LETTER OF OFFER

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION.

This Letter of Offer is being sent to you as an equity shareholder(s) of BOC India Limited. If you require any clarifications about the action to be taken, you may consult your stockbroker or investment consultant or the Manager to the Offer/ Registrar to the Offer. In case you have recently sold your Equity Shares in BOC India Limited, please hand over this Letter of Offer and the accompanying Form of Acceptance, Form of Withdrawal and Transfer Deed to the member of the stock exchange through whom the sale was effected.

CASH OFFER BY

The BOC Group plc ("Acquirer" or "The BOC Group plc")

Registered office: The Priestley Centre, 10 Priestley Road, The Surrey Research Park, Guildford, Surrey, GU2 7XY, England.
Tel. No. +44-1483-242-200, Fax No. +44-1483-242-300.

along with

Linde Holdings Netherlands B.V. ("Linde Holdings Netherlands B.V.")

Registered office: Havenstraat 1, 3115HC, Schiedam, The Netherlands.
Tel. No. +31 10 2461616, Fax No. +31 10 2461600.

and

Linde Finance B.V. ("Linde Finance B.V.")

Registered office: Atrium 7th floor, Strawinskylaan 3111, 1000 BL Amsterdam, The Netherlands.
Tel. No. +31-2030-13800, Fax No. +31-2030-13809.

and

BOC Holdings ("BOC Holdings")

Registered office: The Priestley Centre, 10 Priestley Road, The Surrey Research Park, Guildford, Surrey, GU2 7XY, England.
Tel. No. +44-1483-242-200, Fax No. +44-1483-242-300.

(hereinafter collectively referred to as the "**PACs**")
(hereinafter the Acquirer and the PACs being collectively referred to as the "**Acquirer Group**")
to acquire up to 17,056,845 fully paid up Equity Shares of Rs. 10/- each, representing 20% of the issued and paid-up voting capital at the expiry of 15 days after the date of closure of the offer of

BOC India Limited ("BOC India Limited" or "Target Company")

Registered office: Oxygen House, P43 Taratala Road, Kolkata 700 088, India.
Tel: +91-33-2401 4708/4710-16, Fax: +91-33-2401 4974/4206

at a price of Rs. 165/- (Rupees One Hundred and Sixty Five Only) per Equity Share (the "Offer Price")

The Offer is being made pursuant to and in compliance with Regulation 11(1) of the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 1997 and subsequent amendments thereof.

The Offer is not subject to a minimum level of acceptance by the shareholders of the Target Company.

Public Shareholders who accept the Offer by tendering the requisite documents, in accordance with the terms of the Public Announcement and the Letter of Offer, shall have the option to withdraw acceptance tendered by them up to three (3) working days prior to the date of closure of the Offer, in terms of Regulation 22(5A) of the SEBI (SAST) Regulations, i.e. by June 25, 2008.

The Acquirer can revise the Offer Price upwards up to seven (7) working days prior to the date of closure of the Offer (i.e. by June 19, 2008). If there is any upward revision in the Offer Price by the Acquirer until the last date of revision, i.e. by June 19, 2008, or if the offer is withdrawn, the same will be informed by way of a public announcement in the same newspapers in which the Public Announcement has appeared. The Acquirer will pay such revised price for all the Equity Shares validly tendered anytime during the Offer and accepted under the Offer.

The Offer for acquisition of the Equity Shares tendered under the Offer is subject to the approval of the RBI under FEMA and the rules and regulations made thereunder. The Acquirer has applied to the RBI on January 21, 2008 seeking its approval inter alia for the acquisition of the Offer Shares. The RBI has, vide its letter no. FE.CO.FID/20181/10.21.088/2007-08 dated February 27, 2008 given its no-objection to the Acquirer for the acquisition of the shares under the Offer, subject to compliance with the provisions of A.P (Dir Series) Circular No. 16 dated October 4, 2004 and prescribed pricing and documentation requirements, and further subject to the condition that any shares tendered by erstwhile OCBs in the Offer are referred to the RBI for its prior approval.

There are no other statutory approvals required to implement the Offer other than that specified above. If any other statutory approvals become applicable prior to the completion of the Offer, the Offer would also be subject to such other statutory approvals. The Acquirer does not require any approvals from financial institutions or banks for the Offer.

In case of a delay in the receipt of any statutory approval(s), SEBI has the power to grant an extension of time to the Acquirer for payment of consideration to the tendering shareholders, subject to the Acquirer agreeing to pay interest for the delayed period as directed by SEBI in terms of Regulation 22(12) of the SEBI (SAST) Regulations. Further, if a delay occurs on account of willful default or neglect or inaction or non-action by the Acquirer in obtaining the requisite approvals, Regulation 22(13) of the SEBI (SAST) Regulations will become applicable. However, as stated above, the Acquirer has received the RBI's no-objection for the acquisition of shares under the Offer subject to the conditions mentioned above.

If there is a competitive bid(s):

- **The public offers under all the subsisting bids shall close on the same date;**
- **As the Offer Price cannot be revised during 7 (seven) working days prior to the closing date of the offers / bids, it would, therefore, be in the interest of shareholders to wait till the commencement of that period to know the final offer price of each bid and tender their acceptance accordingly.**

There has been no competitive bid as of the date of this Letter of Offer.

A copy of the Public Announcement and the Letter of Offer (including Form of Acceptance and Form of Withdrawal) is also available on SEBI's website (www.sebi.gov.in).

MANAGER TO THE OFFER	REGISTRAR TO THE OFFER
Deutsche Bank **DEUTSCHE EQUITIES INDIA PRIVATE LIMITED** DB House, Hazarimal Somani Marg, Fort, Mumbai 400 001 Tel.: +91-22-6658 4951 Fax.: +91-22-2200 6765 Email: abhishek.pandey@db.com Contact Person: Mr. Abhishek Pandey	INTIME SPECTRUM REGISTRY LIMITED **INTIME SPECTRUM REGISTRY LIMITED,** C-13, Pannalal Silk Mills Compound, L.B.S. Marg, Bhandup West, Mumbai – 400 078 Tel: +91 22 2596 0320 Fax: +91 22 2596 0328 / 29 Email: boc.openoffer@intimespectrum.com Contact Person: Awani Thakkar

OFFER OPENS ON : June 11, 2008	OFFER CLOSES ON :June 30, 2008

The table below summarizes the schedule of activities:

No.	Activity	Day	Date
1.	Public Announcement (PA) Date	Tuesday	January 22, 2008
2.	Last date for a competitive bid	Tuesday	February 12, 2008
3.	Specified Date*	Friday	February 15, 2008
4.	Date by which the Letter of Offer is to be dispatched to shareholders	Saturday	June 7, 2008
5.	Date of opening of the Offer	Wednesday	June 11, 2008
6.	Last date for revising the Offer Price/number of Equity Shares	Thursday	June 19, 2008
7.	Last date for shareholders for withdrawing their acceptance of the Offer	Wednesday	June 25, 2008
8.	Date of closure of the Offer	Monday	June 30, 2008
9.	Last date of communicating rejection/ acceptance and payment of consideration for applications accepted and for dispatch of hare certificates for the rejected shares or for credit of unaccepted demat shares	Friday	July 11, 2008

*****_Specified Date is only for the purpose of determining the names of the Public Shareholders as on such date to whom the Letter of Offer would be sent. All owners (registered or unregistered) of the Equity Shares, except the Acquirer Group, are eligible to participate in the Offer anytime before the closing of the Offer._

RISK FACTORS

- The risk factors set forth below pertain to the Offer and are not in relation to the present or future business operations of the Target Company or its subsidiaries or other related matters, and are neither exhaustive nor intended to constitute a complete analysis of the risks involved in participation or otherwise by a shareholder in the Offer.
- The Acquirer makes no assurance with respect to the market price of the Equity Shares both during the Offer period and upon the completion of the Offer, and disclaims any responsibility with respect to any decision by any Shareholder on whether to participate or not to participate in the Offer.
- Shareholders of the Target Company are advised to consult their stockbroker or investment consultant, if any, for analyzing all the risks with respect to their participation in the Offer.

Risks related to the proposed Offer

- In the event that either (a) a regulatory approval is not received in a timely manner, (b) there is any litigation leading to a stay on the Offer, or (c) SEBI instructs the Acquirer not to proceed with the Offer, then the Offer process may be delayed beyond the schedule of activities indicated in this Letter of Offer. Consequently, the payment of consideration to the public shareholders of the Target Company whose Equity Shares have been accepted in the Offer as well as the return of the Equity Shares not accepted by the Acquirer may be delayed. In case of delay, due to non-receipt of statutory approvals, as per Regulation 22(12) of the SEBI (SAST) Regulations, SEBI may, if satisfied that the non-receipt of approvals was not due to willful default or negligence on part of the Acquirer, grant an extension for the purpose of completion of the Offer subject to the Acquirer paying interest to the shareholders, as may be specified by SEBI.
- The Offer is subject to the receipt of approval from the RBI, under FEMA, required for acquisition by the Acquirer of the Equity Shares tendered under the Offer and for other related matters. The Acquirer has already made an application to the RBI on January 21, 2008. Vide its letter no. FE.CO.FID/20181/10.21.088/2007-08 dated February 27, 2008, the RBI has given its no-objection to the Acquirer for the acquisition of the shares under the Offer, subject to compliance with the provisions of A.P (Dir Series) Circular No. 16 dated October 4, 2004 and prescribed pricing and documentation requirements, and further subject to the condition that any shares tendered by erstwhile OCBs in the Offer are referred to the RBI for its prior approval. If any other statutory approvals become applicable prior to the completion of the Offer, the Offer will also be subject to such other statutory approvals. In terms of Regulation 27 of SEBI (SAST) Regulations, the Acquirer may not be able to proceed with the Offer in the event the approvals indicated above are not received. Delay, if any, in the receipt of these approvals may delay completion of the Offer.
- Consequently, the payment of consideration to the Shareholders whose Equity Shares have been accepted in the Offer as well as the return of the Equity Shares not accepted by the Acquirer may be delayed. Shareholders should note that after the last date for withdrawal of acceptances under the Offer which is June 25, 2008, the Shareholders who have tendered their Equity Shares will not be able to withdraw them even if the acceptance of Equity Shares under the Offer and the dispatch of the consideration gets delayed. The Equity Shares tendered in the Offer will be held in trust by the Registrar to the Offer till the completion of the Offer formalities, and the shareholders will not be able to trade such Equity Shares. During such period there may be fluctuations in the market price of the Equity Shares of the Target Company. Accordingly, the Acquirer makes no assurance with respect to the market price of the Equity Shares both during the Offer period and upon the completion of the Offer, and disclaims any responsibility with respect to any decision by any shareholder of the Target Company on whether to participate or not to participate in the Offer.
- In the event of oversubscription in the Offer, the acceptance will be on a proportionate basis and will be contingent on the level of oversubscription.
- The Acquirer and the Manager to the Offer accept no responsibility for the statements made otherwise than in the Public Announcement or the Letter of Offer or in the advertisement or any materials issued by, or at the instance of the Acquirer and the Manager to the Offer, and anyone placing reliance on any other source of information would be doing so at his/her/their own risk.

Risks related to the Acquirer and the Target Company

- The Acquirer makes no assurance with respect to the financial performance of the Target Company or its subsidiary.
- The Acquirer is already in control of the Target Company and is only making the Offer pursuant to Regulation 11(1) of the SEBI (SAST) Regulations.

Note: Please refer to the "Definitions" section for the definition of various terms used above

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1. DEFINITIONS

Term	Description
Acquirer or The BOC Group plc	The BOC Group plc, a company incorporated under the laws of England and Wales and having its registered office at The Priestley Centre, 10 Priestley Road, The Surrey Research Park, Guildford, Surrey, GU2 7XY, England. Tel. No. +44-1483-242-200, Fax No. +44-1483-242-300.
Acquirer Group	The Acquirer and the PACs.
BOC Holdings	BOC Holdings, a company incorporated under the laws of England and Wales and having its registered office at The Priestley Centre, 10 Priestley Road, The Surrey Research Park, Guildford, Surrey, GU2 7XY, England. Tel. No. +44-1483-242-200, Fax No. +44-1483-242-300.
BSE	The Bombay Stock Exchange Limited.
CDSL	Central Depositary Services (India) Limited.
CSE	Calcutta Stock Exchange Limited.
Declaration of Trust	The Acquirer holds the New Shares as the legal owner, with the beneficial ownership in respect of the New Shares vesting with Linde Holdings Netherlands B.V., a PAC, pursuant to a declaration of trust dated January 16, 2008.
DP	Depository Participant.
EUR	Euro.
Equity Share(s)	Fully paid up equity share(s) of the Target Company of the face value of Rs. 10/- each.
Escrow Account	Bank Account opened with the Escrow Bank pursuant to the Escrow Agreement.
Escrow Bank	Deutsche Bank AG, a company incorporated in Frankfurt and acting through its Mumbai Branch having one of its offices at Kodak House, 222, Dr. D. N. Road, Fort, Mumbai 400001, India.
Escrow Agreement	Agreement dated January 11, 2008 entered into amongst the Acquirer, the Manager to the Offer and the Escrow Bank.
Expanded Voting Capital	The issued, subscribed and fully paid-up equity voting capital of the Target Company at the expiry of 15 days after the date of closure of the Offer i.e. Rs. 852,842,230 divided into 85,284,223 outstanding equity shares of a face value of Rs.10 each.
FEMA	Foreign Exchange Management Act, 1999.
FII	Foreign Institutional Investors.
FIPB	Foreign Investment Promotion Board.
Form of Acceptance	Form of Acceptance-cum-Acknowledgement.
GBP	Great Britain Pound.
Guidelines	SEBI (Disclosure and Investor Protection) Guidelines, 2000 and the subsequent amendments thereto.
Income Tax Act	Income Tax Act, 1961.
Letter of Offer	Letter of offer dated June 5, 2008.
Linde Finance B.V.	Linde Finance B.V., a company incorporated under the laws of The Netherlands and having its registered office at Atrium 7th floor, Strawinskylaan 3111, 1000 BL Amsterdam, The Netherlands. Tel. No. +31-2030-13800, Fax No. +31-2030-13809.
Linde Holdings Netherlands B.V.	Linde Holdings Netherlands B.V., a company incorporated under the laws of The Netherlands and having its registered office at Havenstraat 1, 3115HC, Schiedam, The Netherlands. Tel. No. +31 10 2461616, Fax No. +31 10 2461600.
Linde AG	Linde AG, a public limited company incorporated under the laws of Germany and having its registered office at Leopoldstrasse 252, 80807 Munich, Germany, Tel. No. +49-89-35757-01, Fax No. +49-89-35757-1075.
Manager to the Offer or DEIPL	Deutsche Equities India Private Limited, a company incorporated under the Companies Act, 1956 and having its registered office at Third Floor, Kodak House, 222, Dr. D. N. Road, Fort, Mumbai 400001, India.

Term	Description
New Shares	36,200,000 fully paid-up Equity Shares allotted to the Acquirer by the Target Company pursuant to the Preferential Issue.
NSDL	National Securities Depository Limited
NSE	National Stock Exchange of India Limited.
Offer or Open Offer	The offer for the acquisition of 17,056,845 fully paid up Equity Shares representing 20% of the Expanded Voting Capital, at the Offer Price.
Offer Price	Rs. 165/- (Rupees One Hundred and Sixty Five Only) per Equity Share.
Offer Shares/ Offer Size	17,056,845 Equity Shares being 20% of the Expanded Voting Capital of the Target Company as may be validly revised upwards in accordance with the provisions of Regulation 26 of the SEBI (SAST) Regulations.
Old Shares	26,898,891 fully paid-up Equity Shares of the Target Company constituting 31.54% of the Expanded Voting Capital held by the Acquirer, prior to the Preferential Issue.
PACs	Linde Holdings Netherlands B.V., BOC Holdings and Linde Finance B.V.
Persons eligible to participate in the offer	All equity shareholders of the Target Company on the Specified Date other than the Acquirer and the PACs, as also persons who own Equity Shares at any time prior to the closure of the Offer, whether or not they are registered shareholders.
Preferential Issue	Issuance and allotment, on a preferential basis, of 36,200,000 Equity Shares for cash at a price of Rs. 165/- (including premium of Rs. 155/-) per Equity Share aggregating Rs. 5,973,000,000 (Rupees Five Hundred and Ninety Seven Crore and Thirty Lakhs Only) on January 19, 2008 in accordance with the Guidelines.
Preferential Issue Price	Rs. 165/- (Rupees One Hundred and Sixty Five Only) per Equity Share.
Promoter	The BOC Group plc, i.e. the Acquirer, who is also the promoter of the Target Company.
Public Announcement	Announcement of the Offer by the Acquirer, made by the Manager to the Offer on behalf of the Acquirer in all the editions of Financial Express (English daily), all the editions of Janasatta (Hindi daily), and Kolkata edition of Aajkaal (Bengali daily) which appeared on January 22, 2008 and any corrigendum issued in continuation thereto.
RBI	Reserve Bank of India.
Registrar to the Offer	Intime Spectrum Registry Limited, C-13, Pannalal Silk Mills Compound, L.B.S. Marg, Bhandup West, Mumbai – 400 078, Telephone Nos: +91 22 2596 0320, Fax No: +91 22 2596 0328 / 29, Email: boc.openoffer@intimespectrum.com.
SEBI	Securities and Exchange Board of India.
SEBI Act	Securities and Exchange Board of India Act, 1992.
SEBI (SAST) Regulations or Regulations	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 1997, as amended from time to time.
Specified Date	Friday, February 15, 2008.
Target Company or BOC India Limited	BOC India Limited, a company incorporated under The Companies Act, 1956 and having its registered office at Oxygen House, P43 Taratala Road, Kolkata 700 088, India. Tel: +91-33-2401 4708/4710-16, Fax: +91-33-2401 4974/4206.
US$	US Dollars.

CURRENCY OF PRESENTATION

In this Letter of Offer, all references to “US$” are to the US Dollar, “EUR” are to the Euro and “GBP” are to the Great Britain Pound. Certain financial details contained herein are denominated in US Dollars, Euros or Great Britain Pounds. Unless otherwise stated, the Rupee equivalent quoted in each case is calculated in accordance the RBI Reference rates as on December 3, 2007, namely 1 US$ = Rs. 39.67, 1 EUR = Rs. 58.46 and 1 GBP = Rs. 81.78 (*Source: www.rbi.org.in*). Such conversions are for convenience purposes only.

In this Letter of Offer, any discrepancies in any table between the total and sum of amounts listed are due to rounding off.

2. DISCLAIMER CLAUSE

IT IS TO BE DISTINCTLY UNDERSTOOD THAT FILING OF THE LETTER OF OFFER WITH SEBI SHOULD NOT IN ANY WAY BE DEEMED OR CONSTRUED THAT THE SAME HAS BEEN CLEARED, VETTED OR APPROVED BY SEBI. THE LETTER OF OFFER HAS BEEN SUBMITTED TO SEBI FOR A LIMITED PURPOSE OF OVERSEEING WHETHER THE DISCLOSURES CONTAINED THEREIN ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH THE SEBI (SAST) REGULATIONS. THIS REQUIREMENT IS TO FACILITATE THE SHAREHOLDERS OF BOC INDIA LIMITED TO TAKE AN INFORMED DECISION WITH REGARD TO THE OFFER. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR FINANCIAL SOUNDNESS OF THE ACQUIRER, PACs OR THE TARGET COMPANY WHOSE EQUITY SHARES ARE PROPOSED TO BE ACQUIRED OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THE LETTER OF OFFER. IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE THE ACQUIRER IS PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THIS LETTER OF OFFER, THE MANAGER TO THE OFFER IS EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT THE ACQUIRER DULY DISCHARGES ITS RESPONSIBILITY ADEQUATELY. IN THIS BEHALF, AND TOWARDS THIS PURPOSE, DEUTSCHE EQUITIES (INDIA) PRIVATE LIMITED, THE MANAGER TO THE OFFER, HAS SUBMITTED A DUE DILIGENCE CERTIFICATE DATED FEBRUARY 5, 2008 TO SEBI IN ACCORDANCE WITH THE SEBI (SAST) REGULATIONS. THE FILING OF THE LETTER OF OFFER DOES NOT, HOWEVER, ABSOLVE THE ACQUIRER FROM THE REQUIREMENT OF OBTAINING SUCH STATUTORY CLEARANCES AS MAY BE REQUIRED FOR THE PURPOSE OF THE OFFER.

3. DETAILS OF THE OFFER

3.1 Background of the Offer

i) The BOC Group plc, a company incorporated under the laws of England and Wales and having its registered office at The Priestley Centre, 10 Priestley Road, The Surrey Research Park, Guildford, Surrey, GU2 7XY, England, Tel. No. +44-1483-242-200, Fax No. +44-1483-242-300 (hereinafter referred to as the "**Acquirer**" or "**The BOC Group plc**") along with BOC Holdings, a company incorporated under the laws of England and Wales and having its registered office at The Priestley Centre, 10 Priestley Road, The Surrey Research Park, Guildford, Surrey, GU2 7XY, England, Tel. No. +44-1483-242-200, Fax No. +44-1483-242-300 ("**BOC Holdings**"), Linde Holdings Netherlands B.V., a company incorporated under the laws of The Netherlands and having its registered office at Havenstraat 1, 3115HC, Schiedam, The Netherlands, Tel. No. +31 10 2461616, Fax No. +31 10 2461600 ("**Linde Holdings Netherlands B.V.**") and Linde Finance B.V., a company incorporated under the laws of The Netherlands and having its registered office at Atrium 7th floor, Strawinskylaan 3111, 1000 BL Amsterdam, The Netherlands, Tel. No. +31-2030-13800, Fax No. +31-2030-13809 ("**Linde Finance B.V.**") (hereinafter collectively referred to as the "**PACs**") (hereinafter the Acquirer and the PACs being collectively referred to as the "**Acquirer Group**") is making an offer to the public shareholders of BOC India Limited (hereinafter referred to as "**BOC India Limited**" or the "**Target Company**") to acquire up to 17,056,845 fully paid-up Equity Shares of the Target Company constituting up to 20% of the Expanded Voting Capital (as defined in paragraph 3.1(x) herein below) of the Target Company at a price of Rs. 165/- (Rupees One Hundred Sixty Five Only) per Equity Share, in terms of Regulation 11(1) of the SEBI (SAST) Regulations consequent to the Preferential Issue (as defined in paragraph 3.1(ii) herein below), on account of acquisition of the New Shares by the Acquirer (as defined in paragraph 3.1(ii) herein below).

ii) On January 19, 2008, the Board of Directors of the Target Company issued and allotted, on preferential basis, 36,200,000 fully paid-up Equity Shares (the "**New Shares**") of the face value of Rs. 10/- (Rupees Ten Only) each of the Target Company for cash, at a price of Rs. 165/- (Rupees One Hundred Sixty Five Only) per Equity Share of a face value of Rs. 10/- each (inclusive of a premium of Rs. 155/- (Rupees One Hundred Fifty Five Only) per Equity Share), aggregating to Rs. 597,30,00,000/- (Rupees Five Hundred and Ninety Seven Crore and Thirty Lakhs Only) (the "**Preferential Issue**") to the Acquirer in accordance with Section 81(1A) of the Companies Act, 1956 and the guidelines for preferential issues contained in Chapter XIII of the Securities and Exchange Board of India (Disclosure and Investor Protection) Guidelines, 2000 and subsequent amendments thereto (the "**Guidelines**").

iii) The Preferential Issue was duly authorized by a resolution of the Board of Directors of the Target Company at its meeting held on December 11, 2007 and by a special resolution of the shareholders of the Target Company under section 81(1A) of the Companies Act, 1956 and other applicable provisions, at the Extraordinary General Meeting of the Target Company held on January 5, 2008, whereby the shareholders of the Target Company authorized the Board of Directors of the Target Company to issue and allot the abovementioned Equity Shares as per the aforesaid Preferential Issue to the Acquirer.

iv) Upon receipt of in-principle listing approvals from the Bombay Stock Exchange Limited, Mumbai (the "**BSE**") on January 17, 2008, the National Stock Exchange of India Limited (the "**NSE**") on January 17, 2008 and the Calcutta

Stock Exchange Association Limited (the "**CSE**") on January 18, 2008 and pursuant to the receipt of the subscription money from the Acquirer on January 16, 2008, the New Shares were allotted to the Acquirer on January 19, 2008 as detailed in paragraph 3.1(ii). The Old Shares (as defined in paragraph 3.1(v) herein below) and the New Shares will be subject to a "lock-in" as per the Guidelines.

v) Prior to the Preferential Issue, the Acquirer held 26,898,891 fully paid-up Equity Shares of the Target Company (the "**Old Shares**") constituting 31.54% of the Expanded Voting Capital (as defined in paragraph 3.1(x) herein below) as the legal owner, with the beneficial ownership in respect of the Old Shares vesting with BOC Holdings, its wholly owned subsidiary, pursuant to declarations of trust in terms of which, the Acquirer has declared that the Old Shares held by it in the Target Company (together with all other shares issued to the Acquirer in respect of such Old Shares by way of capitalization of profits or reserves or in any other manner) are held on trust for BOC Holdings, and all beneficial, economic and voting rights linked to the said Old Shares would be to the benefit of BOC Holdings.

vi) Pursuant to the Preferential Issue, the Acquirer has acquired the New Shares constituting 42.45% of the Expanded Voting Capital (as defined in paragraph 3.1(x) herein below), in addition to the Old Shares it held before the Preferential Issue. The Acquirer holds the New Shares as the legal owner, with the beneficial ownership in respect of the New Shares vesting with Linde Holdings Netherlands B.V., a PAC, pursuant to a declaration of trust dated January 16, 2008 (the "**Declaration of Trust**") in terms of which, the Acquirer has declared that the New Shares held by it in the Target Company and the Offer Shares (as defined in paragraph 3.2(ii) below) tendered under this Offer, together with all other shares that may be issued to the Acquirer in respect of the New Shares and the Offer Shares tendered under this Offer by way of capitalization of profits or reserves or in any other manner, will be held in trust for Linde Holdings Netherlands B.V., and all beneficial, economic and voting rights linked to the said New Shares and the Offer Shares tendered under this Offer would be to the benefit of Linde Holdings Netherlands B.V.

vii) The Acquirer currently holds the New Shares and the Old Shares i.e. 63,098,891 fully paid up Equity Shares of the Target Company constituting 73.99% of the Expanded Voting Capital (as defined in paragraph 3.1(x) herein below). BOC Holdings is the beneficial owner of the Old Shares as stated in paragraph 3.1(v) above and Linde Holdings Netherlands B.V. is the beneficial owner of the New Shares as stated in paragraph 3.1(vi) above.

viii) Linde Finance B.V. does not hold any equity shares in the Target Company.

ix) The Acquirer Group collectively holds 63,098,891 Equity Shares constituting 73.99% of the Expanded Voting Capital of the Target Company.

x) As on the date of the Public Announcement, post the Preferential Issue of the New Shares, the issued, subscribed and fully paid up Equity Share capital of the Target Company was Rs. 852,842,230 divided into 85,284,223 outstanding equity shares ("**Equity Shares**") of a face value of Rs.10/- each ("**Expanded Voting Capital**"). There are no outstanding partly paid up shares or any other instruments convertible into Equity Shares of the Target Company at a future date.

xi) None of the Acquirer, PACs or the Target Company has been prohibited by SEBI from dealing in securities, in terms of directions issued under Section 11B of the SEBI Act or under any of the regulations made under the SEBI Act.

xii) As on the date of this Letter of Offer, the Acquirer does not have any intention to change the Board of Directors of the Target Company as a direct consequence of the Offer and except in the ordinary course of business and subject to applicable laws.

xiii) The Manager to the Offer has not held or dealt in any Equity Shares of the Target Company since the date of its appointment as Manager to the Offer and will not deal in the Equity Shares of the Target Company till the expiry of fifteen days from the date of closure of the Offer i.e. till July 15, 2008, in compliance with regulation 24(5A) of SEBI (SAST) Regulations.

3.2 Details of the Proposed Offer

i) The Public Announcement announcing the Offer as per Regulation 15(1) of the SEBI (SAST) Regulations was made in the following newspapers:

Newspaper	Language	Editions	Date
Financial Express	English	All	January 22, 2008
Janasatta	Hindi	All	January 22, 2008
Aajkaal	Bengali	Calcutta	January 22, 2008

A copy of the Public Announcement would be available on the SEBI website at http://www.sebi.gov.in/.

The Acquirer can revise the Offer Price or Offer Size upwards up to seven (7) working days prior to the closure of the Offer (i.e. June 19, 2008) in accordance with Regulation 26 of the SEBI (SAST) Regulations. Any decision for an upward revision in the Offer Price or Offer Size by the Acquirer, or withdrawal of the Offer would be communicated by way of a public announcement in the same newspapers in which the Public Announcement had appeared. In case of an upward revision in the Offer Price, the Acquirer would pay such revised price for all the Equity Shares validly tendered any time during the Offer and accepted under the Offer. In case of an upward revision in the Offer Size, the Acquirer shall accept all the Equity Shares validly tendered any time during the Offer on a proportionate basis to such revised Offer Size.

ii) This offer is being made by the Acquirer to the public shareholders of the Target Company (other than the Acquirer Group), to acquire up to 17,056,845 Equity Shares being 20% of the Expanded Voting Capital of the Target Company (the "**Offer Share(s) / Offer Size**") as on July 15, 2008, being the date which is 15 days from the date of closure of the Offer, as required under Regulation 21(5) of the SEBI (SAST) Regulations. This Offer is being made in terms of Regulation 11(1) of the SEBI (SAST) Regulations consequent to the Preferential Issue, on account of acquisition of New Shares by the Acquirer, at a price of Rs. 165/- per fully paid up Equity Share (the "**Offer Price**"), payable in cash in accordance with the SEBI (SAST) Regulations and subject to the terms and conditions mentioned hereinafter (the "**Offer**" or "**Open Offer**").

iii) Upon completion of the Offer, assuming full acceptances in the Offer, the Acquirer Group will hold 80,155,736 Equity Shares amounting to 93.99% of the Expanded Voting Capital of the Target Company.

iv) The Manager to the Offer does not hold any Equity Shares of the Target Company as on the date of this Letter of Offer.

v) Subject to the receipt of regulatory approvals as set out in paragraph 8 (v) and other terms and conditions as set out in paragraphs 8 (vi) and 8 (vii) of this Letter of Offer, the Acquirer will acquire up to 17,056,845 Equity Shares tendered pursuant to the Offer constituting 20% of the Expanded Voting Capital of the Target Company.

vi) This Offer is being made to all the public shareholders of the Target Company and is not a conditional offer and hence is not subject to any minimum level of acceptance by the shareholders of the Target Company. Accordingly, the Acquirer will accept all Equity Shares tendered by the shareholders of the Target Company pursuant to the Offer at the Offer Price subject to the Offer size not being exceeded. In case the number of Equity Shares received in the Offer exceeds the offer size, the acceptance will be made on a proportionate basis.

vii) The Offer is for the Equity Shares and there are no partly paid up equity shares issued by the Target Company.

viii) Equity Shares that are subject to any charge, lien or encumbrance, any court order / any other attachment / dispute may be rejected in the Offer. Applications in respect of Equity Shares of the Target Company that are subject matter of litigation wherein the Shareholders of the Target Company may be prohibited from transferring the Equity Shares during the pendency of the said litigation may be rejected if the directions / orders regarding these Equity Shares are not received together with the Equity Shares tendered under the Offer.

ix) None of the Acquirer, the PACs, or any of its Directors has acquired any Equity Shares of the Target Company during the 12 month period prior to the date of the Public Announcement.

x) Except for the acquisition of the beneficial ownership of the Offer Shares by Linde Holdings Netherlands B.V., pursuant to the Declaration of Trust as stated in paragraph 3.1(vi), the PACs will not be acquiring any shares pursuant to the Offer.

xi) The Equity Shares of the Target Company will be acquired by the Acquirer free from all liens, charges and encumbrances and together with the rights attached thereto, including all rights to dividend, bonus and rights offer declared thereof.

xii) This is not a competitive bid.

xiii) There have been no competitive bids from the date of the Public Announcement to the date of this Letter of Offer.

xiv) If there is a competitive bid:

- The public offers under all the subsisting bids shall close on the same date.
- As the Offer Price cannot be revised during 7 (seven) working days prior to the closure of the offers / bids, it would, therefore, be in the interest of the shareholders to wait till the commencement of that period to know the final offer price of each bid and tender their acceptance accordingly.

xv) Other than the Old Shares and the New Shares issued to the Acquirer pursuant to the Preferential Issue, the Acquirer does not hold any Equity Shares in the Target Company as of the date of this Letter of Offer. No Equity Shares have been acquired by the Acquirer from the date of the Public Announcement till the date of this Letter of Offer.

xvi) During the Offer period, the Acquirer may purchase additional equity shares of the Target Company in accordance with the SEBI (SAST) Regulations. All legal rights in respect of any such equity shares shall be exercised by the Acquirer and all beneficial rights with respect to such equity shares will be exercised by Linde Holdings Netherlands B.V.

3.3 Object of the Offer and Future Plans

i) The Acquirer is the promoter of the Target Company and held 26,898,891 Equity Shares of the Target Company comprising 54.80% of the voting capital of the Target Company before the Preferential Issue. The Acquirer has injected capital into the Target Company, in order to enable the Target Company to fund its capital expenditure and development requirements, through the Preferential Issue. The Preferential Issue has resulted in substantial acquisition of Equity Shares and voting rights by the Acquirer and the Acquirer is making this Offer to the public shareholders of the Target Company in accordance with Regulation 11(1) of the SEBI (SAST) Regulations. After conclusion of the Offer, assuming full acceptances in the Offer, the total shareholding of the Acquirer in the Target Company would be 93.99% of the Expanded Voting Capital of the Target Company.

ii) As on the date of this Letter of Offer, the Acquirer does not have any plans to make any change to the existing line of business of the Target Company or to dispose of or otherwise encumber any assets of the Target Company in the next 24 months except in the ordinary course of business of the Target Company and except to the extent deemed necessary for the purpose of restructuring and/or rationalization of business, assets, investments, liabilities or otherwise of the Target Company for commercial reasons, operational efficiencies or otherwise. It will be the responsibility of the Board of Directors of the Target Company to take appropriate decisions in these matters as per the requirements of the business. Such steps relating to sale or encumbrance, if any, of any substantial asset of the Target Company and restructuring as aforesaid will be governed by the applicable provisions of the Companies Act, 1956, and such approvals as may be required under applicable laws at the relevant time including the SEBI (SAST) Regulations to the extent applicable.

iii) Save and except as mentioned above, the Acquirer undertakes that it shall not sell, dispose of or otherwise encumber any substantial asset of the Target Company from the date of the closure of the Offer in accordance with the SEBI (SAST) Regulations, except with the prior approval of the shareholders of the Target Company, to the extent such approval is required by applicable laws.

4. BACKGROUND OF THE ACQUIRER & PACs

4.1 The BOC Group plc (Acquirer)

i) The Acquirer was incorporated as a private limited company under the laws of England and Wales on January 26, 1886 and currently its registered office is located at The Priestley Centre, 10 Priestley Road, The Surrey Research Park, Guildford, Surrey, GU2 7XY, England, Tel. No. +44-1483-242-200, Fax No. +44-1483-242-300.

ii) The name of the Acquirer has undergone the following changes:

From Date	Up To Date	Name
06/03/1981	01/03/1982	BOC International plc
10/04/1975	06/03/1981	BOC International Ltd
23/07/1906	10/04/1975	The British Oxygen Company Ltd
26/01/1886	23/07/1906	Brin's Oxygen Company Ltd

iii) The shares of the Acquirer are not listed on any stock exchange.

iv) As on the date of the Public Announcement, the paid up capital of the Acquirer was GBP 132,675,412.75 consisting of 530,701,651 equity shares each of face value GBP 0.25.

v) The Acquirer is primarily engaged in the business of manufacturing, production, conversion, processing, refining, distilling, using, distributing, purchasing and dealing of natural or man-made substances and the relevant derivative products. The Acquirer delivers value-added solutions based on the supply of gases, equipment, consumables and services for a. manufacturing, b. healthcare, and c. advanced technology and research industries.

vi) The Acquirer is a wholly owned subsidiary of Linde UK Holdings Limited, which in turn is a 100% subsidiary of Linde AG, a public limited company incorporated under the laws of Germany and having its registered office at Leopoldstrasse 252, 80807 Munich, Germany, Tel. No. +49-89-35757-01, Fax No. +49-89-35757-1075 (hereinafter referred to as "**Linde AG**").

vii) Linde Finance B.V., a PAC and a wholly owned subsidiary of Linde AG, has agreed to extend an inter corporate loan to Linde Holdings Netherlands B.V., another PAC and wholly owned subsidiary of Linde AG, to enable it to provide the necessary funding assistance to the Acquirer for the acquisition of the New Shares as also the Offer Shares tendered in the Offer. Linde Netherlands Holdings B.V. has in turn provided the necessary funds to the Acquirer for the purpose of acquiring the New Shares and funding the Escrow Account (as defined in paragraph 7.2(ii) herein below) and has agreed to provide the necessary funds to the Acquirer for the purpose of acquiring the Offer Shares tendered in the Offer. As consideration for such financial assistance, the Acquirer has executed the Declaration of Trust (as defined and detailed in paragraph 3.1(vi) above).

viii) The Acquirer holds the New Shares and the Old Shares, as the legal owner of these Equity Shares of the Target Company. BOC Holdings, a PAC and a wholly owned subsidiary of the Acquirer, is the beneficial owner of the aforementioned Old Shares held by the Acquirer as the legal owner. Linde Holdings Netherlands B.V., a PAC and a wholly owned subsidiary of Linde AG (the Acquirer's ultimate holding company), is the beneficial owner of the aforementioned New Shares held by the Acquirer as the legal owner. The Acquirer acquired the legal ownership to 12,991,132 Old Shares ("**Rights Issue Shares**") on September 22, 1997 pursuant to a rights issue conducted by the Target Company. The said acquisition of the legal ownership to the Rights Issue Shares was made in compliance with the provisions of Regulation 3(1)(b) of the SEBI (SAST) Regulations. The Acquirer has filed a report under Regulation 3(4) of the SEBI (SAST) Regulations dated March 12, 2008 in respect of the aforesaid acquisition of the Rights Issue Shares with the SEBI and has also filed an offer for consent without admission or denial of guilt with the SEBI on April 8, 2008 in terms of the Guidelines for Consent Orders and For Considering Requests for Composition of Offences issued vide Circular No. EFD/ED/Cir-1/2007 dated April 20, 2007 ("**Guidelines**"), proposing that no action, either civil or criminal, shall be taken by the SEBI against the Acquirer, or its directors, employees and officers, in respect of the delay of 3824 days in submission of the report under Regulation 3(4) of the SEBI (SAST) Regulations and seeking regularization of the same. The matter is currently pending with the SEBI.

ix) The shareholding pattern of the Acquirer as on the date of the Public Announcement was as under:

Sr. No.	Name of the Shareholder	Number of Shares held	% of Shareholding
1	Linde UK Holdings Limited	530,701,650	100
2	Commercium Immobilien- und Beteiligungs-GmbH(1)	1	0
	Total	**530,701,651**	**100**

Note:

1) *Commercium Immobilien- und Beteiligungs-GmbH holds 1 share in The BOC Group plc under declaration of trust in favour of Linde UK Holdings Limited*

x) The Board of Directors of the Acquirer as on the date of the Public Announcement comprised of the following Directors:

Name	Title	Date of Appointment	Qualification	Experience	Mailing Address
Prof. Dr. Wolfgang Reitzle	Chairman (Director)	05.09.2006	• Advanced Management Program, Harvard Business School· • Degree in Economics and Engineering (Dipl.-Wirt.-Ing.), Technical University of Munich • Doctorate – Engineering (Dr. Ing.), summa cum laude, metal physics & Degree in Engineering (Dipl.-Ing.),	• He started his career with BMW AG, Munich, Germany in 1976 and stayed with the firm till 1999, wherein since 1987 he had been a member of its Executive Board till 1999· • Thereafter he joined Ford Motor Company, USA as Group Vice President and stayed with the firm till 2002· • In May 2002, he joined Linde AG as member of the Executive Board and since January 2003, he has been the chairman of the Executive Board of Linde AG, Munich	Linde AG, Leopoldstrasse 252, 80807 Munich, Germany. Tel. No. +49-89-35757-01, Fax No. +49-89-35757-1075.

Name	Title	Date of Appointment	Qualification	Experience	Mailing Address
			Technical University of Munich, Germany		
Georg Denoke	Director	05.09.2006	• Degree in Information Science, University of Konstanz • Degree in Business Administration, Business School Villingen-Schwenningen • Degree in Business	• He started his career with Mannesmann Kienzle GmbH, Villingen in Human Resources Development in 1989· • He joined Mannesmann AG, Düsseldorf in 1993 in Corporate Controlling and left it in 2000 as Head of Corporate Communications & Investor Relations, Director • From 2000 to 2001 he was Managing Director Telecommerce & IT, Member of the European Board Vodafone Group· • From 2001 to 2004 he was the CEO of Apollis AG, Munich • In 2004, he joined Linde AG as Member of the Operational Board Segment Gas and Engineering, Pullach • Since 2006 he has been the member of Executive Board / CFO and Employment Director of Linde AG, Munich	Linde AG, Leopoldstrasse 252, 80807 Munich, Germany. Tel. No. +49-89-35757-01, Fax No. +49-89-35757-1075.
Jerry Kent Masters	Director (Executive Director)	01.03.2005	• MBA – Finance, The Stern School of Business, New York University • BS Chemical Engineering, Georgia Institute of Technology	• He has held several senior positions with BOC Gases since 1991 till 2000 • From 2000 to 2002 he was the President of BOC Process Plants and from 2002 to 2005 he was the President of Process Gas Solutions – Americas • From 2005 to 2006 he was the Chief Executive, Industrial and Special Products, The BOC Group • Since 2006, he has been a member of the Executive Board of Linde AG, Munich	Linde AG, Leopoldstrasse 252, 80807 Munich, Germany. Tel. No. +49-89-35757-01, Fax No. +49-89-35757-1075.
Andrew Christopher Brackfield	Director, Corporate Secretary	26.06.2007	• MA Law, Cambridge University	• 1980–1988: Assistant Solicitor, Linklaters & Paines • 1988-2002: Partner, Linklaters· • 2002-2006: Senior Counsel, Corporate, The BOC Group plc • 2007 to present – General Counsel International M & A and Corporate, The Linde Group	The BOC Group plc, The Priestley Centre, 10 Priestley Road, The Surrey Research Park, Guildford, Surrey, GU2 7XY, England. Tel. No. +44-1483-242-200, Fax No. +44-1483-242-300.

xi) None of the above directors of the Acquirer is on the Board of Directors of the Target Company.

xii) None of the directors of the Acquirer has acquired any Equity Shares of the Target Company during the 12 (twelve) months preceding the date of the Public Announcement.

xiii) The Acquirer has complied with applicable provisions of Chapter II of the SEBI (SAST) Regulations save as with respect to a delay of 12 days in relation to the filing under Regulation 8 of the SEBI (SAST) Regulations for the year 2001. The Acqurier has filed an offer for consent without admission or denial of guilt with the SEBI on April 8, 2008 in terms of the Guidelines, proposing that no action, either civil or criminal, shall be taken by the SEBI against the Acquirer, or its directors, employees and officers, in respect of the aforesaid delay of 12 days in relation to the filing under Regulation 8 of the SEBI (SAST) Regulations for the year 2001 and has sought regularization of the same. The matter is currently pending with the SEBI.

xiv) The audited consolidated financials of the Acquirer for the years ended September 30, 2004, September 30, 2005 and 15 month period ending December 31, 2006 as well as audited unconsolidated financials for 12-month period ending December 31, 2007 are as given below:

(All amounts in Rs. lacs except per share data and unless stated otherwise)

Profit & Loss Statement	**Year ending September 30,**		**15 month period ending December 31, 2006**	**12 month period ending December 31, 2007 (Audited Un-consolidated)**
	2004 (Audited)	**2005 (Audited)**	**2006 (Audited)**	
Group Revenue	3,177,480	2,441,215	3,453,242	342,985
Other Income (incl profits from discontinued operations)	28,868	121,116	65,506	4,989
Total Income	3,206,348	2,562,331	3,518,748	347,974
Total Expenditure	2,809,797	2,100,928	3,182,959	86,850
Profit Before Depreciation Interest and Tax	**396,551**	**461,403**	**335,789**	**261,124**
Depreciation	-	-	-	-
Interest Expense	59,372	16,847	64,279	78,263
Profit Before Tax	337,179	444,556	271,510	182,860
Provision for Tax	83,170	82,271	62,398	2,862
Profit After Tax	**254,009**	**362,285**	**209,111**	**179,998**

Balance Sheet Statement	**Year ending September 30,**		**15 month period ending December 31,**	**12 month period ending December 31,**
	2004 (Audited)	**2005 (Audited)**	**2006 (Audited)**	**2007(Audited Un-consolidated)**
Sources of funds				
Paid up share capital	101,980	102,716	108,195	108,522
Share Premium	306,593	332,517	552,424	561,256
Reserves and Surplus (including revaluation reserves)	961,487	1,143,203	1,160,213	864,415
Networth(1)	**1,370,060**	**1,578,436**	**1,820,832**	**1,534,193**
Minority interest	165,850	90,203	107,786	-
Non current borrowings and financial leases	787,705	630,933	642,791	1,390
Other non-current liabilities	564,037	697,665	518,976	2,575,089
Total	**2,887,652**	**2,997,237**	**3,090,384**	**4,110,672**
Uses of funds				
Net fixed assets	2,340,707	2,433,855	2,434,591	242,968
Investments	448,318	531,406	349,528	4,345,135
Net current assets	98,627	31,976	306,266	(477,432)
Total miscellaneous expenditure not written off	-	-	-	-
Total	**2,887,652**	**2,997,237**	**3,090,384**	**4,110,672**

Other Financial Data	Year ending September 30,		15 month period ending December 31, 2006 (Audited)	12 month period ending December 31, 2007 Audited Un-consolidated)
	2004 (Audited)	2005 (Audited)		
Dividend (%)[(2)]	64%	46%	72%	0%
Earning Per Share (Rs)[(3)]	51	72	40	34
Return on Networth (%)[(4)]	19%	23%	11%	12%
Book Value Per Share (Rs)[(5)]	275	314	344	289

Notes:

1) *Networth has been computed as a sum of the issued equity share capital, share premium and reserves*

2) *Dividend percentage has been computed by dividing the dividends for the relevant accounting period by the Profit After Tax for the corresponding accounting period*

3) *Earning per Share has been computed by dividing the Profit after tax by number of shares outstanding as at the end of relevant accounting period*

4) *Return on Networth has been computed by dividing the Profit after Tax by net worth for the relevant accounting period*

5) *Book Value per Share has been computed by dividing the net worth by the number of shares outstanding as at the end of relevant accounting period*

xv) The significant accounting policies of the Acquirer, as per the audited financial statements for the accounting periods included above are as follows:

The consolidated financial statements for the period ended September 30, 2004 have been prepared in accordance with the generally accepted accounting principles in the United Kingdom (UK-GAAP). In 2005, The BOC Group plc has adopted the International Financial Reporting Standards (IRFS) issued by the International Accounting Standards Board (IASB) in accordance with EU Regulation dated July 19, 2002 (EC No. 1606/2002), which required listed companies within the European Union to adopt IFRS as their basis of accounting. Therefore, the consolidated financials statement for the periods ended September 30, 2005 and December 31, 2006 have been prepared in accordance with IFRS issued by the IASB. After the acquisition of The BOC Group plc by Linde AG in September 2006, The BOC Group plc is not required to prepare consolidated financial statements. Therefore, financial statements for the period ended December 31, 2007 are prepared on an unconsolidated basis and in accordance with UK-GAAP. A summary of the more important accounting policies, is set out below.

Accounting policies for the consolidated financial statements as of September 30, 2004:

The consolidated financial statements as of September 30, 2004 are based on the historical cost accounting convention in accordance with the Companies Act 1985 and comply with all applicable UK accounting standards (UK-GAAP).

Basis of consolidation

The group accounts include the accounts of the parent undertaking and of all subsidiaries, joint ventures and associates. The results of businesses acquired during the year are included from the effective date of acquisition. The results of businesses disposed of during the year are included up to the date of relinquishing control. Material, separately identifiable business segments disposed of are analysed as discontinued operations and prior years' analyses are restated to reflect those businesses as discontinued.

Accounting Policies

Exchange Profit and Loss and other period statements of the group's overseas operations are translated at average rates of exchange for the financial year. Assets and liabilities denominated in foreign currencies are translated at the rates of exchange ruling at the financial year end. Assets or liabilities swapped into other currencies are accounted for in those currencies. Exchange differences are dealt with as a movement in reserves where they arise from:

i) the translation of the opening net assets of overseas operations;

ii) the retranslation of retained earnings of overseas operations from average to closing rates of exchange; and

iii) the translation or conversion of foreign currency borrowings taken to hedge overseas assets.

All other exchange differences are taken to the profit and loss account.

Revenue recognition

Turnover is based on the invoiced value of the sale of goods and services, and includes the sales value of long-term contracts appropriate to the state of completion. It excludes sales between group undertakings, VAT and similar sales-based taxes. Turnover for goods and services is recognised when the significant risks and rewards of ownership are transferred to the customer. This is determined to be when delivery has occurred, title of the goods has passed to the purchaser, and where the price is fixed or determinable and reflects the commercial substance of the transaction. Sales returns are not a significant business issue in the industries in which the group operates.

Profit on long-term contracts is recognised on a percentage of completion basis. Provision is made for all losses incurred together with any foreseeable future losses.

Retirement benefits

Retirement benefits are accounted for under FRS17. For defined benefit schemes the regular service cost of providing retirement benefits to employees during the year is charged to operating profit in the year. The full cost of providing amendments to benefits in respect of past service is also charged to operating profit in the year.

A credit representing the expected return on the assets of the retirement benefit schemes during the year is included within other net financing income. This is based on the market value of the assets of the schemes at the start of the financial year.

A charge representing the expected increase in the liabilities of the retirement benefit schemes during the year is included within other net financing income. This arises from the liabilities of the schemes being one year closer to payment.

Differences between actual and expected returns on assets during the year are recognised in the statement of total recognised gains and losses in the year, together with differences arising from changes in assumptions.

For defined contribution schemes the cost of providing benefits is charged to operating profit as incurred.

Intangible fixed assets

Goodwill arising on the acquisition of a business, being the excess of the fair value of the purchase price over the fair value of the net assets acquired, is capitalised and amortised on a straight line basis over its useful economic life, generally up to a maximum period of 20 years.

An impairment review is carried out at the end of the first full financial year following acquisition. Any impairment in the value of goodwill, calculated by discounting estimated future cash flows, is dealt with in the profit and loss account in the period in which it arises. Negative goodwill, being the excess of the fair value of the net assets acquired over the fair value of the purchase price, is capitalised and amortised on a straight line basis, generally over a period equivalent to the realisation of the non-monetary assets acquired.

Other material intangible assets acquired, such as patents and trademarks, are capitalised and written off on the straight line basis over their effective economic lives.

Tangible fixed assets

Tangible fixed assets are stated at cost less accumulated depreciation. No depreciation is charged on freehold land or construction in progress.

Depreciation is charged on all other fixed assets on the straight line basis over the effective lives. Straight line depreciation rates vary according to the class of asset.

Interest costs on major fixed asset additions are capitalised during the construction period and written off as part of the total cost.

Where finance leases have been entered into, the capital element of the obligations to the lessor are shown as part of borrowings and the rights in the corresponding assets are treated in the same way as owned fixed assets.

Any impairment in the value of fixed assets, calculated by comparing the carrying value against the higher of the net realisable value or value in use, is dealt with in the profit and loss account in the period in which it arises.

Investments

Investments which are held for the long term and in which the group has a participating interest and exercises joint control with one or more other parties are treated as joint ventures and accounted for on the gross equity method. Investments which are held for the long term and in which the group has a participating interest and exercises significant influence are treated as associates and accounted for on the equity method. In both cases, the group's share of the results of the investment is included in the profit and loss account, and the group's share of the net assets is included in investments in the balance sheet. Other investments are shown on the balance sheet at cost less any provision for impairment.

Stocks

Stocks and work in progress are valued at the lower of cost and net realisable value. Cost where appropriate includes a proportion of overhead expenses. Work in progress is stated at cost less progress payments received or receivable. Cost is arrived at principally on the average and 'first-in, first-out' (FIFO) basis. The amount of long-term contracts, net of amounts transferred to cost of sales and after deducting foreseeable losses and payments on account, is included in stocks as long-term contract amounts.

Deferred tax

The group provides for deferred tax assets and liabilities arising from timing differences between the recognition of gains and losses in the financial statements and their recognition for tax purposes. Deferred tax assets are only recognised where it is more likely than not that they will be recovered. Deferred tax assets and liabilities are not discounted.

Provisions

Provisions are made when an obligation exists for a future liability in respect of a past event and where the amount of the obligation can be reliably estimated. Restructuring provisions are made for direct expenditures of a business reorganisation where the plans are sufficiently detailed and well advanced, and where appropriate communication to those affected has been undertaken at the balance sheet date.

Financial instruments

The group uses financial instruments, including interest rate and currency swaps, to raise finance for its operations and to manage the risks arising from those operations. All transactions are undertaken only to manage interest and currency risk associated with the group's underlying business activities and the financing of those activities. The group does not undertake any trading activity in financial instruments.

Accounting policies for the consolidated financial statements as of September 30, 2005 and December 31, 2006

The consolidated financial statements as of September 30, 2005 and December 31, 2006 are prepared in accordance with International Financial Reporting Standards (IFRS) and related interpretations as adopted by the European Union.

Accounting policies

The consolidated financial statements have been prepared using the historical cost convention, except for certain financial instruments held at fair value.

Following the acquisition of The BOC Group plc by Linde AG, the group changed its financial year end to December 31 to align it with the financial year end of its parent company. Therefore, following this change in the accounting reference date, the consolidated financial statements have been prepared for the 15 months ended December 31, 2006 with comparative information for the year ended September 30, 2005. Comparisons between the respective periods are therefore distorted by the change in the financial year end.

Consolidation

The group financial statements include the accounts of the parent company and all subsidiaries, and its share of joint ventures and associates. Transactions and balances between subsidiaries are eliminated. Companies over which the group has the power to control are accounted for as subsidiaries. Investments which are held for the long term and in which the group has joint control with one or more other parties are treated as joint ventures and accounted for using the equity method. Investments which are held for the long term and in which the group has significant influence are treated as associates and accounted for using the equity method. Companies in which The BOC Group plc holds the majority of the voting rights, either directly or indirectly, but over which it is unable to exercise control due to substantial minority rights, are also accounted for using the equity method. The results of businesses acquired during the period are included from the effective date of acquisition. The results of businesses disposed of during the period are included up to the date of relinquishing control. Material, separately identifiable business components disposed of are analysed as discontinued operations in the income statement and prior periods' analyses are restated to reflect those businesses as discontinued. The financial statements of subsidiaries, joint ventures and associates are included in the group financial statements using accounting policies consistent with those of the group.

Foreign currency translation

The financial statements of each of the group's entities are prepared using their functional currency, which is the currency of the primary economic environment in which they operate.

The functional currency of The BOC Group plc is sterling and the presentation currency of the group is sterling. The income statement and other period statements of the group's overseas operations are translated at average rates of exchange for the financial period where this rate approximates to the foreign exchange rates ruling at the date of the transaction. Average rates are calculated on a daily basis. Assets and liabilities denominated in foreign currencies are translated at the rates of exchange ruling at the financial period-end. Exchange differences are dealt with as a movement in reserves where they arise from:

i) the translation of the opening net assets of foreign operations;

ii) the retranslation of retained earnings of foreign operations from average to closing rates of exchange; and

iii) the translation or conversion of long-term foreign currency borrowings taken to hedge foreign currency assets.

Goodwill arising on the acquisition of foreign operations is recognised in the functional currency of those operations and translated at closing rates of exchange at the financial period-end.

Revenue recognition

Revenue is based on the fair value of the sale of goods and services, and includes the sales value of long-term contracts appropriate to the state of completion. It excludes sales between group undertakings, VAT and similar sales-based taxes. Revenue for goods and services is recognised when the significant risks and rewards of ownership are transferred to the customer. This is determined to be when delivery has occurred, title of the goods has passed to the purchaser, and where the price is fixed or determinable and reflects the commercial substance of the transaction. Sales returns are not a significant business issue in the industries in which the group operates. No significant amounts of revenue arise from the exchange of goods or services. Revenue on long-term supply contracts with customers generally contains two elements:

i) a fixed charge for the use of production or storage facilities. This is recognised on a straight line basis over the period of the contract. Where the charge is in respect of production facilities, it will also typically include the supply of a specified volume of product.

ii) a variable charge for the supply of product, or the supply of product in excess of a specified contract volume. This is recognised when the risks and rewards of ownership are transferred to the customer.

Revenue on construction contracts is recognised on a percentage of completion basis. When the outcome of a construction contract cannot be reliably estimated, revenue is recognised only to the extent that incurred costs are recoverable. Provision is made for all losses incurred together with any foreseeable or anticipated future losses.

Research and development costs

Revenue expenditure on research is written off when incurred. Expenditure on development is written off when incurred unless it meets the criteria for capitalisation. Development costs are capitalised if the product or process is technically and commercially feasible and the cost can be measured reliably and when it is probable that the expenditure will generate future economic benefits. Such costs are written off on a straight line basis over the period in which the economic benefits are expected to be consumed, which is generally up to 5 years.

Employee benefits

The group operates a number of retirement benefit schemes. The main schemes are defined benefit schemes. For defined benefit schemes the regular service cost of providing retirement benefits to employees during the period is charged to operating profit in the period. The full cost of providing amendments to benefits in respect of past service is also charged to operating profit in the period where the benefits have vested, otherwise they are amortised on the straight line basis over the vesting period. A credit representing the expected return on the assets of the retirement benefit schemes during the period is shown as a financing item in the income statement. This is based on the market value of the assets of the schemes at the start of the financial period.

A charge representing the expected increase in the liabilities of the retirement benefit schemes during the period is shown as a financing item in the income statement. This arises from the liabilities of the schemes being one period closer to payment.

The asset or liability recognised on the balance sheet is the difference between the defined benefit obligation and the fair value of the scheme assets at the balance sheet date. The present value of the defined benefit obligation is calculated by independent actuaries, using the projected unit credit method, and the discount rates used are high quality corporate bond rates except where there is no deep market in such bonds. Differences between actual and expected returns on assets during the period, experience gains and losses and changes in actuarial assumptions are recognised in the statement of recognised income and expense in the period in which they arise.

For defined contribution schemes the cost of providing benefits is charged to operating profit as incurred.

Share-based payments

The group elected to apply IFRS 2 on all share-based payments schemes in operation. The group operates both equity-settled and cash-settled share option schemes. In respect of equity-settled share option schemes, the services received from employees are measured at the fair value of the options at the date of grant. This is recognised in the consolidated income statement over the vesting period on a straight line basis. A corresponding adjustment in shareholders' equity is recognised over the same period.

In respect of cash-settled share option schemes, the services received from employees are initially measured at the fair value of the options at the date of grant, and subsequently re-measured at each reporting date and at the settlement date. This is recognised in the consolidated income statement over the vesting period. A corresponding change in the liability is recognised over the same period. Fair values are calculated using appropriate option pricing models, taking into account the terms and conditions upon which the options were granted.

The charge in the consolidated income statement reflects an estimate of the number of shares that will ultimately vest, which is revised at each reporting date. It is also revised at the settlement date to reflect the actual number of shares vesting. Certain of the group's share option schemes are subject to both market and non-market related performance conditions. A charge is recognised in respect of all share options. However, the charge for those with market related conditions are recognised whether or not these performance conditions are met.

Property, plant and equipment

Property, plant and equipment are stated at cost less accumulated depreciation and impairment losses. No depreciation is charged on freehold land or construction in progress. Depreciation is charged on all other items of property, plant and equipment on the straight line basis to write them down to their residual values over their useful lives. Straight line deprecation rates vary according to the class of asset.

Where the construction period for an addition to an item of property, plant and equipment exceeds one year, interest costs are capitalised during the construction period and written off as part of the total cost.

The cost of property, plant and equipment includes, where appropriate, an amount for any future decommissioning obligations. Where the impact is material, this amount is discounted to its present value. Where finance leases have been entered into, the capital element of the obligations to the lessor are shown as part of borrowings and the rights in the corresponding assets are treated in the same way as owned property, plant and equipment.

Leased assets acquired by way of finance lease are stated at an amount equal to the lower of their fair value and the present value of minimum lease payments at the inception of the lease, less accumulated depreciation and impairment losses. Any impairment in the value of property, plant and equipment, calculated by comparing the carrying value against the higher of the net realisable value or value in use, is dealt with in the income statement in the period in which it arises. Residual values and useful lives are reviewed at least at each financial period end.

Intangible assets

Intangible assets with finite lives, which are reviewed annually, generally include but are not limited to:

Software

Computer software and licences are capitalised as an intangible asset and written off on the straight line basis over their useful lives, generally over a period of between 4 and 10 years.

Development costs

Expenditure on development is written off when incurred unless it meets the criteria for capitalisation. Development costs are capitalised where they can be measured reliably and when it is probable that the expenditure will generate future economic benefits. Capitalised development costs are stated at cost less accumulated amortisation and impairment losses and written off on a straight line basis over the period in which economic benefits are expected to be consumed, which is generally up to 5 years.

Other

Intangible assets such as customer lists and contracts acquired as part of a business combination are capitalised separately from goodwill at their fair value at the date of acquisition. Other material intangible assets acquired, such as patents, are capitalised at cost or fair value. All are written off on the straight line basis over their appropriate useful economic lives.

Investments in associates and joint ventures

Investments in associates and joint ventures are accounted for using the equity method. The group's share of results of associates and joint ventures is included in the income statement, and the group's share of the net assets of associates and joint ventures, together with any goodwill arising on their acquisition, is included in the balance sheet.

Financial instruments

The group has elected not to prepare comparative information in accordance with IAS 32 and IAS 39. These standards apply to the group from October 1, 2005, and the group's financial instruments for the year ended September 30, 2005 have been accounted for on the then applicable UK-GAAP basis.

Accounting policies applicable from October 1, 2005

The group uses financial instruments, including interest rate and currency swaps, and forward foreign exchange contracts. All transactions are undertaken only to manage risks associated with the group's underlying business activities and the financing of those activities. The group does not undertake any trading activity in financial instruments.

Derivative financial instruments are measured at fair value. Fair value includes accrued interest. The gains or losses arising from changes in fair values are recognised in the income statement unless the derivative is designated as a cash flow or net investment hedge.

Certain derivative financial instruments qualify for hedge accounting and are designated as one of three types of hedge.

i) A fair value hedge, such as a fixed to floating interest rate swap, is a hedge of the exposure to changes in the fair value of a recognised asset or liability. The gain or loss from re-measuring the hedging instrument at fair value is recognised in the income statement. At the same time, the carrying amount of the hedged item is adjusted for the gain or loss attributable to the hedged risk and similarly recognised in the income statement.

ii) A cash flow hedge, such as a floating to fixed interest rate swap, or a forward foreign exchange contract, is a hedge of the exposure to variability in cash flows that is attributable to a particular risk associated with a recognised asset or liability, or a forecast transaction. The portion of the gain or loss on the hedging instrument that is determined to be an effective hedge is recognised in shareholders' equity and the ineffective portion is recognised in the income statement. If the hedged cash flows result in the recognition of a non-financial asset or liability, the associated gains or losses previously recognised in shareholders' equity are included in the initial measurement of the asset or liability. For all other cash flow hedges, the gains or losses that are recognised in shareholders' equity are transferred to the income statement in the same period in which the hedged cash flows affect the income statement or if the forecast transaction is no longer expected to occur.

iii) A net investment hedge, such as a currency swap, is a hedge of the exposure to changes in the value of the net assets of the group's foreign operations. The portion of the gain or loss on the hedging instrument that is determined to be an effective hedge is recognised in shareholders' equity and the ineffective portion is recognised in the income statement. The gain or loss on the hedging instrument relating to the effective portion of the hedge that has been recognised in shareholders' equity, together with the associated gain or loss on disposal of the net investment, is recognised in the income statement on disposal of the foreign operation. Certain derivative financial instruments that are held at fair value are not deemed to be part of a hedging relationship. The gain or loss from re-measuring the derivative at fair value is recognised in the income statement. Gains or losses are recorded in the income statement under the most relevant heading for the nature of the transaction. Gains or losses arising in the income statement on derivative instruments taken out to hedge trading items and embedded derivatives in trading contracts are recognised as part of group operating profit. Gains or losses arising in the income statement on derivative instruments taken out to hedge financing items are recognised in finance costs or finance income as appropriate.

Borrowings are measured at amortised cost (using the effective interest method), except where they are hedged by an effective fair value hedge, in which case the carrying amount is adjusted for the gain or loss attributable to the hedged risk.

Derivatives embedded in other financial instruments or other host contracts are treated as separate derivatives when their risks and characteristics are not closely related to those of the host contracts and the host contracts are not carried at fair value. Any gains or losses arising from re-measuring such items are reported in the income statement.

Trade and other receivables are stated at cost, net of provisions for doubtful debts.

Trade and other payables are stated at cost.

Investments in non-consolidated affiliated and related companies disclosed under other assets are stated at fair value.

Accounting policies applicable up to September 30, 2005

The group uses financial instruments, including interest rate and currency swaps, and forward foreign exchange contracts. All transactions are undertaken only to manage risks associated with the group's underlying business activities and the financing of those activities. The group does not undertake any trading activity in financial instruments.

Leases

Where finance leases have been entered into, the capital element of the obligations to the lessor are shown as part of borrowings and the rights in the corresponding assets are treated in the same way as owned property, plant and equipment. Payments under finance leases are apportioned between the finance charge and the reduction of the outstanding liability. The finance charge is allocated to each period during the lease term so as to produce a constant periodic rate of interest on the remaining balance of the liability. The finance charge is included in finance costs in the income statement.

Payments made under operating leases are recognised in the income statement on a straight line basis over the period of the lease.

Assets held for sale and discontinued operations

Non-current assets and disposal groups are disclosed separately in the balance sheet as held for sale, if they can be sold in their current state and the sale is highly probable. Assets that are classified as held for sale are measured at the lower of their carrying amount and their fair value less costs to sell. Liabilities classified as directly related to non-current assets held for sale are disclosed separately as held for sale in the liabilities section of the balance sheet.

A business is classified as a discontinued operation when it is disposed of or when the operation meets the criteria to be classified as held for sale, if earlier. A discontinued operation is a component of the group's business that represents a separate major line of business or geographical area of operations, or is a subsidiary acquired exclusively with a view to resale.

Inventories

Inventories and work in progress are valued at the lower of cost and net realisable value. Cost where appropriate includes a proportion of overhead expenses. Cost is arrived at principally on the weighted average and 'first-in, first-out' (FIFO) basis.

Cash and cash equivalents

Cash and cash equivalents for the purposes of the cash flow statement comprise:

i) cash on hand and demand deposits

ii) short-term highly liquid investments with an original maturity of 3 months or less

iii) bank overdrafts repayable on demand.

Provisions

Provisions are made when an obligation exists for a future liability in respect of a past event and where the amount of the obligation can be reliably estimated.

Provisions for restructuring are made where the plans are sufficiently detailed and well advanced and where appropriate communication to those affected has been undertaken at the balance sheet date. Provisions for warranties are based on contractual arrangements with customers and experience of product performance.

Provisions for the costs of decommissioning items of property, plant and equipment are made when an obligation exists. The amount of the provision is added to the cost of the relevant asset and written off as part of the total cost.

Provisions for environmental obligations are based on the estimated costs of remediation for a number of hazardous waste sites.

Provisions are discounted to their present value where the impact of the time value of money is material.

Taxation

Tax on the profit or loss for the year comprises current and deferred tax. Tax is recognised in the income statement except where it relates to items recognised directly in shareholders' equity, in which case it is also recognised in shareholders' equity through the statement of recognised income and expense. Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at the balance sheet date, and any adjustment to tax payable in respect of previous years. The group provides in full for deferred tax assets and liabilities, on the liability method, arising from temporary differences between the tax base of assets and liabilities and their carrying amounts in the financial statements. Such differences result in an obligation to pay more tax or a right to pay less tax in future periods.

Deferred tax is provided on temporary differences on investments in subsidiaries, joint ventures and associates except where the group is able to control the timing of the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. No deferred tax is provided in relation to goodwill.

A deferred tax asset is only recognised where it is probable that future taxable profits will be available against which the temporary differences or taxable losses giving rise to the asset can be utilised.

Deferred tax is measured using tax rates that have been enacted, or substantially enacted, by the balance sheet date and are expected to apply when the asset is realised or the liability is settled.

Deferred tax assets and liabilities are only offset where there is a legally enforceable right to offset tax assets and liabilities and when they relate to taxes levied by the same tax authority and tax liabilities and assets are expected to be settled on a net basis.

Accounting policies for the unconsolidated financial statements as of December 31, 2007

The company Financial Statements are prepared on a going concern basis under the historical cost convention, modified to include revaluation to fair value of certain financial instruments as described below, in accordance with the Companies Act 1985 and UK accounting standards (UK-GAAP).

The company is exempt by virtue of s228 of the Companies Act 1985 from the requirement to prepare group financial statements. These financial statements present information about the company as an individual undertaking and not about its group.

Under FRS 1 the company is exempt from the requirement to prepare a cash flow statement on the grounds that a parent undertaking includes the company in its own published consolidated financial statements.

Tangible fixed assets

Tangible fixed assets are stated at cost less accumulated depreciation. No depreciation is charged on freehold land. Depreciation is charged on all other fixed assets on the straight line basis to write them down to their residual values over their estimated lives (5 to 40 years).

Any impairment in the value of fixed assets, calculated by comparing the carrying value against the higher of net realisable value or value in use, is dealt with in the profit and loss account in the period in which it arises.

Investment

Investments in subsidiaries, joint ventures and associates are stated at cost less any provision for permanent diminution in value. They are reviewed for impairment whenever circumstances indicate that the carrying amount may not be recoverable.

Deferred taxation

Deferred tax is recognised, without discounting, in respect of all timing differences between the treatment of certain items for taxation and accounting purposes which have arisen but not reversed by the balance sheet date, except as otherwise required by FRS 19.

Share-based payments

Share options granted are recognised in the financial statements based on their fair value at the date of the grant. Costs are realised over the vesting period of the options and options which have been granted to employees of subsidiaries of the company, are largely recharged to those subsidiaries at a fair value established at the date of the grant.

Foreign currencies

Transactions in foreign currencies are recorded at the rate of exchange at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated at closing rates at the balance sheet date.

Pensions and other post employment benefits

The company operates both a defined contribution and defined benefits scheme. Contributions for the defined contribution scheme are charged to the profit and loss account as they become payable in accordance with the rules of the scheme. The defined benefit scheme is a multi-employer scheme and the company is unable to identify its share of underlying assets and liabilities on a consistent and reasonable basis. Hence, contributions to the defined benefit scheme are accounted for as if they were contributions to a defined contribution scheme.

Financial instruments

The company's accounting policy under UK GAAP has been to apply only sections 15-50 of FRS 25 – Financial instruments: recognition and presentation and not to apply FRS 26 – Financial instruments: measurement as allowed by these standards.

Dividends

Final dividends proposed by the board of directors and unpaid at the year end are not recognised in the financial statements until they have been approved by the shareholders at the annual general meeting. Interim dividends are recognised when they are paid.

xvi) The following are the details of contingent liabilities for the Acquirer as on December 31, 2007.

	As at December 31, 2007 (GBP million)	**As at December 31, 2006 (GBP million)**
Guarantees of subsidiaries' borrowings	214.6	95.2
Guarantees of Linde Finance B.V. obligations	522.6	-
Other guarantees	13.4	45.4
Total	**750.6**	**140.6**

On or around December 19, 2007 the Acquirer entered into agreements to substitute Linde Finance B.V. as issuer of the following securities: GBP 100,000,000 12.25% unsecured loan stock due 2012/2017, GBP 200,000,000 6.50% notes due 2016, GBP 200,000,000 5.875% notes due 2009 and Yen 5,000,000,000 0.6125% notes due 2008. As part of the agreements the Acquirer provided an unsubordinated, unsecured guarantee in favour of the original security holders.

The Acquirer is not involved in any current or foreseeable legal or arbitration proceedings which could have a significant effect on its economic situation.

xvii) Reasons for the fall/rise in total income and profit after tax are as under:

- *15-month period ending December 31, 2006 compared to Year ended September 30, 2005*

Following the acquisition of the company by Linde AG in September 2006, no consolidated results for The BOC Group plc were prepared after December 31, 2006.

The consolidated earnings after tax and minority interests for The BOC Group plc was GBP 211.2 million for the 15 months to December 31, 2006 and GBP 373.8 million for the year ended September 30, 2005.

A comparison of earnings between 2006 and 2005 is impacted by special, or unusual, items. The 2006 results included impairment charges of GBP 50.6 million and costs related to the Linde take-over bid of GBP 102.9 million. These costs mainly represent transaction fees and the costs of share options relating to the early and accelerated vesting of share options due to the take-over by Linde AG. Excluding these unusual items, the underlying revenue and operating profit of the company's continuing businesses improved during this period, driven by both volume expansion and strong pricing trends which offset increased energy costs.

- *Year ended September 30, 2005 compared to Year ended September 30, 2004*

The consolidated earnings after tax and minority interests for The BOC Group plc was GBP 373.8 million for the year ended September 30, 2005 and GBP 264.0 million for the year ended September 30, 2004.

Results for the year ended September 30, 2004 were prepared under UK GAAP. Results for the year ended September 30, 2005 were initially prepared under UK GAAP. The 2005 results were subsequently restated under IFRS, as included in the above presentation. The impact of the restatement on earnings was not material. Earnings under IFRS were GBP 6.8 million higher under IFRS than under UK GAAP for the year ended September 30, 2005. Results for the period ended December 31, 2006 were prepared under IFRS.

Comparisons of earnings between 2004 and 2005 are impacted by business disposals. In 2004, the company made a pre-tax loss of GBP 79.5 million on the disposal of its packaged gas business in the United States. In 2005, the company made a total pre-tax profit on disposal of businesses of GBP 102.3 million, the majority of which related to the disposal of a majority shareholding in Afrox Healthcare Limited held by the company's South African subsidiary, African Oxygen Limited. Underlying business performance improved in this period because of improved returns in the company's main gases business.

xviii) The following table shows the build up of the share capital of the Acquirer in the Target Company. The Acquirer confirms that there were no other acquisitions of Target Company's Equity Shares other than the ones mentioned herein below:

	Market Purchases	Inter se transfers	Increase due to merger/ Conversion of Debentures, etc.	Rights Issue / Preferential issue	No. of Shares Acquired	As percentage of total emerging capital	Cumulative Number of shares held in the Target Company	As %age of total capital	Status of Compliance
Balance as on 1.4.1997	NA	NA	NA	NA	13,907,759	51.00%	13,907,759	51.00%	Compliant
Acquisitions through:									
1997-98 (Rights issue: 22.09.1997)	Nil	Nil	Nil	12,991,132	12,991,132	26.46%	26,898,891	54.80%	Disclosure under Regulation 7 of the SEBI (SAST) Regulations made by The BOC Group plc on 25.09.97 and by the Target Company on 26.09.97
1998-99	Nil	Nil	Nil	Nil	Nil	Nil	26,898,891	54.80%	NA
1999-00	Nil	Nil	Nil	Nil	Nil	Nil	26,898,891	54.80%	NA
2000-01	Nil	Nil	Nil	Nil	Nil	Nil	26,898,891	54.80%	NA
2001-02	Nil	Nil	Nil	Nil	Nil	Nil	26,898,891	54.80%	NA
2002-03	Nil	Nil	Nil	Nil	Nil	Nil	26,898,891	54.80%	NA
2003-04	Nil	Nil	Nil	Nil	Nil	Nil	26,898,891	54.80%	NA
2004-05	Nil	Nil	Nil	Nil	Nil	Nil	26,898,891	54.80%	NA
2005-06	Nil	Nil	Nil	Nil	Nil	Nil	26,898,891	54.80%	NA
2006-07	Nil	Nil	Nil	Nil	Nil	Nil	26,898,891	54.80%	NA
2007-08	Nil	Nil	Nil	36,200,000	36,200,000	42.45%	63,098,891	73.99%	Disclosure from The BOC Group plc on 21.01.08 and by the Target Company on 25.01.08

4.2 Linde Holdings Netherlands B.V. (PAC)

i) Linde Holdings Netherlands B.V. was incorporated as a private limited company under the laws of The Netherlands on November 28, 2007 having its registered office at Havenstraat 1, 3115HC, Schiedam, The Netherlands, Tel. No. +31 10 2461616, Fax No. +31 10 2461600.

ii) The name of Linde Holdings Netherlands B.V. has not undergone any change since incorporation.

iii) The shares of Linde Holdings Netherlands B.V. are not listed on any stock exchange.

iv) As on the date of the Public Announcement, the paid up capital of Linde Holdings Netherlands B.V. was EUR 18,000 consisting of 180 equity shares each of face value EUR 100.

v) Linde Holdings Netherlands B.V. is primarily engaged in the following activities:

a. acquisition, holding and disposal of participations in other companies and enterprises; as well as financing such companies and enterprises, borrowing and lending money, providing undertakings and guarantees and binding the company or the company's assets for the benefit of third parties;

b. acquisition, exploitation and disposal of registered and other property;

c. providing administrative, clerical and other services to other companies and enterprises;

d. acquisition, alienation, holding, administering and/or exploiting patents, trade names, trade marks, licences, know-how, copyrights, royalties and other rights of intellectual and/or industrial property, as well as granting a licence to such rights and to acquire and exploit licences, both in the Netherlands and abroad.

vi) Linde Holdings Netherlands B.V. has provided the necessary funding assistance to the Acquirer for the purpose of acquiring the New Shares and funding the Escrow Account (as defined in paragraph 7.2(ii) herein below) and has agreed to provide the necessary funds to the Acquirer for the purpose of acquiring the Offer Shares tendered in the Offer. The Acquirer has in turn executed the Declaration of Trust (as defined and detailed in paragraph 3.1(vi) above) in favour of Linde Holdings Netherlands B.V.

vii) Linde Holdings Netherlands B.V. is a wholly owned subsidiary of Linde AG, the ultimate parent of the Acquirer.

viii) Except for the beneficial interest ownership of the New Shares pursuant to the Declaration of Trust, Linde Holdings Netherlands B.V. does not hold any legal or beneficial interest in the Equity Shares of the Target Company. Further, pursuant to the Declaration of Trust, Linde Holdings Netherlands B.V shall hold the beneficial interest in the Offer Shares whereas the Acquirer shall continue to remain the legal owner of the Offer Shares.

ix) The shareholding pattern of Linde Holdings Netherlands B.V. as on the date of the Public Announcement was as under:

Sr. No.	Name of the Shareholder	Number of Shares held	% of Shareholding
1	Linde AG	180	100
	Total	**180**	**100**

x) The Board of Directors of Linde Holdings Netherlands B.V. as on the date of the Public Announcement comprised of the following Directors:

Name	Title	Date of Appointment	Qualification	Experience	Mailing Address
Jürgen Nowicki	Director	28.11.2007	• Masters Degree in Economics and Engineering (Dipl.-Wirt.-Ing.)	• He joined Linde AG in 1991 and has held several senior positions in Linde group companies. He became Head of Operational Finance & Control / Investments of The Linde Group in 2007	Linde AG, Leopoldstrasse 252, 80807 Munich, Germany. Tel. No. +49-89-35757-01, Fax No. +49-89-35757-1075.
Donald Petrus Henricus Huberts	Director	28.11.2007	• Master of Science (Management) • Master of Science (Chemical Engineering)	• He has held several senior positions in Linde group companies since 2003 and became Regional Manager of The Linde Group for Europe West in 2006	Linde Holdings Netherlands B.V.,Havenstraat 1, 3115HC, Schiedam, The Netherlands. Tel. No. +31 10 2461616, Fax No. +31 10 2461600.

Name	Title	Date of Appointment	Qualification	Experience	Mailing Address
Wouter Jan Vonk	Director	28.11.2007	• State Certificate Accounting Level I & II (HND)	• He has been with The Linde Group for more than 20 years and has become Finance Director of The Linde Group for Benelux in 2004	Linde Holdings Netherlands B.V.,Havenstraat 1, 3115HC, Schiedam, The Netherlands. Tel. No. +31 10 2461616, Fax No. +31 10 2461600.
Björn Schneider	Director	28.11.2007	• Degree in Business Administration, University of Applied Sciences Wiesbaden (Dipl.-Kfm. (FH)) • German Tax Advisor • Certified Public Accountant ("Wirtschaftsp-ruefer")	• He has worked for KPMG Germany from 1996 till 2003 • He joined Linde AG as Head of Accounting Principles in 2003 and became Head of Group Accounting & Reporting in 2007	Linde AG, Leopoldstrasse 252, 80807 Munich, Germany. Tel. No. +49-89-35757-01, Fax No. +49-89-35757-1075.

xi) None of the above directors of Linde Holdings Netherlands B.V. is on the Board of Directors of the Target Company.

xii) None of the directors of Linde Holdings Netherlands B.V. has acquired any Equity Shares of the Target Company during the 12 (twelve) months preceding the date of the Public Announcement.

xiii) Linde Holdings Netherlands B.V. has complied with applicable provisions of Chapter II of the SEBI (SAST) Regulations in respect of its beneficial ownership of the New Shares.

xiv) Since Linde Holdings Netherlands B.V. was recently incorporated on November 28, 2007, audited financials of Linde Holdings Netherlands B.V. are not available. The audited financials of Linde Holdings Netherlands B.V. as on December 31, 2007 for the period since incorporation, are as given below:

(All amounts in Rs. lacs except per share data and unless stated otherwise)

Profit & Loss Statement	**Period since incorporation and ending December 31, 2007 (Audited)**
Income from operations	NA
Other Income	NA
Total Income	NA
Total Expenditure.	NA
Profit Before Depreciation Interest and Tax	**NA**
Depreciation	NA
Interest	NA
Profit Before Tax	NA
Provision for Tax	NA
Profit After Tax	**NA**

Balance Sheet Statement	Period since incorporation and ending December 31, 2007 (Audited)
Sources of funds	
Paid up share capital[(1)]	1,052,280
Reserves and Surplus (excluding revaluation reserves)	NA
Networth[(2)]	1,052,280
Secured loans	NA
Unsecured loans	NA
Total	**1,052,280**
Uses of funds	
Net fixed assets	NA
Investments	NA
Net current assets	1,052,280
Total miscellaneous expenditure not written off	NA
Total	**1,052,280**

Other Financial Data	Period since incorporation and ending December 31, 2007 (Audited)
Dividend (%)[(3)]	NA
Earning Per Share (Rs)[(4)]	NA
Return on Networth (%)[(5)]	NA
Book Value Per Share (Rs)[(6)]	5,846

Notes:

1) *Issued share capital of EUR 18,000 comprising 180 shares of nominal value EUR 100 each*
2) *Net Worth is same as Share Capital as on December 31, 2007*
3) *Dividend percentage has been computed by dividing the dividends for the relevant accounting period by the Profit After Tax for the corresponding accounting period*
4) *Earning per Share has been computed by dividing the Profit after tax by number of shares outstanding as at the end of relevant accounting period*
5) *Return on Networth has been computed by dividing the Profit after Tax by net worth for the relevant accounting period*
6) *Book Value per Share has been computed by dividing the net worth by the number of shares outstanding as at the end of relevant accounting period*

xv) The significant accounting policies of Linde Holdings Netherlands B.V., as per the audited financial statements for the accounting periods included above are as follows:

The financial statements have been prepared in accordance with part 9, book 2 of the Dutch Civil Code. A summary of the more important accounting policies, which have been applied consistently, is set out below.

Linde Holdings Netherlands B.V. has made use of the exemptions of section 2:396 of the Dutch Civil Code.

Accounting policies

Historical cost is used as the measurement basis, unless stated otherwise. Assets and liabilities are shown at face value, unless stated otherwise. Income and expenses are accounted for in the period to which they relate. The cost of incorporation has been expensed.

Shareholders' equity

The authorised capital amounts to EUR 90,000, divided into 900 shares, each with a nominal value of EUR 100. Of these shares, 180 have been issued and paid-up.

Taxation

The tax charge for the year 2007 was nil.

xvi) As per the report issued by the auditors KPMG, Linde Holdings Netherlands B.V. has no outstanding contingent liabilities and (bank) guarantees for the accounting period ended December 31, 2007.

xvii) This being the first year of operations of Linde Holdings Netherlands B.V., a comparison of results cannot be done.

4.3 Linde Finance B.V. (PAC)

i) Linde Finance B.V. was incorporated as a private limited company under the laws of The Netherlands on May 15, 1999 and currently its registered office is located at Atrium 7th floor, Strawinskylaan 3111, 1000 BL Amsterdam, The Netherlands, Tel. No. +31-2030-13800, Fax No. +31-2030-13809.

ii) The shares of Linde Finance B.V. are not listed on any stock exchange.

iii) As on the date of the Public Announcement, the paid up capital of Linde Finance B.V. was EUR 5 million consisting of 5,000 equity shares each of face value EUR 1,000.

iv) Linde Finance B.V. is primarily engaged in the following activities:

a. Incorporation, participation, management and financing of other companies and enterprises and rendering relevant services to such companies and enterprises and the group of companies it belongs to;

b. Acquisition and holding of own as well as nominee shares or other securities; borrowing, lending and performing all types of financial transactions for itself as well as for third parties; and providing collateral, furnishing guarantees and encumbering assets as security of debts for itself, for its group companies as well as for third parties.

v) Linde Finance B.V. is a wholly owned subsidiary of Linde AG, the ultimate parent of the Acquirer.

vi) Linde Finance B.V., has agreed to provide an inter corporate loan to Linde Holdings Netherlands B.V., to enable the latter to provide the necessary funding assistance to the Acquirer to acquire the New Shares and the Offer Shares tendered in the Offer.

vii) Linde Finance B.V. does not hold any Equity Shares of the Target Company.

viii) The shareholding pattern of Linde Finance B.V. as on the date of the Public Announcement was as under:

Sr. No.	Name of the Shareholder	Number of Shares held	% of Shareholding
1	Linde AG	5,000	100
	Total	**5,000**	**100**

ix) The Board of Directors of Linde Finance B.V. as on the date of the Public Announcement comprised of the following Directors:

Name	Title	Date of Appointment	Qualification	Experience	Mailing Address
Nicolaas Limmen	Managing Director	15.11.2001	• MTS Electronics Engineering	• He has held various senior positions in banks and industrial companies and became Managing Director of Linde Finance B.V. in 2003	Linde Finance B.V., Atrium 7th floor, Strawinskylaan 3111, 1000 BL Amsterdam, The Netherlands. Tel.No. +31-2030-13800, Fax No. +31-2030-13809.
Georg Denoke	Director	12.09.2006	• Degree in Information Science, University of Konstanz • Degree in Business Administration, Business School Villingen-Schwenningen	• He started his career with Mannesmann Kienzle GmbH, Villingen in Human Resources Development in 1989· • He joined Mannesmann AG, Düsseldorf in 1993 in Corporate Controlling and left it in 2000 as Head of Corporate Communications & Investor Relations, Director	Linde AG, Leopoldstrasse 252, 80807 Munich, Germany. Tel. No. +49-89-35757-01, Fax No. +49-89-35757-1075.

				• From 2000 to 2001 he was Managing Director Telecommerce & IT, Member of the European Board Vodafone Group • From 2001 to 2004 he was the CEO of Apollis AG, Munich • In 2004, he joined Linde AG as Member of the Operational Board Segment Gas and Engineering, Pullach • Since 2006 he has been the member of Executive Board / CFO and Employment Director of Linde AG, Munich	
Björn Schneider	Director	24.08.2004	• Degree in Business Administration, University of Applied Sciences Wiesbaden (Dipl.-Kfm. (FH) • German Tax Advisor • Certified Public Accountant ("Wirtschaftspruefer")	• He has worked for KPMG Germany from 1996 till 2003 • He joined Linde AG as Head of Accounting Principles in 2003 and became Head of Group Accounting & Reporting in 2007	Linde AG, Leopoldstrasse 252, 80807 Munich, Germany. Tel. No. +49-89-35757-01, Fax No. +49-89-35757-1075.
Erhard Wehlen	Director	12.05.1999	• Degree in Business Administration, University of Saarland, Saarbrücken (Dipl.-Kfm.)	• Head of Treasury, BATIG Gesellschaft für Beteiligungen mbH, Hamburg (1982-1997) • He joined Linde AG as Director Treasury in 1997 and became The Linde Group's Head of Treasury in 2007	Linde AG, Leopoldstrasse 252, 80807 Munich, Germany. Tel. No. +49-89-35757-01, Fax No. +49-89-35757-1075.

x) None of the above directors of Linde Finance B.V. is on the Board of Directors of the Target Company.

xi) None of the directors of Linde Finance B.V. has acquired any Equity Shares of the Target Company during the 12 (twelve) months preceding the date of the Public Announcement.

xii) Linde Finance B.V. has not held any Equity Shares in the Target Company (whether legally or beneficially) and hence the provisions of Chapter II of the SEBI (SAST) Regulations do not apply to it.

xiii) The audited financials of Linde Finance B.V. for the years ended December 31, 2004, December 31, 2005 and December 31, 2006 and certified un-audited financials for 12-month period ending December 31, 2007 are as given below:

(All amounts in Rs. lacs except per share data and unless stated otherwise)

Profit & Loss Statement	**Year ending December 31,**			**12 month period ending December 31,**
2004 (Audited)	**2005 (Audited)**	**2006 (Audited)**	**2007 (Audited)**	
Interest income from Group Company Loans	59,246	53,249	137,845	310,947
Other Interest Income	951	824	966	412
Total Income	60,197	54,073	138,811	311,359
Total Expenditure	3,124	2,160	3,437	4,330
Profit Before Depreciation Interest and Tax	**57,073**	**51,913**	**135,373**	**307,028**
Depreciation	-	-	-	-
Interest Expenses & Net Forex Loss	54,805	49,084	130,738	294,456
Profit Before Tax	2,268	2,829	4,635	12,572
Provision for Tax	894	970	1,250	3,202
Profit After Tax	**1,374**	**1,859**	**3,385**	**9,370**

Balance Sheet Statement	Year ending December 31,			12 month period ending December 31, 2007 (Audited)
	2004 (Audited)	2005 (Audited)	2006 (Audited)	
Sources of funds				
Paid up share capital	2,923	2,923	2,923	2,923
Reserves and Surplus (excluding revaluation reserves)	8,549	10,408	13,793	23,163
Networth[1]	**11,472**	**13,331**	**16,716**	**26,086**
Secured loans (Guaranteed by Parent Company Linde AG)	1,292,587	1,140,894	1,282,239	3,172,266
Unsecured loans	-	-	-	-
Total	**1,304,058**	**1,154,225**	**1,298,955**	**3,198,351**
Uses of funds				
Net fixed assets	-	-	-	-
Investments(loans to group companies)	1,202,004	1,116,985	1,756,153	4,071,557
Net current assets	102,054	37,240	(457,198)	(873,205)
Total miscellaneous expenditure not written off	-	-	-	-
Total	**1,304,058**	**1,154,225**	**1,298,955**	**3,198,351**

Other Financial Data	Year ending December 31,			12 month period ending December 31, 2007 (Audited)
	2004 (Audited)	2005 (Audited)	2006 (Audited)	
Dividend (%)[2]	0%	0%	0%	0%
Earning Per Share (Rs)[3]	27,489	37,182	67,706	187,397
Return on Networth (%)[4]	12%	14%	20%	36%
Book Value Per Share (Rs)[5]	229,432	266,614	334,321	521,717

Notes:

1) *Networth has been computed as a sum of the issued equity share capital and total reserves*
2) *Dividend percentage has been computed by dividing the dividends for the relevant accounting period by the Profit After Tax for the corresponding accounting period*
3) *Earning per Share has been computed by dividing the Profit after tax by number of shares outstanding as at the end of relevant accounting period*
4) *Return on Networth has been computed by dividing the Profit after Tax by net worth for the relevant accounting period*
5) *Book Value per Share has been computed by dividing the net worth by the number of shares outstanding as at the end of relevant accounting period*

xviii) The significant accounting policies of Linde Finance B.V., as per the audited financial statements for the accounting periods included above are as follows:

The financial statements have been prepared in accordance with the generally accepted accounting principles in The Netherlands (Dutch-GAAP) and in conformity with the provisions of Part 9, Book 2 of the Netherlands Civil Code. A summary of the more important accounting policies, which have been applied consistently, is set out below.

Accounting policies

All assets and liabilities are stated at face value, unless a different valuation principle is indicated in the following notes. Assets are shown net of provisions where necessary. Income and expenses are attributed to the financial year to which they relate.

a. ***Foreign*** **currencies** ***and financial derivatives***

General

Assets and liabilities denominated in foreign currencies are translated into Euro at rates of exchange at the balance sheet date.

Foreign currency risks

The company enters into foreign currency forward exchange contracts and cross currency swaps in order to hedge the company's currency exchange exposure. The related assets and liabilities are translated into Euro at the balance sheet date. The related derivatives used to hedge the exchange exposure are included in the balance sheet at their net realisable value, which approximates fair value.

Interest risk

Interest exposures with a duration of more than one year are being hedged, by entering into Interest Rate Swaps and Cross Currency Swaps. Interest swap premiums are deferred and amortised over the term of the related contract.

xix) The following are the details of contingent liabilities for Linde Finance B.V. as on December 31, 2007.

Linde Finance B.V. has entered into a number of interest swap agreements, with a principal amount of EUR 980 million (2006: EUR 967.1 million), and a number of cross currency swap agreements, with a principal amount of approximately EUR 87.5 million (2006: EUR 196.2 million).

The positive fair value of all derivatives is EUR 33.3 million, the negative fair value of all derivatives is EUR 30.9 million.

Linde Finance B.V. has various limited part time service contracts with related parties, respecting to backoffice assistance. Furthermore the Company has limited rental, front- and back office commitments with third parties. Total expenses are approximately EUR 100,000 per annum.

Linde Finance B.V. also has long term obligations namely, a syndicated multi-currency revolving credit facility agreement with an annual expense of EUR 1.2 million a year.

Linde Finance B.V. has accommodated their pension obligations for employees in Linde Gas Benelux pension fund. Linde Finance B.V. can be responsible for a deficit of the mentioned pension fund in proportion of the number of employees. At this moment there is no indication of a pension deficit.

xx) Reasons for the fall/rise in total income and profit after tax are as under:

- *Year ended December 31, 2006 compared to Year ended December 31, 2005*

The differences in Profit after Tax for the financial year 2006 compared to the financial year 2005 are mainly due to the decrease in the corporate tax rate (2005: 31.5%, 2006: 29.6%) and a general decrease in loan margins. During 2006 a significant increase in current liabilities - which were led on to Linde AG - due to the acquisition of The BOC Group plc led to a significantly higher Interest income from group company loans.

- *Year ended December 31, 2005 compared to Year ended December 31, 2004*

The difference in Profit after Tax for the financial year 2005 compared to the financial year 2004 are mainly due to the decrease in corporate tax rate in the Netherlands (2005: 31.5%, 2004: 34.5%) and significant lower expenses with regard to the back up facilities of Linde Finance B.V.

4.4 BOC Holdings (PAC)

i) BOC Holdings was incorporated as a private limited company on April 3, 1926 under the laws of England and Wales and currently its registered office is located at The Priestley Centre, 10 Priestley Road, The Surrey Research Park, Guildford, Surrey, GU2 7XY, England, Tel. No. +44-1483-242-200, Fax No. +44-1483-242-300.

ii) The name of BOC Holdings has undergone the following changes:

From Date	Up To Date	Name
10/05/1967	20/08/1974	BOC Holdings Limited
06/08/1935	10/05/1967	Shorter Process Company Ltd
16/01/1929	06/08/1935	The Patent Gear and Metal Hardening Company Ltd
03/04/1926	16/01/1929	The Patent Gear Hardening Company Ltd

iii) The shares of BOC Holdings are not listed on any stock exchange.

iv) As on the date of the Public Announcement, the paid up capital of BOC Holdings was GBP 392,652,263 consisting of 392,652,263 equity shares each of face value of GBP 1.00.

v) BOC Holdings is primarily an investments company engaged in acquiring and holding in its own name or as a nominee various types of securities and other assets.

vi) BOC Holdings is a wholly owned subsidiary of the Acquirer.

vii) BOC Holdings is the beneficial owner of the Old Shares as stated in paragraph 3.1 (v) above. Except for its beneficial ownership in respect of the Old Shares, BOC Holdings does not have any legal or beneficial interest in any Equity Shares of the Target Company.

viii) The shareholding pattern of BOC Holdings as on the date of the Public Announcement was as under:

Sr. No.	Name of the Shareholder	Number of Shares held	% of Shareholding
1	The BOC Group plc	392,652,262	100
2	BOC Nominees Limited(1)	1	0
	Total	**392,652,263**	**100**

Note:

1) BOC Nominees Limited holds 1 share in BOC Holdings under declaration of trust in favour of The BOC Group plc.

ix) The Board of Directors of BOC Holdings as on the date of the Public Announcement comprised of the following Directors:

Name	Title	Date of Appointment	Qualification	Experience	Mailing Address
Andrew Christopher Brackfield	Director	22.03.2007	• MA Law, Cambridge University	• 1980–1988 Assistant Solicitor, Linklaters & Paines • 1988-2002 Partner, Linklaters • 2002-2006 – Senior Counsel, Corporate, The BOC Group plc • 2007 to present – General Counsel International M & A and Corporate, The Linde Group	BOC Holdings,The Priestley Centre, 10 Priestley Road, The Surrey Research Park,Guildford, Surrey, GU2 7XY,England.Tel. No. +44-1483-242-200, Fax No. +44-1483-242-300.
Jerry Kent Masters	Director	01.0.3.2005	• MBA – Finance, The Stern School of Business, New York University • BS Chemical Engineering, Georgia Institute of Technology	• He has held several senior positions with BOC Gases since 1991 till 2000 • From 2000 to 2002 he was the President of BOC Process Plants and from 2002 to 2005 he was the President of Process Gas Solutions – Americas • From 2005 to 2006 he was the Chief Executive, Industrial and Special Products, The BOC Group • Since 2006, he has been a member of the Executive Board of Linde AG, Munich	Linde AG, Leopoldstrasse 252, 80807 Munich, Germany. Tel. No. +49-89-35757-01, Fax No. +49-89-35757-1075.
Gareth Mostyn	Director	21.12.2007	• BA hons – Business Economics • ICAEW Chartered Accountant	• 1993–1996 – Coopers and Lybrand, Accountant • 1996–1999 – Corporate Finance Manager, The BOC Group plc • 1999-2001 – Finance Director, The BOC Group plc • 2001-2002 – UK Sales Director, The BOC Group plc • 2002-2007 – Director Corporate Finance, The BOC Group plc • 2007 to present – Head of Finance and Control, The Linde Group, UK and Ireland	BOC Holdings,The Priestley Centre, 10 Priestley Road, The Surrey Research Park, Guildford, Surrey, GU2 7XY,England. Tel. No. +44-1483-242-200, Fax No. +44-1483-242-300.

x) None of the above directors of BOC Holdings is on the Board of Directors of the Target Company.

xi) None of the directors of BOC Holdings has acquired any Equity Shares of the Target Company during the 12 (twelve) months preceding the date of the Public Announcement.

xii) BOC Holdings holds the beneficial ownership in the economic and voting rights in respect of the Old Shares, pursuant to a series of declarations of trusts. The legal ownership of the Old Shares by the Acquirer has been duly disclosed by the Acquirer and is in compliance with applicable provisions of Chapter II of the SEBI (SAST) Regulations save as with respect to a delay of 12 days in relation to the filing under Regulation 8 of the SEBI (SAST) Regulations for the year 2001. Given that BOC Holdings is a wholly owned subsidiary of the Acquirer and declarations in relation to the Old Shares were periodically made by the Acquirer, no separate disclosure has been made by BOC Holdings under Chapter II of the SEBI (SAST) Regulations. SEBI may initiate appropriate proceedings in the event the same is deemed to be a non-compliance with Chapter II of the SEBI (SAST) Regulations. BOC Holdings has filed an offer for consent without admission or denial of guilt with the SEBI on April 8, 2008 in terms of the Guidelines, proposing that no action, either civil or criminal, shall be taken by the SEBI against BOC Holdings, or its directors, employees and officers, in respect of non-disclosure by BOC Holdings of its beneficial ownership of the Old Shares under Regulation 6 and 8 of the SEBI (SAST) Regulations and has sought regularization of the same. The matter is currently pending with the SEBI.

Separately, BOC Holdings has filed a report under Regulation 3(4) of the SEBI (SAST) Regulations with the SEBI on May 26, 2008 in respect of the acquisition of beneficial ownership of the Rights Issue Shares on September 22, 1997 concurrent with the acquisition of the legal ownership to such Rights Issue Shares by the Acquirer on September 22, 1997. BOC Holdings has also filed an offer for consent without admission or denial of guilt with the SEBI on June 3, 2008 in terms of the Guidelines, proposing that no action, either civil or criminal, shall be taken by the SEBI against BOC Holdings, or its directors, employees and officers, in respect of (i) delay of 3879 days on the part of BOC Holdings in submitting the report under Regulation 3(4) of the SEBI (SAST) Regulations in respect of the acquisition of the beneficial ownership in the Rights Issue Shares; (ii) failure on the part of BOC Holdings to submit the filing under Regulation 7(1) of the SEBI (SAST) Regulations in respect of the acquisition of the beneficial ownership in the Rights Issue Shares; and (iii) failure on the part of BOC Holdings to intimate the stock exchanges under Regulation 3(3) of the SEBI (SAST) Regulations in respect of the acquisition of the beneficial ownership in the Rights Issue Shares; and has sought regularization of each of the aforesaid. The matter is currently pending with the SEBI.

xiii) The audited financials of BOC Holdings for the years ended September 30, 2004, September 30, 2005 and 15-month period ending December 31, 2006 and certified un-audited financials for 12-month period ending December 31, 2007 are as given below:

(All amounts in Rs. lacs except per share data and unless stated otherwise)

Profit & Loss Statement	**Year ending September 30,**		**15 month period ending December 31, 2006 (Audited)**	**12 month period ending December 31, 2007 (Audited)**
	2004 (Audited)	**2005 (Audited)**		
Income from shares in group undertakings	27,543	138,858	38,054	47,686
Income from participating interest	24,011	19,941	23,382	3,726
Total Income	**51,554**	**158,800**	**61,436**	**51,412**
Total Expenditure (Impairments & Administrative expenses)	3,674	60,220	43,388	5,276
Profit / (loss) on disposal of investments	(90)	22,734	-	1,076,770
Profit Before Depreciation Interest and Tax	**47,790**	**121,313**	**18,048**	**1,122,906**
Depreciation	-	-	-	-
Interest	11,574	16,076	28,385	25,659
Profit Before Tax	36,215	105,237	(10,337)	1,097,247
Provision for Tax	1,245	(1,937)	1,977	2,287
Profit After Tax	**34,971**	**107,174**	**(12,314)**	**1,094,960**

Balance Sheet Statement	Year ending September 30,		15 month period	12 month period
	2004	2005	ending December	ending December
Sources of funds	(Audited)	(Audited)	31, 2006 (Audited)	31, 2007 (Audited)
Paid up share capital	370,179	370,179	370,179	321,111
Reserves and Surplus (excluding revaluation reserves – incl. share premium account)	657,514	635,476	511,531	1,561,700
Networth(1)	**1,027,693**	**1,005,654**	**881,710**	**1,882,810**
Secured loans	-	-	-	-
Unsecured loans	-	-	-	-
Total	**1,027,693**	**1,005,654**	**881,710**	**1,882,810**
Uses of funds				
Net fixed assets	-	-	-	-
Investments	1,552,136	1,560,135	1,604,839	2,990,757
Net current assets	(524,443)	(554,481)	(723,129)	(1,107,946)
Total miscellaneous expenditure not written off	-	-	-	-
Total	**1,027,693**	**1,005,654**	**881,710**	**1,882,810**

Other Financial Data	Year ending September 30,		15 month period	12 month period
	2004 (Audited)	2005 (Audited)	ending December 31, 2006 (Audited)	ending December 31, 2007 (Audited)
Dividend (%)(2)	0%	121%	-906%	29%
Earning Per Share (Rs)(3)	8	24	(3)	279
Return on Networth (%)(4)	3%	11%	-1%	58%
Book Value Per Share (Rs)(5)	227	222	195	480

Notes:

1) *Networth has been computed as a sum of the issued equity share capital and total reserves*

2) *Dividend percentage has been computed by dividing the dividends for the relevant accounting period by the Profit After Tax for the corresponding accounting period*

3) *Earning per Share has been computed by dividing the Profit after tax by number of shares outstanding as at the end of relevant accounting period*

4) *Return on Networth has been computed by dividing the Profit after Tax by net worth for the relevant accounting period*

5) *Book Value per Share has been computed by dividing the net worth by the number of shares outstanding as at the end of relevant accounting period*

xiv) The significant accounting policies of BOC Holdings, as per the audited financial statements for the accounting periods included above are as follows:

These financial statements are prepared on the going concern basis, under the historical cost convention, and in accordance with the Companies Act 1985 and all applicable United Kingdom accounting standards. The principal accounting policies are set out below.

Group accounts

The financial statements contain information about BOC Holdings as an individual company and do not contain consolidated financial information as the parent of a group. The company is exempt under section 228 of the Companies Act 1985 from the requirement to prepare consolidated financial statements as it and its subsidiary undertakings are included by full consolidation in the consolidated financial statements of its ultimate parent undertaking, Linde AG.

Investments

Fixed asset investments are stated at cost less provision for any impairment in value. In accordance with FRS 11 (impairment of fixed assets and goodwill) the carrying value of these subsidiary undertakings are compared to their recoverable amounts, represented by its value in use.

Foreign currencies

Transactions in foreign currencies are translated into sterling at the exchange rate ruling on the date of the transaction or the contracted rate where applicable. Monetary assets and liabilities denominated in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date and the resulting exchange differences are taken to the profit and loss account.

Exchange gains and losses arising on the re-translation of foreign currency borrowings are offset as reserve movements against the exchange differences arising on the re-translation of the matching foreign currency investments.

Taxation

The charge for taxation is based on the result for the period. Deferred tax is provided in full on timing differences which result in an obligation at the balance sheet date to pay more tax, or a right to pay less tax, at a future date, at rates expected to apply when they crystallize, based on current tax rates and law. Timing differences arise from the inclusion of items of income and expenditure in taxation computations in different periods from those in which they are included in the financial statements.

Deferred tax assets are recognised only to the extent that it is regarded as more likely than not that they will be recovered. Deferred tax assets and liabilities are not discounted.

Income

Interest and investment income is recorded on an accruals basis.

xv) As per the annual report of BOC Holdings for the year ended December 31, 2007, BOC Holdings has no contingent liabilities as on December 31, 2007.

xvi) Reasons for the fall/rise in total income and profit after tax are as under:

The company's earnings after tax for the financial year ended December 31, 2007 was GBP 1,328.1 million. For the previous financial period, the 15 months ended December 31, 2006, the company reported a loss after tax of GBP 15.1 million. In the financial year ended September 30, 2005, the company reported a profit after tax of GBP 131.1 million, and in the financial year ended September 30, 2004, the company reported a profit after tax of GBP 42.8 million.

The main source of the company's earnings is from its interests in subsidiary undertakings and other financing activities. The amount and timing of the receipt of dividends from subsidiary undertakings can vary materially from period to period. This is the main reason for the increase in earnings in 2005 compared with 2004 and 2006.

During 2007, as part of the restructuring of the Linde group's activities following its acquisition of The BOC Group plc, the company disposed of certain of its investments. The profit on disposal of these investments amounted to GBP 1,316 million. Of this amount, GBP 917 million arose on the disposal of its investment in a group business in the United States of America to a fellow Linde group company.

5. DISCLOSURE IN TERMS OF REGULATION 21(2)

As per the listing agreements with the BSE, the NSE, the CSE and the Target Company, the Target Company is required to maintain a minimum threshold of public shareholding for listing on a continuous basis. The Acquirer undertakes that in case the public shareholding falls below the limits specified in the Listing Agreement with the stock exchange for listing on a continuous basis pursuant to shares acquired pursuant to the Offer and open market purchases made by the Acquirer during the Offer, if any, then the Acquirer shall take necessary steps to facilitate compliance by the Target Company with the relevant provisions of Clause 40A of the Listing Agreement, within the time period mentioned therein.

With regard to maintaining the listing status of the Target Company in future, taking into account the current market conditions, the Acquirer has not yet taken a decision on the manner in which the compliance with Clause 40A will be met in the event the public shareholding falls below the limits specified in the Listing Agreement after the open offer or any point of time in the next three years period. The Acquirer shall, depending on the market conditions prevailing at the relevant point in time, adopt the methods specified in Clause 40A based on commercial considerations, the interest of the Target Company and its shareholders to comply with Clause 40A in accordance with all applicable laws.

6. BACKGROUND OF BOC INDIA LIMITED ("BOC India Limited" or "Target Company")

i) BOC India Limited is a public listed company with its registered office located at Oxygen House, P43 Taratala Road, Kolkata 700 088, India. Tel: +91-33-2401 4708/4710-16, Fax: +91-33-2401 4974/4206.

ii) The Target Company was incorporated on January 24, 1935 in the name of The Indian Oxygen & Acetylene Co. Private Limited. The name of the Target Company has undergone the following changes since incorporation:

a. From The Indian Oxygen & Acetylene Co. Private Limited to Indian Oxygen Limited on January 20, 1958;

b. From Indian Oxygen Limited to IOL Limited on September 18, 1989; and

c. From IOL Limited to BOC India Limited on February 6, 1995.

iii) The Target Company started its operations in India in 1935. The Target Company is primarily engaged in the following businesses:

a. Gases and related products comprising of manufacturing and sale of industrial, medical and special gases, equipments as well as related products.

b. Project Engineering comprising of manufacturing and sale of cryogenic and non-cryogenic vessels as well as designing, supplying, testing, erecting and commissioning of projects across diverse industries.

The location and details in relation to the manufacturing facilities of the Target Company are as follows:

1) **Ahmedabad**
Rakhial Road, Ahmedabad – 380 023

2) **Asansol**
G T Road (West), Gopalpur, Asansol – 713 304, Dist Burdwan

3) **Bangalore**
Plot No. ½, Phase –I, Peenya Industrial Estate, Bangalore – 560 058

4) **Bhiwadi**
Plot No. B-821, RIICO Industrial Area, Bhiwadi 301 019, Dist. Alwar

5) **Chennai**
Plot No. G-21, SIPCOT Industrial Park Irungattukottai, Dist. Kancheepuram – 602 105
Plot No. 21E (NP), SIDCO Industrial Estate, Ambattur, Chennai – 600 098

6) **Howrah**
Village: Pakuria, P.O Lakhenpur, P.S.Domjur, Howrah – 711 323

7) **Hyderabad**
Tonnage Plant (65 tpd) & Packaged Gases and Products Plant
Plot No. 178 & 179, IDA Pashamylaram, Phase III, Dist. Medak 502 307

8) **Jamshedpur**
Tonnage Plant (1290 TPD), Long Tom Area (Behind NML), Burma Mines, Jamshedpur – 831 007
Tonnage Plant (225 TPD), Near “L” Town Gate, Opposite Bari Maidan, Sakchi, Jamshedpur – 831 001
Mona Road, Burma Mines, Jamshedpur – 831 007

9) **Kolkata**
Plant Manufacturing Works, P-41 Taratala Road, Kolkata – 700 088
48/1 Diamond Harbour Road, Kolkata 700 027

10) **Navi Mumbai**
Special Gases Centre, E-27, MIDC Industrial Area, Dist. Raigad, Taloja, Navi Mumbai – 410 208
Tonnage Plant, T-8, MIDC Industrial Area, Dist. Raigad, Taloja, Navi Mumbai – 410 208
Taloja ISP Plant, T-25, MIDC Industrial Area, Dist. Raigad, Taloja, Navi Mumbai – 410 208

11) **Pune**
B-16/2, MIDC Industrial Area, Chakan, Village – Mahalunge, Taluk – Khed, Dist. Pune – 410 501

12) **Tarapur**
Tonnage Plant, Plot No. F-7/2, Road CMIDC Industrial Area, Tarapur – 401 506, Dist. Thane

13) **Trichy**
Plot No. 30, 31& 32, SIDCO Industrial Estate, Mathur, Dist. Pudukkottai – 622 515

14) **Visakhapatnam**
51-1-1 Nakkavanipalem, P.O. P&T Colony, Visakhapatnam – 530 013

iv) The subscribed and paid-up share capital of the Target Company after the Preferential Issue, as on the date of the

Public Announcement, was Rs. 852,842,230 divided into 85,284,223 outstanding Equity Shares of a face value of Rs. 10 each, as summarized in the table below. There are no outstanding partly paid up shares or any other instruments (warrants / FCDs / PCDs, etc.) or any stock options convertible into Equity Shares of the Target Company at a future date.

Particulars	**No. of Equity Shares**		**Voting Rights**	
	No. of Equity Shares	**%**	**Voting Rights**	**%**
Fully paid up Equity Shares	85,284,223	100	85,284,223	100
Partly paid up Equity Shares	Nil	-	Nil	-
Total paid up Equity Shares	85,284,223	**100**	85,284,223	**100**

v) The Acquirer held 63,098,891 Equity Shares of the Target Company constituting 73.99% of the Expanded Voting Capital as on the date of the Public Announcement.

vi) The Equity Shares of the Target Company are listed on the BSE, the NSE and the CSE.

vii) The share capital structure of Target Company since 1997-98, i.e. the year in which the SEBI (SAST) Regulations came into force and the disclosure relating to the status of compliance with applicable provisions of SEBI (SAST) Regulations/ other applicable regulations under the SEBI Act 1992 and other statutory requirements as applicable, is given as under:

Date of allotment	**No. of Equity Shares allotted**	**Face value per Equity Share (Rs.)**	**Cumulative Issued Share Capital**	**Allotted Shares as % of total emerging capital**	**Cumulative paid up capital(Rs)**	**Post acquisition cumulative shareholding of promoters (Number of Shares)**	**Mode of allotment**	**Identity of allottees (promoters / ex-promoters / others)**	**Status of compliance with SEBI (SAST) Regulations**
22.09.1997	21,814,107	10	49,084,223	44.44%	49,08,42,230	26,898,891	Rights Issue	Promoter(The BOC Group plc)&Others	Disclosure under Regulation 7 of the SEBI (SAST) Regulations made by The BOC Group plc on 25.09.97 and by the Target Company on 26.09.97
19.01.2008	36,200,000	10	85,284,223	42.45%	85,28,42,230	63,098,891	Preferential Issue	Promoter(The BOC Group plc)	Disclosure from The BOC Group plc on 21.01.08 and by the Target Company on 25.01.08

Note: All applicable laws, rules & regulations have been complied with including approvals from SEBI, RBI, Shareholders and any other authority if required, has been obtained.

viii) The Target Company has complied with the listing requirements. The trading in the Equity Shares was not suspended on any stock exchanges. The Target Company is in compliance with the listing agreement as on the date of the Letter of Offer and no punitive action has been initiated against the Target Company by the stock exchanges where its Equity Shares are listed.

ix) The Target Company has complied with the applicable provisions of Chapter II of the SEBI (SAST) Regulations save as with respect to a delay of 7 days in relation to the filing under Regulation 8(3) of the SEBI (SAST) Regulations for the year 2001. SEBI may initiate suitable action against the Target Company for the delay of 7 days in relation to the filing under Regulation 8(3) of the SEBI (SAST) Regulations for the year 2001.

The Board of Directors of the Target Company as on the date of the Public Announcement comprises of the following Directors:

Name	Title	Date of Appointment	Residential Address	Qualification	Experience
Mr. Susim Mukul Datta	Chairman	12.12.1996	104 B, Bakhtawar, Lower Colaba Road, Opp Colaba PO, Colaba, Mumbai 400 005	M.Sc. (Hons. in Chemistry); Post Graduate in Science & Technology	He was the Executive Chairman of Hindustan Lever Limited as well as all Unilever group companies in India and Nepal from 1990 to 1996. He is presently on the board of many reputed companies in India and holds Chairman position on some of them.
Mr. E R Raj Narayanan	Managing Director	30.03.2005	10G, City High, 85 Prince Anwar Shah Road, Kolkata 700 036	B.Tech (Chemical Engg.)	He has about 23 years of experience in marketing and sales, project management and development and financial management in speciality chemicals / chemicals business including senior management roles. He joined BOC India Limited as the Wholetime Director / Managing Director prior to which he was Country Representative - Lanxess Group in India, a company spun off from Bayer Group in India.
Mr. Srikumar Menon	Finance Director	19.11.2001	Flat 16, Belvedere Estate, 8/8 Alipore Road Kolkata 700 027	B.Com (Hons), Hindu College, Delhi University; ACA	He has several years of experience in various capacities within the Finance function both in Public Sector and Private Sector companies in India. He is also on the Board of a group company operating an Information Services Global Centre of Excellence in India.
Mr. Robert Neil Greenfield	Director	18.01.2005	59-61 Kim Yam Road Singapore 239362	B.Sc (Mechanical Engg.)	He has held various senior positions in the BOC group in South Africa, UK, USA and Singapore. He is currently Head of The Linde Group's Business Area Bulk.
Mr. Michael Stewart Huggon	Director	06.02.2001	501 Orchard Road #10-01 Wheelock Place Singapore 238880	B.Sc. (Hons); Chemical Engineering, Diploma in Marketing	He has held various senior positions in BOC group companies including responsibility for the Indian business for a four year period and became Head of The Linde Group's Regional Business Unit UK & Ireland in 2007.
Dr. Jamshed Jiji Irani	Director	02.12.1987	221 A Wing, NCPA ApartmentsNariman Point Mumbai 400 021	M.Sc. (Geology); M.Met. and Ph.D. from U.K.	He was the Managing Director of Tata Steel Limited from 1992 to 2002 and is presently on the board of several reputed companies of the Tata Group.

Mr. Sanjiv Lamba	Director	07.06.2005	10 Cuscaden Walk #05-03 /05-04 Seasons Park Singapore 249693	B.Com. (Hons); ACA	He has an experience of about 20 years in Finance and Treasury and business operations both in BOC India Limited as well as in The Linde Group and was the Managing Director of BOC India Limited from Oct. 2001 till March 2005. He is currently Head of The Linde Group's Regional Business Unit South & East Asia.
Mr. Jyotin Mehta	Director	19.01.2008	Y/804-805 Golden Rays, Shastri Nagar Andheri (West) Mumbai 400 053	B,Com; FCA; FCS; FICWA	He has over 25 years of experience in finance, secretarial and quality deployment functions in oil sector and banking. At present he is Senior General Manager & Head- Enterprise Risk Management of 3i Infotech Ltd., a global information technology company.

x) Mr. Michael Stewart Huggon, being an employee of the Acquirer, and Mr. Sanjiv Lamba and Mr. Robert Neil Greenfield, being employees of subsidiaries of Linde AG, the ultimate parent of the Acquirer, may be deemed to be interested in the Acquirer and hence in terms of Regulation 22(9) of SEBI (SAST) Regulations, Mr. Michael Stewart Huggon, Mr. Sanjiv Lamba and Mr. Robert Neil Greenfield have and shall continue to recuse themselves and not participate in any matter(s) concerning or relating to the Offer including any preparatory steps leading to the Offer.

xi) Save and except as stated above, none of the persons having interest in the Acquirer and the PACs is on the Board of Directors of the Target Company. No change in the composition of the Board of Directors of the Target Company has been proposed as a direct consequence of the Offer and except in the ordinary course of business and subject to applicable laws.

xii) There have been no spin-offs or mergers involving the Target Company over the last three years.

xiii) The audited financials of the Target Company for the years ended March 31, 2005, 2006 and 2007 and the un-audited financials for the six months ended September 30, 2007 duly subjected to a 'limited review' by its statutory auditors are as under:

(All Amounts in Rs. Lacs unless stated otherwise)

Profit and Loss Statement	**Year ended March 31,**			**Six months ended September 30,**
	2005	**2006**	**2007**	**2007**
Income from operations (Net sales i.e. after excise duty)	38,471	52,219	45,610	19,531
Other Income (excluding extraordinary items)	309	1,345	1,323	251
Total Income	**38,780**	**53,565**	**46,933**	**19,782**
Total Expenditure	31,396	42,628	38,590	16,374
Profit Before Depreciation, Interest, Tax and Extraordinary Items	**7,384**	**10,937**	**8,343**	**3,408**
Depreciation & Impairment	2,429	2,480	3,441	1,346
Interest	396	366	525	311
Profit / (Charge) from Extraordinary Items	194	4,095	2,429	NA
Profit Before Tax	**4,753**	**12,187**	**6,806**	**1,751**
Provision for Tax	385	2,614	2,435	560
Net Deferred Tax Credit / (Charge) for the year	(1,571)	(1,710)	89	(170)
Profit After Tax	**2,797**	**7,863**	**4,460**	**1,021**

Balance Sheet	As on March 31.		
	2005	2006	2007
Sources of funds			
Paid up share capital	4,908	4,908	4,908
Reserves and Surplus (including revaluation reserves)	18,989	25,172	28,197
Networth(1)	**23,897**	**30,081**	**33,105**
Secured loans	4,686	3,283	4,523
Unsecured loans	3,000	7,590	4,650
Deferred Tax Liability (Net)	3,214	4,924	4,835
Total	**34,797**	**45,877**	**47,113**
Uses of funds			
Net fixed assets	31,621	31,097	42,856
Investments	6,500	2,901	1,500
Net current assets	(3,964)	11,879	2,757
Total miscellaneous expenditure not written off	639	-	-
Total	**34,797**	**45,877**	**47,113**
Other Financial Data	**As on March 31.**		
	2005	**2006**	**2007**
Dividend (%)(2)	26%	19%	28%
Earning Per Share (Rs) (3)	5.7	16.0	9.1
Return on Networth (%)(4)	11.7%	26.1%	13.5%
Book Value Per Share (Rs)(5)	48.7	61.3	67.4
Price to Earnings Ratio(6)	14.3		

Notes:

1) *Net worth is computed as sum of equity share capital and reserves and surplus*
2) *Dividend percentage has been computed by dividing the dividends for the relevant accounting period by the Profit After Tax for the corresponding accounting period*
3) *Earnings per Share is computed by dividing the Profit after Tax by number of shares outstanding as at year end*
4) *Return on Networth is computed by dividing the Profit after Tax by Net worth for the relevant accounting period*
5) *Book Value per Share is computed by dividing the net worth by the number of shares outstanding as at year end*
6) *Historical price to earnings ratio based on EPS for period ending March 31, 2007 and price on NSE as on March 31, 2007 (Source: Bloomberg)*

xiv) Reasons for the fall/ rise in the total income and profit after tax:

- Year ended March 31, 2007 compared to Year ended March 31, 2006

  The fall in total income and profit after tax in the year ended March 31, 2007 compared to March 31, 2006 was mainly due to lower billings of the Project Engineering Division in connection with the sale of plant and machinery and components to Bellary Oxygen Company Pvt. Ltd. for the construction of their 855 tpd plant and technical problems with the 1290 tpd air separation plant at Jamshedpur. The net profit was lower as compared to the previous year, which however included significantly high extraordinary income arising from sale of property.

- Year ended March 31, 2006 compared to Year ended March 31, 2005

  The rise in turnover and profit after tax in the year ended March 31, 2006 compared to March 31, 2005 was mainly because of the billings of the Project Engineering Division for supply of machinery, components, etc. to Bellary Oxygen Company Pvt. Ltd. in connection with the construction of their 855 tpd plant at Bellary. The gases business also witnessed growth, which is attributed to higher volumes and better price realizations. The net profit was higher because of significantly high extraordinary income arising from the sale of property.

xv) Shareholding pattern of the Target Company prior (i.e. as on January 18, 2008) and after the Preferential Issue and the Offer (assuming full acceptance) are given below:

Shareholders' category	Shareholding & voting rights prior to the Preferential Issue and Offer		Shares / voting rights acquired in the Preferential Issue which triggered off the Regulations		Shares/voting rights to be acquired in open offer (Assuming full acceptances)*		Shareholding / voting rights after the acquisition through Preferential Issue and Offer (Assuming Full Acceptance)*	
	(A)		(B)		(C)		(A)+(B)+(C)=(D)	
	No.	%	No.	%	No.	%	No.	%
(1) Promoter Group / Acquirer Group								
(a) Acquirer (The BOC Group plc) as legal owner	26,898,891	54.80%	36,200,000	42.45%	17,056,845	20.00%	80,155,736	93.99%
(b) PACs	BOC Holdings is the beneficial owner of the 26,898,891 equity shares pursuant to various declarations of trust in its favor by the Acquirer	54.80% (beneficial ownership by BOC Holdings)	Linde Holdings Netherlands B.V. is the beneficial owner of the 36,200,000 equity shares pursuant to the Declaration of Trust	42.45% (beneficial ownership by Linde Holdings Netherlands B.V.)	Linde Holdings Netherlands B.V. shall be the beneficial owner of the equity shares acquired in the Offer pursuant to the Declaration of Trust	20.00% (beneficial ownership by Linde Holdings Netherlands B.V.)	NA	NA
Total (1)(a+b)	**26,898,891**	**54.80%**	**36,200,000**	**42.45%**	**17,056,845**	**20.00%**	**80,155,736**	**93.99%**
(2) Public (other than Acquirer & PACs)								
(a) Institutions								
Mutual Funds/ UTI	1,042,691	2.12%	Nil	Nil	(801,657)	-0.94%	241,034	0.28%
Financial Institutions / Banks	48,433	0.10%	Nil	Nil	(37,237)	-0.04%	11,196	0.01%
Central Government / State Government(s)	29	0.00%	Nil	Nil	(22)	0.00%	7	0.00%
Insurance Companies	2,534,393	5.16%	Nil	Nil	(1,948,528)	-2.28%	585,865	0.69%
Foreign Institutional Investors	2,776,711	5.66%	Nil	Nil	(2,134,831)	-2.50%	641,880	0.75%
Sub-Total (2)(a)	**6,402,257**	**13.04%**	**NA**	**NA**	**(4,922,275)**	**-5.77%**	**1,479,982**	**1.74%**
(b) Non-institutions								
Bodies Corporate	3,269,302	6.66%	Nil	Nil	(2,513,552)	-2.95%	755,750	0.89%
Individuals:								
i. Individual shareholders holding nominal share capital up to Rs. 1 lakh.	10,535,067	21.46%	Nil	Nil	(8,099,721)	-9.50%	2,435,346	2.86%
ii. Individual shareholders holding nominal share capital in excess of Rs. 1 lakh.	1,632,119	3.33%	Nil	Nil	(1,254,829)	-1.47%	377,290	0.44%
Others	346,587	0.71%	Nil	Nil	(266,468)	-0.31%	80,119	0.09%
Sub-Total (2) (b)	**15,783,075**	**32.16%**	**NA**	**NA**	**(12,134,570)**	**-14.23%**	**3,648,505**	**4.28%**
Total (2)(a+b)	**22,185,332**	**45.20%**	**NA**	**NA**	**(17,056,845)**	**-20.00%**	**5,128,487**	**6.01%**
GRAND TOTAL (1+2)	**49,084,223**	**100%**	**NA**	**NA**	**85,284,223**	**100%**	**85,284,223**	**100%**

Note: * Post offer shareholding has been calculated assuming full acceptance by the public shareholders and proportionate acceptance by the Acquirer upto 20% of the Expanded Voting Capital.

xvi) The Target Company has complied with applicable provisions of SEBI (SAST) Regulations and other applicable regulations under the SEBI Act, 1992 relating to the changes in the shareholding of the Promoters as detailed below. The following table details the change in the shareholding of the Promoter of the Target Company (i.e. The BOC Group plc) since 1997, i.e. the year in which the SEBI (SAST) Regulations came into force:

Sr. No.	Year ended 31 March	Market Purchase/ (Sale)	Rights Issue	Increase due to merger	Bonus	Holding of the Promoter Group as at the end of the Year.		Compliance status
						No.	%	
1	1997 (Rights Issue: 22.09.1997)	Nil	12,991,132	Nil	Nil	26,898,891	54.80%	Disclosure under Regulation 7 of the SEBI (SAST) Regulations made by The BOC Group plc on 25.09.97 and by the Target Company on 26.09.97
2	1998	Nil	Nil	Nil	Nil	26,898,891	54.80%	NA
3	1999	Nil	Nil	Nil	Nil	26,898,891	54.80%	NA
4	2000	Nil	Nil	Nil	Nil	26,898,891	54.80%	NA
5	2001	Nil	Nil	Nil	Nil	26,898,891	54.80%	NA
6	2002	Nil	Nil	Nil	Nil	26,898,891	54.80%	NA
7	2003	Nil	Nil	Nil	Nil	26,898,891	54.80%	NA
8	2004	Nil	Nil	Nil	Nil	26,898,891	54.80%	NA
9	2005	Nil	Nil	Nil	Nil	26,898,891	54.80%	NA
10	2006	Nil	Nil	Nil	Nil	26,898,891	54.80%	NA
11	2007 (Preferential Issue: 19.01.2008)	Nil	36,200,000	Nil	Nil	63,098,891	73.99%	Disclosure under Regulation 7 of the SEBI (SAST) Regulations made by The BOC Group plc on 21.01.08 and by the Target Company on 25.01.08

The Target Company has complied with the applicable provisions of SEBI (SAST) regulations as and when the abovementioned changes in shareholding of the Promoter took place.

The Target Company is in full compliance with clause 49 of the listing agreement on corporate governance.

xvii) Contingent liabilities as on March 31, 2007 for the Target Company are as follows:

S. No.	Particulars	As on March 31, 2007 (Rs. Lacs)
1.	Excise duty matters	560.00
2.	Sales tax matters	654.00
3.	Guarantee given by the Target Company for car/furniture lo an taken by its employees from a bank	0.38
4.	Sales Tax liability transferred to a beneficiary	276.00
5.	Bills discounted	53.00
6.	Other claims	78.00
	Total contingent liabilities	**1621.38**

xviii) The details and status of the material litigation for the Target Company pending as of the date of the Public Announcement i.e. January 22, 2008 are as follows:

- Ferro Scrap Nigam Limited (“**FSNL**”) has filed an application in the Court of the District Judge at Durg, Bhilai, for setting aside the ex-parte Award given by the Arbitral Tribunal awarding the Target Company an amount of Rs. 1.5 crores on account of escalation bills raised by the Target Company’s Jamshedpur unit for supply of gases effected to FSNL upto March 31, 1995, together with associated interest and costs. The matter is currently pending before the District Court.

- Thampi & Company ("**Thampi**") has commenced arbitration proceedings against the Target Company for payment of Rs. 27 lakhs together with interest and costs on account of non-payment by the Target Company in relation to certain civil construction works for which the Target Company had engaged Thampi. The Target Company has withheld the payment to Thampi because of delay in completion of the work and deviation in the specifications of the material used for construction. The mater is currently pending before the arbitration tribunal.
- The Target Company has filed an application before the 6th Court of Civil Judge (Senior Division) at Alipore praying for setting aside of the award of the Umpire awarding Petron Civil Engineering Ltd ("**Petron**") a sum of Rs. 19.82 lakhs on account of loss of profit, escalation, liquidated damages, interest and costs related to the civil works job undertaken by Petron at the Target Company's factory at Tarapur. The matter is currently pending before the 6th Court of Civil Judge (Senior Division) at Alipore.
- Runwal Developers Private Limited has filed a suit against the Target Company in the Bombay High Court seeking specific performance of a contract relating to the sale of the Target Company's property at Ghatkopar, Mumbai and in the alternative, damages of Rs.30 crores. The Target Company is resisting the same on the grounds that the contract was never executed. The matter is pending before the Bombay High Court.
- Karan Singh Binayak has filed a suit in the Calcutta High Court claiming specific performance of a contract which was terminated by the Target Company relating to sale of the Target Company's property in Kirtinagar, Delhi and in the alternative, damages of Rs.50 lakhs and return of the advance money of Rs.25 lakhs paid by him to the Target Company. The suit is currently pending before the Calcutta High Court.
- National Oxygen Limited ("**National**") has filed a suit against the Target Company in the Madras High Court claiming damages to the tune of Rs 40 lakhs on account of non-performance of the oxygen plant supplied by the Target Company. The suit has been stayed by the Madras High Court in view of the pendency of another proceeding initiated by the Target Company in the 6th Court of Civil Judge (Senior Division) at Alipore against National.

  The said proceeding has been initiated by the Target Company for reference to arbitration of the dispute relating to non payment of its dues of Rs. 3.5 lakhs by National. The matter is currently pending before the 6th Court of Civil Judge (Senior Division) at Alipore.
- Cubex Tubings Limited ("**Cubex**") has filed a suit against the Target Company in the City Civil Court, Secundrabad, for recovery of an amount of Rs. 21.61 lakhs which has been resisted by the Target Company on the grounds that Cubex is not entitled to the same in terms of the contract between the parties. The matter is currently pending before the City Civil Court, Secundrabad.

xix) The compliance officer of the Target Company is Mr. Pawan Marda, Company Secretary. He can be contacted at Oxygen House, P43 Taratala Road, Kolkata 700 088, India. Tel: +91-33-24015172, Fax: +91-33-24014974, E-Mail: pawan.marda@boci.co.in.

7. OFFER PRICE & FINANCIAL ARRANGEMENTS

7.1 Justification of Offer Price

i) The Equity Shares are currently listed on the BSE, the NSE and the CSE.

ii) The Equity Shares are frequently traded on the BSE and the NSE within the meaning of Explanation (i) to Regulation 20(5) of the Regulations. The Equity Shares of the Target Company are infrequently traded on the CSE within the meaning of Explanation (i) to Regulation 20(5) of the Regulations.

Name of the Stock Exchange	Total number of Equity Shares traded during the 6 calendar months prior to the month in which the first Board Meeting authorising the Preferential Issue was held (i.e. June, July, August, September, October and November 2007)	Total number of listed Equity Shares	Annualized trading turnover (in terms of % of total listed Equity Shares)	Trading Status in terms of SEBI (SAST) Regulations
BSE	6,522,538	49,084,223	26.58%	Frequently traded
NSE	7,415,737	49,084,223	30.22%	Frequently traded
CSE	Nil	Nil	0%	Infrequently traded

(Source: BSE data from www.bseindia.com, NSE data from www.nseindia.com,)

Note: The 36,200,000 Equity Shares allotted under the Preferential Issue to the Acquirer were proposed to be listed on the BSE, the NSE and the CSE. The Target Company has received final listing approvals in respect of the said shares from each of the BSE (Approval no. DCS/PREF/SJ/FIP/3673/07-08 dated 25 March 2008), the NSE (Approval no. NSE/LIST/69006-K dated 14 March 2008) and the CSE (Approval no. CSEA/LD/170/2008 dated 8 April 2008). The Target Company has also received trading approvals in respect of the said shares from the BSE (Approval no. DCS/PREF/RAS/TRD/381/08-09 dated 9 May 2008) and the NSE (Approval no. NSE/LIST/2008/72342-N dated 5 May 2008) and the shares are listed on the BSE and the NSE. Whilst the Target Company has made an application for trading approval to the CSE, the same is currently awaited.

iii) The Acquirer and the PACs have not acquired any Equity Shares of the Target Company, including through allotment in a public, rights or preferential issue, during the 26-week period prior to the date of the Public Announcement, except the New Shares pursuant to the Preferential Issue at a price of Rs 165/- per Equity Share ("**Preferential Issue Price**"), which price has been determined in terms of the Guidelines. The Preferential Issue Price is at a premium of 11.8% over the minimum price of Rs 147.58/- i.e. the price determined in accordance with the criteria prescribed for the preferential issue under the Guidelines and is also at a premium of 3.4% over the closing price of the shares of the Target Company i.e. Rs 159.65/-, as traded on the National Stock Exchange on December 10, 2007 (being the day prior to the date of the Board Meeting authorizing the preferential allotment).

iv) Other than the said Preferential Issue, the Acquirer and the PACs have not acquired any Equity Shares in a preferential allotment during the 12 months prior to the date of the Public Announcement. In addition, the Acquirer and the PACs have not acquired any Equity Shares from the date of the Public Announcement up to the date of this Letter of Offer.

v) The weekly high and low of the closing prices of the Equity Shares, during the 26 weeks period prior to the date of the Board Meeting authorizing the Preferential Issue, on the stock exchange where the Equity Shares are most frequently traded, i.e. NSE are given below:

Week No.	Week Ending	Weekly High	Weekly Low	Average	Weekly Volume
1	Monday, June 18, 2007	135.50	131.10	133.30	80,836
2	Monday, June 25, 2007	139.75	135.90	137.83	117,504
3	Monday, July 02, 2007	139.45	138.05	138.75	61,965
4	Monday, July 09, 2007	138.85	133.50	136.18	103,270
5	Monday, July 16, 2007	142.60	133.85	138.23	181,314
6	Monday, July 23, 2007	136.85	133.55	135.20	114,807
7	Monday, July 30, 2007	133.90	130.35	132.13	86,586
8	Monday, August 06, 2007	136.60	127.40	132.00	140,458
9	Monday, August 13, 2007	132.50	127.95	130.23	84,237
10	Monday, August 20, 2007	133.35	128.40	130.88	106,625
11	Monday, August 27, 2007	127.55	125.55	126.55	43,790
12	Monday, September 03, 2007	131.55	128.20	129.88	60,959
13	Monday, September 10, 2007	139.10	129.80	134.45	159,497
14	Monday, September 17, 2007	154.50	137.30	145.90	921,596
15	Monday, September 24, 2007	154.45	151.75	153.10	513,333
16	Monday, October 01, 2007	153.15	147.40	150.28	235,196
17	Monday, October 08, 2007	147.70	141.40	144.55	148,949

Week No.	Week Ending	Weekly High	Weekly Low	Average	Weekly Volume
18	Monday, October 15, 2007	153.75	143.40	148.58	332,941
19	Monday, October 22, 2007	151.10	137.15	144.13	263,716
20	Monday, October 29, 2007	140.95	138.00	139.48	262,609
21	Monday, November 05, 2007	137.40	134.80	136.10	170,842
22	Monday, November 12, 2007	138.60	134.90	136.75	164,817
23	Monday, November 19, 2007	145.85	133.80	139.83	506,238
24	Monday, November 26, 2007	150.75	139.40	145.08	413,954
25	Monday, December 03, 2007	150.40	142.90	146.65	206,339
26	Monday, December 10, 2007	160.25	151.50	155.88	1,001,325
			Average	**139.30**	

Source: Bloomberg

The daily high and low of the prices of the Equity Shares during the 2 weeks period prior to the date of the Board Meeting authorizing the Preferential Issue, on the stock exchange where the Equity Shares are most frequently traded, i.e. the NSE are given below:

Day No.	Date	Daily High	Daily Low	Average	Daily Volume
1	Tuesday, November 27, 2007	155.00	123.65	139.33	45,152
2	Wednesday, November 28, 2007	152.70	144.05	148.38	33,633
3	Thursday, November 29, 2007	149.00	141.00	145.00	26,422
4	Friday, November 30, 2007	149.00	142.50	145.75	27,173
5	Saturday, December 01, 2007	-	-	-	-
6	Sunday, December 02, 2007	-	-	-	-
7	Monday, December 03, 2007	152.00	145.55	148.78	73,959
8	Tuesday, December 04, 2007	155.00	150.00	152.50	75,498
9	Wednesday, December 05, 2007	164.00	153.55	158.78	298,999
10	Thursday, December 06, 2007	167.50	158.00	162.75	273,310
11	Friday, December 07, 2007	166.00	155.40	160.70	108,991
12	Saturday, December 08, 2007	-	-	-	-
13	Sunday, December 09, 2007	-	-	-	-
14	Monday, December 10, 2007	167.90	158.20	163.05	244,527
			Average	**152.50**	

Source: Bloomberg

vi) In accordance with regulations 20(4) and 20(5) of the SEBI (SAST) Regulations, the Offer Price of Rs. 165/- per Equity Share is the higher of the following:

i)	Negotiated price under the agreement for acquisition of shares or voting rights or deciding to acquire shares or voting rights.	Not Applicable
ii)	The highest price paid by the Acquirer for acquisitions including by way of allotment in a public or rights or preferential issue during the 26 weeks prior to the date of the Board Meeting authorizing the Preferential Issue.	Rs.165.00
ii)	The highest of the average of the weekly high and low of the closing prices for the Equity Shares for the 26 week period and the average of the daily high and low prices of the Equity Shares during the 2 week period prior to the date of the Board Meeting authorizing the Preferential Issue, on the stock exchange where the shares of the Target Company are most frequently traded, i.e. the NSE.	Rs. 152.50

Other Financial Parameters	As on March 31. 2007
Return on Networth (%)[(1)]	13.5%
Book Value Per Share (Rs)[(2)]	67.4
Earning Per Share (Rs) [(3)]	9.1
Price to Earnings Ratio[(4)]	14.3
P/E Multiple based on Offer Price	18.1
Average of the P/E multiple of companies forming partof the Chemical industry (Source: Capital MarketVol XXII/19 Nov 19 - Dec 02, 2007) [(5)]	15.5

Notes:

1) Return on Networth is computed by dividing the Profit after Tax by Net worth for the relevant accounting period, wherein net worth is computed as sum of equity share capital and reserves and surplus

2) Book Value per Share is computed by dividing the net worth by the number of shares outstanding as at year end

3) Earnings per Share is computed by dividing the Profit after Tax by number of shares outstanding as at year end

4) Historical price to earnings ratio based on EPS for period ending March 31, 2007 and price on NSE as on March 31, 2007 (Source: Bloomberg)

5) Calculated by dividing Offer Price of Rs 165 per share by EPS for FY 2007

Valuation of Equity Shares of BOC India Limited

The following valuation exercise has been done by the Manager to the Offer based on the decision of the Hon'ble Supreme Court in HLL Employees Union vs. Hindustan Lever Limited (1995), 83 Com case 30 taking into account the following methods of valuation.

1. Net Asset Value Method
2. Profit Earning Capacity Value (PECV) Method and
3. Market Value Method.

	FY 2005	FY 2006	FY 2007	Weighted Average
Weights	1	2	3	
Return on Networth (%)	11.7%	26.1%	13.5%	17.4%
PAT (Rs MM)	280	786	446	531.7
Book Value per Share (Rs)	48.7	61.3	67.4	62.3
Earnings per Share (Rs)	5.7	16.0	9.1	10.8
PE ratio on Offer Price	28.9	10.3	18.1	15.2
Price/Earnings Ratio *				14.8

Source: * Capital Market Vol XXIII/Apr 21 - May 4, 2008

Computation of fair value as per HLL case:

Method Parameters	Value (a)	Weight (b)	Weighted Value (a) X (b)
Net Asset Value	62.3	1	62.3
PECV value	62.3	2	124.7
Market based value	160.0	2	320.1
Total		**5**	**507.0**
Value per share			101.4
Capitalization rate (for PECV method)	10%		

Considering the above parameters the Offer Price of Rs 165 per Equity Share of BOC India Limited is justified in terms of Regulation 20(5) of SEBI (SAST) Regulations.

vii) In view of the above, the Offer Price of Rs. 165/- per Equity Share is justified as per Regulation 20(4), 20(5) and 20(11) of the SEBI (SAST) Regulations. The Manager to the Offer does not hold any shares of the Target Company as of the date hereof.

viii) As per the SEBI (SAST) Regulations, the Acquirer can revise the Offer Price up to 7 (seven) working days prior to the closure of the Offer, and the revision, if any, would be announced in the same newspapers where the Public Announcement appeared and the revised price will be paid for all Equity Shares acquired pursuant to the Offer. If the Acquirer or PACs acquire Equity Shares issued by the Target Company after the date of the Public Announcement up to 7 (seven) working days prior to the closure of the Offer at a price higher than the Offer Price, then the highest price paid for such acquisition shall be payable for all the valid acceptances received under the Offer.

ix) There is no non-compete agreement entered into by the Acquirer / PACs with respect to this Offer.

7.2 Financial Arrangements

i) The total fund requirement for the acquisition of the Offer Shares held by public shareholders in the Target Company at Rs. 165 per Equity Share is Rs. 281,43,79,425 (Rupees Two Eighty One Crores Forty Three Lakhs Seventy Nine Thousand Four Hundred Twenty Five Only).

ii) In accordance with Regulation 28 of the SEBI (SAST) Regulations, the Acquirer has made a cash deposit of Rs 2,81,43,795, being an amount in excess of 1% of consideration payable under the Offer (assuming full acceptance), in a bank account (the "**Escrow Account**") with Deutsche Bank AG, a company incorporated in Frankfurt and acting through its Mumbai Branch having one of its offices at Kodak House, 222 Dr. D.N. Road, Fort, Mumbai – 400 001 (the "**Escrow Bank**") in terms of an escrow agreement dated January 11, 2008 amongst the Acquirer, DEIPL and Escrow Bank (the "**Escrow Agreement**"). Further, the Escrow Bank has provided a Bank Guarantee dated January 12, 2008 on behalf of the Acquirer in favor of DEIPL for Rs 43,14,37,943, being the amount required under Regulation 28(2) of the SEBI (SAST) Regulations, i.e. 25% for the first Rs. 100 crores of consideration payable under the Offer (assuming full acceptance) and 10% thereafter on the balance of the consideration payable under the Offer. The Manager to the Offer has been duly authorized to operate and realize the value of the Escrow Account through the Escrow Agreement and the Bank Guarantee in terms of the SEBI (SAST) Regulations. The Bank Guarantee is valid for at least a period commencing from the date of Public Announcement i.e. January 22, 2008 until 30 days after the closure of the Offer i.e. July 30, 2008 and is in favor of the Manager to the Offer. The Escrow Bank which has furnished the Bank Guarantee is not an associate or part of the same group which the Acquirer or the Target Company belong to.

iii) Linde Finance B.V. has agreed to advance an inter corporate loan to Linde Holdings Netherlands B.V. Linde Holdings Netherlands B.V. has in turn provided the necessary funds to the Acquirer for the purpose of acquiring the New Shares and funding the Escrow Account. In addition, Linde Holdings Netherlands B.V. and Linde Finance B.V. have issued financial support undertakings in favor of the Acquirer confirming that all funds necessary to consummate the Offer have been or will be made available to the Acquirer as required. On the basis of confirmations given by the Acquirer, Deutsche Bank AG, Germany, the bankers of the Acquirer have certified vide their letter dated January 14, 2008 that the Acquirer has sufficient means and capability for the purpose of acquiring in cash, the Offer Shares. Further, Mr. Akhil Bansal, Partner, Membership Number: 090906, BSR & Company, Chartered Accountants, having their office at 4B, DLF Corporate Park, DLF City, Phase III, Gurgaon – 122002, India have vide their letter dated April 10, 2008 certified that the Acquirer has sufficient financial resources for the purpose of acquiring the Offer Shares.

iv) Based on the above, DEIPL is satisfied with the ability of the Acquirer to implement the Offer in accordance with the SEBI (SAST) Regulations as firm financial arrangements are in place to fulfill the Acquirer's obligations under the Offer in accordance with the SEBI (SAST) Regulations.

8. TERMS AND CONDITIONS OF THE OFFER

i) This Letter of Offer together with the Form of Acceptance has been mailed to the Shareholders of the Target Company whose names appear on the Register of Members of the Target Company and to the beneficial owners of the Equity

Shares of the Target Company whose names appear on the beneficial records of the respective depositories at the close of business on February 15, 2008 (the "**Specified Date**").

ii) All Equity Shares tendered and accepted under the Offer, will be acquired by the Acquirer, subject to the terms and conditions set out in this Letter of Offer. All necessary requirements for the valid transfer of the Equity Shares to the Acquirer will be pre-conditions for acceptance of the tendered Equity Shares. Besides the Old Shares and 17,056,845 New Shares allotted by the Target Company to the Acquirer consequent to the Preferential Issue, there are no other Equity Shares that are subject to lock-in.

iii) All equity shareholders of the Target Company (except the Acquirer and the PACs), whose names appear in the register of members of the Target Company as of February 15, 2008 and also persons or entities (except the Acquirer and the PACs), who acquire any Equity Shares of the Target Company at any time prior to the closure of the Offer, whether or not they are registered shareholders, are eligible to participate in the Offer anytime before the closure of the Offer.

iv) The acceptance of the Offer made by the Acquirer is entirely at the discretion of the shareholders of the Target Company and each shareholder of the Target Company to whom the Offer is being made, is free to offer his shareholding in the Target Company, in whole or in part while accepting the Offer.

v) The Offer is subject to the receipt of approval from the RBI under the FEMA and the rules and regulations made thereunder for the acquisition of the Equity Shares tendered under the Offer. The Acquirer has already applied to the RBI on January 21, 2008 seeking its approval inter alia for the acquisition by the Acquirer of the Offer Shares. Vide its letter no. FE.CO.FID/20181/10.21.088/2007-08 dated February 27, 2008, the RBI has given its no-objection to the Acquirer for the acquisition of the shares under the Offer, subject to compliance with the provisions of A.P (Dir Series) Circular No. 16 dated October 4, 2004 and prescribed pricing and documentation requirements, and further subject to the condition that any shares tendered by erstwhile OCBs in the Offer are referred to the RBI for its prior approval.

vi) No statutory or regulatory approval other than the aforementioned approvals is required for the Acquirer to proceed with the Offer. If any other such approvals are required subsequently, the Offer would be subject to such additional approvals. The Acquirer will have a right not to proceed with the Offer in terms of Regulation 27(b) of the SEBI (SAST) Regulations in the event the approvals indicated above are refused.

vii) In case of delay in receipt of any statutory approval, SEBI has the power to grant an extension of the time required for payment of consideration under the Offer provided that the Acquirer agrees to pay interest in accordance with Regulation 22(12) of the SEBI (SAST) Regulations. If the delay occurs due to the wilful default or neglect or inaction or non-action on the part of the Acquirer in obtaining the requisite approvals, Regulation 22(13) of the SEBI (SAST) Regulations will become applicable. **The Acquirer will not proceed with the Offer in terms of Regulations 27 of the SEBI (SAST) Regulation in the event the statutory approvals indicated above are refused.**

viii) The Acquirer does not require any approvals from financial institutions or banks for the Offer.

ix) Applications in respect of Equity Shares that are the subject matter of litigation wherein the shareholder(s) may be precluded from transferring the Equity Shares during the pendency of the said litigation may be rejected in case directions/ orders regarding these Equity Shares are not received together with the Equity Shares tendered under the Offer. The Letter of Offer in some of these cases, wherever possible, would be forwarded to the concerned statutory authorities for further action at their end.

x) Accidental omission to dispatch this Letter of Offer or any further communication to any person to whom this Letter of Offer is or should be made or the non-receipt of this Letter of Offer by any such person shall not invalidate the Offer in any way.

xi) The instructions, authorizations and provisions contained in the Form of Acceptance and Form of Withdrawal constitute an integral part of the terms of the Offer.

xii) Barring unforeseen circumstances and factors beyond their control, the Acquirer intends to complete all formalities pertaining to the purchase of the Equity Shares, including dispatch payment of consideration to the shareholders who have accepted the Offer, by July 11, 2008.

xiii) The Acquirer will not be responsible in any manner for any loss of equity share certificate(s) and offer acceptance documents during transit and the shareholders of the Target Company are advised to adequately safeguard their interest in this regard.

xiv) As already mentioned in paragraph 3.2 (vi), the Offer is not subject to any minimum level of acceptance from the shareholders. The Offer is being made by the Acquirer to the public shareholders of the Target Company to acquire up to 17,056,845 Equity Shares, representing 20% of the Expanded Voting Capital. The Acquirer will proceed with the Offer even if it is unable to obtain acceptance to the full extent of the Equity Shares for which the Offer is made.

xv) Equity Shares that are subject to any charge, lien or encumbrance may be rejected.

xvi) The Acquirer is permitted to revise the Offer Price upward any time up to seven working days prior to the date of the closure of the Offer. If there is any upward revision in the Offer Price before the last date of revision (i.e. June 19, 2008) or withdrawal of the Offer, the same would be informed by way of Public Announcement in the same newspapers where the original Public Announcement has appeared. Such revised Offer Price would be payable by the Acquirer to all shareholders who tender their Equity Shares at any time during the Offer and which are accepted under the Offer.

xvii) Shareholders who have sent their Equity Shares for dematerialization need to ensure that the process of getting Equity Shares dematerialized is completed well in time so that the credit in the Registrar's special depository account should be received on or before the date of closure of the offer, i.e. June 30, 2008, else the application from such shareholders will be rejected.

xviii) The instructions, authorizations and provisions contained in the Form of Acceptance constitute an integral part of the terms of the Offer. The marketable lot for Equity Shares in demat form is 1 Equity Share.

xix) Accidental omission to dispatch this Letter of Offer or further communication to any person to whom this Offer is made or non receipt of the Letter of Offer by such person shall not invalidate this Offer in any way.

xx) The securities transaction tax will not be applicable to the Equity Shares accepted in the Offer.

9. PROCEDURE FOR ACCEPTANCE, WITHDRAWAL AND SETTLEMENT

Shareholders of the Target Company, who wish to avail the Offer should forward the below mentioned documents **by hand delivery or by registered post** to the Registrar to the Offer at the collection centers given below so as to reach the Registrar on or before the date of closure of the Offer (i.e. June 30, 2008) on their working days during business hours indicated below.

Public Shareholders are advised to ensure that the Form of Acceptance and other documents are complete in all respects, otherwise the same may be rejected. If the Registrar to the Offer does not receive the documents listed below but receives the original share certificates and valid transfer deed from a registered Shareholder, then the Offer will be deemed to have been accepted by such Shareholders. In case of dematerialized shares, the shareholders are advised to ensure that their shares are credited in favour of the special depository account before the closure of the Offer. The Form of Acceptance of such dematerialized shares, which have not been credited in favour of the special depository account before the closure of the Offer (i.e. June 30, 2008), will be rejected.

For Equity Shares held in physical form

- Form of Acceptance duly completed and signed in accordance with the instructions contained therein, by sole/ first shareholders whose names appear on the share certificates (in case of joint holdings) in the same order in which their names appear in the Register of Members.
- Original Share Certificate(s)
- Valid share transfer deed(s) duly signed as transferors by all shareholders (in case of joint holdings) in the same order and as per specimen signatures lodged with the Target Company and duly witnessed at the appropriate place. It is preferred that the transferor's signature(s) is attested by a Notary or Bank Manager or Member of Stock Exchange under their seal of office and membership number. The transfer deed should be left blank, excepting the signatures as mentioned above.
- Documents mentioned in paragraph 9 (v), for resident shareholders

- Documents mentioned in paragraph 9 (iv), for NRI/ OCB/ FII shareholders

For Equity Shares held in demat form

- Form of Acceptance duly completed and signed in accordance with the instructions contained therein, by sole/ all shareholders whose names (in case of joint holdings) in the same order in which their names appear in their beneficiary account. The Form of Acceptance has to be tendered by the beneficial holder of Equity Shares only.
- A photocopy of the Delivery Instruction Slip duly acknowledged by the Depository Participant ("**DP**") filled as per the instructions given hereunder:
- The Beneficial Owners who hold Equity Shares in demat form are required to execute a trade by tendering the Delivery Instruction for debiting their Beneficiary Account with the concerned DP and crediting the Special Depositary Account. The credit in the Special Depository Account should be received on or before 3 p.m. as on the date of closure of the Offer, i.e. June 30, 2008.
- The Delivery Instructions to be given to the DP should be in "Off-Market" mode only. For each Delivery Instruction the Beneficial Owner should submit a separate Form of Acceptance.
- The Registrar to the Offer, Intime Spectrum Registry Limited, has opened a special depository account. Beneficial owners holding Equity Shares in the demat form, will be required to send their Form of Acceptance to the Registrar to the Offer either by hand delivery during normal business hours or by Registered Post on or before the close of the Offer, i.e. June 30, 2008, along with a photocopy of the delivery instructions in "Off-market" mode or counterfoil of the delivery instruction in "Off-market" mode, duly acknowledged by the DP, in favour of "Escrow Account BOC India Limited Open Offer" filled in with details given below:

Depository	:	National Securities Depository Limited ("NSDL")
DP Name	:	Deutsche Bank AG
DP ID Number	:	IN300167
Client ID Number	:	10042038

  For Equity Shares which are tendered in electronic form, the bank account as obtained from the beneficiary position provided by the Depository will be considered and the warrants/ bank drafts will be issued with the said bank particulars. Shareholders having their beneficiary account in CDSL have to use inter-depository delivery instruction slip for the purpose of crediting their Equity Shares in favour of the special depository account with NSDL.

- Documents mentioned in paragraph 9 (v), for resident shareholders
- Documents mentioned in paragraph 9 (iv), for NRI/ OCB/ FII shareholders
- For each delivery instruction, the beneficial owner should submit a separate Form of Acceptance.
- The credit for the delivered shares must be received in the special depository account on or before the closure of the Offer, i.e. no later than June 30, 2008.
- In case of non-receipt of the aforesaid documents, but receipt of the Equity Shares in the Special Depository Escrow Account, the Acquirer may deem the Offer to have been accepted by the shareholder.

  The collection centers of the Registrar to the Offer for the purpose of the Offer are as follows:

Sr. No.	City	Address of collecting office	Contact Person	Telephone Number	Fax Number	E-mail ID	Mode of Delivery
1	Mumbai	Intime Spectrum Registry Limited, C-13, Panalal Silk Mills Compound, L B S Marg,Bhandup (W), Mumbai -400078.	Ms Awani Thakkar	+91 22 2596 0320	+91 22 2596 0328/29	boc.openoffer @intimespectrum.com	Hand Delivery & Registered Post
2	Mumbai	Intime Spectrum Registry Limited, 203, Davar House, Next to Central Camera, D N Road, Fort Mumbai - 400 001	Mr. Vivek Limaye	+91 22 2269 4127	NA	vivek.limaye @intimespectrum.com	Hand Delivery
3	Ahmedabad	Intime Spectrum Registry Limited, 211 Sudarshan Complex, Near Mithakhali Underbridge, Navrangpura, Ahmedabad - 380 009	Mr. Hitesh Patel	+91 79 2646 5179	+91 79 2646 5179 (Telefax)	ahmedabad@ intimespectrum.com	Hand Delivery
4	Kolkata	Intime Spectrum Registry Limited, 59C,Chowringhee Road,3rd Floor, Kolkata -700020	Mr.S.P. Guha	+91 33 2289 0539/40	+91 33 2289 0539/40 (Telefax)	kolkata@ intimespectrum.com	Hand Delivery
5	New Delhi	Intime Spectrum Registry Ltd., A-40, 2nd Floor, Naraina Industrial Area, Phase II, Near Batra Banquet, New Delhi – 110028	Mr. Swapan Naskar	+91 11 4141 0592/93/94	+91 11 4141 0591	delhi@ intimespectrum.com	Hand Delivery
6	Chennai	C/o SGS Corporate Solutions India Pvt. Ltd., Indira Devi Complex, II Floor, No.20, Gopalakrishna Street, Pondy Bazaar, T. Nagar, Chennai- 600 017	Mrs.Solly Soy	+91 44 2815 2672, +91 44 4207 0906	+91 44 2815 2672 (Telefax)	chennai@sgs-cs.com	Hand Delivery

Business Hours : Monday to Friday: 10.00 a.m. to 3.30 p.m.

Holidays : Saturdays, Sundays and Bank Holidays

Applicants may send their documents only by Registered Post, at their own risk, if not hand delivered at the designated collection centers, to the Registrar at the addresses as mentioned hereinabove during business hours indicated above other than on holidays.

Please note that the Share Certificates/ Delivery Instruction Slip and other documents in relation to the acceptance of the Offer should not be sent to the Acquirer/PACs or the Target Company. Such documents should NOT be sent to the Manager to the Offer.

i) All owners of Equity Shares registered or unregistered, who own the Equity Shares at any time prior to the closure of the Offer are eligible to participate in the Offer. Unregistered owners can send their application in writing to the Registrar to the Offer. They are required to submit, besides the documents as mentioned above, other documents to prove their title to the Equity Shares offered for acceptance, such as a copy of the contract note issued by the broker through whom they acquired their Equity Shares on or before the close of the Offer, i.e. June 30, 2008, transfer deed(s) executed by the registered holders of the Equity Shares in addition to the Form of Acceptance and share certificate(s). No indemnity is required from the unregistered owners. Unregistered owners, if they so desire, may also apply on the Form of Acceptance downloadable from SEBI's website (www.sebi.gov.in). Notwithstanding that the signature(s) of the transferor(s) have been witnessed as aforesaid, if the signature(s) of the transferor(s) differs from the specimen signature(s) recorded with the Target Company or are not in the same order, such Equity Shares may be rejected under the Offer even if the Offer has been accepted by a bona fide owner of such Equity Shares.

ii) Besides the documents specified in the Letter of Offer and Form of Acceptance while tendering the Shares under the Offer NRIs / OCBs / foreign shareholders will be required to submit to the Registrar to the Offer, previous RBI Approvals (specific or general) that they would have obtained for acquiring the Equity Shares of the Target Company and the FIIs are requested to enclose the SEBI registration letter. In case the previous RBI approvals are not submitted, the Acquirer reserves the right to reject such Equity Shares tendered.

iii) While tendering the Shares under the Offer, NRI / OCBs / foreign shareholders will be required to submit a certificate certifying inward remittance of funds for acquisition of Shares of the Target Company and No Objection Certificate ('**NOC**') or Tax Clearance Certificate from the Income Tax authorities indicating the amount of tax to be deducted on the consideration amount being remitted by the Acquirer under the Income Tax Act, 1961. In case the aforesaid NOC or Tax Clearance Certificate is not submitted, the Acquirer will arrange to deduct tax at the maximum marginal rate as may be applicable to the category of the Shareholder under the Income Tax Act, 1961 on the entire consideration amount payable to such Shareholder.

iv) NRIs / OCBs / FIIs / foreign shareholders having their country of origin/ incorporation as Mauritius or any other country which has signed a Double Taxation Avoidance Agreement (DTAA) with India and who want to avail the benefit of deduction of tax at a lower rate are requested to furnish the copy of Tax Residency Certificate along with other documents mentioned above and as stated in the Letter of Offer and Form of Acceptance.

v) Shareholders who have not received the Letter of Offer or owners who have sent their shares for transfer may send their acceptance of the Offer to the Registrar to the Offer, on a plain paper stating the Name, Address, Number of Equity Shares held, Distinctive Number, Folio Number, Number of Equity Shares offered, along with documents as mentioned above, so as to reach the Registrar to the Offer on or before the date of closure of the Offer (i.e. June 30, 2008). No indemnity is required in this regard. Shareholders who have lodged their Equity Shares for transfer with the Target Company must also send the acknowledgement, if any, received from the Target Company towards such lodging of Equity Shares. Shareholders who have not received the Letter of Offer or owners who have sent their shares for transfer may also apply on the Form of Acceptance downloadable from SEBI's website (www.sebi.gov.in). Notwithstanding that the signature(s) of the transferor(s) have been witnessed as aforesaid, if the signature(s) of the transferor(s) differs from the specimen signature(s) recorded with the Target Company or are not in the same order, such Equity Shares may be rejected under the Offer.

vi) As per the provisions of Section 196 D(2) of the Income-tax Act, 1961, no deduction of tax at source shall be made from any income by way of capital gains arising from the transfer of securities referred to in Section 115AD of the Income-tax Act, 1961, payable to a Foreign Institutional Investor. While tendering Equity Shares under the Offer, NRI / OCB / foreign shareholders will be required to submit the previous FIPB and / or RBI approvals (specific or general), as applicable, that they would have obtained for acquiring Equity Shares of the Target Company and a No Objection Certificate / Tax Clearance Certificate from the Income-Tax authorities under the Income-tax Act, 1961, indicating the amount of tax to be deducted by the Acquirer before remitting the consideration. In case the previous FIPB and / or RBI approvals, as applicable, are not submitted, Acquirer reserves the right to reject the Equity Shares. In case the aforesaid No Objection Certificate / Tax Clearance Certificate is not submitted, the Acquirer will deduct tax at the currently prevailing rates for non-resident corporate shareholders, non-resident partnership firms, and non-resident individual shareholders, non-resident trusts, non-resident Association of Persons and non-resident Body of Individuals on the entire consideration amount (offer price as well as interest thereon). **Shareholders are advised to consult their tax advisors for the treatment that may be given by their respective Assessing Officers in their case, and the appropriate course of action that they should take. The Acquirer/PACs and the Manager to the Offer do not accept any responsibility in this behalf**.

vii) The shareholders should also provide all relevant documents, which are necessary to ensure transferability of the Equity Shares in respect of which the application is being sent. Such documents may include, but are not limited to:

- duly attested death certificate and succession certificate/ probate/ letter of administration (in case of single shareholder) if the original shareholder is deceased;
- duly attested Power of Attorney if any person apart from the shareholder has signed the application form and/or transfer deed(s);
- no objection certificates from the chargeholder/lender, if the Equity Shares in respect of which the application is sent, are under any charge, lien or encumbrance;
- in case of companies, the necessary corporate authorization (including Board Resolutions);
- any other relevant documentation.

viii) Payment of consideration will be made by crossed account payee cheques/ demand drafts and sent by registered post and/or courier in case of consideration amount exceeding Rs. 1,500/- (under Certificate of Posting otherwise) to those shareholders whose share certificates and other documents are found in order and accepted by the Acquirer. All cheques /demand drafts will be drawn in the name of the first holder, in case of joint registered holders.

In case of the extension of time for payment of consideration and payment of interest, please refer to paragraph 8 (vii) hereinabove under "Terms and Conditions of the Offer".

ix) In case of physical Equity Shares, the Registrar to the Offer will hold in trust the share certificates, Form of Acceptance duly filled in and the transfer deed(s) on behalf of shareholders of the Target Company who have accepted the Offer, till the cheques/ drafts for the consideration and/ or the share certificates are posted.

x) In case of demat Equity Shares, the Equity Shares would reside in the Special Depository Account as mentioned above. The Registrar to the Offer will debit the Special Depository Account to the extent of payment of consideration made by the Acquirer and give instructions for credit to the beneficial account of the Acquirer.

xi) In case of physical Equity Shares, to the extent the Equity Shares are not accepted under the Offer, the rejected Share Certificates, transfer deeds and other documents, if any, will be returned by registered post by the Registrar to the Offer to the shareholders /unregistered owners at the shareholders'/unregistered owners' sole risk. Subject to the necessary approval from RBI, for the physical Equity Shares accepted under the Offer, the Registrar shall take action for transferring the Equity Shares to Acquirer after the consideration cheques are released to the shareholders concerned.

xii) The Equity Shares held in demat form to the extent not accepted under the Offer will be released to the Beneficial Owner's Depository Account with the respective DP as per details furnished by the Beneficial Owner in the Form of Acceptance, at the sole risk of the Beneficial Owner. Intimation to that effect will be sent to the Beneficial Owner by Ordinary Post. Subject to the necessary approval from RBI, for the Equity Shares lying in the Special Depository Account, the Registrar shall take action for transferring the Equity Shares to Acquirer after the consideration cheques are released to the Beneficial Owners.

xiii) In terms of Regulation 22(5A) of the SEBI (SAST) Regulations, shareholders desirous of withdrawing their acceptances tendered in the Offer, can do so up to three working days prior to the date of Closure of the Offer. The withdrawal option can be exercised by submitting the document as per the instructions below, so as to reach the Registrar to the Offer at any of the collection centers mentioned above as per the mode of delivery indicated therein on or before June 25, 2008.

- The withdrawal option can be exercised by submitting the Form of Withdrawal as enclosed herewith.
- The shareholders are advised to ensure that the Form of Withdrawal should reach the Registrar to the Offer at any of the collection centres mentioned in the Letter of Offer or above as per the mode of delivery indicated therein on or before the last date of withdrawal.
- Shareholders should enclose the following:

For Equity Shares held in demat form

Beneficial owners should enclose:

- Duly signed and completed Form of Withdrawal.
- Copy of the Form of Acceptance/ Plain paper application submitted and the Acknowledgement slip.
- Photocopy of the delivery instruction slip in "Off-market" mode or counterfoil of the delivery instruction slip in "Off-market" mode, duly acknowledged by the DP.

For Equity Shares held in physical form

Registered shareholders should enclose:

- Duly signed and completed Form of Withdrawal.
- Copy of the Form of Acceptance/ Plain paper application submitted and the Acknowledgement slip.
- In case of partial withdrawal, Valid Share Transfer form(s) duly signed as transferors by all registered shareholders (in case of joint holdings) in the same order and as per specimen signatures registered with the Target Company and duly witnessed at the appropriate place.

Unregistered owners should enclose:

- Duly signed and completed Form of Withdrawal.
- Copy of the Form of Acceptance/ Plain paper application submitted and the Acknowledgement slip.

- The withdrawal of Equity Shares will be available only for the share certificates/ Equity Shares that have been received by the Registrar to the Offer or credited to the Special Depository Escrow Account.
- The intimation of returned Equity Shares to the shareholders will be sent at the address as per the records of the Target Company/ Depository as the case may be.
- The Form of Withdrawal alongwith enclosure should be sent to the Registrar to the Offer only.
- In case of partial withdrawal of Equity Shares tendered in physical form, if the original share certificates are required to be split, the same will be returned on receipt of share certificates from the Target Company. The facility of partial withdrawal is available only to registered shareholders.
- Shareholders holding Equity Shares in dematerialised form are requested to issue the necessary standing instruction for receipt of the credit in their DP account.
- In case of non-receipt of the Form of Withdrawal, the withdrawal option can be exercised by making an application on plain paper along with the following details:
  - In case of physical Equity Shares: name, address, Distinctive Numbers, Certificate Numbers, Folio Number, number of Equity Shares tendered/withdrawn.
  - In case of demateralised Equity Shares: name, address, number of Equity Shares tendered, DP name, DP ID, beneficiary account number and a photocopy of delivery instructions slip in “off market” mode or counterfoil of the delivery instruction slip in “off market” mode, duly acknowledged by the DP, in favour of the Special Depository Escrow Account.

10. DOCUMENTS FOR INSPECTION

The following documents will be available for inspection to the shareholders of the Target Company at its registered office at Oxygen House, P43 Taratala Road, Kolkata 700 088, India. Tel: +91-33-2401 4708/4710-16, Fax: +91-33-2401 4974/4206 between 11 a.m. and 4 p.m. on all working days (except Saturdays and Sundays) from the date of opening of the Offer till the date of closure of the Offer:

i) Certificate of Incorporation, Memorandum and Articles of Association of the Acquirer and PACs.

ii) Certificate of Incorporation, Memorandum and Articles of Association of the Target Company.

iii) (i) Certificate dated January 14, 2008 from Deutsche Bank AG, Germany, regarding the adequacy of financial resources with the Acquirer to fulfill the Offer obligation, (ii) Certificate dated April 10, 2008 from BSR & Company, Chartered Accountants, India, regarding the adequacy of financial resources with the Acquirer to fulfill the Offer obligation, and (iii) Extracts of the resolution of the Board of Directors of the Acquirer dated January 16, 2008, the resolution of the Board of Directors of Linde Holdings Netherlands B.V. dated January 15, 2008 and the resolution of the Board of Directors of Linde Finance B.V. dated January 15, 2008 confirming that the Acquirer will get the necessary funds for payment of the purchase consideration to the Target Company’s shareholders.

iv) Annual Reports containing the audited financials of the Target Company for the accounting years ended March 31, 2005, March 31, 2006 and March 31, 2007 and un-audited financial results for six months period ended September 30, 2007, duly subjected to a limited review by the Statutory Auditors of the Target Company.

v) Certified copy of the consolidated audited financial statements of the Acquirer for the years ended September 30, 2004, September 30, 2005 and 15-month period ended December 31, 2006 and audited financial statement of the Acquirer for the 12-month period ending December 31, 2007 certified by the company secretary of the Acquirer.

vi) Audited financial statements of Linde Holdings Netherlands B.V. for the period November 28, 2007 (date of incorporation) to December 31, 2007 certified by the authorized attorney.

vii) Certified copy of the audited financial statements of Linde Finance B.V. for the years ended December 31, 2004, December 31, 2005 and December 31, 2006 and audited financial statement of Linde Finance B.V. for the 12-month period ending December 31, 2007 certified by the authorized attorney.

viii) Certified copy of the audited financial statements of BOC Holdings for the years ended September 30, 2004, September 30, 2005 and 15-month period ended December 31, 2006 and audited financial statement of BOC Holdings for the 12-month period ending December 31, 2007 certified by the company secretary of BOC Holdings.

ix) Copy of a letter from the Escrow Bank, confirming the amount placed in Escrow Account towards the proposed Offer and the lien in favor of the Manager to the Offer.

x) Copy of Escrow Agreement dated January 11, 2008 between the Acquirer, DEIPL and the Escrow Bank.

xi) Copy of Bank Guarantee dated January 12, 2008 by the Escrow Bank in favour of DEIPL.

xii) Certified extract of the resolution of the shareholders of the Target Company dated January 5, 2008 approving the Preferential Issue, and the minutes of the Board meeting dated January 19, 2008 issuing and allotting the New Shares to the Acquirer.

xiii) Copies of the Board Resolutions of the Acquirer and the PACs authorizing Mr. Jens Luehring and Mr. Henning Asche to be the authorized signatories to the Letter of Offer.

xiv) Published copies of Public Announcement made on January 22, 2008 by the Acquirer.

xv) Copies of the applications/ clarifications/ approvals made to/ received from the RBI.

xvi) A copy of the agreement entered into with the Depository participant for opening a special depository account for the purpose of the Offer.

xvii) Relevant documentation on the credit facility as available and possibly to be drawn by Linde Finance B.V. for the settlement of shares tendered in the Open Offer.

xviii) SEBI observation letter no. CFD/DCR/MM/TO/127265/08 dated May 30, 2008 in terms of proviso to Regulation 18 (2) of the SEBI (SAST) Regulations.

11. DECLARATION BY THE ACQUIRER AND PERSONS ACTING IN CONCERT

Information provided by the Target Company has been relied on for the purpose of disclosures made in relation to the Target Company. Subject to the aforesaid, the Acquirer and its directors accept responsibility for the information contained in this Letter of Offer to the extent required by the SEBI (SAST) Regulations.

The Acquirer and the PACs shall jointly and severally be responsible for ensuring fulfillment of their obligations in terms of the SEBI (SAST) Regulations.

All the information contained in this document is as of the date of the Public Announcement, unless stated otherwise.

Mr. Jens Luehring and Mr. Henning Asche, have been duly authorized by the Acquirer and the PACs to sign the Letter of Offer.

For and on behalf of:

The BOC Group plc (Acquirer)

Mr. Jens Luehring and Mr. Henning Asche
(Authorised Signatory)

Place: Guildford, Surrey, England

Date: June 5, 2008

Linde Holdings Netherlands B.V. (PAC)

Mr. Jens Luehring and Mr. Henning Asche
(Authorised Signatory)

Linde Finance B.V. (PAC)

Mr. Jens Luehring and Mr. Henning Asche
(Authorised Signatory)

BOC Holdings (PAC)

Mr. Jens Luehring and Mr. Henning Asche
(Authorised Signatory)

Encl:

1) Form of Acceptance-cum-Acknowledgement
2) Form of Withdrawal
3) Transfer Deed for Shareholders holding Equity Shares in Physical Form

FORM OF ACCEPTANCE-CUM-ACKNOWLEDGEMENT

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

(Please send this Form with enclosures to the Registrars to the Offer at their address given overleaf.)

OFFER SCHEDULE	
OFFER OPENS ON	WEDNESDAY, JUNE 11, 2008
OFFER CLOSES ON	MONDAY, JUNE 30, 2008

From

Status: Resident/ Non-Resident

Folio No./DP ID No./Client ID No. :

Name : ____________________

Full Address : ____________________

____

Tel. No. : ____________ **Fax No. :** ____________ **E-Mail :** ____________

To,

The BOC Group plc
C/o Intime Spectrum Registry Limited,
C-13, Panalal Silk Mills Compound,
L B S Marg,Bhandup (W), Mumbai -400078.

Dear Sir,

Sub: Open Offer to purchase fully paid-up equity shares of Rs 10/- each of BOC India Limited by The BOC Group plc (hereinafter referred to as the "Acquirer")

I/We refer to the Letter of Offer dated June 5, 2008 constituting an offer to acquire the Equity Shares held by me / us in BOC India Limited.

I/We the undersigned, have read the Letter of Offer and accept unconditionally its contents including the terms and conditions as mentioned therein.

For Equity Shares held In Physical Form:

I/We, accept the Offer and enclose the original share certificate(s) and duly signed valid Transfer Deed(s) in respect of my/our shares as detailed below:

S. No.	Certificate No.	Distinctive Nos		No. of Equity Shares
		From	To	
1				
2				
3				
4				
5				
			Total No. of Equity Shares	

TEAR HERE

(In case the space provided is inadequate, please attach a separate sheet with details and authenticate the same.)

I/We note and understand that the original share certificate(s) and valid share transfer deed will be held in trust for me/us by the Registrar to the Offer until the time the Acquirer pays the purchase consideration (including interest) as mentioned in the Letter of Offer.

For Equity Shares held in Demat Form

I/We hold Equity Shares in demat form, accept the Offer and enclose a photocopy of the Delivery Instruction Slip duly acknowledged by the DP in respect of my/our Equity Shares as detailed below:

DP Name	DP ID	Client ID	No. of Equity Shares	Name of Beneficiary

I/We have done an off market transaction for crediting the Equity Shares to the Escrow Account named "Escrow Account BOC India Limited Open Offer" with the following particulars:

Depository Participant Name: Deutsche Bank AG

DP ID No.: IN300167	**Client ID No.:** 10042038

Shareholders having their beneficiary Account in CDSL have to use an inter-depository delivery instruction slip for the purpose of crediting their Equity Shares in favour of the Special Depositary Account with NSDL.

In case of non-receipt of the aforesaid documents, but receipt of the Equity Shares in the Special Depository Escrow Account, the Acquirer may deem the Offer to have been accepted by me/us.

I/We note and understand that the Equity Shares would lie in the Special Depository Account until the time the Acquirer makes payment of the purchase consideration (including interest) as mentioned in the Letter of Offer.

For All Shareholders (including NRIs/OCBs/Foreign Shareholders):

I/we have enclosed the following documents (whichever applicable)

☐ Power of Attorney ☐ Death Certificate/Succession Certificate ☐ Corporate authorization in case of companies (including Board resolution)

☐ Self Declaration in Form 15G ☐ Others (Please specify)

Additional documents for NRIs/OCBs/Foreign Shareholders (whichever applicable) :

I/we have enclosed the following documents (whichever applicable)

☐ No Objection Certificate/Tax Clearance Certificate from Income Tax Authorities

☐ Previous FIPB/RBI approvals for holding the shares of BOC India Limited hereby tendered in the Offer

☐ Tax Residency Certificate ☐ Certificate of inward foreign remittance for acquiring shares of BOC India Limited tendered in the Offer

☐ Others (Please specify)

For FII Shareholders :

I/We confirm that the Equity Shares of BOC India Limited are held by me/us on ☐ Investment/Capital Account OR ☐ Trade Account. (☑ whichever is applicable in your case)

For NRIs/OCBs Shareholders :

(1) I/We confirm that the Equity Shares of BOC India Limited are held by me/us on ☐ Investment/Capital Account OR ☐ Trade Account.

(2) I/We confirm that the Equity Shares of BOC India Limited are held by me/us as ☐ Long Term Capital Asset OR ☐ Short Term Capital Asset. (☑ whichever is applicable in your case)

I/We confirm that the Equity Shares of BOC India Limited which are being tendered herewith by me/us under the Offer, are free from liens, charges and encumbrances of any kind whatsoever.

I/We also note and understand that the Acquirer will pay the purchase consideration (including interest, if applicable) only after verification of the documents and signatures, and obtaining necessary approvals, including approvals from the FIPB and the RBI as applicable.

I/We authorise the Acquirer to accept the shares so offered which it may decide to accept in consultation with the Manager to the Offer and in terms of the Letter of Offer and to the extent that the equity shares tendered by me/us are not acquired (in terms of and subject to the Letter of Offer). We further authorise the Acquirer to return to me/us, equity shares/share certificate(s) and in the case of dematerialised equity shares, to credit such equity shares to my/our depository account, in each case at my/our sole risk and without specifying the reasons thereof.

I/We authorise the Acquirer or the Manager to the Offer or the Registrar to the Offer to send by registered post, the draft / cheque in settlement of the amount, to the sole / first holder at the address mentioned below.

Yours faithfully,

Signed and Delivered:

	FULL NAMES	SIGNATURE(S)	PAN No.
First/Sole Shareholder			
Second Shareholder			
Third Shareholder			
Fourth Shareholder			

Address of First/Sole Shareholder

____

____

Place: Date :

Note: In case of joint holdings, all shareholders must sign. A body corporate must affix its company stamp.

So as to avoid fraudulent encashment in transit, the shareholder(s) holding shares in physical form should provide details of bank account of the first/sole shareholder and the consideration cheque or demand draft will be drawn accordingly. For equity shares that are tendered in electronic form, the bank account as obtained from the beneficiary position provided by the Depository will be considered and the warrants/ bank drafts will be issued with the said bank particulars.

Name of the Bank		Branch	
Account Number		Savings/Current/NRE/NRO (Others: please specify)	

Note : All future correspondence, if any, should be addressed to the Registrar to the Offer at the following address:

INTIME SPECTRUM REGISTRY LIMITED

C-13, Pannalal Silk Mills Compound, L.B.S. Marg, Bhandup West, Mumbai - 400 078,

Tel: +91 22 2596 0320, Fax: +91 22 2596 0328 / 29

Email: : boc.openoffer@intimespectrum.com, Contact Person: Awani Thakkar

Sr. No.	City	Address of collecting office	Contact Person	Telephone Number	Fax Number	E-mail ID	Mode of Delivery
1	Mumbai	Intime Spectrum Registry Limited, C-13, Panalal Silk Mills Compound, L B S Marg,Bhandup (W), Mumbai -400078.	Ms Awani Thakkar	+91 22 2596 0320	+91 22 2596 0328/29	boc.openoffer @intimespectrum.com	Hand Delivery & Registered Post
2	Mumbai	Intime Spectrum Registry Limited, 203, Davar House, Next to Central Camera, D N Road, Fort Mumbai - 400 001	Mr. Vivek Limaye	+91 22 2269 4127	NA	vivek.limaye @intimespectrum.com	Hand Delivery
3	Ahmedabad	Intime Spectrum Registry Limited, 211 Sudarshan Complex, Near Mithakhali Underbridge, Navrangpura, Ahmedabad - 380 009	Mr. Hitesh Patel	+91 79 2646 5179	+91 79 2646 5179 (Telefax)	ahmedabad@ intimespectrum.com	Hand Delivery
4	Kolkata	Intime Spectrum Registry Limited, 59C,Chowringhee Road,3rd Floor, Kolkata -700020	Mr.S.P. Guha	+91 33 2289 0539/40	+91 33 2289 0539/40 (Telefax)	kolkata@ intimespectrum.com	Hand Delivery
5	New Delhi	Intime Spectrum Registry Ltd., A-40, 2nd Floor, Naraina Industrial Area, Phase II, Near Batra Banquet, New Delhi – 110028	Mr. Swapan Naskar	+91 11 4141 0592/93/94	+91 11 4141 0591	delhi@ intimespectrum.com	Hand Delivery
6	Chennai	C/o SGS Corporate Solutions India Pvt. Ltd., Indira Devi Complex, II Floor, No.20, Gopalakrishna Street, Pondy Bazaar, T. Nagar, Chennai- 600 017	Mrs.Solly Soy	+91 44 2815 2672, +91 44 4207 0906	+91 44 2815 2672 (Telefax)	chennai@sgs-cs.com	Hand Delivery

Business Hours : Monday to Friday: 10.00 a.m. to 3.30 p.m.

Holidays : Saturdays, Sundays and Bank Holidays

— — — — — — — — — — — — — — — TEAR ALONG THIS LINE — — — — — — — — — — — — — —

ACKNOWLEDGEMENT SLIP

Folio No. Serial No.

The BOC Group plc
C/o Intime Spectrum Registry Limited,
C-13, Panalal Silk Mills Compound,
L B S Marg,Bhandup (W), Mumbai -400078.

Received from Mr./Ms. ______________________ Address ______________________

______________________ a Form of Acceptance cum Acknowledgement, # ______________________

Number of Share Certificates for ______________ shares

Copy of Delivery instruction to (DP) for ______________ shares

(Delete whatsoever is not applicable)

Stamp of Collection Centre		Signature of Official:		Date of Receipt:	

— — — — — — — — — — — — — — — TEAR ALONG THIS LINE — — — — — — — — — — — — — —

Note : All future correspondence, if any, should be addressed to the Registrar to the Offer at the following address:

INTIME SPECTRUM REGISTRY LIMITED,

C-13, Pannalal Silk Mills Compound, L.B.S. Marg, Bhandup West, Mumbai - 400 078,

Tel: +91 22 2596 0320, Fax: +91 22 2596 0328 / 29

Email: boc.openoffer@intimespectrum.com, Contact Person: Awani Thakkar

FORM OF WITHDRAWAL

OFFER SCHEDULE	
OFFER OPENS ON	WEDNESDAY, JUNE 11, 2008
OFFER CLOSES ON	MONDAY, JUNE 30, 2008
LAST DATE OF WITHDRAWAL	WEDNESDAY, JUNE 25, 2008

To,

The BOC Group plc
C/o Intime Spectrum Registry Limited,
C-13, Panalal Silk Mills Compound,
L B S Marg,Bhandup (W), Mumbai -400078.

Dear Sir,

Sub: Open Offer to purchase fully paid-up equity shares of Rs 10/- each of BOC India Limited by The BOC Group plc (hereinafter referred to as the "Acquirer")

I/We refer to the Letter of Offer dated June 5, 2008 for acquiring the Equity Shares held by me/us in BOC India Limited. I/We the undersigned have read the Letter of Offer and accept unconditionally its contents including the terms and conditions and procedures as mentioned therein.

I/We have read the procedure for withdrawal of Equity Shares tendered by me/us in the Offer as mentioned in para 9 of the Letter of Offer and unconditionally agree to the terms and conditions mentioned therein.

I/We hereby unconditionally and irrevocably withdraw my/our Equity Shares from the Offer and I/We further authorise the Acquirer to return to me/us, the tendered Equity Share certificate(s)/ share(s) at my/our sole risk.

I/We note that upon withdrawal of my/our Equity Shares from the Offer, no claim or liability shall lie against the Acquirer/Manager to the Offer/ Registrar to the Offer.

I/We note that this Form of Withdrawal should reach the Registrar to the Offer at any of the collection centres mentioned in the Letter of Offer or below as per the mode of delivery indicated therein on or before the last date of withdrawal.

I/We note that the Acquirer/Manager to the Offer/Registrar to the Offer shall not be liable for any postal delay/loss in transit of the Equity Shares held in physical form and also for the non receipt of Equity Shares held in the dematerialised form in the DP account due to inaccurate/incomplete particulars/instructions.

TEAR HERE

I/ We also note and understand that the Acquirer will return Original Share Certificate(s), Share Transfer Deed(s) and Equity Shares only on completion of verification of the documents, signatures carried out by BOC India Limited and/ or their R & T Agents and beneficiary position data as available from the Depository from time to time, respectively.

The particulars of tendered original share certificate(s) and duly signed transfer deed(s) and wish to withdraw are detailed below:

Ledger Folio No. ____________________ No. of Share Certificate(s) ______________ No. of Equity Shares ____________________

S. No.	Certificate No (s)	Distinctive No. (s)		No. of Equity Shares
		From	To	
	Tendered			
1				
2				
3				
	Withdrawn			
1				
2				
3				
Total				

(In case of insufficient space, please use an additional sheet and authenticate the same)

I/We hold the following Equity Shares in dematerialised form and tendered the equity shares in the Offer and had done an off-market transaction for crediting the Equity Shares to the **"Escrow Account BOC India Limited Open Offer"** (Special Depositary Escrow Account) as per the following particulars: -

DP Name - Deutsche Bank AG	**Client ID No.** - 10042038	**DP ID** - IN300167

Please find enclosed a photocopy of the Depository Delivery Instruction(s) duly acknowledged by DP.

The particulars of the account from which my/our equity shares have been tendered are as detailed below :

DP Name	DP ID	Client ID	Name of Beneficiary	No. of Equity Shares

I/We note that the equity shares will be credited back only to that Depository Account, from which the Equity Shares have been tendered and necessary standing instructions have been issued in this regard.

I/We confirm that the particulars given above are true and correct.

In case of dematerialised Equity Shares, I/We confirm that the signatures of the beneficiary holders have been verified by the DP as per the records maintained at their end and the same have also been duly attested by them under their seal.

Yours faithfully,

Signed and delivered	FULL NAME(S)	SIGNATURE(S)	Verified and Attested by us. Please affix the stamp of DP (in case of demat Shares) / Bank (in case of physical Shares)
1st Shareholder			
2nd Shareholder			
3rd Shareholder			
4th Shareholder			

Note : In case of joint holders all must sign. In case of body corporate, stamp of the company should be affixed and necessary Board resolution should be attached.

Place :

Date :

INSTRUCTIONS

1. **The shareholders are advised to ensure that the Form of Withdrawal should reach the Registrar to the Offer at any of the collection centres mentioned in the Letter of Offer or below as per the mode of delivery indicated therein on or before the last date of withdrawal.**

2. Shareholders should enclose the following:-

   i. For Equity Shares held in demat form:

   Beneficial owners should enclose

   - Duly signed and completed Form of Withdrawal
   - Copy of the Form of Acceptance cum Acknowledgement/ Plain paper application submitted and the Acknowledgement slip
   - Photocopy of the delivery instruction in "Off-market" mode or counterfoil of the delivery instruction in "Off-market" mode, duly acknowledged by the DP

   ii. For Equity Shares held in physical form:

   Registered Shareholders should enclose

   - Duly signed and completed Form of Withdrawal
   - Copy of the Form of Acceptance cum Acknowledgement/ Plain paper application submitted and the Acknowledgement slip
   - In case of partial withdrawal, Valid Share Transfer form(s) duly signed as transferors by all registered shareholders (in case of joint holdings) in the same order and as per specimen signatures registered with R&T Agent of BOC India Limited and duly witnessed at the appropriate place.

   iii Unregistered owners should enclose:

   - Duly signed and completed Form of Withdrawal
   - Copy of the Form of Acceptance cum Acknowledgement/ Plain paper application submitted and the Acknowledgement slip

3. The withdrawal of Shares will be available only for the Share certificates / Shares that have been received by the Registrar to the Offer/ Special Depository Escrow Account.

4. The intimation of returned shares to the Shareholders will be at the address as per the records of Target Company/ Depository as the case may be.

5. The Form of Withdrawal alongwith enclosure should be sent only to the Registrar to the Offer.

6. In case of partial withdrawal of Shares tendered in physical form, if the original share certificates are required to be split, the same will be returned on receipt of share certificates from Target Company. The facility of partial withdrawal is available only to Registered shareholders.

7. **Shareholders holding Shares in dematerialised form are requested to issue the necessary standing instruction for receipt of the credit in their DP account.**

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ACKNOWLEDGEMENT SLIP

Folio No.　　　　Serial No.

The BOC Group plc
C/o Intime Spectrum Registry Limited,
C-13, Panalal Silk Mills Compound,
L B S Marg,Bhandup (W), Mumbai -400078.

Received from Mr./Ms./M/s. ______________________ Address ______________ ______________ a Form of Withdrawal # ______________ Number of Share Certificates for ____________ Equity shares / # Copy of Delivery instruction to (DP) for ______________ Equity shares

(Delete whatsoever is not applicable)

Stamp of Collection [redacted]		Signature of Official:		Date of Receipt:	

Note : : All future correspondence, if any, should be addressed to the Registrar to the Offer at the following address:

INTIME SPECTRUM REGISTRY LIMITED

C-13, Pannalal Silk Mills Compound, L.B.S. Marg, Bhandup West, Mumbai - 400 078,
Tel: +91 22 2596 0320, Fax: +91 22 2596 0328 / 29
Email: boc.openoffer@intimespectrum.com, Contact Person: Awani Thakkar

Sr. No.	City	Address of collecting office	Contact Person	Telephone Number	Fax Number	E-mail ID	Mode of Delivery
1	Mumbai	Intime Spectrum Registry Limited, C-13, Panalal Silk Mills Compound, L B S Marg,Bhandup (W), Mumbai -400078.	Ms Awani Thakkar	+91 22 2596 0320	+91 22 2596 0328/29	boc.openoffer@ intimespectrum.com	Hand Delivery & Registered Post
2	Mumbai	Intime Spectrum Registry Limited, 203, Davar House, Next to Central Camera, D N Road, Fort Mumbai - 400 001	Mr. Vivek Limaye	+91 22 2269 4127	NA	vivek.limaye @intimespectrum.com	Hand Delivery
3	Ahmedabad	Intime Spectrum Registry Limited, 211 Sudarshan Complex, Near Mithakhali Underbridge, Navrangpura, Ahmedabad - 380 009	Mr. Hitesh Patel	+91 79 2646 5179	+91 79 2646 5179 (Telefax)	ahmedabad@ intimespectrum.com	Hand Delivery
4	Kolkata	Intime Spectrum Registry Limited, 59C,Chowringhee Road,3rd Floor, Kolkata -700020	Mr.S.P. Guha	+91 33 2289 0539/40	+91 33 2289 0539/40 (Telefax)	kolkata@ intimespectrum.com	Hand Delivery
5	New Delhi	Intime Spectrum Registry Ltd., A-40, 2nd Floor, Naraina Industrial Area, Phase II, Near Batra Banquet, New Delhi – 110028	Mr. Swapan Naskar	+91 11 4141 0592/93/94	+91 11 4141 0591	delhi@ intimespectrum.com	Hand Delivery
6	Chennai	C/o SGS Corporate Solutions India Pvt. Ltd., Indira Devi Complex, II Floor, No.20, Gopalakrishna Street, Pondy Bazaar, T. Nagar, Chennai- 600 017	Mrs.Solly Soy	+91 44 2815 2672, +91 44 4207 0906	+91 44 2815 2672 (Telefax)	chennai@sgs-cs.com	Hand Delivery

Business Hours : Monday to Friday: 10.00 a.m. to 3.30 p.m.

Holidays : Saturdays, Sundays and Bank Holidays

— — — — — — — — — — — — — — — TEAR ALONG THIS LINE — — — — — — — — — — — — — —

Note : All future correspondence, if any, should be addressed to the Registrar to the Offer at the following address:

INTIME SPECTRUM REGISTRY LIMITED,

C-13, Pannalal Silk Mills Compound, L.B.S. Marg, Bhandup West, Mumbai - 400 078,
Tel: +91 22 2596 0320, Fax: +91 22 2596 0328 / 29
Email: : boc.openoffer@intimespectrum.com, Contact Person: Awani Thakkar