

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 14 th 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 14 th 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
	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 shall 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 19 th July, 2017)	9,89,792	-	-	6,78,082	16,67,874
5	Shri Subhash Kumar	Director (Finance), CFO and KMP (w.e.f 5 th August, 2017 to 31 st 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 13 th August, 2017)	3,14,384
3	Shri Sushil Kumar Gupta (upto 14 th 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 01 st April, 2018	Nil
Complaints received during the year	1985
Complaints redressed during the year	1985
Complaints pending as on 31 st 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	21 st September, 2016 at 10.00 AM	15 th September, 2017 at 10.00 AM	14 th 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. 31 st 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, 27 th 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	21 st August, 2019 to 27 th 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	26 th July, 2018
July - September, 2018	2 nd November, 2018
October - December, 2018	31 st January, 2019
Year Ended	
31 st March, 2019	15 th 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

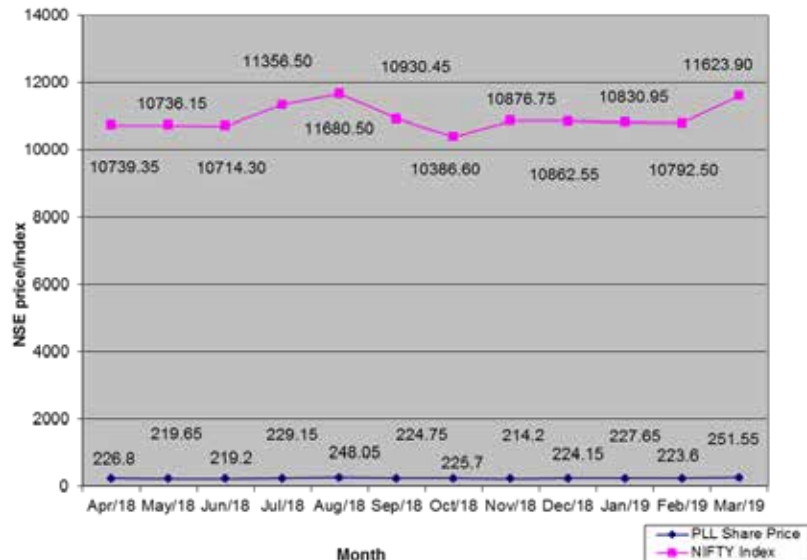
The listing fee for the financial year 2018-19 has been paid to the above Stock Exchanges.

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. 1 st 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. 31 st 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 or 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/PolicyonMaterialSubsidiary.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 (Puthuypeeem 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 violative 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
<p>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.</p> <p>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) .</p>	<p>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.</p> <p>The penalty as levied by Bombay Stock Exchange and National Stock Exchange have been paid within prescribed time limit.</p>
<p>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.</p>	<p>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.</p>
<p>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.</p>	<p>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.</p>