Petronet LNG Limited

Regd. Office: World Trade Centre, Babar Road, Barakhamba Lane, New Delhi – 110001
Phone: 011-23411411, **Fax:** 011- 23472550, **CIN:** L74899DL1998PLC093073
Email: investors@petronetlng.com, **Company's website:** www.petronetlng.com

ND/PLL/LIST/SECTT/2019

2nd August, 2019

The Bombay Stock Exchange Ltd
Phiroze Jeejee bhoy Towers
Dalal Street, Mumbai – 400 001
Scrip Code-532522

National Stock Exchange of India Ltd
Exchange Plaza, Bandra Kurla Complex
Bandra East, Mumbai – 400 051
Scrip Code-PETRONET

Sub: Notice of 21st Annual General Meeting (AGM) and Annual Report for Financial Year 2018-19 along with Addendum to the Notice of 21st Annual General Meeting

Ref.: Letter dated 24th July, 2019 - Intimation regarding 21st Annual General Meeting, Book Closure Dates and Dividend Payment Date

Dear Sir/Madam,

In reference to above mentioned letter dated 24th July, 2019, this is to inform that the 21st Annual General Meeting (AGM) of the Members of the Company is scheduled to be held on Tuesday, the 27th day of August, 2019 at 10.30 A.M. at Siri Fort Auditorium, August Kranti Marg, Siri Institutional Area, New Delhi - 110049. We are enclosing herewith the Notice of 21st Annual General Meeting & Annual Report for the year 2018- 19 as **Annexure A**.

Further, pursuant to provisions of the Articles of Association of the Company and in terms of Section 149, 152 and 161 of the Companies Act, 2013 and Rules made thereunder, (including any statutory modification(s) or re- enactment thereof for the time being in force) and Regulation 17 and other applicable regulations of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time, Shri B.C. Tripathi (DIN 01657366) 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 3rd November, 2018. He was nominated by GAIL (India) Ltd. (GAIL) as their nominee Director on the Board of the Company. In terms of provisions of Companies Act, 2013, he has been proposed to be appointed as Director (Nominee Director of GAIL) of the Company in the 21st Annual General Meeting of the company scheduled to be held on 27th August, 2019 (Item no. 6 of the Notice of AGM dated 15th July, 2019).

However, a communication has been received vide letter dated 31st July, 2019 from M/s GAIL (India) Ltd. regarding resignation of Shri B. C. Tripathi from the Board of Petronet LNG Limited w.e.f. 01.08.2019 consequent to completion of his tenure as Chairman and Managing Director of GAIL (India) Ltd. on 31.07.2019. The same has also been intimated to BSE and NSE today in terms of Regulations 30 of SEBI (LODR) Regulations, 2015.

In view of the above, an Addendum is being sent to the Members of the company to inform that the proposed Resolution vide Item No. 6 will not be considered for voting on Item No. 6 regarding **"To appoint Shri B.C. Tripathi (DIN 01657366) as Director of the Company"**. The Members were also requested not to vote either through remote e-voting or voting at AGM in respect of Item No. 6 as stated above.

In view of the above, we are also enclosing herewith copy of abovesaid Addendum as **Annexure B.** The Notice of 21st AGM, Annual Report 2018-19 and copy of Addendum are also available on the website of the company at www.petronetlng.com.

The above is for your kind information & records please.

Thanking you,

Yours faithfully,

Rajan Kapur

(Rajan Kapur)
CGM & Vice President - Company Secretary

SHAPING THE DREAM
(Green India with Clean Fuel)

Annexure A

PETRONET LNG LIMITED

Petronet LNG Limited

www.petronetlng.com

ANNUAL REPORT 2018-19

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 80% 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 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

PETRONET LNG LIMITED

Table of Contents

Board of Directors

Dr. M. M. Kutty	Chairman
Shri Prabhat Singh	Managing Director & CEO
Shri Rajender Singh	Director (Technical)
Shri V. K. Mishra	Director (Finance) & CFO
Shri Shashi Shanker	Director (Nominee – ONGC)
Shri D. Rajkumar	Director (Nominee – BPCL)
Shri B. C. Tripathi	Director (Nominee – GAIL)
Shri Sanjiv Singh	Director (Nominee – IOCL)
Dr. T. Natarajan	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 Ltd.
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. International Finance Corporation
13. Oriental Bank of Commerce
14. SA Proparco
15. State Bank of India
16. The Hongkong& Shanghai Banking Corporation Ltd.
17. Yes Bank Ltd.

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 K. L. Jaisingh & Co.
J - 7, Sector - XI, Jaisingh House, Noida-201301
Tel: 0120 – 2530071
email: k.l.jaisingh.noida@gmail.com

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 Karvy Fintech Pvt. Limited
Karvy Selenium Tower B, Plot 31-32,
Gachibowli, Financial District,
Nanakramguda, Hyderabad – 500032
Tele: 040- 67162222, Fax: 040- 23420814
Toll Free No.:1800-345-4001
Email: einward@karvy.com

Debenture Trustee

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
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Website: www.petronetlng.com Email: investors@petronetlng.com
CIN: L74899DL1998PLC093073

NOTICE OF 21TH ANNUAL GENERAL MEETING

NOTICE is hereby given that the 21st (Twenty First) Annual General Meeting of the Members of Petronet LNG Limited (PLL) will be held on Tuesday, 27th day of August, 2019 at 10.30 a.m. at Siri Fort Auditorium, August Kranti Marg, Siri Institutional Area, New Delhi–110049 to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Standalone as well as Audited Consolidated Financial Statements of the Company for the year ended 31st March, 2019 together with the Reports of Directors and Auditors thereon.
2. To consider declaration of final dividend on equity shares.
3. To appoint a Director in place of Dr. M. M. Kutty (DIN 01943083) who retires by rotation and being eligible offers himself for re-appointment as Director and Chairman of the Company.
4. 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 with or without modification(s) the following resolution(s) as Ordinary Resolution(s) -

5. **To appoint Shri D. Rajkumar (DIN 00872597) 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), Regulation 17 and other applicable regulations of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time and Articles of Association of the Company, Shri D. Rajkumar (DIN: 00872597), who was nominated by Bharat Petroleum Corporation Ltd. (BPCL) as their 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 2nd November, 2018 pursuant to Section 161 of the Act and Articles of Association of the Company and who holds office up to the date of this Annual General Meeting and in respect of whom the Company has, pursuant to Section160 of the Act, received a notice from a Member in writing proposing his candidature for the office of Director, be and is here by 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."

6. **To appoint Shri B.C. Tripathi (DIN 01657366) 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 there of for the time being in force), Regulation 17 and other applicable regulations of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time and Articles of Association of the Company, Shri B. C. Tripathi (DIN: 01657366), who was nominated by GAIL (India) Ltd. (GAIL) as their 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 3rd November, 2018 pursuant to Section 161 of the Act and Articles of Association of the Company and who holds office up to the date of this Annual General Meeting and in respect of whom the Company has, pursuant to Section160 of the Act, received a notice from a Member in writing proposing his candidature for the office of Director, be and is here by 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."

7. To appoint Shri Sanjiv Singh (DIN 05280701) 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 there of for the time being in force), Regulation 17 and other applicable regulations of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time and Articles of Association of the Company, Shri Sanjiv Singh (DIN 05280701), who was nominated by Indian Oil Corporation Ltd. (IOCL) as their 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 3rd November, 2018 pursuant to Section 161 of the Act and Articles of Association of the Company and who holds office up to the date of this Annual General Meeting and in respect of whom the Company has, pursuant to Section160 of the Act, received a notice from a Member in writing proposing his candidature for the office of Director, be and is here by 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 Sunil Kumar Srivastava (DIN 02809123) as an Independent 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 there of for the time being in force), Regulation 17 and other applicable regulations of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time and Articles of Association of the Company, Shri Sunil Kumar Srivastava (DIN 02809123), 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 with effect from 2nd November, 2018 pursuant to Section 161 of the Act and Articles of Association of the Company and who meets the criteria for independence as provided in Section 149 (6) of the Act along with the rules framed thereunder and Regulation 16(1)(b) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and who has submitted a declaration to that effect 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 Independent Director of the Company for a period of three years w.e.f. 2nd November, 2018, not 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 appoint Dr. Siddhartha Shekhar Singh (DIN 06873925) as an Independent 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), Regulation 17 and other applicable regulations of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time and Articles of Association of the Company, Dr. Siddhartha Shekhar Singh (DIN 06873925), 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 with effect from 2nd November, 2018 pursuant to Section 161 of the Act and Articles of Association of the Company and who meets the criteria for independence as provided in Section 149 (6) of the Act along with the rules framed thereunder and Regulation 16(1)(b) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and who has submitted a declaration to that effect 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 Independent Director of the Company for a period of three years w.e.f. 2nd November, 2018, not 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."

10. To appoint Shri Arun Kumar (DIN 03570776) as an Independent 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 thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), Regulation 17 and other applicable regulations of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time and Articles of Association of the Company, Shri Arun Kumar (DIN 03570776), 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 with effect from 9th April, 2019 pursuant to Section 161 of the Act and Articles of Association of the Company and who meets the criteria for independence as provided in Section 149 (6) of the Act along with the rules framed thereunder and Regulation 16(1)(b) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and who has submitted a declaration to that effect 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 Independent Director of the Company for a period of three years w.e.f. 9th April, 2019, not 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."

11. **To ratify the remuneration of Cost Auditor from the Financial Year 2019-20 to Financial Year 2021-22.**

“**RESOLVED THAT** pursuant to the provisions of Section 148 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, and Other Rules, if any, remuneration of Rs. 1,20,000 per annum (Rupees One Lakh Twenty Thousand only) plus out of pocket expenses (Maximum 10% of Rs. 1,20,000) and applicable GST and travel, boarding and lodging would be borne by the Company in case of travel to Plants of the Company, to 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, as recommended by the Audit Committee of the Board and approved by the Board of Directors, be and is here by ratified.”

12. **To approve Related Party Transactions entered or to be entered by the Company during the Financial Years 2019-20 & 2020-21**

“**RESOLVED THAT** pursuant to the provisions of Regulation 23 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with the applicable provisions of the Companies Act, 2013 and Rules made there under (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 2019- 20 & 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.

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.”

13. **To approve Related Party Transaction in relation to transfer of various commercial agreements for supply of goods or services along with rights and obligations in this regard which were entered with Bharat Petroleum Corporation Limited (BPCL) to Bharat Gas Resources Limited (BGRL) on arm’s length basis and not in the ordinary course of business.**

"**RESOLVED THAT** pursuant to the provisions of Section 188 of the Companies Act, 2013 read with other the applicable statutory provisions (including any statutory modification(s) thereof for the time being in force), Regulation 23 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Related Party Transaction Policy of the Company and transfer by BPCL of its Gas Business Division on a going concern basis to BGRL, a wholly owned subsidiary of BPCL, by way of slump sale, approval of the Members of the Company be and is hereby accorded to the Board of Directors on the recommendation of Audit Committee for the material Related Party Transaction in relation to transfer of various commercial agreements for supply of goods or services along with rights and obligations in this regard which were entered by the Company with BPCL to BGRL, on arm's length basis and not in the ordinary course of business.

RESOLVED FURTHER THAT MD & CEO / Director (Finance) of the Company be and is hereby authorised to take all necessary steps to give effect to the above resolution including finalisation and signing of various agreements as may be required to transfer BPCL's rights and obligations under various agreements with the Company (including any other modification/notices as may be required) and to execute the agreements on behalf of Company."

To consider and, if thought fit, to pass with or without modification(s) the following resolutions as a Special Resolution(s):

14. **To approve amendment in Memorandum of Association (MoA) of the Company**

"**RESOLVED THAT** pursuant to the provisions of Section 4 and Section 13, and other applicable provisions, if any, of the Companies Act, 2013 read with the Rules made there under including any statutory modification or re-enactment thereof for the time being in force and pursuant to Related Party Transaction in relation to transfer of various commercial agreements for supply of goods or services along with rights and obligations in this regard which were entered with Bharat Petroleum Corporation Limited (BPCL) to Bharat Gas Resources Limited (BGRL), the approval of the Members of the Company be and is hereby accorded to the Board of Directors for the amendment in Clause 2 of Part A of Memorandum of Association (MoA) of the Company as per details given below:

Existing	Amended
To approve, ratify and confirm, implement or adopt and carry into effect, as far as the Company is concerned, the Joint Venture Agreement entered into by and among GAIL, ONGC, IOC and BPC for the implementation of projects referred to therein including setting up of import terminals, power generation stations and related facilities and for import, supply and distribution of NG, LNG, CNG and power.	To approve, ratify and confirm, implement or adopt and carry into effect, as far as the Company is concerned, the Promoters' Agreement and the Shareholders' Agreement entered into by and among GAIL (India) Limited (GAIL), Oil and Natural Gas Corporation Limited (ONGC), Indian Oil Corporation Limited (IOC) and Bharat Petroleum Corporation Limited (BPCL) (Bharat Gas Resources Limited subsequently became a party to the Shareholders Agreement by executing a deed of adherence) for the implementation of projects referred to therein including setting up of import terminals, power generation stations and related facilities and for import, supply and distribution of NG, LNG, CNG and power.

RESOLVED FURTHER THAT MD & CEO and/or Company Secretary of the Company, be and is hereby jointly and/or severally authorised to perform and execute all such acts, deeds, matters and things, as may be deemed necessary, proper or expedient to give effect to the above resolutions including e-filing of various forms with the MCA/Registrar of Companies, NCT of Delhi."

15. To approve amendment in Articles of Association (AoA) of the Company

"**RESOLVED THAT** pursuant to the provisions of Section 14 and other applicable provisions, if any, of the Companies Act, 2013 and Rules made thereunder including any statutory modification or re-enactment thereof for the time being in force and pursuant to Related Party Transaction in relation to transfer of various commercial agreements for supply of goods or services along with rights and obligations in this regard which were entered with Bharat Petroleum Corporation Limited (BPCL) to Bharat Gas Resources Limited (BGRL),the approval of the Members of the Company be and is hereby accorded to the Board of Directors for the necessary amendments in Articles of Association (AoA) of the Company.

RESOLVED FURTHER THAT MD & CEO and / or Company Secretary of the Company, be and is hereby jointly and/or severally authorised to perform and execute all such acts, deeds, matters and things including carring out of necessary amendments and e-filing of various forms with the MCA / Registrar of Companies, NCT of Delhi as may be deemed necessary, proper or expedient to give effect to the above resolution."

By Order of the Board
For Petronet LNG Limited

Place : New Delhi
Date : 15th July, 2019

(Rajan Kapur)
Vice President-Company Secretary

Notes

1. **A Member entitled to attend and vote at the Annual General Meeting (the "Meeting") is entitled to appoint one or more proxy(ies) to attend and vote on a poll instead of himself and a proxy so appointed need not be a member of the Company. The instrument appointing the proxy (duly completed, stamped and signed) must be deposited at the registered office of the Company not less than 48 hours before the commencement of the meeting. A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Companycarrying voting rights.** A member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder. During the period beginning 24 hours before the time fixed for the commencement of the meeting and ending with the conclusion of the meeting, member would be entitled to inspect the proxies lodged, at any time during the business hours of the Company, provided not less than 3 days written notice is given to the Company.

2. 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.

3. Members are requested to:-
   a. bring their copy of Annual Report and Attendance Slip, duly completed and signed, to the meeting.
   b. quote their Folio/Client ID & DP ID Nos. in all correspondence with the R&TA/Company.
   c. note that due to strict security reasons, eatables and other belongings are not allowed inside the Auditorium.

4. Corporate Members intending to send their authorized representative(s) to attend the Meeting are requested to send a certified copy of the Board Resolution authorizing their representative to attend and vote on their behalf at the Meeting.

5. The Register of Members and Share Transfer Books of the Company will remain closed from Wednesday, 21st August, 2019 to Tuesday, 27th August, 2019 (both days inclusive) for the purpose of ascertaining the entitlement of dividend.

6. Dividend, if any, declared at the 21st Annual General Meeting of the Company be paid to those shareholders whose names appear:
   a. As Beneficial Owners at the end of the business hours on Tuesday, 20th August, 2019 as per the list to be furnished by the Depositories (i.e. NSDL and CDSL) in respect of shares held in Electronic form, and
   b. 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 Tuesday, 20th August, 2019.

7. As per Regulation 40 of 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 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. 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, members holding shares in physical form are requested to convert their shareholding in dematerialized form. Members may contact the Company or Company's Registrars and Share Transfer Agents (RTA), M/s Karvy Fintech Private Limited, for any assistance in this regard.

8. 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.

9. Circular No. SEBI/HO/MIRSD/DOP1/CIR/P/2018/73 dated 20th April, 2018 and circular No. SEBI/HO/MIRSD/DOS3/CIR/P/2018/115 dated 16th July, 2018 has been issued by SEBI regarding mandatory updation of PAN and Bank Account details against shareholding in the Company in physical form. Members holding shares in physical form are requested to submit their PAN and Bank details to the Company or its RTA. The above said circulars are available at the website of the Company at www.petronetlng.com.

   Further, in order to provide protection against fraudulent encashment of dividend warrants, members are requested to provide their Bank Account Number, Name and Address of the Bank / Branch to the Registrar and Share Transfer Agent of the Company i.e. M/s Karvy Fintech Private Limited Karvy Selenium Tower-B, Plot No. 31 & 32, Gachibowli, Financial District, Nanakramguda, Serilingampally, Hyderabad - 500 032 (Tel No. 040-67162222, Fax No. 040-23420814, Email: einward.ris@karvy.com, Website : www.karvyfintech.com) in respect of shares held in physical mode to enable them to incorporate the same in the dividend warrant.

   Members holding shares in Demat mode are requested to kindly update their Complete Bank Account details and present address details with their respective DPs to receive all the dividend through electronic mode directly in their respective bank accounts. This will enable expeditious credit of dividend amount and protect from loss, theft and postal delay of dividend warrant. The Company is obliged to use only the data provided by NSDL / CDSL.

10. 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.

11. **The Ministry of Corporate Affairs has notified provisions relating to unpaid / unclaimed dividend under Sections 124 and 125 of 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 new IEPF Rules mandate the Companies to transfer the shares of shareholders whose dividends remain unpaid / unclaimed for a period of seven consecutive years 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 details of the unpaid/unclaimed amounts lying with the Company and details are available on the website of the Company www.petronetlng.com and on Ministry of Corporate Affairs' website. The shareholders whose dividend/shares as transferred to the IEPF Authority can now claim their shares from the Authority by following the Refund Procedure as detailed on the website of IEPF Authority. The procedure and guideline in this regard are also available on the website of the Company.

12. In accordance with the aforesaid IEPF Rules, the Company has sent notice to all the shareholders whose shares are due to be transferred to the IEPF Authority. The Company is required to transfer all unclaimed shares to the demat account of the IEPF Authority in accordance with the IEPF Rules.

13. Members who have not encashed their dividend warrants pertaining to previous seven years or whose dividend is unclaimed / unpaid may approach to the Company or its Registrar & Share Transfer Agent for obtaining the payments thereof upon completion of necessary formalities in the said behalf. In case, the member does not claim the same within aforesaid period, the unclaimed Shares and dividend in this regard will be transferred to IEPF Authority as per IEPF Rules.

14. All documents referred to in the accompanying notice are open for inspection at the registered office of the Company on all working days between 10.30 a.m. to 12.30 p.m. prior to the Annual General Meeting.

15. Members desirous of obtaining any information / clarification (s) concerning the accounts and operations of the Company or intending to raise any query are requested to forward the same at least 10 days before the date of meeting at the Registered Office of the Company so that the same may be attended to appropriate.

16. Electronic copy of the Annual Report for the financial year 2018-19 is being sent to all the Members whose e-mail ids are registered with the Company/Depository Participants(s)/ RTA for communication purposes unless any Member has requested for a hard copy of the same. For the Members who have not registered their e-mail address, physical copy of the Annual Report for the financial year 2018-19 is being sent in the permitted mode. 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. Since the Company is committed towards Green Initiative, it is earnestly requested again in view of the circulars issued by Ministry of Corporate Affairs and other statutory provisions, that the Members who have yet not registered/updated their e-mail ids may notify the same to the Company either at the registered office or at e-mail address: investors@petronetlng.com quoting full details of Folio No./DP, Client ID and name of first / sole holder or to the concerned depository.

17. In order to facilitate the members and to contribute towards Green Initiative, the Company has sent the format alongwith Business Reply Envelope for registering the email id to receive the Communications through email. The Members who have yet not registered/updated their e-mail ids may notify the same to the Company by sending duly filled in Business Reply Envelope.

18. Pursuant to the provisions of Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is pleased to provide members facility through M/s Karvy Fintech Private Limited (KFPL) to exercise their right to vote on resolutions proposed to be considered at the 21st Annual General Meeting (AGM) of the Company by electronic means and the business may be transacted through e-Voting. The facility of casting the votes by the members using an electronic voting system from a place other than venue of the AGM ("remote e-voting") will be provided by KFPL.

19. The facility for voting through ballot paper shall be made available at the venue of 21st AGM and the members attending the meeting who have not already cast their vote by remote e-voting shall be able to exercise their right at the meeting.

20. The members who have cast their vote by remote e-voting prior to the 21st AGM may also attend the 21st AGM but shall not be entitled to cast their vote again.

21. The remote e-voting period commences on Friday, 23rd August, 2019 at 9.00 a.m. and ends on Monday, 26th August, 2019 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 Tuesday, 20th August, 2019 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.

22. The process and manner for remote e-voting is as under:

    A. In case a Member receives Notice of 21st AGM through email [for members whose email IDs are registered with the Company/Depository Participant(s)/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 Karvy 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 (az), 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 cutoff 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 savitajyoti@yahoo.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_EVENT No."

xii. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for members and e-voting User Manual available at the "download" section of https:// evoting.karvy.com or call M/s Karvy Fintech Private Limited on 1800 345 4001 (toll free).

B. In case a Member receives physical copy of the Notice of 21st AGM [for members whose email IDs are not registered with the Company/Depository Participants(s)/ RTA or requesting physical copy] :

i. User ID and Initial password as provided.

ii. Please follow all steps from Sl. No. (ii) to Sl. No. (xi) above, to cast vote.

23. The voting rights of members shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date i.e. on Tuesday, 20th August, 2019.

24. Any person, who acquires shares of the Company and become member of the Company after dispatch of the Notice of 21st AGM and holding shares as of the cut-off date i.e. on Tuesday, 20th August, 2019, may obtain the login ID and password by sending a request at raju.sv@karvy.com.

25. 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 only shall be entitled to avail the facility of remote e-voting as well as voting at the 21st AGM through ballot paper. A person who is not a member as on cutoff date should treat this Notice for information purposes only.

26. Pursuant to Regulation 44(6) of SEBI Listing Regulations, the Company shall provide live webcast of proceedings of AGM from 10.30 a.m. onwards on Tuesday, August 27, 2019. Members can view the proceeding of AGM by logging on to the e-voting website of KFPL at https://evoting.karvy.com using their remote e-voting credentials, where the E-voting Event Number ("EVEN") of Company will be displayed.

27. Ms. Savita Jyoti, Practising Company Secretary (M. No. FCS 3738, CP No. 1796), 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.

28. The Chairman shall, at the 21st 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 ballot paper or electronic mode for all those members who are present at the 21st AGM but have not cast their votes by availing the remote e-voting facility.

29. The Scrutinizer shall after the conclusion of voting at the 21st AGM, will first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in

the presence of at least two witnesses not in the employment of the Company and shall make, not later than forty eight hours of the conclusion of the 21st AGM, a consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.

30. 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 KFPL 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.

31. The Notice of the 21st AGM is also placed on the website of the Company at www.petronetlng.com and on the website of KFPL at https://evoting.karvy.com.

32. Details of the person who can be contacted for any grievances connected with facility for voting by electronic means: Shri S. V. Raju, DGM M/s Karvy Fintech Private Limited, Karvy Selenium Tower-B, Plot No. 31&32 Gachibowli, Financial District Nanakramguda, Serilingampally Hyderabad-500 032 Toll Free No. 1800 345 4001 Email: evoting@karvy.com

33. The Resolutions, if passed by the requisite majority, shall be deemed to have been passed on the date of the 21st Annual General Meeting i.e. Tuesday, 27th August, 2019.

34. The Route Map of the venue of 21st AGM along with prominent land-mark is given in the Annual Report.

35. 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

36. No Gifts, gift coupons or cash in lieu of gifts shall be distributed to Members in the Annual General Meeting or afterwards.

By Order of the Board
For Petronet LNG Limited

Place : New Delhi
Date : 15h July, 2019

(Rajan Kapur)
Vice President-Company Secretary

Statement pursuant to Section 102 of the Companies Act, 2013

Item No. 5

Pursuant to provisions of the Articles of Association of the Company and in terms of Section 149, 152 and 161 of the Companies Act, 2013 and Rules made thereunder, (including any statutory modification(s) or re- enactment thereof for the time being in force) and Regulation 17 and other applicable regulations of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time, Shri D. Rajkumar (DIN: 00872597), who was nominated by Bharat Petroleum Corporation Ltd. (BPCL) as their 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 2nd November, 2018 and who holds office up to the date of this Annual General Meeting. The Company has received a notice pursuant to Section 160 of the Act, from a Member in writing proposing his candidature for the office of Director of the Company. 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.

A brief resume of Shri D. Rajkumar as required under 36(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") and Secretarial Standard on General Meetings issued by the Institute of Company Secretaries of India which also contains the information as required under Regulation 26(4) of SEBI Listing Regulations is enclosed with the Notice. Your Directors recommend the resolution for approval of the Members.

Except Shri D. Rajkumar, 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

Pursuant to provisions of the Articles of Association of the Company and in terms of Section 149, 152 and 161 of the Companies Act, 2013 and Rules made thereunder, (including any statutory modification(s) or re- enactment thereof for the time being in force) and Regulation 17 and other applicable regulations of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time, Shri B.C. Tripathi (DIN 01657366), who was nominated by GAIL (India) Ltd. (GAIL) as their 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 3rd November, 2018 and who holds office up to the date of this Annual General Meeting. The Company has received a notice pursuant to Section 160 of the Act, from a Member in writing proposing his candidature for the office of Director of the Company. 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.

A brief resume of Shri B.C. Tripathi as required under 36(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") and Secretarial Standard on General Meetings issued by the Institute of Company Secretaries of India which also contains the information as required under Regulation

26(4) of SEBI Listing Regulations is enclosed with the Notice. Your Directors recommend the resolution for approval of the Members.

Except Shri B.C. Tripathi, 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

Pursuant to provisions of the Articles of Association of the Company and in terms of Section 149, 152 and 161 of the Companies Act, 2013 and Rules made thereunder, (including any statutory modification(s) or re- enactment thereof for the time being in force) and Regulation 17 and other applicable regulations of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time, Shri Sanjiv Singh (DIN 05280701), who was nominated by Indian Oil Corporation Ltd. (IOCL) as their 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 3rd November, 2018 and who holds office up to the date of this Annual General Meeting. The Company has received a notice pursuant to Section 160 of the Act, from a Member in writing proposing his candidature for the office of Director of the Company. 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.

A brief resume of Shri Sanjiv Singh as required under 36(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") and Secretarial Standard on General Meetings issued by the Institute of Company Secretaries of India which also contains the information as required under Regulation 26(4) of SEBI Listing Regulations is enclosed with the Notice. Your Directors recommend the resolution for approval of the Members.

Except Shri Sanjiv 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. 7 of the Notice. The Board recommends the Ordinary Resolution set out at Item No. 7 for the approval of members.

Item No. 8

The Board of Directors, on the recommendation of Nomination and Remuneration Committee, appointed Shri Sunil Kumar Srivastava (DIN 02809123) as an Additional Director of the Company, with effect from 2nd November, 2018 for a period of three years under Sections 149, 150 and 152 of the Companies Act, 2013 and Articles of Association of the Company as an Independent Director of the Company.

Shri Sunil Kumar Srivastava shall hold office upto the date of forthcoming Annual General Meeting and is eligible to be appointed as an Independent Director. The Company has received notice under Section 160 of the Companies Act, 2013 from a member in writing proposing his candidature for the office of Independent Director. The Company has also received a declaration of independence from Shri Sunil Kumar Srivastava. In the opinion of the Board, Shri Sunil Kumar Srivastava fulfils the conditions as set out in Section 149(6) and Schedule IV of the Companies Act, 2013 and Listing Regulations, of being eligible for appointment as Independent Director. Shri Sunil Kumar Srivastava is not disqualified from being appointed as a Director in terms of Section 164 of the Companies Act, 2013 and has given his consent to act as a Director. 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.

A copy of the draft Letter of Appointment for Independent Directors is available for inspection at the Registered Office of the Company during business hours on any working day and the same is also available on the website of the Company.

A brief resume of Shri Sunil Kumar Srivastava as required under 36(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") and Secretarial Standard on General Meetings issued by the Institute of Company Secretaries of India which also contains the information as required under Regulation 26(4) of SEBI Listing Regulations is enclosed with the Notice. Your Directors recommend the resolution for approval of the Members.

Except Shri Sunil Kumar Srivastava, 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

The Board of Directors, on the recommendation of Nomination and Remuneration Committee, appointed Dr. Siddhartha Shekhar Singh (DIN 06873925) as an Additional Director of the Company, with effect from 2nd November, 2018 for a period of three years under Sections 149, 150 and 152 of the Companies Act, 2013 and Articles of Association of the Company as an Independent Director of the Company.

Dr. Siddhartha Shekhar Singh shall hold office upto the date of forthcoming Annual General Meeting and is eligible to be appointed as an Independent Director. The Company has received notice under Section 160 of the Companies Act, 2013 from a member in writing proposing his candidature for the office of Independent Director. The Company has also received a declaration of independence from Dr. Siddhartha Shekhar Singh. In the opinion of the Board, Dr. Siddhartha

Shekhar Singh fulfils the conditions as set out in Section 149(6) and Schedule IV of the Companies Act, 2013 and Listing Regulations, of being eligible for appointment as Independent Director. Dr. Siddhartha Shekhar Singh is not disqualified from being appointed as a Director in terms of Section 164 of the Companies Act, 2013 and has given his consent to act as a Director. 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.

A copy of the draft Letter of Appointment for Independent Directors is available for inspection at the Registered Office of the Company during business hours on any working day and the same is also available on the website of the Company.

A brief resume of Dr. Siddhartha Shekhar Singh as required under 36(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") and Secretarial Standard on General Meetings issued by the Institute of Company Secretaries of India which also contains the information as required under Regulation 26(4) of SEBI Listing Regulations is enclosed with the Notice. Your Directors recommend the resolution for approval of the Members.

Except Dr. Siddhartha Shekhar 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. 9 of the Notice. The Board recommends the Ordinary Resolution set out at Item No. 9 for the approval of members.

Item No. 10

The Board of Directors, on the recommendation of Nomination and Remuneration Committee, appointed Shri Arun Kumar (DIN 03570776) as an Additional Director of the Company, with effect from 9th April, 2019 (in supersession of earlier Board resolution passed on 2nd November, 2018) for a period of three years under Sections 149, 150 and 152 of the Companies Act, 2013 and Articles of Association of the Company as an Independent Director of the Company.

Shri Arun Kumar shall hold office upto the date of forthcoming Annual General Meeting and is eligible to be appointed as an Independent Director. The Company has received notice under Section 160 of the Companies Act, 2013 from a member in writing proposing his candidature for the office of Independent Director. The Company has also received a declaration of independence from Shri Arun Kumar. In the opinion of the Board, Shri Arun Kumar fulfils the conditions as set out in Section 149(6) and Schedule IV of the Companies Act, 2013 and Listing Regulations, of being eligible for appointment as Independent Director. Shri Arun Kumar is not disqualified from being appointed as a Director in terms of Section 164 of the Companies Act, 2013 and has given his consent to act as a Director. 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.

A copy of the draft Letter of Appointment for Independent Directors is available for inspection at the Registered Office of the Company during business hours on any working day and the same is also available on the website of the Company.

A brief resume of Shri Arun Kumar as required under 36(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") and Secretarial Standard on General Meetings issued by the Institute of Company Secretaries of India which also contains the information as required under Regulation 26(4) of SEBI Listing Regulations is enclosed with the Notice. Your Directors recommend the resolution for approval of the Members.

Except Shri Arun 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. 10 of the Notice. The Board recommends the Ordinary Resolution set out at Item No. 10 for the approval of members.

Item No. 11

M/s Chandra Wadhwa& Co., Cost Accountants (Regn. No. 000239), were appointed as the Cost Auditors of the Company from the financial year 2019-20 for a period of three years by Board of Directors in its meeting held on May 15, 2019 in terms of Section 148 of the Companies Act, 2013.

Further, in terms of the provisions of Rule 14 (a) (ii) of Companies (Audit and Auditors) Rules, 2014, the remuneration of Rs. 1,20,000 per annum (Rupees One Lakh Twenty Thousand only) plus out of pocket expenses (Maximum 10% of Rs. 1,20,000) and applicable GST and travel, boarding and lodging would be borne by the Company in case of travel to plants of the Company to the Cost Auditors was recommended by the Audit Committee of the Board and approved by the Board of Directors and is required to be ratified by the Shareholders. In view of the above, your Directors recommend the resolution for approval of Shareholders.

None of the Directors 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. 11 of the Notice. The Board recommends the Ordinary Resolution set out at Item No. 11 for the approval of members.

Item No. 12

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.

Further, 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, 2019 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.

Your Directors recommend the resolution for approval of members.

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. 12 of the Notice. The Board recommends the Ordinary Resolution set out at Item No. 12 for the approval of members.

Item No. 13

The Company's Shareholding is divided among the Promoters and the Public in the ratio of 50:50. The Promoters of the Company i.e. Bharat Petroleum Corporation Limited (BPCL), GAIL (India) Limited (GAIL), Indian Oil Corporation Limited (IOCL) and Oil and Natural Gas Corporation Limited (ONGC) owns 12.5% each of the total Shareholding of the Company.

BPCL as part of a Corporate Restructuring, has decided to transfer its Gas Business to a wholly owned subsidiary, Bharat Gas Resources Limited (BGRL) on slump sale basis.

In view of the above and as proposed by BPCL, the shareholding of 12.5% i.e. 187500000 shares of Rs. 10/- each which BPCL owns in PLL and various commercial agreements for supply of goods or services along with rights and obligations in this regard which were entered with BPCL will get transferred to BGRL.

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 and transactions which are on arm's length basis and not in ordinary course of business 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. The total estimated value of the Commercial Agreements for supply of goods or services to be transferred as stated above exceed the threshold limit of 10% annual consolidated turnover of the Company as per the last audited financial statements of the Company

In view of the above, the Board of Directors on the recommendation of Audit Committee in their meeting held on 15th May, 2019 accorded its approval for the above said Related Party Transaction. Your Directors recommend the resolution for approval of the Members.

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. 13 of the Notice. The Board recommends the Ordinary Resolution set out at Item No. 13 for the approval of members.

Item No. 14 &15

The Company's Shareholding is divided among the Promoters and the Public in the ratio of 50:50. The Promoters of the Company i.e. Bharat Petroleum Corporation Limited (BPCL), GAIL (India) Limited (GAIL), Indian Oil Corporation Limited (IOCL) and Oil and Natural Gas Corporation Limited (ONGC) owns 12.5% each of the total Shareholding of the Company.

BPCL as part of a Corporate Restructuring, has decided to transfer its Gas Business to a wholly owned subsidiary Bharat Gas Resources Limited (BGRL) on slump sale basis.

In view of the above and as proposed by BPCL, the shareholding of 12.5% i.e. 187500000 shares of Rs. 10/- each which BPCL owns in PLL and various commercial agreements for supply of goods or services along with rights and obligations in this regard which were entered BPCL will get transferred to Bharat Gas Resources Ltd. (BGRL).

In view of the above, the Board of Directors in their meeting held on 15th May, 2019 approved the amendments in Memorandum of Association (MoA) and amendments in Articles of Association (AoA) of the Company and recommended the same for the approval of the Members. A copy of the existing MoA and AoA along with proposed amendments is available on the website of the Company i.e. www.petronetlng.com. Your Directors recommend the resolutions for approval of the Members.

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. 14 &15 of the Notice. The Board recommends the Special Resolutions set out at Item No. 14 &15 for the approval of Members.

By Order of the Board
For Petronet LNG Limited

Place : New Delhi
Date : 15th July, 2019

(Rajan Kapur)
Vice President-Company Secretary

Brief Resume of Directors retiring by rotation and eligible for re-appointment/ Additional Directors vacating office at 21st AGM and proposed to be appointed

Dr. M. M. Kutty

Dr. M. M. Kutty is Secretary to the Government of India in the Ministry of Petroleum and Natural Gas. He is a member of the Indian Administrative Service with over 32 years' experience at the State and National levels. He has held crucial positions in the Ministry of Urban Development, Ministry of Environment, Forest & Climate Change and Department of Economic Affairs, Ministry of Finance, Government of India.

As Chief Secretary to Government of National Capital Territory of Delhi, he made significant contribution towards good governance and better delivery of services.

His international experience includes serving as Bureau Member and Vice President of Asia Pacific Region for ICCM-5, Strategic Approach to International Chemicals Management (SAICM). Dr.Kutty also served as Director in the Board of Asian Infrastructure Investment Bank (AIIB), Beijing and New Development Bank (NOB), Shanghai as well as Member in the Board of Green Climate Fund (GCF), Songdo, South Korea.

Dr. Kutty has rich experience in the management of Autonomous Bodies, Companies and State Enterprises and served in the Board of many organizations including Delhi Metro Rail Corporation, National Capital Region Transport Corporation and Power Distribution Companies of Delhi.

Dr. Kutty is a Ph.D. In Agriculture from New Delhi, India. He also holds M.A. in Rural Social Development from University of Reading, United Kingdom.

Age – 58 years

Date of Appointment – 12/07/2018

Terms and conditions of Appointment- As per the terms and conditions contained in Articles of Association of the Company.

Dr. M. M. Kutty holds Nil share in the Company.

Dr. M. M. Kutty holds Directorship/Chairmanship in the following other Companies:

Name of the Company	Position Held	Category Category (Executive/ Non-Executive/ Independent)	Listed on Stock Exchange
Indian Strategic Petroleum Reserves Limited	Chairman	Non-Executive	No

Dr. M. M. Kutty is not a Member/Chairman of Committees of Board of Directors in any other Company.

Shri Shashi Shanker

Shri Shashi Shanker, Chairman & Managing Director of Oil and Natural Gas Corporation Ltd. (ONGC) is also a nominee Director of ONGC on the Board of Petronet LNG Ltd. He is graduated in Petroleum Engineering from Indian School of Mines, Dhanbad (now IIT-ISM) in the year 1982. He is also an MBA with specialization in Financial Management.

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'.

Age – 58 years

Date of Appointment – 17/10/2017

Terms and conditions of Appointment- Shri Shashi Shanker was nominated by ONGC as per the terms and conditions contained in Articles of Association of the Company.

Shri Shashi Shanker holds Nil share in the Company.

Shri Shashi Shanker holds Directorship/Chairmanship in the following other Companies:

Name of the Company	Position Held	Category Category (Executive/ Non-Executive/ Independent)	Listed on Stock Exchange
Oil and Natural Gas Corporation Limited	Chairman & Managing Director	Executive	Yes
ONGC Petro Additions Limited	Chairman & Director	Non-Executive	No
ONGC Tripura Power Company Limited	Chairman & Director	Non-Executive	No
ONGC Mangalore Petrochemicals Limited	Chairman & Director	Non-Executive	Debt Listed
Mangalore SEZ Limited	Chairman & Director	Non-Executive	No
ONGC Videsh Limited	Chairman & Director	Non-Executive	Debt Listed
Mangalore Refinery and Petrochemicals Limited	Chairman & Director	Non-Executive	Yes

Shri Shashi Shanker is not a Member/Chairman of Audit Committee or Stakeholder Relationship Committee of Board of Directors in any other Company.

Shri D. Rajkumar

Shri D. Rajkumar, Chairman & Managing Director of Bharat Petroleum Corporation Ltd (BPCL) is a nominee Director of BPCL on the Board of Petronet LNG Ltd. He has B. Tech. from IIT, Madras and Management degree from IIM, Bangalore. Prior to his appointment as Chairman & Managing Director, BPCL, he held the post of Managing Director of Bharat PetroResources Ltd. He has 34 years of experience out of which close to 17 years of Board experience in the Boards of BPCL, its Joint venture / Subsidiary Companies. His work experience span across Oil & Gas value chain with expertise ranging in the area of Large Project Management, Pipeline Management, Exploration and Production, Strategic orientation and Mergers & Acquisitions. He has global exposure of working closely with international majors and multinational companies to negotiate strategic deals which are significant not only for the organisation but for the Nation. He has led many consortiums in past to take investment decisions, demonstrating his leading abilities to create value for each stakeholder. He also has extensive exposure to fiscal, legal, contractual and political regimes in foreign countries. He is not related to any of the existing Directors of the Company.

Age – 58 years

Date of Appointment – 02/11/2018

Terms and conditions of Appointment- Shri D. Rajkumar was nominated by BPCL as per the terms and conditions contained in Articles of Association of the Company.

Shri D. Rajkumar holds 800 shares in the Company.

Shri D. Rajkumar holds Directorship/Chairmanship in the following other Companies:

Name of the Company	Position Held	Category Category (Executive/ Non-Executive/ Independent)	Listed on Stock Exchange
Bharat Petroleum Corporation Limited	Chairman & Managing Director	Executive	Yes
Numaligarh Refinery Ltd.	Chairman	Non-Executive	No
Bharat Oman Refineries Ltd.	Chairman	Non-Executive	No
Bharat PetroResources Limited	Director	Non-Executive	No
Bharat Gas Resources Limited	Director	Non-Executive	No

Shri D. Rajkumar is a Member/Chairman of the following Committees of Board of Directors in other Companies –

Name of the Company	Name of the Committee(s)	Membership/ Chairmanship
Bharat Petro Resources Limited	Audit Committee	Chairman

Shri B. C.Tripathi

Shri B. C. Tripathi is the Nominee Director of GAIL (India) Ltd. on the Board of the Company. He is the Chairman and Managing Director since August 1, 2009 of GAIL (India) Ltd. He is a Mechanical Engineer from MNNIT, Allahabad. Under his leadership and sustained efforts, GAIL ranks amongst the Top 10 international LNG portfolio players and also stands elevated to the stature of a Maharatna public sector enterprise. Shri Tripathi has been leading multi-billion dollar infrastructure projects and ardently supporting the Government and stakeholders based on his 35 years of rich experience and consensus-based decision making in shaping energy policies and regulations for the natural gas value chain.

GAIL has strengthened its core businesses across natural gas midstream and downstream chains during the last decade by doubling gas transmission capacity, tripling petrochemicals marketable portfolio and has also forayed into newer game-changing opportunities by securing over 8.0 MTPA long-term LNG from diversified geographies, spread on multiple indexes for supporting India's energy security. In sync with the LNG strategy, GAIL commissioned the beleaguered Dabhol Regas terminal as an owners' engineer and expanded into chartering LNG ships for ensuring a complete play in the LNG trading cycle. In recognition to his pioneering initiatives for transforming GAIL into being a significant player in the international LNG and NG markets, Shri Tripathi was awarded as Best LNG Executive at the 14th CWC Summit, Paris.

Age - 59 years

Date of Appointment – 03/11/2018

Terms and conditions of Appointment- Shri B.C. Tripathi was nominated by GAIL as per the terms and conditions contained in Articles of Association of the Company.

Shri B. C. Tripathi holds Nil share in the Company.

Shri B. C. Tripathi holds Directorship/Chairmanship in the following other Companies:

Name of the Company	Position Held	Category Category (Executive/ Non-Executive/ Independent)	Listed on Stock Exchange
GAIL (INDIA) Limited	Chairman & Managing Director	Executive	Yes

Name of the Company	Position Held	Category Category (Executive/ Non-Executive/ Independent)	Listed on Stock Exchange
GAIL Gas Limited	Chairman	Non-Executive	No
Brahmaputra Cracker and Polymer Limited	Chairman	Non-Executive	No
Mahanagar Gas Limited	Non-Executive Director-Chairman	Non-Executive	Yes

Shri B.C. Tripathi is a Member/Chairman of the following Committees of Board of Directors in other Companies –

Name of the Company	Name of the Committee(s)	Membership/ Chairmanship
GAIL (India) Limited	Corporate Social Responsibility Committee	Chairman
Mahanagar Gas Limited	Nomination and Remuneration Committee	Member

Shri Sanjiv Singh

Mr. Sanjiv Singh is Chairman of Indian Oil Corporation (IndianOil), the country's largest commercial enterprise and the top-ranked Indian corporate in the prestigious Fortune 'Global 500' listing, with revenues of over US$ 78.5 billion for 2017-18.

As 'The Energy of India,'IndianOil accounts for nearly half of the country's petroleum products consumption. The Maharatna PSU is the country's largest refiner with 11 refineries and owns the largest pipeline network (13,400 km) and a marketing network of over 49,000 customer touch-points.

A chemical engineer from IIT-Roorkee, Mr. Sanjiv Singh joined IndianOil in 1981 and has served the Corporation for over 36 years in many challenging assignments at multiple locations. He rose to be Director (Refineries) on the IndianOil Board in 2014 and took over as Chairman in June 2017.

To accelerate IndianOil's quest to become 'A Globally Admired Company,' Mr. Singh is strongly promoting new ventures and businesses in India and overseas, in Singapore, UAE, Bangladesh, Myanmar, Sri Lanka, Mauritius, Canada and some African countries.

Mr. Singh gives utmost importance to strengthening IndianOil's upstream portfolio by acquiring acreage in diverse geographies across the world as a consortium partner. Major acquisitions have been made in Russia and more recently in UAE and Oman as part of this strategy.

Under Mr. Singh's dynamic leadership, IndianOil has emerged as the second largest petrochemicals player in the country with sales turnover of Rs. 17,515 crore (US$ 2.64 billion) for 2017-18. Mr. Singh is also working to expand IndianOil's natural gas business to become the market leader by the year 2030.

Under Mr. Singh's stewardship, Indian Oil is swiftly mainstreaming LPG as a clean and affordable cooking fuel among the poor people, especially in rural India, through social transformation schemes like Pradhan Mantri Ujjwala Yojana and Smokeless Villages that targets all households in a village. These initiative initiatives won global recognition at the 22nd World Petroleum Congress in Istanbul in July 2017.

Mr. Singh also heads the refining subsidiary, Chennai Petroleum Corporation Ltd., and the newly launched Hindustan Urvarak & Rasayan Ltd., a joint venture with NTPC and Coal India that is setting up three world-scale fertiliser plants.

Mr. Singh is also Chairman of Ratnagiri Refinery & Petrochemicals Ltd., a joint venture of the Indian Oil, Bharat Petroleum, Hindustan Petroleum, Saudi Aramco and ADNOC, which is setting up the world's largest refinery-cum-petrochemicals complex of 60 million tonnes per annum on the west coast of India.

As a transformational and visionary business leader, Mr. Sanjiv Singh wields influence far beyond IndianOil.

As Chairman of the Hydrocarbons Sector Skill Council (HSSC), an autonomous body of oil & gas industry in India with participation of 20 entities, Mr. Sanjiv Singh is steering skill development initiatives across the Indian hydrocarbons industry.

A highly respected voice in the hydrocarbons sector in India and abroad, Mr. Singh also holds the position of Vice-President of the Paris-based World LPG Association. His views are sought for major policy decisions as a member of national think-tanks such as the Centre for High Technology, Petroleum Conservation Research Association, Central Pollution Control Board and the prestigious Scientific Advisory Committee of the Petroleum Ministry.

Mr. Sanjiv Singh is an ardent advocate of sustainable development with carbon, water and waste management as the top-line agenda points. Under his active guidance, IndianOil has installed 168 MW of wind-power projects, 41 MW of solar energy farms, converted over 12,600 fuel stations to run on solar energy, and installed rain-water harvesting systems with potential for over 3 billion litres annually.

Mr. Singh is currently spearheading bio-CNG projects across India, which hold great promise for efficient management of municipal waste and pollution arising out of burning of farm stubble. Two ethanol production plants using biomass sources like paddy straw are coming up at Panipat and Gorakhpur.

Mr. Singh was conferred the Fellowship Award-2016 by the Centre for Excellence in Project Management (CEPM) for setting international benchmarks in project execution. He also received the Award for Outstanding Contribution to the Field of Fuel Science by the Central Institute of Mining and Fuel Research. Recently, IIT Roorkee has conferred its prestigious Distinguished Alumnus Award for the year 2018 on Mr. Singh.

Age - 59 years

Date of Appointment – 03/11/2018

Terms and conditions of Appointment- Shri Sanjiv Singh was nominated by IOCL as per the terms and conditions contained in Articles of Association of the Company.

Shri Sanjiv Singh holds 4000 shares in the Company.

Shri Sanjiv Singh holds Directorship/Chairmanship in the following other Companies:

Name of the Company	Position Held	Category Category (Executive/ Non-Executive/ Independent)	Listed on Stock Exchange
Indian Oil Corporation Limited	Director/ Chairman	Executive	Yes
Chennai Petroleum Corporation Limited	Non-Executive Chairman	Non - Executive	Yes
Hindustan Urvarak & Rasayan Limited	Non-Executive Chairman	Non - Executive	No
Ratnagiri Refinery and Petrochemicals Limited	Non-Executive Chairman	Non - Executive	No
Indian Oil tanking Limited	Non-Executive Chairman	Non - Executive	No

Shri Sanjiv Singh is a Member/Chairman of the following Committees of Board of Directors in other Companies –

Name of the Company	Name of the Committee(s)	Membership/ Chairmanship

Shri Sunil Kumar Srivastava

Shri Sunil Kumar Srivastava is Ex-C&MD of Oil India Ltd. having diversified experience of 40 years in foremost senior management position in the large size multi-disciplinary, technical, commercial organizations in the Petroleum and Energy sector.

Age – 64 years

Date of Appointment – 02/11/2018

Terms and conditions of Appointment- Terms and conditions of appointment of Independent Directors is available at the website of the Company at https://www.petronetlng.com/PDF/AppointmentLetter-NewFormat.pdf

Shri Sunil Kumar Srivastava holds Nil share in the Company.

Shri Sunil Kumar Srivastava does not holds Directorship/ Chairmanship and nor is a Member/Chairman of Committees of Board of Directors in any other Company.

Dr. Siddhartha Shekhar Singh

Prof. Siddhartha Shekhar Singh is Senior Associate Dean and Associate Professor of Marketing at the Indian School of Business (ISB), Hyderabad and Mohali, India. He was the first director of the Fellow Programme in Management (ISB's doctoral program). He has a Ph.D. (Marketing) from the J. L. Kellogg School of Management, Northwestern University (USA), an MBA (Marketing and Finance) from the University of Illinois at Urbana-Champaign (USA), and a B. Tech. (Electronics & Communications Engineering) from the Indian Institute of Technology, Banaras Hindu University (India).

Prof. Singh's research broadly focuses on a firm's ability to achieve sustainable competitive advantage. His work attempts to help firms identify the "right" customers for acquisition and retention, and more profitably manage relationships with them over time. He researches marketing initiatives such as customer engagement, customer loyalty programs and online customer communities. Some of the other issues that he works on concern the development of financial metrics to evaluate marketing decisions (e.g., customer lifetime value), customer segmentation, purchases, returns, and marketing analytics.

Prof. Singh has co-authored three textbooks and a companion toolkit with Prof. Noel Capon (Columbia University, New York, USA), for MBA students and business executives. The books titled Managing Marketing: An Applied Approach, Managing Marketing: A Concise Approach and Essentials of Managing Marketing, and the companion volume titled The Marketing Toolkit are published by Wiley India. Prof. Singh publishes in world renowned academic journals such as Marketing Science, Management Science, Quantitative Marketing and Economics, Journal of Service Research, Decision Support Systems and Journal of Interactive Marketing. His articles and thoughts appear frequently in popular media outlets such as The Economic Times, Financial Express, Business Standard, Business Today, Businessworld, The Hindu Business Line, Livemint, The Hindustan Times, and The Times of India.

Prof. Singh has a keen interest in new ventures. He has been teaching the New Product Development and Marketing course for the last 15 years in India and the USA. He is a member of the Board of Directors of DLabs, a technology business incubator of the Indian School of Business (ISB) based at Hyderabad. He is a co-founder and strategic advisor at Bsharp Sales Enablers Pvt. Ltd. He has advised numerous startups and regularly participates in various capacities (e.g. juror and speaker) at startup events. Prior to his Ph.D., Prof. Singh worked for several years with Johnson & Johnson (J&J) in Product and Sales Management roles. Hired through J&J's prestigious global leadership development program-the IRDP-his responsibilities included managing several product lines and launching new products for

J&J hospital products group in India. His consulting experience includes firms in a variety of industries (e.g. healthcare, media, high technology, retail).

Age - 46 years

Date of Appointment – 02/11/2018

Terms and conditions of Appointment- Terms and conditions of appointment of Independent Directors is available at the website of the Company at https://www.petronetlng.com/PDF/AppointmentLetter-NewFormat.pdf

Dr. Siddhartha Shekhar Singh holds Nil share in the Company.

Dr. Siddhartha Shekhar Singh holds Directorship/Chairmanship in the following other Companies:

Name of the Company	Position Held	Category Category (Executive/ Non-Executive/ Independent)	Listed on Stock Exchange
Dlabs Incubator Association	Director	Non-Executive	No
International Schools at Business Management (ISBM)	Director	Non-Executive	No

Dr. Siddhartha Shekhar Singh is not a Member/Chairman of Committees of Board of Directors in any other Company.

Shri Arun Kumar

Shri Arun Kumar started his career in the Indian Railways Service of Mechanical Engineers in 1980. He qualified for the Indian Administrative Service (IAS) in 1983 and served for 17 years with the Government of India. In his last assignment, he has worked as Secretary Ministry of Mines, Joint Secretary in the Ministry of Mine, Food processing in Government of India. He also served as, Principal Secretary, Panchayat & Rural Development Assam besides working in various positions in the Central and State Government.

He has worked in various capacities in State Enterprises and also served on the Boards of NALCO, HCL, MECL as a government nominee. He has been instrumental in passing of the Amendment to the Mines & Minerals Development & Regulation Act, 1957, in the year 2015, the Food Safety and Standards Act 2006, the establishment of National Institute of Food Technology Entrepreneurship & Management Sonipat, as well formulation and implementation and of programmes at the national level. He has a well-grounded understanding of the economic structure of' the Indian economy, the legal and regulatory framework and in particular large industries.

He did his Section A&B of Institution of Electrical Engineers, India (Equivalent Electrical Engineering Degree) and Part I & II of Council of Engineering Institutions (UK), Institution of Mechanical Engineers (Equivalent Mechanical Engineering Degree, recognised by Indian Railways).He obtained an M.A. (Economics) from Annamalai University in the year 2000.

Age – 61 years

Date of Appointment – 09/04/2019

Terms and conditions of Appointment- Terms and conditions of appointment of Independent Directors is available at the website of the Company at https://www.petronetlng.com/PDF/AppointmentLetter-NewFormat.pdf

Shri Arun Kumar Singh holds Nil share in the Company.

Shri Arun Kumar does not holds Directorship/Chairmanship and nor is a Member/Chairman of Committees of Board of Directors in any other Company.

For other details such as the number of meetings of the board attended during the year, 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.

DIRECTORS' REPORT

Dear Shareholders,

On behalf of the Board of Directors, it is our privilege and honour to present the Twenty First Annual Report along with Audited Statement of Accounts, the Auditors' Report and Review of the Accounts for the financial year ended 31st March, 2019.

PHYSICAL PERFORMANCE

The financial year 2018-19 saw the Company operating its Dahej Terminal at 15.97 million tonnes throughput as compared to 15.79 Million tonnes in the previous year 2017-18. The demand for LNG was consistent throughout the year. During the financial year 2018-19, the Dahej Terminal handled 241 LNG Cargoes and supplied 820.15 TBTUs of RLNG as compared to 240 cargoes during financial year 2017-18 wherein supplies were 815.55 Tbtus. During the financial year 2018-19, 3049 LNG Road Tankers were also loaded and dispatched from Dahej Terminal and 150 Trucks from Kochi Terminal. The utilization of Kochi Terminal remained extremely low in the absence of pipeline network for gas evacuation. 9 Cargoes (including reload) were handled at the Kochi Terminal during the financial year 2018-19 as compared to 14 Cargoes during the year 2017-18.

FINANCIAL PERFORMANCE

During the financial year 2018-19, your Company achieved a turnover of Rs. 38,395 Crore as against Rs. 30,599 Crore in 2017-18. The net profit during the year stood at Rs. 2,155 Crore as against Rs. 2,078 Crore in the previous year. A summary of the comparative financial performance in the fiscal 2018-19 and 2017-18 is presented below:

(Rs. in crore)

Particulars	2018-19	2017-18
Revenue from operations	38,395	30,599
Other Income	450	317
Total Revenue	**38,845**	**30,916**
Salary & other operating expenses	35,102	27,286
Finance charges	99	163
Depreciation	411	412
Total Expenses	**35,612**	**27,861**
Profit before Tax	**3,233**	**3,055**
Tax expenses, including deferred tax	1,078	977
Profit after Tax	**2,155**	**2,078**
Earnings (Rs.) per Share	14.37	13.85

DIVIDEND

The Board of Directors of your Company has recommended a final dividend of Rs. 4.50 per equity share of Rs. 10/- each i.e. 45% of the paid-up Share Capital of the Company as on 31st March, 2019 subject to approval of Members of the Company as compared to Rs. 4.50 per equity share of Rs. 10 each i.e. 45 % of the post Bonus paid-up Share Capital of the Company as on 31st March, 2018. This is in addition to the Special Interim Dividend of Rs. 5.50 per equity share of Rs. 10/- each paid by the Company in November, 2018.

This is the 13th 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 20th August, 2019.

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

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. There was no change in the Share Capital of the Company during the year.

AMENDMENT IN MEMORANDUM OF ASSOCIATION AND ARTICLES OF ASSOCIATION

The Company's Shareholding is divided among the Promoters and the Public in the ratio of 50:50. The Promoters of the Company i.e. Bharat Petroleum Corporation Limited (BPCL), GAIL (India) Limited (GAIL), Indian Oil Corporation Limited (IOCL) and Oil and Natural Gas Corporation Limited (ONGC) owns 12.5% each of the total Shareholding of the Company.

BPCL as part of a Corporate Restructuring, has decided to transfer its Gas Business to a wholly owned subsidiary, Bharat Gas Resources Limited (BGRL) on slump sale basis.

In view of the above and as proposed by BPCL, the shareholding of 12.5% i.e. 187500000 shares of Rs. 10/- each which BPCL owns in PLL and various commercial agreements for supply of goods or services along with rights and obligations in this regard which were entered with BPCL will get transferred to Bharat Gas Resources Ltd. (BGRL).

In view of the above, the Board of Directors in their meeting held on 15th May, 2019 approved the amendments in Memorandum of Association (MoA) and Articles of Association (AoA) of the Company

The above said Related Party Transaction and amendments in Memorandum of Association (MoA)and Articles of Association (AoA) of the Company have been recommended for the approval of the Members of the Company in their 21st Annual General Meeting.

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.

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.

During FY 2018-19, the overall shipping operations at Dahej LNG terminal have run smoothly and the jetty utilization has been very good without any downtime.

The fourth LNG vessel "Prachi" was delivered on 30th November 2016. Besides Japanese Companies NYK, MOL and K-Line, Shipping Corporation of India (SCI) is an equity partner in the ship-owning companies. PLL has taken 26% equity in this LNG ship. As is the case with the 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.

DAHEJ LNG TERMINAL

Dahej terminal of nameplate capacity 15 MMTPA is operating at about 105% capacity utilization during the year.

Your company is in final stage of expanding Dahej Terminal Regasification capacity from 15 MMTPA to 17.5 MMTPA, which will cater increase in gas demand and percentage of gas in energy mix of India. Regasification unit of 2.5 MMTPA at an approximate cost of Rs. 415 crore is being added without raising any external debt, which is likely to be commissioned by end of June, 2019.

Your company is also planning seventh and eighth LNG Tanks. Also feasibility study for a standby third jetty is started, which will enhance reliability of LNG ship receiving.

KOCHI LNG TERMINAL

During the year, the Kochi terminal of name plate capacity 5 MMTPA continue to operate at average capacity utilization of about 10%. BPCL-Kochi Refinery was the only major consumer throughout the year.

R-LNG off-take from Kochi terminal is expected to increase in financial year 2019-20 in view of recommencement of gas utilization by FACT plant and RLNG evacuation pipeline connectivity to Mangalore. RLNG evacuation pipe line to Mangalore is 98% completed.

Other specialized services like cooling down, gassing up of LNG vessels as well as LNG storage & reload services were provided by the Kochi terminal during the financial year. 'Taral' LNG supplies continued with trucks to HLL Lifecare Ltd., Trivandrum.

NEW BUSINESS INITIATIVES

LNG AS AN AUTOMATIVE 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 an 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 prepared a business plan based on traffic study on Indian Roads and decided to develop a LNG corridors covering 4000 Kms. of Indian roads. Your company has shortlisted twenty (20) locations to develop LNG dispensing stations as a pilot project. Your company is in discussion with various CGD players to develop these stations in their area. Your company is setting up LNG dispenser stations inside Dahej and Kochi LNG terminals and procuring four (4) LNG powered buses for employee's movement at both places.

FLOATING STORAGE & REGASIFICATION TERMINAL AT SRI LANKA

Your Company has signed anMoU for doing the Pre-Feed studies alongwith Japanese Consortium and Sri Lanka Gas Terminal Company Limited for setting up a Floating Storage & Regasification Terminal at Colombo Sri Lanka. The validity of MoU is extended till April, 2020. Discussion on definitive agreement such as terminal use agreement, LNG sale and purchase agreement, implementation agreement, etc. regarding the project have started.

LNG TERMINAL AT BANGLADESH PROJECT

Your company had submitted a commercial proposal to Petrobangla of Bangladesh for their consideration to set up a land based 7.5 MMTPA LNG Receiving, Storage and Regasification Terminal at Kutubdia Island. Your company understands from Petrobangla that their authority has decided that due to construction of naval infrastructure at Kutubdia, proposal of land based terminal at Kutubdia should not be proceeded further.

Rupantarita Prakritik Gas Company Limited (RPGCL), a subsidiary of Petrobangla has recently floated the REOI (request for expression of interest) for construction of Land-based LNG Re-gasification Terminal at Matarbari, Cox's Bazar, Bangladesh on build, own, operate and transfer basis. Your company might submit an Expression of Interest for the same.

LNG TERMINAL & RLNG SUPPLY IN SOUTH ANDAMAN

Your company has completed pre-project studies for a floating storage & regasification 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, which is expected in the next financial year.

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).

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.

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, 2019	For the year ended 31st March, 2018
Revenue from operations	42,102	33,503
Profit/ (loss) from continuing operations	21,190	7,228
Other comprehensive income	(202)	175
Total comprehensive income	20,988	7,403
Company's share of total comprehensive income (26%)	5,456	1,924

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 2018	For the year ended 31st Dec, 2017
Revenue from operations	18,823	17,819
Profit/ (loss) from continuing operations	9,437	6,016
Other comprehensive income	-	-
Total comprehensive income	9,437	6,016
Company's share of total comprehensive income (26%)	2,454	1,380

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, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

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.

FOREIGN EXCHANGE EARNINGS AND OUTGO

Your Company's foreign exchange earning was Rs. 57 crore and foreign exchange outgo was Rs. 33126 crore during Financial Year 2018-19.

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 contributing its bit towards various causes. In its endeavour 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 people in the rural communities, environmental causes and enhance the educational quotient in the Country.

The Company is finalizing short-term, medium-term and long-term strategy to channelize the resources in a manner so as to derive maximum socio-economic impact from targeted approach. In line with its social goals as enumerated above, the Company has already identified several projects in the areas of Healthcare, Education, 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 the amount of Rs. 44.10 Crore is required to be spent on CSR activities in financial year 2018-19. The Competent Authority has approved/ committed new Projects of Rs. 23.43 Crore in FY 2018-19 out of which Rs. 7.39 Crore was spent on CSR activities including Rs. 20.75 Lakh incurred as Administrative Overheads. In some projects, disbursement of fund is linked to achieving deliverable targets and due to dynamic implementation environment targets have not been achieved. Nevertheless, your Company has been making constant efforts to reach optimum level of CSR expenditure resulting in tangible positive impact on society and has made significant improvements over the previous years in terms of both spending as well as number of 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, as reported last year, Petronet LNG Foundation, a Company Limited by Guarantee, has been incorporated on 31st March, 2017 by Petronet LNG Limited as a promoter of the Company under the provisions of Section 8 of the Companies Act, 2013 and the rules made thereunder. 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 finalising 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 high quality coaching and guidance. ‘Numma Onnu’ is another such project conducted on pilot basis in Ernakulam District to provide free food to the needy. The project was implemented with the Eranakulam District Administration. Further, in collaboration with CIPET, Petronet LNG Foundation is imparting skill development programme for local underprivileged youth in Kerala and Gujarat helping them be confident enough to find gainful employment.

DIRECTORS AND KEY MANAGERIAL PERSONNEL (KMP) DURING THE YEAR

Directors

Inductions

The following Directors were inducted after the date of last Directors’ Report i.e. 6th August, 2018 :

1. Shri D. Rajkumar was appointed by the Board of Directors as Additional Director (Nominee Director of BPCL) w.e.f. 2nd November, 2018.
2. Shri B.C. Tripathi (Nominee Director of GAIL) and Shri Sanjiv Singh Nominee Director of IOCL) were appointed by the Board of Directors as Additional Directors w.e.f 3rd November, 2018.
3. Shri Sunil Kumar Srivastava and Dr. Siddhartha Shekhar Singh was appointed by the Board of Directors as Additional Director (Independent Director) of the Company w.e.f 2nd November, 2018.
4. Shri Arun Kumar was appointed by the Board of Directors as Additional Director (Independent Director) of the Company w.e.f. 9th April, 2019.

Reappointment

In accordance with the Articles of Association of the Company and as per statutory requirements, Dr. M.M. Kutty, Chairman and Shri Shashi Shanker, Nominee Director,ONGC would retire by rotation at the ensuing Annual General Meeting and being eligible offers themselves for reappointment. In accordance of provisions of Companies Act, 2013, Shri D. Rajkumar (Nominee Director of BPCL), Shri B.C. Tripathi (Nominee Director of GAIL), Shri Sanjiv Singh (Nominee Director of IOCL), who were appointed as Additional Directors and Shri Sunil Kumar Srivastava, Dr. Siddhartha Shekhar Singh and Shri Arun Kumar who were appointed as Additional Directors (Independent 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 Notice of 21st Annual General Meeting and Corporate Governance Report for the Year ended 31st March, 2019.

Cessation

After the date of last Directors’ Report i.e. August 6th 2018, Shri G. K. Satish (Nominee Director of IOCL) and Shri Subir Purkayastha (Nominee Director of GAIL) ceased to be Directors of the Company w.e.f. 3rd November, 2018 due to withdrawal of their nominations by their respective nominating companies.

The Board placed on record its sincere appreciation for valuable services rendered and contribution made by above mentioned directors.

Key Managerial Personnel

Pursuant to Section 203 of Companies Act, 2013, the Key Managerial Personnel of the Company as on 31st March, 2019 are:

1. Shri Prabhat Singh, MD&CEO
2. Shri V. K. Mishra, Director (Finance) and CFO (w.e.f. 18th April, 2018)
3. Shri Rajan Kapur, Vice President – Company Secretary (w.e.f. 27th July, 2018)

Following are the changes in Key Managerial Personnel of the Company during the FY 2018-19:

1. Shri V. K. Mishra, Director (Finance) and CFO (w.e.f. 18th April, 2018)
2. Shri Rajan Kapur, Vice President – Company Secretary (w.e.f. 27th July, 2018)*

   *Shri Mukesh Gupta, VP (F&A) was officiating Company Secretary and Compliance Officer from 1st February, 2018 to 26th July, 2018.

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.

DECLARATION BY INDEPENDENT DIRECTORS

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

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 Company. 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, five 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 an 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.

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, 2019 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

The company maintained harmonious and cordial industrial relations. No man days were lost due to strike or lock-out. As on 31st March, 2019, there were 494 employees excluding three 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 2018-19 as required under Section 204 of Companies Act, 2013 and rules thereunder.

A Secretarial Audit Report 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 2018-19.

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 the SEBI Code of Corporate Governance, is annexed to this report along with Management's Reply on the Auditors' Report on the Corporate Governance Report for the Financial Year 2018-19.

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.

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, 2019, no complaint was received under Vigil Mechanismand thus no complaint was pending as on 31st March, 2019.

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. The Unsecured Non Convertible Debentures are listed on National Stock Exchange of India Ltd. The Company has paid Listing fees for the Financial Year 2018-19 to the above Stock Exchanges in time.

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 2010-11 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/ UnpaidDividend.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/PDF/IEPFSuspense.pdf

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 2018-19:-

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 2018-19, 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, 2019.

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 2018-19.

AUDITORS' REPORT

The Auditors have submitted an unqualified report for the financial year 2018-19.

COST AUDITOR

The Board of Directors has appointed M/s K. L. Jaisingh & Co., Cost Accountants (Regn. No. 00182) as the Cost Auditor of the Company for the Financial Year 2018-19.The Cost Audit Report for the year 2017-18 has been filed under XBRL mode on 24th August, 2018.

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

The Company is committed towards Green Initiative, it has been earnestly requesting its members from time to time to register/ update their email-ids in view of the circulars issued by Ministry of Corporate Affairs and other statutory provisions with the Company either at the registered office or at e-mail address: investors@petronetlng.com quoting full details of Folio No./DP, Client ID and name of first / sole holder or to the concerned depository. In furtherance, to contribute towards the green initiative, the Company is sending the Business Reply Envelope along with the physical copy of Annual Report to facilitate the Members to register/update their email ids.

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, Lenders and the Employees of the Company for their whole-hearted co-operation and unstinted support. The Directors want to express their deep-felt thanks and best wishes 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.

For and on behalf of the Board of Directors

Place : New Delhi (Dr. M. M. Kutty)
Date : 15th July, 2019 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 share holders 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, 2013 and also taking into consideration and guidelines issued by SEBI to the extent applicable.The amended 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 share holders, usually in the form of distribution of its profits, in proportion to the amount paid upon 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 share holders 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 interalia 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, 2019
[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**	M/s Karvy Fintech Pvt. Limited Karvy Selenium Tower B, Plot 31-32, Gachibowli, Financial District, Nanakramguda, Hyderabad – 500 032 Tele: 040- 67162222 Fax: 040- 23420814 Toll Free No.:1800-345-4001 Email: inward@karvy.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	1110	95.37%

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, Harbour front 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, 2018				No. of shares held at the end of the year 31st March, 2019				% 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)	(X)	(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	750000000	0	750000000	50.00	750000000	0	750000000	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) :	**750000000**	**0**	**750000000**	**50.00**	**750000000**	**0**	**750000000**	**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)	**750000000**	**0**	**750000000**	**50.00**	**750000000**	**0**	**750000000**	**50.00**	**00.00**
(B)	**PUBLIC SHAREHOLDING**									
(1)	**INSTITUTUIONS**									
(a)	Mutual Funds / UTI	145940443	0	145940443	9.73	162867996	0	162867996	10.86	1.13
(b)	Financial Institutions	1406731	0	1406731	0.09	2270367	4	2270371	0.15	0.06
(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	0	0	0	0.00	0	0	58956	0.00	0.00
(f)	FIIs/Foreign Portfolio Investors	376580933	0	376580933	25.11	384706176	0	384706176	25.65	0.54
(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

contd...

Category Code	Category of Shareholder	No. of shares held at the beginning of the year 1st April, 2018				No. of shares held at the end of the year 31st March, 2019				% change during the year
		Demat	Physical	Total	% of Total Share	Demat	Physical	Total	% of Total Share	
(i)	Others	6439	0	6439	0.00	1314	0	1314	0.00	0.00
	Sub – Total B(1)	**5239344546**	**0**	**5239344546**	**34.93**	**549904809**	**4**	**549904813**	**36.66**	**1.73**
(2)	**NON- INSTITUTIONS**									
(a)	Bodies Corporate	48413890	2	48413892	3.23	31007357	0	31007357	2.07	-1.16
(b)	Individuals									
	(i) Individual holding nominal share capital upto Rs. 2 Lakh	141354497	100541	141455038	9.43	133862092	51069	133913161	8.92	-0.5
	(ii) Individual holding nominal share capital in excess Rs. 2 Lakh	20477497	0	20477497	1.37	16889929	0	16889929	1.13	-0.24
(c)	Others									
	Clearing Members	4006324	0	4006324	0.27	5320836	0	5320836	0.35	0.08
	NBFC	150502	0	150502	0.01	116537	0	116537	0.01	0.00
	Non Resident Indians	3836463	210010	4046473	0.27	3632723	210010	3842733	0.26	-0.01
	NRI Non - Repatriation	1995106	0	1995106	0.13	2102550	0	2102550	0.14	0.01
	Overseas Corporate Bodies	0	0	0	0.00	0	0	0	0.00	0.00
	Trusts	2461519	0	2461519	0.16	5188590	0	5188590	0.35	0.19
	Alternative Investment Fund	1999370	0	1999370	0.13	479383	0	479383	0.03	-0.1
	IEPF	1059821	0	1059821	0.07	1234199	0	1234199	0.08	0.01
(d)	Qualifies Foreign Investor	0	0	0	0.00	0	0	0	0.00	0.00
	Sub – Total B(2)	**225754989**	**310553**	**226065542**	**15.07**	**199834196**	**261079**	**200095275**	**13.34**	**1.73**
	Total B = B(1) + B (2)	**749689535**	**310553**	**750000088**	**50.00**	**749739005**	**261083**	**750000088**	**50.00**	**0.00**
	Total (A+B)	**1499689555**	**310533**	**1500000088**	**100.00**	**1499739005**	**261083**	**1500000088**	**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) :	**1499689555**	**310533**	**1500000088**	**100.00**	**1499739005**	**261083**	**1500000088**	**100.00**	**0.00**

(ii) Shareholding of Promoters

S. No.	Shareholder's Name	No. of shares held as on 1st April, 2018			No. of shares held as on 31st March, 2019			% 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	SMALLCAP WORLD FUND, INC	22920000	1.53	31/03/2018			22920000	1.53
	Sale				16/11/2018	-612206	Transfer	22307794	1.49
	Sale				23/11/2018	-2175869	Transfer	20131925	1.34
	Sale				30/11/2018	-3891349	Transfer	16240576	1.08
	Sale				07/12/2018	-3320576	Transfer	12920000	0.86
	Closing Balance				30/03/2019			12920000	0.86
2	Opening Balance	MOTILAL OSWAL MOST FOCUSED DYNAMIC EQUITY FUND	19519388	1.30	31/03/2018			19519388	1.30
	Purchase				06/04/2018	274169	Transfer	19793557	1.32
	Purchase				04/05/2018	244880	Transfer	20038437	1.34
	Purchase				25/05/2018	1980000	Transfer	22018437	1.47
	Purchase				06/07/2018	217764	Transfer	22236201	1.48
	Purchase				13/07/2018	5098	Transfer	22241299	1.48
	Purchase				27/07/2018	185922	Transfer	22427221	1.50
	Purchase				03/08/2018	258622	Transfer	22685843	1.51
	Purchase				10/08/2018	345000	Transfer	23030843	1.54
	Sale				17/08/2018	-176055	Transfer	22854788	1.52

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
	Sale				24/08/2018	-429678	Transfer	22425110	1.50
	Sale				07/09/2018	-282345	Transfer	22142765	1.48
	Sale				12/10/2018	-1006939	Transfer	21135826	1.41
	Sale				02/11/2018	-215660	Transfer	20920166	1.39
	Sale				09/11/2018	-452541	Transfer	20467625	1.36
	Purchase				16/11/2018	55861	Transfer	20523486	1.37
	Sale				14/12/2018	-44162	Transfer	20479324	1.37
	Purchase				28/12/2018	94416	Transfer	20573740	1.37
	Purchase				04/01/2019	470213	Transfer	21043953	1.40
	Purchase				01/02/2019	21043953	Transfer	42087906	2.81
	Sale				01/02/2019	-21043953	Transfer	21043953	1.40
	Purchase				08/02/2019	817370	Transfer	21861323	1.46
	Sale				22/02/2019	-883670	Transfer	20977653	1.40
	Sale				01/03/2019	-568029	Transfer	20409624	1.36
	Sale				15/03/2019	-798072	Transfer	19611552	1.31
	Sale				22/03/2019	-1926435	Transfer	17685117	1.18
	Sale				29/03/2019	-151532	Transfer	17533585	1.17
	Closing Balance				30/03/2019			17533585	1.17
3	Opening Balance	SOCIETE GENERALE	18493122	1.23	31/03/2018			18493122	1.23
	Purchase				06/04/2018	404059	Transfer	18897181	1.26
	Sale				13/04/2018	-132139	Transfer	18765042	1.25
	Sale				20/04/2018	-329909	Transfer	18435133	1.23
	Sale				27/04/2018	-1579886	Transfer	16855247	1.12
	Sale				04/05/2018	-1245374	Transfer	15609873	1.04
	Sale				11/05/2018	-2791679	Transfer	12818194	0.85
	Sale				18/05/2018	-466813	Transfer	12351381	0.82
	Purchase				25/05/2018	3744122	Transfer	16095503	1.07
	Purchase				01/06/2018	153147	Transfer	16248650	1.08
	Purchase				08/06/2018	453456	Transfer	16702106	1.11
	Purchase				15/06/2018	227748	Transfer	16929854	1.13
	Purchase				22/06/2018	60431	Transfer	16990285	1.13
	Purchase				29/06/2018	403288	Transfer	17393573	1.16
	Purchase				06/07/2018	550957	Transfer	17944530	1.20
	Sale				13/07/2018	-270449	Transfer	17674081	1.18
	Sale				20/07/2018	-1128854	Transfer	16545227	1.10
	Sale				27/07/2018	-2162201	Transfer	14383026	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
	Sale				03/08/2018	-1252935	Transfer	13130091	0.88
	Sale				10/08/2018	-955600	Transfer	12174491	0.81
	Sale				17/08/2018	-577066	Transfer	11597425	0.77
	Sale				24/08/2018	-1621199	Transfer	9976226	0.67
	Sale				31/08/2018	-3187943	Transfer	6788283	0.45
	Sale				07/09/2018	-1067244	Transfer	5721039	0.38
	Sale				14/09/2018	-1193983	Transfer	4527056	0.30
	Sale				21/09/2018	-265842	Transfer	4261214	0.28
	Sale				28/09/2018	-53873	Transfer	4207341	0.28
	Sale				05/10/2018	-97654	Transfer	4109687	0.27
	Sale				12/10/2018	-220552	Transfer	3889135	0.26
	Sale				19/10/2018	-69823	Transfer	3819312	0.25
	Sale				26/10/2018	-188984	Transfer	3630328	0.24
	Purchase				02/11/2018	3503073	Transfer	7133401	0.48
	Sale				09/11/2018	-88481	Transfer	7044920	0.47
	Sale				16/11/2018	-485149	Transfer	6559771	0.44
	Sale				23/11/2018	-76342	Transfer	6483429	0.43
	Sale				30/11/2018	-341182	Transfer	6142247	0.41
	Sale				07/12/2018	-360956	Transfer	5781291	0.39
	Sale				14/12/2018	-254732	Transfer	5526559	0.37
	Sale				21/12/2018	-672482	Transfer	4854077	0.32
	Sale				28/12/2018	-184351	Transfer	4669726	0.31
	Sale				31/12/2018	-16528	Transfer	4653198	0.31
	Sale				04/01/2019	-554125	Transfer	4099073	0.27
	Sale				11/01/2019	-224123	Transfer	3874950	0.26
	Sale				18/01/2019	-52573	Transfer	3822377	0.25
	Sale				25/01/2019	-201559	Transfer	3620818	0.24
	Sale				01/02/2019	-825862	Transfer	2794956	0.19
	Sale				08/02/2019	-34071	Transfer	2760885	0.18
	Sale				15/02/2019	-34126	Transfer	2726759	0.18
	Purchase				22/02/2019	173015	Transfer	2899774	0.19
	Sale				01/03/2019	-68199	Transfer	2831575	0.19
	Sale				08/03/2019	-152664	Transfer	2678911	0.18
	Sale				15/03/2019	-684491	Transfer	1994420	0.13
	Purchase				22/03/2019	100911	Transfer	2095331	0.14
	Purchase				29/03/2019	460316	Transfer	2555647	0.17

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
	Closing Balance				30/03/2019			2555647	0.17
4	Opening Balance	FRANKLIN INDIA PENSION PLAN	18200096	1.21	31/03/2018			18200096	1.21
	Purchase				06/04/2018	19513	Transfer	18219609	1.21
	Purchase				27/04/2018	766409	Transfer	18986018	1.27
	Purchase				04/05/2018	150000	Transfer	19136018	1.28
	Purchase				18/05/2018	737020	Transfer	19873038	1.32
	Purchase				15/06/2018	100000	Transfer	19973038	1.33
	Purchase				22/06/2018	1343356	Transfer	21316394	1.42
	Purchase				29/06/2018	1056644	Transfer	22373038	1.49
	Purchase				06/07/2018	200000	Transfer	22573038	1.50
	Purchase				31/08/2018	30000	Transfer	22603038	1.51
	Purchase				07/09/2018	50000	Transfer	22653038	1.51
	Purchase				28/09/2018	15000	Transfer	22668038	1.51
	Purchase				12/10/2018	28156	Transfer	22696194	1.51
	Purchase				04/01/2019	196965	Transfer	22893159	1.53
	Purchase				11/01/2019	219418	Transfer	23112577	1.54
	Purchase				18/01/2019	287005	Transfer	23399582	1.56
	Purchase				25/01/2019	1000000	Transfer	24399582	1.63
	Purchase				01/02/2019	850000	Transfer	25249582	1.68
	Purchase				08/02/2019	1000000	Transfer	26249582	1.75
	Purchase				22/02/2019	1500000	Transfer	27749582	1.85
	Closing Balance				30/03/2019			27749582	1.85
5	Opening Balance	GOVERNMENT OF SINGAPORE	9214880	0.61	31/03/2018			9214880	0.61
	Purchase				06/04/2018	5122	Transfer	9220002	0.61
	Sale				20/04/2018	-90405	Transfer	9129597	0.61
	Sale				27/04/2018	-550	Transfer	9129047	0.61
	Sale				04/05/2018	-6027	Transfer	9123020	0.61
	Purchase				11/05/2018	20353	Transfer	9143373	0.61
	Sale				18/05/2018	-22357	Transfer	9121016	0.61
	Sale				25/05/2018	-5159	Transfer	9115857	0.61
	Purchase				01/06/2018	165129	Transfer	9280986	0.62
	Purchase				08/06/2018	393515	Transfer	9674501	0.64
	Purchase				15/06/2018	194347	Transfer	9868848	0.66
	Purchase				22/06/2018	61016	Transfer	9929864	0.66
	Sale				13/07/2018	-14787	Transfer	9915077	0.66

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				20/07/2018	66584	Transfer	9981661	0.67
	Purchase				03/08/2018	928301	Transfer	10909962	0.73
	Sale				10/08/2018	-54234	Transfer	10855728	0.72
	Purchase				24/08/2018	151459	Transfer	11007187	0.73
	Purchase				31/08/2018	352994	Transfer	11360181	0.76
	Purchase				07/09/2018	197635	Transfer	11557816	0.77
	Purchase				14/09/2018	239590	Transfer	11797406	0.79
	Purchase				21/09/2018	123514	Transfer	11920920	0.79
	Sale				05/10/2018	-67296	Transfer	11853624	0.79
	Sale				12/10/2018	-6869	Transfer	11846755	0.79
	Purchase				19/10/2018	47736	Transfer	11894491	0.79
	Purchase				02/11/2018	20194	Transfer	11914685	0.79
	Sale				16/11/2018	-624	Transfer	11914061	0.79
	Purchase				23/11/2018	70056	Transfer	11984117	0.80
	Purchase				30/11/2018	1455960	Transfer	13440077	0.90
	Sale				07/12/2018	-7921	Transfer	13432156	0.90
	Sale				14/12/2018	-161	Transfer	13431995	0.90
	Purchase				21/12/2018	879941	Transfer	14311936	0.95
	Purchase				28/12/2018	668916	Transfer	14980852	1.00
	Purchase				04/01/2019	60025	Transfer	15040877	1.00
	Purchase				18/01/2019	70935	Transfer	15111812	1.01
	Purchase				08/02/2019	774073	Transfer	15885885	1.06
	Purchase				22/02/2019	69329	Transfer	15955214	1.06
	Sale				01/03/2019	-171029	Transfer	15784185	1.05
	Sale				08/03/2019	-264835	Transfer	15519350	1.03
	Purchase				15/03/2019	547958	Transfer	16067308	1.07
	Purchase				22/03/2019	58648	Transfer	16125956	1.08
	Closing Balance				30/03/2019			16125956	1.08
6	Opening Balance	ADITYA BIRLA SUN LIFE TRUSTEE PRIVATE LIMITED A/C	15643872	1.04	31/03/2018			15643872	1.04
	Purchase				06/04/2018	40000	Transfer	15683872	1.05
	Sale				18/05/2018	-1908100	Transfer	13775772	0.92
	Purchase				25/05/2018	4355100	Transfer	18130872	1.21
	Sale				25/05/2018	-100000	Transfer	18030872	1.20
	Purchase				01/06/2018	527400	Transfer	18558272	1.24
	Sale				13/07/2018	-1350000	Transfer	17208272	1.15

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				20/07/2018	1350000	Transfer	18558272	1.24
	Sale				20/07/2018	-1737930	Transfer	16820342	1.12
	Purchase				27/07/2018	522000	Transfer	17342342	1.16
	Purchase				03/08/2018	10000	Transfer	17352342	1.16
	Purchase				10/08/2018	600000	Transfer	17952342	1.20
	Purchase				07/09/2018	1500000	Transfer	19452342	1.30
	Sale				14/09/2018	-168000	Transfer	19284342	1.29
	Purchase				12/10/2018	20000	Transfer	19304342	1.29
	Purchase				19/10/2018	774100	Transfer	20078442	1.34
	Purchase				26/10/2018	1455600	Transfer	21534042	1.44
	Purchase				07/12/2018	936000	Transfer	22470042	1.50
	Purchase				21/12/2018	118370	Transfer	22588412	1.51
	Purchase				28/12/2018	1256	Transfer	22589668	1.51
	Sale				28/12/2018	-150000	Transfer	22439668	1.50
	Sale				25/01/2019	-447000	Transfer	21992668	1.47
	Purchase				22/02/2019	18000	Transfer	22010668	1.47
	Purchase				01/03/2019	13356	Transfer	22024024	1.47
	Purchase				08/03/2019	24168	Transfer	22048192	1.47
	Purchase				15/03/2019	954	Transfer	22049146	1.47
	Sale				15/03/2019	-106000	Transfer	21943146	1.46
	Sale				22/03/2019	-2838	Transfer	21940308	1.46
	Sale				29/03/2019	-584226	Transfer	21356082	1.42
	Closing Balance				30/03/2019			21356082	1.42
7	Opening Balance	T. ROWE PRICE INTERNATIONAL GROWTH AND INCOMEFUND	8026665	0.54	31/03/2018			8026665	0.54
	Purchase				13/04/2018	37499	Transfer	8064164	0.54
	Purchase				15/06/2018	110113	Transfer	8174277	0.54
	Purchase				22/06/2018	60247	Transfer	8234524	0.55
	Purchase				06/07/2018	2533984	Transfer	10768508	0.72
	Purchase				13/07/2018	1557263	Transfer	12325771	0.82
	Purchase				20/07/2018	4454049	Transfer	16779820	1.12
	Purchase				03/08/2018	1627961	Transfer	18407781	1.23
	Sale				07/09/2018	-224298	Transfer	18183483	1.21
	Sale				26/10/2018	-185717	Transfer	17997766	1.20
	Sale				16/11/2018	-956937	Transfer	17040829	1.14
	Sale				23/11/2018	-1542604	Transfer	15498225	1.03

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				11/01/2019	-289763	Transfer	15208462	1.01
	Sale				01/02/2019	-205883	Transfer	15002579	1.00
	Purchase				08/02/2019	589852	Transfer	15592431	1.04
	Closing Balance				30/03/2019			15592431	1.04
8	Opening Balance	KOTAK BALANCED ADVANTAGE FUND	15528016	1.04	31/03/2018			15528016	1.04
	Sale				06/04/2018	-6000	Transfer	15522016	1.03
	Purchase				13/04/2018	72000	Transfer	15594016	1.04
	Sale				20/04/2018	-57000	Transfer	15537016	1.04
	Purchase				27/04/2018	174000	Transfer	15711016	1.05
	Purchase				04/05/2018	768000	Transfer	16479016	1.10
	Purchase				11/05/2018	945000	Transfer	17424016	1.16
	Purchase				18/05/2018	3782000	Transfer	21206016	1.41
	Purchase				25/05/2018	1112221	Transfer	22318237	1.49
	Sale				25/05/2018	-843000	Transfer	21475237	1.43
	Purchase				01/06/2018	887779	Transfer	22363016	1.49
	Sale				01/06/2018	-2202000	Transfer	20161016	1.34
	Purchase				15/06/2018	1161000	Transfer	21322016	1.42
	Sale				15/06/2018	-600000	Transfer	20722016	1.38
	Purchase				22/06/2018	190000	Transfer	20912016	1.39
	Purchase				29/06/2018	1650000	Transfer	22562016	1.50
	Sale				29/06/2018	-219000	Transfer	22343016	1.49
	Sale				06/07/2018	-556622	Transfer	21786394	1.45
	Purchase				13/07/2018	52622	Transfer	21839016	1.46
	Purchase				20/07/2018	1370000	Transfer	23209016	1.55
	Purchase				27/07/2018	596000	Transfer	23805016	1.59
	Purchase				03/08/2018	560000	Transfer	24365016	1.62
	Purchase				10/08/2018	213000	Transfer	24578016	1.64
	Purchase				17/08/2018	321000	Transfer	24899016	1.66
	Purchase				24/08/2018	198000	Transfer	25097016	1.67
	Sale				24/08/2018	-40000	Transfer	25057016	1.67
	Sale				31/08/2018	-303000	Transfer	24754016	1.65
	Sale				07/09/2018	-1021000	Transfer	23733016	1.58
	Sale				14/09/2018	-951000	Transfer	22782016	1.52
	Sale				21/09/2018	-102000	Transfer	22680016	1.51
	Sale				28/09/2018	-165000	Transfer	22515016	1.50
	Purchase				05/10/2018	402000	Transfer	22917016	1.53

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				12/10/2018	2907440	Transfer	25824456	1.72
	Purchase				19/10/2018	72908	Transfer	25897364	1.73
	Purchase				26/10/2018	615197	Transfer	26512561	1.77
	Sale				26/10/2018	-2685000	Transfer	23827561	1.59
	Purchase				02/11/2018	557455	Transfer	24385016	1.63
	Purchase				09/11/2018	384000	Transfer	24769016	1.65
	Purchase				16/11/2018	1187538	Transfer	25956554	1.73
	Purchase				23/11/2018	177462	Transfer	26134016	1.74
	Purchase				30/11/2018	490000	Transfer	26624016	1.77
	Purchase				07/12/2018	1903244	Transfer	28527260	1.90
	Purchase				14/12/2018	911756	Transfer	29439016	1.96
	Sale				21/12/2018	-1104000	Transfer	28335016	1.89
	Sale				28/12/2018	-222000	Transfer	28113016	1.87
	Purchase				31/12/2018	6000	Transfer	28119016	1.87
	Purchase				04/01/2019	23890	Transfer	28142906	1.88
	Purchase				11/01/2019	380010	Transfer	28522916	1.90
	Purchase				18/01/2019	175100	Transfer	28698016	1.91
	Purchase				25/01/2019	77542	Transfer	28775558	1.92
	Sale				01/02/2019	-350542	Transfer	28425016	1.90
	Purchase				08/02/2019	630000	Transfer	29055016	1.94
	Purchase				15/02/2019	51000	Transfer	29106016	1.94
	Purchase				22/02/2019	240000	Transfer	29346016	1.96
	Purchase				01/03/2019	57000	Transfer	29403016	1.96
	Sale				01/03/2019	-15000	Transfer	29388016	1.96
	Purchase				08/03/2019	204000	Transfer	29592016	1.97
	Sale				15/03/2019	-237000	Transfer	29355016	1.96
	Sale				22/03/2019	-3000	Transfer	29352016	1.96
	Purchase				29/03/2019	330000	Transfer	29682016	1.98
	Closing Balance				30/03/2019			29682016	1.98
9	Opening Balance	GOVERNMENT PENSION FUND GLOBAL	13551623	0.90	31/03/2018			13551623	0.90
	Purchase				02/11/2018	106577	Transfer	13658200	0.91
	Purchase				09/11/2018	456064	Transfer	14114264	0.94
	Purchase				16/11/2018	547472	Transfer	14661736	0.98
	Purchase				23/11/2018	171463	Transfer	14833199	0.99
	Purchase				30/11/2018	392723	Transfer	15225922	1.02

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
	Closing Balance				30/03/2019			15225922	1.02
10	Opening Balance	ICICI PRUDENTIAL EQUITY ARBITRAGE FUND	13236942	0.88	31/03/2018			13236942	0.88
	Purchase				06/04/2018	15199	Transfer	13252141	0.88
	Purchase				13/04/2018	34381	Transfer	13286522	0.89
	Sale				13/04/2018	-33000	Transfer	13253522	0.88
	Purchase				20/04/2018	1594	Transfer	13255116	0.88
	Purchase				27/04/2018	1326	Transfer	13256442	0.88
	Sale				27/04/2018	-2331	Transfer	13254111	0.88
	Purchase				04/05/2018	188937	Transfer	13443048	0.90
	Sale				04/05/2018	-13977	Transfer	13429071	0.90
	Purchase				11/05/2018	5482	Transfer	13434553	0.90
	Purchase				18/05/2018	270543	Transfer	13705096	0.91
	Sale				18/05/2018	-176	Transfer	13704920	0.91
	Purchase				25/05/2018	8244	Transfer	13713164	0.91
	Sale				25/05/2018	-394	Transfer	13712770	0.91
	Purchase				01/06/2018	13906	Transfer	13726676	0.92
	Purchase				08/06/2018	12372	Transfer	13739048	0.92
	Sale				08/06/2018	-111000	Transfer	13628048	0.91
	Purchase				15/06/2018	2714	Transfer	13630762	0.91
	Sale				15/06/2018	-176589	Transfer	13454173	0.90
	Purchase				22/06/2018	47364	Transfer	13501537	0.90
	Sale				22/06/2018	-90	Transfer	13501447	0.90
	Purchase				29/06/2018	664	Transfer	13502111	0.90
	Sale				29/06/2018	-41657	Transfer	13460454	0.90
	Sale				06/07/2018	-18270	Transfer	13442184	0.90
	Sale				13/07/2018	-1415	Transfer	13440769	0.90
	Purchase				20/07/2018	4050	Transfer	13444819	0.90
	Purchase				27/07/2018	2821	Transfer	13447640	0.90
	Sale				27/07/2018	-1349663	Transfer	12097977	0.81
	Purchase				03/08/2018	3280	Transfer	12101257	0.81
	Purchase				10/08/2018	1035486	Transfer	13136743	0.88
	Sale				10/08/2018	-5035	Transfer	13131708	0.88
	Purchase				17/08/2018	967944	Transfer	14099652	0.94
	Sale				17/08/2018	-13420	Transfer	14086232	0.94
	Purchase				24/08/2018	736504	Transfer	14822736	0.99

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				31/08/2018	15754	Transfer	14838490	0.99
	Purchase				07/09/2018	3281	Transfer	14841771	0.99
	Sale				07/09/2018	-4756	Transfer	14837015	0.99
	Purchase				14/09/2018	1578	Transfer	14838593	0.99
	Sale				14/09/2018	-45795	Transfer	14792798	0.99
	Purchase				21/09/2018	2644	Transfer	14795442	0.99
	Purchase				28/09/2018	10110	Transfer	14805552	0.99
	Sale				28/09/2018	-233301	Transfer	14572251	0.97
	Purchase				05/10/2018	119054	Transfer	14691305	0.98
	Purchase				12/10/2018	12000	Transfer	14703305	0.98
	Purchase				19/10/2018	6680	Transfer	14709985	0.98
	Purchase				26/10/2018	386468	Transfer	15096453	1.01
	Sale				26/10/2018	-1719000	Transfer	13377453	0.89
	Purchase				02/11/2018	8685	Transfer	13386138	0.89
	Sale				02/11/2018	-327000	Transfer	13059138	0.87
	Purchase				09/11/2018	2996	Transfer	13062134	0.87
	Purchase				16/11/2018	5877	Transfer	13068011	0.87
	Sale				16/11/2018	-320	Transfer	13067691	0.87
	Purchase				23/11/2018	2353	Transfer	13070044	0.87
	Purchase				30/11/2018	84714	Transfer	13154758	0.88
	Purchase				07/12/2018	2892	Transfer	13157650	0.88
	Purchase				14/12/2018	35199	Transfer	13192849	0.88
	Purchase				21/12/2018	2290	Transfer	13195139	0.88
	Sale				21/12/2018	-207000	Transfer	12988139	0.87
	Purchase				28/12/2018	268	Transfer	12988407	0.87
	Sale				28/12/2018	-24216	Transfer	12964191	0.86
	Purchase				04/01/2019	1415	Transfer	12965606	0.86
	Sale				04/01/2019	-252000	Transfer	12713606	0.85
	Purchase				11/01/2019	5109	Transfer	12718715	0.85
	Sale				11/01/2019	-27000	Transfer	12691715	0.85
	Purchase				18/01/2019	11092	Transfer	12702807	0.85
	Purchase				25/01/2019	2579	Transfer	12705386	0.85
	Purchase				01/02/2019	6777	Transfer	12712163	0.85
	Purchase				08/02/2019	102572	Transfer	12814735	0.85
	Purchase				15/02/2019	40461	Transfer	12855196	0.86
	Purchase				22/02/2019	9884	Transfer	12865080	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
	Purchase				01/03/2019	5180	Transfer	12870260	0.86
	Sale				01/03/2019	-1069509	Transfer	11800751	0.79
	Purchase				08/03/2019	2823	Transfer	11803574	0.79
	Purchase				15/03/2019	4851	Transfer	11808425	0.79
	Sale				15/03/2019	-706504	Transfer	11101921	0.74
	Purchase				22/03/2019	13530	Transfer	11115451	0.74
	Sale				22/03/2019	-228577	Transfer	10886874	0.73
	Purchase				29/03/2019	5075	Transfer	10891949	0.73
	Sale				29/03/2019	-1120036	Transfer	9771913	0.65
	Closing Balance				30/03/2019			9771913	0.65
11	Opening Balance	STICHTING DEPOSITARY APG EMERGING MARKETS EQUITY P	12379805	0.83	31/03/2018			12379805	0.83
	Sale				06/04/2018	-1299959	Transfer	11079846	0.74
	Sale				13/04/2018	-148902	Transfer	10930944	0.73
	Sale				20/04/2018	-2	Transfer	10930942	0.73
	Purchase				22/06/2018	592118	Transfer	11523060	0.77
	Purchase				29/06/2018	270582	Transfer	11793642	0.79
	Purchase				06/07/2018	229063	Transfer	12022705	0.80
	Purchase				27/07/2018	129458	Transfer	12152163	0.81
	Purchase				03/08/2018	138165	Transfer	12290328	0.82
	Purchase				10/08/2018	138165	Transfer	12428493	0.83
	Purchase				17/08/2018	317771	Transfer	12746264	0.85
	Purchase				24/08/2018	325524	Transfer	13071788	0.87
	Purchase				31/08/2018	347263	Transfer	13419051	0.89
	Purchase				07/09/2018	902543	Transfer	14321594	0.95
	Purchase				14/09/2018	14444	Transfer	14336038	0.96
	Purchase				21/09/2018	121537	Transfer	14457575	0.96
	Sale				28/09/2018	-748460	Transfer	13709115	0.91
	Purchase				05/10/2018	57592	Transfer	13766707	0.92
	Sale				12/10/2018	-1228259	Transfer	12538448	0.84
	Purchase				19/10/2018	247457	Transfer	12785905	0.85
	Purchase				26/10/2018	33180	Transfer	12819085	0.85
	Purchase				02/11/2018	137480	Transfer	12956565	0.86
	Sale				01/02/2019	-20433	Transfer	12936132	0.86
	Closing Balance				30/03/2019			12936132	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
12	Opening Balance	AB SICAV I - EMERGING MARKETS MULTI-ASSET PORTFOLI	337500	0.02	31/03/2018			337500	0.02
	Sale				13/04/2018	-337500	Transfer	0	0.00
	Purchase				21/12/2018	1830440	Transfer	1830440	0.12
	Purchase				28/12/2018	201187	Transfer	2031627	0.14
	Purchase				31/12/2018	336623	Transfer	2368250	0.16
	Purchase				04/01/2019	557326	Transfer	2925576	0.20
	Purchase				11/01/2019	791275	Transfer	3716851	0.25
	Purchase				18/01/2019	470963	Transfer	4187814	0.28
	Purchase				25/01/2019	3105553	Transfer	7293367	0.49
	Purchase				01/02/2019	1763210	Transfer	9056577	0.60
	Purchase				22/02/2019	266980	Transfer	9323557	0.62
	Purchase				29/03/2019	1298551	Transfer	10622108	0.71
	Closing Balance				30/03/2019			10622108	0.71
13	Opening Balance	MAX LIFE INSURANCE COMPANY LIMITED A/C - ULIF0022	10468688	0.70	31/03/2018			10468688	0.70
	Purchase				06/04/2018	226782	Transfer	10695470	0.71
	Sale				18/05/2018	-3403951	Transfer	7291519	0.49
	Sale				25/05/2018	-200000	Transfer	7091519	0.47
	Purchase				29/06/2018	132610	Transfer	7224129	0.48
	Sale				17/08/2018	-109171	Transfer	7114958	0.47
	Purchase				28/09/2018	109171	Transfer	7224129	0.48
	Purchase				05/10/2018	135000	Transfer	7359129	0.49
	Purchase				07/12/2018	126000	Transfer	7485129	0.50
	Purchase				04/01/2019	400500	Transfer	7885629	0.53
	Sale				11/01/2019	-2057147	Transfer	5828482	0.39
	Sale				18/01/2019	-766506	Transfer	5061976	0.34
	Sale				01/02/2019	-64621	Transfer	4997355	0.33
	Sale				08/02/2019	-99000	Transfer	4898355	0.33
	Sale				15/02/2019	-1109300	Transfer	3789055	0.25
	Sale				22/02/2019	-922124	Transfer	2866931	0.19
	Purchase				01/03/2019	72000	Transfer	2938931	0.20
	Sale				15/03/2019	-386612	Transfer	2552319	0.17
	Sale				22/03/2019	-516542	Transfer	2035777	0.14
	Sale				29/03/2019	-1820587	Transfer	215190	0.01
	Closing Balance				30/03/2019			215190	0.01

(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, 2018)		Shareholding at the end of the year (March 31, 2019)	
		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*	NA	NA	4000	0.0002

*appointed as Nominee Director, IOCL w.e.f. 3rd November, 2018.

V INDEBTEDNESS

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

(Rs. In Lakh & USD in Million)

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount • INR • USD	 16,100 60	 90,000	- - 	 106,100 60
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due • INR • USD	 14.25 0.19	 4,317.90	 - -	 4,332.15 0.19
Total (i+ii+iii) • **INR** • **USD**	 **16,114.25** **60.19**	 **94,317.90**	 **-** **-**	 **110,432.15** **60.19**
Change in Indebtedness during the financial year				
i) Addition	-	-	-	-
ii) Reduction • INR • USD	 (2,774.25) (60.19)	 (34,317.90) -	 - -	 (37,092.15) (60.19)
Net Change • **INR** • **USD**	 **(2,774.25)** **(60.19)**	 **(34,317.90)** **-**	 **-** **-**	 **(37,092.15)** **(60.19)**
Indebtedness at the end of the financial year				
i) Principal Amount • INR	 13,340	 60,000	 -	 73,340
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due • INR	 10.31	 2,320.77	 -	 2,331.08
Total (i+ii+iii) • **INR**	 **13,350.31**	 **62,320.77**	 **-**	 **75,671.08**

Note: Foreign Currency Loans are fully hedged as on 31st March, 2019.

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL PAID DURING THE FINANCIAL YEAR 2018-19

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

(Amount in Rs.)

S. No.	Particulars of Remuneration	Name of MD / WTD						Total
		Prabhat Singh	Rajender Singh	R.K. Garg#	Subhash Kumar#	V. K. Mishra	Rajan Kapur	
		MD & CEO and KMP	Director (Technical)	Director (Finance), CFO and KMP (upto 19th July, 2017)	Director (Finance), CFO and KMP (w.e.f 5th August, 2017 to 31st January, 2018)	Director (Finance), CFO and KMP (w.e.f 18th April, 2018)	Vice President -Company Secretary & KMP (w.e.f 27th July, 2018)	
1.	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	1,03,86,644	75,14,676	9,89,792	10,30,921	45,08,282	19,83,326	**2,64,13,642**
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	9,01,497	10,16,646	-	-	4,57,319	5,03,826	**28,79,288**
	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	22,50,000	6,78,082	11,09,589	-	-	**62,87,671**
5.	Others	6,41,760	5,12,040	-	-	5,89,984	3,83,410	**21,27,194**
	Total	**1,41,79,901**	**1,12,93,362**	**16,67,874**	**21,40,510**	**55,55,585**	**28,70,562**	**3,77,07,794**
	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 2018-19 due to pay revision.

B. Remuneration to other directors:

Particulars of Remuneration	Name of Directors						Total Amount
Independent Directors	**Jyoti Kiran Shukla**	**Arun Kumar Misra (upto 13th August, 2017)**	**Sushil Kumar Gupta (upto 14th January, 2018**	**Sidhartha Pradhan**	**Sunil Kumar Srivastava**	**Siddhartha Shekhar Singh**	
• Fee for attending board / committee meetings	3,80,000	-	-	3,00,000	1,20,000	80,000	**8,80,000**
• Commission Paid	8,50,000	3,14,384	6,73,014	-	-	-	**18,37,398**
• Others, please specify	-	-	-	-	-	-	-
Total (1)	**12,30,000**	**3,14,384**	**6,73,014**	**3,00,000**	**1,20,000**	**80,000**	**27,17,398**

Other Non-Executive Directors							
· Fee for attending board/ committee meetings**	-	-	-	-	-	-	-
· Commission	-	-	-	-	-	-	-
· Others, please specify	-	-	-	-	-	-	-
Total (2)	-	-	-	-	-	-	-
Total (B)=(1+2)	**12,30,000**	**3,14,384**	**6,73,014**	**3,00,000**	**1,20,000**	**80,000**	**27,17,398**
Total Managerial Remuneration	-	-	-	-	-	-	-
Overall Ceiling as per the Act*	-	-	-	-	-	-	-

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

** Sitting fee pertaining to Nominee Directors has been paid to their respective Organization, the details of which form part of Corporate Governance Report. However, as approved by the Board sitting fee would be paid only to Independent Directors of the Company w.e.f. 2.11.2018.

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES

No Penalty has been paid pursuant to the provisions of Companies Act, 2013 read with Rules. However, pursuant to provisions of SEBI (LODR) Regulations, 2015, penalties were levied by NSE and BSE, where the securities of the Company are listed, due to non-compliance regarding 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 July, 2018 to 1st November, 2018. The Company has paid the same within prescribed time limit.

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 Limited Ltd., as a responsible Corporate has been undertaking Socio-Economic Development Projects/ Programs and also supplementing the efforts of the local institutions/NGOs/local Government/implementing agencies in the field of Education, Healthcare, 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, a Company Limited by Guarantee, has been incorporated on 31st March,2017 by Petronet LNG Limited as promoter of the company under the provisions of section 8 of the Companies Act, 2013 and the rules made thereunder. This company will facilitate 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.

2. The Composition of the CSR Committee as on 31st March,2019:
   - 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

3. Average net profit of the Company for last three financial years : Rs. 2,204 Crore

4. Prescribed CSR Expenditure (two per cent of the amount as in item 3 above) : Rs. 44.10 Crore

5. Details of CSR spent during the financial year : Rs. 7.39 Crore
   - (a) Total amount to be spent for the financial year : Rs. 44.10 Crore
   - (b) Amount unspent, if any : Rs. 36.71 Crore
   - (c) Manner in which the amount spent during the financial year is detailed below. Details attached at Annexure – 1.

6. In case the Company has failed to spend the two per cent of the average net profit of the last three financial years or any part thereof, the company shall provide the reasons for not spending the amount in its Board report.
   - i. In terms of provisions of Companies Act 2013 the amount of Rs.44.10 Crore is required to be spent on CSR activities in financial year 2018-19. The Competent Authority has approved/ committed new Projects of Rs. 23.43 Crore in FY 2018-19 out of which Rs. 7.39 Crore was spent on CSR activities including Rs. 20.75 Lakh incurred as Administrative Overheads. In some projects, disbursement of fund is linked to achieving deliverable targets and due to dynamic implementation environment targets have not been achieved. Nevertheless, your Company has been making constant efforts to reach optimum level of CSR expenditure resulting in tangible positive impact on society and has made significant improvements over the previous years in terms of both spending as well as number of projects taken up.
   - ii The Company is implementing short-term, medium-term and long-term strategies to channelize the resources in a manner so as to drive maximum socio-economic impact from targeted approach. In line with its social goals as envisioned in the CSR policy, the Company has already identified several projects in the areas of

Healthcare, Education, Welfare of Armed Forces veterans. Widows and their dependents, Skill Development, Environment, Sports, Agriculture, Swacch Bharat etc. where your Company will spend the annual CSR budget in a progressive and sustainable manner.

iii. The Company has already identified and positioned people to ensure that CSR areas receive its due attention and form a strong basis for its effectiveness. Furthermore, location wise CSR Budget is being allocated so as to channelize the CSR much more effectively.

iv. Further, as reported last year, Petronet LNG Foundation, a Company Limited by Guarantee, has been incorporated on 31st March,2017 by Petronet LNG Limited as promoter of the company under the provisions of section 8 of the Companies Act, 2013 and the rules made thereunder. This company will facilitate 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.

v. The company has received a notice dated 21st February, 2019 from Ministry of Corporate Affairs (MCA) calling for information under Section 206 of Companies ACt, 2013 regarding non-compliance of provisions of Corporte Social Responsibility (CSR) under Section 135 read with Section 134(3)(o) of the Act and Rules made thereunder. The Company has suitably replied in this regard.

7. A responsibility statement of the CSR Committee that the implementation and monitoring of CSR Policy, is in compliance with CSR objectives and Policy of the Company.

8. The CSR projects/activities are being implemented and monitored in compliance with the CSR Policy of the Company.

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 FY 2018-19

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)
Projects executed by Petronet LNG Limited					
1.	• Petronet DRI Skill development Project	Promoting education/ enhancing vocational skills/livelihood enhancing projects	Balrampur District (UP)	1.71	Deendayal Research Institute & Urban System Architects
2.	• Contribution for Kerala Flood relief	Disaster Management	Kochi, Kerala	14.55	Direct
3.	• Project Management consultant for CSR Project.	Miscellaneous	New Delhi	9.34	Price Water House Coppers (PwC).
4.	• Fund transfer to Petronet LNG Foundation#		New Delhi	300.00	
Total				**325.60**	
Projects executed through Petronet LNG Foundation, a wholly owned subsidary of Petronet LNG Limited					
5.	• Petronet Kashmir Super-30-Imparting coaching to the students of J&K for Engineering Entrance Examination to facilitate admissions in IITs/IIITs / NITs/ State Govt's Institutions.	Promoting education/ enhancing vocational skills/livelihood enhancing projects	Srinagar (Jammu and Kashmir)	113.92	Centre for Social responsibility and leadership, Indian Army.
	• Skill development through training program.		Ahmedabad and Kochi.	137.36	Central Institute for Plastic, Engineering and technology and Centre for Biopolymer Science and Technology.
	• Construction of Smart Classroom at Government schools.		Poonoor, Kozhikode Vayakode, Kasargode Parur, Ernakulam.	3.20	Keltron.
	• Up-gradation of the Library in Chovva Higher Secondary School.		Kannur, Kerala.	4.10	Chovva Higher Secondary School.

	• Support for the up-gradation of the school library & providing five desktop computers in Govt. Higher Secondary School.		Cheemeni, Kasargode.	2.33	Govt. Higher Secondary School
	• Support to the underprivileged students of Govt. Aided Higher Secondary School for Girls.		Venganoor, Kerala.	3.76	Govt. Aided Higher Secondary School for Girls.
	• LMC (B) LP School PTA Pachalam.		Kochi, Kerala.	3.39	LMC School.
	• Motor Driving Skill Training to Youth.		Srinagar (Jammu and Kashmir).	6.20	Centre for Social responsibility and leadership
	• Himalayan Institute of Alternative learning HIAL, Visitor Centre.		Phyang, Ladakh.	10.00	Himalayan Institute of Alternative learning (HIAL).
	• Project Velicham: providing Insurance cover to the 25000 students in 71 schools.		Kochi, Kerala.	5.00	Direct.
	• Donation of Sewing machine to 544 rural women.		Dharwad, Karnataka.	26.07	Direct.
	• “WHEELS FOR WOMEN” project - Providing an auto taxi for the residents of “Shanthi Bhavan” (Shelter Home)		Kochi, Kerala.	4.16	Cultural Academy for Peace.
	• Impact Assessment Study of Kaushal Setu Skill Training Project		Ahmedabad, Gujarat	1.00	Gujarat CSR Authority.
	• “Startup Village” Rural Youth Entrepreneurship Development Program		Dahej, Gujarat.	0.45	Serve Happiness Foundation.
6.	• Installation of Solar Lights	Ensuring Environment Sustainability	Pali, Rajasthan.	1.97	Rajasthan Electronics and Instrument Limited.

7.	• Sponsoring Community Mass Marriage of Weaker Community.	Rural Development Projects	Dahej, Gujarat.	1.87	Direct.
8.	• Project Numma Oonu: To feed the needy & poor people.	Eradicating hunger, poverty, malnutrition, Promoting Preventive Healthcare and sanitation	Ernakulum District.	40.93	District Administration, Kochi and Kerala Hotel Restaurant Association.
	• Installation of an Incinerator (Solid Waste Management Facility) at the Taluka Hosptial Permbra, Kozhikode, Kerala		Kochi, Kerala.	4.90	Taluka Hospital Perambra.
	• Maintenance of School Toilets Blocks.		Kochi, Kerala.	5.00	Wockhardt Foundation.
	• Support towards the old aged at the Sandeepani Seva Samiti.		Guruvayoor, Kerala.	0.80	Sandeepani Seva Samiti.
	• Supporting Swachh Bharat Abhiyan		Bharuch.	5.00	Bharuch District CSR Unit.
	• Organization of Medical Health Camp at Vypin		Kochi, Kerala.	5.00	Indian Medical Association.
9.	• Organised Special Olympics for special children.	Promoting rural sports, nationally recognised sports Paralympic sports and Olympic sports	Dahej, Gujarat.	2.50	Kalrav Charitable Trust and Special Olympics, Gujarat. .
10.	• Vypin Block Panchayath - Supporting the “Haritha Keralam” Initiative.	Art and Culture	Kochi, Kerala.	1.00	Block Panchayath.
	• Support to the art form of Koodiyattam: It is a traditional performing Art form.		Kochi, Kerala.	2.50	Nepathya
11.	• Rescue operation during the Kerala flood.	Disaster Management	Kochi, Kerala.	0.50	Ernakulam Panchyat
	Total			**392.91**	

A wholly owned subsidiary of Petronet LNG Limited

***Note**: The total amount spent on administrative overheads was Rs. 20.75 lakhs as per clause 6 of PLL CSR policy. Thus, total amount spent on CSR for the FY 2018-2019 is Rs. 739.26 lakhs.

Form No. AOC-2

Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (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 Ltd.	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

(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 Contract are materially back to back in terms of quantity, price etc. in line with the long-term LNG Purchase Contract. 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/-
Place : New Delhi	(V. K. Mishra)	(Prabhat Singh)
Date : 15th May, 2019	Director (Finance)	MD&CEO

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	1,41,79,901#	Contractual	No	MD & CEO	B. Tech (IIT, Kanpur) Exp. - 39 years	14th September, 2015	62	No	GAIL (India) Limited.
2.	Rajender Singh	1,12,93,362#	Contractual	No	Director (Technical)^	B.Sc. (Engineering) - Civil Exp. – 38 years	10th March, 2006	59	No	ONGC Ltd.
3	Pushp Khetarpal	91,31,971	Permanent	No	President (BD & Projects)	B.E. (Chemical) Exp. - 37 years	22nd February, 2007	58	No	Kribhco Shyam Fertilizer Ltd.
4	Avnit Kumar Chopra	79,65,318*	Permanent	No	Sr. VP (L & D)	B.Com, LLB Exp. - 37 years	1st September, 2006	60	No	Indian Oil Corporation Ltd.
5.	Rajeev Agarwal	79,05,841	Permanent	No	OSD To Director (Technical)	B.E. (Mechanical) Exp- 34 years	30th April, 2012	58	No	ONGC
6.	Sanjay Gupta	76,49,435	Permanent	No	Sr. VP (Shipping)	Master F.G. Exp. - 37 years	1st December, 2006	59	No	The Shipping Corporation of India Ltd.
7.	Hemant Verma	71,20,427	Permanent	No	VP (Port Operations)	Master F.G. Exp. - 31 years	1st March, 2008	57	No	J. M. Baxi & Co.
8.	Samar Bahadur Singh	68,69,111	Permanent	No	Sr. VP (Plant Head)	BE (Chemical) Exp. - 30 Years	19th March, 2003	55	No	Indo Gulf Fertilizers Ltd.
9.	Sanjay Kumar Rastogi	67,98,537	Permanent	No	VP (Technical))	B E (Chemical), Exp. - 34 Years	4th April 2005	54	No	National Fertilizers Limited
10.	Pankaj Wadhwa	64,48,261	Permanent	No	Sr. VP (Marketing)	I.C.W A Exp. - 28 Years	12th April, 2012	51	No	Chambal Fertilizers & Chemicals Ltd

Note –
1. **#Inclusive of Commission on Profit paid for the financial year 2017-18.**
2. ***inclusive of retirement benefits.**
3. **^Appointed as Director (Technical) w.e.f. 14.11.2012**
4. **The above information is for the financial year ended 31st March, 2019.**

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	9.24:1
2	Shri Rajender Singh	7.3:1
3	Shri Vinod Kumar Mishra (Date of joining-18.04.2018)	3.2:1
4*	Shri R.K.Garg (upto 27.07.2017)	1.09:1
5*	Shri Subhash Kumar (upto 1.02.2018)	1.39:1

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

(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 21%.

(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 32.3% 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, 2019 was 494 excluding three 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 21%.
- Average percentage increase in remuneration of all employees other than Key Managerial Personnel has been around 30.4%.

  Every year, Company grants to each employee, including the three Whole Time Directors, an annual increment of 5% on the basic salary. 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, 2019

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No. 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, 2019** 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, 2019** 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 no 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 thereunder.

   (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, 1983

   (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 the following:
   (a) The composition of the Board did not have sufficient number of Independent directors during the period commencing from 1st April, 2018 till 1st November, 2018 as required under Regulation 17(1) of the SEBI (LODR) Regulations, 2015;
   (b) The composition of the Audit Committee of the Board of Directors was not in compliance with Regulation 18 of the SEBI (LODR) Regulations, 2015 during the period 1st April, 2018 to 15th May, 2018 due to not having sufficient number of Independent Directors on the Board.
   (c) The Company has not formulated and adopted policy on Board Diversity till 31st March, 2019 in terms of Schedule II Part D of the SEBI (LODR) Regulations, 2015.

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, and Woman Director, Independent Directors and a Women 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 members.

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.

Date: 15th May, 2019
Place: New Delhi

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.

Date:15th May, 2019
Place: New Delhi

Management's Reply on the Secretarial Audit Report for the Financial Year 2018-19

Auditor's Observation	Management's Reply
The composition of the Board did not have sufficient number of Independent directors during the period commencing from 1st April, 2018 till 1st November, 2018 as required under Regulation 17(1) of the SEBI (LODR) Regulations, 2015.	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 composition of the Audit Committee of the Board of Directors was not in compliance with Regulation 18 of the SEBI (LODR) Regulations, 2015 during the period 1st April, 2018 to 15th May, 2018 due to not having sufficient number of Independent Directors on the Board.	The Company has complied with the provisions of Regulation 18(1) of SEBI (LODR) Regulations, 2015 w.e.f. 16th May, 2018 onwards with the Appointment of one more Independent Director on the Board of the Company w.e.f. 16th May, 2018.
The Company has not formulated and adopted policy on Board Diversity till 31st March, 2019 in terms of Schedule II Part D of the SEBI (LODR) Regulations, 2015.	The Board of Directors in their meeting held on 15th May, 2019 had approved the Policy for Diversity of the Board. Therefore, the Company is in compliance with the provisions of Schedule II Part D of SEBI (LODR) Regulations, 2015 with respect to formulation and adoption of the Policy for Diversity of the Board.

Management Discussion and Analysis

Currently natural gas is going through a phase of rapid growth as compared to other fossil fuels globally. In the last decade,gas consumption has grown at 2.3% annually, which is almost double the rate of growth in consumption of other fossil fuels, which are growing at about 1%, as shown in Table 1 below.

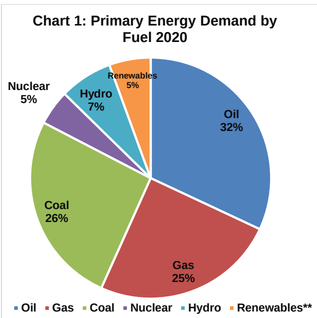
Table 1: Growth in Fuel Consumption from 2006 to 2016

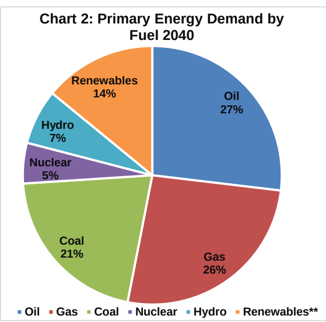
Sr. No.	Fuel Type	CAGR %
1	Gas	2.3
2	Coal	1.3
4	Oil	1.1
5	Nuclear	0.7
6	Total Renewables	16.2
A	Solar	49.7
B	Wind	21.9
C	Geothermal / Biomass / Others	7.4
D	Hydro	2.9

Source: BP Energy Outlook 2018 edition

Only Renewables and Hydro-power generation have had faster rates of growth than gas. Hydro has had a growth rate of 2.9% annually from 2006 to 2016,but the share of Hydro out of the total energy mix is only 7%,as shown below in Chart 1.Hydro is not expected to have a major impact on the energy mix by 2040, as its share remains unchanged at 7%.

Renewables on the other hand has experienced unprecedented levels of growth over the last decade and will continue to grow rapidly till 2040, when is occupies 14% of the total Primary Energy mix as shown in Chart 2. By 2040, according to the BP Energy Outlook, gas should almost catch up with oil with a share of 27% of the primary energy consumption and will have overtaken coal with a share of 21%.





Source: BP Energy Outlook 2018 edition

The gas industry has gone through a significant transformation since 2010 due to the North America shale boom, the rapid growth of LNG industry, and the development of new gas markets in Asia and the Middle East. This growth is as a result of the multiple benefits offered by gas as a clean, abundant and cheaper fuel, as compared to liquid fuels. The future of gas looks bright, though many challenges lie ahead.

Year in review 2018

A. Supply Side – LNG Exports

LNG is a smaller component of the larger natural gas industry, although it is growing at a much faster rate compared to piped gas volumes and trade. This is because gas pipeline trade has already matured after decades of development in Europe and America. LNG from 2006 with 167 MMT exported, rose to 274 in 2016 MMT. This growth in exports is equivalent to an annual growth rate of 4.6% over a decade and is double the growth rate of the total gas industry.

Table 2 below, shows that in 2018, LNG traded was 320 MMT which rose by 28 MMT from 292 MMT in 2017, an increase of 9.6%. This increase in LNG supply was due to commencement of operations of 9 new trains delivering their first cargoes in 2018 from US, Australia, Russia and Cameroon. In 2018, LNG exports commenced from Kribi FLNG of Cameroon with 2.4 MMTPA capacity, making it the world's first Floating LNG facility.

Table 2: Region-wise LNG Supply for 2017 and 2018

Supply	2018	2017	(+/-) MMT	(+/-) %
Asia-Pacific	136.5	127.9	8.6	6.72
Middle East	94	90.5	3.5	3.87
Africa	40.6	41.5	-0.9	-2.17
N. America	33.3	23.7	9.6	40.51
S. America	3.6	4.1	-0.5	-12.20
Europe	12	4.3	7.7	179.07
Total	**320**	**292**	**28**	**9.59**

Source: IHS LNG Analytic Tool

Table 3: Top 3 LNG Supply Additions

Country/ Year	2017	2018	(+/-) MMT
Australia	59.37	71.59	12.22
USA	14.54	22.43	7.89
Russia	11.66	19.65	7.99

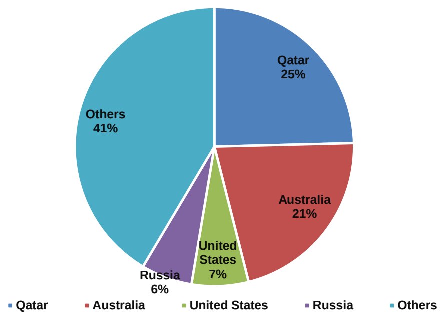
Source: IHS LNG Analytic Tool

Table 3 above shows total volume of LNG supplied by Australia, US and Russia, the biggest contributors to LNG supply growth in 2018. Australia had an increase in supply due to ramp up from newly commissioned trains in 2017 which continued throughout 2018. In 2018, Australia saw 2 trains being commissioned in Ichthys LNG and one train in Wheatstone LNG project. Australia achieved 71.59 MMT of LNG export, while Qatar the world's largest exporter was at 81.63 MMT. It is projected that in 2019

Australia will overtake Qatar, as newly commissioned projects like Wheatstone LNG, Ichthys LNG and Prelude FLNG add LNG volumes for export.

Meanwhile, US had 3 LNG trains commissioned in 2018. They were Cove Point Train 1, Sabine Pass LNG Train 5 and Corpus Christi Train 1. In 2019 US will have larger LNG export volumes as these new trains ramp up supply and at least three more new LNG projects are set to be commissioned in 2019. They are Cameron LNG Train 1 and 2, Freeport Train 1 and Elba LNG. Chart 3 below shows the current share each of these main exporters have globally. Between Qatar and Australia, they have 46% of the total LNG supplied in the world, while US's share is at 7%, but it is expected to grow rapidly.

Chart 3: Breakup of LNG Exports in 2018



Source: IHS LNG Analytic Tool

So far as global rankings are concerned, Australia is expected to reach 86.6 MMT in 2019, officially overtaking Qatar in nameplate capacity. Australia's assent to the top of the LNG suppliers is assured, but it's time there will be very brief. The reason being that Qatar is already planning to add another 33 MMTPA in LNG capacity to bring its total nameplate capacity to 110 MMTPA, with supply starting from 2024.Additionally US is projected to overtake both countries eventually as LNG project development continues, fed by robust shale gas production. By some estimates by 2030, US could reach a capacity of 100 to 140 MMTPA and become the LNG industry leader.

B. Demand Side – LNG Imports

Natural gas as a fuel will have the highest growth out of any of the fossil fuel globally and will take on a larger share in global energy consumption. The country which will lead the world in the induction of gas into their energy consumption is expected to be China.

It is projected that from 2019 onwards, due to gas infrastructure issues, piped supply of gas, slowing economic growth rate of China, the rate of growth of LNG consumption will start decline. Even then according to IEA, in the next five years, Chinese gas demand is expected to grow rapidly, due to the aggressive policy for coal to gas switching for domestic and industrial use. This will make China the world's largest LNG importer, overtaking Japan in 2019 soon.

Table 4 below shows the LNG imports by region and for China and India separately. China is expected to have robust growth in LNG imports of 4.13% per annum from 2020 to 2030, while India is growing slightly faster at 4.76%. China in 2019 will import more than double the volume of LNG than India and in 2030 it will still be more than double of Indian LNG imports. Other Asian regions will also import increasing amounts of LNG and their growth could be more than 12% per year. Other Asian countries include Pakistan, Bangladesh and Thailand, amongst many others, some of who are starting from low base of imports and have the potential to grow faster.

Table 4: LNG imports by market regions (Forecast in MMTPA)					CAGR
Regions / Countries	**2019**	**2020**	**2025**	**2030**	**2020-30**
China	60	65	80	97	4
India	24	26	27	43	5
Other Asia	25	31	68	103	13
Japan, South Korea, and Taiwan	142	141	139	143	0
Europe	77	93	83	98	2
North & South Americas	18	19	25	30	4
Middle East & North Africa	10	10	17	21	7
Sub-Saharan Africa	-	-	2	6	7
Other	-	-	24	12	(5)
Total Demand (Forecast)	356	385	465	553	4

Source: BP Energy Outlook 2018 edition

So far as North East Asian counties like Japan and South Korea are concerned, in 2019, they are projected to jointly import about 35% of the world's LNG and the remaining 5% is by Taiwan, but by 2030, their share will decline sharply to 26%, with Japan and South Korea having only 21% share of the global world imports. In real terms, these countries have a flat LNG import profile till 2030. In percentage terms, it seems, China remains stable rising from 16.8% to 17.6%, but the total LNG imported globally by 2030 is expected at 552 MMTPA. Europe faces a decline in its share, but in real terms as shown in Table 4 above, it will experience 2% growth on an average, excluding the period from 2020 to 2025, when it faces a decline of about 10 MMT in 5 years.

Table 5: LNG Import % Break-up for 2019 & 2030		
Regions / Countries	**2019**	**2030**
Japan, South Korea, and Taiwan	40.0	25.9
Other Asia	6.9	18.6
Europe	21.5	17.7
China	16.8	17.6
India	6.9	7.7
North & South Americas	5.1	5.3
Middle East & North Africa	2.7	3.8
Other	0.0	2.2
Sub-Saharan Africa	0.0	1.0

Source: IHS LNG Analytic Tool

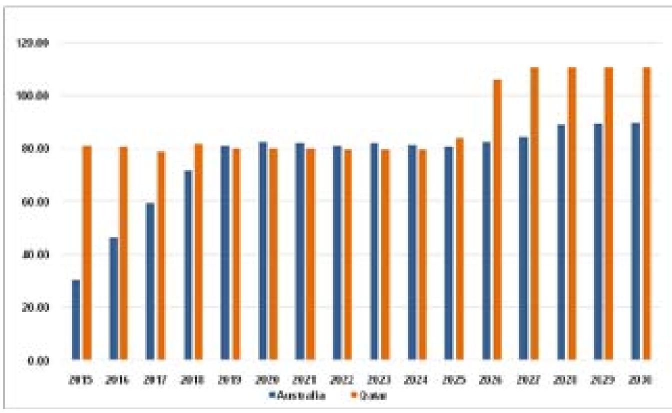
In 2018, there were new countries joining the LNG club like Bangladesh and Panama. They both imported their first LNG cargoes in 2018, as compared to 2017 when Malta was the only new buyer to enter the market. There is expectation that Russia (Kaliningrad), Bahrain, and Gibraltar will join the LNG market in 2019. In 2018, 42 different markets have imported LNG, with this number expected to rise to 46 in 2020 and 58 by 2025.

<u>Challenges to LNG Market and Trade</u>

Australia rising, but not for long

As shown in Chart 4, Australia is now fast emerging as the world leader in LNG exports and is expected this year to overtake Qatar in LNG exports in 2019. It is expected to remain in poll position from 2019/20 to 2024/25, but after that, as the Qatari expansion starts to come online by 2025/26, Australia may fall back to second place. Eventually, the US is slated to overtake Qatar in the mid-2030s with an estimated LNG supply of 115 MMTPA.

Chart 4: Australia vs Qatar LNG Export 2015-2030



Source: IHS LNG Analytic Tool

Australia is also facing issues with regard to LNG exports due to domestic demand concerns and pricing. In order to make sure that gas demand for exports does not increase domestic gas prices, the Australian Government has directed LNG companies have to reserve and allocate gas to meet the domestic demand in East of Australia's Queensland region, thereby putting a lid on how much LNG they can export. There are 3 LNG projects in the eastern Australian region of Queensland and their average utilization rate may only be about 80% due to a gas supply deficit for exports. Due to a regional imbalance caused by distribution gas reserves and gas demand centers located in Eastern Australia, there are plans to develop up to three Regasification Terminals, with some investors targeting commencement of operations in 2021.Therefore, the future potential of LNG exports from Australia face a domestic demand constraint and can be a source of risk that needs to be managed by the LNG exporters and government.

Trade Wars – US vs China

Secondly, from the LNG trade perspective,one major concern was the escalation of the US- China trade war and its impact on the LNG Trade. In 2018 China announced 10% tariff on US LNG imports. Firstly, the impact on the current LNG trade would not be significant as China in 2018, imported only 2.3 MMT from the US, which amount to about 4% of its total imports of 54.8 MMT. Additionally, the contracts that US exporters have with Chinese importers are onFoB basis, so they have flexibility to divert cargoes to other markets to avoid higher tariffs cost or cancel cargoes if they become too expensive and pay the fixed cost for capacity charge. For US LNG exporters, China was the 4th largest market in 2018 with 10.7% of the total exported LNG from US going there. In short term, there will not be a significant impact to US or China of a tariff on LNG, but the main concern from the US LNG exporters is that the much anticipated 2nd wave of US LNG exports, which is poised to be ready for delivery latest by mid-2020s will be delayed in getting FID due to uncertainty over the access they will have to the largest emerging market in the world, China. Initially the total export capacity of the US was estimated to reach about 100 MMTPA by 2030, but due the trade war,this would give other LNG exporters like Canada, Qatar, Russia and Mozambique a chance to seal LNG deals at the expense of the US LNG projects in China.

Embargo Wars – Qatar vs GCC

A third challenge began in 2017 and till now has no end in sight. This was the diplomatic tussle between Qatar and its Middle East neighbors, mainly Saudi Arabia. The Middle East counties of the Gulf Cooperation Council (GCC) under the leadership of Saudi Arabia had imposed an embargo on Qatar due to rising political tensions. Only after the embargo was placed did Qatar announce a plan to raise its liquefaction capacity. In 2018, Qatar also did a corporate reorganization of its two state owned entities in the LNG business and merged Qatargas and Rasgas into one LNG exporter. After the embargo was imposed, it did not interrupt the LNG exports of Qatar or upset its scheduling of LNG cargoes, which was the main worry of LNG buyers. As an escalation of the tensions continued, Qatar decided in 2018 to leave the OPEC oil cartel on 1 January, 2019. Regardless of the tensions, the geopolitical risk factors in the Middle East have always been high as it has historically been a volatile region, as compared to US and Australia, which have more stable business environments and will remain more secure suppliers of LNG. Qatar has managed to keep the LNG flowing without facing any hindrance from the GCC till now and for the future there seems that LNG exports from Qatar will continue uninterrupted.

From Glut to Crunch

The fourth issue facing the LNG industry for the last few years was the danger of the LNG glut in the market. However, the expected surplus LNG which was to flood the market and depress prices has not yet materialized, as result of higher Asian demand, particularly in the winter due to increase in Chinese demand and high levels of nuclear power plant maintenance in South Korea. Chart 5 below shows the JKM plats spot pricing assessment for the last three years.

Chart 5: Spot Price Assessment (Platts JKM) from 2016 -2018

Source: Platts LNG Daily JKM Price Assessment

Spot prices or their assessments are good indicators as to the health of the LNG market, since they are based on demand and supply fundaments in the market and not linked to price of oil. Spot prices provide good guidance as to whether the market is over or under supplied. The spot assessment prices have shown that in 2018 prices were at a 3 year high during the winter months, which indicates that there is no LNG glut in the market as sellers had feared.

Another factor was that few LNG supply projects had developed over the last two years. In 2017, only one large scale LNG project reached FID, was the 3.4 MMTPA Coral South FLNG in Mozambique, which made 2017 the lowest volume of sanctioned LNG in nearly twenty years. As Table 6 below shows even in 2016, 4 projects reached FID with a total capacity of 8.96 MMTPA, out of which only two projects were of 2 MMTPA and above capacity.

Table 6: FID of LNG Projects from 2016 to 2018

Year	Projects	Capacity (mmtpa)
2016	4	8.96
2017	2	4.34
2018	4	21.5

Source: IHS Markit Liquefaction Project Data

When this period is compared to 2011–15,during which 20 MMTPA of projects were sanctioned every year, then the concern the LNG industry has is understandable. This slowdown in 2016 and 2017, was due partly to reduction in capital expenditure across the oil and gas industry during the commodity downturn and lack of contracting activity from buyers. Buyers were not keen to sign long-term deals in the face of growing LNG supply which was being projected at that time, with an expectation that a massive LNG surplus in the future will push down prices and will be a more favorable market environment to enter into contracts and as a result buyers adopted a wait and watch approach. Without long-term contracts, new liquefaction projects will find it challenging to proceed, as its financiers and lenders will require term off-take agreements with buyers to guarantee cash flow of the project, without which funding the project becomes too risky. The fear was that this would lead to a deficit of LNG supply by the mid-2020s and slow the growth of LNG trade and push up LNG prices. This risk of a supply crunch has significantly abated during the second half of 2018,when 4 projects achieved FID as seen in Table 7 below.

Table 7: FIDs in the 2nd half of 2018

Country	LNG Project	Capacity (MMTPA)	FID Date
Mauritania - Senegal	Greater Tortue FLNG 1	2.50	Dec-18
Argentina	Tango FLNG	0.50	Nov-18
Canada	LNG Canada T1 & 2	14.00	Oct-18
United States	Corpus Christi LNG T3	4.50	May-18

Source: IHS Markit Liquefaction Project Data

LNG market outlook for 2019 and beyond

Project development break record in 2019

During the period of 2016 and 2017, very few FIDs took place as explained above, but the 2nd half of 2018 saw hectic FID activity. Now most predict that 2019 will be a record breaking year for FIDs. According to company announcements, a total of 35 projects have been proposed by various developers with an official target of getting FID in 2019, totaling a liquefaction capacity of 300 MMTPA approximately. This is not achievable and realistically, it is expected that about 4 projects with a total capacity of 43 MMTPA will achieve FID in 2019, as shown in Table 8 below.

Table 8: LNG projects FID in 2019 Projections

Liquefaction Train	Capacity (MMTPA)	Expected FID Date
Rovuma LNG T1	7.60	November-19
Rovuma LNG T2	7.60	November-19
Sabine Pass LNG T6	4.50	July-19
Mozambique LNG T1 (Area 1)	6.44	May-19
Mozambique LNG T2 (Area 1)	6.44	May-19

Table 8: LNG projects FID in 2019 Projections		
Liquefaction Train	**Capacity (MMTPA)**	**Expected FID Date**
Calcasieu Pass LNG T11-12	1.11	February-19
Calcasieu Pass LNG T1-2	1.11	February-19
Calcasieu Pass LNG T13-14	1.11	February-19
Calcasieu Pass LNG T15-16	1.11	February-19
Calcasieu Pass LNG T17-18	1.11	February-19
Calcasieu Pass LNG T3-4	1.11	February-19
Calcasieu Pass LNG T5-6	1.11	February-19
Calcasieu Pass LNG T7-8	1.11	February-19
Calcasieu Pass LNG T9-10	1.11	February-19

Source: IHS Markit Liquefaction Project Data

There is also an expectation that 2020 may even achieve more FIDs capacity wise and reach 51 MMTPA. Therefore, any fears of an LNG shortage during the mid-2020s are now abating. The LNG market will be well supplied during these periods and it seems that it will remain in the buyers favor.

On the demand side, it is forecast that Asia demand for LNG will grow, but at a slower pace, mainly due to China's soaring demand growth for LNG slowing gradually. The indicator for that are the winter spot prices. Pricing assessments of spot cargoes traded during winter period remained below $10/mmbtu and since this is peak demand season, this has set the stage for low LNG prices through the year 2019, in the LNG spot market. Apart from short term trends that acted to keep demand low like warmer than usual winter weather, early procurement by China and Japan also reduced demand during winter months, there are longer term trends that are going to influence demand and prices in 2019. They are issues of Japan's nuclear restart, as the 5th nuclear reactor was started in 2018 and 6 more are expected to start in 2019, thereby reducing LNG demand. China will also start commissioning nuclear power in 2019 with one reactor already being commissioned. There could be a specter of an economic slowdown globally due to the trade conflict between China and US and this could eventually affect LNG demand in China.

A ParadigmShift in Project Financing?

Who blinks first, the buyers or sellers? That was the multi-billion dollar question and it seems both sides met half way in a compromise. The sellers blinked first for some of the LNG projects by announcing FID without term contracts, while for other projects some buyers signed up for medium to term contracts. Initially the buyers were holding back on signing term LNG contracts and were adopting a wait and watch approach to see how the LNG market develops with the impact of an LNG surplus.Buyers wanted to see if sellers would finally be forced into signing shorter duration contracts and leaving a large capacity of the LNG project un-contracted for marketing it later, after achieving FID and even use the spot market for selling some of the un-contracted volumes.

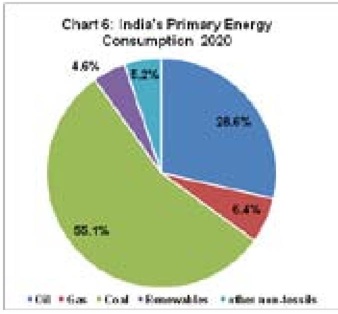
The buyers won for at least two of the LNG projects, as the project promoters for Canada LNG and Golden Pass LNG are taking these LNG volumes in their own LNG portfolios and not looking for buyers to sell before they move to FID. The Qatari expansion by 33 MMTPA is also not seeking buyers before FID in 2019.In Qatar's case, it has the experience of developing LNG projects without firm downstream LNG sales agreements and now Qatargas has a strong balance sheet, making it able to finance the project on its own and market the volumes post FID.

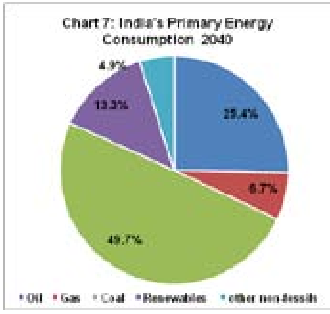
This shows the start of a new trend in the LNG industry for project development, where a few select project developers who are large players in the LNG business with significant LNG portfolios like international oil companies e.g. Exxon or national oil companies like Qatar, that have the balance sheet strength which negates the requirement of external sources of finance and have the ability to manage large volumes of LNG in the market, push forward project to FID without downstream LNG sale agreements and self-contract the LNG produced from these projects to market them post FID, during the construction phase of the project.

This new business model stimulates more LNG project development as FID will not be hindered with the precondition that seller ties up LNG volumes first under term contracts, which itself is a time consuming process. This will have an impact on future LNG project investments, as sellers compete with each other to get to FID first, so as to get an early mover advantage to corner market share. This may cause a structural shift in how LNG business is conducted and cause a structural LNG surplus market. There is also better risk distribution along the LNG supply chain under this new model, as sellers are taking on more of the volume risk rather than the buyers for these projects. This does not mean that all LNG projects will take this path, as factors like project developers balance sheet, LNG market experience, LNG portfolio it controls, lenders requirements, size of project, etc., will influence whether they go for pre or post FID marketing activity.

Natural Gas's role in India

The population and economic growth of India is going to raise energy demand significantly and as a result of that, there will be a rise in greenhouse gas emissions. Currently,India is one of the largest energy consumers globally and is expected to be one of the fastest growing economies of the world in the future. This poses twin challenges for the Country of firstly, meeting the enormous energy demand and,secondly,controlling pollution and GHG emissions.





Source: BP Energy Outlook 2018 edition

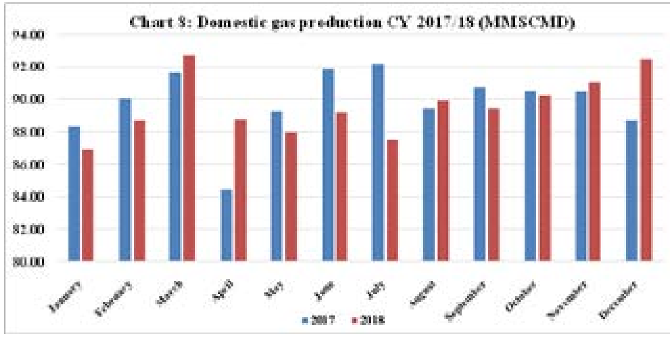
Chart 6 shows the share of various fuels in India's primary consumption. Main competitor for gas will be oil and that is the market in India gas is going to target for substitution. If one looks at projections of the BP Energy Outlook for 2040 in Chart 7, the fuel mix does not paint a bright picture for the future of gas in India, as the percentage share of the total energy consumption of gas marginally rises to 6.7% from 6.4%. Coal is still very dominant, declining from 55% in 2020 to just 49.7% in 2040. A marginal decline in share of coal is very worrying as GHG emissions need to be controlled, for which coal share has to decline further. Oil consumption, the main target market for gas, still remains more or less the same, declining marginally by about 3%.

These are projections based on current data and ongoing government policy initiatives and adjustments may further change these projections. This goes on to show that gas does not only have a great potential in India, but will play an essential role in the Country's future to aid in emission reduction targets. Additionally, due to increase in Renewable Energy generation in India, the intermittent nature of this source of energy will necessitate investment and greater use of backup gas based power plants with short start up and shut down times.

Year in review: 2018

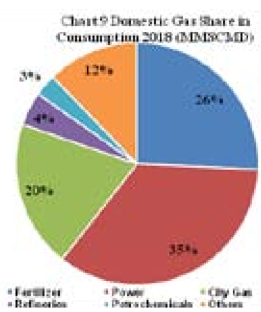
India is a gas starved nation and the government's plan to raise gas's share in the Country's energy consumption is a great challenge. The government's target is to raise natural gas consumption in India to 15%of the primary energy mix by 2030, when currently it is slightly above 6%. Thisrequires a significant investment in gas infrastructure and a change in government policies which encourage private sector participation. There are many issues to tackle in the gas industry such as the pricing of gas and LNG, as India is a very price sensitive Country.The other issues are of infrastructure development, like pipelines and distribution networks for reaching the end user and open competition and transparency in the gas market through the development of gas hubs and dedicated gas transporting entities by unbundling existing gas companies.

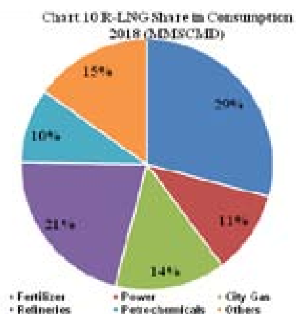
India is a gas deficit country as domestic supply cannot keep up with demand. Chart 8 below shows the domestic gas production of India over 2017 and 2018. From 32,698 MMSCM (89.93 MMSCMD) produced in 2017, 2018 experienced a marginal decline to 32,614 MMSCM (89.60 MMSCMD) in gas output.



Source: PPAC

On the consumption side,Chart 9 below shows the largest consumers of domestic gas in the Country, while Chart 10 shows the sectorial break up of R-LNG.





Source: PPAC

For domestic gas, power and fertilizer consume 61% of the gas, while for R-LNG they consume only 40%. The power sector's consumption for R-LNG is only 10.7% of the total R-LNG consumed, as compared to 35% of domestic gas. The total gas consumed, both domestic and R-LNG by power and fertilizer is 50%. CGD consumes 20% of the total domestic gas, while for R-LNG it is about 15%. Table 7 below shows which sector consumes the most domestic gas, R-LNG and both combined. Power sector drops from first spot in domestic gas to number 6 in R-LNG, due to the high cost of R-LNG making power generation unaffordable. Fertilizer sector is a major consumer of R-LNG as it is subsidized by government for the urea fertilizer it sells and can afford to buy R-LNG unlike the power sector which does not get subsidies on a regular basis. Refineries and Others which means industrial consumers are major consumers of R-LNG, as their ability to absorb high cost R-LNG is higher due to the nature of their businesses.

Table 9 : Sector-wise ranking for R-LNG, Domestic Gas and Total Consumption			
Sr. No.	**Domestic gas consumption**	**R-LNG consumption**	**Total Consumption**
1	Power	Fertilizer	Fertilizer
2	Fertilizer	Refineries	Power
3	CGD	Others	CGD
4	Others	CGD	Refineries
5	Refineries	Power	Petrochemicals
6	Petrochemicals	Petrochemicals	Others

Source: PPAC

While domestic gas production has been declining from 2011/12 with a marginal increase in production in 2017/18, India is facing serious supply constraints with regard to domestic gas production. There is a significant shortage of domestic gas and the government wants to decrease India's dependency on the oil and gas imports. Therefore, government is trying to encourage more oil and gas exploration and production in the Country.

Supply Side

According to the Director General of Hydrocarbon (DGH), after carrying out an assessment of oil and gas reserves recently, India's reserves stand at 42 Billion TOE in the 26 sedimentary basins, while in 1996, 22 years ago a similar assessment estimated reserves of 28.09 Billion TOE.This new estimate is an increase of 49%;though this assessment by DGH will still need to be verified by a third party assessor.

In order to boost E&P activities,the government has implemented various policy measures. The most important one was the Hydrocarbon Exploration Licensing Policy (HELP) introduced in 2016 to replace the New Exploration Licensing Policy (NELP). It's four major components are the Uniform License for Exploration and Production (ULEP), Open Acreage Policy (OALP), Revenue Sharing Contract (RSC) and marketing and pricing freedom for the crude oil and natural gas produced.

The purpose of ULEP was to allow exploration and production of all conventional and unconventional oil and gas deposits like shale oil and gas, rather than have a separate approval and licensing process for tapping unconventional deposits.

For OALP, which was introduced in June 2017, blocks will be offered for bidding twice a year in January and July. The bidders will be allowed to carve out their own blocks based on the data available to them. OALP 1 round was held in January 2018, in which 55 blocks were awarded, receiving 110 bids. 9 companies were awarded the blocks and the area covered was approximately 60,000 Sq. Km. One major issue was that no foreign oil and gas companies bid in OALP 1, due to contractual issues regarding restructuring of companies when it comes to mergers and acquisitions. In OALP 1, a firm investment commitment of Rs. 6000 crore was made by the bidders who were awarded the blocks. In particular one basin, the KG Basin which is considered to be very rich in oil and gas deposits, will see an investment of $14 Billion by ONGC and RIL by 2021 to 2023 and is projected to have a gas production of more than 40 MMSCMD. This could push India's total gas production to up to 140 MMSCMD levels in the next few years.

In continuation of the OALP scheme the government has launched OALP 2 in January 2019, with 14 blocks on offer which over 30,000 Sq. Km, the government is also planning the launch of subsequent OALP round 3, 4 and 5, before the end of 2019. The total area covered by the end of the OALP round 5 will be 300,000 Sq. Km.

In an attempt to boost production further, the government has also implemented a Discovered Small Fields (DSF) policy, in which it took small oil and gas fields owned by oil PSUs like ONGC and OIL, who were not producing oil and gas from them, and offered them for bidding to private players. In DSF round 1 held in May 2018, 67 fields were offered for bidding and 134 bids were received for them and in total 31 contract areas were awarded to 22 companies. Peak gas production from the awarded fields is expected to be around 2 MMSCMD of gas over the economic life of the field. These discoveries will be allowed pricing and marketing freedom for oil and gas output. The government also held a second DSF round, in which 40 companies have submitted 145 bids for 24 contract areas with 60 fields. Although the supply of oil and gas from these fields will be marginal, it does show thatthe government in trying to explore every avenue to enhance domestic oil and gas supply.

Another initiative the government has taken to incentivize oil and gas production is the Enhanced and Improved Recovery Policy. The objective is to enhance oil and gas production from ageing hydrocarbon fields. Companies who employ such Enhanced Recovery (ER) techniques on oil fields will get a rebate of 50% on cess and gas fields will get 75% rebate on royalty payment to the government. While all hydrocarbon fields offered across regimes —nomination era, pre-New Exploration Licensing Policy (Pre-NELP), NELP, Discovered Small Field Policy and Hydrocarbon Exploration Licensing Policy, will be covered under the program, fields which are already using ER techniques are not going to be eligible for the fiscal benefits.

Demand Side

The total gas consumption in the Country during the year 2018 was 148 MMSCMD with R-LNG accounting for the majority with 77.5 MMSCMD which is 52% of the total gas consumed in the Country,while domestic gas supplying the remaining 70.4 MMSCMD, as shown in Table 8.

Table 10: R-LNG and Domestic Gas Sector-wise Consumption in 2018 (MMSCMD)				
Period	Sector	Domestic gas consumption	R-LNG consumption	Total Consumption (Domestic gas +RLNG)
Jan - Dec 2018	Fertilizer	18.14	22.60	40.74
	Power	24.58	8.29	32.87
	City Gas	13.86	11.04	24.90
	Refineries	3.18	16.42	19.60
	Petrochemicals	2.08	7.47	9.55
	Others	8.64	11.72	20.35
	Total	**70.47**	**77.53**	**148.01**

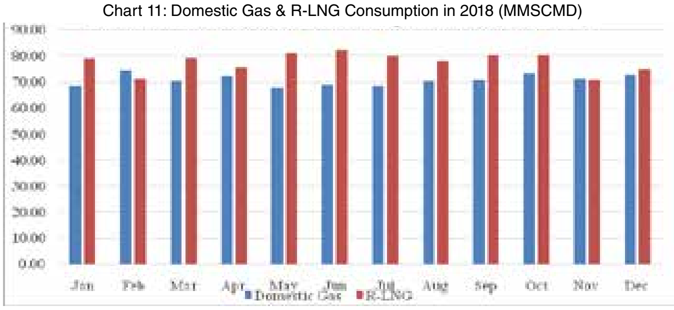
Source: PPAC

As mentioned above in the introduction, power sector is very price sensitive due to gas price having an impact on power tariffs and R-LNG is considered to be too expensive as a fuel for power generation, therefore R-LNG plays a much smaller role in the power sector than in the fertilizer sector. Refineries, Petrochemical and industrial users consume much more R-LNG as they are not given priority in gas allocation of domestic gas which is significantly cheaper than R-LNG.

Review of LNG imports and consumption in 2018

Table 9 below shows that consumption of domestic gas and R-LNG month wise during the year 2018. On an average, domestic gas constituted 48% of the total gas consumption in the Country during the year 2018.

Chart 11: Domestic Gas & R-LNG Consumption in 2018 (MMSCMD)



Source: PPAC

Emerging Demand in India from CGD sector

In 2018 the City Gas Distribution (CGD) sector was the most dynamic sector in the gas industry. This was due to the 9th bidding round which had a massive response in the terms of bids and areas and cities let out for bidding.

Though gas supply in urban areas in India has a long history, starting from 1857, when the Oriental Gas Company started supplying coal gas in Kolkata, to date only a small fraction of the Country about 19% of the total population receives piped gas and geographically only 11% of the Country is covered by a gas network. The government has tried to remedy this situation by launching various rounds of City gas Distribution (CGD) to increase gas penetration in the Country, but so far till the 8th round of bidding met with limited success. The 9th Round for CGD bidding has changed that, as in 2018 CGD was the most active downstream sector in India.

In the 9th Round 86 Geographical Areas were awarded for 174 districts against bids which were more than 400. Once these projects are implemented, they will eventually cover an additional 26% of the population and 23% of the geographical area of India. The 10th round of bidding which has also been recently been completed in 2019, received 225 bids, covers 50 geographical areas with 124 districts. Completion of this 10th round will result in an additional 24% of the population and 18% of the geographical area of India being covered. As shown in Table 10 below the total coverage after the 10th round will be 402 districts with 228 geographical areas with 70% of the population and 52% of geographical area of the country.

Table 11: CGD coverage under all bidding rounds				
	No. of Districts	No. of GAs	% of Population covered	% of area covered
Till 2014	66	34	9.02	2.71
2014 - 2018	70	58	10.84	8.29
9th CGD Round	174	86	26.38	23.82
10th CGD Round	124	50	24.23	17.92
Total	**434**	**228**	**70.47**	**52.74**

Source: Business Line, PNGRB

The government has an ambitious target to connect 10 million households by 2019/20 with piped gas. This will mean that in the 9th round of bidding, Rs. 70,000 crore of investment will be required to implement the projects and for the 10th round it is estimated that another Rs 50,000 crore will be required. It is expected that in the next 10 years over Rs. 1 Lakh crore will be spent on building a nationwide CGD network. Once the entire network is laid and is fully functioning and utilized, then an estimated demand from the CGD network, assuming a similar split in supply for R-LNG and domestic gas for CGD currently, is expected to be an additional 360,000 tons per month or about 5 to 6 standard size LNG cargoes per month.

The above demand estimates are the best case scenario for the CGD sector, but these are some serious challenges to the development of the CGD sector, which need to be overcome. The most critical issue for the CGD sector will be the pricing of gas. The government's gas utilization policy has given CGD the highest priority in receiving APM gas prices currently at $3.36/ mmbtu. If CGD entities procure up-to 56% of their total gas requirement through domestic gas purchases at prices controlled by government and the remaining 46% bought is R-LNG at market determined prices, as they have done in 2018, then their cost of gas procurement is being artificially deflated through this implicit subsidy. As the Administered Pricing Mechanism (APM) gas volume keeps steadily declining from its current level due to aging of oil and gas fields operated by ONGC and OIL, the share of low cost domestic gas in the CGD's gas portfolio will decline and as a result the share of R-LNG will rise. This will increase CGD sectors cost of gas procurement for distribution and impact their financials adversely.

Currently, due to the supply of low cost APM gas,bidders of CGD projects have quoted very low bids for providing the service of gas supply itself, with the expectation that the low cost of gas procurement and a significantly higher resale price to end users will generate sufficient margins to cover their service cost for supplying the gas. This will lead to financial strain later on as APM gas supply dries up and CGD bidders are locked into low tariffs for providing the service of gas supply to consumers. These issues need immediate remedying, if the long term viability of CGD networks is to be ensured.

Gas Pricing

In India, pricing of any commodity controlled by government has always been a contentious issue. The current price of domestic gas is $3.69/mmbtu, while gas from deep water offshore field is more than double at $9.32/mmbtu. The concern is that government control on gas prices will discourage investment in gas exploration and production, as gas prices are kept artificially low. This in turn will make the Country more dependent on LNG imports, which are more costly. The below Table 11 shows the gas prices in India from the time the new pricing regime was brought by the government, to make it more market oriented. As India is not a gas rich country like USA, Russia and gas in India competes with liquid fuel and R-LNG, domestic gas prices have to be higher than they are right now to incentivize more production.

Table 12: Domestic Gas Pricing

Date	Domestic Gas Prices	Ceiling Gas Price
Nov.14-Mar.15	5.05	-
Apr.15-Sept.15	4.66	-
Oct.15-Mar.16	3.82	-
Apr.16-Sept.16	3.06	6.61
Oct.16-Mar.17	2.50	5.30
Apr.17-Sept.17	2.48	5.56
Oct.17-Mar.18	2.89	6.30
Apr.18-Sept.18	3.06	6.78
Oct.18-Mar.19	3.36	7.67
Apr. 19-Sept. 19	3.69	9.32

Source: PPAC

According to ONGC and OIL, the current gas prices make about 30 MMSCMD of additional gas production economically unviable and it will require at least a price of $6/mmbtu as compared to the current government controlled price of $3.69/mmbtu. This could increase the total supply in the Country by about a third. Since low prices discourage domestic production, it leads to over dependence on LNG imports increasing the Country's import bill.

If we look at gas supply from CBM sources as an example for gas pricing in India, in one case ONGC is selling CBM gas between $5.50 to $6/mmbtu range, where it is allowed gas pricing freedom, while private E&P companies like Essar and RIL are selling their CBM gas above $7/mmbtu level. Therefore, current gas prices regulated by the government are too low and have to be raised high enough to encourage more E&P investment in oil and gas.

R-LNG has always been competitive with most liquid fuels, apart from the bottom end products which are very cheap, but extremely polluting.Although LNG prices are linked to crude oil and will vary with the price of liquid fuels, within the LNG market there are spot and long term pricing structure. Spot prices vary seasonally and will rise above or fall below long term prices of R-LNG depending on the demand and supply fundamentals during that time period. Term prices will be linked to crude oil and will move in line with the oil market movements with a time lag.

The government in a move to develop the gas market in India and bring gas pricing transparency into the gas market, has been planning to develop a gas trading hub. This would enable price discovery for domestic gas rather than government administered pricing with linkages to other gas markets. The gas price determined from this process will truly be an Indian market price determined by demand and supply fundamentals of the domestic gas market.

Gas demand in India is extremely price sensitive and demand growth will take place based on two factors. Gas infrastructure growth and pricing of competing fuels. For the bottom end liquid fuels and coal, only government policy measures restricting their use or taxing them will reduce their demand. This will be an issue for India manufacturing sector as it will reduce it's competitiveness as input cost goes up. The government has to balance impact on industry of higher fuel prices and environmental concerns of the use of such fuels.

New markets for LNG

Petronet LNG is also looking at new uses for LNG as a fuel in India. One of them is using LNG directly in transport vehicles and for that purpose Petronet LNG is developing infrastructure to support this initiative in the form of LNG filling station for trucks and buses. The target is to establish fueling stations along the highways.Other LNG players in India are also planning to get into the LNG transport fuel market by developing LNG stations for transport.

The Indian Railways is also looking at LNG as a fuel for its trains. CNG has been tried by the Railways on an experimental basis and it wants to look at LNG as the range of the train will increase. Though refitting a train with LNG fuel tanks will cost more than CNG, but the running cost as compared to CNG will be lower.

Apart from road and rail transport, there is a move in line with global trends to use LNG as a marine fuel. India has national Waterways and to keep pollution levels under control there is an attempt to develop LNG bunkering for barges and small ships along these waterways. Petronet LNG is again taking the lead in this and is planning to set up LNG fueling stations for LNG bunkering. The major hurdle is that a large investment is required to convert the ship from liquid fuel to LNG at ship owners at the end. This will lead to a very slow adoption of LNG for bunkering, unless the government steps in to subsidize the cost of conversion. There are other companies also investing in the LNG bunkering sector like H-Energy, Adani, IOCL and BPCL.

Outlook for gas in India

Gas is a fuel which will be an essential component of the Indian energy mix. Though there is much emphasis on the renewable sector, one has to be realistic about the expectations one has about how much this sector can contribute. There are issues of variability for wind and solar and the additional issue of storage. These technologies, specially for storage will take time to develop and till then fossil fuels will continue to play a vital role in India. Gas will have to be a bridge fuel which has to be used increasingly to offset the impact of fossil fuel emissions. Fossil fuels are here to stay for the long term, but with new technologies and better emission controls reduces their negative impact on the environment. As far as energy independence is concerned from the point of view of fossil fuel imports, it does not seem to be possible for India to achieve energy independence, as the geology of India is not very rich in hydrocarbon resources. As India is expected to be increasingly dependent on imports of oil in the future, gas will also face the same demand supply imbalance. It seems LNG will have to play an increasingly major role in India's environmentally sustainable growth story for a long time to come.

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 Ennore and Jaigarh have been commissioned and/or likely to be commissioned shortlly. 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 growth of PLL.

Currently, the company does not produce or market any products other than LNG/R-LNG. The sole activity is the import and re-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 1.4 MMTPA of LNG from its Gorgon project. Similar arrangements of offtake have been made with BPCL, GAIL and Indian Oil.

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's Plant located near to Dahej Terminal.

Internal Control Systems and their Adequacy

The company has developed adequate internal control systems commensurate to its size and business. PLL has appointed Ernst &

Young 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, 2019, was Rs. 38,845 Crore including other income as against Rs. 30,916 Crore in FY 2017-18. The net profit during the financial year ended 31st March, 2019, was Rs. 2,155 Crore as against Rs. 2,078 Crore in 2017-18.

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, 2019, there were 494 employees excluding three 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 21.4% in FY 2018-19 (21.4% in FY 2017-18).

Conclusion

Natural Gas in India will increasingly play a more important role in the Country's energy consumption due to economics of fuel pricing, as gas is competitively priced with most liquid fuels, as well as environmental concerns. Though renewables are more cost competitive than fossil fuels, there are technological hurdles that need to be overcome like storage, to take care of the intermittent nature of renewables. As far as electric power for vehicular transport is concerned, the issue of travel range of electric vehicles and trucks, as well as the recharging time for the vehicle needs to be addressed, in order to encourage the adoption of electric vehicles.

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

Composition of Board of Directors

The Company has an optimum combination of executive and non-executive Directors including independent women Director. The Articles of Association of the Company stipulates that the number of Directors shall not be less than four and not more than eighteen.

SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 stipulates that where the Chairperson of the Board of Directors is a Non-Executive Director, one-third of the Board of Directors shall comprise of Independent Directors. Since the Chairman of the Board of Director is a non-executive therefore, more than one-third of the total strength of Directors comprises of Independent Directors. As on the date of this report the Company is having 14 Directors on its Board viz. Non-Executive Chairman, three Executive Directors (Whole-Time) including MD & CEO, four Nominee Directors of Promoter Companies, one Nominee Director from Gujarat Maritime Board (GMB) and five Independent Directors including One Women Director.

Attendance of each Director at the meeting of the Board of Directors and the last (20th) Annual General Meeting

Attendance of each Director at the Board Meetings and at the last Annual general Meeting held during the financial year 2018-19 is given below:

	Name of Directors	Designation	Board Meetings held	Board Meetings attended	Attendance at last AGM held on 14th Sep., 2018
A	**Chairman (Non-Executive)**				
1.	**Present Chairman**				
	Dr. M.M. Kutty*	Chairman	5	4	Yes
2.	**Chairman ceased during the year**				
	Shri K. D. Tripathi*2	Chairman	5	1	N.A.
B	**Executive Directors (Whole time)**				
1.	**Present**				
	Shri Prabhat Singh	Managing Director & CEO	5	5	Yes
	Shri Rajender Singh	Director (Technical)	5	5	Yes
	Shri V. K. Mishra*3	Director (Finance) & CFO	5	5	Yes
C	**Non-Executive Directors**				
1.	**Present**				
	Shri Shashi Shankar	Nominee Director - ONGC	5	3	Yes
	Shri D. Rajkumar*4	Nominee Director - BPCL	5	2	N.A.
	Shri B.C. Tripathi*5	Nominee Director - GAIL	5	1	N.A.
	Shri Sanjiv Singh*6	Nominee Director - IOCL	5	2	N.A.
	Dr. T. Natarajan	Nominee Director - GMB	5	2	No
2.	**Directors ceased during the year**				
	Shri Subir Purkayastha*5	Nominee Director – GAIL	5	1	No
	Shri G. K. Satish*6	Nominee Director- IOCL	5	2	Yes

Name of Directors	Designation	Board Meetings held	Board Meetings attended	Attendance at last AGM held on 14th Sep., 2018
D. Non-Executive (Independent Directors)				
1. Present				
Dr. Jyoti Kiran Shukla	Independent Director	5	4	Yes
Shri Sidhartha Pradhan*7	Independent Director	5	5	Yes
Shri Sunil Kumar Srivastava*8	Independent Director	5	2	N.A.
Dr. Siddhartha Shekhar Singh*9	Independent Director	5	1	N.A.
Shri Arun Kumar*10	Independent Director	5	-	N.A.

Notes:

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

*1 Dr. M.M. Kutty, Secretary, Ministry of Petroleum and Natural Gas (MoP&NG), Government of India, was appointed as Additional Director and Chairman of the Company w.e.f 12th July, 2018. His appointment was regularized in the 20th Annual General Meeting held on 14th September, 2018.

*2 Shri K. D. Tripathi, ceased to be Director in the capacity of the Chairman of the Company w.e.f 30th June, 2018 due to his retirement as Secretary for Ministry of Petroleum and Natural Gas (MoP&NG), Government of India on attaining the age of superannuation.

*3 Shri V.K. Mishra was appointed as Additional Director in capacity of Director (Finance) and CFO of the Company w.e.f 18th April, 2018. His appointment was regularized in the 20th Annual General Meeting held on 14th September, 2018.

*4 Shri D. Rajkumar, Nominee Director of BPCL ceased to be Director of the Company w.e.f 19th July, 2018 due to withdrawal of his nomination by BPCL. Shri D. Rajkumar, was appointed as an Additional Director w.e.f 2nd November, 2018 as the Nominee Director-BPCL based on nomination by BPCL.

*5 Shri B.C. Tripathi was appointed as an Additional Director in place of Shri Subir Purkayastha as the Nominee Director of GAIL w.e.f 3rd November, 2018, due to Change in Nomination by GAIL.

*6 Shri Sanjiv Singh, was appointed as an Additional Director in place of Shri G. K. Satish, as the Nominee Director of IOCL w.e.f 3rd November, 2018, due to Change in Nomination by IOCL.

*7 Shri Sidhartha Pradhan, was appointed as an Additional Director (Independent) w.e.f 16th May, 2018. His appointment was regularized in the 20th Annual General Meeting held on 14th September, 2018.

*8 Shri Sunil Kumar Srivastava, was appointed as an Additional Director (Independent) w.e.f 2nd November, 2018.

*9 Dr. Siddhartha Shekhar Singh, was appointed as an Additional Director (Independent) w.e.f 2nd November, 2018.

*10 Shri Arun Kumar, was appointed as an Additional Director (Independent) w.e.f 9th April, 2019.

Detail of Directorship / Membership / Chairmanship on the Board / Committees of the other Companies as on 31st March, 2019

Name	No. of other Companies in which Directorship / Chairmanship is held		No. of Membership / Chairmanship held in Committees in other Companies*		No. of Shares held in the Company
	Directorship	Chairmanship	Membership	Chairmanship	
Dr. M. M. Kutty	Nil	1	Nil	Nil	Nil
Shri Prabhat Singh	3	1	Nil	Nil	Nil
Shri Rajender Singh	Nil	Nil	Nil	Nil	Nil
Shri V. K. Mishra	2	Nil	Nil	Nil	Nil
Shri Shashi Shanker	Nil	7	Nil	Nil	Nil
Shri D. Rajkumar	2	3	Nil	1	800

Shri Sanjiv Singh	Nil	5	Nil	Nil	4000
Shri B. C. Tripathi	Nil	4	Nil	Nil	Nil
Dr. T. Natarajan	6	3	4	Nil	Nil
Dr. Jyoti Kiran Shukla	2	Nil	Nil	Nil	Nil
Shri Sidhartha Pradhan	3	Nil	1	Nil	Nil
Shri Sunil Kumar Srivastava	Nil	Nil	Nil	Nil	Nil
Dr. Siddhartha Shekhar Singh	1	Nil	Nil	Nil	Nil
Shri Arun Kumar	Nil	Nil	Nil	Nil	Nil

* The Membership / Chairmanship of Committee is considered only for Audit Committee and Stakeholders' Relationship Committee.

Names of the listed entities where the person is a Director and the category of Directorship

Name	Name of the listed entity in which a person is a Director	Category of Directorship
Dr. M.M. Kutty	Petronet LNG Limited	Non-executive - Chairman
Shri Prabhat Singh	Petronet LNG Limited	Executive – MD & CEO
	Gujarat Industries Power Company Limited	Non-Executive, Independent
Shri Rajender Singh	Petronet LNG Limited	Executive – Director (Technical)
Shri V.K. Mishra	Petronet LNG Limited	Executive – Director (Finance)
Shri Shashi Shanker	Oil and Natural Gas Corporation Limited	Executive - Chairperson
	Mangalore Refinery and Petrochemicals Limited	Non-Executive - Nominee Director
	Petronet LNG Limited	Non-Executive - Nominee Director
	ONGC Videsh Limited [Debt Listed]	Non-Executive - Nominee Director
	ONGC Mangalore Petrochemicals Limited [Debt Listed]	Non-Executive - Nominee Director
Shri D. Rajkumar	Bharat Petroleum Corporation Limited	Executive - Chairperson
	Petronet LNG Limited	Non-Executive - Nominee Director
Shri Sanjiv Singh	Indian Oil Corporation Limited	Executive -Chairperson
	Chennai Petroleum Corporation Limited	Non-Executive - Non Independent
	Petronet LNG Limited	Non-Executive - Nominee Director
Shri B.C. Tripathi	GAIL (INDIA) Limited	Executive -Chairperson
	Mahanagar Gas Limited	Non-Executive - Non Independent Chairperson
	Petronet LNG Limited	Non-Executive - Nominee Director
Dr. T. Natarajan	Gujarat State Petronet Limited	Executive - Nominee Director
	Gujarat Gas Limited	Non-Executive - Non Independent Director
	Petronet LNG Limited	Non-Executive - Nominee Director
Dr. Jyoti Kiran Shukla	Petronet LNG Limited	Non-executive, Independent
Shri Sidhartha Pradhan	United Bank of India	Non-Executive, Nominee Director
	Petronet LNG Limited	Non-executive, Independent
Shri Sunil Kumar Srivastava	Petronet LNG Limited	Non-executive, Independent

Name	Name of the listed entity in which a person is a Director	Category of Directorship
Dr. Siddhartha Shekhar Singh	Petronet LNG Limited	Non-executive, Independent
Shri Arun Kumar	Petronet LNG Limited	Non-executive, Independent

Notes:

- None of the Directors on the Board are the Directors in more than eight listed companies.
- None of the Directors on the Board serve as an independent director in more than seven listed companies.
- None of the Directors on the Board, who are serving as Whole-time Director / Managing Director in any listed company, serve as an independent director in not more than three listed companies.
- None of the Directors on the Board is a Member of more than 10 Committees or Chairman of more than 5 Committees across all the listed companies in which they are a Director. All the Directors have made requisite disclosures regarding Directorship / Committee position occupied by them in other companies.

Number of meetings of the Board of Directors held and dates on which held

The Board of Directors met five times during the Financial Year 2018-19 and the gap between any two meetings was not more than 120 days.

S. No.	Date of Meeting	Place	Board Strength	No. of Directors present
1	21-05-2018	New Delhi	11	8
2	26-07-2018	New Delhi	10	8
3	02-11-2018	New Delhi	11	9
4	14-01-2019	New Delhi	14	11
5	31-01-2019	New Delhi	14	10

Disclosure of relationship amongst Directors

There is no inter-se relationship amongst Directors of the Company.

Separate meetings of Independent Directors

As per statutory requirements, the Company arranges for separate meetings of Independent Directors every year. During the Financial Year 2018-19, the separate meeting of Independent Directors was held on 20th March, 2019 to discuss the matter as per the statutory requirements such as assessing the quality, quantity and timelines of the information necessary for Board to effectively and reasonable perform their duties.

Familiarisation Programmes for Independent Directors

Familiarization Programmes for Independent Directors of Petronet LNG Ltd were arranged during the Financial Year 2018-19 in order to provide insights into the Company including nature of industry in which the Company operates, business model of the Company and roles, rights, responsibilities of Independent Director to enable the Independent Directors to contribute significantly to the Company. The details of Familiarization Programmes held for Independent Directors is available at the web link: https://www.petronetlng.com/Familiarisation_Programme.php

List of core skills/expertise/competencies identified by the Board of Directors as required in the context of its business(es) and sector(s) for it to function effectively and those actually available with the Board

The Board had identified various core skills / expertise / competencies which are required for the Directors to function effectively relevant to the Business and sector of the Company. Accordingly, the Directors are identified from various disciplines such as finance, law, management, sales, marketing, administration, research, Corporate Governance, technical operations or other disciplines related to the company's business. Further, the source for identification is through reputed websites of Government / DPE / Institute of Directors or any other Directors Data bank / reliable sources.

Confirmation by the Board with respect to Independent Directors

The Board of the Directors of the Company have confirmed that the Independent Directors fulfill the conditions as specified in the

SEBI (LODR) Regulations, 2015 and are Independent of the Management.

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. 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.

Compliance Reports

The Company has complied with all the applicable laws during the Financial Year 2018-19 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, 2018 to 1st November, 2018. Consequently, the company was not able to comply with the constitution of Audit Committee of the Board in respect of Independent Director during the period from 1st April, 2018 to 15th May, 2018.

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.

The Company has submitted quarterly compliance report on Corporate Governance with the Stock Exchanges, pursuant to Regulation 27(2) (a) of the Listing Regulations.

Code of Conduct for Board Members & Senior Management Personnel

The Board of Directors of the Company approved Code of Conduct for Board Members & Senior Management Personnel. The Code of Conduct inter-alia includes the duties of Independent Directors as specified in Schedule IV of Companies Act, 2013. Copy of the same has also been placed at the website of the Company. A confirmation 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 Board of Directors and Senior Management Personnel have affirmed compliance with 'The Code of Conduct for Board Members & Senior Management Personnel' of the Company for the year ended 31st March, 2019.

(Prabhat Singh)

MD&CEO"

CEO/CFO Certification

A certificate from the CEO and CFO on the financial Statements of the Company in terms of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 was placed before the Board, who took the same on record. 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.

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.

Audit Committee

The Company has Audit Committee of the Board which comprises of Independent Directors viz. Dr. Jyoti Kiran Shukla as the Chairperson, Shri. Sidhartha Pradhan, Shri Sunil Kumar Srivastava and Shri Arun Kumar as Members of the Committee as on the date of this report.

The Committee was reconstituted during the Financial Year 2018-19 due to the following –

- Shri. Sidhartha Pradhan, Independent Director was inducted as Member w.e.f. 16th May, 2018.
- Shri Subir Purkayastha, Nominee Director (GAIL) ceased to be member w.e.f 3rd November, 2018.
- Shri Sunil Kumar Srivastava, Independent Director was inducted as Member w.e.f. 3rd November, 2018.

The Company Secretary is the Secretary of the Committee.

Brief Description of Terms of Reference

The Terms of reference of the Audit Committee are the following:

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).

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.

Meetings and Attendance during the year

The Audit Committee met five times during the Financial Year 2018-19 and the gap between any two meetings was not more than 120 days.

The Detail of Meetings of Audit Committee held during the financial year 2018-19 and the attendance of the Members is given below:

S. No.	Date of Meeting	Name of Members	Category	Attendance
1.	21-05-2018	Dr. Jyoti Kiran Shukla	Non-Executive (Independent), Chairperson	Present
		Shri Subir Purkayastha	Non-Executive (Nominee), Member	Present
		Shri Sidhartha Pradhan	Non-Executive (Independent), Member	Present
2.	26-07-2018	Dr. Jyoti Kiran Shukla	Non-Executive (Independent), Chairperson	Present
		Shri Subir Purkayastha	Non-Executive (Nominee), Member	Absent
		Shri Sidhartha Pradhan	Non-Executive (Independent), Member	Present
3.	02-11-2018	Dr. Jyoti Kiran Shukla	Non-Executive (Independent), Chairperson	Present
		Shri Subir Purkayastha	Non-Executive (Nominee), Member	Present
		Shri Sidhartha Pradhan	Non-Executive (Independent), Member	Present
4.	31-01-2019	Dr. Jyoti Kiran Shukla	Non-Executive (Independent), Chairperson	Present
		Shri Sidhartha Pradhan	Non-Executive (Independent), Member	Present
		Shri Sunil Kumar Srivastava	Non-Executive (Independent), Member	Present
5.	20-03-2019	Dr. Jyoti Kiran Shukla	Non-Executive (Independent), Chairperson	Present
		Shri Sidhartha Pradhan	Non-Executive (Independent), Member	Present
		Shri Sunil Kumar Srivastava	Non-Executive (Independent), Member	Present

The Chairperson of the Audit Committee was present at the Last Annual General Meeting (20th) of the Company held on 14th September, 2018.

Nomination and Remuneration Committee (NRC)

The Company has Nomination and Remuneration Committee (NRC) of the Board which comprised of four Directors viz. Dr. Jyoti Kiran Shukla as the Chairperson, Shri. Sidhartha Pradhan, Shri Sunil Kumar Srivastava and Shri Sanjiv Singh as Members of the Committee as on the date of this report.

The Committee was reconstituted during the Financial Year 2018-19 due to the following –

- Shri. Sidhartha Pradhan, Independent Director was inducted as Member w.e.f. 21st May, 2018.
- Shri Sunil Kumar Srivastava, Independent Director was inducted as Member w.e.f. 3rd November, 2018.
- Shri Sanjiv Singh, Nominee Director (IOCL) was inducted as Member w.e.f. 3rd November, 2018.
- Shri G. K. Satish, Nominee Director (IOCL) ceased to be member w.e.f 3rd November, 2018.

The Company Secretary is the Secretary of the Committee.

Brief description of terms of reference

The Terms of reference of Nomination and Remuneration Committee are 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 Year

The Nomination and Remuneration Committee met five times during the Financial Year 2018-19.

The Detail of Meetings of Nomination and Remuneration Committee held during the financial year 2018-19 and the attendance of the Members is given below:

S. No.	Date of Meeting	Name of Members	Category	Attendance
1	11-04-2018	Dr. Jyoti Kiran Shukla	Non-Executive, Independent (Chairperson)	Present
		Shri. G.K. Satish	Non-Executive (Nominee), Member	Present
2	19-05-2018	Dr. Jyoti Kiran Shukla	Non-Executive, Independent (Chairperson)	Present
		Shri. G.K. Satish	Non-Executive (Nominee), Member	Present
3	26-07-2018	Dr. Jyoti Kiran Shukla	Non-Executive, Independent (Chairperson)	Present
		Shri. G.K. Satish	Non-Executive (Nominee), Member	Present
		Shri Sidhartha Pradhan	Non-Executive, Independent (Member)	Present
4	12-08-2018	Dr. Jyoti Kiran Shukla	Non-Executive, Independent (Chairperson)	Present
		Shri. G.K. Satish	Non-Executive (Nominee), Member	Present
		Shri Sidhartha Pradhan	Non-Executive, Independent (Member)	Present

S. No.	Date of Meeting	Name of Members	Category	Attendance
5	01-11-2018	Dr. Jyoti Kiran Shukla	Non-Executive, Independent (Chairperson)	Present
		Shri. G.K. Satish	Non-Executive (Nominee), Member	Absent
		Shri Sidhartha Pradhan	Non-Executive, Independent (Member)	Present

The Chairperson of the Nomination and Remuneration Committee was present at the Last Annual General Meeting (20th) of the Company held on 14th September, 2018.

Remuneration paid to MD & CEO, Whole-time Directors and Non - Executive Directors during the year ended 31st March, 2019

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 with reference to profits of the Company in a particular year and is determined by the Board and Shareholders, subject to 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 on Profits paid for 2017-18 in 2018-19	Total
1	Shri Prabhat Singh	Managing Director & CEO	1,04,33,324	4,91,760	10,04,817	22,50,000	**1,41,79,901**
2	Shri Rajender Singh	Director (Technical)	78,56,121	3,62,040	8,25,201	22,50,000	**1,12,93,362**
3	Shri V.K. Mishra	Director (Finance)	45,08,282	4,39,984	6,07,319	-	**55,55,585**
4	Shri R K Garg	Director (Finance), CFO and KMP (upto 19th July, 2017)	9,89,792	-	-	6,78,082	**16,67,874**
5	Shri Subhash Kumar	Director (Finance), CFO and KMP (w.e.f 5th August, 2017 to 31st January, 2018)	10,30,921	-	-	11,09,589	**21,40,510**

The remuneration to Non-executive Directors and Independent Directors is being paid in the form of sitting fee and Commission of Profits of the Company as decided by the Board. Sitting fee pertaining to Nominee Directors has been paid to their respective Organization. However, as approved by the Board, sitting fee would be paid only to Independent Directors of the Company w.e.f. 2.11.2018.

The details of the sitting fees paid to Non-executive Directors or their nominated Organization / Company during the year ended 31st March, 2019 is as detailed below:

S. No.	Name	Sitting Fees paid during 2018-19 (Rs.)
1	MoP&NG, Government of India	40,000
2	Bharat Petroleum Corporation Ltd.	Nil
3	Oil & Natural Gas Corporation Ltd.	20,000
4	Indian Oil Corporation Ltd.	1,40,000

5	GAIL (India) Ltd.	40,000
6	Gujarat Maritime Board (GMB)	20,000
7	Dr. Jyoti Kiran Shukla	3,80,000
8	Shri Sidhartha Pradhan	3,00,000
9	Shri Sunil Kumar Srivastava	1,20,000
10	Dr. Siddhartha Shekhar Singh	80,000

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.

Independent Directors are not entitled to any stock option.

In addition to the above, the details regarding Commission on Profits paid during the Financial Year 2018-19 to the Independent Directors is as follows:

S. No.	Name	Commission on Profit paid (Rs.)
1	Dr. Jyoti Kiran Shukla	8,50,000
2	Shri Arun Kumar Misra (upto 13th August, 2017)	3,14,384
3	Shri Sushil Kumar Gupta (upto 14th January, 2018)	6,73,014

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.

Stakeholders' Relationship Committee

The Company has Stakeholders' Relationship Committee of the Board which comprised of four Directors viz. Shri Arun Kumar as Chairman, Shri Rajender Singh, Shri V. K. Mishra and Dr. Siddhartha Shekhar Singh as Members of the Committee as on the date of report.

The Committee was reconstituted during the Financial Year 2018-19 due to the following –

- Dr. Jyoti Kiran Shukla, Independent Director ceased to be member of the Committee w.e.f 11th January, 2019.
- Dr. Siddhartha Shekhar Singh, Independent Director was inducted as Member w.e.f. 11th January, 2019.

Shri Rajan Kapur, Vice President-Company Secretary is the Compliance Officer of the Company and Secretary of the Committee.

Brief description of Terms of Reference

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 Year

The Stakeholders' Relationship Committee met two times during the Financial Year 2018-19.

The Detail of Meetings of Stakeholders' Relationship Committee held during the financial year 2018-19 and the attendance of the Members is given below:

S. No.	Date of Meeting	Name of Members	Category	Attendance
1	01.11.2018	Dr. Jyoti Kiran Shukla	Non-Executive (Independent), Chairperson	Present
		Shri Rajender Singh	Executive, Member	Present
		Shri V. K. Mishra	Executive, Member	Present
2	20.03.2019	Dr. Siddhartha Shekhar Singh	Non-Executive (Independent), Chairman	Present
		Shri Rajender Singh	Executive, Member	Present
		Shri V. K. Mishra	Executive, Member	Present

Details of Complaints received and redressed during the year ended 31st March, 2019

In terms of Regulation 13 (3) of SEBI (LODR) Regulations, 2015, the details of Investors' Complaints for the year ended 31st March, 2019 are as follows –

Particulars	No. of Complaints
Complaints pending as on 01st April, 2018	Nil
Complaints received during the year	1985
Complaints redressed during the year	1985
Complaints pending as on 31st March, 2019	Nil

Risk Management Committee

The Company has Risk Management Committee (RMC) of the Board which comprised of six Directors viz. Shri Shashi Shanker as the Chairman, Shri Prabhat Singh, Shri Rajender Singh, Shri V. K. Mishra, Shri Sidhartha Pradhan and Dr. T. Natarajan as Members of the Committee as on the date of this report.

The Committee was reconstituted during the Financial Year 2018-19 due to the following –

- Shri V. K. Mishra, Director (Finance) was inducted as Member w.e.f. 21st May, 2018.
- Shri Prabhat Singh, MD & CEO ceased to be the Chairman of the Committee and inducted as Member w.e.f 11th January, 2019.
- Shri Shashi Shanker, Nominee Director (ONGC) was inducted as Chairman of the Committee w.e.f 11th January, 2019.
- Shri Sidhartha Pradhan, Independent Director was inducted as Member of the Committee w.e.f 11th January, 2019.
- Dr. T. Natarajan, Nominee Director (GMB) was inducted as Member of the Committee w.e.f 11th January, 2019.

The Company Secretary is the Secretary of the Committee.

Brief description of Terms of Reference

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 Year

The Risk Management Committee met once during the Financial Year 2018-19.

The Detail of Meeting of Risk Management Committee held during the financial year 2018-19 and the attendance of the Members is given below:

S. No.	Date of Meeting	Name of Members	Category	Attendance
1	28-12-2018	Shri Prabhat Singh	Executive, Chairman	Present
		Shri Rajender Singh	Executive, Member	Present
		Shri V. K. Mishra	Executive, Member	Present

Details of Subsidiary and Joint Ventures

(i) 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.

(ii) 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.

(iii) 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.

General Body Meetings

Annual General Meeting

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

Year	2015-2016	2016-2017	2017-18
Date & Time	21st September, 2016 at 10.00 AM	15th September, 2017 at 10.00 AM	14th September, 2018 at 10.00 A.M.
Venue	Manekshaw Centre, Khyber Lines, Delhi Cantonment, New Delhi-110010	Manekshaw Centre, Khyber Lines, Delhi Cantonment, New Delhi-110010	Siri Fort Auditorium, August Kranti Marg, Siri Institutional Area, New Delhi–110049
Details of Special Resolutions	NIL	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
Special Resolutions passed through Postal Ballot	NIL	1) Approval to increase Authorised Share Capital of the Company. 2) Approval to issue Bonus Shares by way of capitalisation of Reserves.	NIL

Extra Ordinary General Meeting(s) (EGMs)

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

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 web site. 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.

The financial results were also published in National Daily Newspapers e.g. The Times of India, The Hindu, Hindustan Times, The Indian Express, Financial Express, Mint, Jansatta, Hindustan, Navbharat Times etc. in terms of SEBI (LODR) Regulations, 2015. 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.

General Shareholders Information

Annual General Meeting (AGM)

Day & Date	Tuesday, 27th August, 2019
Financial Year	2018-19
Time	10.30 a.m.
Venue	Siri Fort Auditorium, August Kranti Marg, Siri Institutional Area, New Delhi, 110049
Date of Book Closure	21st August, 2019 to 27th August, 2019 (both days inclusive)

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, 2019 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, 2018	26th July, 2018
July - September, 2018	2nd November, 2018
October - December, 2018	31st January, 2019
Year Ended	
31st March, 2019	15th May, 2019

Dividend Payment Date

The Board of Directors of the Company have recommended payment of Final Dividend of Rs. 4.50 per share (on the face value of Rs. 10/- each) for the financial year ended 31st March, 2019 subject to the approval of the shareholders in the ensuing AGM. This is in addition to the interim dividend of Rs. 5.50 per share (on the face value of Rs. 10/- each) paid in November, 2018.

The Dividend payment date for final dividend for financial year ended 31st March, 2019 is 2nd September, 2019. The dividend warrants will be posted on or after 2nd September, 2019 and within stipulated period as per the statutory requirements.

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 (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.

The IEPF Rules mandate companies to transfer shares of Members whose dividends remain unpaid / unclaimed for a continuous period of seven years to the demat account of IEPF Authority. The Members whose dividend / shares are transferred to the IEPF Authority can claim their shares / dividend from the Authority.

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.

In terms of the provisions of Investor Education and Protection Fund (Accounting, Audit, Transfer and Refund) Rules, 2016 / Investor Education and Protection Fund (Awareness and Protection of Investors) Rules, 2001, Rs. 77,81,660/- of unpaid / unclaimed dividends pertaining to the Financial Year 2010-11 and 1,77,978 shares in respect of which dividends have not been claimed for seven consecutive years or more were transferred during the financial year 2018-19 to the Investor Education and Protection Fund. The details of which are available on the website of the Company at https://petronetlng.com/cg.php.

The Company has appointed a Nodal Officer under the provisions of IEPF, the details of which are available on the website of the Company at https://www.petronetlng.com/investor-contact.php

The Company has uploaded the details of unpaid and unclaimed amounts lying with the Company as on 14th September, 2018 (date of last AGM) 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://www.petronetlng.com/PDF/IEPFSuspense.pdf

Listing on Stock Exchange(s)

Name and Address of Stock Exchange	Stock Code
BSE Limited (BSE) Floor 25, PhirozeJeejeebhoy Towers, Dalal Street, Mumbai - 400001.	532522
National Stock Exchange of India Limited (NSE) Exchange Plaza, Bandra-Kurla Complex, Bandra (East), Mumbai – 400051.	PETRONET
ISIN	INE347G01014

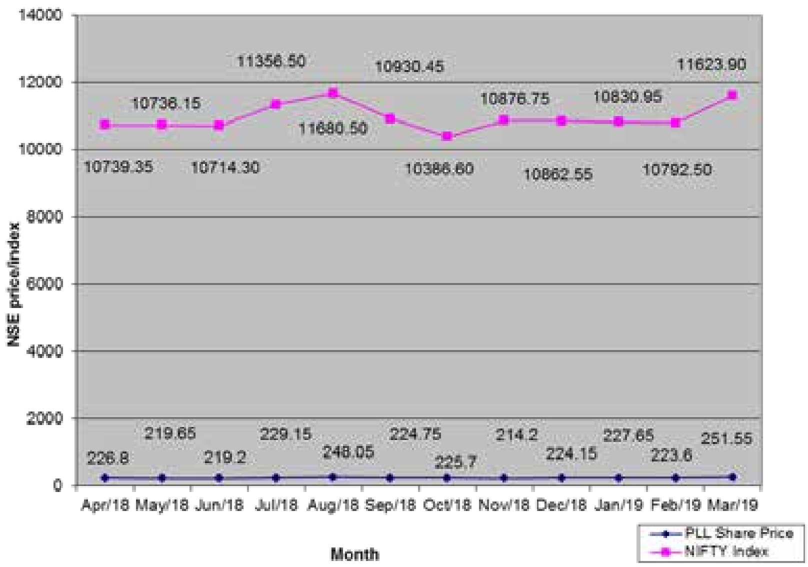
The listing fee for the financial year 2018-19 has been paid to the above Stock Exchanges.

Detail of Unclaimed Shares as on 31st March, 2019

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, 2018.	621	252400
2	Number of shareholders who approached for transfer of shares from suspense account during the year.	5	2200
3	Number of shareholders to whom shares were transferred from suspense account during the year.	5	2200
4	Aggregate number of shareholders and outstanding shares in the suspense account at the end of year i.e. 31st March, 2019.	616	250200

Performance of PLL's Share Price in comparison to NSE Index (nifty) during the financial year 2018-2019

Month	BSE (in Rs.)		NSE (in Rs.)	
	High	Low	High	Low
April, 2018	245.40	219.55	245.35	219.70
May, 2018	229.95	202.00	228.00	202.05
June, 2018	228.70	203.60	228.90	203.65
July, 2018	235.80	206.15	236.00	205.65
August, 2018	248.75	216.00	249.45	216.00
September, 2018	250.00	218.25	249.80	217.50
October, 2018	227.00	205.10	227.00	205.00
November, 2018	232.00	210.00	232.50	210.00
December, 2018	228.80	203.40	229.00	203.40
January, 2019	231.00	211.15	231.40	210.80
February, 2019	229.80	208.60	229.55	208.05
March, 2019	252.40	222.55	253.00	222.50



Registrar to an issue and Share Transfer Agents

M/s Karvy Fintech Pvt. Limited (earlier M/s Karvy Computershare Pvt. Ltd.) 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:

M/s Karvy Fintech Pvt. Limited,
Karvy Selenium Tower B,
Plot 31-32,Gachibowli, Financial District,
Nanakramguda, Hyderabad – 500 032,
Tele: 040- 67162222, Fax: 040- 23420814,
Toll Free No.:1800-345-4001,
Email: einward@karvy.com
Website: www.karvy.com

Share Transfer Committee

The Company has Share Transfer Committee (STC) of the Board which comprised of three Directors viz. Shri Prabhat Singh as Chairman, Shri Rajender Singh and Shri V. K. Mishra as Members of the Committee as on the date of this report.

The Committee was reconstituted during the year due to the following –

1. Shri V.K. Mishra, Director (Finance) was inducted as Member w.e.f 18th April, 2018.

The Company Secretary is the Secretary of the Committee.

Brief description of Terms of Reference

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 Year

The Share Transfer Committee met five times during the Financial Year 2018-19.

The Detail of Meeting of Share Transfer Committee held during the financial year 2018-19 and the attendance of the Members is given below:

S.No	Date of meeting	Name of Members	Category	Attendance
1	02-04-2018	Shri Prabhat Singh	Executive, Chairman	Present
		Shri Rajender Singh	Executive, Member	Present
2	18-04-2018	Shri Prabhat Singh	Executive, Chairman	Present
		Shri Rajender Singh	Executive, Member	Present
3	29-05-2018	Shri Prabhat Singh	Executive, Chairman	Present
		Shri Rajender Singh	Executive, Member	Present
		Shri V.K. Mishra	Executive, Member	Present
4	27-09-2018	Shri Prabhat Singh	Executive, Chairman	Present
		Shri Rajender Singh	Executive, Member	Present
		Shri V.K. Mishra	Executive, Member	Present
5	31-10-2018	Shri Prabhat Singh	Executive, Chairman	Present
		Shri Rajender Singh	Executive, Member	Present
		Shri V.K. Mishra	Executive, Member	Present

Share Transfer System

Total Shares of the Company as on 31st March, 2019 are 150,00,00,088 of Rs. 10 each. Out of which, 99.99% of the equity shares of the Company are in electronic form and 0.01% in Physical form. Transfer of these shares 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.

Distribution Schedule As on 31st March, 2019

Category (Amount)	No. of Cases	% of Cases	Total Shares	Amount in Rs.	% of Amount
Upto – 5000	304892	98.98	122215882	1222158820	8.14
5001 – 10000	1508	0.49	10882683	108826830	0.73
10001 – 20000	644	0.21	9134966	91349660	0.61
20001 – 30000	203	0.07	5020678	50206780	0.33
30001 – 40000	110	0.04	3911267	39112670	0.26
40001 – 50000	91	0.03	4126212	41262120	0.28
50001 – 100000	153	0.05	11280691	112806910	0.75
100001 & Above	413	0.13	1333427709	13334277090	88.90
TOTAL	**3,08,014**	**100.00**	**1,50,00,00,088**	**15,00,00,00,880**	**100.00**

Shareholding Pattern of the Company as on 31st March, 2019

S.No	Category	No. of Shares Held	% of Shareholding
A			
1	Promoters	75,00,00,000	50.00
B	Public		
1	Mutual Funds, Banks, Financial Institutions and Insurance Companies	165197323	11.01
2	FII including FPI, Non Resident Indians (NRI) including Non Repatriable and Foreign National	390652773	26.04
3	Bodies Corporate	31007357	2.07
4	Resident Individuals and others	163142635	10.88
	GRAND TOTAL (A+B)	**1,50,00,00,088**	**100.00**

List of Shareholders Holding More than 1% of Equity Capital as on 31st March, 2019

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		
Aditya Birla Sun Life Trustee Private Limited A/C Aditya Birla Sun Life Capital Protection Oriented Fund - Series 29	2,13,56,082	1.42
Kotak Equity Savings Fund	2,96,82,016	1.98
Franklin India Equity Savings Fund	2,77,49,582	1.85
Motilal Oswal Multicap 35 Fund	1,75,33,585	1.17
Government of Singapore	1,61,25,956	1.08
Government Pension Fund Global	1,52,25,922	1.02
T. Rowe Price International Growth and Income fund	1,55,92,431	1.04

Dematerialization of Shares

The shares of the company are under compulsory demat list of SEBI and the Company has entered into Agreements with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) for dematerialization of Company's shares. Shareholders can get their shares dematerialised either with NSDL or CDSL.

As on 31st March, 2019, the Company has following numbers of equity shares in physical and dematerialised form as per details given here under:-

Nature of Holding	Records / No. of shareholders	No. of Shares	Percentage (%)
Physical	1174	2,61,083	0.02
NSDL (Dematerialized)	218114	71,51,52,413	47.68
CDSL (Dematerialized)	88726	78,45,86,592	52.30
TOTAL	**308014**	**1,50,00,00,088**	**100.00**

Liquidity

The Company's shares are actively traded on National Stock exchange of India and BSE Limited.

Accounting Treatment

The Financial Statements have been prepared as per generally accepted accounting principles and in accordance with the prescribed Accounting Standards.

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.

Credit Rating

The credit rating of the company is as follows:

- Domestic Rating - AAA by ICRA, CRISIL and India Ratings
- International Rating - Baa2 by MOODY

Other Disclosures

- **Related Party Transactions**

The Company has 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 (Listing Obligations and Disclosure Requirements) Regulations, 2015, Companies Act, 2013 and also the relevant Accounting Standard, 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 in to transaction of sale of RLNG and provides tolling capacity to some of the 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. 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**

  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. 7,43,400/- each inclusive of applicable GST (Totalling Rs. 14,86,800/- inclusive of applicable GST) for non-compliance 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 1.7.2018 to 1.11.2018.

- **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 (Listing Obligations and Disclosure Requirements) Regulations, 2015. 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 2018-19.

- **Policy for Determining Material Subsidiary**

  Details of transactions between the Company and its subsidiaries, associates, key managerial personnel during the year 2018-19 are given in Financial Statement for the year ended 31st March, 2019. These transactions does not have any potential conflict with the interests of the Company at large. The Company does not have any material subsidiary, however the Company has in purview of good Corporate Governance has approved and adopted the Policy for Determining Material Subsidiary and the same is available at the following web link: https://www.petronetlng.com/PDF/PolicyonMaterialSubsidairy.pdf

- **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.

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

The Company has not raised any money through Public Issue, Right Issues or any Preferential Issues during the financial year 2018-19.

- **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, 2015.10. Valuation of undertakings or assets of the company, wherever it is necessary;

- **Recommendations of the Committee**

The Board had accepted all the recommendations made by any committee of the Board which is mandatorily required, in the relevant financial year.

- **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 2018-19 is as follows:

Remuneration to Auditor (exclusive of taxes)

(Rs. in Lakhs)

Particulars	For the year ended 31 March, 2019
Statutory Audit Fee (including limited review fees)	17
Tax audit and Audit U/s 80IA	7
Taxation Services	6
Fees for certification	7
Reimbursement of expenses	1
Total	**38**

Total Fees of Rs. 57,052 inclusive of applicable GST was paid to Statutory Auditors during the financial year 2018-19 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.

- **Secretarial Audit Report**

M/s A.N. Kukreja & Co., Company Secretaries was appointed by the Board of Directors as Secretarial Auditor of the Company for the financial year 2018-19. The Company has undertaken Secretarial Audit for the financial year 2018-19 which, inter alia, includes audit of compliance with the Companies Act, 2013, and the Rules made under the Act, Listing Regulations and applicable Regulations prescribed by SEBI and Foreign Exchange Management Act, 1999 and Secretarial Standards issued by the Institute of the Company Secretaries of India. The Secretarial Audit Report forms part of this Annual Report.

- **Annual secretarial compliance report**

The Company has taken the Annual secretarial compliance report from M/s A.N. Kukreja & Co., Company Secretaries 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.

- **Corporate Governance Audit**

M/s T.R. Chadha & Co., Chartered Accountants are the Corporate Governance Auditor of the Company for the financial year 2018-19. The Company has undertaken Corporate Governance Audit for the financial year 2018-19 which, inter alia, includes audit of compliance of conditions of Corporate Governance as per the relevant provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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 2018-19 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, 2018 to 1st November, 2018. Consequently, the company was not able to comply with the constitution of Audit Committee of the Board in respect of Independent Director during the period from 1st April, 2018 to 15th May, 2018.

Non-Mandatory Requirements

The Company has also adopted the following non-mandatory requirements under the Listing Regulations as on 31st March, 2019 to the extent mentioned below:

- **The Board & separate posts of Chairman and CEO:** As on date, the positions of the Chairman and the CEO are separate. Dr. M. M. Kutty, Secretary, MoP&NG, Government of India, is the Non-Executive Chairman of the Company. Shri Prabhat Singh is the MD & CEO of the Company.
- **Shareholders' rights:** The quarterly results along with the press release are uploaded on the website of the Company i.e. www.petronetlng.com.
- **Audit qualifications:** Company's financial statement are unqualified.
- **Reporting of Internal Auditor:** The Internal Auditor of the Company directly reports to the Audit Committee on functional matters.

Disclosure of Compliance with respect to Corporate Governance Requirements

The Company has complied with the requirements specified in Regulations 17 to 27 and clauses (b) to (i) of the Regulation 46(2) of the Listing Regulations except as mentioned under the head Compliance Report.

Major Plant / Unit Location(s)

Dahej Plant Location	**Kochi Plant Location**
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
Registered & Corporate Office	**Registrar & Share Transfer Agent**
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	M/s Karvy Fintech Pvt. Limited Karvy Selenium Tower B, Plot 31-32, Gachibowli, Financial District, Nanakramguda, Hyderabad – 500 032 Tele: 040- 67162222 Fax: 040- 23420814 Toll Free No.:1800-345-4001 Email: einward@karvy.com

Debenture Trustee

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

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 2018-19 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 the 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.

sd/-
(V. K. Mishra)
Director (Finance) & CFO
(DIN 08125144)

sd/-
(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, 2019 as per the relevant provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations").
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 w.r.t Independent Directors in terms of Regulation 17(1), for the period from April 1, 2018 to November 1, 2018.

     Due to this non-compliance the Bombay Stock Exchange and National Stock Exchange has levied penalty of INR 7,43,400/- (inclusive of applicable GST) respectively totaling to INR 14,86,800/-(inclusive of applicable GST).
   - The composition of audit committee was not in terms of Regulation 18 for the period from April 1, 2018 to May 15, 2018 due to not having sufficient number of Independent Directors on the Board.

     In term(s) of Schedule II Part D of SEBI (LODR) 2015, the Company has not formulated and adopted the policy on "Board Diversity" till March 31, 2019.
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 - 19502955AAAAAL5983

Date: 24th May, 2019
Place: New Delhi

Management's Reply on the Auditors' Report on the Corporate Governance Report for the Financial Year 2018-19

Auditor's Observation	Management's Reply
During the year, the composition of board of directors was less than the required number w.r.t Independent Directors in terms of Regulation 17(1), for the period from April 1, 2018 to November 1, 2018. Due to this non-compliance the Bombay Stock Exchange and National Stock Exchange has levied penalty of INR 7,43,400/-(inclusive of applicable GST) respectively totaling to INR 14,86,800/-(inclusive of applicable GST) .	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.
The composition of audit committee is not in terms of Regulation 18 for the period from April 1, 2018 to May 15, 2018 due to not having sufficient number of Independent Directors on the Board.	The Company has complied with the provisions of Regulation 18(1) of SEBI (LODR) Regulations, 2015 w.e.f. 16th May, 2018 onwards with the Appointment of one more Independent Director on the Board of the Company w.e.f. 16th May, 2018.
In term(s) of Schedule II Part D of SEBI (LODR) 2015, the Company has not formulated and adopted the policy on "Board Diversity" till March 31, 2019.	The Board of Directors in their meeting held on 15th May, 2019 had approved the Policy for Diversity of the Board. Therefore, the Company is in compliance with the provisions of Schedule II Part D of SEBI (LODR) Regulations, 2015 with respect to formulation and adoption of the Policy for Diversity of the Board.

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 2018- March 2019
7.	**Sector(s) that the Company is engaged in (industrial activity code-wise)**	Oil and Gas – LNG
	Industrial Group 1110	**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)**	:	38395 Crore
3	**Total profit after taxes (INR)**	:	2155 Crore
4	**Total spending on Corporate Social Responsibility (CSR) as percentage of profit after tax (%)**	:	0.34% i.e. Rs. 7.39 Crore
5	**List of activities in which expenditure in 4 above has been incurred:**		
	1) Promoting education/enhancing vocational skills/livelihood enhancing projects		
	2) Disaster Management		
	3) Ensuring Environment Sustainability		
	4) Rural Development Projects		
	5) Eradicating hunger, poverty, malnutrition, Promoting Preventive Healthcare and sanitation		
	6) Promoting rural sports, nationally recognised sports Paralympic sports and Olympic sports.		
	7) Art and Culture		

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).**

   NA

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
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

Sl. No.	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
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/codeconduct.Aspx

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 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 2017-18 and formed part of the Company's Annual Report 2017-18. The same can be assessed at https://www.petronetlng.com/PDF/AR2017-18.pdf

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 1985 shareholder complaints during the FY 2018-19, no complaint was pending from previous financial year. 1985 complaints were successfully resolved during the year while NIL complaint was pending as on 31st March,2019.

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 2018-19 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

1. ***Please indicate the total number of employees :494 Permanent Employees (as on 31st March, 2019)***

2. ***Please indicate the total number of employees hired on temporary / contractual / casual basis***

Category of employees	No of employees
Sub-contracted employees	1637

3. ***Please indicate the number of permanent women employees :*** 32 (as on 31st March, 2019)

4. ***Please indicate the number of permanent employees with disabilities :***One

5. ***Do you have an employee association that is recognised by the Management? :***

Presently, Petronet LNG does not have any employee association.

6. ***What percentage of your permanent employees is member of this recognised employee association? :*** N.A.

7. ***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.***

S. No.	Category	No of complaints filed during the financial year	No. of complaints pending as on end of the financial year
1	Child Labour	No	No
2	Forced Labour	No	No
3	Involuntary Labour	No	No
4	Sexual Harassment	No	No

8. ***How many of your under-mentioned employees were given safety and skill up-gradation training in the last year?***

Category	Safety (No. of employees)	Skill Up gradation (No. of employees)
Permanent employees	535	599
Permanent women employees	21	28
Casual / Temporary / Contractual employees	1796	24
Employees with disabilities	N.A.	N.A.

* Headcount figure includes repetition of individuals as some employees underwent multiple safety trainings.

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 schooltoilets, 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 2018-19.

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 attempts to 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)
   - SEA LNG

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.***

   PLL has a CSR policy with clear vision to actively engage in social, economic, environment and cultural development of the communities through its CSR initiatives primarily around work centres, especially 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 supplementing the efforts of the local institutions / NGOs / local Government / implementing agencies in the field of Education, Healthcare, Community Development, Entrepreneurship etc. All activities undertaken are as per the list of activities specified 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 inclusive growth and betterment of the community, CSR forms the integral part of PLL's business strategy. Company also engages with credible NGOs, trusts, and government agencies for implementing activities, projects and programs. Further, PLL constantly motivates its employees to engage in the CSR schemes of the company and participate through philanthropic contributions or by volunteering their time.

3. ***Have you done any impact assessment of your initiative?***

   PLL engages in regular conversation with local community members during and post CSR project implementation, and undertakes timely assessments of implemented projects for ensuring their desired impact and continued sustenance. Here, PLL ensures that community members are kept involved in entire project lifecycle, including identification, development, execution and maintenance, and are treated as project owners, which ensures maximum impact achieved from each CSR intervention. These also allows PLL to gaze the impact of its ongoing initiatives and design / modify future engagements to better assess 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?***

   INR 7.39 crore was spent during the financial year 2018-19. This represents 0.34% of profit after tax spends on CSR activities during the previous financial year. Details of some key projects undertaken during the year are as following:

S. No.	**Initiative(s)**	***Amount Spent (in Rs. Lakh)***
By Petronet LNG Limited		
1.	Promoting education/enhancing vocational skills/livelihood enhancing projects	1.71
2.	Disaster Management	14.55
3.	Miscellaneous	9.34
4.	Towards Petronet LNG Foundation#	300.00
Total		**325.60**

Through Petronet LNG Foundation#		
5.	Promoting education/enhancing vocational skills/livelihood enhancing projects	320.94
6.	Ensuring Environment Sustainability	1.97
7.	Rural Development Projects	1.87
8.	Eradicating hunger, poverty, malnutrition, Promoting Preventive Healthcare and sanitation	61.63
9.	Promoting rural sports, nationally recognised sports Paralympic sports and Olympic sports	2.50
10.	Art and Culture	3.50
11.	Disaster Management	0.50
Total		**392.91**

A wholly owned subsidiary of Petronet LNG Limited

***Note:** The total amount spent on Administrative Overheads is Rs. 20.75 Lakhs as per clause 6 of PLL CSR policy. Thus, total amount spent on CSR for the FY 2018-2019 is Rs. 739.26 Lakhs.

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 that 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, 2019 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 Statements").

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, 2019, 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 addressed in the context of our audit of the Standalone 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 operation 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 budgets and the strategy for the coming years and free net cash flows 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 calculation of value-in use (VIU) of Kochi plant 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 VIU were in consistent with Indian Accounting Standard. • Considered whether the forecasted cash flows in the impairment model were reasonable. • 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 value-in use 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 adoption of Ind AS 115 "Revenue from Contracts with Customers" The application of the new revenue accounting standard requires certain key judgements including relating to identification of distinct performance obligations, financing component in case of advances received from customers and transaction price.	We assessed the Company's process to identify the impact of adoption of the new revenue accounting standard. We selected a sample of contracts, covering all nature of revenue recognized by the Company and performed the following procedures: • Considered the terms of the contracts to determine the transaction price and ascertain if there is any financing component 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.	**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 the following: • Assessing the processes and control over legal matters; • Reviewing the company'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 36B of the Standalone Financial Statements are sufficient.

Other Information

The Company's Board of Directors is responsible for the other information. The other information comprises the Corporate Governance Report, but does not include the Standalone Financial Statements and our auditor's report thereon, which we obtained prior to the date of this audit report, and the information included in, Management Discussion and Analysis, Directors' Report, and Business Responsibility Report and Other Information in Annual Report, which is expected to be made available to us after that date.

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 Statements 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 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

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

1. 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 Statements.

   (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid Standalone Financial Statements 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, 2019 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2019 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 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.

   (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, 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 Statements (Refer Note 36B 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 36 A (b) to the Financial Statements

      c. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

"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 programme 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 programme, 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 2019, 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 FY 2009-10	Hon'ble Supreme Court of India
	Service Tax, Interest & Penalty	5,295	5,295	-	FY 2009-10 to FY 2016-17	CESTAT, Delhi
	Service Tax & Interest	754	-	754	FY 2006-07 to FY 2010-11	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	Assistant Commissioner, Delhi
	Service Tax	125	125	-	FY 2013-16	Assistant Commissioner, Delhi

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	Hon'ble High Court, Gujarat
	Custom Duty & Interest	284	-	284	FY 2005-08	Hon'ble High Court, Gujarat
	Custom Duty	959	959	-	FY 2012-13	Hon'ble High Court, Gujarat
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 FY 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 of the Company, 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 of the Company, 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: 15th May, 2019

"Annexure B" 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")

We have audited the internal financial controls with reference to Ind AS Financial Statements of Petronet LNG Limited ("the Company") as of 31 March 2019 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 2019, 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 ICAI.

For T R Chadha & Co LLP

Chartered Accountants

Firm Regn No. 006711N / N500028

Hitesh Garg

(Partner)

M.No. 0502955

Date: 15th May 2019

Place: New Delhi

Standalone Balance Sheet as at 31 March 2019

(All amounts are in Rupees lac, unless otherwise stated)

	Notes	As at 31 March 2019	As at 31 March 2018
ASSETS			
Non-Current Assets			
Property, plant and equipment	3	7,66,403	8,02,723
Capital work-in-progress	4	34,821	22,027
Intangible assets	5	105	239
Investments in Joint Ventures	6	16,438	16,438
Financial assets			
(i) Investments	7	0.13	0.13
(ii) Loans	8	2,492	2,295
(iii) Other non-current financial assets	9	81,403	10,949
Non Current tax assets (net)	10	3,310	932
Other non-current assets	11	7,331	7,990
Total Non-Current Assets		**9,12,303**	**8,63,593**
Current assets			
Inventories	12	56,944	49,110
Financial assets			
(i) Investment	13	82,489	3,95,784
(ii) Trade receivables	14	1,38,245	1,60,078
(iii) Cash and cash equivalents	15	22,658	70,430
(iv) Other bank balances	16	2,73,370	15,822
(v) Other current financial assets	17	17,365	5,078
Other current assets	18	5,109	5,476
Total Current Assets		**5,96,180**	**7,01,778**
Total Assets		**15,08,483**	**15,65,371**
EQUITY AND LIABILITIES			
Equity			
Equity share capital	19	1,50,000	1,50,000
Other equity	20	8,56,607	8,22,047
Total Equity		**10,06,607**	**9,72,047**

Standalone Balance Sheet as at 31 March 2019

(All amounts are in Rupees lac, unless otherwise stated)

	Notes	As at 31 March 2019	As at 31 March 2018
Liabilities			
Non-Current Liabilities			
Financial liabilities			
(i) Borrowings	21	10,120	73,341
Long-term provisions	22	1,108	781
Deferred tax liabilities (net)	23(B)	1,33,603	1,04,817
Other non-current liabilities	24	1,08,609	1,28,363
Total Non-Current Liabilities		**2,53,440**	**3,07,302**
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		1,29,524	1,56,990
(ii) Other financial liabilities	25	68,536	83,144
Other current liabilities	26	48,701	44,678
Short-term provisions	27	1,675	1,210
Total Current Liabilities		**2,48,436**	**2,86,022**
Total Liabilities		**5,01,876**	**5,93,324**
Total Equity and Liabilities		**15,08,483**	**15,65,371**

Significant accounting policies	**2**
Other notes on accounts	**36-45**

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 : 15 May 2019

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 2019

(All amounts are in Rupees lac, unless otherwise stated)

	Notes	For the year ended 31 March 2019	For the year ended 31 March 2018
Revenue			
Revenue from operations	28	38,39,543	30,59,862
Other income	29	45,029	31,740
Total Income (A)		**38,84,572**	**30,91,602**
Expenses			
Cost of materials consumed	30	34,41,695	26,69,019
Employee benefits expense	31	12,587	9,120
Finance costs	32	9,892	16,299
Depreciation and amotization expense	33	41,124	41,165
Other expenses	34	55,916	50,488
Total Expenses (B)		**35,61,214**	**27,86,091**
Profit/ (Loss) Before Tax (C=(A)-(B))		**3,23,358**	**3,05,511**
Tax Expense:			
Current tax (a)	23(A)	78,949	65,931
Deferred tax (b)	23(A)	28,866	31,795
Total Tax Expense (D = (a)+(b))		**1,07,815**	**97,726**
Profit/ (loss) for the period (E=C-D)		**2,15,543**	**2,07,785**
Other Comprehensive Income			
Items that will not be reclassified to Profit or Loss			
Remeasurement of defined benefit plans		(230)	11
Income tax relateing to remeasurement of defined benefit plans	23(A)	80	(4)
Total Other Comprehensive income for the period (F)		**(150)**	**7**
Total Comprehensive Income for the period (G=E+F)		**2,15,393**	**2,07,792**
Earnings per equity share of Rs 10/- each			
Basic (Rs)		14.37	13.85
Diluted (Rs)		14.37	13.85

Significant accounting policies **2**
Other notes on accounts **36-45**

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 : 15 May 2019

Sd/-
Rajan Kapur
Vice President-Company Secretary
Membership No - A10674

Standalone Statement of Cash Flow for the year ended 31 March 2019

(All amounts are in Rupees lac, unless otherwise stated)

		For the year ended 31 March 2019	For the year ended 31 March 2018
A.	**Cash Flow from Operating Activities**		
	Net Profit Before Tax	3,23,358	3,05,511
	Adjustment for:		
	Depreciation	41,124	41,165
	Loss on the sale of fixed asset	76	130
	Profit on sale /fair valuation of current investment	(18,370)	(22,610)
	Interest Expense	9,892	16,299
	Foreign exchange gain/ loss on restatement of financial liabilities	(9,950)	(5,978)
	Fair value losses on derivatives not designated as hedges	9,573	6,308
	Interest Income	(14,552)	(1,017)
	Excess provision written back	(5)	(33)
	Operating Profit Before Working Capital Changes	**3,41,146**	**3,39,775**
	Movements in working capital :-		
	(Increase) / Decrease in loans	(197)	(28)
	(Increase) / Decrease in inventories	(7,834)	4,942
	(Increase) / Decrease in trade receivables	21,833	(38,999)
	(Increase) / Decrease in other financial assets	(12,314)	(5,024)
	(Increase) / Decrease in Other assets	(240)	(3,051)
	Increase / (Decrease) in trade payables	(27,466)	62,530
	Increase / (Decrease) in other financial liabilities	(3,840)	989
	Increase / (Decrease) in provisions	561	402
	Increase / (Decrease) in other liabilities	(15,730)	7,704
	Cash Generated from/ (used in) Operations	2,95,919	3,69,240
	Less: Income Tax Paid (net of refunds)	(81,327)	(69,677)
	Net Cash Generated from /(used In) Operating Activities (A)	**2,14,592**	**2,99,563**
B.	**Cash Flow From Investing Activities**		
	Net proceeds / (purchase) of property, plant and equipment and capital work in progress	(16,273)	(17,330)
	Net proceeds / (purchase) of intangible assets	(4)	(195)
	Net proceeds / (purchase) of equity accounted investees	-	-
	Net proceeds / (purchase) of investments	3,46,217	(95,083)
	Interest received	5	33
	Net movement in fixed deposits	(3,37,548)	(15,187)
	Net Cash Generated from / (used in) Investing Activities (B)	**(7,603)**	**(1,27,762)**

Standalone Statement of Cash Flow for the year ended 31 March 2019

(All amounts are in Rupees lac, unless otherwise stated)

		For the year ended 31 March 2019	For the year ended 31 March 2018
C.	**Cash Flow from Financing Activities**		
	Net proceeds/(Repayment) of Long Term Borrowings	(62,015)	(70,515)
	Interest Expense Paid	(11,913)	(17,821)
	Dividend paid	(1,80,833)	(45,134)
	Net Cash Generated from / (used in) Financing Activities (C)	**(2,54,761)**	**(1,33,470)**
	Net Increase/(Decrease) in Cash and Cash Equivalents (A+B+C)	**(47,772)**	**38,331**
	Balance at the beginning of the year		
	Cash and cash equivalents at the beginning of the year	70,430	32,099
	Balance at the end of the year	**22,658**	**70,430**

Note: The above Statement has been prepared under indirect method setout in Ind AS 7 "Cash Flow Statement".

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 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 at 31st March 2019	**13,350**	**62,321**	**75,671**

Particulars	Long term Borrowings	Debentures	Total
Opening Balance as on 1st April 2017	**91,815**	**1,35,857**	**2,27,672**
Financing Cash Flows	(30,515)	(40,000)	(70,515)
Non Cash Changes			
Interest Accrued	17	(1,539)	(1,522)
Forex Reinstatement	(5,978)	-	(5,978)
Closing Balance as at 31st March 2018	**55,339**	**94,318**	**1,49,657**

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 : 15 May 2019

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

Standalone Statement of Changes in Equity for the year ended 31st March 2019

(All amounts are in Rupees lac, unless otherwise stated)

(a) Equity share capital

	As at 31 March 2019		As at 31 March 2018	
	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	
	Securities Premium Account	Debenture Redemption Reserve	General Reserve	Retained earnings	Remeasurement of defined benefit plans	Total
Balance at 31 March 2017	**15,546**	**25,000**	**72,800**	**6,21,092**	**(49)**	**7,34,389**
Changes in accounting policy / prior period errors	-	-	-	-	-	-
Restated balance at the beginning of the reporting period	**15,546**	**25,000**	**72,800**	**6,21,092**	**(49)**	**7,34,389**
						-
Profit for the year	-	-	-	2,07,785	-	2,07,785
Other comprehensive income for the year	-	-	-	-	7	7
Total comprehensive income for the year	-	-	-	**2,07,785**	**7**	**2,07,792**
Issue of bonus share	(15,546)	-	-	(59,454)		(75,000)
Transfer to/(from) debenture redemption reserves	-	(5,500)	-	5,500	-	-
Dividend paid	-	-	-	(37,500)	-	(37,500)
Dividend distribution tax	-	-	-	(7,634)	-	(7,634)
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 reserve	-	(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**

Notes to the standalone financial statements for the year ended 31 March 2019

(All amounts are in Rupees lac, unless otherwise stated)

Nature and purpose of other reserves

Securities premium account
Securities premium account is used to record the premium on issue of shares. The reserve is utilised in accordance with the provisions of the Companies Act, 2013.

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

Sd/-
Prabhat Singh
Managing Director & CEO
DIN: 03006541

Sd/-
Vinod Kumar Mishra
Director - Finance
DIN: 08125144

Place : New Delhi
Date : 15 May 2019

Sd/-
Rajan Kapur
Vice President-Company Secretary
Membership No - A10674

Notes to the standalone financial statements for the year ended 31 March 2019

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 15 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 15 May'2019.

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 contains a lease and classification of leases into finance and operating lease
- Classification of financial assets: assessment of business model within which the assetsare 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 2019 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.

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.

Notes to the standalone financial statements for the year ended 31 March 2019

(A) Financial Assets

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).

(a) 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.

(b) 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.

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 represents 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 amortisation is included as finance income in the profit or loss. The losses arising from impairment are recognised in the profit or loss.

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.

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.

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.

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.

(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:

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.

Notes to the standalone financial statements for the year ended 31 March 2019

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.

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.

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 Ind AS 115 replaces Ind AS 18 Revenue and Ind AS 11 Construction Contracts. The Company has adopted the Ind AS 115 using the cumulative effect method. The effect of initially applying this standard is recognised at the date of initial application (i.e. April 1, 2018). The standard is applied retrospectively only to the contracts that are not completed as at the date of initial application. The comparative information in the statement of profit and loss is not restated – i.e. the comparative information continues to be reported under the Ind AS 18 and Ind AS 11. Refer note 2 (ix) – Significant accounting policies – Revenue recognition in the Annual report of the Company for the year ended March 31, 2018, for the revenue recognition policy as per the Ind AS 18 and Ind AS 11. The impact of the adoption of the standard on the financial statements of the Company is insignificant.

Notes to the standalone financial statements for the year ended 31 March 2019

(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.

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

Notes to the standalone financial statements for the year ended 31 March 2019

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 encashmentis 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.

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 37 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.

Notes to the standalone financial statements for the year ended 31 March 2019

xviii. Recent accounting pronouncements

Standards issued but not yet effective

Ministry of Corporate Affairs ("MCA") through Companies (Indian Accounting Standards) Amendment Rules, 2018 has notified the following new Ind AS which the Company has not applied as it is effective for annual period beginning on or after April 1, 2019:

Ind AS 116: Leases

The Ind AS 116 will replace the existing leases standard, Ind AS 17 Leases. The Ind AS 116 sets out the principles for the recognition, measurement, presentation and disclosure of leases for both lessees and lessoRs. It introduces a uniform, on-balance sheet accounting model for lessees and lessoRs. A lessee recognises right-of-use of asset pertaining to its right to use the underlying asset and a lease liability representing its obligation to make lease payments. The standard also contains enhanced disclosure requirements for lessees. The Ind AS 116 substantially carries forward the lessor accounting requirements in the Ind AS 17.

The Company will adopt the Ind AS 116, effective annual reporting period beginning April 1, 2019. The Company will apply the standard to its leases using Modified retrospective approach, with the cumulative effect of initially applying the standard, recognised on the date of initial application. Accordingly, the Company will not restate comparative information, instead, the cumulative effect of initially applying this Standard will be recognised as an adjustment to the opening balance of retained earnings as on April 1, 2019. In accordance with the standard, the Company will elect not to apply the requirements of the Ind AS 116 to short-term leases and the leases for which the underlying asset is of low value.

With effect from April 01, 2019, the Company will recognise new assets and liabilities for its operating leases of chartered vessels and other assets. The nature of expenses related to those leases will change from lease rent in previous periods to:

a) amortization for the right-to-use respective asset, and

b) interest expense on lease liability.

Previously, the Company recognised operating lease expense on a straight-line basis over the term of the lease, and recognised assets and liabilities only to the extent, there was a timing difference between actual lease payments and the expense recognised.

The Company is in the process of evaluating the impact of the new standard.

Notes to the standalone financial statements for the year ended 31 March 2019

(All amounts are in Rupees lac, unless otherwise stated)

3. Property, plant and equipment

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**

Particulars	Gross Block				Depreciation				Net Block	
	As at 31 March 2017	Additions	Deletions	As at 31 March 2018	As at 31 March 2017	Additions	Deletions	As at 31 March 2018	As at 31 March 2018	As at 31 March 2017
Tangible Assets										
Freehold Land	10,778	-	-	10,778	-	-	-	-	10,778	10,778
Leasehold Land	7,075	-	-	7,075	184	92	-	276	6,799	6,891
Buildings*	48,850	284	-	49,134	3,272	1,855	-	5,127	44,007	45,578
Plant & Equipments*	8,41,503	1,624	(1,099)	8,42,028	64,156	38,451	(339)	1,02,268	7,39,760	7,77,347
Office Equipments	1,031	388	(362)	1,057	358	254	(341)	271	786	673
Furniture & Fixtures	541	103	(135)	509	122	71	(110)	83	426	419
Speed Boat	38	-	-	38	10	5	-	15	23	28
Vehicles	186	49	(39)	196	49	28	(25)	52	144	137
Total	**9,10,002**	**2,448**	**(1,635)**	**9,10,815**	**68,151**	**40,756**	**(815)**	**1,08,092**	**8,02,723**	**8,41,851**

Note:

* Plant & Equipment and Buildings includes Jetty & Trestle having net value of Rs. 1,01,721 (Dahej Phase 1 & additional Jetty) & Rs. 35,871 (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 2019
(All amounts are in Rupees lac, unless otherwise stated)

4. Capital Work-in-Progress

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**

Particulars	As at 31 March 2017	Additions	Deletions	As at 31 March 2018
Dahej Ph-III 15MMTPA	50	-	(50)	-
Dahej Ph-III 17.5 MMTPA	3,983	15,936	-	19,919
Others	822	1,286	-	2,108
Total	**4,855**	**17,222**	**(50)**	**22,027**

5. Intangible Assets

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**

Particulars	Gross Block				Depreciation				Net Block	
	As at 31 March 2017	Additions	Deletions	As at 31 March 2018	As at 31 March 2017	Additions	Deletions	As at 31 March 2018	As at 31 March 2018	As at 31 March 2017
Intangible Assets										
Licenses/Softwares	1,335	195	(366)	1,164	882	409	(366)	925	239	453
Total	**1,335**	**195**	**(366)**	**1,164**	**882**	**409**	**(366)**	**925**	**239**	**453**

Notes to the standalone financial statements for the year ended 31 March 2019

(All amounts are in Rupees lac, unless otherwise stated)

		As at 31 March 2019	As at 31 March 2018
6	**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
7	**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
8	**Loans**		
	Unsecured, considered good		
	Loan to related parties (Refer note 41)	533	469
	Loan to others	1,959	1,826
		2,492	**2,295**
9	**Other non-current financial assets**		
	Unsecured, considered good		
	Derivative assets		
	- Cross currency interest rate swaps	-	9,573
	Security deposits		
	- Government authorities	964	946
	- Others	202	200
	Employee advances	37	30
	Balances with banks in deposit accounts	80,200	200
		81,403	**10,949**

Notes to the standalone financial statements for the year ended 31 March 2019

(All amounts are in Rupees lac, unless otherwise stated)

		As at 31 March 2019	As at 31 March 2018
10	**Non Current tax assets (net)**		
	Advance tax (Net of provision for income tax of Rs. 2,64,445 [As at 31 March 2018 - Rs. 1,85,497])	3,310	932
		3,310	**932**
11	**Other non-current assets**		
	Unsecured, considered good		
	Capital advances	418	1,684
	Taxes and Duties recoverable (Refer note 36B - d,g,h)	6,913	6,306
		7,331	**7,990**
12	**Inventories**		
	Raw materials*	30,814	21,955
	Raw materials in transit	18,612	19,049
	Stores and spares	7,471	7,779
	Stores and spares in transit	47	327
		56,944	**49,110**

(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 2019 by Rs 11,900 lac.

		As at 31 March 2019	As at 31 March 2018
13	**Current financial investments**		
	Investments carried at fair value through profit and loss account (Quoted)		
	Mutual funds	82,489	3,95,784
		82,489	**3,95,784**
	Aggregate book value of quoted investments	82,489	3,95,784
	Aggregate book value of un-quoted investments	NIL	NIL
14	**Trade receivables**		
	Unsecured and considered good		
	-from related parties	1,32,315	1,49,341
	-from others	5,930	10,737
	Unsecured and considered credit impaired		
	-from related parties	4,109	4,109
	Less: Allowances for doubtful receivables	(4,109)	(4,109)
		1,38,245	**1,60,078**

Notes to the standalone financial statements for the year ended 31 March 2019

(All amounts are in Rupees lac, unless otherwise stated)

		As at 31 March 2019	As at 31 March 2018
15	**Cash and cash equivalents**		
	Balance with banks:		
	- In current account	108	104
	- In term deposits (with original maturity of less than 3 months)	22,550	70,326
	Cash on hand	0.4	0.4
		22,658	**70,430**
16	**Other bank balances**		
	In term deposits (with maturity of more than 3 months but less than 12 months)	2,72,200	15,100
	In earmarked accounts		
	- Unclaimed dividend account	1,170	722
		2,73,370	**15,822**
17	**Other current financial assets**		
	Interest accrued on term deposits	9,828	106
	Unbilled Revenue*	7,537	4,972
		17,365	**5,078**
	***Movement in contracts assets during the year**		
	Balance at the beginning of the year	4,972	
	Revenue recognised during the year	8,954	
	Invoices raised during the year	6,389	
	Balance at the end of the year	**7,537**	
18	**Other current assets**		
	Advances to vendors	3,728	3,836
	Taxes and duties recoverable	339	75
	Prepaid expenses	1,012	847
	Purchase price adjustment of LNG	-	704
	Other Miscellaneous Advances	30	14
		5,109	**5,476**

Notes to the standalone financial statements for the year ended 31 March 2019

(All amounts are in Rupees lac, unless otherwise stated)

	As at 31 March 2019	As at 31 March 2018
19 Share capital		
Authorised:		
3,00,00,00,000 (31 March 2018- 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 2018 - 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 dividends 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 2018	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 for cash	-	-
Outstanding at the 31 March 2019	**1,50,00,00,088**	**1,50,000**

d. **Shareholders holding more than 5% shares in the company**

	As at 31 March 2019		As at 31 March 2018	
	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%

	As at 31 March 2019	As at 31 March 2018
20 Other equity		
a. **Securities premium account**		
Balance at the beginning of the year	-	15,546
Less : Utilisation against issue of bonus shares	-	(15,546)
Balance at the end of the year	**-**	**-**
b. **Debenture redemption reserve**		
Balance at the beginning of the year	19,500	25,000
Addition/ (Deduction) during the year	(4,500)	(5,500)
Balance at the end of the year	**15,000**	**19,500**

Notes to the standalone financial statements for the year ended 31 March 2019

(All amounts are in Rupees lac, unless otherwise stated)

	As at 31 March 2019	As at 31 March 2018
c. **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**
d. **Retained earnings**		
Balance at the beginning of the year	7,29,789	6,21,092
Add: Profit for the year after taxation as per statement of Profit and Loss	2,15,543	2,07,785
Less: Issue of Bonus Shares	-	(59,454)
Less: Transfer to/(from) debenture redemption reserves	4,500	5,500
Less: Dividend on equity shares	(1,50,000)	(3,7,500)
Less: Dividend distribution tax on equity shares	(30,833)	(7,634)
Balance at the end of the year	**7,68,999**	**7,29,789**
e. **Remeasurement of defined benefit plans**		
Balance at the beginning of the year	(42)	(49)
Addition during the year	(150)	7
Balance at the end of the year	**(192)**	**(42)**
Total Equity (a+b+c+d+e)	**8,56,607**	**8,22,047**

	For the year ended 31 March 2019	For the year ended 31 March 2018
Dividend		
Cash dividend on equity shares declared and paid :		
Final dividend for the year ended 31 March 2018 Rs. 4.5 per share (31 March 2017 Rs. 2.5 per share)	67,500	37,500
Dividend Distribution tax on final dividend	13,875	7,634
Interim dividend paid during the year ended 31 March 2019 Rs 5.5 per share (31 March 2018 Rs Nil per share)	82,500	-
Dividend Distribution tax on interim dividend	16,958	-
	1,80,833	**45,134**
Proposed Dividend on Equity Shares :		
Proposed dividend for the year ended 31 March 2019 Rs. 4.5 per share (31 March 2018: Rs. 4.5 per share)	67,500	67,500
Dividend Distribution tax on final dividend	13,875	13,875
	81,375	**81,375**

Proposed dividend on equity shares are subject to the approval at the annual general meeting and have not been recognised as liabilities (including DDT theron) as at 31st March

Notes to the standalone financial statements for the year ended 31 March 2019

(All amounts are in Rupees lac, unless otherwise stated)

		As at 31 March 2019	As at 31 March 2018
21	**Borrowings**		
	Non-convertible bonds *(Unsecured)*	-	64,318
	Term loans *(Secured)*		
	- From other parties	10,130	13,375
		10,130	77,693
	Less: Interest accrued	(10)	(4,352)
		10,120	**73,341**

a. Non-Convertible Bonds Series I-2013 and Series II-2014 are unsecured, non convertible debenture, repayable at par starting from financial year 2017-18.

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
Series I - 2013	Bullet	2018	8.35%	-	31,997
Series II - 2014 (Option 2)	Bullet	2019	9.05%	62,321	62,321
				62,321	**94,318**
Less: Interest accrued but not due on borrowings				(2,321)	(4,318)
Less : Shown in current maturities of Long term debt				(60,000)	(30,000)
Balance shown as above				**-**	**60,000**

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 2018	Carrying Amount As at 31 March 2017
IFC (Washington)	Half yearly	2022	9.41%	13,350	16,115
IFC (Washington)	Half yearly	2019	4.35%	-	23,538
Proparco, France	Half yearly	2019	3.75%	-	15,686
				13,350	**55,339**
Less: Interest accrued but not due on borrowings				(10)	(34)
Less : Shown in current maturities of Long term debt				(3,220)	(41,964)
Balance shown as above				**10,120**	**13,341**

		As at 31 March 2019	As at 31 March 2018
22	**Long-term provisions**		
	Provision for employee benefits		
	- Compensated Absences (Refer note 40(iii))	1,108	781
		1,108	**781**

Notes to the standalone financial statements for the year ended 31 March 2019

(All amounts are in Rupees lac, unless otherwise stated)

		For the year ended 31 March 2019	For the year ended 31 March 2018
23	**Income Tax**		
A	**Income Tax Expenses**		
i)	**Amounts recognised in profit or loss**		
	Current tax expense		
	Current year	78,950	65,300
	Adjustment for prior years	(1)	631
		78,949	**65,931**
	Deferred tax expense		
	Changes in recognised temporary differences	28,866	31,795
		28,866	**31,795**
	Total Tax Expense	**1,07,815**	**97,726**
ii)	**Deferred Tax related to items recognised in Other Comprehensive Income**		
	Remeasurements of defined benefit liability	80	(4)
		80	**(4)**

iii)	**Reconciliation of effective tax rate**	**For the year ended 31 March 2019**		**For the year ended 31 March 2018**	
		Rate	**Amount**	**Rate**	**Amount**
	Profit before tax from continuing operations	34.94%	3,23,358	34.61%	3,05,511
	Tax using the Company's domestic tax rate	-	1,12,994	-	1,05,731
	Tax effect of:				
	Non-deductible expenses	0.02%	63	0.02%	70
	Tax-exempt income	-1.62%	(5,242)	-2.61%	(7,960)
	Tax incentives				
	Impact on deferred tax due to increase in future tax rate	-	-	0.41%	1,259
	Changes in estimates related to prior years	-	-	-0.45%	(1,374)
	Total Tax Expenses	**33.34%**	**1,07,815**	**31.99%**	**97,726**

Notes to the standalone financial statements for the year ended 31 March 2019
(All amounts are in Rupees lac, unless otherwise stated)

B Deferred Tax Liabilities (Net)

Movement in deferred tax balances

	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	-	135,369
Derivatives	3,345	(3,345)	-	(0)
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 2017	Recognized in P&L	Recognized in OCI	As at 31 March 2018
Deferred Tax Assets				
Employee benefits	248	50	(4)	294
Loans and borrowings	5,433	(2,036)	-	3,397
Trade receivables	1,434	2	-	1,436
MAT Credit Entitlement / (Utilisation)	32,158	(7,398)	-	24,760
Sub- Total (a)	**39,273**	**(9,382)**	**(4)**	**29,887**
Deferred Tax Liabilities				
Property, plant and equipment	1,02,482	25,548	-	1,28,030
Derivatives	5,496	(2,151)	-	3,345
Current Investments	4,313	(984)	-	3,329
Sub- Total (b)	**1,12,291**	**22,413**	**-**	**1,34,704**
Net Deferred Tax Liability (b)-(a)	**73,018**	**31,795**	**4**	**1,04,817**

Notes to the standalone financial statements for the year ended 31 March 2019

(All amounts are in Rupees lac, unless otherwise stated)

		As at 31 March 2019	As at 31 March 2018
24	**Other Non-Current Liabilities**		
	Revenue received in advance*		
	- from related parties (See Note No 41)	77,251	91,233
	- from others	31,358	37,130
		1,08,609	**1,28,363**

* 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.

	Movement in Contracts liability		
	Balance at the beginning of the year	1,31,870	
	Revenue recognised during the year	12,387	
	Balance at the end of the year	**1,19,483**	
25	**Other current financial liability**		
	Current maturities of long-term debt		
	- from other parties	63,220	71,964
	Interest accrued but not due on borrowings	2,331	4,352
	Unpaid dividend	1,170	722
	Other payables for:		
	- Capital goods	1,679	5,967
	- Security deposits / Retention money	136	139
		68,536	**83,144**
26	**Other current liabilities**		
	Statutory dues	36,067	40,829
	Revenue received in advance		
	- related parties (Refer note No 41)	7,030	3,456
	- others	3,844	51
	Other payables	1,760	342
		48,701	**44,678**
27	**Short-term provisions**		
	Provision for employee benefits		
	- Gratuity (Refer note 40)	26	-
	- Compensated Absences (Refer note 40)	106	60
	- Incentives	1,543	1,150
		1,675	**1,210**

Notes to the standalone financial statements for the year ended 31 March 2019

(All amounts are in Rupees lac, unless otherwise stated)

		For the year ended 31 March 2019	For the year ended 31 March 2018
28	**Revenue from operations**		
	Sale of RLNG	36,61,981	29,04,804
	Regasification services	1,68,903	1,49,325
	Other operating revenues	8,659	5,733
		38,39,543	**30,59,862**
29	**Other Income**		
	Interest income from financial assets measured at amortised cost		
	- on bank deposits	14,350	872
	- on shareholders' loan	202	145
	Other Interest Income	1	700
	Dividend Income (on current investment - non trade)	450	-
	Gain on sale/fair value of Investments	18,370	22,610
	Foreign exchange fluctuations (net)	9,950	5,984
	Excess provision/ liability written back	5	33
	Miscellaneous income	1,701	1,396
		45,029	**31,740**
30	**Cost of materials consumed**		
	Opening Stock of LNG	21,955	34,639
	Add: Purchases	34,50,554	26,56,335
	Less: Closing Stock of LNG	30,814	21,955
		34,41,695	**26,69,019**
31	**Employee benefits expense**		
	Salaries and wages	10,616	7,797
	Contribution to provident and other funds	1,190	739
	Staff welfare expenses	781	584
		12,587	**9,120**
32	**Finance cost**		
	Interest on long term loans	9,167	15,616
	Interest on short term loans	-	12
	Other borrowing costs	725	671
		9,892	**16,299**

PETRONET LNG LIMITED

Notes to the standalone financial statements for the year ended 31 March 2019

(All amounts are in Rupees lac, unless otherwise stated)

		For the year ended 31 March 2019	For the year ended 31 March 2018
33	**Depreciation and amortisation expense**		
	Depreciation on tangible assets	40,986	40,756
	Amortisation on intangible assets	138	409
		41,124	**41,165**
34	**Other expenses**		
	Stores and spares consumed	2,237	2,250
	Power and fuel	21,466	18,220
	Repairs and maintenance:		
	- Buildings	376	929
	- Plant and machinery	1,094	1,228
	- Others	127	148
	Dredging expenses	3,705	4,050
	Rent	1,188	1,549
	Rates and taxes	1,618	1,764
	Insurance	1,128	1,148
	Travelling and conveyance	1,755	1,673
	Legal, professional and consultancy charges	2,214	2,362
	Fair value losses on derivatives not designated as hedges	9,573	6,308
	Directors' sitting fees	12	19
	Loss on sale/ write off of property, plant and equipment (net)	76	130
	Corporate social responsibility (Refer note 43)	721	823
	Others expenses	8,626	7,887
	Total	**55,916**	**50,488**
35	**Earning per share (EPS)**		
	Profit/ (loss) for the period	2,15,543	2,07,785
	Weighted average number of equity shares of Rs. 10/- each (In lac)*	15,000	15,000
	EPS - Basic and Diluted (Rs)	14.37	13.85

*Weighted average number of equity shares for all the periods disclosed above have been adjusted for the issue of bonus shares.

Notes to the standalone financial statements for the year ended 31 March 2019

(All amounts are in Rupees lac, unless otherwise stated)

36 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. 7,557 lac (as on 31 March 2018 Rs. 16,970 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. 4,05,184 lac (Rs. 3,25,820 lac as on 31 March 2018) to Ras Laffan Liquified Natural Gas Company Limited (2) and Rs. 72,007 lac (Rs 48,018 lac as on 31 March 2018) 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, 2019 is Rs. 5,439 lac (as on 31 March 2018 Rs. 4,576 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 2019. The potential liability from the effective date of amendment i.e. 1 April 2006 till 31 March 2019 on the CIF value would be Rs. 24,956 lac (Previous year till 31 March 2018 is Rs. 21,801 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 2019.

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 has preferred an appeal against the above order with CESTAT, and received a negative order and has now filed an WRIT Petition with Gujarat High Court, the outcome of which is pending as on 31 March 2019.

e. The company had received demand for Service Tax on vessel hire charges for the period 16 May 2008 to 30 September 2009 amounting 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 2019.

Notes to the standalone financial statements for the year ended 31 March 2019

(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 2019 is Rs. 830 lac (as on 31 March 2018 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 the matter is pending for hearing as on 31 March 2019.

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 2018 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 2019 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 2018 Rs. 18,362 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 had entered into a land lease agreement with Cochin Port Trust (CPT) for building and operating port and regasification facility at Kochi. CPT has raised demand for enhanced lease rent (referring order of Tariff Authority for Major Ports (TAMP) dated 10 June 2010). The CPT invoked arbitration and Arbitral Tribunal by order dated 24.8.2017 had ordered the Company to make payment of Rs. 2,596 lac for period upto 31.03.2014 as per TAMP 2010 order as applicable to Warehouse usage. Both parties have challenged the award which is pending in District Court Ernakulam as on 31 March 2019. Further, the Company had invoked the jurisdiction of the Ministry of Shipping U/s 54 of the Major Ports Trusts Act,1963 to modify or cancel the lease rental which has been rejected by Secretary Shipping, vide its order dated 19.1.2017 and 06.02.2018. The Company has filed writ petition against the same in the High Court of Kerala which is pending for adjudication as on 31 March 2019.

Further, CPT has raised demand for usage of dredged sand by the Company Rs. 2,000 lac (as on 31 March 2018 Rs. 2,000 lac). The CPT invoked arbitration and Arbitral Tribunal by order dated 24.8.2017 had rejected the demand. CPT has challenged the award which is pending in District Court Ernakulam as on 31 March 2019.

The potential liability, as at 31 March 2019 would be approximately Rs. 10,294 lac (as on 31 March 2018 Rs. 9,274 lac).

l. 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 2019.

m. There are some income tax related matters which are pending at various forum. The potential liability in these case, as on 31st March 2019 would be Rs. 1,559 lac (Rs. 1,208 lac as on 31 March 2018).

C. Contingent Assets

The Company has no contingent assets as at 31 March 2019.

Notes to the standalone financial statements for the year ended 31 March 2019

(All amounts are in Rupees lac, unless otherwise stated)

37 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.

Board of Directors reviews the operating results at plant level i.e. Kochi, and Dahej to make decisions about resources to be allocated to each segment and to assess its performance. Accordingly, management has identified Kochi and Dahej as two operating segments for the Company.

However, operating segments often exhibit similar long-term financial performance if they have similar economic characteristics. For example, similar long-term average gross margins for two operating segments would be expected if their economic characteristics were similar.

Management believes that Dahej and Kochi plants will have similar long term financial performance. Accordingly, considering the fact Dahej and Kochi plants are similar in all the characteristics and have similar economic characteristics, the two operating segments will fulfill the criteria of aggregation and hence not required to be reported separately.

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 non-current assets of the Company other than financial instruments, deferred tax assets, post-employment benefit assets are located in India.

C. Information about major customers (from external customers)

The Company derives revenues from the following customers which amount to 10 percent or more of an entity's revenues:

Customer	For the year ended 31 March 2019	For the year ended 31 March 2018
GAIL	19,79,058	15,18,754
IOCL	10,26,517	8,53,571
BPCL	5,02,468	4,70,978

(Space intentionally left blank)

38 Leases

Operating lease

The Company has non-cancellable operating lease agreements for vessels and tugs. Further, the company has cancellable operating lease agreement in respect of office premises and guesthouse..

Commitments for minimum lease payments in relation to the above lease arrangements are payable as follows:

	As at 31 March 2019	As at 31 March 2018
Within one year	48,422	48,841
Later than one year but not later than five years	1,98,836	1,87,823
Later than five years	3,30,953	3,61,005
	5,78,211	**5,97,669**

Operating lease expenses recognised in profit and loss account :

	For the year ended 31 March 2019	For the year ended 31 March 2018
Amount recognised in the profit and loss account under heads of cost of goods sold, rent expense and other expenses	51,058	46,516

39 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 2018) and the interest is Nil (Nil as on 31 March 2018) due thereon remaining unpaid to any supplier;

(b) the amount of interest is Nil (Nil as on 31 March 2018), 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 2018) (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 2018) at the end of each accounting year; and

(e) the amount of further interest remaining due and payable Nil (Nil as on 31 March 2018) 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.

40 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.

	For the year ended 31 March 2019	For the year ended 31 March 2018
Contribution to Govt. Provident Fund	473	283
Contribution to Superannuation Fund	591	354

Notes to the standalone financial statements for the year ended 31 March 2019

(All amounts are in Rupees lac, unless otherwise stated)

(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 2019. 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 2019	As at 31 March 2018
Net defined benefit liability		
Liability for Gratuity	26	-
Total employee benefit liabilities	**26**	**-**
Non-current	-	-
Current	26	-

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 2019			31 March 2018		
	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	695	(715)	(20)	612	(611)	1
Included in profit or loss						
Current service cost	110	-	110	77	-	77
Interest cost (income)	55	(56)	(1)	47	(38)	9
	165	(56)	109	124	(38)	86
Included in OCI						
Remeasurements loss (gain)						
– Actuarial loss (gain) arising from:						
- financial assumptions	21	-	21	(15)	-	(15)
- experience adjustment	202	7	209	14	(10)	4
	223	7	230	(1)	(10)	(11)
Other						
Contributions paid by the employer	-	(293)	(293)	-	(96)	(96)
Benefits paid	(46)	46	-	(40)	40	-
	(46)	(247)	(293)	(40)	(56)	(96)
Balance as at 31 March	**1,037**	**(1,011)**	**26**	**695**	**(715)**	**(20)**

Notes to the standalone financial statements for the year ended 31 March 2019

(All amounts are in Rupees lac, unless otherwise stated)

C. Plan assets

	31 March 2019	31 March 2018
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 2019	31 March 2018
Discount rate	7.69%	7.85%
Expected rate of future salary increase	5.50%	5.50%

b) Demographic assumptions	31 March 2019	31 March 2018
i) Retirement age (years)	60	60
ii) Mortality rates inclusive of provision for disability	100% of IALM (2006-08)	
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:	**Amount**
Within 1 Year	62
1-2 Year	18
2-3 Year	53
3-4 Year	25
4-5 Year	24
More than 5 Year	854

The company expects to contribute Rs. 121.83 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 2019		31 March 2018	
	Increase	Decrease	Increase	Decrease
Discount rate (0.5% movement)	(62)	68	(41)	45
Expected rate of future salary increase (0.5% movement)	69	(64)	46	(42)

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 2019, the Company has incurred an expense on compensated absences amounting to Rs. 507 lac (previous year Rs. 125 lac). The Company determines the expense for compensated absences basis the actuarial valuation of plan assets and the present value of the obligation, using the Projected Unit Credit Method.

Notes to the standalone financial statements for the year ended 31 March 2019

41 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)
Matrix Bharat Pte Limited (MBPL)

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 (Appointed w.e.f. 12th July, 2018)	Non Executive Chairman
Shri K. D. Tripathi (upto 29th June, 2018)	Non Executive Chairman
Shri Prabhat Singh	MD&CEO
Shri Rajender Singh	Director (Technical)
Shri V. K. Mishra (Appointed w.e.f. 18th April, 2018)	Director (Finance)
Shri R. K. Garg (upto 19th July, 2017)	Director (Finance)
Shri Subhash Kumar (Appointed w.e.f. 5th August, 2017 & upto 31st Jan., 2018)	Director (Finance)
Shri Sanjiv Singh (Appointed w.e.f. 3rd Nov., 2018)	Nominee Director - IOCL
Shri G. K. Satish (upto 2nd Nov., 2018)	Nominee Director - IOCL
Shri B.C. Tripathi (Appointed w.e.f. 3rd Nov., 2018)	Nominee Director - GAIL
Shri Subir Purkayastha (upto 2nd Nov., 2018)	Nominee Director - GAIL
Shri Shashi Shanker (appointed w.e.f. 17th October, 2017)	Nominee Director - ONGC
Shri D. K. Sarraf (upto 30th September, 2017)	Nominee Director - ONGC
Shri D. Rajkumar (upto 18th July, 2018)	Nominee Director - BPCL
Shri D. Rajkumar (Appointed w.e.f. 2nd Nov., 2018)	Nominee Director - BPCL
Dr. T. Natarajan	Nominee Director - GMB
Mr. Eric Ebelin (upto 12th June, 2017)	Nominee Director - GDFI
Dr. Jyoti Kiran Shukla	Independent Director
Shri Sidhartha Pradhan (Appointed w.e.f.16th May, 2018)	Independent Director
Dr. Siddhartha Shekhar Singh (Appointed w.e.f. 2nd Nov., 2018)	Independent Director
Shri Sunil Kumar Srivastava (Appointed w.e.f. 2nd Nov., 2018)	Independent Director
Shri Sushil Kumar Gupta (upto 14th Jan, 2018)	Independent Director
Shri Arun Kumar Misra (upto 13th Aug, 2017)	Independent Director

iv. Not for Profit Enterprise

Petronet LNG Foundation, a company limited by guarantee (PLF)

Notes to the standalone financial statements for the year ended 31 March 2019

(All amounts are in Rupees lac, unless otherwise stated)

B. Transactions with the above in the ordinary course of business

Nature of Transaction	Party Name	For the year ended 31 March 2019	For the year ended 31 March 2018
Sale of RLNG	GAIL	19,26,801	14,68,523
	IOCL	9,95,597	8,28,960
	BPCL	4,87,003	4,55,860
	OPAL	58,794	50,104
	ONGC	90,901	20,381
	MGL	2,787	-
	IGL	4,394	73
Regasification Services and Other Services	GAIL	52,258	50,231
	IOCL	30,920	24,611
	BPCL	15,465	15,118
	ONGC	6,769	1,793
	OPAL	1	8
Purchase of Vessel Fuel Oil	MBPL	-	122
Interest Income	ILT 4	34	28
Contribution to Foundation	PLF	700	200
Advance received /(adjusted) against long term regas agreement	GAIL	(3,400)	(3,524)
	IOCL	(1,777)	(2,223)
	BPCL	(1,774)	(1,874)
Sitting fees/Commission to the Directors (other than whole time directors)	GAIL on behalf of B.C. Tripathi / Subir Purkayastha	0.4	1.2
	IOCL on behalf of G.K. Satish/ Debasis Sen	1.4	1.8
	BPCL on behalf of D Rajkumar	-	0.8
	ONGC on behalf of D. K. Sarraf / Shashi Shanker	0.2	2.4
	GMB on behalf of T. Natarajan	0.2	0.4
	Arun Kumar Misra	-	5.4
	Siddharth Shekhar Singh	0.8	-
	Sidharth Pradhan	3.0	-
	Sunil Kumar Srivastava	1.2	-
	Jyoti Kiran Shukla	3.8	11.1
	Sushil Kumar Gupta	-	10.1
Dividend Received	APPPL	450	-
Recovery of expenses	GAIL	4	32
	IOCL	5	26
	BPCL	5	27
Reimbursement of expense to related party	GAIL	33	70
	BPCL	500	-
Payment of lease and related services	IOCL	588	559
	GAIL	2	16
	ILT 4	-	13,407
	Dahej SEZ	93	-
Provision for Doubtful Debts	GAIL	-	(33)

Notes to the standalone financial statements for the year ended 31 March 2019

(All amounts are in Rupees lac, unless otherwise stated)

Remuneration to Key Managerial Personnel		For the year ended	
		31 March 2019	31 March 2018
a) short-term employee benefits		237	207
b) post-employment benefits		26	20
c) other long-term benefits		2	40
d) termination benefits		-	-
	Total	265	267

Nature of Transaction	Party Name	As at 31 March 2019	As at 31 March 2018
Amount recoverable at year end	GAIL*	85,707	71,244
	IOCL	22,738	46,769
	BPCL	15,836	27,300
	OPAL	2,589	5,135
	ONGC	4,604	3,878
	IGL	962	-
	ILT4	533	469
Amount Payable at year end	Dahej SEZ	93	-
Advances Outstanding at year end	GAIL	42,492	45,892
	IOCL	25,583	27,361
	BPCL	16,206	17,980
	OPAL	-	3,456

* The amount recoverable is net of provision for doubtful debts of Rs 4,109 lac (Rs 4,109 lac as on 31 March 2018)
The transactions were made on normal commercial terms and conditions and at market rates.

42 Remuneration to Auditor (exclusive of Service Tax)

Particulars	For the year ended	
	31 March 2019	31 March 2018
Statutory Audit Fee (including limited review fees)	17	17
Tax audit and Audit U/s 80IA	7	7
Taxation Services	6	6
Fees for certification	7	7
Reimbursement of expenses	1	1
Total	**38**	**38**

43 Corporate Social Responsibility

a. Amount required to be spent by the Company on Corporate Social Responsibility (CSR) activities during the year was Rs. 4,410 lac (Previous year Rs. 3,030)

b. Corporate Social Responsibility (CSR) activities undertaken during the year is Rs. 721 lac (Rs. 711 lac paid in cash and Rs. 10 lac is yet to be paid) {Previous year Rs. 823 lac (Rs. 816 lac was paid in cash and Rs. 7 lac was unpaid)}

Notes to the standalone financial statements for the year ended 31 March 2019

(All amounts are in Rupees lac, unless otherwise stated)

44 Financial instruments – Fair values and risk management

I. Fair value measurements

A. Financial Instruments by Category

	As at 31 March 2019		As at 31 March 2018	
	FVTPL	**Amortised Cost**	**FVTPL**	**Amortised Cost**
Financial Assets				
Non-current investments	0.13	-	0.13	-
Loans	-	2,492	-	2,295
Other non-current financial assets	-	81,403	9,573	1,376
Current investments	82,489	-	3,95,784	
Trade receivables	-	1,38,245	-	1,60,078
Cash and cash equivalents	-	22,658	-	70,430
Bank balances other than above	-	2,73,370	-	15,822
Other current financial assets	-	17,365	-	5,078
	82,489	**5,35,533**	**4,05,357**	**2,55,079**
Financial Liabilities				
Borrowings	-	10,120	-	73,341
Trade payables	-	1,29,524	-	1,56,990
Other financial liabilities	-	68,536	-	83,144
	-	**2,08,180**	**-**	**3,13,475**

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.

<u>Financial assets and liabilities measured at fair value - recurring fair value measurements</u>

	As at 31 March 2019			
	Level 1	**Level 2**	**Level 3**	**Total**
Financial Assets				
Financial Investments at FVTPL				
Investments				
Equity Shares	-	-	0.13	0.13
Mutual funds	82,489	-	-	82,489
Total Financial Assets	**82,489**	**-**	**0.13**	**82,489**

Notes to the standalone financial statements for the year ended 31 March 2019

(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**

Financial assets and liabilities measured at fair value - recurring fair value measurements

	As at 31 March 2018			
	Level 1	**Level 2**	**Level 3**	**Total**
Financial Assets				
Financial Investments at FVPL				
Investments				
Equity Shares	-	-	0.13	0.13
Mutual funds	3,95,784	-	-	3,95,784
Cross currency interest rate swaps	-	9,573	-	9,573
Total Financial Assets	**3,95,784**	**9,573**	**0.13**	**4,05,357**

Assets and liabilities which are measured at amortised cost for which fair values are disclosed

	As at 31 March 2018			
	Level 1	**Level 2**	**Level 3**	**Total**
Financial Assets				
Loans	-	-	2,295	2,295
Other non-current financial assets	-	-	1,376	1,376
Trade receivables	-	-	1,60,078	1,60,078
Cash and cash equivalents	-	-	70,430	70,430
Bank balances other than above	-	-	15,822	15,822
Other current financial assets	-	-	5,078	5,078
Total Financial Assets	**-**	**-**	**2,55,079**	**2,55,079**
Financial Liabilities				
Borrowings	-	-	73,341	73,341
Trade payables	-	-	1,56,990	1,56,990
Other financial liabilities	-	-	83,144	83,144
Total Financial Liabilities	**-**	**-**	**3,13,475**	**3,13,475**

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 2019	31 March 2018
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 2019, 31 March 2018 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 2019		As at 31 March 2018	
	Carrying Amount	Fair Value	Carrying Amount	Fair Value
Financial assets				
Loans	2,492	2,492	2,295	2,295
Other non-current financial assets	81,403	81,403	1,376	1,376
Trade receivables	1,38,245	1,38,245	1,60,078	1,60,078
Cash and cash equivalents	22,658	22,658	70,430	70,430
Bank balances other than above	2,73,370	2,73,370	15,822	15,822
Other current financial assets	17,365	17,365	5,078	5,078
	5,35,533	**5,35,533**	**2,55,079**	**2,55,079**

Notes to the standalone financial statements for the year ended 31 March 2019

(All amounts are in Rupees lac, unless otherwise stated)

	As at 31 March 2019		As at 31 March 2018	
	Carrying Amount	**Fair Value**	**Carrying Amount**	**Fair Value**
Financial liabilities				
Borrowings	10,120	10,120	73,341	73,341
Trade payables	1,29,524	1,29,524	1,56,990	1,56,990
Other financial liabilities	68,536	68,536	83,144	83,144
	2,08,180	**2,08,180**	**3,13,475**	**3,13,475**

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.

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. However, management also considers the factors that may influence the credit risk of its customer base, including the default risk of the industry and country in which customers operate. Further details of concentration of revenue are included in Note 37(C).

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.

Notes to the standalone financial statements for the year ended 31 March 2019

(All amounts are in Rupees lac, unless otherwise stated)

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. 1,42,354 lac (31 March 2018 – Rs. 1,64,187 lac).

During the period, the Company has made no write-offs of 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 2019	31 March 2018
Opening balance	4,109	4,142
Changes in loss allowance calculated at life time expected credit losses	-	(33)
Closing Balance	**4,109**	**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:

	As at 31 March 2019	As at 31 March 2018
Floating rate		
Expiring within one year (bank overdraft and other facilities)		
- Fund/ Non fund based (secured)	1,96,305	2,56,480
- Fund/ Non fund based (unsecured)	1,49,770	2,80,816
Expiring beyond one year (bank loans)	-	-
Total	**3,46,075**	**5,37,296**

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 2018 - 1 year).

Notes to the standalone financial statements for the year ended 31 March 2019

(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 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 year
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**

	Carrying Amounts 31 March 2018	Contractual cash flows upto 6 months	6 months to 1 year	Between 1 and 2 years	Between 2 and 5 years	More than 5 year
Non-derivative financial liabilities						
Borrowings	73,341	-	-	63,221	10,120	-
Trade payables	1,56,990	1,56,990	-	-	-	-
Current maturities of long term debt- other parties	71,964	50,982	20,982	-	-	-
Interest accrued but not due on borrowings	4,352	2,031	2,321	-	-	-
Unpaid dividend	722	722	-	-	-	-
Other payables for:						
- Capital goods	5,967	5,967	-	-	-	-
- Security deposits / Retention money	139	88	15	16	20	-
Total non-derivative liabilities	**3,13,475**	**2,16,780**	**23,318**	**63,237**	**10,140**	-

The inflows/(outflows) disclosed in the above table represent the contractual undiscounted cash flows relating to derivative financial liabilities held for risk management purposes and which are not usually closed out before contractual maturity. The interest payments on variable interest rate loans and bond issues in the table above reflect market forward interest rates at the reporting date and these amounts may change as market interest rates change.

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. For foreign currency loans taken by Company, the company has entered into derivative transaction at the time of draw down itself to protect from exchange losses. Company does not take any exposure on account of currency in Foreign Currency Loans. 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 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**

As at 31 March 2018

	USD	**AUD**	**GBP**
Financial asset			
Loan	2,295	-	-
Cash and cash equivalents	4	-	-
Derivative asset			
Cross current interest rate swaps	9,573	-	-
Net exposure to foreign currency risk (assets)	**11,872**	**-**	**-**

Notes to the standalone financial statements for the year ended 31 March 2019

(All amounts are in Rupees lac, unless otherwise stated)

	USD	AUD	GBP
Borrowings	39,224	-	-
Trade payables	1,48,979	1	8
Other payables for Capital goods	2,142	-	-
Net exposure to foreign currency risk (liabilities)	**1,90,345**	**1**	**8**
Net statement of financial position exposure	**1,78,473**	**1**	**8**

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.

	Profit or loss, net of tax		**Equity, net of tax**	
	Strengthening	**Weakening**	**Strengthening**	**Weakening**
31 March 2019				
10% movement				
USD	7,760	(7,760)	7,760	(7,760)
EUR	7	(7)	7	(7)
SGD	1	(1)	1	(1)
GBP	0.3	(0.3)	0.3	(0.3)

	Profit or loss, net of tax		**Equity, net of tax**	
	Strengthening	**Weakening**	**Strengthening**	**Weakening**
31 March 2018				
10% movement				
USD	11,611	(11,611)	11,611	(11,611)
AUD	0.1	(0.1)	0.1	(0.1)
GBP	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 2019	**31 March 2018**
Fixed-rate instruments		
Financial liabilities		
- Fixed rate borrowing	60,000	1,29,204
	60,000	**1,29,204**
Variable-rate instruments		
Financial assets		
- Loan	2,492	2,295
Financial liabilities		
- Variable rate borrowing	13,340	16,100
	15,832	**18,395**

	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%

	31 March 2018		
	Average interest rate	**Balance**	**% of total loans**
Financial Asset : Loan	6.50%	2,295	100%
Financial Liability: IFC "A loan"	8.00%	16,100	11%

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.

Notes to the standalone financial statements for the year ended 31 March 2019
(All amounts are in Rupees lac, unless otherwise stated)

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 2019				
Variable-rate instruments	(87)	87	(87)	87
Cash flow sensitivity (net)	**(87)**	**87**	**(87)**	**87**
31 March 2018				
Variable-rate instruments	(105)	105	(105)	105
Cash flow sensitivity (net)	**(105)**	**105**	**(105)**	**105**

A change of 100 basis points in interest rates would have increased or decreased equity by Rs. 87 lac after tax (Previous year Rs. 105 lac). This analysis assumes that all other variables, in particular foreign currency exchange rates, remain constant.

45 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, 2019 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 (hereinafter referred to as the "Consolidated Financial Statements").

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 consolidated state of affairs of the group as at March 31, 2019, 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 operation 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 budgets and the strategy for the coming years and free net cash flows 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 calculation of value-in use (VIU) of Kochi plant 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 VIU were in consistent with Indian Accounting Standard. • Considered whether the forecasted cash flows in the impairment model were reasonable. • 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 value-in use 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 adoption of Ind AS 115 “Revenue from Contracts with Customers” The application of the new revenue accounting standard requires certain key judgements including relating to identification of distinct performance obligations, financing component in case of advances received from customers and transaction price.	We assessed the Company’s process to identify the impact of adoption of the new revenue accounting standard. We selected a sample of contracts, covering all nature of revenue recognized by the Company and performed the following procedures: • Considered the terms of the contracts to determine the transaction price and ascertain if there is any financing component 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.	**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 the following: • Assessing the processes and control over legal matters; • Reviewing the company’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 the 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 36B of the Consolidated Financial Statements are sufficient.

Other Information

The Parent Company’s Board of Directors is responsible for the other information. The other information comprises the Corporate Governance Report, but does not include the Consolidated Financial Statements and our auditor’s report thereon, which we obtained prior to the date of this audit report, and the information included in, Management Discussion and Analysis, Directors’ Report, and Business Responsibility Report and Other Information in Annual Report, which is expected to be made available to us after that date.

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 the Consolidated 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 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. 7,910 lac (including Other Comprehensive Income), for the year ended 31st March 2019, 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, 2019 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, 2019 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 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.

(h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, 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 36B to the Consolidated Ind AS Financial Statements).

b. The Group did not have any long-term contracts including derivative contracts as at March 31, 2019 for which there were any material foreseeable losses. (Refer Note 36B) to the Consolidated Ind AS 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.

For T R Chadha & Co LLP
Chartered Accountants
Firm Registration No.: 006711N/N500028

Hitesh Garg
Partner
Membership No: 502955

Place: New Delhi
Date: 15th May, 2019

"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 2019, 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 incorporated in 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 2019, 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

Place: New Delhi
Date: 15th May, 2019

Consolidated Balance Sheet as at 31 March 2019

(All amounts are in Rupees lac, unless otherwise stated)

	Notes	As at 31 March 2019	As at 31 March 2018
ASSETS			
Non-Current Assets			
Property, plant and equipment	3	7,66,403	8,02,723
Capital work-in-progress	4	34,821	22,027
Intangible assets	5	105	239
Investments in Joint Ventures	6	32,889	25,520
Financial assets			
(i) Investments	7	0.13	0.13
(ii) Loans	8	2,492	2,295
(iii) Other non-current financial assets	9	81,403	10,949
Current tax assets (net)	10	3,310	932
Other non-current assets	11	7,331	7,990
Total Non-Current Assets		**9,28,754**	**8,72,675**
Current Assets			
Inventories	12	56,944	49,110
Financial assets			
(i) Investment	13	82,489	3,95,784
(ii) Trade receivables	14	1,38,245	160,078
(iii) Cash and cash equivalents	15	22,658	70,430
(iv) Other bank balances	16	2,73,370	15,822
(v) Other current financial assets	17	17,365	5,078
Other current assets	18	5,109	5,476
Total Current Assets		**5,96,180**	**7,01,778**
Total Assets		**15,24,934**	**15,74,453**
EQUITY AND LIABILITIES			
Equity			
Equity share capital	19	1,50,000	1,50,000
Other equity	20	873,058	831,129
Total Equity		**10,23,058**	**9,81,129**

Consolidated Balance Sheet as at 31 March 2019

(All amounts are in Rupees lac, unless otherwise stated)

	Notes	As at 31 March 2019	As at 31 March 2018
Liabilities		-	
Non-Current Liabilities			
Financial liabilities			
(i) Borrowings	21	10,120	73,341
Long-term provisions	22	1,108	781
Deferred tax liabilities (net)	23(B)	1,33,603	1,04,817
Other non-current liabilities	24	1,08,609	1,28,363
Total Non-Current Liabilities		**2,53,440**	**3,07,302**
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		1,29,524	1,56,990
(ii) Other financial liabilities	25	68,536	83,144
Other current liabilities	26	48,701	44,678
Short-term provisions	27	1,675	1,210
Total Current Liabilities		**2,48,436**	**2,86,022**
Total Liabilities		**5,01,876**	**5,93,324**
Total Equity and Liabilities		**15,24,934**	**15,74,453**

Significant Accounting Policies	2
Other Notes on Accounts	36 - 47

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 : 15 May 2019

Sd/-
Rajan Kapur
Vice President-Company Secretary
Membership No - A10674

Consolidated Statement of Profit and Loss for the year ended 31 March 2019

(All amounts are in Rupees lac, unless otherwise stated)

	Notes	For the year ended 31 March 2019	For the year ended 31 March 2018
Revenue			
Revenue from operations	28	38,39,543	30,59,862
Other income	29	44,579	31,740
Total Income (A)		**38,84,122**	**30,91,602**
Expenses			
Cost of materials consumed	30	34,41,695	26,69,019
Employee benefits expense	31	12,587	9,120
Finance costs	32	9,892	16,299
Depreciation and amotization expense	33	41,124	41,165
Other expenses	34	55,916	50,488
Total Expenses (B)		**35,61,214**	**27,86,091**
Share of profit of equity-accounted investees, net of tax		7,963	3,259
Profit/ (Loss) before tax (C=(A)-(B))		**3,30,871**	**3,08,770**
Tax expense:			
Current tax (a)	23(A)	78,949	65,931
Deferred tax (b)	23(A)	28,866	31,795
Total tax expense (a+b)		**1,07,815**	**97,726**
Profit/ (loss) for the period (A)		**2,23,056**	**2,11,044**
Other Comprehensive Income			
Items that will not be reclassified to Profit or Loss			
Remeasurement of defined benefit plans		(230)	11
Income tax relateing to remeasurement of defined benefit plans	23(A)	80	(4)
Net Gains of FVTOCI Equity securities (net of tax)		(53)	45
Total Other Comprehensive income for the period (B)		**(203)**	**52**
Total Comprehensive Income for the period (A + B)		**2,22,853**	**2,11,096**
Earnings per equity share of Rs. 10/- each			
Basic (Rs.)		14.87	14.07
Diluted (Rs.)		14.87	14.07

Significant Accounting Policies 2
Other Notes on Accounts 36 - 47

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 : 15 May 2019

Sd/-
Rajan Kapur
Vice President-Company Secretary
Membership No - A10674

Consolidated Statement of Cash Flow for the year ended 31 March 2019

(All amounts are in Rupees lac, unless otherwise stated)

		For the year ended 31 March 2019	For the year ended 31 March 2018
A.	**Cash flow from operating activities**		
	Net Profit before tax	3,30,871	3,08,770
	Adjustment for:		
	Depreciation	41,124	41,165
	Loss on the sale of fixed asset	76	130
	Profit on sale /fair valuation of current Investment	(18,370)	(22,610)
	Interest Expense	9,892	16,299
	Foreign exchange gain/ loss on restatement of financial liabilities	(9,950)	(5,978)
	Fair value losses on derivatives not designated as hedges	9,573	6,308
	Share of Profit of JV's	(7,963)	(3,259)
	Interest Income	(14,552)	(1,017)
	Excess provision written back	(5)	(33)
	Operating profit before working capital changes	**3,40,696**	**3,39,775**
	Movements in working capital :-		
	(Increase) / Decrease in loans	(197)	(28)
	(Increase) / Decrease in inventories	(7,834)	4,942
	(Increase) / Decrease in trade receivables	21,833	(38,999)
	(Increase) / Decrease in other financial assets	(12,314)	(5,024)
	(Increase) / Decrease in Other assets	(240)	(3,051)
	Increase / (Decrease) in trade payables	(27,466)	62,530
	Increase / (Decrease) in other financial liabilities	(3,840)	989
	Increase / (Decrease) in provisions	561	402
	Increase / (Decrease) in other liabilities	(15,730)	7,704
	Cash Generated from/ (used in) operations	**2,95,469**	**3,69,240**
	Less: Income Tax Paid (net of refunds)	(81,327)	(69,677)
	Net Cash generated from /(used in) operating activities (A)	**2,14,142**	**2,99,563**
B.	**Cash flow from investing activities**		
	Net proceeds / (purchase) of property, plant and equipment and capital work in progress	(16,273)	(17,330)
	Net proceeds / (purchase) of intangible assets	(4)	(195)
	Net proceeds / (purchase) of equity accounted investees	450	-
	Net proceeds / (purchase) of investments	3,46,217	(95,083)
	Interest received	5	33
	Net movement in fixed deposits	(3,37,548)	(15,187)
	Net Cash Generated from / (Used in) Investing Activities (B)	**(7,153)**	**(1,27,762)**

Consolidated Statement of Cash Flow for the year ended 31 March 2019

(All amounts are in Rupees lac, unless otherwise stated)

		For the year ended 31 March 2019	For the year ended 31 March 2018
C.	<u>Cash Flow from Financing Activities</u>		
	Net proceeds/(Repayment) of Long Term Borrowings	(62,015)	(70,515)
	Interest Expense Paid	(11,913)	(17,821)
	Dividend paid	(1,80,833)	(45,134)
	Net Cash generated from / (used in) Financing Activities (C)	**(2,54,761)**	**(1,33,470)**
	Net Increase/(Decrease) in Cash and Cash Equivalents (A+B+C)	**(47,772)**	**38,331**
	Balance at the beginning of the year		
	Cash and cash equivalents at the beginning of the year	70,430	32,099
	Balance at the end of the year	**22,658**	**70,430**

Note: The above Statement has been prepared under indirect method setout in Ind AS 7 "Cash Flow Statement"

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 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 at 31st March 2019	**13,350**	**62,321**	**75,671**

Particulars	Long term Borrowings	Debentures	Total
Opening Balance as on 1st April 2017	**91,815**	**1,35,857**	**2,27,672**
Financing Cash Flows	(30,515)	(40,000)	(70,515)
Non Cash Changes			
Interest Accrued	17	(1,539)	(1,522)
Forex Reinstatement	(5,978)	-	(5,978)
Closing Balance as at 31st March 2018	**55,339**	**94,318**	**1,49,657**

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 : 15 May 2019

Sd/-
Rajan Kapur
Vice President-Company Secretary
Membership No - A10674

Consolidated Statement of Changes in Equity for the year ended 31st March 2019

(All amounts are in Rupees lac, unless otherwise stated)

(a) Equity share capital

	As at 31 March 2019		As at 31 March 2018	
	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	
	Capital Reserve	**Securities Premium Account**	**Debenture Redemption Reserve**	**General Reserve**	**Retained earnings**	**Remeasurement of defined benefit plans**	**Total**
Balance at 31 March 2017	**2,025**	**15,546**	**25,000**	**72,800**	**6,27,648**	**(183)**	**7,42,838**
Changes in accounting policy / prior period errors		-	-	-	-	-	-
Restated balance at the beginning of the reporting period		**15,546**	**25,000**	**72,800**	**6,27,648**	**(183)**	**7,42,838**
Profit for the year				-	2,11,044	-	2,11,044
Other comprehensive income for the year	-	-	-	-	-	52	52
Total comprehensive income for the year	**-**	**-**	**-**	**-**	**2,11,044**	**52**	**2,11,096**
Impact of Scheme of Arrangement (refer note 6 (A))					(646)		(646)
Issue of bonus share	-	(15,546)	-		(59,454)	-	(75,000)
Transfer to/(from) debenture redemption reserves	-	-	(5,500)	-	5,500	-	-
Dividend paid	-	-	-	-	(37,500)	-	(37,500)
Dividend distribution tax	-	-	-	-	(7,634)	-	(7,634)
Adjustment against purchase of interest in equity recognised in early years (refer note 6(B))	(2,025)	-	-	-	-	-	(2,025)
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
Ind AS							
Other comprehensive income for the year	-	-	-	-	-	(203)	(203)
Total comprehensive income for the year	**-**	**-**	**-**	**-**	**2,23,056**	**(203)**	**2,22,853**
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**

Notes to the Consolidated Financial Statements for the year ended 31 March 2019

(All amounts are in Rupees lac, unless otherwise stated)

Nature and purpose of other reserves

Securities premium account
Securities premium account is used to record the premium on issue of shares. The reserve is utilised in accordance with the provisions of the Companies Act, 2013.

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.

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

Sd/-
Hitesh Garg
Partner
Membership No - 502955

Place : New Delhi
Date : 15 May 2019

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-CompanySecretary
Membership No - A10674

Notes to the Consolidated Financial Statements for the year ended 31 March 2019

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 15 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 15 May' 2019.

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 perioddividends received or receivable from associates and joint ventures are recognised as a reduction in thecarrying amount of the investment.

The carrying amount of equity accounted investments are tested for impairment in accordance with the policy described in **note xv** 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.

Notes to the Consolidated Financial Statements for the year ended 31 March 2019

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 contains a lease and classification of leases into finance and operating lease
- 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 31 March 2019 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.

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).

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.

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.

Notes to the Consolidated Financial Statements for the year ended 31 March 2019

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 representscontractual 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.

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.

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.

(b) 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.

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 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:

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.

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.

Notes to the Consolidated Financial Statements for the year ended 31 March 2019

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 (FIFO) 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 the revenue is to be recognised. The Ind AS 115 replaces Ind AS 18 Revenue and Ind AS 11 Construction Contracts. The Company has adopted the Ind AS 115 using the cumulative effect method. The effect of initially applying this standard is recognised at the date of initial application (i.e. April 1, 2018). The standard is applied retrospectively only to the contracts that are not completed as at the date of initial application. The comparative information in the statement of profit and loss is not restated – i.e. the comparative information continues to be reported under the Ind AS 18 and Ind AS 11. Refer note 2 (x) – Significant accounting policies – Revenue recognition in the Annual report of the Company for the year ended March 31, 2018, for the revenue recognition policy as per the Ind AS 18 and Ind AS 11. 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.

Notes to the Consolidated Financial Statements for the year ended 31 March 2019

(c) Dividend income

Dividend income is recognised, when the right to receive the dividend is established.

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.

Notes to the Consolidated Financial Statements for the year ended 31 March 2019

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.

Notes to the Consolidated Financial Statements for the year ended 31 March 2019

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.

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 37 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.

Notes to the Consolidated Financial Statements for the year ended 31 March 2019

xx. Recent accounting pronouncements

Standards issued but not yet effective

Ministry of Corporate Affairs ("MCA") through Companies (Indian Accounting Standards) Amendment Rules, 2018has notified the following new Ind AS which the Company has not applied as it is effectivefor annual periods beginning on or after April 1, 2019:

Ind AS 116: Leases

Ind AS 116 will replace the existing leases standard, Ind AS 17 Leases. Ind AS 116 sets out the TheInd AS 116 will replace the existing leases standard, Ind AS 17 Leases. The Ind AS 116 sets out the principles for the recognition, measurement, presentation and disclosure of leases for both lessees and lessors. It introduces a uniform, on-balance sheet accounting model for lessees and lessors. A lessee recognises right-of-use of asset pertaining to its right to use the underlying asset and a lease liability representing its obligation to make lease payments. The standard also contains enhanced disclosure requirements for lessees. The Ind AS 116 substantially carries forward the lessor accounting requirements in the Ind AS 17.

The Company will adopt the Ind AS 116, effective annual reporting period beginning April 1, 2019. The Company will apply the standard to its leases using Modified retrospective approach, with the cumulative effect of initially applying the standard, recognised on the date of initial application. Accordingly, the Company will not restate comparative information, instead, the cumulative effect of initially applying this Standard will be recognised as an adjustment to the opening balance of retained earnings as on April 1, 2019. In accordance with the standard, the Company will elect not to apply the requirements of the Ind AS 116 to short-term leases and the leases for which the underlying asset is of low value.

With effect from April 01, 2019, the Company will recognise new assets and liabilities for its operating leases of chartered vessels and other assets. The nature of expenses related to those leases will change from lease rent in previous periods to:

a) amortization for the right-to-use respective asset, and

b) interest expense on lease liability.

Previously, the Company recognised operating lease expense on a straight-line basis over the term of the lease, and recognised assets and liabilities only to the extent, there was a timing difference between actual lease payments and the expense recognised.

The Company is in the process of evaluating the impact of the new standard.

Ind AS 21 – The Effect of Changes in Foreign Exchange Rates

The amendment clarifies on the accounting of transactions that include the receipt or payment of advance consideration in a foreign currency. The appendix explains that for determining the exchange rate, the date of the transaction is the date of initial recognition of the non-monetary prepayment asset or deferred income liability. If there are multiple payments or receipts in advance, a date of transaction is established for each payment or receipt. The Company is evaluating the impact of this amendment on its financial statements.

Notes to the Consolidated financial statements for the year ended 31 March 2019

(All amounts are in Rupees lac, unless otherwise stated)

3. Property, plant and equipment

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	38,580	(46)	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**	**40,984**	**(247)**	**1,48,829**	**7,66,403**	**8,02,723**

Particulars	Gross Block				Depreciation				Net Block	
	As at 31 March 2017	Additions	Deletions	As at 31 March 2018	As at 31 March 2017	Additions	Deletions	As at 31 March 2018	As at 31 March 2018	As at 31 March 2017
Tangible Assets										
Freehold Land	10,778	-	-	10,778	-	-	-	-	10,778	10,778
Leasehold Land	7,075	-	-	7,075	184	92	-	276	6,799	6,891
Buildings*	48,850	284	-	49,134	3,272	1,855	-	5,127	44,007	45,578
Plant & Equipments*	8,41,503	1,624	(1,099)	8,42,028	64,156	38,451	(339)	1,02,268	7,39,760	7,77,347
Office Equipments	1,031	388	(362)	1,057	358	254	(341)	271	786	673
Furniture & Fixtures	541	103	(135)	509	122	71	(110)	83	426	419
Speed Boat	38	-	-	38	10	5	-	15	23	28
Vehicles	186	49	(39)	196	49	28	(25)	52	144	137
Total	**9,10,188**	**2,497**	**(1,674)**	**9,11,011**	**68,200**	**40,785**	**(840)**	**1,08,144**	**8,02,868**	**8,41,988**

*** Note:**

* Plant & Equipment and Buildings includes Jetty & Trestle having gross value of Rs.1,01,721 (Dahej Phase 1 & additional Jetty) & Rs. 35,871 (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 2019

(All amounts are in Rupees lac, unless otherwise stated)

4. Capital Work-in-Progress

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**

Particulars	As at 31 March 2017	Additions	Deletions	As at 31 March 2018
Dahej Ph-III 15MMTPA	50		(50)	-
Dahej Ph-III 17.5 MMTPA	3,983	15,936		19,919
Others	822	1,286		2,108
Total	**4,855**	**17,222**	**(50)**	**22,027**

5. Intangible Assets

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**

Particulars	Gross Block				Depreciation				Net Block	
	As at 31 March 2017	Additions	Deletions	As at 31 March 2018	As at 31 March 2017	Additions	Deletions	As at 31 March 2018	As at 31 March 2018	As at 31 March 2017
Intangible Assets										
Licenses/Softwares	1,335	195	(366)	1,164	882	409	(366)	925	239	453
Total	**1,335**	**195**	**(366)**	**1,164**	**882**	**409**	**(366)**	**925**	**239**	**453**

Notes to the Consolidated Financial Statements for the year ended 31 March 2019

(All amounts are in Rupees lac, unless otherwise stated)

		As at 31 March 2019	As at 31 March 2018
6	**Investments in Joint Ventures**		
	Investment in equity instruments (fully paid-up) (Unquoted)		
	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.	21,618	16,702
	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)	11,271	8,818
		32,889	**25,520**
	Aggregate book value of quoted investments	NIL	NIL
	Aggregate book value of un-quoted investments	32,889	25,520

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. Pls specify the nature of risks associated with the said investment.

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 2019	**31 March 2018**
Percentage ownership interest	**26%**	**26%**
Non-current assets	1,07,175	1,12,867
Current assets (including cash and cash equivalents	16,818	32,209
Non-current liabilities	(24,369)	(59,508)
Current liabilities	(15,510)	(20,357)
Net assets (100%)	**84,114**	**65,211**
Company's share of net assets (26%)	21,870	16,954
Adjustment on account of deemed cost exemption taken by Company	(252)	(252)
Carrying amount of interest in joint venture *	**21,618**	**16,702**

Notes to the Consolidated Financial Statements for the year ended 31 March 2019

(All amounts are in Rupees lac, unless otherwise stated)

	For the year ended	
	31 March 2019	**31 March 2018**
Revenue	42,102	33,503
Depreciation and amortisation	6,860	(7,477)
Interest income	656	843
Interest expense	5,733	(6,750)
Income tax expense	(5,868)	(1,733)
Profit/ (loss) from continuing operations	21,190	7,228
Other comprehensive income	(202)	175
Total comprehensive income	20,988	7,403
Company's share of profit/ (loss) from continuing operations (26%)	**5,509**	**1,879**
Company's share of other comprehensive income (26%)	**(53)**	**45**
Company's share of total comprehensive income (26%)	**5,456**	**1,924**
Dividends received by the Company	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 2018	**31 Dec 2017**
Percentage ownership interest	**26%**	**26%**
Non-current assets	1,33,907	1,35,799
Current assets (including cash and cash equivalents	13,277	7,265
Non-current liabilities	(1,10,316)	(1,15,430)
Current liabilities	(6,986)	(7,186)
Net assets (100%)	**29,882**	**20,448**
Company's share of net assets (26%)	7,769	5,316
Goodwill	3,502	3,502
Carrying amount of interest in joint venture	**11,271**	**8,818**

	For the year ended	
	31 Dec 2018	**31 Dec 2017**
Revenue	18,823	17,819
Depreciation and amortisation	3,920	3,747
Interest income	-	-
Interest expense	7,074	6,968
Income tax expense	-	-
Profit/ (loss) from continuing operations	9,437	6,016
Other comprehensive income	-	-
Total comprehensive income	9,437	6,016
Company's share of profit/ (loss) from continuing operations (26%)*	**2,454**	**1,380**
Company's share of other comprehensive income (26%)	**-**	**-**
Company's share of total comprehensive income (26%)	**2,454**	**1,380**
Dividends received by the Company	**-**	**-**

* The Company has consolidated the financial results of ILT4 for the calender year ended 31 December 2018 (previous year: from the date of acquisition (13 February 2017) till 31 December 2017 on proportionate basis). ILT4 prepares its financials on calender year basis and its financials for the period 1 January 2019 to 31 March 2019 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 2019

(All amounts are in Rupees lac, unless otherwise stated)

		As at 31 March 2019	As at 31 March 2018
7	**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
8	**Loans**		
	Unsecured, considered good		
	Loan to related parties (Refer note 41)	533	469
	Loan to others	1,959	1,826
		2,492	**2,295**
9	**Other non-current financial assets**		
	Unsecured, considered good		
	Derivative assets		
	- Cross currency interest rate swaps	-	9,573
	Security deposits		
	- Government authorities	964	946
	- Others	202	200
	Employee advances	37	30
	Balances with banks in deposit accounts	80,200	200
		81,403	**10,949**
10	**Current tax assets (net)**		
	Advance tax (Net of provision for income tax of Rs. 2,64,445 [As at 31 March 2018 - Rs.1,85,497])	3,310	932
		3,310	**932**
11	**Other non-current assets**		
	Unsecured, considered good		
	Capital advances	418	1,684
	Taxes and Duties recoverable (Refer note 36B - d,g,h)	6,913	6,306
		7,331	**7,990**
12	**Inventories**		
	Raw materials*	30,814	21,955
	Raw materials in transit	18,612	19,049
	Stores and spares	7,471	7,779
	Stores and spares in transit	47	327
		56,944	**49,110**

(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 2019 by Rs 11,900 lac.*

Notes to the Consolidated Financial Statements for the year ended 31 March 2019

(All amounts are in Rupees lac, unless otherwise stated)

		As at 31 March 2019	As at 31 March 2018
13	**Current financial investments**		
	Investments carried at fair value through profit and loss account (Quoted)		
	Mutual funds	82,489	395,784
		82,489	**3,95,784**
	Aggregate book value of quoted investments	82,489	3,95,784
	Aggregate book value of un-quoted investments	NIL	NIL
14	**Trade receivables**		
	Unsecured and considered good		
	- from related parties	1,32,315	1,49,341
	- from others	5,930	10,737
	Unsecured and considered doubtful		
	- from related parties	4,109	4,109
	Less: Allowances for doubtful receivables	(4,109)	(4,109)
		1,38,245	**1,60,078**
	(Refer note 41B on related party)		
15	**Cash and cash equivalents**		
	Balance with banks:		
	- In current account	108	104
	- In term deposits	22,550	70,326
	Cash on hand	0.4	0.4
		22,658	**70,430**
16	**Other bank balances**		
	In term deposits (with maturity of more than 3 months but less than 12 months)	2,72,200	15,100
	In earmarked accounts		
	- Unclaimed dividend account	1,170	722
		2,73,370	**15,822**
17	**Other current financial assets**		
	Interest accrued on term deposits	9,828	106
	Unbilled Revenue	7,537	4,972
		17,365	**5,078**
	***Movement in contract assets during the year**		
	Balance at the beginning of the year	4,972	
	Revenue recognised during the year	8,954	
	Invoices raised during the year	6,389	
	Balance at the end of the year	**7,537**	
18	**Other current assets**		
	Advances to vendors	3,728	3,836
	Taxes and duties recoverable	339	75
	Prepaid expenses	1,012	847
	Purchase price adjustment of LNG	-	704
	Other Miscellaneous Advances	30	14
		5,109	**5,476**

Notes to the Consolidated Financial Statements for the year ended 31 March 2019

(All amounts are in Rupees lac, unless otherwise stated)

		As at 31 March 2019	As at 31 March 2018
19	**Share capital**		
	Authorised:		
	3,00,00,00,000 (31 March 2018- 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 2018 - 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 dividends 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 2018	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 2019	**1,50,00,00,088**	**1,50,000**

d. **Shareholders holding more than 5% shares in the company**

	As at 31 March 2019		As at 31 March 2018	
	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%

		As at 31 March 2019	As at 31 March 2018
20	**Other equity**		
a.	**Capital Reserve**		
	Balance at the beginning of the year	-	2,025
	Less : Utilisation against issue of bonus shares		(2,025)
	Balance at the end of the year	**-**	**-**
b.	**Securities premium account**		
	Balance at the beginning of the year	-	15,546
	Less : Utilisation against issue of bonus shares		(15,546)
	Balance at the end of the year	**-**	**-**

Notes to the Consolidated Financial Statements for the year ended 31 March 2019

(All amounts are in Rupees lac, unless otherwise stated)

c. **Debenture redemption reserve**		
Balance at the beginning of the year	19,500	25,000
Addition/(Deduction) during the year	(4,500)	(5,500)
Balance at the end of the year	**15,000**	**19,500**
d. **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**
e. **Retained earnings**		
Balance at the beginning of the year	7,38,959	6,27,649
Add: Profit for the year after taxation as per statement of Profit and Loss	2,23,056	2,11,044
Less: Issue of Bonus Shares	-	(59,454)
Less: Transfer to general reserves	-	-
Less: Transfer to/(from) debenture redemption reserves	4,500	5,500
Less: Dividend on equity shares	(1,50,000)	(37,500)
Less: Dividend distribution tax on equity shares	(30,924)	(7,634)
Less: Impact of scheme of arrangement	-	(646)
Balance at the end of the year	**7,85,591**	**7,38,959**
f. **Remeasurement of defined benefit plans**		
Balance at the beginning of the year	(130)	(182)
Addition during the year	(203)	52
Balance at the end of the year	**(333)**	**(130)**
Total Equity (a+b+c+d+e+f)	**8,73,058**	**8,31,129**

Dividend	**For the year ended 31 March 2019**	**For the year ended 31 March 2018**
Cash dividend on equity shares declared and paid :		
Final dividend for the year ended 31 March 2018 Rs. 4.5 per share (31 March 2017 Rs. 2.5 per share)	67,500	37,500
Dividend Distribution tax on final dividend	13,875	7,634
Interim dividend during the year ended 31 March 2019 Rs 5.5 per share (31 March 2018 Rs Nil per share)	82,500	-
Dividend Distribution tax on interim dividend	16,958	-
	1,80,833	**45,134**
Proposed Dividend on Equity Shares :		
Proposed dividend for the year ended 31 March 2019 Rs. 4.5 per share (31 March 2018: Rs. 4.5 per share)	67,500	67,500
Dividend Distribution tax on final dividend	13,875	13,875
	81,375	**81,375**

Proposed dividend on equity shares are subject to the approval at the annual general meeting and have not been recognised as liabilities (including DDT theron) as at 31st March.

Notes to the Consolidated Financial Statements for the year ended 31 March 2019

(All amounts are in Rupees lac, unless otherwise stated)

	As at 31 March 2019	As at 31 March 2018
21 Borrowings		
Non-convertible bonds *(Unsecured)*	-	64,318
Term loans *(Secured)*		
- From other parties	10,130	13,375
	10,130	77,693
Less: Interest accrued	(10)	(4,352)
	10,120	**73,341**

a. Non-Convertible Bonds Series I-2013 and Series II-2014 are unsecured, non convertible debenture, repayable at par starting from financial year 2017-18.

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
Series I - 2013	Bullet	2018	8.35%	-	31,997
Series II - 2014 (Option 2)	Bullet	2019	9.05%	62,321	62,321
				62,321	**94,318**
Less: Interest accrued but not due on borrowings				(2,321)	(4,318)
Less : Shown in current maturities of Long term debt				(60,000)	(30,000)
Balance shown as above				**-**	**60,000**

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	9.41%	13,350	16,115
IFC (Washington)	Half yearly	2019	4.35%	-	23,538
Proparco, France	Half yearly	2019	3.75%	-	15,686
				13,350	**55,339**
Less: Interest accrued but not due on borrowings				(10)	(34)
Less : Shown in current maturities of Long term debt				(3,220)	(41,964)
Balance shown as above				**10,120**	**13,341**

	As at 31 March 2019	As at 31 March 2018
22 Long-term provisions		
Provision for employee benefits		
- Compensated Absences (Refer note 40(iii))	1,108	781
	1,108	**781**

Notes to the Consolidated Financial Statements for the year ended 31 March 2019

(All amounts are in Rupees lac, unless otherwise stated)

		For the year ended 31 March 19	For the year ended 31 March 18
23	**Income Tax**		
A	**Income Tax Expenses**		
i)	**Amounts recognised in profit or loss**		
	Current tax expense		
	Current year	78,950	65,300
	Adjustment for prior years	(1)	631
		78,949	**65,931**
	Deferred tax expense		
	Changes in recognised temporary differences	28,866	31,795
		28,866	**31,795**
	Total Tax Expense	**1,07,815**	**97,726**
ii)	**Deferred Tax related to items recognised in Other Comprehensive Income**		
	Remeasurements of defined benefit liability	80	(4)
		80	**(4)**

iii) Reconciliation of effective tax rate	For the year ended 31 March 2019		For the year ended 31 March 2018	
	Rate	**Amount**	**Rate**	**Amount**
Profit before tax from continuing operations	34.94%	3,30,871	34.61%	3,05,511
Tax using the Company's domestic tax rate		1,15,620		1,05,731
Tax effect of:				
Non-deductible expenses	2.36%	(7,805)	0.02%	70
Tax-exempt income	0.00%		-2.61%	(7,960)
Tax incentives				
Impact on deferred tax due to increase in future tax rate	0.00%		0.41%	1,259
Changes in estimates related to prior years	0.00%		-0.45%	(1,374)
Total Tax Expenses	**37.30%**	**1,07,815**	**31.98%**	**97,726**

Notes to the Consolidated Financial Statements for the year ended 31 March 2019

(All amounts are in Rupees lac, unless otherwise stated)

B Deferred Tax Liabilities (Net)

Movement in deferred tax balances

	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 2017	Recognized in P&L	Recognized in OCI	As at 31 March 2018
Deferred Tax Assets				
Employee benefits	248	50	(4)	294
Loans and borrowings	5,433	(2,036)		3,397
Trade receivables	1,434	2		1,436
MAT Credit Entitlement/ (Utilisation)	32,158	(7,398)	-	24,760
Sub- Total (a)	**39,273**	**(9,382)**	**(4)**	**29,887**
Deferred Tax Liabilities				
Property, plant and equipment	1,02,482	25,548	-	1,28,030
Derivatives	5,496	(2,151)	-	3,345
Current Investments	4,313	(984)	-	3,329
Sub- Total (b)	**1,12,291**	**22,413**	**-**	**1,34,704**
Net Deferred Tax Liability (b)-(a)	**73,018**	**31,795**	**4**	**1,04,817**

Notes to the Consolidated Financial Statements for the year ended 31 March 2019

(All amounts are in Rupees lac, unless otherwise stated)

		As at 31 March 2019	As at 31 March 2018
24	**Other non-current liabilities**		
	Revenue received in advance*		
	- from related parties (See Note No 41)	77,251	91,233
	- from others	31,358	37,130
		1,08,609	**1,28,363**

* 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.

	Movement in Contracts liability		
	Balance at the beginning of the year	1,31,870	
	Revenue recognised during the year	12,387	
	Balance at the end of the year	1,19,483	
25	**Other current financial liability**		
	Current maturities of long-term debt		
	- from other parties	63,220	71,964
	Interest accrued but not due on borrowings	2,331	4,352
	Unpaid dividend	1,170	722
	Other payables for:		-
	- Capital goods	1,679	5,967
	- Security deposits / Retention money	136	139
		68,536	**83,144**
26	**Other Current Liabilities**		
	Statutory dues	36,067	40,829
	Revenue received in advance		-
	- related parties (Refer note No 41)	7,030	3,456
	- others	3,844	51
	Other payables	1,760	342
		48,701	**44,678**
27	**Short-term provisions**		
	Provision for employee benefits		
	- Gratuity (Refer note 40)	26	-
	- Compensated Absences (Refer note 40)	106	60
	- Incentives	1,543	1,150
		1,675	**1,210**

Notes to the Consolidated Financial Statements for the year ended 31 March 2019

(All amounts are in Rupees lac, unless otherwise stated)

		For the year ended 31 March 2019	For the year ended 31 March 2018
28	**Revenue from operations**		
	Sale of RLNG	36,61,981	29,04,804
	Regasification services	1,68,903	1,49,325
	Other operating revenues	8,659	5,733
		38,39,543	**30,59,862**
29	**Other Income**		
	Interest income from financial assets measured at amortised cost		
	- on bank deposits	14,350	872
	- on shareholders' loan	202	145
	Other Interest Income	1	700
	Gain on sale/fair value of Investments	18,370	22,610
	Foreign exchange fluctuations (net)	9,950	5,984
	Excess provision/ liability written back	5	33
	Miscellaneous income	1,701	1,396
		44,579	**31,740**
30	**Cost of materials consumed**		
	Opening Stock of LNG	21,955	34,639
	Add: Purchases	34,50,554	26,56,335
	Less: Closing Stock of LNG	30,814	21,955
		34,41,695	**26,69,019**
31	**Employee benefits expense**		
	Salaries and wages	10,616	7,797
	Contribution to provident and other funds	1,190	739
	Staff welfare expenses	781	584
		12,587	**9,120**
32	**Finance cost**		
	Interest on long term loans	9,167	15,616
	Interest on short term loans	-	12
	Other borrowing costs	725	671
		9,892	**16,299**

Notes to the Consolidated Financial Statements for the year ended 31 March 2019

(All amounts are in Rupees lac, unless otherwise stated)

		For the year ended 31 March 2019	For the year ended 31 March 2018
33	**Depreciation and amortisation expense**		
	Depreciation on tangible assets	40,986	40,756
	Amortisation on intangible assets	138	409
		41,124	**41,165**
34	**Other expenses**		
	Stores and spares consumed	2,237	2,250
	Power and fuel	21,466	18,220
	Repairs and maintenance:		
	- Buildings	376	929
	- Plant and machinery	1,094	1,228
	- Others	127	148
	Dredging expenses	3,705	4,050
	Rent	1,188	1,549
	Rates and taxes	1,618	1,764
	Insurance	1,128	1,148
	Travelling and conveyance	1,755	1,673
	Legal, professional and consultancy charges	2,214	2,362
	Fair value losses on derivatives not designated as hedges	9,573	6,308
	Directors' sitting fees	12	19
	Loss on sale/ write off of property, plant and equipment (net)	76	130
	Corporate social responsibility (Refer note 43)	721	823
	Others expenses	8,626	7,887
	Total	**55,916**	**50,488**
35	**Earning per share (EPS)**		
	Profit/ (loss) for the period	2,23,056	2,11,044
	Weighted average number of equity shares of Rs. 10/- each (In lac)*	15,000	15,000
	EPS - Basic and Diluted (Rs)	14.87	14.07

* Weighted average number of equity shares for all the periods disclosed above have been adjusted for the issue of bonus shares.

Notes to the Consolidated Financial Statements for the year ended 31 March 2019

(All amounts are in Rupees lac, unless otherwise stated)

36 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. 7,557 lac (as on 31 March 2018 Rs. 16,970 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. 4,05,184 lac (Rs. 3,25,820 lac as on 31 March 2018) to Ras Laffan Liquified Natural Gas Company Limited (2) and Rs. 72,007 lac (Rs 48,018 lac as on 31 March 2018) 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, 2019 is Rs. 5,439 lac (as on 31 March 2018 Rs. 4,576 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 2019. The potential liability from the effective date of amendment i.e. 1 April 2006 till 31 March 2019 on the CIF value would be Rs. 24,956 lac (Previous year till 31 March 2018 is Rs. 21,801 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 2019.

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 has preferred an appeal against the above order with CESTAT, and received a negative order and has now filed an WRIT Petition with Gujarat High Court, the outcome of which is pending as on 31 March 2019.

Notes to the Consolidated Financial Statements for the year ended 31 March 2019

(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 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 2019.

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 2019 is Rs. 830 lac (as on 31 March 2018 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 has 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 the matter is pending for hearing as on 31 March 2019.

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 2018 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 2019 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 2018 Rs. 18,362 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 had entered into a land lease agreement with Cochin Port Trust (CPT) for building and operating port and regasification facility at Kochi. CPT has raised demand for enhanced lease rent (referring order of Tariff Authority for Major Ports (TAMP) dated 10 June 2010). The CPT invoked arbitration and Arbitral Tribunal by order dated 24.8.2017 had ordered the Company to make payment of Rs. 2,596 lac for period upto 31.03.2014 as per TAMP 2010 order as applicable to Warehouse usage. Both parties have challenged the award which is pending in District Court Ernakulam as on 31 March 2019. Further, the Company had invoked the jurisdiction of the Ministry of Shipping U/s 54 of the Major Ports Trusts Act,1963 to modify or cancel the lease rental which has been rejected by Secretary Shipping, vide its order dated 19.1.2017 and 06.02.2018. The Company has filed writ petition against the same in the High Court of Kerala which is pending for adjudication as on 31 March 2019.

Further, CPT has raised demand for usage of dredged sand by the Company Rs. 2,000 lac (as on 31 March 2018 Rs. 2,000 lac). The CPT invoked arbitration and Arbitral Tribunal by order dated 24.8.2017 had rejected the demand. CPT has challenged the award which is pending in District Court Ernakulam as on 31 March 2019.

The potential liability, as at 31 March 2019 would be approximately Rs.10,294 lac (as on 31 March 2018 Rs. 9,274 lac).

l. 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 2019.

m. There are some income tax related matters which are pending at various forum. The potential liability in these case, as on 31st March 2019 would be Rs. 1,559 lac (Rs. 1,208 lac as on 31 March 2018).

C. Contingent Assets

The Company has no contingent assets as at 31 March 2019.

Notes to the Consolidated Financial Statements for the year ended 31 March 2019

(All amounts are in Rupees lac, unless otherwise stated)

37 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.

Board of Directors reviews the operating results at plant level i.e. Kochi, and Dahej to make decisions about resources to be allocated to each segment and to assess its performance. Accordingly, management has identified Kochi and Dahej as two operating segments for the Company.

However, operating segments often exhibit similar long-term financial performance if they have similar economic characteristics. For example, similar long-term average gross margins for two operating segments would be expected if their economic characteristics were similar.

Management believes that Dahej and Kochi plants will have similar long term financial performance. Accordingly, considering the fact Dahej and Kochi plants are similar in all the characteristics and have similar economic characteristics, the two operating segments will fulfill the criteria of aggregation and hence not required to be reported separately.

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 non-current assets of the Company other than financial instruments, deferred tax assets, post-employment benefit assets are located in India.

C. Information about major customers (from external customers)

The Company derives revenues from the following customers which amount to 10 percent or more of an entity's revenues:

Customer	For the year ended 31 March 2019	For the year ended 31 March 2018
GAIL	19,79,058	15,18,754
IOCL	10,26,517	8,53,571
BPCL	5,02,468	4,70,978

38 Leases

Operating lease

The Company has non-cancellable operating lease agreements for vessels and tugs. Further, the company has cancellable operating lease agreement in respect of office premises and guesthouse.

Commitments for minimum lease payments in relation to the above lease arrangements is as follows:

	31 March 2019	31 March 2018
Within one year	48,422	48,841
Later than one year but not later than five years	1,98,836	1,87,823
Later than five years	3,30,953	3,61,005
	5,78,211	**5,97,669**

Operating lease expenses recognised in profit and loss account:

Amount recognised in the profit and loss account under heads of cost of goods sold, rent expense and other expenses	51,058	46,516

Notes to the Consolidated Financial Statements for the year ended 31 March 2019

(All amounts are in Rupees lac, unless otherwise stated)

39 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 2018) and the interest is Nil (Nil as on 31 March 2018) due thereon remaining unpaid to any supplier;

(b) the amount of interest is Nil (Nil as on 31 March 2018), 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 2018) (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 2018) at the end of each accounting year; and

(e) the amount of further interest remaining due and payable Nil (Nil as on 31 March 2018) 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.

40 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.

	For the year ended	
	31 March 2019	**31 March 2018**
Contribution to Govt. Provident Fund	473	283
Contribution to Superannuation Fund	591	354

(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 2019. 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:

	31 March 2019	**31 March 2018**
Net defined benefit liability		
Liability for Gratuity	26	-
Total employee benefit liabilities	**26**	**-**
Non-current	-	-
Current	26	-

(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 2019			31 March 2018		
	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	695	(715)	(20)	612	(611)	1
Included in profit or loss						
Current service cost	110	-	110	77	-	77
Interest cost (income)	55	(56)	(1)	47	(38)	9
	165	(56)	109	124	(38)	86
Included in OCI						
Remeasurements loss (gain)						
– Actuarial loss (gain) arising from:						
- financial assumptions	21	-	21	(15)	-	(15)
- experience adjustment	202	7	209	14	(10)	4
	223	7	230	(1)	(10)	(11)
Other						
Contributions paid by the employer	-	(293)	(293)	-	(96)	(96)
Benefits paid	(46)	46	-	(40)	40	-
	(46)	(247)	(293)	(40)	(56)	(96)
Balance as at 31 March	**1,037**	**(1,011)**	**26**	**695**	**(715)**	**(20)**

C. Plan assets	**31 March 2019**	**31 March 2018**
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.

Notes to the Consolidated Financial Statements for the year ended 31 March 2019

(All amounts are in Rupees lac, unless otherwise stated)

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 2019	31 March 2018
Discount rate	7.69%	7.85%
Expected rate of future salary increase	5.50%	5.50%

b) Demographic assumptions

	31 March 2019	31 March 2018
i) Retirement age (years)	60	60
ii) Mortality rates inclusive of provision for disability	100% of IALM (2006-08)	
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	62
1-2 Year	18
2-3 Year	53
3-4 Year	25
4-5 Year	24
More than 5 Year	854

The company expects to contribute Rs. 121.83 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 2019		31 March 2018	
	Increase	Decrease	Increase	Decrease
Discount rate (0.5% movement)	(62)	68	(41)	45
Expected rate of future salary increase (0.5% movement)	69	(64)	46	(42)

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 2019, the Company has incurred an expense on compensated absences amounting to Rs. 507 lac (previous year Rs. 125 lac). The Company determines the expense for compensated absences basis the actuarial valuation of plan assets and the present value of the obligation, using the Projected Unit Credit Method.

Notes to the Consolidated Financial Statements for the year ended 31 March 2019

(All amounts are in Rupees lac, unless otherwise stated)

41 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 Ltd (DSL)
Matrix Bharat Pte Limited (MBPL)

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 (Appointed w.e.f. 12th July, 2018)	Non Executive Chairman
Shri K. D. Tripathi (upto 29th June, 2018)	Non Executive Chairman
Shri Prabhat Singh	MD&CEO
Shri Rajender Singh	Director (Technical)
Shri V. K. Mishra (Appointed w.e.f. 18th April, 2018)	Director (Finance)
Shri R. K. Garg (upto 19th July, 2017)	Director (Finance)
Shri Subhash Kumar (Appointed w.e.f. 5th August, 2017 & upto 31st Jan., 2018)	Director (Finance)
Shri Sanjiv Singh (Appointed w.e.f. 3rd Nov., 2018)	Nominee Director - IOCL
Shri G. K. Satish (upto 2nd Nov., 2018)	Nominee Director - IOCL
Shri B.C. Tripathi (Appointed w.e.f. 3rd Nov., 2018)	Nominee Director - GAIL
Shri Subir Purkayastha (upto 2nd Nov., 2018)	Nominee Director - GAIL
Shri Shashi Shanker (appointed w.e.f. 17th October, 2017)	Nominee Director - ONGC
Shri D. K. Sarraf (upto 30th September, 2017)	Nominee Director - ONGC
Shri D. Rajkumar (upto 18th July, 2018)	Nominee Director - BPCL
Shri D. Rajkumar (Appointed w.e.f. 2nd Nov., 2018)	Nominee Director - BPCL
Dr. T. Natarajan	Nominee Director - GMB
Mr. Eric Ebelin (upto 12th June, 2017)	Nominee Director - GDFI
Dr. Jyoti Kiran Shukla	Independent Director
Shri Sidhartha Pradhan (Appointed w.e.f.16th May, 2018)	Independent Director
Dr. Siddhartha Shekhar Singh (Appointed w.e.f. 2nd Nov., 2018)	Independent Director
Shri Sunil Kumar Srivastava (Appointed w.e.f. 2nd Nov., 2018)	Independent Director
Shri Sushil Kumar Gupta (upto 14th Jan, 2018)	Independent Director
Shri Arun Kumar Misra (upto 13th Aug, 2017)	Independent Director

iv. Not for Profit Enterprise

Petronet LNG Foundation, a company limited by guarantee (PLF)

Notes to the Consolidated Financial Statements for the year ended 31 March 2019

(All amounts are in Rupees lac, unless otherwise stated)

B. Transactions with the above in the ordinary course of business

Nature of Transaction	Party Name	For the year ended 31 March 2019	For the year ended 31 March 2018
Sale of RLNG	GAIL	19,26,801	14,68,523
	IOCL	9,95,597	8,28,960
	BPCL	4,87,003	4,55,860
	OPAL	58,794	50,104
	ONGC	90,901	20,381
	MGL	2,787	-
	IGL	4,394	73
Regasification Services and Other Services	GAIL	52,258	50,231
	IOCL	30,920	24,611
	BPCL	15,465	15,118
	ONGC	6,769	1,793
	OPAL	1	8
Purchase of Vessel Fuel Oil	MBPL	-	122
Interest Income	ILT 4	34	28
Contribution to Foundation	PLF	700	200
Advance received /(adjusted) against long term regas agreement	GAIL	(3,400)	(3,524)
	IOCL	(1,777)	(2,223)
	BPCL	(1,774)	(1,874)
Sitting fees/Commission to the Directors (other than whole time directors)	GAIL on behalf of B.C. Tripathi / Subir Purkayastha	0.4	1.2
	IOCL on behalf of G.K. Satish/ Debasis Sen	1.4	1.8
	BPCL on behalf of D Rajkumar	-	0.8
	ONGC on behalf of D. K. Sarraf / Shashi Shanker	0.2	2.4
	GMB on behalf of T. Natarajan	0.2	0.4
	Arun Kumar Misra	-	5.4
	Siddharth Shekhar Singh	0.8	-
	Sidharth Pradhan	3.0	-
	Sunil Kumar Srivastava	1.2	-
	Jyoti Kiran Shukla	3.8	11.1
	Sushil Kumar Gupta	-	10.1
Dividend Received	APPPL	450	-

Notes to the Consolidated Financial Statements for the year ended 31 March 2019

(All amounts are in Rupees lac, unless otherwise stated)

Nature of Transaction	Party Name	For the year ended	
		31 March 2019	31 March 2018
Recovery of expenses	GAIL	4	32
	IOCL	5	26
	BPCL	5	27
Reimbursement of expense to related party	GAIL	33	70
	BPCL	500	-
Payment of lease and related services	IOCL	588	559
	GAIL	2	16
	ILT 4	-	13,407
	Dahej SEZ	93	-
Provision for Doubtful Debts	GAIL	-	(33)
Remuneration to Key Managerial Personnel			
a) short-term employee benefits		237	207
b) post-employment benefits		26	20
c) other long-term benefits		2	40
d) termination benefits		-	-
Total		**265**	**267**

Nature of Transaction	Party Name	As at	
		31 March 2019	31 March 2018
Amount recoverable at year end	GAIL*	85,707	71,244
	IOCL	22,738	46,769
	BPCL	15,836	27,300
	OPAL	2,589	5,135
	ONGC	4,604	3,878
	IGL	962	-
	ILT4	533	469
Amount Payable at year end	Dahej SEZ	93	-
Advances Outstanding at year end	GAIL	42,492	45,892
	IOCL	25,583	27,361
	BPCL	16,206	17,980
	OPAL	-	3,456

* The amount recoverable is net of provision for doubtful debts of Rs 4,109 lac (Rs 4,109 lac as on 31 March 2018)
The transactions were made on normal commercial terms and conditions and at market rates.

42 Remuneration to Auditor (exclusive of GST / Service Tax)

Particulars	For the year ended	
	31 March 2019	31 March 2018
Statutory Audit Fee (including limited review fees)	17	17
Tax audit and Audit U/s 80IA	7	7
Taxation Services	6	6
Fees for certification	7	7
Reimbursement of expenses	1	1
Total	**38**	**38**

Notes to the Consolidated Financial Statements for the year ended 31 March 2019

(All amounts are in Rupees lac, unless otherwise stated)

43 Corporate Social Responsibility

a. Amount required to be spent by the Company on Corporate Social Responsibility (CSR) activities during the year was Rs. 4,410 lac (Previous year Rs. 3,030 lac)

b. Corporate Social Responsibility (CSR) activities undertaken during the year is Rs. 721 lac (Rs. 711 lac paid in cash and Rs. 10 lac is yet to be paid) {Previous year Rs. 823 lac (Rs. 816 lac was paid in cash and Rs. 7 lac was unpaid)}

44 Financial instruments – Fair values and risk management

I. Fair value measurements

A. Financial instruments by category

	As at 31 March 2019		As at 31 March 2018	
	FVTPL	**Amortised Cost**	**FVTPL**	**Amortised Cost**
Financial assets				
Non-current investments	0.13	-	0.13	-
Loans	-	2,492	-	2,295
Other non-current financial assets	-	81,403	9,573	1,376
Current investments	82,489	-	3,95,784	-
Trade receivables	-	1,38,245	-	1,60,078
Cash and cash equivalents	-	22,658	-	70,430
Bank balances other than above	-	2,73,370	-	15,822
Other current financial assets	-	17,365	-	5,078
	82,489	**5,35,533**	**4,05,357**	**2,55,079**
Financial liabilities				
Borrowings	-	10,120	-	73,341
Trade payables	-	1,29,524	-	1,56,990
Other financial liabilities	-	68,536	-	83,144
	-	**2,08,180**	**-**	**3,13,475**

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 2019

(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 2019			
	Level 1	**Level 2**	**Level 3**	**Total**
Financial assets				
Financial Investments at FVTPL				
Investments				
Equity Shares	-	-	0.13	0.13
Mutual funds	82,489	-	-	82,489
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**

Financial assets and liabilities measured at fair value - recurring fair value measurements

	As at 31 March 2018			
	Level 1	**Level 2**	**Level 3**	**Total**
Financial assets				
Financial Investments at FVPL				
Investments				
Equity Shares	-	-	0.13	0.13
Mutual funds	3,95,784	-	-	3,95,784
Cross currency interest rate swaps	-	9,573	-	9,573
Total financial assets	**3,95,784**	**9,573**	**0.13**	**4,05,357**

Notes to the Consolidated Financial Statements for the year ended 31 March 2019

(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 2018			
	Level 1	**Level 2**	**Level 3**	**Total**
Financial assets				
Loans	-	-	2,295	2,295
Other non-current financial assets	-	-	1,376	1,376
Trade receivables	-	-	1,60,078	1,60,078
Cash and cash equivalents	-	-	70,430	70,430
Bank balances other than above	-	-	15,822	15,822
Other current financial assets	-	-	5,078	5,078
Total financial assets	**-**	**-**	**2,55,079**	**2,55,079**
Financial liabilities				
Borrowings	-	-	73,341	73,341
Trade payables	-	-	1,56,990	1,56,990
Other financial liabilities	-	-	83,144	83,144
Total financial liabilities	**-**	**-**	**3,13,475**	**3,13,475**

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 instrument
- 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)

Notes to the Consolidated Financial Statements for the year ended 31 March 2019

(All amounts are in Rupees lac, unless otherwise stated)

	Unlisted equity shares 31 March 2019	31 March 2018
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 2019, 31 March 2018 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 2019		As at 31 March 2018	
	Carrying Amount	Fair Value	Carrying Amount	Fair Value
Financial assets				
Loans	2,492	2,492	2,295	2,295
Other non-current financial assets	81,403	81,403	1,376	1,376
Trade receivables	1,38,245	1,38,245	1,60,078	1,60,078
Cash and cash equivalents	22,658	22,658	70,430	70,430
Bank balances other than above	2,73,370	2,73,370	15,822	15,822
Other current financial assets	17,365	17,365	5,078	5,078
	5,35,533	**5,35,533**	**2,55,079**	**2,55,079**
Financial liabilities				
Borrowings	10,120	10,120	73,341	73,341
Trade payables	1,29,524	1,29,524	1,56,990	1,56,990
Other financial liabilities	68,536	68,536	83,144	83,144
	2,08,180	**2,08,180**	**3,13,475**	**3,13,475**

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.

Notes to the Consolidated Financial Statements for the year ended 31 March 2019

(All amounts are in Rupees lac, unless otherwise stated)

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.

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. However, management also considers the factors that may influence the credit risk of its customer base, including the default risk of the industry and country in which customers operate. Further details of concentration of revenue are included in Note 37(C).

"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. 1,42,354 lac (31 March 2018 – Rs. 1,64,187 lac).

During the period, the Company has made no write-offs of 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 2019	31 March 2018
Opening balance	4,109	4,142
Changes in loss allowance calculated at life time expected credit losses	-	(33)
Closing balance	**4,109**	**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 2019

(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 2019	As at 31 March 2018
Floating rate		
Expiring within one year (bank overdraft and other facilities)		
- Fund/ Non fund based (secured)	1,96,305	2,56,480
- Fund/ Non fund based (unsecured)	1,49,770	2,80,816
Expiring beyond one year (bank loans)	-	-
Total	**3,46,075**	**5,37,296**

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 2018 - 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 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 year
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**

	Carrying Amounts 31 March 2018	Contractual cash flows				
		upto 6 months	6 months to 1 year	Between 1 and 2 years	Between 2 and 5 years	More than 5 year
Non-derivative financial liabilities						
Borrowings	73,341	-	-	63,221	10,120	-
Trade payables	1,56,990	1,56,990	-	-	-	-
Current maturities of long term debt- other parties	71,964	50,982	20,982	-	-	-
Interest accrued but not due on borrowings	4,352	2,031	2,321	-	-	-
Unpaid dividend	722	722	-	-	-	-
Other payables for:						
- Capital goods	5,967	5,967	-	-	-	-
- Security deposits / Retention money	139	88	15	16	20	-
Total non-derivative liabilities	**3,13,475**	**2,16,780**	**23,318**	**63,237**	**10,140**	-

"The inflows/(outflows) disclosed in the above table represent the contractual undiscounted cash flows relating to derivative financial liabilities held for risk management purposes and which are not usually closed out before contractual maturity. The interest payments on variable interest rate loans and bond issues in the table above reflect market forward interest rates at the reporting date and these amounts may change as market interest rates change."

Notes to the Consolidated Financial Statements for the year ended 31 March 2019

(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. For foreign currency loans taken by Company, the company has entered into derivative transaction at the time of draw down itself to protect from exchange losses. Company does not take any exposure on account of currency in Foreign Currency Loans. 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 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**

As at 31 March 2018

	USD	**AUD**	**GBP**
Financial asset			
Loan	2,295	-	-
Cash and cash equivalents	4	-	-
Derivative asset			
Cross current interest rate swaps	9,573	-	-
Net exposure to foreign currency risk (assets)	**11,872**	**-**	**-**

Notes to the Consolidated Financial Statements for the year ended 31 March 2019

(All amounts are in Rupees lac, unless otherwise stated)

	USD	AUD	GBP
Borrowings	39,224	-	-
Trade payables	1,48,979	1	8
Other payables for Capital goods	2,142	-	-
Net exposure to foreign currency risk (liabilities)	**1,90,345**	**1**	**8**
Net statement of financial position exposure	**1,78,473**	**1**	**8**

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.

	Profit or loss, net of tax		**Equity, net of tax**	
	Strengthening	**Weakening**	**Strengthening**	**Weakening**
31 March 2019				
10% movement				
USD	7,760	(7,760)	7,760	(7,760)
EUR	7	(7)	7	(7)
SGD	1	(1)	1	(1)
GBP	0.3	(0.3)	0.3	(0.3)
31 March 2018				
10% movement				
USD	11,611	(11,611)	11,611	(11,611)
AUD	0.1	(0.1)	0.1	(0.1)
GBP	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 2019	**31 March 2018**
Fixed-rate instruments		
Financial liabilities		
- Fixed rate borrowing	60,000	1,29,204
	60,000	**1,29,204**

Notes to the Consolidated Financial Statements for the year ended 31 March 2019

(All amounts are in Rupees lac, unless otherwise stated)

	Nominal Amount	
	31 March 2019	**31 March 2018**
Variable-rate instruments		
Financial assets		
- Loan	2,492	2,295
Financial liabilities		
- Variable rate borrowing	13,340	16,100
	15,832	**18,395**

	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%

	31 March 2018		
	Average interest rate	**Balance**	**% of total loans**
Financial Asset : Loan	6.50%	2,295	100%
Financial Liability: IFC "A loan"	8.00%	16,100	11%

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 2019				
Variable-rate instruments	(87)	87	(87)	87
Cash flow sensitivity (net)	**(87)**	**87**	**(87)**	**87**
31 March 2018				
Variable-rate instruments	(105)	105	(105)	105
Cash flow sensitivity (net)	**(105)**	**105**	**(105)**	**105**

A change of 100 basis points in interest rates would have increased or decreased equity by Rs. 87 lac after tax (Previous year Rs. 105 lac). This analysis assumes that all other variables, in particular foreign currency exchange rates, remain constant.

45 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 2019

(All amounts are in Rupees lac, unless otherwise stated)

46. Additional information, as required under Schedule III of the Companies Act, 2013 of enterprises consolidated as joint ventures

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**

For the year ended 31 March 2018

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%	9,55,609	98%	2,07,785	13%	7	98%	2,07,792
Joint Venture (Investments as per equity method)								
Indian								
Adani Petronet (Dahej) Port Pvt. Ltd	2%	16,702	1%	1,879	87%	45	1%	1,924
Foreign								
India LNG Transport Co (No 4) Pvt. Ltd.	1%	8,818	1%	1,380	-	-	1%	1,380
Total	**100%**	**9,81,129**	**100%**	**2,11,044**	**100%**	**52**	**100%**	**2,11,096**

Notes to the Consolidated Financial Statements for the year ended 31 March 2019

(All amounts are in Rupees lac, unless otherwise stated)

47. 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-19	31-Dec-18
3	Shared of the Joint Venture 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*	21,618	11,271
7	Profit/loss for the year		
	i. Considered in Consolidation*	5,456	2,454
	ii. Not Considered in Consolidation	-	-

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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

Form No. MGT-11 Proxy form

[Pursuant to Section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies (Management and Administration) Rules, 2014]

Name of the member (s) :

Registered address :

E-mail Id :

Folio No :

DP ID/ Client Id* :

I/We, being the member (s) of the Company holding .... shares, hereby appoint,

1.	Name:	E-mail Id:
	Address:	Signature: ……………., or failing him/her
2.	Name:	E-mail Id: ……………………
	Address:	Signature: ……………., or failing him/her
3.	Name:	E-mail Id:
	Address: ……………………	Signature: ……………. or failing him/her

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 21st (Twenty First) Annual General Meeting of the Company, to be held on Tuesday, 27th August, 2019 at 10.30 a.m. at Siri Fort Auditorium, August Kranti Marg, Siri Institutional Area, New Delhi, 110049 and at any adjournment thereof in respect of such resolutions as are indicated below:

S. No.	**Resolution(s)**	****For**	****Against**
A.	**Ordinary Business**		
1.	To receive, consider and adopt the Audited Standalone as well as Audited Consolidated Financial Statements of the Company for the year ended 31st March, 2019 together with the Reports of Directors and Auditors thereon.		
2.	To consider declaration of final dividend on equity shares.		
3.	To appoint a Director in place of Dr. M.M. Kutty (DIN 01943083) who retires by rotation and being eligible offers himself for re-appointment as Director and Chairman of the Company.		
4.	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		
B.	**Special Business**		
5.	To appoint Shri D. Rajkumar (DIN 00872597) as Director of the Company		
6.	To appoint Shri B.C. Tripathi (DIN 01657366) as Director of the Company		

P.T.O.

7.	To appoint Shri Sanjiv Singh (DIN 05280701) as Director of the Company		
8.	To appoint Shri Sunil Kumar Srivastava (DIN 02809123) as an Independent Director of the Company		
9.	To appoint Dr. Siddhartha Shekhar Singh (DIN 06873925) as an Independent Director of the Company		
10.	To appoint Shri Arun Kumar (DIN 03570776) as an Independent Director of the Company		
11.	To ratify the remuneration of Cost Auditor from the Financial Year 2019-20 to Financial Year 2021-22		
12.#	To approve Related Party Transactions entered or to be entered by the Company during the Financial Years 2019-20 & 2020-21		
13#	To approve Related Party Transaction in relation to transfer of various commercial agreements for supply of goods or services along with rights and obligations in this regard which were entered with Bharat Petroleum Corporation Limited (BPCL) to Bharat Gas Resources Limited (BGRL) on arm's length basis and not in the ordinary course of business		
14	To approve amendment in Memorandum of Association (MoA) of the Company		
15	To approve amendment in Articles of Association (AoA) of the Company		

In term of provisions of Section 188 of Companies Act, 2013 and SEBI (LODR) Regulations, 2015, IOCL, BPCL, GAIL, ONGC, Adani Petronet Dahej Port Pvt. Ltd., Petronet LNG Foundation, India LNG Transport Co. (No. 4) Pvt. Ltd. Singapore and KMPs qualify as Related Party(s), hence they are not entitled to vote in respect of Resolution at Item No. 12 & Item No. 13.

Signed this.............. day of............... 2019

Signature of Shareholder :

Affix Revenue stamp

Signature of Proxy holder(s) :

1. 2. 3.

* Applicable for investors holding shares in electronic form.

Notes:

(1) This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company not less than 48 hours before the commencement of the Meeting.
(2) A Proxy need not be a member of the Company.
(3) For Resolutions, Explanatory Statements and Notes, please refer to the Notice of 21st Annual General Meeting.
(4) A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than 10% of the total share capital of the Company carrying voting rights. A member holding more than 10% of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.
**(5) This is only optional. Please put a 'X' in the appropriate column against the resolutions indicated in the Box. If you leave the 'For' or 'Against' column blank against any or all the resolutions, your Proxy will be entitled to vote in the manner as he/she thinks appropriate.
(6) Appointing a proxy does not prevent a member from attending the meeting in person if he so wishes.
(7) In the case of jointholders, the signature of any one holder will be sufficient, but names of all the jointholders should be stated.

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NEW DELHI

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Email: investors@petronetlng.com, CIN: L74899DL1998PLC093073

Attendance Slip

DP. Id* :

Client Id* :

Folio No.*(holding shares in physical mode)* :

Name and Address of the Member :

Name of the Joint Member, if any :

Number of Share(s) held :

I certify that I/we are member/proxy for the member of the Company.

I/we, hereby record my/our presence at the 21st (Twenty First) Annual General Meeting of the Company to be held on Tuesday, the 27th August, 2019 at 10.30 a.m. at Siri Fort Auditorium, August Kranti Marg, Siri Institutional Area, New Delhi-110049

………………………………...
Signature of First holder/Proxy/Authorised Representative

…………………………………………..
Signature of Joint holder(s)

Place:

Date:

* Applicable for Members holding shares in electronic mode

Notes:

1. Please fill and sign this attendance slip and hand it over at the Attendance Verification Counter at the venue of the Meeting.
2. Only members of the Company and/or their Proxy will be allowed to attend the Meeting.
3. NO GIFTS SHALL BE DISTRIBUTED IN THE ANNUAL GENERAL MEETING OR AFTERWARDS.

E-VOTING

Users who wish to opt for e-voting may use the following login credentials:

REVEN (REMOTE E-VOTING EVENT NO.)	USER ID	PASSWORD

Note:

Please follow steps for remote e-voting procedure on the back side. The same is also given in the Notice of 21st AGM and on the Company's website http://www.petronetlng.com. or by logging on to https://evoting.karvy.com.

E-Voting Instructions

1. The process and manner for remote e-voting is as under:

   A. In case a Member receives Notice of 21st AGM through email [for members whose email IDs are registered with the Company/Depository Participant(s)/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 Karvy 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 (az), 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 cutoff 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 savitajyoti@yahoo.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_ EVENT No."

      xii. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for members and e-voting User Manual available at the "download" section of https://evoting.karvy.com or call M/s Karvy Fintech Private Limited on 1800 345 4001 (toll free).

   B. In case a Member receives physical copy of the Notice of 21st AGM [for members whose email IDs are not Registered with the Company/Depository Participants(s)/RTA or requesting physical copy]:

      i. User ID and Initial password as provided.

      ii. Please follow all steps from Sl. No. (ii) to Sl. No. (xii) above, to cast vote.

2. The voting rights of members shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date i.e. Tuesday, 20th August, 2019.
3. Any person, who acquires shares of the Company and become member of the Company after dispatch of the Notice of 21st AGM and holding shares as of the cut-off date i.e. Tuesday, 20th August, 2019, may obtain the login ID and password by sending a request at raju.sv@karvy.com.
4. 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 only shall be entitled to avail the facility of remote e-voting as well as voting at the 21st AGM through ballot paper. A person who is not a member as on cut-off date should treat this Notice for information purposes only.
5. Ms. Savita Jyoti, Practicing Company Secretary (C. P. No. 1796 and M. No. 3738), 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.
6. The Chairman shall, at the 21st 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 ballot paper for all those members who are present at the 21st AGM but have not cast their votes by availing the remote e-voting facility.
7. The Scrutinizer shall after the conclusion of voting at the 21st AGM, will first count the votes cast at the meeting And there after unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make, not later than three days of the conclusion of the 21st AGM, a consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.
8. 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 M/s Karvy Fintech Pvt. Ltd. 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.
9. The Notice of the 21st AGM is also placed on the website of the Company at www.petronetlng.com and on the website of M/s Karvy Fintech Pvt. Ltd. at https://evoting.karvy.com.
10. Details of the person who can be contacted for any grievances connected with facility for voting by electronic means:-

    Shri S. V. Raju, DGM
    M/s Karvy Fintech Private Limited
    Karvy Selenium Tower-B, Plot No. 31&32
    Gachibowli, Financial District
    Nanakramguda, Serilingampally
    Hyderabad-500 032
    Toll Free No. 1800 345 4001
    Email: evoting@karvy.com

11. The Resolutions, if passed by the requisite majority, shall be deemed to have been passed on the date of the 21st Annual General Meeting i.e. Tuesday, 27th August, 2019.

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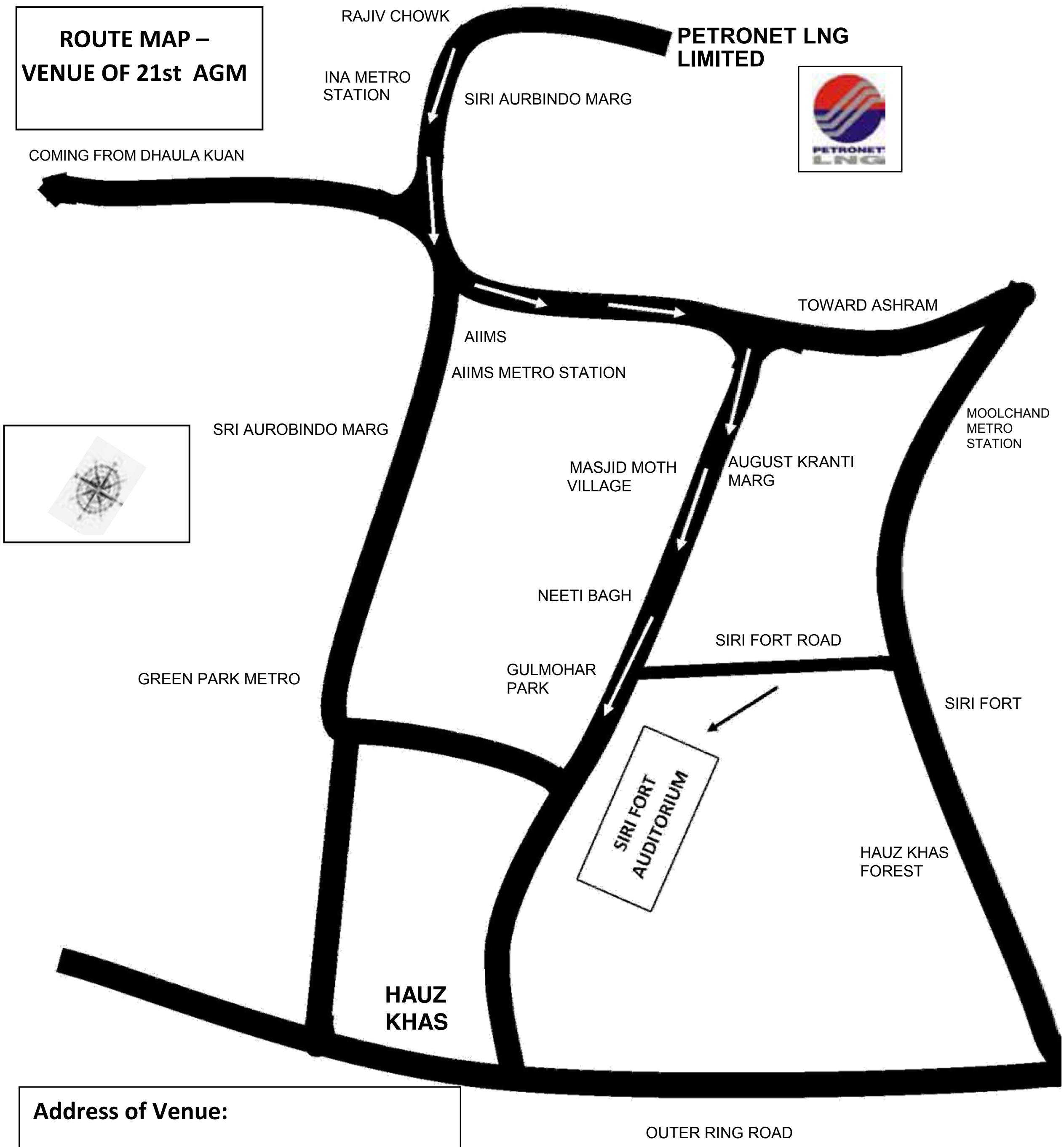
ROUTE MAP – VENUE OF 21st AGM



Address of Venue:

Siri Fort Auditorium,
August Kranti Marg,
Siri Institutional Area,
New Delhi - 110049

Nearest Metro Station:

Green Park

Nearest Landmark :
DDA Siri Fort Complex

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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 2018-19. Further, the Business Reply Envelop has also been sent along with the Annual Report. The Members are requested to send the duly filled and signed E-Communication Registration Form through Business Reply Envelop. Alternatively, Members may also register/update their email id with the concerned Depository Participant in this regard.

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. However, on request, physical copy of the communication will also be provided.

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

PETRONET LNG LIMITED

Registered Office
World Trade Centre, Babar Road, Barakhamba Lane, New Delhi - 110001, India
Tel: +91 - 11 - 2341 1411, 2347 2525, Fax: +91 - 11 - 2347 2550
CIN : L74899DL1998PLC093073

Annexure B

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

ADDENDUM

Pursuant to provisions of the Articles of Association of the Company and in terms of Section 149, 152 and 161 of the Companies Act, 2013 and Rules made thereunder, (including any statutory modification(s) or re- enactment thereof for the time being in force) and Regulation 17 and other applicable regulations of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time, Shri B.C. Tripathi (DIN 01657366) 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 3rd November, 2018. He was nominated by GAIL (India) Ltd. (GAIL) as their nominee Director on the Board of the Company. In terms of provisions of Companies Act, 2013, he has been proposed to be appointed as Director (Nominee Director of GAIL) of the Company in the 21st Annual General Meeting of the company scheduled to be held on 27th August, 2019 (Item no. 6 of the Notice of AGM).

However, a communication has been received vide letter dated 31st July, 2019 from M/s GAIL (India) Ltd. regarding resignation of Shri B. C. Tripathi from the Board of Petronet LNG Limited w.e.f. 01.08.2019 consequent to completion of his tenure as Chairman and Managing Director of GAIL (India) Ltd. on 31.07.2019.

In view of the above, we wish to inform to all the Members of the Company that the proposed Resolution vide Item No. 6 will not be considered for voting on Item No. 6 regarding **"To appoint Shri B.C. Tripathi (DIN 01657366) as Director of the Company".** The Members are requested not to vote either through remote e-voting or voting at AGM in respect of Item No. 6 as stated above.

This addendum has been issued for information of all the members of the company and may be treated as a part of the Notice of 21st AGM of the Company.

By Order of the Board
For Petronet LNG Limited

Place : New Delhi
Date : 1st August, 2019

(Rajan Kapur)
Vice President-Company Secretary