ANNUAL REPORT 2011-2012

Petronet LNG Limited

www.petronetlng.com

PETRONET LNG LIMITED

Board of Directors

Shri G. C. Chaturvedi	Chairman
Dr. A. K. Balyan	Managing Director & CEO
Shri C. S. Mani	Director (Technical)
Shri R. K. Garg	Director (Finance)
Shri B. C. Tripathi	Director
Shri R. K. Singh	Director
Shri Sudhir Vasudeva	Director
Shri A. M. K. Sinha	Director
Mr. Dominique PELLOUX-PRAYER	Director
Shri Tapan Ray	Director
Shri B. C. Bora	Director
Shri Ashok Sinha	Director

Contents — **Page No.**

Notice of AGM	2
Directors' Report	11
Corporate Governance Report	20
Sustainability Report	30
Auditor's Report	33
Balance Sheet	35
Statement of Profit and Loss	36
Cash Flow Statement	37
Significant Accounting Policies and Notes on Accounts	38

Company Secretary
Shri K. C. Sharma

Statutory Auditors
M/s V. Sankar Aiyar & Company

Cost Auditors
M/s Sanjay Gupta & Associates

Registrar & Share Transfer Agent
M/s Karvy Computershare Pvt. Ltd
Plot No. 17 to 24, Vittal Rao Nagar,
Madhapur, Hyderabad–500081
Tel. : 040-23312454 / 23320751 / 52
Fax : 040-23311968 / 23323049

Bankers and Financial Institutions
Allahabad Bank
Asian Development Bank
Axis Bank
Bank of Baroda
Bajaj Allianz Life Insurance Company Ltd.
BNP Paribas
Canara Bank
Citi Bank
Credit Agricole
Development Bank of Singapore
HDFC Bank
ICICI Bank Limited
Indian Overseas Bank
International Finance Corporation (Washington)
Jammu & Kashmir Bank
Oriental Bank of Commerce
Proparco
Society Generale
State Bank of Hyderabad
State Bank of India
State Bank of Patiala
State Bank of Travancore
Syndicate Bank
The Hongkong & Shanghai Banking Corporation Ltd.

Registered Office
World Trade Centre, 1st Floor, Babar Road,
Barakhamba Lane, New Delhi 110 001
Tel. : 011-23411411 & 23472525
Fax : 011-23472550
Website: www.petronetlng.com

Dahej LNG Terminal
GIDC Industrial Estate, Plot No.7/A, Dahej,
Talukavagra, Distt. Bharuch-Gujarat - 392130
Tel. : 02641- 257004 to 257007 & 253182
Fax : 02641- 253179 & 300310

Kochi LNG Project Site
Survey No. 347,
Puthuvypu (Puthuypeen SEZ)
P.O. 682508, Kochi
Tel. : 0484-2502259
Fax : 0484-2502264

PETRONET LNG LIMITED

Registered Office: World Trade Centre, First Floor, Babar Road,
Barakhamba Lane, New Delhi -110 001

NOTICE OF 14TH ANNUAL GENERAL MEETING – 2012

NOTICE is hereby given that the 14th (Fourteenth) Annual General Meeting of the Members of Petronet LNG Limited (PLL) will be held on Wednesday, the 4th day of July, 2012 at 10:00 A.M. at Air Force Auditorium, Subroto Park, Dhaula Kuan, New Delhi-110 010 to transact the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Balance Sheet as on 31st March, 2012, Statement of Profit and Loss for the year ended 31st March, 2012, together with Report of Directors and Statutory Auditors thereon.

2. To declare a dividend for the financial year ended 31st March, 2012.

3. To appoint Directors in place of those retiring by rotation.

4. To appoint Statutory Auditors, fix their remuneration and in connection therewith, to pass with or without modification(s) the following resolution as **Special Resolution:**

   "**RESOLVED THAT** pursuant to the provisions of Section 224A and other applicable provisions, if any, of the Companies Act, 1956, M/s T. R. Chadha & Co., Chartered Accountants (Regn. No. 006711N), New Delhi, be and are hereby appointed as Statutory Auditors of the Company to hold office from the conclusion of the Fourteenth Annual General Meeting till the conclusion of the next Annual General Meeting at a remuneration of Rs. 8 Lacs plus out of pocket expenses and applicable service tax."

SPECIAL BUSINESS

To consider and if thought fit, to pass with or without modification(s) the following resolution(s) as Ordinary Resolution(s)

5. **"RESOLVED THAT** pursuant to Article 111 of Articles of Association of the Company and the provisions of Section 198, 269, 309 and the provisions of Schedule XIII and all other applicable provisions of the Companies Act, 1956 and subject to approval of the Central Government, if required and such alterations / modifications, if any, that may be affected by the above mentioned body in that behalf, approval of the Members be and is hereby accorded to the appointment of Shri R. K. Garg as Director (Finance) for a period of five years w.e.f. 20th July, 2011 on the terms and conditions as stated in Explanatory Statement, with liberty to the Board of Directors to alter and vary the terms and conditions of appointment and/or remuneration, subject to the same not exceeding the limits specified under Schedule XIII of the Companies Act, 1956 or any statutory modification(s) or re-enactment thereof."

6. "**RESOLVED THAT** Shri Sudhir Vasudeva, Nominee Director of Oil and Natural Gas Corporation Ltd. (ONGC), who has been appointed as an Additional Director of the Company by Board of Directors under Section 260 of the Companies Act, 1956 and who holds office up to the date of this Annual General Meeting and in respect of whom the Company has received a notice in writing proposing his candidature for the office of Director under Section 257 of the Companies Act, 1956, be and is hereby appointed as Director of the Company liable to retire by rotation."

7. "**RESOLVED THAT** pursuant to a notice received in writing from Shri B. S. Iyer, a Member of the Company, signifying his candidature for the office of Director under Section 257 of the Companies Act, 1956, be and is hereby appointed as a Director of the Company, liable to retire by rotation".

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

8. **"RESOLVED THAT** in accordance with the provisions in the Memorandum and Articles of Association of the Company and the applicable provisions of the Companies Act, 1956 (hereinafter referred to as the "Act") and subject to compliance, if required, with the provisions of the Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999,(hereinafter referred to as the

"SEBI ESOP Guidelines") including any statutory modification(s) or re-enactment of the Act or SEBI ESOP Guidelines, for the time being in force, and all other regulations / guidelines prescribed by any other relevant Authority, from time to time to the extent applicable, and subject to such other approvals, permissions or sanctions as may be necessary including conditions and modifications as may be prescribed or imposed while granting such approvals, permissions and sanctions which may be agreed to by the Board of Directors of the Company (hereinafter referred to as 'the Board' which term shall be deemed to include any Committee(s) which the Board may constitute to exercise its powers, including the powers conferred by this resolution), consent of the Members be and is hereby accorded to the Board for the introduction and implementation of the Employee Stock Option Plan 2011 (hereinafter referred to as "ESOP - 2011" or "Prerna") to create, offer and grant such number of Stock Options to the permanent employees, existing and future, including any Director of the Company, whether Whole-time or otherwise, from time to time, as may be decided solely by the Board exercisable into not more than 75 lakhs Equity Shares in the Company in aggregate fully paid-up of face value of Rs. 10 each, which shall be acquired from the secondary market through an ESOP Trust set-up by the Company, at such price or prices, in one or more tranches and on such terms and conditions, as may be determined by the Board in accordance with the provisions of the ESOP - 2011 and the applicable laws and regulations.

RESOLVED FURTHER THAT pursuant to the provisions of Act, consent of the Members be and is hereby accorded to sanction an interest free loan up to Rupees One Hundred Twenty Crores to the ESOP Trust, in one or more tranches to facilitate purchase and acquisition of Equity Shares in the Company for the purpose of effective implementation and administration of the ESOP - 2011, being repayable to and recoverable by the Company from time to time during the term of the ESOP – 2011.

RESOLVED FURTHER THAT the Board be and is hereby authorized at any time to modify, change, vary, alter, amend, suspend or terminate the ESOP – 2011 subject to the compliance with the applicable laws and regulations and to do all such acts, deeds, matters and things as may in its absolute discretion deem fit, for such purpose and also to settle any issues, questions, difficulties or doubts that may arise in this regard without being required to seek any further consent or approval of the Members and further to execute all such documents, writings and to give such directions and or instructions as may be necessary or expedient to give effect to such modification, change, variation, alteration, amendment, suspension or termination of the ESOP -2011 and do all other things incidental and ancillary thereof.

RESOLVED FURTHER THAT the Company shall conform to the accounting policies prescribed from time to time under the SEBI ESOP Guidelines and any other applicable laws and regulations to the extent relevant and applicable to the ESOP – 2011.

RESOLVED FURTHER THAT the Board, be and is hereby authorized to do all such acts, deeds, and things, as may, in its absolute discretion, deem necessary including authorizing or directing ESOP Trust to appoint Merchant Bankers, Brokers, Solicitors, Registrars, Advertisement Agency, Compliance Officer, Investors Service Centre and other Advisors, Consultants or Representatives, being incidental to the implementation and administration of the ESOP – 2011 as also to prefer applications to the appropriate Authorities, Parties and the Institutions for their requisite approvals as also to initiate all necessary actions for the preparation and issue of public announcement and filing of public announcement, if required, with the SEBI/Stock Exchange(s), and all other documents required to be filed in the above connection and to settle all such questions or difficulties whatsoever which may arise and take all such steps and decisions in this regard."

By Order of the Board
For Petronet LNG Limited

Place : New Delhi
Date : 22nd May, 2012

(K. C. Sharma)
Company Secretary

NOTES:

1. The Explanatory Statement pursuant to Section 173 (2) of the Companies Act, 1956 in respect of the Item No. 4, 5, 6, 7 and 8 set out above is annexed hereto.
2. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND THE MEETING AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. A PROXY SHALL NOT HAVE ANY RIGHT TO SPEAK AT THE MEETING AND SHALL NOT VOTE EXCEPT ON A POLL.**
3. The instrument appointing the proxy must be deposited at the registered office of the Company not less than 48 hours before the commencement of the Annual General Meeting.
4. In terms of Article 108 of Articles of Association of the Company, read with Section 256 of the Companies Act, 1956, Shri B. C. Tripathi, Mr. Dominique PELLOUX - PRAYER and Shri Tapan Ray are liable to retire by rotation at the ensuing Annual General Meeting of the Company and being eligible, offers themselves for re-appointment. In terms of provisions of Clause 49 of the Listing Agreement, the brief resume of Shri B. C. Tripathi, Mr. Dominique PELLOUX - PRAYER and Shri Tapan Ray forms part of the Notice.
5. All documents referred to the accompanying Notice and the Explanatory Statement(s) are open for inspection at the Registered Office of the Company during office hours on all working days except Saturday and Sunday between 11.00 a.m. to 1.00 p.m. up to the date of the Annual General Meeting.
6. Members / Proxies should bring the Attendance Slip duly filled for attending the Meeting.
7. Members are requested to bring their copies of the Annual Report to the Meeting.
8. Members holding Shares in physical mode are requested to notify the **change in their Address / Bank Account/update e-mail ID** to M/s Karvy Computershare Private Limited, Plot No. 17 to 24, Vittal Rao Nagar, Madhapur, Hyderabad - 500081, the Registrar & Share Transfer Agent (R & T Agent) of the Company.
9. Members holding shares in De-mat mode are requested to notify the **change in their Address / Bank Account/update e-mail ID** to their respective Depositary Participant(s) (DP).
10. Members must quote their Folio Number / De-mat Account No. in all correspondence with the Company / R&T Agent.
11. No gift will be distributed at the Annual General Meeting.
12. The Register of Members and Share Transfer Books of the Company will remain closed from 25th June, 2012 to 4th July, 2012 (both days inclusive). The dividend on equity shares, as recommended by the Board of Directors, subject to the approval of Members in the Annual General Meeting, will be paid on and after 9th July, 2012 to the Members or their Mandates whose name appear on the Company's Register of Members on 24th June, 2012 in respect of physical Shares and in respect of Dematerialized Shares, the dividend will be payable to the beneficial owner of the shares whose name appear in the statement of beneficial ownership furnished by NSDL and CDSL at close of business hours on 22nd June, 2012.
13. In order to avail the facility of Electronic Clearing System (ECS) for receiving direct credit of dividend to his / their respective account with Bank(s), the Members holding equity shares in Physical Mode are requested to provide their Bank Account No., Name and Address of the Bank / Branch to M/s Karvy Computershare Pvt. Limited, Plot No. 17 to 24, Vittal Rao Nagar, Madhapur, Hyderabad - 500081, the Registrar & Share Transfer Agent (R & T Agent) of the Company.
14. Entry to the Auditorium will be strictly against entry slip available at the counters at the venue and against exchange of Attendance Slip.
15. Any briefcase / bags / eatables will not be allowed to be taken inside the Auditorium.
16. Annual Listing Fee for the year 2012-13 has been paid to all Stock Exchanges wherein Shares of the Company are listed.
17. Corporate Members intending to send their authorized representatives to attend the Meeting are requested to send a certified copy of Board Resolution authorizing their representative to attend and vote on their behalf in the Meeting.
18. Pursuant to the provisions of Section 205C (2) (b) of the Companies Act, 1956, the Company had transferred to the **Investor Education and Protection Fund (IEPF)** established by the Central Government during the year 2011, the unpaid or unclaimed application moneys received for allotment of shares at the time of IPO of the Company and due for refund for the last seven years completed on 22nd March, 2011.

EXPLANATORY STATEMENT PURSUANT TO SECTION 173 (2) OF THE COMPANIES ACT, 1956

ITEM NO: 4

M/s V. Sankar Aiyar & Co., Chartered Accountants (Regn. No.109208W), were appointed as the Statutory Auditors of the Company in the Thirteenth Annual General Meeting held on 30th June, 2011 in terms of Section 224A of the Companies Act, 1956. The Auditors shall hold office till the conclusion of the ensuing Annual General Meeting.

M/s V. Sankar Aiyar & Co., Chartered Accountants, are the Statutory Auditors of the Company since its inception. M/s V. Sankar Aiyar & Co. has informed vide letter dated 24th April, 2012 that they would not like to be considered for re-appointment as Auditors of the Company at the ensuing Annual General Meeting. Based on the recommendation of the Audit Committee, your Directors considered the appointment of M/s T. R. Chadha & Co., Chartered Accountants, as the Statutory Auditors of the Company.

Further, in terms of the provisions of Section 224A of the Companies Act, 1956, the appointment / re-appointment of Auditors will be made in the Annual General Meeting by passing a Special Resolution, if 25% or more of the paid up share capital of the Company is being held by Public Financial Institution(s) or a Government Company or Companies or the Central or the State Government. As more than 25% of the paid up share capital of the Company is being held by the Government Companies, therefore, Directors of your Company recommend the appointment of M/s T. R. Chadha & Co., Chartered Accountants, by passing a Special Resolution, as the new Statutory Auditors of the Company who will hold office from the conclusion of the ensuing Annual General Meeting till the conclusion of the next Annual General Meeting at a remuneration of Rs. 8 Lacs plus out of pocket expenses and applicable service tax.

No Director of the Company is in any way concerned or interested in the proposed resolution.

ITEM NO: 5

Shri R. K. Garg was appointed as Director (Finance) by the Board in its Meeting held on 20th July, 2011 for a period of five years on the following terms and conditions-

Salary

Basic pay has been fixed at Rs. 1, 14,450/- p.m. with an annual increment of 5% on basic pay.

Perquisites

a. **Housing**: Rent free furnished accommodation along with the benefits of gas, fuel, water, electricity (Rs. 2000/- per month), telephone internet and fax as also upkeep and maintenance of Company's furnished accommodation.

   or

   House Rent Allowance (HRA) limited to the 60% of Basic salary or if he offers a house in his own name/ spouse, the same may be taken on lease limited to 60% of the basic salary.

b. **Medical Reimbursement**: Reimbursement of medical expenses for self and family including dependent parents at actual.

c. **Leave Travel Allowance:** Leave Travel Allowance will be paid by the Company for self and family once in a year subject to a ceiling of one and half month's basic salary.

d. **Club Fees:** Reimbursement of club fees, subject to maximum of two clubs.

e. **Personal Accident Insurance Policy:** The Company subject to a maximum premium of Rs. 4000 /- p.a., will provide Personal Accident Insurance Cover as applicable.

f. **Furniture at residence** upto Rs. 3 lacs subject to recovery of Rs. 100/- p.m and payment of 10% on maintenance allowance on self certification basis with option to repurchase at book value after 7 years or on retirement whichever is earlier.

Other benefits

a. Contribution to Provident Fund, Superannuation Fund/Annuity Fund in accordance with the rules of the Company.

b. Gratuity at a rate not exceeding one half month's basic salary for each completed year of service.

c. Car with services of a driver to be maintained by the Company for official use. The permissible limit for personal use would be 1000 KMs per month with an annual ceiling of 12000 KMs against a monthly deduction of Rs. 600/- p.m.

d. Telephone/Fax/Internet facility at actual.

e. Leave/Leave Salary as per the rules of the Company.

f. The performance incentive would be decided by the Remuneration Committee to be constituted by the Board on a year to year basis based on the performance of the Company.

g. Commission on profit, if any, decided by the Board on yearly basis, subject to and within the ceiling as may be approved by the Shareholders.

h. Any and all allowances, perquisites and benefits under the appropriate schemes and rules applicable

generally to the officers of the Company provided however that the total remuneration shall be within the ceiling prescribed under Schedule XIII of the Companies Act, 1956.

i. The appointment will be subject to termination by three-month notice in writing on either side.

Tenure of appointment is for a period of 5 years from the date of taking over the charge of Director (Finance).

The appointment and other services terms will be subject to the relevant provision of the Companies Act, 1956 and as amended from time to time.

No Sitting Fees will be paid for attending the meetings of the Board or any Committee thereof.

As per the requirement of the Companies Act, 1956, the appointment of Director (Finance) is required to be approved by the Shareholders in the General Meeting. Your Directors recommend the resolution for approval of the Shareholders including the terms & conditions as set out above.

Shri R. K. Garg is interested in the resolution to the extent of his appointment as Director (Finance). No other Director of the Company is in any way concerned or interested in the proposed resolution.

ITEM NO: 6

Pursuant to the Article 113 A of the Articles of Association of the Company and in terms of Section 260 of the Companies Act, 1956, Shri Sudhir Vasudeva was appointed as Additional Director w.e.f. 21st November, 2011 on the Board of the Company. Pursuant to the provisions of Section 260 of the Companies Act, 1956, he holds office as Director up to the date of ensuing Annual General Meeting. The Company has received a notice under Section 257 of the Companies Act, 1956, from a Shareholder proposing the name of Shri Sudhir Vasudeva as Director of the Company. A brief resume of Shri Sudhir Vasudeva as required in terms of Clause 49 of the Listing Agreement is enclosed with the notice. Your Directors recommend the resolution for approval of the Shareholders.

Shri Sudhir Vasudeva is interested in the resolution to the extent of his appointment as Director. No other Director of the Company is in any way concerned or interested in the proposed resolution.

ITEM NO: 7

The Company has received a notice dated 21st May, 2012 from Shri B. S. Iyer, a Member of the Company, signifying his candidature for the office of Director under Section 257 of the Companies Act, 1956. A brief resume of Shri B. S. Iyer as required in terms of Clause 49 of the Listing Agreement is enclosed with the notice.

No Director of the Company is in any way concerned or interested in the proposed resolution.

ITEM NO: 8

Equity based compensation is considered to be an integral part of employee compensation across sectors which enables alignment of personal goals of the employees with organizational objectives by participating in ownership of the Company through stock option scheme. Your Company intends to use this Plan to attract and retain the talents in the organization. The Company views employee stock options as instruments that would enable the employees to share the value they create for the Company in the years to come.

Your Company appreciates the critical role its people play in the organizational growth. It strongly feels that the value created by its people should be shared with them. To promote the culture of employee ownership in the Company, approval of the Shareholders is being sought for the issue of stock options to the employees of the Company through the ESOP Trust.

The main features of the ESOP - 2011 are as under:

Total number of shares

No fresh Equity Shares of the Company shall be issued by the Company for the implementation of the ESOP – 2011. Equity Shares in the Company shall be acquired through the ESOP Trust by means of purchase from the secondary market. Such Equity Shares shall be transferred to the eligible employees of the Company in accordance with the provisions of the ESOP – 2011 and applicable laws and regulations.

The total number of Equity Shares that can be transferred to the participating employees over the term of the ESOP- 2011 shall not exceed 75 lakhs Equity Shares in the Company fully paid-up of face value of Rs. 10 each where one Stock Option shall be exercisable into one Equity Share in the Company

Eligible employees

The permanent employees including the Directors of the Company whether Whole-time or otherwise on the basis of their length of continuous employment with the Company, designation and/ or such other criteria shall be eligible to participate in the ESOP – 2011 from time to time as may be decided by a Committee of Directors comprising of majority of Independent Directors (“Remuneration / HR Sub Committee”).

Purpose of ESOP – 2011

ESOP – 2011 aims at rewarding and motivating the employees of the Company for their past association and performance as well as to motivate them to contribute to the corporate growth and profitability in

future. To achieve the aforesaid objectives, the Company contemplates for grant of 'Loyalty Options' and 'Performance Options' respectively to reward:

a) Loyalty of the employees who have served the Company for a continuous period of such years as shall be decided in this behalf.

b) Certain class or classes of employees as decided in this behalf with an intention to retain, reward, and motivate to achieve individual and corporate performance.

Transferability of employee stock options

The stock options granted to an employee will not be transferable to any person and shall not be pledged, hypothecated, mortgaged or otherwise alienated in any manner. However, in the event of the death of an employee stock option holder while in employment, the right to exercise all the options granted to him till such date shall be transferred to his legal heirs or nominees.

Requirements of vesting and period of vesting

The stock options granted shall vest so long as the employee continues to be in the employment of the Company. In addition to this condition, the Remuneration / HR Sub Committee may lay down certain performance conditions on the achievement of which the granted options would vest, the detailed terms and conditions relating to such performance-based vesting, and the proportion in which the options granted would vest subject to the minimum vesting period of one year and maximum vesting period of five years.

Exercise price or pricing formula

The exercise price per option shall be the Market Price of an Equity Share in the Company as on date of grant.

Exercise period and the process of exercise

The exercise period would commence from the date of vesting and will expire on completion of 5 years from the date of vesting of options. The shares arising out of exercise of vested options would not be subject to any lock-in period after such exercise.

The options will be exercisable by the employees by a written application to the ESOP Trust to exercise the options in such manner, and on execution of such documents, as may be prescribed in this behalf from time to time.

The options will lapse if not exercised within the specified exercise period.

Prachase of shares by the Trust

The ESOP Trust shall purchase the Company's shares from the secondary market (on behalf of the beneficiary employees) based on the prevailing market price on the designated dates. The Trust shall endeavor to procure the necessary quantum of shares at the same market price but would be guided by market conditions as on the date of such purchase. The Company would provide interest free loan of Rs. 120 crores to ESOP Trust in one or more tranches to facilitate purchase and acquisition of equity shares from the secondary market which would be repayable to the Company by ESOP Trust during the term of ESOP-2011.

Appraisal process for determining the eligibility of the employees to ESOP

The options shall be granted to the employees as per performance appraisal system of the Company.

Maximum number of options to be issued per employee and in aggregate

The number of options that may be granted to any specific employee under the Scheme shall not exceed 0.10% of the issued capital (excluding outstanding warrants and conversions) of the Company at the time of grant of options. In aggregate, the options to be granted would not be more than 75 lakhs, each option convertible into one fully paid-up equity share having a face value of Rs. 10/-.

Disclosure and accounting policies

The Company shall comply with the disclosure and the accounting policies prescribed as per SEBI Guidelines.

Method of option valuation

To calculate the employee compensation cost, the Company shall use the Intrinsic Value Method for valuation of the options granted. The difference between the employee compensation cost so computed and the employee compensation cost that shall have been recognized if it had used the fair value of the options and the impact of this difference on profits and on EPS of the Company shall also be disclosed in the Directors' report.

Consent of the Members is being sought pursuant to the provisions of the Companies Act, 1956 and SEBI ESOP Guidelines applicable, if any.

None of the Directors of the Company are in any way concerned or interested in the resolution except to the extent of the securities that may be offered to them under the Plan.

By Order of the Board
For Petronet LNG Limited

Place : New Delhi
Date : 22nd May, 2012

(K. C. Sharma)
Company Secretary

ATTENTION MEMBERS
"GREEN INITIATIVE IN CORPORATE GOVERNANCE"

The Government of India, Ministry of Corporate Affairs ("**Ministry**") has initiated a "Green Initiative in Corporate Governance" by allowing paperless compliances by Companies through electronic mode. In terms of the Circular No.17/2011 dated 21st April, 2011 and Circular No. 18/2011 dated 29th April, 2011 issued by the Ministry, Companies can now send notices / documents (including but not limited to notice calling Annual General Meeting, Audited Financial Statements, Directors' Report, Auditors' Report etc.) through electronic mode to its Members, whose e-mail addresses are registered with the Company or with the concerned Depository Participant which shall be deemed to be in compliance of the provisions of the Section 53 of the Companies Act, 1956, read with applicable provisions of the Information Technology Act, 2000.You would agree, it is a welcome move for the society at large as this will reduce paper consumption to a great extent and allow public at large to contribute towards a greener environment. This step will also help in speedy communication of the documents and also evade loss in postal transit. We are sure that you would appreciate the "Green Initiative" taken by the Ministry and hereby solicit your patronage and support in helping the Company to implement the e-governance initiatives of the Ministry.Considering the below mentioned advantages of registration for e-communication, this is also a golden opportunity for every Member of **Petronet LNG Limited (the Company)** to contribute towards Corporate Social Responsibility initiative provided you all register your e-mail id with the concerned Depository Participant to receive above-mentioned notices / documents through electronic mode and you are not required to re-register unless there is a change in your e-mail address.

ADVANTAGES OF REGISTERING FOR E-COMMUNICATION

> Contribute towards Corporate Social Responsibility

> Save costs on paper and on postage

> Receive communication promptly

> Reduce paper consumption and save trees

> Eliminate wastage of paper

> Avoid loss of document in postal transit

We find that either your e-mail id is not registered with the Depository Participant or you are holding shares in Physical form. We intend to send, through electronic mode, notices/ documents etc. of the Company, henceforth, all you have to do is to register your e-mail id with the concerned Depository Participant or update the same with the Company's Registrar and Transfer Agent i.e. **Karvy Computershare Private Limited (Transfer Agent), Plot No. 17 to 24, Vittal Rao Nagar, Madhapur, Hyderabad – 500081.**

BRIEF BIOGRAPHY OF DIRECTORS PROPOSED TO BE APPOINTED/ REAPPOINTED AS REQUIRED IN TERMS OF LISTING AGREEMENT

Shri B. C. Tripathi

Shri B.C. Tripathi is the Chairman & Managing Director of GAIL (India) Ltd. and a nominee Director of GAIL (India) Ltd. on the Board of Petronet LNG Ltd. He is a Mechanical Engineer, Graduate from NIT Allahabad, formerly known as Moti Lal Nehru Regional Engineering College, Allahabad. He started his career in ONGC and subsequently joined GAIL in 1984. Shri Tripathi is one of the founder employees of GAIL and has worked under different capacities in different departments in GAIL. He was involved in the construction and commissioning of the HBJ pipeline Project, which received Silver Medal for Excellence in Project Management in the Mega Project Category from International Project Management Association, Germany.

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

Name of the Companies	Position Held
GAIL (India) Limited	Chairman & Managing Director
Brahmaputra Cracker & Polymer Limited	Chairman
GAIL Gas Limited	Chairman
Mahanagar Gas Limited	Chairman

Shri B. C. Tripathi is the Chairman of Shareholders' Issues and Grievances Redressal Committee of Mahanagar Gas Ltd.

Mr. Dominique PELLOUX-PRAYER

Mr. Dominique PELLOUX-PRAYER is the nominee Director of GDF International on the Board of Petronet LNG Ltd. He is Graduate Engineer from the Ecole Centrale de Paris, joined Gaz de France in 1980. He worked as Deputy Vice-President for LNG within Gaz de France from 2004 to 2008, and was appointed as of October 2008 as Vice-President of GDF SUEZ, heading the Facilities Asset Management Department of the LNG Division, in charge of the interests of the Group in liquefaction plants and supply-driven receiving terminals.

Mr. Dominique holds Directorship in the following other Company.

Name of the Company	Position Held
GNL Saint-Laurent (Canada)	Director

Mr. Dominique is not a Member/Chairman of Committees of Board of any other Company.

Shri Tapan Ray

Shri Tapan Ray is the Managing Director of Gujarat State Petroleum Corporation Ltd (GSPCL). He is the nominee Director of Gujarat Maritime Board / the Govt. of Gujarat on the Board of Petronet LNG Ltd. Before joining GSPCL, he was Principal Secretary (Economic Affairs), Finance Department. He is an IAS Officer, Gujarat (1982 Batch) and having rich administrative and corporate experience. He also holds degree in Engineering from IIT Delhi, a post graduate degree in Public Policy from Princeton University, USA, a Masters in Public Administration from Syracuse University, USA and a degree in law with various diplomas.

Shri Tapan Ray holds Directorship/Chairmanship in the following other Companies:

Name of the Companies	Position Held
Sabarmati Gas Ltd.	Chairman
Gujarat State Petroleum Corporation Ltd.	Managing Director
Gujarat State Petronet Ltd.	Managing Director
GSPC Pipavav Power Company Ltd.	Director
Gujarat Info Petro Ltd.	Director
GSPC Gas Company Ltd.	Director
Gujarat State Energy Generation Ltd.	Director
ONGC Petro Additions Ltd.	Director
GSPC LNG Ltd.	Director
GSPC (JPDA) Ltd.	Director
GSPL India Gasnet Ltd.	Director
GSPL India Transco Ltd.	Director
GSPC Marginal Fields Ltd.	Director
GSPC Distribution Networks Ltd.	Director