SHAPING THE DREAM
Clean India with Green India

ANNUAL REPORT
2019-20

PETRONET LNG LIMITED

PETRONET LNG LIMITED
www.petroneting.com

About Petronet LNG

Petronet LNG Limited, one of the fastest growing world-class companies in the Indian energy sector, has set up the country's first LNG receiving and regasification terminal at Dahej, Gujarat and another terminal at Kochi, Kerala. While the Dahej Terminal has a nominal capacity of 17.5 MMTPA, the Kochi Terminal has a capacity of 5 MMTPA. Petronet's Terminals today account for around 40% gas supplies in the country and handle around 75% of LNG imports in India.

Petronet LNG is at the forefront of India's all-out national drive to ensure the country's energy security in the years to come. Formed as a Joint Venture Company by the Government of India to import LNG and set up LNG terminals in the country, it involves India's leading oil and natural gas industry players. Our promoters are GAIL (India) Limited (GAIL), Oil & Natural Gas Corporation Limited (ONGC), Indian Oil Corporation Limited (IOCL) and Bharat Petroleum Corporation Limited (BPCL). The authorized share capital of the Company is Rs. 3000 Crore divided into 300 Crore Equity Shares of Rs. 10 each and paid up share capital of the Company is Rs. 1500 Crore divided into 150 Crore Equity Shares of Rs. 10 each.

Promoters

- Bharat Petroleum Corporation Limited (BPCL)
- GAIL (India) Limited (GAIL)
- Indian Oil Corporation Limited (IOCL)
- Oil and Natural Gas Corporation Limited (ONGC)

Vision Statement

"To be a key energy provider to the nation by leveraging company's unique position in the LNG value chain alongwith an international presence."

Mission Statement

- Create and manage world class LNG infrastructure
- Pursue synergetic business growth opportunities
- Continue excellence in LNG business
- Maximize value creation for the stakeholders
- Maintain highest standards of business ethics and values

Our Values

- Integrity
- Excellence
- Sustainability
- Trust & Care
- Team

Table of Contents

Board of Directors

Shri Tarun Kapoor	Chairman
Shri Prabhat Singh	Managing Director & CEO
Shri V. K. Mishra	Director (Finance) & CFO
Shri Shashi Shanker	Director (Nominee – ONGC)
Shri Arun Kumar Singh	Director (Nominee – BPCL)
Shri Manoj Jain	Director (Nominee – GAIL)
Shri S. M. Vaidya	Director (Nominee – IOCL)
Shri Sanjeev Kumar	Director (Nominee – GMB)
Dr. Jyoti Kiran Shukla	Independent Director
Shri Sidhartha Pradhan	Independent Director
Shri Sunil Kumar Srivastava	Independent Director
Dr. Siddhartha Shekhar Singh	Independent Director
Shri Arun Kumar	Independent Director

Company Secretary

Shri Rajan Kapur

Bankers and Financial Institutions

1. Axis Bank
2. Bank of Baroda
3. Bank of Tokyo – Mitsubishi UFJ
4. BNP Paribas
5. Canara Bank
6. Citi Bank N.A.
7. Credit Agricole Corporate and Investment Bank (CACIB)
8. DBS Bank Ltd.
9. HDFC Bank Ltd.
10. ICICI Bank Ltd.
11. Indusind bank Ltd.
12. Indian Bank
13. International Finance Corporation (IFC)
14. Kotak Mahindra Bank
15. Oriental Bank of Commerce
16. Qatar National Bank (QNB)
17. Sumitomo Mitsui Banking Corporation (SMBC)
18. State Bank of India
19. The Bank of Nova Scotia
20. The Hongkong & Shanghai Banking Corporation Ltd. (HSBC)

Statutory Auditor

M/s T. R. Chadha & Co.
B-30, Connaught Place, Kuthalia Building, New Delhi- 110001
Tel: 011 – 43259900/41513059/41513169
Fax: 011 - 43259930
email: delhi@trchadha.com

Cost Auditor

M/s Chandra Wadhwa & Co.
1305 & 1306, Vijaya Building,
17, Barakhamba Road, New Delhi-110001
Tel: 011-23738187, 40254232
email: wadhwafin@gmail.com
sankalp.wadhwa@cwcindia.in

Secretarial Auditor

M/s A. N. Kukreja & Co.
Practising Company Secretaries
E-147 A/1, Naraina Vihar,
New Delhi – 110028
Tel: 011 – 64705555/25892575
Fax: 011 - 25892575
email: an_kukreja@rediffmail.com

Registrar & Share Transfer Agent (RTA)

M/s KFin Technologies Private Limited
Selenium Building, Tower B, Plot 31-32
Financial District, Nanakramguda, Serilingampally
Hyderabad, Rangareddi
Telangana, India - 500032
Tel: 040 - 67162222,
Fax: 040 - 23420814
Toll Free No.:1800-345-4001
Email: einward.ris@kfintech.com

Debenture Trustee (upto 25.10.2019)

M/s SBICAP Trustee Company Ltd.
6th Floor, Apeejay House
3, Dinshaw Wachha Road
Churchgate, Mumbai- 400 020
Tel: 022- 43025521, 43025503
Email: corporate@sbicaptrustee.com
Website: www.sbicaptrustee.com

Registered Office	Dahej LNG Terminal	Kochi LNG Terminal
World Trade Centre, Babar Road, Barakhamba Lane, New Delhi - 110001 Tel. : 011-23411411, 011-23472525 Fax : 011-23472550 Website: www.petronetlng.com	GIDC Industrial Estate, Plot No.7/A, Dahej, Taluka: Vagra, Distt.: Bharuch, Gujarat - 392130 Tel. : 02641- 300300/301/305 Fax : 02641- 300306/300310	Survey No. 347, Puthuvypu (Puthuypeen SEZ) P.O. 682508, Kochi Kerala Tel. : 0484-2502259/60, Fax : 0484-2502264

PETRONET LNG LIMITED
NEW DELHI

Regd. Office: World Trade Centre,
Babar Road, Barakhamba Lane, New Delhi- 110 001
Tele: +91 11 23411411, 23472525 Fax: +91 11 23472550
Website: www.petronetlng.com Email: investors@petronetlng.com
CIN: L74899DL1998PLC093073

NOTICE OF 22ND ANNUAL GENERAL MEETING

NOTICE is hereby given that the 22nd (twenty-second) Annual General Meeting of the Members of Petronet LNG Limited (PLL) will be held on **Thursday, 10th day of September 2020 at 2.30 p.m.** via Video Conference (VC)/Other Audio Visual Means (OAVM), to transact the following businesses:

ORDINARY BUSINESS:

1. To receive, consider and adopt (a) the Audited Standalone Financial Statements of the Company for the Financial Year ended 31st March 2020 (b) the Audited Consolidated Financial Statements of the Company for the Financial Year ended 31st March, 2020 together with the Reports of the Board of Directors and the Statutory Auditors thereon.
2. To consider declaration of final dividend on equity shares for the Financial Year 2019-20.
3. To appoint a Director in place of Shri Shashi Shanker (DIN : 06447938) who retires by rotation and being eligible offers himself for re-appointment as Director of the Company.

SPECIAL BUSINESS:

To consider and if thought fit, to pass the following resolution(s) as Ordinary Resolution(s) :

4. To appoint Shri Sanjeev Kumar (DIN : 03600655) as Director of the Company

"**RESOLVED THAT** in accordance with the provisions of Section149, 152 and all other applicable provisions, if any, of the Companies Act, 2013 (the Act) and the Rules made there under (including any statutory modification(s) or re- enactment thereof for the time being in force) and the Articles of Association of the Company, Shri Sanjeev Kumar (DIN: 03600655), who was nominated by GMB/ GoG as its nominee Director on the Board of the Company and who was appointed as an Additional Director of the Company by the Board of Directors of the Company on the recommendation of Nomination and Remuneration Committee of the Board of Directors with effect from 4th September, 2019 pursuant to Section 161 of the Act and who holds office up to the date of this Annual General Meeting and in respect of whom the Company has, pursuant to Section 160 of the Act, received a notice from a Member in writing proposing his candidature for the office of Director, be and is hereby appointed as Director (Nominee Director of GMB/GoG) of the Company, liable to retire by rotation, on the terms and conditions as given in statement pursuant to Section 102 of the Act annexed to the Notice of this Annual General Meeting."

5. To appoint Shri Manoj Jain (DIN : 07556033) as Director of the Company

"**RESOLVED THAT** in accordance with the provisions of Section 149,152 and all other applicable provisions, if any, of the Companies Act, 2013 (the Act) and the Rules made there under (including any statutory modification(s) or re- enactment thereof for the time being in force) and the Articles of Association of the Company, Shri Manoj Jain (DIN : 07556033), who was nominated by GAIL (India) Ltd. (GAIL) as its nominee Director on the Board of the Company and who was appointed as an Additional Director of the Company by the Board of Directors of the Company on the recommendation of Nomination and Remuneration Committee of the Board of Directors with effect from 6th May, 2020 pursuant to Section 161 of the Act and who holds office up to the date of this Annual General Meeting and in respect of whom the Company has, pursuant to Section 160 of the Act, received a notice from a Member in writing proposing his candidature for the office of Director, be and is hereby appointed as Director (Nominee Director of GAIL) of the Company, liable to retire by rotation, on the terms and conditions as given in Statement pursuant to Section 102 of the Act annexed to the Notice of this Annual General Meeting."

6. To appoint Shri Tarun Kapoor (DIN : 00030762) as Director and Chairman of the Company

"**RESOLVED THAT** in accordance with the provisions of Section 149, 152 and all other applicable provisions, if any, of the Companies Act, 2013 (the Act) and the Rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) and the Articles of Association of the Company, Shri Tarun Kapoor (DIN : 00030762), who was appointed as an Additional Director and Chairman of the Company by the Board of Directors of the Company on the recommendation of Nomination and Remuneration Committee of the Board of Directors with effect from 11th May, 2020 pursuant to Section 161 of the Act and who holds office up to the date of this Annual General Meeting and in respect of whom the Company has, pursuant to Section 160 of the Act, received a notice from a Member in writing proposing his candidature for the office of Director and Chairman, be and is hereby appointed as Director and Chairman of the Company, liable to retire by rotation, on the terms and conditions as given in Statement pursuant to Section 102 of the Act annexed to the Notice of this Annual General Meeting."

7. **To appoint Shri Shrikant Madhav Vaidya (DIN : 06995642) as Director of the Company**

"**RESOLVED THAT** in accordance with the provisions of Section 149, 152 and all other applicable provisions, if any, of the Companies Act, 2013 (the Act) and the Rules made there under (including any statutory modification(s) or re- enactment thereof for the time being in force) and the Articles of Association of the Company, Shri Shrikant Madhav Vaidya (DIN : 06995642), who was nominated by Indian Oil Corporation Limited - (IOCL) as its Nominee Director on the Board of the Company and who was appointed as an Additional Director of the Company by the Board of Directors of the Company on the recommendation of Nomination and Remuneration Committee of the Board of Directors with effect from 1st July, 2020 pursuant to Section 161 of the Act and who holds office up to the date of this Annual General Meeting and in respect of whom the Company has, pursuant to Section 160 of the Act, received a notice from a Member in writing proposing his candidature for the office of Director, be and is hereby appointed as Director (Nominee Director of IOCL) of the Company, liable to retire by rotation, on the terms and conditions as given in Statement pursuant to Section 102 of the Act annexed to the Notice of this Annual General Meeting."

8. **To appoint Shri Arun Kumar Singh (DIN : 06646894) as Director of the Company**

"**RESOLVED THAT** in accordance with the provisions of Section 149, 152 and all other applicable provisions, if any, of the Companies Act, 2013 (the Act) and the Rules made there under (including any statutory modification(s) or re- enactment thereof for the time being in force) and the Articles of Association of the Company, Shri Arun Kumar Singh (DIN : 06646894), who was nominated by BPCL as its Nominee Director on the Board of the Company and who was appointed as an Additional Director of the Company by the Board of Directors of the Company on the recommendation of Nomination and Remuneration Committee of the Board of Directors with effect from 10th August, 2020 pursuant to Section 161 of the Act and who holds office up to the date of this Annual General Meeting and in respect of whom the Company has, pursuant to Section 160 of the Act, received a notice from a Member in writing proposing his candidature for the office of Director, be and is hereby appointed as Director (Nominee Director of BPCL) of the Company, liable to retire by rotation, on the terms and conditions as given in Statement pursuant to Section 102 of the Act annexed to the Notice of this Annual General Meeting."

9. **To approve Related Party Transactions entered or to be entered by the Company during financial year 2021-22**

"**RESOLVED THAT** pursuant to the provisions of Regulation 23 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Companies Act, 2013 and Rules made thereunder (including any statutory modification(s) thereof for the time being in force), Related Party Transactions Policy of the Company, approval of the Members of the Company be and is hereby accorded to the Board of Directors for contracts/arrangements/ transactions entered/ to be entered with the Related Parties during the financial year 2021-22 for supply of goods or availing or rendering of any services in the ordinary course of business and on arm's length basis, which may exceed the materiality threshold limit i.e. exceeds ten percent of the annual consolidated turnover of the Company as per the last audited financial statements of the Company.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to do all such acts, matters, deeds and things and give all such directions as it may in its absolute discretion deem necessary, expedient or desirable, in order to give effect to this resolution."

By Order of the Board
For Petronet LNG Limited

Place : New Delhi
Date : 12th August, 2020

(Rajan Kapur)
CGM &Vice President-Company Secretary

Notes

1) In view of the massive outbreak of the COVID-19 pandemic, Ministry of Corporate Affairs (MCA), through Circular No. 14/2020 dated 8th April 2020, Circular No.17/2020 dated 13th April 2020 and Circular No. 20/2020 dated 5th May 2020 (collectively referred to as "MCA Circulars") has permitted the holding of the Annual General Meeting through video conferencing (VC) or other audio visual means (OAVM) and dispensed with physical presence of the Members at a common venue. Similarly, Securities and Exchange Board of India (SEBI) through Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated 12th May 2020 has also given certain relaxations in this regard. In terms of the said SEBI and MCA Circulars, the 22nd Annual General Meeting (AGM) of the Members is being held through video conferencing (VC) or other audio visual means (OAVM). Hence, Members can attend and participate in the AGM through VC / OAVM only. The detailed procedure for participating in the meeting through VC / OAVM is annexed herewith and also available at the Company's website www.petronetlng.com

2) Since this AGM is being held pursuant to the MCA Circulars through VC / OAVM, physical attendance of Members has been dispensed with. Accordingly, the facility of appointment of proxies by the Members will not be available for this meeting. Hence, the Proxy Form and Attendance Slip are not annexed to this Notice.

3) The Statement pursuant to the provisions of Section 102 of the Companies Act, 2013 setting out the material facts in respect of special business is annexed herewith. The relevant details, pursuant to Regulations 26(4) and 36(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") and Secretarial Standard on General Meetings issued by the Institute of Company Secretaries of India, in respect of Directors seeking appointment/re-appointment at this Annual General Meeting ("AGM") are also annexed.

4) Members are requested to participate on first-come-first-serve basis as the participation through VC / OAVM will be closed on expiry of 15 minutes from the scheduled time of the AGM. However, the participation of members holding 2% or more is not restricted on first-come-first-serve basis. Members can login and join 15 (fifteen) minutes prior to the scheduled time of AGM and window for joining shall be kept open till the expiry of 15 (fifteen) minutes after the scheduled time.

5) Members are requested to:-

   i. quote their Folio / Client ID & DP ID Nos. in all correspondence with the RTA / Company.

   ii. register their e-mail IDs / PAN / Bank Account Details with RTA / Company / Respective Depository Participants (DP).

   iii. visit the website of the Company to follow updates on AGM and Company .

   iv. note that in case of joint holders attending the meeting, only such joint holder whose name is first in the register of member will be entitled to vote.

6) Institutional / Corporate Members (i.e. other than individuals / HUF / NRI etc.) intending their authorized representative(s) to attend the Meeting through VC / OAVM on their behalf and to vote through remote e-voting are requested to send a certified copy of the Board Resolution to the Scrutiniser by e-mail through its registered e-mail address at **sachin@companylawworld.com** with a copy marked at raju.sv@kfintech.com (e-voting agency).

7) The Register of Members and Share Transfer Books of the Company will remain closed from 3rd September, 2020 to 9th September, 2020 (both days inclusive) for the purpose of 22nd Annual General Meeting.

8) 16th July, 2020 has been fixed as Record Date for the purpose of ascertaining the entitlement of Members for final dividend for the financial year ended 31st March, 2020.

9) Dividend as recommended by the Board of Directors, if approved at the 22nd AGM of the Company will be paid to those shareholders, subject to deduction of tax at source, whose names appear:

   i. as Beneficial Owners at the end of the business hours on Thursday, 16th July, 2020 as per the list to be furnished by the Depositories (i.e. NSDL and CDSL) in respect of shares held in electronic form, and

   ii. as Members in the Register of Members of the Company after giving effect to all valid transmission and transposition requests lodged with the Registrar and Share Transfer Agent of the Company on or before Thursday, 16th July, 2020.

10) As per Regulation 40 of SEBI Listing Regulations and NSE circular no. NSE/CML/2018/38 dated December 03, 2018 and BSE vide Circular No. LIST/COMP/31/2018-19 dated December 03, 2018 requests for effecting transfer of securities shall not be processed unless the securities are held in the dematerialized form with a depository i.e. NSDL or CDSL except in case of transmission or transposition of securities w.e.f. April 1, 2019. The above said circulars are available at the website of the Company at www.petronetlng.com.

    In view of this and to eliminate all risks associated with physical shares and for ease of portfolio management, members holding shares in physical form are requested to convert their shareholding in dematerialized form. Members may contact the Company or Company's Registrar and Share Transfer Agent (RTA), KFin Technologies Private Limited, for any assistance in this regard.

11) The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market failing which the demat account / folio no. would be suspended for trading. Members holding shares in electronic form are, therefore, requested to submit the PAN to their Depository Participants with whom they are maintaining their demat accounts.

12) (a) Members holding shares in physical form are requested to submit their PAN and Bank details to the Company or its RTA to receive all the dividend through electronic mode directly in their respective bank accounts.

(b) **Manner of registering mandate for receiving Dividend:**

Members are requested to register / update their complete bank details:

- with their Depository Participant(s) ("DP") with whom they maintain their demat accounts, if shares are held in dematerialised mode, by submitting the requisite documents as required to be furnished by respective DP; and
- with the Company / RTA by emailing to the Company at investors@petronetlng.com or to the RTA at einward.ris@kfintech.com, if shares are held in physical mode, by submitting (i) scanned copy of the signed request letter which shall contain member's name, folio number, bank details (Bank account number Bank and Branch Name and address, IFSC, MICR details), (ii) self-attested copy of the PAN card and (iii) cancelled cheque leaf.

(c) In case, the company is unable to pay the dividend to any shareholder by the electronic mode, due to non-availability of the details of the bank account, the company shall upon normalization of the postal services, dispatch the dividend warrant / cheque to such shareholder by post.

13) Pursuant to Section 72 of the Companies Act, 2013, shareholders holding shares in physical form may file nomination in the prescribed Form SH-13 with the Company's Registrar and Share Transfer Agent. In respect of shares held in Electronic / Demat form, the nomination details may be updated with the respective Depository Participant.

14) Members holding shares in physical form, in identical order of names, in more than one folio are requested to send to the Company or RTA, the details of such folios together with the share certificates for consolidating their holdings in one folio. A consolidated share certificate will be issued to such Members after making requisite changes.

15) The Ministry of Corporate Affairs has notified provisions relating to unpaid / unclaimed dividend under Sections 124 and 125 of the Companies Act, 2013 and Investor Education and Protection Fund (Accounting, Audit, Transfer and Refund) Rules, 2016. As per these Rules, dividends which are not encashed / claimed by the shareholders for a period of seven consecutive years shall be transferred to the Investor Education and Protection Fund (IEPF) Authority. The shares in respect of such unclaimed dividends are also liable to be transferred to the demat account of IEPF Authority.

Hence, the Company urges to all the shareholders to encash / claim their respective dividend during the prescribed period. The Company has, from time-to-time, sent necessary intimation / published notices to the shareholders, requesting them to claim their unpaid dividends and also regarding the transfer of shares in respect of unclaimed dividend to IEPF Authority. The details of the unpaid / unclaimed amounts lying with the Company are available on the website of the Company at www.petronetlng.com. The shareholders whose dividend / shares are transferred to the IEPF Authority can now claim their dividend / shares from the Authority by following the Refund Procedure as detailed on the website of IEPF Authority. The procedure and guidelines in this regard are also available on the website of the Company.

16) (a) In compliance with the aforesaid MCA Circulars and SEBI Circular dated 12th May, 2020, Notice of AGM along with the Annual Report for the financial year 2019-20 is being sent only through electronic mode to those Members whose e-mail addresses are registered with the Company or the Depository Participant(s). The Annual Report of the Company, circulated to the Members of the Company, will also be made available on the Company's website i.e. www.petronetlng.com,website of the Stock Exchanges i.e. National Stock Exchange of India Limited at www.nseindia.com and BSE Limited at www.bseindia.com.

(b) **Manner of registering / updating email addresses:**

(i) Members holding shares in physical mode, who have not registered / updated their email addresses with the Company, are requested to register / update the same by clicking on https://ris.kfintech.com/email_registration/ or by writing to the Company with details of folio number and attaching a self-attested copy of PAN card at investors@petronetlng.com or to the RTA at einward.ris@kfintech.com.

(ii) Members holding shares in dematerialised mode, who have not registered / updated their email addresses with their Depository Participants, are requested to register / update their email addresses with the Depository Participants with whom they maintain their demat account.

(iii) Further, the Company has also provided the facility to the shareholders to update / register their email id through the depositories i.e. NSDL and CDSL and its Registrar and Transfer Agent i.e. Kfin Technologies Private Limited for receiving the Annual Report for 2019-20 and other communications. The link for registration of email address is https://ris.kfintech.com/email_registration/.

17) At the twenty-first AGM held on 27th August, 2019, the Members ratified the remuneration of M/s Chandra Wadhwa & Co., Cost Accountants (Registration No. 000239), Cost Auditor of the Company from the financial year 2019-20 to 2021-22 i.e. for a period of three years. Accordingly, no resolution is being proposed for ratification of remuneration of cost auditors at the twenty-second AGM.

18) Pursuant to Finance Act, 2020, dividend income will be taxable in the hands of shareholders w.e.f. April 1, 2020 and the Company is required to deduct tax at source from dividend paid to shareholders at the prescribed rates. For the prescribed rates for various categories, the shareholders are requested to refer to the Finance Act, 2020 and amendments thereof. The shareholders are requested to update their PAN with the Company/RTA (in case of shares held in physical mode) and depositories (in case of shares held in demat mode).

A Resident individual shareholder with PAN and who is not liable to pay income tax can submit a yearly declaration in Form No. 15G/15H, to avail the benefit of non-deduction of tax at source by email to RTA. Shareholders are requested to note that in case their PAN is not registered, the tax will be deducted at a higher rate of 20%. Non-resident shareholders can avail beneficial rates under tax treaty between India and their country of residence, subject to providing necessary documents i.e. No Permanent Establishment and Beneficial Ownership Declaration, Tax Residency Certificate, Form 10F, any other document which may be required to avail the tax treaty benefits by sending an email to RTA or at the link https://ris.kfintech.com/form15/.

The aforesaid declarations and documents were required to be submitted by the shareholders on or before 10th August, 2020.

19) The Register of Directors' and Key Managerial Personnel and their shareholding maintained under Section 170 of the Companies Act, 2013, the Register of Contracts or arrangements in which the Directors are interested under Section 189 of the Companies Act, 2013 and all other documents referred to in the Notice will be available for inspection in electronic mode during the AGM. Members may send their request for inspection by sending an email to investors@petronetlng.com.

20) Since the AGM will be held through VC/ OAVM, the Route map is not annexed in this Notice.

21) Annual Listing Fee and Custody fee for the year 2019-20 have been paid to NSE & BSE, wherein Shares of the Company are listed and to NSDL & CDSL respectively.

22) No Gifts, gift coupons or cash in lieu of gifts shall be given to Members after the completion of AGM or afterwards.

23) Shri Sachin Agarwal, Practising Company Secretary (M. No. 5774, CP No. 5910), has been appointed as the Scrutinizer by the Board of Directors of the Company to scrutinize the voting and remote e-voting process in a fair and transparent manner.

24) The Chairman shall, at the 22nd AGM, at the end of discussion on the resolutions on which voting is to be held, allow voting with the assistance of Scrutinizer, by use of electronic mode for all those members who will attend the said meeting via VC / OAVM but have not cast their votes by availing the remote e-voting facility.

25) The Results declared alongwith the Report of the Scrutinizer shall be placed on the website of the Company at https://www.petronetlng.com and on the website of e-voting agency at https://evoting.karvy.com. immediately after the declaration of result by the Chairman or a person authorized by him in writing. The results shall also be immediately forwarded to BSE Limited and National Stock Exchange of India Limited. The results shall also be displayed on the notice board at the Registered Office of the Company.

26) The Resolutions, if passed by the requisite majority, shall be deemed to have been passed on the date of the 22nd Annual General Meeting i.e. 10th September, 2020 .

27) The Notice of the 22nd AGM is also placed on the website of the Company at www.petronetlng.com and on the website of e-voting agency at https://evoting.karvy.com.

28) Members desirous of seeking/ obtaining any information / clarifications concerning the accounts and operations of the Company or intending to raise any query are requested to write to the Company at least 10 days before the date of meeting mentioning their name demat account number/folio number, email id, mobile number at investors@petronetlng.com or einward.ris@kfintech.com. The same will be replied by the Company suitably. However, it is requested to raise the queries precisely and in short at the time of meeting to

enable to answer the same.

29) Instructions for e-voting and joining the 22nd AGM

A. Voting through electronic means

(i) Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended from time to time and Regulation 44 of the SEBI Listing Regulations, 2015, the Members are provided with facility to cast their vote electronically, through the e-voting services provided by KFin Technologies Private Limited, on resolutions proposed to be considered at the 22nd Annual General Meeting (AGM).

(ii) The remote e-voting period commences on Sunday, 6th September, 2020 at 9.00 a.m. (IST) and ends on Wednesday, 9th September, 2020 at 5.00 p.m. (IST). During this period, Members of the Company holding shares either in physical form or in dematerialized form, as on the cut-off date i.e. on Thursday, 3rd September, 2020 may cast their vote by remote e-voting. Remote e-voting shall not be allowed beyond the said date and time and the remote e-voting facility shall be blocked thereafter. Once the vote on a resolution is cast by the member through remote e-voting, the member shall not be allowed to change it subsequently or cast the vote again.

(iii) The facility for voting through remote e-voting shall be made available during the conduct of 22nd AGM via VC / OAVM and the members attending the meeting via VC / OAVM who have not already cast their vote by remote e-voting shall be able to exercise their right at the meeting.

(iv) The members who have cast their vote by remote e-voting prior to the 22nd AGM may also attend/ participate in the 22nd AGM but shall not be entitled to cast their vote again.

(v) The voting rights shall be in proportion to their shares in the paid-up equity share capital of the Company as on the cut-off date.

(vi) Any person, who acquires shares of the Company and becomes Member of the Company after dispatch of the Notice electronically or whose email id is not registered with the Company / RTA / Respective DP and holding shares as on the cut-off date i.e. Thursday, 3rd September, 2020, may obtain the login ID and password by sending a request to RTA at einward.ris@kfintech.com

(vii) A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date shall be entitled to avail the facility of remote e-voting as well as voting at the 22nd AGM electronically. A person who is not a member as on cut-off date should treat this Notice for information purposes only.

(viii) The process and manner for remote e-voting is as under:

In case a Member receives Notice of 22nd AGM through email [for members whose email IDs are registered with the Company / Depositary Participants / RTA:]

i. Initial password is provided in the body of the e-mail.

ii. Launch internet browser by typing the following URL:https://evoting.karvy.com.

iii. Enter the login credentials i.e., User ID and password mentioned in your email. Your Folio No / DP ID Client ID will be your User ID. However, if you are already registered with KFPL for e-voting, you can use your existing User ID and Password for casting your votes.

iv. After entering the details appropriately, click on LOGIN

v. You will reach the Password change Menu wherein you are required to mandatorily change your password. The new password shall comprise of minimum 8 characters with at least one upper case (A-Z), one lower case (a to z), one numeric value (0-9) and a special character (@,#,$,etc.). It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

vi. You need to login again with the new credentials.

vii. On successful login, the system will prompt you to select the EVENT i.e., Petronet LNG Limited.

viii. On the voting page, the number of shares (which represents the number of votes) as held by the member as on the cut-off date will appear. If you desire to cast all the votes assenting/dissenting to the resolution then enter all shares and click "FOR" / "AGAINST" as the case may be or partially in "FOR" and partially in "AGAINST", but the total number in "FOR / AGAINST" taken together should not exceed your total shareholding as on the cut-off date.

You may also choose the option "ABSTAIN" and the shares held will not be counted under either head.

ix. Members holding multiple folios / demat accounts shall choose the voting process separately for each folio / demat account.

x. Cast your votes by selecting an appropriate option and click on "SUBMIT". A confirmation box will be displayed. Click "OK" to confirm else "CANCEL" to modify. Once you confirm, you will not be allowed to modify your vote subsequently. During the voting period, you can login multiple times till you have confirmed that you have voted on the resolution.

xi. Corporate / Institutional Members (i.e. other than individuals, HUF, NRI, etc.) are required to send scanned copy (PDF / JPG Format) of the relevant Board resolution/authority letter etc. together with attested specimen signature of the duly authorised signatory(ies)who are authorised to vote, to the scrutinizer through e-mail id: **sachin@companylawworld.com.** They may also upload the same in the e-voting module in their login. The scanned image of the above documents should be in the naming format "Corporate Name".

xii. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for shareholders and e-voting User Manual for Shareholders available at the download section of https://evoting.karvy.com. or contact Mr. S.V. Raju, DGM of Kfin Technologies Pvt. Ltd, (Unit : Petronet LNG Limited), Karvy, Selenium Building, Tower B, Plot 31-32, Financial District, Nanakramguda, Serilingampally, Hyderabad, Rangareddi, Telangana – 500 032 at e-mail raju.sv@ kfintech.com at phone no. 040 6716 2222 OR at 1800 345 4001 (toll free).

Process and manner for participating in 22nd Annual General Meeting through VC / OAVM

i. Member(s) will be provided with a facility to attend the Meeting through VC / OAVM or view the live webcast of AGM provided by KFPL evoting system at **https://emeetings.kfintech.com** under shareholders / members login by using the remote e-voting credentials. The link for VC / OAVM will be available in shareholder / members login where the EVENT of Company will be displayed.

ii. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush.

iii. Members who would like to express their views or ask questions during the 22nd AGM may register themselves by logging on to **https://emeetings.kfintech.com** The Speaker Registration will be open during Sunday, 6th September, 2020 at 9.00 a.m. (IST) and ends on Wednesday, 9th September, 2020 at 5.00 p.m. (IST). Only those members who are registered will be allowed to express their views or ask questions. The Company reserves the right to restrict the number of questions and number of speakers, depending upon availability of time as appropriate for smooth conduct of the AGM.

30) Details of the person who can be contacted for any grievances connected with facility for voting by electronic means: Shri. S.V. Raju, DGM, Kfin Technologies Pvt. Ltd,email Id: raju.sv@kfintech.com; phone no. 040-6716 2222 OR at 1800 345 4001 (toll free).

By Order of the Board
For Petronet LNG Limited

Place : New Delhi
Date : 12th August, 2020

(Rajan Kapur)
CGM &Vice President-Company Secretary

Statement pursuant to Section 102 of the Companies Act, 2013

Item No. 4

Shri Sanjeev Kumar (DIN : 03600655), was nominated as Nominee Director of the Company by Gujarat Maritime Board / Government of Gujarat (GMB / GoG) and was accordingly appointed as Additional Director w.e.f. 4th September, 2019, to hold office up to this Annual General Meeting. Shri Sanjeev Kumar, if appointed, shall be liable to retire by rotation.

His brief resume, inter-alia, giving nature of expertise in specific functional area, shareholding in the Company, other Directorship, Membership / Chairmanship of Committees and other particulars are enclosed with this notice.

In view of his background and vast experience, it will be in the interest of the Company that he continues as Director of the Company.

Except Shri Sanjeev Kumar, being an appointee, none of the Directors or Key Managerial Personnel of the Company or their relatives is concerned or interested, financially or otherwise, in the resolution set out at Item No. 4 of the Notice. The Board recommends the ordinary resolution set out at Item No. 4 for the approval of members.

Item No. 5

Shri Manoj Jain (DIN : 07556033) was nominated as Nominee Director of the Company by GAIL (India) Limited (GAIL) and was accordingly appointed as Additional Director w.e.f. 6th May, 2020, to hold office up to this Annual General Meeting. Shri Manoj Jain, if appointed, shall be liable to retire by rotation.

His brief resume, inter-alia, giving nature of expertise in specific functional area, shareholding in the Company, other Directorship, Membership / Chairmanship of Committees and other particulars are enclosed with this notice.

In view of his background and vast experience, it will be in the interest of the Company that he continues as Director of the Company.

Except Shri Manoj Jain, being an appointee, none of the Directors or Key Managerial Personnel of the Company or their relatives is concerned or interested, financially or otherwise, in the resolution set out at Item No. 5 of the Notice. The Board recommends the ordinary resolution set out at Item No. 5 for the approval of Members.

Item No. 6

Shri Tarun Kapoor (DIN : 00030762) was nominated as Director of the Company by Ministry of Petroleum & Natural Gas, Government of India on the request of the Company pursuant to Article 113A of the Articles of Association and was accordingly appointed as Additional Director and Chairman w.e.f. 11th May, 2020, to hold office up to this Annual General Meeting. Shri Tarun Kapoor, if appointed, shall be liable to retire by rotation.

His brief resume, inter-alia, giving nature of expertise in specific functional area, shareholding in the Company, other Directorship, Membership/ Chairmanship of Committees and other particulars are enclosed with this notice.

In view of his background and vast experience, it will be in the interest of the Company that he continues as Director of the Company.

Except Shri Tarun Kapoor, being an appointee, none of the Directors or Key Managerial Personnel of the Company or their relatives is concerned or interested, financially or otherwise, in the resolution set out at Item No. 6 of the Notice. The Board recommends the ordinary resolution set out at Item No. 6 for the approval of Members.

Item No. 7

Shri Shrikant Madhav Vaidya (DIN : 06995642) was nominated as Nominee Director of the Company by Indian Oil Corporation Limited(IOCL) and was accordingly appointed as Additional Director w.e.f. 1st July, 2020, to hold office up to this Annual General Meeting. Shri S. M. Vaidya, if appointed, shall be liable to retire by rotation.

His brief resume, inter-alia, giving nature of expertise in specific functional area, shareholding in the Company, other Directorship, Membership/ Chairmanship of Committees and other particulars are enclosed with this notice.

In view of his background and vast experience, it will be in the interest of the Company that he continues as Director of the Company.

Except Shri S. M. Vaidya, being an appointee, none of the Directors or Key Managerial Personnel of the Company or their relatives is concerned or interested, financially or otherwise, in the resolution set out at Item No. 7 of the Notice. The Board recommends the ordinary resolution set out at Item No. 7 for the approval of Members.

Item No. 8

Shri Arun Kumar Singh (DIN : 06646894) was nominated as Nominee Director of the Company by Bhatat Petrolium Corporation Limited (BPCL) and was accordingly appointed as Additional Director w.e.f. 10th August, 2020, to hold office up to this Annual General Meeting. Shri Arun Kumar Singh, if appointed, shall be liable to retire by rotation.

His brief resume, inter-alia, giving nature of expertise in specific functional area, shareholding in the Company, other Directorship, Membership/ Chairmanship of Committees and other particulars are enclosed with this notice.

In view of his background and vast experience, it will be in the interest of the Company that he continues as Director of the Company.

Except Shri Arun Kumar Singh, being an appointee, none of the Directors or Key Managerial Personnel of the Company or their relatives is concerned or interested, financially or otherwise, in the resolution set out at Item No. 8 of the Notice. The Board recommends the ordinary resolution set out at Item No. 8 for the approval of Members.

Item No. 9

In terms of provisions of Regulation 23 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Section 188 and other applicable provisions, if any, of the Companies Act, 2013 and Rules made thereunder and Related Part Transactions Policy of the Company, all material Related Party Transactions shall require approval of the Members of the Company and no related party shall vote to approve such resolutions.

Further, a transaction with a Related Party shall be considered material if the transaction / transactions to be entered into individually or taken together with previous transactions during a financial year, exceeds ten percent of the annual consolidated turnover of the Company as per the last audited financial statements of the Company.

In terms of Regulation 23 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and also the relevant Accounting Standard, the promoter(s) / Investor Shareholder(s)/subsidiary/associate(s)/joint venture(s) qualify as Related Party(s) of the Company and the Company has existing and continuing contracts/arrangements in the ordinary course of business and on arm's length basis with the Related Parties which will continue to exist beyond 31st March 2021 in addition to the new Contract(s)/transaction(s) to be entered into.

It is difficult to specifically assess the total value of such transactions at this stage, however, it is expected that the aggregate value of all such transactions together would be beyond the threshold limit of materially as specified above.

None of the Directors in their individual capacity or Key Managerial Personnel or their respective relatives are in any way, concerned or interested, financial or otherwise, in the resolution set out at Item No. 9 of the Notice. The Board recommends the Ordinary Resolution set out at Item No. 9 for the approval of Members.

By Order of the Board
For Petronet LNG Limited

Place : New Delhi
Date : 12th August, 2020

(Rajan Kapur)
CGM &Vice President-Company Secretary

Brief Resume of Directors retiring by rotation and eligible for re-appointment / Additional Director(s) vacating office at 22nd AGM and proposed to be appointed

1) Shri Shashi Shanker

Name	Shashi Shanker
Age	59
Date of Appointment	17/10/2017
Educational Qualification	Petroleum Engineer from Indian School of Mines, Dhanbad (now IIT-ISM) and MBA in Financial Management
Experience / Expertise in Specific Area	Shri Shashi Shanker is the Chairman & Managing Director of Oil and Natural Gas Corporation Ltd. (ONGC). Shri Shashi Shanker is credited with spearheading ONGC's deep/ultra-deep water campaign christened 'Sagar Samriddhhi'. On the technology front, he steered many new IT ventures on the Enterprise Resource Planning (ERP) and Supervisory Control and Data Acquisition (SCADA) platform which were considered as pioneering; providing real time information besides aiding in extensive analysis and decision making. Under his dynamic leadership as Director (T&FS), ONGC conceptualized a big milestone IT project called "Disha" for creation of a Paperless platform and its implementation is now underway. He was assigned the responsibility of ambitious Government of India campaigns like 'Make-in-India', 'Digital India' and 'Start-Up- India'.
Terms and conditions of Appointment	Nominated by ONGC as per the terms and conditions contained in Articles of Association of the Company
Directorship held in other Companies	a) Oil and Natural Gas Corporation Limited, Chairman, Executive Director (Listed) b) Mangalore Refinery and Petrochemicals Limited,Non-Executive - Nominee Director (Listed) c) ONGC Mangalore Petrochemicals Limited, Chairman Non -Executive (Debt Listed) d) ONGC Petro Additions Limited, Chairman Non -Executive e) ONGC Tripura Power Company Limited, Chairman Non -Executive f) Mangalore SEZ Limited, Chairman Non -Executive g) ONGC Videsh Limited, Chairman Non -Executive
Membership/ Chairmanship of committees*	Nil
No. of shares held in PLL as on 31.03.2020	800
Attendance in Board meeting during FY 2019-2020	6 out of 7

2) Shri Sanjeev Kumar

Name	Shri Sanjeev Kumar
Age	49
Date of Appointment/	04/09/2019
Educational Qualification	B. Tech (Hons.) from I.I.T. Kharagpur and Masters in Public Affairs from Humphrey School of Public Affairs, University of Minnesota, USA.
Experience / Expertise in Specific Area	Shri Sanjeev Kumar has very rich knowledge and wide experience of working in various Government Departments and Public Sector Undertaking. He has held distinguished positions in Government of Gujarat including Collector Kheda & Gandhinagar. He has vast experience in Finance Department wherein he has served as Addl. Secretary (Budget), Secretary (Expenditure) and Secretary (Economic Affairs).

Terms and conditions of Appointment	Appointed as Additional director and Nominated by GMB/GOG as per the terms and conditions contained in Articles of Association of the Company.
Directorship held in other Companies	a) Gujarat State Petroleum Corporation Limited – Managing Director b) Gujarat State Petronet Limited – Joint Managing Director (Listed) c) Gujarat Gas Limited – Managing Director (Listed) d) Gujarat State Energy Generation Limited – Chairman, Non Executive Director e) Guj Info Petro Limited – Chairman, Non- Executive Director f) Sabarmati Gas Limited – Chairman, Non- Executive Director g) GSPC Pipavav Power Company Limited – Non- Executive Director h) GSPL India GasNet Limited – Non- Executive Director i) GSPL India Transco Limited – Non- Executive Director
Membership/ Chairmanship of committees*	a) Gujarat Gas Limited – Member, Audit Committee b) Gujarat State Petronet Limited– Member, Audit Committee & Stakeholders Relationship Committee c) Gujarat State Petroleum Corporation Limited – Member, Audit Committee
No. of shares held in PLL as on 31.03.2020	Nil
Attendance in Board meeting during FY 2019-2020	2 out of 4

3) Shri Manoj Jain

Name	Shri Manoj Jain
Age	57
Date of Appointment/	06/05/2020
Educational Qualification	Graduation in Mechanical Engineering and MBA in Operations Management.
Experience / Expertise in Specific Area	Shri Manoj Jain is CMD of GAIL (India) Limited. He possesses rich and diverse experience encompassing more than 34 years with GAIL (India) Ltd. in the areas of Business Development, Projects, O&M, Petrochemicals, Pipeline Integrity Management and Marketing which has allowed him to gain insight and knowledge across multiple business units and functional areas. In his previous stint as Director(BD), he was responsible for building GAIL's Business Portfolio in India and abroad, Merger and Acquisition, Petrochemical O&M and Expansion, Exploration & Production, R&D, Start–Up, Health Safety & Environment management, Quality Management, Project Development including feasibility study and investment approval for new pipelines, process plants, renewables etc. Mr. Manoj Jain was responsible for Gas Marketing activities in his role as Executive Director (Marketing-Gas). He also spearheaded the installation and commissioning of the USD 1.4 Billion grassroots Petrochemical complex, as Chief Operating Officer of Brahmaputra Cracker and Polymer Ltd, (BCPL). Earlier, Mr. Jain worked in Operation & Maintenance at the Corporate Level for a number of years and his experience includes managing logistics of Gas Business with a perspective of Operation and Management of all pipelines of company and in the process played a significant role in establishing the National Gas Management Centre (NGMC) and systems and procedures for transmission and marketing of comingled gases.
Terms and conditions of Appointment	Appointed as Additional director and Nominated by GAIL (India) Limited as per the terms and conditions contained in Articles of Association of the Company.
Directorship held in other Companies	a) GAIL (India) Limited–Chairman & Managing Director, (Listed) b) GAIL Gas Limited – Chairman c) Brahmaputra Cracker & Polymer Limited– Chairman d) Mahanagar Gas Limited – Non- Executive Director, (Listed)

Membership/ Chairmanship of committees*	NIL
No. of shares held in PLL as on 31.03.2020	Not Applicable
Attendance in Board meeting during FY 2019-2020	Not Applicable

4) Shri Tarun Kapoor

Name	Shri Tarun Kapoor
Age	58
Date of Appointment/	11/05/2020
Educational Qualification	B.E. & M.B.A
Experience / Expertise in Specific Area	Shri Tarun Kapoor is Secretary, Ministry Of Petroleum. He is a 1987 batch, Indian Administrative Services Officer of Himachal cadre. Prior to joining as Secretary, MoP&NG, Shri Kapoor was serving as Vice Chairman equivalent to Secretary at Delhi Development Authority. He has also served on many key administrative positions in various Ministries & Departments of Government of India and Himachal Pradesh State Government. He has acquired training and experience in diverse areas of Management from various prestigious educational and administrative Institutions of the country and abroad.
Terms and conditions of Appointment	Appointed as Additional Director & Chairman and Nominated by Government of India, Ministry of Petroleum on request of our Company as per the terms and conditions contained in Articles of Association of the Company.
Directorship held in other Companies	a) Indian Strategic Petroleum Reserves Limited, Non - Executive Director
Membership/ Chairmanship of committees*	NIL
No. of shares held in PLL as on 31.03.2020	Not Applicable
Attendance in Board meeting during FY 2019-2020	Not Applicable

5) Shri Shrikant Madhav Vaidya

Name	Shri Shrikant Madhav Vaidya
Age	57
Date of Appointment/	01/07/2020
Educational Qualification	Chemical Engineer from the National Institute of Technology, Rourkela, Orissa
Experience / Expertise in Specific Area	Shri S. M. Vaidya, has over 34 years of extensive experience in refining and petrochemicals operations. He has had a decade-long association with India's largest cracker plant - the Panipat Naphtha Cracker Complex, a major driver of Indian Oil's petrochemicals business right from the drawing board stage. He is among the select technocrats in the Indian oil & gas industry who are proficient in all facets of refinery-petrochemicals integration, desirable for the sustainability of the oil & gas industry in the long-term. As Director (Refineries) he steered the timely rollout of BS-VI grade auto fuels across the country, commenced supply of IMO-compliant bunker fuel (0.5% Sulphur) and a special winter-grade diesel for the high-altitude regions of the Himalayas, and expanded the Company's green energy offerings with projects related to bio-fuels and 2G/3G ethanol-blended fuels at its refineries.
Terms and conditions of Appointment	Appointed as Additional director and Nominated by Indian Oil Corporation Limited (IOCL) as per the terms and conditions contained in Articles of Association of the Company

Directorship held in other Companies	a) Indian Oil Corporation Limited, Executive- Chairman (Listed) b) Chennai Petroleum Corporation Limited, Chairman, Non- Executive Director (Listed) c) Ratnagiri Refinery and Petrochemicals Limited, Chairman, Non-Executive Director d) Indian Oil tanking Ltd., Chairman, Non-Executive Director e) Hindustan Urvarak & Rasayan Limited, Non-Executive Director
Membership/ Chairmanship of committees*	NIL
No. of shares held in PLL as on 31.03.2020	Not Applicable
Attendance in Board meeting during FY 2019-2020	Not Applicable

6) Shri Arun Kumar Singh

Name	Shri Arun Kumar Singh
Age	58
Date of Appointment	10/08/2020
Educational Qualification	Mechanical Engineer from National Institute of Technology, Patna
Experience / Expertise in Specific Area	Shri Arun Kumar Singh has headed various positions in BPCL in Retail, LPG, Pipelines, Supply Chain Optimization etc., before becoming Director (Marketing), BPCL. He has also held position of President (Africa & Australasia) in Bharat Petro Resources Ltd, a wholly owned Subsidiary of BPCL
Terms and conditions of Appointment	Appointed as Additional director and Nominated by Bharat Petrolium Corporation Limited (BPCL) as per the terms and conditions contained in Articles of Association of the Company
Directorship held in other Companies	a) Bharat Petrolium Corporation Limited, Executive - Director (Marketing) (Listed) b) Bharat Gas Resources Limited, Non - Executive Director
Membership/ Chairmanship of committees*	NIL
No. of shares held in PLL as on 31.03.2020	Not Applicable
Attendance in Board meeting during FY 2019-2020	Not Applicable

*Only membership/chairmanship in the Audit Committee and Stakeholders' Relationship Committee is considered

For other details regarding meetings of the board / committees of the board, remuneration drawn and relationship with other directors and key managerial personnel in respect of above directors, please refer to the Corporate Governance Report which is a part of this Annual Report.

HEALTH NOTE ON CORONAVIRUS (COVID 19)

This notice of meeting has been prepared on the basis that PLL will conduct its AGM through video conferencing only. We continue to monitor the rapidly developing situation, including the latest Government guidance. The health and safety of shareholders and PLL employees are of paramount importance.

Given the circumstances, shareholders should be aware that arrangements for the AGM may change at short notice. The government has advised against unnecessary travel and discouraged large gatherings.

PLL will provide updates on its website regarding any changes to the meeting and or its proceedings at www.petronetlng.com

DIRECTORS' REPORT

Dear Shareholders,

On behalf of the Board of Directors, it is our privilege and honour to present the Twenty-Second Annual Report along with Audited Standalone and Consolidated Financial Statements and Auditors' Report thereon for the financial year ended 31st March, 2020.

COVID-19

During the year 2019-20, the world at large suffered with Novel Coronavirus (COVID-19). The Novel Coronavirus (COVID-19) has infected more than a million people in more than 150 countries – a scourge confronting all of humanity, impacting lifestyles, businesses, economies and the assumption of common well-being that all of us have largely taken for granted. Despite adverse circumstances, the Company continued to deliver its best in its operations and also effectively contributed towards the society at large by undertaking various activities under corporate social responsibility.

PHYSICAL PERFORMANCE

The financial year 2019-20 saw the Company operating its Dahej Terminal at 17.25 million tonnes throughput as compared to 15.97 Million tonnes in the previous year 2018-19. The demand for LNG was consistent throughout the year. During the financial year 2019-20, the Dahej Terminal handled 263 LNG Cargoes and supplied 885.06 Trillion BTU (TBtu) of RLNG as compared to 241 cargoes during financial year 2018-19 wherein supplies were 820.15 TBtu. During the financial year 2019-20, 2598 LNG Road Tankers were also loaded and dispatched from Dahej Terminal and 290 Trucks from Kochi Terminal. The utilization of Kochi Terminal remained low in the absence of pipeline network for gas evacuation. 12 Cargoes were handled at the Kochi Terminal during the financial year 2019-20 as compared to 9 Cargoes (including loading) during the year 2018-19. During the year 2019-20, Kochi terminal supplied 42.78 TBtus of RLNG as compared to 24.07 TBtus financial year 2018-19.

SHIPPING ARRANGEMENTS

Three LNG ships, namely 'Disha,' 'Raahi' and 'Aseem' carry the entire LNG volumes from RasGas under a long-term contract to Dahej. Besides Japanese companies, Shipping Corporation of India (SCI) is also an equity partner in the ship-owning companies. All these ships are manned, managed, maintained and operated by SCI. The ships operate on a long-term time charter basis with Petronet as the charterer.

The fourth LNG vessel 'Prachi' was delivered on 30th November 2016. The duration of the charter is 19 years. Besides Japanese Companies NYK, MOL and K-Line, Shipping Corporation of India (SCI) is an equity partner in the ship-owning company. PLL has taken 26% equity in this LNG ship. As is the case with the above mentioned first three ships, the fourth ship is also being manned, managed, maintained and operated by SCI. Supply of LNG from Gorgon is now on delivered basis and "Prachi" has been novated to Exxon Mobil.

PLL imports 7.5 MMTPA of LNG from Ras Laffan, Qatar on FOB basis through its long term chartered LNG vessels Disha, Raahi and Aseem. The duration of the charter is 25 years for each vessel. These vessels are owned by a consortium of M/s NYK Line, M/s K-Line, M/s MOL and M/s SCI Ltd. The technical management, manning and operations are carried out by M/s SCI Ltd.

Supply of LNG from Gorgon, Australia is now on DES basis and under this agreement our fourth long term chartered LNG vessel "Prachi" has been novated to Exxon Mobil. Prachi is owned by a consortium of M/s NYK Line, M/s K-Line, M/s MOL and M/s SCI Ltd including PLL with 26% equity. The technical management, manning and operations of Prachi is also carried out by M/s SCI Ltd.

During FY 2019-20, the overall shipping operations have run smoothly and the jetty utilization has been optimized without any downtime. LNG vessel Aseem had a contact damage in the month of March 2019 and was not in service for a period of about two & half months. LNG vessel Disha was not in service for a period of about two months due to a breakdown. Cargoes of these vessels were transported by hiring substitute LNG vessels from market without incurring any downtime or commercial loss to PLL.

DAHEJ LNG TERMINAL

Dahej Terminal which now has name plate capacity 17.5 MMTPA operated at about 17.25 MMTPA capacity utilization during the FY 2019-20. Your Company has added Regasification Capacity of 2.5 MMTPA at Dahej Terminal in the month of June 2019 and total Regasification Capacity of Dahej Terminal has now been enhanced to 17.5 MMTPA. Accordingly, Dahej Terminal is now catering higher gas demand and its share of gas supplies has consequently increased in the energy mix of India. The additional Regasification unit for enhancing the Regasification Capacity has been added at an approximate cost of Rs. 415 crore without raising any external debt. Your Company is also planning seventh and eighth LNG Tanks. Also, feasibility study for a standby third jetty has started, which will enhance reliability of LNG ship receiving.

KOCHI LNG TERMINAL

During the year, the Kochi Terminal of name plate capacity 5 MMTPA operated at average capacity utilization of about 17%. BPCL-Kochi Refinery and FACT plant were the only major consumers throughout the FY 2019-20. Off-take of RLNG from Kochi Terminal is expected to increase in FY 2020-21 in view of RLNG evacuation pipeline connectivity to Mangalore likely to get completed. RLNG evacuation pipeline to Mangalore is almost completed and expected to commission soon. 'Taral' LNG supplies continued with trucks to various consumers not connected on pipeline. LNG Dispensing facility was also commissioned and LNG filling in bus started for trial running.

FINANCIAL PERFORMANCE

During the financial year 2019-20, your Company achieved a turnover of Rs. 35,452 Crore as against Rs. 38,395 Crore in 2018-19. The net profit during the year stood at Rs. 2,698 Crore as against Rs. 2,155 Crore in the previous year. A summary of the comparative financial performance in the fiscal 2019-20 and 2018-19 is presented below:

(Rs. in crore)

Particulars	2019-20	2018-19
Revenue from operations	35,452	38,395
Other Income	373	450
Total Revenue (A)	**35,825**	**38,845**
Salary & Other operating expenses	31,463	35,102
Finance Charges	403	99
Depreciation	776	411
Total Expenses (B)	**32,642**	**35,612**
Profit before exceptional item and tax	**3,183**	**3,233**
Exceptional Items	72	-
Profit before tax	**3,111**	**3,233**
Tax expenses, including deferred tax	413	1,078
Profit after tax	**2,698**	**2,155**
Earnings (Rs.) per Share*	17.98	14.37

DIVIDEND

The Board of Directors of your Company has recommended a final dividend of Rs. 7 per equity share of Rs. 10/- each i.e. 70% of the paid-up Share Capital of the Company as on 31st March, 2020. This is in addition to Special Interim Dividend of Rs. 5.50 per equity share of Rs. 10/- each paid by the Company in November, 2019. This is the 14th consecutive year for which your Company has recommended payment of dividend.

The final dividend shall be paid to the members, whose names appear in the Register of Members as well as the Beneficial Ownership Position provided by NSDL/CDSL as at the close of business hours on 16th July, 2020 (Record date).

The Board of your Company has formulated a Dividend Distribution Policy ("The Policy"). The Policy is annexed to this Report and is also available on our website www.petronetlng.com.

CHANGES IN SHARE CAPITAL

There was no change in the Share Capital of the Company during the year. The Company has Authorised Share Capital of the Company of Rs. 30,00,00,00,000/- (Rupees Three Thousand Crore) divided into 3,00,00,00,000 (Three Hundred Crore) Equity Shares of face value of Rs. 10/- (Rupees Ten) each and Paid-up Share Capital of Rs. 15,00,00,00,880/- (Rupees One Thousand Five Hundred Crore Eight Hundred Eighty) divided into 15,00,00,00,88 (One Hundred Fifty Crore Eighty Eight) Equity Shares of face value of Rs. 10/- (Rupees Ten) each.

FINANCING OF PROJECTS

Given the strong cash flows of the Company, the expansion of the Dahej project and other capital expenditure was funded entirely with the internal accruals without the need to draw any debt. The relationship with the existing lenders continues to be good.

NEW BUSINESS INITIATIVES

LNG TERMINAL AT BANGLADESH PROJECT

Your company has submitted an Expression of Interest to the REOI (request for expression of interest) floated by Rupantarita Prakritik Gas Company Limited (RPGCL), a subsidiary of Petrobangla for construction of Land-based LNG Re-gasification Terminal at Matarbari, Cox's Bazar, Bangladesh on build, own, operate and transfer basis. RPGCL is currently in the process of shortlisting the Expression of Interest (s) received from international companies.

LNG TERMINAL & RLNG SUPPLY IN SOUTH ANDAMAN

Your company has completed pre-project studies for a floating storage & regasification (FSRU) terminal in South Andaman. Based on the studies a Detailed Feasibility Report (DFR) was prepared & submitted to Andaman & Nicobar Administration.

As Ministry of Power has awarded the 50MW RLNG based power plant to NTPC on nomination, your company is planning to bid for their Gas supply tender (issued in Sept' 2019), bid submission is expected in the next financial year.

LNG TERMINAL IN SRI LANKA

Your Company has completed the Pre-Feed studies along with Japanese Consortium and Sri Lanka Gas Terminal Company Limited for setting up a Floating Storage & Regasification Terminal at Colombo, Sri Lanka. The Company is now conducting the FEED studies. The Environmental Clearance for the project is also progressing and public comments are responded. Discussion on definitive agreement such as terminal use agreement, LNG sale and purchase agreement, implementation agreement, etc. regarding the project have started.

LNG AS AN AUTOMOTIVE FUEL

As a responsible corporate citizen and in a step towards meeting India's COP-21 commitment, your Company is taking up initiatives to develop the small scale LNG market in the Country and has been promoting the environment friendly LNG as a fuel in Road transportation. Your Company had done discussions and deliberation with Ministry of Road Transportation and Highways (MORTH) and Ministry of Commerce and Industries (MOCI) for inclusion of LNG as an automotive fuel in Central Motor Vehicle Rules (CMVR) and for inclusion of LNG dispensing stations development regulation in Static and Mobile Pressure vessel rules (SMPV). With the efforts of your Company both these regulations are in place now and a new doorway is opened in Indian market for LNG as a cleaner transportation fuel.

Your Company has commissioned India's first LNG dispenser stations inside Dahej and Kochi LNG terminals and has also commissioned the first commercially approved and registered LNG powered buses of the Country for employee's movement at both places. Your Company has prepared a business plan based on traffic study on Indian Roads and decided to develop LNG corridors covering major National Highways of India. Your Company is developing western and southern highways expeditiously as a pilot project. Your Company has partnered up with various CGD players and OMCs to jointly develop these LNG/LCNG dispensing stations in their area. The recent clarification by PNGRB on setting up of LNG dispensing stations in various CGD Geographical Areas will pave the way for creation of LNG corridors across the country.

HEALTH, SAFETY & ENVIRONMENT (HSE)

Both Dahej and Kochi terminals continue to operate safely without any major incident. Your Company is committed to conduct business with a strong environment conscience, ensuring sustainable development, safe workplaces and enrichment of the quality of life of its employees, customers and the community at large. Compliance with safety systems and procedures and environmental laws is monitored by the Company. The Company is having well defined policy for Health, Safety & Environment.

Your Company is committed to fight against novel COVID-19. Your Company has taken numerous steps both at Company and community levels including sanitization works, quarantine cycles for employees/ contract workers. Employee at Corporate Office are allowed to work from home in lock-down. Your team is taking various initiatives to interact with the employees in both plants and employees under quarantine at hotel/home. Your Company is extending every support to its employees and their families in this difficult time. Motivational speech and addresses are being imparted by eminent personalities like Dr. C.B. Satpathy. A group of female employees have been assigned the responsibility of interacting with female employees or spouses of employees for inquiring their well-being and offering medical support, which your Company can complement.

DETAILS OF SUBSIDIARY/ JOINT VENTURES / ASSOCIATE COMPANIES

1) **Adani Petronet (Dahej) Port Private Ltd.**

A Solid Cargo Port through a Company named Adani Petronet (Dahej) Port Private Ltd., had commenced its operations in August 2010 at the Dahej Port. Solid Cargo Port Terminal has facilities to import/export bulk products like coal, steel and fertilizer. PLL has a 26% equity in this Solid Cargo Company and the balance equity is held by the Adani group.

Performance and Financial Position of Solid Cargo Joint Venture (JV) Company

(Rs. In Lakhs)

Particulars	For the year ended 31st March, 2020	For the year ended 31st March, 2019
Revenue from operations	32,889	42,102
Profit/ (loss) from continuing operations	7,772	21,190
Other comprehensive income	(177)	(202)
Total comprehensive income	7,595	20,988
Company's share of total comprehensive income (26%)	1,974	5,456

2) **India LNG Transport Co. (No. 4) Pvt. Ltd. ('ILT4')**

India LNG Transport Co. (No. 4) Pvt. Ltd. ('ILT4') is joint venture of your Company with 26% ownership interest. ILT4 is the owner of vessel MT Prachi and is primarily engaged in transportation of LNG. It is one of the Company's strategic investments and has the principal place of business in Singapore.

Performance and Financial Position of ILT4

(Rs. In Lakhs)

Particulars	For the year ended 31st Dec 2019	For the year ended 31st Dec, 2018
Revenue from operations	16,671	18,823
Profit/ (loss) from continuing operations	(2,097)	9,437
Other comprehensive income	-	-
Total comprehensive income	(2,097)	9,437
Company's share of total comprehensive income (26%)	(545)	2,454

3) **Petronet LNG Foundation**

Petronet LNG Foundation, a Company Limited by Guarantee, has been promoted by the Company under the provisions of Section 8 of the Companies Act, 2013 and the rules made thereunder as a wholly owned subsidiary of the Company. Petronet LNG Limited undertakes to contribute to the assets of the company in the event of its being wound up while it is a member or within one year afterwards, for payment of the debts or liabilities of the company contracted before it ceases to be a member and of the costs, charges and expenses of winding up, not exceeding a sum of Rs 1,00,00,000/- (Rupees One Crore Only).

Petronet LNG Foundation is facilitating the Promoter to comply with its requirement of Corporate Social Responsibility (CSR) under provisions of Section 135 of Companies Act, 2013 and rules made thereunder.

CONSERVATION OF ENERGY AND TECHNOLOGY ABSORPTION

All possible measures have been undertaken successfully by your Company to achieve the desired objective of energy conservation and technology upgradation. In order to ensure optimum conservation of energy and absorption of technology, your Company's engineers have been interacting with industry peers, technology providers and EPC Contractors. They have also been nominated to important national and international seminars. A team has closely worked with Project Consultant and EPC Contractors in all phases of designing and construction of Dahej and Kochi LNG Terminals.

Conservation of Energy

1. Plant is using best technology and optimization practices for energy conservation.
2. Plant cold energy is being used for air conditioning of buildings and cooling in Nitrogen Generation Plant.

Steps are being taken by the company to use alternate source of energy as mentioned below:

1. Feasibility Study for 5 MW solar power plant is nearing completion.
2. Replacement of sodium and mercury lamps in plants with LED lights are being done to conserve energy.

Research & Development:

1. A pilot plant based on inhouse studies is being built to produce potable water from Air Heater Condensate water (which is a by-product of Re-gasification process) by its required treatment and mineralization.

FOREIGN EXCHANGE EARNINGS AND OUTGO

Your Company's foreign exchange earning was Rs. 13 crore (Rs. 57 crore during the FY 2018-19) and foreign exchange outgo was Rs. 29254 crore (33126 crore during the FY 2018-19) during Financial Year 2019-20.

ADEQUACY OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO THE FINANCIAL STATEMENTS

There is a system deployed whereby each process owner access and certify the compliance of the relevant processes and controls on periodical basis. Further, audits and reviews are conducted by independent agencies including internal and statutory auditors. Their reports are being reviewed by the management and Audit Committee on the basis of same, improvements are carried out in the existing system on regular basis.

EXTRACT OF THE ANNUAL RETURN

In accordance with Section 134(3)(a) of the Companies Act, 2013, the extract of the annual return in the prescribed format (Form MGT-9) is annexed to this report.

CORPORATE SOCIAL RESPONSIBILITY (CSR)

Your Company fully understands its responsibility towards the society and has been constantly striving and trying its level best for contributing its bit towards causes leading to Social Development. In its endeavor to be more focused towards its social goals, the Company is developing a more structured approach to enhance access to quality healthcare, enrich the lives of communities in need, welfare of the war widows, environmental causes and enhance the educational facilities across geographies in the Country.

The Company is implementing short-term, medium-term and long- term strategy to channelize the resources in an organized manner so as to derive maximum socio-economic impact from the targeted approach. In line with its social goals as enumerated above, the Company has already identified several projects in the areas of Healthcare, Education, Welfare of the War Widows, Skill Development, Environment, Sports, Agriculture, Swacch Bharat, etc. where your Company will spend the annual CSR budget in a progressive and sustainable manner.

In terms of provisions of Companies Act 2013, an amount of Rs. 57 Crore is required to be spent on CSR activities in Financial Year 2019-20. However, considering the outbreak of the COVID-19 Pandemic, the competent authority revised and approved the CSR budget to a total of Rs. 118 Crore (One hundred Eighteen Crore Only). A total of Rs.117.96 Crore (One hundred Seventeen Crore and Ninety-Six Lakh Only) was spent on CSR activities viz. Rs. 100.00 Crore has been contributed to the PM Cares fund to combat COVID 19 pandemic and Rs. 17.96 Crore for CSR projects including Rs. 21 Lakh as Administrative Overheads in the FY 2019-20.

Nevertheless, your Company has been making constant efforts to reach optimum level of CSR expenditure and has achieved the target above the earmarked CSR budget of the FY 2019-20, resulting in tangible positive impact on society and has made commendable improvements over the previous years in terms of both spending as well as number of CSR projects taken up. The disclosure as per Rule 9 of Companies (Corporate Social Responsibility Policy) Rules, 2014 is attached herewith as Annexure B and form part of the Board Report.

Further, Petronet LNG Foundation (PLF), a Company Limited by Guarantee, has been incorporated on 31st March, 2017 by Petronet LNG Limited (PLL) as a promoter of the Company under the provisions of Section 8 of the Companies Act, 2013 and the rules made thereunder, and acts as the CSR Arm of PLL. Petronet LNG Foundation is facilitating the promoter to comply with its CSR under provisions of Section 135 of Companies Act, 2013 and rules made thereunder. It has already taken up some high impact projects and is in the process of finalizing projects/ programmes with higher project cost and impact. While all CSR projects have been carefully chosen giving utmost importance to quality of spending instead of just spending, some projects have been outstanding in their impact.

'Petronet Kashmir Super-30' is one such outstanding CSR project which prepares underprivileged students of Kashmir to overcome various social and other disadvantages and helps them to compete with the best for admission into the premier engineering institutions like IITs and NITs by providing quality coaching and guidance. In the Healthcare front, in association with All India Institute of Medical Sciences (AIIMS), Bhubaneswar, PLF aims in transforming the Trauma & Emergency Care landscape in Odisha by extending support to construct a state-of-the art Level-I Trauma Care center at AIIMS Bhubaneswar and ensure best possible healthcare facility for the people of Odisha.

In addition, PLF in association with Artificial Limbs Manufacturing Corporation of India (ALIMCO) is extending the support with Aid and Assistive devices such as motorized tricycles, tricycles, Smart phone, smart cane, BTE hearing aids, etc. for the Persons with Disabilities with an objective to empowering them in Delhi/ NCR, Bharuch (Gujarat) and Kochi (Kerala). Under Education, 'Petronet Samkalp Super 30' is a programme which prepares underprivileged students for Civil Services Examinations by providing free quality coaching and guidance in Delhi.

'Numma Onnu' is another project in Ernakulam District to provide free food to the needy and has been implemented with the Eranakulam District Administration. Further, in collaboration with CIPET, PLF is imparting skill development programme for local underprivileged youth in Gujarat, Kerala, Haryana & Himachal Pradesh by helping them be confident enough to find gainful employment. The company stood by the Nation to combat the COVID-19 pandemic by contributing Rs. 100 Crore to the PM Cares Fund and supported Heath Care Workers treating COVID-19 patients with PPEs of Rs. 1.53 Crore across Delhi, Kerala & Gujarat.

The Corporate Social Responsibility Policy of the Company is available at the website of the Company at the following weblink:

https://www.petronetlng.com/PDF/CSR_Policy_27042015.pdf.

DIRECTORS AND KEY MANAGERIAL PERSONNEL (KMP)

Inductions and Cessation

The following Directors were inducted on the Board/ceased to be Directors on the Board of the Company:

1. Shri Arun Kumar was appointed by the Board of Directors as Additional Director (Independent Director) w.e.f. 9th April 2019.

2. Shri Rajender Singh, ceased to be Director (Technical) of the Company w.e.f. 20th July, 2019 due to his retirement on attaining the age of superannuation.

3. Shri B.C. Tripathi (Nominee Director of GAIL) ceased to be Director of the Company w.e.f. 1st August, 2019 consequent upon change of nomination upon his superannuation from GAIL.

4. Dr. Ashutosh Karnatak (Nominee Director of GAIL) was appointed by the Board of Directors as Additional Director w.e.f. 7th August, 2019. Further, Dr. Ashutosh Karnatak ceased to be Additional Director (Nominee Director of GAIL) w.e.f. 28th August, 2019 pursuant to the provisions of Section 161 of the Companies Act, 2013 as the notice of 21st Annual General Meeting (AGM) dated 15th July, 2019 was already circulated to the members of the Company, therefore, agenda in this regard did not formed part of the notice of 21st AGM.

   Thereafter, Dr. Ashutosh Karnatak was again appointed by the Board as Additional Director (Nominee Director of GAIL) w.e.f 29th August, 2019.

5. Dr. T. Natarajan (Nominee Director of GMB/GoG) ceased to be Director of the Company w.e.f. 22nd August, 2019 due to change in nomination by GMB/GoG.

6. Shri Sanjeev Kumar (Nominee Director of GMB/GoG) was appointed by the Board of Directors as Additional Director w.e.f. 4th September, 2019.

7. Dr. M.M. Kutty, ceased to be the Director and Chairman of the Company w.e.f. 1st May, 2020 as he ceased to be Secretary, Ministry of Petroleum & Natural Gas, Government of India consequent upon attaining the age of superannuation.

8. Dr. Ashutosh Karnatak (Nominee Director of GAIL) ceased to be a Director w.e.f. 6th May, 2020 consequent upon change of nomination by GAIL.

9. Shri Manoj Jain, (Nominee Director of GAIL) was appointed by the Board of Directors as Additional Director w.e.f. 6th May, 2020.

10. Shri Tarun Kapoor, Secretary, Ministry of Petroleum & Natural Gas, Government of India was appointed as Additional Director and Chairman of the Company w.e.f. 11th May, 2020.

11. Shri Sanjiv Singh (Nominee Director of IOCL) ceased to be Director w.e.f. 1st July 2020 consequent upon change in nomination by Indian Oil Corporation Limited due to his superannuation from the services of IOCL on 30th June, 2020

12. Shri Shrikant Madhav Vaidya (Nominee Director of IOCL) was appointed by the Board of Directors as Additional Director w.e.f. 1st July 2020.

13. Shri D Rajkumar (Nominee Director of BPCL) ceased to be a Director w.e.f. 20th July, 2020 consequent upon change of nomination by BPCL.

14. Shri Arun Kumar Singh (Nominee Director of BPCL) was appointed by the Board of Directors as Additonal Director w.e.f. 10th August, 2020.

The Board placed on record its sincere appreciation for valuable services rendered and contribution made by Shri Rajender Singh, Shri B.C. Tripathi, Dr. Ashutosh Karnatak, Dr. T. Natarajan, Dr. M.M. Kutty, Shri Sanjiv Singh and Shri D Rajkumar, Members of the Board during their association with the Company.

Reappointment

In accordance with the Articles of Association of the Company and as per statutory requirements, Shri Shashi Shanker, Nominee Director, ONGC, would retire by rotation at the ensuing Annual General Meeting and being eligible offers himself for reappointment.

In accordance of provisions of Companies Act, 2013, Shri Sanjeev Kumar (Nominee Director of GMB/GoG), Shri Manoj Jain (Nominee Director of GAIL), Shri Tarun Kapoor (Chairman), Shri Shrikant Madhav Vaidya (Nominee Director of IOCL) and Shri Arun Kumar Singh (Nominee Director of BPCL) who were appointed as Additional Directors of the Company after the date of last Directors' Report shall vacate their offices at the ensuing Annual General Meeting. Necessary notices have been received from them/Member(s) under Section 160 of Companies Act, 2013 proposing their candidature for appointment. The same has also been given at website of the Company at www.petronetlng.com. The Board recommends their appointment. Brief resume of directors seeking appointment and reappointment together with the nature of their expertise in specific functional areas, disclosure of relationship between director inter-se, name of companies in which they hold membership/ chairmanship of committees of the Board alongwith their shareholding in company etc. as stipulated under SEBI (LODR) Regulations, 2015 and other statutory provisions are given in the annexure to the Notice of 22nd Annual General Meeting.

Key Managerial Personnel

Pursuant to Section 203 of Companies Act, 2013, the Key Managerial Personnel of the Company as on 31st March, 2020 were:

1. Shri Prabhat Singh, MD&CEO
2. Shri V. K. Mishra, Director (Finance) and CFO
3. Shri Rajan Kapur, CGM & Vice President – Company Secretary

There were no changes in Key Managerial Personnel of the Company during the FY 2019-20.

ANNUAL EVALUATION OF THE BOARD

The Board adopted a formal mechanism for evaluating its performance and as well as that of its Committees and individual Directors, including Chairman of the Board. The evaluation of all the Directors, Committees, Chairman of the Board and the Board as a Whole was conducted based on a structured evaluation process considering various aspects of the Board's functioning such as composition of Board and Committees, experience and competencies, performance of specific duties and obligations, contribution at the meetings and otherwise, independent judgment, governance issues etc.

COMPLIANCES WITH RESPECT TO INDEPENDENT DIRECTORS

Pursuant to Section 149(7) of Companies Act, 2013 and Regulation 25 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, declaration(s) by all the Independent Director(s) have been obtained stating that they meet the criteria of independence as provided in Section 149(6) of the Companies Act, 2013 and Regulation 16(1) (b) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The Independent Directors as appointed by the Board possess various skills / expertise which are required for the Directors in the context of the Company's business for effective functioning such as such as Leadership, Technology & Operational experience, strategic planning, Financial Regulatory, Legal and Risk Management, Industry experience, Research & Development and Global business. Further, all the Independent Directors are complying with the provisions of Section 150 of the Companies Act, 2013 read with The Companies (Appointment and Qualifications of Directors) Rules, 2014

FAMILIARIZATION PROGRAMME AND TRAINING OF INDEPENDENT DIRECTORS

All new Independent Directors inducted in to the Board attend an orientation programme. The Company has well-defined Training Program for training to Board Members which inter-alia include the various familiarization programs in respect of their roles, rights, responsibilities in the Company, nature of the industry in which Company operates, business model of the Company etc. Further, the same is also taken care during the various strategy meets of the Company and different presentations in the Board/ Committee meetings. The details of such familiarization programs have also been posted on the website of the Companyat https://www.petronetlng.com/Familiarisation_Programme.php. Further, at the time of the appointment of Independent Director, the Company issues a formal letter of appointment outlining his/her roles, responsibilities. functions, duties, remuneration and other terms and conditions. The format of the letter of appointment is available on the website of the Company.

NUMBER OF MEETINGS OF THE BOARD OF DIRECTORS

During the year, seven Board Meetings were held and the details of which are given in the Corporate Governance Report annexed to this Report which forms part of the Annual Report. The intervening gap between the meetings was within the period prescribed under the Companies Act, 2013 and also as per SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. For further details regarding number of meetings of the Board and its committees, please refer Corporate Governance Report, annexed to this Report.

BOARD DIVERSITY

The Company recognizes and embraces the importance of a diverse board in its success. We believe that a truly diverse board will leverage differences in thought, perspective, knowledge, skill, regional and industry experience, cultural and geographic backgrounds, age, ethnicity, race and gender,that will help us retain our competitive advantage. The Board Diversity Policy adopted by the Board sets out approach to diversity. The policy is available at the website of the Company at https://www. petronetlng.com/PDF/PolicyDiversity.pdf.

AUDIT COMMITTEE

The recommendations made by the Audit Committee during the year were accepted by the Board. The other details of Audit Committee like composition, terms of reference, meetings held are provided in the Corporate Governance Report annexed to this Report.

NOMINATION AND REMUNERATION COMMITTEE

The Company has a Nomination and Remuneration Committee and detailed disclosure in this regard has been given in the Corporate Governance Report which is annexed to this Report.

SEPARATE MEETING OF INDEPENDENT DIRECTORS

As per statutory requirements, the Company arranges for separate meetings of Independent Directors every year and detailed disclosure in this regard has been given in the Corporate Governance Report which is annexed to this Report.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186 OF THE COMPANIES ACT, 2013

In compliance with the provisions of the Companies Act, 2013, the details of investments made and loans/guarantees provided as on 31st March, 2020 are given in the respective Notes to the financial statements.

INSURANCE

The Company has taken Directors and Officers liabilities insurance as well as appropriate insurance for all assets against foreseeable perils.

SIGNIFICANT AND MATERIAL ORDERS PASSED BY REGULATORS OR COURTS

There are no significant and material orders passed by the Regulators, courts or Tribunals which would impact the going concern status and the Company's future operations.

PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES (RPTs)

In line with the provisions of the Companies Act, 2013 and the SEBI (LODR) Regulations, 2015, the Company has formulated a Policy on materiality of Related Party Transactions and also on dealing with Related Party Transactions. The same has been posted on the website of the Company. The Company gives the disclosure regarding material transactions with related parties on quarterly basis along with the compliance report on Corporate Governance. As per requirements of Section 134 (3) of Companies Act, 2013 read with rule 8 of Companies (Accounts) Rule, 2014, particulars of contracts or arrangements with related parties as referred in section 188 (1) of the Companies Act, 2013 is annexed to this report. Further, suitable disclosure as required by the Accounting Standards has been given in the Notes to the Financial Statements.

PARTICULARS OF EMPLOYEES PURSUANT TO SECTION 197 OF THE COMPANIES ACT, 2013

Pursuant to provisions of Section 197 of the Companies Act, 2013, read with the Rule 5 of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the names and other particulars of employees are annexed to this Report.

DISCLOSURES PURSUANT TO SECTION 197(12) OF THE COMPANIES ACT, 2013

The ratio of remuneration of each Director to the median employees remuneration and such other details in terms of Section 197 (12) of Companies Act, 2013 read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 forms part of Directors' Report and is annexed herewith.

HUMAN RESOURCES

Your Company takes pride in its highly motivated and competent Human Resource that has contributed its best to bring the Company to its present heights. Employees are the driving force behind the sustained stellar performance of your company over all these years of Company's ascendancy. As a commitment towards your Company's core values, employees' participation in Management was made effective based on mutual respect, trust and a feeling of being a progressive partner in growth and success. Both employees and management complemented each others' efforts in furthering the interest of your Company as well as its stakeholders, signifying and highlighting overall harmony and cordial employee relations prevalent in your Company. No man days were lost due to strike or lock-out. As on 31st March, 2020 there were 506 employees excluding 2 Whole-time Directors.

SECRETARIAL AUDIT

M/s A. N. Kukreja, Practicing Company Secretary (M. No. FCS 1070, CP No. 2318), was appointed by Board of Director to conduct the Secretarial Audit of the Company for the financial year 2019-20 as required under Section 204 of Companies Act, 2013 and rules thereunder.

A Secretarial Audit Report for the Financial Year 2019-20 submitted by M/s A. N. Kukreja, a Company Secretary in practice, is annexed with this report along with Management's Reply on the Secretarial Audit Report for the Financial Year 2019-20.

CORPORATE GOVERNANCE

The Company is committed to good Corporate Governance and lays strong emphasis on transparency, accountability and integrity. As required under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Report on Corporate Governance, together with Auditors' Certificate regarding Compliance of conditions of corporate governance for the Financial Year 2019-20, is annexed to this report along with Management's Reply on the Auditors' Report on the Corporate Governance Report for the Financial Year 2019-20.

MANAGEMENT DISCUSSION AND ANALYSIS

The Annual Report contains a separate section on Management Discussion and Analysis which is annexed with the Directors' Report.

BUSINESS RESPONSIBILITY REPORT

The Business Responsibility Report covering initiatives taken with environmental, social and governance perspective has been prepared in accordance with the directives of SEBI and forms a part of the Annual Report .

COMPLIANCE WITH SECRETARIAL STANDARDS

The Company has devised proper systems to ensure compliance with the provisions of all applicable Secretarial Standards issued by the Institute of Company Secretaries of India and that such systems are adequate and operating effectively.

INDUSTRIAL RELATIONS

Your Company continued to enjoy cordial and smooth relations amongst all its employees at Dahej and Kochi terminals.

RISK MANAGEMENT

The Company has laid down policies and procedures to inform the Members of the Board about the risk assessment and minimization procedure. A Risk Management Committee periodically reviews the procedures to ensure that Executive Management controls risk through properly defined framework. The risk assessment framework encompasses, inter-alia, methodology for assessing risks on an ongoing basis, risk prioritization, risk mitigation, monitoring plan and comprehensive reporting system.

This Risk Management Framework supports your Company's business strategy and operations. Risk Management Framework is constantly updated for new and emerging risks emanating from business expansion and interests. The risks are evaluated, quantified & prioritized and mitigation plans are reviewed & monitored at various stages. Corporate Level Risk Management Committee oversees the implementation of the Risk Management Policy and Procedures which are periodically reviewed andmonitored by the Risk Management Committee and by the Audit Committee before presenting it to the Board.

In the changing business scenario and expansion of your Company into various other activities, business risk and their mitigation plans are assessed on regular basis.

DETAILS OF ESTABLISHMENT OF VIGIL MECHANISM FOR DIRECTORS AND EMPLOYEES

The Board of Directors of the Company has approved the Vigil Mechanism in terms of provisions of Section 177 of Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for Directors and employees of the Company to report, to the management, concerns about unethical behaviour, actual or suspected fraud or violation of the policy. The same has also been hosted on the website of the Company. During the year ended 31st March, 2020, no complaint was received under Vigil Mechanism and thus no complaint was pending as on 31st March, 2020.

CODE OF CONDUCT

The Company has formulated a Code of Conduct for Board Members and Senior Management Personnel. The confirmation of compliance of the same is obtained from all concerned on annual basis. All Board Members and Senior Management Personnel have given their confirmation of compliance for the year under review. A declaration duly signed by MD & CEO is given in the Report on Corporate Governance annexed to this Report. The Code of Conduct for Board Members and Senior Management Personnel is given on the website of the Company.

LISTING ON STOCK EXCHANGES

The Company's equity shares are listed on the BSE Ltd. and National Stock Exchange of India Ltd. 9.05% Unsecured Redeemable Taxable Non-Convertible Debentures (NCD) (Series II) (Option II) were listed on National Stock Exchange of India Ltd. However, the samewere redeemed on 25th October, 2019 and extinguished.

TRANSFER OF AMOUNTS/SECURITIES TO INVESTOR EDUCATION AND PROTECTION FUND

Pursuant to the provisions of Section 124 and 125 of the Companies Act, 2013 and Rules made thereunder, the Company has deposited the amount lying in Unpaid/Unclaimed Dividend account for the financial year 2006-07 to 2011-12 to Investor Education and Protection Fund. Detail of the same is available at website of the Company at the following link
https://www.petronetlng.com/cg.php

Further, pursuant to the provisions of Section 124(6) of Companies Act 2013, all the shares in respect of which dividend has not been paid or claimed for seven consecutive years or more were also transferred to IEPF Suspense Account. Details of the same is available at website of the Company at the following link – https://www.petronetlng.com/cg.php

OTHER DISCLOSURES

No disclosure or reporting is required in respect of the following items as either these were not applicable or there were no transactions on these items during the financial year 2019-20:-

1. Details relating to deposits covered under Chapter V of the Act.
2. Issue of equity shares with differential rights as to dividend, voting or otherwise.
3. Issue of shares (including sweat equity shares) to employees of the Company under any scheme.
4. Neither the Managing Director nor the Whole–time Directors of the Company receive any remuneration or commission from any of its subsidiaries.

During the financial year 2019-20, there was no cases filed pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and thus no case was pending as on 31st March, 2020. As a part of compliance to the above said act, Internal Complaints Committees (ICC) have been constituted to redress the complaints regarding sexual harassment.

There are no material changes and commitments affecting the financial position of the Company which have occurred between the end of the financial year and the date of this report.

STATUTORY AUDITORS

M/s T. R. Chadha & Co., Chartered Accountants LLP, have been appointed by the Shareholders of the Company as Statutory Auditors for the financial year 2019-20.

AUDITORS' REPORT

The Auditors have submitted an unqualified report for the financial year 2019-20. No fraud has been reported by Auditors under sub-section (12) of section 143 of the Companies Act, 2013.

COST AUDITOR

As prescribed under the Companies (Cost Records and Audit) Rules, 2014, the Cost Accounting records are being maintained by your Company.

The Board of Directors has appointed M/s Chandra Wadhwa & Co., Cost Accountants (Regn. No. 000239) as the Cost Auditors of the Company for the Financial Year 2019-20. The Cost Audit Report for the year 2018-19 has been filed under XBRL mode on 21st August, 2019.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the provisions of clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013, Directors hereby states that:

(a) In the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;

(b) The directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit and loss of the Company for that period;

(c) The directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

(d) The directors have prepared the annual accounts on a going concern basis;

(e) The directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and are operating effectively; and

(f) The directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

GREEN INITIATIVES

Ministry of Corporate Affairs, through its Circulars dated 8th April 2020, 13th April 2020 and 5th May 2020, has allowed companies to conduct the general meetings through video conferencing(VC) or other audio visual means (OAVM) and non-printing of annual reports during the calendar year 2020. SEBI, through Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated 12.05.2020, has also relaxed certain provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 in the wake of Covid-19 pandemic.

MCA circular dated 05.05.2020 requires that the Company should facilitate the manner in which the persons who have not registered their email addresses with the company can get the same registered with the company.

In light of the MCA Circulars and better Corporate Governance, the Company has provided facility to the shareholders through the depositories i.e. NSDL and CDSL and through its Registrar and Transfer Agent i.e. Kfin Technologies Private Limited, to register their email addresses with the depositories or the Company for receiving the Annual Report for 2019-20 and other communications.

The link for registration of email address is https://ris.kfintech.com/email_registration/ and the same is also available at our website at https://www.petronetlng.com/. Accordingly, it is requested that members who have not registered their email addresses, may kindly register the same.

ACKNOWLEDGEMENTS

The Board of Directors sincerely thanks and wishes to place on record its appreciation of the Ministry of Petroleum and Natural Gas, Government of India, State Governments of Gujarat and Kerala, Promoters of the Company, RasGas, Exxon Mobil and other LNG suppliers, gas off-takers and consumers of re-gasified LNG, Auditors and Lenders for their whole-hearted co-operation and unstinted support.

The Directors of your company also convey their gratitude to all the shareholders for the continued support and the trust they have reposed in the Management. The Directors look forward to a better future and further growth of your Company.

The Board also appreciates the contribution of contractors, vendors and consultants in the implementation of various projects of the Company.

We wish to place on record our deep appreciation to employees at all levels for their hard work, dedication and commitment.

For and on behalf of the Board of Directors

Place : New Delhi	(Tarun Kapoor)
Date : 12th August, 2020	Chairman

DIVIDEND DISTRIBUTION POLICY

Background

As per Regulation 43A of SEBI (LODR) Regulations, 2015, the top five hundred listed entities based on market capitalization (calculated as on March 31 of every financial year) shall formulate a dividend distribution policy which shall be disclosed in their annual reports and on their websites.

Further, the listed entities other than top five hundred listed entities based on market capitalization may disclose their dividend distribution policies on a voluntary basis in their annual reports and on their websites.

Considering the fact that Petronet LNG Limited (PLL) is amongst the top 500 listed entities as per the criteria, its ranking as per NSE being 95th as at 31st March 2016, the said regulation applies to PLL.

As per the regulation, the dividend distribution policy shall include the following parameters:

a) the circumstances under which the shareholders of the Company may or may not expect dividend;

b) the financial parameters that shall be considered while declaring dividend;

c) internal and external factors that shall be considered for declaration of dividend;

d) policy as to how the retained earning shall be utilized; and

e) parameters that shall be adopted with regards to various classes of shares.

The regulation also states that if the listed entity proposes to declare dividend on the basis of parameters in addition to clauses (a) to (e) or proposes to change such additional parameters or the dividend distribution policy contained in any of the parameters, it shall disclose such changes with the rationale for the same in its annual report and on its website.

The policy has been framed broadly in line with the provisions of the Companies Act and also taking into consideration, guidelines issued by SEBI to the extent applicable. The policy shall be applicable w.e.f. 15th May 2019 onwards.

Dividend and Category of Dividend

Dividend is the payment made by a Company to its shareholders, usually in the form of distribution of its profits, in proportion to the amount paid up on shares they hold.

The Companies Act provides for payment of dividend in two forms – Interim & Final. The Board of Directors shall have the power to recommend final dividend to the shareholders for their approval in the Annual General Meeting of the Company. The Board of Directors shall have the absolute power to declare interim dividend during the financial year, as and when they consider it fit.

Final Dividend

The Final dividend, if any, is paid once for the financial year after the annual accounts are prepared. The declaration of Final dividend shall be included in the ordinary business items that are required to be transacted at the Annual General Meeting.

Interim Dividend

This form of dividend can be declared by the Board of Directors one or more times in a financial year as may be deemed fit by it. The Board of Directors of the Company would declare an interim dividend, as and when considered appropriate, in line with this policy. Normally, the Board could consider declaring an interim dividend after finalization of quarterly (or half yearly) financial accounts.

Circumstances under which the shareholders of the Company may or may not expect dividend

The Company is committed to driving value creation for all its stakeholders. The decision regarding dividend pay-out is a crucial decision as it determines the amount to be distributed among shareholders of the Company out of its distributable profits and the amount of profit to be retained in business. The Board would continue to adopt a progressive and dynamic dividend policy, ensuring the immediate as well as long term needs of the business along with rewarding shareholders of the company.

The Company has been consistently paying out dividends to its shareholders since FY 2006- 07 and can be reasonably expected to continue paying dividends in future as well, quantum of which shall be decided by the Board considering the available distributable profits.

The company may not declare dividend or declare dividend at a rate lower than its normal rate of dividend in the circumstances as given below:

a) where company has undertaken a significant project requiring higher capital allocation.

b) where company is into merger or acquisitions which demands higher capital allocation.

c) In an event where the Company profits are inadequate or Company makes losses.

d) in case of a contingencies which may require higher capital allocation. In all the above stated circumstances, the company would like to use the Company's reserves judiciously.

It may also be noted that declaration of dividend will be subject to statutory guidelines prescribed in this regard by Companies Act 2013, SEBI, MCA or any other statutory authority.

The financial parameters that shall be considered while declaring dividend

The Board of the Company may be guided by the following financial parameters inter-alia before making any recommendation for the dividend:

1. Net Profits earned and free cash generated by the Company during the financial year.
2. Projected future profits of the Company.
3. Present and future Capital requirements of the Company, including working capital.
4. Future expansion plans of the Company, including probable mergers and acquisition.

5. Retention of sufficient profits to strengthen the Balance Sheet of the Company which can be leveraged at an appropriate time for supporting growth, if required.
6. Liquidity available with the Company and cost and availability of funds from alternate sources of financing.
7. Covenants of loan and other commercial agreements.
8. Applicable taxation policy with respect to distribution of dividend, including taxation in the hands of investors as well.
9. Track record of dividend distributed by the Company in the past.
10. Statutory limits prescribed with respect to dividend distribution.
11. Any other factor as the Board may deem fit.

Internal and External factors that shall be considered while declaring dividend

External Factors

External factors that shall be considered while recommending the dividend, would include the state of economy, inflation, growth of economy and business, commodity prices, prevailing interest rate, tax rates, condition of the capital markets and statutory guidelines with respect to dividend pay-out.

Internal Factors

Internal factors that shall be considered while recommending the dividend, would mainly be the factors as mentioned above in the financial parameters.

Policy as to how the retained earnings shall be utilized

The Company is engaged in the business of LNG import and re-gasification, including operation of LNG import terminals. The retained earnings are to be deployed in the long term investment in LNG value chain including overseas projects, debt repayment and working capital requirement. Retained earnings can also be used for dividend payment in future years; and buy back of shares, as also for acquisition and investment in subsidiaries. Subject to the factors, as described in the preceding paragraphs, It will be the endeavour to give investors on yearly basis.

a) Reasonable yield on their investment
b) Adequate dividend payout not less than 30% of net profit after tax or 5% of its Net Worth, whichever is higher.

Parameters that shall be adopted with regard to various classes of shares

Since the Company has issued only one class of equity shares with equal voting rights, all the members of the Company are entitled to receive the same amount of dividend per share. The holders of the equity shares of the Company, as on the record date, are entitled to receive dividends.

The policy shall be suitably revisited at the time of issue of any new class of shares depending upon the nature and guidelines thereof.

Modification/Deviations to the policy

The Board is authorized to change/amend this policy from time to time at its sole discretion and/or pursuant to any amendments made in the Companies Act, 2013 or any other Statutory Regulations.

Form No. MGT-9
EXTRACT OF ANNUAL RETURN
As on the financial year ended on 31st March, 2020
[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS

i	**CIN**	L74899DL1998PLC093073
ii	**Registration Date**	2nd April, 1998
iii	**Name of the Company**	Petronet LNG Limited
iv	**Category / Sub-Category of the Company**	Company Limited by Shares
v	**Address of the Registered office and contact details**	World Trade Centre, Barakhamba Lane, Babar Road, New Delhi - 110001 Tel : 011-23472525 Fax : 011-23472550 Email : investors@petronetlng.com
vi	**Whether listed company Yes / No**	Yes
vii	**Name, Address and Contact details of Registrar and Transfer Agent, if any**	KFin Technologies Private Limited Selenium Building Tower B, Plot 31-32, Financial District,Nanakramguda, Serilingampally, Hyderabad, Rangareddi, Telangana India - 500 032 Tele: 040- 67162222 Fax: 040- 23420814 Toll Free No.:1800-345-4001 Email: einward.ris@kfin.com

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10 % or more of the total turnover of the company shall be stated:-

Sl. No.	Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the company
1.	Sale of RLNG	0910	93%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

S. No.	Name and Address of the Company	CIN/GLN	Holding/ Subsidary/ Associate	% of shares Held	Applicable Section
1.	Adani Petronet (Dahej) Port Pvt. Ltd. Adani House, Nr Mithakhali, Six Roads, Navrangpura Ahmedabad, Gujarat - 380009	U63012GJ2003PTC041919	Associate	26%	2(6)
2.	Petronet LNG Foundation 304-3rd Floor, World Trade Centre Babar Road, Connaught Place New Delhi, Delhi - 110001	U85320DL2017NPL315422	Subsidiary	Company Limited by Guarantee (100%)	2(87)
3.	India LNG Transport Co. (No. 4) Pvt. Ltd., 1 Harbourfront Place, #13-01 Harbourfront Tower One The Republic of Singapore - 098633	Foreign Company	Associate	26%	2(6)

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

1. i) Category-wise Holding

Category Code	Category of Shareholder	No. of shares held at the beginning of the year 1st April, 2019				No. of shares held at the end of the year 31st March, 2020				% change during the year
		Demat	Physical	Total	% of Total Share	Demat	Physical	Total	% of Total Share	
(I)	**(II)**	**(III)**	**(IV)**	**(V)**	**(VI)**	**(VII)**	**(VIII)**	(IX)		**(XI)**
(A)	**PROMOTER & PROMOTER GROUP**									
(1)	**INDIAN**									
(a)	Individual/ HUF	0	0	0	0.00	0	0	0	0.00	0.00
(b)	Central Government/ State Government (s)	0	0	0	0.00	0	0	0	0.00	0.00
(c)	Bodies Corporate	75,00,00,000	0	75,00,00,000	50.00	75,00,00,000	0	75,00,00,000	50.00	0.00
(d)	Financial Institutions / Banks	0	0	0	0.00	00	0	0	0.00	0.00
(e)	Others	0	0	0	0.00	0	0	0	0.00	0.00
	Sub – Total A(1) :	**75,00,00,000**	**0**	**75,00,00,000**	**50.00**	**75,00,00,000**	**0**	**75,00,00,000**	**50.00**	**00.00**
(2)	**FOREIGN**									
(a)	Individual/ HUF	0	0	0	0.00	0	0	0	0.00	0.00
(b)	Bodies Corporate	0	0	0	0.00	0	0	0	0.00	0.00
(c)	Institutions	0	0	0	0.00	0	0	0	0.00	0.00
(d)	Qualifies Foreign Investor	0	0	0	0.00	0	0	0	0.00	0.00
(e)	Others	0	0	0	0.00	0	0	0	0.00	0.00
	Sub – Total A(2) :	**0**	**0**	**0**	**0.00**	**0**	**0**	**0**	**0.00**	**0.00**
	Total A= A(1) + A(2)	**75,00,00,000**	**0**	**75,00,00,000**	**50.00**	**75,00,00,000**	**0**	**75,00,00,000**	**50.00**	**00.00**
(B)	**PUBLIC SHAREHOLDING**									
(1)	**INSTITUTUIONS**									
(a)	Mutual Funds / UTI	16,28,67,996	0	16,28,67,996	10.86	11,64,92,165	0	11,64,92,165	7.77	3.09
(b)	Financial Institutions	22,70,367	4	22,70,371	0.15	4,77,874	4	4,77,878	0.03	0.12
(c)	Central Government/ State Government (s)	0	0	0	0.00	0	0	0	0.00	0.00
(d)	Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0.00
(e)	Insurance Companies	58,956	0	58,956	0.00	58,956	0	58,956	0.00	0.00
(f)	Foreign Institutional Investors	38,47,06,176	0	38,47,06,176	25.65	43,96,21,904	0	43,96,21,904	29.31	-3.66
(g)	Foreign Venture Capital Investors	0	0	0	0.00	0	0	0	0.00	0.00
(h)	Qualifies Foreign Investor	0	0	0	0.00	0	0	0	0.00	0.00
(i)	Others	1314	0	1314	0.00	0	0	0	0.00	0.00
	Sub – Total B(1)	**54,99,04,809**	**4**	**54,99,04,813**	**36.66**	**55,66,50,899**	**4**	**55,66,50,903**	**37.11**	**-0.45**
(2)	**NON- INSTITUTIONS**									
(a)	Bodies Corporate	3,10,07,357	0	3,10,07,357	2.07	1,26,11,846	0	1,26,11,846	0.84	1.23
(b)	Individuals									
	(i) Individual holding nominal share capital upto Rs. 2 Lakh	13,38,62,092	51,069	13,39,13,161	8.92	12,89,36,410	51069	12,89,36,410	8.6	0.33
	(ii) Individual holding nominal share capital in excess Rs. 2 Lakh	1,68,89,929	0	1,68,89,929	1.13	1,53,79,633	0	1,53,79,633	1.03	0.1

contd...

Category Code	Category of Shareholder	No. of shares held at the beginning of the year 1st April, 2019				No. of shares held at the end of the year 31st March, 2020				% change during the year
		Demat	Physical	Total	% of Total Share	Demat	Physical	Total	% of Total Share	
(c)	Others									
	Clearing Members	53,20,836	0	53,20,836	0.35	14,65,408	0	14,65,408	0.10	0.25
	IEPF	12,34,199	0	12,34,199	0.08	13,80,965	0	13,80,965	0.09	-0.01
	NBFC	1,16,537	0	1,16,537	0.01	1,06,500	0	1,06,500	0.01	0.00
	Non Resident Indians	36,32,723	2,10,010	38,42,733	0.26	33,19,408	2,10,010	33,19,408	0.24	0.02
	NRI Non - Repatriation	21,02,550	0	21,02,550	0.14	22,94,844	0	22,94,844	0.15	-0.01
	Qualified Institutional Buyer	**0**	**0**	**0**	**0.00**	**1,86,63,029**	**0**	**1,86,63,029**	**1.24**	**-1.24**
	Trusts	51,88,590	0	51,88,590	0.35	65,04,094	0	65,04,094	0.43	-0.09
	Alternative Investment Fund	4,79,383	0	4,79,383	0.03	2428425	0	2428425	0.16	-0.13
	Foreign Nationals	0	0	0	0.00	4350	0	4350	0	0
(d)	Qualifies Foreign Investor	0	0	0	0.00	0	0	0	0.00	0.00
	Sub – Total B(2)	**19,98,34,196**	**261079**	**20,00,95,275**	**13.34**	**19,30,94,912**	**2,54,273**	**19,30,94,912**	**12.89**	**0.45**
	Total B = B(1) + B (2)	**74,97,39,005**	**261083**	**75,00,00,088**	**50.00**	**74,97,45,811**	**2,54,277**	**74,97,45,811**	**50.00**	**0.00**
	Total (A+B)	**1,49,97,39,005**	**261083**	**1,50,00,00,088**	**100.00**	**1,49,97,45,811**	**2,54,277**	**1,49,97,45,811**	**100.00**	**0.00**
(C)	Shares held by Custodians, against which Depository Receipts have been issued									
(1)	Promoter & Promoter Group	0	0	0	0.00	0	0	0	0.00	0.00
(2)	Public	0	0	0	0.00	0	0	0	0.00	0.00
	GRAND TOTAL (A+B+C) :	**1,49,97,39,005**	**2,61,083**	**1,50,00,00,088**	**100.00**	**1,49,97,45,811**	**2,54,277**	**1,49,97,45,811**	**100.00**	**0.00**

(ii) Shareholding of Promoters

S. No.	Shareholder's Name	No. of shares held as on 1st April, 2019			No. of shares held as on 31st March, 2020			% change in share holding during the year
		No. of Shares	% of total Shares of the company	%of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	%of Shares Pledged / encumbered to total shares	
1.	Indian Oil Corporation Limited	18,75,00,000	12.50	-	18,75,00,000	12.50	-	Nil
2.	Bharat Petroleum Corporation Ltd	18,75,00,000	12.50	-	18,75,00,000	12.50	-	Nil
3.	Gail (India) Limited	18,75,00,000	12.50	-	18,75,00,000	12.50	-	Nil
4.	Oil and Natural Gas Corporation Limited	18,75,00,000	12.50	-	18,75,00,000	12.50	-	Nil
	Total	**75,00,00,000**	**50.00**	**-**	**75,00,00,000**	**50.00**	**-**	

(iii) Change in Promoters' Shareholding

There is no change in Promoters' Shareholding (%).

iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs) :

S. No.	Type	Name of the Share Holder	Shareholding at the beginning of the year		Date	Increase/ Decrease in share holding	Reason	Cumulative Shareholding during the year	
			No. of Shares	% of total shares of the company				No. of Shares	% of total shares of the Company
1	Opening Balance	KOTAK INDIA EQ CONTRA FUND	29682016	1.98	30/03/2019			29682016	1.98
	Sale				05/04/2019	-15000	Transfer	29667016	1.98
	Purchase				12/04/2019	285192	Transfer	29952208	2.00
	Sale				12/04/2019	-25000	Transfer	29927208	2.00
	Purchase				19/04/2019	116808	Transfer	30044016	2.00
	Purchase				26/04/2019	873000	Transfer	30917016	2.06
	Sale				26/04/2019	-1874	Transfer	30915142	2.06
	Purchase				03/05/2019	33000	Transfer	30948142	2.06
	Sale				10/05/2019	-306000	Transfer	30642142	2.04
	Sale				17/05/2019	-6000	Transfer	30636142	2.04
	Purchase				24/05/2019	829074	Transfer	31465216	2.10
	Purchase				31/05/2019	285000	Transfer	31750216	2.12
	Purchase				07/06/2019	363000	Transfer	32113216	2.14
	Sale				07/06/2019	-4022	Transfer	32109194	2.14
	Purchase				14/06/2019	315000	Transfer	32424194	2.16
	Sale				14/06/2019	-136060	Transfer	32288134	2.15
	Sale				28/06/2019	-357000	Transfer	31931134	2.13
	Purchase				05/07/2019	340000	Transfer	32271134	2.15
	Sale				05/07/2019	-291000	Transfer	31980134	2.13
	Purchase				12/07/2019	264000	Transfer	32244134	2.15
	Sale				12/07/2019	-160060	Transfer	32084074	2.14
	Purchase				19/07/2019	507000	Transfer	32591074	2.17
	Sale				19/07/2019	-50000	Transfer	32541074	2.17

PETRONET LNG LIMITED

S. No.	Type	Name of the Share Holder	Shareholding at the beginning of the year		Date	Increase/ Decrease in share holding	Reason	Cumulative Shareholding during the year	
			No. of Shares	% of total shares of the company				No. of Shares	% of total shares of the Company
	Purchase				26/07/2019	9000	Transfer	32550074	2.17
	Purchase				02/08/2019	405000	Transfer	32955074	2.20
	Purchase				09/08/2019	591000	Transfer	33546074	2.24
	Purchase				16/08/2019	2926	Transfer	33549000	2.24
	Purchase				23/08/2019	102000	Transfer	33651000	2.24
	Sale				23/08/2019	-225000	Transfer	33426000	2.23
	Purchase				30/08/2019	291000	Transfer	33717000	2.25
	Sale				30/08/2019	-525000	Transfer	33192000	2.21
	Sale				06/09/2019	-120000	Transfer	33072000	2.20
	Purchase				13/09/2019	45000	Transfer	33117000	2.21
	Purchase				20/09/2019	63000	Transfer	33180000	2.21
	Purchase				27/09/2019	2159000	Transfer	35339000	2.36
	Purchase				30/09/2019	216000	Transfer	35555000	2.37
	Purchase				04/10/2019	96000	Transfer	35651000	2.38
	Purchase				11/10/2019	51000	Transfer	35702000	2.38
	Purchase				18/10/2019	1605000	Transfer	37307000	2.49
	Sale				25/10/2019	-124000	Transfer	37183000	2.48
	Purchase				01/11/2019	500000	Transfer	37683000	2.51
	Sale				01/11/2019	-910000	Transfer	36773000	2.45
	Sale				08/11/2019	-160000	Transfer	36613000	2.44
	Purchase				15/11/2019	3000	Transfer	36616000	2.44
	Purchase				22/11/2019	947000	Transfer	37563000	2.50
	Purchase				29/11/2019	239059	Transfer	37802059	2.52
	Sale				29/11/2019	-307000	Transfer	37495059	2.50
	Purchase				06/12/2019	36000	Transfer	37531059	2.50
	Sale				06/12/2019	-310000	Transfer	37221059	2.48
	Purchase				13/12/2019	32333	Transfer	37253392	2.48
	Sale				13/12/2019	-528000	Transfer	36725392	2.45
	Purchase				20/12/2019	473608	Transfer	37199000	2.48
	Sale				20/12/2019	-453000	Transfer	36746000	2.45
	Purchase				27/12/2019	339000	Transfer	37085000	2.47
	Purchase				31/12/2019	21000	Transfer	37106000	2.47
	Sale				10/01/2020	-3000	Transfer	37103000	2.47
	Purchase				17/01/2020	123000	Transfer	37226000	2.48
	Purchase				24/01/2020	9000	Transfer	37235000	2.48
	Purchase				31/01/2020	132000	Transfer	37367000	2.49
	Sale				07/02/2020	-36000	Transfer	37331000	2.49
	Purchase				14/02/2020	540000	Transfer	37871000	2.52
	Purchase				21/02/2020	267000	Transfer	38138000	2.54
	Sale				28/02/2020	-3441000	Transfer	34697000	2.31
	Purchase				06/03/2020	542000	Transfer	35239000	2.35
	Purchase				13/03/2020	2915000	Transfer	38154000	2.54
	Sale				20/03/2020	-33000	Transfer	38121000	2.54
	Purchase				27/03/2020	194530	Transfer	38315530	2.55
	Sale				27/03/2020	-456000	Transfer	37859530	2.52
	Closing Balance				31/03/2020			37859530	2.52

S. No.	Type	Name of the Share Holder	Shareholding at the beginning of the year		Date	Increase/ Decrease in share holding	Reason	Cumulative Shareholding during the year	
			No. of Shares	% of total shares of the company				No. of Shares	% of total shares of the Company
2	Opening Balance	FRANKLIN TEMPLETON MUTUAL FUND A/C FRANKLIN INDIA	27749582	1.85	30/03/2019			27749582	1.85
	Purchase				31/05/2019	1170477	Transfer	28920059	1.93
	Purchase				07/06/2019	29523	Transfer	28949582	1.93
	Purchase				14/06/2019	300000	Transfer	29249582	1.95
	Sale				05/07/2019	-526435	Transfer	28723147	1.91
	Sale				12/07/2019	-470650	Transfer	28252497	1.88
	Purchase				19/07/2019	400000	Transfer	28652497	1.91
	Purchase				26/07/2019	1800000	Transfer	30452497	2.03
	Purchase				23/08/2019	500000	Transfer	30952497	2.06
	Purchase				30/08/2019	1000000	Transfer	31952497	2.13
	Purchase				27/09/2019	639939	Transfer	32592436	2.17
	Sale				27/09/2019	-3700000	Transfer	28892436	1.93
	Sale				04/10/2019	-280605	Transfer	28611831	1.91
	Purchase				11/10/2019	100000	Transfer	28711831	1.91
	Sale				11/10/2019	-78852	Transfer	28632979	1.91
	Purchase				18/10/2019	1000000	Transfer	29632979	1.98
	Sale				18/10/2019	-140543	Transfer	29492436	1.97
	Sale				25/10/2019	-500000	Transfer	28992436	1.93
	Sale				01/11/2019	-71936	Transfer	28920500	1.93
	Purchase				13/12/2019	19342819	Transfer	48263319	3.22
	Sale				13/12/2019	26106736	Transfer	22156583	1.48
	Purchase				20/12/2019	4113764	Transfer	26270347	1.75
	Sale				20/12/2019	-2813764	Transfer	23456583	1.56
	Purchase				27/12/2019	1008877	Transfer	24465460	1.63
	Sale				17/01/2020	-2054440	Transfer	22411020	1.49
	Sale				24/01/2020	-1024251	Transfer	21386769	1.43
	Sale				31/01/2020	-444333	Transfer	20942436	1.40
	Sale				07/02/2020	-175556	Transfer	20766880	1.38
	Sale				14/02/2020	-224444	Transfer	20542436	1.37
	Sale				21/02/2020	-200000	Transfer	20342436	1.36
	Purchase				13/03/2020	700000	Transfer	21042436	1.40
	Sale				13/03/2020	-500000	Transfer	20542436	1.37
	Purchase				27/03/2020	867326	Transfer	21409762	1.43
	Sale				31/03/2020	-18077	Transfer	21391685	1.43
	Closing Balance				31/03/2020			21391685	1.43
3	Opening Balance	ADITYA BIRLA SUN LIFE TRUSTEE PRIVATE LIMITED A/C	21356082	1.42	30/03/2019			21356082	1.42
	Sale				05/04/2019	-3970	Transfer	21352112	1.42
	Purchase				12/04/2019	1204	Transfer	21353316	1.42
	Sale				12/04/2019	-3400	Transfer	21349916	1.42
	Purchase				19/04/2019	200000	Transfer	21549916	1.44
	Sale				26/04/2019	-141903	Transfer	21408013	1.43
	Purchase				24/05/2019	299	Transfer	21408312	1.43

S. No.	Type	Name of the Share Holder	Shareholding at the beginning of the year		Date	Increase/ Decrease in share holding	Reason	Cumulative Shareholding during the year	
			No. of Shares	% of total shares of the company				No. of Shares	% of total shares of the Company
	Sale				24/05/2019	-1020000	Transfer	20388312	1.36
	Sale				07/06/2019	-45979	Transfer	20342333	1.36
	Sale				21/06/2019	-18000	Transfer	20324333	1.35
	Purchase				19/07/2019	1261	Transfer	20325594	1.36
	Sale				19/07/2019	-14200	Transfer	20311394	1.35
	Purchase				26/07/2019	1100291	Transfer	21411685	1.43
	Sale				26/07/2019	-20000	Transfer	21391685	1.43
	Purchase				09/08/2019	580	Transfer	21392265	1.43
	Sale				30/08/2019	-100000	Transfer	21292265	1.42
	Sale				13/09/2019	-284348	Transfer	21007917	1.40
	Purchase				20/09/2019	84289	Transfer	21092206	1.41
	Sale				20/09/2019	-984000	Transfer	20108206	1.34
	Purchase				27/09/2019	43365	Transfer	20151571	1.34
	Sale				27/09/2019	-2168000	Transfer	17983571	1.20
	Sale				04/10/2019	-513400	Transfer	17470171	1.16
	Sale				11/10/2019	-879	Transfer	17469292	1.16
	Sale				25/10/2019	-160000	Transfer	17309292	1.15
	Sale				01/11/2019	-1904082	Transfer	15405210	1.03
	Sale				08/11/2019	-1864494	Transfer	13540716	0.90
	Sale				15/11/2019	-1637000	Transfer	11903716	0.79
	Sale				22/11/2019	-1831620	Transfer	10072096	0.67
	Sale				29/11/2019	-1183034	Transfer	8889062	0.59
	Sale				06/12/2019	-127120	Transfer	8761942	0.58
	Sale				13/12/2019	-993000	Transfer	7768942	0.52
	Sale				20/12/2019	-403000	Transfer	7365942	0.49
	Sale				27/12/2019	-900000	Transfer	6465942	0.43
	Sale				31/12/2019	-258000	Transfer	6207942	0.41
	Sale				03/01/2020	-57416	Transfer	6150526	0.41
	Sale				10/01/2020	-122930	Transfer	6027596	0.40
	Purchase				17/01/2020	277	Transfer	6027873	0.40
	Sale				24/01/2020	-1251	Transfer	6026622	0.40
	Purchase				07/02/2020	39819	Transfer	6066441	0.40
	Sale				14/02/2020	-388747	Transfer	5677694	0.38
	Sale				21/02/2020	-720579	Transfer	4957115	0.33
	Sale				28/02/2020	-1743643	Transfer	3213472	0.21
	Purchase				06/03/2020	45000	Transfer	3258472	0.22
	Sale				06/03/2020	-694715	Transfer	2563757	0.17
	Purchase				13/03/2020	222000	Transfer	2785757	0.19
	Sale				13/03/2020	-1071006	Transfer	1714751	0.11
	Sale				20/03/2020	-440132	Transfer	1274619	0.08
	Purchase				31/03/2020	1479	Transfer	1276098	0.09
	Closing Balance				31/03/2020			1276098	0.09
4	Opening Balance	MOTILAL OSWAL MULTICAP 35 FU ND	17533585	1.17	30/03/2019			17533585	1.17
	Sale				26/04/2019	-2431322	Transfer	15102263	1.01
	Purchase				13/09/2019	2426	Transfer	15104689	1.01

S. No.	Type	Name of the Share Holder	Shareholding at the beginning of the year		Date	Increase/ Decrease in share holding	Reason	Cumulative Shareholding during the year	
			No. of Shares	% of total shares of the company				No. of Shares	% of total shares of the Company
	Sale				20/09/2019	-10	Transfer	15104679	1.01
	Sale				27/09/2019	-64	Transfer	15104615	1.01
	Purchase				30/09/2019	14	Transfer	15104629	1.01
	Sale				04/10/2019	-21	Transfer	15104608	1.01
	Purchase				11/10/2019	33	Transfer	15104641	1.01
	Sale				18/10/2019	-51	Transfer	15104590	1.01
	Purchase				01/11/2019	19	Transfer	15104609	1.01
	Purchase				08/11/2019	16	Transfer	15104625	1.01
	Purchase				15/11/2019	24	Transfer	15104649	1.01
	Purchase				22/11/2019	70	Transfer	15104719	1.01
	Purchase				29/11/2019	25	Transfer	15104744	1.01
	Purchase				06/12/2019	25	Transfer	15104769	1.01
	Purchase				20/12/2019	18	Transfer	15104787	1.01
	Purchase				27/12/2019	22382	Transfer	15127169	1.01
	Sale				27/12/2019	-8	Transfer	15127161	1.01
	Purchase				31/12/2019	181	Transfer	15127342	1.01
	Purchase				03/01/2020	15	Transfer	15127357	1.01
	Purchase				10/01/2020	102	Transfer	15127459	1.01
	Purchase				17/01/2020	263	Transfer	15127722	1.01
	Purchase				24/01/2020	484	Transfer	15128206	1.01
	Purchase				31/01/2020	151	Transfer	15128357	1.01
	Purchase				07/02/2020	384	Transfer	15128741	1.01
	Purchase				14/02/2020	76	Transfer	15128817	1.01
	Purchase				28/02/2020	74	Transfer	15128891	1.01
	Purchase				06/03/2020	582	Transfer	15129473	1.01
	Purchase				13/03/2020	727	Transfer	15130200	1.01
	Sale				13/03/2020	-1102263	Transfer	14027937	0.94
	Purchase				20/03/2020	621	Transfer	14028558	0.94
	Purchase				27/03/2020	2162	Transfer	14030720	0.94
	Purchase				31/03/2020	1019	Transfer	14031739	0.94
	Closing Balance				31/03/2020			14031739	0.94
5	Opening Balance	GOVERNMENT OF SINGAPORE	16125956	1.08	30/03/2019			16125956	1.08
	Purchase				05/04/2019	105460	Transfer	16231416	1.08
	Purchase				12/04/2019	46380	Transfer	16277796	1.09
	Sale				03/05/2019	-41606	Transfer	16236190	1.08
	Purchase				10/05/2019	186789	Transfer	16422979	1.09
	Sale				10/05/2019	-90688	Transfer	16332291	1.09
	Sale				17/05/2019	-8377	Transfer	16323914	1.09
	Purchase				24/05/2019	90579	Transfer	16414493	1.09
	Sale				31/05/2019	-146363	Transfer	16268130	1.08
	Purchase				07/06/2019	828175	Transfer	17096305	1.14
	Purchase				14/06/2019	41237	Transfer	17137542	1.14
	Sale				14/06/2019	-5797	Transfer	17131745	1.14
	Purchase				21/06/2019	205175	Transfer	17336920	1.16
	Sale				28/06/2019	-16554	Transfer	17320366	1.15
	Purchase				05/07/2019	32113	Transfer	17352479	1.16

S. No.	Type	Name of the Share Holder	Shareholding at the beginning of the year		Date	Increase/ Decrease in share holding	Reason	Cumulative Shareholding during the year	
			No. of Shares	% of total shares of the company				No. of Shares	% of total shares of the Company
	Sale				05/07/2019	-18493	Transfer	17333986	1.16
	Sale				12/07/2019	-1319948	Transfer	16014038	1.07
	Sale				19/07/2019	-448027	Transfer	15566011	1.04
	Sale				26/07/2019	-299160	Transfer	15266851	1.02
	Sale				02/08/2019	-60345	Transfer	15206506	1.01
	Sale				09/08/2019	-72028	Transfer	15134478	1.01
	Sale				16/08/2019	-26731	Transfer	15107747	1.01
	Sale				23/08/2019	-47022	Transfer	15060725	1.00
	Sale				30/08/2019	-212720	Transfer	14848005	0.99
	Sale				06/09/2019	-5564	Transfer	14842441	0.99
	Purchase				13/09/2019	41396	Transfer	14883837	0.99
	Purchase				20/09/2019	18784	Transfer	14902621	0.99
	Sale				27/09/2019	-305095	Transfer	14597526	0.97
	Sale				30/09/2019	-5053	Transfer	14592473	0.97
	Purchase				04/10/2019	82573	Transfer	14675046	0.98
	Sale				04/10/2019	-99986	Transfer	14575060	0.97
	Purchase				11/10/2019	32968	Transfer	14608028	0.97
	Sale				11/10/2019	-867195	Transfer	13740833	0.92
	Purchase				18/10/2019	19456	Transfer	13760289	0.92
	Sale				18/10/2019	-557942	Transfer	13202347	0.88
	Sale				25/10/2019	-65570	Transfer	13136777	0.88
	Sale				01/11/2019	-16928	Transfer	13119849	0.87
	Purchase				08/11/2019	7654	Transfer	13127503	0.88
	Purchase				15/11/2019	21278	Transfer	13148781	0.88
	Sale				22/11/2019	-2142	Transfer	13146639	0.88
	Purchase				29/11/2019	74937	Transfer	13221576	0.88
	Sale				06/12/2019	-313244	Transfer	12908332	0.86
	Sale				13/12/2019	-2748	Transfer	12905584	0.86
	Purchase				20/12/2019	59373	Transfer	12964957	0.86
	Sale				31/12/2019	-124018	Transfer	12840939	0.86
	Purchase				10/01/2020	12061	Transfer	12853000	0.86
	Sale				10/01/2020	-49263	Transfer	12803737	0.85
	Sale				17/01/2020	-63096	Transfer	12740641	0.85
	Sale				24/01/2020	-50058	Transfer	12690583	0.85
	Sale				31/01/2020	-17090	Transfer	12673493	0.84
	Sale				07/02/2020	-308475	Transfer	12365018	0.82
	Purchase				14/02/2020	20866	Transfer	12385884	0.83
	Sale				21/02/2020	-5102	Transfer	12380782	0.83
	Sale				28/02/2020	-6161	Transfer	12374621	0.82
	Sale				06/03/2020	-39899	Transfer	12334722	0.82
	Sale				13/03/2020	-13094	Transfer	12321628	0.82
	Sale				20/03/2020	-32015	Transfer	12289613	0.82
	Purchase				27/03/2020	1803853	Transfer	14093466	0.94
	Sale				27/03/2020	-5032	Transfer	14088434	0.94
	Purchase				31/03/2020	284230	Transfer	14372664	0.96
	Closing Balance				31/03/2020			14372664	0.96

S. No.	Type	Name of the Share Holder	Shareholding at the beginning of the year		Date	Increase/ Decrease in share holding	Reason	Cumulative Shareholding during the year	
			No. of Shares	% of total shares of the company				No. of Shares	% of total shares of the Company
6	Opening Balance	FIDELITY INVESTMENT TRUST - FIDELITY EMERGINGMARKE	0	0.00	30/03/2019			0	0.00
	Purchase				28/06/2019	1812573	Transfer	1812573	0.12
	Purchase				05/07/2019	4868747	Transfer	6681320	0.45
	Purchase				12/07/2019	5045480	Transfer	11726800	0.78
	Purchase				23/08/2019	658070	Transfer	12384870	0.83
	Purchase				30/08/2019	1156286	Transfer	13541156	0.90
	Purchase				06/09/2019	494634	Transfer	14035790	0.94
	Purchase				13/09/2019	1058110	Transfer	15093900	1.01
	Sale				18/10/2019	-1005352	Transfer	14088548	0.94
	Sale				25/10/2019	-1109749	Transfer	12978799	0.87
	Sale				01/11/2019	-89599	Transfer	12889200	0.86
	Purchase				17/01/2020	2802800	Transfer	15692000	1.05
	Closing Balance				31/03/2020			15692000	1.05
7	Opening Balance	T. ROWE PRICE INTERNATIONAL GROWTH AND INCOMEFUND	15592431	1.04	30/03/2019			15592431	1.04
	Sale				05/04/2019	-430271	Transfer	15162160	1.01
	Sale				12/04/2019	-228637	Transfer	14933523	1.00
	Sale				19/04/2019	-146159	Transfer	14787364	0.99
	Sale				05/07/2019	-2890328	Transfer	11897036	0.79
	Sale				06/09/2019	-1369617	Transfer	10527419	0.70
	Sale				13/09/2019	-1296520	Transfer	9230899	0.62
	Purchase				17/01/2020	100927	Transfer	9331826	0.62
	Purchase				24/01/2020	51782	Transfer	9383608	0.63
	Purchase				31/01/2020	52410	Transfer	9436018	0.63
	Closing Balance				31/03/2020			9436018	0.63
8	Opening Balance	GOVERNMENT PENSION FUND GLOBAL	15225922	1.02	30/03/2019			15225922	1.02
	Purchase				17/05/2019	1214399	Transfer	16440321	1.10
	Purchase				24/05/2019	827659	Transfer	17267980	1.15
	Purchase				13/09/2019	52324	Transfer	17320304	1.15
	Purchase				20/09/2019	488215	Transfer	17808519	1.19
	Sale				27/09/2019	-940000	Transfer	16868519	1.12
	Sale				04/10/2019	-178330	Transfer	16690189	1.11
	Sale				11/10/2019	-170061	Transfer	16520128	1.10
	Sale				18/10/2019	-364646	Transfer	16155482	1.08
	Sale				25/10/2019	-939166	Transfer	15216316	1.01
	Sale				15/11/2019	-485871	Transfer	14730445	0.98
	Closing Balance				31/03/2020			14730445	0.98
9	Opening Balance	UTI - CORE EQUITY FUND	10301609	0.69	30/03/2019			10301609	0.69
	Purchase				05/04/2019	13032	Transfer	10314641	0.69
	Sale				05/04/2019	-522	Transfer	10314119	0.69

S. No.	Type	Name of the Share Holder	Shareholding at the beginning of the year		Date	Increase/ Decrease in share holding	Reason	Cumulative Shareholding during the year	
			No. of Shares	% of total shares of the company				No. of Shares	% of total shares of the Company
	Purchase				12/04/2019	14624	Transfer	10328743	0.69
	Sale				12/04/2019	-65	Transfer	10328678	0.69
	Purchase				19/04/2019	4851	Transfer	10333529	0.69
	Sale				19/04/2019	-47	Transfer	10333482	0.69
	Purchase				26/04/2019	13130	Transfer	10346612	0.69
	Sale				26/04/2019	-90051	Transfer	10256561	0.68
	Purchase				03/05/2019	7900	Transfer	10264461	0.68
	Sale				03/05/2019	-3666	Transfer	10260795	0.68
	Purchase				10/05/2019	19273	Transfer	10280068	0.69
	Sale				10/05/2019	-43000	Transfer	10237068	0.68
	Purchase				17/05/2019	32861	Transfer	10269929	0.68
	Sale				17/05/2019	-50000	Transfer	10219929	0.68
	Purchase				24/05/2019	511293	Transfer	10731222	0.72
	Sale				24/05/2019	-95000	Transfer	10636222	0.71
	Purchase				31/05/2019	12120	Transfer	10648342	0.71
	Sale				31/05/2019	-50056	Transfer	10598286	0.71
	Purchase				07/06/2019	13373	Transfer	10611659	0.71
	Sale				07/06/2019	-135000	Transfer	10476659	0.70
	Purchase				14/06/2019	320051	Transfer	10796710	0.72
	Purchase				21/06/2019	24163	Transfer	10820873	0.72
	Purchase				28/06/2019	26392	Transfer	10847265	0.72
	Sale				28/06/2019	-6274	Transfer	10840991	0.72
	Purchase				05/07/2019	23903	Transfer	10864894	0.72
	Sale				05/07/2019	-891	Transfer	10864003	0.72
	Purchase				12/07/2019	29858	Transfer	10893861	0.73
	Purchase				19/07/2019	416610	Transfer	11310471	0.75
	Purchase				26/07/2019	34850	Transfer	11345321	0.76
	Purchase				02/08/2019	98329	Transfer	11443650	0.76
	Purchase				09/08/2019	32386	Transfer	11476036	0.77
	Purchase				16/08/2019	6424	Transfer	11482460	0.77
	Purchase				23/08/2019	30353	Transfer	11512813	0.77
	Sale				23/08/2019	-180000	Transfer	11332813	0.76
	Purchase				30/08/2019	24010	Transfer	11356823	0.76
	Purchase				06/09/2019	8799	Transfer	11365622	0.76
	Sale				06/09/2019	-123000	Transfer	11242622	0.75
	Purchase				13/09/2019	11457	Transfer	11254079	0.75
	Purchase				20/09/2019	13195	Transfer	11267274	0.75
	Purchase				27/09/2019	312971	Transfer	11580245	0.77
	Sale				27/09/2019	-14954	Transfer	11565291	0.77
	Purchase				30/09/2019	254125	Transfer	11819416	0.79
	Purchase				04/10/2019	18639	Transfer	11838055	0.79
	Sale				04/10/2019	-128406	Transfer	11709649	0.78
	Purchase				11/10/2019	20517	Transfer	11730166	0.78
	Purchase				18/10/2019	564066	Transfer	12294232	0.82
	Purchase				25/10/2019	219176	Transfer	12513408	0.83
	Purchase				01/11/2019	333029	Transfer	12846437	0.86
	Purchase				08/11/2019	125104	Transfer	12971541	0.86
	Sale				08/11/2019	-584	Transfer	12970957	0.86

S. No.	Type	Name of the Share Holder	Shareholding at the beginning of the year		Date	Increase/ Decrease in share holding	Reason	Cumulative Shareholding during the year	
			No. of Shares	% of total shares of the company				No. of Shares	% of total shares of the Company
	Sale				15/11/2019	-13751	Transfer	12957206	0.86
	Purchase				22/11/2019	4000	Transfer	12961206	0.86
	Sale				22/11/2019	-22000	Transfer	12939206	0.86
	Purchase				29/11/2019	259	Transfer	12939465	0.86
	Sale				29/11/2019	-36285	Transfer	12903180	0.86
	Purchase				06/12/2019	4720	Transfer	12907900	0.86
	Sale				06/12/2019	-48000	Transfer	12859900	0.86
	Purchase				13/12/2019	5421	Transfer	12865321	0.86
	Purchase				20/12/2019	170702	Transfer	13036023	0.87
	Sale				20/12/2019	-3285	Transfer	13032738	0.87
	Purchase				27/12/2019	129000	Transfer	13161738	0.88
	Sale				27/12/2019	-21489	Transfer	13140249	0.88
	Sale				31/12/2019	-1330	Transfer	13138919	0.88
	Purchase				03/01/2020	1674	Transfer	13140593	0.88
	Purchase				10/01/2020	5365	Transfer	13145958	0.88
	Sale				10/01/2020	-90000	Transfer	13055958	0.87
	Purchase				17/01/2020	1953	Transfer	13057911	0.87
	Sale				17/01/2020	-36	Transfer	13057875	0.87
	Purchase				24/01/2020	3348	Transfer	13061223	0.87
	Sale				31/01/2020	-277842	Transfer	12783381	0.85
	Purchase				07/02/2020	108323	Transfer	12891704	0.86
	Purchase				14/02/2020	236693	Transfer	13128397	0.88
	Purchase				21/02/2020	1953	Transfer	13130350	0.88
	Purchase				28/02/2020	6174	Transfer	13136524	0.88
	Purchase				06/03/2020	12065	Transfer	13148589	0.88
	Sale				06/03/2020	-2490	Transfer	13146099	0.88
	Purchase				13/03/2020	19830	Transfer	13165929	0.88
	Purchase				20/03/2020	212473	Transfer	13378402	0.89
	Sale				20/03/2020	-232	Transfer	13378170	0.89
	Purchase				27/03/2020	365167	Transfer	13743337	0.92
	Purchase				31/03/2020	2459	Transfer	13745796	0.92
	Closing Balance				31/03/2020			13745796	0.92
10	Opening Balance	STICHTING DEPOSITARY APG EMERGING MARKETS EQUITY P	12936132	0.86	30/03/2019			12936132	0.86
	Purchase				05/04/2019	20771	Transfer	12956903	0.86
	Purchase				26/04/2019	357846	Transfer	13314749	0.89
	Purchase				03/05/2019	24798	Transfer	13339547	0.89
	Purchase				10/05/2019	106242	Transfer	13445789	0.90
	Purchase				17/05/2019	147635	Transfer	13593424	0.91
	Purchase				24/05/2019	496520	Transfer	14089944	0.94
	Purchase				31/05/2019	358095	Transfer	14448039	0.96
	Purchase				07/06/2019	207683	Transfer	14655722	0.98
	Purchase				21/06/2019	278149	Transfer	14933871	1.00
	Purchase				28/06/2019	45690	Transfer	14979561	1.00
	Sale				12/07/2019	-3870244	Transfer	11109317	0.74

S. No.	Type	Name of the Share Holder	Shareholding at the beginning of the year		Date	Increase/ Decrease in share holding	Reason	Cumulative Shareholding during the year	
			No. of Shares	% of total shares of the company				No. of Shares	% of total shares of the Company
	Sale				19/07/2019	-720845	Transfer	10388472	0.69
	Sale				26/07/2019	-828466	Transfer	9560006	0.64
	Sale				02/08/2019	-61705	Transfer	9498301	0.63
	Purchase				09/08/2019	302160	Transfer	9800461	0.65
	Purchase				16/08/2019	209198	Transfer	10009659	0.67
	Purchase				23/08/2019	682466	Transfer	10692125	0.71
	Purchase				30/08/2019	338452	Transfer	11030577	0.74
	Purchase				06/09/2019	290928	Transfer	11321505	0.75
	Purchase				13/09/2019	437317	Transfer	11758822	0.78
	Purchase				20/09/2019	1948	Transfer	11760770	0.78
	Purchase				27/09/2019	553926	Transfer	12314696	0.82
	Purchase				30/09/2019	131420	Transfer	12446116	0.83
	Purchase				04/10/2019	7944	Transfer	12454060	0.83
	Sale				11/10/2019	-1935501	Transfer	10518559	0.70
	Sale				18/10/2019	-1486699	Transfer	9031860	0.60
	Purchase				25/10/2019	518976	Transfer	9550836	0.64
	Purchase				01/11/2019	299836	Transfer	9850672	0.66
	Purchase				08/11/2019	134533	Transfer	9985205	0.67
	Purchase				15/11/2019	28597	Transfer	10013802	0.67
	Purchase				22/11/2019	183162	Transfer	10196964	0.68
	Purchase				29/11/2019	320021	Transfer	10516985	0.70
	Purchase				06/12/2019	33899	Transfer	10550884	0.70
	Purchase				13/12/2019	214698	Transfer	10765582	0.72
	Purchase				20/12/2019	351942	Transfer	11117524	0.74
	Purchase				27/12/2019	216898	Transfer	11334422	0.76
	Sale				31/12/2019	-53440	Transfer	11280982	0.75
	Purchase				10/01/2020	89006	Transfer	11369988	0.76
	Sale				17/01/2020	-263639	Transfer	11106349	0.74
	Sale				07/02/2020	-222156	Transfer	10884193	0.73
	Sale				21/02/2020	-105685	Transfer	10778508	0.72
	Purchase				28/02/2020	91653	Transfer	10870161	0.72
	Sale				06/03/2020	-487380	Transfer	10382781	0.69
	Sale				13/03/2020	-189801	Transfer	10192980	0.68
	Sale				27/03/2020	-20074	Transfer	10172906	0.68
	Closing Balance				31/03/2020			10172906	0.68
11	Opening Balance	SMALLCAP WORLD FUND, INC	12920000	0.86	30/03/2019			12920000	0.86
	Closing Balance				31/03/2020			12920000	0.86
12	Opening Balance	AB SICAV I - INDIA GROWTH PORTFOLIO	10622108	0.71	30/03/2019			10622108	0.71
	Purchase				05/04/2019	796049	Transfer	11418157	0.76
	Purchase				26/04/2019	587870	Transfer	12006027	0.80
	Sale				24/05/2019	-233933	Transfer	11772094	0.78
	Sale				28/06/2019	-1982527	Transfer	9789567	0.65
	Sale				19/07/2019	-315310	Transfer	9474257	0.63
	Purchase				26/07/2019	59390	Transfer	9533647	0.64

S. No.	Type	Name of the Share Holder	Shareholding at the beginning of the year		Date	Increase/ Decrease in share holding	Reason	Cumulative Shareholding during the year	
			No. of Shares	% of total shares of the company				No. of Shares	% of total shares of the Company
	Purchase				02/08/2019	534500	Transfer	10068147	0.67
	Sale				09/08/2019	-207170	Transfer	9860977	0.66
	Sale				30/08/2019	-210620	Transfer	9650357	0.64
	Sale				13/09/2019	-197100	Transfer	9453257	0.63
	Sale				27/09/2019	-303730	Transfer	9149527	0.61
	Purchase				18/10/2019	222270	Transfer	9371797	0.62
	Sale				25/10/2019	-7148	Transfer	9364649	0.62
	Purchase				08/11/2019	377660	Transfer	9742309	0.65
	Sale				08/11/2019	-14913	Transfer	9727396	0.65
	Purchase				22/11/2019	318291	Transfer	10045687	0.67
	Sale				22/11/2019	-392260	Transfer	9653427	0.64
	Sale				27/12/2019	-24955	Transfer	9628472	0.64
	Sale				10/01/2020	-12195	Transfer	9616277	0.64
	Sale				07/02/2020	-201671	Transfer	9414606	0.63
	Sale				28/02/2020	-13858	Transfer	9400748	0.63
	Sale				13/03/2020	-33239	Transfer	9367509	0.62
	Sale				20/03/2020	-64422	Transfer	9303087	0.62
	Sale				27/03/2020	-15657	Transfer	9287430	0.62
	Closing Balance				31/03/2020			9287430	0.62
13	Opening Balance	FIDELITY INVESTMENT TRUST FIDELITY SERIES EMERGING	8599880	0.57	30/03/2019			8599880	0.57
	Purchase				05/07/2019	331300	Transfer	8931180	0.60
	Purchase				13/09/2019	51700	Transfer	8982880	0.60
	Purchase				27/09/2019	138900	Transfer	9121780	0.61
	Purchase				08/11/2019	664700	Transfer	9786480	0.65
	Purchase				29/11/2019	211500	Transfer	9997980	0.67
	Purchase				20/12/2019	141100	Transfer	10139080	0.68
	Purchase				14/02/2020	175600	Transfer	10314680	0.69
	Purchase				31/03/2020	170400	Transfer	10485080	0.70
	Closing Balance				31/03/2020			10485080	0.70

(v) Shareholding of Directors and Key Managerial Personnel:

S. No.	Name of the Directors and Key Managerial Personnel	Shareholding at the beginning of the year (April 1, 2019)		Shareholding at the end of the year (March 31, 2020)	
		No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
1	Shri D. Rajkumar	800	0.00005	800	0.00005
2	Shri Sanjiv Singh	4000	0.0002	4000	0.0002
3	Shri Shashi Shanker	800	0.00005	800	0.00005

V INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment

(All figures in INR Lakhs)

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	13,340.00	60,000.00		73,340.00
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	10.31	2,320.77		2,331.08
Total (i+ii+iii)	**13,350.31**	**62,320.77**	**-**	**75,671.08**
Change in Indebtedness during the financial year				
i) Addition	-	-	-	-
ii) Reduction	3,230.31	62,320.77	-	65,551.08
Net Change	**(3,230.31)**	**(62,320.77)**	**-**	**(65,551.08)**
Indebtedness at the end of the financial year				
i) Principal Amount	10,120.00	-	-	10,120.00
ii) Interest due but not paid		-	-	-
iii) Interest accrued but not due	1.64	-	-	1.64
Total (i+ii+iii)	**10,121.64**	**-**	**-**	**10121.64**

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL PAID DURING THE FINANCIAL YEAR 2019-20

A. **Remuneration to Managing Director, Whole-time Directors, KMP and/or Manager:**

(Amount in Rs.)

S. No.	Particulars of Remuneration	Name of MD / WTD / KMP						Total
		Prabhat Singh, MD & CEO and KMP	V. K. Mishra, Director (Finance), CFO and KMP	Rajendra Singh, Director (Technical) (Upto 19th July, 2019)	Rajan Kapur, CGM & Vice President -Company Secretary & KMP	R K Garg#, Director (Finance), CFO and KMP (upto 19th July, 2017)	Subhash Kumar#, Director (Finance), CFO and KMP (w.e.f 5th August, 2017 to 31st January, 2018)	
1.	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	1,56,36,737	93,54,375	1,18,75,603	48,56,928	4,71,006	2,74,187	**4,24,68,836**
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	1,07,508	90,910	1,53,945	2,43,198	-	-	**5,95,561**
	c) Profits in lieu of salary u/s 17(3) of Income Tax Act 1961	-	-	-	-	-	-	**-**
2.	Stock Option	-	-	-	-	-	-	**-**
3.	Sweat Equity	-	-	-	-	-	-	**-**
4.	Commission Paid	22,50,000	21,57,534	22,50,000	-	-	-	**66,57,534**
5.	Others							
	Total	**1,79,94,245**	**1,16,02,819**	**1,42,79,548**	**51,00,126**	**4,71,006**	**2,74,187**	**4,97,21,931**
	Ceiling as per the Act*							

* The remuneration is well within the limits prescribed under the Companies Act, 2013.

\# Arrears of Salary was paid during the Financial Year 2019-20 due to pay revision.

B. Remuneration to other directors: **(Amount in Rs.)**

Particulars of Remuneration	Name of Directors					Total Amount
Independent Directors	**Jyoti Kiran Shukla**	**Sidhartha Pradhan**	**Sunil Kumar Srivastava**	**Siddhartha Shekhar Singh**	**Arun Kumar**	
• Fee for attending board / committee meetings	5,20,000	5,00,000	6,20,000	3,40,000	3,20,000	**8,80,000**
• Commission Paid	8,50,000	7,45,206	3,49,315	3,49,315	**-**	**22,93,836**
• Others, please specify	-	-	-	**-**	**-**	**-**
Total (1)	**1,370,000**	**1,245,206**	**9,69,315**	**6,89,315**	**3,20,000**	**45,93,836**
Other Non-Executive Directors						
· Fee for attending board/ committee meetings	-	-	-	-	-	-
· Commission	-	-	-	-	-	-
· Others, please specify	-	-	-	-	-	-
Total (2)	-	-	-	-	-	-
Total (B)=(1+2)	**1,370,000**	**1,245,206**	**9,69,315**	**6,89,315**	**3,20,000**	**45,93,836**
Total Managerial Remuneration	-	-	-	-	-	-
Overall Ceiling as per the Act*	-	-	-	**-**	**-**	**-**

* The remuneration is well within the limits prescribed under the Companies Act, 2013.

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES

No Penalty has been paid pursuant to the provisions of Companies Act, 2013 read with Rules.

Annual Report on Corporate Social Responsibility (CSR)

[Pursuant to clause (o) of sub-section (3) of section 134 of the Act and Rule 9 of the Companies (Corporate Social Responsibility) Rules, 2014]

1. A brief outline of the Company's CSR Policy, including overview of Projects or Programs proposed to be undertaken and a reference to the web-link to the CSR Policy and Projects or Programs.

Petronet LNG Limited (PLL), as a responsible Corporate has been undertaking Socio-Economic Development Projects/ Programs and also supplementing the efforts of the local institutions/NGOs/localGovernment/implementing agencies in the fieldof Education, Healthcare, War Widows,Community Development, Entrepreneurship etc. to meet priority needs of the marginalized and underserved communities with the aim to help them become self-reliant. These efforts are being undertaken preferably in the local area and communities inhabiting in an around the work centers/ project sites of Petronet LNG Limited.

Further, as reported last year, Petronet LNG Foundation (PLF), a Company Limited by Guarantee, that has been incorporated on 31st March 2017 by Petronet LNG Limited as Promoter ofthe company under the provisions of section 8 of the Companies Act, 2013 and the rules made thereunder.

This company is facilitating the Promoter to comply with its Corporate Social Responsibility (CSR) under the provisions of Section 135 of the Companies Act, 2013 and rules made thereunder.

CSR Project or Programs undertaken are as per the list of activities specified in Schedule VII of the Companies Act 2013, and amendments thereof. The website of the Company is www.petronetlng.com & www.petronetlngfoundation.org.Further, the CSR Policy of the Company is available on the website of the Company at https://www.petronetlng.com/PDF/CSR_Policy_27042015.pdf.

2. The Composition of the CSR Committee as on 31st March,2020:

   i. Dr. Siddhartha Shekhar Singh, Independent Director, Chairman
   ii. Shri Prabhat Singh, MD & CEO, Member
   iii. Shri Vinod Kumar Mishra, Director (Finance), Member
   iv. Dr. Jyoti Kiran Shukla, Independent Director, Member
   v. Dr. Ashutosh Karnatak, Nominee Director (GAIL), Member*

   *Shri Manoj Jain, Nominee Director-GAIL has been inducted as a member of CSR Committee w.e.f. 28th May, 2020 in place of Dr. Ashutosh Karnatak, who ceased to be Director of the Company w.e.f. 6th May, 2020.

3. Average net profit of the Company for last three Financial Years : **Rs.2849.00 Crore**

4. Prescribed CSR Expenditure (two per cent of the amount as in item 3 above) : **Rs.57.00 Crore**

5. Details of CSR spent during the Financial Year : **Rs.117.96 Crore**

   (a) Total amount to be spent for the Financial Year: **Rs.57.00 Crore**
   (b) Amount unspent, if any : **Nil**
   (c) Manner in which the amount spent during the Financial Year is detailed in **Annexure – 1 to Annual Report on CSR** as attached.

Dr. Siddhartha Shekhar Singh	**Shri Prabhat Singh**
Chairman (CSR Committee)	Managing Director & CEO
DIN : 06873925	DIN : 03006541

Annexure – 1 to Annual Report on CSR

Details of CSR Expenditure incurred during the Financial Year 2019-20

Sl. No. (1)	CSR Project or activity identified (2)	Sector in which Project is covered (3)	Projects or Programs (1) Local area or other (2) specify the State and District where Projects or Programs undertaken (4)	Amount spent on the Project or Programs Rs. In Lac (5)	Amount spent : Direct or through implementing agency (6)
Petronet LNG Limited (PLL)					
1	PM Cares Fund	PM Cares Fund	PM Cares Fund, GOI	10,000.00	Direct Contribution
	Sub Total (A)			**10,000.00**	
Petronet LNG Foundation (PLF)					
1	Petronet Kashmir Super 30 with CSRL*	Education	Jammu & Kashmir	112.75	Centre for Social responsibility and leadership, Indian Army.
2	Distribution of Aid and Assertive devices to Divyangjans through Government Enterprise (ALIMCO)*	Differently Abled	Gujarat / Kerala / Delhi	104.88	Artificial Limbs Manufacturing Corporation of India (ALIMCO)
3	Coaching of Civil Services Examinations (UPSC) to economically weaker section students*	Education	New Delhi	24.91	Samkalp - An NGO
4	Skill Development Project with CIPET*	Skill Training	Murthal, Haryana & Baddi, Himachal Pradesh	41.60	Central Institute for Plastic, Engineering and technology (CIPET)
5	Mobile Medical Vans with Wockhardt Foundation*	Health Care	New Delhi,Dahej, Kochi	53.00	Wockhardt Foundation
6	Skill Training for Persons with Disabilities*	Skill Training	New Delhi,Dahej, Kochi	11.96	National Handicapped Finance & Development Corporation
7	Disaster Relief in Karnataka (Contribution to Relief Fund)	Disaster Management	Karnataka	200.00	Direct Contribution
8	Providing Sound proof speech Therapy room, Therapist, conducting Workshop for Hearing Impaired Programme	Differently abled	New Delhi	8.84	The Lepra India Trust
9	Educational Infrastructure with India Trust for Rural Heritage & Development*	Education	Uttar Pradesh	3.75	India Trust for Rural Heritage & Development
10	Awareness Programme on mental health among women slum dwellers & Screening existing/ potential mental health issues with preventive care.	Healthcare	New Delhi	4.53	Sweet Home - An NGO

Sl. No. (1)	CSR Project or activity identified (2)	Sector in which Project is covered (3)	Projects or Programs (1) Local area or other (2) specify the State and District where Projects or Programs undertaken (4)	Amount spent on the Project or Programs Rs. In Lac (5)	Amount spent : Direct or through implementing agency (6)
11	Promoting access to education among slum children of "Asha O Ashwasana" school through donation of School books, uniform, stationary, teacher's uniform and capacity building of School teachers, Cuttack	Education	Odisha	1.46	Asha O Ashwasana
12	Providing free Bicycles to Girl Students from fishermen families*	Education	Kerala	45.00	Kerala State Coastal Development Authority
13	Beach Cleaning Surf Raking in Kerala Beaches	Environment & Sustainability	Kerala	15.25	Kerala State Coastal Development Authority
14	Reviving the Khadi sector	Art & Heritage	Paravur, Kerala	1.79	Gandhi Smarak Grama Seva Kendram (GSGSK) & District Disaster Management Authority
15	Drinking water facility at Kendriya Vidyalaya, Ernakulam	Education	Ernakulam, Kerala	1.24	Direct
16	Infrastructural development of Samraksha Charitable Society for Elderly citizens	Healthcare	Vypin, Ernakulam, Kerala	1.81	Direct
17	Educational Infrastructure to Rama Varma Union LP School, Cherai	Education	Cherai, Ernakulam, Kerala	2.00	Direct
18	Infastructure development of Mamba Central LP School, Muzhappala	Education	Kannur, Kerala	1.50	Direct
19	Impact of the Project "NummaOonu"	Hunger	Kerala	0.50	Direct
20	Infrastructure development of Vidhyavinodini LP School Kuzhimbalad	Education	Kerala	1.40	Direct
21	Request for supporting the infrastructure development of Sun School, Kavalam	Education	Kerala	5.00	Direct
22	Driving School at Kashmir*	Skill Development	Kashmir	3.41	Centre for Social responsibility and leadership, Indian Army.
23	School Toilets Maintenance in Assam	Swachh Bharat	Assam	6.91	Rashtriya Madhyamik Siksha Abhiyaan
24	Tailoring skill development & women Empowerment	Skill Development & Women Empowerment	Dharward, Maharashtra	25.21	Direct

Sl. No. (1)	CSR Project or activity identified (2)	Sector in which Project is covered (3)	Projects or Programs (1) Local area or other (2) specify the State and District where Projects or Programs undertaken (4)	Amount spent on the Project or Programs Rs. In Lac (5)	Amount spent : Direct or through implementing agency (6)
25	Construction of BSF Widow Quarters*	War Widows	Gurudaspur & Amritsar, Punjab	15.72	Border Security Force (BSF)
26	Kalindi College Educational Support	Education	Delhi	3.28	Direct
27	Naipunyam - Skill Development with CIPET	Education & Skill Building	Ernakulam, Kerala	70.00	Central Institute for Plastic, Engineering and technology (CIPET)
28	Numma Oonu	Health & Hunger	Ernakulam, Kerala	45.91	District Administration, Kochi and Kerala Hotel Restaurant Association.
29	Drinking Water Facility in Local Panchayath	Health & Hunger	Ernakulam, Kerala	0.30	Direct
30	Flood Relief - Disater Management	Disaster Management	Ernakulam, Kerala	0.21	Direct
31	Flood relief - Supply of Food Ration	Disaster Management	Ernakulam, Kerala	0.45	Direct
32	Computer Lab Renovation at School	Education & Skill Building	Ernakulam, Kerala	2.80	Direct
33	Velicham Project	Education & Skill Building	Ernakulam, Kerala	10.00	District Education Department, Ernakulam
34	Support with oxygen concentrator to primary health centre	Healthcare	Kayoor, Kasargode, Kerala	0.42	Direct
35	KaushalSetu - Skill Development Programme*	Skill Development	Ahmedabad, Gujarat	38.36	Central Institute for Plastic, Engineering and technology (CIPET)
36	Construction of the Primary School at Luwara*	Education	Dahej, Gujarat	12.18	Direct
37	Flood Relief at Dahej	Disaster Management	Dahej, Gujarat	1.97	Direct
38	Special Olympics for the Disabled	Differently Abled	Dahej, Gujarat	1.19	District Special Olympics Authority
39	Construction of BSF Widow Quarters at Gandhinagar, Gujarat*	War Widows	Gandhinagar, Gujarat	322.85	Border Security Force (BSF)
40	Construction of BSF Widow Quarters at Bikaner, Rajasthan*	War Widows	Bikaner, Rajasthan	70.39	Border Security Force (BSF)
41	AIIMS Bhubaneswar Trauma Centre	Healthcare	Bhubaneshwar	300.00	AIIMS, Bhubaneshwar
42	Construction CRPF Widow Quarters, Lucknow*	War Widows	Lucknow	48.00	CRPF
43	Financial support for the Procurement & distribution of PPEs for Heath Care Workers treating COVID-19 patients	Healthcare	New Delhi, Gujarat & Kerala	153.00	AIIMS (New Delhi), Indian Medical Association (Gujarat & Kochi)
Sub Total (B)				**1775.73**	

Sl. No. (1)	CSR Project or activity identified (2)	Sector in which Project is covered (3)	Projects or Programs (1) Local area or other (2) specify the State and District where Projects or Programs undertaken (4)	Amount spent on the Project or Programs Rs. In Lac (5)	Amount spent : Direct or through implementing agency (6)
ADMINISTRATIVE EXPENSES (PLL & PLF) (C)					
44	Administration overheads such as Audit fees, Board members sitting fees, consultancy etc.	Administrative Expenses	Gujarat / Kerala / Delhi	21.20	Direct
Sub Total (C)				**21.20**	
Total (A + B + C)				**11,796.93**	
Multi-year Projects - Amount booked against them in the Financial Year 2019-20 has been shown in the above list.					

Summary

S N	Heads	Expenses INR (Cr)
1	PLL	100.00
2	PLF	17.75
3	Administrative Overheads	0.21
	Total	**117.96**

Form No. AOC-2

Form for disclosure of particulars of contracts/arrangements entered into by the Company with related parties referred to in subsection (1) of section 188 of the Companies Act, 2013 including certain arms' length transactions under third proviso thereto

1. **Details of contracts or arrangements or transactions not at arm's length basis :**

   None

2. **Details of material contracts or arrangement or transactions at arm's length basis :**

   (a) Name(s) of the related party and nature of relationship -

Name of Related Party	Nature of Relationship
Bharat Petroleum Corporation Limited	Promoter
GAIL (India) Limited	Promoter
Indian Oil Corporation Limited	Promoter
Oil and Natural Gas Corporation Limited	Promoter
Petronet LNG Foundation	Wholly Owned Subsidiary
Adani Petronet (Dahej) Port Pvt. Ltd.	Associate Company
India LNG Transport Co. (NO. 4) Pvt. Ltd.	Associate Company
ONGC Petro Additions Limited (OPAL)	Joint Ventures/ Associates in which Joint Venturer is a Venturer
Indraprastha Gas Limited (IGL)	Joint Ventures/ Associates in which Joint Venturer is a Venturer
Mahanagar Gas Limited (MGL)	Joint Ventures/ Associates in which Joint Venturer is a Venturer
Dahej SEZ Limited (DSL)	Joint Ventures/ Associates in which Joint Venturer is a Venturer
Hindustan Petroleum Corporation Limited (HPCL)	Joint Ventures/ Associates in which Joint Venturer is a Venturer
GSPL India Gasnet Limited (GIGL)	Joint Ventures/ Associates in which Joint Venturer is a Venturer

(b) Nature of contracts/arrangements/transactions

Sale of LNG/RLNG/Regasification Services, other services etc.

(c) Duration of the contracts/arrangements/transactions

Long term, Short Term and spot basis.

(d) Salient terms of the contracts or arrangements or transactions including the value, if any

Long Term Sale Contracts are materially back to back in terms of quantity, price etc. in line with the long-term LNG Purchase contracts. In addition, Petronet provides Regasification services on long term commitment basis, Spot/Short Term, sale and service, which are based on market prices and on arm's length basis.

(e) Date(s) of approval by the Board, if any:

NA

(f) Amount paid as advances, if any

NA

For & on behalf of the Board of Directors

Sd/-	Sd/-
(V. K. Mishra)	(Prabhat Singh)
Director (Finance)	MD&CEO

Place : New Delhi
Date : 29th June 2020

PARTICULARS OF EMPLOYEES PURSUANT TO SECTION 197 OF THE COMPANIES ACT, 2013 AND READ WITH RULE NO. 5 OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONEL) RULES, 2014.

S. No	Name of the Employee (S/Sh)	Remuneration Received (in Rs.)	Nature of employment whether Permanent or Contractual	Whether any such employee is a relative of any Director of the Company	Designation	Qualification & Experience of the employee	Date of commencement employment	Age of the employee (in years)	% of Equity Shares held i.e. 2% and above of paid up share capital	The last Employment held by such employee before joining such Company
1.	Prabhat Singh	1,79,94,245#	Contractual	No	MD & CEO	B. Tech (IIT, Kanpur) Exp. - 40 years	14th September, 2015	63	No	GAIL (India) Limited
2.	Rajender Singh	1,42,79,548#*	Contractual	No	Director (Technical)	B.Sc. (Engineering) -Civil Exp. 39 years	10th March, 2006	60	No	ONGC Limited
3.	Vinod Kumar Mishra	1,16,02,819#	Contractual	No	Director (Finance)	C.A., MBA (Finance)L.L.B. Exp–33 years	18th April, 2018	56	No	GAIL (India) Limited
4.	Sanjay Gupta*	1,44,53,909	Permanent	No	GGM & President (Shipping)	Master F.G. Exp.-38 years	1st December, 2006	60	No	The Shipping Corporation of India Limited
5.	T N Neelakantan*	1,16,76,364	Permanent	No	GGM &President (Plant Head), Kochi	B.E.(Chemical), M.Tech. (Chemical) Exp – 37 years	1st December, 2009	60	No	English Indian Clays Limited
6.	Samar Bahadur Singh	98,54,789	Permanent	No	GGM &President (Plant Head), Dahej	B.E. (Chemical) Exp. –31years	19th September, 2003	56	No	Indo Gulf Fertilizers Limited
7.	Manoj Kumar Pawa	89,41,837	Permanent	No	GGM & President (L&D)	B.E. (Civil), PGD in Mgmnt, PGD in Mktg Mgmnt Exp. – 32 years	28th March, 2018	54	No	GAIL (India) Limited
8.	Pushp Khetarpal	88,11,363	Permanent	No	President (BD & Projects)	B.E. (Chemical) Exp.-38 years	22nd February,2007	59	No	Kribhco Shyam Fertilizer Limited
9.	Mukesh Gupta	77,20,135	Permanent	No	CGM & Vice President (F&A)	ICWA, CS Exp.- 29 years	2nd December, 2014	50	No	ICAT (DHI, Govt of India)
10.	Hemant Varma	74,17,318	Permanent	No	CGM & Vice President (Port Operations)	Master F.G. Exp.- 32 years	1st March, 2008	58	No	J. M. Baxi & Co.
11.	Sanjay Kumar Rastogi	71,54,938	Permanent	No	CGM & Vice President (Technical)	B.E. (Chemical) Exp. - 35 Years	4th April, 2005	55	No	National Fertilizers Limited

Note – 1. #Inclusive of Commission on Profit paid for the financial year 2018-19.

2. *Inclusive of retirement benefits.

3. The above information is for the financial year ended 31st March, 2020.

DISCLOSURES PURSUANT TO SECTION 197(12) OF THE COMPANIES ACT, 2013

(i) The ratio of the remuneration of each director to the median remuneration of the employees of the company for the financial year:

S. No.	Name	Ratio
1*	Shri Prabhat Singh	10.79:1
2*	Shri Rajender Singh#	8.56:1
3*	Shri Vinod Kumar Mishra	6.96:1

*The payments are made as Arrear for increase in Compensation effective 01.04.2017.

Arrears of Salary was paid during the Financial Year 2019-20 due to pay revision.

(ii) The percentage increase in remuneration of each director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year:

The percentage increase in remuneration of each Whole-Time Director, CFO, CEO and Company Secretary is approximately 26%.

(iii) The percentage increase in the median remuneration of employees in the financial year:

The percentage increase in the median remuneration of the employees in the Financial Year is around 8.61% excluding the remuneration paid to the KMP.

(iv) The number of permanent employees on the rolls of Company:

The total number of employees on the rolls of the Company as on 31st March, 2020 was 506 excluding two Whole-Time Directors.

(v) Average percentile increase in the salaries of employees and its comparison with the percentile increase in the managerial remuneration:

- Average percentage increase in remuneration of Key Managerial Personnel during the Financial Year has been around 12.96%.
- Average percentage increase in remuneration of all employees other than Key Managerial Personnel has been around 12.4%.

This year, Company granted to each employee, including the three Whole-Time Directors, a variable annual increment of 9.72% or 10.80% or 14.04% on the total fixed pay based on the Annual Performance Ratings. In addition to that, the factors that contributed were pay revision and arrears payout from 1st April 2017.

(vi) Affirmation that the remuneration is as per the remuneration policy of the company.

The remuneration to all the employees is as per the remuneration policy of the Company.

Form No. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31st MARCH, 2020

(Pursuant to Section 204(1) of the Companies Act, 2013 and Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

To,
The Members of
Petronet LNG Limited,

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Petronet LNG Limited (CIN:L74899DL1998PLC093073)** (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Petronet LNG Limited's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the **financial year ended on 31st March, 2020** complied with statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

1. We have examined the books, papers, minute books, forms and returns filed and other records maintained by Petronet LNG Limited for the financial year ended on **31st March, 2020** according to the provisions of:

(i) The Companies Act, 2013 (the Act) and the rules made there under;

(ii) The Securities Contracts (Regulation) Act, 1956 (SCRA) and the rules made there under;

(iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;

(iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings.

(v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 (SEBI Act):-

- (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
- (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
- (c) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
- (d) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
- (e) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
- (f) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations,2018*;
- (g) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014*;
- (h) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009*; and
- (i) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018*.

  *SEBI Regulations listed at sub-para (v) above, Sl. Nos. (f), (g), (h) and (i) above are not applicable, as there were corporate decisions/actions during the year under report, attracting these regulations.

(vi) Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and Rules framed there under.

(vii) The Other Laws applicable specifically to the Company are:

- (a) The Explosives Act, 1884;
- (b) Petroleum and Natural Gas Regulatory Board Act, 2006;
- (c) The Petroleum Act, 1934;
- (d) The Oil Industry (Development) Act, 1974;
- (e) Indian Boilers Act, 1923;
- (f) The Territorial Waters, Continental Shelf, Exclusive Economic Zone and Other Maritime Zones Act, 1976;
- (g) Merchant Shipping Act, 1958;
- (h) The Electricity Act, 2003.

2. We have also examined the compliances with the applicable laws listed under Sl. No. (vii) above on test check basis, and Regulations/ Standards of the following:
   (i) SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and listing agreements with Bombay Stock Exchange Ltd. and the National Stock Exchange of India Ltd.;
   (ii) Secretarial Standards issued by the Institute of Company Secretaries of India.
3. During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above **except** for the following observations:

   The composition of the Board did not fulfill the requirement of requisite number of Independent Directors under Regulation 17(1) of SEBI (LODR) Regulations, 2015, for 8 days during the quarter ended 30.06.2019 i.e. from April 1, 2019 to April 8, 2019. Fine of Rs. 40,000/- plus taxes has been levied by BSE and NSE each for this non-compliance. The Company has paid the fine amount.

   Further, the composition of the Board did not meet the requirement of number of Independent Directors for the quarters ended 31.12.2018 and 31.03.2019 i.e. for the period from 2nd November, 2018 to 31st March, 2019. Both the BSE and NSE levied fine for this non-compliance. Total fine amount of Rs. 9,32,200/- inclusive of the aforesaid amount of Rs. 40,000/- has been paid by the Company to each of the stock exchanges on 26.08.2019 as per the requirements.

3A. We further report that the Company is implementing its Corporate Social Responsibility Policy/Activities as specified in Schedule VII to the Act read with Section 135 of the Act through Petronet LNG Foundation, a Section 8 Company under the Act.

4. We further report that:

   The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-executive Directors, Independent Directors and a Woman Director. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

   Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

   Majority decision is carried through while dissenting members' views are captured and recorded as part of the minutes.

5. We further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.
6. We further report that during the audit period, no major decisions having a bearing on Company's affairs in pursuance of the above referred laws, rules, regulations and guidelines, were taken by the Company **except** the following:

   "As part of corporate restructuring, Bharat Petroleum Corporation Ltd transferred its entire Gas Business to Bharat Gas Resources Limited, a wholly owned subsidiary Company. Accordingly, on the request of BPCL, the Company at its Annual General Meeting held on 27th August, 2019 approved, by Special Resolutions, amendments in Clause 2 of Part A of Memorandum of Association and the relevant Article of the Articles of Association of the Company to carry into effect Promoters' Agreement and Shareholders' Agreement entered into by and among GAIL (India) Ltd, Oil and Natural Gas Corporation Ltd., Indian Oil Corporation Limited and Bharat Petroleum Corporation Ltd. by executing a deed of adherence for implementation of project and related facilities."

This report is to be read with our letter of even date which is annexed as Annexure 'A' and forms an integral part of this report.

For A. N. Kukreja & Co
Company Secretaries

(A. N. Kukreja)
Proprietor
FCS 1070; CP 2318.
ICSI Unique Code: S1995DE014900
UDIN:F001070B000392010

Place : New Delhi
Date : 29th June, 2020

Annexure 'A'

To,
The Members of
Petronet LNG Limited

1. Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial record. We believe that the process and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and books of accounts of the Company.
4. Wherever required, we have obtained the management representation about the compliance of laws, rules and regulations and happening of events, etc.
5. The compliance of the provisions of corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.
7. During the course of our examination of the books and records of the Company carried out in accordance with generally accepted practices in India, we have neither come across any instance of material fraud on or by the Company, nor the Company has noticed and reported any such case during the year and accordingly the Company has not informed us of any such case.

For A. N. Kukreja & Co
Company Secretaries

(A. N. Kukreja)
Proprietor
FCS 1070; CP 2318.
ICSI Unique Code: S1995DE014900
UDIN:F001070B000392010

Place : New Delhi
Date : 29th June, 2020

Management's Reply on the Secretarial Audit Report for the Financial Year 2019-20

Observation of Auditor	Management's Reply
The composition of the Board did not fulfill the requirement of requisite number of Independent Directors under Regulation 17(1) of SEBI (LODR) Regulations, 2015, for 8 days during the quarter ended 30.06.2019 i.e. from April 1, 2019 to April 8, 2019. Fine of Rs. 40,000/- plus taxes has been levied by BSE and NSE each for this non-compliance. The Company has paid the fine amount. Further, the Composition of Board did not meet the requirement of number of Independent Directors for the quarters ended 31.12.2018 and 31.03.2019 i.e. for the period from 2nd November, 2018 to 31st March, 2019. Both the BSE and NSE levied fine for this non-compliance. Total fine amount of Rs. 9,32,200/- inclusive of the aforesaid amount of Rs. 40,000/- has been paid by the Company to each of the stock exchanges on 26.08.2019 as per the requirements.	The Company has appointed sufficient number of Independent Directors on the Board and is in compliance with the provisions of Regulation 17 (1) of SEBI (LODR) Regulations, 2015.

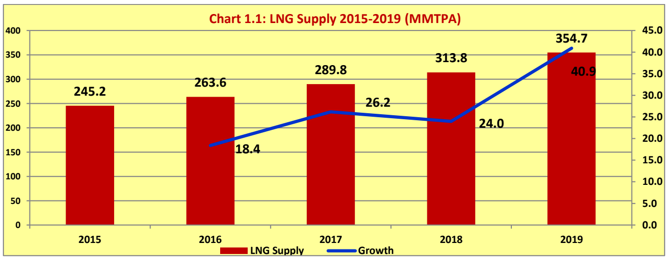
Place : New Delhi
Date : 6th August, 2020

Management Discussion and Analysis

Introduction

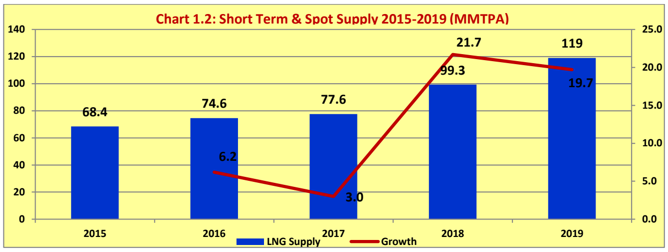
The traditional commercial paradigm in the LNG industry was that the "seller takes price risk, while the buyer takes volume risk" has been challenged for quite some time, as the industry has undergone a structural change with increasing LNG supply during the last decade. In the last 5 years, the increase in LNG volumes has put increasing pressure on widely used commercial model of long term back to back contracts with LNG pricing linked to oil prices and Take or Pay obligations on the buyer. The growing liquidity in the LNG market with expanding LNG spot trade, coupled with the development of LNG financial instruments by exchanges and LNG pricing indexes by price reporting agencies will continue to lead to a more transparent price discovery mechanism in the LNG spot trade.

Chart 1.1 below shows the LNG volumes traded in 2015 was 245.2 MMTPA and rose to 354.7 MMTPA by 2019. Within these 5 years, a total of 109.5 MMTPA of incremental LNG volumes were added to the market and a 40.9 MMTPA increase in LNG trade from 2018 to 2019, which was recorded as the highest increase year-on-year which has ever taken place in LNG trade.



Source: GIIGNL 2020 Annual Report on The LNG Industry

The spot volume trade has also increased in the last 5 years from 68.4 to 119 MMTPA adding another 50.6 MMTPA LNG to flexible supply. This has enhanced liquidity in LNG spot trade and lead to more "LNG on LNG" competition, which is based on demand and supply fundamentals of LNG rather than being solely influenced by oil prices. Chart 1.2 below shows the 5 year increase in spot volumes.



Source: GIIGNL 2020 Annual Report on The LNG Industry

For the LNG spot market, the only way to get information on LNG prices was through the price assessment services by various energy publications. Apart from price assessment being the main staple of LNG spot trade for more than 11 years, starting with Platts launching its JKM pricing assessment in February, 2009, various exchanges began to launch financial instruments like futures for the LNG spot market. While some attempts by these exchanges have failed, others succeeded.

In the following section, we will review the developments in 2019 and then focus on the changes the LNG industry will be going through and to what extent will it evolve.

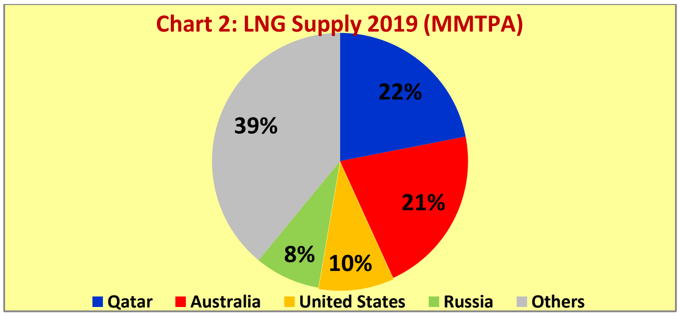
Year in review: 2019

A. Supply Side – LNG Exports

2019 is considered a year unequaled by any other in the LNG industry. When it comes to LNG traded in 2019, it was at an all-time high of 354.73 MMT, which was 40.9 MMT higher than in 2018. This increase was the highest so far recorded in LNG trading and narrowly beat out the last recorded high of 39.9 MMT in 2010. Out of the current 40.9 MMT increase in LNG trade, three countries, US, Russia and Australia accounted for 32.8 MMT, which is 80.2% of the total increase in LNG traded volume.

Table 1: LNG Supply (MMTPA)

Country	2017	2018	2019
Qatar	77.50	76.79	77.80
Australia	55.56	66.66	75.39
United States	12.24	20.65	33.75
Russia	11.49	18.33	29.32
Others	133.02	131.37	138.47
Total	289.81	313.80	354.73



Source: GIIGNL 2020 Annual Report on The LNG Industry

Table1 above shows four exporting countries in comparison to the rest of the exporters in the world. Australia is catching up fast with Qatar, as it had gone through a massive LNG export capacity buildup and as those projects come online and ramp up production, Australian will eventually surpass Qatar in LNG production. Though some analysts are claiming that Australia has edged past Qatar in 2019 itself, to be the world's leading LNG exporter, it looks like that in 2020, Australia would clearly be in the lead by a bigger margin, cementing its position as the global leader in LNG supply. In 2019 itself for a few months, Australia was ahead of Qatar in LNG exports (Source: Platts LNG Daily

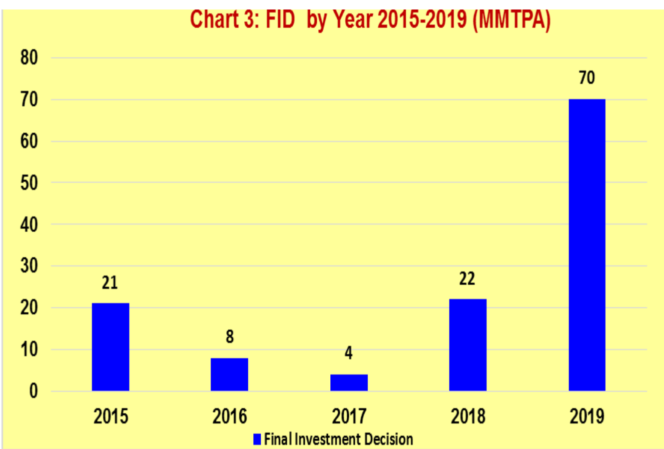
6 Jan 2020). However, this Australian lead will not last long, as most expect that Qatar will regain pole position in installed LNG capacity by 2027, as it goes for the Qatar Gas LNG project expansion of about 6 mega trains of 7.8 MMTPA capacities each. This will take Qatar's total capacity to approximately 124 MMTPA from the current 77 MMTPA. The decision may be announced in 2020 and Final Investment Decision (FID) is likely to be achieved without resorting to any term LNG contracts as Qatar already has significant experience in LNG marketing and sufficient funds to carry out the project on its own financial strength.

The changing FID scenario

As far as project investments are concerned, 2019 has seen the highest FID for LNG projects by capacity. Table 2 and Chart 3 below show the projects and the total capacity that has achieved FID in 2019. A total of 70.3 MMTPA has got financial closure in 2019, which was significantly higher than the previous high of 50 MMTPA in 2005. The USA leads the pack with a total of 30.1 MMTPA in FID in 2019 which is being termed as second wave of US LNG.

Table 2: LNG Project FIDs in 2019 (MMTPA)

No.	Country	LNG Project	Capacity
1	Mozambique	M-LNG (Area 1)	12.9
2	Nigeria	Nigeria LNG	7.6
3	Russia	Arctic LNG-2	19.8
4	USA	Calcasieu Pass LNG	10.0
5	USA	Sabine Pass LNG	4.5
6	USA	Golden Pass LNG	15.6
Total			70.4



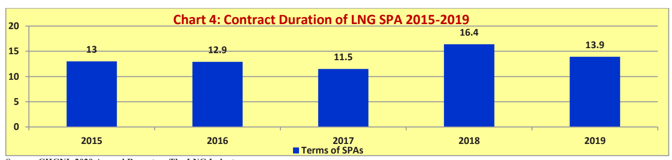
Source: IHS LNG Analytic Tool

One very critical shift that has taken place in the LNG industry since 2018 has been the development of LNG projects without securing volumes under long term contracts. It was a risk mitigation measure followed by project developers to secure cash flows based on which they could secure term loans from financial institutions. This practice of signing up term volumes by LNG project developers is coming under increasing pressure, due to buyer reluctance to sign long term deals due to the uncertain market conditions experienced in the last few years. Project developers keen to get into the market with LNG volumes ahead of the competition will have to settle for achieving financial closure without contracting some or all of their LNG volumes. The lengthy process of entering into long term LNG agreements for off-take of LNG was delaying financial closure of the LNG project. Under the new commercial model of going for FID first, the project developers will still have a window of a few years to market the LNG before the LNG project's completion. One LNG project in 2018, LNG Canada and 3 LNG projects in 2019, following LNG Canada's lead, went ahead and achieved FID before entering into long term LNG sale agreements. The 3 projects in 2019 were Golden Pass LNG in US, Arctic 2 in Russia and a brownfield expansion and debottlenecking by Nigeria LNG totaling 43 MMTPA. They accounted for approximately 60% of the total LNG capacity which achieved FID in 2019.

LNG Contracting

Due to the LNG market being in surplus for the last few years, buyers were waiting for price of LNG and slopes to oil to decline further. Therefore, they were reluctant to enter into long term contracts. Buyers preferred to wait or enter into short term contracts for the time being to avoid being tied down to term contracts with expensive pricing formulae. The Chart 4 below shows the declining number of LNG sale and purchase contracts, as well as shortening of the contract's term and reduction in volume that was committed for sale under these contracts that were entered into during the last 5 years. Only in 2018, it has gone up to an average of 16.4 years from 11.5 years in 2017. This is because as FID for projects increased sharply in 2018 to 22 MMTPA from 4 in 2017, it resulted in those projects that required long term LNG SPAs for tying up project loans, entering into LNG sale contracts with buyers.

Additionally, all buyers do not want to be without security of supply which long term LNG SPA affords and will still need some LNG supply with long term commitments to meet a portion of their gas demand.

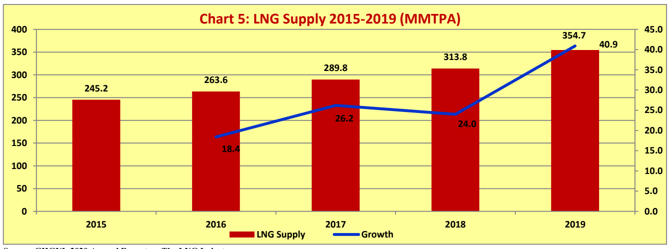


Source: GIIGNL 2020 Annual Report on The LNG Industry

LNG Glut

The LNG Glut which has been talked about so much seems to have finally hit the market and the indication for that is the rapidly declining spot prices according to price assessment agencies.

Chart 5 below shows the rapidly increasing LNG volumes since 2015. Initially, it was expected that the "LNG Glut" would come sooner, but due to delays in commissioning and ramp ups of LNG projects, balanced by strong LNG demand over the years, the LNG Glut did not fully materialize till 2019. The last time this type of volume entered the LNG market was in 2010 and was primarily due to Qatar commissioning its mega trains. In 2010, 39.9 MMT entered the LNG market, out of which 20 MMT was supplied by Qatar. In 2019, 40.9 MMT additional volume of LNG entered the market. Three countries accounted for 80.2% of the total volume increase. They were US, Russia and Australia with 13.1 MMT, 10.9 MMT and 8.7 MMT respectively.



Source: GIIGNL 2020 Annual Report on The LNG Industry

LNG spot market

When it comes to LNG spot trade, since the LNG market is not as liquid as the oil market, it has to rely on pricing assessments by specialized energy publications. These publications have an information service system which surveys the market and gets feedback from buyers and sellers on their LNG trades for that day, based on which they calculate a single average price per mmbtu of LNG for that day. This price changes on a daily basis depending of the market conditions existing that day and demand and supply fundamentals.

Platts JKM (Japan Korea Marker) has become one of the main benchmarks in the LNG industry for spot trades and is now being considered for term LNG contracts. The JKM price assessment by Platts is considered a good indicator of LNG prices in the spot LNG market, as 69% of the global LNG being traded was delivered into Asia in 2019.

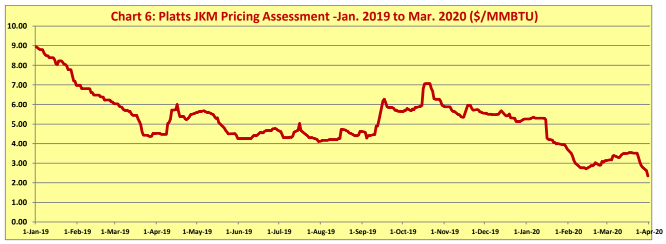
Two instances of its use in LNG trade, apart from spot trade, are Indonesia's use of the JKM Index to price LNG it sold in its sell tender and secondly, when Tellurian signed long term agreements/HOAs with Vitol and Total with linkage to the JKM index. Also, it is understood that some upstream players in USA are willing to take exposure of Asian indexes like JKM as is evident from deal EOG has signed with Cheniere which as per media release says "140,000 mmbtu per day of LNG will be owned and marketed by Cheniere and EOG will receive a price based on the Platts Japan Korea Marker (JKM) for this gas."

It is only natural that this Index transitioned to being used in futures trading. The ICE JKM LNG Futures contract was launched by ICE in 2012, but the liquidity is still limited when compared to other energy commodities like piped gas and crude oil (Source: The rise of LNG Derivatives Clyde & Co LLP Dated 8 Aug. 2019).

While others like Singapore, tried to develop a futures market in LNG trading, through the SGX exchange, launching the "Sling" LNG futures contract in late 2015, it met with little success and was discontinued in October 2019, as there was low participation in its trading (Source Reuters, Money News July 30, 2019). Another, futures launched by CME was the LNG DES Japan futures contract, which is based on the price settlements index developed by RIM Intelligence of Japan. Currently, it seems that there is no futures trading in this contract and liquidity is zero.

The spot LNG prices in 2019 had declined to historic lows. Chart 6 below shows JKM spot prices for the year 2019. The average was $5.49/mmbtu, but it is to be noted that these prices are not for the current month and they are for the forward months of delivery.

Chart 6 shows the basic downward trend in spot prices. What was surprising was how JKM Spot pricing assessments declined in the year 2020 for delivery for the forward March and April months. Platts had forecast that spot prices could dip below $3/mmbtu and in 2020, from the 2st half of January to 1st half of February, 2020, for March delivery, the average was $3.52/mmbtu, while for some days the pricing assessment was well below $3/mmbtu, reaching a record breaking low, since Platts started reporting the JKM assessment, of $2.71/mmbtu in mid-February, 2009. Further, in April 2020, prices for forward months have declined to less than $2/mmbtu due to surplus volumes and lackluster demand due to COVID 19.



Source: Platts LNG Daily

Uncertainty in the LNG Market

Uncertainty is the buzzword nowadays to describe the current LNG scenario. Sellers and Buyers are not certain what demand will be like in the long run, as legacy buyers are facing declining demand due to their gas markets having matured and also their gas companies facing liberalization of the gas sector, like in Japan. The LNG industry is shifting away from a long term contract structure to a more flexible model. Other commercial terms like pricing, destination flexibility, contract length etc. are changing to allow more flexible supply. The current trade war between US and China may play spoiler to US project developments, as well as the current coronavirus threat which has become global, will impact LNG demand negatively, increasing the current surplus in the LNG market. During the last few years, Europe has been the market of last resort for LNG I and it is believed that this role performed by the European gas markets may now be reaching its limits. Further, due to convergence of gas prices in Europe and USA, there may no longer be sufficient margin/arbitrage for

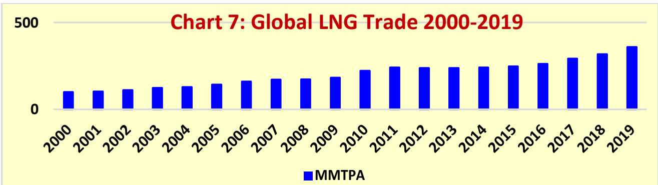
US LNG producers to export LNG to Europe and may cause some US producers to shut-down their facilities and rely on fixed charges for revenue for their LNG projects under the tolling model.

B. Demand Side – LNG Imports

On the demand front, Chart 7 below shows the amount of LNG that was traded globally over 2 decades and in Table 3 the growth rate in LNG trade can be seen in each half of both decades. The growth of imports of LNG from 2015 to 2019 was 7.72% per annum. This is the impact of the LNG glut hitting the market and driving the explosive trade growth seen in the last half of this decade. This compared to the last 5 years from 2010 to 2014, when LNG demand growth was the slowest at 1.65%.

Table 3:LNG Trade Growth 2000- 19

Year	CAGR %
2000-2004	5.23
2005-2009	5.05
2010-2014	1.65
2015-2019	7.68



Source: IHS Markit

New Entrants in the LNG Club

In 2019, new buyers like Gibraltar and Kaliningrad, a Russian principality, joined the LNG importers market, making the LNG importers club a total of 44 countries. While both these are very small markets for LNG, it is expected that more countries will join the LNG importers club in 2020. Seven countries in 2020 have regasification terminals under construction and will be adding to the buyers list in the near future. Some of these countries are Philippines, Senegal, Vietnam, etc. (Source: IHS Markit presentation LNG at a Glance: Regasification in 2020)

Asian LNG demand

As far as Asia Pacific demand is concerned in 2019, Table 4 below shows the top LNG importers in the Asian region. Japan, China and South Korea together account for more than half of the total LNG imported in the world. According to some estimates by 2025, China will become the largest LNG importing nation in the world and Japan's LNG imports are projected to decline, while South Korea will remain stagnant. By 2030, the same scenario of 2025 will be reinforced, but South Korea is likely to have some demand recovery in LNG consumption.

If we look at countries like Japan and Korea which already have established and mature LNG markets, there is very little scope of any significant LNG demand coming from these countries. To the contrary, as they restart their nuclear facilities, like in Japan, LNG power generation will be displaced. In Japan there is an issue of being over contracted on LNG and LNG demand will reduce in the next few years. According to Platts Analytics (Source: Asian LNG Landscape shifts as emerging markets liberalize dated 31 Jul 2019) in 2020 Japan could face a peak of surplus LNG of about 19.5 MMT. Additionally for Japan, as the power and gas markets are liberalized to encourage more competition, the nature of the terms on which Japanese utilities contract long term LNG will change, like destination clause to given flexibility in delivering LNG to other buyers or markets.

Table 4: Top LNG Importing countries (MT)

Sr. No.	Import Country	2019	Share 2019 (%)	2025	2030
1	Japan	76.87	21.67	75.79	71.73
2	China	61.68	17.39	82.89	97.86
3	South Korea	40.14	11.32	40.25	44.91
4	India	23.98	6.76	35.00	48.38
5	Other	152.06	42.87	235.67	307.51
Grand Total		354.73	100.00	469.6	570.39

Source: IHS Markit LNG Tool, GIIGNL 2020 Annual Report on The LNG Industry

In Korea, apart from the nuclear restart issue, LNG faces competition from renewables and coal. Korea like Japan, is also opening up its power and gas markets to competition and therefore the distributers of gas will face an uncertain gas demand scenario, as gas end users will have the right to choose their suppliers.

Only China in North East Asia and India in South Asia are the growth markets for LNG in the long term. For China, the current scenario is not as optimistic as before, as growth rates are slowing because China's economy has reached a certain level of economic maturity. Additionally the impact of US-China trade war in 2019 will have further slowed economic growth and consequently LNG demand growth.

In India, due to COVID 19, a very sharp slowdown in economic activity has taken place. As a result gas demand growth will be slower than anticipated. Currently there is no government policy to implement fuel switching from coal to gas, as coal is less costly compared to domestic gas and LNG. It is important to note that the Indian power market is open to competition and cost of power produced will determine which power plants get to sell their power first. Until and unless the government implements a policy that levies taxes or other imposes environmental regulations on more polluting sources of power, gas based power will not be competitive with coal. In an economic slowdown, no government is going to exacerbate the situation by implementing policy that will raise cost of power to end users.

Table 5: Growth in LNG imports in Asia 2015-2019

	2015	2016	2017	2018	2019
LNG Imported	177.07	191.57	211.18	238.56	246.16
Change (Actuals)	-	14.5	19.61	27.38	7.6
Change (Percentage)	-	8.19	10.24	12.97	3.19

Source: GIIGNL 2020 Annual Report on The LNG Industry

In 2019, the Asian region faced slowest growth in LNG imports, of 7.6 MMT from 238.56 MMT in 2018 to 246.16 MMT in 2019. As Table 5 above shows, from 2016 till 2018, growth in LNG had been picking up rapidly and peaked at 12.97% in 2018, but in 2019, due to economic slowdown, it had slumped to a low 3.19%. In 2020, growth rate for LNG trade was expected to be around 8%, though still slower by 2017 and 2018 standards, but as it looks now that due to COVID 19, 2020 will be a year of negative growth for first time in many years of global LNG trade. (Source: IHS Markit)

With mature markets like Japan and Korea facing stagnant or declining demand for LNG and the growth markets like China facing a slowdown in growth, new markets in the Asian region are being tapped, like Pakistan and Bangladesh. While globally new markets have emerged like Turkey, Greece, and Lithuania, all of them have one common underlying issue, which is credit risk. These new markets are vital for LNG sellers to tap and grow, but come with concerns of credit risk of the LNG importing parties. According to the IGU, a large number of countries to become the next group of LNG importers are from emerging, higher credit risk countries. IHS Markit is forecasting that medium and high credit risk countries importing LNG will be responsible for more than 35% of the additional LNG import growth till 2030. Another issue is that these new markets are generally developing countries where price sensitive to energy is high and coal dominates the energy consumption. Even the currently low LNG price environment does not impact the long run economics of LNG, as building an LNG chain has a high investment cost. One way to encourage LNG growth in these newer countries is that the government's energy policy factors in environmental impact of pollution.

Table 6: Share of LNG Imports

Sr. No.	Regions	2019	% Share
1	Asia	246.16	69.39
2	Europe	85.89	24.21
3	Americas	15.75	4.44
4	Middle East & Africa	6.94	1.96
Global		354.74	100.00

Source: GIIGNL 2020 Annual Report on The LNG Industry

Table 6 above shows the dominant role Asia plays in the LNG business and in Asia itself Japan, Korea and China account for about 72.6% of the LNG imports and 69.3% globally. While India is at 24 MMT in 2019, it is still developing infrastructure, but at a much slower pace than China. These three North East Asian countries gas and LNG policies, coupled with the pace of India's gas infrastructure growth and consumption of LNG over the long term, will play a major role in determining the future of the LNG market. This combined with the US, which is a new and growing flexible LNG supplier will impact the commercial and financial structure of the LNG industry in years to come.

Outlook 2020 and beyond

On the supply side it seems that 2019 has been a record breaking year for LNG projects on the FID front, but now steam may have run out of project developments and it is projected that fewer FIDs will take place in 2020. There may be further negative impact on LNG project developments, due to the sudden appearance of the coronavirus, as it will slow project completion which are under construction and delay FID of ones that are in the planning stage. It will adversely impact demand growth too and in the short run, it may reduce demand for LNG dramatically. According to projections, very few or no FIDs will be required from 2021 onwards, if the projected LNG demand growth for the next few years takes place as forecasted. This is because LNG demand growth will take time to catch up with LNG supply growth and will have to absorb the surplus LNG produced, in order for the market to become more balanced again. In reality that will not be the case as some sellers will move ahead with LNG projects and achieve FID. This means that the surplus of LNG in the market will continue for a longer period and may last till the middle to the latter half of this decade.

The LNG industry will be characterized by more diversity in contract terms like tenure of contract, pricing methodology, destination flexibility etc. The role of the spot market will continue to grow to encourage more LNG on LNG competition and a more transparent price discovery market for LNG through pricing assessment services. Although the LNG industry will transition to some degree, but it is unlikely to reach a full commoditization like the oil market, as the high up front capital costs for building the LNG chain will require some projects to go for long term contracts before entering construction. Also, buyer needs will play a role in determining the future structure of the LNG industry. As gas deficit countries generally import LNG, they may require certainty of supply (supply security) which can only be guaranteed by long term contracts. Further, new markets which are introducing LNG for the first time may be willing to adopt an oil linkage pricing formula, if they plan to displace oil with gas, if they do not have a well-developed gas hub in the country or the nearby region. Therefore, the LNG market will have a variety of commercial options to choose from to suit buyers and sellers' market specific needs and to use them in a combination so as to reduce risk of LNG trade.

Indian Natural Gas Scenario

Introduction

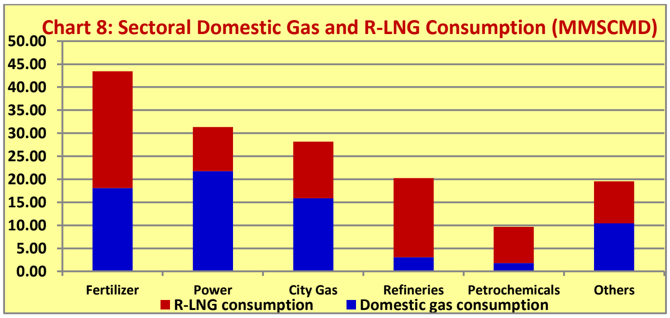
The share of natural gas in India's energy basket, despite the initial optimism of the domestic gas finds of KG Basin in 2003, has remained stagnant. Additionally, the domestic gas pricing formula approved by the government in 2014, which would also be applicable to the KG Basin gas volumes was considered not to be sufficiently remunerative. The current government's policy of increasing the share of renewable energy and gas in India's total energy consumption to combat carbon emissions, although ambitious, seems overly optimistic. For gas, there are significant infrastructure bottlenecks in the form of gas pipeline infrastructure for a nationwide integrated gas grid. There has been a significant push by the government to develop the gas network in India by auctioning a large number of Geographical Areas in the country under the 9th and 10th CGD auctions, over the past two years. The issue will now be to see if that can be translated on the ground in terms of CGD project developments and end consumer connectivity over the next few years. In the following sections, we review the developments in the gas market in 2019 and also the outlook for 2020 and beyond.

India Gas Market in 2019

The Indian gas market is heavily dependent on LNG imports as it is a gas deficit country. LNG supplies now make-up more than half of the gas consumed. Table 7 below shows the domestic gas and R-LNG consumption in the country in 2019.

Table 7: Domestic Gas and R-LNG Consumption Sector-wise – 2019 (MMSCMD)

Sector	Domestic Gas	R-LNG	Total
Fertilizer	18.07	25.39	43.46
Power	21.75	9.61	31.36
City Gas	15.90	12.29	28.19
Refineries	3.04	17.22	20.27
Petrochem.	1.79	7.89	9.68
Others	10.44	9.11	19.55

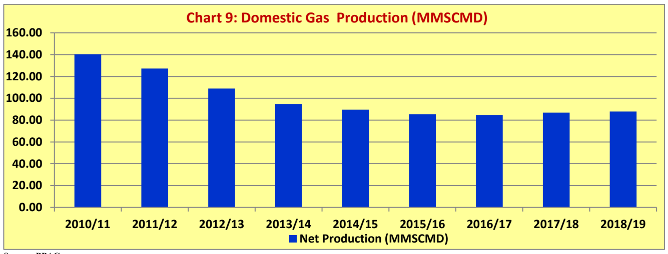


Source: PPAC

As domestic production is not increasing in line with gas demand in the country, LNG has played a vital role in filling that supply deficit. Though LNG is costly, as compared to domestic gas, most of which is sold at government controlled prices, various sectors in India can absorb LNG as their cost economics makes LNG a viable option.

Supply Side Review

As shown in Table 9 below, after 2010/11, when the RIL KG Basin gas supply started to decline due to technical issues, total gas production in India decreased for six consecutive years and then started to increase from 2017/18.



Source: PPAC

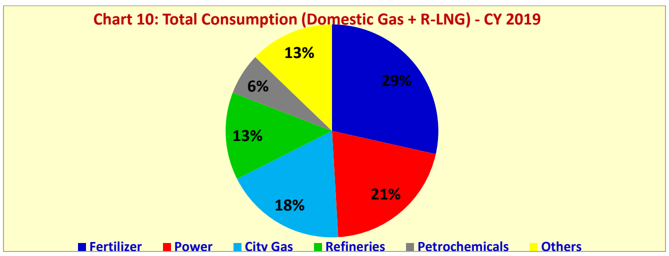
In order to improve the "ease of doing business" in administration of fiscal regimes of oil and gas E&P activities, the government in March, 2016 had implemented a new fiscal regime of Revenue Sharing Contracts (RSC). During the previous fiscal regime of Production Sharing Contract, there was profit sharing between government and the E&P contractor, which took place only after the contractor had fully recovered the investment cost in the exploration activity. Under this type of system, it becomes necessary for the Government to audit the costs of the E&P contractor. This process led to many delays, disputes and allegations by government of gold plating investment costs by the E&P contractor, with an objective to delay the payment of government's share of the profits. Under the new fiscal regime of Revenue Sharing Contracts, the Government will not be concerned with the cost incurred by the E&P contractor and will receive a share of the gross revenue from the sale of oil and gas. But as a fiscal regime, RSC also suffered from administration problems. Since blocks under RSC were awarded to companies offering a maximum share of oil and gas to the government, many bidders were making irrational bids and some bids were above 90% at the peak production level. This raised serious concerns with government of back-loading of production by contractors. This means contractors were bidding aggressively on revenue share to win the oil and gas blocks, but made very limited development plans to minimize investment in the block to limit oil and gas production. This would result in lower revenue from oil and gas sales, which would result in a reduced share of government in the revenue and maximizing the E&P contractor's return on the low investment it had made, thereby completely negating the government's objective of increasing domestic oil and gas production.

Table 8: OALP Auction Results

<table>
<tr><th>OALP Bid Round</th><th>Blocks Offered</th><th>Blocks Awarded</th><th>Awarded to PSU</th><th>Awarded to Private E&P</th></tr>
<tr><td>I</td><td>55</td><td>55</td><td>13</td><td>42</td></tr>
<tr><td>II</td><td>14</td><td rowspan="2">32</td><td rowspan="2">21</td><td rowspan="2">11</td></tr>
<tr><td>III</td><td>23</td></tr>
<tr><td>IV</td><td>7</td><td>7</td><td>7</td><td>0</td></tr>
</table>

Table 8 above shows the 4 OALP auction results and it shows that the 4th round of OALP failed to attract any private E&P company. Another source of major concern for the government was that the first three OALP auctions did not attract a single international E&P contractor. Due to this concern the government reverted back to the old fiscal regime of PSC for the 4th OALP round. Even then no international E&P contractor participated in the auction. The reason for that was three fold. Firstly, India has poor oil and gas prospects, secondly, international oil and gas budgets for E&P activity have declined and thirdly, the RSC fiscal regime was not considered attractive by international oil and gas E&P contractors. According to experts the change in the fiscal regime will not in any major way incentivize more participation in the Indian oil and gas sector.

Demand Side Review



Source: PPAC

When it comes to domestic gas consumption, the power sector is the largest consumer, shown above in Table 7 with 21.75 MMSCMD, in 2019. This sector is a very cost sensitive as gas based power has to compete with cheaper coal based power and therefore R-LNG used in power generation is not up-to the full potential. Therefore, when it comes to R-LNG consumption, power sector ranks at fourth position behind Fertilizer, Refinery and CGD. Despite that, Chart 10 above shows that in total gas consumption, power sector is the second largest consumer, after fertilizer. Although the government has a long term energy policy to cut dependence on thermal power and to shift to renewables, currently about 63% of installed power capacity is thermal based and coal power has the largest share.

The renewable energy targets of the government are ambitious, but the challenge will be to manage the intermittent nature of renewable energy. Even if solar and wind power tariffs at the plant gate fall below coal power, the issue of power storage technology on an industrial scale is a great challenge, as that technology is still under development. Gas based power will have to be used as alternate supply source with quick start up and shut down times to ensure continuous uninterrupted power supply. The cost of LNG will be the main issue, which will limit the use of LNG, unless power distributers are allowed to pass on higher gas based power cost to end users in a fair and equitable manner. Additionally, government policy measures can increase gas based generation, like the two schemes the government is considering to increase utilization of stranded gas based power plants. One is bundling gas based power with solar power to reduce its average cost and the other is reverse e-auction system of LNG use in power generation which has been done in the past.

The fertilizer industry is the second largest domestic gas consumer and the largest R-LNG consumer, making it the number one total gas consumer in the country. Unlike the power sector, fertilizer sector is subsidized by government and it can afford to get LNG as a feedstock to produce ammonia to manufacture urea. The higher cost of LNG will result in a higher price for fertilizer, but the difference between the government's mandated selling price and cost of production per unit will be paid to the fertilizer companies by government. Though there is not much scope for further demand increase in fertilizer, as only a few decommissioned fertilizer plants may be restarted at most, because all major fertilizer plants have been converted to use gas and there are not many new fertilizer projects on the anvil.

CGD sector is the third largest consumer of domestic gas and R-LNG. As the cost of gas supplied to residential consumers is priority, the government is supplying the CGD companies cheap domestic gas to reduce the average cost to residential users. The objective of the government is to incentivize the transition from LPG to piped gas for households to reduce the expenditure on LPG subsidies. In the last 10 years CGD has had a rapid increase in the share of total gas consumption. In 2010, CGD's share of total gas consumption was between 7 to 8 percent, while in 2019, it had risen to 18.5 percent. This is the future growth segment of the gas industry, as the government is making CGD development across the country a priority.

The Refinery sector in India is completely open to market forces and therefore is given the lowest priority amongst the four sectors when it comes to domestic gas allocation. As a result it is the fourth largest domestic gas consumer, while being the second largest R-LNG consumer in India.

In 2019, total gas consumption rose from 148 MMSCMD in 2018 to 152 MMSCMD, which is a marginal increase of about 3%. The main reason for this is the lack of pipeline connectivity to end users and the government is making an effort to remedy the issue by developing a National Gas Grid.

Gas Infrastructure

Gas infrastructure bottlenecks have plagued the gas industry since the beginning. This issue, in order to be resolved requires more friendly land acquisition laws and better coordination between central and state governments. Table 9, below shows the status of the gas pipeline networks and its utilization level. On average it is very low, which is cause for concern.

Table 9: Gas Pipeline Grid Overview

Sr. No.	Gas Pipeline	Length (Km)	Capacity MMSCMD	Utilization (%)
1	GAIL	12160	246	48.5
2	RGTIL	1774	84	24.2
3	GSPL	2692	43	80.5
4	AGCL/ DNPL	215	5	63.3
5	IOCL	140	10	50.0
Total		16981	388	46.9

Source: PPAC, Indian Gas Infrastructure Report Dec.2019

The reason for this low level of utilization of gas pipelines is due to lack of supply from domestic sources and lack of end users due to limited gas connectivity. Additionally, in case of LNG, it also has to compete with low cost liquid fuels, like fuel oil. The government has undertaken a very ambitious program to increase gas connectivity nationwide through auctions of CGD licenses. This will help in increasing gas use in the country and higher utilization of gas based infrastructure. The following section will look at the most promising sector for gas use, the CGD sector.

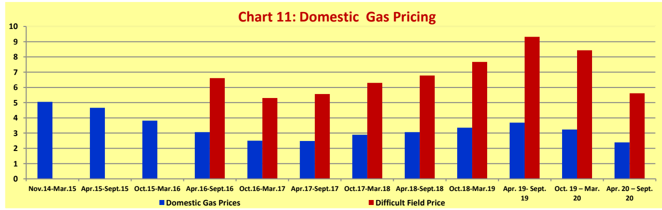
City Gas Distribution - Growth Sector in India

According to the Ministry of Petroleum and Natural Gas (MOPNG) by 2030, the CGD network will have connected an additional 300 districts in India with a total investment of Rs. 1.2 lakh crores. In the 9th and 10th CGD bidding rounds in 2018, a total of 136 Geographical Areas (GAs) were awarded, increasing the total coverage of CGD to 70% of India's population. These two rounds awarded more GAs than all the previous rounds combined so far, which was only 92 GAs.

There are issues in the CGD bids that were awarded, as in the previous CGD auction rounds before the 9th and 10th, auctions, bidders were charging a very nominal rate of network tariff, as the tender put a high weightage on the network tariff component. They planned to make up the loss sustained on network tariff by selling CNG and PNG to customers from their allocation of domestic gas which is cheaper than R-LNG. For the 9th and 10th rounds, to prevent this type of abuse of the bidding parameters, weightages for various components were revised and 50% weightage was given to the number of domestic connections. As a result, a few bidders started bidding to provide household connectivity far in excess of the actual number of households in some GAs. New entrants into this CGD auction have been bidding very aggressively and at very competitive rates, therefore there is a concern that the long term financial viability of these projects may be affected. In order to make the project viable PNGRB gave marketing exclusivity to CGD developers of 8 years, so they have a better return on the project. The CGD sector is the sunrise sector in India and will have a significant impact of gas use in the coming decade.

Gas Pricing

Pricing of domestic gas has always been a contentious issue in India and the government has to balance the interest of the producers and consumers alike. Chart 11 below shows, the gas prices determined by the formula approved by government. There are two separate prices, one for onshore and shallow water gas discovery called Domestic Gas Price and the other is for Deep & Ultra Deep water and High Temperature & High Pressure fields called Ceiling Gas Price.



Source: PPAC

From 1st October, 2019, the price for gas was cut for the first time in two and half years to $3.23/mmbtu from $3.69/mmbtu, for a period of 6 months. At the same time ceiling price for Difficult Field's was also cut to $8.43/mmbtu from $9.32/mmbtu. This reduction in price of gas will impact the profitability of gas producers and there is a call by them to allow gas prices to be determined by market forces rather than government sanctioned formulae.

Producers of natural gas now have been allowed to sell gas from any new fields at market determined rates via auction to buyers. The upper price cap will be the price as determined by the government approved formula, which was $.8.43/mmbtu till 31st March, 2020. In the past this process was followed to get a market determined price for CBM gas. RIL/BP JV had auctioned 5 MMSCMD of gas supply from their new developments with supply starting from the 2nd Quarter of 2020. Initially they had set a minimum 9% slope linked to a Dated Brent average price for a 3 month period prior to the month of delivery. The RIL-BP JV, cut the minimum slope to 8.4% from 9%, and it was speculated by many that the reason was either, RIL-BP JV were not getting sufficient number of bidders for the gas volumes and wanted to encourage more buyers to participate in the auction or the Dated Brent price was forecast to rise, so in order to keep gas prices competitive, the slope was reduced. Additionally, the LNG spot prices were also declining during that time and spot LNG would become competitive with domestic gas due to the LNG supply glut the global markets were facing. The price range this gas was sold during the auction was around slopes of 8.5% to 8.6% and at these slopes it would translate to $5.10 to $5.16/mmbtu at Brent oil price of USD 60 per barrel. Since then Dated Brent has declined significantly, this will now result in much lower prices for this gas.

ONGC also put up for auction natural gas it was going to produce from the KG Basin. The volume for sale was 0.75 MMSCMD for a period of three years. This gas would be linked to the Platts assessment of the West India average price for a 3month period prior to the month of delivery plus $1/mmbtu constant. Based on the reserve gas price set by ONGC for the month of November, 2019 the gas price would have been $5.93/mmbtu. But out of the 0.75 MMSCMD only 0.1 MMSCMD was sold as the price was considered too high and there were not many buyers showing interest. The 0.1 MMSCMD that was sold through the auction was at the constant of 1 cent/mmbtu, which was lower than the original constant of $1/mmbtu. Most of the Gas being sold by ONGC and RIL is on east coast of India and transportation cost from east to west coast of India makes it further challenging to compete with LNG.

The above auctions give an insight into the issue of affordability of gas in the Indian market. Indian energy consumers are very cost sensitive and are used to getting subsidized fuel, which has led to distortions in the energy market and it is a challenge to sell any energy commodity at market prices. As Indian economy gets more globally integrated and energy demand soars, coupled with environmental considerations, it is not possible for government to bear the enormous subsidy burden for energy.

Transition to Free Market Gas Pricing

On the domestic gas market front, significant developments took place in 2019. The government has decided that India should have a gas hub for gas price discovery on the same lines as there is in Europe and USA. Although, those markets have plenty of gas reserves and domestic production, as well as gas trade between countries, India on the other hand is a gas deficit nation with a very limited gas market and no cross border supplies. Despite these shortcomings the government is planning on developing a gas hub by firstly setting up a national gas grid throughout the country. The plan is to expand the current gas grid to 34,000 Km. Additionally to have last mile connectivity it has also undertaken a very aggressive CGD auction program as mentioned before.

Secondly, the government is also examining the unbundling of state owned gas transportation business in India as it wants the marketing of gas to be separated from the gas transportation business, so that there is no conflict of interest between the two. A separate entity in charge of gas transmission will be incentivized to encourage more gas trade and aim for higher utilization rates of it's gas network. This will enable buyers and sellers of gas to be able to access the gas grid more easily through gas pipeline capacity reservation under an open access system.

Thirdly, the government is considering deregulation of all domestic gas prices, as currently due to the large difference between domestic gas prices and LNG prices, discovering one single gas hub price will be difficult. Also a market determined price will lead to better returns for gas producers thereby encouraging more investment in gas exploration and production. The government plans to introduce market pricing gradually within a span of 3 years and will start the process by allowing gas producers marketing and pricing freedom for a small portion of their total gas sold.

By 2022, it is forecast that ONGC and RIL-BP JV will significantly increase the supply of domestic gas in the country. This will add the much needed supply to the domestic gas market and will increase liquidity for gas trading. The government is planning to launch the gas hub in FY 2020-21.

Government Policy's impact on gas use

The role government policy plays in determining the primary energy mix of a country cannot be underestimated. Before Indian government had become more sensitive to environmental concerns, it was primarily concerned with cost of energy and how to get low cost power to the people. Coal was the cheapest fuel available for power generation and other industrial activities. But now due to the realization that coal has an environmental cost with serious health and climate change implications, the government has decided to increase gas's share in India's energy consumption along with renewables like solar and wind. When it to comes to government policy measures to boost consumption of gas, China would provide the best example, as it under took an ambitious policy plan of coal to gas switching for heating purposes. Over the last five years, Beijing has implemented a series of policies for switching heating from coal-to-gas due to concerns about high air pollution, such as the "Blue Sky Defense" plan in mid-2018 that expanded gas switching to over three dozen cities. In India's case, the gas industry has been asking for gas to be brought under GST regime, so as to make it more cost competitive. By keeping gas under the current tax regime the price of gas to the end consumer goes up by 10% to 15%. Another policy measure that can increase gas use in India is making it mandatory for electricity distributers to purchase a certain amount of their power from gas based power plants instead of coal or other thermal fuel plants, which are more polluting.

In India, judicial intervention has also made a difference in cases pertaining to environmental pollution. In 2019, the National Green Tribunal in March gave a judgment directing ceramic manufactures in Morbi, Gujarat to switch from coal to gas due concerns over air pollution. This will add 2.5 MMSCMD of additional gas demand, but there is a concern that the higher cost of LNG as compared to coal will impact the cost competitiveness of the ceramic units. This shows that just how difficult it is to balance the environmental vs economic considerations when pushing for cleaner hydrocarbon fuel.

Threat from Competition

All the major players in the Indian hydrocarbon business and many new players, including foreign entities, have plans to enter the natural gas business. Competition is expected across the gas value chain. PLL is prepared to face the competition in the market through long term tie-up of LNG/ Regas capacity. In India, gas competes primarily with Coal (in Power sector) and with liquid fuels (in Industrial and Fertilizer sectors). As a result, gas demand is fairly price-sensitive for the Power sector. However, gas demand has a fairly low elasticity for the Fertilizer sector due to the existing Fertilizer policy. The city gas distribution segment, where the competition is mainly with high-priced petroleum fuels (HSD, Petrol, LPG, etc.) faces challenges in terms of infrastructure and conversion costs.

Many new players are in the process of setting up LNG terminals – land based and / or FSRUs at various locations in the Country. LNG terminals at Mundra, Ennoreand Jaigarh have been commissioned and / or likely to be commissioned shortly. Being in the same market, the LNG terminal at Mundra is expected to compete with the Dahej LNG terminal.

Segment wise or Product wise Performance

Presently, PLL primarily deals only in one segment, i.e. Import and Re-gasification of Liquefied Natural Gas (LNG).

Risk and Concerns

PLL considers good corporate governance to be a pre-requisite to meet the needs and aspirations of shareholders and other stake shareholders alike. As part of the company's efforts to strengthen corporate governance, the Board of Directors has formulated a Risk

Management Policy. This policy puts a risk management structure in place that clearly defines roles and responsibilities. It also provides a risk portfolio that involves a continuous process of risk identification, assessment and monitoring, review and communication. The company aims to:

- Identify, assess and manage existing and new risks in a planned manner.
- Increase the effectiveness of PLL's internal and external reporting structure.
- Develop and foster a 'risk' culture within the organization to encourage all employees to identify risk and associated opportunities and respond to them with appropriate actions.

Risk of Competition

LNG competes with naphtha, coal, fuel oil and similar hydrocarbons. These alternate fuels are currently widely used by end-user industries like fertilizers and power. In addition to the above-mentioned fuels, LNG also competes with the domestic natural gas. LNG offers several advantages over the above-mentioned fuels. PLL LNG sourced under long-term contract linked to crude oil prices, is currently facing price challenge from alternate fuels. Further, spot LNG prices moving away from crude linkage also puts the Long Terms crude linked contracts under threat. This may have an impact in the near-term growth of PLL.

Currently, the company does not produce or market any products other than LNG / R-LNG. The sole activity is the importan dre-gasification of LNG. PLL has sourced LNG under long-term contract from RasGas of Qatar and has sold re-gasified LNG mainly to three intermediate off-takers, namely, GAIL (India) Ltd., Bharat Petroleum Corporation Ltd., and Indian Oil Corporation Ltd. PLL has long-term gas sale and purchase agreements with these reputed companies. Even though this assures market for the entire product, there are risks involved due to limited customers base. In addition to the contracts with RasGas of 7.50 MMTPA, PLL also has another long-term contract with the Australian entity of Exxon Mobil for supply of around 1.4MMTPA of LNG from its Gorgon project. Similar arrangements of offtake have been made with BPCL, GAIL and IndianOil, which provides hedge against the considerable risks.

PLL also provide regas services to third parties who import LNG directly. PLL has executed 8.25 MMTPA equivalent contracts to provide long- term regas services to GAIL, IOCL, BPCL, GSPC and Torrent from existing and expansion plans of Dahej. PLL entered into an Agreement with ONGC for extraction of C2-C3 which is extracted at ONGC'sPlant located near to Dahej Terminal.

Recently PNGRB has issued clarification regarding setting up of LNG dispensing stations across highways for MCV and HCV and this has paved the way for PLL to set up dispensing stations which have on anvil for some years.

Internal Control Systems and their Adequacy

The company has developed adequate internal control systems commensurate to its size and business. PLL has appointed PWC as Internal Auditors, who conduct regular audits for various activities. The reports of the Internal Auditors are submitted to the Management and the Board's Audit Committee. There is a thorough review of the adequacy of internal control system.

Financial Performance

The turnover during the financial year ended 31st March, 2020 was Rs. 35,825 Crore including other income as against Rs. 38,845 Crore in FY 2018-19. The net profit during the financial year ended 31st March, 2020, was Rs. 2,698 Crore as against Rs. 2,155 Crore in 2018-19.

Human Resources

The Company maintained harmonious and cordial industrial relations. No man days were lost due to strike or lock-out. As on 31st March, 2020, there were 506 employees excluding 2 Whole-time Directors.

Disclosure by Senior Management Personnel, i.e. One Level below the Board including all HODs

None of the senior management personnel has financial and/ or commercial transactions with the company. They do not have any personal interest that would have a potential conflict with the interest of PLL at large.

Details of significant changes in key financial ratios

There has been no significant (i.e. more than 25%) change in the ratios as compared to the last year. Further, the Company's return on net worth is 24.6% in FY 2019-20 (21.4% in FY 2018-19). The change in the above ratio is mainly attributable to the increase in volumes processed and other factors including margins earned on trading volumes, efficiency in operations etc.

Conclusion

There are many challenges in India with regard to development of the gas market. Firstly, the gas pipeline network is not growing as rapidly as it should, secondly, it is the multi-tiered gas pricing structure and the third is the low domestic gas price as per government pricing formula. The government understands these issues and is taking steps to remove these hurdles. The government is implementing a national gas gird and also has auctioned a large number of areas under the CGD rounds to increase the gas network in the country. It is also gradually trying to deregulate gas pricing in India and develop a market based gas pricing hub. In the long run India is expected to be one of the fastest growing economies in the world, as it will experience a massive increase in energy demand and carbon emissions as the standard of living rises. The objective of the government is to allow living standards to rise in an environmentally sustainable manner through developing renewables and clean hydrocarbon fuels like natural gas. Only through government backed policy initiatives and incentivizing gas development through deregulating the gas markets, the government can achieve that objective.

Cautionary Statement

Statements in the Management's Discussion & Analysis describing the Company's objectives, expectations or anticipations may be forward looking within the meaning of applicable securities, laws and regulations. Actual results may differ materially from the expectations. Critical factors that could influence the Company's operations include global and domestic demand and supply conditions affecting selling prices of products, input availability and prices, changes in Government regulations/tax laws, economic developments within the country and factors such as litigation and industrial relations.

REPORT ON CORPORATE GOVERNANCE FORMING PART OF DIRECTORS' REPORT

Company's Philosophy on Corporate Governance

The Philosophy of the Company for Corporate Governance is to ensure transparency, disclosures and reporting that conforms fully to laws, regulations and guidelines, and to promote ethical conduct throughout the organization with primary objective of enhancing shareholders' value while being a responsible corporate citizen. Company firmly believes that any meaningful policy on the Corporate Governance must provide empowerment to the executive management of the Company and simultaneously create a mechanism of checks and balances which ensures that the decision making power vested in the executive management are used with care and responsibility to meet shareholders and stakeholders aspirations. The Company is committed to attain the highest standards of Corporate Governance.

Board of Directors

The Board is entrusted with the responsibility of the management of general affairs, directing performance and long-term success of business as a whole. The Board reviews and approves management's strategic plan and business objectives and monitors the Company's strategic direction. The Board of Directors function in accordance with the powers delegated under the Companies Act, 2013, SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 {hereinafter referred as SEBI LODR}, Memorandum & Articles of Association of the Company and other guidelines issued by the Government of India from time to time, as may be applicable on the Company.

Size and Composition of Board of Directors

The Board of your Company has a mix of executive and non-executive directors. The composition of the Board represents an optimal mix of professionalism, knowledge and experience and enables the Board to discharge its responsibilities and provide effective leadership to the business. SEBI LODR stipulates that where the chairperson of the Board of Directors is a Non-Executive Director, at least one-third of the board of directors shall comprise of independent directors. Since the Chairman of the Board of Petronet is non-executive, therefore, one-third of the total strength of Directors must comprise Independent Directors.

The Company has an optimum combination of executive and non-executive Directors including an independent woman Director. As on 31st March, 2020, the Board comprised 13 Directors viz. a non-executive Chairman, two executive Directors (whole-time) including MD & CEO, five Nominee Directors and five Independent Directors including one woman Director. The Company is complying with the mandatory requirements of SEBI LODR Regulations, 2015 and the Companies Act, 2013 pertaining to composition of Board of Directors with respect to requisite number of Independent Directors as on 31st March, 2020.

The Articles of Association of the Company stipulates that the number of Directors shall not be less than four and not more than eighteen.

Details of the Board of Directors as on 31st March, 2020 including details of directorships & Membership/Chairmanship of Committees of Directors are as follows:

S. No.	Name of Directors	No. of Companies in which Directorship / Chairmanship is held[1]		Directorship in Listed entity		No. of Committee membership[2]	
		Directorship	Chairmanship	Name of the listed entity	Category of Directorship	As Member	As Chairman
Chairman Non-Executive							
1	Dr. M.M. Kutty[3]	Nil	2	Petronet LNG Limited	Non-Executive–Chairman	Nil	Nil
Functional Directors- Executive							
2	Shri Prabhat Singh, MD& CEO	4	1	Petronet LNG Limited	Executive – MD & CEO	Nil	Nil
				Gujarat Industries Power Company Limited	Non-Executive, Independent		
3	Shri V. K. Mishra, Director (Finance)	3	Nil	Petronet LNG Limited	Executive – Director (Finance)	1	Nil

S. No.	Name of Directors	No. of Companies in which Directorship / Chairmanship is held[1]		Directorship in Listed entity		No. of Committee membership[2]	
Promoter (equity investor) Nominee Directors – Non-Executive							
4	Shri Shashi Shanker (from ONGC)	1	7	Oil and Natural Gas Corporation Limited	Executive - Chairperson	Nil	Nil
				Mangalore Refinery and Petrochemicals Limited	Non-Executive - Nominee Director		
				Petronet LNG Limited	Non-Executive - Nominee Director		
				ONGC Mangalore Petrochemicals Limited [Debt Listed]	Non-Executive - Nominee Director		
5	Shri D. Rajkumar (from BPCL)	3	3	Bharat Petroleum Corporation Limited	Executive - Chairperson	Nil	Nil
				Petronet LNG Limited	Non-Executive - Nominee Director		
6	Shri Sanjiv Singh (from IOCL)	1	5	Indian Oil Corporation Limited	Executive -Chairperson	Nil	Nil
				Chennai Petroleum Corporation Limited	Non-Executive - Non Independent		
				Petronet LNG Limited	Non-Executive - Nominee Director		
7	Dr. Ashutosh Karnatak (from GAIL)[4]	3	2	GAIL (India) Limited	Executive Director	1	Nil
				Mahanagar Gas Limited	Non-Executive - Non Independent		
				Petronet LNG Limited	Non-Executive - Nominee Director		
Nominee Director-Non-Executive							
8	Shri Sanjeev Kumar (from GMB/GoG)[5]	7	3	Gujarat State Petronet Limited	Executive - Nominee Director	4	Nil
				Gujarat Gas Limited	Executive Director		
				Petronet LNG Limited	Non-Executive - Nominee Director		
Independent Directors							
9	Dr. Jyoti Kiran Shukla	3	Nil	NBCC (India) Ltd	Non-Executive, Independent	1	2
				Petronet LNG Limited	Non-Executive, Independent		
10	Shri Sidhartha Pradhan	7	Nil	United Bank of India	Non-Executive, Independent	2	1
				Central Depository Services (India) Limited	Non-Executive, Independent		
				Petronet LNG Limited	Non-Executive, Independent		
11	Shri Sunil Kumar Srivastava	2	Nil	Petronet LNG Limited	Non-Executive, Independent	1	Nil
12	Dr. Siddhartha Shekhar Singh	2	Nil	Petronet LNG Limited	Non-Executive, Independent	1	Nil
13	Shri Arun Kumar[6]	2	Nil	Balmer Lawrie and Company Limited	Non-Executive, Independent	1	1
				Petronet LNG Limited	Non-Executive, Independent		

1 Directorship/Chairmanship in PLL is also included.

2 Membership of only Stakeholders' Relationship Committee and Audit Committee has been considered (including PLL).

3 Dr. M. M. Kutty ceased to be Director and Chairman of the Company w.e.f. 01.05.2020 due to his retirement as Secretary, Ministry of Petroleum and Natural Gas (MoP&NG), Government of India on attaining the age of superannuation. Shri Tarun Kapoor, Secretary, Ministry of Petroleum and Natural Gas (MoP&NG), Government of India has been appointed as Director and Chairman of the Company w.e.f. 11.05.2020.

4 Shri B.C. Tripathi ceased to be Nominee Director (from GAIL) w.e.f. 01.08.2019.

Dr. Ashutosh Karnatak was appointed as Nominee Director from GAIL w.e.f. 07.08.2019. Dr. Ashutosh Karnatak ceased to be Nominee Director (from GAIL) pursuant to provisions of Section 161 of the Companies Act, 2013 w.e.f. 28.08.2019.

Dr. Ashutosh Karnatak was again appointed as Nominee Director (from GAIL) w.e.f. 29.08.2019.

Dr. Ashutosh Karnatak has ceased to be Nominee Director (from GAIL) w.e.f. 06.05.2020, due to withdrawal of his nomination by GAIL.

Shri Manoj Jain was appointed as Nominee Director from GAIL w.e.f. 06.05.2020.

5 Dr. T. Natarajan ceased to be Nominee Director (from GMB/GoG) w.e.f. 22.08.2019.

Shri Sanjeev Kumar was appointed as Nominee Director from GMB/GoG w.e.f. 04.09.2019.

6 Shri Arun Kumar was appointed as Independent Director w.e.f. 09.04.2019 and his appointment was regularized at 21st Annual General Meeting held on 27th August, 2019.

Other Notes:

- Shri Rajender Singh ceased to be Director (Technical) w.e.f 20.07.2019 on attaining the age of superannuation.
- ONGC - Oil and Natural Gas Corporation Ltd.
  GAIL - GAIL (India) Ltd.
  IOCL - Indian Oil Corporation Ltd.
  BPCL - Bharat Petroleum Corporation Ltd.
  GMB - Gujarat Maritime Board
  GoG - Government of Gujarat
- Based on disclosures received from the concerned Director(s), there is no inter-se relationship amongst Directors of the Company.
- Brief resume of directors appointed/ reappointed at the forthcoming AGM is given in the Notice of AGM.

Board Meetings

The Board meets at regular intervals to discuss and decide Company's business policy and strategy apart from other Board business. The Board oversees implementation of business polices for attaining its objectives. The Board has constituted various committees to facilitate the smooth and efficient flow in decision-making process.

The meetings of the Board of Directors are convened by giving appropriate advance notices. To address any urgent needs, sometimes Board meetings are also called at a shorter notice subject to observance of statutory provisions. In case of urgency, resolutions are also approved through circulation, as per the statute. Detailed agenda notes, management reports and other explanatory statements are normally circulated as per statutory requirements in a defined format amongst the Board Members for facilitating meaningful, informed and focused discussions in the meeting. In exceptional cases, where it is not possible to circulate documents in advance, the same are tabled during the meeting with the approval of the Chairman and with the consentof a majority of the Directors present in the Meeting, including at least one Independent Director present at the meeting.

The meetings of the Board of Directors are generally held at the Company's registered office at New Delhi. Video- conferencing facility is also provided to facilitate Directors at other locations to participate in Board / Committee meetings.

During the FY 2019-20, seven (7) meetings of the Board of Directors were held and the gap between any two meetings was not more than 120 days. Attendance of each Director at the Board Meetings and at the last Annual General Meeting held during the financial year 2019-20 is given below:

Name of the Director	Board Meeting Dates							Total Meetings held during tenure of the Director in FY 2019-20	No. of Meetings Attended	Whether Attended last AGM held on 27-08-2019
	09-04-2019	15-05-2019	07-08-2019	29-10-2019	08-11-2019	14-01-2020	10-02-2020			
Dr. M.M. Kutty	Y	Y	Y	Y	Y	Y	Y	7	7	Yes
Shri Prabhat Singh	Y	Y	Y	Y	Y	Y	Y	7	7	Yes
Shri V.K. Mishra	Y	Y	Y	Y	Y	Y	Y	7	7	Yes
Shri Rajendra Singh (ceased w.e.f. 20.07.2019)	Y	Y	N.A.	N.A.	N.A.	N.A.	N.A.	2	2	N.A.
Shri Shashi Shanker	Y	Y	Y	Y	N	Y	Y	7	6	Yes
Shri D. Rajkumar	Y	Y	Y	N	Y	N	Y	7	5	No
Shri Sanjiv Singh	Y	Y	Y	Y	Y	Y	Y	7	7	No
Dr. Ashutosh Karnatak (appointed w.e.f. 07.08.2019 and ceased w.e.f 28.08.2019. Re-appointed again w.e.f. 29.08.2019)	N.A.	N.A.	Y	Y	Y	Y	Y	5	5	No
Shri Sanjeev Kumar (appointed w.e.f. 04.09.2019)	N.A.	N.A.	N.A.	N	N	Y	Y	4	2	N.A.
Shri B.C. Tripathi (ceased w.e.f. 01.08.2019)	N	Y	N.A.	N.A.	N.A.	N.A.	N.A.	2	1	N.A.
Dr. T. Natarajan (ceased w.e.f. 22.08.2019)	Y	Y	N	N.A.	N.A.	N.A.	N.A.	3	2	N.A.
Dr. Jyoti Kiran Shukla	N	Y	Y	Y	Y	Y	Y	7	6	Yes
Shri Siddhartha Pradhan	Y	Y	Y	Y	Y	Y	Y	7	7	No
Shri Sunil Kumar Srivastava	Y	Y	Y	Y	Y	Y	Y	7	7	Yes
Dr. Siddhartha Shekhar Singh	Y	Y	Y	Y	Y	N	Y	7	6	Yes
Shri Arun Kumar (appointed w.e.f. 09.04.2019)	Y	Y	Y	Y	Y	Y	Y	7	7	Yes
No. of Directors present	**12**	**14**	**12**	**11**	**11**	**11**	**13**			
Board Strength	**14**	**14**	**13**	**13**	**13**	**13**	**13**			

Confirmation by the Board with respect to Independence of Independent Directors

Based on the disclosures received from all the Independent Directors, the Board opined that all the Independent Directors fulfilled the criteria of independence as specified in Companies Act, 2013 as well as SEBI LODR and are independent of the management.

Separate meetings of Independent Directors

As per statutory requirements, the Company arranges for separate meetings of Independent Directors every year. During the FY

2019-20, separate meetings of Independent Directors were held on 18th June, 2019 and 26th September, 2019 to discuss the matters as per the statutory requirements such as assessing the quality, quantity and timely flow of information between the Company management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

Familiarisation Programmes for Independent Directors

All new Independent Directors are taken through a detailed induction and familiarisation program when they join the Board of your Company. Through familiarisationprogrammes, Independent Directors are provided insights of the Company including nature of industry in which the Company operates, business model of the Company, constitution of the Board, Board procedures, matters reserved for the Board and major risks facing the business and mitigation programs. The Independent Directors are also made aware of their roles and responsibilities at the time of their appointment.

The details of familiarization programmes attended by Independent Directors is available on the website at: https://www. petronetlng.com/Familiarisation_Programme.php.

List along with the Matrix of core skills/expertise/competencies of the Board of Directors

In terms of requirement of Schedule V of the SEBI (LODR), the Board has identified the following core skills / expertise / competencies of the Directors in the context of the Company's business for effective functioning as given below:

Name of the Director & Designation	Core skills / expertise / competencies of the Directors					
	Leadership	Technology & Operational experience	Strategic Planning	Financial, Regulatory, Legal and Risk Management	Industry experience, Research & Development	Global Business
Shri Prabhat Singh MD & CEO	Y	Y	Y	Y	Y	Y
Shri V.K. Mishra Director (Finance) & CFO	Y	Y	Y	Y	Y	Y
Shri Shashi Shanker Nominee Director – ONGC	Y	Y	Y	Y	Y	Y
Shri Sanjiv Singh Nominee Director – IOCL	Y	Y	Y	Y	Y	Y
Shri D. Rajkumar Nominee Director–BPCL	Y	Y	Y	Y	Y	Y
Dr. Ashutosh Karnatak Nominee Director - GAIL (w.e.f. 07.08.2019 to 28.08.2019) (again appointed w.e.f. 29.08.2019)	Y	Y	Y	Y	Y	Y
Shri Sanjeev Kumar Nominee Director – GMB/GoG (w.e.f. 04.09.2019)	Y	Y	Y	Y	Y	Y
Dr. Jyoti Kiran Shukla Independent Director	Y	N	Y	Y	Y	Y
Shri Sidhartha Pradhan Independent Director	Y	Y	Y	Y	Y	Y
Shri Sunil Kumar Srivastava Independent Director	Y	Y	Y	Y	Y	Y
Dr. Sidhhartha Shekhar Singh Independent Director	Y	N	Y	Y	N	Y
Shri Arun Kumar (w.e.f. 09.04.2019) Independent Director	Y	N	Y	Regulatory-Legal	N	Y

Performance Evaluation of the Board

In terms of the requirement of the Companies Act, 2013 and the Listing Regulations, an annual performance evaluation of the Board is undertaken where the Board formally assesses its own performance with the aim to improve the effectiveness of the Board and the Committees.

The Board has adopted a formal mechanism for evaluating its performance and as well as that of its Committees and individual Directors, including Chairman of the Board. An exercise is being carried out through a structured evaluation process considering various aspects of the Board's functioning such as composition of Board and Committees, experience and competencies, performance of specific duties and obligations, contribution at the meetings and otherwise, independent judgment, governance issues etc.

Succession for appointments to the Board and Senior Management

The Company has well defined plans for orderly succession for appointment to the MD & CEO and Whole-time Directors on the Board as well as Senior Management.

Compensation Policy

A Compensation Benchmarking Survey is periodically done to assess the competitiveness of total remuneration which is being paid to Directors, Key Managerial Personnel and Senior Management.

The outcome of the same is presented before Nomination and Remuneration Committee to assess the reasonableness to attract, retain and motivate Directors and other senior managerial personnel.

Compliance Report

During the FY 2019-20, the Company has complied with all the applicable laws except that the Company has not complied with the requirements pertaining to the composition of the Board in respect of not having sufficient number of Independent Directors on the Board of the Company during the period from 1st April, 2019 to 8th April, 2019.

The Board has reviewed compliance report of all the laws applicable to the Company and the steps taken by the Company to rectify instances of non-compliances.

Name and Designation of Compliance Officer

Shri Rajan Kapur, CGM & Vice President-Company Secretary is the Compliance Officer of the Company and Secretary of the Committees of the Board of Directors.

Committees of the Board Of Directors

With a view to ensure effective decision-making, the Board of Directors has constituted various Committees to have focused attention on crucial issues.

The Board has established the following statutory Committees:-

Audit Committee

The composition, quorum, scope, etc. of the Audit Committee is in line with the provisions of Section 177 of the Companies Act, 2013 and Regulation 18 of SEBI (LODR).

Composition

As on 31st March, 2020, the Audit Committee comprised of the following members:-

S.No.	Name of the Member	Designation
1	Dr. Jyoti Kiran Shukla, Independent Director	Chairperson
2	Shri Sidhartha Pradhan, Independent Director	Member
3	Shri Sunil Kumar Srivastava, Independent Director	Member
4	Shri Arun Kumar, Independent Director (w.e.f. 10.04.2019)	Member

The Company Secretary acts as the Secretary to the Committee.

Scope of Audit Committee

The scope of Audit Committee is as follows:-

1. Oversight of the company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
2. Recommendation for appointment, remuneration and terms of appointment of auditors of the company;
3. Examination of the financial statement and the auditors' report thereon;

4. Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
5. Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the Board for approval, with particular reference to:
    a. Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 3 of section 134 of the Companies Act, 2013
    b. Changes, if any, in accounting policies and practices and reasons for the same
    c. Major accounting entries involving estimates based on the exercise of judgment by management
    d. Significant adjustments made in the financial statements arising out of audit findings
    e. Compliance with listing and other legal requirements relating to financial statements
    f. Disclosure of any related party transactions
    g. Modified opinion(s) in the draft audit report
6. Reviewing, with the management, the quarterly financial statements before submission to the board for approval;
7. Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
8. Review and monitor the auditor's independence and performance, and effectiveness of audit process;
9. Approval or any subsequent modification of transactions of the company with related parties;
10. Scrutiny of inter-corporate loans and investments;
11. Valuation of undertakings or assets of the company, wherever it is necessary;
12. Monitoring the end use of funds raised through public offers and related matters.
13. Evaluation of internal financial controls and risk management systems;
14. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
15. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
16. Discussion with internal auditors of any significant findings and follow up there on;
17. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;
18. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
19. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
20. To review the functioning of the Whistle Blower mechanism/vigil mechanism as and when deemed necessary by the Audit Committee;
21. Approval of appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate;
22. The Audit Committee may call for the comments of the auditors about internal control systems, the scope of audit, including the observations of the auditors and review of financial statement before their submission to the Board and may also discuss any related issues with the internal and statutory auditors and the management of the company.
23. The auditors of a company and the key managerial personnel shall have a right to be heard in the meetings of the Audit Committee when it considers the auditor's report but shall not have the right to vote.
24. The Board's Report under sub-section (3) of Section 134 of Companies Act, 2013 shall disclose the composition of an Audit Committee and where the Board had not accepted any recommendation of Audit Committee, the same shall be disclosed in such report along with reasons therefore.
25. To make omnibus approval for related party transactions proposed to be entered into by the company.
26. To review the utilization of loans and/ or advances from/investment by the holding company in the subsidiary exceeding rupees 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments.
27. The Audit Committee hall have authority to investigate into any matter within its terms of reference or referred to it by the Board and for this purpose shall have power to obtain professional advice from external sources and have full access to information contained in the records of the company.

28. Other matters:
    a. To review Investment of Surplus Funds
    b. To review Legal Compliances
    c. To review Spot Purchases.

Review of information by Audit Committee

The Audit Committee shall mandatorily review the following information:

1. Management discussion and analysis of financial condition and results of operations;
2. Statement of significant related party transactions (as defined by the Audit Committee), submitted by management;
3. Management letters / letters of internal control weaknesses issued by the statutory auditors;
4. Internal audit reports relating to internal control weaknesses; and
5. The appointment, removal and terms of remuneration of the Chief internal auditor shall be subject to review by the Audit Committee.
6. Statement of deviations:
    a. quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1).
    b. annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice in terms of Regulation 32(7).
7. Any other matter as decided by the Board of Directors of the Company or as specified under the provisions of Companies Act, 2013 and SEBI(LODR) Regulations, 2015 as amended from time to time.

Meeting and Attendance

During the financial year 2019-20, six (6) meetings of the Audit Committee were held. The details including attendance of members of the Committee are as follows:

Name of Directors	Meeting date and attendence						Total Meetings held during tenure of Directors in FY 2019-20	No. of Meetings Attended
	14-05-2019	15-05-2019	07-08-2019	26-08-2019	29-10-2019	10-02-2020		
Dr. Jyoti Kiran Shukla	Y	Y	Y	Y	N[1]	Y	6	5
Shri Sidhartha Pradhan	Y	Y	Y	Y	Y	Y	6	6
Shri Sunil Kumar Srivastava	Y	Y	Y	Y	Y	Y	6	6
Shri Arun Kumar	Y	Y	Y	Y	Y	Y	6	6
No. of Members present	**4**	**4**	**4**	**4**	**3**	**4**		
Total strength	**4**	**4**	**4**	**4**	**4**	**4**		

[1]In the absence of Dr. Jyoti Kiran Shukla, Shri Sidhartha Pradhan, Independent Director, chaired the Audit Committee Meeting held on 29.10.2019.

The gap between any two meetings was not more than 120 days.

Dr. Jyoti Kiran Shukla, Chairperson of the Audit Committee was present at the last Annual General Meeting of the Company held on 27th August, 2019, to answer the queries of the shareholders.

Nomination and Remuneration Committee (NRC)

Nomination and Remuneration Committee has been constituted in compliance with the provisions of Section 178 of the Companies Act, 2013 and Regulation 19 of SEBI (LODR).

Composition

As on 31st March, 2020, the NRC comprised of the following members:-

S.No.	Name of the Member	Designation
1	Dr. Jyoti Kiran Shukla, Independent Director	Chairperson
2	Shri. Sidhartha Pradhan, Independent Director	Member

3	Shri Sunil Kumar Srivastava, Independent Director	Member
4	Shri Sanjiv Singh, Nominee Director	Member

The Company Secretary acts as the Secretary to the Committee.

Scope of NRC

The scope of NRC is as follows:-

1. The Nomination and Remuneration Committee shall identify persons who are qualified to become Directors and who may be appointed in senior management in accordance with the criteria laid down, recommend to the Board their appointment and removal and shall specify the manner and criteria for effective evaluation of performance of Board, its committees and individual directors to be carried out either by the Board, by the Nomination and Remuneration Committee or by an Independent external agency and review its implementation and compliance.
2. The Nomination and Remuneration Committee shall recommend whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors.
3. The Nomination and Remuneration Committee shall recommend to the Board, all remuneration, in whatever form, payable to senior management.
4. The Nomination and Remuneration Committee shall formulate the criteria for determining qualifications, positive attributes and independence of a Director and recommend to the Board a policy, relating to the remuneration for the Directors, Key Managerial Personnel and other employees.
5. Nomination and Remuneration Committee shall, while formulating the policy as mentioned above shall ensure that -
   (a) The level and composition of remuneration is reasonable and sufficient to attract, retain and motivate Directors of the quality required to run the Company successfully;
   (b) Relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
   (c) Remuneration to Directors, Key Managerial Personnel and Senior Management involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the Company and its goals.
6. The Remuneration policy framed by Nomination and Remuneration Committee shall be placed on the website of the company and the statutory provisions for its disclosures as mentioned under Companies Act, 2013 / SEBI (LODR) Regulations, 2015 shall be complied with.
7. Devising a policy on diversity of Board of Directors.
8. The Committee has the authority to consult any independent professional adviser it considers appropriate to provide independent advice on the appropriateness of remuneration packages, given trends in comparative companies both locally and internationally.
9. Any other matter as decided by the Board of Directors of the Company or as specified under the provisions of Companies Act, 2013 and SEBI (LODR) Regulations, 2015 as amended from time to time.

Meeting and Attendance

During the financial year 2019-20, 11 (eleven) meetings of the NRC were held. The details including attendance of members of the Committee are as follows:

Name of Directors	Meeting date and attendence											Total Meetings held during tenure of Directors in FY 2019-20	No. of Meetings Attended
	23-04-2019	22-07-2019	25-09-2019	16-10-2019	18-10-2019	22-10-2019	23-10-2019	25-10-2019	28-10-2019	24-12-2019	01-01-2020		
Dr. Jyoti Kiran Shukla	Y	Y	Y	Y	Y	Y	Y	N[1]	Y	Y	Y	11	10
Shri Sidhartha Pradhan	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	11	11
Shri Sunil Kumar Srivastava	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	11	11
Shri Sanjiv Singh	Y	Y	Y	N	Y	N	N	Y	Y	Y	Y	11	8
No. of Members present	**4**	**4**	**4**	**3**	**4**	**3**	**3**	**3**	**4**	**4**	**4**		
Total strength	**4**	**4**	**4**	**4**	**4**	**4**	**4**	**4**	**4**	**4**	**4**		

[1]in the absence of Dr. Jyoti Kiran Shukla, Shri Sidhartha Pradhan, Independent Director, chaired the NRC held on 25.10.2019.

Dr. Jyoti Kiran Shukla, Chairperson of the NRC was present at the last Annual General Meeting of the Company held on 27th August, 2019.

Policy on Whole-time Directors' Appointment and Remuneration

Pursuant to Article no. 109 and 111 of the Articles of Association of the Company, the Board may appoint Managing Director & CEO and other whole-time Directors subject to provisions of Section 203 and other applicable provisions of the Act.

The Search Committee, as constituted by the Board from time to time, finalizes the qualification, age, experience and other relevant criteria for the position under consideration and the notification for the vacant position is circulated in advance. Based on the suitability of the candidates, the Search Committee of the Board shortlists candidates for personal interaction and recommends potential candidates in order of merit to the Nomination and Remuneration Committee which in turn makes its recommendations to the Board. The final recommendation, with suitable compensation and other terms for appointment, is then approved by the Board, subject to confirmation by the shareholders in the general meeting.

The initial tenure of MD & CEO and Whole - time Director(s) is for a period of five years w.e.f. their respective date of appointment. However, the tenure of Whole - time Directors may further be extended by re-appointing them, subject to approval of Board as well as Members of the Company.

The appointment of MD & CEO and Whole-time Directors is subject to termination by a three months' notice in writing by either party.

The tenure of Nominee Directors is not certain as they are being nominated by their respective organizations. However, in case of Independent Directors, the initial tenure of appointment is three years.

Remuneration paid to MD & CEO, Whole-Time Directors and Non-Executive Directors for the Financial Year 2019-20

Remuneration to MD & CEO and other Whole-Time Directors is being paid as per terms of their appointment. The Company pays remuneration by way of salary, perquisites, allowances and commission to whole-time Directors. Commission is calculated on the basis of profits of the Company in a particular year and is determined by the Board subject to approval of shareholders and overall ceiling as prescribed in the Companies Act, 2013.

The details of remuneration paid to the Whole-time Directors during the year are stated herein below:

S. No	Name	Designation	Salaries & Allowances	Contribution to PF & Gratuity Fund	Other Benefits & Perks	Commission Profit paid for 2018-19 in 2019-20	Total
1	Shri Prabhat Singh	Managing Director & CEO	1,40,18,499	5,49,590	11,76,156	22,50,000	1,79,94,245
2	Shri V.K. Mishra	Director (Finance) & CFO	82,77,924	3,65,587	8,01,774	21,57,534	1,16,02,819
3	Shri Rajender Singh	Director (Technical) (upto 19th July, 2019)	58,48,348	21,01,156	40,80,044	22,50,000	1,42,79,548
4	Shri R K Garg#	Director (Finance), CFO and KMP (upto 19th July, 2017)	4,71,006	-	-	-	4,71,006
5	Shri Subhash Kumar#	Director (Finance), CFO and KMP (w.e.f 5th August, 2017 to 31st January, 2018)	2,74,187	-	-	-	2,74,187

Arrears of Salary was paid during the Financial Year 2019-20 due to pay revision.

The remuneration to Independent Directors is being paid in the form of sitting fee and Commission of Profits of the Company as decided by the Board. Independent Directors are currently being paid sitting fees of Rs. 20,000/- for attending every meeting of the Board or Committee thereof.

Details of payments towards sitting fee and the commission on profits to Independent Directors during the financial year 2019-20 are given below:

Name of Independent Directors	Sitting Fees and Commission (In Rs.)			Total
	Board Meeting (In Rs)	Committee Meeting (In Rs)	Commission on Profits (In Rs)	
Dr. Jyoti Kiran Shukla	120,000	400,000	8,50,000	13,70,000
Shri Sidhartha Pradhan	140,000	360,000	7,45,206	12,45,206

Shri Sunil Kumar Srivastava	140,000	480,000	3,49,315	9,69,315
Dr. Siddhartha Shekhar Singh	120,000	220,000	3,49,315	6,89,315
Shri Arun Kumar	140,000	180,000	-	3,20,000
Total	**6,60,000**	**16,40,000**	**22,93,836**	**45,93,836**

Pursuant to Regulation 17(6) (ca) of SEBI (LODR) Regulations, 2015, none of the Non-Executive Director of the Company is in receipt of annual remuneration exceeding fifty per cent of the total annual remuneration payable to all Non-Executive directors.

No remuneration in any form is paid to Non-Executive – Non-Independent Directors.

During the year, there were no pecuniary relationships or transactions between the Company and any of its Non-Executive Directors apart from sitting fees and commission, which is only payable to Non-Executive Independent Directors. The Company has not granted any stock options to any of its Non-Executive Independent Directors.

Stakeholders' Relationship Committee

Stakeholders' Relationship Committee has been constituted in compliance with Section 178 of the Companies Act, 2013 and Regulation 20 of SEBI (LODR) Regulations, 2015.

Composition

As on 31st March, 2020, the Stakeholders' Relationship Committee comprised of the following members:-

S.No.	Name of the Member	Designation
1	Shri Arun Kumar, Independent Director (w.e.f. 10.04.2019)	Chairman
2	Dr. Siddhartha Shekhar Singh, Independent Director	Member
3	Shri V. K. Mishra, Director (Finance) & CFO	Member
4	Shri Rajender Singh, Director (Technical) (ceased w.e.f. 20.07.2019)	Member

Scope of Stakeholders' Relationship Committee

The scope of Stakeholders Relationship Committee is as follows:-

1. To resolve the grievances of the security holders of the listed entity including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc.
2. To review the measures taken for effective exercise of voting rights by shareholders.
3. To review of adherence to the service standards adopted by the listed entity in respect of various services being rendered by the Registrar & Share Transfer Agent.
4. To review of the various measures and initiatives taken by the listed entity for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the company.
5. Any other matter as decided by the Board of Directors of the Company or as specified under the provisions of Companies Act, 2013 and SEBI (LODR) Regulations, 2015 as amended from time to time.

Meeting and Attendance

During the financial year 2019-20, one meeting of the Stakeholders' Relationship Committee was held on 15th May, 2019 and all the members attended the meeting.

The Chairperson of the Stakeholders' Relationship Committee was present at the Last Annual General Meeting (21st AGM) of the Company held on 27th August, 2019.

Investor Grievances

The Company has always valued its investor's relationship. During the financial year ending 31st March, 2020, Company has attended its investor grievances expeditiously. In terms of Regulation 13 (3) of SEBI (LODR) Regulations, 2015, the details of quarter wise

Investors' Complaints for the year ended 31st March, 2020 are as follows

Particulars	No. of Investor complaints pending at the beginning of the quarter	No. of Investor complaints received during the quarter	No. of Investor complaints disposed of during the quarter	No. of Investor complaints unresolved at the end of the quarter
Quarter ended 30.06.2019	Nil	487	487	Nil
Quarter ended 30.09.2019	Nil	543	543	Nil
Quarter ended 31.12.2019	Nil	619	619	Nil
Quarter ended 31.03.2020	Nil	334	334	Nil
Total Complaints received / resolved during the Financial Year 2019-20	Nil	**1983**	**1983**	Nil

Risk Management Committee

Risk Management Committee has been constituted in terms of provisions of Regulation 21 of SEBI LODR.

Composition

As on 31st March, 2020, the Risk Management Committee comprised of the following members:-

S.No.	Name of the Member	Designation
1	Shri Shashi Shanker, Nominee Director (ONGC)	Chairman
2	Shri Sidhartha Pradhan, Independent Director	Member
3	Shri Prabhat Singh, MD & CEO	Member
4	Shri V. K. Mishra, Director (Finance) & CFO	Member
5	Shri Rajender Singh, Director (Technical) (ceased w.e.f. 20.07.2019)	Member
6	Dr. T. Natarajan, Nominee Director (GMB/GoG) (ceased w.e.f. 22.08.2019)	Member

The Company Secretary is the Secretary of the Committee.

Scope of Risk Management Committee

The scope of Risk Management Committee is as follows:-

1. Highlight significant changes in the risk profile.
2. Changes/events outside the risk appetite of the company.
3. Providing leadership and direction to the Company on the risk management framework.
4. To develop, implement and monitor risk management policy/plan of the Company including Cyber Security.
5. Ensure compliance with risk management policy.
6. Guiding integration Enterprise-wide Risk Management (ERM) with other business planning and activities.
7. Submit report as desired by the Audit Committee/ Board on changes in risk profile, controls established, etc.
8. Communicate summary of changes in the risk register to the Audit Committee/ Board
9. Reviewing the management of the risk, their root causes and the control to mitigate the risk.
10. Reviewing modification, additions and deletion to the risk register.
11. Monitor emerging issues and share best practices.
12. Any other matter as decided by the Board of Directors of the Company or as specified under the provisions of Companies Act, 2013 and SEBI (LODR) Regulations, 2015 as amended from time to time.

Meeting and Attendance

During the financial year 2019-20, one meeting of the Risk Management Committee was held. The details including attendance of members of the Committee are as follows:

Name of Directors	Meeting Date 25-07-2019 and attendance	Total Meetings held during tenure of Directors in FY 2019-20	No. of Meetings attended
Shri Shashi Shanker	Y	1	1
Shri Sidhartha Pradhan	Y	1	1
Shri Prabhat Singh	Y	1	1
Shri V. K. Mishra	Y	1	1
Shri T. Natarajan (Upto 22.08.2019)	N	-	-
Shri Rajender Singh (Upto 20.07.2019)	NA	-	-
No. of Members present	**4**		
Total Strength	**5**		

Corporate Social Responsibility Committee

Corporate Social Responsibility Committee has been constituted as per the requirements of Section 135 of the Companies Act, 2013.

Composition

As on 31st March, 2020, the Corporate Social Responsibility Committee comprised of the following members:-

S.No.	Name of the Member	Designation
1	Dr. Siddhartha Shekhar Singh, Independent Director	Chairman
2	Dr. Jyoti Kiran Shukla, Independent Director	Member
3	Shri Prabhat Singh, MD & CEO	Member
4	Shri V. K. Mishra, Director (Finance)	Member
5	Dr. Ashutosh Karnatak, Nominee Director (GAIL) (appointed w.e.f. 8th November, 2019)	Member

The Company Secretary is the Secretary of the Committee.

Scope of Corporate Social Responsibility Committee

The scope of Corporate Social Responsibility Committee is as follows:-

1. Formulate and recommend to Board, a Corporate Social Responsibility Policy (CSR Policy) which shall indicate the activities to be undertaken by the company in areas or subject, specified in Companies Act, 2013 read with rules and Schedule VII as amended from time to time.
2. Approval of the amount of expenditure to be incurred on the activities referred in clause no.1 upto and equal to the value of single project Rs. 2 crore.
3. Recommend the amount of expenditure to be incurred on the activities referred in clause no. 1 exceeding the value of single project Rs. 2 crore.
4. Monitor the Corporate Social Responsibility Policy (CSR Policy) of the Company from time to time.
5. Review of estimates and approvals of PLF.
6. To ensure that the company spends, in every financial year, at least two per cent of the average net profits of the company made during the three immediately preceding financial years, in pursuance of its Corporate Social Responsibility Policy;

   Provided that the Company shall give preference to the local area and areas around it where it operates, for spending the amount earmarked for Corporate Social Responsibility activities.
7. The unspent amount on the CSR activities out of the budgeted amount required to be spent as per the statutory requirements shall be dealt as per the provisions of Companies Act, 2013 read with rules as amended from time to time.
8. Any other matter as decided by the Board of Directors of the Company subject to the provisions as specified under the provisions of Companies Act, 2013 and SEBI (LODR) Regulations, 2015 as amended from time to time. The Corporate Social Responsibility Policy of the Company is available at the following weblink: https://www.petronetlng.com/PDF/CSR_Policy_27042015.pdf.

Meeting and Attendance

During the financial year 2019-20, two (2) meeting of the Corporate Social Responsibility Committee was held. The details including attendance of members of the Committee are as follows:

Name of Directors	Meeting Date and attendance		Total Meetings held during tenure of Directors in FY 2019-20	No. of Meetings attended
	23-07-2019	24-09-2019		
Dr. Siddhartha Shekhar Singh	Y	Y	2	2
Dr. Jyoti Kiran Shukla	Y	Y	2	2
Shri Prabhat Singh	Y	Y	2	2
Shri V. K. Mishra	Y	Y	2	2
Dr. Ashutosh Karnatak (Appointed w.e.f. 8th November, 2019)	NA	NA	0	0
No. of members present	**4**	**4**		
Total Strength	**4**	**4**		

General Body Meetings

Annual General Meeting

The details of last three Annual General Meetings are as mentioned below:

Year	2016-2017	2017-18	2018-19
Date & Time	15th September, 2017 at 10.00 AM	14th September,2018 at 10.00 A.M.	27th August, 2019 at 10:30 A.M.
Venue	Manekshaw Centre, Khyber Lines, Delhi Cantonment, New Delhi-110010	Siri Fort Auditorium, August Kranti Marg, Siri Institutional Area, New Delhi–110049	Siri Fort Auditorium, August Kranti Marg, Siri Institutional Area, New Delhi–110049
Details of Special Resolutions	1) To increase FII investment limit in equity shares of the Company upto an aggregate limit of 40% of the paid up equity share capital of the Company.	1) To re-appoint Dr. Jyoti Kiran Shukla (DIN 03492315) as Independent Director of the Company for a period of three years w.e.f. 31st March 2018. 2) To approve recoverable advance given to Shri V. K. Mishra, Director (Finance) of the Company.	1) To approve amendment in Memorandum of Association (MoA) of the Company. 2) To approve amendment in Articles of Association (AoA) of the Company.
Special Resolutions passed through Postal Ballot	1) Approval to increase Authorised Share Capital of the Company. 2) Approval to issue Bonus Shares by way of capitalisation of Reserves.	NIL	NIL

Extra Ordinary General Meeting(s) (EGMs)

During the year, no Extra-ordinary General Meeting of the Members of the Company was held.

Code of Conduct for Board Members & Senior Management Personnel

The Company has in place Code of Conduct for Directors and Senior Management Personnel which has been approved by the Board with a view to enhance ethical and transparent process in managing the affairs of the Company. This code is applicable to all the Board Members and the Senior Management Personnel(s) of the Company. A copy of the Code of Conduct is available at the website of the Company at the weblink: https://www.petronetlng.com/code-conduct.php.

In terms of provisions of Regulation 34 (3) read with Schedule V of the SEBI LODR, a declaration from the Managing Director & CEO regarding compliance with the said Code by all Board Members and Senior Management Personnel is as below:

"I, Prabhat Singh, MD & CEO, declare that the members of the Board of Directors and Senior Management Personnel have affirmed compliance with 'The Code of Conduct for Board Members and Senior Management Personnel' of the Company for the year ended 31st March, 2020.

(Prabhat Singh)
MD & CEO"

CEO/CFO Certification

As required under Regulation 17 (8) of SEBI LODR, the certificate duly signed by CEO and CFO was placed before the Board of Directors at the meeting held on 29th June, 2020 and the said certificate is annexed and forms part of this report.

Disclosure by Senior Management Personnel i.e. one level below the CEO/MD/Whole-Time Directors including Company Secretary and CFO

None of the senior management personnel has financial and/ or commercial transactions with the company. They do not have any personal interest that would have a potential conflict with the interest of PLL at large.

Code for Prevention of Insider Trading in the Securities of Petronet LNG Limited

Pursuant to SEBI (Prohibition of Insider Trading) Regulations, 2015, the Company has formulated a Code of Practice and Procedure for Fair Disclosure of Un-published Price Sensitive Information and Code of Conduct to Regulate, Monitor and Report Trading by its Employees and other Connected Persons. Further, SEBI vide notification dated 31st December, 2018 notified SEBI (Prohibition of Insider Trading) (Amendment) Regulations, 2018 which amended the SEBI (Prohibition of Insider Trading) Regulations 2015 and were effective from 1st April, 2019. Accordingly, a new code 'Code for Prevention of Insider Trading in the Securities of Petronet LNG Limited (PLL)' was adopted w.e.f 1st April, 2019. The details of the same have been posted on the website of the Company. Copy of the Insider Trading Code is available on following weblink: https://www.petronetlng.com/PDF/Insider-trading-Code.pdf.

Vigil Mechanism / Whistle Blower Policy

The Board of Directors of the Company has approved the Vigil Mechanism/ Whistle Blower Policy in terms of provisions of Section 177 of Companies Act, 2013 and Regulation 22 of SEBI LODR. It is hereby affirmed that no personnel has been denied access to the Audit Committee in connection with the use of Vigil Mechanism. No complaints has been received during the financial year 2019-20. The Vigil Mechanism of the Company is available at the following weblink: https://www.petronetlng.com/PDF/Vigil-Mechanism-02092014.pdf.

Policy for Determining Material Subsidiary

The Company has formulated a Policy for determining 'Material' Subsidiaries as per Regulation 16(1)(c) of SEBI LODR. The same is available at the weblink: https://www.petronetlng.com/PDF/PolicyonMaterialSubsidairy.pdf.

In the year 2019-20, the Company had no 'Material Subsidiary' as defined under Regulation 16(1) (c) of SEBI LODR

Details of transactions between the Company and its subsidiaries, associates, key managerial personnel during the year 2019- 20 are given in Financial Statement for the year ended 31st March, 2020. These transactions does not have any potential conflict with the interests of the Company at large.

Means of Communication

The Company has its website having updated details about the Company, its project, Shareholding pattern on quarterly basis, etc. as per the statutory requirements of SEBI (LODR) Regulations, 2015. The financial results are being posted on the Company's website. i.e. www.petronetlng.com. The Company also has dedicated e-mail ID i.e. investors@petronetlng.com for investors to contact the Company in case of any information and grievances.

Press Releases made by the Company from time to time are also displayed on the Company's website. Presentations made to the institutional investors and analysts after the declaration of the quarterly, half-yearly and annual results, if any, are also displayed on the Company's website.

During 2019-20, Quarterly/Financial Results have been published as per details given below

Quarter	Date of Board Meeting	Date of Publication	Newspaper (s)
Q1	15th May, 2019 for financial year ended 31st March, 2019	17th May, 2019	Hindustan Times (English) & Hindustan (Hindi)
Q2	7th August, 2019 for quarter ended 30th June, 2019	8th August, 2019	Indian Express (English) & Jansatta (Hindi)
Q3	29th October, 2019 for quarter ended 30th September, 2019	30th October, 2019	Financial Express (English) & Jansatta (Hindi)
Q4	10th February, 2020 for the quarter ended 31st December, 2019	12th February, 2020	Hindustan Times (Hindi & English), The Hindu (English)

Other Disclosures

- **Related Party Transactions**

  The Company has a well-defined Related Party Transaction Policy duly approved by the Board of Directors of the Company. The details of all materially significant transactions with related parties are periodically placed before Audit Committee. In terms of provisions of Regulation 23 of SEBI LODR, Companies Act, 2013 and also the relevant Accounting Standards, the promoters/ subsidiary(s)/associate(s)/joint venture(s) of the Company and KMPs qualify as related party(s) of the Company. The Company enters into transaction of sale of RLNG and provides tolling capacity to its related parties at a price which is at an arm's length basis as well as in ordinary course of business. Therefore, Related Party Transactions have no potential conflict of interest with the Company. The Company has also obtained omnibus approval from Audit Committee for Related Party Transactions and all the related party transaction are placed before the Audit Committee on quarterly basis for its information.

The Company in its 21st Annual General Meeting held on 27th August, 2019 has obtained the approval of the shareholders to enter into contracts/arrangements/ transactions entered/ to be entered with the Related Parties during the financial year 2019-20 and 2020-21 for supply of goods or service in the ordinary course of business and on arm's length basis, which may exceed the materiality threshold limit i.e. exceeds ten percent of the annual consolidated turnover of the Company as per the last audited financial statements of the Company.

The Related Party Policy is available at the following web link: https://www.petronetlng.com/PDF/Related-Party/Policy-26052015.

- **Details of non-compliance by Listed Entity, penalties, strictures imposed on the listed entity by stock exchange(s) or the Board or any statutory authority, on any matter related to capital markets, during the last three years**

  The Company has broadly complied with all the requirements of SEBI LODR, the Companies Act, 2013. There were no penalties or strictures imposed on the Company by any statutory authority for non-compliance on any matter related to capital markets during the last three years except that BSE and NSE has levied penalty of Rs. 9,32,200/- each inclusive of applicable GST (totalling Rs. 18,64,400/- inclusive of applicable GST) in the financial year 2019-20 for non-compliance with the provisions of Regulation 17(1) of SEBI LODR i.e. non-compliance with the requirements pertaining to the composition of the Board of Directors during the period from 02.11.2018 to 31.03.2019 in the Financial Year 2018-19 and 01.04.2019 to 08.04.2019 in the Financial Year 2019-20.

- **Proceeds from Public Issues, Rights Issues, Issues and its utilisation**

  The Company has not raised any money through Public Issue, Right Issues or any Preferential Issues during the financial year 2019-20.

- **Certificate from Company Secretary in Practice**

  A Certificate from a Company Secretary in Practice has been obtained that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as Directors of Companies by the Board/Ministry of Corporate Affairs or any such Statutory Authority pursuant to the requirement of Part C of Schedule V of SEBI (LODR) Regulations, 2015.

- **Annual Secretarial Compliance Report**

  The Company has obtained the annual secretarial compliance report from M/s A.N. Kukreja & Co., Company Secretaries for the FY 2019-20 pursuant to the SEBI circular No. CIR/CFD/CMD1/27/2019 dated 8th February, 2019 on compliance of all applicable the SEBI Regulations and circulars / guidelines issued thereunder.

- **Total Fees paid by the Company and its Subsidiaries to the Statutory Auditor**

  Fees paid by the Company to the Statutory Auditors during the financial year 2019-20 is as follows:

  Remuneration to Auditor (exclusive of taxes) (Rs. in Lakhs)

Particulars	For the year ended 31st March, 2020
Statutory Audit Fee (including limited review fees)	22
Tax audit and Audit U/s 80IA	7
Taxation Services	6
Fees for certification	7
Reimbursement of expenses	1
Total	**43**

  Total Fees of Rs. 59,000 inclusive of applicable GST was paid to Statutory Auditors during the financial year 2019-20 by Petronet LNG Foundation (PLF), the wholly owned subsidiary of PLL.

- **Sexual Harassment of Women at Workplace**

  The details of the cases pursuant to the Sexual harassment of Women at workplace (Prevention, Prohibition and Redressal) Act, 2013 is given in the Directors' Report.

- **Disclosure of Compliance with respect to Corporate Governance Requirements**

  The Company has complied with corporate governance requirements specified in Regulations 17 to 27 and clauses (b) to (i) of sub-regulation (2) of Regulation 46 of SEBI LODR. Non-compliance, if any, of the Regulations of SEBI LODR has been specifically mentioned in the Report.

General Shareholders Information

Annual General Meeting (AGM)

Day, Date and Time	Thursday, 10th September, 2020 at 2:30 p.m.
Venue	Through Video Conferencing ("VC") / Other Audio-Visual Means ("OAVM")
Financial Year	2019-20
Date of Book Closure for 22nd AGM	Thursday, 3rd September, 2020 to Wednesday, 9th September, 2020

Financial Calendar

Petronet LNG Ltd. follows the financial year from April to March. The Un-audited Financial Results for the first three quarters and the Audited Financial Results for the year ended 31st March, 2020 were taken on record and approved by the Board in its meeting(s) held on the following dates:

Quarter Ended	Date of Board Meeting
April - June, 2019	7th August, 2019
July - September, 2019	29th October, 2019
October - December, 2019	10th February, 2020
Year Ended	
31st March, 2020	29th June, 2020

Dividend Payment Date

The Board of Directors of the Company have recommended payment of Final Dividend of Rs. 7 per share (on the face value of Rs. 10/- each) for the financial year ended 31st March, 2020 subject to the approval of the shareholders in the ensuing AGM. This is in addition to the Special Interim Dividend of Rs. 5.50 per share (on the face value of Rs. 10/- each) paid in November, 2019.

The final dividend on equity shares, if declared at the Annual General Meeting, will be paid on 29th September, 2020 to the Members whose names appear on the Company's Register of Members on 16th July, 2020 (Record Date) in respect of physical shares. In respect of dematerialized shares, the dividend will be payable to the "beneficial owners" of the shares whose names appear in the Statement of Beneficial Ownership furnished by NSDL and CDSL as at the close of business hours on 16th July, 2020.

Listing on Stock Exchange(s)

Name and Address of Stock Exchange	Stock Code	ISIN
BSE Limited (BSE) Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai - 400001.	532522	INE347G01014
National Stock Exchange of India Limited (NSE) Exchange Plaza, Plot No. C/1, G Block, Bandra-Kurla Complex, Bandra (East), Mumbai – 400051.	PETRONET	

The Annual listing fee for the financial year 2019-20 has been paid to the above Stock Exchanges

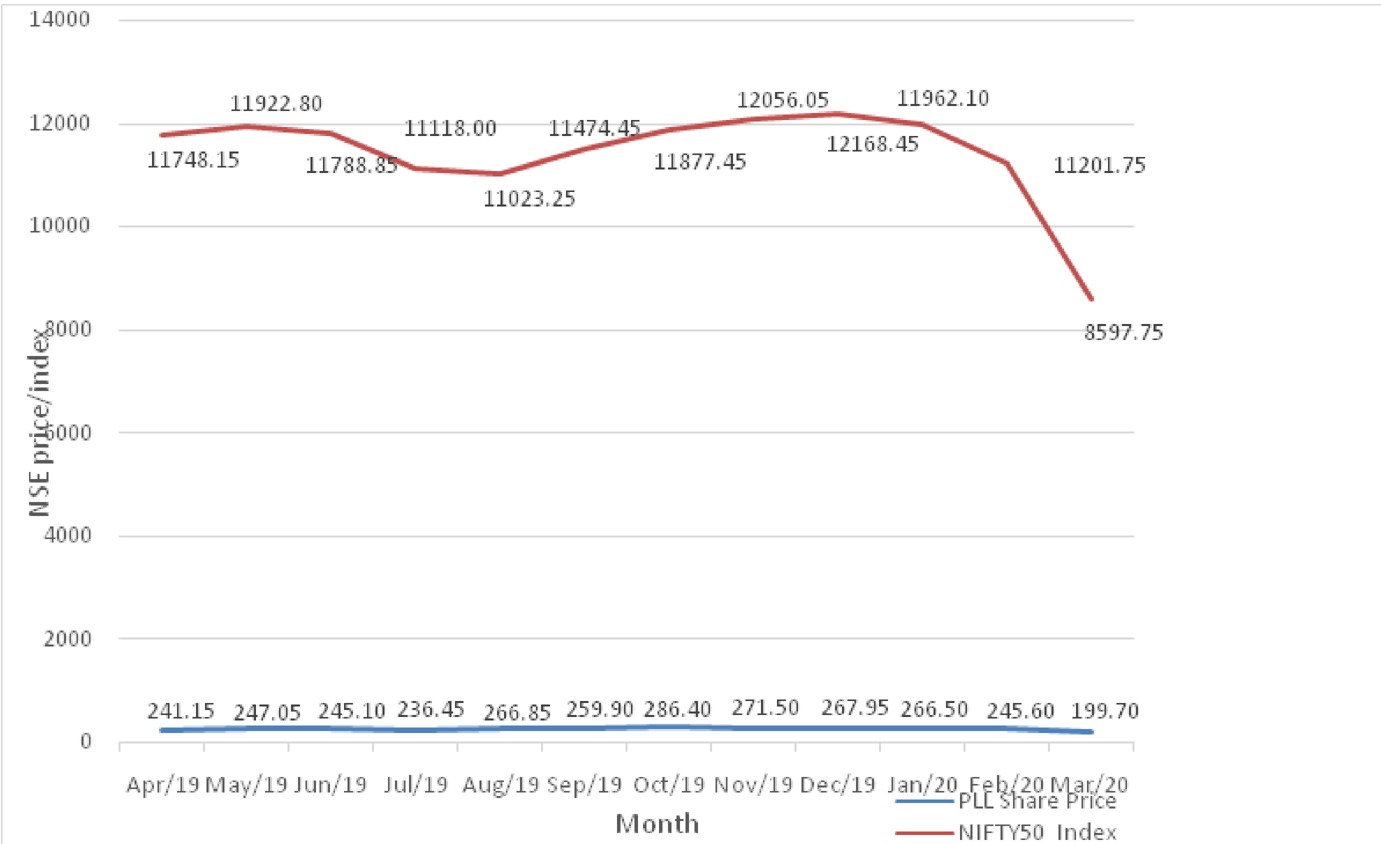
Market Price Data

Month	BSE (in Rs.)				NSE (in Rs.)				INDEX	
	High	Low	Close	Volume Traded	High	Low	Close	Volume Traded	BSE	NSE
April, 2019	254.55	232.5	241.00	2762697	254.90	232.20	241.15	36084799	39031.55	11748.15
May, 2019	250.60	219.60	246.95	1954944	250.75	219.20	247.05	60785351	39714.20	11922.80
June, 2019	249.85	226.15	245.10	2580202	249.90	226.80	245.10	37458145	39394.64	11788.85
July, 2019	254.65	229.70	236.50	2232825	254.50	229.55	236.45	73769037	37481.12	11118.00

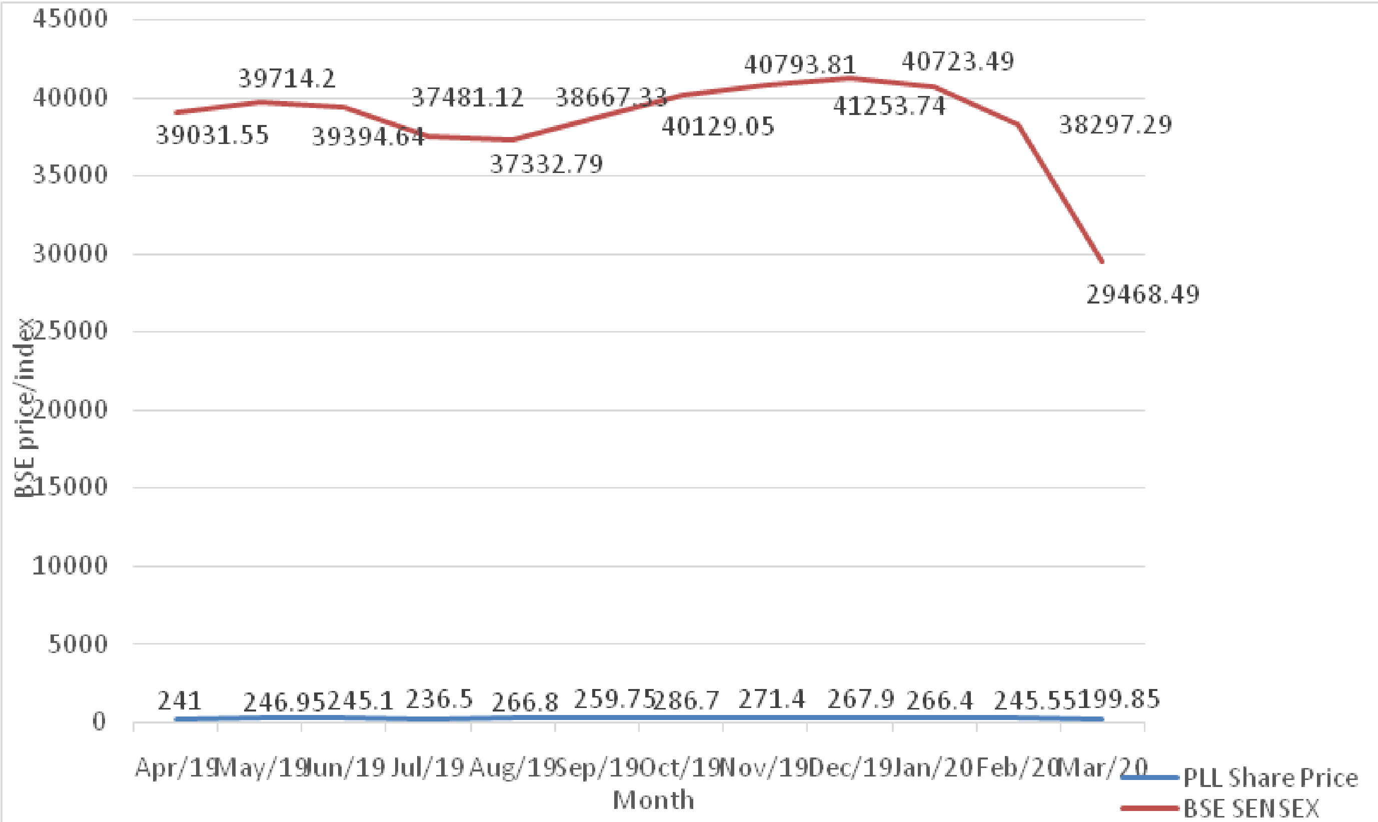
Month	BSE (in Rs.)				NSE (in Rs.)				INDEX	
	High	Low	Close	Volume Traded	High	Low	Close	Volume Traded	BSE	NSE
August, 2019	267.75	228.40	266.80	2580688	267.80	228.35	266.85	59998465	37332.79	11023.25
September, 2019	302.00	247.10	259.75	8178181	299.00	246.70	259.90	91207787	38667.33	11474.45
October, 2019	297.00	253.40	286.70	2771626	297.75	253.40	286.40	67276790	40129.05	11877.45
November, 2019	288.95	262.45	271.40	3206975	289.00	262.25	271.50	46983481	40793.81	12056.05
December, 2019	283.25	266.70	267.90	4586511	283.25	266.80	267.95	44728938	41253.74	12168.45
January, 2020	280.00	264.75	266.40	1929027	280.20	264.70	266.50	42935593	40723.49	11962.10
February, 2020	277.70	243.15	245.55	1420123	276.00	243.05	245.60	49646838	38297.29	11201.75
March, 2020	253.35	170.75	199.85	6229551	253.35	170.40	199.70	105945571	29468.49	8597.75

Performance in comparison to Indices

NSE NIFTY 50 and PLL Share Price



BSE SENSEX AND PLL SHARE PRICE



Registrar and Share Transfer Agent

KFin Technologies Private Limited (formerly known as Karvy Fintech Pvt. Limited) is the Registrar and Share Transfer Agent (RTA) for handling all matters relating to the shares of PLL (both physical as well as demat mode). All matters relating to the shares of Petronet LNG Limited such as transfer, transmission, dematerialization, rematerialisation, dividend, change of address etc. and related correspondence and queries may be addressed to:

KFin Technologies Private Limited,
Selenium Building, Tower-B, Plot No 31 & 32, Financial District,Nanakramguda,
Serilingampally, Hyderabad, Rangareddi, Telangana, India - 500 032
Tele: 040- 67162222, Fax: 040- 23420814, Toll Free No.:1800-345-4001,
Email: einward.ris@kfintech.com, Website: www.kfintech.com

Share Transfer Committee

Composition

As on 31st March, 2020, the Share Transfer Committee comprised of the following members:-

S.No.	Name of the Member	Designation
1	Shri Prabhat Singh, MD & CEO	Chairperson
2	Shri V.K. Mishra, Director (Finance) & CFO	Member
3	Shri Rajender Singh, Director (Technical) (ceased w.e.f. 20.07.2019)	Member

The Company Secretary is the Secretary of the Committee.

Scope of Share Transfer Committee

1. To consider the share transfer application.
2. To approve and register the share transfer which meets the requirement of law (including Articles of association of the Company).
3. To refuse share transfer which do not meet the requirement of law including (article of association of the Company)
4. To consider application for share transmission and to approve or cause such application in accordance with this provision of article of association of the company and other applicable laws, if any.
5. To nominate any person /persons to authenticate share certificates on transfer/transmission to splitting/consolidation/duplicate new issue etc. on the share certificates.
6. To approve splitting and/or consolidation of share certificates and issue of new certificate in lieu thereof.
7. To approve issue of duplicate or new share certificates, as the case may be in lieu of defaced, lost of destroyed certificate(s) which has no further space on the back thereof for endorsement of transfer.
8. To print required number of share certificates as may be required from time to time in accordance with design as the committee may approve.
9. To issue share certificates as and when necessary under the common seal of the company and to nominate Director and/ or authorised signatories to sign the share certificates as per the provisions of Companies Act, 2013. The common seal shall affixed in accordance with Articles of Association of the Company.
10. To do all such acts, deeds, things and matters with regard to transfer/ transmission, issue of new or duplicate share certificates and all matters incidental thereto and to give from time to time such directions or clarifications or to call for any documents as may be necessary or expedient and to sub-delegate its any or all its powers and to settle any question, doubt or discrepancy that may arise in relation to any matter having to be looked after.
11. To approve all the matters including authorizing any official of the Company for signing any documents in connection with transfer of unclaimed dividend / shares to Investor Education and Protection Fund (IEPF) authority in order to comply with the provisions of Companies Act, 2013 read with the relevant rules as amended from time to time or any other statutory requirements applicable to the Company from time to time.
12. Any other matter as decided by the Board of Directors of the Company from time to time.

Meeting and Attendance

During the financial year 2019-20, three (3) meeting of the Share Transfer Committee was held. The details including attendance of members of the Committee are as follows:

Name of Directors	Meeting Date and attendance			Total Meetings held during tenure of Directors in FY 2019-20	No. of Meetings attended
	25-04-2019	27-09-2019	03-02-2020		
Shri Prabhat Singh	Y	Y	Y	3	3
Shri V.K. Mishra	Y	Y	Y	3	3
Shri Rajender Singh (ceased w.e.f. 20th July, 2019)	N	NA	NA	1	0
No. of Members present	**2**	**2**	**2**		
Total Strength	**3**	**2**	**2**		

Share Transfer System

Total Shares of the Company as on 31st March, 2020 were 1,50,00,00,088 of Rs. 10 each. Out of which, 99.99% of the equity shares of the Company were held in electronic form and 0.01% in Physical form. Transfer of shares held in dematerialised form are done through the depositories with no involvement of the Company. Further, the Company is complying with the NSE circular no. NSE/CML/2018/38 dated December 03, 2018 and BSE vide Circular No. LIST/COMP/31/2018-19 dated December 03, 2018 which mandated that requests for effecting transfer of securities shall not be processed unless the securities are held in the dematerialized form with a depository i.e. NSDL or CDSL except in case of transmission or transposition of securities w.e.f. April 1, 2019.

Half-yearly compliance certificate as required under Regulation 7(3) of SEBI LODR was submitted to NSE & BSE. Further, pursuant to Regulation 40(10) of SEBI LODR, certificate from Practicing Company Secretary on half-yearly basis confirming that all certificates had been issued within thirty days of the date of lodgement for sub-division, consolidation, renewal, exchange or endorsement of calls/ allotment monies had been submitted to NSE & BSE within stipulated time.

Credit Rating

The Company has obtained Credit rating for its 9.05% Unsecured Redeemable Taxable Non-Convertible Debentures (NCD) (Series II) (Option II). However, as the above mentioned NCD's were redeemed on 25th October, 2019 and extinguished, hence all the ratings for bonds have ceased.

Currently, the Company is having following issue ratings:

- Domestic Rating - AAA by ICRA, CRISIL
- International Rating - Baa2 by MOODY

India Ratings terms were over in March 2020 and we have discontinued the ratings from them.

Debenture Trustee for 9.05% Unsecured Redeemable Taxable Non-Convertible Debentures (NCD) (Series II) (Option II) ***(Upto 25th October, 2019 as the NCDs were redeemed and extinguished on that date)***

SBICAP Trustee Company Ltd., 6th Floor, Apeejay House,3, DinshawWachha Road,Churchgate, Mumbai- 400 020, Tel: 022- 43025521, 43025503, Email: corporate@sbicaptrustee.com, Website: www.sbicaptrustee.com were the Debenture Trustees for 9.05% Unsecured Redeemable Taxable Non-Convertible Debentures (NCD) (Series II) (Option II).

Transfer of amounts / securities to Investor Education and Protection Fund

In accordance with the provisions of Sections 124 and 125 of Companies Act, 2013 and Investor Education and Protection Fund (Accounting, Audit, Transfer and Refund) Rules, 2016 as amended from time to time (IEPF Rules), dividends not encashed / claimed within seven years from the date of declaration are to be transferred to the Investor Education and Protection Fund (IEPF) Authority.

In terms of Section 124(6) of the Companies Act, 2013 and IEPF Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 as amended from time to time (IEPF Rules), the shares in respect of which the dividend has not been paid or claimed for a period of seven years or more, is required to be transfer to Investor Education and Protection Fund (IEPF) Authority account.

In accordance with the said IEPF Rules and its amendments, the Company had sent notices to all the Shareholders whose shares were due to be transferred to the IEPF Authority and simultaneously published newspaper advertisement.

The following amount of unpaid/unclaimed dividend along with the shares in respect of which dividends have not been claimed for seven consecutive years or more pertaining to Financial Year 2011-12 was transferred during the financial year 2019-20 to the Investor Education and Protection Fund Account:

Unpaid/Unclaimed Dividend transferred (In Rs.)	Equity Shares transferred to Demat Account of IEPF Authority along with date of Corporate Action
99,23,108	1,77,928 equity shares transfered on 12th September, 2019

The details of unpaid/unclaimed dividend transferred and details of shares transferred to IEPF Account is available at the website of the Company at https://petronetlng.com/cg.php.

The Company has uploaded the details of unpaid and unclaimed amounts lying with the Company as on 31st March, 2019 (date of closure of last financial year) on the Company's website https://www.petronetlng.com/UnpaidDividend.php and on the website of the Ministry of Corporate Affairs at www.iepf.gov.in.

Further, pursuant to the provisions of Section 124(6) of Companies Act 2013, all the shares in respect of which dividend has not been paid or claimed for seven consecutive years or more were also transferred to IEPF Suspense Account. Detail of the same is available at website of the Company at the following link – https://petronetlng.com/cg.php.

Claim from IEPF Account

Any person, whose shares and unclaimed dividend has been transferred to the IEPF, may claim the shares under provision to sub-section (6) of section 124 or apply for refund under clause (a) of sub-section (3) of section 125 or under proviso to sub-section (3) of section 125, as the case may be, to the Authority making an online application in Form IEPF-5. Detailed procedure regarding claiming shares from IEPF account is available on Petronet website at the following link: https://www.petronetlng.com/cg.php

Nodal Officer for IEPF

In terms of provisions of Rule 7 of IEPF Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 as amended from time to time (IEPF Rules), every company is required to appoint a Nodal Officer for the purposes of verification of claims and coordination with

Investor Education and Protection Fund Authority. The details relating to Nodal Officer are available on the website of the Company at https://www.petronetlng.com/investor-contact.php

Distribution Schedule as on 31st March, 2020

Category (Shares)	No. of Holders	% To Holders	No. of Shares	% To Equity
Upto – 5000	307971	98.97	117487135	7.83
5001 – 10000	1488	0.48	10635510	0.71
10001 – 20000	647	0.21	9172402	0.61
20001 – 30000	203	0.07	5017781	0.33
30001 – 40000	107	0.03	3747807	0.25
40001 – 50000	101	0.03	4562765	0.30
50001 – 100000	179	0.06	13048892	0.87
100001 & Above	458	0.15	1336327796	89.09
Total	**311154**	**100.00**	**1500000088**	**100.00**

Shareholding Pattern of the Company as on 31st March, 2020

	Category	No. of Shares Held	% of Shareholding
A			
1	Promoters	750000000	50.00
B	**Public**		
1	Mutual Funds, Banks, Financial Institutions and Insurance Companies	117028999	7.80
2	FII including FPI, Non Resident Indians (NRI) including Non Repatriable and Foreign National	445450516	29.70
3	Other Bodies Corporate	12611846	0.84
4	Resident Individuals and others	174908727	11.66
	Grand Total (A+B)	**1500000088**	**100.00**

List of Shareholders Holding More than 1% of Equity Capital as on 31st March, 2020

Name	No. of Shares Held	% of Shareholding
Promoter's Holding		
Bharat Petroleum Corporation Ltd.	18,75,00,000	12.50
GAIL (India) Ltd.	18,75,00,000	12.50
Indian Oil Corporation Ltd.	18,75,00,000	12.50
Oil & Natural Gas Corporation Ltd.	18,75,00,000	12.50
Non-promoters Holding		
Kotak Equity Opportunities Fund	3,78,59,530	2.52
Templeton India Equity Income Fund	2,13,91,685	1.43
Fidelity Investment Trust-Fidelity Emerging marke	1,56,92,000	1.05

Dematerialization of Shares and Liquidity

The shares of the company are under compulsory dematerialised segment and are admitted with both the Depositories i.e. National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL). The Company's shares are actively traded on National Stock Exchange of India and BSE Limited.

Reconciliation of Share Capital Audit Report of the Company obtained from Practising Company Secretary was submitted to Stock

Exchanges within stipulated time.

No. of shares held in dematerialized and physical mode as on 31st March 2020 are as under:

Nature of Holding	No. of Shares	Percentage (%)
Physical	254277	0.02
NSDL	709154896	47.28
CDSL	790590915	52.70
Total	**1,50,00,00,088**	**100.00**

Detail of Unclaimed Shares as on 31st March, 2020

S. No.	Particulars	Cases	No. of shares
1	Aggregate Number of shareholders and the outstanding shares in the suspense account (i.e. KCL ESCROW ACCOUNT PETRONET LNG IPO-OFFER) lying at the beginning of the year i.e. 1st April, 2019.	616	250200
2	Number of shareholders who approached for transfer of shares from suspense account during the year.	0	0
3	Number of shareholders to whom shares were transferred from suspense account during the year.	0	0
4	Aggregate number of shareholders and outstanding shares in the suspense account at the end of year i.e. 31st March, 2020.	616	250200

Number of Shares held by Directors

Name of Directors	No. of Shares (as on 31st March, 2020)
Dr. Mungath Madhavan Kutty	Nil
Shri Prabhat Singh	Nil
Shri Vinod Kumar Mishra	Nil
Shri Shashi Shanker	800
Shri D. Rajkumar	800
Shri Sanjiv Singh	4000
Dr. Ashutosh Karnatak	Nil
Shri Sanjeev Kumar	Nil
Dr. Jyoti Kiran Shukla	Nil
Shri Sidhartha Pradhan	Nil
Shri Sunil Kumar Srivastava	Nil
Dr. Siddhartha Shekhar Singh	Nil
Shri Arun Kumar	Nil

Commodity price risk or Foreign Exchange Risk and hedging activities

The Company sells majority of its LNG volumes on pass through basis with respect to price, quantity and foreign exchange, thereby, having no major risk. Company has a Risk management Policy in place duly approved by its Board in respect of Foreign Currency transactions.

Outstanding GDRs/ ADRs/ Warrants or any Convertible instruments, conversion date and likely impact on equity

No, Outstanding GDRs/ ADRs/ Warrants or any Convertible instruments has been issued by the Company.

Details of compliance with mandatory requirements and adoption of the non-mandatory requirements

Mandatory Requirements

The Company has complied with all the mandatory requirements during the Financial Year 2019-20 except that the Company has not complied with the requirements pertaining to the composition of the Board in respect of not having sufficient number of Independent Directors on the Board of the Company during the period from 1st April, 2019 to 8th April, 2019.

Non-Mandatory Requirements

Besides the mandatory requirements, as mentioned in preceding pages, the status of compliance with non-mandatory requirements under Regulation 27(1) of SEBI LODR are as under:

i. **The Board & separate posts of Chairman and CEO:** As on date, the positions of the Chairman and the CEO are separate.

ii. **Shareholders' rights:** The quarterly financial results of the Company are published in leading newspapers as mentioned under heading 'Means of Communication' and also hosted on the website of the Company. These results are not separately circulated.

iii. **Audit qualifications:** Company's financial statement are unqualified.

iv. **Reporting of Internal Auditor:** The Internal Auditor of the Company directly reports to the Audit Committee on functional matters.

Major Plant / Unit Location(s)

Dahej Plant Location	Kochi Plant Location	Registered & Corporate Office
LNG Terminal, Dahej, GIDC Industrial Estate, Plot No. 7/A, Dahej, Taluka:Vagra, Distt. Bharuch, GUJARAT – 392130 Tel : 02641-300300/301/305 Fax: 02641-300306/300310	Survey No. 347, Puthuvypu (Puthuypeeen SEZ) P.O. 682508, Kochi Tel: 0484-2502259/60 Fax : 0484-2502264	Petronet LNG Limited World Trade Centre, Babar Road, Barakhamba Lane, New Delhi – 110 001 Tel: 011- 23472525, 23411411 Fax: 011- 23472550 Email: investors@petronetlng.com Website: www.petronetlng.com

Chief Executive Officer (CEO) and Chief Financial Officer (CFO) Certification

We, Prabhat Singh, Managing Director & CEO and V. K. Mishra, Director (Finance) & CFO of Petronet LNG Limited certify that:

a) We have reviewed annual standalone and consolidated financial statements for year 2019-20 and that to the best of our knowledge and belief;

   (i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;

   (ii) these statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.

b) There are to the best of our knowledge and belief, no transactions entered into by the company during year which are fraudulent, illegal or voilative of the company's code of conduct.

c) We accept responsibility for establishing and maintaining internal controls and have evaluated the effectiveness to the internal control systems of the company and we have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of internal controls, if any, of which we are aware and the steps have been taken or propose to take to rectify these deficiencies.

d) We have indicated to the Auditors and the Audit Committee-

   (i) significant changes in internal control during the year;

   (ii) significant changes in the accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and

   (iii) instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the company's internal control system.

(V. K. Mishra) **Director (Finance) & CFO** **(DIN : 08125144)**	**(Prabhat Singh)** **Managing Director & CEO** **(DIN : 03006541)**

Auditors' Certificate on Compliance with the conditions of Corporate Governance

To the Shareholders of Petronet LNG Limited

1. We have examined the compliance of conditions of Corporate Governance by Petronet LNG Limited ("the Company") for the year ended March 31, 2020 as per the relevant provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
2. The compliance of the conditions of Corporate Governance is the responsibility of the Company's management. Our examination was limited to the review of procedures and implementation thereof, adopted by the Company or ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.
3. In our opinion and to the best of our information and according to the explanations given to us, we certify that except for the condition(s) given below, the Company has complied with the conditions of Corporate Governance as stipulated in the Listing Agreement/Listing Regulations as applicable:
   - During the year the composition of board of directors was less than the required number in terms of Regulation 17, w.r.t Independent Director(s) till April 8th, 2019.
   - Due to this non-compliance the Bombay Stock Exchange and National Stock Exchange have levied penalty of INR 7,90,000/- each totaling INR 15,80,000/-.
4. We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For **T R Chadha & Co LLP**
Chartered Accountants
FRN: 006711N / N500028

Hitesh Garg
(Partner)
Membership No. 502955
UDIN - 20502955AAAABF7503

Date: 24th July, 2020

Management's Reply on the Auditors' Report on the Corporate Governance Report for the Financial Year 2019-20

Observation of Auditor	Management's Reply
During the year the composition of board of directors was less than the required number in terms of Regulation 17, w.r.t Independent Director(s) till April 8th, 2019. Due to this non-compliance, the Bombay Stock Exchange and National Stock Exchange have levied penalty of INR 7,90,000/- each totaling to INR 15,80,000/-	The Company has appointed sufficient number of Independent Directors and is in compliance with the provisions of Regulation 17 (1) of SEBI (LODR) Regulations, 2015. The penalty as levied by Bombay Stock Exchange and National Stock Exchange have been paid within prescribed time limit.

Place : New Delhi
Date : 6th August, 2020

Business Responsibility Report

Section A: General Information about the Company

1.	**Corporate Identity Number (CIN):**	L74899DL1998PLC093073
2	**Name of the Company**	Petronet LNG Ltd.
3	**Registered Address**	World Trade Centre, Babar Road, Barakhamba Lane, New Delhi – 110 001
4	**Website**	www.petronetlng.com
5.	**Email id**	investors@petronetlng.com
6	**Financial Year reported**	April 2019- March 2020
7.	**Sector(s) that the Company is engaged in (industrial activity code-wise)**	Oil and Gas – LNG
	Industrial Group 0910	**Description** Extraction of petroleum and natural gas including liquefaction of natural gas for transportation

As per National Industrial Classification – Ministry of Statistics and Programme Implementation

8.	**List three key products / services that the Company manufactures / provides (as in balance sheet):**	Regasified Liquefied Natural Gas
9.	**Total number of locations where business activity is undertaken by the Company**	Total three locations: Registered Office in New Delhi and Regasification Terminals in Dahej, Gujarat and Kochi, Kerala
	Number of International Locations (Provide details of major 5)	–
	Number of National Locations	Total three locations: Registered Office in New Delhi and Regasification Terminals in Dahej, Gujarat and Kochi, Kerala
10.	**Markets served by the Company - Local / State / National / International**	National

Section B: Financial Details of the Company

1	**Paid up capital (INR)**	:	1500 Crore
2	**Total turnover (INR)**	:	35452 Crore
3	**Total profit after taxes (INR)**	:	2698 Crore
4	**Total spending on Corporate Social Responsibility (CSR) as percentage of profit after tax (%)**	:	4.37% i.e. Rs. 117.96 crore
5	**List of activities in which expenditure in 4 above has been incurred:** 1) Health Care & Covid-19 2) Differently abled 3) Disaster Management 4) Education & Skill development 5) Environment & Sustainability 6) Eradicating Hunger 7) Skill Development 8) War Widows Welfare 9) Art & Heritage 10) Swachh Bharat 11) Admin Exp		

Section C: Other Details

1. **Does the Company have any Subsidiary Company / Companies?**

   Petronet LNG Foundation (PLF) incorporated as Wholly Owned Subsidiary of Petronet LNG Ltd. on 31st March, 2017.

2. **Do the Subsidiary Company / Companies participate in the BR Initiatives of the parent Company? If yes, then indicate the number of such subsidiary company(s).**

   Not Applicable

3. **Do any other entity / entities (e.g. suppliers, distributors etc.) that the Company does business with, participate in the BR initiatives of the Company? If yes, then indicate the percentage of such entity/entities?**

   No, none of the entity / entities with whom Company does business participates in the BR initiatives of the company. Company releases its own dedicated BR report and our Company's principle promoters and off-takers of gas i.e. GAIL, ONGC, IOCL and BPCL, are required to and undertake BR activities and release their own BR reports.

Section D: BR Information

1. **Details of Director / Directors responsible for BR:**

   a) **Details of the Director / Directors responsible for implementation of the BR policy / policies:**

   DIN Number : 03006541

   Name : Shri Prabhat Singh

   Designation : MD & CEO

   b) **Details of the BR Head:**

   Name : Shri Prabhat Singh

   Designation : MD & CEO

   Telephone no. : 011-23472503 / 04

   E-mail id : md.ceo@petronetlng.com

2. **Principle-wise (as per NVGs) BR Policy / policies (Reply in Y / N):**

   The National Voluntary Guidelines on Social, Environmental and Economic Responsibilities of Business (NVGs) released by the Ministry of Corporate Affairs has adopted nine areas of Business Responsibility.

Principle 1	Businesses should conduct and govern themselves with Ethics, Transparency and Accountability
Principle 2	Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle
Principle 3	Businesses should promote the well-being of all employees
Principle 4	Businesses should respect the interests of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalized
Principle 5	Businesses should respect and promote human rights
Principle 6	Businesses should respect, protect, and make efforts to restore the environment
Principle 7	Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner
Principle 8	Businesses should support inclusive growth and equitable development.
Principle 9	Businesses should engage with and provide value to their customers and consumers in a responsible manner

Sl. No.	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
1.	Do you have a policy / policies for	Y	N#	Y	N#	N##	Y	N**	Y	N#,$
2.	Has the policy been formulated in consultation with the relevant stakeholders?	Y*	NA	Y*	NA	NA	Y*	NA	Y*	NA

Sl. No.	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
3.	Does the policy conform to any national / international standards? If Yes, specify? (50 words)	Y (Ref A)	NA	Y (Ref B)	NA	NA	Y (Ref C)	NA	Y (Ref D)	NA
4.	Has the policy being approved by the Board? If yes, has it been signed by MD / Owner / CEO / appropriate Board Director?	Y	NA	Y	NA	NA	Y	NA	Y	NA
5.	Does the Company have a specified committee of the Board/Director / Official to oversee the implementation of the policy?	Y	NA	Y	NA	NA	Y	NA	Y	NA
6.	Indicate the link for the policy to be viewed online?	Ref A	NA	Ref &	NA	NA	Ref &	NA	Ref D	NA
7.	Has the policy been formally communicated to all relevant internal and external stakeholders?	Y	NA	Y	NA	NA	Y	NA	Y	NA
8.	Does the Company have in-house structure to implement the policy/ policies?	Y	NA	Y	NA	NA	Y	NA	Y	NA
9.	Does the Company have a grievance redressal mechanism related to the policy/policies to address stakeholders' grievances related to the policy/policies?	Y	NA	Y	NA	NA	Y	NA	Y	NA
10	Has the Company carried out independent audit / evaluation of the working of this policy by an internal or external agency?	Y	NA	Y	NA	Y	Y	Y	Y	NA

PLL is in the niche business of transportation, storage and regasification of LNG, and supplies its product to a few select customers including GAIL, IOCL and BPCL. Considering the nature of Company's business, these aspects are not as critical for us as probably for certain other sectors and industries. Hence, Company does not have dedicated policies regarding these aspects. However, PLL does not take these aspects lightly, and has sufficient focus on these aspects. The Company is taking appropriate actions as and when required to address them comprehensively.

PLL strictly adheres to all applicable labour laws and other statutory requirement in order to uphold human rights within its organizational boundary. Further, the Company has also formulated Sexual Harassment Policy under Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013.

* Relevant internal and external stakeholders were consulted, as deemed appropriate, during the formulation of the policies.

** The Company undertakes need-based advocacy on certain industry specific issues. The Company currently does not have a stated policy. However, it will continue to assess the evolving business and regulatory environment in future in this regard.

$ PLL has processes in place for customer engagement and grievance redressal. Further, the Company gives the highest priority to responsibility towards its customers.

A: Code of Conduct for Board Members and Senior Management Personnel: http://www.petronetlng.com/code-conduct.php
B: Human Resources Policies including Recruiting and Employment Policy, Leave Policy, Medical and Hospitalization Policy

C: QHSE Policy

D: CSR Policy: https://www.petronetlng.com/PDF/CSR_Policy_27042015.pdf

&: Policy is not available in public domain. Policy is available on Company's internal intranet portal and can be accessed by company employees.

3. Governance related to BR:

➢ **Indicate the frequency with which the Board of Directors, Committee of the Board or CEO to assess the BR performance of the Company. Within 3 months, 3-6 months, Annually, More than 1 year.**

Being in the energy sector, PLL recognizes the importance of sustainable growth and need for judiciously utilizing the planet's depleting natural resources. In this regard, PLL has received high corporate values from its principle promoters including GAIL, ONGC, IOCL and BPCL, who are all amongst the leading sustainability champions in India. PLL's Board constitutes of representatives from all these institutions which puts sustainability high on the Board agenda. As part of our risk and compliance mapping exercises, company ensures regular evaluation of the sustainability performance and risks as well, which are all presented to our leadership and Board for their consideration and decision making. Our Board reviews Company's sustainability performance on continual basis, at least once annually.

- **Does the Company publish a BR or a Sustainability Report? What is the hyperlink for viewing this report How frequently it is published?**

  Since FY 2012-13, PLL has been releasing its Business Responsibility Report in line with the SEBI mandate. The previous report was released for FY 2018-19 and formed part of the Company's Annual Report 2018-19. The samecan be assessed at www.petronetlng.com

Section E: Principle-wise Performance

Principle 1: Businesses should conduct and govern themselves with Ethics, Transparency and Accountability.

1. ***Does the policy relating to ethics, bribery and corruption cover only the Company? Does it extend to the Group / Joint Ventures / Suppliers / Contractors / NGOs / Others?***

   The Company believes in the conduct of the affairs of it's constituents in a fair and transparent manner by adopting highest standards of professionalism, honesty, integrity and ethical behaviour. Company's commitment to ethical and transparent corporate governance practices are highlights of the Code of Conduct and Business Ethics policies which are laid out for Board members and Senior Management personnel. Board members and Senior Management personnel affirm compliance to the code on annual basis, including during last financial year. The Company would like to ensure that all the employees are aware about the policies and procedures of the company relevant to their respective areas of operation so as to enable them to take proper and effective decisions. Company also have checks and balances in place to ensure ethical business conduct across its operations. Further, PLL has safeguards in place which discourages bidders to engage in any corrupt practices during tendering process.

   The company, as a responsible corporate citizen, believes that the role of reporting genuine concerns is not just restricted to employees, in fact any of the stakeholder which also includes suppliers, customers, civil society members etc. have the right to point out any unethical behaviour, actual or suspected fraud or violation of Company's code of conduct. Therefore, Petronet Vigilance Mechanism and Vigil Mechanism are established. The same has also been hosted at the website of the Company.

   To strengthen company's commitment against workplace harassment, PLL has come out with sexual harassment order in line with the sexual harassment of women at workplace act 2013, which is stringently governed and enforced across the organization.

2. ***How many stakeholder complaints have been received in the past financial year and what percentage was satisfactorily resolved by the management? If so, provide details thereof, in about 50 words or so.***

   PLL received 1983 shareholder complaints during the FY 2019-20, no complaint was pending from previous financial year. 1983 complaints were successfully resolved during the year while NIL complaint was pending as on 31st March, 2020.

Principle 2: Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle.

1. ***List up to three of your products or services whose designs have incorporated social or environmental concerns, risks and / or opportunities.***

   At PLL, our primary and only product portfolio remains import, storage and regasification of Liquefied Natural Gas. We are not involved in manufacturing of any product and, hence, the environmental impacts emerging from our activities are minimal. Further, our product is transported through massive tanker ships and gas pipelines thus reducing transport related environmental footprint. However, we are still committed to ensure responsible handling and marketing of our product, and hence have in place state of the art product handling equipment at our facilities. During the FY 2019-20 period, no change has transpired in our product and services portfolio, neither has there been any substantial change in our operational footprint. We comply with all existing regulations of the concerned land. Also, for supply to local vendors, PLL ensures that transportation does not pose unintended harm to the environment and to persons involved in road transportation.

2. ***For each such product, provide the following details in respect of resource use (energy, water, raw material and so on) per unit of product (optional):***

   i. **Reduction during sourcing / production / distribution achieved since the previous year throughout the value chain.**

      PLL operates two terminals in India at Dahej, Gujarat and Kochi, Kerala, which apply state of the art technology for ensuring safe and efficient operations. PLL has strong focus on managing and reducing its energy, water and waste footprint, and is in constant lookout for improvement opportunities. Some interventions taken in this regard during the include implementation of ISO 14001 and OHSAS 18001 standardization systems at our Dahej and Kochi terminal, reducing overall dependence on direct fuel consumption at our operational sites. Also, efforts such as use of food waste generated on site for vermin composting, use of condensate water from operations for gardening purposes and use of chilled water from plant operations for air conditioning in the building have allowed us to improve upon our resource use efficiency.

   ii. **Reduction during usage by consumers (energy, water) has been achieved since the previous year?**

      PLL believes that increasing the share of natural gas in the country's energy mix will lead to a transition to a low carbon growth. This belief comes from the fact that natural gas and renewable energy sources are often considered to be supplementing each other. Natural gas, which is the major product of PLL, does not produce significant amounts of solid waste, air emissions in form of nitrogen oxides and carbon dioxide are also of lower quantities than those produced from coal or oil. Emissions from natural gas in form of sulphur dioxide and mercury are negligible. These characteristics make LNG a cleaner fuel and helps PLL and consumers in reducing their carbon footprint. Further, PLL has started the supply of LNG to customers through road transportation. The approach would be suited for customers not connected though gas pipelines, and with medium to small requirements. The hubs developed for these purposes can further be used for supplying PNG and CNG to customers.

3. ***Does the Company have procedures in place for sustainable sourcing (including transportation)? If yes, what percentage of your inputs was sourced sustainably? Besides, provide details thereof in about 50 words or so.***

The Company does not have dedicated procedures for sustainable sourcing, however PLL is taking efforts to promote sustainable practices across various functions of the Company. Majority of Company’s raw material is transported from international supplier’s sites through large tanker ships to company terminals in Dahej, Gujrat and Kochi, Kerala. The final regasified product is transported to customers through installed pipelines. Both these modes of transportation are considered highly clean and sustainable. The product has the least carbon emission amongst fossil fuels. Here, in addition to applicable maritime and other regulations, procedures and practices are strictly followed and monitored throughout the product transport and supply phases.

4. ***Has the Company taken any steps to procure goods and services from local and small producers, including communities surrounding their place of work? If yes, what steps have been taken to improve the capacity and capability of local and small vendors?***

PLL’s procurement approach is based on least price tendering mechanism. Company selects its vendors based on carefully designed evaluation criteria set for each good and service to be procured. In this regard, competent local vendors are given equal preference as any other, and as applicable they are invited for the tendering process.

5. ***Does the Company have a mechanism to recycle products and waste? If yes, what is the percentage of recycling them (separately as <5%, 5-10%, >10%)? Besides, provide details thereof in about 50 words or so.***

As our primary and only product portfolio remains import, storage and regasification of Liquefied Natural Gas, ours facilities are not manufacturing centres but storage and regasification terminals. Our operations consume minimal raw materials and resources and generate minimal waste. As a result there are no formal written mechanisms for recycling products and waste generated. However, some quantities of used oily waste is generated annually during periodic maintenance of various equipment, i.e. waste oil, oil contaminated cloth, oil drums etc. Some quantities of paint and biomedical waste is also generated. All this generated waste is properly collected, stored and disposed through authorized agencies on regular intervals. Also it is significant to mention here that while carrying out our operations, there is no waste water generation. Some amount of reject condensate water generated from our air-heaters is used for gardening purposes, and also as back up source for fire emergencies. Both our terminal sites are zero water discharge.

Principle 3: Businesses should promote employee well-being

<table>
<tr><th>S. No.</th><th>Particulars</th><th colspan="3">Details</th></tr>
<tr><td>1</td><td>Please indicate the total number of employees</td><td colspan="3">508 (including 2WTD) Permanent Employees (as on 31st March, 2020)</td></tr>
<tr><td rowspan="2">2.</td><td rowspan="2">Please indicate the total number of employees hired on temporary / contractual / casual basis</td><td colspan="2">Category of employees</td><td>No of employees</td></tr>
<tr><td colspan="2">Sub-contracted employees</td><td>1433</td></tr>
<tr><td>3.</td><td>Please indicate the number of permanent women employees</td><td colspan="3">33 (as on 31st March, 2020)</td></tr>
<tr><td>4.</td><td>Please indicate the number of permanent employees with disabilities</td><td colspan="3">One</td></tr>
<tr><td>5.</td><td>Do you have an employee association that is recognised by the Management</td><td colspan="3">Presently, Petronet LNG does not have any employee association.</td></tr>
<tr><td>6.</td><td>What percentage of your permanent employees is member of this recognised employee association</td><td colspan="3">N.A</td></tr>
<tr><td rowspan="2">7.</td><td rowspan="2">Please indicate the number of complaints relating to child labour, forced labour, involuntary labour, sexual harassment in the last financial year and pending as on the end of the financial year</td><td>Category of Person</td><td>No of complaints filed during the financial year</td><td>No. of complaints pending as on end of the financial year</td></tr>
<tr><td>Child Labour</td><td>0</td><td>0</td></tr>
</table>

S. No.	Particulars	Details		
		Category of Person	**No of complaints filed during the financial year**	**No. of complaints pending as on end of the financial year**
		Forced Labour	0	0
		Involuntary labour	0	0
		Sexual Harassment	0	0
8.	**How many of your under-mentioned employees weregiven safety and skill up-gradation training in the lastyear?**	**Category**	**Safety (No. of employees)**	**Skill upgradation (No. of employees)**
		Permanent employees	394	354
		Permanent women employees	8	8
		Casual / Temporary / Contractual employees	3856	373
		Employees with Disabilities	0	0

Principle 4: Businesses should respect the interests of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalised.

1) ***Has the Company mapped its internal and external stakeholders? Yes / No***

PLL has always acknowledged the vital contribution of all stakeholders in building a sustainable business. The Company has identified and mapped its key internal and external stakeholders, and employs various mechanisms and practices to facilitate effective dialogues with them for a fruitful and continued relationship. In order to identify material concerns and respond to them in an effective and transparent manner, PLL regularly engages with its community stakeholder group, including those falling under disadvantaged, vulnerable and marginalized category, at and near its sites of significant operations, i.e. Dahej, Gujarat and Kochi, Kerala. The learnings from these interactions are used for better designing of Company's CSR projects for ensuring their optimal benefits to communities.

2) ***Out of the above, has the Company identified the disadvantaged, vulnerable and marginalised stakeholders?***

PLL has mapped and identified under privileged communities around its business location and is actively working with them towards inclusive growth. The Company's collaborative partnerships with the communities aimed at uplifting disadvantaged, vulnerable and marginalised stakeholders has led to identification and initiation of various CSR projects. The Company has projects solely targeted at improving the quality of life of persons with disabilities who are marginalized, vulnerable and disadvantaged.

3) ***Are there any special initiatives undertaken by the Company to engage with the disadvantaged, vulnerable and marginalised stakeholders? If so, provide details thereof, in about 50 words or so.***

The Company, having identified the needs and priorities of the stakeholders in and around the location of its operations, is running education, healthcare, community infrastructure development and skill and livelihood development projects. Under the Company's education and empowerment initiatives, PLL promoted skill development of below poverty line youth. Catering to the healthcare needs of the communities, PLL organized free medical check-up and consultation camps under healthcare drive, and contributed towards construction of healthcare infrastructure facilities. Further, PLL has constructed and renovated toilets at local schools under sanitation drives. Furthermore, during financial year, PLL developed roads, culverts, storm water drains, solar lights, constructed community and school toilets, etc. under infrastructure development initiatives.

Principle 5: Businesses should respect and promote human rights

1) ***Does the policy of the Company on human rights cover only the Company or extend to the Group / Joint Ventures / Suppliers / Contractors / NGOs / Others***

As a socially responsible organisation, PLL believes in equality of all human beings irrespective of their nationality, place of residence, sex, national ethnic origin, colour, religion, language and any other status. Currently, there is no policy explicitly on human rights, however the Company respects and complies with internationally recognized human rights, at all locations and is committed to making certain that it is not complicit in human rights abuse.

In order to protect and guard human rights, PLL has designed a well organised and effective Grievance Redressal System to provide prompt and orderly resolution of complaints or disputes arising in the course of employment.

The Company has well defined processes and mechanisms in place to ensure that issues related to sexual harassment of women at workplace are effectively dealt with. An Internal Committee has been created at each location for the prevention, prohibition and redressal of sexual harassment complaints. These committees are headed by woman employees including a representative from an NGO, after approval of Competent Authority.

PLL has zero tolerance towards child and forced/compulsory labour. The Company ensures that the employment is voluntary and in compliance with local minimum wage laws. Also, it is ensured that no person below the age of eighteen years is employed in the workplace.

2) ***How many stakeholder complaints were received in the past financial year and what percent was satisfactorily resolved by the Management?***

No stakeholder complaints regarding breach of human rights aspects were received during the FY 2019-20.

Principle 6: Businesses should respect, protect, and make efforts to restore the environment.

1) ***Do the policies related to Principle 6 cover only the Company or extends to the Group / Joint Ventures / Suppliers / Contractors / NGOs / Others?***

The policies related to Principle 6 cover only to the Company and do not extend to the entity/entities with whom PLL does business. PLL's Quality, Health, Safety and Environment (QHSE) Policy is applicable to all employees and stakeholders involved in PLL's business. The senior management provide focused attention while reviewing all parameters related to HSE Standards. The Contractors are also required to monitor report and take strict actions on all such cases. The company regularly conducts audits through third party and enforces compliance to Audit findings. In order to further improve upon our environment and safety practices, we have acquired ISO Certification under the Integrated Management System at Dahej and Kochi terminals where ISO 9001:2008 Quality Management, ISO 18001:2007 OHSAS Management and ISO 14001:2004 Environment Management standards are effectively adhered to in each and every process of the company from housekeeping to the operation of the terminal. Further, we carry out Environment, Health and Safety (EHS) risk assessments regularly at Dahej and Kochi terminals.

2) ***Does the Company have strategies / initiatives to address global environmental issues, such as climate change, global warming, and others? If yes, please give hyperlink for webpage and so on.***

PLL is not an environment-footprint heavy organisation, however PLL is conscious of the environmental impacts of the oil and gas industry. PLL strives to make efforts in meeting and addressing the challenges of climate change. PLL is aware of the impending consequences of climate change and the rising global concern of Green House Gas (GHG) reduction and management. In this regard company's biggest contribution is in the form of its product, i.e. natural gas, which is a cleaner form of fuel compared to fossil fuels, i.e. coal and petroleum products. Further, by improving natural gas availability, PLL contributes not only to serving country's energy needs but also attemptsto minimize the impact on environment. Further, majority of PLL's raw material is transported through large tanker ships to Company terminals, while the final product is transported through installed pipelines. Both these modes of transportation are considered highly clean and sustainable. Besides, Company is in constant lookout for opportunities for reducing its own operational environmental footprint. The details about company's efforts and initiatives in the areas of environment protection and climate change management can be found in our sustainability reports at: https://www.petronetlng.com/SustainabilityReport.php

3) ***Does the Company identify and assess potential environmental risks?***

PLL is conscious of its environmental footprint and is taking proactive steps to mitigate impact of its operations. Company does not have significant process emissions and is generating condensate water as part of regasification of LNG process which is being used for productive internal activities like gardening. Further, as a precautionary approach towards the various environmental challenges, Company carry out studies to validate base line three season data as recommended by MOEF. Appropriate measures and systems to suppress NOx emissions, dust suppression by watering to restrict dust emission etc. are put in place.

Further, being active in the coastal belts of Dahej, Gujarat and Kochi, Kerala, PLL has identified benefits of mangrove plantation in the regions of highly salty and muddy waters. Mangrove is a halophyte, which is known as salt tolerant forest ecosystem. Some more benefits associated with mangrove plantation in coastal belts include its ability to act as natural wind and tsunami barrier for underlying villages and industries, its ability to bind soil and prevent erosion, and its ability to harbour, promote other flora and fauna in harsh coastal conditions and most importantly serves as indirect employment generative to local community. Further, these can grow in waterlogged clayey/ marshy soils, specifically in coastal intra tidal zones / river banks. PLL has so far signed MoUs with the Gujarat Ecology Commission and Forest Department, Government of Gujarat for undertaking mangrove plantation in the region. Realizing their benefits, mangrove plantation has been taken up near Dahej and Kochi Terminals.

4) ***Does the Company have any project related to Clean Development Mechanism? If so, provide details thereof in about 50 words or so. Besides, if yes, mention whether any environmental compliance report is filed?***

No. Currently no projects related to Clean Development Mechanism have been taken up by PLL. However, we are in constant lookout for opportunities in this regard.

5) ***Has the Company undertaken any other initiatives on clean technology, energy efficiency, renewable energy and so on? If yes, please give hyperlink to web page and others.***

PLL is mindful of its environmental footprint and is taking active steps to mitigate impact of its operations. In this regard, Company is undertaking measures for protecting marine ecology in the area of its operations. Here, mangrove plantation has been taken up near Dahej and Kochi Terminals in consultation with Gujarat Ecology Commission, and the Forest Department, Government of Gujarat and Centre for Water Resources Development and Management (CWRDM) in Kerala.

As part of in-plant initiatives, Cold energy of LNG is being used for HVAC system and Nitrogen Generation which helps in reducing overall energy consumption. Waste heat of GTG (Gas Turbine Generator) is being utilized for LNG regasification. Although water is not an operational requirement, efforts are being made for reducing and reusing water to the maximum extent possible. In this regard, condensate water from air heaters is used for gardening purposes, and as back up source for fire emergencies. Details of PLL's sustainability initiatives can be found in Company's latest sustainability report at: https://www.petronetlng.com/SustainabilityReport.php

6) ***Are the emissions/waste generated by the Company within the permissible limits given by CPCB/SPCB for the financial year under review?***

Yes, all of company's emissions/waste generated during the reporting period was within the regulatory defined limits.

7) ***Number of show cause / legal notices received from CPCB / SPCB, which are pending (i.e. not resolved to satisfaction) as at the end of the financial year.***

There were no show cause /legal notices from CPCB / SPCB received by any of the PLL sites during the previous financial year.

Principle 7: Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner

1) ***Is your Company a member of any trade and chambers or association? If yes, name only those major ones that your business deals with.***

PLL is member of various trade and chambers or association, where senior management of the company represent PLL and engage on discussions across various topics. Some of these associations include:

- International Group of Liquefied Natural Gas Importers (GIIGNL)
- International Gas Union (IGU)
- Natural Gas Society (NGS)
- Society of International Gas Tanker and Terminal operations ltd (SIGTTO)

2) ***Have you advocated / lobbied through the above associations for the advancement or improvement of public good?***

Yes / No; if yes, specify the broad areas (drop box: governance and administration, economic reforms, inclusive development polices, energy security, water, food security, sustainable business principles and others).

No. Company's Senior Management represents the Company in various industry forums. They understand their responsibility while representing PLL in such associations, and while they engage in constructive dialogues and discussions they refrain from influencing public policy with vested interests.

Principle 8: Businesses should support inclusive growth and equitable development.

1) ***Does the Company have specified programmes / initiatives / projects in pursuit of the policy related to Principle 8? If yes, provide details thereof.***

Petronet LNG Limited (PLL) has a CSR policy with a clear vision to actively engage in social, economic, environment and cultural development of the communities through its CSR initiatives primarily around work centers, thereby meeting the priority needs of socially/economically backward, marginalized & vulnerable communities, and making them self-reliant.

As a responsible Corporate, PLL has been undertaking Development Projects / Programs and also has been supplementing the efforts of the local institutions / NGOs / local self - Government / implementing agencies in the field of Education, Healthcare, War Widow Welfare, Community Development, Entrepreneurship, Skill Development etc. All CSR activities undertaken are with adherence to list of activities listed in Schedule VII of the Companies Act, 2013.

2) ***Are the programmes / projects undertaken through in-house team / own foundation / external NGO / government structures / any other organisation?***

To effectively manage, monitor and implement CSR initiatives of the company, the Board of Directors have constituted a Corporate Social Responsibility (CSR) Committee as a sub-committee to the Board. As the Company is dedicated to promote inclusive growth and betterment of the community, CSR forms the integral part of PLL's business strategy.

PLL also partners with credible NGOs, trusts and government agencies for implementing CSR activities/ projects/programs of short/medium/long term in nature in line with its CSR Policy. Further, PLL constantly motivates its employees to engage in the CSR projects of the company and participate through philanthropic contributions/ by volunteering their time/ harnessing their potentials. The Company has also formed Petronet LNG Foundation (PLF) as its CSR Arm to execute the CSR initiatives.

3) ***Have you done any impact assessment of your initiative***

PLL engages in regular conversation with local community members during/post CSR project implementation, and undertakes timely assessments of implemented projects for ensuring their desired impact and continued sustenance.

For the flagship initiatives, PLL also carries out independent impact assessment studies by reputed third party agencies/ assessors. Here, PLL ensures that members of the community are kept involved in entire project lifecycle viz. Identification, development, execution and maintenance of the project. Further members of the community are treated as project owners, which ensures creation of ownership of the assets/projects and thus generates desired impact the particular CSR intervention. These also allows PLL to analyze the impact of its ongoing initiatives and further helps to design/modify future engagements/projects for better results addressing to the needs of the communities.

4) What is the Company's direct contribution to community development projects? Provide the amount in INR and the details of the projects undertaken?

In terms of provisions of Companies Act 2013, the amount of Rs 57 Crore is required to be spent on CSR activities in Financial Year 2019-20. However, considering the outbreak of the COVID-19 Pandemic, the Competent Authority revised and approved the CSR budget to a total of Rs 118 Crore (One hundred Eighteen Crore Only).

CSR activities/projects/programs of Rs 117.96 Crore (One hundred Seventeen Crore and Ninety-Six Lakh Only) were undertaken in the financial year 2019-20. Details (vertical wise) of the projects undertaken with adherence to the schedule VII of the Companies Act, 2013 in the FY 2019-20 is undermentioned:

S. No.	Projects/ Activities under Vertical	Amount (In INR Lakh)
1	Healthcare & Covid-19	10,513.06
2	Differently abled	114.91
3	Disaster Management	202.63
4	Education & Skill development	297.27
5	Environment & Sustainability	15.25
6	Eradicating Hunger	46.41
7	Skill Development	120.54
8	War Widows Welfare	456.96
9	Art & Heritage	1.79
10	Swachh Bharat	6.91
11	Admin exp	21.20
TOTAL		**11,796.93**

5) Have you taken steps to ensure that this community development initiative is successfully adopted by the community? Please explain in around 50 words.

PLL regularly engages with local community members to gaze the impact of its ongoing CSR initiatives. Company undertakes need assessment surveys in villages before undertaking these initiatives. Community needs are understood and evaluated and their views are taken before project plans are finalized and executed. These project plans are then assessed under the agreed strategy and are monitored on a quarterly basis. Wherever necessary, midcourse corrections are carried out. Company continuously seek to execute effective CSR interventions to boost the living standards and the overall economic status of under privileged community. Further, PLL ensures that community members participate in the initiatives being undertaken/ implemented, and what they take responsibility for maintenance and sustenance of projects in future.

Principle 9: Businesses should engage with and provide value to their customers and consumers in a responsible manner

1) What percentage of customer complaints / consumer cases is pending, as at the end of the financial year?

Nil cases of customer complaints / consumer case in the reporting period.

2) Does the Company display product information on the product label, over and above what is mandated as per local laws? Yes / No / N.A. / Remarks (additional information).

Product information labelling is not applicable to our product, as PLL deals primarily with transportation, storage and regasification of LNG. However, adherence to all laws pertaining to product handling, branding and distribution is of utmost significance to the Company, and PLL ensures full compliance to these aspects.

3) Is there any case filed by any stakeholder against the Company regarding unfair trade practices, irresponsible advertising and / or anti-competitive behaviour during the last five years and pending as at the end of the financial year? If so, provide details thereof, in about 50 words or so.

No case has been filed by any stakeholder against the company regarding unfair trade practices, irresponsible advertising and / or anti-competitive behaviour during the last financial year.

4) Did your Company carry out any consumer survey / consumer satisfaction trends?

We interact and engage with our customers on regular basis. Our principle customers are our primary promoters as well, i.e. GAIL, IOCL and BPCL , with whom we interact and engage on regular basis. Representatives of these organizations are present on PLL's Board ensuring constructive dialogue and sound decision making, thus removing scope for conflicts.

INDEPENDENT AUDITOR'S REPORT

To the Members of Petronet LNG Limited

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying Standalone Financial Statements of Petronet LNG Limited (the "Company"), which comprise the balance sheet as at March 31, 2020 and the statement of profit and loss (including Other Comprehensive Income), statement of changes in equity and statement of cash flows for the year then ended, and notes to the standalone financial statements, including a summary of significant accounting policies and other explanatory information prepared based on relevant records (hereinafter referred to as the "Standalone Financial Statement").

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, 2020, and its total comprehensive income, its changes in equity and its cash flows for the year then ended.

Basis for opinion

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.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressedin the context of our audit of the standalone financial statements as a whole, and in forming ouropinion thereon, and we do not provide a separate opinion on these matters.

S. No.	Description of Key Audit Matter	Audit Procedures Undertaken to address the Key Audit Matter & conclusions thereon
1.	**Impairment testing of Kochi Plant** The recoverable value of the property plant and Equipment's capitalized under Kochi Plant of the Company are dependent on the operationalization of Kochi-Mangalore-Bangalore pipeline. The determination of recoverable amount for Kochi Plant is based on the value-in use derived from future free net cash flow based on management assumptions of operations for the coming years and from the terminal period. Significant judgement is required by the Management in determining value-in-use, including discount rate to be applied and cash flow projections based on availability of pipeline, demand of gas etc. Accordingly, the impairment evaluation of Kochi Plant is considered to be a key audit matter.	We assessed the Company's process of assessing the impairment requirement for Kochi Plant by reviewing the Impairment Study Report, carried out by an outside consultant appointed by the Company, and for verification of the same, following tests were performed: • Considered if the discounted cash flow models used to estimate the recoverable amount of Kochi Plant, based on "Value in Use" (VIU) were in consistent with Indian Accounting Standard. • Considered whether the forecasted cash flows in the impairment model were reasonable and based upon supportable assumptions • Performed tests of the mathematical accuracy of the impairment model calculations. We found management's assessment that there is no immediate case of impairment of Kochi Plant, based on VIU, is reasonable.

S. No.	Description of Key Audit Matter	Audit Procedures Undertaken to address the Key Audit Matter & conclusions thereon
2.	Accuracy of recognition, measurement, presentation and disclosures of revenues and other related balances in view of Ind AS 115 "Revenue from Contracts with Customers". Ind AS 115 requires certain key judgements including identification of distinct performance obligations and transaction price.	We assessed the Company's process of identification of distinct performance obligations and transaction price and for the same we selected a sample of contracts, covering all type of revenue recognized by the Company and performed the following procedures: • Considered the terms of the contracts to determine the transaction price specially to ascertain if there is any financing component in the arrangement where advances have been received from the customers. • Read, analysed and identified the distinct performance obligations in these contracts. • Compared these performance obligations with that identified and recorded by the Company. • Performed analytical procedures for reasonableness of revenues disclosed by type and service offerings. Based on the work performed, we found the management's assessment of determination of transaction price and identification of distinct performance obligation is reasonable.
3.	**Adoption of Ind AS 116, Leases:** Effective 1st April 2019, Ind AS 116 replaces the existing standard Ind AS 17 and specifies howan entity will recognise, measure, present and disclose leases. The standard provides a single lease accounting model, requiring lessees to recognise a right to use asset ("RTU asset") and a corresponding liability on the lease commencement date. It provides exemption for leases with lease term of 12 months or less or the underlying asset has a low value. We considered the first-time application of Ind AS 116, as a key audit matter due materiality of RTU assets and the judgements needed in establishing the underlying key assumptions.	Our procedures included the following: Assessing the accounting regarding leases with reference to consistency with the definitions of Ind AS 116. This includesfactors such as lease term, discount rate and measurement principles; Testing completeness of the lease data as at 31st March, 2019 by reconciling the Company's operating lease commitments tothe underlying data used in computing the ROU asset and Lease liability; Assessing the transition to Ind AS 116 by verifying consistency with the definitions and practical expedients of Ind AS 116; Examining the Company's judgement in establishing the underlying assumptions. This includes assessing the discountrate used in determining the lease liability.
4.	**Contingent liabilities;** There are various pending cases against which demands have been raised by different authority/parties.	For legal and regulatory matters, our procedures included following: • Assessing the processes and control over legal matters; • Reviewing the Group's significant legal matters and other contractual claims; • Performing substantive procedures on the underlying calculations of potential liability; • Where relevant, reading external legal opinions obtained by management; • Where relevant, obtaining written confirmation from external legal counsels on the status of the cases • Reviewing the adequacy and completeness of the company's disclosures. Based on the work performed, we found the disclosures made by the management in note 38(B) of the financial statements are sufficient

Other Information

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Company's annual report (mainly Director's Report, Corporate Governance Report, Business Responsibility Report and Management Discussion and Analysis of annual report) but does not include the standalone financial statements and our auditor's report thereon. The other information in annual report except Corporate Governance Report i.e. Directors report, Business Responsibility report and Management Discussion and Analysis of Annual report is expected to be made available to us after the date of this auditors' report.

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

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 on the other information that we have obtained prior to the date of this auditor's report, 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.

When we read the information included in, Management Discussion and Analysis, Directors' Report, and Business Responsibility Report and Other Information in Annual Report, if we conclude that there is material misstatement therein, we are required to communicate the matter to those charged with the governance and other appropriate action as may be required.

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

The Company's Board of Directors is responsible for the preparation and presentation of these standalone financial statements that give a true and fair view of the Standalone financial position, Standalone financial performance, Standalone cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the 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, which have been used for the purpose of preparation of standalone financial statement by the directors of the Company, as aforesaid.

In preparing the standalone financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, mailers related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so. The 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

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.

As part of an audit in accordance with SAs, we exercise professional judgment 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 financial 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 expression our opinion on whether the company has adequate internal financial controls with reference to 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.

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.

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.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosures about the matters or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("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 A" a statement on the matters specified in paragraphs 3 and 4 of the Order.

2. 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 of the aforesaid Standalone financial statement.

   (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid Standalone financial statement have been kept so far as it appears from our examination of those books.

   (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 Cash Flow Statement dealt with by this report are in agreement with the books of account and the records maintained for the purpose of preparation of Standalone financial statements.

   (d) In our opinion, the aforesaid Standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

   (e) On the basis of the written representations received from the directors as on 31st March, 2020 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2020 from being appointed as a director in terms of Section 164 (2) of the Act.

   (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls refer to our separate report in **Annexure B**.

   (g) 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, in our opinion and to the best of our information and according to the explanations given to us:

      a. The Company has disclosed the impact of pending litigations on its financial position in the standalone financial statement (Refer Note 38B to the standalone Ind AS financial statements).

      b. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses on. Refer Note 38 A (b) to the financial statements

      c. There has been no delay in transferring the amounts, required to be transferred to the Investor Education and Protection Fund by the Company.

3. With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

   In our opinion and to the best of our information and according to the explanations given to us by the Company, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.

For T R Chadha & Co LLP
Chartered Accountants
Firm Registration No.: 006711N/N500028

Hitesh Garg
Partner
Membership No: 502955

Place: New Delhi
Date: 29th June, 2020
UDIN: 20502955AAAABB1367

"Annexure A" referred to in our report of even date

1. (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.

   (b) The Company has a regular program of physical verification of its fixed assets by which fixed assets are verified in a phased manner over a period of two years. In accordance with this program, fixed assets were verified during the year and no material discrepancies were noticed on such verification. In our opinion, the periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets.

   (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company.

2. The inventory has been physically verified by the management at reasonable intervals. No material discrepancies were noticed on such physical verification.

3. The Company has not granted any loans, secured or unsecured, to companies, firm, Limited Liability Partnerships or other parties in the register maintained under Section 189 of the Companies Act, 2013. Therefore, the provisions of clause 3(iii) (a), (b) and (c) of the Companies (Auditors Report) Order, 2016 are not applicable.

4. In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Sections 185 and 186 of the Companies Act, 2013 in respect of grant of loans, making investments and providing guarantees and securities, as applicable.

5. The Company has not accepted any deposits from the public within the provisions of Sections 73 to 76 or any other relevant provisions and the rules framed thereunder. Accordingly, the provisions of Clause 3 (v) of the Order are not applicable to the Company.

6. We have broadly reviewed the books of accounts maintained by the Company pursuant to Rules made by the Central Government for the maintenance of cost records under Section 148(1) of the Companies Act, 2013 and are of the opinion that prima facie, the prescribed accounts and records have been maintained.

7. (a) The Company is generally regular in depositing with appropriate authorities, undisputed statutory dues including Provident Fund, Income Tax, Sales Tax, Service Tax, Custom Duty, Value Added Tax, Cess, Goods and Service Tax and other material statutory dues applicable to it. There were no arrears of undisputed statutory dues as at 31st March 2020, which were outstanding for a period of more than six months from the date they became payable. We are informed that there is no liability towards Employees State Insurance and Excise Duty for the year under audit.

   (b) According to the information and explanations given to us and as per the records of the Company, the dues of service tax, custom duty and income tax which have not been deposited/deposited under protest with the appropriate authorities on account of any dispute are given below:

Amount in Rs. Lac

Name of the Statute	Nature of the dues	Disputed Amount	Deposited under Protest	Not deposited	Period to which the amount relates	Forum where dispute is pending
Finance Act, 1994	Service Tax & Interest	4,005	-	4,005	FY 2008-09 to 2009-2010	Hon'ble Supreme Court of India
	Service Tax, Interest & Penalty	2,728	2,728	-	FY 2008-09 to 2009-2010	CESTAT, Delhi
	Service Tax & Interest	57	-	57	FY 2014-15	Principal Commissioner, Service Tax, Delhi
	Service Tax & Interest	19	-	19	FY 2015-16	Assistant Commissioner, Service Tax, Delhi
	Service Tax	774	774	-	FY 2008-10	Assistant Commissioner, Delhi
	Service Tax	753	753	-	FY 2008-11	
	Service Tax	125	125	-	2013-16	

Amount in Rs. Lac

Name of the Statute	Nature of the dues	Disputed Amount	Deposited under Protest	Not deposited	Period to which the amount relates	Forum where dispute is pending
Custom Act, 1962	Custom Duty & Interest	346	-	346	FY 2004-07	Hon'ble High Court, Gujarat
	Custom Duty & Interest	112	-	112	FY 2009-10	
	Custom Duty & Interest	284	-	284	FY 2005-08	
Income Tax Act,1961	Income Tax and Interest	70	-	70	FY 2007-08	ITAT, Delhi
	Income Tax and Interest	7,237	-	7,237	FY 2008-09 to 2010-11	ITAT, Delhi
	Income Tax and Interest	394	-	394	FY 2012-13	ITAT, Delhi
	Income Tax and Interest	744	-	744	FY 2011-12	ITAT, Delhi
	Income Tax Penalty	148	-	148	FY 2011-12	CIT(A), Delhi
	Income Tax Penalty	78	-	78	FY 2012-13	CIT(A), Delhi
	Income Tax and Interest	107	-	107	FY 2013-14	ITAT, Delhi
	Income Tax and Interest	10	-	10	FY 2014-15	ITAT, Delhi
	Income Tax and Interest	10	-	10	FY 2015-16	CIT(A), Delhi

8. The Company has not defaulted in the repayment of dues to financial institutions, banks, Government or debenture holders.

9. The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) and term loans during the year. Accordingly, paragraph 3 (ix) of the Order is not applicable.

10. Based upon the audit procedures performed and information and explanations given by the management, we report that no fraud on or by the Company has been noticed or reported during the course of our audit.

11. According to the information and explanations give to us and based on our examination of the records, 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.

12. In our opinion and according to the information and explanations given to us, the Company is not a Nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.

13. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with Sections 177 and 188 of the Companies Act 2013 where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable Accounting Standards.

14. According to the information and explanations given to us and based on our examination of the records, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.

15. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.

16. In our opinion and according to the information and explanation given to us, the company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934.

For T R Chadha & Co LLP
Chartered Accountants
Firm Registration No.: 006711N/N500028

Hitesh Garg
Partner
Membership No: 502955

Place: New Delhi
Date: 29th June, 2020
UDIN: 20502955AAAABB1367

“Annexure B”as referred to in paragraph 2(f) of our report of even date

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”)

We have audited the internal financial controls with reference to Ind AS financial statements of Petronet LNG Limited (“the Company”) as of 31 March 2020 in conjunction with our audit of the Standalone Ind AS financial statements of the Company for the year ended on that date.

Management’s Responsibility for Internal Financial Controls

The Company’s management is responsible for establishing and maintaining internal financial controls with reference to Ind AS financial statements based on the internal controls 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 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.

Auditors’ Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to Ind AS financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the “Guidance Note”) and the Standards on Auditing, issued by ICAI and deemed to be prescribed 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.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial control system with reference to Ind AS financial statements and their operating effectiveness.Our audit of internal financial control with reference to Ind AS financial statements included obtaining an understanding of internal financial control with reference to Ind AS 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 financial statements, whether due to fraud or error.

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 Ind AS financial statements.

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control with reference to Ind AS 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 control with reference to Ind AS financial statements includes those policies and procedures that:

a) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;

b) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and

c) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls with reference to financial statements

Because of the inherent limitations of internal financial controls over financial reporting, 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 Ind AS financial statements to future periods are subject to the risk that the internal financial control with reference to Ind AS financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, to the best of our information and according to the explanations given to us,the Company has, in all material respects, an adequate internal financial controls system with reference to Ind AS financial statements and such internal financial controls with respect to financial statements were operating effectively as at 31 March 2020, based on the internal controls over financial reporting criteria established by the Company considering the essential components of internal controls stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Instituteof Chartered Accountants of India.

For T R Chadha & Co LLP
Chartered Accountants
Firm Registration No.: 006711N/N500028

Hitesh Garg
Partner
Membership No: 502955

Place: New Delhi
Date: 29th June, 2020
UDIN: 20502955AAAABB1367

Standalone Balance Sheet as at 31 March 2020

(All amounts are in Rupees lac, unless otherwise stated)

	Notes	As at 31 March 2020	As at 31 March 2019
ASSETS			
Non-Current Assets			
Property, plant and equipment	3	7,69,647	7,66,403
Capital work-in-progress	4	468	34,821
Intangible assets	5	20	105
Right to Use assets	6	3,49,152	-
Investments in Joint Ventures	7	16,438	16,438
Financial assets			
(i) Investments	8	0.13	0.13
(ii) Loans	9	2,231	2,492
(iii) Other non-current financial assets	10	5,437	81,403
Income tax assets (net)	11	13,065	3,310
Other non-current assets	12	8,555	7,331
Total non-current assets		**11,65,013**	**9,12,303**
Current assets			
Inventories	13	48,089	56,944
Financial assets			
(i) Investment	14	18,467	82,489
(ii) Trade receivables	15	1,60,257	1,38,245
(iii) Cash and cash equivalents	16	97,602	22,658
(iv) Other bank balances	17	3,45,599	2,73,370
(v) Other current financial assets	18	30,852	17,365
Other current assets	19	4,016	5,109
Total Current Assets		**7,04,882**	**5,96,180**
Total Assets		**18,69,895**	**15,08,483**
EQUITY AND LIABILITIES			
Equity			
Equity share capital	20	1,50,000	1,50,000
Other equity	21	9,45,297	8,56,607
Total Equity		**10,95,297**	**10,06,607**

Standalone Balance Sheet as at 31 March 2020

(All amounts are in Rupees lac, unless otherwise stated)

	Notes	As at 31 March 2020	As at 31 March 2019
Liabilities			
Non-Current Liabilities			
Financial liabilities			
(i) Borrowings	22	6,439	10,120
(ii) Lease liability	23	3,33,902	-
Long-term provisions	24	1,486	1,108
Deferred tax liabilities (net)	25(B)	88,829	1,33,603
Other non-current liabilities	26	1,01,581	1,08,609
Total Non-Current Liabilities		**5,32,237**	**2,53,440**
Current Liabilities			
Financial liabilities			
(i) Trade payables			
- total outstanding dues of micro enterprise and small enterprises (MSME's)		-	-
- total outstanding dues of creditors other than MSME's		1,16,607	1,29,524
(ii) Other financial liabilities	27	73,128	68,536
Other current liabilities	28	50,814	48,701
Short-term provisions	29	1,812	1,675
Total Current Liabilities		**2,42,361**	**2,48,436**
Total Liabilities		**7,74,598**	**5,01,876**
Total Equity and Liabilities		**18,69,895**	**15,08,483**

Significant Accounting Policies	**2**
Other Notes on Accounts	**38 to 48**

The accompanying notes are an integral part of these financial statements.

In term of our report of even date.

For T R Chadha & Co LLP
Chartered Accountants
ICAI Firm Regn. No. 006711N /N500028

For and on behalf of **Petronet LNG Limited**

Sd/-
Hitesh Garg
Partner
Membership No - 502955

Sd/-
Prabhat Singh
Managing Director & CEO
DIN: 03006541

Sd/-
Vinod Kumar Mishra
Director - Finance
DIN: 08125144

Place : New Delhi
Date : 29 June 2020

Sd/-
Rajan Kapur
Vice President-Company Secretary
Membership No - A10674

PETRONET LNG LIMITED

Standalone Statement of Profit and Loss for the year ended 31 March 2020

(All amounts are in Rupees lac, unless otherwise stated)

	Notes	For the year ended 31 March 2020	For the year ended 31 March 2019
Revenue			
Revenue from operations	30	35,45,200	38,39,543
Other income	31	37,257	45,029
Total Income		**35,82,457**	**38,84,572**
Expenses			
Cost of materials consumed	32	30,49,594	34,41,695
Employee benefits expense	33	12,576	12,587
Finance costs	34	40,320	9,892
Depreciation and amotization expense	35	77,613	41,124
Other expenses	36(A)	84,083	55,916
Total Expenses		**32,64,186**	**35,61,214**
Profit before exceptional items and tax		**3,18,271**	**3,23,358**
Exceptional Items	36(B)	7,206	-
Profit/ (Loss) before tax		**3,11,065**	**3,23,358**
Tax Expense:			
Current tax (a)	25(A)	86,000	78,949
Deferred tax (b)	25(A)	(44,695)	28,866
Total tax expense (a+b)		**41,305**	**1,07,815**
Profit/ (loss) for the period (A)		**2,69,760**	**2,15,543**
Other Comprehensive Income			
Items that will not be reclassified to Profit or Loss			
Remeasurement of defined benefit plans		(317)	(230)
Income tax relateing to remeasurement of defined benefit plans	25(A)	80	80
Total Other Comprehensive income for the period (B)		**(237)**	**(150)**
Total Comprehensive Income for the period (A + B)		**2,69,523**	**2,15,393**
Earnings per equity share of Rs 10/- each			
Basic (Rs)		17.98	14.37
Diluted (Rs)		17.98	14.37

Significant accounting policies **2**
Other notes on accounts **38 to 48**

The accompanying notes are an integral part of these financial statements.

In terms of our report of even date.

For T R Chadha & Co LLP
Chartered Accountants
ICAI Firm Regn. No. 006711N /N500028

For and on behalf of **Petronet LNG Limited**

Sd/-
Hitesh Garg
Partner
Membership No - 502955

Sd/-
Prabhat Singh
Managing Director & CEO
DIN: 03006541

Sd/-
Vinod Kumar Mishra
Director - Finance
DIN: 08125144

Place : New Delhi
Date : 29 June 2020

Sd/-
Rajan Kapur
Vice President-Company Secretary
Membership No - A10674

Standalone Statement of Cash flows for the year ended 31 March 2020

(All amounts are in Rupees lac, unless otherwise stated)

		For the year ended 31 March 2020	For the year ended 31 March 2019
A.	Cash Flow from Operating Activities		
	Net Profit before tax	**3,11,065**	**3,23,358**
	Adjustment for:		
	Depreciation	77,613	41,124
	Loss on the sale of fixed asset	5	76
	Profit on sale / fair valuation of current Investment	(5,942)	(18,370)
	Interest Expense	40,320	9,892
	Foreign exchange gain / loss on restatement of financial liabilities	27,645	(9,950)
	Fair value losses on derivatives not designated as hedges	-	9,573
	Dividend Income	(900)	(450)
	Interest Income	(27,614)	(14,552)
	Excess provision written back	(487)	(5)
	Operating Profit Before Working Capital Changes	**4,21,705**	**3,40,696**
	Movements in working capital :-		
	(Increase) / Decrease in loans	261	(196)
	(Increase) / Decrease in inventories	8,855	(7,834)
	(Increase) / Decrease in trade receivables	(22,012)	21,833
	(Increase) / Decrease in other financial assets	(9,449)	(12,314)
	(Increase) / Decrease in Other assets	(550)	(240)
	Increase / (Decrease) in trade payables	(12,430)	(27,465)
	Increase / (Decrease) in other financial liabilities	401	(3,840)
	Increase / (Decrease) in provisions	198	561
	Increase / (Decrease) in other liabilities	(4,913)	(15,732)
	Cash Generated from / (used in) Operations	**3,82,066**	**2,95,469**
	Less: Income Tax Paid (net of refunds)	(95,755)	(81,327)
	Net Cash Generated from / (used In) Operating Activities (A)	**2,86,311**	**2,14,142**
B.	Cash Flow From Investing Activities		
	Net proceeds / (purchase) of property, plant and equipment and capital work in progress	(4,078)	(16,273)
	Net proceeds / (purchase) of intangible assets	-	(4)
	Dividend Received	900	450
	Net proceeds / (purchase) of investments	69,964	3,31,665
	Interest received	24,341	14,557
	Net movement in fixed deposits	2,971	(3,37,548)
	Net Cash Generated from / (used in) Investing Activities (B)	**94,098**	**(7,153)**

Standalone Statement of Cash Flow for the year ended 31 March 2020

(All amounts are in Rupees lac, unless otherwise stated)

		For the year ended 31 March 2020	For the year ended 31 March 2019
C.	<u>**Cash Flow from Financing Activities**</u>		
	Net proceeds/(Repayment) of Long Term Borrowings	(63,220)	(62,015)
	Interest Expense Paid	(42,649)	(11,913)
	Lease Liability Paid	(18,763)	-
	Dividend paid	(180,833)	(180,833)
	Net Cash Generated from / (used in) Financing Activities (C)	**(3,05,465)**	**(2,54,761)**
	Net Increase/(Decrease) in Cash and Cash Equivalents (A+B+C)	**74,944**	**(47,772)**
	Balance at the beginning of the year		-
	Cash and cash equivalents at the beginning of the year	22,658	70,430
	Balance at the end of the year	**97,602**	**22,658**

Note: The above Statement has been prepared under indirect method setout in Ind AS 7 “Cash Flow Statement” (refer note no. 16 for details of cash and cash equivalents).

Reconciliation between the opening and closing balances in balance sheet for liabilities arising from financing activities

Particulars	Long term Borrowings	Debentures	Total
Opening Balance as on 1st April 2019	**13,350**	**62,321**	**75,671**
Financing Cash Flows	(3,220)	(60,000)	(63,220)
Non Cash Changes			
Interest Accrued	(8)	(2,321)	(2,329)
Closing Balance as on 31st March 2020	**10,122**	**-**	**10,122**

Particulars	Long term Borrowings	Debentures	Total
Opening Balance as on 1st April 2018	**55,339**	**94,318**	**1,49,657**
Financing Cash Flows	(32,245)	(30,000)	(62,245)
Non Cash Changes			
Interest Accrued	(24)	(1,997)	(2,021)
Forex Reinstatement	(9,720)	-	(9,720)
Closing Balance as on 31st March 2019	**13,350**	**62,321**	**75,671**

In terms of our report of even date.

For and on behalf of **Petronet LNG Limited**

For T R Chadha & Co LLP
Chartered Accountants
ICAI Firm Regn. No. 006711N /N500028

Sd/-
Hitesh Garg
Partner
Membership No - 502955

Place : New Delhi
Date : 29 June 2020

Sd/-
Prabhat Singh
Managing Director & CEO
DIN: 03006541

Sd/-
Vinod Kumar Mishra
Director - Finance
DIN: 08125144

Sd/-
Rajan Kapur
Vice President-Company Secretary
Membership No - A10674

Standalone Statement of Changes in Equity for the year ended 31st March 2020

(All amounts are in Rupees lac, unless otherwise stated)

(a) Equity share capital

	As at 31 March 2020		As at 31 March 2019	
	No. of Shares	**Amount**	**No. of Shares**	**Amount**
Balance at the beginning of the year	1,50,00,00,088	1,50,000	1,50,00,00,088	1,50,000
Changes in equity share capital during the year	-	-	-	-
Balance at the end of the reporting period	**1,50,00,00,088**	**1,50,000**	**1,50,00,00,088**	**1,50,000**

(b) Other equity

	Reserves & Surplus			OCI	
	Debenture Redemption Reserve	**General Reserve**	**Retained earnings**	**Remeasurement of defined benefit plans**	**Total**
Balance at 31 March 2018	**19,500**	**72,800**	**7,29,789**	**(42)**	**8,22,047**
Changes in accounting policy / prior period errors	-	-	-	-	-
Restated balance at the beginning of the reporting period	**19,500**	**72,800**	**7,29,789**	**(42)**	**8,22,047**
Profit for the year	-	-	2,15,543	-	2,15,543
Other comprehensive income for the year	-	-	-	(150)	(150)
Total comprehensive income for the year	-	-	**2,15,543**	**(150)**	**2,15,393**
Transfer to/(from) debenture redemption reserves	(4,500)	-	4,500	-	-
Dividend paid	-	-	(1,50,000)	-	(1,50,000)
Dividend distribution tax	-	-	(30,833)	-	(30,833)
Balance at 31 March 2019	**15,000**	**72,800**	**7,68,999**	**(192)**	**8,56,607**
Changes in accounting policy / prior period errors	-	-	-	-	-
Restated balance at the beginning of the reporting period	**15,000**	**72,800**	**7,68,999**	**(192)**	**8,56,607**
Profit for the year	-	-	2,69,760	-	2,69,760
Other comprehensive income for the year	-	-	-	(237)	(237)
Total comprehensive income for the year	**-**	**-**	**2,69,760**	**(237)**	**2,69,523**
Transfer to / (from) debenture redemption reserves	(15,000)	-	15,000	-	-
Dividend paid	-	-	(1,50,000)	-	(1,50,000)
Dividend distribution tax	-	-	(30,833)	-	(30,833)
Balance at 31 March 2020	**-**	**72,800**	**8,72,926**	**(429)**	**9,45,297**

Standalone Statement of Changes in Equity for the year ended 31st March 2020

(All amounts are in Rupees lac, unless otherwise stated)

Nature and purpose of other reserves

Debenture redemption reserve

The Company appropriates a portion out of the profits available for payment of dividend to debenture redemption reserve (DRR) as per the Companies Act, 2013 (which requires creation of DRR upto 25% of the outstanding amount of the bonds during the tenure of bonds). Reduction in DRR is on account of repayment of bonds.

General reserve

Under the erstwhile Companies Act 1956, a general reserve was created through an annual transfer of net profit at a specified percentage in accordance with applicable regulations. Consequent to the introduction of the Companies Act 2013, the requirement to mandatory transfer a specified percentage of net profit to general reserve has been withdrawn.

Re-measurement of defined benefit plans

Re-measurements of defined benefit plans represents the following as per Ind AS 19, Employee Benefits:

(a) actuarial gains and losses

(b) the return on plan assets, excluding amounts included in net interest on the net defined benefit liability (asset); and

(c) any change in the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability (asset).

In terms of our report of even date.

For T R Chadha & Co LLP
Chartered Accountants
ICAI Firm Regn. No. 006711N /N500028

Sd/-
Hitesh Garg
Partner
Membership No - 502955

Place : New Delhi
Date : 29 June 2020

For and on behalf of **Petronet LNG Limited**

Sd/-
Prabhat Singh
Managing Director & CEO
DIN: 03006541

Sd/-
Vinod Kumar Mishra
Director - Finance
DIN: 08125144

Sd/-
Rajan Kapur
Vice President-Company Secretary
Membership No - A10674

Notes to the standalone financial statements for the year ended 31 March 2020

1. Reporting Entity

Petronet LNG Limited referred to as "PLL" or "the Company" is domiciled in India. The Company's registered office is at World Trade Centre, 1st Floor, Babar Road, Barakhamba Lane, New Delhi – 110001.

The Company was formed by Bharat Petroleum Corporation Limited ('BPCL'), GAIL (India) Limited ('GAIL'), Indian Oil Corporation Limited ('IOCL') and Oil and Natural Gas Corporation Limited ('ONGC') primarily to develop, design, construct, own and operate a Liquefied Natural Gas ('LNG') import and regasification terminals in India. PLL was incorporated on 2 April 1998 under the Companies Act, 1956 and received certificate of commencement of business on 1 June 1998. The Company is involved in the business of import and regasification of LNG and supply to BPCL, GAIL, IOCL and others. Presently, the Company owns and operates LNG Regasification Terminal with name plate capacity of 17.5 MMTPA at Dahej, in the State of Gujarat. The Company has also commissioned another LNG terminal with name plate capacity of 5 MMTPA at Kochi, in the State of Kerala.

2. Significant Accounting Policies

The Company has consistently applied the following accounting policies to all periods presented in the financial statements.

i. Basis of preparation

These financial statements have been prepared in accordance with the recognition and measurement principles laid down in the Indian Accounting Standard ('Ind AS'), prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder; and by the Institute of Chartered Accountants of India, as applicable and other accounting principles generally accepted in India.

These financial statements were authorised for issue by the Board of Directors on 29 June' 2020.

ii. Basis of measurement

The financial statements have been prepared on a historical cost basis except the following items, which are measured on alternative basis on each reporting date:

- Certain financial assets (including derivative instruments) that are measured at fair value
- Defined benefit liabilities / (assets): fair value of plan assets less present value of defined benefit obligation

iii. Functional and presentation currency

These financial statements are presented in the Indian Rupee ('INR'), which is the Company's functional currency. All amounts have been rounded to the nearest lac, unless otherwise indicated.

iv. Use of judgements and estimates

In preparing these financial statements, management has made judgements, estimates and assumptions that affect the application of the Company's accounting policies and the reported amounts of assets, liabilities, income and expenses. Management believes that the estimates used in the preparation of the financial statements are prudent and reasonable. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to estimates are recognised prospectively.

a. Judgements

Information about the judgements made in applying accounting policies that have the most significant effect on the amounts recognised in the financial statements have been given below:

- Leases:Whether an arrangement qualifies as a lease under Ind AS 116 and in assessment of the lease term and discount rate. Judgement in exercised for assessing the lease term in arrangements where the option to extend or to terminate the lease exist. While doing so, the facts and circumstances are considered to decide economic merits and certainty of exercising an option.
- Classification of financial assets: assessment of business model within which the assets are held and assessment of whether the contractual terms of the financial asset are solely payments of principal and interest on the principal amount outstanding.
- Identification of distinct performance obligation based on assessment of the products and services in the contract and based on certain factors, determining point of satisfaction of the obligation whether it is at a specific point or over a period.

- Transaction Price determination: Transaction price could be fixed or variable with indexed based escalations. Transaction price is not adjusted for the time value of money in the case where advances are received from customers to secure long term contracts.

b. Assumptions and estimation uncertainties

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment in the financial statements for the year ended 31March 2020 is included below:

- Impairment test: Estimates used for impairment of property, plant and equipment of separate cash generating unit, key assumptions underlying recoverable amounts:
- Useful life of property, plant & equipment
- Recognition and measurement of provisions and contingencies: key assumptions about the likelihood and magnitude of an outflow of resources
- Estimation of defined benefit obligation
- Estimation of current tax and deferred tax expense

v. Property, plant and equipment:

Recognition and measurement

Items of property, plant and equipment are stated at cost less accumulated depreciation and accumulated impairment loss, if any. The cost of assets comprises of purchase price and directly attributable cost of bringing the assets to working condition for its intended use including borrowing cost and incidental expenditure during construction incurred up to the date when the assets are ready to use. Capital work in progress includes cost of assets at sites, construction expenditure and interest on the funds deployed.

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as a separate item (major components) of property, plant and equipment.

Any gain on disposal of property, plant and equipment is recognised in Profit and loss account.

On transition to the Ind AS, the Company has elected to continue with the carrying value of all its property, plant and equipment recognised as at 1 April 2015 measured as per the previous GAAP and use that carrying value as the deemed cost of the property, plant and equipment.

Subsequent Measurement

Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Company.

Depreciation

Depreciation on fixed assets is calculated on Straight Line Method (SLM) using the rates arrived at based on the estimated useful lives given in Schedule II of the Companies Act, 2013. Useful life of the assets required to be transferred under Concession Agreement have been restricted up to the end of Concession Agreement.

Cost of leasehold land is amortized over the lease period.

Depreciation methods, useful lives and residual values are reviewed at each financial year end and changes, if any, are accounted for prospectively.

vi. Intangible assets

Intangible Assets are stated at cost less accumulated amortization and impairment loss, if any. Intangible assets are amortized on straight line method basis over the estimated useful life. Estimated useful life of the Software/Licenses is considered as 3 years.

Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Company.

Notes to the standalone financial statements for the year ended 31 March 2020

vii. Financial instruments

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 instruments also include derivative contracts such as foreign exchange forward contracts, cross currency interest rate swaps, interest rate swaps, currency options and embedded derivatives in the host contract.

A. Financial Assets

(a) Initial recognition and measurement

All financial assets are recognized initially at fair value (plus transaction costs attributable to the acquisition of the financial assets, in the case of financial assets are not recorded at fair value through profit or loss).

(b) Subsequent measurement and classifications

The Company classifies its financial assets as subsequently measured at either amortized cost or fair value depending on the Company's business model for managing the financial assets and the contractual cash flow characteristics of the financial assets.

Business model assessment

The Company assesses the objective of a business model in which an asset is held at a portfolio level because this best reflects the way the business is managed, and information is provided to management.

Assessment whether contractual cash flows are solely payments of principal and interest

For the purposes of this assessment, 'principal' is defined as the fair value of the financial asset on initial recognition. 'Interest' is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a period, for other basic lending risks, costs (e.g. liquidity risk and administrative costs), and profit margin.

In assessing whether the contractual cash flows are solely payments of principal and interest, the Company considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition.

(i) Financial Assets at amortised cost

A financial asset is measured at amortised cost only if both of the following conditions are met:

- It is held within a business model whose objective is to hold assets to collect contractual cash flows.
- the contractual terms of the financial asset represent contractual cash flows that are solely payments of principal and interest.

After initial measurement, such financial assets are subsequently measured at amortised cost using the EIR method. Amortised cost is calculated by considering any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included as finance income in the profit or loss. The losses arising from impairment are recognized in the profit or loss.

(ii) Financial Assets at Fair Value through Other Comprehensive Income (FVOCI)

A financial asset is measured at amortized cost only if both of the following conditions are met:

- it is held within a business model whose objective is to hold assets in order to collect contractual cash flows.
- the contractual terms of the financial asset represent contractual cash flows that are solely payments of principal and interest.

On initial recognition, the Company makes an irrevocable election on an instrument-by-instrument basis to present the subsequent changes in fair value in other comprehensive income pertaining to investments in equity instruments, other than equity investment which are held for trading. Subsequently, they are measured at fair value with gains and losses arising from changes in fair value recognised in other comprehensive income and accumulated in the 'Reserve for equity instruments through other comprehensive income'. The cumulative gain or loss is not reclassified to profit or loss on disposal of the investments.

Notes to the standalone financial statements for the year ended 31 March 2020

(iii) Financial Assets at Fair Value through Profit and Loss (FVTPL)

Investments in equity instruments are classified as at FVTPL, unless the Company irrevocably elects on initial recognition to present subsequent changes in fair value in other comprehensive income for investments in equity instruments which are not held for trading.

Other financial assets are measured at fair value through profit or loss unless it is measured at amortised cost or at fair value through other comprehensive income on initial recognition. The transaction costs directly attributable to the acquisition of financial assets and liabilities at fair value through profit or loss are immediately recognised in statement of the profit and loss.

(iv) Investment in Subsidiaries, Jointly Controlled Entities and Associates

Investment in subsidiaries, jointly controlled entities and associates are measured at cost less impairment as per the Ind AS 27 -Separate Financial Statements.

Impairment of investments:

The Company reviews its carrying value of investments carried at cost or amortised cost annually, or more frequently when there is indication for impairment. If the recoverable amount is less than its carrying amount, the impairment loss is accounted for.

(c) Derecognition of financial assets

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognized (i.e. removed from the Company's balance sheet) when:

- The rights to receive cash flows from the asset have expired, or
- The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognize the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognizes an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

On derecognition of a financial asset, the difference between the carrying amount of the asset (or the carrying amount allocated to the portion of the asset derecognised) and the sum of (i) the consideration received (including any new asset obtained less any new liability assumed) and (ii) any cumulative gain or loss that had been recognised in the OCI is recognised in profit or loss.

(d) Impairment of financial assets

The Company assesses the expected credit losses associated with its assets carried at amortised cost and FVOCI debt instruments on a forward-looking basis. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

With regard to trade receivable, the Company applies the simplified approach as permitted by the Ind AS 109, Financial Instruments, which requires expected lifetime losses to be recognised from the initial recognition of the trade receivables.

For all other financial assets, expected credit losses are measured at an amount equal to the 12 month expected credit losses or at an amount equal to the life time expected credit losses if the credit risk on the financial assets has increased significantly since initial recognition.

Notes to the standalone financial statements for the year ended 31 March 2020

(B) Financial liabilities

(a) Initial recognition and measurement

Financial liabilities are classifiedat initial recognition as financial liabilities at fair value through profit or loss or amortised cost, as appropriate.

All financial liabilities are recognised initially at fair value and in the case of amortised cost, net of directly attributable transaction costs.

(b) Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

(i) Financial Liabilities measured at amortised cost

After the initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by considering any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss.

(ii) Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term.

Gains or losses on liabilities held for trading are recognised in the profit or loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in the Ind AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk are recognized in OCI. These gains/ losses are not subsequently transferred to the P&L. However, the Company may transfer the cumulative gain or loss within equity. All the other changes in fair value of such liability are recognised in the statement of profit or loss.

(c) Derecognition of financial liabilities

The Company derecognises a financial liability when its contractual obligations are discharged or cancelled or expire.

(C) Modifications of financial assets and financial liabilities

Financial assets

If the terms of a financial asset are modified, the Company evaluates whether the cash flows of the modified asset are substantially different. If the cash flows are substantially different, then the contractual rights to cash flows from the original financial asset are deemed to have expired. In this case, the original financial asset is derecognised, and a new financial asset is recognised at fair value.

If the cash flows of the modified asset carried at amortised cost are not substantially different, then the modification does not result in derecognition of the financial asset. In this case, the Company recalculates the gross carrying amount of the financial asset and recognises the amount arising from adjusting the gross carrying amount as a modification gain or loss in profit or loss. If such a modification is carried out because of financial difficulties of the borrower, then the gain or loss is presented together with impairment losses. In other cases, it is presented as interest income.

Financial liabilities

The Company derecognises a financial liability when its terms are modified, and the cash flows of the modified liability are substantially different. In this case, a new financial liability based on the modified terms is recognised at fair value. The difference between the carrying amount of the financial liability extinguished and the new financial liability with modified terms is recognised in profit or loss.

Notes to the standalone financial statements for the year ended 31 March 2020

viii. Inventories

Raw material, stores and spares are valued at lower of cost or net realizable value. Cost of raw material is determined on the first-in, first-out principle for respective agreements of LNG.

Cost of stores and spares is determined on weighted average cost.

ix. Revenue Recognition

The Company earns revenue primarily from providing regasification services and sale of RLNG. With effective from 1st April 2018, the Company has applied the Ind AS 115 which establishes a comprehensive framework for determining whether, how much and when revenue is to be recognised. The Company has adopted the Ind AS 115 using the cumulative effect method. . The impact of the adoption of the standard on the financial statements of the Company is insignificant.

(a) Sale of goods & services

Revenue is recognised upon transfer of control of promised products or services to customers in an amount that reflects the consideration which the Company expects to receive in exchange for those products or services. Revenue is recognised on output basis measured by units of gas dispatched, units of gas processed etc.

- Revenue from the sale of RLNG is recognised at the point in time when control is transferred to the customer at the point of dispatch.
- Revenue from the sale of regassification services is recognised at a point in time when the control of RLNG is transferred to the customers at the point of dispatch.

Revenue is measured based on the transaction price, which is the consideration, adjusted for volume discounts, credits, price concessions and incentives, if any, as specified in the contract with the customer. Revenue also excludes taxes collected from customers.

Contract assets are recognised when there is excess of revenue earned over billings on contracts. Contract assets are classified as unbilled receivables (only act of invoicing is pending) when there is unconditional right to receive cash, and only passage of time is required, as per contractual terms.

The billing schedules agreed with customers include periodic performance-based payments and / or milestone-based progress payments. Invoices are payable within contractually agreed credit period.

The Company disaggregates revenue from contracts with customers by the nature ofgoods and services.

(b) Interest Income

Interest income is recognized using the Effective Interest Rate ('EIR') method. The EIR is the rate that exactly 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. The EIR is computed basis the expected cash flows by considering all the contractual terms of the financial instrument. The calculation includes all fees, transaction costs, and all other premiums or discounts paid or received between parties to the contract that are an integral part of the effective interest rate.

(c) Dividend Income

Dividend income is recognised, when the right to receive the dividend is established.

x. Foreign currency transactions

a) Foreign currency transactions are recorded at the exchange rate prevailing on the date of the transaction.

b) Monetary items denominated in foreign currencies (such as cash, receivables, payables etc.) outstanding at the year end, are translated at exchange rates applicable on year end date.

c) Non-monetary items denominated in foreign currency (such as fixed assets) are valued at the exchange rate prevailing on the date of transaction and carried at cost.

d) Any gains or losses arising due to exchange differences arising on translation or settlement are accounted for in the Statement of Profit and Loss.

Notes to the standalone financial statements for the year ended 31 March 2020

xi. Employee benefits

a. Short term employee benefits

Short-term employee benefits are expensed as the related service is provided. A liability is recognised for the amount expected to be paid if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

b. Defined contribution plans

Obligations for contributions to defined contribution plans are expensed as the related service is provided. The Company has following defined contribution plans:

a) Provident Fund

b) Superannuation Fund

c. Defined benefit plans

The Company has only one defined benefit plan i.e. gratuity. The Company net obligation in respect of defined benefit plan is calculated by estimating the amount of future benefit that employees have earned in the current and prior periods, discounting that amount and deducting the fair value of any plan assets.

The calculation of defined benefit obligations is performed annually by a qualified actuary using the projected unit credit method. When the calculation results in a potential asset for the Company, the recognised asset is limited to the present value of economic benefits available in the form of any future refunds from the plan or reductions in future contributions to the plan. To calculate the present value of economic benefits, a consideration is given to any applicable minimum funding requirements.

Remeasurement of the net defined benefit liabilities, which comprises of actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest), are recognised immediately in Other Comprehensive Income. Net interest expense (income) on the net defined liability (assets) is computed by applying the discount rate, used to measure the net defined liability (asset), to the net defined liability (asset) at the start of the financial year after considering any changes as a result of contribution and benefit payments during the year. Net interest expense and other expenses related to defined benefit plans are recognised in profit or loss.

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service or the gain or loss on curtailment is recognised immediately in profit or loss. The Company recognises gains and losses on the settlement of a defined benefit plan when the settlement occurs.

d. Other long-term employee benefits

The Company's net obligation in respect of long-term employee benefits is the amount of future benefit that employees have earned in return for their service in the current and prior periods. That benefit is discounted to determine its present value. Re-measurements are recognised in profit or loss in the period in which they arise.

The Company has following long term employment benefit plans:

Leave encashment

Leave encashment is payable to eligible employees at the time of retirement. The liability for leave encashment is provided based on actuarial valuation as at the Balance Sheet date, based on Projected Unit Credit Method, carried out by an independent actuary.

xii. Borrowing Cost

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

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.

xiii. Income tax

Income tax expense comprises current and deferred tax. It is recognised in profit or loss except to the extent that it relates to the items recognised directly in equity or in Other Comprehensive Income.

a. Current tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. It is measured using tax rates enacted or substantively enacted at the reporting date.

Current tax assets and liabilities are offset only if, the Company:

a) Has a legally enforceable right to set off the recognised amounts; and

b) Intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

b. Deferred tax

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognised for temporary differences on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit nor loss.

Deferred tax assets are recognised for unused tax losses, unused tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be used. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised; such reductions are reversed when the probability of future taxable profits improve.

Unrecognized deferred tax assets are reassessed at each reporting date and recognised to the extent that it has become probable that future taxable profits will be available against which they can be used.

Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, using tax rates enacted or substantively enacted at the reporting date.

The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Company expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset only if:

a) The entity has a legally enforceable right to set off current tax assets against current tax liabilities; and

b) The deferred tax assets and the deferred tax liabilities relate to income taxes levied by the same taxation authority on the same taxable entity.

xiv. Impairment of non-financial assets

At each reporting date, the Company reviews the carrying amounts of its non-financial assets (other than inventories and deferred tax assets) to determine whether there is any indication on impairment. If any such indication exists, then the asset's recoverable amount is estimated.

For impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or cash generating units (CGU).

The recoverable amount of an asset or CGU is the greater of its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash flows, discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or CGU. An impairment loss is recognised if the carrying amount of an asset or CGU exceeds its recoverable amount.

Impairment loss in respect of assets other than goodwill is reversed only to the extent that the assets carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

xv. Provisions

Provisions are recognised when the Company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Provisions are not recognised for future operating losses.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Notes to the standalone financial statements for the year ended 31 March 2020

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense.

xvi. Segment Reporting

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

The board of directors of Petronet LNG Limited has been identified as being the chief operating decision maker by the Management of the Company. Refer note no. 39 for segment information presented.

xvii. Cash and cash equivalents

Cash and cash equivalents comprise of cash at bank and in hand and short-term money market deposits 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 change in value.

xviii.Lease Accounting

Ministry of Corporate Affairs ("MCA") through Companies (Indian Accounting Standards) Amendment Rules, 2019 and Companies (Indian Accounting Standards) Second Amendment Rules, has notified Ind AS 116 Leases which replaces the existing lease standard, Ind AS 17 leases, and other interpretations. Ind AS 116 sets out the principles for the recognition, measurement, presentation and disclosure of leases for both lessees and lessors. It introduces a single, on-balance sheet lease accounting model for lessees.

The adoption of this new Standard has resulted in the Company recognising a right-of-use asset and related lease liability in connection with all former operating leases except for leases having a remaining lease term of less than 12 months from the date of initial application.

The Company has adopted Ind AS 116 using modified retrospective approach from 1 April 2019 and has not restated comparatives for the 2018 reporting period. The Company has measured the lease liability at present value of remaining lease payments discounted by using the weighted average incremental borrowing rate as at the date of initial application and Right of Use asset is measured at an amount equal to lease liability, adjusted by the amount of any prepaid or accrued lease payments relating to that lease recognized in the balance sheet immediately before the date of initial application.

The Company as a lessee

The Company considers whether a contract is, or contains a lease. A lease is defined as 'a contract, or part of a contract, that conveys the right to use an asset (the underlying asset) for a period in exchange for consideration'. To apply this definition, the Company assesses whether the contract meets three key evaluations which are whether:

- the contract contains an identified asset, which is either explicitly identified in the contract or implicitly specified by being identified at the time the asset is made available to the Company
- the Company has the right to obtain substantially all of the economic benefits from use of the identified asset throughout the period of use, considering its rights within the defined scope of the contract
- the Company has the right to direct the use of the identified asset throughout the period of use. The Company assess whether it has the right to direct 'how and for what purpose' the asset is used throughout the period of use.

Measurement and recognition

At lease commencement date, the Company recognises a right-of-use asset and a lease liability in the statement of assets and liabilities. The right-of-use asset is measured at cost, which includes the initial measurement of the lease liability, any initial direct costs incurred by the Company, an estimate of any costs to dismantle and remove the asset at the end of the lease, and any lease payments made in advance of the lease commencement date (net of any incentives received).

The Company depreciates the right-of-use assets on a straight-line basis from the lease commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The Company also assesses the right-of-use asset for impairment when such indicators exist.

At the commencement date, the Company measures the lease liability at the present value of the lease payments unpaid at that date, discounted using the interest rate implicit in the lease if that rate is readily available or the Company's incremental borrowing rate.

Subsequent to initial measurement, the liability will be reduced for payments made and increased for interest. It is re-measured to reflect any reassessment or modification, or if there are changes in in-substance fixed payments.

When the lease liability is re-measured, the corresponding adjustment is reflected in the right-of-use asset, or profit and loss if the right-of-use asset is already reduced to zero.

The Company has elected to account for short-term leases and leases of low-value assets using the practical expedients. Instead of recognising a right-of-use asset and lease liability, the payments in relation to these are recognised as an expense in profit or loss on a straight-line basis over the lease term.

The Company as a lessor

At the inception of the lease the Group classifies each of its leases as either an operating lease or a finance lease. The Company recognises lease payments received under operating leases as income on a straight-line basis over the lease term. In case of a finance lease, finance income is recognised over the lease term based on a pattern reflecting a constant periodic rate of return on the lessor's net investment in the lease. When the Company is an intermediate lessor it accounts for its interests in the head lease and the sub-lease separately. It assesses the lease classification of a sub-lease with reference to the right-of-use asset arising from the head lease, not with reference to the underlying asset. If a head lease is a short-term lease to which the Group applies the exemption described above, then it classifies the sub-lease as an operating lease.

Notes to the standalone financial statements for the year ended 31 March 2020

(All amounts are in Rupees lac, unless otherwise stated)

3. Property, plant and equipment

Particulars	Gross Block				Depreciation				Net Block	
	As at 31 March 2019	Additions	Deletions	As at 31 March 2020	As at 31 March 2019	Additions	Deletions	As at 31 March 2020	As at 31 March 2020	As at 31 March 2019
Tangible Assets										
Freehold Land	10,778	-	-	10,778	-	-	-	-	10,778	10,778
Leasehold Land	7,075	-	-	7,075	368	92	-	460	6,615	6,707
Buildings*	49,616	3,312	-	52,928	6,991	1,937	-	8,928	44,000	42,625
Plant & Equipments*	8,45,640	41,422	(3)	8,87,059	1,40,802	39,799	-	1,80,601	7,06,458	7,04,838
Office Equipments	1,105	648	(211)	1,542	425	400	(191)	634	908	680
Furniture & Fixtures	556	104	(44)	616	153	80	(32)	201	415	403
Speed Boat	38	-	-	38	20	5	-	25	13	18
Vehicles	424	166	(48)	542	70	57	(45)	82	460	354
Total	**9,15,232**	**45,652**	**(306)**	**9,60,578**	**1,48,829**	**42,370**	**(268)**	**1,90,931**	**7,69,647**	**7,66,403**

Particulars	Gross Block				Depreciation				Net Block	
	As at 31 March 2018	Additions	Deletions	As at 31 March 2019	As at 31 March 2018	Additions	Deletions	As at 31 March 2019	As at 31 March 2019	As at 31 March 2018
Tangible Assets										
Freehold Land	10,778	-	-	10,778	-	-	-	-	10,778	10,778
Leasehold Land	7,075	-	-	7,075	276	92	-	368	6,707	6,799
Buildings*	49,134	482	-	49,616	5,127	1,864	-	6,991	42,625	44,007
Plant & Equipments*	8,42,028	3,728	(116)	8,45,640	1,02,268	38,582	(48)	1,40,802	7,04,838	7,39,760
Office Equipments	1,057	217	(169)	1,105	271	312	(158)	425	680	786
Furniture & Fixtures	509	80	(33)	556	83	91	(21)	153	403	426
Speed Boat	38	-	-	38	15	5	-	20	18	23
Vehicles	196	255	(27)	424	52	40	(22)	70	354	144
Total	**9,10,815**	**4,762**	**(345)**	**9,15,232**	**1,08,092**	**40,986**	**(249)**	**1,48,829**	**7,66,403**	**8,02,723**

Note:

* Plant & Equipment and Buildings includes Jetty & Trestle having net value of Rs. 77,434 (Dahej Phase 1 & additional Jetty) & Rs. 33,746 (Kochi)). As per concession agreement, the ownership of Jetty & Trestle (Dahej Phase 1) would be transferred to the Gujarat Maritime Board in the year 2035. The additional Jetty at Dahej would also be transferred to Gujarat Maritime Board as per the yet to be executed concession agreement. The ownership of Jetty & Trestle (Kochi) would be transferred to Cochin Port Trust in the year 2039.

Notes to the standalone financial statements for the year ended 31 March 2020
(All amounts are in Rupees lac, unless otherwise stated)

4. Capital Work-in-Progress

Particulars	As at 31 March 2019	Additions	Deletions	As at 31 March 2020
Dahej Ph-III 17.5 MMTPA	33,022	-	(33,022)	-
Others	1,799	-	(1,331)	468
Total	**34,821**	**-**	**(34,353)**	**468**

Particulars	As at 31 March 2018	Additions	Deletions	As at 31 March 2019
Dahej Ph-III 17.5 MMTPA	19,919	13,103	-	33,022
Others	2,108	-	(309)	1,799
Total	**22,027**	**13,103**	**(309)**	**34,821**

5. Intangible Assets

Particulars	Gross Block				Depreciation				Net Block	
	As at 31 March 2019	Additions	Deletions	As at 31 March 2020	As at 31 March 2019	Additions	Deletions	As at 31 March 2020	As at 31 March 2020	As at 31 March 2019
Intangible Assets										
Licenses/Softwares	1,168	-	-	1,168	1,063	85	-	1,148	20	105
Total	**1,168**	**-**	**-**	**1,168**	**1,063**	**85**	**-**	**1,148**	**20**	**105**

Particulars	Gross Block				Depreciation				Net Block	
	As at 31 March 2018	Additions	Deletions	As at 31 March 2019	As at 31 March 2018	Additions	Deletions	As at 31 March 2019	As at 31 March 2019	As at 31 March 2018
Intangible Assets										
Licenses/Softwares	1,164	4	-	1,168	925	138	-	1,063	105	239
Total	**1,164**	**4**	**-**	**1,168**	**925**	**138**	**-**	**1,063**	**105**	**239**

Notes to the standalone financial statements for the year ended 31 March 2020
(All amounts are in Rupees lac, unless otherwise stated)

6. Right to Use Asset

Particulars	Gross Block				Depreciation				Net Block
	As at 01 April 2019*	Additions	Adjustment /Deletion	As at 31 March 2020	As at 01 April 2019	Additions	Deletions	As at 31 March 2020	As at 31 March 2020
Land	4,737	-	8,414	13,151	-	177	-	177	12,974
Building	1,323	-	(71)	1,252	-	186	-	186	1,066
Ship	3,76,837	-	(6,930)	3,69,907	-	34,795	-	34,795	3,35,112
Total	**3,82,897**	**-**	**1,413**	**3,84,310**	**-**	**35,158**	**-**	**35,158**	**3,49,152**

* Persuant to adoption of Ind AS 116

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Notes to the standalone financial statements for the year ended 31 March 2020

(All amounts are in Rupees lac, unless otherwise stated)

		As at 31 March 2020	As at 31 March 2019
7	**Investments in Joint Ventures**		
	Investment in equity instruments (fully paid-up) (Unquoted at cost)		
	9,00,00,000 Equity Shares (previous year 9,00,00,000) of Rs. 10 each, fully paid up in Adani Petronet (Dahej) Port Pvt. Ltd.	9,000	9,000
	1,10,36,558 Equity Shares (previous year 1,10,36,558) of USD 1 each (INR equivalent Rs. 67.40 each), fully paid up in India LNG Transport Co (No 4) Pvt Ltd. (Pledged with Sumitomo Mitsui Banking Corporation)	7,438	7,438
		16,438	**16,438**
	Aggregate book value of quoted investments	Nil	Nil
	Aggregate book value of un-quoted investments	16,438	16,438
8	**Investments**		
	Investments carried at fair value through profit and loss account (Unquoted)		
	Investment in equity instruments (fully paid-up)		
	300 Ordinary Shares (previous year 300) of US$ 1 each, fully paid up in India LNG Transport Company (No. 3) Limited, Malta (Rs. 13,476) (Pledged with Sumitomo Mitsui Banking Corporation)	0.13	0.13
		0.13	**0.13**
	Aggregate book value of quoted investments	Nil	Nil
	Aggregate book value of un-quoted investments	0.13	0.13
9	**Loans**		
	Unsecured, considered good		
	Loan to related parties	-	533
	Loan to others	2,231	1,959
		2,231	**2,492**
10	**Other non-current financial assets**		
	Unsecured, considered good		
	Security deposits		
	- with Government authorities	199	964
	- with Others	209	202
	Employee advances	29	37
	Balances with banks in deposit accounts having remaining maturity more than 1 year	5,000	80,200
		5,437	**81,403**

Notes to the standalone financial statements for the year ended 31 March 2020

(All amounts are in Rupees lac, unless otherwise stated)

		As at 31 March 2020	As at 31 March 2019
11	**Income tax assets (net)**		
	Advance tax (Net of Provision for Income Tax)	13,065	3,310
		13,065	**3,310**
12	**Other non-current assets**		
	Unsecured, considered good		
	Capital advances	-	418
	Taxes and Duties recoverable (Refer note 38B - d,g,h)	8,555	6,913
		8,555	**7,331**
13	**Inventories**		
	Raw materials*	40,667	30,814
	Raw materials in transit	-	18,612
	Stores and spares	7,296	7,471
	Stores and spares in transit	126	47
		48,089	**56,944**

(Refer note 2(viii) *on valuation)*

* Inventory has been marked down due to change in the market value as on the Balance Sheet date. The same has resulted into decrease in valuation of inventory and profit for the year ended 31 March 2020 by Rs 4,500 lac (Previous year Rs 11,900 lac).

		As at 31 March 2020	As at 31 March 2019
14	**Current financial investments**		
	Investments carried at fair value through profit and loss account (Quoted)		
	Mutual funds	18,467	82,489
		18,467	**82,489**
	Aggregate book value of quoted investments	18,467	82,489
	Aggregate book value of un-quoted investments	Nil	Nil
15	**Trade receivables**		
	Unsecured and considered good		
	- from related parties	1,51,427	1,32,315
	- from others	8,830	5,930
	Unsecured and considered credit impaired		
	- from related parties	178	4,109
	Less: Allowances for doubtful receivables	(178)	(4,109)
		1,60,257	**1,38,245**

Notes to the standalone financial statements for the year ended 31 March 2020

(All amounts are in Rupees lac, unless otherwise stated)

		As at 31 March 2020	As at 31 March 2019
16	**Cash and cash equivalents**		
	Balance with banks:		
	- In current account	828	108
	- In term deposits (with original maturity of less than 3 months)	96,774	22,550
	Cash in hand	0.2	0.4
		97,602	**22,658**
17	**Other bank balances**		
	In term deposits (with maturity of more than 3 months but less than 12 months)	3,44,080	2,72,200
	In earmarked accounts		
	- Unclaimed dividend account	1,519	1,170
		3,45,599	**2,73,370**
18	**Other current financial assets**		
	Interest accrued on term deposits	13,101	9,828
	Unbilled Revenue*	17,751	7,537
		30,852	**17,365**
	***Movement in contracts assets during the year**		
	Balance at the beginning of the year	7,537	4,972
	Revenue recognised during the year	17,751	8,954
	Invoices raised during the year	7,537	6,389
	Balance at the end of the year	**17,751**	**7,537**
19	**Other current assets**		
	Advances to vendors	1,765	3,728
	Taxes and duties recoverable	727	339
	Prepaid expenses	1,513	1,012
	Other Miscellaneous Advances	11	30
		4,016	**5,109**

Notes to the standalone financial statements for the year ended 31 March 2020

(All amounts are in Rupees lac, unless otherwise stated)

	As at 31 March 2020	As at 31 March 2019
20 Share capital		
Authorised:		
3,00,00,00,000 (31 March 2019 - 3,00,00,00,000) equity shares of Rs.10/- each	3,00,000	3,00,000
Issued, subscribed & fully paid up:		
1,50,00,00,088 (31 March 2019 - 1,50,00,00,088) equity Shares of Rs.10/- each	1,50,000	1,50,000
	1,50,000	**1,50,000**

a. **Terms and rights attached to equity shares**

The Company has only one class of equity shares each having a par value of Rs. 10/- per share. They entitle the holder to participate in dividend and to share in the proceeds of winding up of the company in proportion to the number of and amounts paid on the shares held. Every holder of equity shares present at a meeting in person or by proxy, is entitled to one vote per share.

b. The Company declares and pays dividend in Indian Rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

c. **Reconciliation of number of shares outstanding at the beginning and end of the year :**

	Number of Shares	Amount
Outstanding at the 31 March 2019	1,50,00,00,088	1,50,000
Equity Shares issued during the year in consideration for cash	-	-
Equity Shares issued during the year in consideration other than cash	-	-
Outstanding at the 31 March 2020	**1,50,00,00,088**	**1,50,000**

d. **Shareholders holding more than 5% shares in the company**

	As at 31 March 2020		As at 31 March 2019	
	No. of Shares	Percentage	No. of Shares	Percentage
Promoters' Holding				
Bharat Petroleum Corporation Ltd.	18,75,00,000	12.5%	18,75,00,000	12.5%
GAIL (India) Ltd.	18,75,00,000	12.5%	18,75,00,000	12.5%
Indian Oil Corporation Ltd.	18,75,00,000	12.5%	18,75,00,000	12.5%
Oil & Natural Gas Corporation Ltd.	18,75,00,000	12.5%	18,75,00,000	12.5%

21 Other equity

a. **Debenture redemption reserve**

Balance at the beginning of the year	15,000	19,500
Addition/ (Deduction) during the year	(15,000)	(4,500)
Balance at the end of the year	**-**	**15,000**
Balance at the beginning of the year	72,800	72,800
Add: Transfer from surplus balance in the statement of Profit & Loss	-	-
Balance at the end of the year	**72,800**	**72,800**

Notes to the standalone financial statements for the year ended 31 March 2020

(All amounts are in Rupees lac, unless otherwise stated)

	As at 31 March 2020	As at 31 March 2019
b. **General reserve**		
Balance at the beginning of the year	72,800	72,800
Add: Transfer from surplus balance in the statement of Profit & Loss	-	-
Balance at the end of the year	**72,800**	**72,800**
c. **Retained earnings**		
Balance at the beginning of the year	7,68,999	7,29,789
Add: Profit for the year after taxation as per statement of Profit and Loss	2,69,760	2,15,543
Less: Transfer to / (from) debenture redemption reserves	15,000	4,500
Less: Dividend on equity shares	(1,50,000)	(1,50,000)
Less: Dividend distribution tax on equity shares	(30,833)	(30,833)
Balance at the end of the year	**8,72,926**	**7,68,999**
d. **Remeasurement of defined benefit plans**		
Balance at the beginning of the year	(192)	(42)
Addition during the year	(237)	(150)
Balance at the end of the year	**(429)**	**(192)**
Total Equity (a+b+c+d)	**9,45,297**	**8,56,607**

	For the year ended 31 March 2020	For the year ended 31 March 2019
Dividend		
Cash dividend on equity shares declared and paid :		
Final dividend for the year ended 31 March 2019 Rs. 4.50 per share (31 March 2018 Rs. 4.50 per share)	67,500	67,500
Dividend Distribution tax on final dividend	13,875	13,875
Interim dividend paid during the year ended 31 March 2020 Rs 5.50 per share (31 March 2019 Rs 5.50 per share)	82,500	82,500
Dividend Distribution tax on interim dividend	16,958	16,958
	1,80,833	**1,80,833**
Proposed Dividend on Equity Shares :		
Proposed dividend for the year ended 31 March 2020 Rs. 7 per share (31 March 2019: Rs. 4.50 per share)	1,05,000	67,500
Dividend Distribution tax on final dividend	-	13,875
	1,05,000	**81,375**

Proposed dividend on equity shares are subject to the approval at the annual general meeting and have not been recognised as liabilities.

Notes to the standalone financial statements for the year ended 31 March 2020

(All amounts are in Rupees lac, unless otherwise stated)

		As at 31 March 2020	As at 31 March 2019
22	**Borrowings**		
	Term loans *(Secured)*		
	- From other than bank	6,441	10,130
		6,441	10,130
	Less: Interest accrued	(2)	(10)
		6,439	**10,120**

a. Non-Convertible Bonds Series II-2014 are unsecured, non convertible debenture which were repaid at par in October 2019

Term of repayment and interest are as follows :

Loan From	Repayment Terms	Year of Maturity	Effective Rate of Interest p.a.	Carrying Amount As at 31 March 2020	Carrying Amount As at 31 March 2019
Series II - 2014 (Option 2)	Bullet	2019	9.05%	-	62,321
				-	**62,321**
Less: Interest accrued but not due on borrowings				-	(2,321)
Less : Shown in current maturities of Long term debt				-	(60,000)
Balance shown as above				**-**	**-**

b. Term Loans are secured by first ranking mortgage and first charge on pari passu basis on all movable and immovable properties, both present and future including current assets except on trade receivables on which second charge is created on pari passu basis.

Term of repayment and interest are as follows :

Loan From	Repayment Terms	Year of Maturity	Effective Rate of Interest p.a.	Carrying Amount As at 31 March 2020	Carrying Amount As at 31 March 2019
IFC (Washington)	Half yearly	2022	7.85%	10,122	13,350
				10,122	**13,350**
Less: Interest accrued but not due on borrowings				(2)	(10)
Less : Shown in current maturities of Long term debt				(3,681)	(3,220)
Balance shown as above				**6,439**	**10,120**

23	**Lease Liability**		
	Lease Liability (refer note no 2 (xviii) and 41)	3,33,902	-
		3,33,902	**-**
24	**Long-term provisions**		
	Provision for employee benefits		
	- Compensated Absences (Refer note 43(iii))	1,486	1,108
		1,486	**1,108**

Notes to the standalone financial statements for the year ended 31 March 2020

(All amounts are in Rupees lac, unless otherwise stated)

	For the year ended 31 March 2020	For the year ended 31 March 2019
25 Income Tax		
A Income Tax Expenses		
i) Amounts recognised in profit or loss		
Current tax expense		
Current year	86,000	78,950
Adjustment for prior years	-	(1)
	86,000	**78,949**
Deferred tax expense		
Changes in recognised temporary differences	(44,695)	28,866
	(44,695)	**28,866**
Total Tax Expense	**41,305**	**1,07,815**
ii) Deferred Tax related to items recognised in Other Comprehensive Income		
Remeasurements of defined benefit liability	80	80
	80	**80**

iii) Reconciliation of effective tax rate	**For the year ended 31 March 2020**		**For the year ended 31 March 2019**	
	Rate	**Amount**	**Rate**	**Amount**
Profit before tax from continuing operations	25.17%	3,11,065	34.94%	3,23,358
Tax using the Company's domestic tax rate	-	78,289	-	1,12,994
Tax effect of:				
Non-deductible expenses	0.13%	393	0.02%	63
Tax-exempt income			-1.62%	(5,242)
Impact on deferred tax due to increase in future tax rate*	-12.02%	(37,377)	-	-
Total Tax Expenses	**13.28%**	**41,305**	**33.34%**	**1,07,815**

*The Company has elected to exercise the option of lower tax rate of 25.17% under Section 115BAA of the Income Tax Act, 1961 as introduced by the Taxation Laws (Amendment) Ordinance, 2019. Accordingly, the tax provision for the current year has been made at such lower rate and further deferred tax liabilities (net) (DTL) as at 31st March 2019 has been remeasured at the new applicable rate and resultant impact of Rs 374 Crore on DTL has been recognised in the current financial year.

Notes to the standalone financial statements for the year ended 31 March 2020

(All amounts are in Rupees lac, unless otherwise stated)

B Deferred Tax Liabilities (Net)

Movement in deferred tax balances

	As at 31 March 2019	Recognized in P&L	Recognized in OCI	As at 31 March 2020
Deferred Tax Assets				
Employee benefits	433	(113)	80	400
Trade receivables	1,436	(1,391)	-	45
Sub- Total (a)	**1,869**	**(1,504)**	**80**	**445**
Deferred Tax Liabilities				
Right to Use Asset	-	(12,573)	-	(12,573)
Property, plant and equipment	1,35,369	(33,589)	-	1,01,780
Current Investments	103	(105)	-	(2)
Others	-	69	-	69
Sub- Total (b)	**1,35,472**	**(46,198)**	**-**	**89,274**
Net Deferred Tax Liability (b)-(a)	**1,33,603**	**(44,694)**	**(80)**	**88,829**

	As at 31 March 2018	Recognized in P&L	Recognized in OCI	As at 31 March 2019
Deferred Tax Assets				
Employee benefits	294	59	80	433
Loans and borrowings	3,397	(3,397)	-	-
Trade receivables	1,436	-	-	1,436
MAT Credit Entitlement / (Utilisation)	24,760	(24,760)	-	-
Sub- Total (a)	**29,887**	**(28,098)**	**80**	**1,869**
Deferred Tax Liabilities				
Property, plant and equipment	1,28,030	7,339	-	1,35,369
Derivatives	3,345	(3,345)	-	-
Current Investments	3,329	(3,226)	-	103
Sub- Total (b)	**1,34,704**	**768**	**-**	**1,35,472**
Net Deferred Tax Liability (b)-(a)	**1,04,817**	**28,866**	**(80)**	**1,33,603**

	As at 31 March 2020	As at 31 March 2019
26 Other Non-Current Liabilities		
Revenue received in advance*		
- from related parties (See Note No 44)	71,650	77,251
- from others	29,931	31,358
	1,01,581	**1,08,609**

*The Company has entered into long term agreements for 20 years for providing LNG regasification services (w.e.f. Sept' 2016) by allocating 7 MMTPA out of the total regasification capacity from its Dahej terminal. The advance received by the Company is adjustable against charges on regasification service during the course of the agreement.

Notes to the standalone financial statements for the year ended 31 March 2020

(All amounts are in Rupees lac, unless otherwise stated)

	As at 31 March 2020	As at 31 March 2019
Contracts liability		
Non-Current Portion of Contracts liability (note 26)	1,01,581	1,08,609
Current Portion of Contracts liability (note 28)	17,581	10,874
Total	**1,19,162**	**1,19,483**
Movement in Contracts liability		
Balance at the beginning of the year	1,19,483	1,31,870
Revenue recognised during the year	10,874	12,387
Advance received during the year	10,553	-
Balance at the end of the year	**1,19,162**	**1,19,483**

27 Other current financial liability

Current maturities of long-term debt (other parties)	3,681	63,220
Lease Liability (refer note no 2 (xviii) and 41)	59,291	-
Interest accrued but not due on borrowings	2	2,331
Unpaid dividend	1,519	1,170
Other payables for:		
- Capital goods	8,447	1,679
- Security deposits / Retention money	188	136
	73,128	**68,536**

28 Other current liabilities

Statutory dues	31,566	36,067
Revenue received in advance		
- related parties (Refer note No 44)	10,051	7,030
- others	7,530	3,844
Other payables	1,667	1,760
	50,814	**48,701**

29 Short-term provisions

Provision for employee benefits		
- Gratuity (Refer note 43)	-	26
- Compensated Absences (Refer note 43)	101	106
- Incentives	1,711	1,543
	1,812	**1,675**

Notes to the standalone financial statements for the year ended 31 March 2020
(All amounts are in Rupees lac, unless otherwise stated)

		For the year ended 31 March 2020	For the year ended 31 March 2019
30	**Revenue from operations**		
	Sale of RLNG *	33,11,815	36,61,981
	Regasification services	2,26,387	1,68,903
	Other operating revenues	6,998	8,659
		35,45,200	**38,39,543**

* In view of expected increase in capacity utilisation at Kochi terminal, the customers of the Company are asking for lower regasification tariff for Kochi Terminal w.e.f. 1st April 2019. The Company is in discussion with its customers for volumes tied up with respect to the said terminal and pending the finalisation of tariff the Company has recognised revenue on the basis of offered regasification tariff. The management is confident that revised price will not be materially different from the offered tariff and there will not be any material financial impact on the Company on account of revision of regasification tariff for Kochi Terminal.

31	**Other Income**		
	Interest income from financial assets measured at amortised cost		
	- on bank deposits	27,416	14,350
	- on shareholders' loan	196	202
	Other Interest Income	2	1
	Dividend Income (on current investment- non trade)	900	450
	Gain on sale / fair value of Investments	5,942	18,370
	Foreign exchange fluctuations (net)	-	9,950
	Excess provision / liability written back	487	5
	Miscellaneous income	2,314	1,701
		37,257	**45,029**
32	**Cost of materials consumed**		
	Opening Stock of LNG	30,814	21,955
	Add: Purchases	30,59,447	34,50,554
	Less: Closing Stock of LNG	40,667	30,814
		30,49,594	**34,41,695**
33	**Employee benefits expense**		
	Salaries and wages	10,789	10,616
	Contribution to provident and other funds	1,181	1,190
	Staff welfare expenses	606	781
		12,576	**12,587**

Notes to the standalone financial statements for the year ended 31 March 2020

(All amounts are in Rupees lac, unless otherwise stated)

		For the year ended 31 March 2020	For the year ended 31 March 2019
34	**Finance cost**		
	Interest on long term loans	4,066	9,167
	Interest on short term loans	124	-
	Other borrowing costs	845	725
	Interest on Lease Commitments	35,285	-
		40,320	**9,892**
35	**Depreciation and amortisation expense**		
	Depreciation on tangible assets	42,370	40,986
	Amortisation on intangible assets	85	138
	Amortisation on ROU assets	35,158	-
		77,613	**41,124**
36	**A) Other expenses**		
	Stores and spares consumed	2,619	2,237
	Power and fuel	23,136	21,466
	Repairs and maintenance:		
	- Buildings	502	376
	- Plant and machinery	1,123	1,094
	- Others	165	127
	Dredging expenses	3,463	3,705
	Rent	558	1,188
	Rates and taxes	1,978	1,618
	Insurance	1,282	1,128
	Travelling and conveyance	1,606	1,755
	Legal, professional and consultancy charges	1,829	2,214
	Foreign exchange fluctuations (net)	27,645	-
	Fair value losses on derivatives not designated as hedges	-	9,573
	Directors' sitting fees	24	12
	Loss on sale/ write off of property, plant and equipment (net)	5	76
	Corporate social responsibility (Refer note 46)	11,625	721
	Others expenses	6,523	8,626
	Total	**84,083**	**55,916**

Notes to the standalone financial statements for the year ended 31 March 2020
(All amounts are in Rupees lac, unless otherwise stated)

	For the year ended 31 March 2020	For the year ended 31 March 2019
B) Exceptional Items		
Lease Rent Arrears *	7,206	-
	7,206	**-**

* To secure against future escalation in lease rent for the Kochi LNG Terminal and also to settle ongoing litigations with the Cochin Port Trust (CPT), the Company had entered into one-time settlement of lease rent to CPT (for the period from 2010 to 2039). In accordance with the onetime settlement, expense of Rs 7206 lac (amount up to 31st March, 2019) has been recognised during the current year as an exceptional item.

37 Earning per share (EPS)

Profit/ (loss) for the period	2,69,760	2,15,543
Weighted average number of equity shares of Rs. 10/- each (In lac)	15,000	15,000
EPS - Basic and Diluted (Rs)	17.98	14.37

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Notes to the standalone financial statements for the year ended 31 March 2020

(All amounts are in Rupees lac, unless otherwise stated)

38 Contingent liabilities, contingent assets and commitments

A. Commitments

a. Estimated amount of contracts remaining to be executed on capital account (net of advances) and not provided for Rs. Nil (as on 31 March 2019 Rs. 7,557 lac).

b. The Company has entered into following long term LNG purchase agreements:

a. 7.5 MMTPA with Ras Laffan Liquified Natural Gas Company Limited (2), Qatar for a period upto April 2028.

b. 1.44 MMTPA with Mobil Australia Resources Company PTY Ltd, who have commenced supply since January 2017 for a period upto 2035

Since the Company has entered into materially back to back sale agreements against the above purchase agreements, there is no foreseeable loss on these agreements as on the balance sheet date. The Company has issued Standby Letter of Credit of Rs. 4,31,924 lac (Rs.4,05,184 lac as on 31 March 2019) to Ras Laffan Liquified Natural Gas Company Limited (2) and Rs. 78,334 lac (Rs 72,007 lac as on 31 March 2019) to Mobil Australia Resource Company PTY Ltd against the Long Term Purchase Agreements.

B. Contingent Liabilities

In the ordinary course of business, the Company faces claims and assertions by various parties. The Company assesses such claims and assertions and monitors the legal environment on an ongoing basis with the assistance of internal legal team. The Company records a liability for any claims where a potential loss is probable and capable of being estimated and discloses such matters in its financial statements, if material. For potential losses that are considered possible, but not probable, the Company provides disclosure in the financial statements but does not record a liability in its accounts unless the loss becomes probable.

The following is a description of claims and assertions where a potential loss is possible, but not probable. The Company believes that none of the contingencies described below would have a material adverse effect on the Company's financial condition, results of operations or cash flows.

a. The Collector of Electricity Duty, Gandhinagar (Gujarat) had issued notices classifying the business activities of the Company as "Storage (HTP-IIA)" instead of "Industrial Undertaking (HTP I)" and hence levied Electricity Duty @ 45% (revised rates @25%) instead of 20% (Revised rate @15%) of the consumption charges. The Company has challenged the legality and validity of the notices by way of writ petitions before the Hon'ble High Court of Gujarat who had quashed the supplementary bill/demand notice and remanded the case back to the Collector of Electricity Duty vide order dated 1 July 2014. The Company has made its submissions before the Collector of Electricity Duty, Gandhinagar and the order is awaited. The total demand till 31 March, 2020 is Rs. 6,156 lac (as on 31 March 2019 Rs. 5,439 lac).

b. The Collector of Stamps, Bharuch had issued notice to the Company to pay stamp duty @ Re.1 per Rs.1000/ or part thereof of the value mentioned in the Delivery Order of the goods imported through ports in Gujarat pursuant to the amendment to Section 24 of the Bombay Stamp Act, 1958. The Hon'ble High Court of Gujarat has quashed the notice. Stamp authorities have filed Special Leave Petition (SLP) in Hon'ble Supreme Court against the same and the case is pending as on 31 March 2020. The potential liability from the effective date of amendment i.e. 1 April 2006 till 31 March 2020 on the CIF value would be Rs. 27,673 lac (Previous year till 31 March 2019 is Rs. 24,956 lac).

c. The Company has received refund of Rs. 112 lac, Rs. 284 lac and Rs.346 lac from Customs department vide CESTAT order dated 7 November 2013, 9 September 2011 and 31 May 2010 respectively mainly pertaining to custom duty on short landing of LNG. The Custom Authorities have filed appeal against the order of the CESTAT with the Hon'ble High court of Gujarat and the outcome of the case is pending as on 31 March 2020.

d. Taxes and duties recoverable includes custom duty recoverable amounting to Rs. 959 lac (relating to short landing of LNG under spot purchase agreement. The company has received favourable order for the above issue from Commissioner (Appeals) and CESTAT. However, the refund of the amount has been denied by department and Commissioner (Appeals) on the ground of time barred refund application. The company had preferred an appeal against the above order with CESTAT, and received a negative order and then filed an WRIT Petition with Gujarat High Court, and the Company has received a positive order and the refund from from the Custom Authorities is pending as on 31 March 2020.

e. The company had received demand for Service Tax on vessel hire charges for the period 16 May 2008 to 30 September 2009 amounting to Rs. 4,005 lac (including Interest). The Company had paid the demand under protest and preferred an appeal before CESTAT against the above demand and received favourable order on 24 October 2013. The Company had received the refund (including interest), however the department had preferred an appeal against the CESTAT order before the Hon'ble Supreme Court, the outcome of which is pending as on 31 March 2020.

Notes to the standalone financial statements for the year ended 31 March 2020

(All amounts are in Rupees lac, unless otherwise stated)

f. The Company has cases pending with Service Tax Department at various levels pertaining to applicability of service tax on charges paid for External Commercial Borrowings. Amount involved in such cases as on 31st March 2020 is Rs. 76 lac (as on 31 March 2019 Rs.830 lac).

g. The Principal Commissioner of service tax has issued order against the company regarding service tax demand on boil off quantity of LNG during regasification process (for the period April 2009 to March 2015) amounting to Rs. 1,780 lac. The company paid the demand under protest amounting to Rs. 3,256 lac (including interest and penalty). Further, the company had suo moto paid service tax and interest amounting to Rs. 2,039 lac under protest for the period April'15 - June'17. The company has preferred an appeal against the demand with CESTAT and has received a favourable order pertaining to the period April 2009 to March 2014. The case pertaining to April 2014 to March 2015 is pending before CESTAT. Refund against the amount deposoited by the company is pending to be received from department as on 31.03.2020.

h. The Company has filed Service Tax Refund Application for services availed in the Special Economic Zone for the LNG Terminal at Kochi, amounting to Rs. 1,652 lac (as on 31 March 2019 Rs.1,652 lac). The Company has received the favourable order from CESTAT for Rs. 774 lac, however, Assistance Commissioner has raised further query and refund is pending. For balance Rs. 878 lac, the application is pending as on 31st March 2020 at Assistant Commissioner level.

i. The sales tax department has issued show cause notice dated 11 February 2016 claiming sales tax amounting to Rs 7,985 lac against the high sea sales transaction made by the company. The reply against the show cause notice was submitted by the company and the matter is pending for adjudication as on date.

j. There are certain claims amounting Rs. 25,131 lac plus interest and cost of arbitration (as on 31 March 2019 Rs. 25,131 lac) made by a Contractor against capital works for which the Company has also made certain counter claims. The claim includes two matters of arbitration amounting to Rs 10,666 lac plus interest and cost of arbitration and Rs. 14,465 lac plus interest and cost of arbitration respectively. Both the arbitration proceedings are underway and parties are in the process of completing their respective pleadings. As per the terms of the contract, Independent Experts' opinion was sought and as per their determination, net claim of Rs.10,400 lac (including interest of Rs.5,400 lac) was determined in favour of the contractor. As per the contract, the experts' opinion is not binding on any party and hence the above arbitration proceedings are underway. Pending conclusion of the arbitration and settlement, final amount of the claim is not ascertainable.

k. The Company is eligible for deduction under Section 80IA of the Income Tax Act, 1961, with respect to power generation and port undertakings at Dahej. The assessing officer has disallowed deduction under Section 80-IA of Rs 7,237 lac for assessment years 2009-10, 2010-11 and 2011-12 against which the Company has received favourable order from CIT(A) for the abovementioned years. The Income tax department has preferred an appeal with ITAT against this order of CIT(A), the outcome of which is pending to be received as on 31 March 2020.

l. There are some income tax related matters which are pending at various forum. The potential liability in these case, as on 31st March 2020 would be Rs. 1,559 lac (Rs. 1,559 lac as on 31 March 2019).

C. Contingent Assets

The Company has no contingent assets as at 31 March 2020 (Rs. Nil as on 31 March 2019).

39 Segment information

Segment information is presented in respect of the company's key operating segments. The operating segments are based on the company's management and internal reporting structure.

Operating Segments

The Company's Board of Directors have been identified as the Chief Operating Decision Maker ('CODM'), since they are responsible for all major decision w.r.t. the preparation and execution of business plan, preparation of budget, planning, expansion, alliance, joint venture, merger and acquisition, and expansion of any new facility. The company has a single operating segment "Natural Gas Business". Accordingly, there is only one Reportable Segment for the Company which is "Natural Gas Business", hence no specific disclosures have been made.

Notes to the standalone financial statements for the year ended 31 March 2020

(All amounts are in Rupees lac, unless otherwise stated)

Entity wide disclosures

A. Information about products and services

Company primarily operates in one product line, therefore product wise revenue disclosure is not applicable.

B. Information about geographical areas

The major sales of the Company are made to customers which are domiciled in India. Also, all the assets other than non-current financial assets (investment and loan) of the Company are located in India.

C. Information about major customers (from external customers)

The Company derives revenues from the following customers which amount to 10 per cent or more of an entity's revenues:

Customer	For the year ended 31 March 2020	For the year ended 31 March 2019
GAIL	18,35,078	19,79,058
IOCL	10,03,445	10,26,517
BPCL	4,52,073	5,02,468

40 Information on Covid- 19 Impact

The COVID-19 pandemic, also known as the coronavirus pandemic, is an ongoing pandemic of coronavirus disease 2019 (COVID 19). The pandemic has caused significant social and economic disruption, all over the globe.

The operations of the Company were uninterrupted during the lockdown due to outbreak of COVID-19, as natural gas is declared as one of the essential commodities by the Government of India. The Company's natural gas purchase and sale contracts are largely back to back over long term period. Further, due to the strategic location of the LNG Terminal of the Company at Dahej, Gujarat, it is the most sought-after terminal in India. The Dahej Terminal caters to about 80% of the country's natural gas imports and 40% of the country's natural gas demand. The Kochi Terminal caters to a specific region in the state of Kerala, and is the only source of natural gas in the vicinity. The Company has adopted the best practices for safe and secured operation of the two LNG terminals during the lockdown period.

As per the market assessments at the end of FY 2019-20, the Company is of the view that there would be slowdown in the demand of natural gas in a very short term period during the lockdown, and the demand would bounce back with the gradual easing off of the lockdown. The Company has evaluated the possible effects on the carrying amounts of property, plant and equipment, inventory and receivables basis the internal and external sources of information and determined, exercising reasonable estimates and judgements, that the carrying amounts of these assets are recoverable. Considering the above, and the Company's healthy liquidity position, there is no uncertainty in the going concern of the Company and the Company will be able to meet its financial obligations over the foreseeable future.

41 Leases

(a) Nature of leasing activities

The Company has entered into lease arrangements for land, vessels, tugboats and office premises.

(b) Amount Recognised in profit and loss during the year

Particulars	Amount
Short term leases	558
Variable lease payments	12,397
	12,955

Notes to the standalone financial statements for the year ended 31 March 2020

(All amounts are in Rupees lac, unless otherwise stated)

(c) Future minimum lease payments as on 31 March 2020 are as follows:

Particulars	As on 31 March 2020		
Minimum lease payments due:	**Total Amount Payable against Lease**	**Finance charges**	**Net present values of Lease Liability**
Within 1 year	**59,291**	**(33,083)**	**26,208**
1-2 years	57,980	(30,675)	27,305
2-3years	59,656	(28,156)	31,500
3-4 years	58,437	(25,310)	33,127
4-5 years	59,799	(22,240)	37,559
After 5 years	3,35,598	(98,103)	2,37,494
Total	**6,30,761**	**(2,37,567)**	**3,93,193**

(d) Adjustments recognised on adoption of Ind AS 116

On adoption of Ind AS 116, the Company recognised lease liabilities in relation to leases which had previously been classified as 'operating leases' under the principles of Ind AS 17 Leases. These liabilities were measured at the present value of the remaining lease payments, discounted using the lessee's incremental borrowing rate as of 1 April 2019. The weighted average incremental borrowing rate applied to the lease liabilities on 1 April 2019 was 8.75%.

(i) Reconciliation of total lease commitments as on 31 March 2019 to the lease liabilities recognised at 01 April 2019:

Particulars	Amount
Operating lease commitments disclosed as at 31 March 2019	**5,78,211**
Adjustment to operating lease commitments	
- withholding taxes not considered in operating lease commitments	48,216
- accrued lease liabilities as at 31 March 2019, paid in April 2019	4,400
Operating lease liabilities before discounting	**6,30,827**
Impact of discounting at date of initial application	(2,43,530)
Lease liability recognised as at 1 April 2019	**3,87,297**

(ii) Practical expedients applied

In applying Ind-AS 116 for the first time, the Company has used the following practical expedients permitted by the standard:

(a) the use of a single discount rate to a portfolio of leases with reasonably similar characteristics

(b) reliance on previous assessments on whether leases are onerous

(c) the accounting for operating leases with a remaining lease term of less than 12 months as at 1 April 2019 as short-term leases

(d) For contracts in place at the date of initial application, the Comapany has elected to apply the definition of a lease from Ind AS 17 and has not applied Ind AS 116 to arrangements that were previously not identified as lease under Ind AS 17.

Notes to the standalone financial statements for the year ended 31 March 2020

(All amounts are in Rupees lac, unless otherwise stated)

42 The information required to be disclosed under the Micro, Small and Medium Enterprises (Development) Act, 2006 has been determined to the extent such parties have been identified on the basis of information available with the company.

(a) the principal amount is Nil (Nil as on 31 March 2019) and the interest is Nil (Nil as on 31 March 2019) due thereon remaining unpaid to any supplier;

(b) the amount of interest is Nil (Nil as on 31 March 2019), paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006 (27 of 2006), along with the amount of the payment made to the supplier beyond the appointed day during each accounting year;

(c) the amount of interest due and payable for the period of delay in making payment is Nil (Nil as on 31 March 2019) (which has been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006;

(d) the amount of interest accrued and remaining unpaid is Nil (Nil as on 31 March 2019) at the end of each accounting year; and

(e) the amount of further interest remaining due and payable Nil (Nil as on 31 March 2019) 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 Micro, Small and Medium Enterprises Development Act, 2006.

43 Employee benefits

The Company contributes to the following post-employment defined benefit plans in India.

(i) Defined Contribution Plans:

The Company makes contributions towards provident fund and superannuation fund to a defined contribution retirement benefit plan for qualifying employees. Under the plan, the Company is required to contribute a specified percentage of payroll cost to the retirement benefit plan to fund the benefits.Contribution to the defined contribution plan, recognised as expenses for the year is as under:

	For the year ended 31 March 2020	For the year ended 31 March 2019
Contribution to Govt. Provident Fund	450	473
Contribution to Superannuation Fund	563	591

(ii) Defined Benefit Plan:

The Company provides for gratuity for employees in India as per the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of 5 years are eligible for gratuity. The amount of gratuity payable on retirement/termination is the employees last drawn basic salary per month computed proportionately for 15 days salary multiplied for the number of years of service. The gratuity plan is a funded plan and the Company makes contributions to Group Gratuity cum Life Assurance Schemes administered by the LIC of India

The most recent actuarial valuation of plan assets and the present value of the defined benefit obligation for gratuity were carried out as at 31 March 2020. The present value of the defined benefit obligations and the related current service cost and past service cost, were measured using the Projected Unit Credit Method.

A. Based on the actuarial valuation obtained in this respect, the following table sets out the status of the gratuity plan and the amounts recognised in the Company's financial statements as at balance sheet date:

	As at 31 March 2020	As at 31 March 2019
Net defined benefit liability		
Liability for Gratuity	-	26
Total employee benefit liabilities	**-**	**26**
Non-current	-	-
Current	-	26

Notes to the standalone financial statements for the year ended 31 March 2020

(All amounts are in Rupees lac, unless otherwise stated)

B. Movement in net defined benefit (asset) liability

The following table shows a reconciliation from the opening balances to the closing balances for net defined benefit (asset) / liability and its components:

	31 March 2020			31 March 2019		
	Defined benefit obligation	**Fair value of plan assets**	**Net defined benefit (asset)/ liability**	**Defined benefit obligation**	**Fair value of plan assets**	**Net defined benefit (asset)/ liability**
Balance as at 1 April	**1,037**	**(1,011)**	**26**	**695**	**(715)**	**(20)**
Included in profit or loss						
Current service cost	147		147	110	-	110
Interest cost (income)	80	(78)	2	55	(56)	(1)
	227	**(78)**	**149**	**165**	**(56)**	**109**
Included in OCI						
Remeasurements loss (gain)						
– Actuarial loss (gain) arising from:						
- financial assumptions	212	-	212	21	-	21
- experience adjustment	104	1	105	202	7	209
	316	**1**	**317**	**223**	**7**	**230**
Other						
Contributions paid by the employer	-	(492)	(492)	-	(293)	(293)
Benefits paid	(113)	113	-	(46)	46	-
	(113)	**(379)**	**(492)**	**(46)**	**(247)**	**(293)**
Balance as at 31 March	**1,467**	**(1,467)**	**-**	**1,037**	**(1,011)**	**26**

C. Plan assets

	31 March 2020	31 March 2019
Funds Managed by Insurer (investment with insurer)	100%	100%

On an annual basis, an asset-liability matching study is done by the Company whereby the Company contributes the net increase in the actuarial liability to the plan manager in order to manage the liability risk.

D. Actuarial assumptions

a) Economic assumptions

The principal assumptions are the discount rate and salary growth rate. The discount rate is based upon the market yields available on government bonds at the accounting date with a term that matches that of liabilities. Salary increase rate takes into account of inflation, seniority, promotion and other relevant factors on long term basis. Valuation aaumptions are as follows which have been selected by the company.

	31 March 2020	31 March 2019
Discount rate	6.99%	7.69%
Expected rate of future salary increase	6.00%	5.50%

b) Demographic assumptions	31 March 2020	31 March 2019
i) Retirement age (years)	60	60
ii) Mortality rates inclusive of provision for disability	100% of IALM (2012-14)	
iii) Ages	Withdrawal rate (%)	Withdrawal rate (%)
Upto 30 years	3.00%	3.00%
From 31 to 44 years	2.00%	2.00%
Above 44 years	1.00%	1.00%

E. Maturity Profile of defined benefit obligation:

Year	Amount
Within 1 Year	68
1-2 Year	48
2-3 Year	27
3-4 Year	44
4-5 Year	43
More than 5 Year	1,237

The company expects to contribute Rs.198 lac to gratuity fund during next financial year

F. Sensitivity analysis

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below.

	31 March 2020		31 March 2019	
	Increase	Decrease	Increase	Decrease
Discount rate (0.5% movement)	(93)	102	(62)	68
Expected rate of future salary increase (0.5% movement)	102	(94)	69	(64)

Senstivities due to mortality and withdrawals are not material and hence impact of change not calculated.

Senstivities as to rate of inflation, rate of increase of pensions in payment, rate of increase of pensions before retirement and life expectancy are not applicable being a lump sum benefit on retirement.

(iii) Other long-term employee benefits:

During the year ended 31 March 2020, the Company has incurred an expense on compensated absences amounting to Rs. 620 lac (previous year Rs. 507 lac). The Company determines the expense for compensated absences basis the actuarial valuation using the Projected Unit Credit Method.

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Notes to the standalone financial statements for the year ended 31 March 2020
(All amounts are in Rupees lac, unless otherwise stated)

44 Related parties

(disclosures as per Ind AS 24)

A. Related parties and their relationships

i. Joint Venturer (Promoters)

Indian Oil Corporation Limited (IOCL)
Bharat Petroleum Corporation Limited (BPCL)
Oil and Natural Gas Corporation Limited (ONGC)
GAIL (India) Limited (GAIL)

Joint Ventures/ Associates in which Joint Venturer is a Venturer

ONGC Petro Additions Limited (OPAL)
Indraprastha Gas Limited (IGL)
Mahanagar Gas Limited (MGL)
Dahej SEZ Limited (DSL)
Hindustan Petroleum Corporation Limited (HPCL)
GSPL India Gasnet Limited (GIGL)

ii. Joint Venture

Adani Petronet (Dahej) Port Pvt. Ltd (APPPL).
India LNG Transport Co (No 4) Pvt. Ltd. (ILT4)

iii. Key Managerial Personnel (KMP)

Dr. M. M. Kutty	Non Executive Chairman
Shri K. D. Tripathi (upto 29th June, 2018)	Non Executive Chairman
Shri Prabhat Singh	MD&CEO
Shri Rajender Singh (upto 19th July, 2019)	Director (Technical)
Shri V. K. Mishra	Director (Finance)
Shri Sanjiv Singh	Nominee Director - IOCL
Shri G. K. Satish (upto 2nd Nov., 2018)	Nominee Director - IOCL
Dr. Ashutosh Karnatak (appointed w.e.f. 7th August, 2019 upto 27th August, 2019, reappointed as Additional Director w.e.f. 29th August, 2019)	Nominee Director - GAIL
Shri B.C. Tripathi (upto 31st July., 2019)	Nominee Director - GAIL
Shri Subir Purkayastha (upto 2nd Nov., 2018)	Nominee Director - GAIL
Shri Shashi Shanker	Nominee Director - ONGC
Shri D. Rajkumar	Nominee Director - BPCL
Shri Sanjeev Kumar (appointed w.e.f. 4th September, 2019)	Nominee Director - GMB
Dr. T. Natarajan (upto 21st August, 2019)	Nominee Director - GMB
Dr. Jyoti Kiran Shukla	Independent Director
Shri Sidhartha Pradhan	Independent Director
Dr. Siddhartha Shekhar Singh	Independent Director
Shri Sunil Kumar Srivastava	Independent Director
Shri Arun Kumar (appointed w.e.f. 9th April, 2019)	Independent Director

Notes to the standalone financial statements for the year ended 31 March 2020
(All amounts are in Rupees lac, unless otherwise stated)

iv. Not for Profit Enterprise

Petronet LNG Foundation, a company limited by guarantee (PLF)

B. Transactions with the above in the ordinary course of business

Nature of Transaction	Party Name	For the year ended	
		31 March 2020	31 March 2019
Sale of RLNG	GAIL	17,61,627	19,26,801
	IOCL	9,63,510	9,95,597
	BPCL	4,28,972	4,87,003
	OPAL	15,277	58,794
	ONGC	1,11,632	90,901
	MGL	-	2,787
	HPCL	4,877	2,787
	IGL	2,049	4,394
Regasification Services and Other Services	GAIL	73,451	52,258
	IOCL	39,935	30,920
	BPCL	23,102	15,465
	ONGC	8,903	6,769
	OPAL	-	1
	MGL	1	-
Balance Write Off	GAIL	(3,930)	-
Interest Income	ILT 4	32	34
Contribution to Foundation	PLF	1,620	700
Advance received /(adjusted) against long term regas agreement	GAIL	(3,400)	(3,400)
	IOCL	(2,000)	(1,777)
	BPCL	(1,630)	(1,774)
Loans and Advances given/ (Repaid)	ILT4	(622)	-
Sitting fees/Commission to the Directors (other than whole time directors)	Siddhartha Shekhar Singh	7	1
	Sidhartha Pradhan	12	3
	Sunil Kumar Srivastava	10	1
	Jyoti Kiran Shukla	14	4
	Arun Kumar	3	-
Dividend Received	APPPL	900	450
Recovery of expenses	GAIL	267	4
	IOCL	1	5
	BPCL	2	5
Reimbursement of expense to related party	GAIL	103	33
	BPCL	-	500
Payment of lease and related services	IOCL	526	588
	GAIL	1	2
	BPCL	1	-
	Dahej SEZ	8	93
Remuneration to Key Managerial Personnel			
a) short-term employee benefits		301	237
b) post-employment benefits		43	26
c) other long-term benefits		36	2
Total		**380**	**265**

Notes to the standalone financial statements for the year ended 31 March 2020

(All amounts are in Rupees lac, unless otherwise stated)

Nature of Transaction	Party Name	As at 31 March 2020	As at 31 March 2019
Amount recoverable at year end	GAIL*	77,873	85,707
	IOCL	34,969	22,738
	BPCL	35,921	15,836
	OPAL	-	2,589
	ONGC	2,696	4,604
	IGL	-	962
	ILT4	-	533
Amount Payable at year end	GAIL	(54)	-
	IOCL	(111)	-
	Dahej SEZ	-	93
Advances Outstanding at year end	GAIL	39,092	42,492
	IOCL	23,747	25,583
	BPCL	16,040	16,206
	OPAL	2,823	-

* The amount recoverable is net of provision for doubtful debts of Rs. 178 lac (Rs. 4,109 lac as on 31 March 2019)

The transactions were made on normal commercial terms and conditions and at market rates.

45 Remuneration to Auditor (exclusive of taxes)

Particulars	For the year ended	
	31 March 2020	31 March 2019
Statutory Audit Fee (including limited review fees)	22	20
Tax audit and Audit U/s 80IA	7	7
Taxation Services	6	6
Fees for certification	7	7
Reimbursement of expenses	1	1
Total	**43**	**41**

46 Corporate Social Responsibility

a. Amount required to be spent by the Company on Corporate Social Responsibility (CSR) activities during the year was Rs. 5,766 lac (Previous year Rs.4,410 lac)

b. Corporate Social Responsibility (CSR) activities undertaken during the year is Rs. 11,625 lac (Rs.11,625 lac paid in cash) {Previous year Rs.721 lac (Rs.711 lac was paid in cash and Rs.10 lac was unpaid)}

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47 Financial instruments – Fair values and risk management

I. Fair value measurements

A. Financial Instruments by Category

	As at 31 March 2020		As at 31 March 2019	
	FVTPL	Amortised Cost	FVTPL	Amortised Cost
Financial Assets				
Non-current investments	0.13	-	0.13	-
Loans	-	2,231	-	2,492
Other non-current financial assets	-	5,437	-	81,403
Current investments	18,467	-	82,489	-
Trade receivables	-	1,60,257	-	1,38,245
Cash and cash equivalents	-	97,602	-	22,658
Bank balances other than above	-	3,45,599	-	2,73,370
Other current financial assets	-	30,852	-	17,365
	18,467	**6,41,978**	**82,489**	**5,35,533**
Financial Liabilities				
Borrowings	-	6,439	-	10,120
Lease Liability	-	3,33,902	-	-
Trade payables	-	1,16,607	-	1,29,524
Other financial liabilities	-	73,128	-	68,536
	-	**5,30,076**	**-**	**2,08,180**

B. Fair value hierarchy

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are:

(a) recognised and measured at fair value and

(b) measured at amortised cost and for which fair values are disclosed in the financial statements.

To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial instruments into the three levels prescribed under the accounting standard. An explanation of each level follows underneath the table.

Financial assets and liabilities measured at fair value - recurring fair value measurements

	As at 31 March 2020			
	Level 1	Level 2	Level 3	Total
Financial Assets				
Financial Investments at FVTPL				
Investments				
Equity Shares	-	-	0.13	0.13
Mutual funds	18,467	-	-	18,467
Total Financial Assets	**18,467**	**-**	**0.13**	**18,467**

Notes to the standalone financial statements for the year ended 31 March 2020
(All amounts are in Rupees lac, unless otherwise stated)

Assets and liabilities which are measured at amortised cost for which fair values are disclosed

	As at 31 March 2020			
	Level 1	**Level 2**	**Level 3**	**Total**
Financial assets				
Loans	-	-	2,231	2,231
Other non-current financial assets	-	-	5,437	5,437
Trade receivables	-	-	1,60,257	1,60,257
Cash and cash equivalents	-	-	97,602	97,602
Bank balances other than above	-	-	3,45,599	3,45,599
Other current financial assets	-	-	30,852	30,852
Total financial assets	**-**	**-**	**6,41,978**	**6,41,978**
Financial liabilities				
Borrowings	-	-	6,439	6,439
Lease Liabiltiy	-	-	3,33,902	3,33,902
Trade payables	-	-	1,16,607	1,16,607
Other financial liabilities	-	-	73,128	73,128
Total financial liabilities	**-**	**-**	**5,30,076**	**5,30,076**

Financial assets and liabilities measured at fair value - recurring fair value measurements

	As at 31 March 2019			
	Level 1	**Level 2**	**Level 3**	**Total**
Financial Assets				
Financial Investments at FVPL				
Investments				
Equity Shares	-	-	0.13	0.13
Mutual funds	82,489	-	-	82,489
Cross currency interest rate swaps	-	-	-	-
Total Financial Assets	**82,489**	**-**	**0.13**	**82,489**

Assets and liabilities which are measured at amortised cost for which fair values are disclosed

	As at 31 March 2019			
	Level 1	**Level 2**	**Level 3**	**Total**
Financial assets				
Loans	-	-	2,492	2,492
Other non-current financial assets	-	-	81,403	81,403
Trade receivables	-	-	1,38,245	1,38,245
Cash and cash equivalents	-	-	22,658	22,658
Bank balances other than above	-	-	2,73,370	2,73,370
Other current financial assets	-	-	17,365	17,365
Total financial assets	**-**	**-**	**5,35,533**	**5,35,533**
Financial liabilities				
Borrowings	-	-	10,120	10,120
Trade payables	-	-	1,29,524	1,29,524
Other financial liabilities	-	-	68,536	68,536
Total financial liabilities	**-**	**-**	**2,08,180**	**2,08,180**

Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices. This includes listed equity instruments, traded bonds and mutual funds that have quoted price. The fair value of all equity instruments (including bonds) which are traded in the stock exchanges is valued using the closing price as at the reporting period. The mutual funds are valued using the closing NAV.

Level 2: The fair value of financial instruments that are not traded in an active market (for example, traded bonds, over-thecounter derivatives) is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities.

There are no transfers between level 1 and level 2 during the year

Valuation technique used to determine fair value

Specific valuation techniques used to value financial instruments include:

- the use of quoted market prices or dealer quotes for similar instruments
- the fair value of forward foreign exchange contracts is determined using forward exchange rates at the balance sheet date
- the fair value of the remaining financial instruments is determined using discounted cash flow analysis.

All of the resulting fair value estimates are included in level 2 except for unlisted equity securities and preference shares, where the fair values have been determined based on present values and the discount rates used were adjusted for counterparty or own credit risk.

Fair value measurements using significant unobservable inputs (level 3)

	Unlisted equity shares	
	31 March 2020	**31 March 2019**
Opening balance	0.13	0.13
Acquisitions	-	-
Gains/losses recognised in profit or loss	-	-
Closing balance	**0.13**	**0.13**

Valuation process

The amount invested and fair value of unquoted equity shares as on 31 March 2020, 31 March 2019 is Rs 0.13. The fair value is determined using level 3 input i.e. discounted cash flows.

C. Fair value of financial assets and liabilities measured at amortised cost

	As at 31 March 2020		As at 31 March 2019	
	Carrying Amount	**Fair Value**	**Carrying Amount**	**Fair Value**
Financial assets				
Loans	2,231	2,231	2,492	2,492
Other non-current financial assets	5,437	5,437	81,403	81,403
Trade receivables	1,60,257	1,60,257	1,38,245	1,38,245
Cash and cash equivalents	97,602	97,602	22,658	22,658
Bank balances other than above	3,45,599	345,599	2,73,370	2,73,370
Other current financial assets	30,852	30,852	17,365	17,365
	6,41,978	**6,41,978**	**5,35,533**	**5,35,533**

Notes to the standalone financial statements for the year ended 31 March 2020

(All amounts are in Rupees lac, unless otherwise stated)

	As at 31 March 2020		As at 31 March 2019	
	Carrying Amount	Fair Value	Carrying Amount	Fair Value
Financial liabilities				
Borrowings	6,439	6,439	10,120	10,120
Lease Liability	3,33,902	3,33,902	-	-
Trade payables	1,16,607	1,16,607	1,29,524	1,29,524
Other financial liabilities	73,128	73,128	68,536	68,536
	5,30,076	**5,30,076**	**2,08,180**	**2,08,180**

The carrying amounts of trade receivables, trade payables, capital creditors, cash and cash equivalents, current maturities of long term debt, unpaid dividend, and other payable for capital goods are considered to be the same as their fair values, due to their short-term nature.

The fair values for loans were calculated based on cash flows discounted using a current lending rate. They are classified as level 3 fair values in the fair value hierarchy due to the inclusion of unobservable inputs including counterparty credit.

The fair values of non-current borrowings are based on discounted cash flows using a current borrowing rate. They are classified as level 3 fair values in the fair value hierarchy due to the use of unobservable inputs, including own credit risk.

For financial assets and liabilities that are measured at fair value, the carrying amounts are equal to the fair values.

II. Financial Risk Management

The Company has exposure to the following risks arising from financial instruments:

- credit risk;
- liquidity risk; and
- market risk

Risk Management Framework

The Company's board of directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The board of directors has established the Risk Management Committee, which is responsible for developing and monitoring the Company's risk management policies. The committee reports regularly to the board of directors on its activities.

The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities. The Company, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

The Company's Audit Committee oversees how management monitors compliance with the Company's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Company. The Audit Committee is assisted in its oversight role by Internal Audit. Internal Audit undertakes both regular and ad hoc reviews of risk management controls and procedures, the results of which are reported to the Audit Committee.

i. Credit Risk

The Company has made investments in Debt based Mutual Funds. These Mutual funds invests in NCD / Bonds / CP / CD of various companies and banks. In case, the investee company defaults on repayment, such losses may have to be borne by the investors of Mutual funds.

Company generally takes Stand by Letter of Credit (SBLC) from its customers, the exceptions being its Promoters namely BPCL, GAIL, IOCL and ONGC. Option to take SBLC from Promoter is also being explored by the company.

The Company establishes an allowance for impairment that represents its estimate of expected credit losses in respect of trade and other receivables. Basis the evaluation, the management has determined that there are credit impairment loss on the trade and other receivables.

The gross carrying amount of trade receivables is Rs. 1,60,435 lac (31 March 2019 – Rs. 1,42,354 lac).

During the period, provision amounting to Rs 3,931 lac for doubtful debts as on 1 April 2019, has been netted off against trade receivables. The Company management also pursue all options for recovery of dues wherever necessary based on its internal assessment. A default on a financial asset is generally when counterparty fails to make payments within 365 days when they fall due.

Reconciliation of loss allowance provision – Trade receivables

	31 March 2020	31 March 2019
Opening balance	4,109	4,109
Changes in loss allowance calculated at life time expected credit losses	(3,931)	-
Closing balance	**178**	**4,109**

ii. Liquidity Risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due and to close out market positions. Due to the dynamic nature of the underlying businesses, Company treasury maintains flexibility in funding by maintaining availability under committed credit lines.

Management monitors rolling forecasts of the Company's liquidity position (comprising the undrawn borrowing facilities below) and cash and cash equivalents on the basis of expected cash flows. This is generally carried out at local level in the operating companies of the Company in accordance with practice and limits set by the Company. These limits vary by location to take into account the liquidity of the market in which the entity operates. In addition, the Company's liquidity management policy involves projecting cash flows in major currencies and considering the level of liquid assets necessary to meet these, monitoring balance sheet liquidity ratios against internal and external regulatory requirements and maintaining debt financing plans.

(a) Financing arrangements

The group had access to the following undrawn borrowing facilities at the end of the reporting period:

Particulars	As at 31 March 2020	As at 31 March 2019
Floating rate		
Expiring within one year (bank overdraft and other facilities)		
- Fund/ Non fund based (secured)	2,56,045	1,96,305
- Fund/ Non fund based (unsecured)	-	1,49,770
Expiring beyond one year (bank loans)	-	-
Total	**2,56,045**	**3,46,075**

The bank overdraft facilities may be drawn at any time and may be terminated by the bank without notice. Subject to the continuance of satisfactory credit ratings, the bank loan facilities may be drawn at any time in INR and have an average maturity of 1 year (as at 31 March 2019 - 1 year).

Notes to the standalone financial statements for the year ended 31 March 2020

(All amounts are in Rupees lac, unless otherwise stated)

b) Maturities of financial liabilities

The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted, and excluding contractual interest payments and exclude the impact of netting agreements.

	Carrying Amounts 31 March 2020	Contractual Cash Flows				
		upto 6 months	6 months to 1 year	between 1 and 2 years	between 2 and 5 years	more than 5 years
Non-derivative financial liabilities						
Borrowings	6,439	-	-	6,439	-	-
Lease Liability (current and non- current)	3,93,193	12,163	14,045	27,305	1,02,186	2,37,494
Trade payables	1,16,607	1,16,607		-	-	-
Current maturities of long term debt - Other parties	3,681	1,840	1,841	-	-	-
Interest accrued but not due on borrowings	2	2	-	-	-	-
Unpaid dividend	1,519	1,519	-	-	-	-
Other payables for:						
- Capital goods	8,447	8,447	-	-	-	-
- Security deposits / Retention money	188	77	9	7	-	95
Total non-derivative liabilities	**5,30,076**	**1,40,655**	**15,895**	**33,751**	**1,02,186**	**2,37,589**

	Carrying Amounts 31 March 2019	Contractual Cash Flows				
		upto 6 months	6 months to 1 year	between 1 and 2 years	between 2 and 5 years	more than 5 years
Non-derivative financial liabilities						
Borrowings	10,120		-	3,680	6,440	
Trade payables	1,29,524	1,29,524	-	-	-	-
Current maturities of long term debt- other parties	63,220	1,380	61,840	-	-	-
Interest accrued but not due on borrowings	2,331	10	2,321	-	-	-
Unpaid dividend	1,170	1,170				
Other payables for:						
- Capital goods	1,679	1,679	-			
- Security deposits / Retention money	136	59	40	17	13	7
Total non-derivative liabilities	**2,08,180**	**1,33,822**	**64,201**	**3,697**	**6,453**	**7**

iii. Market Risk

Market risk is the risk that changes in market prices – such as commodity prices (LNG), foreign exchange rates and interest rates – will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

Notes to the standalone financial statements for the year ended 31 March 2020

(All amounts are in Rupees lac, unless otherwise stated)

a) Price Risk

To protect the company from fluctuation of commodity prices, same are passed through to the off-takers in long term contract. In spot or short term contract, they are generally pass through to the customers except in few cases, up to 2 cargo load, where the company keeps the commodity price risk with themselves to take benefit from market fluctuation.

b) Currency Risk

PLL imports LNG mainly from Qatar and Australia through long term chartered vessels. The foreign exchange involved in making payment to LNG suppliers, loading port charges and shipper is recovered from off-taker / customer under sale contract, both long term and short term. Company does not take any exposure on account of currency in Foreign Currency Loans as it takes derivatives to hedge against the the foreign exchange fluctuation on loan, if any. In respect of other payments on account of repair and capex of plant, operating expenses of plant and corporate offices etc. same are monitored on a regular basis to keep the open position at an acceptable level.

Exposure to Currency Risk

The summary quantitative data about the Group's exposure to currency risk as reported to the management of the Group is as follows:

As at 31 March 2020

	USD
Financial Assets	
Loan	2,231
Net exposure to foreign currency risk (assets)	**2,231**
Financial Liabilities	
Trade payables	1,09,970
Lease Liability	5,53,816
Other payables for Capital goods	1,994
Net exposure to foreign currency risk (liabilities)	**6,65,780**
Net statement of financial position exposure	**6,63,549**

As at 31 March 2019

	USD	EUR	SGD	GBP
Financial Assets				
Loan	2,492	-	-	-
Net exposure to foreign currency risk (assets)	**2,492**	**-**	**-**	**-**
Financial Liabilities				
Trade payables	1,21,764	100	16	4
Other payables for Capital goods	-	-	-	-
Net exposure to foreign currency risk (liabilities)	**1,21,764**	**100**	**16**	**4**
Net statement of financial position exposure	**1,19,272**	**100**	**16**	**4**

Notes to the standalone financial statements for the year ended 31 March 2020

(All amounts are in Rupees lac, unless otherwise stated)

Sensitivity Analysis

A reasonably possible strengthening (weakening) of the INR against all other currencies at 31 March would have affected the measurement of financial instruments denominated in a foreign currency and affected equity and profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular interest rates, remain constant.

Impact of 10% movement in foreign exchange conversion rate

	Profit or loss, net of tax		Equity, net of tax	
	Strengthening	**Weakening**	**Strengthening**	**Weakening**
31 March 2020				
USD	49,653	(49,653)	49,653	(49,653)
31 March 2019				
10% movement				
USD	7,760	(7,760)	7,760	(7,760)
EUR	7	(7)	7	(7)
GBP	0.3	(0.3)	0.3	(0.3)
SGD	1	(1)	1	(1)

c) **Interest Rate Risk**

The Company's main interest rate risk arises from long-term borrowings with variable rates, which expose the Company cash flow to interest rate risk. Company policy is to maintain most of its borrowings at fixed rate using interest rate swaps to achieve this when necessary especially if the borrowing is made in foreign currency. Company has some amount of loan taken from International Finance Corporation, which is at variable rate. The Company ensures that such amount is kept at an acceptable level. The investment of surplus funds made by company in debt based of mutual funds is also subject to this risk. Company makes investment in a manner which minimises such risk and also takes regular feedback from the market experts on such investments. The Company has also given loans to, India LNG Transport Company (No. 3) Limited, Malta and India LNG Transport Company (No. 4) Private Limited, Singapore, which are at Bank Rate and any change in Bank Rate will impact the earnings.

Exposure to Interest Rate Risk

The interest rate profile of the Group's interest-bearing financial instruments as reported to the management of the Group is as follows.

	Nominal Amount	
	31 March 2020	**31 March 2019**
Fixed-rate instruments		
Financial liabilities		
- Fixed rate borrowing	-	60,000
	-	**60,000**
Variable-rate instruments		
Financial assets		
- Loan	2,231	2,492
Financial liabilities		
- Variable rate borrowing	10,120	13,340
	12,351	**15,832**

	31 March 2020		
	Average interest rate	**Balance**	**% of total loans**
Financial Asset : Loan	5.83%	2,231	100%
Financial Liability: IFC "A loan"	7.85%	10,120	100%

	31 March 2019		
	Average interest rate	**Balance**	**% of total loans**
Financial Asset : Loan	6.50%	2,492	100%
Financial Liability: IFC "A loan"	8.74%	13,340	18%

Fair value sensitivity analysis for fixed-rate instruments

The Company does not account for any fixed-rate financial assets or financial liabilities at fair value through profit or loss, and the Company does not designate derivatives (interest rate swaps) as hedging instruments under a fair value hedge accounting model. Therefore, a change in interest rates at the reporting date would not affect profit or loss.

Cash flow sensitivity analysis for variable-rate instruments

A reasonably possible change of 100 basis points in interest rates at the reporting date would have increased (decreased) equity and profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular foreign currency exchange rates, remain constant.

	Profit or loss, net of tax		Equity, net of tax	
	100 bp increase	**100 bp decrease**	**100 bp increase**	**100 bp decrease**
31 March 2020				
Variable-rate instruments	(76)	76	(76)	76
Cash flow sensitivity (net)	**(76)**	**76**	**(76)**	**76**
31 March 2019				
Variable-rate instruments	(87)	87	(87)	87
Cash flow sensitivity (net)	**(87)**	**87**	**(87)**	**87**

A change of 100 basis points in interest rates would have increased or decreased equity by Rs. 76 lac after tax (Previous year Rs. 87 lac). This analysis assumes that all other variables, in particular foreign currency exchange rates, remain constant.

48 Capital Management

The Company's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. Management monitors the return on capital on a yearly basis as well as the level of dividends to ordinary shareholders which is given based on approved dividend policy.

The board of directors seeks to maintain a balance between the higher returns that might be possible with higher levels of borrowings and the advantages and security afforded by a sound capital position

INDEPENDENT AUDITOR'S REPORT

To the Members of Petronet LNG Limited

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying Consolidated Financial Statements of Petronet LNG Limited ("the Parent Company") and its Joint Venture (collectively referred to as "the Group"), comprising of the Consolidated Balance Sheet as at March 31, 2020 and the Consolidated Statement of Profit and Loss (including other comprehensive income), Consolidated Statement of Change in Equity and the Consolidated Statement of Cash Flows for the year then ended and notes to the Consolidated Financial Statements, including a summary of significant accounting policies and other explanatory information prepared based on the relevant records (herein after referred to as the "Consolidated Financial Statement").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Consolidated 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 consolidatedstate of affairs of the group as at March 31, 2020,of consolidated total comprehensive income (comprising of loss and other comprehensive income), consolidated changes in equity and its Consolidated Cash Flows for the year then ended.

Basis for opinion

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 Consolidated Financial Statements section of our report. We are independent of the Group and its joint ventures 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 Consolidated 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 and the evidence obtained by the other auditors in term of their reports is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Consolidated Financial Statements of the current period. These matters were addressed in the context of our audit of the Consolidated Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

S. No.	Description of Key Audit Matter	Audit Procedures Undertaken to address the Key Audit Matter & conclusions thereon
1.	**Impairment testing of Kochi Plant** The recoverable value of the property plant and Equipment's capitalized under Kochi Plant of the Company are dependent on the operationalization of Kochi-Mangalore-Bangalore pipeline. The determination of recoverable amount for Kochi Plant is based on the value-in use derived from future free net cash flow based on management assumptions of operations for the coming years and from the terminal period. Significant judgement is required by the Management in determining value-in-use, including discount rate to be applied and cash flow projections based on availability of pipeline, demand of gas etc. Accordingly, the impairment evaluation of Kochi Plant is considered to be a key audit matter.	We assessed the Company's process of assessing the impairment requirement for Kochi Plant by reviewing the Impairment Study Report, carried out by an outside consultant appointed by the Company, and for verification of the same, following tests were performed: • Considered if the discounted cash flow models used to estimate the recoverable amount of Kochi Plant, based on "Value in Use" (VIU) were in consistent with Indian Accounting Standard. • Considered whether the forecasted cash flows in the impairment model were reasonable and based upon supportable assumptions. • Performed tests of the mathematical accuracy of the impairment model calculations. We found management's assessment that there is no immediate case of impairment of Kochi Plant based on VIU is reasonable.

S. No.	Description of Key Audit Matter	Audit Procedures Undertaken to address the Key Audit Matter & conclusions thereon
2.	Accuracy of recognition, measurement, presentation and disclosures of revenues and other related balances in view of Ind AS 115 "Revenue from Contracts with Customers". Ind AS 115 requires certain key judgements including identification of distinct performance obligations and transaction price.	We assessed the Company's process of identification of distinct performance obligations and transaction price and for the same we selected a sample of contracts, covering all type of revenue recognized by the Company and performed the following procedures: • Considered the terms of the contracts to determine the transaction price specially to ascertain if there is any financing component in the arrangement where advances have been received from the customers. • Read, analysed and identified the distinct performance obligations in these contracts. • Compared these performance obligations with that identified and recorded by the Company. • Performed analytical procedures for reasonableness of revenues disclosed by type and service offerings. Based on the work performed, we found the management's assessment of determination of transaction price and identification of distinct performance obligation is reasonable
3.	**Adoption of Ind AS 116, Leases:** Effective 1st April 2019, Ind AS 116 replaces the existing standard Ind AS 17 and specifies how an entity will recognise, measure, present and disclose leases. The standard provides a single lease accounting model, requiring lessees to recognise a right to use asset ("RTU asset") and a corresponding liability on the lease commencement date. It provides exemption for leases with lease term of 12 months or less or the underlying asset has a low value. We considered the first-time application of Ind AS 116, as a key audit matter due materiality of RTU assets and the judgements needed in establishing the underlying key assumptions.	Our procedures included the following: Assessing the accounting regarding leases with reference to consistency with the definitions of Ind AS 116. This includes factors such as lease term, discount rate and measurement principles; Testing completeness of the lease data as at 31st March, 2019 by reconciling the Company's operating lease commitments to the underlying data used in computing the ROU asset and Lease liability; Assessing the transition to Ind AS 116 by verifying consistency with the definitions and practical expedients of Ind AS 116; Examining the Company's judgement in establishing the underlying assumptions. This includes assessing the discount rate used in determining the lease liability.
4.	**Contingent liabilities;** There are various pending cases against which demands have been raised by different authority/parties.	For legal and regulatory matters, our procedures included following: • Assessing the processes and control over legal matters; • Reviewing the Group's significant legal matters and other contractual claims; • Performing substantive procedures on the underlying calculations of potential liability; • Where relevant, reading external legal opinions obtained by management; • Where relevant, obtaining written confirmation from external legal counsels on the status of the cases; • Reviewing the adequacy and completeness of the company's disclosures. Based on the work performed, we found the disclosures made by the management in note 38(B) of the financial statements are sufficient.

Other Information

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Company's annual report (mainly Director's Report, Corporate Governance Report, Business Responsibility Report and Management Discussion and Analysis of annual report) but does not include the Consolidated financial statements and our auditor's report thereon. The other information in annual report except Corporate Governance Report i.e. Directors report, Business Responsibility report and Management Discussion and Analysis of Annual report is expected to be made available to us after the date of this auditors' report.

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

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed on the other information that we have obtained prior to the date of this auditor's report, 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.

When we read the information included in, Management Discussion and Analysis, Directors' Report, and Business Responsibility Report and Other Information in Annual Report, if we conclude that there is material misstatement therein, we are required to communicate the matter to those charged with the governance and other appropriate action as may be required.

Responsibilities of management and those charged with governance for the Consolidated Financial Statements

The Parent Company's Board of Directors is responsible for the preparation and presentation of these Consolidated Financial Statements in terms of the requirement of the Act that give a true and fair view of the Consolidated Financial Position, Consolidated Financial Performance, Consolidated Cash Flows and Changes in Equity of the group in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act. The respective Board of Directors of the companies included in the group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group 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 Consolidated Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of Consolidated Financial Statements by the Directors of the Parent Company, as aforesaid.

In preparing the Consolidated Financial Statements, the respective Board of Directors of the Companies included in the Group are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of companies included in the Group are responsible for overseeing the financial reporting process of the Group.

Auditor's Responsibilities for the Audit of theConsolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the Consolidated 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 Consolidated Financial Statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Consolidated 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 financial 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 Parent company has adequate internal financial controls with reference to 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 ability of the Group 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 Consolidated 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 Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Consolidated Financial Statements, including the disclosures, and whether the Consolidated Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the Consolidated Financial Statement. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the Consolidated Financial Statement of which we are the independent auditors. For the other entities included in the Consolidated Financial Statement, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audit carried out by them. We remain solely responsible for our audit opinion.

We communicate with those charged with governance of the Parent Company, 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.

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.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Consolidated Financial Statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosures about the matters or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matters

The Consolidated Financial Statement includes the Group's share of net profit of Rs.14.30 crores (including Other Comprehensive Income), for the year ended 31st March 2020, as considered in the Consolidated Financial Results, in respect of its joint venture namely Adani Petronet (Dahej) Port Pvt. Ltd. (APPPL) and India LNG Transport Co No (4) Pvt. Ltd. (ILT4), whose financial statements/ financial information have not been audited by us.

The financial statements of APPPL and ILT4 have been audited by other auditor whose report has been furnished to us by the management and our opinion, in so far as it relates to amounts and disclosures included in respect of such joint venture entity, and our report in terms of sub-sections (3) and (11) of Section 143 of the Act, in so far as it relates to the aforesaid jointly controlled entity, is based solely on the report of the other auditor

Our opinion on the Consolidated Ind AS Financial Statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matter with respect to our reliance on the work done and the report of the other auditor and the financial statement/financial information certified by the management.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, we report, to the extent applicable 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 of the aforesaid Consolidated Financial Statement.

   (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid Consolidated Financial Statement have been kept so far as it appears from our examination of those books and the reports of the other auditors.

(c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss(including Other Comprehensive income), the Consolidated Statement of Changes in Equity and the Consolidated Cash Flow Statement dealt with by this report are in agreement with the books of account and the records maintained for the purpose of preparation of Consolidated Financial Statements.

(d) In our opinion,the aforesaid Consolidated Financial Statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

(e) On the basis of the written representations received from the directors of the Parent company as on 31st March, 2020 taken on record by the Board of Directors of the parent company and the reports of the statutory auditors of its joint ventures incorporated in India, none of the directors of the parent company and its joint ventures in India is disqualified as on 31st March, 2020 from being appointed as a director in terms of Section 164 (2) of the Act.

(f) With respect to the adequacy of the internal financial controls with reference to Ind AS financial statements of the Parent Company and its joint ventures, which are companies incorporated in India and the operating effectiveness of such controls refer to our separate report in **Annexure A**.

(g) 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, in our opinion and to the best of our information and according to the explanations given to us:

a. The Consolidated Financial Statements has disclosed the impact of pending litigations on its Consolidated Financial Position of the group and it's joint ventures. (Refer Note 38B to the Consolidated Ind AS financial statements).

b. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses on. Refer Note 38 A (b) to the financial statements

c. There has been no delay in transferring amount, required to be transferred to the Investor Education and Protection Fund by the Parent Company & its joint venture incorporated in India.

2. With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us by the Parent Company, and the reports of the statutory auditors of its joint ventures incorporated in India, the remuneration paid by the Parent to its directors during the year is in accordance with the provisions of section 197 of the Act.

For T R Chadha & Co LLP

Chartered Accountants

(Firm Registration No. 006711N/N500028)

Hitesh Garg

(Partner)

Membership No. 502955

UDIN- 20502955AAAABC9951

Place: New Delhi

Date: 29th June, 2020

"Annexure A"as referred to in paragraph 1(f) of our report of even date

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the COMPANIES ACT, 2013 ("THE ACT")

In conjunction with our audit of the Consolidated Ind As Financial Statements of the Company as of and for the year ended 31 March 2020, we have audited the internal financial controls over financial reporting of Petronet LNG Limited ("the Parent Company") and its joint venture entity incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

The Respective Board of Directors of the Parent Company and its joint venture entity, which are incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control with reference to Consolidated Financial Statements 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 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 Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to Consolidated Financial Statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") issued by ICAI and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls with reference to Consolidated Financial Statements. 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 Consolidated Financial Statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial control system with reference to Consolidated Financial Statements and their operating effectiveness.Our audit of internal financial controls with reference to Consolidated Financial Statements included obtaining an understanding of internal financial controls with reference to Consolidated 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 Consolidated Financial Statements, whether due to fraud or error.

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors of Joint Venture, incorporated in India, in terms of their reports referred to in the Other Matters paragraph below,is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system with reference to Consolidated Financial Statements.

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of Consolidated Financial Statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that:

a) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;

b) provide reasonable assurance that transactions are recorded as necessary to permit preparation of Consolidated Financial Statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and

c) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the Consolidated Financial Statements.

Inherent Limitations of Internal Financial Controls with reference to Consolidated Financial Statements

Because of the inherent limitations of internal financial controls with reference to Consolidated 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 over financial reporting to future periods are subject to the risk that the internal financial control with reference to consolidated financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, to the best of our information and according to explanations given to us, the Parent Company and its joint venture entity, which are incorporatedin India, have, in all material respects, an adequate internal financial controls system with reference to Consolidated Financial Statements and such internal financial controls with reference to Consolidated Financial Statements were operating effectively as at 31 March 2020, 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 issued by the Institute of Chartered Accountants of India.

Other Matters

Our aforesaid report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to Consolidated Financial Statements insofar as it relates to Joint venture company, which is a company incorporated in India, is based on the corresponding report of the auditor of such company incorporated in India.

For T R Chadha & Co LLP
Chartered Accountants
(Firm Registration No. 006711N/N500028)

Hitesh Garg
(Partner)
Membership No. 502955
UDIN- 20502955AAAABC9951

Place: New Delhi
Date: 29th June, 2020

Consolidated Balance Sheet as at 31 March 2020

(All amounts are in Rupees lac, unless otherwise stated)

	Notes	As at 31 March 2020	As at 31 March 2019
ASSETS			
Non-Current Assets			
Property, plant and equipment	3	7,69,647	7,66,403
Capital work-in-progress	4	468	34,821
Intangible assets	5	20	105
Right to Use assets	6	3,49,152	-
Investments in Joint Ventures	7	33,233	32,889
Financial assets			
(i) Investments	8	0.13	0.13
(ii) Loans	9	2,231	2,492
(iii) Other non-current financial assets	10	5,437	81,403
Income tax assets (net)	11	13,065	3,310
Other non-current assets	12	8,555	7,331
Total Non-Current Assets		**11,81,808**	**9,28,754**
Current Assets			
Inventories	13	48,089	56,944
Financial assets			
(i) Investment	14	18,467	82,489
(ii) Trade receivables	15	1,60,257	1,38,245
(iii) Cash and cash equivalents	16	97,602	22,658
(iv) Other bank balances	17	3,45,599	2,73,370
(v) Other current financial assets	18	30,852	17,365
Other current assets	19	4,016	5,109
Total Current Assets		**7,04,882**	**5,96,180**
Total Assets		**18,86,690**	**15,24,934**
EQUITY AND LIABILITIES			
Equity			
Equity share capital	20	1,50,000	1,50,000
Other equity	21	9,62,092	8,73,058
Total Equity		**11,12,092**	**10,23,058**

Consolidated Balance Sheet as at 31 March 2020

(All amounts are in Rupees lac, unless otherwise stated)

	Notes	As at 31 March 2020	As at 31 March 2019
Liabilities			
Non-Current Liabilities			
Financial liabilities			
(i) Borrowings	22	6,439	10,120
(ii) Lease liability	23	3,33,902	-
Long-term provisions	24	1,486	1,108
Deferred tax liabilities (net)	25(B)	88,829	1,33,603
Other non-current liabilities	26	1,01,581	1,08,609
Total Non-Current Liabilities		**5,32,237**	**2,53,440**
Current Liabilities			
Financial liabilities			
(i) Trade payables			
- total outstanding dues of micro enterprise and small enterprises (MSME's)		-	-
- total outstanding dues of creditors other than MSME's		1,16,607	1,29,524
(ii) Other financial liabilities	27	73,128	68,536
Other current liabilities	28	50,814	48,701
Short-term provisions	29	1,812	1,675
Total Current Liabilities		**2,42,361**	**2,48,436**
Total Liabilities		**7,74,598**	**5,01,876**
Total Equity and Liabilities		**18,86,690**	**15,24,934**

Significant Accounting Policies **2**
Other Notes on Accounts **38 to 50**

The accompanying notes are an integral part of these financial statements.
In terms of our report of even date.

For T R Chadha & Co LLP
Chartered Accountants
ICAI Firm Regn. No. 006711N /N500028

For and on behalf of **Petronet LNG Limited**

Sd/-
Hitesh Garg
Partner
Membership No - 502955

Sd/-
Prabhat Singh
Managing Director & CEO
DIN: 03006541

Sd/-
Vinod Kumar Mishra
Director - Finance
DIN: 08125144

Place : New Delhi
Date : 29 June 2020

Sd/-
Rajan Kapur
Vice President-Company Secretary
Membership No - A10674

PETRONET LNG LIMITED

Consolidated Statement of Profit and Loss for the year ended 31 March 2020

(All amounts are in Rupees lac, unless otherwise stated)

	Notes	For the year ended 31 March 2020	For the year ended 31 March 2019
Revenue			
Revenue from operations	30	35,45,200	38,39,543
Other income	31	36,357	44,579
Total Income		**35,81,557**	**38,84,122**
Expenses			
Cost of materials consumed	32	30,49,594	34,41,695
Employee benefits expense	33	12,576	12,587
Finance costs	34	40,320	9,892
Depreciation and amotization expense	35	77,613	41,124
Other expenses	36(A)	84,083	55,916
Total Expenses		**32,64,186**	**35,61,214**
Profit before exceptional items, share of net profits of equity accounted investees and tax		**3,17,371**	**3,22,908**
Share of profit of equity-accounted investees, net of tax		1,475	7,963
Profit before exceptional items and tax		**3,18,846**	**3,30,871**
Exceptional Items	36(B)	7,206	-
Profit/ (Loss) before tax		**3,11,640**	**3,30,871**
Tax expense:			
Current tax (a)	25(A)	86,000	78,949
Deferred tax (b)	25(A)	(44,695)	28,866
Total tax expense (a+b)		**41,305**	**1,07,815**
Profit/ (loss) for the period (A)		**2,70,335**	**2,23,056**
Other Comprehensive Income			
Items that will not be reclassified to Profit or Loss			
Remeasurement of defined benefit plans		(317)	(230)
Income tax relateing to remeasurement of defined benefit plans	25(A)	80	80
Share of JV		(46)	(53)
Total Other Comprehensive income for the period (B)		**(283)**	**(203)**
Total Comprehensive Income for the period (A + B)		**2,70,052**	**2,22,853**
Earnings per equity share of Rs 10/- each			
Basic (Rs)		18.02	14.87
Diluted (Rs)		18.02	14.87

Significant Accounting Policies **2**

Other Notes on Accounts **38 to 50**

The accompanying notes are an integral part of these financial statements.
In terms of our report of even date.

For and on behalf of **Petronet LNG Limited**

For T R Chadha & Co LLP
Chartered Accountants
ICAI Firm Regn. No. 006711N /N500028

Sd/-
Hitesh Garg
Partner
Membership No - 502955

Sd/-
Prabhat Singh
Managing Director & CEO
DIN: 03006541

Sd/-
Vinod Kumar Mishra
Director - Finance
DIN: 08125144

Place : New Delhi
Date : 29 June 2020

Sd/-
Rajan Kapur
Vice President-Company Secretary
Membership No - A10674

Consolidated Statement of Cash Flow for the year ended 31 March 2020

(All amounts are in Rupees lac, unless otherwise stated)

		For the year ended 31 March 2020	For the year ended 31 March 2019
A.	**Cash flow from operating activities**		
	Net Profit before tax	**3,11,640**	**3,30,871**
	Adjustment for:		
	Depreciation	77,613	41,124
	Loss on the sale of fixed asset	5	76
	Profit on sale / fair valuation of current Investment	(5,942)	(18,370)
	Interest Expense	40,320	9,892
	Foreign exchange gain / loss on restatement of financial liabilities	27,645	(9,950)
	Fair value losses on derivatives not designated as hedges	-	9,573
	Share of Profit of JV	(1,475)	(7,963)
	Interest Income	(27,614)	(14,552)
	Excess provision written back	(487)	(5)
	Operating profit before working capital changes	**4,21,705**	**3,40,696**
	Movements in working capital :-		
	(Increase) / Decrease in loans	261	(197)
	(Increase) / Decrease in inventories	8,855	(7,834)
	(Increase) / Decrease in trade receivables	(22,012)	21,833
	(Increase) / Decrease in other financial assets	(9,448)	(12,314)
	(Increase) / Decrease in Other assets	(549)	(240)
	Increase / (Decrease) in trade payables	(12,430)	(27,466)
	Increase / (Decrease) in other financial liabilities	401	(3,840)
	Increase / (Decrease) in provisions	198	561
	Increase / (Decrease) in other liabilities	(4,915)	(15,730)
	Cash Generated from / (used in) operations	**3,82,066**	**2,95,469**
	Less: Income Tax Paid (net of refunds)	(95,755)	(81,327)
	Net Cash generated from / (used in) operating activities (A)	**2,86,311**	**2,14,142**
B.	**Cash flow from investing activities**		
	Net proceeds / (purchase) of property, plant and equipment and capital work in progress	(4,078)	(16,273)
	Net proceeds / (purchase) of intangible assets	-	(4)
	Net proceeds / (purchase) of equity accounted investees	900	450
	Net proceeds / (purchase) of investments	69,964	3,31,665
	Interest received	24,341	14,557
	Net movement in fixed deposits	2,971	(3,37,548)
	Net Cash Generated from / (Used in) Investing Activities (B)	**94,098**	**(7,153)**

Consolidated Statement of Cash Flow for the year ended 31 March 2020

(All amounts are in Rupees lac, unless otherwise stated)

		For the year ended 31 March 2020	For the year ended 31 March 2019
C.	Cash Flow from Financing Activities		
	Net proceeds / (Repayment) of Long Term Borrowings	(63,220)	(62,015)
	Interest Expense Paid	(42,649)	(11,913)
	Lease Liability Paid	(18,763)	-
	Dividend paid	(1,80,833)	(1,80,833)
	Net Cash generated from / (used in) Financing Activities (C)	**(3,05,465)**	**(2,54,761)**
	Net Increase / (Decrease) in Cash and Cash Equivalents (A+B+C)	**74,944**	**(47,772)**
	Balance at the beginning of the year		
	Cash and cash equivalents at the beginning of the year	22,658	70,430
	Balance at the end of the year	**97,602**	**22,658**

Note: The above Statement has been prepared under indirect method setout in Ind AS 7 “Cash Flow Statement” (refer note no. 16 for details of cash and cash equivalents).

Reconciliation between the opening and closing balances in balance sheet for liabilities arising from financing activities

Particulars	Long term Borrowings	Debentures	Total
Opening Balance as on 1st April 2019	**13,350**	**62,321**	**75,671**
Financing Cash Flow	(3,220)	(60,000)	(63,220)
Non-Cash Changes			
Interest Accrued	(8)	(2,321)	(2,329)
Closing Balance as at 31st March 2020	**10,122**	**-**	**10,122**

Particulars	Long term Borrowings	Debentures	Total
Opening Balance as on 1st April 2018	**55,339**	**94,318**	**1,49,657**
Financing Cash Flow	(32,245)	(30,000)	(62,245)
Non-Cash Changes			
Interest Accrued	(24)	(1,997)	(2,021)
Forex Reinstatement	(9,720)	-	(9,720)
Closing Balance as at 31st March 2019	**13,350**	**62,321**	**75,671**

In terms of our report of even date.

For T R Chadha & Co LLP
Chartered Accountants
ICAI Firm Regn. No. 006711N /N500028

For and on behalf of **Petronet LNG Limited**

Sd/-
Hitesh Garg
Partner
Membership No - 502955

Sd/-
Prabhat Singh
Managing Director & CEO
DIN: 03006541

Sd/-
Vinod Kumar Mishra
Director - Finance
DIN: 08125144

Place : New Delhi
Date : 29 June 2020

Sd/-
Rajan Kapur
Vice President-Company Secretary
Membership No - A10674

Consolidated Statement of Changes in Equity for the year ended 31st March 2020

(All amounts are in Rupees lac, unless otherwise stated)

(a) Equity share capital

	As at 31 March 2020		As at 31 March 2019	
	No. of Shares	**Amount**	**No. of Shares**	**Amount**
Balance at the beginning of the year	1,50,00,00,088	1,50,000	1,50,00,00,088	1,50,000
Changes in equity share capital during the year	-	-	-	-
Balance at the end of the reporting period	**1,50,00,00,088**	**1,50,000**	**1,50,00,00,088**	**1,50,000**

(b) Other equity

	Reserves & Surplus			OCI	
	Debenture Redemption Reserve	**General Reserve**	**Retained earnings**	**Remeasurement of defined benefit plans**	**Total**
Balance at 31 March 2018	**19,500**	**72,800**	**7,38,959**	**(130)**	**8,31,129**
Changes in accounting policy / prior period errors	-	-	-	-	-
Restated balance at the beginning of the reporting period	**19,500**	**72,800**	**7,38,959**	**(130)**	**8,31,129**
Profit for the year	-	-	2,23,056	-	2,23,056
Other comprehensive income for the year	-	-	-	(203)	(203)
Total comprehensive income for the year	**-**	**-**	**2,23,056**	**(203)**	**2,22,854**
Transfer to/(from) debenture redemption reserves	(4,500)	-	4,500	-	-
Dividend paid	-	-	(1,50,000)	-	(1,50,000)
Dividend distribution tax	-	-	(30,924)	-	(30,924)
Balance at 31 March 2019	**15,000**	**72,800**	**7,85,591**	**(333)**	**8,73,058**
Changes in accounting policy / prior period errors	-	-	-	-	-
Restated balance at the beginning of the reporting period	**15,000**	**72,800**	**7,85,591**	**(333)**	**8,73,058**
Profit for the year	-	-	2,70,335	-	2,70,335
Other comprehensive income for the year	-	-	-	(283)	(283)
Total comprehensive income for the year	**-**	**-**	**2,70,335**	**(283)**	**2,70,052**
Transfer to/(from) debenture redemption reserves	(15,000)	-	15,000	-	-
Dividend paid	-	-	(1,50,000)	-	(1,50,000)
Dividend distribution tax	-	-	(31,018)	-	(31,018)
Balance at 31 March 2020	**-**	**72,800**	**8,89,908**	**(616)**	**9,62,092**

Consolidated Statement of Changes in Equity for the year ended 31st March 2020

(All amounts are in Rupees lac, unless otherwise stated)

Nature and purpose of other reserves

Debenture redemption reserve

The Company appropriates a portion out of the profits available for payment of dividend to debenture redemption reserve (DRR) as per the Companies Act, 2013 (which requires creation of DRR upto 25% of the outstanding amount of the bonds during the tenure of bonds). Reduction in DRR is on account of repayment of bonds.

General reserve

Under the erstwhile Companies Act 1956, a general reserve was created through an annual transfer of net profit at a specified percentage in accordance with applicable regulations. Consequent to the introduction of the Companies Act 2013, the requirement to mandatory transfer a specified percentage of net profit to general reserve has been withdrawn.

Remeasurement of defined benefit plans

Remeasurements of defined benefit plans represents the following as per Ind AS 19, Employee Benefits:

(a) actuarial gains and losses

(b) the return on plan assets, excluding amounts included in net interest on the net defined benefit liability (asset); and

(c) any change in the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability (asset)

In terms of our report of even date.

For T R Chadha & Co LLP
Chartered Accountants
ICAI Firm Regn. No. 006711N /N500028

For and on behalf of **Petronet LNG Limited**

Sd/-
Hitesh Garg
Partner
Membership No - 502955

Place : New Delhi
Date : 29 June 2020

Sd/-
Prabhat Singh
Managing Director & CEO
DIN: 03006541

Sd/-
Vinod Kumar Mishra
Director - Finance
DIN: 08125144

Sd/-
Rajan Kapur
Vice President-CompanySecretary
Membership No - A10674

Notes to the Consolidated Financial Statements for the year ended 31 March 2020

1. Reporting Entity

Petronet LNG Limited referred to as "PLL" or "the Company" is domiciled in India. The Company's registered office is at World Trade Centre, 1st Floor, Babar Road, Barakhamba Lane, New Delhi – 110001.

The Company was formed by Bharat Petroleum Corporation Limited ('BPCL'), GAIL (India) Limited ('GAIL'), Indian Oil Corporation Limited ('IOCL') and Oil and Natural Gas Corporation Limited ('ONGC') primarily to develop, design, construct, own and operate a Liquefied Natural Gas ('LNG') import and regasification terminals in India. PLL was incorporated on 2 April 1998 under the Companies Act, 1956 and received certificate of commencement of business on 1 June 1998. The Company is involved in the business of import and regasification of LNG and supply to BPCL, GAIL, IOCL and others. Presently, the Company owns and operates LNG Regasification Terminal with name plate capacity of 17.5 MMTPA at Dahej, in the State of Gujarat. The Company has also commissioned another LNG terminal with name plate capacity of 5 MMTPA at Kochi, in the State of Kerala.

2. Significant Accounting Policies

The Company has consistently applied the following accounting policies to all periods presented in the financial statements.

i. Basis of preparation

These financial statements have been prepared in accordance with the recognition and measurement principles laid down in the Indian Accounting Standard ('Ind AS'), prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder;and by the Institute of Chartered Accountants of India, as applicable and other accounting principles generally accepted in India.

These financial statements were authorised for issue by the Board of Directors on 29th June'2020.

ii. Basis of measurement

The financial statements have been prepared on a historical cost basis except the following items, which are measured on alternative basis on each reporting date:

- Certain financial assets (including derivative instruments) that are measured at fair value
- Defined benefit liabilities/(assets): fair value of plan assets less present value of defined benefit obligation

iii. Principles of equity accounting

The consolidated financial statement of Petronet LNG Limited ('the Company') includes financial statements of Adani Petronet (Dahej) Port Pvt. Ltd. and India LNG Transport Co (No 4) Ltd ('the JV Company'), in both of which the Company owns 26% paid up share capital, collectively referred to as 'the Group'.

The consolidated financial statements have been prepared on the following basis:

Joint ventures

Interests in joint ventures are accounted for using the equity method, after initially being recognised at cost in the consolidated balance sheet.

Equity accounting

Under the equity method of accounting, the investments are initially recognised at cost and adjusted thereafter to recognise the Company's share of the post-acquisition profits or losses and other comprehensive income. Pre-acquisition period dividends received or receivable from associates and joint ventures are recognised as a reduction in the carrying amount of the investment.

The carrying amount of equity accounted investments are tested for impairment in accordance with the policy described in note xvi below.

iv. Functional and presentation currency

These financial statements are presented in the Indian Rupee ('INR'), which is the Company's functional currency. All amounts have been rounded to the nearest lac, unless otherwise indicated.

v. Use of judgements and estimates

In preparing these financial statements, management has made judgements, estimates and assumptions that affect the application of the Company's accounting policies and the reported amounts of assets, liabilities, income and expenses. Management believes that the estimates used in the preparation of the financial statements are prudent and reasonable. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to estimates are recognised prospectively.

a. Judgements

Information about the judgements made in applying accounting policies that have the most significant effects on the amounts recognised in the financial statements have been given below:

- Leases: Whether an arrangement qualifies as a lease under Ind AS 116 and in assessment of the lease term and discount rate. Judgement in exercised for assessing the lease term in arrangements where the option to extend or to terminate the lease exist. While doing so, the facts and circumstances are considered to decide economic merits and certainty of exercising an option.
- Classification of financial assets: assessment of business model within which the assets are held and assessment of whether the contractual terms of the financial asset are solely payments of principal and interest on the principal amount outstanding.
- Identification of distinct performance obligation based on assessment of the products and services in the contract and based on certain factors, determining point of satisfaction of the obligation whether it is at a specific point or over a period.
- Transaction Price determination: Transaction price could be fixed or variable with indexed based escalations. Transaction price is not adjusted for the time value of money in the case where advances are received from customers to secure long term contracts.

b. Assumptions and estimation uncertainties

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment in the financial statements for the year ended 31March 2020 is included below:

- Impairment test: Estimates used for impairment of property, plant and equipment of separate cash generating unit, key assumptions underlying recoverable amounts:
- Useful life of property, plant & equipment
- Recognition and measurement of provisions and contingencies: key assumptions about the likelihood and magnitude of an outflow of resources
- Estimation of defined benefit obligation
- Estimation of current tax and deferred tax expense

vi. Property, plant and equipment:

Recognition and measurement

Items of property, plant and equipment are stated at cost less accumulated depreciation and accumulated impairment loss, if any. The cost of assets comprises of purchase price and directly attributable cost of bringing the assets to working condition for its intended use including borrowing cost and incidental expenditure during construction incurred upto the date when the assets are ready to use. Capital work in progress includes cost of assets at sites, construction expenditure and interest on the funds deployed.

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as a separate item (major components) of property, plant and equipment.

Any gain on disposal of property, plant and equipment is recognised in Profit and loss account.

On transition to the Ind AS, the Company has elected to continue with the carrying value of all its property, plant and equipment recognised as at 1 April 2015 measured as per the previous GAAP and use that carrying value as the deemed cost of the property, plant and equipment.

Notes to the Consolidated Financial Statements for the year ended 31 March 2020

Subsequent Measurement

Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Company.

Depreciation

Depreciation on fixed assets is calculated on Straight Line Method (SLM) using the rates arrived at based on the estimated useful lives given in Schedule II of the Companies Act, 2013. Useful life of the assets required to be transferred under Concession Agreement have been restricted up to the end of Concession Agreement.

Cost of leasehold land is amortized over the lease period.

Depreciation methods, useful lives and residual values are reviewed at each financial year end and changes, if any, are accounted for prospectively.

vii. Intangible assets

Intangible Assets are stated at cost less accumulated amortization and impairment loss, if any. Intangible assets are amortized on straight line method basis over the estimated useful life. Estimated useful life of the Software/Licenses is considered as 3 years.

Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Company.

viii. Financial instruments

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 instruments also include derivative contracts such as foreign exchange forward contracts, cross currency interest rate swaps, interest rate swapscurrency optionsand embedded derivatives in the host contract.

(A) Financial Assets

(a) Initial recognition and measurement

All financial assets are recognized initially at fair value (plus transaction costs attributable to the acquisition of the financial assets, in the case of financial assets are not recorded at fair value through profit or loss).

(b) Subsequent measurement and classifications

The Company classifies its financial assets as subsequently measured at either amortised cost or fair value depending on the Company's business model for managing the financial assets and the contractual cash flow characteristics of the financial assets.

Business model assessment

The Company assesses the objective of a business model in which an asset is held at a portfolio level because this best reflects the way the business is managed, and information is provided to management.

Assessment whether contractual cash flows are solely payments of principal and interest

For the purposes of this assessment, 'principal' is defined as the fair value of the financial asset on initial recognition. 'Interest' is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a period, for other basic lending risks, costs (e.g. liquidity risk and administrative costs), and profit margin.

In assessing whether the contractual cash flows are solely payments of principal and interest, the Company considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition.

(i) Financial Assets at amortised cost

A financial asset is measured at amortised cost only if both of the following conditions are met:

- it is held within a business model whose objective is to hold assets to collect contractual cash flows.
- the contractual terms of the financial asset represent contractual cash flows that are solely payments of principal and interest.

After initial measurement, such financial assets are subsequently measured at amortised cost using the EIR method. Amortised cost is calculated by considering any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included as finance income in the profit or loss. The losses arising from impairment are recognized in the profit or loss.

(ii) Financial Assets at Fair Value through Other Comprehensive Income (FVOCI)

A financial asset is measured at amortized cost only if both of the following conditions are met:

- it is held within a business model whose objective is to hold assets in order to collect contractual cash flows.
- the contractual terms of the financial asset represents contractual cash flows that are solely payments of principal and interest.

On initial recognition, the Company makes an irrevocable election on an instrument-by-instrument basis to present the subsequent changes in fair value in other comprehensive income pertaining to investments in equity instruments, other than equity investments which are held for trading.

Subsequently, they are measured at fair value with gains and losses arising from changes in fair value recognised in other comprehensive income and accumulated in the 'Reserve for equity instruments through other comprehensive income'. The cumulative gain or loss is not reclassified to profit or loss on disposal of the investments.

(iii) Financial Assets at Fair Value through Profit and Loss (FVTPL)

Investments in equity instruments are classified as at FVTPL, unless the Company irrevocably elects on initial recognition to present subsequent changes in fair value in other comprehensive income for investments in equity instruments which are not held for trading.

Other financial assets are measured at fair value through profit or loss unless it is measured at amortised cost or at fair value through other comprehensive income on initial recognition. The transaction costs directly attributable to the acquisition of financial assets and liabilities at fair value through profit or loss are immediately recognised in the statement of profit and loss.

(iv) Investment in Subsidiaries, Jointly Controlled Entities and Associates

Investment in subsidiaries, jointly controlled entities and associates are measured at cost less impairment as per the Ind AS 27 -Separate Financial Statements.

Impairment of investments:

The Company reviews carrying value of investments carried at cost or amortised cost annually, or more frequently when there is indication for impairment. If the recoverable amount is less than its carrying amount, the impairment loss is accounted for.

(c) Derecognition of financial assets

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognized (i.e. removed from the Company's balance sheet) when:

- The rights to receive cash flows from the asset have expired, or
- The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognize the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognizes an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

Notes to the Consolidated Financial Statements for the year ended 31 March 2020

On derecognition of a financial asset, the difference between the carrying amount of the asset (or the carrying amount allocated to the portion of the asset derecognised) and the sum of (i) the consideration received (including any new asset obtained less any new liability assumed) and (ii) any cumulative gain or loss that had been recognised in the OCI is recognised in profit or loss.

(d) Impairment of financial assets

The Company assesses the expected credit losses associated with its assets carried at amortised cost and FVOCI debt instrumentson a forward-looking basis. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

With regard to trade receivable, the Company applies the simplified approach as permitted by the Ind AS 109, Financial Instruments, which requires expected lifetime losses to be recognized from the initial recognition of the trade receivables.

For all other financial assets, expected credit losses are measured at an amount equal to the 12 month expected credit losses or at an amount equal to the life time expected credit losses if the credit risk on the financial assets has increased significantly since initial recognition.

(B) Financial liabilities

(a) Initial recognition and measurement

Financial liabilities are classified at initial recognition as financial liabilities at fair value through profit or loss or amortised cost, as appropriate.

All financial liabilities are recognised initially at fair value andin the case of amortised cost, net of directly attributable transaction costs.

(b) Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

(i) Financial Liabilities measured at amortised cost

After the initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by considering any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss.

(ii) Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term.

Gains or losses on liabilities held for trading are recognised in the profit or loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in the Ind AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk are recognized in the OCI. These gains/ losses are not subsequently transferred to the statement of profit and loss. However, the group may transfer the cumulative gain or loss within equity. All the other changes in fair value of such liability are recognised in the statement of profit or loss.

(c) Derecognition of financial liabilities

The Company derecognises a financial liability when its contractual obligations are discharged or cancelled or expire.

(C) Modifications of financial assets and financial liabilities

Financial assets

If the terms of a financial asset are modified, the Company evaluates whether the cash flows of the modified asset are substantially different. If the cash flows are substantially different, then the contractual rights to cash flows from the original financial asset are deemed to have expired. In this case, the original financial asset is derecognised, and a new financial asset is recognised at fair value.

If the cash flows of the modified asset carried at amortised cost are not substantially different, then the modification does not result in derecognition of the financial asset. In this case, the Company recalculates the gross carrying amount of the financial asset and recognises the amount arising from adjusting the gross carrying amount as a modification gain or loss in profit or loss. If such a modification is carried out because of financial difficulties of the borrower, then the gain or loss is presented together with impairment losses. In other cases, it is presented as interest income.

Financial liabilities

The Company derecognises a financial liability when its terms are modified, and the cash flows of the modified liability are substantially different. In this case, a new financial liability based on the modified terms is recognised at fair value. The difference between the carrying amount of the financial liability extinguished and the new financial liability with modified terms is recognised in profit or loss.

ix. Inventories

Raw material, stores and spares are valued at lower of cost or net realizable value. Cost of raw material is determined on first-in, first-out principle for respective agreements of LNG.

Cost of stores and spares is determined on weighted average cost.

x. Revenue Recognition

The Company earns revenue primarily from providing regasification services and sale of RLNG. With effective from 1st April 2018, the Company has applied the Ind AS 115 which establishes a comprehensive framework for determining whether, how much and when revenue is to be recognised. The Company has adopted the Ind AS 115 using the cumulative effect method. The impact of the adoption of the standard on the financial statements of the Company is insignificant

(a) Sale of goods & services

Revenue is recognised upon transfer of control of promised products or services to customers in an amount that reflects the consideration which the Company expects to receive in exchange for those products or services. Revenue is recognised on output basis measured by units of gas dispatched, units of gas processed etc.

- Revenue from the sale of RLNG is recognised at the point in time when control is transferred to the customer at the point of dispatch.
- Revenue from the sale of regassification services is recognised at a point in time when the control of RLNG is transferred to the customers at the point of dispatch.

Revenue is measured based on the transaction price, which is the consideration, adjusted for volume discounts, credits, price concessions and incentives, if any, as specified in the contract with the customer. Revenue also excludes taxes collected from customers.

Contract assets are recognised when there is excess of revenue earned over billings on contracts. Contract assets are classified as unbilled receivables (only act of invoicing is pending) when there is unconditional right to receive cash, and only passage of time is required, as per contractual terms.

The billing schedules agreed with customers include periodic performance-based payments and / or milestone-based progress payments. Invoices are payable within contractually agreed credit period.

The Company disaggregates revenue from contracts with customers by the nature of goods and services.

(b) Interest income

Interest income is recognized using the Effective Interest Rate (‘EIR’) method. The EIR is the rate that exactly 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. The EIR is computed basis the expected cash flows by considering all the contractual terms of the financial instrument. The calculation includes all fees, transaction costs, and all other premiums or discounts paid or received between parties to the contract that are an integral part of the effective interest rate.

(c) Dividend income

Dividend income is recognised, when the right to receive the dividend is established.

Notes to the Consolidated Financial Statements for the year ended 31 March 2020

xi. Foreign currency transactions

(a) Foreign currency transactions are recorded at the exchange rate prevailing on the date of the transaction.

(b) Monetary items denominated in foreign currencies (such as cash, receivables, payables etc.) outstanding at the year end, are translated at exchange rates applicable on year end date.

(c) Non-monetary items denominated in foreign currency(such as fixed assets) are valued at the exchange rate prevailing on the date of transaction and carried at cost.

(d) Any gains or losses arising due to exchange differences arising on translation or settlement are accounted for in the Statement of Profit and Loss.

xii. Employee benefits

a) Short term employee benefits

Short-term employee benefits are expensed as the related service is provided. A liability is recognised for the amount expected to be paid if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

b) Defined contribution plans

Obligations for contributions to defined contribution plans are expensed as the related service is provided. The Company has following defined contribution plans:

a) Provident Fund

b) Superannuation Fund

c) Defined benefit plans

The Company has only one Defined benefit plan - Gratuity. The Company net obligation in respect of defined benefit plan is calculated by estimating the amount of future benefit that employees have earned in the current and prior periods, discounting that amount and deducting the fair value of any plan assets.

The calculation of defined benefit obligations is performed annually by a qualified actuary using the projected unit credit method. When the calculation results in a potential asset for the Company, the recognised asset is limited to the present value of economic benefits available in the form of any future refunds from the plan or reductions in future contributions to the plan. To calculate the present value of economic benefits, a consideration is given to any applicable minimum funding requirements.

Re-measurement of the net defined benefit liabilities, which comprises of actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest), are recognised immediately in Other Comprehensive Income. Net interest expense (income) on the net defined liability (assets) is computed by applying the discount rate, used to measure the net defined liability (asset), to the net defined liability (asset) at the start of the financial year after considering any changes as a result of contribution and benefit payments during the year. Net interest expense and other expenses related to defined benefit plans are recognised in profit or loss.

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service or the gain or loss on curtailment is recognised immediately in profit or loss. The Company recognises gains and losses on the settlement of a defined benefit plan when the settlement occurs.

(d) Other long-term employee benefits

The Company's net obligation in respect of long-term employee benefits is the amount of future benefit that the employees have earned in return for their service in the current and prior periods. That benefit is discounted to determine its present value. Re-measurements are recognised in profit or loss in the period in which they arise.

The Company has following long term employment benefit plans:

Leave encashment

Leave encashment is payable to eligible employees at the time of retirement. The liability for leave encashment is provided based on actuarial valuation as at the Balance Sheet date, based on Projected Unit Credit Method, carried out by an independent actuary.

xiii. Borrowing Cost

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. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use.

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.

xiv. Income tax

Income tax expense comprises current and deferred tax. It is recognised in profit or loss except to the extent that it relates to items recognised directly in equity or in Other Comprehensive Income'

a. Current tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. It is measured using tax rates enacted or substantively enacted at the reporting date.

Current tax assets and liabilities are offset only if, the Company:

a) Has a legally enforceable right to set off the recognised amounts; and

b) Intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

b. Deferred tax

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognised for temporary differences on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit nor loss.

Deferred tax assets are recognised for unused tax losses, unused tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be used. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised; such reductions are reversed when the probability of future taxable profits improves.

Unrecognized deferred tax assets are reassessed at each reporting date and recognised to the extent that it has become probable that future taxable profits will be available against which they can be used.

Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, using tax rates enacted or substantively enacted at the reporting date.

The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Company expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset only if:

a) The entity has a legally enforceable right to set off current tax assets against current tax liabilities; and

b) The deferred tax assets and the deferred tax liabilities relate to income taxes levied by the same taxation authority on the same taxable entity.

xv. Interest in Joint Ventures

Interests in joint ventures accounted for using the equity method are recognised at cost.

xvi. Impairment of non-financial assets

At each reporting date, the Company reviews the carrying amounts of its non-financial assets (other than inventories and deferred tax assets) to determine whether there is any indication on impairment. If any such indication exists, then the asset's recoverable amount is estimated.

Notes to the Consolidated Financial Statements for the year ended 31 March 2020

For impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or cash generating units (CGU).

The recoverable amount of an asset or CGU is the greater of its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash flows, discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or CGU.An impairment loss is recognised if the carrying amount of an asset or CGU exceeds its recoverable amount.

Impairment loss in respect of assets other than goodwill is reversed only to the extent that the assets carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

xvii. Provisions

Provisions are recognised when the Company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Provisions are not recognised for future operating losses.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense.

xviii.Segment Reporting

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

The board of directors of Petronet LNG Limited has been identified as being the chief operating decision maker by the Management of the Company. Refer note no. 39 for segment information presented.

xix. Cash and cash equivalents

Cash and cash equivalents comprises of cash at bank and in hand and short-term money market deposits 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 change in value.

xx. Lease Accounting

Ministry of Corporate Affairs ("MCA") through Companies (Indian Accounting Standards) Amendment Rules, 2019 and Companies (Indian Accounting Standards) Second Amendment Rules, has notified Ind AS 116 Leases which replaces the existing lease standard, Ind AS 17 leases, and other interpretations. Ind AS 116 sets out the principles for the recognition, measurement, presentation and disclosure of leases for both lessees and lessors. It introduces a single, on-balance sheet lease accounting model for lessees.

The adoption of this new Standard has resulted in the Company recognising a right-of-use asset and related lease liability in connection with all former operating leases except for leases having a remaining lease term of less than 12 months from the date of initial application.

The Company has adopted Ind AS 116 using modified retrospective approach from 1 April 2019 and has not restated comparatives for the 2018 reporting period. The Company has measured the lease liability at present value of remaining lease payments discounted using the weighted average incremental borrowing rate as at the date of initial application and Right of Use asset is measured at an amount equal to lease liability, adjusted by the amount of any prepaid or accrued lease payments relating to that lease recognized in the balance sheet immediately before the date of initial application.

The Company as a lessee

The Company considers whether a contract is or contains a lease. A lease is defined as 'a contract, or part of a contract, that conveys the right to use an asset (the underlying asset) for a period in exchange for consideration'. To apply this definition, the Company assesses whether the contract meets three key evaluations which are whether:

- the contract contains an identified asset, which is either explicitly identified in the contract or implicitly specified by being identified at the time the asset is made available to the Company
- the Company has the right to obtain substantially all of the economic benefits from use of the identified asset throughout the period of use, considering its rights within the defined scope of the contract
- the Company has the right to direct the use of the identified asset throughout the period of use. The Company assess whether it has the right to direct 'how and for what purpose' the asset is used throughout the period of use.

Measurement and recognition

At lease commencement date, the Company recognises a right-of-use asset and a lease liability in the statement of assets and liabilities. The right-of-use asset is measured at cost, which includes the initial measurement of the lease liability, any initial direct costs incurred by the Company, an estimate of any costs to dismantle and remove the asset at the end of the lease, and any lease payments made in advance of the lease commencement date (net of any incentives received).

The Company depreciates the right-of-use assets on a straight-line basis from the lease commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The Company also assesses the right-of-use asset for impairment when such indicators exist.

At the commencement date, the Company measures the lease liability at the present value of the lease payments unpaid at that date, discounted using the interest rate implicit in the lease if that rate is readily available or the Company's incremental borrowing rate.

Subsequent to initial measurement, the liability will be reduced for payments made and increased for interest. It is re-measured to reflect any reassessment or modification, or if there are changes in in-substance fixed payments.

When the lease liability is re-measured, the corresponding adjustment is reflected in the right-of-use asset, or profit and loss if the right-of-use asset is already reduced to zero.

The Company has elected to account for short-term leases and leases of low-value assets using the practical expedients. Instead of recognising a right-of-use asset and lease liability, the payments in relation to these are recognised as an expense in profit or loss on a straight-line basis over the lease term.

The Company as a lessor

At the inception of the lease the Group classifies each of its leases as either an operating lease or a finance lease. The Company recognises lease payments received under operating leases as income on a straight-line basis over the lease term. In case of a finance lease, finance income is recognised over the lease term based on a pattern reflecting a constant periodic rate of return on the lessor's net investment in the lease. When the Company is an intermediate lessor it accounts for its interests in the head lease and the sub-lease separately. It assesses the lease classification of a sub-lease with reference to the right-of-use asset arising from the head lease, not with reference to the underlying asset. If a head lease is a short-term lease to which the Group applies the exemption described above, then it classifies the sub-lease as an operating lease.

Notes to the Consolidated financial statements for the year ended 31 March 2020

(All amounts are in Rupees lac, unless otherwise stated)

3. Property, plant and equipment

Particulars	Gross Block				Depreciation				Net Block	
	As at 31 March 2019	Additions	Deletions	As at 31 March 2020	As at 31 March 2019	Additions	Deletions	As at 31 March 2020	As at 31 March 2020	As at 31 March 2019
Tangible Assets										
Freehold Land	10,778	-	-	10,778	-	-	-	-	10,778	10,778
Leasehold Land	7,075	-	-	7,075	368	92	-	460	6,615	6,707
Buildings*	49,616	3,312	-	52,928	6,991	1,937	-	8,928	44,000	42,625
Plant & Equipments*	8,45,640	41,422	(3)	8,87,059	1,40,802	39,799	-	1,80,601	7,06,458	7,04,838
Office Equipments	1,105	648	(211)	1,542	425	400	(191)	634	908	680
Furniture & Fixtures	556	104	(44)	616	153	80	(32)	201	415	403
Speed Boat	38	-	-	38	20	5	-	25	13	18
Vehicles	424	166	(48)	542	70	57	(45)	82	460	354
Total	**9,15,232**	**45,652**	**(306)**	**9,60,578**	**1,48,829**	**42,370**	**(268)**	**1,90,931**	**7,69,647**	**7,66,403**

Particulars	Gross Block				Depreciation				Net Block	
	As at 31 March 2018	Additions	Deletions	As at 31 March 2019	As at 31 March 2018	Additions	Deletions	As at 31 March 2019	As at 31 March 2019	As at 31 March 2018
Tangible Assets										
Freehold Land	10,778	-	-	10,778	-	-	-	-	10,778	10,778
Leasehold Land	7,075	-	-	7,075	276	92	-	368	6,707	6,799
Buildings*	49,134	482	-	49,616	5,127	1,864	-	6,991	42,625	44,007
Plant & Equipments*	8,42,028	3,728	(116)	8,45,640	1,02,268	38,582	(48)	1,40,802	7,04,838	7,39,760
Office Equipments	1,057	217	(169)	1,105	271	312	(158)	425	680	786
Furniture & Fixtures	509	80	(33)	556	83	91	(21)	153	403	426
Speed Boat	38	-	-	38	15	5	-	20	18	23
Vehicles	196	255	(27)	424	52	40	(22)	70	354	144
Total	**9,10,815**	**4,762**	**(345)**	**9,15,232**	**1,08,092**	**40,986**	**(249)**	**1,48,829**	**7,66,403**	**8,02,723**

Note:

* Plant & Equipment and Buildings includes Jetty & Trestle having net value of Rs. 77,434 (Dahej Phase 1 & additional Jetty) & Rs. 33,746 (Kochi)). As per concession agreement, the ownership of Jetty & Trestle (Dahej Phase 1) would be transferred to the Gujarat Maritime Board in the year 2035. The additional Jetty at Dahej would also be transferred to Gujarat Maritime Board as per the yet to be executed concession agreement. The ownership of Jetty & Trestle (Kochi) would be transferred to Cochin Port Trust in the year 2039.

Notes to the Consolidated financial statements for the year ended 31 March 2020

(All amounts are in Rupees lac, unless otherwise stated)

4. Capital Work-in-Progress

Particulars	As at 31 March 2019	Additions	Deletions	As at 31 March 2020
Dahej Ph-III 17.5 MMTPA	33,022	-	(33,022)	-
Others	1,799	-	(1,331)	468
Total	**34,821**	**-**	**(34,353)**	**468**

Particulars	As at 31 March 2018	Additions	Deletions	As at 31 March 2019
Dahej Ph-III 17.5 MMTPA	19,919	13,103	-	33,022
Others	2,108	-	(309)	1,799
Total	**22,027**	**13,103**	**(309)**	**34,821**

5. Intangible Assets

Particulars	Gross Block				Depreciation				Net Block	
	As at 31 March 2019	Additions	Deletions	As at 31 March 2020	As at 31 March 2019	Additions	Deletions	As at 31 March 2020	As at 31 March 2020	As at 31 March 2019
Intangible Assets										
Licenses/Softwares	1,168	-	-	1,168	1,063	85	-	1,148	20	105
Total	**1,168**	**-**	**-**	**1,168**	**1,063**	**85**	**-**	**1,148**	**20**	**105**

Particulars	Gross Block				Depreciation				Net Block	
	As at 31 March 2018	Additions	Deletions	As at 31 March 2019	As at 31 March 2018	Additions	Deletions	As at 31 March 2019	As at 31 March 2019	As at 31 March 2018
Intangible Assets										
Licenses/Softwares	1,164	4	-	1,168	925	138	-	1,063	105	239
Total	**1,164**	**4**	**-**	**1,168**	**925**	**138**	**-**	**1,063**	**105**	**239**

Notes to the Consolidated financial statements for the year ended 31 March 2020

(All amounts are in Rupees lac, unless otherwise stated)

6. Right to Use Asset

Particulars	Gross Block				Depreciation				Net Block
	As at 01 April 2019*	Additions	Adjustment / Deletion	As at 31 March 2020	As at 01 April 2019	Additions	Deletions	As at 31 March 2020	
Land	4,737	-	8,414	13,151	-	177	-	177	12,974
Building	1,323	-	(71)	1,252	-	186	-	186	1,066
Ship	3,76,837	-	(6,930)	3,69,907	-	34,795	-	34,795	335,112
Total	**3,82,897**	**-**	**1,413**	**3,84,310**	**-**	**35,158**	**-**	**35,158**	**349,152**

* Adoption of Ind AS 116

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Notes to the Consolidated Financial Statements for the year ended 31 March 2020

(All amounts are in Rupees lac, unless otherwise stated)

		As at 31 March 2020	As at 31 March 2019
7	**Investments in Joint Ventures**		
	Investment in equity instruments (fully paid-up) (Unquoted at cost)		
	9,00,00,000 Equity Shares (previous year 9,00,00,000) of Rs. 10 each, fully paid up in Adani Petronet (Dahej) Port Pvt. Ltd.	22,507	21,618
	1,10,36,558 Equity Shares (previous year 1,10,36,558) of USD 1 each (INR equivalent Rs. 67.40 each), fully paid up in India LNG Transport Co (No 4) Pvt Ltd. (Pledged with Sumitomo Mitsui Banking Corporation)	10,726	11,271
		33,233	**32,889**
	Aggregate book value of quoted investments	**NIL**	**NIL**
	Aggregate book value of un-quoted investments	**33,233**	**32,889**

Interests in Joint venture (equity accounted)

A. Adani Petronet (Dahej) Port Pvt. Ltd. ('APPPL') is a joint venture in which the Company has joint control and a 26% ownership interest. It is one of the Company's strategic investments and is principally engaged in managing a Solid Cargo Port. The Solid Cargo Port is faciliating import/export of bulk products like coal, steel and fertilizer etc since August 2010 at Dahej Port, India.

APPPL is structured as a separate vehicle and the Company has a residual interest in the net assets of APPPL. Accordingly, the Company has classified its interest in APPPL as a joint venture.

B. India LNG Transport Co (No 4) Pvt. Ltd. ('ILT4') is joint venture in which the Company has joint control and a 26% ownership interest. It is one of the Company's strategic investments and is primarily engaged in transportation of LNG from Gorgon, Australia to Kochi & Dahej terminals through a cargo vessel. The joint venture has the principal place of business in Singapore.

ILT4 is structured as a separate vehicle and the Company has a residual interest in the net assets of ILT4. Accordingly, the Company has classified its interest in ILT4 as a joint venture.

Since both the joint venture companies are unlisted, the quoted market price is not available.

Summarised financial information for joint ventures

A. The following table summarises the financial information of APPPL as included in its own financial statements, adjusted for fair value adjustments at acquisition and differences in accounting policies. The table also reconciles the summarised financial information to the carrying amount of the Company's interest in APPPL.

	APPPL	
	31 March 2020	31 March 2019
Percentage ownership interest	**26%**	**26%**
Non-current assets	1,07,586	1,07,175
Current assets (including cash and cash equivalents)	9,953	16,818
Non-current liabilities	(20,564)	(24,369)
Current liabilities	(9,440)	(15,510)
Net assets (100%)	**87,535**	**84,114**
Company's share of net assets (26%)	22,759	21,870
Adjustment on account of deemed cost exemption taken by Company	(252)	(252)
Carrying amount of interest in joint venture	**22,507**	**21,618**

Notes to the Consolidated Financial Statements for the year ended 31 March 2020

(All amounts are in Rupees lac, unless otherwise stated)

	For the year ended	
	31 March 2020	**31 March 2019**
Revenue	32,889	42,102
Depreciation and amortisation	7,314	6,860
Interest income	115	656
Interest expense	3,372	5,733
Income tax expense	1,363	(5,868)
Profit/ (loss) from continuing operations	7,772	21,190
Other comprehensive income	(177)	(202)
Total comprehensive income	7,595	20,988
Company's share of profit/ (loss) from continuing operations (26%)	**2,020**	**5,509**
Company's share of other comprehensive income (26%)	**(46)**	**(53)**
Company's share of total comprehensive income (26%)	**1,974**	**5,456**
Dividends received by the Company	900	450

B. The following table summarises the financial information of ILT4 as included in its own financial statements, adjusted for fair value adjustments at acquisition and differences in accounting policies. The table also reconciles the summarised financial information to the carrying amount of the Company's interest in ILT4.

	ILT4	
	31 Dec 2019	**31 Dec 2018**
Percentage ownership interest	**26%**	**26%**
Non-current assets	1,31,010	1,33,907
Current assets (including cash and cash equivalents	17,497	13,277
Non-current liabilities	(1,12,301)	(1,10,316)
Current liabilities	(8,422)	(6,986)
Net assets (100%)	**27,784**	**29,882**
Company's share of net assets (26%)	7,224	7,769
Goodwill	3,502	3,502
Carrying amount of interest in joint venture	**10,726**	**11,271**

	For the year ended	
	31 Dec 2019	**31 Dec 2018**
Revenue	16,671	18,823
Depreciation and amortisation	3,792	3,920
Interest income	-	-
Interest expense	6,392	7,074
Income tax expense	-	-
Profit/ (loss) from continuing operations	(2,097)	9,437
Other comprehensive income	-	-
Total comprehensive income	(2,097)	9,437
Company's share of profit/ (loss) from continuing operations (26%)*	**(545)**	**2,454**
Company's share of other comprehensive income (26%)	**-**	**-**
Company's share of total comprehensive income (26%)	**(545)**	**2,454**
Dividends received by the Company	**-**	**-**

ILT4 prepares its financials on calender year basis and its financials for the period 1 January 2020 to 31 March 2020 are not available. No material transaction has happened during the quarter which requires significant adjustment.

Notes to the Consolidated Financial Statements for the year ended 31 March 2020

(All amounts are in Rupees lac, unless otherwise stated)

		As at 31 March 2020	As at 31 March 2019
8	**Investments**		
	Investments carried at fair value through profit and loss account (Unquoted)		
	Investment in equity instruments (fully paid-up)		
	300 Ordinary Shares (previous year 300) of US$ 1 each, fully paid up in India LNG Transport Company (No. 3) Limited, Malta (Rs. 13,476) (Pledged with Sumitomo Mitsui Banking Corporation)	0.13	0.13
		0.13	**0.13**
	Aggregate book value of quoted investments	NIL	NIL
	Aggregate book value of un-quoted investments	0.13	0.13
9	**Loans**		
	Unsecured, considered good		
	Loan to related parties	-	533
	Loan to others	2,231	1,959
		2,231	**2,492**
10	**Other non-current financial assets**		
	Unsecured, considered good		
	Security deposits		
	- with Government authorities	199	964
	- with Others	209	202
	Employee advances	29	37
	Balances with banks in deposit accounts having remaining maturity more than 1 year	5,000	80,200
		5,437	**81,403**
11	**Income tax assets (net)**		
	Advance tax (Net of Provision for Income Tax)	13,065	3,310
		13,065	**3,310**
12	**Other non-current assets**		
	Unsecured, considered good		
	Capital advances	-	418
	Taxes and Duties recoverable (Refer note 38B - d,g,h)	8,555	6,913
		8,555	**7,331**
13	**Inventories**		
	Raw materials *	40,667	30,814
	Raw materials in transit	-	18,612
	Stores and spares	7,296	7,471
	Stores and spares in transit	126	47
		48,089	**56,944**

(Refer note 2(ix) on valuation)

** Inventory has been marked down due to change in the market value as on the Balance Sheet date. The same has resulted into decrease in valuation of inventory and profit for the year ended 31 March 2020 by Rs 4,500 lac (Previous year Rs 11,900 lac).*

Notes to the Consolidated Financial Statements for the year ended 31 March 2020

(All amounts are in Rupees lac, unless otherwise stated)

		As at 31 March 2020	As at 31 March 2019
14	**Current financial investments**		
	Investments carried at fair value through profit and loss account (Quoted)		
	Mutual funds	18,467	82,489
		18,467	**82,489**
	Aggregate book value of quoted investments	18,467	82,489
	Aggregate book value of un-quoted investments	Nil	Nil
15	**Trade receivables**		
	Unsecured and considered good		
	-from related parties	1,51,427	1,32,315
	-from others	8,830	5,930
	Unsecured and considered credit impaired		
	-from related parties	178	4,109
	Less: Allowances for doubtful receivables	(178)	(4,109)
		1,60,257	**1,38,245**
16	**Cash and cash equivalents**		
	Balance with banks:		
	- In current account	828	108
	- In term deposits (with original maturity of less than 3 months)	96,774	22,550
	Cash in hand	0.2	0.4
		97,602	**22,658**
17	**Other bank balances**		
	In term deposits (with maturity of more than 3 months but less than 12 months)	3,44,080	2,72,200
	In earmarked accounts		
	- Unclaimed dividend account	1,519	1,170
		3,45,599	**2,73,370**
18	**Other current financial assets**		
	Interest accrued on term deposits	13,101	9,828
	Unbilled Revenue*	17,751	7,537
		30,852	**17,365**
	***Movement in contract assets during the year**		
	Balance at the beginning of the year	7,537	4,972
	Revenue recognised during the year	17,751	8,954
	Invoices raised during the year	7,537	6,389
	Balance at the end of the year	**17,751**	7,537

Notes to the Consolidated Financial Statements for the year ended 31 March 2020

(All amounts are in Rupees lac, unless otherwise stated)

	As at 31 March 2020	As at 31 March 2019
19 Other current assets		
Advances to vendors	1,765	3,728
Taxes and duties recoverable	727	339
Prepaid expenses	1,513	1,012
Other Miscellaneous Advances	11	30
	4,016	**5,109**

20 Share capital

Authorised:		
3,00,00,00,000 (31 March 2019 - 3,00,00,00,000) equity shares of Rs.10/- each	3,00,000	3,00,000
Issued, subscribed & fully paid up:		
1,50,00,00,088 (31 March 2019 - 1,50,00,00,088) equity Shares of Rs.10/- each	1,50,000	1,50,000
	1,50,000	**1,50,000**

a. **Terms and rights attached to equity shares**

The Company has only one class of equity shares each having a par value of Rs. 10/- per share. They entitle the holder to participate in dividend and to share in the proceeds of winding up of the company in proportion to the number of and amounts paid on the shares held. Every holder of equity shares present at a meeting in person or by proxy, is entitled to one vote per share.

b. The Company declares and pays dividend in Indian Rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

c. **Reconciliation of number of shares outstanding at the beginning and end of the year :**

	Number of Shares	Amount
Outstanding at the 31 March 2019	1,50,00,00,088	1,50,000
Equity Shares issued during the year in consideration for cash	-	-
Equity Shares issued during the year in consideration other than cash	-	-
Outstanding at the 31 March 2020	**1,50,00,00,088**	**1,50,000**

d. **Shareholders holding more than 5% shares in the company**

	As at 31 March 2020		As at 31 March 2019	
	No. of Shares	**Percentage**	**No. of Shares**	**Percentage**
Promoters' Holding				
Bharat Petroleum Corporation Ltd.	18,75,00,000	12.5%	18,75,00,000	12.5%
GAIL (India) Ltd.	18,75,00,000	12.5%	18,75,00,000	12.5%
Indian Oil Corporation Ltd.	18,75,00,000	12.5%	18,75,00,000	12.5%
Oil & Natural Gas Corporation Ltd.	18,75,00,000	12.5%	18,75,00,000	12.5%

Notes to the Consolidated Financial Statements for the year ended 31 March 2020

(All amounts are in Rupees lac, unless otherwise stated)

21	Other equity	As at 31 March 2020	As at 31 March 2019
a.	**Debenture redemption reserve**		
	Balance at the beginning of the year	15,000	19,500
	Addition/ (Deduction) during the year	(15,000)	(4,500)
	Balance at the end of the year	**-**	**15,000**
b.	**General reserve**		
	Balance at the beginning of the year	72,800	72,800
	Add: Transfer from surplus balance in the statement of Profit & Loss	-	-
	Balance at the end of the year	**72,800**	**72,800**
c.	**Retained earnings**		
	Balance at the beginning of the year	7,85,591	7,38,959
	Add: Profit for the year after taxation as per statement of Profit and Loss	2,70,335	2,23,056
	Less: Transfer to/(from) debenture redemption reserves	15,000	4,500
	Less: Dividend on equity shares	(1,50,000)	(1,50,000)
	Less: Dividend distribution tax on equity shares	**(31,018)**	**(30,924)**
		8,89,908	**7,85,591**
d.	**Remeasurement of defined benefit plans**		
	Balance at the beginning of the year	(333)	(130)
	Addition during the year	(283)	(203)
	Balance at the end of the year	**(616)**	**(333)**
	Total Equity (a+b+c+d)	**9,62,092**	**8,73,058**

Dividend	For the year ended 31 March 2020	For the year ended 31 March 2019
Cash dividend on equity shares declared and paid :		
Final dividend for the year ended 31 March 2019 Rs. 4.50 per share (31 March 2018 Rs. 4.50 per share)	67,500	67,500
Dividend Distribution tax on final dividend	13,875	13,875
Interim dividend paid during the year ended 31 March 2020 Rs. 5.50 per share (31 March 2019 Rs. 5.50 per share)	82,500	82,500
Dividend Distribution tax on interim dividend	16,958	16,958
	1,80,833	**1,80,833**
Proposed Dividends on Equity Shares :		
Proposed dividend for the year ended 31 March 2020 Rs. 7 per share (31 March 2019: Rs. 4.50 per share)	1,05,000	67,500
Dividend Distribution tax on final dividend	-	13,875
	1,05,000	**81,375**

Proposed dividend on equity shares are subject to the approval at the annual general meeting and have not been recognised as liabilities.

Notes to the Consolidated Financial Statements for the year ended 31 March 2020

(All amounts are in Rupees lac, unless otherwise stated)

	As at 31 March 2020	As at 31 March 2019
22 Borrowings		
Term loans (Secured)		
- From other than bank	6,441	10,130
	6,441	10,130
Less: Interest accrued	(2)	(10)
	6,439	**10,120**

a. Non-Convertible Bonds Series II-2014 are unsecured, non convertible debenture which were repaid at par in October 2019

Term of repayment and interest are as follows :

Loan From	Repayment Terms	Year of Maturity	Effective Rate of Interest p.a.	Carrying Amount As at 31 March 2020	Carrying Amount As at 31 March 2019
Series II - 2014 (Option 2)	Bullet	2019	9.05%	-	62,321
				-	**62,321**
Less: Interest accrued but not due on borrowings				-	(2,321)
Less : Shown in current maturities of Long term debt				-	(60,000)
Balance shown as above				**-**	**-**

b. Term Loans are secured by first ranking mortgage and first charge on pari passu basis on all movable and immovable properties, both present and future including current assets except on trade receivables on which second charge is created on pari passu basis.

Term of repayment and interest are as follows :

Loan From	Repayment Terms	Year of Maturity	Effective Rate of Interest p.a.	Carrying Amount As at 31 March 2019	Carrying Amount As at 31 March 2018
IFC (Washington)	Half yearly	2022	7.85%	10,122	13,350
				10,122	**13,350**
Less: Interest accrued but not due on borrowings				(2)	(10)
Less : Shown in current maturities of Long term debt				(3,681)	(3,220)
Balance shown as above				**6,439**	**10,120**

23 Lease Liability		
Lease Liability (See note no 2(xx) and 41)	3,33,902	-
	3,33,902	**-**
24 Long-term provisions		
Provision for employee benefits		
- Compensated Absences (Refer note 43(iii))	1,486	1,108
	1,486	**1,108**

Notes to the Consolidated Financial Statements for the year ended 31 March 2020

(All amounts are in Rupees lac, unless otherwise stated)

25 Income Tax	For the year ended 31 March 2020	For the year ended 31 March 2019
A Income Tax Expenses		
i) Amounts recognised in profit or loss		
Current tax expense		
Current year	86,000	78,950
Adjustment for prior years	-	(1)
	86,000	**78,949**
Deferred tax expense		
Changes in recognised temporary differences	(44,695)	28,866
	(44,695)	**28,866**
Total Tax Expense	**41,305**	**1,07,815**
ii) Deferred Tax related to items recognised in Other Comprehensive Income		
Remeasurements of defined benefit liability	80	80
	80	**80**

iii) Reconciliation of effective tax rate

	Rate	Amount	Rate	Amount
Profit before tax from continuing operations (ex. share of profit of Equity accounted investee)	25.17%	3,10,165	34.94%	3,22,908
Tax using the Company's domestic tax rate		78,062		1,12,837
Tax effect of:				
Non-deductible expenses	0.20%	620	0.07%	220
Tax-exempt income			-1.62%	(5,242)
Impact on deferred tax due to decrease in future tax rate*	-12.05%	(37,377)	-	-
Total Tax Expenses	**13.32%**	**41,305**	**33.39%**	**1,07,815**

*The Company has elected to exercise the option of lower tax rate of 25.17% under Section 115BAA of the Income Tax Act, 1961 as introduced by the Taxation Laws (Amendment) Ordinance, 2019. Accordingly, the tax provision for the current year has been made at such lower rate and further deferred tax liabilities (net) (DTL) as at 31st March 2019 has been remeasured at the new applicable rate and resultant impact of Rs 374 Crore on DTL has been recognised in the current financial year.

Notes to the Consolidated Financial Statements for the year ended 31 March 2020

(All amounts are in Rupees lac, unless otherwise stated)

B Deferred Tax Liabilities (Net)

Movement in deferred tax balances

	As at 31 March 2019	Recognized in P&L	Recognized in OCI	As at 31 March 2020
Deferred Tax Assets				
Employee benefits	433	(113)	80	400
Trade receivables	1,436	(1,391)	-	45
Sub- Total (a)	**1,869**	**(1,504)**	**80**	**445**
Deferred Tax Liabilities				
Right to Use Asset	-	(12,573)	-	(12,573)
Property, plant and equipment	1,35,369	(33,589)	-	1,01,780
Current Investments	103	(105)	-	(2)
Others	-	69	-	69
Sub- Total (b)	**1,35,472**	**(46,198)**	**-**	**89,274**
Net Deferred Tax Liability (b)-(a)	**1,33,603**	**(44,694)**	**(80)**	**88,829**

	As at 31 March 2018	Recognized in P&L	Recognized in OCI	As at 31 March 2019
Deferred Tax Assets				
Employee benefits	294	59	80	433
Loans and borrowings	3,397	(3,397)	-	-
Trade receivables	1,436	-	-	1,436
MAT Credit Entitlement / (Utilisation)	24,760	(24,760)	-	-
Sub- Total (a)	**29,887**	**(28,098)**	**80**	**1,869**
Deferred Tax Liabilities				
Property, plant and equipment	1,28,030	7,339	-	1,35,369
Derivatives	3,345	(3,345)	-	-
Current Investments	3,329	(3,226)	-	103
Sub- Total (b)	**1,34,704**	**768**	**-**	**1,35,472**
Net Deferred Tax Liability (b)-(a)	**1,04,817**	**28,866**	**(80)**	**1,33,603**

Notes to the Consolidated Financial Statements for the year ended 31 March 2020

(All amounts are in Rupees lac, unless otherwise stated)

		As at 31 March 2020	As at 31 March 2019
26	**Other non-current liabilities**		
	Revenue received in advance*		
	- from related parties (See Note No 44)	71,650	77,251
	- from others	29,931	31,358
		1,01,581	**1,08,609**

* The Company has entered into long term agreements for 20 years for providing LNG regasification services (w.e.f. Sept' 2016) by allocating 7 MMTPA out of the total regasification capacity from its Dahej terminal. The advance received by the Company is adjustable against charges on regasification service during the course of the agreement.

	Contracts liability		
	Non-Current Portion of Contracts liability (note 26)	1,01,581	1,08,609
	Current Portion of Contracts liability (note 28)	17,581	10,874
	Total	**1,19,162**	**1,19,483**
	Movement in Contracts liability (Current and Non Current)		
	Balance at the beginning of the year	1,19,483	1,31,870
	Revenue recognised during the year	10,874	12,387
	Advance received during the year	10,553	-
	Balance at the end of the year	**1,19,162**	**1,19,483**
27	**Other current financial liability**		
	Current maturities of long-term debt (other parties)	3,681	63,220
	Lease Liability (See note no 2(xx) and 41)	59,291	-
	Interest accrued but not due on borrowings	2	2,331
	Unpaid dividend	1,519	1,170
	Other payables for:		
	- Capital goods	8,447	1,679
	- Security deposits / Retention money	188	136
		73,128	**68,536**
28	**Other Current Liabilities**		
	Statutory dues	31,566	36,067
	Revenue received in advance		
	- related parties (Refer note No 44)	10,051	7,030
	- others	7,530	3,844
	Other payables	1,667	1,760
		50,814	**48,701**
29	**Short-term provisions**		
	Provision for employee benefits		
	- Gratuity (Refer note 43)	-	26
	- Compensated Absences (Refer note 43)	101	106
	- Incentives	1,711	1,543
		1,812	**1,675**

Notes to the Consolidated Financial Statements for the year ended 31 March 2020

(All amounts are in Rupees lac, unless otherwise stated)

		For the year ended 31 March 2020	For the year ended 31 March 2019
30	**Revenue from operations**		
	Sale of RLNG*	33,11,815	36,61,981
	Regasification services	2,26,387	1,68,903
	Other operating revenues	6,998	8,659
		35,45,200	**38,39,543**

* In view of expected increase in capacity utilisation at Kochi terminal, the customers of the Company are asking for lower regasification tariff for Kochi Terminal w.e.f. 1st April 2019. The Company is in discussion with its customers for volumes tied up with respect to the said terminal and pending the finalisation of tariff the Company has recognised revenue on the basis of offered regasification tariff. The management is confident that revised price will not be materially different from the offered tariff and there will not be any material financial impact on the Company on account of revision of regasification tariff for Kochi Terminal.

		For the year ended 31 March 2020	For the year ended 31 March 2019
31	**Other Income**		
	Interest income from financial assets measured at amortised cost		
	- on bank deposits	27,416	14,350
	- on shareholders' loan	196	202
	Other Interest Income	2	1
	Gain on sale/fair value of Investments	5,942	18,370
	Foreign exchange fluctuations (net)	-	9,950
	Excess provision/ liability written back	487	5
	Miscellaneous income	2,314	1,701
		36,357	**44,579**
32	**Cost of materials consumed**		
	Opening Stock of LNG	30,814	21,955
	Add: Purchases	30,59,447	34,50,554
	Less: Closing Stock of LNG	40,667	30,814
		30,49,594	**34,41,695**
33	**Employee benefits expense**		
	Salaries and wages	10,789	10,616
	Contribution to provident and other funds	1,181	1,190
	Staff welfare expenses	606	781
		12,576	**12,587**
34	**Finance cost**		
	Interest on long term loans	4,066	9,167
	Interest on short term loans	124	-
	Other borrowing costs	845	725
	Interest on Lease Commitments	35,285	
		40,320	**9,892**

Notes to the Consolidated Financial Statements for the year ended 31 March 2020

(All amounts are in Rupees lac, unless otherwise stated)

		For the year ended 31 March 2020	For the year ended 31 March 2019
35	**Depreciation and amortisation expense**		
	Depreciation on tangible assets	42,370	40,986
	Amortisation on intangible assets	85	138
	Amortisation on ROU assets	35,158	-
		77,613	**41,124**
36	**A) Other expenses**		
	Stores and spares consumed	2,619	2,237
	Power and fuel	23,136	21,466
	Repairs and maintenance:		
	- Buildings	502	376
	- Plant and machinery	1,123	1,094
	- Others	165	127
	Dredging expenses	3,463	3,705
	Rent	558	1,188
	Rates and taxes	1,978	1,618
	Insurance	1,282	1,128
	Travelling and conveyance	1,606	1,755
	Legal, professional and consultancy charges	1,829	2,214
	Foreign exchange fluctuations (net)	27,645	-
	Fair value losses on derivatives not designated as hedges	-	9,573
	Directors' sitting fees	24	12
	Loss on sale/ write off of property, plant and equipment (net)	5	76
	Corporate social responsibility (Refer note 43)	11,625	721
	Others expenses	6,523	8,626
	Total	**84,083**	**55,916**
	B) Exceptional Items		
	Lease Rent Arrears *	7,206	-
		7,206	**-**

* To secure against future escalation in lease rent for the Kochi LNG Terminal and also to settle ongoing litigations with the Cochin Port Trust (CPT), the Company had entered into one-time settlement of lease rent to CPT (for the period from 2010 to 2039). In accordance with the onetime settlement, expense of Rs 7206 lac (amount up to 31st March, 2019) has been recognised during the current year as an exceptional item.

37	**Earning per share (EPS)**		
	Profit/ (loss) for the period	2,70,335	2,23,056
	Weighted average number of equity shares of Rs. 10/- each (In lac)	15,000	15,000
	EPS - Basic and Diluted (Rs)	18.02	14.87

Notes to the Consolidated Financial Statements for the year ended 31 March 2020

(All amounts are in Rupees lac, unless otherwise stated)

38 Contingent liabilities, contingent assets and commitments

A. Commitments

a. Estimated amount of contracts remaining to be executed on capital account (net of advances) and not provided for Rs. NIL (as on 31 March 2019 Rs. 7,557 lac).

b. The Company has entered into following long term LNG purchase agreements:

a. 7.5 MMTPA with Ras Laffan Liquified Natural Gas Company Limited (2), Qatar for a period upto April 2028.

b. 1.44 MMTPA with Mobil Australia Resources Company PTY Ltd, who have commenced supply since January 2017 for a period upto 2035.

Since the Company has entered into materially back to back sale agreements against the above purchase agreements, there is no foreseeable loss on these agreements as on the balance sheet date. The Company has issued Standby Letter of Credit of Rs. 4,31,924 lac (Rs.4,05,184 lac as on 31 March 2019) to Ras Laffan Liquified Natural Gas Company Limited (2) and Rs. 78,334 lac (Rs 72,007 lac as on 31 March 2019) to Mobil Australia Resource Company PTY Ltd against the Long Term Purchase Agreements.

B. Contingent Liabilities

In the ordinary course of business, the Company faces claims and assertions by various parties. The Company assesses such claims and assertions and monitors the legal environment on an ongoing basis with the assistance of internal legal team. The Company records a liability for any claims where a potential loss is probable and capable of being estimated and discloses such matters in its financial statements, if material. For potential losses that are considered possible, but not probable, the Company provides disclosure in the financial statements but does not record a liability in its accounts unless the loss becomes probable.

The following is a description of claims and assertions where a potential loss is possible, but not probable. The Company believes that none of the contingencies described below would have a material adverse effect on the Company's financial condition, results of operations or cash flows.

a. The Collector of Electricity Duty, Gandhinagar (Gujarat) had issued notices classifying the business activities of the Company as "Storage (HTP-IIA)" instead of "Industrial Undertaking (HTP I)" and hence levied Electricity Duty @ 45% (revised rates @25%) instead of 20% (Revised rate @15%) of the consumption charges. The Company has challenged the legality and validity of the notices by way of writ petitions before the Hon'ble High Court of Gujarat who had quashed the supplementary bill/demand notice and remanded the case back to the Collector of Electricity Duty vide order dated 1 July 2014. The Company has made its submissions before the Collector of Electricity Duty, Gandhinagar and the order is awaited. The total demand till 31 March, 2020 is Rs. 6,156 lac (as on 31 March 2019 Rs. 5,439 lac).

b. The Collector of Stamps, Bharuch had issued notice to the Company to pay stamp duty @ Re.1 per Rs.1000/ or part thereof of the value mentioned in the Delivery Order of the goods imported through ports in Gujarat pursuant to the amendment to Section 24 of the Bombay Stamp Act, 1958. The Hon'ble High Court of Gujarat has quashed the notice. Stamp authorities have filed Special Leave Petition (SLP) in Hon'ble Supreme Court against the same and the case is pending as on 31 March 2020. The potential liability from the effective date of amendment i.e. 1 April 2006 till 31 March 2020 on the CIF value would be Rs. 27,673 lac (Previous year till 31 March 2019 is Rs. 24,956 lac).

c. The Company has received refund of Rs. 112 lac, Rs. 284 lac and Rs. 346 lac from Customs department vide CESTAT order dated 7 November 2013, 9 September 2011 and 31 May 2010 respectively mainly pertaining to custom duty on short landing of LNG. The Custom Authorities have filed appeal against the order of the CESTAT with the Hon'ble High court of Gujarat and the outcome of the case is pending as on 31 March 2020.

d. Taxes and duties recoverable includes custom duty recoverable amounting to Rs. 959 lac relating to short landing of LNG under spot purchase agreement. The company has received favourable order for the above issue from Commissioner (Appeals) and CESTAT. However, the refund of the amount has been denied by department and Commissioner (Appeals) on the ground of time barred refund application. The company had preferred an appeal against the above order with CESTAT, and received a negative order and then filed an WRIT Petition with Gujarat High Court, and the Company has received a positive order. The refund from the Custom Authorities is pending as on 31 March 2020.

Notes to the Consolidated Financial Statements for the year ended 31 March 2020

(All amounts are in Rupees lac, unless otherwise stated)

e. The company had received demand for Service Tax on vessel hire charges for the period 16 May 2008 to 30 September 2009 amounting to Rs. 4,005 lac (including Interest). The Company had paid the demand under protest and preferred an appeal before CESTAT against the above demand and received favourable order on 24 October 2013. The Company had received the refund (including interest), however the department had preferred an appeal against the CESTAT order before the Hon'ble Supreme Court, the outcome of which is pending as on 31 March 2020.

f. The Company has cases pending with Service Tax Department at various levels pertaining to applicability of service tax on charges paid for External Commercial Borrowings. Amount involved in such cases as on 31st March 2020 is Rs. 76 lac (as on 31 March 2019 Rs. 830 lac).

g. The Principal Commissioner of service tax has issued order against the company regarding service tax demand on boil off quantity of LNG during regasification process (for the period April 2009 to March 2015) amounting to Rs.1,780 lac. The company paid the demand under protest amounting to Rs. 3,256 lac (including interest and penalty). Further, the company had suo moto paid service tax and interest amounting to Rs. 2,039 lac under protest for the period April'15 – June'17. The company has preferred an appeal against the demand with CESTAT and has received a favourable order pertaining to the period April 2009 to March 2014. The case pertaining to April 2014 to March 2015 is pending before CESTAT. Refund against the amount deposoited by the company is pending to be received from department as on 31.03.2020.

h. The Company has filed Service Tax Refund Application for services availed in the Special Economic Zone for the LNG Terminal at Kochi, amounting to Rs. 1,652 lac (as on 31 March 2019 Rs.1,652 lac). The Company has received the favourable order from CESTAT for Rs.774 lac, however, Assistance Commissioner has raised further query and refund is pending. For balance Rs. 878 lac, the application is pending as on 31st March 2020 at Assistant Commissioner level.

i. The sales tax department has issued show cause notice dated 11 February 2016 claiming sales tax amounting to Rs. 7,985 lac against the high sea sales transaction made by the company. The reply against the show cause notice was submitted by the company and the matter is pending for adjudication as on date.

j. There are certain claims amounting Rs. 25,131 lac plus interest and cost of arbitration (as on 31 March 2019 Rs. 25,131 lac) made by a Contractor against capital works for which the Company has also made certain counter claims. The claim includes two matters of arbitration amounting to Rs. 10,666 lac plus interest and cost of arbitration and Rs. 14,465 lac plus interest and cost of arbitration respectively. Both the arbitration proceedings are underway and parties are in the process of completing their respective pleadings. As per the terms of the contract, Independent Experts' opinion was sought and as per their determination, net claim of Rs.10,400 lac (including interest of Rs. 5,400 lac) was determined in favour of the contractor. As per the contract, the experts' opinion is not binding on any party and hence the above arbitration proceedings are underway. Pending conclusion of the arbitration and settlement, final amount of the claim is not ascertainable.

k. The Company is eligible for deduction under Section 80IA of the Income Tax Act, 1961, with respect to power generation and port undertakings at Dahej. The assessing officer has disallowed deduction under Section 80-IA of Rs. 7,237 lac for assessment years 2009-10, 2010-11 and 2011-12 against which the Company has received favourable order from CIT(A) for the abovementioned years. The Income tax department has preferred an appeal with ITAT against this order of CIT(A), the outcome of which is pending to be received as on 31 March 2020.

l. There are some income tax related matters which are pending at various forum. The potential liability in these case, as on 31st March 2020 would be Rs. 1,559 lac (Rs. 1,559 lac as on 31 March 2019).

C. Contingent Assets

The Company has no contingent assets as at 31 March 2020 (Rs. Nil as on 31 March 2019).

39 Segment information

Segment information is presented in respect of the company's key operating segments. The operating segments are based on the company's management and internal reporting structure.

Operating Segments

The Company's Board of Directors have been identified as the Chief Operating Decision Maker ('CODM'), since they are responsible for all major decision w.r.t. the preparation and execution of business plan, preparation of budget, planning, expansion, alliance, joint venture, merger and acquisition, and expansion of any new facility. The company has a single operating segment "Natural Gas Business". Accordingly, there is only one Reportable Segment for the Company which is "Natural Gas Business", hence no specific disclosures have been made.

Entity wide disclosures

A. Information about products and services

Company primarily operates in one product line, therefore product wise revenue disclosure is not applicable.

B. Information about geographical areas

The major sales of the Company are made to customers which are domiciled in India. Also, all the assets other than non-current financial assets (investment and loan) of the Company are located in India.

C. Information about major customers (from external customers)

The Company derives revenues from the following customers which amount to 10 per cent or more of an entity's revenues:

Customer	For the year ended 31 March 2020	For the year ended 31 March 2019
GAIL	18,35,078	19,79,058
IOCL	10,03,445	10,26,517
BPCL	4,52,073	5,02,468

40 Information on Covid- 19 Impact

The COVID-19 pandemic, also known as the coronavirus pandemic, is an ongoing pandemic of coronavirus disease 2019 (COVID 19). The pandemic has caused significant social and economic disruption, all over the globe.

The operations of the Company were uninterrupted during the lockdown due to outbreak of COVID-19, as natural gas is declared as one of the essential commodities by the Government of India. The Company's natural gas purchase and sale contracts are largely back to back over long term period. Further, due to the strategic location of the LNG Terminal of the Company at Dahej, Gujarat, it is the most sought-after terminal in India. The Dahej Terminal caters to about 80% of the country's natural gas imports and 40% of the country's natural gas demand. The Kochi Terminal caters to a specific region in the state of Kerala, and is the only source of natural gas in the vicinity. The Company has adopted the best practices for safe and secured operation of the two LNG terminals during the lockdown period.

As per the market assessments at the end of FY 2019-20, the Company is of the view that there would be slowdown in the demand of natural gas in a very short term period during the lockdown, and the demand would bounce back with the gradual easing off of the lockdown. The Company has evaluated the possible effects on the carrying amounts of property, plant and equipment, goodwill, inventory, loans, receivables and debt covenants basis the internal and external sources of information and determined, exercising reasonable estimates and judgements, that the carrying amounts of these assets are recoverable. Considering the above, and the Company's healthy liquidity position, there is no uncertainty in the going concern of the Company and the Company will be able to meet its financial obligations over the foreseeable future.

41 Leases

(a) Nature of leasing activities

The Company has entered into lease arrangements for land, vessels, tugboats and office premises.

(b) Amount Recognised in profit and loss during the year

Particulars	Amount
Short term leases	558
Variable lease payments	12,397
	12,955

Notes to the Consolidated Financial Statements for the year ended 31 March 2020

(All amounts are in Rupees lac, unless otherwise stated)

(c) Future minimum lease payments as on 31 March 2020 are as follows:

Particulars	As on 31 March 2020		
Minimum lease payments due:	**Total Amount Payable against Lease**	**Finance charges**	**Net present values of Lease Liability**
Within 1 year	59,291	(33,083)	26,208
1-2 years	57,980	(30,675)	27,305
2-3years	59,656	(28,156)	31,500
3-4 years	58,437	(25,310)	33,127
4-5 years	59,799	(22,240)	37,559
After 5 years	3,35,598	(98,103)	2,37,494
Total	**6,30,761**	**(2,37,567)**	**3,93,193**

(d) Adjustments recognised on adoption of Ind AS 116

On adoption of Ind AS 116, the Company recognised lease liabilities in relation to leases which had previously been classified as 'operating leases' under the principles of Ind AS 17 Leases. These liabilities were measured at the present value of the remaining lease payments, discounted using the lessee's incremental borrowing rate as of 1 April 2019. The weighted average incremental borrowing rate applied to the lease liabilities on 1 April 2019 was 8.75%.

(i) Reconciliation of total lease commitments as on 31 March 2019 to the lease liabilities recognised at 01 April 2019:

Particulars	Amount
Operating lease commitments disclosed as at 31 March 2019	**5,78,211**
Adjustment to operating lease commitments	
- withholding taxes not considered in operating lease commitments	48,216
- accrued lease liabilities as at 31 March 2019, paid in April 2019	4,400
Operating lease liabilities before discounting	**6,30,827**
Impact of discounting at date of initial application	(2,43,530)
Lease liability recognised as at 1 April 2019	**3,87,297**

(ii) Practical expedients applied

In applying Ind-AS 116 for the first time, the Company has used the following practical expedients permitted by the standard:

(a) the use of a single discount rate to a portfolio of leases with reasonably similar characteristics

(b) reliance on previous assessments on whether leases are onerous

(c) the accounting for operating leases with a remaining lease term of less than 12 months as at 1 April 2019 as short-term leases

(d) For contracts in place at the date of initial application, the Comapany has elected to apply the definition of a lease from Ind AS 17 and has not applied Ind AS 116 to arrangements that were previously not identified as lease under Ind AS 17.

Notes to the Consolidated Financial Statements for the year ended 31 March 2020

(All amounts are in Rupees lac, unless otherwise stated)

42 The information required to be disclosed under the Micro, Small and Medium Enterprises (Development) Act, 2006 has been determined to the extent such parties have been identified on the basis of information available with the company.

(a) the principal amount is Nil (Nil as on 31 March 2019) and the interest is Nil (Nil as on 31 March 2019) due thereon remaining unpaid to any supplier;

(b) the amount of interest is Nil (Nil as on 31 March 2019), paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006 (27 of 2006), along with the amount of the payment made to the supplier beyond the appointed day during each accounting year;

(c) the amount of interest due and payable for the period of delay in making payment is Nil (Nil as on 31 March 2019) (which has been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006;

(d) the amount of interest accrued and remaining unpaid is Nil (Nil as on 31 March 2019) at the end of each accounting year; and

(e) the amount of further interest remaining due and payable Nil (Nil as on 31 March 2019) 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 Micro, Small and Medium Enterprises Development Act, 2006.

43 Employee benefits

The Company contributes to the following post-employment defined benefit plans in India.

(i) Defined Contribution Plans:

The Company makes contributions towards provident fund and superannuation fund to a defined contribution retirement benefit plan for qualifying employees. Under the plan, the Company is required to contribute a specified percentage of payroll cost to the retirement benefit plan to fund the benefits.Contribution to the defined contribution plan, recognised as expenses for the year is as under:

	For the year ended 31 March 2020	For the year ended 31 March 2019
Contribution to Govt. Provident Fund	450	473
Contribution to Superannuation Fund	563	591

(ii) Defined Benefit Plan:

The Company provides for gratuity for employees in India as per the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of 5 years are eligible for gratuity. The amount of gratuity payable on retirement/termination is the employees last drawn basic salary per month computed proportionately for 15 days salary multiplied for the number of years of service. The gratuity plan is a funded plan and the Company makes contributions to Group Gratuity cum Life Assurance Schemes administered by the LIC of India.

The most recent actuarial valuation of plan assets and the present value of the defined benefit obligation for gratuity were carried out as at 31 March 2020. The present value of the defined benefit obligations and the related current service cost and past service cost, were measured using the Projected Unit Credit Method.

A. Based on the actuarial valuation obtained in this respect, the following table sets out the status of the gratuity plan and the amounts recognised in the Company's financial statements as at balance sheet date:

	As at 31 March 2020	As at 31 March 2019
Net defined benefit liability		
Liability for Gratuity	-	26
Total employee benefit liabilities	**-**	**26**
Non-current	-	-
Current	-	26

Notes to the Consolidated Financial Statements for the year ended 31 March 2020

(All amounts are in Rupees lac, unless otherwise stated)

B. Movement in net defined benefit (asset) liability

The following table shows a reconciliation from the opening balances to the closing balances for net defined benefit (asset) /liability and its components:

	31 March 2020			31 March 2019		
	Defined benefit obligation	Fair value of plan assets	Net defined benefit (asset)/ liability	Defined benefit obligation	Fair value of plan assets	Net defined benefit (asset)/ liability
Balance as at 1 April	**1,037**	**(1,011)**	**26**	**695**	**(715)**	**(20)**
Included in profit or loss						
Current service cost	147		147	110	-	110
Interest cost (income)	80	(78)	2	55	(56)	(1)
	227	**(78)**	**149**	**165**	**(56)**	**109**
Included in OCI						
Remeasurements loss (gain)						
– Actuarial loss (gain) arising from:						
- financial assumptions	212	-	212	21	-	21
- experience adjustment	104	1	105	202	7	209
	316	**1**	**317**	**223**	**7**	**230**
Other						
Contributions paid by the employer	-	(492)	(492)	-	(293)	(293)
Benefits paid	(113)	113	-	(46)	46	-
	(113)	**(379)**	**(492)**	**(46)**	**(247)**	**(293)**
Balance as at 31 March	**1,467**	**(1,467)**	**-**	**1,037**	**(1,011)**	**26**

C. Plan assets

	31 March 2020	31 March 2019
Funds Managed by Insurer (investment with insurer)	100%	100%

On an annual basis, an asset-liability matching study is done by the Company whereby the Company contributes the net increase in the actuarial liability to the plan manager in order to manage the liability risk.

D Actuarial assumptions

(a) Economic assumptions

The principal assumptions are the discount rate and salary growth rate. The discount rate is based upon the market yields available on government bonds at the accounting date with a term that matches that of liabilities. Salary increase rate takes into account of inflation, seniority, promotion and other relevant factors on long term basis. Valuation aaumptions are as follows which have been selected by the company.

	31 March 2020	31 March 2019
Discount rate	6.99%	7.69%
Expected rate of future salary increase	6.00%	5.50%

Notes to the Consolidated Financial Statements for the year ended 31 March 2020

(All amounts are in Rupees lac, unless otherwise stated)

b) Demographic assumptions

	31 March 2020	31 March 2019
i) Retirement age (years)	60	60
ii) Mortality rates inclusive of provision for disability	100% of IALM (2012-14)	
iii) Ages	**Withdrawal rate (%)**	**Withdrawal rate (%)**
Upto 30 years	3.00%	3.00%
From 31 to 44 years	2.00%	2.00%
Above 44 years	1.00%	1.00%

E. Maturity Profile of defined benefit obligation:

Year	Amount
Within 1 Year	68
1-2 Year	48
2-3 Year	27
3-4 Year	44
4-5 Year	43
More than 5 Year	1,237

The company expects to contribute Rs.198 lac to gratuity fund during next financial year

F. Sensitivity analysis

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below.

	31 March 2020		31 March 2019	
	Increase	Decrease	Increase	Decrease
Discount rate (0.5% movement)	(93)	102	(62)	68
Expected rate of future salary increase (0.5% movement)	102	(94)	69	(64)

Senstivities due to mortality and withdrawals are not material and hence impact of change not calculated.
Senstivities as to rate of inflation, rate of increase of pensions in payment, rate of increase of pensions before retirement and life expectancy are not applicable being a lump sum benefit on retirement.

(iii) Other long-term employee benefits:

During the year ended 31 March 2020, the Company has incurred an expense on compensated absences amounting to Rs. 620 lac (previous year Rs. 507 lac). The Company determines the expense for compensated absences basis the actuarial valuation using the Projected Unit Credit Method.

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Notes to the Consolidated Financial Statements for the year ended 31 March 2020

(All amounts are in Rupees lac, unless otherwise stated)

44 Related parties

(disclosures as per Ind AS 24)

A. Related parties and their relationships

i. Joint Venturer (Promoters)

Indian Oil Corporation Limited (IOCL)
Bharat Petroleum Corporation Limited (BPCL)
Oil and Natural Gas Corporation Limited (ONGC)
GAIL (India) Limited (GAIL)

Joint Ventures/ Associates in which Joint Venturer is a Venturer

ONGC Petro Additions Limited (OPAL)
Indraprastha Gas Limited (IGL)
Mahanagar Gas Limited (MGL)
Dahej SEZ Limited (DSL)
Hindustan Petroleum Corporation Limited (HPCL)
GSPL India Gasnet Limited (GIGL)

ii. Joint Venture

Adani Petronet (Dahej) Port Pvt. Ltd (APPPL).
India LNG Transport Co (No 4) Pvt. Ltd. (ILT4)

iii. Key Managerial Personnel (KMP)

Dr. M. M. Kutty	Non Executive Chairman
Shri K. D. Tripathi (upto 29th June, 2018)	Non Executive Chairman
Shri Prabhat Singh	MD&CEO
Shri Rajender Singh (upto 19th July, 2019)	Director (Technical)
Shri V. K. Mishra	Director (Finance)
Shri Sanjiv Singh	Nominee Director - IOCL
Shri G. K. Satish (upto 2nd Nov., 2018)	Nominee Director - IOCL
Dr. Ashutosh Karnatak (appointed w.e.f. 7th August, 2019 upto 27th August, 2019, reappointed as Additional Director w.e.f. 29th August, 2019)	Nominee Director - GAIL
Shri B.C. Tripathi (upto 31st July, 2019)	Nominee Director - GAIL
Shri Subir Purkayastha (upto 2nd November, 2018)	Nominee Director - GAIL
Shri Shashi Shanker	Nominee Director - ONGC
Shri D. Rajkumar	Nominee Director - BPCL
Shri Sanjeev Kumar (appointed w.e.f. 4th September, 2019)	Nominee Director - GMB
Dr. T. Natarajan (upto 21st August, 2019)	Nominee Director - GMB
Dr. Jyoti Kiran Shukla	Independent Director
Shri Sidhartha Pradhan	Independent Director
Dr. Siddhartha Shekhar Singh	Independent Director
Shri Sunil Kumar Srivastava	Independent Director
Shri Arun Kumar (appointed w.e.f. 9th April, 2019)	Independent Director

Notes to the Consolidated Financial Statements for the year ended 31 March 2020

(All amounts are in Rupees lac, unless otherwise stated)

iv. Not for Profit Enterprise
Petronet LNG Foundation, a company limited by guarantee (PLF)

B. Transactions with the above in the ordinary course of business

Nature of Transaction	Party Name	For the year ended	
		31 March 2020	31 March 2019
Sale of RLNG	GAIL	17,61,627	19,26,801
	IOCL	9,63,510	9,95,597
	BPCL	4,28,972	4,87,003
	OPAL	15,277	58,794
	ONGC	1,11,632	90,901
	MGL	-	2,787
	HPCL	4,877	2,787
	IGL	2,049	4,394
Regasification Services and Other Services	GAIL	73,451	52,258
	IOCL	39,935	30,920
	BPCL	23,102	15,465
	ONGC	8,903	6,769
	OPAL	-	1
	MGL	1	-
Balance Write Off	GAIL	(3,930)	-
Interest Income	ILT 4	32	34
Contribution to Foundation	PLF	1,620	700
Advance received /(adjusted) against long term regas agreement	GAIL	(3,400)	(3,400)
	IOCL	(2,000)	(1,777)
	BPCL	(1,630)	(1,774)
Loans and Advances given/ (Repaid)	ILT4	(622)	-
Sitting fees/Commission to the Directors (other than whole time directors)	Siddhartha Shekhar Singh	7	1
	Sidhartha Pradhan	12	3
	Sunil Kumar Srivastava	10	1
	Jyoti Kiran Shukla	14	4
	Arun Kumar	3	-
Dividend Received	APPPL	900	450
Recovery of expenses	GAIL	267	4
	IOCL	1	5
	BPCL	2	5
Reimbursement of expense to related party	GAIL	103	33
	BPCL	-	500
Payment of lease and related services	IOCL	526	588
	GAIL	1	2
	BPCL	1	-
	Dahej SEZ	8	93
Remuneration to Key Managerial Personnel			
a) short-term employee benefits		301	237
b) post-employment benefits		43	26
c) other long-term benefits		36	2
Total		**380**	**265**

Notes to the Consolidated Financial Statements for the year ended 31 March 2020

(All amounts are in Rupees lac, unless otherwise stated)

Nature of Transaction	Party Name	As at 31 March 2020	As at 31 March 2019
Amount recoverable at year end	GAIL*	77,873	85,707
	IOCL	34,969	22,738
	BPCL	35,921	15,836
	OPAL	0	2,589
	ONGC	2,696	4,604
	IGL	-	962
	ILT4	-	533
Amount Payable at year end	GAIL	(54)	-
	IOCL	(111)	-
	Dahej SEZ	-	93
Advances Outstanding at year end	GAIL	39,092	42,492
	IOCL	23,747	25,583
	BPCL	16,040	16,206
	OPAL	2,823	-

* The amount recoverable is net of provision for doubtful debts of Rs 178 lac (Rs 4,109 lac as on 31 March 2019)
The transactions were made on normal commercial terms and conditions and at market rates.

45 Remuneration to Auditor (exclusive of taxes)

Particulars	For the year ended	
	31 March 2020	31 March 2019
Statutory Audit Fee (including limited review fees)	22	20
Tax audit and Audit U/s 80IA	7	7
Taxation Services	6	6
Fees for certification	7	7
Reimbursement of expenses	1	1
Total	**43**	**41**

46 Corporate Social Responsibility

a. Amount required to be spent by the Company on Corporate Social Responsibility (CSR) activities during the year was Rs. 5,766 lac (Previous year Rs.4,410 lac)

b. Corporate Social Responsibility (CSR) activities undertaken during the year is Rs. 11,625 lac (Rs.11,625 lac paid in cash) {Previous year Rs.721 lac (Rs.711 lac was paid in cash and Rs.10 lac was unpaid)}

Notes to the Consolidated Financial Statements for the year ended 31 March 2020

(All amounts are in Rupees lac, unless otherwise stated)

47 Financial instruments – Fair values and risk management

I. Fair value measurements

A. Financial instruments by category

	As at 31 March 2020		As at 31 March 2019	
	FVTPL	Amortised Cost	FVTPL	Amortised Cost
Financial assets				
Non-current investments	0.13	-	0.13	-
Loans	-	2,231	-	2,492
Other non-current financial assets	-	5,437	-	81,403
Current investments	18,467	-	82,489	-
Trade receivables	-	1,60,257	-	1,38,245
Cash and cash equivalents	-	97,602	-	22,658
Bank balances other than above	-	3,45,599	-	2,73,370
Other current financial assets	-	30,852	-	17,365
	18,467	**6,41,978**	**82,489**	**5,35,533**
Financial liabilities				
Borrowings	-	6,439	-	10,120
Lease Liability	-	3,33,902	-	-
Trade payables	-	116,607	-	1,29,524
Other financial liabilities	-	73,128	-	68,536
	-	**5,30,076**	**-**	**2,08,180**

B. Fair value hierarchy

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are:

(a) recognised and measured at fair value and

(b) measured at amortised cost and for which fair values are disclosed in the financial statements.

To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial instruments into the three levels prescribed under the accounting standard. An explanation of each level follows underneath the table.

Notes to the Consolidated Financial Statements for the year ended 31 March 2020

(All amounts are in Rupees lac, unless otherwise stated)

Financial assets and liabilities measured at fair value - recurring fair value measurements

	As at 31 March 2020			
	Level 1	**Level 2**	**Level 3**	**Total**
Financial assets				
Financial Investments at FVTPL				
Investments				
Equity Shares	-	-	0.13	0.13
Mutual funds	18,467	-	-	18,467
Total financial assets	**18,467**	**-**	**0.13**	**18,467**

Assets and liabilities which are measured at amortised cost for which fair values are disclosed

	As at 31 March 2020			
	Level 1	**Level 2**	**Level 3**	**Total**
Financial assets				
Loans	-	-	2,231	2,231
Other non-current financial assets	-	-	5,437	5,437
Trade receivables	-	-	1,60,257	1,60,257
Cash and cash equivalents	-	-	97,602	97,602
Bank balances other than above	-	-	3,45,599	3,45,599
Other current financial assets	-	-	30,852	30,852
Total financial assets	**-**	**-**	**6,41,978**	**6,41,978**
Financial liabilities				
Borrowings	-	-	6,439	6,439
Lease Liabiltiy	-	-	3,33,902	3,33,902
Trade payables	-	-	1,16,607	1,16,607
Other financial liabilities	-	-	73,128	73,128
Total financial liabilities	**-**	**-**	**5,30,076**	**5,30,076**

Financial assets and liabilities measured at fair value - recurring fair value measurements

	As at 31 March 2019			
	Level 1	**Level 2**	**Level 3**	**Total**
Financial assets				
Financial Investments at FVPL				
Investments				
Equity Shares	-	-	0.13	0.13
Mutual funds	82,489	-	-	82,489
Cross currency interest rate swaps	-	-	-	-
Total financial assets	**82,489**	**-**	**0.13**	**82,489**

Notes to the Consolidated Financial Statements for the year ended 31 March 2020

(All amounts are in Rupees lac, unless otherwise stated)

Assets and liabilities which are measured at amortised cost for which fair values are disclosed

	As at 31 March 2019			
	Level 1	**Level 2**	**Level 3**	**Total**
Financial assets				
Loans	-	-	2,492	2,492
Other non-current financial assets	-	-	81,403	81,403
Trade receivables	-	-	1,38,245	1,38,245
Cash and cash equivalents	-	-	22,658	22,658
Bank balances other than above	-	-	2,73,370	2,73,370
Other current financial assets	-	-	17,365	17,365
Total financial assets	**-**	**-**	**5,35,533**	**5,35,533**
Financial liabilities				
Borrowings	-	-	10,120	10,120
Trade payables	-	-	1,29,524	1,29,524
Other financial liabilities	-	-	68,536	68,536
Total financial liabilities	**-**	**-**	**2,08,180**	**2,08,180**

Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices. This includes listed equity instruments, traded bonds and mutual funds that have quoted price. The fair value of all equity instruments (including bonds) which are traded in the stock exchanges is valued using the closing price as at the reporting period. The mutual funds are valued using the closing NAV.

Level 2: The fair value of financial instruments that are not traded in an active market (for example, traded bonds, over-thecounter derivatives) is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities.

There are no transfers between level 1 and level 2 during the year

Valuation technique used to determine fair value

Specific valuation techniques used to value financial instruments include:

- the use of quoted market prices or dealer quotes for similar instruments
- the fair value of forward foreign exchange contracts is determined using forward exchange rates at the balance sheet date
- the fair value of the remaining financial instruments is determined using discounted cash flow analysis.

All of the resulting fair value estimates are included in level 2 except for unlisted equity securities and preference shares, where the fair values have been determined based on present values and the discount rates used were adjusted for counterparty or own credit risk.

Notes to the Consolidated Financial Statements for the year ended 31 March 2020

(All amounts are in Rupees lac, unless otherwise stated)

Fair value measurements using significant unobservable inputs (level 3)

	Unlisted equity shares	
	31 March 2020	**31 March 2019**
Opening balance	0.13	0.13
Acquisitions	-	-
Gains/losses recognised in profit or loss	-	-
Closing balance	**0.13**	**0.13**

Valuation process

The amount invested and fair value of unquoted equity shares as on 31 March 2020 (31 March 2019) is Rs 0.13. The fair value is determined using level 3 input i.e. discounted cash flows.

C. Fair value of financial assets and liabilities measured at amortised cost

	As at 31 March 2020		As at 31 March 2019	
	Carrying Amount	**Fair Value**	**Carrying Amount**	**Fair Value**
Financial assets				
Loans	2,231	2,231	2,492	2,492
Other non-current financial assets	5,437	5,437	81,403	81,403
Trade receivables	1,60,257	1,60,257	1,38,245	1,38,245
Cash and cash equivalents	97,602	97,602	22,658	22,658
Bank balances other than above	3,45,599	3,45,599	2,73,370	2,73,370
Other current financial assets	30,852	30,852	17,365	17,365
	6,41,978	**6,41,978**	**5,35,533**	**5,35,533**
Financial liabilities				
Borrowings	6,439	6,439	10,120	10,120
Lease Liability	3,33,902	3,33,902	-	-
Trade payables	1,16,607	1,16,607	1,29,524	1,29,524
Other financial liabilities	73,128	73,128	68,536	68,536
	5,30,076	**5,30,076**	**2,08,180**	**2,08,180**

The carrying amounts of trade receivables, trade payables, capital creditors, cash and cash equivalents, current maturities of long term debt, unpaid dividend, and other payable for capital goods are considered to be the same as their fair values, due to their short-term nature.

The fair values for loans were calculated based on cash flows discounted using a current lending rate. They are classified as level 3 fair values in the fair value hierarchy due to the inclusion of unobservable inputs including counterparty credit

The fair values of non-current borrowings are based on discounted cash flows using a current borrowing rate. They are classified as level 3 fair values in the fair value hierarchy due to the use of unobservable inputs, including own credit risk.

For financial assets and liabilities that are measured at fair value, the carrying amounts are equal to the fair values.

II. Financial Risk Management

The Company has exposure to the following risks arising from financial instruments:

- credit risk;
- liquidity risk; and
- market risk

Notes to the Consolidated Financial Statements for the year ended 31 March 2020

(All amounts are in Rupees lac, unless otherwise stated)

Risk Management Framework

The Company's board of directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The board of directors has established the Risk Management Committee, which is responsible for developing and monitoring the Company's risk management policies. The committee reports regularly to the board of directors on its activities.

The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities. The Company, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

The Company's Audit Committee oversees how management monitors compliance with the Company's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Company. The Audit Committee is assisted in its oversight role by Internal Audit. Internal Audit undertakes both regular and ad hoc reviews of risk management controls and procedures, the results of which are reported to the Audit Committee.

i. Credit Risk

The Company has made investments in Debt based Mutual Funds. These Mutual funds invests in NCD / Bonds / CP / CD of various companies and banks. In case, the investee company defaults on repayment, such losses may have to be borne by the investors of Mutual funds.

Company generally takes Stand by Letter of Credit (SBLC) from its customers, the exceptions being its Promoters namely BPCL, GAIL, IOCL and ONGC. Option to take SBLC from Promoter is also being explored by the company. The Company establishes an allowance for impairment that represents its estimate of expected credit losses in respect of trade and other receivables. Basis the evaluation, the management has determined that there are credit impairment loss on the trade and other receivables.

The gross carrying amount of trade receivables is Rs. 1,60,435 lac (31 March 2019 – Rs. 1,42,354 lac).

During the period, provision amounting to Rs 3,931 lac for doubtful debts as on 1 April 2019, has been netted off against trade receivables. The Company management also pursue all options for recovery of dues wherever necessary based on its internal assessment. A default on a financial asset is generally when counterparty fails to make payments within 365 days when they fall due.

Reconciliation of loss allowance provision – Trade receivables

	31 March 2020	31 March 2019
Opening balance	4,109	4,109
Changes in loss allowance calculated at life time expected credit losses	(3,931)	-
Closing balance	**178**	**4,109**

ii. Liquidity Risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due and to close out market positions. Due to the dynamic nature of the underlying businesses, Company treasury maintains flexibility in funding by maintaining availability under committed credit lines.

Management monitors rolling forecasts of the Company's liquidity position (comprising the undrawn borrowing facilities below) and cash and cash equivalents on the basis of expected cash flows. This is generally carried out at local level in the operating companies of the Company in accordance with practice and limits set by the Company. These limits vary by location to take into account the liquidity of the market in which the entity operates. In addition, the Company's liquidity management policy involves projecting cash flows in major currencies and considering the level of liquid assets necessary to meet these, monitoring balance sheet liquidity ratios against internal and external regulatory requirements and maintaining debt financing plans.

Notes to the Consolidated Financial Statements for the year ended 31 March 2020

(All amounts are in Rupees lac, unless otherwise stated)

(a) Financing arrangements

The group had access to the following undrawn borrowing facilities at the end of the reporting period:

	As at 31 March 2020	As at 31 March 2019
Floating rate		
Expiring within one year (bank overdraft and other facilities)		
- Fund/ Non fund based (secured)	2,56,045	1,96,305
- Fund/ Non fund based (unsecured)	-	1,49,770
Expiring beyond one year (bank loans)	-	-
Total	**2,56,045**	**3,46,075**

The bank overdraft facilities may be drawn at any time and may be terminated by the bank without notice. Subject to the continuance of satisfactory credit ratings, the bank loan facilities may be drawn at any time in INR and have an average maturity of 1 year (as at 31 March 2019 - 1 year).

(b) Maturities of financial liabilities

The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted, and excluding contractual interest payments and exclude the impact of netting agreements.

	Carrying Amounts 31 March 2020	Contractual Cash Flows				
		upto 6 months	6 months to 1 year	between 1 and 2 years	between 2 and 5 years	more than 5 years
Non-derivative financial liabilities						
Borrowings	6,439	-	-	6,439	-	-
Lease Liability (current and non- current)	3,93,193	12,163	14,045	27,305	1,02,186	2,37,494
Trade payables	1,16,607	1,16,607		-	-	-
Current maturities of long term debt - Other parties	3,681	1,840	1,841	-	-	-
Interest accrued but not due on borrowings	2	2	-	-	-	-
Unpaid dividend	1,519	1,519	-	-	-	-
Other payables for:						
- Capital goods	8,447	8,447	-	-	-	-
- Security deposits / Retention money	188	77	9	7	-	95
Total non-derivative liabilities	**5,30,076**	**1,40,655**	**15,895**	**33,751**	**1,02,186**	**2,37,589**

	Carrying Amounts 31 March 2019	Contractual Cash Flows				
		upto 6 months	6 months to 1 year	between 1 and 2 years	between 2 and 5 years	more than 5 years
Non-derivative financial liabilities						
Borrowings	10,120		-	3,680	6,440	
Trade payables	1,29,524	1,29,524	-	-	-	-
Current maturities of long term debt-other parties	63,220	1,380	61,840	-	-	-
Interest accrued but not due on borrowings	2,331	10	2,321	-	-	-
Unpaid dividend	1,170	1,170				
Other payables for:						
- Capital goods	1,679	1,679	-			
- Security deposits / Retention money	136	59	40	17	13	7
Total non-derivative liabilities	**2,08,180**	**1,33,822**	**64,201**	**3,697**	**6,453**	**7**

Notes to the Consolidated Financial Statements for the year ended 31 March 2020

(All amounts are in Rupees lac, unless otherwise stated)

iii. Market Risk

Market risk is the risk that changes in market prices – such as commodity prices (LNG), foreign exchange rates and interest rates – will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

a) Price Risk

To protect the company from fluctuation of commodity prices, same are passed through to the off-takers in long term contract. In spot or short term contract, they are generally pass through to the customers except in few cases, up to 2 cargo load, where the company keeps the commodity price risk with themselves to take benefit from market fluctuation.

b) Currency Risk

PLL imports LNG mainly from Qatar and Australia through long term chartered vessels. The foreign exchange involved in making payment to LNG suppliers, loading port charges and shipper is recovered from off-taker / customer under sale contract, both long term and short term. Company does not take any exposure on account of currency in Foreign Currency Loans as it takes derivatives to hedge against the the foreign exchange fluctuation on loan, if any. In respect of other payments on account of repair and capex of plant, operating expenses of plant and corporate offices etc. same are monitored on a regular basis to keep the open position at an acceptable level.

Exposure to currency risk

The summary quantitative data about the Group's exposure to currency risk as reported to the management of the Group is as follows:

As at 31 March 2020

	USD
Financial Assets	
Loan	2,231
Net exposure to foreign currency risk (assets)	**2,231**
Financial Liabilities	
Trade payables	1,09,970
Lease Liability	5,53,816
Other payables for Capital goods	1,994
Net exposure to foreign currency risk (liabilites)	**6,65,780**
Net statement of financial position exposure	**6,63,549**

As at 31 March 2019

	USD	EUR	SGD	GBP
Financial Assets				
Loan	2,492	-	-	-
Net exposure to foreign currency risk (assets)	**2,492**	**-**	**-**	**-**
Financial Liabilities				
Trade payables	1,21,764	100	16	4
Other payables for Capital goods	-	-	-	-
Net exposure to foreign currency risk (liabilities)	**1,21,764**	**100**	**16**	**4**
Net statement of financial position exposure	**1,19,272**	**100**	**16**	**4**

Notes to the Consolidated Financial Statements for the year ended 31 March 2020

(All amounts are in Rupees lac, unless otherwise stated)

Sensitivity analysis

A reasonably possible strengthening (weakening) of the INR against all other currencies at 31 March would have affected the measurement of financial instruments denominated in a foreign currency and affected equity and profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular interest rates, remain constant.

Impact of 10% movement in foreign exchange conversion rate

	Profit or loss, net of tax		Equity, net of tax	
	Strengthening	**Weakening**	**Strengthening**	**Weakening**
31 March 2020				
USD	49,653	(49,653)	49,653	(49,653)
31 March 2019				
10% movement				
USD	7,760	(7,760)	7,760	(7,760)
EUR	7	(7)	7	(7)
GBP	0.3	(0.3)	0.3	(0.3)
SGD	1	(1)	1	(1)

c) **Interest Rate Risk**

The Company's main interest rate risk arises from long-term borrowings with variable rates, which expose the Company cash flow to interest rate risk. Company policy is to maintain most of its borrowings at fixed rate using interest rate swaps to achieve this when necessary especially if the borrowing is made in foreign currency. Company has some amount of loan taken from International Finance Corporation, which is at variable rate. The Company ensures that such amount is kept at an acceptable level. The investment of surplus funds made by company in debt based of mutual funds is also subject to this risk. Company makes investment in a manner which minimises such risk and also takes regular feedback from the market experts on such investments. The Company has also given loans to, India LNG Transport Company (No. 3) Limited, Malta and India LNG Transport Company (No. 4) Private Limited, Singapore, which are at Bank Rate and any change in Bank Rate will impact the earnings.

Exposure to interest rate risk

The interest rate profile of the Group's interest-bearing financial instruments as reported to the management of the Group is as follows.

	Nominal Amount	
Particulars	**31 March 2020**	**31 March 2019**
Fixed-rate instruments		
Financial liabilities		
- Fixed rate borrowing	-	60,000
	-	**60,000**
Variable-rate instruments		
Financial assets		
- Loan	2,231	2,492
Financial liabilities		
- Variable rate borrowing	10,120	13,340
	12,351	**15,832**

Notes to the Consolidated Financial Statements for the year ended 31 March 2020

(All amounts are in Rupees lac, unless otherwise stated)

	31 March 2020		
	Average interest rate	Balance	% of total loans
Financial Asset : Loan	5.83%	2,231	100%
Financial Liability: IFC "A loan"	7.85%	10,120	100%

	31 March 2019		
	Average interest rate	Balance	% of total loans
Financial Asset : Loan	6.50%	2,492	100%
Financial Liability: IFC "A loan"	8.74%	13,340	18%

Fair value sensitivity analysis for fixed-rate instruments

The Company does not account for any fixed-rate financial assets or financial liabilities at fair value through profit or loss, and the Company does not designate derivatives (interest rate swaps) as hedging instruments under a fair value hedge accounting model. Therefore, a change in interest rates at the reporting date would not affect profit or loss.

Cash flow sensitivity analysis for variable-rate instruments

A reasonably possible change of 100 basis points in interest rates at the reporting date would have increased (decreased) equity and profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular foreign currency exchange rates, remain constant.

	Profit or loss, net of tax		Equity, net of tax	
Particulars	**100 bp increase**	**100 bp decrease**	**100 bp increase**	**100 bp decrease**
31 March 2020				
Variable-rate instruments	(76)	76	(76)	76
Cash flow sensitivity (net)	**(76)**	**76**	**(76)**	**76**
31 March 2019				
Variable-rate instruments	(87)	87	(87)	87
Cash flow sensitivity (net)	**(87)**	**87**	**(87)**	**87**

A change of 100 basis points in interest rates would have increased or decreased equity by Rs. 76 lac after tax (Previous year Rs. 87 lac). This analysis assumes that all other variables, in particular foreign currency exchange rates, remain constant.

48 Capital Management

The Company's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. Management monitors the return on capital on a yearly basis as well as the level of dividends to ordinary shareholders which is given based on approved dividend policy.

The board of directors seeks to maintain a balance between the higher returns that might be possible with higher levels of borrowings and the advantages and security afforded by a sound capital position

Notes to the Consolidated Financial Statements for the year ended 31 March 2020

(All amounts are in Rupees lac, unless otherwise stated)

Notes to the Consolidated Financial Statements for the year ended 31 March 2020
(All amounts are in Rupees lac, unless otherwise stated)

49. Additional information, as required under Schedule III of the Companies Act, 2013 of enterprises consolidated as joint ventures

For the year ended 31 March 2020

Name of Enterprise	Net assets i.e. (Total assets minus total liabilites)		Share in profit or loss		Share in other comprehensive income		Share in total comprehensive income	
	As % of Consolidated Assets	Amount	As % of Consolidated Profit	Amount	As % of Consolidated Profit	Amount	As % of Consolidated Profit	Amount
Parent	97%	10,78,859	99%	2,68,860	84%	(237)	99%	2,68,623
Joint Venture (Investments as per equity method)								
Indian								
Adani Petronet (Dahej) Port Pvt. Ltd	2%	22,507	1%	2,020	16%	(46)	1%	1,974
Foreign								
India LNG Transport Co (No 4) Pvt. Ltd.	1%	10,726	-	(545)	-	-	-	(545)
Total	**100%**	**11,12,092**	**100%**	**2,70,335**	**100%**	**(283)**	**100%**	**2,70,052**

For the year ended 31 March 2019

Name of Enterprise	Net assets i.e. (Total assets minus total liabilites)		Share in profit or loss		Share in other comprehensive income		Share in total comprehensive income	
	As % of Consolidated Assets	Amount	As % of Consolidated Profit	Amount	As % of Consolidated Profit	Amount	As % of Consolidated Profit	Amount
Parent	97%	9,90,169	97%	2,15,093	74%	(150)	97%	2,14,943
Joint Venture (Investments as per equity method)								
Indian								
Adani Petronet (Dahej) Port Pvt. Ltd	2%	21,618	2%	5,509	26%	(53)	2%	5,456
Foreign								
India LNG Transport Co (No 4) Pvt. Ltd.	1%	11,271	1%	2,454	-	-	1%	2,454
Total	**100%**	**10,23,058**	**100%**	**2,23,056**	**100%**	**(203)**	**100%**	**2,22,853**

Notes to the Consolidated Financial Statements for the year ended 31 March 2020

(All amounts are in Rupees lac, unless otherwise stated)

50 Statement persuant to Section 129(3) of the Companies Act, 2013 related to Joint Venture (Form AOC-1)

1	**Name of Joint Venture**	**Adani Petronet (Dahej) Port Pvt. Ltd.**	**India LNG Transport Co No (4) Pvt. Ltd.**
2	Last Audited Balance Sheet Date	31-Mar-20	31-Dec-19
3	Shares of the Joint Ventures held by the Company on the year end		
	Number	9,00,00,000	1,10,36,558
	Amount of Investment in Joint Venture	9,000	7,438
	Extent of Holding (In %)	26%	26%
4	Description of How there is significant influance	Joint Venture	Joint Venture
5	Reason why the Joint Venture is not considered	N.A.	N.A.
6	Net Worth attributable to shareholding as per latest audited balance sheet	22,507	10,726
7	Profit/loss for the year		
	i. Considered in Consolidation	1,974	(545)
	ii. Not Considered in Consolidation	-	-

Instructions for e-voting and joining the 22nd AGM

A. Voting through electronic means

(i) Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended from time to time and Regulation 44 of the SEBI Listing Regulations, 2015, the Members are provided with facility to cast their vote electronically, through the e-voting services provided by KFin Technologies Private Limited, on resolutions proposed to be considered at the 22nd Annual General Meeting (AGM).

(ii) The remote e-voting period commences on Sunday, 6th September, 2020 at 9.00 a.m. (IST) and ends on Wednesday, 9th September, 2020 at 5.00 p.m. (IST). During this period, Members of the Company holding shares either in physical form or in dematerialized form, as on the cut-off date i.e. on Thursday, 3rd September, 2020 may cast their vote by remote e-voting. Remote e-voting shall not be allowed beyond the said date and time and the remote e-voting facility shall be blocked thereafter. Once the vote on a resolution is cast by the member through remote e-voting, the member shall not be allowed to change it subsequently or cast the vote again.

(iii) The facility for voting through remote e-voting shall be made available during the conduct of 22nd AGM via VC / OAVM and the members attending the meeting via VC / OAVM who have not already cast their vote by remote e-voting shall be able to exercise their right at the meeting.

(iv) The members who have cast their vote by remote e-voting prior to the 22nd AGM may also attend/ participate in the 22nd AGM but shall not be entitled to cast their vote again.

(v) The voting rights shall be in proportion to their shares in the paid-up equity share capital of the Company as on the cut-off date.

(vi) Any person, who acquires shares of the Company and becomes Member of the Company after dispatch of the Notice electronically or whose email id is not registered with the Company / RTA / Respective DP and holding shares as on the cut-off date i.e. Thursday, 3rd September, 2020, may obtain the login ID and password by sending a request to RTA at einward.ris@kfintech.com

(vii) A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date shall be entitled to avail the facility of remote e-voting as well as voting at the 22nd AGM electronically. A person who is not a member as on cut-off date should treat this Notice for information purposes only.

(viii) The process and manner for remote e-voting is as under:

In case a Member receives Notice of 22nd AGM through email [for members whose email IDs are registered with the Company / Depositary Participants / RTA:]

i. Initial password is provided in the body of the e-mail.

ii. Launch internet browser by typing the following URL:https://evoting.karvy.com.

iii. Enter the login credentials i.e., User ID and password mentioned in your email. Your Folio No / DP ID Client ID will be your User ID. However, if you are already registered with KFPL for e-voting, you can use your existing User ID and Password for casting your votes.

iv. After entering the details appropriately, click on LOGIN

v. You will reach the Password change Menu wherein you are required to mandatorily change your password. The new password shall comprise of minimum 8 characters with at least one upper case (A-Z), one lower case (a to z), one numeric value (0-9) and a special character (@,#,$,etc.). It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

vi. You need to login again with the new credentials.

vii. On successful login, the system will prompt you to select the EVENT i.e., Petronet LNG Limited.

viii. On the voting page, the number of shares (which represents the number of votes) as held by the member as on the cut-off date will appear. If you desire to cast all the votes assenting/dissenting to the resolution then enter all shares and click “FOR” / “AGAINST” as the case may be or partially in “FOR” and partially in “AGAINST”, but the total number in “FOR / AGAINST” taken together should not exceed your total shareholding as on the cut-off date. You may also choose the option “ABSTAIN” and the shares held will not be counted under either head.

ix. Members holding multiple folios / demat accounts shall choose the voting process separately for each folio / demat account.

x. Cast your votes by selecting an appropriate option and click on “SUBMIT”. A confirmation box will be displayed. Click “OK” to confirm else “CANCEL” to modify. Once you confirm, you will not be allowed to modify your vote subsequently. During the voting period, you can login multiple times till you have confirmed that you have voted on the resolution.

xi. Corporate / Institutional Members (i.e. other than individuals, HUF, NRI, etc.) are required to send scanned copy (PDF / JPG Format) of the relevant Board resolution/authority letter etc. together with attested specimen signature of the duly authorised signatory(ies)who are authorised to vote, to the scrutinizer through e-mail id: **sachin@companylawworld.com.** They may also upload the same in the e-voting module in their login. The scanned image of the above documents should be in the naming format “Corporate Name”.

xii. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for shareholders and e-voting User Manual for Shareholders available at the download section of https://evoting.karvy.com. or contact Mr. S.V. Raju, DGM of Kfin Technologies Pvt. Ltd, (Unit : Petronet LNG Limited), Karvy, Selenium Building, Tower B, Plot 31-32, Financial District, Nanakramguda, Serilingampally, Hyderabad, Rangareddi, Telangana – 500 032 at e-mail raju.sv@ kfintech.com at phone no. 040 6716 2222 OR at 1800 345 4001 (toll free).

Process and manner for participating in 22nd Annual General Meeting through VC / OAVM

i. Member(s) will be provided with a facility to attend the Meeting through VC / OAVM or view the live webcast of AGM provided by KFPL evoting system at **https://emeetings.kfintech.com** under shareholders / members login by using the remote e-voting credentials. The link for VC / OAVM will be available in shareholder / members login where the EVENT of Company will be displayed.

ii. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush.

iii. Members who would like to express their views or ask questions during the 22nd AGM may register themselves by logging on to **https://emeetings.kfintech.com** The Speaker Registration will be open during Sunday, 6th September, 2020 at 9.00 a.m. (IST) and ends on Wednesday, 9th September, 2020 at 5.00 p.m. (IST). Only those members who are registered will be allowed to express their views or ask questions. The Company reserves the right to restrict the number of questions and number of speakers, depending upon availability of time as appropriate for smooth conduct of the AGM.

Appeal to Members

Green Initiative in Corporate Governance: Go Paperless

Global warming, depleting natural resources, increased carbon emission, pollution; these are just some phenomenon that has become a major concern for all the countries across the world. With damaging human activities, the environment has already incurred enough damage and still continues to be at risk. The only way to save our endangered environment is to go green.

When it is about going green, flora and fauna is of great significance. Saving the environment becomes next to impossible if we go about cutting trees. Already, numerous forests and sanctuaries have been cleared to make way for residential properties and other commercial ventures in the Country. It is time that we stop cutting down forests.

Further, Ministry of Corporate Affairs, Government of India had issued circular no. 17/2011 dated 21.04.2011 and 18/2011 dated 29.04.2011 towards the "Green Initiative in the Corporate Governance".

Your Company has always believed in contributing towards greener environment by going green and accordingly has been putting all its sincere efforts in achieving this goal.

In view of above, the Company had sent various communications to Members regarding "Green Initiative in the Corporate Governance" and appeals were made to the Members in this regard to register/update their email ids with the Company or the Registrar and Share Transfer Agent of the Company (RTA) from time to time. Such appeals or communications were also posted on the web site of the Company.

This is also a golden opportunity for everyone to contribute to the Social Responsibility initiative of the Company. All you should do is to register your e-mail id with the Company to receive communication through electronic mode as stated below.

ADVANTAGES OF E-COMMUNICATION

- ❖ Receive communication promptly
- ❖ Reduce paper consumption and save trees
- ❖ Eliminate wastage of paper
- ❖ Avoid loss of document in postal transit
- ❖ Save costs on paper and on postage

Dear Member, we find that either your e-mail id is not registered with the Depository Participant or you are holding shares in Physical form. We intend to send notices / documents and other communications to the members of the Company through electronic mode.

The Company is facilitating the members for registering their e-mail id with the RTA / Company. Therefore, E-Communication Registration Form has been provided in the Annual Report 2019-20. Ministry of Corporate Affairs (MCA), through circulars dated 08.04.2020, 13.04.2020 and 05.05.2020, has allowed companies to conduct shareholders' meetings through video conferencing (VC) or other audio visual means (OAVM) and non-printing of annual reports during the calendar year 2020. SEBI, through Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated 12.05.2020, has also relaxed certain provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 in the wake of Covid-19 pandemic.

MCA circular dated 05.05.2020 requires that the Company should facilitate the manner in which the persons who have not registered their email addresses with the company can get the same registered with the company.

In light of the MCA Circulars and better Corporate Governance, the Company has provided facility to the shareholders through the depositories i.e. NSDL and CDSL and through its Registrar and Transfer Agent i.e. Kfin Technologies Private Limited, to register their email addresses with the depositories or the Company for receiving the Annual Report for 2019-20 and other communications. Alternatively, Members may also register / update their email id with the concerned Depository Participant in this regard.

The link for registration of email address is https://ris.kfintech.com/email_registration/.

The above link is available at our website at https://www.petronetlng.com/.

We solicit your valuable cooperation and support in our endeavour to contribute our bit to the environment.

Let's be part of this 'Green Initiative'.

PETRONET LNG LIMITED

E-COMMUNICATION REGISTRATION FORM

To,

Petronet LNG Limited
World Trade Centre,
1st Floor, Babar Road,
Barakhamba Lane,
New Delhi - 110001

Sub – Updation of email id : Go Paperless

Dear Sir/Madam,

I/We shareholder(s) of Petronet LNG Limited agree to receive communication from the Company in electronic mode. Please register my / our below mentioned e-mail ID in your records for sending communication through e-mail.

Folio No. / DP ID & Client ID : ………………………………………………………………………….

Name of 1st Registered Holder : ……………………………………………………………………….....

Name of Joint Holder(s) : ………………………………………………………………………….

…………………………………………………………………………..

Registered Address : ………………………………………………………………………….

…………………………………………………………………………

…………………………………………………………………………

E-mail ID (to be registered) : ……………………………………………………………………….....

Signature: ……………………………………

(First Holder)

Date: ……………………

Important Notes:

1. On registration, all the communication will be sent to the e-mail ID registered in the folio / DP ID & Client ID.

2. Shareholders are requested to keep Company informed as and when there is any change in their mail address. Unless the email ID given above is changed by you by sending another communication in writing, the Company will continue to send the notices / documents to you on the above mentioned e-mail ID.

Notes

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www.petronetlng.com

PETRONET LNG LIMITED

Registered Office

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CIN : L74899DL1998PLC093073