90043 33899 B: +91 22 6137 3000 <a href="mailto:kartik.behl@crisil.com">kartik.behl@crisil.com</a></p> <p><b>Divya Pillai</b> Media Relations <b>Crisil Limited</b> M: +91 86573 53090 B: +91 22 6137 3000 <a href="mailto:divya.pillai1@ext-crisil.com">divya.pillai1@ext-crisil.com</a></p>	<p>Manish Kumar Gupta Senior Director <b>Crisil Ratings Limited</b> D:+91 22 6137 3088 <a href="mailto:manish.gupta@crisil.com">manish.gupta@crisil.com</a></p> <p>Ankit Hakhu Director <b>Crisil Ratings Limited</b> D:+91 124 672 2107 <a href="mailto:ankit.hakhu@crisil.com">ankit.hakhu@crisil.com</a></p> <p>Shruti Lahoti Manager <b>Crisil Ratings Limited</b> B:+91 124 672 2000 <a href="mailto:shruti.lahoti@crisil.com">shruti.lahoti@crisil.com</a></p> <p><b>For Analytical queries</b> Toll Free Number: 1800 266 6550 <a href="mailto:ratingsinvestordes@crisil.com">ratingsinvestordes@crisil.com</a></p>	<p>Timings: 10.00 am to 7.00 pm Toll Free Number: 1800 267 3850</p> <p>For a copy of Rationales / Rating Reports: <a href="mailto:CRISILratingdesk@crisil.com">CRISILratingdesk@crisil.com</a></p>



**Note for Media:**

This rating rationale is transmitted to you for the sole purpose of dissemination through your newspaper/magazine/agency. The rating rationale may be used by you in full or in part without changing the meaning or context thereof but with due credit to Crisil Ratings. However, Crisil Ratings alone has the sole right of distribution (whether directly or indirectly) of its rationales for consideration or otherwise through any media including websites and portals.

**About Crisil Ratings Limited (A subsidiary of Crisil Limited, an S&P Global Company)**

Crisil Ratings pioneered the concept of credit rating in India in 1987. With a tradition of independence, analytical rigour and innovation, we set the standards in the credit rating business. We rate the entire range of debt instruments, such as bank loans, certificates of deposit, commercial paper, non-convertible/convertible/partially convertible bonds and debentures, perpetual bonds, bank hybrid capital instruments, asset-backed and mortgage-backed securities, partial guarantees and other structured debt instruments. We have rated over 33,000 large and mid-scale corporates and financial institutions. We have also instituted several innovations in India in the rating business, including ratings for municipal bonds, partially guaranteed instruments and infrastructure investment trusts (InvITs).

Crisil Ratings Limited ('Crisil Ratings') is a wholly-owned subsidiary of Crisil Limited ('Crisil'). Crisil Ratings Limited is registered in India as a credit rating agency with the Securities and Exchange Board of India ("SEBI").

For more information, visit [www.crisilratings.com](http://www.crisilratings.com)

**About Crisil Limited**

Crisil is a leading, agile and innovative global analytics company driven by its mission of making markets function better.

It is India's foremost provider of ratings, data, research, analytics and solutions with a strong track record of growth, culture of innovation, and global footprint.

It has delivered independent opinions, actionable insights, and efficient solutions to over 100,000 customers through businesses that operate from India, the US, the UK, Argentina, Poland, China, Hong Kong and Singapore.

It is majority owned by S&P Global Inc, a leading provider of transparent and independent ratings, benchmarks, analytics and data to the capital and commodity markets worldwide.

For more information, visit [www.crisil.com](http://www.crisil.com)

Connect with us: [TWITTER](#) | [LINKEDIN](#) | [YOUTUBE](#) | [FACEBOOK](#)

**CRISIL PRIVACY NOTICE**

Crisil respects your privacy. We may use your contact information, such as your name, address and email id to fulfil your request and service your account and to provide you with additional information from Crisil. For further information on Crisil's privacy policy please visit [www.crisil.com](http://www.crisil.com).

**DISCLAIMER**

This disclaimer is part of and applies to each credit rating report and/or credit rating rationale ('report') provided by Crisil Ratings Limited ('Crisil Ratings'). For the avoidance of doubt, the term 'report' includes the information, ratings and other content forming part of the report. The report is intended for use only within the jurisdiction of India. This report does not constitute an offer of services. Without limiting the generality of the foregoing, nothing in the report is to be construed as Crisil Ratings provision or intention to provide any services in jurisdictions where Crisil Ratings does not have the necessary licenses and/or registration to carry out its business activities. Access or use of this report does not create a client relationship between Crisil Ratings and the user.

The report is a statement of opinion as on the date it is expressed, and it is not intended to and does not constitute investment advice within meaning of any laws or regulations (including US laws and regulations). The report is not an offer to sell or an offer to purchase or subscribe to any investment in any securities, instruments, facilities or solicitation of any kind to enter into any deal or transaction with the entity to which the report pertains. The recipients of the report should rely on their own judgment and take their own professional advice before acting on the report in any way.

Crisil Ratings and its associates do not act as a fiduciary. The report is based on the information believed to be reliable as of the date it is published, Crisil Ratings does not perform an audit or undertake due diligence or independent verification of any information it receives and/or relies on for preparation of the report. THE REPORT IS PROVIDED ON "AS IS" BASIS. TO THE

MAXIMUM EXTENT PERMITTED BY APPLICABLE LAWS, CRISIL RATINGS DISCLAIMS WARRANTY OF ANY KIND, EXPRESS, IMPLIED OR OTHER WARRANTIES OR CONDITIONS, INCLUDING WARRANTIES OF MERCHANTABILITY, ACCURACY, COMPLETENESS, ERROR-FREE, NON-INFRINGEMENT, NON-INTERRUPTION, SATISFACTORY QUALITY, FITNESS FOR A PARTICULAR PURPOSE OR INTENDED USAGE. In no event shall Crisil Ratings, its associates, third-party providers, as well as their directors, officers, shareholders, employees or agents be liable to any party for any direct, indirect, incidental, exemplary, compensatory, punitive, special or consequential damages, costs, expenses, legal fees or losses (including, without limitation, lost income or lost profits and opportunity costs) in connection with any use of any part of the report even if advised of the possibility of such damages.

The report is confidential information of Crisil Ratings and Crisil Ratings reserves all rights, titles and interest in the rating report. The report shall not be altered, disseminated, distributed, redistributed, licensed, sub-licensed, sold, assigned or published any content thereof or offer access to any third party without prior written consent of Crisil Ratings.

Crisil Ratings or its associates may have other commercial transactions with the entity to which the report pertains or its associates. Ratings are subject to revision or withdrawal at any time by Crisil Ratings. Crisil Ratings may receive compensation for its ratings and certain credit-related analyses, normally from issuers or underwriters of the instruments, facilities, securities or from obligors.

Crisil Ratings has in place a ratings code of conduct and policies for managing conflict of interest. For more detail, please refer to: <https://www.crisil.com/en/home/our-businesses/ratings/regulatory-disclosures/highlighted-policies.html>. Public ratings and analysis by Crisil Ratings, as are required to be disclosed under the Securities and Exchange Board of India regulations (and other applicable regulations, if any), are made available on its websites, [www.crisilratings.com](http://www.crisilratings.com) and <https://www.ratingsanalytica.com> (free of charge). Crisil Ratings shall not have the obligation to update the information in the Crisil Ratings report following its publication although Crisil Ratings may disseminate its opinion and/or analysis. Reports with more detail and additional information may be available for subscription at a fee. Rating criteria by Crisil Ratings are available on the Crisil Ratings website, [www.crisilratings.com](http://www.crisilratings.com). For the latest rating information on any company rated by Crisil Ratings, you may contact the Crisil Ratings desk at [crisilratingdesk@crisil.com](mailto:crisilratingdesk@crisil.com), or at (0091) 1800 267 3850.

Crisil Ratings shall have no liability, whatsoever, with respect to any copies, modifications, derivative works, compilations or extractions of any part of this [report/ work products], by any person, including by use of any generative artificial intelligence or other artificial intelligence and machine learning models, algorithms, software, or other tools. Crisil Ratings takes no responsibility for such unauthorized copies, modifications, derivative works, compilations or extractions of its [report/ work products] and shall not be held liable for any errors, omissions of inaccuracies in such copies, modifications, derivative works, compilations or extractions. Such acts will also be in breach of Crisil Ratings' intellectual property rights or contrary to the laws of India and Crisil Ratings shall have the right to take appropriate actions, including legal actions against any such breach.

Crisil Ratings uses the prefix 'PP-MLD' for the ratings of principal-protected market-linked debentures (PPMLD) with effect from November 1, 2011, to comply with the SEBI circular, "Guidelines for Issue and Listing of Structured Products/Market Linked Debentures". The revision in rating symbols for PPMLDs should not be construed as a change in the rating of the subject instrument. For details on Crisil Ratings' use of 'PP-MLD' please refer to the notes to Rating scale for Debt Instruments and Structured Finance Instruments at the following link: <https://www.crisilratings.com/en/home/our-business/ratings/credit-ratings-scale.html>