

Media Release

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BOC India wins 15 year gas supply contract with SAIL Rourkela

BOC India wins 15 year gas supply contract with SAIL Rourkela, to invest Rs 500 Crores in new plant

**Installs additional capacity to capture future merchant demand in Orissa & Chhattisgarh
Kolkata, January 6, 2009:**

BOC India Limited, a member of The Linde Group, has signed a 15- year long term contract with Rourkela Steel Plant (RSP) for supply of gases to meet the requirements of the planned expansion of their steel works. It proposes to invest nearly Rs 500 Crores in a new state-of-the-art air separation plant and ancillary equipment which will not only meet the requirements of RSP but also meet the growing merchant demand for liquid products in eastern India.

As one of the integrated steel plants operated by Steel Authority of India (SAIL), RSP is undergoing an expansion of its facility. It will increase its steel production capacity to 3.2mtpa by adding a new blast furnace and converter. The expansion project also requires setting up Air Separation Units (ASU) to meet the incremental requirement of oxygen, nitrogen and argon. RSP had invited bids from major gas companies to install the ASUs on Build-Own-Operate (BOO) basis. BOC India were able to win the contract under competitive bidding with a unique solution to meet RSP's demand and serve the growing merchant market in the region.

The contract envisages supply by BOC India to RSP of 2600 tonnes per day (TPD) of gases. BOCI will meet this requirement through the setting up of two Air Separation Units (ASUs). Besides meeting RSP's requirement, BOC will produce additionally nearly 400tpd of liquid products including oxygen, nitrogen and argon to serve BOC's markets in Orissa, and neighboring states of Chhattisgarh, Madhya Pradesh, Andhra Pradesh and West Bengal.

The contract was signed at Rourkela on January 2nd between the Executive Director, Projects, RSP, Mr. S.S. Verma and Mr. S.K. Menon, Managing Director, BOC India Ltd. Commenting on the award of the gas supply contract, Mr. S N Singh, Managing Director, RSP remarked, "The supply of gases is critical to the operation of the iron and steel making furnaces, and the award of the oxygen plant contract is an important milestone for our expansion project. We look forward to a lasting relationship with BOC."

Commenting on the occasion, Mr. SK Menon said "We were able to offer the most attractive product and service offer to RSP by fully realising synergies between RSP's demand and our growing merchant liquid business. This contract is a milestone by virtue of being the largest and most competitive BOO gas supply contract awarded by SAIL so far."

Mr Sanjiv Lamba, Regional Business Unit head for Linde's South & East Asia business added, "This win at SAIL, Rourkela, is an integral part of our strategy to invest in India with premier customers. This contract takes us a step forward in further strengthening our long term relationship with SAIL which has been built over decades on the basis of mutual trust and partnership." In 2007, BOCI had won a contract for supply and installation of a 700tpd ASU at RSP on outright sale basis which is currently under construction. In addition, BOC is also constructing two 750tpd ASUs for SAIL's IISCO steel plant, and had previously supplied and commissioned a 550tpd ASU for Bhilai steel plant of SAIL in 1998.

The new plant is being designed by Linde's Engineering Division with major items of plant and equipment being imported from Germany while project execution and local scope including civils, structurals, electrics and control systems will be overseen by the Project Engineering Division of BOCI.

About BOC India Limited: BOC India Limited (BOCI), a member of The Linde Group, is the leader in gas business in India since 1935. BOC India provides a one-stop solution to every sphere of gas and gas-related business as well as manufacture of cryogenic and non-cryogenic vessels and designing and commissioning of projects. BOC India has excelled through successfully blending local innovation and adaptation with international expertise from The Group. Be it for food processing, medical, domestic or industrial use, BOC India provides tailor-made solutions for its customers. While providing the best solutions to its customers, BOC India has always conformed to the strictest international standards of production and safety.

About The Linde Group: The Linde Group is a world leading gases and engineering company with more than 50,000 employees working in around 100 countries worldwide. In the 2007 financial year it achieved sales of EUR 12.3 billion. The strategy of The Linde Group is geared towards earnings-based and sustainable growth and focuses on the expansion of its international business with forward-looking products and services.

Linde acts responsibly towards its shareholders, business partners, employees, society and the environment - in every one of its business areas, regions and locations across the globe. Linde is committed to technologies and products that unite the goals of customer value and sustainable development.

About RSP:RSP is one of the five integrated steel plants operated by Steel Authority of India Limited (SAIL). RSP was the first integrated steel plant in the public sector in India, set up with German collaboration with installed capacity of 1 million tones per annum (mtpa) of crude steel, which was subsequently enhanced to 1.9mtpa.

The present capacity of the Plant is 1.9 million tons of Crude Steel and 1.671 million tonnes of Saleable Steel. Its wide and sophisticated product range includes various flat, tubular and coated products.

Rourkela Steel Plant is located in the northwestern tip of Orissa and at the heart of a rich mineral belt. Being situated on the Howrah-Mumbai mainline, Rourkela is very well connected with most of the important cities of India. The nearby airports are Ranchi (173 km), Bhubaneswar (378 km) and Kolkata (413KM). Rourkela also has an airstrip maintained by Rourkela Steel Plant.