

Price Waterhouse Chartered Accountants LLP

Independent Auditor's Report

To the Members of Torrent Gas Limited

Report on the Audit of the Standalone Financial Statements

Opinion

1. We have audited the accompanying standalone financial statements of Torrent Gas Limited ("the Company"), which comprise the Standalone Balance Sheet as at March 31, 2026, and the Standalone Statement of Profit and Loss (including Other Comprehensive Income), the Standalone Statement of Changes in Equity and the Standalone Statement of Cash Flows for the year then ended, and notes to the standalone financial statements, including material accounting policy information and other explanatory information.
2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2026, and total comprehensive income (comprising of profit and other comprehensive income), changes in equity and its cash flows for the year then ended.

Basis for Opinion

3. We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those Standards are further described in the "Auditor's responsibilities for the audit of the standalone financial statements" section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Information

4. The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Board's Report, but does not include the standalone financial statements and our auditor's report thereon.

Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.



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Price Waterhouse (a Partnership Firm) converted into Price Waterhouse Chartered Accountants LLP (a Limited Liability Partnership with LLP identity no: LLPIN AAC-5001) with effect from July 25, 2014. Post its conversion to Price Waterhouse Chartered Accountants LLP, its ICAI registration number is 012754N/N500016 (ICAI registration number before conversion was 012754N)

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In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Responsibilities of management and those charged with governance for the standalone financial statements

5. The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards specified under Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.
6. In preparing the standalone financial statements, Board of Directors is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.
7. Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's responsibilities for the audit of the standalone financial statements

8. Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.



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9. As part of an audit in accordance with SAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:
- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
 - Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to standalone financial statements in place and the operating effectiveness of such controls.
 - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
 - Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
 - Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
10. We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.
11. We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.



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Report on other legal and regulatory requirements

12. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we give in the Annexure B a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

13. As required by Section 143(3) of the Act, we report that:

- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books, except for the matters stated in paragraph 13(h)(vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 (as amended).
- (c) The Standalone Balance Sheet, the Standalone Statement of Profit and Loss (including other comprehensive income), the Standalone Statement of Changes in Equity and the Standalone Statement of Cash Flows dealt with by this Report are in agreement with the books of account.
- (d) In our opinion, the aforesaid standalone financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act.
- (e) On the basis of the written representations received from the directors as on March 31, 2026, taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2026, from being appointed as a director in terms of Section 164(2) of the Act.
- (f) With respect to the maintenance of accounts and other matters connected therewith, reference is made to our remarks in paragraph 13(b) above and paragraph 13(h)(vi) below.
- (g) With respect to the adequacy of the internal financial controls with reference to standalone financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A".
- (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014 (as amended), in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements - Refer Note 37 to the standalone financial statements;
 - ii. The Company was not required to recognise a provision as at March 31, 2026 under the applicable law or Indian Accounting Standards, as it does not have any material foreseeable losses on long-term contract. The Company did not have any derivative contracts as at March 31, 2026.



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- iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company during the year ended March 31, 2026.
- iv. (a) The management has represented that, to the best of its knowledge and belief, as disclosed in Note 50 to the standalone financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
- (b) The management has represented that, to the best of its knowledge and belief, as disclosed in the Note 50 to the standalone financial statements, no funds have been received by the Company from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
- (c) Based on such audit procedures that we considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (a) and (b) contain any material misstatement.
- v. As stated in Note 57 to the standalone financial statements, the Board of Directors of the Company has proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The dividend declared is in accordance with Section 123 of the Act to the extent it applies to declaration of dividend.
- vi. Based on our examination, which included test checks, the Company has used an accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and that has been operating throughout the year for all relevant transactions recorded in the software, except that the audit trail at application level does not capture changes made to certain financially relevant tables by certain users with specific access and audit trail at database level, does not contain the pre-modified values due to inherent limitation of database. During the course of performing our procedures, except for the aforesaid instances of audit trail not maintained where the question of our commenting does not arise, we did not notice any instance of audit trail feature being tampered with. Further, the audit trail, to the extent maintained in the prior years, has been preserved by the Company as per the statutory requirements for record retention. (Refer Note 55 to the standalone financial statements).



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14. The Company has paid/ provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.

For Price Waterhouse Chartered Accountants LLP
Firm Registration Number: 012754N/N500016



Hiral Patwa
Partner
Membership Number: 128990
UDIN: 26128990HPDLBA6527

Place: Ahmedabad
Date: May 13, 2026

Price Waterhouse Chartered Accountants LLP

Annexure A to Independent Auditor's Report

Referred to in paragraph 13(g) of the Independent Auditor's Report of even date to the members of Torrent Gas Limited on the standalone financial statements as of and for the year ended March 31, 2026

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Report on the Internal Financial Controls with reference to Financial Statements under clause (i) of sub-section 3 of Section 143 of the Act

1. We have audited the internal financial controls with reference to financial statements of Torrent Gas Limited ("the Company") as of March 31, 2026 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

2. The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting ("the Guidance Note") issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility

3. Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing specified under Section 143(10) of the Act to the extent applicable to an audit of internal financial controls, both applicable to an audit of internal financial controls and both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements was established and maintained and if such controls operated effectively in all material respects.
4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the standalone financial statements, whether due to fraud or error.
5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system with reference to financial statements.



Price Waterhouse Chartered Accountants LLP

Annexure A to Independent Auditor's Report

Referred to in paragraph 13(g) of the Independent Auditor's Report of even date to the members of Torrent Gas Limited on the standalone financial statements as of and for the year ended March 31, 2026

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Meaning of Internal Financial Controls with reference to financial statements

6. A company's internal financial controls with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of standalone financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the standalone financial statements.

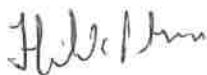
Inherent Limitations of Internal Financial Controls with reference to financial statements

7. Because of the inherent limitations of internal financial controls with reference to financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to financial statements to future periods are subject to the risk that the internal financial controls with reference to standalone financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

8. In our opinion, the Company has, in all material respects, adequate internal financial controls system with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2026, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by ICAI.

For Price Waterhouse Chartered Accountants LLP
Firm Registration Number: 012754N/N500016



Hirak Patwa
Partner
Membership Number: 128990
UDIN: 26128990HPDLBA6527

Place: Ahmedabad
Date: May 13, 2026

Price Waterhouse Chartered Accountants LLP

Annexure B to Independent Auditor's Report

Referred to in paragraph 12 of the Independent Auditor's Report of even date to the members of Torrent Gas Limited on the standalone financial statements as of and for the year ended March 31, 2026
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In terms of the information and explanations sought by us and furnished by the Company, and the books of account and records examined by us during the course of our audit, and to the best of our knowledge and belief, we report that:

- i. (a) (A) The Company is maintaining proper records showing full particulars, including quantitative details and situation, of Property, Plant and Equipment.
- (B) The Company is maintaining proper records showing full particulars of Intangible Assets.
- (b) The Property, Plant and Equipment of the Company are physically verified by the Management according to a phased programme designed to cover all the items over a period of three years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the programme, a portion of the Property, Plant and Equipment has been physically verified by the Management during the year and no material discrepancies have been noticed on such verification. As regards, underground assets of the gas distribution network, we have informed that the same is not physically verifiable.
- (c) The title deeds of all the immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee), as disclosed in Note 4 on Property, Plant and Equipment and Note 5 on Right-of-use assets to the standalone financial statements, are held in the name/ former name of the Company, except for the following:

Description of property	Gross carrying value (Rs. In Crore)	Held in the name of	Whether promoter, director or their relative or employee	Period held	Reason for not being held in the name of the Company
Freehold Land	1.35	Mahesh Gas Limited	No	3 years	The title deed of immovable properties is held in erstwhile name of the companies amalgamated into the Torrent Gas Limited. The Company is in the process of getting the name updated in the Government records.
Freehold Land	3.92	Torrent Gas Pune Limited	No	2-3 years	
Freehold Land	1.40	Torrent Gas Pune Limited	No	2-3 years	
Freehold Land	3.72	Saumya DSM Infratech Limited	No	3 years	



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Description of property	Gross carrying value (Rs. In Crore)	Held in the name of	Whether promoter, director or their relative or employee	Period held	Reason for not being held in the name of the Company
Freehold Land	0.60	Saumya DSM Infratech Limited	No	3 years	The title deed of immovable properties is held in erstwhile name of the companies amalgamated into the Torrent Gas Limited. The Company is in the process of getting the name updated in the Government records.
Freehold Land	8.32	Saumya DSM Infratech Limited	No	3 years	
Freehold Land	1.84	Siti Energy Limited	No	3 years	
Freehold Land	0.69	Torrent Gas Moradabad Limited	No	2-3 years	
Leasehold Land (1 Lease deed)	0.24	Torrent Gas Moradabad Limited	No	3 years	
Leasehold Land (1 Lease deed)	0.13	Sanwariya Gas Limited	No	3 years	
Leasehold Land (10 Lease deeds)	2.82	Torrent Gas Pune Limited	No	3 years	

- (d) The Company has not revalued its Property, Plant and Equipment (including Right of Use assets) and Intangible Assets during the year. Consequently, the question of our commenting on whether the revaluation is based on the valuation by a Registered Valuer, or specifying the amount of change, if the change is 10% or more in the aggregate of the net carrying value of each class of Property, Plant and Equipment (including Right of Use assets) and Intangible Assets does not arise.



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- (e) No proceedings have been initiated on or are pending against the Company for holding benami property under the Prohibition of Benami Property Transactions Act, 1988 (as amended in 2016) (formerly the Benami Transactions (Prohibition) Act, 1988 (45 of 1988)) and Rules made thereunder, and therefore the question of our commenting on whether the Company has appropriately disclosed the details in the standalone financial statements, does not arise.
- ii. (a) The inventory of the Company consists of natural gas which is not physically verifiable. The management measures the quantum of gas inventory by assessing the volume of Natural gas within the pipeline and cascades, taking into account factors such as pressure and temperature. Accordingly, the question of our commenting on whether the coverage and procedures of verification of inventories and whether discrepancies of 10% or more in aggregate for each class of inventory does not arise.

In respect of inventory lying with third parties, these have substantially been confirmed by them.

- (b) During the year, the Company has been sanctioned working capital limits in excess of Rs. 5 crore, in aggregate, from banks on the basis of security of current assets. The Company has filed quarterly returns or statements with such banks, which are in agreement with the unaudited books of account (Also, refer Note 51(g) to the standalone financial statements).
- iii. (a) The Company has made investments in three mutual funds and granted unsecured loans to two companies. The Company has not provided security, advance in nature of loans or stood guarantee to the any Companies, firms, Limited Liability Partnerships or other parties during the year. The aggregate amount during the year, and balance outstanding at the balance sheet date with respect to such loans to subsidiaries are as per the table given below:

(Rs. In Crore)	
Particulars	Loans
Aggregate amount granted during the year	
- Subsidiaries	154.00
Balance outstanding as at balance sheet date in respect of the above cases	
- Subsidiaries	154.00

(Also, refer Note 9 to the standalone financial statements)



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- (b) In respect of the aforesaid investments and loans, the terms and conditions under which such loans were granted and investments were made are not prejudicial to the Company's interest.
 - (c) In respect of the loans, no schedule for repayment of principal and payment of interest has been stipulated by the Company. Therefore, in the absence of stipulation of repayment terms, we are unable to comment on the regularity of repayment of principal and payment of interest.
 - (d) In respect of the loans, there is no amount which is overdue for more than ninety days.
 - (e) There were no loans which have fallen due during the year and were renewed or extended. Further, no fresh loans were granted to same parties to settle the existing overdue loans.
 - (f) There were no loans and advances in nature of loans which were granted during the year, including to promoters or related parties that were repayable on demand or without specifying any terms or period of repayment.
- iv. In our opinion, the Company has complied with the provisions of Section 185 and sub-section (1) of Section 186 of the Act in respect of the loans and investments made and guarantees and security provided by it. The provisions of sub-sections (2) to (11) of Section 186 are not applicable to the Company as it is engaged in the business of providing infrastructural facilities as referred to in Schedule VI to the Act.
- v. The Company has not accepted any deposits or amounts which are deemed to be deposits referred in Sections 73, 74, 75 and 76 of the Act and the Rules framed there under. Accordingly, the reporting under clause 3(v) of the Order is not applicable to the Company.
- vi. Pursuant to the rules made by the Central Government of India, the Company is required to maintain cost records as specified under Section 148(1) of the Act in respect of its certain products. We have broadly reviewed the books of account maintained by the Company pursuant to the said requirement, and are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained. We have not, however, made a detailed examination of the records with a view to determine whether they are accurate or complete.
- vii. (a) In our opinion, the Company is regular in depositing the undisputed statutory dues, including goods and services tax, provident fund, employees' state insurance, income tax, sales tax, service tax, duty of customs, duty of excise, value added tax, cess, and other statutory dues, as applicable, with the appropriate authorities.



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- (b) There are no statutory dues of provident fund, employees' state insurance, income tax, sales tax, service tax, duty of customs, duty of excise, cess which have not been deposited on account of any dispute. The particulars of other statutory dues referred to in sub-clause (a) as at March 31, 2026 which have not been deposited on account of a dispute, are as follows:

Name of the statute	Nature of dues	Amount (Rs. In Crore)	Amount Paid under protest (Rs. In Crore)	Net Amount (Rs. In Crore)	Period to which the amount relates	Forum where the dispute is pending
Uttar Pradesh Value Added Tax Act, 2008	Entry Tax	0.18	-	0.18	2012-13	High court of Allahabad
		0.28	-	0.28	2013-14	
Central Goods and Services Tax Act, 2017	Goods and Services tax	14.00	-	14.00	2019-2023	Goods and Services Tax Appellate Tribunal, Lucknow Bench

- viii. There are no transactions previously unrecorded in the books of account that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.
- ix. (a) The Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender during the year.
- (b) On the basis of our audit procedures, we report that the Company has not been declared Wilful Defaulter by any bank or financial institution or government or any government authority.
- (c) In our opinion, the term loans have been applied for the purposes for which they were obtained. (Also, refer Note 51(j) to the standalone financial statements).
- (d) According to the information and explanations given to us, and the procedures performed by us, and on an overall examination of the standalone financial statements of the Company, we report that no funds raised on short-term basis have been utilised for long-term purposes by the Company.



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- (e) On an overall examination of the standalone financial statements of the Company, we report that the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries. The Company did not have any joint ventures or associate companies during the year.
- (f) According to the information and explanations given to us and procedures performed by us, we report that the Company has not raised loans during the year on the pledge of securities held in its subsidiaries. The Company did not have any joint ventures or associate companies during the year.
- x. (a) The Company has not raised any money by way of initial public offer or further public offer (including debt instruments) during the year. Accordingly, the reporting under clause 3(x)(a) of the Order is not applicable to the Company.
- (b) The Company has not made any preferential allotment or private placement of shares or fully or partially or optionally convertible debentures during the year. Accordingly, the reporting under clause 3(x)(b) of the Order is not applicable to the Company.
- xi. (a) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, we have neither come across any instance of material fraud by the Company or on the Company, noticed or reported during the year, nor have we been informed of any such case by the Management.
- (b) During the course of our examination of the books and records of the Company carried out in accordance with the generally accepted auditing practices in India, a report under Section 143(12) of the Act, in Form ADT-4, as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 was not required to be filed by us, as statutory auditors, with the Central Government. Further, no such report has been filed by any other auditor appointed by the Company under the Act. Accordingly, the reporting under clause 3(xi)(b) of the Order is not applicable to the Company.
- (c) During the course of our examination of the books and records of the Company carried out in accordance with the generally accepted auditing practices in India, the Company has received one whistle-blower complaint during the year, which have been considered by us for any bearing on our audit and reporting under this clause.
- xii. As the Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it, the reporting under clause 3(xii) of the Order is not applicable to the Company.
- xiii. The Company has entered into transactions with related parties in compliance with the provisions of Sections 177 and 188 of the Act. The details of related party transactions have been disclosed in the standalone financial statements as required under Indian Accounting Standard 24 "Related Party Disclosures" specified under Section 133 of the Act.
- xiv. (a) In our opinion, the Company has an internal audit system commensurate with the size and nature of its business.
- (b) The reports of the Internal Auditor for the period under audit have been considered by us.



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- xv. In our opinion, the Company has not entered into any non-cash transactions with its directors or persons connected with the directors. Accordingly, the reporting on compliance with the provisions of Section 192 of the Act under clause 3(xv) of the Order is not applicable to the Company.
- xvi. (a) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the reporting under clause 3(xvi)(a) of the Order is not applicable to the Company.
- (b) The Company has not conducted non-banking financial or housing finance activities during the year. Accordingly, the reporting under clause 3(xvi)(b) of the Order is not applicable to the Company.
- (c) The Company is not a Core Investment Company as defined in the regulations made by the Reserve Bank of India. Accordingly, the additional reporting under clause 3(xvi)(c) of the Order is not applicable to the Company.
- (d) In our opinion, the Group as defined in the Reserve Bank of India (Core Investment Companies) Directions, 2025 has one CIC as part of the Group as detailed in Note 51(n) to the standalone financial statements.
- xvii. The Company has not incurred any cash losses in the financial year or in the immediately preceding financial year.
- xviii. There has been no resignation of the statutory auditors during the year and, accordingly, the reporting under clause 3(xviii) of the Order is not applicable.
- xix. On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the standalone financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that the Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date will get discharged by the Company as and when they fall due.
- xx. As at balance sheet date, the Company does not have any amount remaining unspent under Section 135(5) of the Act. Accordingly, reporting under clause 3(xx) of the Order is not applicable.



Price Waterhouse Chartered Accountants LLP

Annexure B to Independent Auditor's Report

Referred to in paragraph 12 of the Independent Auditor's Report of even date to the members of Torrent Gas Limited on the standalone financial statements as of and for the year ended March 31, 2026

Page 8 of 8

- xxi. The reporting under clause 3(xxi) of the Order is not applicable in respect of audit of standalone financial statements. Accordingly, no comment in respect of the said clause has been included in this report.

For Price Waterhouse Chartered Accountants LLP

Firm Registration Number: 012754N/N500016



Hirak Patwa

Partner

Membership Number: 128990

UDIN: 26128990HPDLBA6527

Place: Ahmedabad

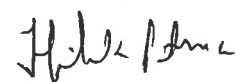
Date: May 13, 2026

Torrent Gas Limited
Standalone Balance Sheet as at March 31, 2026

	Note	As at March 31, 2026	(Rs. In Crore) As at March 31, 2025
Assets			
Non-current assets			
Property, plant and equipment	4	3,469.51	3,216.11
Right-of-use assets	5	140.53	146.38
Capital work-in-progress	4A	504.67	518.13
Goodwill	6A	4.21	4.21
Other intangible assets	6	21.67	25.55
Financial assets			
Investments in subsidiaries	7	477.35	477.35
Other Investments	8	28.30	15.48
Loans	9	654.20	545.45
Other financial assets	10	13.23	8.92
Other non-current assets	11	10.39	7.93
Non - Current tax assets (net)	12	8.44	7.79
Total Non-current assets		5,332.50	4,973.30
Current assets			
Inventories	13	30.46	8.65
Financial assets			
Investments	14	32.52	6.00
Trade Receivables	15	211.03	207.35
Cash and cash equivalents	16	101.15	15.09
Bank balances other than cash and cash equivalents	17	50.55	25.98
Other financial assets	18	30.39	2.99
Other current assets	19	18.37	24.90
Total Current assets		474.47	290.96
Total Assets		5,806.97	5,264.26
Equity and liabilities			
Equity			
Equity Share capital	20	1,675.00	1,675.00
Other equity	21	374.73	483.08
Total equity		2,049.73	2,158.08
Liabilities			
Non-current liabilities			
Financial liabilities			
Borrowings	22	2,891.69	2,380.51
Lease Liabilities	39	122.91	123.20
Deferred tax liabilities (net)	36	126.58	60.64
Total Non-current liabilities		3,141.18	2,564.35
Current liabilities			
Financial liabilities			
Borrowings	23	99.23	89.29
Lease Liabilities	39	31.13	33.85
Trade payables	24		
Total outstanding dues of micro and small enterprises		15.95	16.45
Total outstanding dues other than micro and small enterprises		207.90	185.90
Other financial liabilities	25	223.26	182.32
Other current liabilities	26	25.98	21.28
Provisions	27	12.61	12.74
Total Current liabilities		616.06	541.83
Total Equity and Liabilities		5,806.97	5,264.26

The above Standalone Balance Sheet should be read in conjunction with the accompanying notes.
In terms of our report attached

For Price Waterhouse Chartered Accountants LLP
Firm Registration Number: 012754N / N500016



Hirak Patwa
Partner
Membership Number: 128990

Place: Ahmedabad
Date: May 13, 2026

For and on behalf of Board of Directors of
Torrent Gas Limited



Jinal Sudhirbhai Mehta
Chairman and Non-Executive Director
DIN No: 02685284

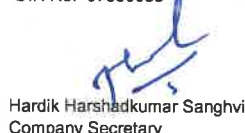


Naresh Kumar Poddar
Chief Financial Officer

Place: Ahmedabad
Date: May 13, 2026



Manoj Jain
Managing Director
DIN No: 07556033



Hardik Harshadkumar Sanghvi
Company Secretary
Membership Number: F7247

Torrent Gas Limited

Standalone Statement of Profit and Loss for the period ended March 31, 2026

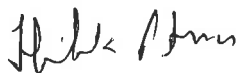
	Note	Year ended March 31, 2026	(Rs. In Crore) Year ended March 31, 2025
Income			
Revenue from operations	28	4,433.01	3,421.16
Other income	29	66.19	56.59
Total income		4,499.20	3,477.75
Expenses			
Cost of natural gas consumed	30	2,481.55	1,777.78
Purchase of stock-in-trade		525.19	404.29
Excise duty on compressed natural gas		367.06	296.01
Changes in inventories of natural gas	31	(21.81)	(1.28)
Employee benefits expense	32	84.26	90.75
Finance costs	33	173.42	214.28
Depreciation and amortisation expense	34	205.39	192.01
Other expenses	35	411.38	353.73
Total expenses		4,226.44	3,327.57
Profit before tax		272.76	150.18
Tax expense			
Current tax	36	(0.07)	-
Deferred tax	36	65.35	28.82
Total Tax expenses		65.28	28.82
Profit for the year		207.48	121.36
Other comprehensive income			
Items that will not be reclassified to profit or loss			
Changes in the fair value of equity investments at Fair Value Through Other Comprehensive Income (FVTOCI)	8	12.82	2.83
Tax related to Changes in the fair value of equity investments at FVTOCI	36	(0.55)	(0.71)
		12.27	2.12
Remeasurement loss on the defined benefit plans	40	(0.06)	(0.12)
Tax relating to remeasurement loss of the defined benefit plans	36	0.02	0.03
		(0.04)	(0.09)
Other comprehensive income for the year, net of tax		12.23	2.03
Total comprehensive income for the year, net of tax		219.71	123.39
Basic and diluted earnings per share (face value of Rs.10 each) (in Rs.)	42	1.24	0.72

The above Standalone Statement of Profit and Loss should be read in conjunction with the accompanying notes.

In terms of our report attached

For Price Waterhouse Chartered Accountants LLP

Firm Registration Number: 012754N / N500016



Hirak Patwa

Partner

Membership Number: 128990

For and on behalf of Board of Directors of

Torrent Gas Limited



Jinal Sudhirbhai Mehta

Chairman and Non-Executive Director

DIN No: 02685284



Naresh Kumar Poddar

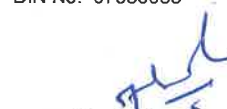
Chief Financial Officer



Manoj Jain

Managing Director

DIN No: 07556033



Hardik Harshadkumar Sanghvi

Company Secretary

Membership Number: F7247

Place: Ahmedabad

Date: May 13, 2026

Place: Ahmedabad

Date: May 13, 2026

Torrent Gas Limited
Standalone Statement of Cash Flows for the as at March 31, 2026

			(Rs. In Crore)
	Note	Year ended March 31, 2026	Year ended March 31, 2025
Cash flow from operating activities			
Profit before tax		272.76	150.18
Adjustments for :			
Depreciation and amortisation expense	34	205.39	192.01
Finance costs	33	173.42	214.28
Interest income	29	(39.46)	(37.29)
Net gain arising on current investments in mutual funds measured at fair value through profit or loss	29	(0.02)	-
Gain on sale of current investments in mutual funds	29	(0.72)	(1.41)
Provision for slow moving project Inventory	4A	0.38	-
Loss/(Gain) on disposal of property, plant and equipment	35 & 29	0.76	(0.42)
Gain on cancellation of lease agreement	29	(0.92)	(0.36)
Expected credit loss allowance	35	3.21	1.45
Interest on income tax refund	29	(0.29)	(0.27)
Loss of project inventory due to fire	35	11.45	-
Dividend on Investments in equity instruments	29	(0.55)	-
Gain on derecognition of financial asset (Refer note 9)	29	(8.86)	-
Operating profit before working capital changes		616.55	518.17
Working capital movement:			
Increase in Inventories	13	(21.81)	(1.28)
Increase in Trade receivables	15	(6.89)	(29.66)
(Increase)/ decrease in Other current financial assets	18	(27.40)	0.07
(Increase)/ decrease in Other non-current financial assets	8A	(0.37)	7.52
Decrease/ (increase) in Other current assets	19	1.29	(6.65)
(Increase)/ decrease in Other non-current assets	11	-	0.01
Increase in Trade payables	24	21.50	25.86
Increase in Other current financial liabilities	25	37.57	30.46
Increase in Other current liabilities	26	4.70	5.35
Decrease/ (increase) in Provisions	27	(0.13)	2.96
Cash generated from operations		625.01	552.81
Taxes (paid)/ refund (net)		(0.43)	0.89
A. Net cash flow generated from operating activities		624.58	553.70
Cash flow from investing activities			
Payment for acquisition of subsidiary		-	(0.01)
Payments for property, plant and equipment & capital work-in-progress		(376.33)	(419.79)
Payments for intangible assets		(0.09)	(0.03)
Proceeds from disposal of property, plant and equipment		1.19	1.66
Purchase of current investments in mutual funds		(25.78)	(4.59)
Loans given to Related parties		(154.00)	(383.00)
Repayment of Loans from related parties		54.50	54.75
Maturity of bank deposits (having original maturity more than three months)		52.58	169.25
Investments of bank deposits (having original maturity more than three months)		(77.09)	(110.90)
Interest received on Bank deposits		0.18	1.22
Interest received on Loans given to related parties		39.28	41.21
Dividend on Investments in equity instruments		0.55	-
B. Net cash flow used in investing activities		(485.01)	(650.23)



Torrent Gas Limited
Standalone Statement of Cash Flows for the as at March 31, 2026

	Year ended March 31, 2026	(Rs. in Crore) Year ended March 31, 2025
Cash flow from financing activities		
Proceeds from perpetual loan from Parent company	-	300.00
(Repayment) of Perpetual Loan to Parent company	(328.00)	(300.00)
Proceeds from Term loan	588.00	338.16
Repayment of Term loan	(15.50)	-
(Repayment) / Proceeds of short-term borrowings	(38.18)	20.16
Principal element of Lease payment	(45.44)	(48.22)
Loan Processing Fees paid	-	(8.35)
Finance costs paid	(214.39)	(206.86)
C. Net cash flow (used in) /generated from financing activities	(53.51)	94.89
Net Increase/ (decrease) in cash and cash equivalents (A+B+C)	86.06	(1.64)
Cash and cash equivalents as at beginning of the year	15.09	16.73
Cash and cash equivalents as at the year end	101.15	15.09

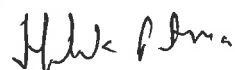
	As at March 31, 2026	(Rs. in Crore) As at March 31, 2025
Notes:		
1. Cash and cash equivalents as at the year end:		
Balances with banks		
Balances in current accounts	46.13	15.09
Balance in fixed deposit accounts (original maturity for less than three months)	55.02	-
	101.15	15.09

2. Non-cash investing activity
- Acquisition of right-of-use assets (Refer note 5) 36.71 19.07
3. The statement of cash flows has been prepared under the 'Indirect Method' set out in Indian Accounting Standards (Ind AS) - 7 "Statement of Cash Flows".
4. Cash flows from operating activities includes Rs. 0.25 Crore (March 31, 2025: Rs. 0.11 Crore) being expenses towards Corporate Social Responsibility initiatives. (Refer note no. 52)
5. Refer note 23 for changes in liabilities arising from financing activities.

The above Standalone Statement of Cash Flows should be read in conjunction with the accompanying notes

In terms of our report attached

For Price Waterhouse Chartered Accountants LLP
Firm Registration Number: 012754N / N500016



Hirak Patwa
Partner
Membership Number: 128990

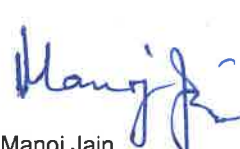
**For and on behalf of Board of Directors of
Torrent Gas Limited**



Jinal Sudhirbhai Mehta
Director
DIN No: 02685284



Naresh Kumar Poddar
Chief Financial Officer



Manoj Jain
Managing Director
DIN No: 07556033



Hardik Harshadkumar Sanghvi
Company Secretary
Membership Number: F7247

Place: Ahmedabad
Date: May 13, 2026

Place: Ahmedabad
Date: May 13, 2026

Torrent Gas Limited
Standalone Statement of Changes in Equity for the year ended March 31, 2026

A. Equity share capital [Refer note 20]

(Rs. In Crore)

Balance as at April 1, 2025	1,675.00
Changes in equity share capital during the year	-
Balance as at March 31, 2026	1,675.00

Balance as at April 1, 2024	1,675.00
Changes in equity share capital during the year	-
Balance as at March 31, 2025	1,675.00

B. Other equity [Refer note 21]

(Rs. In Crore)

Particulars	Reserves and surplus		Equity component of compound financial instrument	Perpetual Loan	Other Comprehensive Income	Total
	Retained Earnings	Capital Reserve			Equity Instrument through OCI (Refer Note 8)	
Balance as at April 1, 2025	189.23	(50.51)	7.54	328.00	8.82	483.08
(Repayment) of Perpetual Loan to Parent company	-	-	-	(328.00)	-	(328.00)
Profit for the year	207.48	-	-	-	-	207.48
Changes in the fair value of equity investments at FVTOCI (net of deferred tax)	-	-	-	-	12.27	12.27
Remeasurement of defined measurement plan (net of deferred tax)	(0.04)	-	-	-	-	(0.04)
Reversal of deferred tax on share issue expenses adjusted against equity	(0.06)	-	-	-	-	(0.06)
Balance as at March 31, 2026	396.61	(50.51)	7.54	-	21.09	374.73
Balance as at April 1, 2024	68.03	(50.51)	7.54	328.00	6.70	359.76
Proceeds from perpetual loan from Parent company	-	-	-	300.00	-	300.00
(Repayment) of Perpetual Loan to Parent company	-	-	-	(300.00)	-	(300.00)
Profit for the year	121.36	-	-	-	-	121.36
Changes in the fair value of equity investments at FVTOCI (net of deferred tax)	-	-	-	-	2.12	2.12
Remeasurement of defined measurement plan (net of deferred tax)	(0.09)	-	-	-	-	(0.09)
Reversal of deferred tax on share issue expenses adjusted against equity	(0.07)	-	-	-	-	(0.07)
Balance as at March 31, 2025	189.23	(50.51)	7.54	328.00	8.82	483.08

Note

Retained earning includes gain/ (loss) on re-measurement of defined benefit plans (net of tax) Rs. 0.52 Crore (March 31, 2025 - Rs. 0.56 Crore).

The above Standalone Statement of Changes in Equity should be read in conjunction with the accompanying notes.

In terms of our report attached

For Price Waterhouse Chartered Accountants LLP
Firm Registration Number: 012754N / N500016

Hirak Patwa

Hirak Patwa
Partner
Membership Number: 128990

Place: Ahmedabad
Date: May 13, 2026

For and on behalf of Board of Directors of
Torrent Gas Limited

Jinal Sudhirbhai Mehta

Jinal Sudhirbhai Mehta
Chairman and Non-Executive Director
DIN No: 02686284

Nanesh Kumar Poddar
Nanesh Kumar Poddar
Chief Financial Officer

Place: Ahmedabad
Date: May 13, 2026

Manoj Jain

Manoj Jain
Managing Director
DIN No: 07556033

Hardik Harshadkumar Sanghvi
Hardik Harshadkumar Sanghvi
Company Secretary
Membership Number: F7247

Torrent Gas Limited

Notes forming part of the Standalone financial statements for the year ended March 31, 2026

Note 1 - General information

Torrent Gas Limited (the "Company") is a wholly owned subsidiary of Torrent Investments Limited (Formerly known as Torrent Investments Private Limited) . The Company was formerly incorporated as a private company on May 28, 2018, domiciled in India and is incorporated under the provisions of the Companies, Act 2013 (the 'Act'). The Company then converted into public Company "Torrent Gas Limited" with effect from October 19, 2023 (CIN : U40100GJ2018PLC102554).The registered office of the Company is located at "Samanvay", 600, Tapovan, Ambawadi, Ahmedabad-380015.

The Company is in the business of City Gas Distribution (CGD) and has authorizations to lay, build, operate or expand city or local natural gas distribution network in specified geographical areas.

Note 2A - Basis of preparation

(i) Compliance with Ind AS

The standalone financial statements comply in all material aspects with the Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the Act) [Companies (Indian Accounting Standards) Rules, 2015] and other relevant provisions of the Act.

(ii) Historical cost convention

The financial statements have been prepared on a historical cost basis, except for the following:

- defined benefit plans — plan assets measured at fair value
- Certain investments held at Fair Value Through Profit or Loss (FVTPL)
- Certain investments held at Fair Value through Other Comprehensive Income (FVTOCI)

(iii) Functional and presentation currency

The Financial Statement are prepared in India Rupee (INR) which is functional as well as presentation currency of the Company.

(iv) Current and Non-Current classification

All assets and liabilities have been classified as current or non-current as set out in the Schedule III (Division II) to the Companies Act, 2013.

- a. The asset/liability is expected to be realised/settled in the Company's normal operating cycle.
- b. The asset is intended for sale or consumption.
- c. The asset/liability is held primarily for the purpose of trading.
- d. The asset/liability is expected to be realised/settled within twelve months after the reporting period.
- e. In case of liability, the company does not have unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

(v) Rounding of amounts

All amounts disclosed in the financial statements and notes have been rounded off to the nearest Crore as per the requirement of Schedule III, unless otherwise stated. Figures below Rs. 50,000 are denoted by"".



Torrent Gas Limited

Notes forming part of the Standalone financial statements for the year ended March 31, 2026

Note 2B - New and amended standards adopted by the Company

The Ministry of Corporate Affairs vide notification dated May 07, 2025 and August 13, 2025 notified the Companies (Indian Accounting Standards) Amendment Rules, 2025 and Companies (Indian Accounting Standards) Second Amendment Rules, 2025, respectively, which amended/ notified certain accounting standards (see below), and are effective for annual reporting periods beginning on or after April 01, 2025:

- Classification of Liabilities as Current or Non-current and Non-current Liabilities with Covenants – Amendments to Ind AS 1, Presentation of Financial Statements
- Supplier Finance Arrangements – Amendments to Ind AS 7, Statement of Cash Flows, and Ind AS 107, Financial Instruments:
- International tax reform – Pillar Two model rules – Amendments to Ind AS 12, Income Taxes; and
- Lack of exchangeability – Amendments to Ind AS 21, The Effects of Changes in Foreign Exchange Rates

These amendments on adoption by the Company did not have a material impact on the Company in the current or future reporting periods and on foreseeable future transactions.

Amendments effective for the annual reporting periods beginning on or after April 1, 2026:

The recent amendments to Ind AS 1 have removed the carve-out from IFRS Accounting Standards which allowed entities to classify liability as non current on account of breach of a material provision for which the lender has agreed to waive the breach after the end of reporting period but before the approval of the financial statements for issue. This amendment should be applied retrospectively in accordance with the principles of Ind AS 8, Accounting Policies, Changes in Accounting Estimates and Errors.

These amendments are not expected to have a material impact on the Company in the current or future reporting periods and on foreseeable future transactions.

Note 3 - Critical estimates and judgements

The preparation of financial statements requires the use of accounting estimates which, by definition, will seldom equal the actual results. Management also needs to exercise judgement in applying the Company's accounting policies.

This note provides an overview of the areas that involved a higher degree of judgement or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed. Detailed information about each of these estimates and judgements is included in relevant notes together with information about the basis of calculation for each affected line item in the financial statements. In addition, this note also explains where there have been actual adjustments this year as a result of changes to previous estimates.

The areas involving critical estimates or judgements are:

3.1 Deferred taxes:

Significant management judgement is required to determine the amount of deferred tax assets and deferred tax liabilities that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies, including estimates of temporary differences reversing on account of available benefits from the Income Tax Act, 1961.

Deferred tax assets are recognised for unused tax losses / credits to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies. [Refer note 36]



3.2 Employee benefit plans:

Defined benefit plans and other long-term employee benefits

The present value of obligations under defined benefit plan and other long term employment benefits is determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual development in the future. These include the determination of the discount rate, future salary escalations, attrition rate and mortality rates etc. Due to the complexities involved in the valuation and its long term nature, these obligations are highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date. Information about the various estimates and assumptions made in determining present value of defined benefit obligation are disclosed in note 40.

3.3 Contingent liabilities:

In the normal course of business, contingent liabilities may arise from litigation and other claims against the Company. A contingent liability is either a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non occurrence of uncertain future events not wholly within the Company's control, or a present obligation that arises from past events but is not recognized because it is not probable that an outflow of resources will be required to settle the obligation or the amount cannot be measured reliably. Such contingent liabilities are disclosed in the notes to the financial statements but are not recognized. Obligations assessed as remote are neither recognized nor disclosed. The management determines whether matters are classified as 'remote', 'possible', or 'probable' based on expert advice, past judgments, and experience. (Refer note 37)

3.4 Leases

In determining the lease term, management considers all facts and circumstances that create an economic incentive to exercise an extension option, or not exercise a termination option. Extension options (or periods after termination options) are only included in the lease term if the lease is reasonably certain to be extended (or not terminated).

For leases of vehicles, land and buildings, the following factors are normally the most relevant:

- If there are significant penalty payments to terminate (or not extend), the Company is typically reasonably certain to extend (or not terminate).
- If any leasehold improvements are expected to have a significant remaining value, the Company is typically reasonably certain to extend (or not terminate).
- Otherwise, the Company considers other factors including historical lease durations and the costs and business disruption required to replace the leased asset.

3.5 Estimated useful life of property, plant and equipment

The Company reviews the useful life of property, plant and equipment at the end of each reporting period. This reassessment may result in change in depreciation and amortisation expense in future periods. These assets are depreciated based on their estimated useful lives after taking into consideration likely extension of the license agreement. (Refer note 4)



Torrent Gas Limited
Notes forming part of the Standalone financial statements for the year ended March 31, 2026

Note 4 : Property, plant and equipment

Accounting Policy

Freehold land is carried at historical cost. All other property, plant and equipment is recognised at historical cost less accumulated depreciation.

The useful lives have been determined based on technical evaluation done by the management's internal experts and likely extension of license agreements, as applicable. The estimated residual values are not more than 5% of the original cost of the asset except for pipelines & related assets where residual value is Nil.

See note 46 for the other accounting policies relevant to property, plant and equipment.

Depreciation is calculated using the straight-line method to allocate the cost of the assets, net of their residual values, over their estimated useful lives as follows:

Asset Class	Useful life followed by the Company (Years)	Useful life prescribed under Schedule II of the Companies Act, 2013 (Years)
Plant and machinery		
CNG Cascades	20	
Compressors, decompression and dispensers	15	15*
Pipeline & related assets	25	
CNG stations related assets	15	
Buildings	30	30
Vehicles	8	8
Computers	3	3
Office equipment	5	5
Furniture and Fixtures	10	10
Electrical fittings and apparatus	10	10
* Based on single shift		



Torrent Gas Limited
Notes forming part of the Standalone financial statements for the year ended March 31, 2026

Note 4 : Property, plant and equipment (Contd.)

As at March 31, 2026

Particulars	Gross carrying amount					Accumulated depreciation			Net carrying amount
	As at April 1, 2025	Additions during the year	Disposals during the year	Adjustments (Refer note 7 below)	As at March 31, 2026	As at April 1, 2025	Depreciation for the year	Disposals during the year	As at March 31, 2026
Freehold land	271.98	14.92	-	-	286.90	-	-	-	286.90
Buildings	246.72	10.35	-	-	257.07	19.27	7.98	-	229.82
Plant and Machinery	3,137.45	391.55	3.21	(4.00)	3,521.79	446.41	152.59	1.27	2,924.08
Electrical fittings and apparatus	16.11	5.86	-	-	21.97	1.96	1.76	-	18.25
Furniture and fixtures	5.23	0.01	-	-	5.24	1.52	0.51	-	3.21
Vehicles	2.29	-	-	-	2.21	0.87	0.25	-	1.16
Office equipment	6.86	1.39	-	0.08	8.25	2.78	1.13	0.07	4.34
Computers	10.20	0.43	-	-	10.63	7.92	0.94	-	1.77
Total	3,696.84	424.51	3.29	(4.00)	4,114.06	480.73	165.16	1.34	644.55
									3,469.51

As at March 31, 2025

Particulars	Gross carrying amount					Accumulated depreciation			Net carrying amount
	As at April 1, 2024	Additions during the year	Disposals during the year	Adjustments	As at March 31, 2025	As at April 1, 2024	Depreciation for the year	Disposals during the year	As at March 31, 2025
Freehold land	268.90	3.82	0.74	-	271.98	-	-	-	271.98
Buildings	211.81	34.91	-	-	246.72	11.92	7.35	-	227.45
Plant and machinery	2,791.63	347.81	1.99	-	3,137.45	310.36	136.74	0.69	2,691.04
Electrical fittings and apparatus	8.14	7.97	-	-	16.11	0.75	1.21	-	14.15
Furniture and fixtures	4.61	0.62	-	-	5.23	1.02	0.50	-	3.71
Vehicles	2.17	0.50	0.38	-	2.29	0.84	0.27	0.24	1.42
Office equipment	3.85	3.01	-	-	6.86	2.03	0.75	-	4.08
Computers	8.46	1.77	0.03	-	10.20	6.79	1.16	0.03	2.28
Total	3,299.57	400.41	3.14	-	3,696.84	333.71	147.98	0.96	480.73
									3,216.11

Notes :

- Capital commitment: Refer note 37.2 for disclosure of contractual commitments for the acquisition of property, plant and equipment.
- The weighted average rate for capitalisation of borrowing cost relating to general borrowing is 7.37% p.a. (March 31, 2025 - 8.48% p.a.)
- Additions to plant and machinery includes capitalisation of directly attributable costs incurred by the Company under various headings.
- Refer note 54 for title deeds of immovable property not held in the name of the Company.
- The Company has not revalued its property, plant and equipment during the current or previous year.
- Refer Note 22 for mortgaged and hypothecation details.
- During the year, the Company has reclassified the security deposit given to the vendor for gas purchase from Property, Plant and Equipment to Security Deposits under non-current assets. This reclassification was made pursuant to the change in the nature of the deposit, which was converted from a non-refundable security deposit to a refundable security deposit in the current year.



Torrent Gas Limited**Notes forming part of the Standalone financial statements for the year ended March 31, 2026****Note 4A : Capital work-in-progress****As at March 31, 2026****(Rs. In Crore)**

Description	As at April 01, 2025	Additions during the year	Capitalized during the year	Adjustments (Refer Note 3)	As at March 31, 2026
Capital work-in-progress	518.13	425.42	424.51	14.37	504.67
Total	518.13	425.42	424.51	14.37	504.67

As at March 31, 2025**(Rs. In Crore)**

Description	As at April 01, 2024	Additions during the year	Capitalized during the year	Adjustments	As at March 31, 2025
Capital work-in-progress	537.25	381.29	400.41	-	518.13
Total	537.25	381.29	400.41	-	518.13

Notes:

1. Addition to Capital work-in-progress ('CWIP') includes borrowing costs of Rs. 48.45 Crore (March 31, 2025 : Rs. 11.70 Crore) (Refer note 33) and netted off by other income of Rs. 0.15 Crore (March 31, 2025: Rs. 0.06 Crore) (Refer note 29), which are directly attributable to purchase / construction of qualifying assets in accordance with Ind AS - 23 "Borrowing Costs".

2. Refer Note 47 for ageing of capital work-in-progress.

3. On February 8, 2026, a fire occurred at one of the Company's warehouses, resulting in an estimated capital work-in-progress (CWIP) loss of Rs. 14.37 Crore. The Company has lodged an insurance claim, and the final assessment by the appointed surveyor is awaited. The Company has estimated scrap sales amounting to Rs. 2.92 Crore against the damaged inventory and the net loss of Rs. 11.45 Crore has been recognised in the Other expenses. (Refer Note 35).

4. Refer Note 22 for mortgaged and hypothecated details.

5. CWIP mainly comprises of Plant and Machinery and Buildings.

6. As at March 31, 2026 Rs. 0.38 Crore (March 31, 2025 - Nil) has been recognised as an allowance for Capital inventory obsolescence.



Torrent Gas Limited

Notes forming part of the Standalone financial statements for the year ended March 31, 2026

Note 5 : Right-of-use assets

Particulars	Gross carrying amount			Accumulated depreciation			Net carrying amount (Rs. In Crore)
	As at April 1, 2025	Additions during the year	Disposals during the year	As at March 31, 2026	Depreciation for the year	Disposals during the year	As at March 31, 2026
Land	92.13	3.82	1.20	94.75	3.89	1.20	82.58
Buildings	19.38	3.27	6.13	16.52	4.31	5.56	8.97
Vehicles	148.58	29.62	47.23	130.97	28.06	41.50	48.98
Total	260.09	36.71	54.56	242.24	36.26	48.26	140.53

Particulars	Gross carrying amount			Accumulated depreciation			Net carrying amount (Rs. In Crore)
	As at April 1, 2024	Additions during the year	Disposals during the year	As at March 31, 2025	Depreciation for the year	Disposals during the year	As at March 31, 2025
Land	80.87	12.48	1.22	92.13	3.77	1.09	82.65
Buildings	18.13	3.10	1.85	19.38	4.29	1.77	10.58
Vehicles	156.42	3.49	11.33	148.58	28.07	7.51	53.15
Total	255.42	19.07	14.40	260.09	36.13	10.37	146.38

Notes:

1. Refer note 39 for disclosure relating to right-of-use asset.
2. Refer note 54 for title deeds not held in the name of the Company.
3. Refer Note 22 for mortgaged and hypothecated details.



Torrent Gas Limited

Notes forming part of the Standalone financial statements for the year ended March 31, 2026

Note 6 : Other intangible assets

Accounting Policy

Licenses and Computer Softwares are carried at cost less accumulated amortisation and accumulated impairment losses. The License was acquired as a part of business combination in FY 2021-22. The same has been recognised at the fair value at the date of acquisition and are subsequently amortised on a straight-line basis over their estimated license period of 13 years. Amortisation of Computer Softwares is recognised on a straight-line basis over its estimated useful life of 3 years.

As at March 31, 2026

Particulars	Gross carrying amount			Accumulated amortisation			Net carrying amount	
	As at April 1, 2025	Additions during the year	Disposals during the year	As at March 31, 2026	As at April 1, 2025	Amortisation for the year	Disposals during the year	As at March 31, 2026
Computer Softwares Licenses	26.46 33.10	0.09 -	- -	26.55 33.10	25.01 9.00	1.41 2.56	- -	26.42 11.56
Total	59.56	0.09	-	59.65	34.01	3.97	-	37.98
								21.67

As at March 31, 2025

Particulars	Gross carrying amount			Accumulated amortisation			Net carrying amount	
	As at April 1, 2024	Additions during the year	Disposals during the year	As at March 31, 2025	As at April 1, 2024	Amortisation for the year	Disposals during the year	As at March 31, 2025
Computer Softwares Licenses	26.43 33.10	0.03 -	- -	26.46 33.10	19.67 6.44	5.34 2.56	- -	25.01 9.00
Total	59.53	0.03	-	59.56	26.11	7.90	-	34.01
								25.55

Notes:

1. The Company has not revalued its intangible assets during the current or previous year.
2. Refer Note 22 for mortgaged and hypothecated details.



Torrent Gas Limited

Notes forming part of the Standalone financial statements for the year ended March 31, 2026

Note 6A: Goodwill

Accounting Policy

Goodwill is tested for impairment annually, or more frequently if events or changes in circumstances indicate that it might be impaired, and is carried at cost less accumulated impairment losses.

Goodwill is allocated to cash-generating units for the purpose of impairment testing. The allocation is made to those cash-generating units or groups of cash-generating units that are expected to benefit from the business combination in which the goodwill arose.

As at March 31, 2026

Particulars	Gross carrying amount				Accumulated impairment			Net carrying amount
	As at April 1, 2025	Additions during the year	Disposals during the year	As at March 31, 2026	Impairment for the year	Disposals during the year	As at March 31, 2026	
Goodwill	4.21	-	-	4.21	-	-	-	4.21
Total	4.21	-	-	4.21	-	-	-	4.21

As at March 31, 2025

Particulars	Gross carrying amount				Accumulated impairment			Net carrying amount
	As at April 1, 2024	Additions during the year	Disposals during the year	As at March 31, 2025	Impairment for the year	Disposals during the year	As at March 31, 2025	
Goodwill	4.21	-	-	4.21	-	-	-	4.21
Total	4.21	-	-	4.21	-	-	-	4.21



Torrent Gas Limited**Notes forming part of the Standalone financial statements for the year ended March 31, 2026****Note 7 : Investment in Subsidiaries (unquoted)****Accounting Policy**

Investments in subsidiaries are measured at cost less provision for impairment, if any.

Interest free loan given to subsidiary are recognised as equity investments (difference between transaction price on the date of transaction and fair value of such loan measured under Ind AS 109)

	As at March 31, 2026	(Rs. In Crore) As at March 31, 2025
Investment in equity instruments (unquoted)		
Subsidiaries (at cost)		
Torrent Gas Chennai Private Limited (Refer Note 3 below)		
Equity shares of ₹ 10 each fully paid up	237.34	237.34
(No. of shares- March 31, 2026 : 22,70,00,000, March 31, 2025 : 22,70,00,000)		
Torrent Gas Jaipur Private Limited (Refer note 2 below)		
Equity shares of ₹ 10 each fully paid up	240.00	240.00
(No. of shares- March 31, 2026 :24,00,00,000 , March 31, 2025 :24,00,00,000)		
Dholpur CGD Private Limited #	0.01	0.01
Equity shares of ₹ 10 each fully paid up		
(No. of shares- March 31, 2026 : 1960 , March 31, 2025 : 1960)		
	477.35	477.35
Aggregate amount of quoted investments	-	-
Aggregate amount of unquoted investment	477.35	477.35
	477.35	477.35
Aggregate amount of impairment in investments	-	-
Aggregate amount of market value of quoted investments	-	-

Until March 26, 2025 Dholpur CGD Private Limited was Joint Venture of the Torrent Gas Limited. On March 27, 2025, the Torrent Gas Limited has acquired balance 51% shares of Dholpur CGD Private Limited from Essel Gas Limited.

Notes:

- The Company carries its investments in subsidiaries (in the form of equity shares) at cost in accordance with Ind AS 27 'Separate Financial Statements'. At each reporting date, the Company assesses whether there are any indications that such investments may be impaired, in accordance with Ind AS 36 'Impairment of Assets'

Based on the impairment assessments performed, management has concluded that the carrying values of investments in subsidiaries are appropriate as at March 31, 2026, and no impairment provision is required.

Management reviews the underlying assumptions periodically and updates the assessments to reflect changes in economic conditions, regulatory environment, and operational performance.

- 12,24,00,000 (March 31, 2025 - 12,24,00,000) Equity shares pledged as securities in respect of the term loan availed by Torrent Gas Jaipur Private Limited.
- During the financial year 2022-23, the Company extended an interest-free loan to Torrent Gas Chennai Private Limited. Considering the terms of instrument and based on the guidance given under the Ind AS 109 Financial instrument, out of total amount borrowed, Rs 10.34 Crore had been classified as capital contribution. Also Refer Note 9.



Torrent Gas Limited**Notes forming part of the Standalone financial statements for the year ended March 31, 2026****Note 8 : Investments****Non-Current****(Investments carried at fair value through other comprehensive income)****Accounting Policy**

Financial assets at fair value through other comprehensive income (FVTOCI) comprise equity security (unlisted) which is not held for trading, and for which the Company has irrevocably elected at initial recognition to present changes in FVOCI rather than FVTPL. These are strategic investments and the Company considers this classification to be more relevant.

	(Rs. In Crore)	
	As at March 31, 2026	As at March 31, 2025
Investments in equity instruments (Unquoted)		
Investment in Indian Gas Exchange Limited	28.30	15.48
Equity shares of ₹ 10 each fully paid up		
(No. of shares- March 31, 2026 : 36,93,750, March 31, 2025 : 36,93,750)		
	28.30	15.48
Aggregate amount of quoted investments	-	-
Aggregate amount of unquoted investments	28.30	15.48
	28.30	15.48
Aggregate amount of impairment in investments	-	-
Aggregate amount of market value of quoted investments	-	-

Reconciliation of Fair value measurement of the investment in unquoted equity shares

	(Rs. In Crore)	
	As at March 31, 2026	As at March 31, 2025
Opening Balance	15.48	12.65
Fair value Gain recognised in Other Comprehensive Income	12.82	2.83
Closing Balance	28.30	15.48

Investment in unquoted equity securities (fully paid) are designated at fair value through OCI as the objective of the Company is not to hold the same for trading purpose.



Torrent Gas Limited**Notes forming part of the Standalone financial statements for the year ended March 31, 2026****Note 9 : Loans****Non-Current****Accounting Policy**

The Company classifies loan to related parties as financial assets at amortised cost as:

- the asset is held within a business model whose objective is to collect the contractual cash flows, and
- the contractual terms give rise to cash flows that are solely payments of principal and interest

	(Rs. In Crore)	
	As at	As at
	March 31, 2026	March 31, 2025
Unsecured (considered good)		
Loans to related parties (Refer note 44) (including interest accrued)		
(Refer note 1 and 2 below)	654.20	545.45
	654.20	545.45

Notes:

1. Loans to subsidiaries are financial assets measured in accordance with Ind AS 109 'Financial Instruments' and are subject to impairment assessment using the expected credit loss (ECL) model.
The Company assesses at each reporting date whether there has been a significant increase in credit risk since initial recognition, based on a combination of quantitative and qualitative factors, including the financial performance of the borrowing subsidiaries and their ability to meet contractual obligations.

In performing the ECL assessment, management has considered:

- The current financial position and historical performance of the borrowing subsidiaries and
- The Company's intent and ability to provide ongoing financial support to its subsidiaries, where relevant, in the context of its investment strategy.

Based on the above assessment, management has concluded that there is no expected credit risk associated with these loans has not significantly increased since initial recognition and there are no expected credit losses. Accordingly, no impairment provision has been recognised as at March 31, 2026.

Management continues to monitor the performance of the borrowing entities and reassesses the ECL at each reporting date, considering any changes in facts and circumstances.

2. The Company has given interest free loan in earlier years to Torrent Gas Chennai Private Limited (Subsidiary Company) of Rs.15.00 Crore with fixed term of 14 years. The loan is repayable at the end of 14 year from the date of first disbursement. Considering the terms of instrument and based on the guidance given under the Ind AS 109 Financial instrument, out of total amount borrowed, certain portion has been classified as loan and balance as capital contribution. During the year the loan was fully repaid, at the time of repayment, the carrying amount of loan including the unwinding of interest was Rs. 6.14 Crore. Consequently the Company has recognised gain on derecognition of financial asset amounting to Rs. 8.86 Crore. (Refer note 29)



Torrent Gas Limited**Notes forming part of the Standalone financial statements for the year ended March 31, 2026****Note 10: Other financial assets****Non-Current****Accounting Policy**

The Company classifies security deposits and fixed deposits with banks as financial assets at amortised cost as:

-the asset is held within a business model whose objective is to collect the contractual cash flows, and

-the contractual terms give rise to cash flows that are solely payments of principal and interest.

	(Rs. In Crore)	
	As at	As at
	March 31, 2026	March 31, 2025
Security Deposits	13.16	8.79
Fixed deposits with original maturity of more than 12 months#	0.07	0.13
	13.23	8.92

Lien has been created on Fixed Deposits of Rs. 0.07 Crore as on March 31, 2026 (Rs. 0.13 Crore as on March 31, 2025) in favour of government authorities.

Note 11 : Other non-current assets

	(Rs. In Crore)	
	As at	As at
	March 31, 2026	March 31, 2025
Capital advances	10.39	7.93
	10.39	7.93

Note 12 : Non - Current tax assets (net)

	(Rs. In Crore)	
	As at	As at
	March 31, 2026	March 31, 2025
Advance tax and Tax deducted at source*	8.44	7.79
	8.44	7.79

* Net of provision of income tax - Rs. Nil as at March 31, 2026 and Rs. Nil as at March 31, 2025



Torrent Gas Limited**Notes forming part of the Standalone financial statements for the year ended March 31, 2026****Note 13 : Inventories****Accounting Policy**

The cost of inventory are determined on a weighted average basis. Inventory of Gas (including gas in pipeline (Cushion gas)) is measured assessing the volume of natural gas within pipelines and cascades, taking into account factors such as pressure and temperature. Cushion gas is the volume of gas that is required in an underground storage field/ pipeline network to maintain minimum field pressure. Considering the nature of gas being continuously flowing it is intended to be sold hence it is considered under inventory as per Ind AS 2.

	(Rs. In Crore)	
	As at March 31, 2026	As at March 31, 2025
Natural gas*	30.46	8.65
(Lower of Cost and Net realisable value)		
	30.46	8.65

1. *include inventory in transit amounting to Rs. 19.31 Crore (March 31, 2025 - Rs. 0.72 Crore).

2. Refer Note 22 for charge created on Inventories.

3. There are no inventory written down during year.

Note 14 : Current investments

(Investments carried at fair value through profit or loss)

Accounting Policy

The Company classifies investments in mutual funds at fair value through profit or loss (FVTPL) since these do not meet the criteria for amortised cost or FVTOCI.

	(Rs. In Crore)	
	As at March 31, 2026	As at March 31, 2025
Investment in mutual funds (unquoted)		
Axis Overnight Fund - Direct Growth	-	6.00
(No. of units - March 31, 2026: Nil ; March 31, 2025: 44,439.954)		
Axis Liquid Fund - Direct Growth	32.52	-
(No. of units - March 31, 2026: 1,06,117.531; March 31, 2025: Nil)		
	32.52	6.00
Aggregate amount of quoted investments	-	-
Aggregate amount of unquoted investment	32.52	6.00
Total	32.52	6.00

Aggregate amount of impairment in investments

Aggregate amount of market value of quoted investments



Torrent Gas Limited**Notes forming part of the Standalone financial statements for the year ended March 31, 2026****Note - 15 : Trade receivables****Accounting Policy**

Trade receivables are amounts due from customers for sale of natural gas (i.e. sale of Compressed Natural Gas (CNG), Compressed Bio Gas (CBG) and Piped Natural Gas (PNG)), Compression and Connection charges and other ancillary services performed in the ordinary course of business and reflect the Company's unconditional right to consideration (that is, payment is due only on the passage of time). In case of domestic customers, the gas sales between last meter reading date and reporting date are classified as unbilled trade receivables. The receivable is 'unbilled' because the Company has not yet issued an invoices; however, the amount has been included under trade receivables because it is an unconditional right to consideration.

Trade receivables are recognised initially at the transaction price as they do not contain significant financing components. The Company holds the trade receivables with the objective of collecting the contractual cash flows and therefore measures them subsequently at amortised cost using the effective interest method, less loss allowance.

For trade receivables, the Company applies the simplified approach required by Ind AS 109, which requires expected lifetime losses to be recognised on the receivables.

	(Rs. In Crore)
As at March 31, 2026	As at March 31, 2025
Unsecured- considered good	216.65
Significant increase in credit risk	-
Credit Impaired	-
	<u>216.65</u>
	<u>209.76</u>
Less: Expected credit loss allowance	(5.62)
	<u>211.03</u>
	<u>207.35</u>

Trade receivables includes unbilled receivables amounting to Rs.13.62 Crore (March 31, 2025 - Rs.8.58 Crore) from Piped Natural Gas (PNG) Domestic customers.

Notes:

1. Refer note 45 for credit risk related disclosures.
2. Refer note 22 for charge on current assets including trade receivables.
3. Company holds security deposits in respect of certain trade receivables. (Refer note 25)
4. Refer note 48 for the ageing of trade receivables.
5. Refer note 44 for the trade receivables from related parties.

Note - 16 : Cash and cash equivalents

	(Rs. In Crore)
As at March 31, 2026	As at March 31, 2025
Balances with banks	
Balance in current accounts	46.13
Deposits with original maturity of less than three months	15.09
	<u>55.02</u>
	<u>101.15</u>
	<u>15.09</u>



Torrent Gas Limited**Notes forming part of the Standalone financial statements for the year ended March 31, 2026****Note - 17 : Bank balances other than cash and cash equivalents**

	(Rs. In Crore)	
	As at	As at
	March 31, 2026	March 31, 2025
Fixed Deposits with banks with maturity more than three months but less than twelve months	50.55	25.98
	50.55	25.98

Fixed deposits (including interest accrued thereon) aggregating to:

(i) Lien of Rs. 0.52 Crore (March 31, 2025: Rs. 0.72 Crore) in favour of government authorities.

(ii) The said amount consists of Fixed deposits amounting to Rs. 50.05 Crore (March 31, 2025: Rs. Nil) towards Debt Service Reserve Account (DSRA).

Note - 18 : Other financial assets

	(Rs. In Crore)	
	As at	As at
	March 31, 2026	March 31, 2025
Receivables from related parties (Refer Note 44)	17.55	2.99
Other Receivables*	12.84	-
	30.39	2.99

* Includes Initial Public offer (IPO) related expenses receivable from selling shareholders which shall be recovered from the proceeds received under the Offer for Sale.



Torrent Gas Limited**Notes forming part of the Standalone financial statements for the year ended March 31, 2026****Note - 19 : Other current assets**

	(Rs. In Crore)	
	As at March 31, 2026	As at March 31, 2025
Advances for goods and services	5.08	5.41
Balances with government authorities	3.22	3.90
Prepaid expense	2.04	2.34
Prepaid loan processing fees* (Refer Note 22)	6.65	11.89
Other Receivables**	1.11	1.11
Advances to employees	0.27	0.25
	18.37	24.90

* Prepaid loan processing fees pertains to undisbursed borrowings which will be adjusted against the future disbursements and will be considered in effective interest rate under Ind AS 109.

** This pertains to amount recoverable from vendor related to guarantee invoked by the said vendor amounting to Rs. 1.11 Crore (March 2025: Rs. 1.11 Crore). Based on the management assessment the said amount is recoverable. Refer note 37B.



Torrent Gas Limited
Notes forming part of the Standalone financial statements for the year ended March 31, 2026
Note - 20 : Equity share capital

	(Rs. In Crore)	
	As at March 31, 2026	As at March 31, 2025
Authorised		
2,17,44,00,000 (2,17,44,00,000 as at March 31, 2025) equity shares of Rs.10 each	2,174.40	2,174.40
24,16,00,000 (24,16,00,000 as at March 31, 2025) preference shares of Rs.10 each	241.60	241.60
	2,416.00	2,416.00
Issued, subscribed and paid up		
1,67,50,00,000 (1,67,50,00,000 as at March 31, 2025) equity shares of Rs.10 each	1,675.00	1,675.00
	1,675.00	1,675.00

1 Reconciliation of the shares outstanding at the beginning and at the end of the reporting period :

	As at March 31, 2026		As at March 31, 2025	
	No of shares	Amount	No of shares	Amount
Outstanding at the beginning of the year	1,675,000,000	1,675.00	1,675,000,000	1,675.00
Shares issued during the year	-	-	-	-
Outstanding at the end of the year	1,675,000,000	1,675.00	1,675,000,000	1,675.00

2 Terms / Rights attached to equity shares :

The Company has only one class of equity shares having par value of Rs. 10 per share. Each holder of equity shares (whether fully paid or partly paid) is entitled to one vote per share. The Company declares and pays dividends in Indian rupees. The dividend, if any, proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

3 Details of shareholders holding more than 5% shares in the Company :

Name of the Shareholder	As at March 31, 2026		As at March 31, 2025	
	No. of shares	% holding	No. of shares	% holding
Torrent Investments Limited, Holding Company (together with nominees) (Formerly known as Torrent Investments Private Limited)	1,675,000,000	100%	1,675,000,000	100%

4. Details of Shareholding of Promoters

Promoter Name	As at March 31, 2026			As at March 31, 2025		
	No. of shares	% of total shares	% of Changes during the year	No. of shares	% of total shares	% of Changes during the year
Torrent Investments Limited (together with nominees) (Formerly known as Torrent Investments Private Limited)	1,675,000,000	100.00%	0.00%	1,675,000,000	100.00%	0.00%



Note - 21 : Other equity

	As at March 31, 2026	(Rs. In Crore) As at March 31, 2025
Retained earnings	396.61	189.23
Equity Component of compound financial instrument (net of tax)	7.54	7.54
Perpetual Loan	-	328.00
Capital Reserve	(50.51)	(50.51)
Changes in the fair value of equity investments at FVTOCI (net of tax)	21.09	8.82
	<u>374.73</u>	<u>483.08</u>

Retained earnings

Particulars	As at March 31, 2026	(Rs. In Crore) As at March 31, 2025
Opening Balance	189.23	68.03
Profit for the year	207.48	121.36
Remeasurement of defined measurement plan (net of tax)	(0.04)	(0.09)
Share issue expenses adjusted against equity (net of tax) (Refer note 36)	(0.06)	(0.07)
Closing Balance	<u>396.61</u>	<u>189.23</u>

Equity Component of compound financial instrument (net of tax)

Particulars	As at March 31, 2026	(Rs. In Crore) As at March 31, 2025
Opening Balance	7.54	7.54
Equity portion of compound financial instrument issued during the year	-	-
Closing balance	<u>7.54</u>	<u>7.54</u>

Perpetual Loan

Particulars	As at March 31, 2026	(Rs. In Crore) As at March 31, 2025
Opening Balance	328.00	328.00
Proceeds from perpetual loan from Holding company	-	300.00
(Repayment) of Perpetual Loan to Holding company	(328.00)	(300.00)
Closing balance	<u>-</u>	<u>328.00</u>

Capital Reserve

Particulars	As at March 31, 2026	(Rs. In Crore) As at March 31, 2025
Opening Balance	(50.51)	(50.51)
Consideration paid for scheme of amalgamation	-	-
Closing balance	<u>(50.51)</u>	<u>(50.51)</u>

Changes in the fair value of equity investments at FVTOCI (net of tax)

Particulars	As at March 31, 2026	(Rs. In Crore) As at March 31, 2025
Opening Balance	8.82	6.70
Changes in the fair value of equity investments for the year	12.27	2.12
Closing balance	<u>21.09</u>	<u>8.82</u>

Note:

- Equity Component of compound financial instrument : This reflect the equity portion of compound financial instrument, 7.1225% Redeemable Optionally Convertible Debenture (OCD).
- Perpetual Loan : The Company has received interest free loan from Holding Company as sponsor contribution with perpetual tenure. The loan is perpetual, i.e. the facility does not have a stated maturity and constitutes to perpetual indebtedness unless both parties mutually consent to repay the loan subject to Company meeting the restricted payment conditions as per the rupee term loan agreement with bank. Considering that the Company had the unconditional right to deliver cash to the Holding Company, the loan has classified as Perpetual Loan. During the year ended March 31, 2026, based on the mutual consent the Company has fully repaid the perpetual loan.
- Capital Reserve: It arises on transfer of business between entities under common control. It represents the surplus of consideration over book value of net assets acquired.
- Retained earnings : The retained earnings reflect the profit of the company earned till date net of appropriations. The amount can be distributed by the Company as dividends to its equity shareholders is determined based on the balance in this reserve, after considering the requirements of the Companies Act, 2013.
- Changes in the fair value of equity investments at FVTOCI reflects gain arising due to change in fair value of Investment in equity shares of Indian Gas Exchange Limited.

Note - 22 : Non-current Borrowings

	As at March 31, 2026	(Rs. In Crore) As at March 31, 2025
Secured loans - at amortised cost		
Term loan - From Bank (Refer note 1 below)	2,961.04	2,401.75
	<u>2,961.04</u>	<u>2,401.75</u>
Less: Current Maturity		
Secured loans- at amortised cost		
Current Maturities of Term loan from bank (Refer note 2 & 4 below)	69.35	21.24
	<u>69.35</u>	<u>21.24</u>
	<u>2,891.69</u>	<u>2,380.51</u>



Note - 22 : Non-current Borrowings (Contd.)

Notes :

As at March 31, 2026

- 1 Net of unamortised cost of Rs. 19.36 Crore as at March 31, 2026.
- 2 Term loan from bank includes interest accrual on term loan amounting Rs. 3.37 Crore as at March 31, 2026.
- 3 Unutilised borrowing facilities of term loans from bank amounts to Rs.1,104.96 Crore as at March 31, 2026.
- 4 Current maturities of term loan are net of unamortised cost of Rs. 2.02 Crore as at March 31, 2026.
- 5 The future annual repayment obligations on principal amount for the above long-term borrowings are as under :

Financial year	(Rs. In Crore) Amount
2026-2027	68.00
2027-2028	68.00
2028-2029	118.00
2029-2030	118.00
2030-2031	136.00
2031-2032	152.00
2032-2033	186.00
2033-2034	320.50
2034-2035	491.59
2035-2036	512.00
2036-2037	495.64
2037-2038	311.30
	<u>2,977.03</u>

1 Rupee Term Loan (RTL 1) facility having outstanding amount of Rs. 2,374.94 Crore as on March 31, 2026

The Company had taken RTL 1 facility having outstanding amount of Rs. 2,374.95 Crore as on March 31, 2026 from Banks for laying, building, operating and expanding the city gas distribution network in each of the 12 geographical areas across the cities of Junagadh, Karaikal, Patiala, Kota (ex), Medak, Auraiya, Gorakhpur, Moradabad (ex), Gonda, Basti, Azamgarh and Chennai & Thiruvallur districts (collectively referred as Division) and refinancing of the long term loan of the Company, reimbursement of contribution made from internal accruals and by Torrent Investments Limited (formerly known as Torrent Investments Private Limited) towards the Division's capex and creditor payment.

- a. Secured by way of first pari-passu charge on movable assets and entire intangible assets of the Division (including but not limited to goodwill and uncalled capital, Intellectual Property Rights(IPR)), cashflows, designated accounts & all movable assets of the Torrent Gas Chennai Private Limited along with charge on assignment of all benefits, title, interest, benefits, claims and demands in Division documents, and agreements and clearances related to the Division. The loans are also secured by second pari-passu charge on current assets of the Division.
- b. Applicable Interest rate on Rupee Term Loan facility ranged from 6.85% to 8.50% p.a.

2 Rupee Term Loan (RTL 2) facility having outstanding amount of Rs. 602.09 Crore as on March 31, 2026

The Company had taken RTL 2 facility having outstanding amount of Rs. 620.09 Crore as on March 31, 2026 from Banks for laying, building, operating and expanding the city gas distribution network in the geographical areas of Pune (outer), Moradabad (city), Mathura and Dholpur and developing the Corporate Office of the company, refinancing of the long term debt of Torrent Gas Moradabad Limited, Torrent Gas Pune Limited and Sanwariya Gas Limited (Merged Entities) and replacing Subordinated Instrument in Dholpur CGD Private Limited infused by the Company.

- a. Secured by way of first pari-passu charge on fixed assets (Movable & Immovable assets) of the Merged Entities, assets funded by term loan including Corporate office, intangible assets of the Merged entities along with charge on rights, title, interest, benefit, claims and demands in Project documents, agreements and clearances of the Merged entities. The loan is also secured by second pari passu charge over current assets of Merged Entities.
- b. Applicable Interest rate on Rupee Term Loan facility ranged from 7.14% to 8.07% p.a.



Note - 22 : Non-current Borrowings (Contd.)

As at March 31, 2025

- 1 Net of unamortised cost of Rs. 15.85 Crore as at March 31, 2025.
- 2 Term loan from bank includes interest accrual on term loan amounting Rs. 10.57 Crore as at March 31, 2025.
- 3 Unutilised borrowing facilities from bank amounts to Rs. 1,692.96 Crore as at March 31, 2025.
- 4 Current maturities of term loan are net of unamortised cost of Rs. 0.03 Crore as at March 31, 2025.
- 5 The future annual repayment obligations on principal amount for the above long-term borrowings are as under :

Financial year	(Rs. In Crore) Amount
2025-26	10.70
2026-27	40.12
2027-28	40.12
2028-29	69.54
2029-30	69.54
2030-31	80.25
2031-32	89.61
2032-33	109.67
2033-34	188.56
2034-35	310.24
2035-36	366.40
2036-37	433.26
2037-38	393.11
2038-39	205.91
	<u>2,407.03</u>

1 Rupee Term Loan facility 1 (RTL 1) of Rs. 1,871.95 Crore:

The Company had taken RTL1 from Banks for laying, building, operating and expanding the city gas distribution network in each of the 12 geographical areas across the cities of Junagadh, Karaikal, Patiala, Kota (ex), Medak, Auraiya, Gorakhpur, Moradabad (ex), Gonda, Basti, Azamgarh and Chennai & Thiruvallur districts (collectively referred as Division) and refinancing of the long term loan of the company, reimbursement of contribution made from internal accruals and by the Torrent Investments Limited (formerly known as Torrent Investments Private Limited) towards the Division's capex or creditor payment.

- a. Secured by way of first pari-passu charge on movable assets and entire intangible assets of the Division, (including but not limited to goodwill and uncalled capital, IPR). First pari-passu charge over cashflows, designated accounts & all moveable assets of the Torrent Gas Chennai Private Limited along with charge on assignment of all benefits, title, interest, benefits, claims and demands of Torrent Gas Limited in Division documents, agreements and clearances related to the Division. The loans are also secured by second pari-passu charge on current assets of the Division.
- b. Applicable Interest rate on Rupee Term Loan facility 1 ranged from 7.91% to 8.50% p.a.

2 Rupee Term Loan facility 2 (RTL 2) of Rs. 535.08 Crore

The Company had taken RTL facility having outstanding amount of Rs. 525.08 Crore as on March 31, 2026 from Banks for laying, building, operating and expanding the city gas distribution network in the geographical areas of Pune (outer), Moradabad (city), Mathura and Dholpur and developing the Corporate Office of the company, refinancing of the long term debt of Torrent Gas Moradabad Limited, Torrent Gas Pune Limited and Sanwariya Gas Limited (Merged Entities) and replacing Subordinated Instrument in Dholpur CGD Private Limited infused by the Company.

- a. Secured by way of first pari-passu charge on movable and immovable assets, assets funded by term loan including Corporate Office, intangible assets of the Merged entities along with charge on rights, title, interest, benefit, claims and demands in Project documents, agreements and clearances of Merged entities. The loan is also secured by second pari passu charge over current assets of merged entities.
- b. Applicable Interest rate on Rupee Term Loan facility 2 is ranged from 8.07% to 8.75% p.a.

Note - 23 : Current borrowings

	(Rs. In Crore) As at March 31, 2026	As at March 31, 2025
Secured loans - at amortised cost		
Supplier finance Arrangements (Refer Note 3 below)	29.83	68.05
Current maturities of term loans from Bank (Refer Note 1 below)	69.35	21.24
Unsecured loans - at amortised cost		
Supplier finance Arrangements (Refer Note 3 below)	-	-
Customer bill discounting (including interest accrued) (Refer Note 4 below)	0.05	-
	<u>99.23</u>	<u>89.29</u>

Notes:

- 1 Current maturities of Term loan from banks are after considering unamortised expense of Rs. 2.02 Crore (March 31, 2025 - Rs. 0.03 Crore). (Refer Note 22 for the terms of borrowing).
- 2 Customer bill discounting carried interest rate ranging from 6.60% to 7.60% p.a. (March 31, 2025 - 7.60% to 7.85% p.a.)
- 3 Unutilised borrowing working capital facilities from banks, amounts to Rs. 945.19 Crore as at March 31, 2026 (March 31, 2025 - Rs 596.78 Crore)
- 4 **Supplier Finance Arrangements**

Supplier finance arrangements are characterised by one or more finance providers offering to pay amounts that an entity owes its suppliers and the entity agreeing to pay according to the terms and conditions of the arrangements at the same date as, or a date later than, when suppliers are paid. These arrangements provide the entity with extended payment terms, or the entity's suppliers with early payment terms, compared to the related invoice payment due date.

The Company enters into supplier finance arrangements, under which suppliers may elect to receive early payment for invoices, while the Company settles the related obligations with the financial institution at a later date. These arrangements are recognized as financial liabilities in accordance with Ind AS 109 and are measured at amortized cost unless designated at fair value through profit or loss.

The Company discloses the nature and terms of these arrangements, including payment conditions and the role of the finance provider, to ensure transparency. The impact of supplier finance arrangements on cash flows is presented in accordance with Ind AS 7, distinguishing between operating and financing activities. The Company also monitors liquidity risks that may arise if such financing is withdrawn or altered.



Note - 23 : Current borrowings (Contd.)

	As at March 31, 2026	(Rs. In Crore) As at March 31, 2025
A Supplier finance arrangements includes payable as follows:		
Payable under letter of credit (Secured)	29.83	68.05
Payable under letter of credit (Unsecured)	-	-
MSME bill discounted (Unsecured)	-	-
	29.83	68.05

B The entity entered into supplier finance arrangements with the following terms and conditions:

Secured Payables under letter of credit arrangement are secured by:

- Goods procured under Letter of Credit
- Secured by Securities provided for term Loan (Refer note no 22)

The applicable rate of interest on supplier finance arrangement ranges from 7.15% to 7.70% p.a. (March 31, 2025 - 7.70% to 8.10% p.a.)

C Carrying amount of liabilities

	As at March 31, 2026	(Rs. In Crore) As at March 31, 2025
Presented within borrowings	29.83	68.05
- of which suppliers have received the payment	29.83	68.05

D Range of payment due dates

	Less than 365 days 30-90 days after invoice date	Less than 365 days 30-90 days after invoice date
Liabilities that are part of the arrangements		
Comparable trade payables that are not part of an arrangements		

E Non cash changes

There were no material foreign exchange differences or non cash changes arising from business combinations that occurred in the above periods.
All amounts of financial liabilities relating to supplier finance arrangements were transferred from trade payables

Net debt reconciliation :

	As at March 31, 2026	(Rs. In Crore) As at March 31, 2025
Cash and cash equivalents	101.15	15.09
Current investments	32.52	6.00
Current borrowings (including interest accrued but not due)	(99.23)	(89.29)
Non-current borrowings	(2,891.69)	(2,380.51)
Lease liabilities	(154.04)	(157.05)
	(3,011.29)	(2,605.76)

Particulars	Other assets		Liabilities from financing activities			Total
	Cash and cash equivalents	Current investments	Non Current Borrowings	Current Borrowings	Lease liabilities	
Net balance as at April 1, 2025	15.09	6.00	(2,380.51)	(89.29)	(157.05)	(2,605.76)
Cash flows	86.06	25.78	(572.50)	38.18	45.44	(377.04)
Movement in Current Maturities of Term Loan	-	-	48.11	(48.11)	-	-
Acquisition of right-of-use assets	-	-	-	-	(29.49)	(29.49)
Interest expense	-	-	(196.61)	(11.37)	(12.94)	(220.92)
Interest paid	-	-	202.07	11.36	-	213.43
Unamortised loan processing fees	-	-	7.75	-	-	7.75
Gain on sale of current investments	-	0.72	-	-	-	0.72
Fair value adjustment	-	0.02	-	-	-	0.02
Net balance as at March 31, 2026	101.15	32.52	(2,891.69)	(99.23)	(154.04)	(3,011.29)
Net balance as at April 1, 2024	16.73	-	(2,054.79)	(58.56)	(176.88)	(2,273.50)
Cash flows	(1.64)	4.59	(338.16)	(20.16)	48.22	(307.15)
Movement in Current Maturities of Term Loan	-	-	10.67	(10.67)	-	-
Acquisition of right-of-use assets	-	-	-	-	(14.24)	(14.24)
Interest expense	-	-	(197.17)	(12.35)	(14.15)	(223.67)
Interest paid	-	-	193.69	12.45	-	206.14
Unamortised loan processing fees	-	-	5.25	-	-	5.25
Gain on sale of current investments	-	1.41	-	-	-	1.41
Net balance as at March 31, 2025	15.09	6.00	(2,380.51)	(89.29)	(157.05)	(2,605.76)



Note - 24 : Trade payables

	As at March 31, 2026	(Rs. In Crore) As at March 31, 2025
Trade payables for goods and services	15.95	16.45
Total outstanding dues of micro and small enterprises (Refer Note 38)	207.90	185.90
Total outstanding dues other than micro and small enterprises	223.85	202.35

Refer Note 49 for ageing of Trade Payables.

Note - 25 : Other current financial liabilities

	As at March 31, 2026	(Rs. In Crore) As at March 31, 2025
Deposits from Customers #	138.04	99.93
Payables on purchase of property, plant and equipment *	75.53	72.16
Employee benefit payables	8.77	8.93
Payables to related parties (Refer note 44)	0.45	0.84
Security deposits from vendors	0.47	0.46
	223.26	182.32

Security deposits from consumers in the CGD business, which is in the nature of utility, are generally not repayable within a period of twelve months based on historical experience.

*including dues to micro and small enterprises for Rs. 53.87 Crore (March 31, 2025: Rs. 55.58 Crore) (Refer note 38)

Note - 26 : Other current liabilities

	As at March 31, 2026	(Rs. In Crore) As at March 31, 2025
Advance from customers	5.06	2.07
Statutory dues	20.92	19.21
	25.98	21.28

Note - 27 : Current provisions

	As at March 31, 2026	(Rs. In Crore) As at March 31, 2025
Provision for employee benefits	2.36	4.23
Provision for gratuity (Refer note 40)	10.25	8.51
Provision for compensated absences (Refer note 40)	12.61	12.74



Torrent Gas Limited

Notes forming part of the Standalone financial statements for the year ended March 31, 2026

Note - 28 : Revenue from operations

Accounting Policy

The Company is in the business of city gas distribution, wherein it earns revenue from sale of natural gas, trading of gas and rendering of allied services.

i) Sale of natural Gas

The Company is engaged in sale of Natural Gas (i.e. Compressed Natural Gas (CNG)), Compressed Bio Gas (CBG) and Piped Natural Gas (PNG).

a) CNG and CBG Sales

The Company operates mainly on the following two business models:

(i) Stations owned and operated by the Company

The Company has determined the end consumer as the Company's customer for the sale of gas (CNG and CBG) from stations owned and operated by the Company. Revenue is recognised at the retail selling price when the CNG / CBG is delivered to the customer at the dispensing station.

(ii) Stations owned and operated by Dealers / Oil Marketing Companies (OMCs).

For sale of gas to stations owned and operated by dealers / OMCs, the Company considers the dealer / OMC as the customer, considering that the dealer/ OMC is the licenced party responsible to dispense CNG /CBG to the end consumer.

Revenue in such arrangements is recognised at the price (net of trade margin) at which the CNG / CBG is sold to the dealers / OMCs when the CNG / CBG is delivered to the dealers / OMCs. These customers are billed on a fortnightly basis.

b) PNG Sales

i) Revenue from sale of PNG is recognised at point in time when control is transferred to the customers (Industrial and commercial entities), which is generally on delivery of the gas at metered/assessed measurements facility.

In case of Domestic PNG customers billing cycle is bi-monthly and Industrial and Commercial PNG customers are billed based on fortnightly basis.

ii) Sales of service

The Company is engaged in Gas compression service, and the revenue from gas compression is recognised at point in time when the compressed gas is delivered to the Customer.

Connection and Service income is recognised based on satisfaction of performance obligation i.e. end connection at customer facility is completed.

(iii) Natural Gas - Trading

Revenue from trading of Natural Gas is recognised, net of returns and rebates, on transfer of the control of natural gas to the customer. Control is generally transferred to the customer on delivery of the natural gas at metered/assessed measurements facility. The Company acts as a principal for sale of gas.

Financing component

The Company does not have any contracts where the period between the transfer of the promised goods or services to the customer and payment by the customer exceeds one year.



Torrent Gas Limited

Notes forming part of the Standalone financial statements for the year ended March 31, 2026

Note - 28 : Revenue from operations (Contd.)**Indirect taxes**

Indirect taxes which are collected on behalf of the government (i.e., VAT and GST) are not included in the Company's revenue. As excise duty is levied on manufacture, the Company acts as a principal in collection of excise duty and therefore, the Company's revenue is inclusive of the excise duty.

	(Rs. In Crore)	
	Year ended March 31, 2026	Year ended March 31, 2025
Revenue from Contract with Customers		
Sale of Product		
Sale of Natural Gas	3,825.36	2,944.51
Sale of Natural Gas - Trading	536.90	413.20
	4,362.26	3,357.71
Sale of Services		
Compression of natural gas	56.34	51.14
Connection & Service Charges	14.05	12.15
	70.39	63.29
Other Operating Income		
Franchisee application and allotment Fees	0.36	0.16
	4,433.01	3,421.16

1 Reconciliation of revenue recognised from sale of natural gas (including trading) with contract price

	(Rs. In Crore)	
	Year ended March 31, 2026	Year ended March 31, 2025
Revenue as per contract price from sale of product	4,362.26	3,357.71
Add / (Less): Adjustment in contract price	-	-
Revenue from contract with customer	4,362.26	3,357.71

Revenue from sale of service equates the contract price.

2 Disclosure below presents disaggregated revenue from contracts with customers. The Company believes that this disaggregation best depicts how the nature, amount, timing and uncertainty of revenue and cash flows are affected by market and other economic factors.

Revenue from sale of natural gas is further disaggregated as below:

	(Rs. In Crore)	
	Year ended March 31, 2026	Year ended March 31, 2025
Compressed Natural Gas Sales	2,757.28	2,210.76
Piped Natural Gas Sales	1,542.83	1,115.55
Compressed Bio Gas Sales	62.15	31.41
Total	4,362.26	3,357.72



Torrent Gas Limited**Notes forming part of the Standalone financial statements for the year ended March 31, 2026****Note - 28 : Revenue from operations (Contd.)****Revenue from sale of services is further disaggregated as below:**

	Year ended March 31, 2026	(Rs. In Crore) Year ended March 31, 2025
Compression of Natural Gas	56.34	51.14
Connection & Service Charges	14.05	12.15
Total	70.39	63.29

Note - 29 : Other income**Accounting Policy**

For all financial instruments measured at amortised cost and interest bearing financial assets, interest income is recognised using the effective interest rate (EIR), which is the rate that discounts the estimated future cash receipts through the expected life of the financial instrument or a shorter period, where appropriate, to the net carrying amount of the financial asset.

	Year ended March 31, 2026	(Rs. In Crore) Year ended March 31, 2025
Interest income from financial assets at amortised cost		
Bank deposits	0.18	1.22
Loans to related parties (Refer note 44)	39.28	36.07
	39.46	37.29
Interest on Income Tax Refund	0.29	0.27
Gain on sale of current investments in mutual funds	0.72	1.41
Gain on disposal of property, plant and equipment	-	0.42
Gain on cancellation of lease agreement	0.92	0.36
Net gain arising on current investments in mutual funds measured at fair value through profit or loss	0.02	-
Liquidated damages recovered #	8.09	12.17
Gain on derecognition of financial asset (Refer note 9)	8.86	-
Dividend on Investments in equity instruments	0.55	-
Miscellaneous income	7.43	4.73
	66.34	56.65
Less: Allocated to capital work-in-progress	0.15	0.06
	66.19	56.59

includes damage recovery towards non performance of contract by the vendor.



Torrent Gas Limited**Notes forming part of the Standalone financial statements for the year ended March 31, 2026****Note - 30 : Cost of Natural Gas consumed**

	(Rs. In Crore)	
	Year ended March 31, 2026	Year ended March 31, 2025
Cost of natural gas consumed	2,481.55	1,777.78
	2,481.55	1,777.78

Note - 31 : Changes in Inventories of Natural Gas

	(Rs. In Crore)	
	Year ended March 31, 2026	Year ended March 31, 2025
Opening stock of Natural Gas	8.65	7.37
Less: Closing stock of Natural Gas	30.46	8.65
	(21.81)	(1.28)

Note - 32 : Employee benefits expense

	(Rs. In Crore)	
	Year ended March 31, 2026	Year ended March 31, 2025
Salaries, wages and bonus	105.85	99.88
Contribution to provident and other funds (Refer Note 40)	9.68	8.92
Employees welfare expenses	2.07	1.85
Compensated absences	2.69	2.48
Gratuity (Refer Note 40)	3.11	6.33
	123.40	119.46
Less: Allocated to capital work-in-progress	39.14	28.71
	84.26	90.75



Torrent Gas Limited**Notes forming part of the Standalone financial statements for the year ended March 31, 2026****Note - 33 : Finance costs****Accounting Policy**

Borrowing costs that are directly attributable to the acquisition and construction of qualifying asset, which are assets that necessarily take a substantial period of time to get ready for their intended use are capitalized up to the date the assets is substantially ready for their intended use.

	(Rs. In Crore)	
	Year ended March 31, 2026	Year ended March 31, 2025
Interest expense for financial liabilities classified at amortized cost		
Term loan	196.61	198.66
Bank Overdraft	0.28	0.57
Interest on Consumer security deposit	0.95	0.82
Bill discounting	3.48	3.88
Interest on Lease liabilities	12.94	14.15
Other borrowing costs*	7.61	7.90
	221.87	225.98
Less: Allocated to capital work-in-progress	48.45	11.70
	173.42	214.28

* This mainly includes bank guarantee charges.

Note - 34 : Depreciation and amortisation expense

	(Rs. In Crore)	
	Year ended March 31, 2026	Year ended March 31, 2025
Depreciation on property, plant and equipment	165.16	147.98
Depreciation on right-of-use assets	36.26	36.13
Amortisation on intangible assets	3.97	7.90
	205.39	192.01



Torrent Gas Limited

Notes forming part of the Standalone financial statements for the year ended March 31, 2026

Note - 35 : Other expenses

	(Rs. In Crore)	
	Year ended March 31, 2026	Year ended March 31, 2025
Rent and hire charges (Refer note 39)	40.95	38.34
Fuel expenses	91.27	75.81
Repairs to		
Buildings	0.44	0.46
Plant and Machinery	141.77	129.98
Others	0.98	2.06
Travelling expenses	1.28	1.17
Insurance expenses	3.14	2.41
Rates and taxes	1.38	0.50
Vehicle running expenses	9.94	9.31
Electricity expenses	22.85	21.46
Security Services	5.63	5.02
Advertisement expenses	5.03	5.08
CNG stations operating expense	25.27	19.48
Expected credit loss allowance (Refer note 45)	3.21	1.45
Auditors remuneration (Refer note 41)	0.50	0.54
Legal, professional and consultancy fees	7.87	8.06
Contractual Manpower expenses	6.30	6.95
Directors sitting fees	0.47	0.26
Loss of project inventory due to fire (Refer note 4A)	11.45	-
Loss on disposal of property, plant and equipment (net)	0.76	0.53
Membership and subscription expense	0.91	0.71
Corporate Social Responsibility expenses (Refer note 52)	0.25	0.11
Software License expenses	21.77	16.79
Miscellaneous expenses	17.41	18.07
	420.83	364.55
Less: Allocated to capital work in progress	9.45	10.82
	411.38	353.73



Torrent Gas Limited
Notes forming part of the Standalone financial statements for the year ended March 31, 2026
Note 36: Income tax expense
(a) Income tax expense recognised in statement of profit and loss

	Year ended March 31, 2026	(Rs. In Crore) Year ended March 31, 2025
Current tax		
Current tax on profits for the year	-	-
Tax in respect of earlier year	(0.07)	-
	(0.07)	-
Deferred tax (other than disclosed under other comprehensive income and other equity)		
Decrease / (increase) in deferred tax assets	45.75	51.24
(Decrease) / increase in deferred tax liabilities	19.60	(22.42)
	65.35	28.82
Income tax recognised in statement of profit and loss	65.28	28.82

(b) Reconciliation of current tax

	Year ended March 31, 2026	(Rs. In Crore) Year ended March 31, 2025
Profit/ (Loss) before tax	272.76	150.18
Expected income tax expense calculated using tax rate at 25.17%	68.65	37.80
Adjustment to reconcile expected income tax expense to reported income tax expense:		
Effect of:		
Expenditure not deductible under Income Tax Act	3.08	0.62
43B Adjustment	(2.56)	-
Deferred tax recognised on license acquired for Mathura GA	-	(4.69)
Deferred tax recognised on brought forward losses (not recognised in earlier year due to uncertain tax positions)	(1.34)	(3.83)
Gain on derecognition of financial assets	(2.50)	-
Excess provision of earlier years	(0.07)	-
Other items	0.02	(1.08)
Total	(3.37)	(8.98)
Total tax expense as per statement of profit and loss	65.28	28.82

The tax rate used for the reconciliations given above is the actual / enacted corporate tax rate payable by corporate entities in India on taxable profits under the Indian tax law.

(c) Income tax recognised in other comprehensive income

	Year ended March 31, 2026	(Rs. In Crore) Year ended March 31, 2025
Deferred tax		
Impact of Income tax on Re-measurement of defined benefit obligation (Items that will not be reclassified to profit or loss)	0.02	0.03
Impact of Income tax on Net gain on FVTOCI Equity Investments (Items that will not be reclassified to profit or loss)	(0.55)	(0.71)

(d) Income tax recognised in other equity

	Year ended March 31, 2026	(Rs. In Crore) Year ended March 31, 2025
Deferred tax		
Impact of Income tax on share issue expenses recognised in other equity	(0.06)	(0.07)



Note 36: Income tax expense (Contd.)

(e) Deferred tax balances

Accounting Policy

Deferred tax assets are recognised for all unused tax losses and unused tax credits to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised.

(1) The following is the analysis of deferred tax assets / (liabilities) presented in the balance sheet

	(Rs. In Crore)	
	Year ended March 31, 2026	Year ended March 31, 2025
Deferred tax liabilities	(262.56)	(216.26)
Deferred tax asset	135.98	155.62
	(126.58)	(60.64)

(2) Movement of deferred tax assets / (liabilities)

Deferred tax assets / (liabilities) in relation to the year ended March 31, 2026

	Opening balance	Recognized in profit or loss	Recognized in OCI	Recognized in other equity	(Rs. In Crore) Closing balance
Deferred Tax Liabilities					
Intangible assets	(2.55)	(0.23)	-	-	(2.78)
Property, plant and equipment	(203.50)	(46.23)	-	-	(249.73)
Unamortised borrowings cost	(3.59)	(0.88)	-	-	(4.47)
Financial assets at fair value through OCI	(2.96)	-	(0.55)	-	(3.51)
Fair value of interest free loan	(0.27)	0.27	-	-	-
Loan Processing Fees	(3.39)	1.32	-	-	(2.07)
	(216.26)	(45.75)	(0.55)	-	(262.56)
Deferred Tax Asset					
Right of use Asset	4.28	0.71	-	-	4.99
Capital work in progress	5.73	(5.73)	-	-	-
Unabsorbed Depreciation	142.79	(17.37)	-	-	125.42
Share issue expenses	0.07	-	-	(0.06)	0.01
Expense allowable for tax purposes on payment basis	-	0.97	-	-	0.97
Remeasurement of the defined benefit plans	2.14	1.01	0.02	-	3.17
Provision for doubtful debts	0.61	0.81	-	-	1.42
	155.62	(19.60)	0.02	(0.06)	135.98
	(60.64)	(65.35)	(0.53)	(0.06)	(126.58)

Deferred tax assets / (liabilities) in relation to the year ended March 31, 2025

(Rs. In Crore)

	Opening balance	Recognized in profit or loss	Recognized in OCI	Recognized in other equity	Closing balance
Deferred Tax Liabilities					
Intangible assets	(6.71)	4.16	-	-	(2.55)
Property, plant and equipment	(149.94)	(53.56)	-	-	(203.50)
Unamortised borrowings cost	(2.67)	(0.92)	-	-	(3.59)
Financial assets at fair value through OCI	(2.25)	-	(0.71)	-	(2.96)
Fair value of interest free loan	(0.15)	(0.12)	-	-	(0.27)
Loan Processing Fees	(2.59)	(0.80)	-	-	(3.39)
	(164.31)	(51.24)	(0.71)	-	(216.26)
Deferred Tax Asset					
Right of use Asset	3.89	0.39	-	-	4.28
Capital work in progress	5.10	0.63	-	-	5.73
Unabsorbed Depreciation	122.05	20.74	-	-	142.79
Share issue expenses	0.14	-	-	(0.07)	0.07
Remeasurement of the defined benefit plans	1.82	0.29	0.03	-	2.14
Provision for doubtful debts	0.24	0.37	-	-	0.61
	133.24	22.42	0.03	(0.07)	155.62
	(31.07)	(28.82)	(0.68)	(0.07)	(60.64)

The Company is in the process of developing the city gas distribution network in the authorised geographical areas in accordance with the minimum work programmed (Refer Note 37). Based on the management assessment, it is reasonable that there will be sufficient taxable profits in future against which the unabsorbed losses and depreciation will be utilised.



Note 37: Contingent Liabilities, Capital and other commitments

(Rs. In Crore)

	As at March 31, 2026	As at March 31, 2025
37.1 Contingent Liabilities :		
(i) Disputed value added tax matters	0.52	0.52
(ii) Disputed GST matters	14.00	-

(iii) The Company has furnished a bank guarantee of Rs. 2.93 Crore to its gas supplier in respect of potential claims relating to the use of allocated gas for purposes other than those specified during the period 2016–2022. The settlement of such claims will be subject to the process to be finalized by the Ministry of Petroleum and Natural Gas. The management has assessed that no outflow of resources would arise.

Notes :

Management believes that its position on the aforesaid direct and indirect tax matters and other claims against the company will likely be upheld in the appellate process and accordingly no provision has been made in the standalone financial statements for such demands.

In respect of the above, the expected outflow will be determined at the time of final resolution of the dispute / matters. No reimbursement is expected.

37.2 Capital and other commitments :

(i) Estimated amount of contracts remaining to be executed on capital account and not provided for is as under:

(Rs. In Crore)

	As at March 31, 2026	As at March 31, 2025
Property, plant and equipment	337.08	348.07

(ii) Commitments for:

(Rs. In Crore)

	As at March 31, 2026	As at March 31, 2025
Loans to Subsidiaries (Refer note 44)	245.80	240.30

(iii) Other Commitments

A Project Status

The Company has been granted authorization for laying, building, operating and expanding CGD network in 14 geographical areas across India on a consolidated basis under the Petroleum and Natural Gas Regulatory Board (Authorizing entities to lay, build, operate or expand city or local Natural Gas Distribution Networks) Regulation 2008. The Company has submitted performance bank guarantees aggregating to Rs. 403.50 Crore (March 31, 2025: Rs. 403.50 Crore) to the Petroleum and Natural Gas Regulatory Board towards its minimum work commitments.

B Gas Purchase Commitments

The Company has entered into various agreements for purchase of natural gas. The contracts have Take or Pay obligations. Vendor of natural gas in turn also have the liquidated damages payable in case they are not able to supply natural gas to the Company. The terms of the contracts also include make-up provisions or liability after mitigation proceeds.

The Company is under active discussion with the vendors and in the process of getting the appropriate intimation with respect to the mitigation proceeds as also getting consent to make up shortfall of gas in coming years. The shortfall of such purchase commitments in gross terms is Rs.141.85 Crore without considering full mitigation proceeds as at March 31, 2026 (March 31, 2025: Rs. 61.32 Crore).



Torrent Gas Limited**Notes forming part of the Standalone financial statements for the year ended March 31, 2026**

Note 38: The disclosure pursuant to Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act, 2006) are as follows:

	As at March 31, 2026	(Rs. In Crore) As at March 31, 2025
(a) Principal amount remaining unpaid	69.82	72.03
(b) Interest due thereon	-	-
(c) The amount of interest paid along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year	-	-
i) Principal amounts paid to the suppliers beyond the appointed day during the year	-	-
ii) Interest paid under section 16 of the MSMED Act, to the suppliers, beyond the appointed	-	-
(d) The amount of interest due and payable for the year (where the principal has been paid but interest under the MSMED Act, 2006 not paid)	-	-
(e) The amount of interest accrued and remaining unpaid at the end of each accounting year	-	-
(f) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the MSMED Act, 2006 of the MSMED Act, 2006	0.06	0.06

Note: The above information regarding dues payable to Micro and Small enterprises is compiled by management to the extent the information is available with the Company regarding the status of supplier as Micro and Small enterprises.



Note 39: Leases

Accounting Policy

As a Lessee:

The Company acquires various buildings (offices and warehouse), vehicles and land on lease.

Rental contracts typically ranges from 2 year to 10 years for buildings, 10 to 25 years for land and 2 to 6 years for vehicles.

Lease terms are negotiated on an individual basis and contain a wide range of terms and conditions. The lease agreements do not impose any covenants other than the security interests in the leased assets that are held by the lessor. Leased assets may not be used as security for borrowing purposes.

The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, which is generally the case for leases in the Company, the lessee's incremental borrowing rate is used, being the rate that the individual lessee would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar terms, security and conditions.

To determine the incremental borrowing rate, the Company uses existing borrowing rate as a starting point, adjusted to reflect changes in financing conditions.

Short term lease and lease of low value assets;

Payments associated with short-term leases of equipment and all leases of low-value assets are recognised on a straight-line basis as an expense in profit or loss. Short-term leases are leases with a lease term of 12 months or less. Low-value assets comprise small items of office equipment.

This note provides information on leases where the Company is a lessee.

(i) Amounts recognised in balance sheet

The balance sheet shows the following amounts relating to leases:

Right-of-use assets

	Note	(Rs. In Crore)	
		As at March 31, 2026	As at March 31, 2025
Leasehold Land	5	82.58	82.65
Buildings	5	8.97	10.58
Vehicles	5	48.98	53.15
Total		140.53	146.38

Lease Liabilities

	(Rs. In Crore)	
	As at March 31, 2026	As at March 31, 2025
Current	31.13	33.85
Non-current	122.91	123.20
Total	154.04	157.05



Torrent Gas Limited**Notes forming part of the Standalone financial statements for the year ended March 31, 2026****Note 39: Leases (Contd.)****(ii) Amounts recognised in the statement of profit and loss**

The statement of profit or loss shows the following amounts relating to leases:

Particulars	Note	(Rs. In Crore)	
		As at March 31, 2026	As at March 31, 2025
Depreciation charge of right-of-use assets	34	36.26	36.13
Interest expense (included in finance costs)	33	12.94	14.15
Expense relating to variable lease payments not included in lease liabilities including short term and low value leases	35	40.95	38.34
Total		90.15	88.62

(iii) The total cash outflow for leases including payment for variable lease payments for the year is Rs. 86.39 Crore (March 31, 2025: Rs. 86.56 Crore).

(iv) Extension and termination options: These options are used to maximize operational flexibility in terms of managing the assets used in the Company's operations. Extension and termination options are included in the lease term, only if the Company has the right to exercise these options and reasonably certain to exercise the right.

(v) For lease maturity analysis refer Note 45 - liquidity risk analysis.



Note 40: Employee benefit plans

40.1 Defined contribution plan

The Company's contribution to provident fund, superannuation fund and employee state insurance scheme (ESI) are determined under the relevant schemes and / or statute and charged to the statement of profit or loss as following. The obligation of the Company is limited to the amount contributed and it has no further contractual or constructive obligation.

	As at March 31, 2026	(Rs. In Crore) As at March 31, 2025
(i) Contribution to Provident fund	6.89	6.28
(ii) Contribution to Superannuation Fund	2.78	2.62
(iii) Contribution to ESI	0.01	0.02
	9.68	8.92

40.2 Defined benefit plans

(a) Gratuity

The Company operates through various gratuity trust, a plan, covering all its employees. The benefit payable is the greater of the amount calculated as per the New Labour codes / Payment of Gratuity Act, 1972 or the Company scheme applicable to the employee. The benefit vests upon completion of five years of continuous service and once vested it is payable to employees on retirement or on termination of employment. The gratuity benefits payable to the employees are based on the tenure of employee's service and last drawn salary at the time of leaving. The employees do not contribute towards this plan and the full cost of providing these benefits are met by the Company. In case of death while in service, the gratuity is payable irrespective of vesting.

The Company makes annual contribution to the gratuity schemes administered by the Life Insurance Corporation of India through its various Gratuity Trust Funds. The liability in respect of plan is determined on the basis of an actuarial valuation. (Refer note 40.4)

(b) Risk exposure to defined benefit plans

The plans typically expose the Company to actuarial risks such as: asset volatility, interest rate risk, longevity risk and salary risk as described below:

Asset volatility

The present value of the defined benefit plan liability is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on Indian government securities; if the return on plan asset is below this rate, it will create a plan deficit.

Interest risk

A decrease in the bond interest rate will increase the plan liability; however, this will be partially offset by an increase in the return on the plan's debt investments.



Note 40: Employee benefit plans (Contd.)

Longevity risk

The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and after their employment. An increase in the life expectancy of the plan participants will increase the plan's liability.

Salary risk

The present value of the defined benefit plan liability is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the plan's liability.

The actuarial valuation of the plan assets and the present value of the defined benefit obligation were carried out at March 31, 2026. The present value of the defined benefit obligation, and the related current service cost and past service cost, were measured using the projected unit credit method.

(c) Significant assumptions

The principal assumptions used for the purposes of the actuarial valuations were as follows.

	As at March 31, 2026	As at March 31, 2025
Discount rate (p.a.)	7.40%	7.04%
Salary escalation rate (p.a.)	10.00%	10.00%
Attrition rate	For service 4 years and below 8.00% p.a. For service 5 years and above 1.00% p.a.	For service 4 years and below 8.00% p.a. For service 5 years and above 1.00% p.a.

Future mortality rates are obtained from relevant table of Indian Assured Lives Mortality (2012-14) Ultimate as at March 31, 2026 and March 31, 2025.

(d) The amount included in the balance sheet arising from the Company's obligation in respect of its defined benefit plans is as follows:

Balances of defined benefit plan

	As at March 31, 2026	(Rs. In Crore) As at March 31, 2025
Present value of funded defined benefit obligation	18.70	15.66
Fair value of plan assets	16.34	11.43
Net liability	2.36	4.23



Torrent Gas Limited

Notes forming part of the Standalone financial statements for the year ended March 31, 2026

Note 40: Employee benefit plans (Contd.)

- (e) Following is the amount recognised in statement of profit and loss, other comprehensive income, movement in defined benefit liability and movement in plan assets:

	(Rs. In Crore)	
	As at	As at
	March 31, 2026	March 31, 2025
(1) Movements in the present value of the defined benefit obligation recognised in the balance sheet as under:		
Obligation at the beginning of the year	15.66	9.52
Current service cost	3.01	2.18
Interest cost	1.10	0.69
Past service cost	-	3.64
Actuarial losses/(gains) from changes in demographic assumptions	-	-
Actuarial (gains) / losses arising changes in financial assumptions	(0.88)	0.46
Actuarial (gains) / losses from experience adjustments	1.09	(0.14)
Benefit Paid from the fund	(1.20)	(0.30)
Liability transferred in /from transfer of employees	0.05	0.17
Liability transferred out	(0.13)	(0.56)
Obligation at the end of the year	18.70	15.66

	(Rs. In Crore)	
	As at	As at
	March 31, 2026	March 31, 2025
(2) Movements in the fair value of the plan assets recognised in the balance sheet as under:		
Plan assets at the beginning of the year, at fair value	11.43	6.98
Interest income	0.80	0.51
Return on plan assets (excluding interest income)	0.15	0.20
Contributions	5.16	4.03
Benefits paid from the fund	(1.20)	(0.29)
Fair value of plan assets at the end of the year, at fair value	16.34	11.43

	(Rs. In Crore)	
	As at	As at
	March 31, 2026	March 31, 2025
(3) Gratuity cost recognized in the statement of profit and loss		
Current service cost	3.01	2.18
Interest cost, net	0.30	0.18
Net plan assets written back/written off*	(0.20)	0.33
Past service cost #	-	3.64
	3.11	6.33

During the previous year, the company have changed the benefit scheme by removing the monetary ceiling of Rs 0.20 Crore. Change in liability (if any) due to this scheme change is recognised as past service cost.



Note 40: Employee benefit plans (Contd.)

	(Rs. In Crore)	
	As at March 31, 2026	As at March 31, 2025
(4) Gratuity cost recognized in the other comprehensive income		
Actuarial losses on obligation for the period	0.21	0.32
Return on plan assets, excluding interest income	0.15	0.20
	0.06	0.12

(f) **Category wise plan assets**

Contributions to fund the obligations under the gratuity plans are made to the Life Insurance Corporation of India.

(g) **Sensitivity analysis**

Significant actuarial assumptions for the determination of the defined obligation are discount rate and expected salary increase. The sensitivity analysis given below have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant.

	(Rs. In Crore)	
	As at March 31, 2026	As at March 31, 2025
Change in assumptions		
Impact on defined benefit obligation of gratuity [Increase / (decrease)]		
50 basis points increase in discount rate	(1.13)	(0.96)
50 basis points decrease in discount rate	1.24	1.06
50 basis points increase in salary escalation rate	1.20	1.02
50 basis points decrease in salary escalation rate	(1.11)	(0.94)
50 basis points increase in attrition rate	(0.28)	(0.27)
50 basis points decrease in attrition rate	0.30	0.29

The sensitivity analysis presented above may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

Furthermore, in presenting the above sensitivity analysis, the present value of the defined benefit obligation has been calculated using the projected unit credit method at the end of the reporting period, which is the same as that applied in calculating the defined benefit obligation liability recognised in the balance sheet.

- (h) The weighted average duration of the gratuity plan based on average future service is 19 years (March 31, 2025 - 19 years).
- (i) Expected contributions to the plan for the next annual reporting period is Rs. 4.20 Crore (March 31, 2025- Rs. 3.84 Crore).



Torrent Gas Limited

Notes forming part of the Standalone financial statements for the year ended March 31, 2026

Note 40: Employee benefit plans (Contd.)**(j) Cash flow projection from the fund**

Projected benefits payable in future years from the date of reporting

	(Rs. In Crore)	
	As at March 31, 2026	As at March 31, 2025
1st following year	1.02	0.89
2nd following year	0.38	0.44
3rd following year	0.85	0.75
4th following year	0.92	0.68
5th following year	0.43	0.76
Sum of years 6 to 10th	6.22	4.05
Sum of years 11 and above	51.01	41.27

40.3 Other long-term employee benefit obligations

The Compensated absences cover the Company's liability for earned leave. The entire amount of the provision of Rs. 10.25 Crore (March 31, 2025: Rs. 8.51 Crore) is presented as current, since the Company does not have an unconditional right to defer settlement for these obligations. Expected amount towards settlement of Leave for the next 12 months are Rs. 1.89 Crore (March 31, 2025: Rs. 1.32 Crore).

40.4 Labour Code

The Government of India has consolidated 29 existing labour legislations into a unified framework comprising four labour codes viz the Code on Wages, 2019, the Code on Social Security, 2020, the Industrial Relations Code, 2020, and the Occupational Safety, Health and Working Conditions Code, 2020 (collectively referred to as the "Codes"). The Codes have been made effective from November 21, 2025. The Ministry of Labour & Employment published draft Central Rules and FAQs to enable assessment of the financial impact due to changes in regulations.

The incremental impact of these changes, assessed by the Company, on the basis of the information available, consistent with the guidance provided by the Institute of Chartered Accountants of India, is not material in the standalone financial statements of the Company for the year ended March 31, 2026. Once Central / State Rules are notified by the Government on all aspects of the Codes, the Company will evaluate impact, if any, on the measurement of employee benefits and would provide appropriate accounting treatment.



Torrent Gas Limited**Notes forming part of the Standalone financial statements for the year ended March 31, 2026****Note 41: Auditors remuneration (includes taxes)**

	As at March 31, 2026	(Rs. In Crore) As at March 31, 2025
As auditor		
Fees for Statutory Audit Services	0.30	0.30
Fees for Attestation and Certification Services.#	0.14	0.20
Out-of-Pocket Expenses	0.06	0.04
	0.50	0.54

Excluding Rs. 0.89 Crore fees in relation to Initial Public Offer which is recoverable from shareholder (Refer Note 18)

Note 42: Earnings per share

	As at March 31, 2026	As at March 31, 2025
Basic earning per share (Rs.)	1.24	0.72
Diluted earning per share (Rs.)	1.24	0.72

Basic and diluted earnings per share

The earnings and weighted average number of equity shares (whether fully paid or partly paid) used in the calculation of basic earnings per share are as follows:

	As at March 31, 2026	As at March 31, 2025
Profit for the year attributable to the equity shareholders of the company used in calculation of basic earning per share (Rs. In Crore)	207.48	121.36
Weighted average number of equity shares	1,675,000,000	1,675,000,000

The Company does not have any dilutive potential ordinary shares and therefore diluted earnings per share is the same as basic earnings per share.



Torrent Gas Limited

Notes forming part of the Standalone financial statements for the year ended March 31, 2026

Note 43: Operating segments

The Chief Operating Decision Maker (CODM) consists of Board of Directors. The CODM evaluates the Company's performance and allocates resources based on analysis of various performance indicators pertaining to business as a single segment. Accordingly, the Company does not have any reportable segments as per Indian Accounting Standard 108 "Operating Segments".

The Company's operations are wholly confined within India and as such there is no reportable geographical information.

The Company has a revenue of Rs. 2,294.67 Crore (March 31, 2025: Rs. 1,581.91 Crore) from transactions with four (March 31, 2025 - three) major customers, each contributing to more than 10% of the total revenue of the Company.



Torrent Gas Limited**Notes forming part of the Standalone financial statements for the year ended March 31, 2026****Note 44: Related party disclosures****(a) Names of related parties and description of relationship:****(i) Parties where control exists:**

1	Entities having joint control over Holding Company	Mehta Family Trust 1, Mehta Family Trust 2, Mehta Family Trust 3, Mehta Family Trust 4
2	Holding Company	Torrent Investments Limited (Formerly known as Torrent Investments Private Limited)

(ii) Other related parties with whom transactions have taken place* :

1	Subsidiaries	Dholpur CGD Private Limited (w.e.f. March 27, 2025), Torrent Gas Chennai Private Limited, and Torrent Gas Jaipur Private Limited
2	Joint Venture	Dholpur CGD Private Limited (upto March 26, 2025)
3	Employee benefits plans	Torrent Gas Private Limited Employees Group Gratuity Trust and Torrent Gas Private Limited Employees Group Superannuation Cash Accumulation Trust
4	Enterprises controlled by the Holding Company	Torrent Power Limited, Torrent Solar Power Private Limited, UNM Foundation

(iii) Key management personnel

1	Key management personnel	Mr. Jinal Sudhirbhai Mehta - Chairman and Non-Executive Director Mr. Manoj Jain, Managing Director Mr. Deepak Narottamdas Dalal, Whole-time Director (upto April 30, 2024) Mr. Samir Kumar Barua, Independent Director Mr. Pradip Manilal Kanakia - Independent Director (with effect from June 19, 2024) (Non-executive Professional Director upto June 18, 2024) Ms. Luna Tapan Pal, Non-Executive Director (w.e.f. March 31, 2025 and ceased w.e.f. February 6, 2026) Ms. Radhika Vijay Haribhakti, Independent Director (w.e.f. February 9, 2026) Mr. Varun Sudhir Mehta, Non-Executive Director (w.e.f. February 9, 2026)
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*Where transactions have taken place during the year and for previous year or where balances are outstanding at the year end.

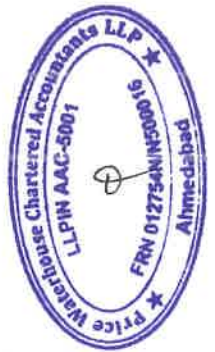


(b) Related party transactions

Particulars	Holding Company		Employee benefits plans		Subsidiaries		Joint Venture (till March 26, 2025)		Enterprises controlled by the Holding Company		Key Managerial Personnel		Total
	Year Ended March 31, 2026	Year Ended March 31, 2025	Year Ended March 31, 2026	Year Ended March 31, 2025	Year Ended March 31, 2026	Year Ended March 31, 2025	Year Ended March 31, 2026	Year Ended March 31, 2025	Year Ended March 31, 2026	Year Ended March 31, 2025	Year Ended March 31, 2026	Year Ended March 31, 2025	
Nature of transactions#													
Transfer of gratuity/leave liability from/to:													
Torrent Power Limited	-	-	-	-	-	-	-	-	0.00	(0.10)	-	-	(0.10)
Torrent Gas Jaipur Private Limited	-	-	-	-	0.06	0.06	-	-	-	-	-	-	0.06
Torrent Gas Chennai Private Limited	-	-	-	-	0.64	0.35	-	-	-	-	-	-	0.99
Dholpur CGD Private Limited	-	-	-	-	-	-	0.10	-	-	-	-	-	0.10
UNM Foundation	-	-	-	-	-	-	-	-	0.03	0.18	-	-	0.21
Transfer of Superannuation from/to:													
Torrent Gas Chennai Private Limited	-	-	-	-	(0.02)	-	-	-	-	-	-	-	(0.02)
Rent and Hire charges													
Torrent Power Limited	-	-	-	-	-	-	-	-	-	-	-	-	-
Dholpur CGD Private Limited	-	-	-	-	0.04	-	-	-	1.40	1.37	-	-	1.37
Torrent Gas Jaipur Private Limited	-	-	-	-	-	-	0.04	-	-	-	-	-	0.04
Torrent Gas Chennai Private Limited	-	-	-	-	0.02	-	-	-	-	-	-	-	0.02
Torrent Gas Chennai Private Limited	-	-	-	-	0.07	0.05	-	-	-	-	-	-	0.12
Lease rent income													
Torrent Gas Jaipur Private Limited	-	-	-	-	1.59	1.06	-	-	-	-	-	-	1.59
Torrent Gas Chennai Private Limited	-	-	-	-	1.23	1.14	-	-	-	-	-	-	1.23
Torrent Solar Power Private Limited	-	-	-	-	-	-	-	-	0.09	0.09	-	-	0.09
Reimbursement of Expenditure for													
Torrent Power Limited*	-	-	-	-	-	-	-	-	-	-	-	-	-
Torrent Gas Chennai Private Limited	-	-	-	-	1.00	1.01	-	-	0.01	0.00	-	-	0.01
Dholpur CGD Private Limited	-	-	-	-	0.34	-	-	-	-	-	-	-	0.34
Torrent Gas Jaipur Private Limited	-	-	-	-	2.17	34.83	-	-	-	-	-	-	37.00
CSR Expenditure													
UNM Foundation	-	-	-	-	-	-	-	-	0.25	-	-	-	0.25



Particulars	Holding Company		Employee benefit plans		Subsidiaries		Joint Ventures (till March 28, 2025)		Enterprises controlled by the Holding Company		Key Managerial Personnel		Total
	Year Ended March 31, 2026	Year Ended March 31, 2025	Year Ended March 31, 2026	Year Ended March 31, 2025	Year Ended March 31, 2026	Year Ended March 31, 2025	Year Ended March 31, 2026	Year Ended March 31, 2025	Year Ended March 31, 2026	Year Ended March 31, 2025	Year Ended March 31, 2026	Year Ended March 31, 2025	
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	
Sale of Natural Gas													
Torrent Gas Chemical Private Limited	-	-	-	-	10.97	3.98	-	-	-	-	-	19.97	3.98
Torrent Gas Chemical Private Limited	-	-	-	-	37.08	18.58	-	-	-	-	-	37.08	18.58
Dholpur CGD Private Limited	-	-	-	-	1.28	-	-	5.86	-	-	-	1.28	5.86
Torrent Power Private Limited	-	-	-	-	-	-	-	-	477.67	384.78	-	477.67	384.78
Material Purchased													
Torrent Gas Chemical Private Limited	-	-	-	-	3.75	0.55	-	-	-	-	-	3.75	0.55
Dholpur CGD Private Limited*	-	-	-	-	0.00	-	-	0.00	-	-	-	0.00	0.00
Torrent Gas Jajpur Private Limited	-	-	-	-	3.15	0.19	-	-	-	-	-	3.15	0.19
Material Sale													
Torrent Gas Chemical Private Limited	-	-	-	-	1.81	3.40	-	-	-	-	-	1.81	3.40
Dholpur CGD Private Limited	-	-	-	-	0.21	-	-	0.04	-	-	-	0.21	0.04
Torrent Gas Jajpur Private Limited	-	-	-	-	1.44	3.95	-	-	-	-	-	1.44	3.95
Sale of Property, plant and equipment													
Torrent Gas Chemical Private Limited	-	-	-	-	2.31	1.31	-	-	-	-	-	2.31	1.31
Torrent Gas Jajpur Private Limited	-	-	-	-	0.26	-	-	-	-	-	-	0.26	-
Dholpur CGD Private Limited	-	-	-	-	0.64	-	-	-	-	-	-	0.64	-
Purchase of Property, plant and equipment													
Torrent Gas Jajpur Private Limited	-	-	-	-	3.57	-	-	-	-	-	-	3.57	-
Loans given to													
Torrent Gas Chemical Private Limited	-	-	-	-	114.00	374.30	-	-	-	-	-	114.00	374.30
Dholpur CGD Private Limited	-	-	-	-	40.00	-	-	0.70	-	-	-	40.00	0.70
Torrent Gas Jajpur Private Limited	-	-	-	-	-	8.00	-	-	-	-	-	-	8.00
Loan repaid by													
Torrent Gas Chemical Private Limited (including Gain on derecognition) (Refer Note 9)	-	-	-	-	15.00	-	-	-	-	-	-	15.00	-
Torrent Gas Jajpur Private Limited	-	-	-	-	-	54.75	-	-	-	-	-	-	54.75
Optionally Convertible Loan Repaid													
Dholpur CGD Private Limited	-	-	-	-	30.50	-	-	-	-	-	-	30.50	-
Perpetual Loan taken													
Torrent Investments Limited (Formerly known as Torrent Investments Private Limited)	-	300.00	-	-	-	-	-	-	-	-	-	-	300.00
Perpetual Loan repaid to													
Torrent Investments Limited (Formerly known as Torrent Investments Private Limited)	328.00	300.00	-	-	-	-	-	-	-	-	-	328.00	300.00
Interest Income on Intercompany Loan													
Dholpur CGD Private Limited	-	-	-	-	2.85	-	-	2.38	-	-	-	2.85	2.38
Torrent Gas Chemical Private Limited	-	-	-	-	30.43	31.23	-	-	-	-	-	30.43	31.23
Torrent Gas Jajpur Private Limited	-	-	-	-	-	2.45	-	-	-	-	-	-	2.45
Contribution to employee benefit plans (net)													
Torrent Gas Private Limited Employees Group Gratuity Trust	-	-	1.20	0.33	-	-	-	-	-	-	-	1.20	0.33
Torrent Gas Private Limited Employees Group Superannuation Cash Accumulation Trust	-	-	0.55	1.19	-	-	-	-	-	-	-	0.55	1.19



Note 44: Related party disclosures (Contd.)

(b) Related party transactions

Particulars	Holding Company		Employee benefit plans		Subsidiaries		Joint Venture (till March 26, 2025)		Enterprises controlled by the Holding Company		Key Managerial Personnel		Total	
	Year Ended March 31, 2026	Year Ended March 31, 2025	Year Ended March 31, 2026	Year Ended March 31, 2025	Year Ended March 31, 2026	Year Ended March 31, 2025	Year Ended March 31, 2026	Year Ended March 31, 2025	Year Ended March 31, 2026	Year Ended March 31, 2025	Year Ended March 31, 2026	Year Ended March 31, 2025	Year Ended March 31, 2026	Year Ended March 31, 2025
Commission to non-executive Directors														
Mr. Samir Barua	-	-	-	-	-	-	-	-	-	-	0.30	0.30	0.30	0.30
Mr. Pradip Karakia	-	-	-	-	-	-	-	-	-	-	0.30	0.30	0.30	0.30
Ms. Radhika Vijay Haribhakti	-	-	-	-	-	-	-	-	-	-	0.07	-	0.07	-
Sitting Fees to non-executive Directors														
Mr. Samir Barua	-	-	-	-	-	-	-	-	-	-	0.21	0.13	0.21	0.13
Mr. Pradip Karakia	-	-	-	-	-	-	-	-	-	-	0.21	0.13	0.21	0.13
Ms. Radhika Vijay Haribhakti	-	-	-	-	-	-	-	-	-	-	0.05	-	0.05	-
Managerial remuneration given														
Mr. Deepak Dalal	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Short term employee benefits*														
Mr. Manoj Jain	-	-	-	-	-	-	-	-	-	-	0.46	-	0.46	-
Short term employee benefits*														
Loan Commitment given to														
Torrent Gas Chemical Private Limited	-	-	-	-	200.00	400.00	-	-	-	-	4.48	3.20	4.48	3.20
Dholpur CGD Private Limited	-	-	-	-	65.00	-	-	-	-	-	-	-	200.03	400.00
													65.03	-

Including Goods and Services Tax, where applicable.

*excluding provision for gratuity and leave encashment



Torrent Gas Limited

Notes forming part of the Standalone financial statements for the year ended March 31, 2026

Note 44: Related party disclosures (Contd.)

(Rs. In Crore)									
Particulars	Holding Company		Subsidiaries		Joint Venture (till March 26, 2025)		Enterprises controlled by the Holding Company		Total
	As at March 31, 2026	As at March 31, 2025	As at March 31, 2026	As at March 31, 2025	As at March 31, 2026	As at March 31, 2025	As at March 31, 2026	As at March 31, 2025	
Balances at the end of the year									
Balance receivable for gratuity/leave liability									
Torrent Power Limited	-	-	-	-	-	-	-	0.10	0.10
Balance payable for gratuity/leave liability									
Torrent Gas Chennai Private Limited	-	-	-	0.35	-	-	-	-	0.35
Dholpur CGD Private Limited	-	-	-	0.10	-	-	-	-	0.10
Torrent Gas Jaipur Private Limited	-	-	-	0.06	-	-	-	-	0.06
UNM Foundation	-	-	-	-	-	-	-	0.16	0.16
Inter Corporate Loans receivable from (Non-current)									
Dholpur CGD Private Limited	-	-	69.20	29.20	-	-	-	-	69.20
Torrent Gas Chennai Private Limited	-	-	585.00	476.75	-	-	-	-	585.00
Inter Corporate Loan Payable to									
Torrent Investments Limited (Formerly known as Torrent Investments Private Limited)	-	328.00	-	-	-	-	-	-	328.00
Optionally convertible loan receivable from									
Dholpur CGD Private Limited	-	-	-	39.50	-	-	-	-	39.50
Inter Company receivable									
Torrent Gas Chennai Private Limited	-	-	1.02	0.20	-	-	-	-	1.02
Dholpur CGD Private Limited	-	-	2.37	0.29	-	-	-	-	2.37
Torrent Gas Jaipur Private Limited	-	-	14.14	2.24	-	-	-	-	14.14
Torrent Power Limited*	-	-	-	-	-	-	0.00	-	0.00
Torrent Solar Power Private Limited	-	-	-	-	-	-	0.02	0.03	0.02



Torrent Gas Limited

Notes forming part of the Standalone financial statements for the year ended March 31, 2026

Note 44: Related party disclosures (Contd.)

(c) Related party balances

Particulars	Holding Company		Subsidiaries		Joint Venture (till March 26, 2025)		Enterprises controlled by the Holding Company		Total	
	As at March 31, 2026	As at March 31, 2025	As at March 31, 2026	As at March 31, 2025	As at March 31, 2026	As at March 31, 2025	As at March 31, 2026	As at March 31, 2025	As at March 31, 2026	As at March 31, 2025
Inter Company payable										
Torrent Gas Chennai Private Limited	-	-	0.55	-	-	-	-	-	0.55	-
Dholpur CGD Private Limited	-	-	0.04	-	-	-	-	-	0.04	-
Torrent Gas Jaipur Private Limited*	-	-	0.00	-	-	-	-	-	0.00	-
Trade Receivable										
Torrent Power Limited	-	-	-	-	-	-	3.98	24.75	3.98	24.75
Torrent Gas Jaipur Private Limited	-	-	0.15	0.40	-	-	-	-	0.15	0.40
Dholpur CGD Private Limited	-	-	0.11	0.78	-	-	-	-	0.11	0.78
Torrent Gas Chennai Private Limited	-	-	1.63	1.10	-	-	-	-	1.63	1.10
Guarantee given to bankers by										
Torrent Investments Private Limited	-	-	-	-	-	-	-	-	-	-
Loan Commitment to										
Torrent Gas Chennai Private Limited	-	-	115.00	114.00	-	-	-	-	115.00	114.00
Torrent Gas Jaipur Private Limited	-	-	100.00	100.00	-	-	-	-	100.00	100.00
Dholpur CGD Private Limited	-	-	30.80	26.30	-	-	-	-	30.80	26.30

For certain borrowing arrangements, the company has given assets of Torrent Gas Chennai Private Limited and Dholpur CGD Private Limited (Subsidiaries) as security. Refer Note 22 for details.

Note:

- 1) The Company has pledged the assets of Torrent Gas Chennai Private Limited and Dholpur CGD Private Limited (subsidiary company) for term loan [Refer Note 22].
- 2) The Company had pledged the shares of Torrent Gas Jaipur Private Limited (subsidiary company) for term loan.



Note 45: Financial instruments and risk review

(a) Capital management

The Company manages its capital structure in a manner to ensure that it will be able to continue as a going concern while optimising the return to stakeholders through the appropriate debt and equity balance.

The Company's capital structure is represented by equity (comprising issued capital, retained earnings and other reserves as detailed in notes 20 and 21) and debt (borrowings as detailed in note 22 and 23).

The Company's management reviews the capital structure of the Company on an annual basis. As part of this review, the management considers the cost of capital and the risks associated with each class of capital.

Gearing Ratio

The gearing ratio at end of the reporting period is as follows:

	(Rs. In Crore)	
	As at March 31, 2026	As at March 31, 2025
Debt [^]	3,144.96	2,626.85
Total equity	2,150.43	2,188.96
Debt to equity ratio	1.46	1.20

[^]After considering unamortised cost of Rs. 19.36 Crore as at March 31, 2026 (Rs. 15.85 Crore - March 31, 2025).

Notes :

- 1 Debt is defined as all long term debt outstanding (including unamortised expense) + short term debt outstanding+ lease liabilities.
- 2 Total equity is defined as Equity share capital + all reserves + deferred tax liabilities – deferred tax assets – other intangible assets – Goodwill

Loan Covenants

The Company has complied with covenants specified as per the terms of borrowing facilities.

Under the terms of the major borrowing facilities, the Company is required to comply with the following financial covenants at the end of each annual reporting period:

- Debt service coverage ratio should not be below 1.10 Times
- Fixed asset coverage ratio should not be below 1.25 Times
- Interest Coverage Ratio should not be below 1.75 Times
- Net Debt to Adjusted Tangible Net Worth should not exceed 3 times.
- Total Liabilities to Net Worth ratio should not exceed 3.5 times.

The Company has complied with these covenants throughout the reporting period.

There are no indications that Company would have difficulties complying with the covenants when they will be next tested as at the March 31, 2027.

(b) Categories of financial instruments

	As at March 31, 2026			As at March 31, 2025		
	FVTPL	FVTOCI	Amortised cost	FVTPL	FVTOCI	Amortised cost
Financial assets						
Cash and cash equivalents	-	-	101.15	-	-	15.09
Bank balance other than cash and cash equivalents	-	-	50.55	-	-	25.98
Trade receivables	-	-	211.03	-	-	207.35
Loans	-	-	654.20	-	-	545.45
Other financial assets	-	-	43.62	-	-	11.91
Investment in mutual funds #	32.52	-	-	6.00	-	-
Other investments	-	28.30	-	-	15.48	-
	32.52	28.30	1,060.55	6.00	15.48	805.78
Financial liabilities						
Borrowings [^]	-	-	2,990.92	-	-	2,469.80
Trade payables	-	-	223.85	-	-	202.35
Other financial liabilities	-	-	223.26	-	-	182.32
	-	-	3,438.03	-	-	2,854.47

[^]After considering unamortised cost of Rs. 19.36 Crore as at March 31, 2026 (Rs. 15.85 Crore - March 31, 2025).

Other than equity investments in Subsidiaries accounted at cost in accordance with Ind AS-27 - 'Separate Financial Statement'.



Note 45: Financial instruments and risk review (Contd.)

(c) Fair value measurement

The fair value hierarchy is based on inputs to valuation techniques that are used to measure fair value that are either observable or unobservable and consists of the following three levels:

Level 1 :	Quoted (unadjusted) market prices in active markets for identical assets or liabilities.
Level 2 :	Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.
Level 3 :	Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

The finance department of the Company includes a team that performs the valuations of financial assets and liabilities required for financial reporting purposes, including level 3 fair values.

The following table summarises financial assets and liabilities (a) recognised and measured at fair value and (b) measured at amortised cost and for which fair values are disclosed in the financial statements:

	As at March 31, 2026		(Rs. In Crore) As at March 31, 2025	
	Carrying value	Fair value	Carrying value	Fair value
Financial assets				
Measured at amortised Cost				
Cash and cash equivalents	101.15	101.15	15.09	15.09
Bank balance other than cash and cash equivalents	50.55	50.55	25.98	25.98
Trade receivables	211.03	211.03	207.35	207.35
Loans	654.20	654.20	545.45	545.45
Other financial assets	43.62	43.62	11.91	11.91
	1,060.55	1,060.55	805.78	805.78
Measured at fair value through Profit and Loss (FVTPL)				
Investment in mutual funds	32.52	32.52	6.00	6.00
Measured at fair value through other comprehensive income (FVTOCI)				
Other investments	28.30	28.30	15.48	15.48
	60.82	60.82	21.48	21.48
Financial liabilities				
Measured at amortised Cost				
Borrowings ^a	2,990.92	2,990.92	2,469.80	2,469.80
Trade payables	223.85	223.85	202.35	202.35
Other financial liabilities	223.26	223.26	182.32	182.32
	3,438.03	3,438.03	2,854.47	2,854.47

^aAfter considering unamortised cost of Rs. 19.36 Crore as at March 31, 2026 (Rs. 15.85 Crore - March 31, 2025).

Carrying amounts of current financial assets and liabilities as at the end of the each year presented approximate the fair value because of their current nature. Difference between carrying amounts and fair values of other non-current financial assets and liabilities subsequently measured at amortised cost is not assessed as significant in each of the year presented.

Valuation processes

The following table summarises financial assets and liabilities measured at fair value on a recurring basis and financial assets and liabilities that are not measured at fair value on a recurring basis (but fair value disclosures are required) :

Financial assets at fair value

	(Rs. In Crore)		Fair value hierarchy	Valuation technique(s) and key input(s)
	As at March 31, 2026	As at March 31, 2025		
Investment in mutual funds at FVTPL	32.52	6.00	Level 1	Quoted bid prices in an active market
Investments in unquoted Equity Investments measured at FVTOCI	28.30	15.48	Level 3	Refer Note below
	60.82	21.48		



Note 45: Financial instruments and risk review (Contd.)

Note: Description of Significant unobservable inputs to Valuation

March 31, 2026

The significant unobservable inputs used in the fair value measurement categorised within Level 3 of the fair value hierarchy together with a quantitative sensitivity analysis as at March 31, 2026 are as shown below.

	Valuation Technique	Significant unobservable inputs	Weighted Average Cost of Capital (WACC)	Sensitivity of the inputs to fair value
Investments in unquoted Equity Investments measured at FVTOCI	Income approach (DCF Method)	Weighted Average Cost of Capital (WACC)	29.82%	1% increase would result in decrease in fair value by Rs. 0.95 Crore as of March 31, 2026.

March 31, 2025

The significant unobservable inputs used in the fair value measurement categorised within Level 3 of the fair value hierarchy together with a quantitative sensitivity analysis as at March 31, 2025 are as shown below.

	Valuation Technique	Significant unobservable inputs	Weighted Average Cost of Capital (WACC)	Sensitivity of the inputs to fair value
Investments in unquoted Equity Investments measured at FVTOCI	Income approach (DCF Method)	Weighted Average Cost of Capital (WACC)	30.50%	1% increase would result in decrease in fair value by Rs. 0.51 Crore as of March 31, 2025.

Carrying amounts of current financial assets and liabilities as at the end of the each year presented approximate the fair value because of their current nature. Difference between carrying amounts and fair values of other non-current financial assets and liabilities subsequently measured at amortised cost is not significant in each of the year presented.

(d) Financial risk management objectives

The Company's principal financial liabilities, comprise of borrowings, trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations, and projects capital expenditure. The Company's principal financial assets include loans, investments, trade receivables and cash and cash equivalents.

The Company's activities expose it to a variety of financial risks viz credit risk, liquidity risk, Interest rate risk etc. The Company's primary focus is to foresee the unpredictability of financial markets and seek to minimize potential adverse effects on its financial performance. The Company's senior management oversees the management of these risks. It advises on financial risks and the appropriate financial risk governance framework for the Company.

Interest rate risk

All of the Company's borrowings are on a floating rate of interest. The Company has exposure to interest rate risk, arising principally from movements in the Treasury Bill Rate / Marginal Cost of Funds based Lending Rate (MCLR)/ Repo Rate.

The following table provides a break-up of the Company's Fixed and Floating rate borrowings:

	(Rs. In Crore)	
	As at March 31, 2026	As at March 31, 2025
Floating rate borrowings	2,990.92	2,469.80
	2,990.92	2,469.80

^After considering unamortised cost of Rs. 19.36 Crore as at March 31, 2026 (Rs. 15.85 Crore - March 31, 2025).

Interest rate risk sensitivity:

The below mentioned sensitivity analysis is based on the exposure to interest rates for floating rate borrowings. For this it is assumed that the amount of the floating rate liability outstanding at the end of the reporting period was outstanding for the whole year. If interest rates had been 50 basis points higher or lower, other variables being held constant, following is the impact on profit before tax.

	(Rs. In Crore)	
	As at March 31, 2026	As at March 31, 2025
Impact on profit before tax - increase in 50 basis points	(14.95)	(12.35)
Impact on profit before tax - decrease in 50 basis points	14.95	12.35



Note 45: Financial instruments and risk review (Contd.)

Commodity price risk

The Company is engaged in the business of distribution of natural gas to industrial, commercial, domestic, and transport sector consumers. Commodity price exposure arising from fluctuations in natural gas prices is managed through the Company's own pricing mechanism. Accordingly, while natural gas prices may vary, the Company has the flexibility to adjust consumer prices, and therefore such commodity price exposure is not expected to have a material financial impact.

The Company also has indirect exposure to USD/INR exchange rate fluctuations in certain natural gas procurement contracts, where prices are denominated in USD but invoiced in INR. The actual rupee cost of such purchases is substantially recovered from consumers through pricing adjustments, and hence foreign exchange exposure is also not likely to have a material financial impact on the Company.

Credit risk - Trade Receivables

Credit risk is the risk of financial loss to the Company, if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers and from deposits with banks and other financial instruments. Trade receivables are derived from revenue earned from customers. Credit risk for trade receivable is managed by the Company through credit approvals, establishing credit limits and periodic monitoring of the creditworthiness of its customers to which the Company grants credit terms in the normal course of business. Credit receivables are also secured through deposits given by the customers.

The Company uses the Expected Credit Loss (ECL) model on CNG and PNG customers to assess the impairment loss in respect of its financial assets. As per ECL simplified approach, the Company uses a provision matrix to compute the expected credit loss allowance for trade receivables. The provision matrix takes into account a continuing credit evaluation of Company's customers' financial condition; ageing of trade accounts receivable; the Company's historical loss experience; and adjustment based on forward looking information. The Company defines default as an event when there is no reasonable expectation of recovery.

Receivable balances mainly comprise of outstanding from consumers wherein the credit period provided to such consumers is less than 30 days. Based on the historical trend the same is collected well within the credit period. Considering the nature of the business and past trends, the expected credit loss is not significant. Loss allowance as at March 31, 2026 and March 31, 2025 was determined as follows for trade receivables under the simplified approach:

The age of receivables and provision matrix at the end of the reporting period is as follows.

As at March 31, 2026	Not Due/ unbilled	Outstanding for following period from due date					Total
		Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 Years	
Gross carrying amount - trade receivables	141.43	67.29	1.85	2.88	2.15	1.05	216.65
Expected Credit Loss rate -CNG & CBG	Refer note 1 Below						
Expected credit loss rate – PNG - Commercial & Industrial							
Expected credit loss rate – PNG - Domestic	19.19%	19.19%	67.08%	77.24%	77.24%	77.24%	
Expected credit losses– on trade receivables							5.62
Net Carrying amount of trade receivables							211.03

As at March 31, 2025	Not Due/ unbilled	Outstanding for following period from due date					Total
		Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 Years	
Gross carrying amount - trade receivables	90.49	104.96	1.37	5.16	7.78	-	209.76
Expected Credit Loss rate -CNG & CBG	Refer note 1 Below						
Expected credit losses rate – PNG - Commercial & Industrial							
Expected credit losses rate – PNG - Domestic	0.00%	0.00%	31.78%	40.29%	0.00%	0.00%	
Expected credit losses– on trade receivables							2.41
Net Carrying amount of trade receivables							207.35



Note 1

Receivable balances mainly comprise of outstanding from consumers wherein the credit period provided to such consumers is less than 30 days. Based on the historical trend the same is collected well within the credit period. Considering the nature of the business and past trends, the expected credit loss is not significant.

The movement in the allowance for impairment in respect of trade receivables is as follows:

Particulars	(Rs. In Crore)	
	As at March 31, 2026	As at March 31, 2025
Balance at the beginning	2.41	0.96
Expected credit loss allowance	3.21	1.45
Amounts written off/ Reversed	-	-
Balance at the end	5.62	2.41



Note 46: Summary of other accounting policies

This note provides a list of other accounting policies adopted in the preparation of these financial statements to the extent they have not already been disclosed in the other notes above. These policies have been consistently applied to all the years presented, unless otherwise stated.

a. Property, Plant and Equipment:

Historical cost includes expenditure that is directly attributable to the acquisition of items. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. Subsequent cost relating to day-to-day servicing of the item are not recognised in the carrying amount of an item of property, plant and equipment; rather these costs are charged to profit or loss when they are incurred.

Borrowing cost relating to acquisition/construction of property, plant and equipment which take substantial period of time to get ready for its intended use are also included to the extent they relate to the period till such assets are ready for their intended use.

Expenditure incurred during the period of construction including, all direct and indirect overheads, incidental and related to construction is carried forward and on completion, the costs are allocated to the respective property, plant and equipment.

Spare parts or stores meeting the definition of Property, Plant and Equipment, either procured along with equipment or subsequently, are capitalized in the asset's carrying amount or recognized as separate asset, if appropriate. However cost of day to day servicing is recognized in profit or loss as incurred. Costs of day to day service primarily include costs of labour, consumables and cost of small spare parts.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

Capital work in progress in the course of construction for production, supply or administrative purposes is carried at cost, less any recognised impairment loss. Cost includes purchase price, taxes and duties, labour cost and other directly attributable costs incurred upto the date the asset is ready for its intended use. Such property, plant and equipment are classified to the appropriate categories when completed and ready for intended use.

Refer material accounting policy in note 4.

b. Intangible Asset Acquired:

Computer software is carried at cost less accumulated amortisation and accumulated impairment losses if any. Amortisation is recognised on a straight line basis over its estimated useful life of 3 years. The Estimated useful life and amortisation method are reviewed at the end of each reporting period and the effect of any changes in such estimate is accounted for on prospective basis.

Cost of intangible assets acquired in business combination is their fair value at the date of acquisition.

Expenditure incurred on acquisition of intangible assets which are not ready to use at the reporting date is disclosed under "Intangible assets under development".

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from the use or disposal. Gains or losses arising from the derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, are recognised in profit or loss when asset is derecognised.



Note 46: Summary of other accounting policies (Contd.)

c. Impairment of assets:

Property, plant and equipment, Right of use assets and intangible assets are reviewed for impairment losses whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognized for the amount by which the carrying amount of the assets exceeds its recoverable amount, which is the higher of an asset's fair value less costs of disposal and value in use. Value in use is the present value of the future cash flows expected to be derived from an asset or cash-generating unit. An impairment loss is recognised immediately in profit or loss.

For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units). Non-financial assets, other than goodwill, if any, that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

d. Cash and Cash Equivalent

For the purpose of presentation in the statement of cash flows, cash and cash equivalents include cash on hand, balances with banks and other short-term highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts, if any.

e. Inventories

Cost of inventories also include all other costs incurred in bringing the inventories to their present location and condition. Costs of purchased inventory are determined after deducting rebates and discounts. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

Refer material accounting policy in note 13.

f. Foreign Currency transactions

Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are recognised in profit or loss.

Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined.

g. Employee Benefit:

(i) Short-term obligations

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

(ii) Other long-term employee benefit obligations

Liabilities for earned leave that are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. These obligations are therefore measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. The benefits are discounted using the appropriate market yields at the end of the reporting period that have terms approximating to the terms of the related obligation. Remeasurements arising from experience adjustments and changes in actuarial assumptions are recognised in the Statement of Profit and Loss.



Note 46: Summary of other accounting policies (Contd.)

The obligations are presented as current liabilities in the balance sheet if the entity does not have an unconditional right to defer settlement for at least twelve months after the reporting period, regardless of when the actual settlement is expected to occur.

(iii) Post-employment obligations

The Company operates the following post-employment schemes:

(a) defined benefit plans: Gratuity

(b) defined contribution plans: Provident fund, pension fund, employee state insurance scheme and labor welfare fund.

Defined Benefit Plans

The liability or asset recognised in the balance sheet in respect of gratuity plan is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated by an actuary using projected unit credit method.

The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximately to the terms of the related obligations.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of the plan assets. This cost is included in the employee benefit expense in the statement of profit and loss.

Remeasurements, comprising actuarial gains and losses and the effect of the changes to the asset ceiling (if applicable), is reflected immediately in the balance sheet with a charge or credit recognised in other comprehensive income in the period in which they occur and consequently recognised in retained earnings and is not reclassified to profit or loss.

The defined benefit obligation recognised in the balance sheet represents the actual deficit or surplus in the Company's defined benefit plans. Any surplus resulting from this calculation is limited to the present value of any economic benefits available in the form of reductions in future contributions to the plans.

Defined contribution plans

Contributions to retirement benefit plans in the form of Provident fund, pension fund, employee state insurance scheme and labor welfare fund as per regulation are charged as an expense on an accrual basis when employees have rendered the service. The Company has no further payment obligation once the contributions have been paid.



Note 46: Summary of other accounting policies (Contd.)

h. Taxation

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period.

Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation and considers whether it is probable that a taxation authority will accept an uncertain tax treatment. The Company measures its tax balances either based on the most likely amount or the expected value, depending on which method provides a better prediction of the resolution of the uncertainty.

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements.

Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred tax assets are recognised for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Deferred tax assets and liabilities are offset where there is a legally enforceable right to offset current tax assets and liabilities and where the deferred tax balances relate to the same taxation authority.

Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Current and deferred tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

i. Trade and other payable

These amounts represent liabilities for goods and services provided to the Company prior to the end of the financial year which are unpaid. The amounts are unsecured and are usually paid according to the agreed credit period. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method.

j. Borrowings

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in profit or loss over the period of the borrowings using the effective interest method.

Borrowings are removed from the balance sheet when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss as other gains/(losses).

Borrowings are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period. Where there is a breach of a material provision of a long-term loan arrangement on or before the end of the reporting period with the effect that the liability becomes payable on demand on the reporting date, the entity does not classify the liability as current, if the lender agrees, after the reporting period and before the approval of the financial statements for issue, not to demand payment as a consequence of the breach.



Note 46: Summary of other accounting policies (Contd.)

k. Borrowing costs

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

Other borrowing costs are expensed in the period in which they are incurred.

l. Earnings Per Share :

Basic Earnings Per Share (EPS)

Basic earnings per share is calculated by dividing the profit / loss after tax, by the weighted average number of equity shares outstanding during the financial year.

Diluted Earnings per share

Diluted earnings per share is computed by adjusting the figures used in the determination of basic EPS to take into account:

- After tax effect of interest and other financing costs associated with dilutive potential equity shares.
- The weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

m. Provisions, contingent liabilities and contingent assets:

A provision is recognized when the Company has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

Contingent Liability

A possible obligation that arises from past events and the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the enterprise are disclosed as contingent liability and not provided for. Such liability is not disclosed if the possibility of outflow of resources is remote.

Contingent Asset

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity.

Contingent assets are not recognised but disclosed only when an inflow of economic benefits is probable.



Torrent Gas Limited

Notes forming part of the Standalone financial statements for the year ended March 31, 2026

Note 46: Summary of other accounting policies (Contd.)

n. Leases:

As a Lessee:

Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the following lease payments

- fixed payments (including in-substance fixed payments), less any lease incentives receivable
- amounts expected to be payable by the Company, if any, under residual value guarantees

Lease payments to be made under reasonably certain extension options are also included in the measurement of the liability.

Lease payments are allocated between principal and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

Right-of use assets

Right-of-use assets are measured at cost comprising the following:

- amount of the initial measurement of lease liability
- lease payments made before the commencement date
- any initial direct costs
- restoration costs

Refer material accounting policy in note 39.

o. Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker (CODM).

p. Financial Instrument:

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Financial assets and liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument.



Note 46: Summary of other accounting policies (Contd.)

Financial Assets

Classification of financial asset

The Company classifies its financial assets in the following measurement categories:

- Those to be measured subsequently at fair value (either through Other comprehensive income, Or through profit or loss), and
- Those measured at amortised cost.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of cash flows.

Initial Measurement:

Financial assets are recognized when the Company becomes a party to the contractual provisions of the instrument. At initial recognition, the Company measures a financial asset (excluding trade receivables which do not contain a significant financing component) at its fair value.

Subsequent Measurement

After initial recognition, financial assets are measured at:

- fair value (either through Other Comprehensive Income or through Profit and Loss), or
- amortized cost

Debt instruments

Debt instruments are subsequently measured at amortized cost, fair value through other comprehensive income ('FVTOCI') or fair value through Profit and Loss ('FVTPL') till de-recognition on the basis of (i) the entity's business model for managing the financial assets and (ii) the contractual cash flow characteristics of the financial asset.

Amortised Cost

Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. A gain or loss on a debt investment that is subsequently measured at amortised cost and is not part of a hedging relationship is recognised in profit or loss when the asset is derecognised or impaired. Interest income from these financial assets is included in other income using the effective interest rate method.

Fair value through other comprehensive income (FVTOCI)

Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at fair value through other comprehensive income (FVTOCI). Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognised in profit and loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and recognised in other gains/ (losses). Interest income from these financial assets is included in other income using the effective interest rate method. Foreign exchange gains and losses are presented in other gains and losses and impairment expenses in other expenses.



Note 46: Summary of other accounting policies (Contd.)

Fair Value through Profit or loss (FVTPL)

Assets that do not meet the criteria for amortised cost or FVTOCI are measured at fair value through profit or loss. A gain or loss on a debt investment that is subsequently measured at fair value through profit or loss and is not part of a hedging relationship is recognised in profit or loss and presented net in the statement of profit and loss within other gains/(losses) in the period in which it arises. Interest income from these financial assets is included in other income.

Impairment of financial assets:

The Company applies Expected Credit Loss (ECL) model for measurement and recognition of impairment loss on the following financial assets:

- financial assets that are debt instruments, and are measured at amortised cost e.g., loans, deposits, and bank balance
- trade receivables

The impairment methodology applied depends on whether there has been a significant increase in credit risk.

The Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivables which do not contain a significant financing component.

The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

Derecognition of financial assets

A financial asset is derecognized only when:

- the Company has transferred the rights to receive cash flows from the financial asset or
- retains the contractual rights to receive the cash flows from the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the entity has transferred an asset, the Company evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognized. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognized.

Where the entity has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognized if the Company has not retained control of the financial asset. Where the Company retains control of the financial asset, the asset is continued to be recognized to the extent of continuing involvement in the financial asset.



Note 46: Summary of other accounting policies (Contd.)

Financial Liabilities

Initial recognition and measurement:

Financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument. Financial liabilities are initially measured at its fair value.

Subsequent Measurement

Financial liabilities are classified as measured at amortized cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held for trading, or it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognized in statement of profit and loss. Other financial liabilities are subsequently measured at amortized cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognized in statement of profit and loss. Any gain or loss on derecognition is also recognized in statement of profit and loss.

Derecognition of financial liabilities

A financial liability is derecognised when the obligation specified in the contract is discharged, cancelled or expires.

Offsetting financial instruments Financial assets and liabilities are offset and the net amount is reported in the balance sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realize the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Company or the counterparty.

q. Goodwill

Goodwill is not amortised but is tested for impairment annually, or more frequently if events or changes in circumstances indicate that it might be impaired, and is carried at cost less accumulated impairment losses. Gains and losses on the disposal of an entity include the carrying amount of goodwill relating to such entity.

Goodwill is allocated to cash-generating units for the purpose of impairment testing. The allocation is made to those cash-generating units or groups of cash-generating units that are expected to benefit from the business combination in which the goodwill arose.



Torrent Gas Limited

Notes forming part of the Standalone financial statements for the year ended March 31, 2026

Note 47: Ageing schedule for Capital Work in Progress (CWIP)

As at March 31, 2026

Particulars	Amount in CWIP for a period of			Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years
Projects in progress	258.08	63.85	56.17	126.57
				504.67

As at March 31, 2025

Particulars	Amount in CWIP for a period of			Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years
Projects in progress	279.12	61.47	43.80	133.74
				518.13

Note:

The Company is engaged in the business of City Gas Distribution (CGD) in India which involves distribution of gas from sources of supply to the end user customers. The CGD project is designed considering demand, supply and future requirements based on the facilities envisaged for CGD network in authorised areas for 25 years on the basis of authorization from Petroleum and Natural Gas Regulatory Board (PNGRB) to lay, build, operate or expand city or local natural gas distribution network. On the basis of demand projections, the CGD network is planned. Project execution plans are modulated on the basis of continuous ongoing expansion and all the projects are executed and expanded on ongoing basis as per geographical area wise rolling annual plan. Hence, it is considered that there is no project whose completion is overdue or has exceed its cost compared to its original plan.

The Company had no projects/geographical areas on hold as at March 31, 2026 and March 31, 2025.



Torrent Gas Limited

Notes forming part of the Standalone financial statements for the year ended March 31, 2026

Note 48: Ageing Schedule for Trade Receivable

As at March 31, 2026

(Rs. In Crore)

Particulars	Outstanding for following periods from due date of payment						Total
	Unbilled	Not due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years
Undisputed Trade receivables							
- considered good	13.62	127.81	67.29	1.85	2.88	2.15	1.05
- which have significant increase in credit risk	-	-	-	-	-	-	-
- credit impaired	-	-	-	-	-	-	-
Disputed Trade receivables							
- considered good	-	-	-	-	-	-	-
- which have significant increase in credit risk	-	-	-	-	-	-	-
- credit impaired	-	-	-	-	-	-	-
Total	13.62	127.81	67.29	1.85	2.88	2.15	1.05
							216.65

As at March 31, 2025

(Rs. In Crore)

Particulars	Outstanding for following periods from due date of payment						Total
	Unbilled	Not due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years
Undisputed Trade receivables							
- considered good	8.58	81.91	104.96	1.37	5.16	7.78	-
- which have significant increase in credit risk	-	-	-	-	-	-	-
- credit impaired	-	-	-	-	-	-	-
Disputed Trade receivables							
- considered good	-	-	-	-	-	-	-
- which have significant increase in credit risk	-	-	-	-	-	-	-
- credit impaired	-	-	-	-	-	-	-
	8.58	81.91	104.96	1.37	5.16	7.78	209.76



Torrent Gas Limited

Notes forming part of the Standalone financial statements for the year ended March 31, 2026

Note 49: Ageing Schedule for Trade Payable

As at March 31, 2026

Particulars	Outstanding for following periods from due date of payment					Total
	Not due	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed Trade Payable						
- Micro and Small enterprises	1.12	6.02	1.61	1.37	2.69	15.95
- Others	131.55	15.85	2.68	1.92	4.02	207.90
Disputed Trade Payable						
- Micro and Small enterprises	-	-	-	-	-	-
- Others	-	-	-	-	-	-
Total	132.67	21.87	4.29	3.29	6.71	223.85

As at March 31, 2025

Particulars	Outstanding for following periods from due date of payment					Total
	Not due	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed Trade Payable						
- Micro and Small enterprises	1.37	1.86	2.34	3.01	0.13	16.45
- Others	112.10	8.99	2.38	4.97	0.35	186.90
Disputed Trade Payable						
- Micro and Small enterprises	-	-	-	-	-	-
- Others	-	-	-	-	-	-
Total	113.47	10.85	4.72	7.98	0.48	202.35



Torrent Gas Limited**Notes forming part of the Standalone financial statements for the year ended March 31, 2026****Note 50: Utilisation of borrowed funds and share premium**

(i) Except as detailed below, the Company has not received any fund from any person or entity, including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:

- a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
b) provide any guarantee, security, or the like on behalf of the ultimate beneficiaries.

As at March 31, 2026

Date of receipt of loan from funding party	Amount of funds received (Rs. In Crore)	Name of Funding Party	Details of Funding party	Date of funds further loaned to Ultimate beneficiary	Amount further loaned to Ultimate beneficiary (Rs. In Crore)	Name of Ultimate beneficiary	Details of ultimate beneficiary
No transaction during the year							

As at March 31, 2025

Date of receipt of funds from funding party	Amount of funds received (Rs. In Crore)	Name of Funding Party	Details of Funding party	Date of funds further loaned to / invested in Ultimate beneficiary	Amount further loaned to / invested in Ultimate beneficiary (Rs. In Crore)	Name of Ultimate beneficiary	Details of ultimate beneficiary
2024-25	300.00	Torrent Investments Limited (Formerly known as Torrent Investments Private Limited)	Indian Parent Company, CIN: U67120GJ1985PLC007573	2024-25	300.00	Torrent Gas Chennai Private Limited	Wholly owned subsidiary of Torrent Gas Limited; Indian company, CIN: U40300GJ2019PTC110131

(ii) The Company has not advanced or loaned or invested funds to any other persons or entities, including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

- a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries) or
b) provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries.



Note 51: Additional regulatory information required by Schedule-III

- (a) The Company is in compliance with number of layers of companies in accordance with clause 87 of Section 2 of the Act read with the Companies (Restriction on number of Layers) Rules, 2017 during the year ended March 31, 2026 and March 31, 2025.
- (b) The Company has not invested or traded in Crypto Currency or Virtual Currency during the year ended March 31, 2026 and March 31, 2025.
- (c) No proceedings have been initiated on or are pending against the Company for holding benami property under the Prohibition of Benami Property Transactions Act, 1988 (as amended in 2016) (formerly the Benami Transactions (Prohibition) Act, 1988 (45 of 1988)) and Rules made thereunder during the year ended March 31, 2026 and March 31, 2025.
- (d) The Company has not been declared Willful Defaulter by any bank or financial institution or government or any government authority during the year ended March 31, 2026 and March 31, 2025.
- (e) During the year ended March 31, 2026 and March 31, 2025, the Company has not surrendered or disclosed as income any transactions not recorded in the books of accounts in the course of tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).
- (f) There are no revaluation made during the current year or previous year for Property, Plant and Equipment and Intangible Asset.
- (g) The Company has borrowings from banks/financial institutions on the basis of security of current assets. The Company has filed quarterly returns or statements which are in agreement with the books of accounts for the year ended March 31, 2026 and March 31, 2025.
- (h) There are no charges or satisfactions which were registered with the Registrar of Companies beyond the statutory period during the year ended March 31, 2026 and March 31, 2025.
- (i) The Company does not have any transactions with the companies struck off under section 248 of the Companies Act, 2013 or section 560 of the Companies Act, 1956 during the year ended March 31, 2026 and March 31, 2025.
- (j) Proceeds from term loans raised during the current and previous year have been utilized for the purposes for which it was obtained. Out of the said loans amount aggregating Rs. Nil have remained un-utilized as on March 31, 2026 and Rs. Nil as on March 31, 2025.
- (k) There are no loans granted during the year ended March 31, 2026 and March 31, 2025 to promoters, Directors, KMPs and the related parties (as defined under Companies Act, 2013), either severally or jointly with any other person, that are:
(a) repayable on demand; or
(b) without specifying any terms or period of repayment
- (l) The Company has not entered into any scheme of arrangement approved by the Competent Authority in terms of sections 230 to 237 of the Companies Act, 2013 during the year ended March 31, 2026 and in March 31, 2025.
- (m) The Company has not received any loans or advances in nature of loans from promoters/directors/KMPs/Related parties (as defined under the Companies Act, 2013) for the year ended March 31, 2026 and March 31, 2025.
- (n) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India during the current year and previous year. The Group has one CIC which is part of the Group during the current year and previous year.

Note 52: Corporate Social Responsibility (CSR)

	(Rs. In Crore)	
	As at March 31, 2026	As at March 31, 2025
(a) Amount required to be spent by the company during the year	0.58	-
(b) Amount of expenditure incurred	0.25	0.11
(c) Shortfall at the end of the year	-	-
(d) Total of previous years shortfall	-	-
(e) Reason for shortfall	Not Applicable	Not Applicable
(f) Nature of CSR activities	Pediatric health care activity	Education
(g) Contribution to Section 8 related companies, included in (b) above, in relation to CSR Expenditure		
UNM Foundation	0.25	-
	0.25	-

The Company had excess CSR spending of Rs. 0.33 Crore of past financial years (i.e. F.Y 2024-2025 Rs. 0.11 Crore and F.Y 2023-24 Rs. 0.22 Crore), which has been set off against CSR obligations for the FY 2025-26. Accordingly, the Company's CSR spending during financial year 2025-2026 is in compliance with section 135 of the Companies Act.



Torrent Gas Limited

Notes forming part of the Standalone financial statements for the year ended March 31, 2026

Note 53: Financial Ratios

Ratio	Numerator	Denominator	As at March 31, 2026	As at March 31, 2025	Variance (%)	Remarks for variation more than 25%
Current Ratio (in times)	Current assets	Current liabilities	0.77	0.54	42.59%	The variation is primarily due to improvement in working capital.
Debt-Equity Ratio (in times)	Debt = All long term debt outstanding (including unamortised expense) + short term debt outstanding + Lease liabilities	Equity = Equity share capital + all reserves + deferred tax liabilities – deferred tax assets – Intangible assets	1.46	1.20	21.67%	Not Required
Debt Service Coverage Ratio (in times)	Profit after tax + Deferred tax + Depreciation and amortisation + Interest on debt	Principal repayment of debt (excluding voluntary prepayments if any) + Interest on debt	2.44	2.03	20.20%	Not Required
Return on Equity (ROE) (in %)	Profit for the year	Equity = Average Shareholder's Equity i.e. (Share Capital + Reserves and surplus + Deferred Tax liability (net) - Deferred Tax assets (net))	9.44%	5.67%	50.00%	The variation is primarily due to higher sales and improved profitability compared to last year, driven by cost optimization.
Inventory turnover Ratio (in times)	Revenue from operations	Average inventories	226.69	427.11	-46.92%	The ratio has decreased due to increase in inventory more on account of parked inventory to sales.
Trade Receivables turnover Ratio (in times)	Revenue from operations	Average trade receivables	21.19	17.70	19.72%	Not Required
Trade Payables turnover Ratio (in times)	Cost of goods sold	Average trade payables	11.54	9.38	23.03%	Not Required
Net capital turnover Ratio (in times)	Revenue from operations	Working Capital (Current assets- Current Liabilities)	(31.31)	(13.64)	129.55%	The variation is primarily due to higher sales and improvement in the working capital.
Net profit Ratio (in %)	Profit after tax	Revenue from operations	4.68%	3.55%	25.00%	The variation is primarily due to higher sales and improved profitability compared to last year, driven by cost optimization.
Return on Capital employed (ROCE) (in %)	Profit before tax + Finance costs	Share Capital + Reserves and surplus + Deferred Tax liability (net) - Deferred Tax assets (net) + All long term debt outstanding (including unamortised expense)	8.60%	7.75%	12.50%	Not Required
Return on investment (in %)	Profit before tax + Finance costs	Average Total Assets	8.06%	7.28%	14.29%	Not Required



Note 54: Title Deeds of Immovable Property not held in the name / former name of the Company

As at March 31, 2026

Relevant line item in the Balance sheet	Description of item of property	Gross carrying value (Rs. in Crore)	Title deeds held in the name of	Title deed holder is a promoter, director or relative of promoter/ director or employee of promoter/ director	Period held - range	Reason for not being held in the name of the company
Property, plant and equipments	Freehold Land	0.60	Saumya DSM Infratech Limited	No	3 years	The title deed of immovable properties are held in the erstwhile name of Sanwariya Gas Limited (amalgamated into the Company). The Company is in the process of getting the same updated in the Government records.
Property, plant and equipments	Freehold Land	8.32	Saumya DSM Infratech Limited	No	3 years	
Property, plant and equipments	Freehold Land	3.72	Saumya DSM Infratech Limited	No	3 years	
Property, plant and equipments	Freehold Land	1.84	Siti Energy Limited	No	3 years	The title deed of immovable properties are held in the erstwhile name of Torrent Gas Moradabad Limited (amalgamated into the Company). The Company is in the process of getting the same updated in the Government records.
Property, plant and equipments	Freehold Land	1.35	Maresh Gas Limited	No	3 years	The title deed of immovable properties are held in the erstwhile name of Torrent Gas Pune Limited (amalgamated into the Company). The Company is in the process of getting the same updated in the Government records.
Property, plant and equipments	Freehold Land	0.69	Torrent Gas Moradabad Limited	No	2-3 years	The title deed of immovable properties are held in the name of entities amalgamated into the Company. The Company is in the process of getting the same updated in the Government records.
Property, plant and equipments	Freehold Land	1.40	Torrent Gas Pune Limited	No	2-3 years	
Property, plant and equipments	Freehold Land	3.92	Torrent Gas Pune Limited	No	2-3 years	
Right-of-use assets (1 Lease deeds)	Leasehold land	0.24	Torrent Gas Moradabad Limited	No	3 years	
Right-of-use assets (1 Lease deeds)	Leasehold land	0.13	Sanwariya Gas Limited	No	3 years	
Right-of-use assets (10 Lease deeds)	Leasehold land	2.82	Torrent Gas Pune Limited	No	3 years	

As at March 31, 2025

Relevant line item in the Balance sheet	Description of item of property	Gross carrying value (Rs. in Crore)	Title deeds held in the name of	Title deed holder is a promoter, director or relative of promoter/ director or employee of promoter/ director	Period held - range	Reason for not being held in the name of the company
Property, plant and equipments	Freehold Land	0.60	Saumya DSM Infratech Limited	No	2 years	The title deed of immovable properties are held in the erstwhile name of Sanwariya Gas Limited (amalgamated into the Company). The Company is in the process of getting the same updated in the Government records.
Property, plant and equipments	Freehold Land	8.32	Saumya DSM Infratech Limited	No	2 years	
Property, plant and equipments	Freehold Land	3.72	Saumya DSM Infratech Limited	No	2 years	
Property, plant and equipments	Freehold Land	1.84	Siti Energy Limited	No	2 years	The title deed of immovable properties are held in the erstwhile name of Torrent Gas Moradabad Limited (amalgamated into the Company). The Company is in the process of getting the same updated in the Government records.
Property, plant and equipments	Freehold Land	1.35	Maresh Gas Limited	No	2 years	The title deed of immovable properties are held in the erstwhile name of Torrent Gas Pune Limited (amalgamated into the Company). The Company is in the process of getting the same updated in the Government records.
Property, plant and equipments	Freehold Land	0.69	Torrent Gas Moradabad Limited	No	1-2 years	The title deed of immovable properties are held in the name of entities amalgamated into the Company. The Company is in the process of getting the same updated in the Government records.
Property, plant and equipments	Freehold Land	1.40	Torrent Gas Pune Limited	No	1-2 years	
Property, plant and equipments	Freehold Land	3.92	Torrent Gas Pune Limited	No	1-2 years	
Right-of-use assets (3 Lease deeds)	Leasehold land	0.78	Torrent Gas Moradabad Limited	No	2 years	
Right-of-use assets (3 Lease deeds)	Leasehold land	0.72	Sanwariya Gas Limited	No	2 years	
Right-of-use assets (12 Lease deeds)	Leasehold land	4.16	Torrent Gas Pune Limited	No	2 years	



Note 55: Reporting of Audit Trail

The Company is using SAP S/4 HANA application (SAP) for books of accounts which has GRC access control module for the assignment and monitoring of the access.

Application-level logging has been enabled for all financially relevant key tables with validation of tolerable level of impact on SAP performance. While there is no access available to any user at database level, the audit trail was also configured 27th May 2024 at entire data base level.

As an inherent limitation of the SAP, changes logged at database level only retains the new values. Further, the Company has implemented CyberArk make Privileged Access Management System (PAM) suite which provides access based on need and maintains video recording of activities carried out by privileged user.

Note 56: Middle East Conflict

The ongoing conflict in the Middle East has resulted in the disruption of liquefied natural gas shipments through the Strait of Hormuz and suppliers have invoked force majeure clause which would entail diversion of natural gas to the priority sectors. The Ministry of Petroleum and Natural Gas ("MoPNG") issued the Natural Gas (Supply Regulation) Order, 2026 dated March 9, 2026 (the "Order"), for supply and allocation of Natural Gas for the end consumers.

The Company continues to monitor further developments, clarifications and implementation of the Order issued by the MoPNG and the Petroleum and Natural Gas Regulatory Board ("PNGRB") and will assess the consequential impact on its operations and financial results in future periods.

Note 57: Proposed Dividend

The Board of Directors at its meeting held on May 13, 2026 has recommended a final dividend of 8.50% (Rs. 0.85 per equity share of par value Rs. 10 each). The proposal is subject to the approval of shareholders at the ensuing Annual General Meeting and if approved, would result in a cash outflow of Rs. 142.38 Crore.

Note 58: Previous Year Figures

Figures for the previous years have been regrouped/ reclassified wherever necessary to confirm with the current year's classification/ disclosure

Note 59: Events occurring after reporting period

The Company evaluated subsequent events upto May 13, 2026, the date the financial statements were available for issuance, and determined that there were no subsequent events requiring disclosure.

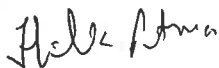
Note 60: Approval of financial statements

The financial statements were approved for issue by the board of directors on May 13, 2026.

Signature to Note 1 to 60

In terms of our report attached

For Price Waterhouse Chartered Accountants LLP
Firm Registration Number: 012754N/N500016



Hiral Patwa
Partner
Membership Number: 128990

Place: Ahmedabad
Date: May 13, 2026

For and on behalf of Board of Directors of
Torrent Gas Limited



Jinal Sudhirbhai Mehta
Chairman and Non-Executive Director
DIN No: 02685284

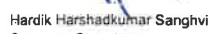


Naresh Kumar Poddar
Chief Financial Officer

Place: Ahmedabad
Date: May 13, 2026



Manoj Jain
Managing Director
DIN No: 07556033



Hardik Harshadkumar Sanghvi
Company Secretary
Membership Number: F7247