

REPORT ON CORPORATE GOVERNANCE FORMING PART OF DIRECTORS' REPORT

Company's Philosophy on Corporate Governance

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

Board of Directors

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

Size and Composition of Board of Directors

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

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

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

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

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

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

- 1 Directorship/Chairmanship in PLL is also included.
- 2 Membership of only Stakeholders' Relationship Committee and Audit Committee has been considered (including PLL).
- 3 Dr. M. M. Kuty ceased to be Director and Chairman of the Company w.e.f. 01.05.2020 due to his retirement as Secretary, Ministry of Petroleum and Natural Gas (MoP&NG), Government of India on attaining the age of superannuation. Shri Tarun Kapoor, Secretary, Ministry of Petroleum and Natural Gas (MoP&NG), Government of India has been appointed as Director and Chairman of the Company w.e.f. 11.05.2020.
- 4 Shri B.C. Tripathi ceased to be Nominee Director (from GAIL) w.e.f. 01.08.2019.
Dr. Ashutosh Karnatak was appointed as Nominee Director from GAIL w.e.f. 07.08.2019. Dr. Ashutosh Karnatak ceased to be Nominee Director (from GAIL) pursuant to provisions of Section 161 of the Companies Act, 2013 w.e.f. 28.08.2019.
Dr. Ashutosh Karnatak was again appointed as Nominee Director (from GAIL) w.e.f. 29.08.2019.
Dr. Ashutosh Karnatak has ceased to be Nominee Director (from GAIL) w.e.f. 06.05.2020, due to withdrawal of his nomination by GAIL.
Shri Manoj Jain was appointed as Nominee Director from GAIL w.e.f. 06.05.2020.
- 5 Dr. T. Natarajan ceased to be Nominee Director (from GMB/GoG) w.e.f. 22.08.2019.
Shri Sanjeev Kumar was appointed as Nominee Director from GMB/GoG w.e.f. 04.09.2019.
- 6 Shri Arun Kumar was appointed as Independent Director w.e.f. 09.04.2019 and his appointment was regularized at 21st Annual General Meeting held on 27th August, 2019.

Other Notes:

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

Board Meetings

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

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

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

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

year 2019-20 is given below:

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

Confirmation by the Board with respect to Independence of Independent Directors

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

Separate meetings of Independent Directors

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

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

Familiarisation Programmes for Independent Directors

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

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

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

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

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

Performance Evaluation of the Board

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

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

Succession for appointments to the Board and Senior Management

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

Compensation Policy

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

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

Compliance Report

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

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

Name and Designation of Compliance Officer

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

Committees of the Board Of Directors

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

The Board has established the following statutory Committees:-

Audit Committee

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

Composition

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

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

The Company Secretary acts as the Secretary to the Committee.

Scope of Audit Committee

The scope of Audit Committee is as follows:-

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

4. Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
5. Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the Board for approval, with particular reference to:
 - a. Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 3 of section 134 of the Companies Act, 2013
 - b. Changes, if any, in accounting policies and practices and reasons for the same
 - c. Major accounting entries involving estimates based on the exercise of judgment by management
 - d. Significant adjustments made in the financial statements arising out of audit findings
 - e. Compliance with listing and other legal requirements relating to financial statements
 - f. Disclosure of any related party transactions
 - g. Modified opinion(s) in the draft audit report
6. Reviewing, with the management, the quarterly financial statements before submission to the board for approval;
7. Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
8. Review and monitor the auditor's independence and performance, and effectiveness of audit process;
9. Approval or any subsequent modification of transactions of the company with related parties;
10. Scrutiny of inter-corporate loans and investments;
11. Valuation of undertakings or assets of the company, wherever it is necessary;
12. Monitoring the end use of funds raised through public offers and related matters.
13. Evaluation of internal financial controls and risk management systems;
14. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
15. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
16. Discussion with internal auditors of any significant findings and follow up there on;
17. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;
18. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
19. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
20. To review the functioning of the Whistle Blower mechanism/vigil mechanism as and when deemed necessary by the Audit Committee;
21. Approval of appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate;
22. The Audit Committee may call for the comments of the auditors about internal control systems, the scope of audit, including the observations of the auditors and review of financial statement before their submission to the Board and may also discuss any related issues with the internal and statutory auditors and the management of the company.
23. The auditors of a company and the key managerial personnel shall have a right to be heard in the meetings of the Audit Committee when it considers the auditor's report but shall not have the right to vote.
24. The Board's Report under sub-section (3) of Section 134 of Companies Act, 2013 shall disclose the composition of an Audit Committee and where the Board had not accepted any recommendation of Audit Committee, the same shall be disclosed in such report along with reasons therefore.
25. To make omnibus approval for related party transactions proposed to be entered into by the company.
26. To review the utilization of loans and/ or advances from/investment by the holding company in the subsidiary exceeding rupees 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments.
27. The Audit Committee 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).
7. Any other matter as decided by the Board of Directors of the Company or as specified under the provisions of Companies Act, 2013 and SEBI(LODR) Regulations, 2015 as amended from time to time.

Meeting and Attendance

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

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

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

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

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

Nomination and Remuneration Committee (NRC)

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

Composition

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

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

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

The Company Secretary acts as the Secretary to the Committee.

Scope of NRC

The scope of NRC is as follows:-

- 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.
- 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.
- The Nomination and Remuneration Committee shall recommend to the Board, all remuneration, in whatever form, payable to senior management.
- 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.
- Nomination and Remuneration Committee shall, while formulating the policy as mentioned above shall ensure that -
 - 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;
 - Relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
 - 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.
- 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.
- Devising a policy on diversity of Board of Directors.
- 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.
- Any other matter as decided by the Board of Directors of the Company or as specified under the provisions of Companies Act, 2013 and SEBI (LODR) Regulations, 2015 as amended from time to time.

Meeting and Attendance

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

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

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

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

Policy on Whole-time Directors' Appointment and Remuneration

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Stakeholders' Relationship Committee

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

Composition

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

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

Scope of Stakeholders' Relationship Committee

The scope of Stakeholders Relationship Committee is as follows:-

- 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.
- To review the measures taken for effective exercise of voting rights by shareholders.
- 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.
- 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.
- Any other matter as decided by the Board of Directors of the Company or as specified under the provisions of Companies Act, 2013 and SEBI (LODR) Regulations, 2015 as amended from time to time.

Meeting and Attendance

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

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

Investor Grievances

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

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

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

Risk Management Committee

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

Composition

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

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

The Company Secretary is the Secretary of the Committee.

Scope of Risk Management Committee

The scope of Risk Management Committee is as follows:-

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

Meeting and Attendance

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

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

Corporate Social Responsibility Committee

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

Composition

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

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

The Company Secretary is the Secretary of the Committee.

Scope of Corporate Social Responsibility Committee

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

- Formulate and recommend to Board, a Corporate Social Responsibility Policy (CSR Policy) which shall indicate the activities to be undertaken by the company in areas or subject, specified in Companies Act, 2013 read with rules and Schedule VII as amended from time to time.
- Approval of the amount of expenditure to be incurred on the activities referred in clause no.1 upto and equal to the value of single project Rs. 2 crore.
- Recommend the amount of expenditure to be incurred on the activities referred in clause no. 1 exceeding the value of single project Rs. 2 crore.
- Monitor the Corporate Social Responsibility Policy (CSR Policy) of the Company from time to time.
- Review of estimates and approvals of PLF.
- To ensure that the company spends, in every financial year, at least two per cent of the average net profits of the company made during the three immediately preceding financial years, in pursuance of its Corporate Social Responsibility Policy;
Provided that the Company shall give preference to the local area and areas around it where it operates, for spending the amount earmarked for Corporate Social Responsibility activities.
- The unspent amount on the CSR activities out of the budgeted amount required to be spent as per the statutory requirements shall be dealt as per the provisions of Companies Act, 2013 read with rules as amended from time to time.
- Any other matter as decided by the Board of Directors of the Company subject to the provisions as specified under the provisions of Companies Act, 2013 and SEBI (LODR) Regulations, 2015 as amended from time to time. The Corporate Social Responsibility Policy of the Company is available at the following weblink: https://www.petronetlng.com/PDF/CSR_Policy_27042015.pdf.

Meeting and Attendance

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

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

General Body Meetings

Annual General Meeting

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

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

Extra Ordinary General Meeting(s) (EGMs)

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

Code of Conduct for Board Members & Senior Management Personnel

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

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

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

(Prabhat Singh)
MD & CEO"

CEO/CFO Certification

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

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

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

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

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

Vigil Mechanism / Whistle Blower Policy

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

Policy for Determining Material Subsidiary

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

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

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

Means of Communication

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

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

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

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

Other Disclosures

• Related Party Transactions

The Company has a well-defined Related Party Transaction Policy duly approved by the Board of Directors of the Company. The details of all materially significant transactions with related parties are periodically placed before Audit Committee. In terms of provisions of Regulation 23 of SEBI LODR, Companies Act, 2013 and also the relevant Accounting Standards, the promoters/ subsidiary(s)/associate(s)/joint venture(s) of the Company and KMPs qualify as related party(s) of the Company. The Company enters into transaction of sale of RLNG and provides tolling capacity to its related parties at a price which is at an arm's length

basis as well as in ordinary course of business. Therefore, Related Party Transactions have no potential conflict of interest with the Company. The Company has also obtained omnibus approval from Audit Committee for Related Party Transactions and all the related party transaction are placed before the Audit Committee on quarterly basis for its information.

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

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

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

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

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

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

- **Certificate from Company Secretary in Practice**

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

- **Annual Secretarial Compliance Report**

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

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

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

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

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

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

- **Sexual Harassment of Women at Workplace**

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

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

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

General Shareholders Information

Annual General Meeting (AGM)

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

Financial Calendar

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

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

Dividend Payment Date

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

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

Listing on Stock Exchange(s)

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

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

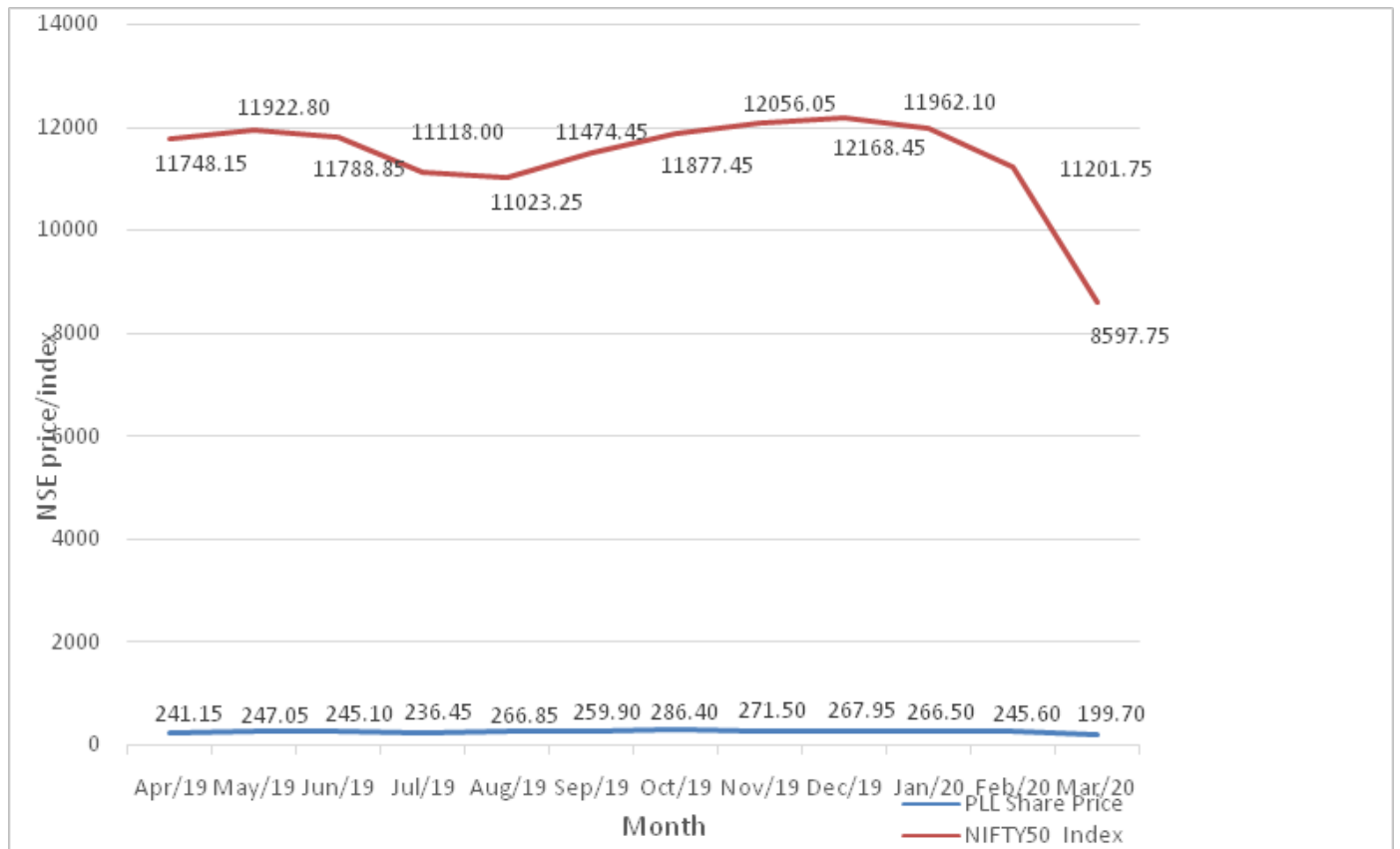
Market Price Data

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

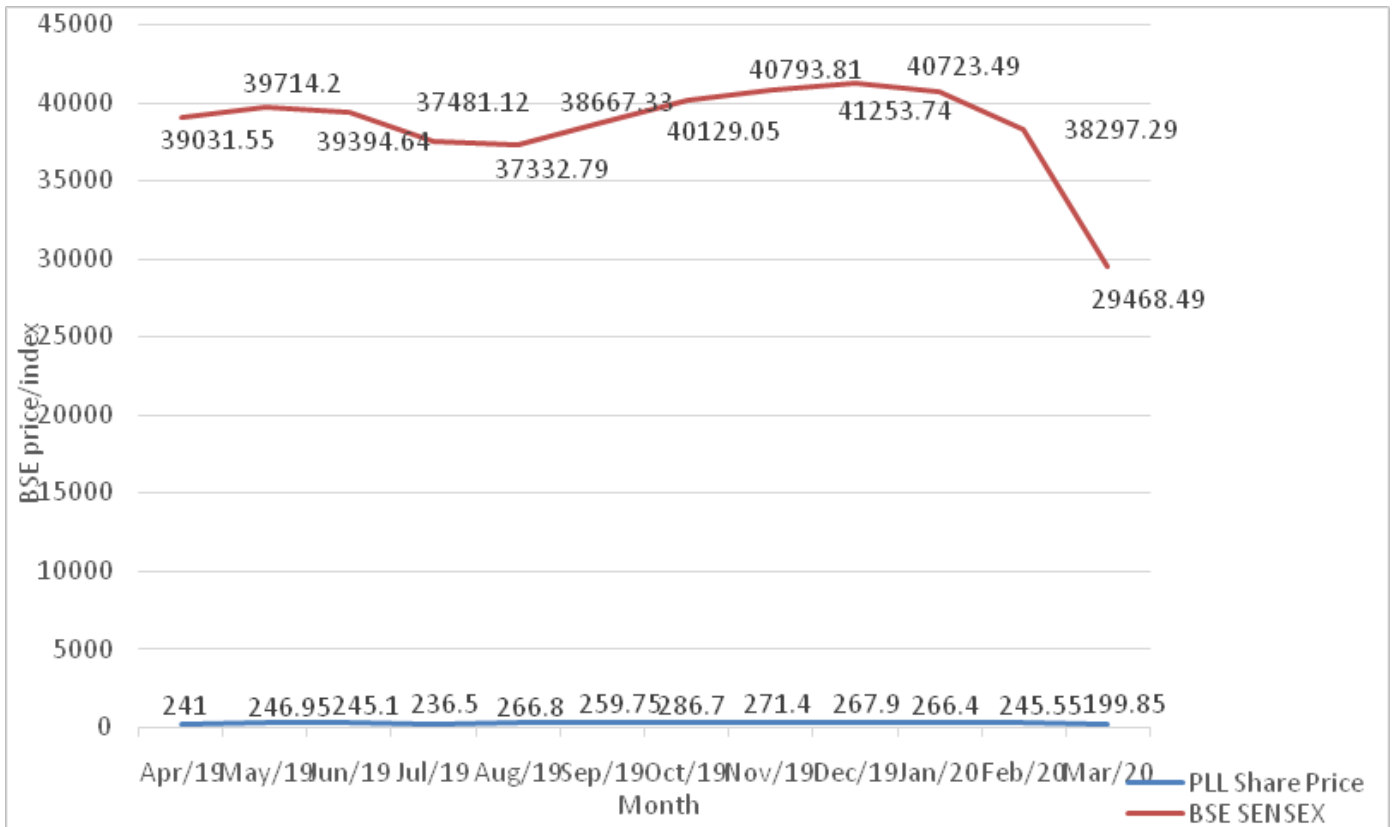
Month	BSE (in Rs.)				NSE (in Rs.)				INDEX	
	High	Low	Close	Volume Traded	High	Low	Close	Volume Traded	BSE	NSE
August, 2019	267.75	228.40	266.80	2580688	267.80	228.35	266.85	59998465	37332.79	11023.25
September, 2019	302.00	247.10	259.75	8178181	299.00	246.70	259.90	91207787	38667.33	11474.45
October,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

Performance in comparison to Indices

NSE NIFTY 50 and PLL Share Price



BSE SENSEX AND PLL SHARE PRICE



Registrar and Share Transfer Agent

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

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

Share Transfer Committee

Composition

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

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

The Company Secretary is the Secretary of the Committee.

Scope of Share Transfer Committee

1. To consider the share transfer application.
2. To approve and register the share transfer which meets the requirement of law (including Articles of association of the Company).
3. To refuse share transfer which do not meet the requirement of law including (article of association of the Company)
4. To consider application for share transmission and to approve or cause such application in accordance with this provision of article of association of the company and other applicable laws, if any.
5. To nominate any person /persons to authenticate share certificates on transfer/transmission to splitting/consolidation/duplicate new issue etc. on the share certificates.
6. To approve splitting and/or consolidation of share certificates and issue of new certificate in lieu thereof.
7. To approve issue of duplicate or new share certificates, as the case may be in lieu of defaced, lost 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 financial year 2019-20, three (3) meeting of the Share Transfer Committee was held. The details including attendance of members of the Committee are as follows:

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

Share Transfer System

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

Half-yearly compliance certificate as required under Regulation 7(3) of SEBI LODR was submitted to NSE & BSE. Further, pursuant to Regulation 40(10) of SEBI LODR, certificate from Practicing Company Secretary on half-yearly basis confirming that all certificates

had been issued within thirty days of the date of lodgement for sub-division, consolidation, renewal, exchange or endorsement of calls/ allotment monies had been submitted to NSE & BSE within stipulated time.

Credit Rating

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

Currently, the Company is having following issue ratings:

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

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

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

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

Transfer of amounts / securities to Investor Education and Protection Fund

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

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

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

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

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

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

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

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

Claim from IEPF Account

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

Nodal Officer for IEPF

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

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

Distribution Schedule as on 31st March, 2020

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

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

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

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

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

Dematerialization of Shares and Liquidity

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

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

Exchanges within stipulated time.

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

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

Detail of Unclaimed Shares as on 31st March, 2020

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

Number of Shares held by Directors

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

Commodity price risk or Foreign Exchange Risk and hedging activities

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

transactions.

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

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

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

Mandatory Requirements

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

Non-Mandatory Requirements

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

- i. **The Board & separate posts of Chairman and CEO:** As on date, the positions of the Chairman and the CEO are separate.
- ii. **Shareholders' rights:** The quarterly financial results of the Company are published in leading newspapers as mentioned under heading 'Means of Communication' and also hosted on the website of the Company. These results are not separately circulated.
- iii. **Audit qualifications:** Company's financial statement are unqualified.
- iv. **Reporting of Internal Auditor:** The Internal Auditor of the Company directly reports to the Audit Committee on functional matters.

Major Plant / Unit Location(s)

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

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

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

- a) We have reviewed annual standalone and consolidated financial statements for year 2019-20 and that to the best of our knowledge and belief;
 - (i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - (ii) these statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- b) There are to the best of our knowledge and belief, no transactions entered into by the company during year which are fraudulent, illegal or 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.

(V. K. Mishra)
Director (Finance) & CFO
(DIN : 08125144)

(Prabhat Singh)
Managing Director & CEO
(DIN : 03006541)

Auditors' Certificate on Compliance with the conditions of Corporate Governance**To the Shareholders of Petronet LNG Limited**

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

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

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

Date: 24th July, 2020

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

Observation of Auditor	Management's Reply
<p>During the year the composition of board of directors was less than the required number in terms of Regulation 17, w.r.t Independent Director(s) till April 8th, 2019.</p> <p>Due to this non-compliance, the Bombay Stock Exchange and National Stock Exchange have levied penalty of INR 7,90,000/- each totaling to INR 15,80,000/-</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>

Place : New Delhi

Date : 6th August, 2020