

Media Release  
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### Financial Results 2003

BOC India has declared a five fold increase in net profits, up from Rs 2.6 crores in the previous year to Rs 16.3 crores for the year ended 31st March 2003. Profits from business rose by over 200% from Rs 3.5 crores to Rs 11.5 crores in the current year. The company grew its top line by 6% largely as a result of a strong performance from the company's Project Engineering Division and volume growth in the Gases business. The underlying sales growth adjusted for revenue de-escalation on account of reduction in power tariff works out to around 10% on a like for like basis.

The company turned in this strong performance in spite of difficult market conditions and competitive pressures. The substantial increase in profit before tax at Rs 19.98 crores (previous year Rs 1.08 crores) is mainly a result of its growth initiatives, strict cost control regimen, focus on cash generation and a number of efficiency and productivity initiatives. This includes a net contribution of Rs 8.52 crores arising from extraordinary items including land sales at Delhi net of settlement compensation for closed units.

The restructuring on the Lines of Business operating model undertaken last year with the objective of making the organisation more customer-centric with added focus on products and markets was completed during the year and has started to yield the expected benefits. The Gases business picked up towards the later part of the year and posted a volume growth of 6% led by increased off-take from the 1290 tpd plant at Jamshedpur and continuing growth in the shielding and medical gases business, which launched two new products during the year. The idle 100-tpd plant relocated from Jamshedpur to Dolvi was commissioned during the year and has commenced supplies to Ispat Industries pursuant to a medium term agreement. The Project Engineering Division backed by its robust order book position turned in a strong performance with its turnover at Rs 34 crores more than doubling from Rs 16 crores achieved last year. The Division is also undertaking the erection and commissioning of the 225 tpd plant at Jamshedpur for Tata Steel and is expected to complete the project within the agreed cost and time schedule.

A number of business initiatives are currently progressing which include streamlining of revenue processes, enhancing customer service levels, further improving operational efficiencies and rationalization of overheads and it is expected that the Company will continue to better performance in the future.

The BOC Group continues to evince keen interest in the Indian operations and the Company had the privilege of hosting The Group CEO, Mr. Tony Isaac. While appreciating the initiatives taken by the Company he also committed the Group's support for the growth initiatives of the Company in the years to come.