

## REPORT ON CORPORATE GOVERNANCE FORMING PART OF DIRECTORS' REPORT

### A Brief Statement on Company's Philosophy on Code of Corporate Governance

The Philosophy of the Company in relation to Corporate Governance is to ensure transparent 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 total strength of the Board as on 31st March, 2009 was fourteen Directors as detailed herein below:

S. No	Name	Designation	Category (Whole-time/ Non-executive/ Independent)
1	Shri R. S. Pandey	Chairman, Secretary, Govt. of India, (MOP &NG)	Independent
2	Shri P. Dasgupta	Managing Director & CEO	Whole-time
3	Shri A. Sengupta	Director (Finance & Commercial)	Whole-time
4	Shri C. S. Mani	Director (Technical)	Whole-time
5	Shri Ashok Sinha	Director, Nominee of BPCL	Non-executive
6	Dr. U. D. Choubey	Director, Nominee of GAIL	Non-executive
7	Dr. A. K. Balyan	Director, Nominee of ONGC	Non-executive
8	Shri S. V. Narsimhan	Director, Nominee of IOCL	Non-executive
9	Mr. Dominique PELLOUX-PRAYER	Director, Nominee of GDF International	Non-executive
10	Shri D. J. Pandian	Director, Nominee of GMB	Non-executive
11	Shri S. Chander	Director, Nominee of ADB	Independent
12	Shri D. P. Roy	Director	Independent
13	Shri P. K. Chadha	Director	Independent
14	Shri J. L. Zutshi	Director	Independent

### Board Meetings

During the year, four Board Meetings were held on 16th April, 21st July, 20th October, 2008 and 19th January, 2009. The attendance of each Director in the Board Meetings and the last Annual General Meeting is detailed herein below:

Name of Directors	Designation	Number of Board Meetings held during the year 2008-09	Number of Board Meetings attended during the year 2008-09	Attendance at last Annual General Meeting held on 4th June, 2008
<b>Executive Directors</b>				
Shri P. Dasgupta	Managing Director & CEO	4	3	Yes
Shri A. Sengupta	Director (Finance & Comm.)	4	4	Yes
Shri C. S. Mani	Director (Technical)	4	3	Yes
<b>Non-executive Directors</b>				
Shri Ashok Sinha	Nominee Director of BPCL	4	4	Yes
Shri N. K. Mitra (upto 31st Jan., 2009)	Nominee Director of ONGC	4	3	Yes
Dr. A. K. Balyan (Appointed w.e.f. 20th February, 2009)			Nil	NA
Dr. U. D. Choubey	Nominee Director of GAIL	4	2	No
Shri B. M. Bansal (Upto 16th April, 2008)	Nominee Director of IOCL	4	Nil	NA
Shri S.V. Narasimhan (Appointed w.e.f. 16th April, 2008)			3	No
Mr. Jacques Gautier* (upto 20th October, 2008)	Nominee Director of GDF International	4	3	Yes
Mr. Dominique PELLOUX-PRAYER (Appointed w.e.f. 20th October, 2008)			1	NA
*(Two Board Meetings attended by Mr. Eric Ebelin as an Alternate Director)				

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Shri D. J. Pandian	Nominee Director of GMB	4	2	No
<b>Non-executive Independent Directors</b>				
Shri M. S. Srinivasan (upto 31st July, 2008)	Chairman	4	2	Yes
Shri R. S. Pandey (Appointed w.e.f. 25th August, 2008)			2	NA
Shri Arun Duggal (upto 11th July, 2008)	Nominee Director of ADB	4	1	No
Shri S. Chander (Appointed w.e.f. 16th July, 2008)			2	NA
Shri D. P. Roy	Independent Director	4	4	Yes
Shri P. K. Chadha	Independent Director	4	4	Yes
Shri J. L. Zutshi	Independent Director	4	4	Yes

**Detail of Directorship on the Board of other Companies as on 31.03.2009**

Name	No. of other Companies in which Directorship/ Chairmanship is held	
	Directorship	Chairmanship
Shri R.S. Pandey	Nil	1
Shri P. Dasgupta	1	Nil
Shri A. Sengupta	2	Nil
Shri C. S. Mani	Nil	Nil
Shri Ashok Sinha	1	5
Dr. U. D. Choubey	1	4
Dr. A. K. Balyan	7	1
Shri S. V. Narsimhan	1	1
Mr. Dominique PELLOUX-PRAYER	2	1
Shri D. J. Pandian	9	1
Shri S. Chander	1	Nil
Shri D. P. Roy	6	Nil
Shri P. K. Chadha	2	Nil
Shri J. L. Zutshi	2	Nil

**Detail of Membership / Chairmanship of Committees of the Board of other Companies as on 31.03.2009**

Name	No. of Membership / Chairmanship held in Committees of Board of other Companies	
	Membership	Chairmanship
Shri R. S. Pandey	Nil	Nil
Shri P. Dasgupta	Nil	Nil
Shri A. Sengupta	Nil	Nil
Shri C. S. Mani	Nil	Nil
Shri Ashok Sinha	1	Nil
Dr. U. D. Choubey	1	Nil
Dr. A. K. Balyan	2	Nil
Shri S. V. Narsimhan	Nil	Nil
Mr. Dominique PELLOUX PRAYER	Nil	Nil
Shri D. J. Pandian	2	Nil
Shri S. Chander	Nil	Nil
Shri D. P. Roy	2	Nil
Shri P. K. Chadha	1	1
Shri J. L. Zutshi	Nil	Nil

**Note: -**

As per Clause 49 the above details are required to be disclosed only for the following three committees:

- 1 Audit Committee
- 2 Shareholders/Investors Grievance Committee
- 3 Remuneration Committee

**Remuneration paid to Whole-time Directors and Non-executive Directors during the year ended 31st March, 2009**

Remuneration to Whole-time Directors is being paid as per terms of their appointment. The Company pays remuneration by way of salary, perquisites, allowances and commission to Whole-time Directors. Commission is calculated with reference to profits of the Company in a particular year and is determined by the Board and Shareholders, subject to overall ceiling as prescribed in the Companies Act, 1956.

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

(In Rupees)

S.N.	Name	Designation	Salaries & Allowances (a)	Contribution on to PF & Gratuity Fund (b)	Other Benefits & Perks (c)	Commission on Profit for the year 2007-08 (d)	Commission on Profit for the year 2008-09 (e)	Total	
								2008-09	2007-08**
1	Shri P. Dasgupta	Managing Director & CEO	35,89,235	1,99,224	2,13,137*	17,03,571	14,28,571	54,30,167	56,87,512
2	Shri A. Sengupta	Director (Finance & Commercial)	27,38,594	1,42,157	66,467	17,03,571	14,28,571	43,75,789	44,71,404
3	Shri C. S. Mani	Director (Technical)	28,87,271	1,42,157	1,20,931	17,03,571	14,28,571	45,78,930	37,85,341

\* This excludes Rs. 18,21,162/- being treatment and hospitalization charges, which has however been considered for computation of Managerial Remuneration, under notes to accounts no. 11 & 12 of Schedule 18 to the audited accounts.

\*\* These figures exclude commission on profit for the year 2006-07 paid during 2007-08.

The Non-Executive Directors (NEDs) are paid remuneration by way of commission and sitting fees. In terms of Shareholders approval obtained at the AGM held on 14th June, 2007, the commission is to be paid not exceeding 1% per annum of the profits of the Company computed in accordance with Section 309 of the Companies Act, 1956. The details of remuneration paid / payable to the Non - Executive Directors are stated herein below:

S. No.	Name	Commission on Profits for the year ended 31st March 2009 ( in Rupees)
1	Shri D. P. Roy	14,28,571
2	Shri P. K. Chadha	14,28,571
3	Shri J. L. Zutshi	14,28,571

**Note :**

Besides the above, Commission of Rs. 1,14,28,568 (Rs. 14,28,571/- each) is also payable to GOI, IOCL, BPCL, ONGC, GAIL, GDFI, ADB and GMB with respect to their nominated Directors for the year ended 31<sup>st</sup> March, 2009.

S. No.	Name	Sitting Fees paid during 2008-09(Rs.)
1	Shri Ashok Sinha	70,000
2	Shri D. P. Roy	90,000
3	Shri P. K. Chadha	1,00,000
4	Shri J. L. Zutshi	60,000
5	Dr. Dominique Pelloux – Prayer	10,000
6	Shri S. V. Narasimhan	20,000
7	Shri M. S. Srinivasan (upto 31 <sup>st</sup> July, 2008)	20,000
8	Mr. Jacques Gautier (upto 20 <sup>th</sup> October, 2008)	60,000
9	Shri Arun Duggal (upto 11 <sup>th</sup> July, 2008)	20,000

**Note:**

Beside above, sitting fees of Rs. 50,000/- for attending the Board / Committee Meetings has been paid to the respective organizations, who have nominated its Official(s) as Nominee Director on the Board of the Company.

**Terms of appointment of Whole-time Directors**

Presently, the Company has the following Whole - time Directors:

1. Shri P. Dasgupta, Managing Director & CEO
2. Shri A. Sengupta, Director (Finance & Commercial)
3. Shri C. S. Mani, Director (Technical)

The initial tenure of 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 by Members in the Annual General Meeting.

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

**Audit Committee**

The Audit Committee comprises of the following Directors as on 31<sup>st</sup> March, 2009:

- 1 Shri D. P. Roy, Chairman
- 2 Shri Ashok Sinha, Member
- 3 Shri Seethapathy Chander, Member
- 4 Shri P. K. Chadha, Member

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All the Members of Audit Committee are Non-executive Directors and three out of four Members are Independent Directors namely Shri D. P. Roy, Shri Seethapathy Chander and Shri P. K. Chadha. The quorum of the Audit Committee is two Members.

The Chairman of the Audit Committee also attended the last Annual General Meeting of the Company.

The Company Secretary is the Secretary of the Audit Committee.

### Detail of Meetings of Audit Committee held during the year

Members	No. of Meetings Held	No. of Meeting Attended
Shri D. P. Roy	4	4
Shri Ashok Sinha	4	3
Shri Arun Duggal (upto 11 <sup>th</sup> July, 2008)	4	1
Shri Seethapathy Chander (w.e.f. 16 <sup>th</sup> July, 2008)		2
Shri P. K. Chadha	4	3

### Brief Terms of Reference of Audit Committee

The primary function of the Audit Committee is to assist the Board of Directors in fulfilling its oversight responsibilities by reviewing the financial reports and other financial information provided by the Company to any Govt. body or to the investors or the public; the Company's system of internal controls regarding finance, accounting and legal compliances that Management and the Board have established.

The terms of reference of Audit Committee include inter-alia the followings:

- Oversight the Company's financial reporting process and disclosure of its financial information to ensure that the financial statement is correct sufficient and credible.
- Recommending the appointment and removal of statutory and internal auditors (wherever required), fixation of audit fee and also approval for payment for any other services.
- Reviewing with management the quarterly/ half yearly and the annual financial statements before submission to the Board, focusing primarily on:
  - Any changes in accounting policies and practices.
  - Major accounting entries based on exercise of judgment by Management.
  - The going concern assumption.
  - Compliance with accounting standards.
  - Compliance with Stock Exchange(s) and Legal requirements Concerning financial statements.
  - Any related party transactions i.e. transactions of the Company of material nature, with Promoters or the Management, or relatives etc. that may have potential conflict with the interest of the Company at large.
- Reviewing with the management, statutory and internal auditors, the adequacy and compliance of internal control systems.
- Reviewing the adequacy of internal audit function, reporting structure coverage and frequency of internal audit.

- Discussion with internal auditors any significant findings and follow up there on.
- Reviewing the findings of any internal investigations by the internal auditors into matters where they are suspected about any fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board.
- Discussion with statutory auditors about the scope of audit as well as have post-audit discussion to ascertain any area of concern.
- Reviewing the company's financial and risk management policies.
- To look into the reasons for substantial defaults in the payment to the lenders, shareholders (in case of non payment of declared dividends) and other creditors.

### Shareholders/Investors Grievance Committee:

As on 31<sup>st</sup> March, 2009 the Shareholders/Investors Grievance Committee comprises of the following Directors:

- 1 Shri Seethapathy Chander, Chairman
- 2 Shri S. V. Narasimhan, Member
- 3 Shri A. Sengupta, Member
- 4 Shri C. S. Mani, Member

Company Secretary is the Compliance Officer of the Company.

### Detail of Meetings of Shareholders/Investors Grievance Committee:

Date	Members	Meeting attended
19.01.2009	Shri Seethapathy Chander	Yes
	Shri S. V. Narasimhan	Yes
	Shri A. Sengupta	Yes
	Shri C. S. Mani	Yes

### Details of Complaints received and redressed during the year ended 31<sup>st</sup> March, 2009:

During the year ended 31<sup>st</sup> March 2009, 4026 complaints were received and 4020 complaints were resolved. As on 31<sup>st</sup> March 2009, only 6 complaints were pending.

### Share Transfer Committee:

Share Transfer Committee was constituted to deal with the cases like re-materialization of shares, transfer, transposition & splitting of shares in physical mode. Share Transfer Committee consists exclusively Whole time Directors namely;

- 1 Shri P. Dasgupta, Managing Director & CEO
- 2 Shri A. Sengupta, Director (Finance & Commercial)
- 3 Shri C. S. Mani, Director (Technical)

Shri P. Dasgupta, Managing Director & CEO is the Chairman of the Committee.

### Remuneration Committee:

The Remuneration Committee was constituted by the Board to determine the Remuneration Package for Executive Directors. Following Directors are the Members of the Remuneration Committee:

1. Shri J. L. Zutshi
2. Shri Seethapathy Chander
3. Shri D. P. Roy
4. Shri Ashok Sinha

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One Meeting of the Remuneration Committee was held on 16<sup>th</sup> July, 2008 which was attended by Shri J. L. Zutshi, Shri Ashok Sinha and Shri D. P. Roy.

**Risk Assessment & Minimisation Procedure**

The Company has laid down procedures to inform the Members of the Board about the risk assessment and minimization procedure. A Risk Management Committee consisting Whole-time Directors periodically reviews the procedures to ensure that Executive Management controls risk through properly defined framework. The risk assessment framework encompassed, inter-alia, methodology for assessing risks on ongoing basis, risk prioritization, risk mitigation, monitoring plan and comprehensive reporting system.

**Legal Compliance Reporting**

As required under Clause 49 of Listing Agreement, the Board periodically reviews compliances of various laws applicable to the Company.

**Annual General Meetings (AGMs)**

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

Year	2005-06	2006-07	2007-08
Date & Time	14 <sup>th</sup> June, 2006 at 10:00 AM	14 <sup>th</sup> June, 2007 at 10:00 AM	4 <sup>th</sup> June, 2008 at 10:00 AM
Venue	Air Force Auditorium, Subroto Park, Dhaula Kuan, New Delhi-110010	Air Force Auditorium, Subroto Park, Dhaula Kuan, New Delhi-110010	Air Force Auditorium, Subroto Park, Dhaula Kuan, New Delhi-110010
Details of Special Resolutions	1. Appointment of Statutory Auditors. 2. Approval or f issuance of Debenture(s)/ Bond(s)/GDR(s). 3. Approval to amend various contracts mentioned in the Prospectus at the time of IPO.	1. Appointment of Statutory Auditors. 2. Amendment in Articles of Association of the Company. 3. Approval for payment of commission on profit to Directors.	1. Appointment of Statutory Auditors.
Resolutions passed through Postal Ballot	Nil	Nil	Nil

**Extra Ordinary General Meeting(s) (EGMs)**

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

**Disclosure**

During the year no material transactions with the Directors or the Management, their subsidiaries or relatives etc. have taken place, which have potential conflict with the interest of the Company.

**Compliance**

There has been no non-compliance of the provisions/ requirements of Stock Exchanges/SEBI. No penalties/strictures have been imposed on the Company by the Stock Exchanges or SEBI or any other statutory authority on any matter relating to Capital Market.

**Means of Communication**

The Company has its web site having updated details about the Company, its project status, Shareholding pattern on quarterly

basis, etc. The financial results are being posted on the Company's web site. i.e. www.petronetlng.com. The Company also have exclusive e-mail ID i.e. investors@petronetlng.com for investor's to contact the Company in case of any information and grievances. The financial results were also published in National Daily Newspapers in terms of Listing Agreement and also hosted at SEBI EDIFAR website.

**General Shareholders Information**

**Annual General Meeting (AGM)**

Day & Date	Thursday, 25 <sup>th</sup> June, 2009
Time	10:00 AM
Venue	Air Force Auditorium, Dhaula Kuan, New Delhi – 110 010
Date of Book Closure	15 <sup>th</sup> June, 2009 to 25 <sup>th</sup> June, 2009

**Dividend Payment Date**

The dividend, if approved by the Members of the Company will be payable on or after 29<sup>th</sup> June, 2009.

**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 31<sup>st</sup> March, 2009 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, 2008	21 <sup>st</sup> July, 2008
July - September, 2008	20 <sup>th</sup> October, 2008
October-December, 2008	19 <sup>th</sup> January, 2009
Year Ended	
31 <sup>st</sup> March, 2009	25 <sup>th</sup> April, 2009

**Listing on Stock Exchange(s)**

Name of Stock Exchanges	Stock Code
The Stock Exchange, Mumbai (BSE)	532522
The National Stock Exchange of India Limited (NSE)	PETRONET

**Market Price Data: High and Low during each month in last financial year.**

Month	BSE (in Rs.)		NSE (in Rs.)	
	High	Low	High	Low
April, 2008	85.40	69.05	85.50	69.00
May, 2008	84.20	69.10	84.40	68.95
June, 2008	71.35	55.50	71.35	55.00
July, 2008	63.25	48.35	63.20	48.35
August, 2008	65.45	57.00	67.30	58.30
September, 2008	62.90	49.50	63.00	50.10
October, 2008	54.90	32.00	53.45	30.70
November, 2008	44.00	31.00	44.90	31.00
December, 2008	42.40	29.65	42.40	29.40
January, 2009	43.85	33.10	43.90	33.10
February, 2009	39.00	33.00	38.90	32.00
March, 2009	39.85	31.60	39.90	31.60

**PETRONET LNG LIMITED****DISTRIBUTION SCHEDULE AS ON 31.03.09**

Category (Amount)	No. of Cases	% of Cases	Total Shares	Amount	% of Amount
Upto – 5000	4,65,849	87.30	7,96,50,939	79,65,09,390	10.63
5001 – 10000	42,914	8.04	3,43,12,792	34,31,27,920	4.58
10001 – 20000	15,232	2.85	2,27,27,923	22,72,79,230	3.03
20001 – 30000	3,807	0.71	97,72,594	9,77,25,940	1.30
30001 – 40000	1,507	0.28	54,20,598	5,42,05,980	0.72
40001 – 50000	1,268	0.24	60,23,917	6,02,39,170	0.80
50001 – 100000	1,735	0.33	1,27,85,399	12,78,53,990	1.70
100001 & Above	1,342	0.25	57,93,05,882	5,79,30,58,820	77.24
<b>TOTAL</b>	<b>533654</b>	<b>100.00</b>	<b>75,00,00,044</b>	<b>7,50,00,00,440</b>	<b>100.00</b>

**Shareholding Pattern of the Company as on 31.03.2009**

	Category	No. of Shares Held	% of Shareholding
<b>A</b>	<b>Promoter's holding</b>		
	1 Promoters		
	- Indian Promoters	37,50,00,000	50.00
	- Foreign Promoters	Nil	Nil
	<b>Sub- Total</b>	<b>37,50,00,000</b>	<b>50.00</b>
<b>B</b>	<b>Non - Promoter's holding</b>		
	<b>2 Institutional Investors</b>		
	a Mutual Funds and UTI	1,14,65,339	1.53
	b Banks, Financial Institutions	13,63,620	0.18
	c Insurance Companies / Central / State Govt. Institutions / Non-government Institutions / Venture Capital Funds	21,00,000	0.28
	d FII's (Including ADB holding)	7,07,64,361	9.44
	<b>Sub-Total</b>	<b>8,56,93,320</b>	<b>11.43</b>
	<b>3 Others</b>		
	a Private Corporate Bodies	2,43,26,078	3.24
	b Indian Public	18,26,79,213	24.36
	c NRI's / OCB's (Including GDFI)	8,15,95,671	10.88
	d Any other (Clearing Members & Trusts)	7,05,762	0.09
	<b>Sub-Total</b>	<b>28,93,06,724</b>	<b>38.57</b>
	<b>GRAND TOTAL</b>	<b>75,00,00,044</b>	<b>100.00</b>

**List of Shareholders holding more than 1% of Equity Capital as on 31.03.2009**

Name	No. of Shares Held	% of Shareholding
<b>Promoter's Holding</b>		
Bharat Petroleum Corporation Ltd.	9,37,50,000	12.50
GAIL (India) Ltd.	9,37,50,000	12.50
Indian Oil Corporation Ltd.	9,37,50,000	12.50
Oil & Natural Gas Corporation Ltd.	9,37,50,000	12.50
<b>Non-promoters Holding</b>		
GDF International	7,50,00,000	10.00
Asian Development Bank	3,90,00,000	5.20


**PETRONET LNG LIMITED**
**Detail of Unclaimed Shares as on 31.03.2009 issued pursuant to Initial Public Offer (IPO)**

Sr. 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. 1.4.2008.	702	1,51,600
2	Number of Shareholders who approached for transfer of Shares from suspense account during the year.	21	7,500
3	Number of Shareholders to whom Shares were transferred from suspense account during the year.	21	7,500
4	Aggregate number of Shareholders and outstanding Shares in the suspense account at the end of year i.e. 31.3.2009.	681	1,44,100

**Code of Conduct for Board Members & Senior Management Personal**

The Board of Directors of the Company approved Code of Conduct for Board Members & Senior Management Personnel and the same was made effective from 1st April, 2006. Copy of the same has also been hosted/ placed at the website of the Company. All the Board Members and Senior Management Personnel have affirmed compliances with the said Code for the year ended 31<sup>st</sup> March, 2009.

**CEO/CFO Certification**

A certificate from the Managing Director & CEO and Director (Finance & Commercial) on the Financial Statements of the Company in terms of Clause 49 of Listing Agreement was placed before the Board, who took the same on record.

**Related Party Transactions**

The details of all significant transactions with related parties are periodically placed before Audit Committee.

**Secretarial Audit**

A qualified practicing Company Secretary carried out a Secretarial Audit on quarterly basis to reconcile the total Share Capital with National Securities Depository Limited (NSDL), Central Depository Services Limited (CDSL) and the total issued and listed capital. The audit confirms that the total issued/paid-up capital is in agreement with total number of shares in physical forms and total number of dematerialized shares held with NSDL & CDSL.

**Major Plant/Unit Location (s) :**
**Dahej Plant Location**

LNG Terminal, Dahej  
GIDC Industrial Estate,  
Plot No 7/A, Dahej Talukavagra  
Distt. Bharuch  
GUJARAT  
Tel. : 02641-253182/257004-257007  
Fax : 02641-253180

**Kochi LNG Project Site**

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

**Address for Correspondence :**
**Registered & Corporate Office**

Petronet LNG Limited  
World Trade Centre, First Floor,  
Babar Road, Barakhamba Lane,  
New Delhi-110 001  
Tel. : 011-23413616, 23411411  
Fax : 011-23414271  
E-mail : [investors@petronetlng.com](mailto:investors@petronetlng.com)

**Registrar & Share Transfer Agent**

M/s Karvy Computershare Pvt. Limited  
Plot No. 17 to 24,  
Vittal Rao Nagar,  
Madhapur,  
HYDERABAD – 500081  
Tele: 040-23312454,23320751/52  
Fax: 040-23311968,23323049  
Email: [mailmanager@karvy.com](mailto:mailmanager@karvy.com)

PETRONET LNG LIMITED

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**Auditors' Certificate on Compliance with the conditions of Corporate Governance under clause 49 of the Listing Agreements**

**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<sup>st</sup>, 2009, as stipulated in clause 49 of the Listing Agreement of the said company with Stock Exchanges in India.
2. The Compliance of 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 for 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 the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreement.
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 V. Sankar Aiyar & Co.  
Chartered Accountants

Place : New Delhi  
Date :

Sd/-  
(Ajay Gupta)  
Partner  
Membership No. 90104