

April 28, 2026

GAIL (India) Limited: Update on entity

Summary of rating action

Instrument*	Previous rated amount (Rs. crore)	Current rated amount (Rs. crore)	Rating outstanding
Long term/Short term fund based non-fund based	2,388.00	4,000.00	[ICRA]AAA (Stable)/[ICRA]A1+; outstanding
Term loans	3,000.00	3,000.00	[ICRA]AAA (Stable); outstanding
Long term/Short term – Unallocated	1,612.00	0.00	-
Total	7,000.00	7,000.00	

*Instrument details are provided in Annexure II

Rationale

The outbreak of the US-Iran conflict on February 28, 2026 and its continued escalation has disrupted global supplies of liquified natural gas (LNG) and liquified petroleum gas (LPG). Given India's significant dependence on the West Asian nations to meet its LNG and LPG demand, ICRA expects the import volumes of both the fuel to remain impacted in the near term. Qatar and the United Arab Emirates (UAE) together account for around 55% of India's LNG imports, while West Asia contributes 50-60% of India's LPG needs; these supplies are currently constrained by the blockades in the Strait of Hormuz (SoH). While steps have been undertaken to ramp up the import of spot LNG and augment domestic production of LPG, these measures are not expected to fully offset the loss of supplies from West Asia.

GAIL (India) Limited (GAIL) has a contract with Petronet LNG Limited {PLL, rated [ICRA]AAA (Stable)/[ICRA]A1+} for procuring LNG, under which PLL was sourcing LNG from QatarEnergy. PLL has invoked a force majeure on the supplies from QatarEnergy. Thus, LNG availability for GAIL will remain restricted to the extent of the supplies received from PLL under the contract. As a result, GAIL's transmission and marketing volumes have been negatively impacted. Additionally, the curtailment of natural gas supply to non-priority sectors such as petrochemicals under the Natural Gas Supply Order, 2026 (NGS order) has impacted GAIL's petrochemical operations at Pata. While ICRA expects some moderation in the company's profitability owing to the ongoing disruptions in West Asia, this impact will be partly mitigated by the recent revision in transmission tariff which should partially offset the impact of the decline in volumes.

The ratings continue to factor in the company's leadership position in the natural gas transmission network and the exceptional financial flexibility owing to its sovereign ownership which should enable the company to overcome the near-term headwinds. ICRA, however, will continue to monitor the developments on this front and will take necessary actions after assessing the impact on the credit profile, particularly in case the West Asia conflict prolongs further.

A detailed rating rationale, highlighting the key rating drivers and their description, liquidity position and rating sensitivities can be found here: [Click here](#)

Analytical approach

Analytical Approach	Comments
Applicable rating methodologies	Corporate Credit Rating Methodology
Parent/Group support	Parent: Government of India The ratings factor in the parentage of the GoI and its strategic importance to the parent, given that the company helps meet the energy needs of the country and has the largest pipeline network in the country
Consolidation/Standalone	For arriving at the ratings, ICRA has considered the consolidated financials of GAIL (India) Limited. The scale of operations of the consolidated entity is not materially different from the scale of operations of the standalone entity. As a result, the standalone credit profile remains the primary rating driver

About the company

Incorporated in 1984, GAIL (India) Limited (GAIL) has over the years evolved as an integrated natural gas company, with operations spanning natural gas transmission, gas processing and downstream petrochemicals, wherein natural gas is the primary input. GAIL also has interests in the liquefied natural gas (LNG) business through Petronet LNG Ltd. (PLL) and Konkan LNG Private Limited (KLPL, LNG terminal asset demerged from Ratnagiri Gas & Power Limited), as well as in city gas distribution projects in India through Mahanagar Gas Ltd. (MGL), and Indraprastha Gas Ltd. (IGL), and overseas through Natgas and Fayum Gas in Egypt. Among these projects, GAIL's most significant exposure is to PLL and KLPL. In PLL, apart from being an equity investor and a major transmitter of gas, GAIL has undertaken to market 60% of the R-LNG from PLL's Dahej terminal and 30% of the volumes from its Kochi terminal through a long-term take-or-pay contract.

GAIL also has stakes in the exploration and production of hydrocarbons. It has wholly-owned subsidiaries in Singapore and the US to expand its presence in LNG, petrochemical trading and shale gas assets.

Key financial indicators (audited)

GAIL Consolidated	FY2024	FY2025	9M FY2026*
Operating income	133,228.5	141,903.5	106,021.2
PAT	8,220.7	10,959.6	5,054.0
OPBDIT/OI (%)	10.8%	10.9%	9.5%
PAT/OI (%)	6.2%	7.7%	4.8%
Total outside liabilities/Tangible net worth (times)	0.6	0.6	-
Total debt/OPBDIT (times)	1.5	1.4	-
Interest coverage (times)	19.9	20.7	14.3

Source: Company, ICRA Research; * Provisional numbers; All ratios as per ICRA's calculations; Amount in Rs. crore; PAT: Profit after tax; OPBDIT: Operating profit before depreciation, interest, taxes and amortisation

Status of non-cooperation with previous CRA: Not applicable

Any other information: None

Rating history for past three years

Instrument	Current rating (FY2027)			Chronology of rating history for the past 3 years					
	Type	Amount rated (Rs crore)	Apr 28, 2026	FY2026		FY2025		FY2024	
				Date	Rating	Date	Rating	Date	Rating
Fund based/ Non-fund based - Others	Long term / Short term	4,000.00	[ICRA]AAA (Stable)/ [ICRA]A1+	Jun 27, 2025	[ICRA]AAA (Stable)/ [ICRA]A1+	Jun 28, 2024	[ICRA]AAA (Stable)/ [ICRA]A1+	Jun 16, 2023	[ICRA]AAA (Stable)/ [ICRA]A1+
	Dec 05, 2025			[ICRA]AAA (Stable)/ [ICRA]A1+					
Bank lines - Unallocated [#]	Long term / Short term	-	-	Jun 27, 2025	[ICRA]AAA (Stable)/ [ICRA]A1+; reaffirmed & withdrawn	Jun 28, 2024	[ICRA]AAA (Stable)/ [ICRA]A1+	Jun 16, 2023	[ICRA]AAA (Stable)/ [ICRA]A1+
Unallocated	Long term / Short term	0.00	-	Jun 27, 2025	[ICRA]AAA (Stable)/ [ICRA]A1+	Jun 28, 2024	[ICRA]AAA (Stable)/ [ICRA]A1+	Jun 16, 2023	[ICRA]AAA (Stable)/ [ICRA]A1+
				Dec 05, 2025	[ICRA]AAA (Stable)/ [ICRA]A1+				
Fund based - Term loan	Long term	3,000.00	[ICRA]AAA (Stable)	Jun 27, 2025	[ICRA]AAA (Stable)	Jun 28, 2024	[ICRA]AAA (Stable)	Jun 16, 2023	[ICRA]AAA (Stable)
				Dec 05, 2025	[ICRA]AAA (Stable)				
Commercial paper [#]	Short term	-	-	Jun 27, 2025	[ICRA]A1+; reaffirmed & withdrawn	Jun 28, 2024	[ICRA]A1+	Jun 16, 2023	[ICRA]A1+

[#] The total amount outstanding against the rated bank lines and the commercial paper programme is fully interchangeable and will not exceed Rs. 4,000 crore. For the amount allocated to the short-term limits, a rating of [ICRA]A1+ will be applicable. For the limits rated on the long-term scale, a rating of [ICRA]AAA (Stable) will be applicable. For limits rated on both the long term/short term scale, a rating of [ICRA]AAA(Stable)/[ICRA]A1+ will be applicable

Annexure I: Disclosure pursuant to the SEBI Circular SEBI/HO/DDHS/DDHS-PoD-2/I/4685/2026 dated February 10,2026

ICRA rated Instruments fall under regulatory purview of various Financial Sector Regulators (FSR) as under:

Sr. No.	Instrument	FSR
1	Listed/Proposed to be listed Bonds/Debentures/Preference Shares (all securities)	SEBI
2	Unlisted/Proposed to be unlisted Bonds/Debentures/ Preference share (all securities)	MCA
3	Listed PTCs / Securitisation Notes (originated by entities regulated by RBI) (*)	SEBI
4	Listed PTCs / Securitisation Notes (originated by entities not regulated by RBI) (*)	SEBI
5	Unlisted PTCs / Securitisation Notes (originated by entities regulated by RBI) (*)	RBI
6	Listed Commercial Paper and NCDs with original maturity less than 1 year	RBI
7	Unlisted Commercial Paper and NCDs with original maturity less than 1 year	RBI
8	Loan Facilities (Fund/Non-Fund Based) from Bank / NBFCs/ NHB/ FIs (\$)	RBI
9	External Commercial Borrowings/Loans from overseas branches of Indian Banks/other similar borrowings	RBI
10	Certificates of Deposit	RBI
11	Fixed Deposits raised by NBFCs, Banks, HFCs, FIs	RBI
12	Fixed Deposits raised by corporates other than NBFCs, Banks, HFCs, FIs	MCA
13	Inter Corporate Deposits/Loans extended by Corporates	MCA
14	Listed Security Receipts	SEBI
15	Unlisted Security Receipts	RBI

16	Unlisted PTCs / Securitisation Notes (originated by entities not regulated by RBI) (*)	Investor-side Regulator such as IRDAI, PFRDA (%)
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(*) Includes securitisation transactions involving assignee payout, acquirer's payout.

(\$) Includes bank facilities such as liquidity facility, second loss facility that are part of securitisation transactions.

(%) These ratings were assigned prior to the introduction of SEBI CRA Circular dated Feb 10, 2026 and accordingly, investor side FSRs have been mentioned.

Other Activities offered by ICRA fall under regulatory purview of various Financial Sector Regulators (FSR) as under:

Sr. No.	Activity Name	FSR
1	Credit Ratings for Capital Protection Oriented Schemes (by Mutual Funds and AIFs)	SEBI
2	Credit quality ratings (CQRs) for Mutual Fund Schemes and Schemes of AIFs	SEBI
3	Independent Credit Evaluation (ICE)	RBI
4	Expected Loss Ratings (For Loan Facilities [Fund/Non-Fund based] from Banks/NBFCs/NHB/FIs)	RBI
5	Expected Loss Ratings (Listed / Proposed to be listed Bonds / Debentures / Preference Shares (all securities))	SEBI
6	Expected Loss Ratings (Unlisted / Proposed to be unlisted Bonds/ Debentures / Preference Shares (all securities))	MCA
7	Credit Rating of Borrowing programme	(@)
8	Issuer Ratings	(#)
9	Monitoring Agency	SEBI
10	Research activities, incidental to rating such as research for Economy & Industries (permitted by SEBI vide SEBI Master Circular for CRAs)	NA

(@) The rated instrument may involve issuance of different instruments such as debt securities (listed or otherwise), bank loans, commercial paper (listed or otherwise), etc. The regulator of the instrument can only be determined upon issuance. Accordingly, ICRA shall capture the rated quantum details along with names of respective FSR in the press release(s) after the issuance(s) of the instruments.

(#) Since no instrument is being rated, FSR is not applicable. The rating scale and definitions stipulated in SEBI Master Circular for CRAs are being followed.

Disclosure: SEBI's grievance redressal/dispute resolution and SEBI investor protection mechanisms such as SCORES and ODR shall not be available for activities and instruments which fall under the regulatory purview of Financial Sector Regulators other than SEBI.

Complexity level of the rated instruments

Instrument	Complexity Indicator
Long term/Short term fund based non-fund based	Simple
Term loans	Simple

The Complexity Indicator refers to the ease with which the returns associated with the rated instrument could be estimated. It does not indicate the risk related to the timely payments on the instrument, which is rather indicated by the instrument's credit rating. It also does not indicate the complexity associated with analysing an entity's financial, business, industry risks or complexity related to the structural, transactional or legal aspects. Details on the complexity levels of the instruments are available on ICRA's website: [Click here](#)

Annexure II: Instrument details

ISIN	Instrument name	Date of issuance	Coupon rate	Maturity	Amount rated (Rs. crore)	Current rating and outlook
NA	Long term/Short term - Fund based/Non-fund based	-	-	-	4,000.00	[ICRA]AAA (Stable)/[ICRA]A1+
NA	Term loans	FY2022-23	-	FY2026	3,000.00	[ICRA]AAA (Stable)

Source: Company

[Please click here to view details of lender-wise facilities rated by ICRA](#)

Annexure III: List of entities considered for consolidated analysis

Company name	GAIL's ownership	Consolidation approach
GAIL Gas Limited	100.00%	Full consolidation
GAIL Global (USA) Inc.	100.00%	Full consolidation
GAIL Global Singapore Pte. Ltd.	100.00%	Full consolidation
Tripura Natural Gas Limited	48.98%	Equity method
Bengal Gas Company Limited	88.13%	Full consolidation
Konkan LNG Limited	93.50%	Full consolidation
Avantika Gas Limited	49.99%	Equity method
Bhagyanagar Gas Limited	47.51%	Equity method
Maharashtra Natural Gas Limited	22.50%	Equity method
Central UP Gas Ltd.	25.00%	Equity method
Green Gas Ltd.	49.97%	Equity method
Indradhanush Gas Grid Ltd	20.00%	Equity method
Talcher Fertilizers Limited	33.33%	Equity method
Vadodara Gas Limited	50.00%	Equity method
Tapi Pipelines Company Ltd	5.00%	Equity method
Mahanagar Gas Limited	32.50%	Equity method
Indraprastha Gas Limited	22.50%	Equity method
Petronet LNG Ltd.	12.50%	Equity method
Brahmaputra Crackers and Polymers Ltd.	70.00%	Full consolidation
ONGC Petro Additions Ltd.	4.19%	Equity method
Ramagundam Fertilizers and Chemicals Limited	14.30%	Equity method
Fayum Gas	19.00%	Equity method
China Gas Holdings Ltd.	2.76%	Equity method
ONGC Tripura Power Company Ltd	26.00%	Equity method
Bharat Energy Office LLC	20.00%	Equity method

Source: GAIL

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