

BOC India Limited | Annual Report 2008

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A view of the 1800 tpd plant at Bellary

BOC India

Becoming a High Performance Organisation

The Journey Begins

In January 1935, BOC became the first gas company to set up a production facility in India. That was the beginning of a journey which has seen BOC India grow from being a pioneer in the gases industry in the country to what it is today – a market leader in industrial, medical and specialty gases.

This formidable position has been achieved by forging a strong and successful partnership with Indian industries through the years – with customers in industry segments as diverse as oil refining to steel, automotive to food freezing, fabrication to healthcare, glass to solar photovoltaic. They have come to rely on our global experience and industry expertise and in our ability to provide customised solutions tailored to their business needs, while maintaining a strong focus on things that matter to them – product safety and quality, and supply reliability.

The Journey Continues

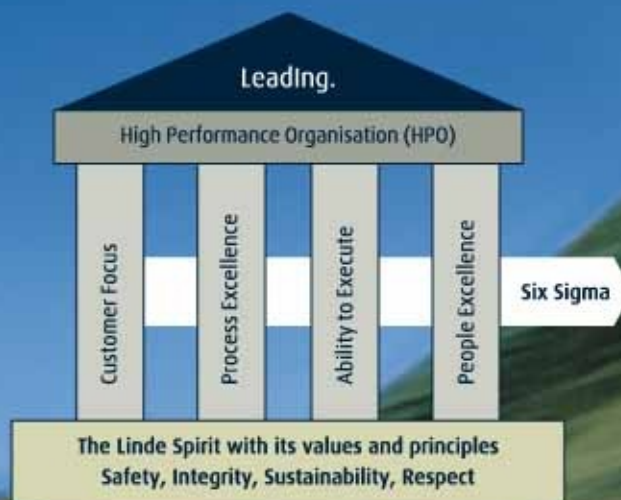
BOC India is not a company that rests on its achievements. We are on a journey of continuous improvement because we do not believe that something is done so well that it cannot be done better. This is true in the way we serve our customers, run our processes, execute a project or develop our people to help them excel – we will constantly find ways to improve on them. This mindset is the essence of a high performance organisation and this is the corporate culture that we in BOC strive towards.

One of the defining moments of the BOC India journey has been Linde's global acquisition of The BOC Group in September 2006 creating The Linde Group, one of the largest global gases and engineering group in the world. The Linde Group has a global footprint that covers more than 100 countries and employing over 50,000 people worldwide. As a member of The Linde Group, BOC India is able to tap on the vast resources and expertise of the Group to fast-track its journey to become a high performance organisation. A high performing culture supports The Linde Group's vision which is,

"We will be the leading global gases and engineering group, admired for our people, who provide innovative solutions that make a difference to the world."

The journey

- Customer Focus
- Process Excellence
- Ability to Execute
- People Excellence



Steering towards growth



Customer Focus is our goal

Customer Focus

The core values and foundational principles of BOC India provide a guide to the way we serve our customers. We are a firm believer that “the customer is the reason why we exist”. This is why a prime focus for our organisation is to listen to our customers to find out what they need and tailoring solutions to suit their requirements.

BOC India anticipates market trends with a view to developing appropriate state-of-the-art technology and innovative applications to maximise customer value. The Company leverages on Linde’s latest research and development of proven methods and processes to deliver superior products and services to customers. The Company has taken various initiatives to reduce the cost of doing business and simplify processes to make it easier for customers to do business with us.

Customer Service Centre

A unique feature that provides BOC India a competitive advantage in the gases industry is the Customer Service Centre. The centre has established the Company as a market leader in terms of quality and customer satisfaction. From the creation of customer index to resolution of complaints, every customer-related issue is monitored and managed under one roof. This initiative has improved the indenting process from the customers, leading to higher customer satisfaction levels.

Process Excellence

Process excellence is about implementing standardised global best practices. Linde processes are optimally structured and executed to support business performance. BOC India leverages on the global insight of its parent to complement the skills and experience of the local talent pool to support process excellence within the organisation. This enables the Company to develop and run worldclass processes in all major differentiating areas.

Our information technology (IT) system epitomises process excellence. BOC India has harmonised its IT application with the regional business warehouse application platform to improve the reporting system within the South & East Asia regional business unit (RBU). Our IT team also introduced a new cost-effective IT application to improve business processes. In addition, the SAP platform was upgraded to the latest version to provide more functionality to the business.

Another Linde global best practice named Global Optimised Liquid Distribution (GOLD) is in the process of being implemented in BOC India. Under Project GOLD, a logistic scheduling system for distribution of liquid gases will be implemented with the aim of moving from reactive supplies to a total inventory management system. This will bring down lead time, down time, distribution costs and improve customer service. The GOLD-SAP interface will be used to leverage the existing global best practices of The Linde Group.

On the anvil is a project to set up an offshore Remote Operation Centre by the South & East Asia RBU, which will use remote technology to optimise operations of all Tonnage plants in the 10 countries within the RBU, including India.

BOC India is relentless in its search for new technologies, applications and services to boost performance in the organisation. The Company is confidently working towards the vision of making a difference to the world through innovative solutions in areas such as clean energy, energy efficiency, waste-water treatment and environmental protection, besides creating a safer and healthier workplace for its employees.

*Clean energy, making a difference
to our world*

*Flawless execution is the hallmark
of a high performance culture*

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Ability to Execute

The ability to execute requires clear rules and streamlined, efficient and consistent decision making processes. This covers a wide range of practices involving clear understanding of what needs to be done, driving this understanding in the organisation, delegating responsibility and empowering people to take quick and consistent decisions. It also requires developing consistent project and change management skills, closely monitoring success and managing upcoming issues to foster seamless implementation.

Some key and strategic decisions that have been successfully executed or are in various stages of execution in BOC India are:

- Commissioning of 1800 tpd air separation unit at JSW Steel works at Bellary
- Setting up of merchant air separation plant in Selaqui in Uttarkhand
- Deployment of 24 KL VITT with MAN prime mover fitted with ABS, a first in the Indian cryogenic industry
- Fleet control room at the Company headquarters
- Implementation of Project GOLD



1800 tpd plant at Bellary

People Excellence



Pankaj Sharma (centre), Manager, Business Development, Project Engineering Division of BOC India, receiving the RBU AsiaOne Excellence Award 2009 from Dr Aldo Belloni (left), Member of The Executive Board of The Linde Group. On the right is Sanjiv Lamba, Head of the South & East Asia regional business unit.

BOC India aims to be an employer of choice for the best talents in the country. We believe that talents attract other talents, and we have in place human resource processes to recruit the right people for the appropriate roles. We provide worldclass professional training and development to bring out the best in our people, and offer opportunities for them to work with the best in our field through collaboration with the diverse team of Linde global experts.

In the past year, the Company organised a number of people oriented development workshops, some of which are highlighted below:

- Disha, a workshop for the senior management team of BOC India was held at Bangalore with a view to formulating the vision and strategy for the Company for 2012
- The Six Sigma Champions Training was organised for senior managers with a view to building a rigorous discipline structure and systematic framework using Six Sigma tools and a project manager methodology involving teamwork
- Training on communication skills and managerial effectiveness, among others, were held for junior and mid-level executives and managers

*Bringing out the best in our people
to help them go the extra mile*



The BOC India journey in retrospect

Few companies can claim the distinction of existing for over 70 years in a dynamic, ever-changing world. Fewer still can claim to have grown through some rather challenging times by constantly reinventing themselves. BOC India has stretched its imagination, broadened its horizons, looked beyond the obvious and constantly raised the bar on its performance. The Company today prides itself as much on its hardware – its production facilities, systems and technological base – as on its software – its value system, its productivity. We look forward with confidence and are ready to take on the challenges of the future with renewed vigour.

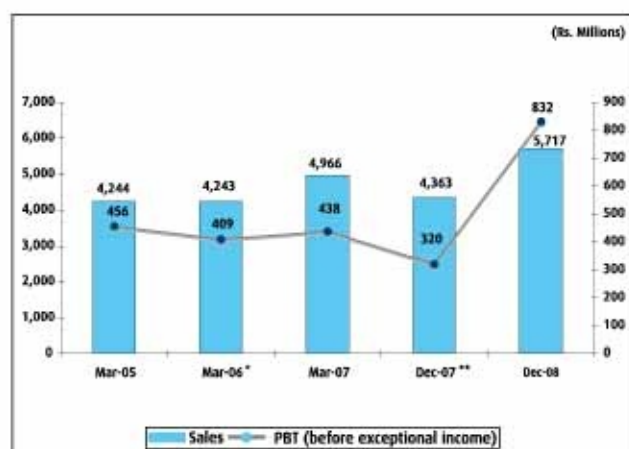
The graphical renditions of BOC India's performance over the last financial year shows that the organisation is prepared to meet the challenges of tomorrow. Despite the challenge of a changing global economic landscape, the Company moves confidently forward with unwavering commitment and focus to deliver stable returns to all stakeholders.



Our shareholders at the 72nd AGM

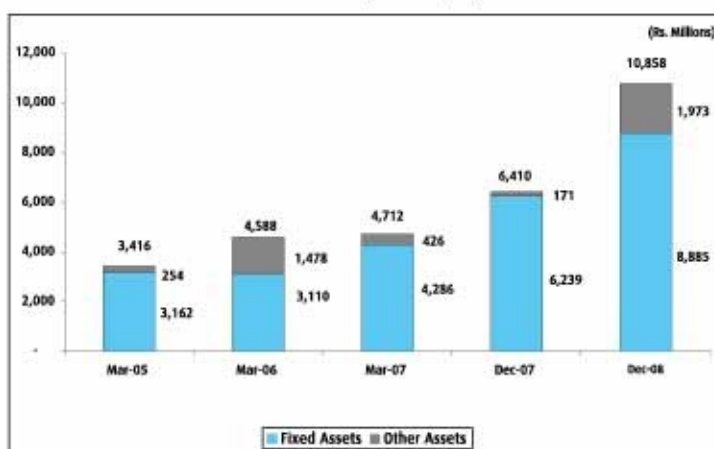
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Sales & PBT Trend



* Excludes one off plant sales & profits to joint Venture
Company Bellary Oxygen Private Limited
** On annualised basis

Movement of Capital Employed



Board of Directors*



S M DATTA
Chairman



J J IRANI



S LAMBA



J MEHTA



M S HUGGON



S MENON



K ROY

*As on 23 February 2009