

DIRECTORS'
REPORT

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DIRECTORS' REPORT

DEAR SHAREHOLDERS,

On behalf of the Board of Directors, it is our privilege and honour to present the Twenty-sixth Annual Report along with Audited Standalone and Consolidated Financial Statements and Auditors' Report thereon for the financial year ended 31st March 2024.

Physical Performance

Terminal Operations

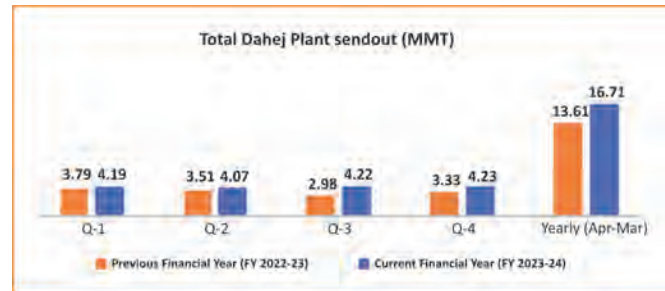
The year 2023-24 has been an excellent year for the Company in terms of achieving significant milestones on the operational front as well as on the expansion and diversification plans of the Company.

Despite various challenges, the Company demonstrated remarkable resilience as it bounced back to a splendid performance, from a turbulent year 2022-23 in terms of volatile prices of natural gas and geopolitical disturbances. Not only on operational front, your Company also demonstrated excellence on the HSE and wellbeing aspects for its stake holders as both the terminals won the prestigious 5-star rating and sword of honour by the British Safety Council in their maiden attempt. In the process, Dahej and Kochi terminal of your Company have become the first such terminals in the country to be honoured with this prestigious international award.

Dahej LNG Terminal

Dahej Terminal, having name plate capacity of 17.5 MMTPA, operated at 95.5% capacity and achieved a throughput of 16.71 MMTPA during the financial year 2023-24 against capacity utilization of 77.8% with a throughput of 13.61 MMTPA, during previous financial year i.e. 2022-23. The Terminal achieved total energy send out of 864.9 TBTUs during financial year of 2023-24 as against 703.41 TBTUs in

terms of total energy during the financial year 2022-23.



In other significant achievement, the terminal clocked highest ever total daily sendout of 75.65 MMSCM on 11th October 2023. It achieved best ever specific power consumption of 0.249 kWh/MMBtu for the year 2023-24 as against 0.255 kWh/MMBtu during the previous financial year i.e. 2022-23. Terminal unloaded total 254 ships during the financial year 2023-24 as against 212 ships during the financial year 2022-23.

On the LNG truck loading front, the terminal loaded highest ever 9266 number of LNG trucks during the financial year 2023-24 as against 6987 trucks loaded during the previous year, registering an increase of about 33%. Also, on 3rd Jan 2024, highest ever single day loading of 43 number of LNG trucks was achieved.

Another significant contribution towards energy security for the nation was ensured during extreme cyclonic conditions caused by the cyclone 'Biparjoy' from 14th to 18th June 2023. Despite the challenges to berth the ships at jetty, the terminal was able to maintain continuous sendout during this high demand period due to proactive actions initiated on inventory management in a professional manner. It was thus able to maintain the supply to the crucial fertilizer and power sectors of the country, amongst others.

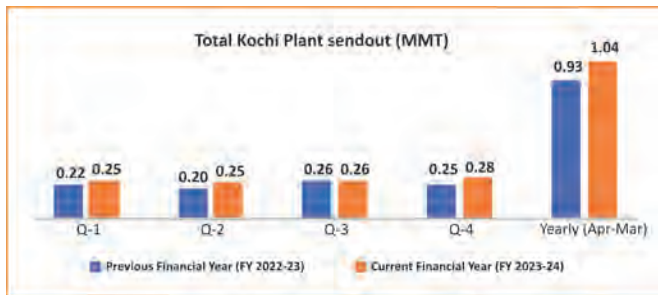


Dahej LNG Terminal – A Bird's Eye View



Kochi LNG Terminal

Kochi Terminal having the name plate capacity of 5 MMTPA operated at 20.8% capacity with total send out of 1.04 MMTPA during financial year of 2023-24 as compared to 18.6% capacity utilization and 0.93 MMTPA sendout, during previous year i.e. 2022-23. In terms of energy, terminal achieved a send out of 54.05 TBTUs during financial year of 2023-24 as against 48.25 TBTUs during previous financial year, which is also the highest ever sendout achieved by the terminal in a year.



Terminal also unloaded highest ever 17 LNG ships during financial year 2023-24. In addition, the terminal successfully carried out two Gassing Up and Cooling Down (GUCD) operations, a specialised activity, that is executed only at Kochi LNG terminal in the entire country. In another significant development, the terminal commissioned 200 kWp solar plant which enhanced renewable energy generation of Kochi terminal to 400 kWp, demonstrating your Company’s commitment towards promoting clean energy.

On the LNG truck loading front, terminal also loaded highest ever 2230 LNG trucks during financial year 2023-24 as compared to 1494 LNG trucks loaded during previous year i.e. 2022-23, registering an increase of about 49%.



Kochi LNG Terminal



Kochi LNG Terminal

LNG Sourcing

In a major milestone, your Company successfully concluded and executed a LNG Sale & Purchase Agreement (LNG SPA) for purchase of around 7.5 MMTPA LNG with QatarEnergy on long-term basis on 6 February 2024. This is pursuant to extension of an existing LNG SPA for LNG supply of around 7.5 MMTPA LNG Sale & Purchase Agreement on FOB basis, signed on 31st July 1999 for supplies till 2028. Under the new agreement, LNG supplies will be made on delivered (DES) basis commencing from 2028 till 2048.

Similar to earlier agreement of 1999, the LNG volumes under the new SPA shall also be offtaken by GAIL (India) Limited (60%), Indian Oil Corporation Limited (30%) and Bharat Petroleum Corporation Limited (10%) after regasification primarily from Dahej Terminal on substantially back to back basis.

This LNG SPA between your Company and QatarEnergy will ensure energy security of the India and assure continued supplies of regasified LNG to major consuming sectors like fertilisers, CGD, refineries & petchem, power and other industries. Renewal of this agreement is a step towards achieving vision of Hon’ble Prime Minister of India to make India a gas-based economy and increase share of natural gas in India’s primary energy basket to 15% by year 2030. This agreement will provide energy security and ensure stable & reliable supply of clean energy and help India in its stride towards greater economic development.



Shri A.K Singh, MD & CEO and Shri Saad Sherida al- Kaabi, Minister of Energy, Qatar and President and CEO of QatarEnergy at IEW 2024 signing the Long Term Contract

Gassing Up and Cooling Down (GUCD)

Your company has successfully provided service for two Gassing up and Cooling down operations at Kochi Terminal through its wholly owned subsidiary Petronet Energy Limited during FY 2023-24.

Small Scale LNG

Your Company aims to reduce Green House Gas (GHG) emissions from medium and heavy commercial vehicles, by offering not only a cleaner alternative but also an economic & efficient fuel in form of LNG.

In this direction, your Company has already set up four LNG dispensing stations in Southern India, with three stations in Tamil Nadu and one station in Karnataka, which are likely to be commissioned shortly. Further, your Company is setting up fifth station outside Dahej LNG terminal, construction of which is expected to commence soon. Further, anticipating the growth and future of LNG use as an automotive fuel in India, your Company is in the process of setting up ten (10) more LNG dispensing stations across major National Highways and equipments for these stations have already been ordered.

Shipping Arrangements

Under long term SPA with Qatar, 7.5 MMTPA of LNG is being imported on Free on Board (FOB) basis, from Ras Laffan, since 2004. To secure steady freight rates and reliability of

transportation, three dedicated LNG carriers namely Disha, Raahi and Aseem were chartered on long term basis for a duration of 25 years. A consortium of M/s NYK Line, M/s K-Line, M/s MOL and M/s Shipping Corporation of India Ltd. (SCI), owns these vessels (with your Company owning a stake of 3% in the 3rd vessel Aseem), whereas technical management and manning of these vessels is carried out by M/s. SCI Ltd.

Another long term LNG supply from MARC (Exxon-Mobil) is on Delivery Ex Ship (DES) basis and fourth long term-chartered LNG vessel "Prachi" where your Company owns a stake of 26% along with balance stake owned by a consortium of M/s NYK Line, M/s K-Line, M/s MOL and M/s Shipping Corporation of India Ltd. (SCI), was novated to Exxon Mobil in the year 2017-18.

The shipping operations are meticulously planned to meet energy security needs of the country and are closely monitored to respond promptly against the sudden changes in the supply-demand balance. Overall, the shipping operations during FY 2023-24, have run efficiently with highest priority to safe operations and optimized fuel consumptions paying utmost regard to the environmental aspects.

All scheduled cargoes of FY 2023-24 from Ras Laffan, Qatar, were lifted, and transported through the above mentioned three long term-chartered vessels along with planned additional LNG vessels, that were hired from the spot market at very competitive rates. Despite a planned major



dry docking of long term-chartered vessel Disha for about 51 days and a maintenance inspection of Qatar’s loading facilities in the month of May 2023 (about 27 days), thus limiting availability of loading slots, a total of 110 voyages were made by these long term-chartered LNG vessels during the FY 2023-24. The utilization of LNG jetties has also been safely and efficiently optimized throughout the year without any downtime.

The coastal Gujarat was severely hit by the cyclone ‘Biparjoy’ in the month of June 2023. However, through meticulous planning and persistent efforts, depleting inventory of the terminal was optimally managed by safe handling of ships in adverse weather condition, to ensure uninterrupted operations. As a result of which natural gas supply to the critical fertilizer industry and other consumers could be sustained even during the most severe period of the cyclone.

Your Company has proactively started the new environmental compliances of International Convention for the Prevention of Pollution from Ships (MARPOL), for its long term-chartered vessels, namely Energy Efficiency Existing Ship Index (EEXI) and the annual operational Carbon Intensity Indicator (CII) & ratings, through its vessel operators. LNG vessels Disha and Raahi commenced operating with Energy Power Limitation (EPL) from November 2023 and February 2024, respectively to meet EEXI & CII requirements, marking a positive step towards net zero.

In the FY 2023-24, Dahej LNG Terminal handled 254 ships taking its cumulative tally to 3400 number of ships, since its commissioning in 2004. Also, Kochi LNG Terminal handled 17 ships in the FY 2023-24 and total 128 ships since its commissioning in 2013.

During FY 2023-24, your Company has also achieved two significant milestones for long term-chartered vessels i.e., Raahi’s 700th voyage on 17th August 2023 and Aseem’s 500th voyage on 12th November 2023 between Qatar and India.

In addition to above, Dahej LNG Terminal was honoured with the distinguished ‘Maritime Excellence Achievers Award 2023’ in the category for ‘Terminal Operational Excellence’ at the Global Maritime India Summit 2023 held in Mumbai during 17th to 19th October 2023.

FINANCIAL PERFORMANCE

During the FY 2023-24, your Company achieved turnover of Rs.52,728.43 Crore as against that of Rs.59,899.36 Crore in FY 2022-23. Profit before tax (PBT) stood at Rs 4,757.03 Crore in FY 2023-24 as against Rs 4,334.53 Crore in FY 2022-23. Profit after tax (PAT) was Rs 3,536.20 Crore during FY 2023-24 as against Rs 3,239.93 Crore in FY 2022-23. The Company was able to achieve robust financial results riding on higher capacity utilization, stable LNG prices and achieving efficiency and optimization in its operations.

Net worth of your Company has increased to Rs. 16,962.80 Crore as on 31st March 2024 from Rs. 14,934.74 Crore as on 31st March 2023, registering a growth of over 14%.

In accordance with the provisions of the Companies Act, 2013, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and applicable Accounting Standards, the Audited Standalone and Consolidated Financial Statements of the Company for FY 2023-24, together with the Auditors’ Report form part of this Annual Report.

The key highlights of the Standalone and Consolidated Financial Results are as follows:

A. Financial highlights on Standalone basis are as under:

(Rs. in crore)

Particulars	For the year ended 31 st March, 2024	For the year ended 31 st March, 2023
Revenue from operations	52,728.43	59,899.36
Other Income	616.74	573.62
Total Revenue (A)	53,345.17	60,472.98
Salary & Other operating expenses	47,521.91	55,043.59
Finance Charges	289.67	330.51
Depreciation	776.56	764.35
Total Expenses (B)	48,588.14	56,138.45
Profit before tax & Exceptional Items	4,757.03	4,334.53
Exceptional Items	-	-
Tax expenses, including deferred tax	1,220.83	1,094.60
Profit after tax	3,536.20	3,239.93
Earnings (Rs.) per Share	23.57	21.60

B. Financial highlights on a Consolidated basis:

(Rs. in crore)

Particulars	For the year ended 31 st March, 2024	For the year ended 31 st March, 2023
Revenue from operations	52,729.33	59,899.36
Profit Before Tax	4,747.68	4,282.18
Profit after Tax	3,652.44	3,325.82
Less: share of minority	-	-
Profit for the Group	3,652.44	3,325.82

DIVIDEND

The Board of Directors of your Company has recommended a final dividend of Rs. 3 per equity share of Rs. 10/- each i.e. 30% of the paid-up Share Capital of the Company as on 31st March 2024, subject to the approval of the shareholders in the ensuing Annual General Meeting. This is in addition to the Interim Dividend of Rs. 7 per equity share of Rs. 10/- each paid by the Company in November 2023. This is the 18th 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 Friday, 12th July 2024 (Record date).

Your Company has duly approved Dividend Distribution Policy. The same is available on Company's website at <https://petronetlng.in/corporate-governance>

CHANGES IN SHARE CAPITAL

There was no change in the Share Capital of the Company during the year. The Company has an Authorised Share Capital of Rs. 3000,00,00,000/- (Rupees Three Thousand Crore) divided into 300,00,00,000 (Three Hundred Crore) Equity Shares of face value of Rs. 10/- (Rupees Ten) each and Paid-up Share Capital of Rs. 1500,00,00,880/- (Rupees One Thousand Five Hundred Crore Eight Hundred Eighty) divided into 150,00,00,088 (One Hundred Fifty Crore Eighty-Eight)

Equity Shares of face value of Rs. 10/- (Rupees Ten) each.

ONGOING PROJECTS AND NEW BUSINESS INITIATIVES

Your Company has set an ambitious target for exponential growth and diversification, by formulating its vision and strategy document titled "1-5-10-40". The Company aims to achieve an annual turnover of Rs 1 lakh crore in five years, with a profit after tax of Rs 10 thousand crore supported by an investment of Rs 40 thousand crore. To meet this ambitious target, the projects worth around Rs 27,000 crore are under various phases of execution. Below is the current status of ongoing projects:

I. Storage tanks at Dahej

At present total storage capacity of Dahej terminal is around 1 million cubic meter in six full containment double walled cryogenic storage tanks. To further increase the operational flexibility for handling projected higher volumes, the storage capacity at Dahej is being augmented by way of construction of two additional LNG tanks of gross capacity 1,85,000 cubic meter each, at a cost of Rs 1,245 crore. It is heartening to share that the mechanical completion of the same has already been achieved 3 months ahead of the contractual schedule. The project is in advanced stage of readiness for commissioning, pending statutory clearances.



Shri Pankaj Jain, Chairman, PLL at the tank inauguration at Dahej LNG Terminal



II. Regas capacity expansion of Dahej

Envisioning the need of enhanced regasification infrastructure in the Country, your company is expanding the regasification capacity at the Dahej Terminal from 17.5 MMTPA to 22.5 MMTPA, through a cost-effective brownfield expansion costing around Rs. 580 crore. The project is being executed in the Engineering, Procurement and Construction Management (EPCM) mode. Importantly, major supply items are sourced from indigenous vendors, supporting the “Make in India” initiative of the Government of India. The project execution is in full swing and is likely to be completed by the end of FY 2024-25.

III. Third Jetty project at Dahej

Your Company is constructing a unique third jetty of approach length 2.5 km (approx.) adjacent to the existing second jetty for unloading of LNG, liquified ethane and propane, at a cost of Rs 1,700 crore. The project is envisaged in line with the above mentioned capacity expansion project at Dahej terminal and also for importing the feedstock for the upcoming Petrochemicals complex. The facility for ethane handling is being created to cater the needs of various third parties. Third jetty has been designed to handle LNG carriers of size 65,000 cubic meter to 266,000 (Q-Max) cubic meter and

ethane and propane carriers of size greater than 70,000 cubic meters. The environmental clearance and other statutory permissions for the project have already been received. Construction works at site are expected to start immediately after the monsoon and the project is being targeted to be completed well before the completion of upcoming Petrochemicals Project.

IV. LNG storage and Regasification project at Gopalpur, Odisha

As a part of geographical diversification strategy, the Board of your Company has approved setting up of 4 MMTPA LNG terminal at Gopalpur, Odisha. Pre-project activities have already been completed, which include onshore geotechnical investigation and topographic surveys, pipeline survey for tie in connectivity, offshore geotechnical investigation, and marine geophysical surveys etc. Various modelling studies are also in the advance stage of compilation. Further, Government of Odisha has approved allotment of land for setting up of land based terminal at the same location. Based on the said approval, the preparation of DFR for the land based terminal is in advanced stage of completion.

Your Company has also executed binding Sub Concession Agreement, Sub Lease deed and Port Services agreement for the said project with Gopalpur Ports Limited on 27th December 2023.



Binding Transaction Documents executed between PLL and Gopalpur Ports limited for setting up and operating the LNG terminal at Gopalpur Port.

V. Petrochemicals Complex at Dahej

As a part of major diversification effort undertaken by your Company, Petrochemicals Complex at Dahej, comprising of Propane Dehydrogenation Unit (PDH) of capacity 750 KTA and a Poly propylene unit (PP) of capacity 500 KTA along with ethane and propane storage and handling facilities has been approved by the Board at a cost of Rs 20,685 crore, on 30th October 2023. The foundation stone for the Petrochemicals Complex was laid by Honorable Prime Minister on 12th March 2024. The project is being executed in a fast-track mode. Various statutory clearances including environment and CRZ clearances have already been obtained. Licensors

for both the units namely PDH and PP have also been appointed and the engineering activities for the project are being undertaken in expeditious manner. The Project Management Consultant has also been engaged. Area grading of entire 50 hectare plot including construction of boundary wall has been completed and the site is ready for further construction activities.

Your Company executed a binding term-sheet with Deepak Phenolics Limited (DPL), a wholly owned subsidiary of Deepak Nitrite Limited for the supply of propylene and hydrogen on 20th December 2023. As per the agreement, DPL shall purchase 250 KTA of propylene and 11 KTA of hydrogen from the said project on long-term basis.



PLL signed MOU with M/s Deepak Phenolics Limited for long term sale and purchase of 250 KTA of Propylene and 11 KTA of Hydrogen from PLL's upcoming Petrochemical complex at Dahej



Hon'ble PM Shri Narendra Modi virtually inaugurated the Petrochemicals Complex of PLL at Ahmedabad, Gujarat on 12th March 2024



Inauguration plaque of PLL's Petrochemicals Complex at Dahej, Gujarat



Shri Pankaj Jain, Hon'ble Chairman, PLL visiting the Petrochemicals Site at Dahej, Gujarat

VI. Installation of additional Truck Loading Bay at Dahej and Kochi

Your Company aims to fortify its presence in the expanding Indian natural gas market by addressing the needs of customers not connected to natural gas pipelines. To achieve this, your Company plans to augment its LNG trucks loading facilities as a proactive approach, leveraging its position as the highest truck loading facilities provider in the country. This capability is being enhanced with the installation of four additional TLF skids at Dahej terminal and two TLF skids at Kochi terminal, at a cost of Rs 76 crore. The installation work at both locations is progressing as per the schedule and expected to be completed in third quarter of FY 2024-25.

VII. Gassing Up and Cooling Down (GUCD)

To capitalize on the niche business opportunity of gassing up and cooling down (GUCD) operations for LNG ships, your Company is augmenting existing GUCD facility at the Kochi LNG terminal for more efficient GUCD operations. Kochi terminal is the only LNG terminal in the country offering such specialized service. This augmentation aims to offer a globally competitive solution to prospective customers at the terminal. The GUCD facility enhancements are scheduled for completion by August 2024.

VIII. Affordable Rental Housing Complex (ARHC)

As a socially responsible organization, your Company, under Affordable Rental Housing Complex (ARHC) scheme of the Government of India, has undertaken construction of 1500 Dwelling units at an approximate cost of Rs 100 crore. The complex consists of 14 blocks of 1BHK flats and 5 dormitory blocks. The project aims to empower migrant workforce by providing them with an affordable and dignified housing close to their workplace. The construction work which commenced in February 2023, is in full swing. The project is expected to be completed by May 2025.

IX. Construction of Office Complex at Dwarka, New Delhi

Your Company is constructing a unique ship-shaped, architectural marvel office complex at Dwarka, New Delhi at a cost of around Rs 160 crore. The twin towers having glass façade system are under construction and targeted for platinum rating of green building council. The ship shaped twin tower building design concept, after completion, will not only be a distinctive landmark in Delhi but would also be one of its kind in the country. The project is expected to be completed by the end of FY 2024-25.

NEW BUSINESS INITIATIVES

SETTING UP OF COMPRESSED BIOGAS PLANTS

Your Company is foraying into new diversified business of Compressed Biogas (CBG) project under Government of India's initiatives SATAT / GOBARDHAN and making efforts for the setting up of 25 number of CBG plants across various parts of India.

In order to achieve the above said objective, your Company is in the process of identification of Government land for setting up of CBG plants in the States of Uttar Pradesh, Haryana, Maharashtra, Gujarat, Himachal Pradesh, Madhya Pradesh and Odisha.

The foundation stone for setting up of CBG Plants has been laid in 4 districts in Uttar Pradesh (UP) namely Amethi, Fatehpur, Bahraich & Kanpur Dehat by the Hon'ble Chief Minister of UP in the august presence of the then Hon'ble Minister of Petroleum and Natural Gas and Housing and Urban Affairs on 27th January 2024 at Budaun (U.P.)

Your Company, in association with Panchayat and Development Dept., Government of Haryana & Haryana Renewable Energy Development Agency, has already identified land in 5 Districts (Sonapat, Jind, Karnal, Kaithal and Ambala) of Haryana for setting up of CBG plants.

Your Company is fully committed to promote such green initiatives.

Green initiatives across Major Ports

Your Company approached Ministry of Port, Shipping and Waterways to facilitate for supply of LNG and setting up of LNG infrastructure in and around Major Ports under "Harit Sagar" Green Port Guidelines focussing on developing cleaner energy ecosystem across major Ports of India.

Your Company has initiated dialogue with New Mangalore Port Authority and Mormugao Port authority for such initiatives.

Green Hydrogen Initiatives

Your Company is also exploring venture into Green Hydrogen Value chain and various discussions held with consultants/ channel partners/ Technology Providers/ Electrolyser manufacturer etc. Your Company is in progress to conduct various business feasibility studies and will soon mark its footprints in the Green Hydrogen sector. Your company is also exploring feasibility for producing hydrogen from Agri-waste/Bio-Mass, thus further enabling in reduction of carbon footprint.



OVERSEAS PROJECT

SUPPLY OF LNG FOR KERAWALAPITIYA POWER PLANT, SRI LANKA

Your Company is engaged with Government of Sri Lanka (GoSL) and its nominated agency (ies) through MoPNG for evaluating the feasibility of LNG supplies to Sobadhanavi

RLNG based power plant in Kerawalapitiya, Colombo, Sri Lanka, through ISO containers as an interim measure till the permanent solution is established.

Your Company is planning to enter an MoU with GoSL nominated entity for supply of LNG and development of requisite LNG infrastructure for Kerawalapitiya Power Plant(s), Sri Lanka.



Shri A.K Singh, MD&CEO in discussion with Minister of Power and Energy, GoSL for supply of LNG through ISO containers for Kerawalapitiya Power Plant(s), Sri Lanka

Health, Safety & Environment (HSE)

Your Company is committed to conducting business with a strong environmental conscience, ensuring sustainable development, safe workplaces, and enhancing the quality of life for its employees, customers, and the community at large.

As a result, it consistently initiates proactive measures to monitor compliance with statutes and procedures. As part of the Integrated Management System, its terminals have been re-accredited with ISO 9001:2015, ISO 14001:2015, ISO 45001:2018, and ISO 55001:2014 standards for Quality, Environment, Occupational Health and Safety, and Asset Management Systems.

With a high commitment to safety, the Dahej terminal achieved a cumulative 26.05 million safe man-hours without a Lost Time Incident as of March 31, 2024. The corresponding figure for the Kochi terminal is 1.47 million man-hours. The Company has a well-defined policy on Quality, Health, Safety, Environment, and Asset Management. Given the inherent hazards in the oil and gas industry, ensuring safe

and environmentally responsible operations becomes even more crucial. The Company has undertaken various initiatives to instil a safety culture, incorporate safe practices, raise awareness about emergencies, and provide safety training to both its employees and contract workers within the terminals, aiming to ensure the safety of operations and the local community.

In its efforts towards stakeholder engagement in promoting safe practices, your Company engages both, the contract manpower and its own employees through regular safety committee meetings, celebration of HSE awareness campaigns, organising various competitions, training program etc.

To promote behaviour-based safety culture, incident reporting and investigation system, management of change etc., your Company has established an online HSE management portal called "Suraksha Setu" where any employee of the Company can register its observations. These inputs are reviewed in a structured manner at the highest level.

Your Company has conducted various local community training programs in and around the villages near the Dahej and Kochi terminals on topics related to LNG hazards, emergency preparedness plans, fire safety awareness, health-related topics, etc. Furthermore, your Company has implemented various measures to prioritize employee health and well-being and to maintain the integrity of its physical assets, ensuring uninterrupted operations of the terminals.

Regular firefighting mock drills involving various incident scenarios are conducted at both terminals. These drills testify to the readiness of employees and equipment in dealing with any untoward situation should it arise. A full-fledged marine-related emergency mock drill (Level-1) involving an LNG carrier and tugboats was conducted at the jetty of the Kochi

terminal on 25th November 2023 to assess the terminal's preparedness for marine-related emergencies.

To further strengthen its safety management system, the Company has become a member of the British Safety Council. Dahej and Kochi LNG terminals are proud recipients of a 5-star rating in occupational health and safety audits, conducted by British Safety Council becoming the only LNG terminals in India to achieve this feat. Both terminals received the 5-star rating in their maiden attempt in July 2023. This achievement reflects the strong commitment and focus of PLL's management towards the health, safety, well-being of its employees, and other stakeholders, as well as the overall sustainability of the organization.



Shri A.K Singh, MD&CEO receiving the Sword of Honor at a felicitation ceremony held on 24th November 2023 in London

The Company accords utmost importance to Technical & Safety Audits (internal and external) at both terminals. Efforts are made by both terminals to comply with audit recommendations in a timely manner. The Company has a robust safety and environment monitoring mechanism in place at both its terminals and has been consistently achieving excellent ratings in periodical safety audits.

All statutory audits points including Oil Industry Safety Directorate (OISD) audits have been addressed promptly. In addition, the Company has initiated "Help Each Other Audit" conducted by cross-functional teams from the Dahej and Kochi terminals, facilitating the sharing of best practices adopted at any location. The Company also prioritizes a safe work culture at its project sites and has initiated Project Safety audits (external and internal) at the construction site of new LNG tanks at the Dahej terminal. As a testimony to this, we are happy to share that the Dahej LNG tanks project site has achieved accident-free 6.51 million man-hours as on March 31, 2024, since construction began in September 2021, demonstrating commitment to safety for all stakeholders in its work culture.

Petronet on Mission LiFE:

The Government of India introduced Mission LiFE at the UN Climate Change Conference of the Parties (COP26) in Glasgow, promoting mindful and deliberate utilization of resources. Mission LiFE is designed to encourage individuals and communities to take actions that contribute to building a sustainable future. Our everyday choices matter.

The Company is fully committed to this concept and has already undertaken and planned several steps to support Mission LiFE as outlined below:

- Conducted mass plantation drives at both terminals on various occasions including World Environment Day.
- Planted over 100,000 trees in and around both the terminals.
- Developed green belts in and around the premises at Dahej & Kochi terminals.
- Achieved Zero Liquid Effluent discharge at both terminals.
- Company has existing solar power capacity of 560 kWp



with plans to increase the same to over 1300 kWp in FY 2024-25.

- Collected over 73,000 m³ of rainwater during FY 2023-24.
- Successfully conducted environmental awareness sessions for employees and the nearby community.

DETAILS OF SUBSIDIARY/ JOINT VENTURES / ASSOCIATE COMPANIES

A statement containing the salient features of the Financial Statements of your Company's Subsidiaries, Associate Companies and Joint Ventures as per the first proviso of Section 129(3) of the Companies Act, 2013 including the individual contribution of these companies towards the overall performance of Company during the period is given under Consolidated Financial Statements forming part of this Annual Report.

Following are brief details on the subsidiary /Joint ventures/ Associate companies:

1. Petronet Energy Limited

Petronet Energy Limited (PEL), was incorporated as a wholly owned subsidiary of your Company on 26th February 2021 with authorized share capital of Rs 500 crore and issued share capital of Rs 10 crore with an objective to pursue business operations in the areas of

LNG Bunkering, Gassing up and/ or Cool down (GUCD) of LNG ships, supply of heel quantity to LNG vessels and other allied services.

PEL has set up a unit at Puthuvypeen SEZ (PSEZ) on 27th July 2022, which has also obtained all necessary regulatory approvals to start the operations at PSEZ. The strategic location of Kochi terminal is considered a potential location for refueling of vessels on the East-West shipping trade route and is also considered as a suitable location for carrying out GUCD operations.

PEL has carried out two operations of GUCD of LNG vessels at Kochi LNG Terminal, thus earning net foreign exchange (NFE).

2. Petronet LNG Singapore Pte. Ltd.

Your Company envisages to be a Global LNG player and has thereby incorporated a wholly owned subsidiary company "Petronet LNG Singapore Pte. Ltd." (PLSPL) on 7th March 2022. PLSPL has been incorporated to carry out business/activities, including but not limited to purchase of LNG on long, spot and short-term basis and sale of LNG, trading of LNG to Indian and foreign companies, optimization and diversion of LNG under its portfolio, carry out hedging, investments in overseas ventures etc. PLSPL has issued shares capital of Rs 0.41 crore (50,500 shares of USD 1 each) to your Company.



Shri A.K Singh, MD&CEO along with Senior dignitaries attended the first AGM of PLSPL

3. Petronet LNG Foundation

Petronet LNG Foundation (PLF), a Company Limited by Guarantee and incorporated on 31st March 2017, has been promoted by your Company under the provisions of Section 8 of the Companies Act, 2013 and the rules made thereunder as a wholly owned subsidiary of your Company.

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

4. Adani Petronet (Dahej) Port Limited (Formerly known as Adani Petronet (Dahej) Port Private Limited)

Your Company has a 26% equity in Adani Petronet (Dahej) Port Limited (APDPL) and the balance equity is held by the Adani Ports and SEZ Ltd. APDPL is a Joint Venture (JV) of your Company. It owns and operate a Solid Cargo Port at Dahej in Gujarat and had commenced its operations in August 2010. The Solid Cargo Port Terminal has facilities to import/export bulk products like coal, steel and fertilizer etc.

5. India LNG Transport Company (No. 4) Private Limited ('ILT4')

India LNG Transport Company (No. 4) Private Limited ('ILT4') is a Joint Venture (JV) of your Company with a shareholding of 26% equity with the balance equity held by NYK, MOL, K-Line and SCI. ILT4 is the owner of vessel MT Prachi and is engaged in transportation of LNG. It is one of your Company's strategic investments and has the principal place of business in Singapore.

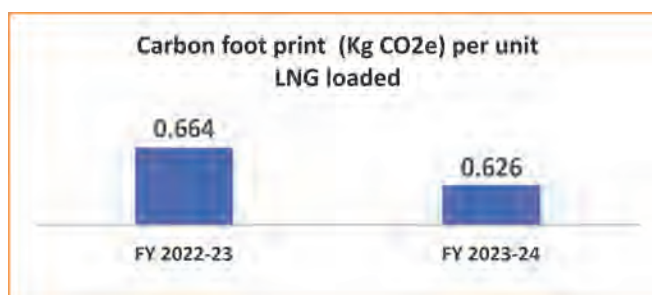
CONSERVATION OF ENERGY AND TECHNOLOGY ABSORPTION

Ensuring a low carbon future is of significant importance to us, especially in the context of our operations and our commitment to environmental sustainability. We are staunch advocates for the widespread adoption of clean and sustainable energy solutions. In pursuit of low carbon future, your Company adopts all possible measures towards conservation of energy and technology upgradation. The Company has initiated various steps, big and small, in order to achieve this objective. Some of the initiatives are as under:

- Shifting to use of shore power in place of diesel generator for the auxiliaries of the tugboats, while stationed at jetty at Dahej has resulted into an average saving of over 8KL HSD consumption in a month. It has also helped in lowering the carbon footprint to an extent of about 14 tCO₂e per month.
- Detailed studies were jointly undertaken with ship

operators to optimize the fuel consumption in our three long-term chartered ships at Dahej. The results have been highly encouraging as the measures have resulted into a significant fuel saving, translated into a reduction of carbon footprint of the ships by over 5%.

- As you are aware, your Company is also venturing into Petrochemicals through setting up of 750 KTA PDH unit and 500 KTA PP unit, adjacent to the Dahej LNG terminal. To achieve an optimum level of energy consumption and reduce carbon emissions, your Company, along with Licensors and PMC consultant, is working on an innovative and unique concept of utilizing cold energy of the LNG terminal in the petrochemical complex through integration of both the plants. Utilization of the envisaged quantum of cold energy when implemented, would be, in all likelihood, one of the largest in the world.
- Optimization of send out header pressure at Kochi has resulted into a reduction in carbon footprint by 404 tCO₂e per year.
- Optimum running of the equipment through close monitoring at both the terminals has resulted into a saving of power consumption to the tune of over 2% at Dahej and over 10% at Kochi. In terms of carbon footprints, these figures convert into a reduction of over 5800 tCO₂e, during the year.
- As a responsible corporate, your Company is working progressively on installing the solar plant at both terminals and contributing for green energy. During the FY 2023-24, Kochi terminal successfully commissioned 200 kWp solar plant in its premises and thus increased the total solar power generating capacity to 400 kWp. Plans are on anvil to further enhance the capacity of renewable power generation to over 1300 kWp during the FY 2024-25.



Research & Development

The commitment of your Company to promote clean energy is going to help the nation to achieve its Net Zero goals by 2070. Promoting LNG as a transition fuel has been expedited which is one of such steps in this direction. You already know that previously, various initiatives such as usage of LNG as fuel in fishing boats, trial running of buses on LNG in collaboration with KSRTC, etc. have been successfully undertaken to the optimum extent.

Innovation in utilizing Cold Energy:

Your Company has already identified another such area i.e., harnessing available cold energy of LNG for building cooling purposes as well as in process of production of nitrogen in house. Now, Company is in very advance stage to integrate this cold energy with upcoming Petrochemicals complex at Dahej LNG Terminal. Successful implementation will be saving environment as well as reduce operational cost.

Petronet R&D centre at NITK Surathkal: Your Company has undertaken below mentioned two important projects in association with NITK Surathkal:

- **Renewable Hydrogen Research:** The Petronet Centre for Renewable Hydrogen Research at the Central Research Facility of NITK, Surathkal is a dedicated space to carry out the research activities on renewable hydrogen production. The Centre has set up a special facility to focus on researching ways to create hydrogen fuel using methane rich Biogas generated from a pilot 500 kg Biogas Plant situated at NITK campus. To achieve the above, the research is being carried out in the area of catalytic Steam Biogas Reforming. Initial results have been encouraging.
- Another project titled “Hydrogen fuel cell and electrolysis technology development” has also been undertaken in association with NITK, Surathkal at their campus. This project envisions creating basic and advanced research infrastructure facilities for developing and testing low temperature PEM fuel cells (LT-PEFCs) and Alkaline water electrolyzers (AWEs). The LT-PEFCs are energy conversion devices utilizing hydrogen to produce power and AWEs

producing clean hydrogen.

- Further, as already stated above under “Conservation of Energy”, your Company has conceptualised an innovative scheme of harnessing cold energy available at Dahej terminal, at industry scale in the upcoming Petrochemicals Plant. The scheme when implemented has a huge potential of saving the power requirement of the Petrochemical Complex, also resulting in reduction of CO₂ emissions.

AWARDS AND RECOGNITION

Throughout the year, your Company has been honored with several prestigious awards and recognitions, acknowledging Company’s dedication to excellence, innovation, commitment to reduce workplace injuries and implementations of the best Organization’s Occupational Safety & Health (OSH) practices.

These accolades are a testament to commitment to excellence and the hard work of the Company. Some of the notable awards and recognitions received during the FY 2023-24 include:

- Both Dahej and Kochi LNG terminals have received five star ratings from British Safety Council for the year 2022-23
- Both Dahej and Kochi LNG Terminals have also been awarded with the prestigious “Sword of Honor 2023” by British Safety Council on 13th October 2023
- PLL’s Dahej LNG Terminal has been honoured with the distinguished ‘Maritime Excellence Achievers 2023’ in the category for ‘Terminal Operational Excellence’ at the Global Maritime India Summit 2023 on 19th October 2023



Shri A.K Singh, MD&CEO along with Shri Pramod Narang, Director (Technical) receiving the ‘Maritime Excellence Achievers 2023’ at Global Maritime India Summit 2023 in the category for ‘Terminal Operational Excellence’ from the Hon’ble Minister of Commerce and Industry, Gol Shri Piyush Goyal in the august presence of other dignitaries

- PLL's ranking has been elevated to
 - 44th position in Fortune India 500 rankings for the year 2023 from 51st position in 2022
 - 36th in the Business World Real 500 List for the year 2024 from 42nd in 2023
 - 48th in the ET 500 in January 2023 from 57th in 2022
 - Ranked 39th as per net revenue in FE 1000 in March 2024 from 55th in March 2023
 - Ranked 31st in BS 1000 in April 2024 from 36th in April 2023
- PLL has been recognised by Institutional Investor under Asia Pacific Small & Mid Cap and Asia Pacific Rest of Asia (Ex - China)
 - Shri Akshay Kumar Singh, MD&CEO as 3rd Best CEO
 - Shri Vinod Kumar Mishra, Director (Finance) as 3rd Best CFO
- Institutional Investor in Asia Pacific; Rest of Asia (Ex - China)
 - Board of Directors – 1st Rank
- Institutional Investor in Asia Pacific Small and Mid-Cap
 - Board of Directors – 2nd Rank
- Institutional Investor under Asia Pacific Small & Mid Cap and Asia Pacific Rest of Asia (Ex - China) recognized PLL for Best IR Team, Best IR Professional, Best ESG and the Most Honoured Company
- PLL's Kochi LNG Terminal has been honoured with the prestigious Arogya World Healthy Workplace Award 2023
- PLL bagged top rankings in the domain of 'Energy, Oil & Gas' for the year 2022, in the All Asia (Ex-Japan) survey conducted by 'Institutional Investor', the prestigious global platform for investor relations.
- Kochi terminal received the "Kerala Industrial Safety Awards - 2023" in the category "II (Large factories (251-500 Workers)- Sub Category (1) (Chemical, Petroleum, Petrochemicals, General Engineering/Automobile Repairing)"
- Petronet LNG Ltd received the "AWARD FOR EXCELLENCE" in the category "HR EXCELLENCE (Overall)" in the 9th PSU awards & conference
- PLL was recognized as one of the most preferred workplace by Daily Marksmen



Petronet LNG Ltd being awarded with most preferred workplace 2024-2025 by Daily Marksmen on 21st June 2024



FOREIGN EXCHANGE EARNINGS AND OUTGO

Your Company’s foreign exchange earning was Rs 11.19 crore and foreign exchange outgo was Rs. 44,429.44 crore during Financial Year 2023-24.

ADEQUACY OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO THE FINANCIAL STATEMENTS

The Company has a robust system of the Internal Financial Controls (IFC) and its monitoring. The IFC framework and the Risk Matrix (RCM) for various business processes are in place and are reviewed consistently by the management and Audit Committee. Independent professional agency is engaged for IFC testing. The IFC system ensures compliance of all applicable laws and regulations, optimum utilisation and safeguard of the company’s assets and accuracy / completeness of financial records/ reports.

CORPORATE SOCIAL RESPONSIBILITY (CSR)

Your Company recognizes its profound responsibility towards society and continues to actively contribute to social development causes. With a renewed focus on our social goals, the Company has adopted a structured approach to improve access to quality healthcare, enhance educational and skill development facilities, support environmental initiatives, empower women and uplift communities in need, across different regions in the country.

The Company has implemented a comprehensive strategy that encompasses short-term, medium-term, and long-term CSR initiatives, ensuring our resources are channelled in an organized manner to achieve maximum socio-economic impact. In line with the social objectives, your Company has identified several projects in key areas such as Healthcare & Sanitation, Education & Skill Development, Promotion of Art & Culture, Heritage Development, Environment & Sustainability, Disaster Management, Animal Welfare, Welfare of the Divyang, Gender Equality and Rural Infrastructure Development etc. The annual CSR budget is being allocated progressively and sustainably towards these initiatives.

In terms of provisions of Companies Act, 2013, an amount of INR 84.58 crore was required to be committed on CSR activities in financial Year 2023-24. Against which, the Company has made the highest ever yearly CSR commitment of INR 76.11 crore.

An amount of INR 14.92 crore has been released against the commitment (including the administrative expenses), an amount of INR 61.19 crore has been transferred to unspent CSR account within 30 days from the end of the FY 2023-24 against the ongoing projects, and the unspent and non-committed amount of INR 8.47 crore has been earmarked for transferring to Schedule VII fund by 30th September 2024 as per Companies Act, 2013 read with the CSR Amendment Rules.

Sector-wise CSR commitment percentage are tabulated as below:

Sr. No.	Sector	Sector wise commitment (%)
1	Education & Skill Development	30.49
2	Healthcare & Sanitation	10.62
3	Art, Culture and Heritage Development	2.73
4	Environment & Sustainability and Disaster Management & animal welfare	31.68
5	Gender equality & women empowerment, Rural Infrastructure development, welfare of Divyangs	8.96
6	Several Other CSR projects aligned with areas or subjects specified in Schedule VII of the Act & Contribution to Schedule VII Funds	10.76
7	Administrative Overheads	4.76
Total		100.00

Further, in FY 2023-24, an amount of INR 20.99 crore has been spent from UCSRA 2022-23, INR 2.76 crore has been spent from UCSRA 2021-22 and INR 11.22 crore (including the contribution of INR 10.34 crore to PM CARES Fund) has been spent from UCSRA 2020-21 for ongoing multiyear projects. In addition, an amount of Rs 14.66 crore has been contributed to the PM CARES Funds from the uncommitted amount of FY 2022-23 on 29th September 2023.

Thus, a total amount of INR 64.55 crore has been spent towards CSR activities by the Company in the FY 2023-24 which includes the expenses incurred against the projects of FY 2023-24, expenses towards the other ongoing multiyear projects of the preceding three financial years from Unspent CSR Accounts and contribution made to PM CARES Fund.

Your company has also established Petronet LNG Foundation (PLF) a Company Limited by Guarantee on 31st March 2017. PLF acts as the CSR arm of PLL, operating in accordance with the provisions of Section 8 of the Companies Act, 2013, and the rules made thereunder. The foundation has successfully undertaken various impactful projects across the nation.

While targeting CSR obligations, all the projects are carefully selected giving utmost importance to quality of spending, wider reach and sustainability aspect, most of the projects have been outstanding in their overall impact and reach. Some of the impactful CSR projects taken up in various sectors in FY 2023-24 are mentioned below:

a) Healthcare & Sanitation:

- Running 10 Mobile Medical Vans in Rural & Urban Areas of Gujarat, Kerala, Delhi and Uttar Pradesh.
- Organized general health awareness camps in Bulandshahr, UP.
- Conducted health awareness camps and facilitation of Ayushman health cards for the EWS/backward

rural population of Saran District in Bihar.

- Procurement and installation of RO water purifier with coolers at Government Schools in Maharajganj, Siwan and Saran, Bihar.
- Construction & redevelopment of Sulabh Toilet Complexes in Ayodhya and Prayagraj districts of Uttar Pradesh.



Inauguration of Sulabh Toilet Complex at Jammu by Shri Muker Jeet Sharma, Independent Director, PLL

- Hygienic nutritious meal distribution programme along with funding of 5 food delivery vans.
- Organised eye & health care camps in Delhi/NCR, Dahej and Kochi.
- Provided medical equipment like incinerator, solid waste management facilities etc. to various hospitals.
- Provided an ambulance and 11 sets of health camp equipment to a charitable eye care society.
- Construction of baby-friendly washrooms, setting up safe drinking water facilities, upgradation of government child welfare committee, setting up helpdesk for differently abled & senior citizen and several other projects related to healthcare across various locations.

b) Education and Skill Development:

- Redevelopment of Boys Hostel, Hindu College, University of Delhi.
- Construction of auditorium block for women education in Maharani Lakshmi Bai College, Hisar, Haryana.
- Supported construction of academic and administrative block for School of Sustainable Habitats at Himalayan Institute of Alternative Learning (HIAL), Ladakh. The building was completed and opened for students in November 2023.
- Construction of additional classrooms at Govt. schools in Jodhpur and Jaisalmer, Rajasthan.
- Setting computer labs and digital library in five Govt. schools in Indore, MP.



- Implementation of Petronet Kashmir Super 50, Jammu Super 30 and National Super 30 (Delhi) towards imparting full time residential coaching & counselling support to 110 underprivileged students for preparation of JEE examination.
- Supported setting up of 9 smart classrooms along with PM-WANI Wi-Fi access points and distribution of 500 e-tablets.
- Skill development training to 400 youth in plastics technology with Central Institute of Petrochemicals Engineering & Technology (CIPET) at Ahmedabad, Kochi, Dehradun and Murthal.
- Support towards infrastructure restoration at Bal Shaikshanik Kendra, Igatpuri (Nasik, Maharashtra).
- Construction of two classrooms and one multi-media room at DVKM school in Dahej (Gujarat).
- Distribution of bicycles & umbrellas to the students and workforce in Dibrugarh & Tinsukia districts of Assam.
- Organised skill development trainings for underprivileged women, youth and special children at various locations.
- Many other programmes viz. swacchta pakhwada, school health check-up, strengthening educational infrastructure in schools, installation of solar panels, distribution of uniform, winter clothing & sanitary napkins to school students.



Auditorium Block at Maharani Lakshmi Bai College, Hisar, Haryana



Administrative block of the School of Sustainable Habitats in Himalayan Institute of Alternative Learning (HIAL), Ladakh



Students at the Petronet Kashmir Super 50 Centre in Srinagar



Students at the Petronet Jammu Super 30 Centre in Reasi



c) Disaster Management & Environment Sustainability

- Construction of 5 (five) pilgrim accommodation blocks at Shri Kedarnath Dham, Uttarakhand is being undertaken.



Signing of agreement between PLL and Shri Kedarnath Utthan Charitable Trust for the construction of pilgrim accommodation blocks at Shri Kedarnath Dham, Uttarakhand

d) Art, Culture and Heritage Development:

- Air conditioning facility and DG set at the Partition Museum and Cultural Hub at Dara Shikoh Library Building (DSLB), Dr. B.R. Ambedkar University campus, Kashmere Gate, New Delhi.
- Refurbishment of Jawahar Bal Bhavan (JBB) through District Nirmithi Kendra, Thrissur.
- Supported “Akhil Bhartiya Kala Sadhak Sangam 2024”.
- Skill development workshop for promotion of art & culture in Rajasthan, Jammu and Kashmir.

e) Gender Equality & Women Empowerment:

- Conducted health awareness workshops and distribution of sanitary napkins in Jaipur, Rajasthan.
- Organized women health care camps in Agra, UP.
- Various women centric awareness camps across the nation.

f) Rural Infrastructure Development

- Construction of Community Hall at Malikpur village, Guru Teg Bahadur Nagar, Delhi.
- Renovation of Community Hall (Trade Centre) in Pothepalli village of Machilipatnam, Andhra Pradesh.
- Supported establishment of Community helpdesk in Ernakulam.



Foundation Stone laying for the Construction of Community Hall at Malikpur village, Guru Teg Bahadur Nagar, Delhi



Foundation Stone laying for the Construction of Community Hall at Malikpur village, Guru Teg Bahadur Nagar, Delhi



g) Welfare of the Divyangjan:

- Renovation & refurbishment of divyang school in Jaipur.

- Supported establishment of healthcare and education centres in Delhi
- Various other programmes for welfare of Divyangjan were implemented across the nation.



Inauguration of Computer Center in Noida by Shri Vinod Kumar Mishra, Director (Finance) & CFO, PLL

h) Research & Development:

- Supported experimental study and lab facility for development & demonstration of Hydrogen fuel cell and electrolysis technology at NITK Suratkal.
- Supported hybrid data analysis course on water quality at IIT Madras.

Nari Awas Quarters at Gandhinagar was carried out in November 2023.

j) Namami Gange Programme: In association with National Mission for Clean Ganga (NMCG) and Clean Ganga Fund (CGF), dedicated the Dinkar Ghat at Simariya, Begusarai district of Bihar to the public. The facility was inaugurated by Shri Giriraj Singh, Hon'ble Minister of Rural Development & Panchayati Raj in presence of several other notable dignitaries and senior officials.

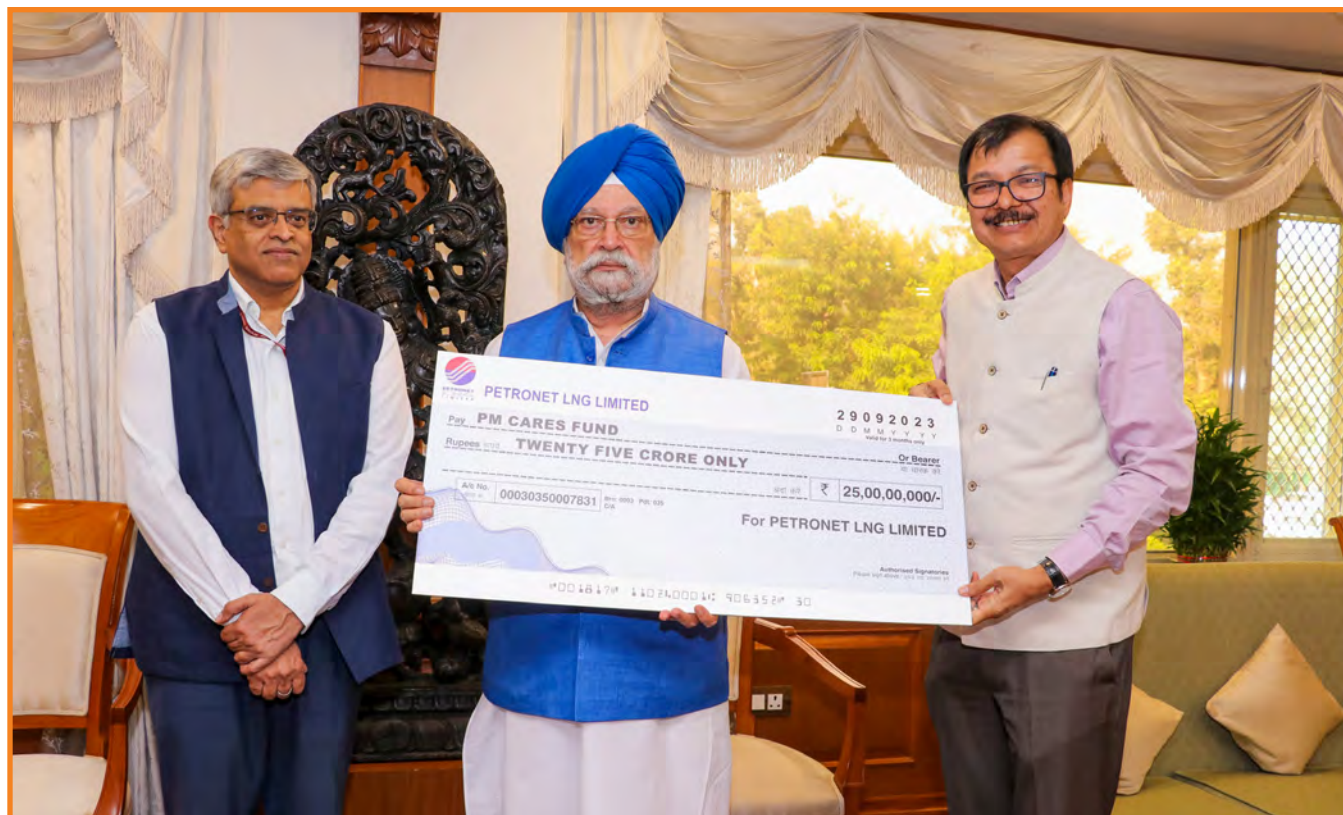
i) Welfare of war widows: Constructed 48 type II widow quarters at Gandhinagar (24 Nos), Bikaner (18 Nos.) & Punjab (6 Nos) for BSF. The inauguration of the Veer



Inauguration of Simariya Ghat by Shri Giriraj Singh, Hon'ble Minister of Rural Development & Panchayati Raj

- k) Various other short-term CSR projects have also been undertaken in nearby areas of the existing terminals at Dahej and Kochi, for the benefit of the immediate stakeholders.
- l) **Contribution to PM Cares:** The Company has generously

contributed Rs. 25 crore to the Prime Minister's Citizen Assistance and Relief in Emergency Situations Fund (PM CARES Fund) in the FY 2023-24. The total contribution to the PM CARES Fund, since its creation in March 2020, following the COVID-19 pandemic, by the Company is Rs. 145.62 crore.



Shri A.K. Singh, MD & CEO, PLL, handed over a cheque of ₹25 Crore towards PM Cares Fund to Hon'ble Minister of P&NG Shri Hardeep Singh Puri

AWARDS AND ACCOLADES FOR CSR INITIATIVES IN FY 2023-24

Your Company's CSR efforts have been widely recognized and conferred with several National level awards and accolades, for its outstanding contribution to Nation building viz.

- (i) 10th CSR Times Award 2023 for Skill Development for its pivotal role in nation building through the skill development projects in plastics technology, in association with Central Institute of Petrochemicals Engineering & Technology (CIPET) across multiple locations.
- (ii) 'Best Education Improvement Award' at the 10th National Awards 2023 for Excellence in CSR & Sustainability. This prestigious award recognizes Company's flagship CSR initiative, the 'Petronet Kashmir Super 50' project.

- (iii) 10th Annual Greentech CSR India Award 2023 for its commendable contributions and initiatives for Gender Equality and Women Empowerment.
- (iv) "Best CSR Impact Award" for the project Petronet Kashmir Super 50 at 9th Corporate Social Responsibility Awards 2023 by UBS Forums.
- (v) The Company received CSR Felicitations for special Olympics Project by KALRAV Charitable Trust, Bharuch for Dahej Terminal
- (vi) The Company received CSR Felicitations for BSF widow quarters, Gandhinagar for Dahej Terminal.

The Corporate Social Responsibility Policy of the Company is available at the Company website on the following weblink: <https://petronetlng.in/corporate-governance>



Annual Report on CSR activities for the financial year 2023-24 forms part of this report and is attached at Annexure-I.

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 Milind Torawane, IAS (DIN: 03632394), Managing Director, GSPCL was appointed as Additional Director {Nominee Director (GMB/ GoG)} w.e.f. 10.04.2023 in place of Shri Sanjeev Kumar (DIN: 03600655), who ceased to be Director on the Board w.e.f. 01.04.2023. His appointment was regularized by the Members of the Company by way of postal ballot on 10.06.2023.
2. Shri Vinod Kumar Mishra (DIN: 08125144) was appointed on the Board of the Company as Director (Finance) & CFO w.e.f. 18.04.2018 for a period of five years. The tenure of Shri Vinod Kumar Mishra, Director (Finance) & CFO of the Company was extended for a further period of two years w.e.f. 18.04.2023 on the existing terms and conditions by approval of the Members of the Company by way of postal ballot on 08.04.2023.
3. Shri Sidhartha Pradhan (DIN: 06938830) Independent Director ceased to be Director on the Board w.e.f. 16.05.2024, consequent upon completion of his second term of three years.
4. Shri Raian Nogi Karanjawala (DIN: 02438943) was appointed as Additional Director (Independent Director) for a period of three years w.e.f. 16.05.2024. His appointment was regularized by the Members of the Company by way of postal ballot on 20th July 2024.
5. Ambassador Bhaswati Mukherjee (DIN: 07173244) was appointed on the Board of the Company as Independent Director w.e.f. 13.08.2021 for a term of three years. The Board has approved her re-appointment as Independent Director on the Board of the Company for a second term of three years w.e.f. 13.08.2024, subject to the approval of the shareholders by way of special resolution. Her appointment was regularized by the Members of the Company by way of postal ballot on 20th July 2024.

The Board placed on record its sincere appreciation for valuable services rendered and contribution made by Shri Sanjeev Kumar, Nominee Director GMB/ GoG and Shri Sidhartha Pradhan, Independent Director during their association with the Company.

Reappointment

In accordance with the Articles of Association of the Company and as per statutory requirements, Shri Sandeep Kumar Gupta, Nominee Director – GAIL and Shri Arun Kumar Singh, Nominee Director - ONGC, would retire by rotation at the ensuing Annual General Meeting and being eligible and offers themselves for reappointment.

Brief resume of directors seeking 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 your company etc. as stipulated under SEBI (LODR) Regulations, 2015 and other statutory provisions are given in the annexure to the Notice of 26th 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 2024 were:

1. Shri Akshay Kumar Singh, MD & CEO
2. Shri Vinod Kumar Mishra, Director (Finance) & CFO
3. Shri Pramod Narang, Director (Technical)
4. Shri Rajan Kapur, Company Secretary

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 appointed by the Board are renowned experts in their fields which are required for the Directors in the context of the Company's business for effective functioning 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 to the Board attend an orientation program. 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 Company at <https://www.petronetlng.in/familiarisation-program-for-independent-directors>. 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.

EXTRA ORDINARY GENERAL MEETING

During the year, no Extra Ordinary General Meeting was held.

NUMBER OF MEETINGS OF THE BOARD OF DIRECTORS

During the year, 11 Board Meetings were held, 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.in/corporate-governance>

WEB LINK OF ANNUAL RETURN

The web link of Annual Return for the FY 2023-24 is available at the website of the Company at <https://www.petronetlng.in/annual-return>

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 2024 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 a comprehensive Policy on materiality of Related Party Transactions and on dealing with Related Party Transactions.

The Policy is available 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. The disclosure is attached herewith as Annexure II and form part of the Directors' 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 attached as Annexure III 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 efficient and dedicated employees who are the driving force behind the sustained stellar performance of your Company over the years. As a commitment towards your Company's core values, employees' participation in Management is based on mutual respect, trust and a feeling of being a progressive partner in growth and success. Both employees and management

complemented each other's 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 2024, there were 521 employees including 3 Wholetime Directors.

Your Company is committed to make the organization more inclusive by promoting and providing equal opportunities to persons with disability and transgenders. Paternity leave for male employees has also been introduced in your Company.

In order to strengthen the talent pool of the organisation which is critical for making the organization future ready, your Company has selected Graduate Engineer Trainees & Management Trainees through campus placements from IITs, IIMs and other top management institutes viz. IIT Madras, IIT Delhi, IIT Bombay, IIT Kanpur, IIT Roorkee, IIT BHU, Symbiosis Institute of Business Management, Pune, IIM Kashipur, MDI Gurgaon and Institute of Chartered Accountants of India in Mechanical, Chemical, Civil, Electrical, HR, Marketing and Finance disciplines. As a part of PLL's constant endeavour to improve the gender diversity, 26% of selected candidates are females.

Your Company has purchased a free-hold office space covering 94,095 sq. feet at World Trade Center (WTC), Nauroji Nagar, New Delhi developed by NBCC India Limited to cater the future business requirements.

Your Company has also hosted the 43rd PSPB Inter-unit Football Tournament 2023-24 at Dr. Bhim Rao Ambedkar Stadium, New Delhi, from 25th to 30th March 2024. Teams from IOCL, ONGC, EIL, NRL, BPCL, HPCL and OIL participated in the said tournament.

Your Company has participated in India Energy Week (IEW) which was held during 6th-9th February 2024 at Institute of Petroleum Safety, Health and Environment Management (IPSHEM) - ONGC Training Institute, Goa. The event was inaugurated by Hon. Prime Minister of India, Sh. Narendra Modi ji and was a huge success. Your Company was one of the exhibitors in the said event and also facilitated the setting up of "LNG Ecosystem Pavilion" by coordinating with various organisations in LNG business, showcasing the journey of LNG Supply Chain, various technological advancements and futuristic business initiatives. Additionally, during the year, the Company also nominated its employees to various national/international Conferences and Seminars like Vibrant Gujarat-2024, ADIPEC, GASTECH, CERAWEEK, World Petroleum Congress, etc. to prepare them to adapt with changes in global LNG landscape.



Hon'ble Minister of P&NG, Shri Hardeep Singh Puri at PLL's exhibition stall at India Energy Week 2024



Hon'ble Minister of P&NG Shri Hardeep Singh Puri and Shri Pankaj Jain, Chairman, PLL at the exhibition stall at IEW 2024



Shri A.K. Singh, MD & CEO, PLL shared his views at Ceraweek, Houston, USA



Shri A.K. Singh, MD & CEO, PLL shared his views at Gastech Singapore



Shri A.K Singh, MD&CEO as a panellist at ADIPEC, Abu Dhabi



Shri A.K Singh MD&CEO sharing his views at World Petroleum Congress, Calgary, Canada

LNG Training Academy

In a significant development at Kochi LNG academy, the first training program on LNG terminal operation and maintenance for international delegates i.e. M/s. Seapeak Bahrain Operations LLC, was organized during November 2023. Another similar program was conducted for HPCL LNG Ltd. in December 2023. In addition to the above, a 2-days training module on safety in LNG terminals was also conducted for the engineers of M/s. Shell Energy India Pvt. Limited, Hazira.

SECRETARIAL AUDIT

M/s A. N. Kukreja, Practicing Company Secretary (M. No. FCS 1070, CP No. 2318), was appointed by Board of Directors to conduct the Secretarial Audit of the Company for the financial year 2023-24 as required under Section 204 of Companies Act, 2013 and rule made thereunder.

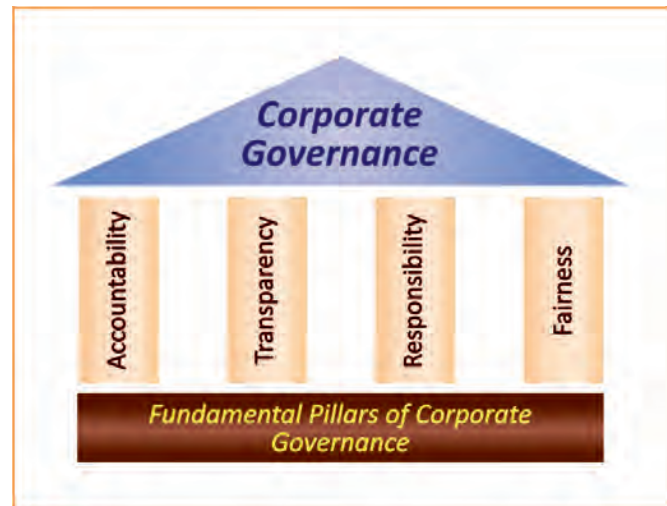
A Secretarial Audit Report for the Financial Year 2023-24 submitted by M/s A. N. Kukreja, Secretarial Auditor, is annexed with this report. The disclosure attached herewith as Annexure IV and forms part of the Directors' Report.

MANAGEMENT DISCUSSION AND ANALYSIS

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

the Directors' Report. The disclosure attached herewith as Annexure V and forms part of the Directors' Report.

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 FY 2023-24, is annexed to this report. The disclosure attached herewith as Annexure VI and forms part of the Directors' Report.

BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT

The Business Responsibility and Sustainability Report covering initiatives undertaken with respect to environmental, social and governance perspective has been prepared in accordance with the directives of SEBI and forms a part of the Annual Report. The disclosure attached herewith as Annexure VII and forms part of the Directors' 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 has a firm belief that Human Rights should be basic constituents of human behaviour which essentially drives various policies and practices in a company. Your Company, therefore, does not discriminate between employees and other manpower engaged in work centres when it comes to facilities related to health, safety, and other amenities. The Company ensures that all the statutory guidelines are followed in their true spirit even for the manpower engaged by various service providers. Consequently, Company's industrial relations environment is always congenial and since inception, there have been no instances of disharmony at all work locations.

RISK MANAGEMENT

Your Company has established a comprehensive Risk Management system that adheres to SEBI (LODR) Regulations and international standards. This system provides a framework for proactive identification, analysis, management, and reporting of risks across the entire value chain. It encompasses continuous risk assessments, prioritization, mitigation, monitoring, and reporting.

Your Company's strategy ensures that risk management is applied organization-wide, with risks evaluation based on their potential impact and likelihood. Recognizing that risks are multi-dimensional and influenced by both internal and external factors, your Company addresses them holistically.

The Risk Management Policy offers clear guidance for identifying and quantifying risks, exploring mitigation measures, and managing risks without compromising the Company's business objectives. Risks are periodically

identified, quantified, prioritized, and reported to Management. Mitigation plans are reviewed and monitored quarterly, with reports submitted to the Risk Management Committee of the Board. This Committee oversees the implementation of the Risk Management Policy and procedures throughout the Company, before being presented to the Board.

The Risk Management Policy is regularly updated to ensure effective risk management in the evolving and ever dynamic business environment and, as the company also to cover new and emerging aspects expands into new areas.

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. As on 31st March 2024, no complaint was pending.

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 available on the website of the Company.

LISTING ON STOCK EXCHANGES

The Company's equity shares are listed on the BSE Limited and National Stock Exchange of India Ltd.

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 years 2006-07 to 2015-16 to Investor Education and Protection Fund. Detail of the same is available at website of the Company at the following link <https://www.petronetlng.in/unclaimed-dividend-iepf-matters>

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.petronetng.in/unclaimed-dividend-iepf-matters>

ANNEXURES FORMING PART OF ANNUAL REPORT

The particulars of annexure forming part of this report areas under:

Particulars	Annexure
Annual Report on CSR Activities	I
Disclosure of Related Party Transactions in Form AOC-2	II
Particulars of Employees pursuant to Section 197 of the Companies Act, 2013 read with rules.	III
Secretarial Audit Report in Form MR-3	IV
Management Discussion & Analysis	V
Report on Corporate Governance	VI
Business Responsibility and Sustainability Report for the year 2023-24	VII

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 2023-24:

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 2023-24, no cases were 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 2024. 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 V. Sankar Aiyar & Co., Chartered Accountants, have been appointed by the Shareholders of the Company in the Annual General Meeting held on 21.09.2022 as Statutory Auditors for a tenure of 5 years, up to the Annual General Meeting to be held in 2027.

AUDITORS' REPORT

The Auditors have submitted an unqualified report for the financial year 2023-24. 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 have appointed M/s Ramanath Iyer & Co., Cost Accountants (Registration. No. 000019) as the Cost Auditors of the Company for a period of 3 years, starting from Financial Year 2022-23 up to 2024-25.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the provisions of clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013, the 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

In light of various circulars issued by Ministry of Corporate Affairs and the Securities and Exchange Board of India, the Annual General Meeting is being held through video conferencing. The Annual Report for the financial year 2023-24 is being sent through email and the same is also available at the website of the Company. 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. Bigshare Services Private Limited, to register their email addresses with the depositories or the Company for receiving the Annual Report for 2023-24 and other communications.

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, QatarEnergy, 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

(Pankaj Jain)
Chairman

Place: New Delhi
Date: 31st July 2024