



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 B. C. Tripathi	Director
Shri R. K. Singh	Director
Shri D. K. Sarraf	Director
Shri A. M. K. Sinha	Director
Mr. Dominique Pelloux-Prayer	Director
Shri Tapan Ray	Director
Shri D. P. Roy	Director
Shri P. K. Chadha	Director
Shri Apurva Chandra	Director

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Sr. Vice President - Finance & Company Secretary

Shri R. K. Garg

Statutory Auditors:

M/s V. Sankar Aiyar & Company

Bankers:

Allahabad Bank
 Asian Development Bank
 Bank of America
 Bank of Baroda
 BNP Paribas
 Canara Bank
 Citi Bank
 Credit Agricole
 Development Bank of Singapore
 Federal Bank
 HDFC Bank
 ICICI Bank Limited
 IDFC Ltd
 Indian Overseas Bank
 International Finance Corporation (Washington)
 Jammu & Kashmir Bank
 Oriental Bank of Commerce
 Punjab National Bank
 Society Generale
 State Bank of Hyderabad
 State Bank of India
 State Bank of India, Singapore
 State Bank of Patiala
 State Bank of Travancore
 Standard Chartered bank
 Syndicate Bank
 The Hongkong & Shanghai Banking Corporation Ltd.

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

Registered Office:

World Trade Centre,
 1st Floor, Babar Road,
 Barakhamba Lane, NEW DELHI-110 001
 Tel. : 011-23411411, 011-23413616
 Fax : 011-23414271
 Website: www.petronetlng.com

LNG Terminal:

GIDC Industrial Estate,
 Plot No.7/A, Dahej,
 Talukavagra, Distt. Bharuch-GUJARAT
 Tel. : 02641- 257004 to 257007 & 253182
 Fax : 02641- 253184

Kochi LNG Project Site:

Survey No. 347,
 Puthuvypu (Puthuypen SEZ)
 P.O. 682508, Kochi-KERALA
 Tel. : 0484-2500068

PETRONET LNG LIMITED

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

NOTICE OF 13TH ANNUAL GENERAL MEETING - 2011

NOTICE is hereby given that the 13th (Thirteenth) Annual General Meeting of the Members of Petronet LNG Limited (PLL) will be held on Thursday, the 30th day of June, 2011, 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, 2011, Profit & Loss Accounts for the year ended 31st March, 2011, together with Report of Directors and Statutory Auditors thereon.
2. To declare a dividend for the financial year ended 31st March, 2011.
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 V. Sankar Aiyar & Company, Chartered Accountants (Regn. No.109208W), New Delhi, the retiring Auditors of the Company, be and are hereby re-appointed as Statutory Auditors of the Company to hold office from the conclusion of the Thirteenth 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** in partial modification of resolution no. 11, 12 & 13 passed by the Members in 9th Annual General Meeting of Members of the Company held on 14th June, 2007 and pursuant to the provisions of Section 198, 269, 309 & 310 and other applicable provisions, if any, of the Companies Act 1956, read together with Schedule XIII of the Companies Act, 1956, consent of the Members be and is hereby accorded to increase the remuneration (Cost to the Company) of Shri P. Dasgupta, Ex-Managing Director & CEO, Shri A. Sengupta, Ex-Director (Finance & Commercial) & Shri C. S. Mani, Director (Technical) by 20% with effect from 1st January, 2010, and their salary be fixed at Rs. 1,73,300/-, Rs. 1,24,700/- & Rs. 1,24,700/- per month, respectively, with an annual increment of 5% on basic pay.

"RESOLVED FURTHER THAT perquisites and other benefits, as approved by the Shareholders, shall be payable in consonance with the revised salary, wherever applicable."

6. **"RESOLVED THAT** pursuant to Article 109 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 Dr. A. K. Balyan as Managing Director & CEO for a period of five years w.e.f. 16th July, 2010, 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 to the Companies Act, 1956 or any statutory modification(s) or re-enactment thereof."
7. **"RESOLVED THAT** pursuant to Article 111 of the Articles of Association of the Company and the provisions of Section 269, 309 and the provisions of Schedule XIII and all other applicable provisions of the Companies Act, 1956, if any, approval of the Members be and is hereby accorded for re-appointment of Shri C. S. Mani, Director (Technical) of the Company for a period of five years or upto the age of 65 years whichever is earlier w.e.f. 1st August, 2011, on the existing terms and conditions, 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 to the Companies Act, 1956, or any statutory modification(s) or re-enactment thereof."
8. **"RESOLVED THAT** Shri D. K. Sarraf, Nominee 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."
9. **"RESOLVED THAT** Shri Tapan Ray, Nominee of Gujarat Maritime Board (GMB), 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."
10. **"RESOLVED THAT** Shri R. K. Singh, Nominee of Bharat Petroleum Corporation Ltd. (BPCL), who has been appointed as an Additional Director of the Company by Board of Directors under Section 260 of the Companies Act, 1956 and

PETRONET LNG LIMITED

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."

11. **"RESOLVED THAT** Shri Apurva Chandra 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."
12. **"RESOLVED THAT** Shri G. C. Chaturvedi 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."
13. **"RESOLVED THAT** Shri A. M. K. Sinha, Nominee of Indian Oil Corporation Ltd. (IOCL), 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."

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

14. **"RESOLVED THAT** pursuant to the provisions of Section 309, Schedule XIII and all other applicable provisions, if any, of the Companies Act, 1956, consent of the Members be and is hereby accorded for the payment and distribution of a sum not exceeding 1% per annum of the net profits of the Company calculated in accordance with the provisions of Sections 198, 349 & 350 of the Companies Act, 1956, by way of commission to and amongst the Directors of the Company such amount or proportions and in such manner and in all such respects as may be determined by the Board of Directors from time to time and such payments shall be made for a further period of five years commencing from 2011-12.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to take such steps as may be desirable or expedient to give effect to this resolution."

By Order of the Board
For Petronet LNG Limited



(R. K. Garg)

Sr. V.P.-Fin. & Company Secretary

Place: New Delhi

Date : 1st June, 2011

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, 8, 9, 10, 11, 12, 13 & 14 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. In terms of Article 108 of Article of Association of the Company, read with Section 256 of the Companies Act, 1956, Shri Ashok Sinha and Shri B. C. Bora are proposed to be appointed as Director on the Board of the Company for a period of three years, liable to retire by rotation, in place of Shri D. P. Roy and Shri P. K. Chadha, respectively, who retire by rotation at this Annual General Meeting of the Company. In terms of provisions of Clause 49 of Listing Agreement, the brief resume of Shri Ashok Sinha and Shri B. C. Bora forms part of notice.
4. 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.
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 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 to their respective Depository Participant(s) (DPs).
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 20th June, 2011 to 30th June, 2011 (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 or after 4th July, 2011 to the Members or their

Mandates whose name appear on the Company's Register of Members on 30th June, 2011 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 17th June, 2011.

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 2011-12 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 has transferred to the Investor Education and Protection Fund (IEPF) established by the Central Government, 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 & Company, Chartered Accountants (Regn. No.109208W), were appointed as the Statutory Auditors of the Company in the Twelfth Annual General Meeting held on 24th June, 2010, in terms of Section 224A of the Companies Act, 1956, the Auditors shall hold office till the conclusion of the ensuing Annual General Meeting. 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, the Directors of

the Company recommend the appointment of M/s V. Sankar Aiyar & Company, Chartered Accountants, as Auditors of the Company by passing a Special Resolution 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

THE BOARD OF DIRECTORS had approved increase in Salary Package of the employees on 27th April, 2010. Remuneration Committee of the Board also recommended increase in the Compensation Package (Cost to the Company) w.e.f. 1st January, 2010, for Managing Director & CEO and other Whole-time Directors by 20% on 29th May, 2010, subject to the approval of the Members in General Meeting. Hence, the proposed resolution is for approval of Members.

The proposed increase in remuneration of Shri P. Dasgupta Ex-Managing Director & CEO, Shri A. Sengupta, Ex-Director (Finance & Commercial) & Shri C. S. Mani, Director (Technical) as approved is well within the limits of Schedule XIII & other applicable provisions of the Companies Act, 1956. Your Directors recommend the resolution at Item No. 5 for approval of the Shareholders as Ordinary Resolution as per requirement of Companies Act, 1956.

Except the Director named in the resolution, no other Director of the Company is in any way concerned or interested in the proposed resolution.

ITEM NO: 6

DR. A. K. BALYAN was appointed as Managing Director & CEO by the Board in its Meeting held on 2nd June, 2010, for a period of five years and joined the Company w.e.f. 16th July, 2010, on the following terms and conditions-

Salary

Rs. 1,57,250/- 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. 3,000 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

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subject to a ceiling of one and half month's salary in a year.

- D. **Club Fees:** Reimbursement of club fees, subject to maximum of two clubs.
- E. **Personal Accident Insurance Policy:** The Company, subject to maximum premium of Rs. 5,000/- p.a., will provide personal accident insurance cover, as applicable.
- F. Furniture at residence upto Rs. 3.5 lakhs subject to recovery of Rs. 100 p.m. and payment of 5% 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

- G. Contribution to Provident Fund, Superannuation Fund/Annuity Fund in accordance with the rules of the Company.
- H. Gratuity at a rate not exceeding one half months salary for each completed year of services.
- I. Car with the services of a Driver to be maintained by Company for official use. The permissible limit for personal use would be 1000 kms per month with an annual ceiling of 12,000 kms against a monthly deduction of Rs. 600/- p.m.
- J. Telephone / Fax / Internet facility - at actual.
- K. Leave / Leave Salary as per the rules of the company.
- L. The performance incentive would be decided by Remuneration Committee to be constituted by the Board on a year-to-year basis based on the performance of the Company.
- M. 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.
- N. Any or 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.
- O. The appointment may be subject to termination by 3 months notice in writing on either side.

As per the requirement of the Companies Act, 1956, the appointment of Managing Director 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 stated above.

Dr. A. K. Balyan is interested in the resolution to the extent of his appointment as Managing Director & CEO. No other Director of the Company is in any way concerned or interested in the proposed resolution.

ITEM NO: 7

SHRI C. S. MANI was appointed as Director (Technical) on 1st August, 2006, for a period of five years. The Board of Directors

in its meeting held on 26th April, 2011, further extended the tenure of Shri C. S. Mani for a further period of five years or upto the age of 65 years whichever is earlier w.e.f. 1st August, 2011 on the existing terms and conditions as approved by the Shareholders in the ninth Annual General Meeting held on 14th June, 2007. As per the requirement of the Companies Act, 1956, the appointment of Whole-time Director is required to be approved by the Shareholders in the General Meeting. Your Directors recommend the resolution for approval of the Shareholders. Shri C. S. Mani is interested in the resolution to the extent of extension of his term as Director (Technical).

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

ITEM NO: 8

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 D. K. Sarraf was appointed as Additional Director w.e.f. 9th August, 2010, on the Board of the Company. Pursuant to 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 D. K. Sarraf as Director of the Company. A brief resume of Shri D. K. Sarraf as required in terms of Clause 49 of the Listing Agreement is enclosed with the notice. The Board recommends that he may be appointed as Director liable to retire by rotation. Your Directors recommend the resolution for approval of the Shareholders. Shri D. K. Sarraf 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: 9

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 Tapan Ray was appointed as Additional Director w.e.f. 21st November, 2010, on the Board of the Company. Pursuant to 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 Tapan Ray as Director of the Company. A brief resume of Shri Tapan Ray as required in terms of Clause 49 of the Listing Agreement is enclosed with the notice. The Board recommends that he may be appointed as Director liable to retire by rotation. Your Directors recommend the resolution for approval of the Shareholders. Shri Tapan Ray 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: 10

PURSUANT TO THE Article 113 A of the Articles of Association of the Company and in terms of section 260 of the Companies

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Act, 1956, Shri R. K. Singh was appointed as Additional Director w.e.f. 18th January, 2011, on the Board of the Company. Pursuant to 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 R. K. Singh as Director of the Company. A brief resume of Shri R. K. Singh as required in terms of Clause 49 of the Listing Agreement is enclosed with the notice. The Board recommends that he may be appointed as Director liable to retire by rotation. Your Directors recommend the resolution for approval of the Shareholders. Shri R. K. Singh 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: 11

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 Apurva Chandra was appointed as Additional Director w.e.f. 22nd March, 2011, on the Board of the Company. Pursuant to 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 Apurva Chandra as Director of the Company. A brief resume of Shri Apurva Chandra as required in terms of Clause 49 of the Listing Agreement is enclosed with the notice. The Board recommends that he may be appointed as Director liable to retire by rotation. Your Directors recommend the resolution for approval of the Shareholders. Shri Apurva Chandra 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: 12

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 G. C. Chaturvedi was appointed as Additional Director w.e.f. 23rd May, 2011, on the Board of the Company. Pursuant to 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 G. C. Chaturvedi as Director of the Company. A brief resume of Shri G. C. Chaturvedi as required in terms of Clause 49 of the Listing Agreement is enclosed with the

notice. The Board recommends that he may be appointed as Director liable to retire by rotation. Your Directors recommend the resolution for approval of the Shareholders. Shri G. C. Chaturvedi 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: 13

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 A. M. K. Sinha was appointed as Additional Director w.e.f. 27th May, 2011 on the Board of the Company. Pursuant to 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 A. M. K. Sinha as Director of the Company. A brief resume of Shri A. M. K. Sinha as required in terms of Clause 49 of the Listing Agreement is enclosed with the notice. The Board recommends that he may be appointed as Director liable to retire by rotation. Your Directors recommend the resolution for approval of the Shareholders. Shri A. M. K. Sinha 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: 14

IT WAS DECIDED in 9th Annual General Meeting that the Directors may be paid Commission on the profit upto 1% of Net Profit for a period of five years w.e.f 2006-07 in such manner and in all such respects as may be determined by the Board of Directors from time to time. The period of five years has already been completed. Your Directors recommend the resolution at item no. 14 for approval of the Shareholders as Special Resolution as per requirement of Companies Act, 1956.

All Directors of the Company are concerned or interested in the proposed resolution to the extent, the commission payable to them.

By Order of the Board
For Petronet LNG Limited



(R. K. Garg)

Sr. V.P. - Finance & Company Secretary

Place: New Delhi

Date : 1st June, 2011

PETRONET LNG LIMITED

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

❖ **Shri Ashok Sinha**

Shri Ashok Sinha has spent a charismatic 33 years at Bharat Petroleum Corporation Limited, (BPCL), one of India's largest organizations, with an estimated turnover (2010) of Rs.1500 billion (US\$ 33 billion), and listed as a Fortune 500 company, operating in a complex and nationally strategic sector.

Shri Ashok Sinha has served on the Board of BPCL for 15 years – first as Director (Finance) for 10 years from 1995 and then as its Chairman and Managing Director for 5 years. In recognition of his three decade long tryst with innovation, Shri Ashok Sinha was one of the four CEOs from India, who were invited to the world's CEOs roundtable event at Frankfurt in February 2007 on the topic of "Growth through Business Model Innovations".

Shri Ashok Sinha has a degree in Electrical Engineering from the Indian Institute of Technology (IIT), Kanpur and Masters in Business Administration from the Indian Institute of Management (IIM), Bangalore, with specialization in Finance.

Shri Ashok Sinha does not hold Directorship/Chairmanship in any Company.

❖ **Shri B. C. Bora**

Shri Bora having more than 45 years of experience in Oil & Gas sector, both within and outside India. He superannuated from ONGC as Chairman & Managing Director in 2001. Shri Bora started his career with Oil India Limited, as a Production Engineer in 1962 and rose to become the Chairman and Managing Director of the Company in 1992, a position he held until 1995, when he moved to ONGC as its Chairman and Managing Director and superannuated from that position in 2001. He was actively involved with a number of important Committees and task forces of the Government of India, related to the Hydrocarbon and Energy industries, to help the Government, to decide on various policy issues on Oil & Gas Sector, as well as Public Sector in general. He was also associated with a number of Technical, Social and Sports organizations in the Country as an important office bearer. He has remained associated with Petroleum Sector by being part time Consultant and Advisor to a number of Companies engaged in the Energy Sector.

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

Name of the Companies	Position Held
Gujarat Gas Co. Ltd.	Director
Interlink Petroleum Ltd.	Director
Assam Hydrocarbon & Energy Co. Ltd.	Director
Nafto Gaz India Pvt. Ltd.	Director

Shri B. C. Bora is not a Member/Chairman of Committees of Board of Directors of any Company.

❖ **Dr. A. K. Balyan**

Dr. A. K. Balyan has joined the Company as Managing Director & CEO w.e.f. 16th July, 2010. He holds Degree in M. Tech. from IIT, Delhi and also Ph.D. from Germany. Prior joining Petronet LNG Ltd., he was Director (HR) of Oil & Natural Gas Corporation Ltd. (ONGC) and also had additional charge as Director, In-charge

Business Development and Joint Ventures, ONGC. Dr. Balyan took over as Chief-Human Resources Development of ONGC in 2002 and appointed to the Board of Directors of ONGC as Director HR in 2003. As Director (HR), he led Corporate Rejuvenation Campaign, Pioneered a study to redefine the organization norms- focusing on Roster, Roles and Responsibilities to be benchmarked with global best practices.

Dr. A. K. Balyan holds Directorship/Chairmanship in the following other Companies:

Name of the Companies	Position Held
Adani Petronet (Dahej) Port Pvt. Ltd.	Director
Hydrocarbon Sector Independent Company of L&T	Director

Dr. A. K. Balyan is not a Member/Chairman of Committees of Board of Directors of any Company.

❖ **Shri C. S. Mani**

Shri C. S. Mani is the Director (Technical) of the Company. He holds B. Tech (Chemical) degree from Indian Institute of Technology, Chennai and Master in engineering (Chemical) from Cornell university, USA.

Shri Mani has more than 35 years experience in the industry, primarily in Chemical & Petrochemical industries. During his span of service with various Companies, he has worked on most aspects of projects including conducting viability studies, selection of technology and sourcing of know-how.

Shri Mani has worked with industrial houses of repute such as Tata Chemicals Ltd for two decades and rose to a position as one of the key senior executive.

Shri C. S. Mani is not a Director/Chairman on the Board of Directors of any other Company.

❖ **Shri D. K. Sarraf**

Shri D. K. Sarraf is a nominee Director of ONGC on the Board of Petronet LNG Ltd. He is an Associate Member of ICWAI and ICSI. He is holding the position of Director (Finance) in Oil and Natural Gas Corporation Ltd. He has nearly 30 years of rich and varied experience in the Oil Industry. Before joining ONGC, he had served in Oil India Ltd., ONGC Videsh Ltd. and also enriched with regulatory experience of serving in Oil Co-ordination Committee under MOP&NG. Shri Sarraf has been instrumental in several oil and gas acquisitions in OVL during last three years.

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

Name of the Companies	Position Held
Oil & Natural Gas Corporation Ltd.	Director
Mangalore Refinery & Petrochemicals Ltd.	Director
ONGC Videsh Ltd.	Director
Mangalore SEZ Ltd.	Director
ONGC Mangalore Petrochemicals Ltd.	Director
ONGC Tripura Power Company Ltd.	Director
ONGC Petro Additions Ltd.	Director

Shri D. K. Sarraf is Member/Chairman of Committees of Board of the following other Companies:

PETRONET LNG LIMITED

Name of the Companies	Name of the Committee(s)	Chairman/Member
Oil & Natural Gas Corporation Ltd.	Shareholders/Investors Grievance Committee	Member
ONGC Videsh Ltd.	Audit Committee	Member
ONGC Tripura Power Company Ltd.	Audit Committee	Member

❖ **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/Govt. of Gujarat on the Board of Petronet LNG Ltd. 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
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
Sabarmati Gas Ltd.	Director

Shri Tapan Ray is Member/Chairman of Committees of Board of the following other Companies:

Name of the Companies	Name of the Committee(s)	Chairman/Member
GSPC Gas Company Ltd.	Audit Committee	Member
Gujarat State Petronet Ltd.	Investors' Grievance Committee	Member
Gujarat State Energy Generation Ltd.	Audit Committee	Member

❖ **Shri R. K. Singh**

Shri R. K. Singh is a nominee Director of BPCL on the Board of Petronet LNG Ltd. Shri Singh is the Chairman & Managing Director of BPCL. Having completed his B. Tech. in Mechanical Engineering with Honours from Banaras Hindu University (BHU) in 1974, Mr. Singh had a brief stint in Hindustan Lever and Hindalco before embarking on his career in Bharat Petroleum Corporation Ltd. (BPCL) in 1978. Since then, Mr. Singh has held various important assignments, both in the Refinery and Marketing divisions of the company.

Shri R. K. Singh holds Directorship/Chairmanship in the following

other Companies:

Name of the Companies	Position held
Bharat Petroleum Corporation Limited	Chairman & Managing Director
Numaligarh Refinery Limited	Chairman
Bharat Oman Refineries Limited	Chairman
Matrix Bharat Marine Services Pte Ltd.	Director
Bharat Petro Resources Limited	Director

Shri R. K. Singh is Member/Chairman of Committees of Board of the following other Companies:

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

❖ **Shri Apurva Chandra**

Shri Apurva Chandra has completed B. Tech. in Civil Engineering (1981-85) and M. Tech. in Structural Engineering (1985-87) from IIT, Delhi, and joined Indian Administrative Services (IAS) in 1988. Presently, he is Joint Secretary (Marketing), Ministry of Petroleum & Natural Gas (MOP&NG). He has worked on various assignments in Government of India and Government of Maharashtra.

Shri Apurva Chandra is Member of the Board of Directors of GAIL (India) Ltd.

Shri Apurva Chandra is not a Member/Chairman of Committees of Board of Directors of any Company.

❖ **Shri G. C. Chaturvedi**

Shri G. C. Chaturvedi is the Secretary, Ministry of Petroleum and Natural Gas. He is an IAS Officer, Uttar Pradesh (1977 Batch) and having a rich and wide administrative experience of more than 34 years. During his services, he has held various senior level positions with Government of India including Additional Secretary, Ministry of Finance and Special Director General (Finance & Accounts), at Secretary level in Ministry of Youth Affairs and Sports etc.

Shri G. C. Chaturvedi is not a Director on the Board of any other Company.

❖ **Shri A. M. K. Sinha**

Shri A. M. K. Sinha is a Director (Planning and Business Development of Indian Oil Corporation Limited (IOCL). He is a nominee Director of IOCL on the Board of PLL. Shri Sinha, a Mechanical Engineer, has over 33 years of diverse experience with IOCL. Shri Sinha has rich experience of efficiently managing critical portfolios across the whole marketing value chain of the downstream oil sector.

Prior to taking over as Director (P&BD), Mr. Sinha worked as Executive Director (Corporate Planning & Economic Studies) at Corporate office of Indian Oil and was responsible for building futuristic scenarios, analysis of external & internal environment, SWOT framework for strengthening planning process and for venturing into new business domains for diversification and backward & forward integration.

Shri A. M. K. Sinha holds Directorship in Indian Oil Corporation Ltd.

Shri A. M. K. Sinha is not a Member/Chairman of Committees of Board of Directors of any Company.

PETRONET LNG LIMITED

Directors' Report

Dear Shareholders,

The Directors have the pleasure of presenting the Thirteenth Annual Report and the Audited Accounts of your Company for the year ended 31st March, 2011.

Your Company has been instrumental in shaping the growth of the natural gas sector in the country by mitigating the deficit and shortfall in domestic gas availability. In the supply- constrained natural gas market in India, your Company owns and operates the country's first and largest LNG terminal at Dahej, Gujarat. The Company's main thrust is on catalyzing the growth of Indian gas sector through enhancing the gas supply to satisfy the needs of existing consumers as well as to develop new consumers. While making sincere efforts to further leverage the potential of imported LNG in the Indian market and striving to be the nation's key energy provider, your Company continues to maintain a steady growth in its financial and operating performance during the year 2010-11.

FINANCIAL PERFORMANCE

In 2010-11, your Company has achieved substantial growth, both in turnover and profit. The turnover during the year under review was Rs. 13197.28 Crores against Rs. 10,649.09 Crores in 2009-10. Gross margin stood at Rs. 1464.04 Crores against Rs. 1,082.16 Crores in the previous year. Net profit during the year was Rs. 619.62 Crores against Rs. 404.50 Crores in the previous year. The emphasis on higher capacity utilization, higher sales and better operational efficiencies led to increased profitability. A summary of the comparative financial performance in the fiscal 2010-11 and 2009-10 is given below:

Particulars	(Rs. in crores)	
	2010-11	2009-10
Turnover	13197.28	10,649.09
Other Income	67.96	97.83
Total Revenue	13265.24	10,746.92
Cost of Import of LNG	11801.20	9,664.76
Gross Margin	1464.04	1,082.16
Salary and Other	179.81	137.87
Operating Expenses		
Finance Charges	193.13	183.93
Depreciation	184.68	160.86
Profit before Taxation	906.42	599.50
Provision for Tax / Deferred Tax	286.80	195.00
Profit after Taxation	619.62	404.50
Earnings per Share (Rs. / Share)	8.26	5.39

DIVIDEND

Keeping in view the consistent performance and financial position of the Company, the Directors are pleased to recommend a dividend of 20% on the paid-up share capital of the Company for the year ending 31st March 2011.

LNG SOURCING

With an aim to quench India's growing gas demand, stemming primarily from high-priority sectors such as power and fertilizer, and armed with expanded facilities at the Dahej LNG Terminal, your Company has been engaged in sourcing additional volumes of LNG on long-term, medium-term and spot basis for its downstream customers. Your Company continued to maintain excellent relations with most of the global LNG suppliers for import of LNG supplies. Your Company intends to diversify sources of LNG to ensure security of supplies. For the unutilized capacity at Dahej LNG Terminal as well as for the expected capacity at the Greenfield Kochi Terminal, your Company is in constant touch with various LNG suppliers to source LNG volumes beyond the present 7.5 MMTA imported from Qatar. To meet the growing additional requirement of natural gas in country, your Company has also executed short-term deals with various global LNG suppliers for approximately 1.5 MMTA. Constant efforts are being made to supply RLNG to feed the demand created due to shortage in domestic supplies and demand generated from new projects.

OPERATIONS AT DAHEJ

During the financial year 2010-11, your Company has imported 125 cargoes (including 9 spot cargoes) representing 7.98 MMTA and 412.21 Trillion British Thermal Units of regasified LNG was sold. Your Company has also provided regasification services to 7 LNG Cargoes to Gujarat State Petroleum Corporation and 4



LNG cargoes to GAIL (India) Limited representing 28.14 Trillion British Thermal Units during the financial year 2010-11.

Additional LNG Jetty at Dahej

The capacity utilization of Dahej Terminal is increasing and the operational practices are at par with the highest international standards. The Company has commenced construction of second LNG Berth (Jetty) in Dahej to mitigate associated risks of port operations of existing jetty and also to enhance the capacity of terminal from its existing capacity of 10 MMTA. The two EPC

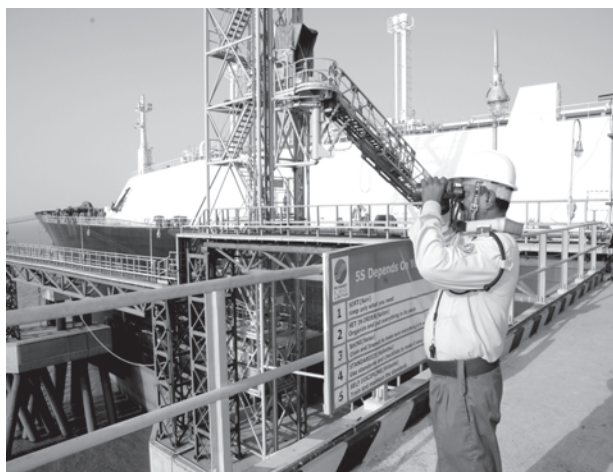
contracts for the construction of jetty were awarded in January, 2011, and the jetty is scheduled for commissioning by end of September, 2013. Presently, the EPC contractors are carrying out basic engineering activities for construction of marine and top side works for the same.



Shipping Arrangement

Presently, three LNG tankers (Disha, Raahi and Aseem) are regularly bringing LNG cargoes from RasGas, Qatar, to Dahej as per schedule. These three ships are transporting the contracted quantity of 7.5 MMTPA of LNG.

The Shipping Corporation of India (SCI) is a major equity partner in the ship-owning companies. Disha and Raahi have been manned, managed/maintained and operated by SCI since December 2008. SCI is manning Aseem since delivery. K-Line is



providing technical management from delivery to first dry dock and is training SCI for management of Aseem.

Pilot Project for Supply of LNG in Cryogenic Vehicles

Your Company has successfully completed the pilot project which was started in year 2007, for loading of LNG in cryogenic road tankers. During the year, 689 tankers were loaded and supplied to customers in the states of Gujarat and Maharashtra.

Direct Marketing of LNG

For consumers not connected with gas pipe, your Company has initiated steps to market the LNG directly to consumers across the country through overland transportation using LNG trucks/hubs. This direct marketing model is prevalent in several parts of the world and is an effective way of reaching out to far-flung consumers in urgent need of fuel supply. The concept makes use of the already existing road network as against setting up of complex pipeline network.

LNG TERMINAL AT KOCHI

The construction of the Greenfield LNG Receiving, Storage and Re-gasification Terminal at Kochi is in progress. The capacity initially envisaged was 2.5 MMTPA. In January, 2011, the Company awarded contract for additional re-gasification facilities to handle and re-gasify an additional 2.5 MMTPA LNG to the present Regas contractor, taking the total capacity of Kochi LNG Terminal to 5 MMPTA. Civil works of the storage tanks being built by IHI Corporation, Japan, are nearing completion. Mechanical works are in progress with hydrostatic test being planned in



June, 2011. The Marine facilities, being built by AFCONS Infrastructure Ltd., India, are also in an advanced stage of completion. Work is under progress in the Re-gasification facilities awarded to CTCI, Taiwan. Civil works on buildings and structures as well as piping and equipment erection are in progress. At present, nearly 3000 workers are working at the site. The terminal of 5 MMTPA capacity is slated to be commissioned in the third quarter of 2012.

FINANCING

During the year, the Company has re-financed its entire long-term rupee loan of Rs. 3,000 Crores from a consortium of Indian lenders. In the process, the Company could achieve substantial savings in its interest costs.

Further, the Company has successfully made drawdown of