

SECRETARIAL AUDIT REPORT FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2023

(Pursuant to Section 204(1) of the Companies Act, 2013 and Rule 9 of the Companies
(Appointment and Remuneration of Managerial Personnel) Rules, 2014.

To,
The Members of
Petronet LNG Limited.

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Petronet LNG Limited (CIN: L74899DL1998PLC093073)** (hereinafter called the Company). Secretarial Audit was conducted in accordance with Auditing Standards (CSAS-1 to CSAS-4 and Guidance Notes on ICSI Auditing Standards, ICSI Guidance Note on Code of Conduct for Company Secretaries and in a manner that provided us a reasonable basis for evaluating the corporate conducts/ statutory compliances and expressing our opinion thereon.

Based on our verification of the **Petronet LNG Limited's** books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the **financial year ended on 31st March, 2023** complied with statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

1. We have examined the books, papers, minute books, forms and returns filed and other records maintained by Petronet LNG Limited for the financial year ended on **31st March, 2023** according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made there under;
- (ii) The Securities Contracts (Regulation) Act, 1956 (SCRA) and the rules made there under;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the

extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings.

- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 (SEBI Act): -
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - (c) The Securities and Exchange Board of India (Issue and Listing of Non-convertible Securities) Regulations, 2021*;
 - (d) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
 - (e) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
 - (f) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018*;
 - (g) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021*;
 - (h) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021*;
and
 - (i) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018*.

*SEBI Regulations listed at sub-para (v) above, Sl. Nos. (c), (f), (g), (h) and (i) above are not applicable, as there were no corporate decisions/actions during the year under report, attracting these regulations.

- (vi) Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and Rules framed there under.
- (vii) The Other Laws applicable specifically to the Company are:
 - (a) The Explosives Act, 1884;
 - (b) Petroleum and Natural Gas Regulatory Board Act, 2006;
 - (c) The Petroleum Act, 1934;
 - (d) The Oil Industry (Development) Act, 1974;
 - (e) Indian Boilers Act, 1923;
 - (f) The Territorial Waters, Continental Shelf, Exclusive Economic Zone and Other Maritime Zones Act, 1976;
 - (g) Merchant Shipping Act, 1958;
 - (h) The Electricity Act, 2003.
2. We have also examined the compliances with the applicable laws listed under Sl. No. (vii) above on test check basis, and Regulations/Standards of the following:
 - (i) SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 [SEBI (LODR) Regulations, 2015]/Circulars and listing agreements with Bombay Stock Exchange Ltd and the National Stock Exchange of India Ltd;
 - (ii) Secretarial Standards issued by the Institute of Company Secretaries of India.
3. During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.
- 3A. We further report that the Company is implementing its Corporate Social Responsibility Policy/Activities as specified in Schedule VII to the Act read with Section 135 of the Act directly or through Petronet LNG Foundation, a Section 8 Company under the Act.

4. We further report that:

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-executive Directors, Independent Directors and an Independent Woman Director, except as indicated below:

“The Board did not have required number of independent directors from 9th April 2022 to 30th September, 2022, and again from 1st October, 2022 to 23rd November, 2022 during the period under review, resulting in non-compliance with the provisions of Regulation 17 (1)(a) of SEBI (LODR) Regulations, 2015 for 84 days during the first two quarters and 54 days during the third quarter of the FY 2022-23. BSE and NSE have separately levied fines of Rs. 420,000 and Rs. 270,000 for non-compliance of Regulation 17(1)(a) of SEBI (LODR) Regulations, 2015 under Standard Operating Procedure of SEBI for periods as stated above. The Company has complied with the requirements of above regulation with the appointment of Independent Director w.e.f. 24th November, 2022 and also paid fines of Rs. 495,600/- and Rs. 318,600/- inclusive of taxes on 01.12.2022 and 07.03.2023 respectively to both BSE and NSE after deducting tax at source within statutory timelines.”

The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Majority decision is carried through while dissenting members' views are captured and recorded as part of the minutes.

5. We further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.
6. We further report that during the audit period, no major decisions having a bearing on Company's affairs in

pursuance of the above referred laws, rules, regulations and guidelines, were taken by the Company except the following:

- (a) The Company conducted Postal Ballots vide notices dated 01.11.2022, 24.12.2022 and 4.03.2023 for approval of following Special Business by giving facility of remote e- voting to shareholders to cast their votes:
 - (i) Appointment of Shri Rajesh Kumar Srivastava (DIN:08513272) as Nominee Director (ONGC) of the Company liable to retire by rotation, by ordinary resolution, passed by requisite majority.
 - (ii) Appointment of Shri Sandeep Kumar Gupta (DIN: 07570165) as Nominee Director (GAIL) liable to retire by rotation, by ordinary resolution, passed by requisite majority.
 - (iii) Appointment of Shri Rama Krishna Gupta Vetsa (DIN: 08188547) as Nominee Director (BPCL) liable to retire by rotation by ordinary resolution passed by requisite majority.
 - (iv) Appointment of Shri Arun Kumar Singh (DIN: 06646894) as Nominee Director (ONGC) liable to retire by rotation by ordinary resolution passed by requisite majority.
 - (v) Appointment of Shri Muker Jeet Sharma (07599788) (Indian Forest Service – 1985 Batch) as Independent Director for 3 years with effect from 24.11.2022, not liable to retire by rotation, by special resolution passed by requisite majority, as per terms and conditions given in the explanatory statement to the postal ballot notice dated 24.12.2022.
 - (vi) Extension of tenure of Shri Vinod Kumar Mishra (DIN: 08125144) as Whole-time Director (Finance) for 2 years with effect from 18.04.2023, not liable to retire by rotation, pursuant to the provisions of Article 111 of the Articles of Association of the Company, provisions of Sections 149, 152, 196, 197 of the Companies Act, 2013 read with Schedule V to the Act/ Rules, SEBI (LODR) Regulations 2015, based on recommendations of Nomination and Remuneration Committee of the Board, with

liberty to Board to vary, subject to the same, not exceeding the limits under Schedule V to the Act, and as set out in the explanatory statement to the postal ballot notice dated 4.03.2023; and the resolution was passed by requisite majority.

The result of e-voting through Postal Ballots were announced on 5.12.2022, 30.1.2023 and 10.4.2023, respectively, communicated to BSE and NSE and also uploaded on the website of the Company.

This report is to be read with our letter of even date which is annexed as Annexure 'A' and forms an integral part of this report.

For A.N. Kukreja & Co.

(A.N. Kukreja)

Proprietor

FCS 1070/ CP 2318.

Peer Review Cert. 875/2020

FRN: S1995DE014900

UDIN: F001070E000370670

Date: 24th May, 2023

Place: New Delhi

To,
The Members of
Petronet LNG Limited

1. Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial record. We believe that the process and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and books of accounts of the Company.
4. Wherever required, we have obtained the management representation about the compliance of laws, rules and regulations and happening of events, etc.
5. The compliance of the provisions of corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.
7. During the course of our examination of the books and records of the Company carried out in accordance with generally accepted practices in India, we have neither come across any instance of material fraud on or by the Company, nor the Company has noticed and reported any such case during the year and accordingly the Company has not informed us of any such case.
8. Disclaimer:
The secretarial audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For A.N. Kukreja & Co.

(A.N. Kukreja)

Proprietor

FCS 1070/ CP 2318.

Peer Review Cert. 875/2020

FRN: S1995DE014900

Date: 24th May, 2023

Place: New Delhi

Management's Reply on the Secretarial Audit Report for the Financial Year 2022-23

Observation of Auditor	Management's Reply
<p>The Board did not have required number of independent directors from 9th April 2022 to 30th September 2022, and again from 1st October 2022 to 23rd November 2022 during the period under review, resulting in non-compliance with the provisions of Regulation 17 (1)(a) of SEBI (LODR) Regulations, 2015 for 84 days during the first two quarters and 54 days during the third quarter of the FY 2022-23. BSE and NSE have separately levied fines of Rs. 420,000 and Rs. 270,000 for non-compliance of Regulation 17(1)(a) of SEBI (LODR) Regulations, 2015 under Standard Operating Procedure of SEBI for periods as stated above. The Company has complied with the requirements of above regulation with the appointment of Independent Director w.e.f. 24th November 2022 and also paid fines of Rs. 495,600/- and Rs. 318,600/- inclusive of taxes on 01.12.2022 and 07.03.2023 respectively to both BSE and NSE after deducting tax at source within statutory timelines.</p>	<p>The Company had appointed Shri Muker Jeet Sharma (Indian forest Service – 1985 batch) as Independent Director on its Board w.e.f. 24th November 2022 for a tenure of three years. Accordingly, the composition of the Board of Directors was in compliance with Regulation 17(1) of SEBI LODR Regulations, 2015 since 24th November 2022. The Company also paid the fine to the stock exchanges within stipulated period.</p>