

Sect/56
4 May 2016

The General Manager
Department of Corporate Services
BSE Limited
New Trading Ring, Rotunda Building 1st Floor
P. J. Towers, Dalal Street, Fort, Mumbai – 400 001

[BSE Listing Centre]

The Manager
Listing Department
National Stock Exchange of India Limited
Exchange Plaza, 5th Floor
Plot No. C/1, G- Block, Bandra Kurla Complex,
Bandra (E), Mumbai – 400 051

[NSE NEAPS]

Dear Sir/Madam,

Annual Report 2015 and Notice of Eightieth Annual General Meeting

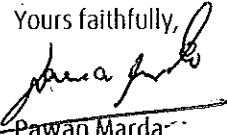
We refer to our letter no. Sect/42 dated 26 April 2016 enclosing copy of the Public Notice issued by the Company with respect to the Notice of Eightieth Annual General Meeting to be held on Thursday, 19 May 2016, E-Voting and Book Closure.

For the sake of general information of Members, we enclose herewith a copy of the Annual Report of the Company for the year 2015 and the Notice of the Eightieth Annual General Meeting with a request to please post the said Annual Report 2015 and the Notice of AGM on your website for information of the Members and Investors.

We will again submit the Annual Report 2015 to the Stock Exchanges once approved and adopted in the aforesaid Annual General Meeting in compliance with Reg. 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Thanking you,

Yours faithfully,



Pawan Marda

Asst. Vice President & Company Secretary

Encl: as above

Customer focused.

Annual Report 2015.



Contents.

Corporate overview

- 01 Chairman's message
- 02 Customer focused
- 04 Focused on innovating for customers
- 05 Focused on customer safety
- 06 Focused on customer engagement
- 07 Making a difference
- 09 Company information
- 10 Profile of the board of directors
- 12 Financial performance

Statutory reports

- 13 Directors' report and management discussion and analysis
- 23 Annexures to directors' report
- 41 Report on corporate governance

Financial statements

- 56 Balance sheet
- 57 Statement of profit and loss
- 58 Cash flow statement
- 59 Notes to financial statements
- 94 Independent auditor's report
- 99 Ten-year financial data

Chairman's message.



Dear shareholders,

We operate in a VUCA world today; an acronym that describes the state of the global economy in recent years - Volatile, Uncertain, Complex and Ambiguous. However, despite the somewhat gloomy global economic landscape, recent developments in India appear positive on GDP, although the expectations on industrial activity and growth are still moderated. The economic conditions in India with falling inflation and interest rates, reasonable current account deficit and the projected GDP growth point to more optimistic prospects for the Indian economy in the future.

Against this backdrop, the Company's strategy is built around three pillars, namely, Customer Experience, Growth and Operational Discipline. These pillars of strategy drive us to listening more attentively to our customers and translating their feedback into a positive customer experience. This will spur growth for the product and service offerings provided by your Company and will finally ensure that our Operational Discipline translates into safe processes and procedures which are efficient and effective.

Our focus in this year's Annual Report is our customer. We have translated our commitment to our customers to a Customer Experience programme called CX, where our actions will make a positive impact on the experience of our customers when dealing with Linde India. Our focus through this programme is to establish world-class customer excellence

standards across the organization leveraging technology in supporting ease of doing business at all critical touch points with our customers such as indenting, ordering, inventory management, status of supplies, billing, etc.

In addition to that we are also making an investment in technology to support the customer in further developing their processes and gaining efficiency and productivity benefits. Linde India has therefore set up the Linde technology Centre in Pune for research on gas related applications and also for demonstration of such applications to our customers. This allows Linde India to differentiate it from the competition and creating value added solutions for our customers across various industries.

At Linde, we believe that sustainable customer experience comes from the passion we can ignite in the hearts and minds of our employees to serve our customers. The success of any such change depends on every function within the organization and our teams within those functions. Employee training is a vital part in ensuring that the Linde India team is not only able to engage with our customers but also to share knowledge with them on our products and services with a view to provide value added solutions.

For Linde India, being close to our customers is a lot more than just geographical proximity – we partner them, listen intently, advise proactively, develop tailored solutions and actively support them in the growth and success of their business. We want to re-define customer service levels in this industry by earning the reputation as a company that brings value and is easy to do business with.

I am confident that we are making the right investments, both in technology and in effort, here. Our focus on the customer will put us in good stead and provide resilience in this VUCA world to ensure stable, sustainable and profitable growth for the Company. Through CX, we are setting ourselves apart from the competition and I am proud to be part of a strong and passionate team whose indomitable spirit will propel Linde India to new heights.

Warm regards,

Sanjiv Lamba
Chairman

Customer focused.

Focusing on the customer has always been the priority at Linde. Linde India has always believed that every process, no matter how simple or complex, can be eventually traced all the way to the customer. Consequently, the customer has always been the most important element of the strategy and the starting point for all processes and systems.



World-class testing facilities ensure purity, reliability and safety levels of the highest order.

The spirit of 'leading', inspires Linde to constantly evolve and set new benchmarks in quality and reliability as well as in customer value and customer service. But since, at Linde, everything begins with the customer in mind, if a further improvement in quality was sought, or the supply reliability had to be further improved, the project had to start with the way the customer perceives things. It's the best place the start – everything else falls into place.

2015 will be remembered as the year when Linde India launched an extensive campaign to take its customer service levels to the next level, raising the bar in the industrial gases market. The initiative, called 'CX' (Customer eXperience) aimed at redefining service levels, aligning the organization in one direction, simplifying processes, improving the customer interface; and overall, creating a culture of celebrating customer delight.

The first step, as always, was to understand what the customer expected Linde's customer service levels to be. Instead of talking, Linde India decided to start by listening. Extensive customer feedback programmes were launched. Customer feedback was then analysed and a roadmap was prepared using the insights obtained. CX divided the full spectrum of the customer service effort into people, processes and systems.

While processes and systems are critical, since people drive change, it was important to first align people. The team was divided into customer-thinking, customer-enabling and customer-facing sub-teams. Everyone at Linde India was a part of the project and continues to be a part of the sustained effort. A number of workshops were held to communicate to

the teams the new level of customer focus that Linde India was preparing itself for.

The next step was to upgrade the already best-in-class systems and take them to the next level. While improvement and evolution are ongoing processes, the system upgrade drive launched at Linde India lands it among companies with top-notch customer-friendly systems; and the journey has only just begun.

The Customer Care Centre is the nerve centre and the primary interface for customer engagement. It has a toll-free number for customers to call on and can handle calls in almost any Indian language. The centre manages inventory levels for customers buying compressed gases in cylinders and ensures that stocks and supplies for customers across the country are monitored on a daily basis. It also handles customer queries and acts as the single point of contact for all communication with customers. The use of SAP, advanced service levels and cutting edge telephony systems give it a distinct advantage over most other customer service centres. To keep the communication and information real-time SMS alerts are sent to customers during the various stages of the supply delivery process. When it comes to resolving customer queries, the centre has a dedicated team that ensures that queries are resolved promptly.

Another centre of excellence is the Cluster Scheduling Centre, which handles customers buying liquid gases in cryogenic tankers. This is a state-of-the-art facility offering end-to-end solutions to Linde's customers across India and Bangladesh. Customers' inventories are tracked online using advanced telemetry. Telemetry devices sense the levels of liquid gases in the cryogenic storage vessels and relay that information to the scheduling centre for the purpose of scheduling supplies across the region. The movement of cryogenic tankers is monitored using very sophisticated equipment and software. At Linde, safety is at the core of all operational processes. Vehicle tracking data is used extensively to make Linde's tankers safer and the delivery process more reliable.

Processes bring people and systems together. Lean six sigma runs through the veins of Linde



A strong focus on resolving customer queries in an efficient and timely manner prevents recurrence in the future.



State-of-the-art vehicle and stock tracking capabilities generate real-time data to manage distribution and inventory management more efficiently.

India. A number of six sigma projects were taken up to make processes more simple and efficient. These include production processes, distribution processes, sales and marketing processes, as well as procurement processes.

This initiative has given new strength and new credibility to the six sigma drive and these efforts have been recognized by customers across the country.

Focused on innovating for customers.



LIV™ is a special offer being introduced into the Indian Healthcare market that is a first of its kind.

2015 was a significant year in the history of the Healthcare business in India. Inspired by the drive for enhanced Customer Experience, the Healthcare business grew in a number of ways. While there was an encouraging increase in the volumes, the business also registered a significant increase in the margins. Operating in a segment that is rapidly growing, the Healthcare business has lived up to expectations by registering significant profitable growth. The business has also expanded geographically – into tier-2 cities. Addressing the Siliguri market in northern West Bengal is a classic example, one that will serve as a model for future expansion into tier-2 cities across the country. Being awarded a large contract at the King George Medical University, Lucknow, shows the trust that Linde's brand commands in the market, even when the customer is located at a fair distance from Linde's production facility.

Yet another dimension along which the Healthcare business expanded is in providing total medical gases management solutions to customers. Linde India offers total gas management solutions to a number of

leading private and government hospitals. This is where Linde provides an end-to-end solution-managing the inventory and supplies for customers, round the clock and round the year, in an environment that is characterized by high patient movement, thereby adding value as India's leading medical gases provider. Linde's credibility as a medical engineering services provider was further strengthened when it became the official consultant for all medical gases related technical projects undertaken by the Manipal Hospitals chain across the country. With continuing its tradition of being an end-to-end solutions provider to customers, Linde recently, in addition to the installation and commissioning of medical gas pipeline systems, launched a new initiative under which it also provides accessories and source equipment. One such example is the

guidance and support Linde offered to MGM Hospital, Aurangabad in installing new source equipment after a safety audit conducted by Linde recommended their use.

The Healthcare team is now working on bringing in next generation medical gases solutions from Linde's global stable. These include sophisticated light-weight cylinders that will change the way medical oxygen is used, particularly in its portable and ambulatory use.



Focused on customer safety.

The commitment to safety is a promise, both personal and collective. At Linde, safety is a foundational principle and can never be compromised. Being passionate about customers further inspires safety policies to ensure that safe processes and practices are followed not just at Linde's manufacturing, bottling and storage facilities but also at customers' premises. Linde's customers benefit from Linde's high safety standards and are glad to adopt them as their own.

Safety in numbers.

8

Golden rules of safety

Achieved in 2015

0

LTI (Lost Time Injury) days for employees

In 2015, our fleet covered

28
million km

delivering our products to our wide customer base

Our dedicated fleet of

450

trucks carries our products safely across the country

More than

75%

of our tonnage sites have established water recycling and rain harvesting facilities to protect the environment

Improved transport safety by achieving

100%

installation of in-cab cameras in our transport tankers and cylinder trucks

Received CAT 1 and CAT 2 Major Hazard Review Programme certificates for over

95%

of our major sites adequately mitigating all high risks and hazards involved in our operations

In 2015

100%

new joiners attended mandatory SHEQ induction training and competency assessments during the year (this is a mandatory requirement to be completed within six months of joining)

Over

90%

of all our operating units are certified with international Quality Management Systems certificate and standards

Focused on customer engagement.

While it is important to work on processes and systems that improve customer experience, engaging with customers at a number of levels on an ongoing basis, is critical. The good news is that it comes naturally to a team that is passionate about customers.



Linde India continued to focus on being close to customers and consistently pursued customer engagement initiatives. These include safety and process audits, customer training sessions, mock drills, participation at various customer-organised events as well as at tradeshows.

At the Make In India Week, held at Mumbai, Linde was a key participant. Linde had two display booths which were visited by a number of distinguished delegates and customers. It was a wonderful opportunity to meet customers from the various industrial sectors where Linde provides gases solutions. All major national and internal players from the steel, automobile and chemicals sectors were present at the Make In India Centre. A number of youngsters and budding entrepreneurs also visited the booths and showed interest in Linde's cutting-edge technology and best-in-class delivery capabilities. Linde's key message was 'Inspired in Germany. Made in India'.



Left to Right: Managing Director - Mology Banerjee, Chairman - Sanjiv Lamba and Managing Director, Linde Engineering - South and East Asia - Jason Cooper at Linde's booth at the Make In India Week



Visitors keenly interested in Linde's cutting-edge technology

Making a difference.



Empowering
225 women
in Faridabad



Sponsoring
1 new classroom
for the children
of Jamshedpur



Donating
1 ambulance
to ferry cancer patients
for treatment



Planting
100 saplings
in Chennai



Managing Director, Moly Banerjee receiving the Golden Peacock Award

Corporate Social Responsibility (CSR) has been a key focus area for Linde. From the Board to entry-level employees, there has been a lot of insight, guidance, participation and energy. Linde India's corporate responsibility initiative focuses on four key areas – health, education, environment and livelihood (skill development).

Linde India won Special Commendation for the prestigious Golden Peacock Award for Corporate Social Responsibility, for the year 2015. The award recognizes Linde India's contribution in the field of preparing the underprivileged for sustainable livelihood and wellbeing. At a glittering awards ceremony held at Mumbai hosted by the Institute of Directors, Cluster Head – South Asia, Moly Banerjee received the award on behalf of Linde India.

Women can be the most powerful instrument of change, because women empowerment leads to empowerment of the family, the community and eventually the country as a

whole. Empowering rural women has an even deeper and stronger impact as it brings about change at the grass-roots level. To work in this direction, the project, 'Literacy to Self-Reliance' designated by the Technology and Action for Rural Advancement (TARA), New Delhi, was launched around Linde's Faridabad Plant.

The project aims at women's literacy and consequently at strengthening their income generation through various training and capacity-building initiatives in villages in and around Faridabad near New Delhi.

The uniqueness of this programme is that each woman becomes self-reliant in different ways at various stages of the project. For some women, self-reliance means being able to read and write; for some, it is about being able to contribute to their children's education, while for others it is about financial independence. But in all cases, the project certainly enhances the confidence levels of women which is a basic driver for change.

The project takes the participants through various stages of development steps, like functional literacy, life skills training, vocational training and handholding. Centres have been established in five villages in different locations and women were mobilized to participate in this programme. Trainers were identified and further trained to deliver the desired output.

The project is inspired by Linde's core value about empowering people. It derives energy from the participation of the Linde India team. The enthusiasm of the team is palpable. The Linde India team is intricately involved, every step of the way, taking time out from their schedule, taking turns to help rural women graduate to literacy and then eventually to self-reliance.

The Golden Peacock Award will always be an Inspiration and the Linde India team will continue to embrace new challenges in its endeavour to make a difference to the world.



Vinayak Kembhavi, Vice President, Gases.

“The commitment to enhance customer experience runs right across the organisation, cutting across barriers of geography, hierarchy and role. Everyone in the team is customer-facing, customer-enabling or customer-thinking. The processes are simplified and made more efficient. The systems are next-generation. The journey has only just begun and there are many records to scale.”

Company information.*

Board of Directors

Sanjiv Lamba, Chairman
 Arun Balakrishnan
 Jyotin Mehta
 Aditya Narayan
 Desiree Co Bacher
 Moloy Banerjee, Managing Director

Chief Financial Officer

Milan Sadhukhan

Asst. Vice President and Company Secretary

Pawan Marda

Auditors

B S R & Co. LLP

Solicitors

Khaitan & Co. LLP

Bankers

Citibank N.A.
 HSBC Bank
 ICICI Bank Ltd.
 Punjab National Bank
 Standard Chartered Bank
 State Bank of India
 United Bank of India

Audit Committee

Jyotin Mehta, Chairman
 Arun Balakrishnan
 Sanjiv Lamba
 Aditya Narayan

Stakeholders Relationship Committee

Aditya Narayan, Chairman
 Jyotin Mehta
 Moloy Banerjee

Nomination and Remuneration Committee

Arun Balakrishnan, Chairman
 Sanjiv Lamba
 Jyotin Mehta

Corporate Social Responsibility Committee

Arun Balakrishnan, Chairman
 Aditya Narayan
 Moloy Banerjee

Registered office

Oxygen House
 P43 Taratala Road
 Kolkata – 700 088
 India
 CIN: L40200WB1935PLC008184
 Phone +91 33 6602 1600
 Fax +91 33 2401 4206
 contact.lg.in@linde.com
 www.linde.in

*As on 31 December 2015

Profile of the board of directors.

Sanjiv Lamba

Born 1964

Chairman

Chartered Accountant
Bachelor of Commerce

Presently, a member of the Executive Board of Linde AG and responsible for the Asia/Pacific segment and for the Global Governance Centres Merchant & Packaged Gases [liquefied gases and cylinder gases] and Electronics [electronic gases].

Arun Balakrishnan

Born 1950

Non-Executive Independent Director

B.E. (Chemical) from College of Engineering, Trichur, Kerala
Post Graduate Diploma in Management from IIM, Bangalore

Former Chairman and Managing Director of Hindustan Petroleum Corporation Ltd. from 1 April 2007 to 31 July 2010 and presently on the Board of HPCL-Mittal Energy Ltd. and other companies.

Moloy Banerjee

Born 1966

Managing Director

B. Tech. in Mechanical Engineering from IIT, Kanpur

Appointed as Managing Director of Linde India Ltd. with effect from 30 July 2013. Has many years of rich experience in various roles in Project Engineering and the Gases business of the Company, including two years in the South & East Asia and South Pacific regions of The Linde Group.

Jyotin Mehta

Born 1958

Non-Executive Independent Director

FCA, FCS and FICWA
Bachelor of Commerce

Presently, the Vice President and Chief Internal Auditor of Voltas Ltd. and also an Independent Director of Speciality Restaurants Ltd.

Aditya Narayan

Born 1952

Non-Executive Independent Director

B. Tech. from IIT Kanpur
LLB from Kanpur University
Masters in Sciences from the University of Rochester, USA

Former Managing Director of ICI India Ltd., now Akzo Nobel India Ltd., during 1996-2003 and then its Non-Executive Chairman during 2003-2010. Presently an Independent Director on the Boards of Hindustan Unilever Ltd. and Chambal Fertilisers and Chemicals Ltd.

Desiree Co Bacher

Born 1971

Non-Executive Director

Bachelor of Science in Accountancy, Certified Public Accountant in Philippines

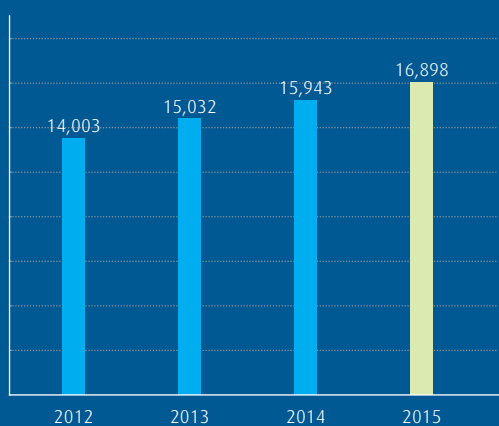
Presently the Head of Finance and Control for South and East Asia, based at the Group's Regional Office at Singapore. Has rich experience in various senior positions in the finance function within The Linde Group.



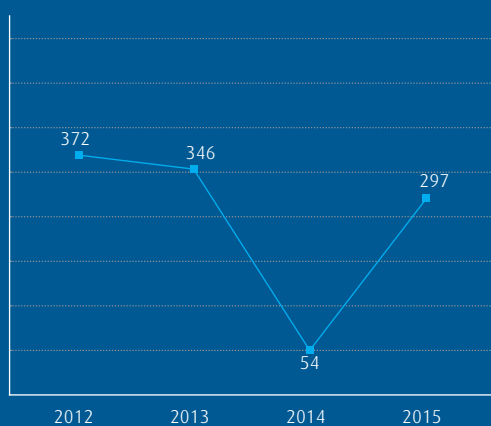
↳ Left to right: Jyotin Mehta, Aditya Narayan, Moloy Banerjee, Arun Balakrishnan, Sanjiv Lamba, Desiree Co Bacher.

Financial performance.

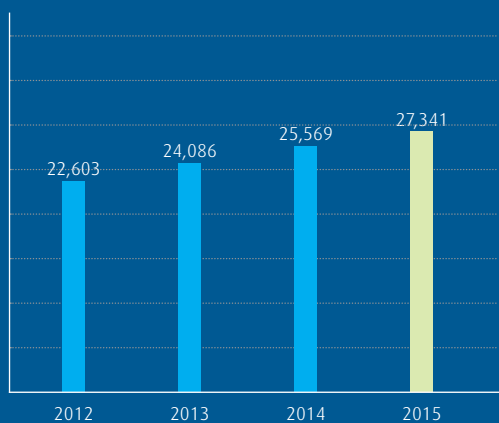
Gross turnover (in Rupees million)



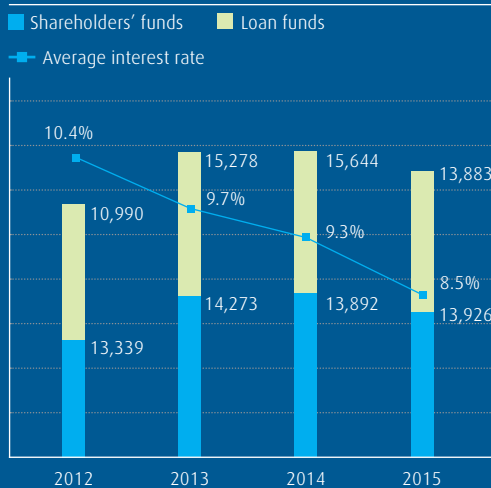
Profit after tax (in Rupees million)



Fixed assets (net block) (in Rupees million)



Funds portfolio (in Rupees million & %)



Directors' report and management discussion and analysis.

The Directors have pleasure in submitting their Report together with the Audited Financial Statements of your Company for the year ended 31 December 2015:

The results for the year 2015 and for the previous year are summarized below:

In Rupees million	Year ended 31 Dec. 2015	Year ended 31 Dec. 2014
Revenue from Operations	17,023.47	16,148.67
Operating Profit before depreciation and impairment	2,614.64	2,877.90
Profit after depreciation, impairment and interest	100.56	35.78
Exceptional item- separation cost of employees on VRS	95.00	-
Profit before tax	5.56	35.78
Provision for current and deferred tax release/(charge)	229.01	18.22
Profit after tax	234.57	54.00
Adjustment for depreciation on re-assessment of useful life of fixed assets as per Sch. II of the Companies Act, 2013	(45.45)	-
Profit brought forward	5,047.52	5,149.73
Profit available for appropriation	5,236.64	5,203.73
Appropriations :		
Proposed Dividend @ 7.50% (Previous year @ 15%) on 85,284,223 Equity Shares of Rs.10 each	63.96	127.93
Tax on Proposed Dividend	13.02	25.58
Transfer to General Reserve	-	2.70
Balance carried forward	5,159.66	5,047.52

Financial Performance

Your Company recorded a moderate increase in revenues during the year under review despite the challenging macro-economic environment and continuing contraction of demand and growth in most of the end user industry segments both in the Gases and Project Engineering businesses.

The iron and steel industry which is the major consumer of industrial gases in India saw sluggish demand with subdued activity across main steel consuming sectors such as construction, general engineering and infrastructure. While the rising import of steel in India further aggravated the scenario, the gases demand from other sectors such as chemicals, fabrication, etc also remained subdued amidst weak economic conditions. Despite these headwinds, your Company was successful in increasing volumes and grow its business selectively in sectors such as automobile and healthcare. The uncertain economic environment also delayed several customer projects, which adversely impacted sales and order intake in the Project Engineering business. Your Company continued its focus on cost control initiatives resulting in savings in energy cost and fixed cost reduction. Focus on operational efficiencies supported by softening of crude and commodity prices have also helped to maintain the overall profitability.

Total Revenue from operations during the year amounted to Rs. 17,023.47 million as compared to Rs.16,148.67 million in the previous year, which reflected a growth of over 5% over that of the previous year. While the sales of products in the Gases business amounted to Rs.14,987.72 million as compared to Rs.13,919.85 million in the previous year, the revenues from construction contracts, mainly from Project Engineering Division amounted to Rs.1,910.36 million as compared to Rs.2,022.70 million in the previous year.

Your Company's financial performance continued to feel the impact of higher depreciation and higher interest costs in respect of newly commissioned plants, which coupled with under-utilisation of the new capacities have adversely impacted financial performance. The operating profit of the Company amounted to Rs.2,614.64 million as against Rs. 2,877.90 million achieved in the previous year. This includes a profit of Rs.151.39 million (net) arising from disposal of factory land at Taloja and right to use an apartment at Kolkata, which has been disclosed as other income. The profit after depreciation, impairment and interest amounted to Rs.100.56 million as compared to Rs.35.78 million in the previous year. In compliance with the Companies Act, 2013, your Company has adjusted the useful lives of its fixed assets resulting in lower depreciation charge of Rs. 1,615.25 million as compared to Rs. 1,813.46 million in the last year, which contributed to higher EBIT. During the year, the Company had also restructured its existing external commercial borrowings resulting in cancellation of cross currency interest rate swaps and a net gain of Rs.86.95 million arising from this has been transferred from Translation and Hedging Reserves to the Statement of Profit and Loss, which has been shown as

other income. Overall finance cost has been brought down to Rs. 898.83 million against Rs. 1,028.66 million in the previous year as a result of re-financing of external commercial borrowings and reduction of interest rates on working capital loans.

During the year, the Company incurred an amount of Rs.95 million towards a voluntary retirement scheme launched by the Company with a view to refine the organisation. During the year, your Company availed tax benefit on investment allowance under Section 32 AC of the Income Tax Act, 1961 in respect of its investment in the plant and machinery of its Air Separation Units at Kalinganagar, which has resulted in deferred tax release of Rs.253.26 million. The net profit after tax during the year amounted to Rs.234.57 million as compared to Rs.54 million achieved in 2014.

Dividend

Your Directors have after detailed deliberations on the performance of the Company recommended a lower dividend @ 7.50% (Re.0.75 per equity share of Rs.10 each) on 85,284,223 equity shares of Rs.10 each for the year 2015 as compared to 15% (Rs.1.50 per equity share of Rs.10 each) paid in the previous year. The dividend together with the dividend tax will result in a cash outlay of Rs. 76.98 million.

The Board has not recommended any transfer to general reserve from the profits of the year under review.

Industry Developments

The gases business is capital intensive by nature as it requires large investments in setting up of air separation units as well new packaged gases sites. The supply chain in the gases business also requires significant investments in the form of distribution assets and storage networks to service bulk volumes as well as in the form of cylinders to service relatively smaller volumes in packaged gases business. The industry comprises major users in steel, chemicals and refinery sectors and a large number of merchant liquid customers primarily in metal, glass, automobile, petrochemicals and pharmaceutical sectors, besides customers for medical gases. New applications continue to provide growth opportunities. This growth is also supported by the increasing outsourcing of gases requirement under a 'Build Own Operate' (BOO) type of supply scheme opportunities mainly in steel and refinery sectors. The project engineering business on the other hand is characterised by a different business model and thrives on designing and engineering, supply, installation, commissioning and sale of air separation units, cryogenic plants, vessels, etc. to third parties on turnkey basis. The project engineering business therefore, reflects the appetite for new projects in diverse core sectors of the economy.

Business Segments

Your Company's business has two broad segments, viz. Gases and Related Products and Project Engineering in line with the operating model of its parent, Linde AG.

Gases and Related Products

The Gases and Related Products segment comprises of pipeline gas supplies (On-site) to very large industrial customers - mainly primary steel production and refining industry, supply of liquefied gases through cryogenic tankers (Bulk) to cater to mid-size demands across a wide range of industrial sectors and compressed gas supply in cylinders (Packaged Gas) for meeting smaller demand for gases mainly across fabrication, manufacturing and construction industry. The primary production of gases (oxygen, nitrogen & argon) is mostly achieved through cryogenic distillation of air in Air Separation Units (ASU). Oxygen, Nitrogen and Argon may be produced in the gaseous state and supplied through pipeline to the on-site customers, or produced in liquid form and stored in insulated cryogenic tanks for supply to bulk customers or further processed in the Packaged Gas plants to bottle compressed gas in cylinders. The strategy of the bulk and packaged gases business is to build and establish sustained market leadership by differentiating with the help of application led gas sales and enhanced customer experience.

The Healthcare business, an important part of the Gases business provides high quality gases for pharmaceutical use such as medical oxygen, synthetic air, nitrous oxide in addition to providing state of the art medical gas distribution systems to major hospitals. Your Company also provides total gas management solutions to private hospital chains and has ambitious plans to expand beyond its current footprint, which is predominantly in the metro cities. The strategy of the healthcare business is to sustain its leadership position in the large hospitals in metro cities and increase penetration in tier 2 cities.

The turnover of your Company's gases business for the year 2015 recorded a growth of about 7% over 2014 on the back of revenues from newly commissioned ASUs at Rourkela and Dahej and higher loading at Jamshedpur ASU despite general slowdown in industrial activities in several sectors. This growth was primarily achieved by revenues realized from the newly commissioned plants, while the base gases demand remained subdued. There has been significant product oversupply in the markets with number of new ASUs coming on-stream while demand continued to be weak. The automobile, stainless steel and ancillary sectors experienced a flat demand through the year. While the bulk products recorded a growth of 8%, the packaged gases business recorded a marginal growth of 4% over last year. The Healthcare segment continues to provide a strong growth lever for your Company; this segment continues to show robust growth unaffected

by the adverse economic conditions. Your Company has not only been able to consolidate its existing business in Healthcare sector, but also expand geographic footprint to capture growth opportunities in non-metro cities. Opening of the first dedicated medical oxygen filling facility in Siliguri, West Bengal during the year was one of the success stories in this regard. Linde India's credibility as a service provider of medical engineering services was further strengthened by rendering technical consultancy to Manipal Hospital for one of their medical gas pipeline projects in India.

Your Company sees several opportunities in the Gases business in the medium to long term. The merchant liquid capacity built by the Company as a result of the investments in new Air Separation Units over the last few years is an opportunity to cater to future demand as the Company is poised to secure the upsides promptly as soon as the economy turns around on the back of the Government's focus on "Make in India" and its thrust on reviving the economy by boosting investments in several sectors. Your Company is also selectively expanding its geographic footprint, among others at Dahej, which provides us the opportunity to tap into the fast growing markets in Gujarat. Besides, the newly set up Application Technology Centre in Chakan in Pune is expected to drive opportunities to promote new gas application technologies that help to increase the addressable market size. Your Company has made good progress in growing its shielding gases portfolio and continues to see further opportunity to ramp up shielding gases volumes in the automobile industry.

On the other hand, over-capacity and over supply position in the markets in the short term, rising power cost in West India and pricing pressure in merchant markets and depressed helium market scenario appear to be some of the threats facing the Gases business.

Project Engineering

The Project Engineering Segment comprises the business of designing and engineering, supply, installation and commissioning of tonnage Air Separation Units (ASU) of medium to large size, apart from projects relating to setting up of nitrogen plants, hydrogen Pressure Swing Adsorption (PSA) plants, compressed air systems and gas distribution systems. The Project Engineering Division (PED) also manufactures cryogenic vessels, small size Liquid Nitrogen Plant (LINIT), steam bath vaporizers, containerized micro plants for cylinder filling for in-house use as well as for sale to third party customers.

The market conditions in the Project Engineering business remained very challenging in 2015 reflecting the state of the economic conditions and the subdued core sector. This has resulted in lower revenues in the Project Engineering segment during the year under review in comparison to the previous year.

Project Engineering Division achieved revenue of Rs. 1,903.65 million as compared to Rs. 2,001.58 million recorded in 2014. During this year,

the Division was engaged in execution of several projects involving air separation plants, nitrogen plants, compressor air stations in steel industry both in public and private sectors.

During the year, the Division has completed most of the supplies for 2X1250 tpd Air Separation Units for NMDC which are expected to be commissioned towards the end of 2016. The execution activities for new compressed air station for RINL Visakhapatnam Steel Plant and nitrogen generation package for LNG terminals at Mundra and Dahej are at its final stages. The execution of these and several other projects is progressing well.

In its continuing support to grow the Gases business, PED is currently executing large in house project for the Gases Division, viz. 2X1200 tpd Air Separation Units at Tata Steel's greenfield site at Kalinganagar in Odhisa, which are expected to be commissioned within first half of 2016.

Despite market challenges, the Division was able to win third party orders to the tune of approximately Rs. 4,000 million during the course of the year, which include orders received from JSW Steel and Inox AP for supply of Air Separation Units. Besides, the Division also bagged an order for supply of a merchant liquid plant to Linde Bangladesh. PED has also collaborated with Linde Kryotechnik, Switzerland for winning a large order from ITER India for supplying equipment for setting up of cryo distribution system in France.

The Division is continuing its efforts to win orders in the overseas markets and during the year received orders from Kenya and Bangladesh for supply of liquid nitrogen plants, construction of a PGP site, relocation of CO2 plant, etc. These projects are expected to be commissioned and executed in 2016.

While the Division provides great support in execution of in-house ASU projects for the Gases Division, it also continues to remain focused to make its business more competitive through several initiatives to increase the indigenous component through innovative methods leveraging its strengths. In this connection, PED has developed three ASU products through licensing agreement with Linde Engineering, Munich. PED also developed manufacturing of two new products i.e. steam bath vaporizers & containerized micro plants for cylinder filling. The Division has supplied two containerized micro plants during the year to Linde Malaysia and is pursuing for new orders in this geography. Similarly for the first time PED has received an order from Reliance industries for supplying a 30,000 Nm³/hr capacity steam bath vaporizer which will be manufactured at PMW Works at Kolkata. Design, engineering know how for these vaporizers will be provided by Linde Engineering, Munich.

The Division's total third party orders in hand stood at Rs. 4,690 million as on 31 December 2015.

Risks Management

Your Company's business faces various risks - strategic as well as operational in both its segments viz. Gases and Project Engineering, which arise from both internal and external sources. As explained in the report on Corporate Governance, the Company has an adequate risk management system which takes care of identification, assessment and review of risks as well as their mitigation plans put in place by the respective risk owners. The risks which were being addressed by the Company during the year under review included risk relating to over dependence of business on steel sector, increasing power costs, risk of investments not delivering business case assumptions including merchant credits, competitive risks in the Gases and Project Engineering, etc. Since the Project Engineering Division of your Company is engaged in execution of various in house and third party projects, it has an inherent risk of time and cost overruns due to various reasons. Your Board of Directors provides oversight of the risk management process in the Company and reviews the progress of the action plans for the identified key risks with a distinct focus on top 5 key risks on a quarterly basis. During the year, your Board of Directors approved and adopted a Risk Policy with an objective to provide a more structured framework for proactive management of all risks related to the business of the Company and to make it more certain that growth and earnings targets as well as strategic objectives are met.

Finance

As on 31 December 2015, your Company had three loan facilities by way of External Commercial Borrowings (ECB) aggregating to Rs. 10,693 million from Linde AG. The facilities were executed for funding of the 2550 tpd Air Separation Units at Tata Steel Jamshedpur, 2X853 tpd Air Separation Units at Steel Authority's Rourkela Steel Plant and 2X1200 tpd Air Separation Units at Tata Steel, Kalinganagar and a Hydrogen Steam Methane Refining unit at Asian Peroxide works in Sullurpet. During the year, the Company refinanced its current outstanding Euro ECBs for SAIL, Rourkela and Tata Steel, Jamshedpur to fixed rate INR facilities with their repayment tenor extended till 2020. The ECBs are fully hedged both with regard to the principal and interest payments. The third facility is a fixed rate INR facility equivalent to Euro 77.6 million, whose draw down was completed during the year. As such all the three facilities are fully drawn down.

During the year, the Company availed a three-year floating rate term loan facility aggregating to USD 15.67 million equivalent of Rs. 1,000 million from Citibank. The term loan facility was executed to fund ongoing small capital expenditure requirement. This facility is in addition to three year floating rate, two term loan facilities aggregating to USD 24.95 million equivalent of Rs. 1,500 million executed in the previous year. All the three facilities are fully hedged with regard to the principal and interest payments.

During the year, with a view to raise short term finance, the Company has also availed an inter corporate loan of Rs. 500 million from Linde Engineering India Private Ltd. at a competitive interest rate for a period of one year. The facility was executed as an alternative financing mode for short-term funds.

During the year, the Company transferred a sum of Rs. 0.77 million of unpaid/unclaimed 53rd dividend for the nine months period ended 31 December 2007 to the Investor Education and Protection Fund, which could not be claimed despite reminders sent to the concerned shareholders.

There were no material changes and commitments affecting the financial position of the Company, which occurred between the end of the financial year to which this financial statements relate and the date of this report.

Deposits

During the year, the Company has not accepted any deposits from public under Chapter V of the Companies Act, 2013.

Significant and Material Orders passed by the Regulators or Courts

There have been no significant and material orders passed by the Regulators or Courts or Tribunals impacting the going concern status and Company's operations.

Particulars of loans, guarantees or investments

The particulars of loans, guarantees given and investments made during the year under Section 186 of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 are annexed to this Report. [\[Annexure 1\]](#)

Safety, Health, Environment and Quality (SHEQ)

Safety is one of the foundational principles upon which the Linde Spirit is built. Safety remains the top most priority of the Company and the SHEQ rules and procedures are clearly defined, understood, respected and complied with by employees at all levels and contractors alike.

In order to reinforce on the SHEQ agenda, your Company continues to focus on ensuring compliance with the Linde Group's Golden Rules of Safety. This year, a new Golden Rule on personal ownership for Safety was rolled out with the revised SHEQ policy.

During the year, The Linde Group carried out a global survey in order to assess its safety performance and culture and based partly on the results of this survey, existing targets and performance indicators were reviewed and redefined. Besides, a Safety Perception Survey

was carried out covering all employees, contractors, drivers, helpers, security guards, etc. Global Safety Assessment in India was carried out by a third party at the Company's Taloja and Hyderabad ASU sites. The team provided a very positive feedback about the safety culture at these sites. The Results of the assessment and the actions were shared with the management team and cascaded to all sites. The survey highlighted the areas where Linde India was doing well, which included high level of awareness on Safety and Golden Rules, focus on Transport Safety operations being critical to our business, robust SHEQ training for Operations and presence of a rigorous accident investigation process.

During the year under review, your Company continued to make good progress with its SHEQ agenda. Your Company's aspirations for achieving growth are not without its own share of challenges of new sites, new geographies, rising number of kilometres run by the fleet of the Company's transport tankers and delivery vehicles for delivering products to customers across the country. In the backdrop of a very challenging external environment, your Company ended the year 2015 without any Lost Time Injury to its employees although there was one such case in respect of its contractor employee. This demonstrates that we are taking the early steps towards achieving our aspirational safety goal- "All incidents are preventable and zero injuries is achievable."

Your Company continues to mandate complete transparency in reporting of all accidents and incidents; even the minor ones are reported. Thereafter, depending on the incident, the same is duly investigated; corrective actions are identified and actioned upon. The "Lessons from Incidents" (LFIs) of all major Incidents are circulated to prevent repeat of similar incidents.

Your Company has so far covered 341 employees in the mandatory SHEQ Induction & Training programme which was commenced during the second half of 2014. Further it continued to reinforce competency assessments for engineers and contractors on safety & operations critical chapters mainly aimed at covering all high risk jobs.

Transport Safety remains the single biggest challenge and focus area for improvement. Trained personnel at our Fleet Control Room (FCR) monitor driver behaviour for our entire fleet and report generated for management information/intervention. The FCR staff monitors speed, driving hours/rest hours, harsh braking, night driving restrictions and this has significantly contributed to safer driving and lesser transport related incidents. To improve transport safety further, we have started a programme for installation of In-Cab camera in our bulk transport tankers and cylinder trucks. These cab cam video clips are helping us to improve our transport safety by analyzing transport safety incidents, driving violations, etc which would make it easier to initiate effective preventive actions to avoid incidents.

With the help of the Major Hazards Review Programme (MHRP), all major high risk sites have been certified with relevant MHRP CAT 1

& CAT 2 certificates. This MHRP programme helps the organization to assess the onsite and offsite risks due to our operations. Based on risk categorization, control measures are established to reduce these risks at the plant sites.

As a part of commitment to environment protection, initiatives like rain water harvesting, water recycling, recycling of waste generated, have been taken up. All ASU sites are certified and sustained with ISO 14001 certification.

Security vulnerability risk assessments are carried out at high risk sites and effective CCTV monitoring arrangements have been made at some of these sites.

Human Resources

Your Company's Human Resource strategy is aligned to its business strategy reinforcing the key thrust areas, being the employer of choice, building an inclusive culture and a robust pipeline of talent, driving greater employee engagement towards the corporate goal of profitable growth safely. We aim to build and nurture the best teams in our bid to drive high performance culture.

The Human Resource function supported by the Linde Group's HR function focuses on nurturing talent through various Talent Management & Development programs so as to provide a competitive edge to the organisation by ensuring the right talent for the right job. Our recruitment focuses on infusing quality talent aligned to the values of Linde with potential to take the organisation to a higher level of performance. Your Company has visibility on various social networking sites, which have helped to create a strong employer brand.

At Linde India, Learning and Development is pivotal for ensuring success in business. During the year, we leveraged the Linde University e-campus even further by providing focused leadership competency based learning for our employees. This initiative was recognized as a key driver for "Empowering People" in Linde India. Most of our training programmes are a blend of national and international level programmes focusing on leadership development and business skills. In addition to this, all new employees underwent a structured induction programme branded as 'SAMPARK', Safety Induction programme and online Safety training programs in all locations. In 2015, we also completed the compliance training and communication on prevention of sexual harassment at workplace and also formed an Internal Complaints Committee as per the norms.

Your Company regularly reviews and benchmarks its remuneration levels for its employees using internal and external comparisons to ensure that they are appropriate and in line with the market. It uses a performance appraisal system to ensure comparable and fair appraisal of employees. This system includes performance evaluations which

are binding on all managers. Pay-for Performance is supported by various reward schemes, which are in place to motivate and retain skilled employees to achieve business strategy & goals. Various other initiatives like Health Awareness Programs, CSR engagement activities, Team building exercise for employees across locations were carried out during the year.

Your Company has continued to maintain harmonious employee relations across all its plants and offices in India and there has been no loss of man-days due to labour related issues. Your Company had manpower strength of 737 as on 31 December 2015.

Disclosure as per the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

As a part of its commitment to Diversity and Inclusion, your Company is committed to provide and promote a safe, healthy and congenial atmosphere irrespective of gender, caste, creed or social class of the employees. The Company has put in place a Policy on Prevention of Sexual Harassment in line with the provisions of The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules made thereunder. Internal Complaints Committee (ICC) has been set up to redress complaints, if any, received regarding sexual harassment. All employees whether permanent, contractual, temporary, etc have been covered under this Policy. The Policy is gender neutral.

During the year 2015, no complaints alleging sexual harassment were received by the Company.

Prescribed Particulars of employees

The disclosures pertaining to ratio of remuneration of each Director to the median remuneration of all the employees of the Company, relationship between average increase in remuneration and Company Performance and other details as required under Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are annexed to this Report. [Annexure 2]

In terms of the provisions of Section 197(12) of the Companies Act, 2013 read with Rule 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, a statement showing the names and other prescribed particulars of employees who were employed throughout the year and were in receipt of remuneration aggregating to Rs. 6 million or more or were employed for part of the year and were in receipt of remuneration aggregating to Rs. 0.5 million per month or more during the year ended 31 December 2015 forms part of this report. However, having regard to the provisions of the first proviso to Section 136(1) of the Companies Act, 2013, the Annual Report is being sent to all the Members of the Company excluding the said information. The said information is available for inspection at the Registered Office of the Company during

business hours on working days up to the date of the ensuing Annual General Meeting. Any Member interested in obtaining such information may write to the Company Secretary, at the Registered Office and the same will be furnished on request. Such details are also available on the Company's website at www.linde.in.

Corporate Social Responsibility (CSR)

As a member of The Linde Group, your Company has been a socially responsible corporate and our core values define the way we operate and create value within the larger society. Linde's four basic principles- safety, integrity, sustainability and respect form the basis of its CSR Policy. Your Company is therefore, committed to behave responsibly towards people, society and the environment for inclusive growth of the society where we operate to conserve natural resources and to develop sustainable products. In line with its CSR Policy, Linde India's CSR commitment will be centred around four thematic areas- Education, Health, Environment and Livelihood (skill development). The CSR Policy of the Company is available on the Company's website at www.linde.in.

Particular focus is given to engaging employees into the CSR initiatives of the Company. Some of the CSR projects/ initiatives taken up/ sustained during the year include providing education to differently abled children at Indian Institute of Cerebral Palsy (IICP), sponsoring a classroom for underprivileged children at a school at Jamshedpur, working with Disha (NGO) for adoption of classroom for education of underprivileged children at Kolkata, sponsoring livelihood programme for under privileged women through TARA (NGO), contribution to Prime Ministers' National Relief Fund towards relief of flood victims in Chennai, etc. Against the requirement of CSR spend of Rs. 9.33 million during the year, being 2% of the average net profit of last three years as per the provisions of the Companies Act, 2013, the actual CSR expenditure during the year on various projects/activities was slightly lower at Rs. 8.77 million. The justification for the same is covered in the Annual Report on CSR activities annexed to this Report.

[Annexure 3]

During the year, your Company was awarded a special commendation award at the presentation ceremony of Golden Peacock Award at the 10th International Conference on CSR held at Mumbai. Your Company will continue to make a positive impact on the community by way of its CSR projects in the years ahead.

Corporate Governance

As a member of The Linde Group, your Company attaches great importance to sound responsible management and good corporate governance. Your Company subscribes to the Linde Spirit which sets out a Code of Ethics for companies within The Linde Group. The Linde Spirit describes the corporate culture manifested in the Linde vision and the values that underpin day to day activities. The Linde's Code of

Ethics sets out the commitment of all employees to comply with legal regulations and uphold the ethical and moral values of the Group. Your Company is therefore, committed to business integrity, high ethical standards and professionalism in all its activities. As an essential part of this commitment, the Board of Directors supports high standards in corporate governance and during the year approved several new policies in compliance with regulatory provisions to further strengthen the same.

It is the endeavour of the Board and the executive management of your Company to ensure that their actions are always based on principles of responsible corporate management. In The Linde Group, corporate governance is seen as an on-going process. Your Company's Board therefore closely follows contemporary developments in the governance norms and will take lead in ensuring compliance with the same. A separate report on Corporate Governance along with the certificate of the Auditors, B S R & Co. LLP, confirming compliance of the conditions of corporate governance, as stipulated under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 forms part of this Report.

Board Meetings

A calendar of Board and Committee meetings is agreed and circulated in advance to the Directors. The Board met four times during the year under review, details where of are given in the Corporate Governance Report, which forms part of this Report.

Board Membership Criteria

The Nomination and Remuneration Committee of the Company identifies and ascertains the integrity, qualification, expertise, positive attributes and experience of persons for appointment as Directors and thereafter recommends the candidature for election as a Director to the Board. The Committee follows defined criteria in the process of obtaining optimal Board diversity which, inter alia, includes optimum combination of executive and non-executive directors, appointment based on specific needs and business of the Company, qualification, knowledge, experience and skill of the proposed appointee, etc. The Policy on appointment and removal of Directors, Board Diversity Criterion and Remuneration to Directors/Key Managerial Personnel/Senior Management forms part of the Nomination and Remuneration Policy of the Company, which is available on the Company's website at www.linde.in.

Familiarisation Programme for Directors

In terms of Reg. 25(7) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, your Company is required to conduct the familiarisation programme for Independent Directors to familiarise them about their roles, rights, responsibilities in your Company, nature of the industry in which your Company operates, business model of

your Company, etc., through various initiatives. The detail of training and familiarization programmes for Directors has been provided under the Corporate Governance Report.

Performance Evaluation

The Nomination and Remuneration Committee of the Company formulated and laid down criteria for performance evaluation of the Board including its Committees and the individual directors (including Independent Directors) pursuant to provisions of Section 134, Section 149 read with Code of Independent Directors (Schedule IV) and Section 178 of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The manner of performance evaluation followed by the Board is provided in the Corporate Governance Report.

Independent Director's Declaration

The Company has received necessary declaration from all Independent Directors in accordance with Section 149(7) of the Companies Act, 2013 that they meet the criteria of independence as laid down in Section 149(6) of the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Internal Control Systems and their adequacy

Your Company has an adequate system of internal control commensurate with the size and the nature of its business, which ensures that transactions are recorded, authorised and reported correctly apart from safeguarding its assets against loss from wastage, unauthorised use and removal.

The internal control system is supplemented by documented policies, guidelines and procedures. The Company's Internal Audit Department continuously monitors the effectiveness of the internal controls with a view to provide to the Audit Committee and the Board of Directors an independent, objective and reasonable assurance of the adequacy of the organization's internal controls and risk management procedures. The Internal Audit function submits detailed reports periodically to the management and the Audit Committee. The Audit Committee reviews these reports with the executive management with a view to provide oversight of the internal control systems. During the year, in compliance with the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, your Board approved several policies on important matters such as related party transactions, risk management, nomination and remuneration of directors and senior managers, whistle blower mechanism, CSR, insider trading, fair practices and disclosures, materiality of events/information, preservation of documents, etc, which would provide robust guidance to the management in dealing with such matters to support internal control. The Company reviews its policies, guidelines

and procedures of internal control on an on-going basis in view of the ever changing business environment. During the year, the Company also engaged the services of Price Waterhouse, Chartered Accountants for reviewing and strengthening the framework of its existing internal financial controls across the Company. As stated in the Responsibility Statement, your Directors have confirmed that based on the reviews performed by the internal auditors, statutory auditors, cost auditors, secretarial auditors and the reviews undertaken by the management and the Audit Committee, the Board is of the opinion that the Company's internal financial controls were adequate and effective as on 31 December 2015.

Your Company's statutory auditors have, in their report, confirmed the adequacy of the internal control procedures.

Directors

During the year under review, at a meeting of the Board of Directors of the Company held on 17 February 2015, on the recommendation of the Nomination & Remuneration Committee, Ms Desiree Co Bacher, Head of Finance & Control of RSE Regional Office in The Linde Group was appointed as an Additional Director (Non-Executive Director) of the Company with effect from that date. At the 79th Annual General Meeting of the Company held on 15 May 2015, Ms Bacher was appointed as Director of the Company.

Ms Desiree Co Bacher retires by way of rotation at the ensuing Annual General Meeting and being eligible, offers herself for re-appointment. Necessary resolution for re-appointment of Ms Bacher as a Director of the Company is included in the Notice of the ensuing Annual General Meeting.

The Board recommends the aforesaid resolution for your approval.

At the Board Meeting held on 17 February 2015, Mr Binod Patwari stepped down as a Director of the Company. Mr Patwari joined the Board as a Director of your Company on 15 June 2010 and was later inducted in the CSR Committee of the Board set up last year. During his aforesaid tenure, your Board has from time to time benefited from the wise counsel and experience of Mr Patwari. Your Directors therefore, place on record their sincere appreciation of the valuable contribution made by Mr Patwari to the Company during his tenure on the Board.

Responsibility Statement

Based on the framework of internal financial controls and compliance systems established and maintained by the Company, audit and reviews performed by the internal auditors, statutory auditors, cost auditors, secretarial auditors and the reviews undertaken by the management and the Audit Committee, the Board is of the opinion that the Company's internal financial controls were adequate and effective as on 31 December 2015.

As required by Section 134(5) of the Companies Act, 2013, the Directors to the best of their knowledge state and confirm:

That in preparation of the annual accounts for the year ended 31 December 2015, applicable accounting standards have been followed along with proper explanations relating to material departures, if any;

That they have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the aforesaid financial year and of the profit and loss of the Company for that period;

That they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

That they have prepared the aforesaid annual accounts on a going concern basis;

That they have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively; and

That they have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

Related Party Transactions

All related party transactions entered during the year were in ordinary course of business and on arm's length basis and the same have been disclosed under Note 46 of the Notes to Financial Statements. No material related party transactions arising from contracts/arrangements with related parties referred to the Section 188(1) of the Companies Act, 2013 were entered during the year by the Company. Accordingly, the disclosure of related party transactions as required under Section 134(3)(h) of the Companies Act, 2013 in Form AOC-2 is not applicable.

Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo

Details of conservation of energy, technology absorption and foreign exchange earnings and outgo in accordance with Section 134(3)(m) read with Companies (Accounts) Rules, 2014 are annexed to this Report. [Annexure 4]

Uniform Financial Year

During the year, your Company had filed a petition under Section 2(41) of the Companies Act, 2013 to the Company Law Board (CLB) for seeking its approval for following calendar year as its financial year as against the uniform financial year (April- March). The CLB has passed its order on the Company's petition for following calendar year as the financial year from 1 January 2015 onwards. As a result, the Company would continue to follow calendar year as its accounting year in future.

Consolidation of Financial Statement of Subsidiaries/Associate Companies/Joint Ventures

Your Company does not have any subsidiary or associate Company. It however, has a 50% owned joint venture Company, viz. Bellary Oxygen Company Private Ltd., which operates a 855 tonnes per day ASU at Bellary in Karnataka.

Section 129(3) of the Companies Act, 2013 read with Rule 6 of the Companies (Accounts) Rules, 2014, as amended, mandates every Company having subsidiary (including associate Company and joint venture) to prepare Consolidated Financial Statements. As per Companies (Accounts) Amendment Rules, 2014 notified by the Ministry of Corporate Affairs on 14 October 2014, a new proviso to the aforesaid Rule 6 was inserted, which had the effect of excluding the Company from the applicability of consolidation of Financial Statements for its current Financial year 2015. Accordingly, your Company has not presented the Consolidated Financial Statements for the year ended 31 December 2015. However, it has provided necessary and sufficient information on performance and financial position of its joint venture Company (Belloxy) in Note 30 of the Notes to Financial Statements for the year 2015 forming part of this Annual Report. Therefore, the requirement of furnishing a statement in Form AOC-1 containing the salient features of the financial statements of Belloxy pursuant to Section 129(3) of the Companies Act, 2013 is not applicable.

Extract of Annual Return

The extract of Annual Return as on the financial year ended on 31 December 2015 in Form No. MGT-9 as required under Section 92(3) of the Companies Act, 2013 read with Rule 12 of the Companies (Management and Administration) Rules, 2014, is set out as an annexure to this Report. [Annexure 5]

Outlook

India's economy grew at 7.3% in the fiscal year 2014-15. While initial projections for fiscal year 2015-16 showed optimism due to expectation of policy reforms by the new government at the Centre, recovery in the global economy, easing liquidity and normal monsoons

in India, the actual performance of the economy has been impacted by several factors such as weak monsoons, slow pace of reforms in India, global slowdown, geo political tensions and steep fall in commodity and crude prices worldwide. Notwithstanding this, the economy is projected to achieve a GDP growth of about 7.5% during 2015-16 driven largely by service sector as the industrial growth in the first three quarters was largely subdued.

The steel production capacity in the country has seen rapid rise in the last few years with India becoming the third largest producer of crude steel in 2015. The country is expected to become the second largest producer of crude steel in the world in the next one year, which augurs well for the gases industry in India. However, the Indian steel industry has been facing short term challenges due to over capacity and rising imports.

The Government of India's recent decision to fix minimum import price for steel is expected to benefit the domestic steel industry against cheap imports in 2015. This augurs well for the gases industry as steel is the major consumer of industrial gases. Although the global market environment is expected to continue to be characterised by moderate growth and geopolitical instability, the presence of a large domestic middle class population in the country and the "Make in India" programme of the Government is expected to revive demand and the overall domestic economy in the next 1-2 years. Your Company is best positioned in the gases industry to benefit from such revival in the economy.

Linde India has been able to develop capabilities by leveraging the strengths of its parents both in the gases and engineering segment. With robust integrated business model and a sharper focus on improving customer experience to drive growth, the medium term outlook of your Company looks cautiously optimistic.

Auditors

Statutory Audit

Messrs B S R & Co. LLP, Chartered Accountants, were appointed Statutory Auditors of the Company at the 79th Annual General Meeting held on 15 May 2015 from the conclusion of that Annual General Meeting till the conclusion of the 81st Annual General Meeting to be held in the year 2017. As per the provisions of Section 139 of the Companies Act, 2013, the appointment of the Auditors is required to be ratified by the Members at every Annual General Meeting.

The report given by the Auditors on the financial statements of the Company for the year 2015 forms part of this Annual Report and contains emphasis of matter on the impact of early adoption of Accounting Standard 30 "Financial Instruments: Recognition and

Measurement" issued by the Institute of Chartered Accountants of India. Your Directors wish to draw your attention to Note 42(ii) of the Notes to Financial Statements for the year 2015 dealing with early adoption of the abovementioned Accounting Standard with effect from December 2009, which is self-explanatory. The early adoption of AS 30 has been consistently followed and disclosed by the Company in all the subsequent financial statements.

Secretarial Audit

The Board of Directors of the Company had appointed Messrs Vinod Kothari & Co., a firm of Company Secretaries pursuant to the provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 for undertaking the secretarial audit of the Company for the year 2015. In terms of the provisions of Section 204(1) of the Companies Act, 2013, a Secretarial Audit Report in Form MR-3 given by the Secretarial Auditor is annexed to this Report [Annexure 6]. The Report confirms that the Company had complied with the statutory provisions listed under Form MR-3 and the Company also has proper board processes and compliance mechanism. The Secretarial Audit Report does not contain any qualification, reservation or adverse remark.

Cost Audit

Pursuant to Section 148 of the Companies Act, 2013, your Company is required to have the audit of its cost accounting records relating to Industrial Gases and Project Engineering business by a Cost Accountant in practice. Messrs Bandyopadhyaya Bhaumik & Co., a firm of Cost Accountants conducted this audit for the Company's financial year ended 31 December 2014 and submitted their report to the Central Government on 1 July 2015. The Board of Directors of the Company had on the recommendation of the Audit Committee appointed Messrs Bandyopadhyaya Bhaumik & Co., Cost Accountants having registration no. 000041 as the Cost Auditor for the year ended 31 December 2015 to conduct cost audit under the Companies (Cost Records and Audit) Rules, 2014 as amended from time to time. The said auditors would be conducting the audit of cost accounting records for the year 2015 and submit their report in due course.

Acknowledgements

Your Directors wish to convey their deep appreciation to the employees of the Company at all levels for their dedication and commitment as well as collective contribution during another challenging year, which has enabled the Company to maintain its leadership in the industrial gases industry in India.

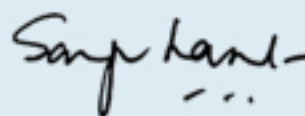
Your Directors also place on record their appreciation of the support provided by The Linde Group to your Company with their technological, operational and marketing inputs as well as for helping your Company to continuously improve its product and service offerings to its customers.

The Directors would also like to thank the customers, dealers, suppliers, bankers and all other business associates and the shareholders of the Company for their support and reposing confidence in its management.

Disclaimer

Certain statements in this report relating to Company's objectives, projections, outlook, expectations, estimates, etc may be forward looking statements within the meaning of applicable laws and regulations. Although the Company believes that the expectations reflected in such forward looking statements are reasonable, no assurance can be given that such expectations will prove to have been correct. Accordingly, actual results or performance could differ materially from such expectations, projections, etc whether express or implied as a result of among other factors, changes in economic conditions affecting demand and supply, success of business and operating initiatives and restructuring objectives, change in regulatory environment, other government actions including taxation, natural phenomena such as floods and earthquakes, customer strategies, etc over which the Company does not have any direct control.

On behalf of the Board



S Lamba
Chairman

Mumbai
16 February 2016

Annexure to directors' report.

[Annexure - 1]

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS PURSUANT TO SECTION 134(g) OF THE COMPANIES ACT, 2013

A. Amount outstanding as on 31 December 2015:

Particulars	Amount (Rs. in million)
Loans given	Nil
Guarantee given	Nil
Investments made	150.00

B. Loans, Guarantee and Investments made during the Financial Year 2015:

Name of the entity	Relation	Amount (Rs. in million)	Particulars of loans, guarantees given or investments made	Purpose for which the loans, guarantees and investments are proposed to be utilised
Nil	-	-	-	-

On behalf of the Board

Sd/-
S Lamba
Chairman

Mumbai
16 February 2016

Annexure to directors' report.

[Annexure - 2]

Information pursuant to Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

(1) Ratio of the remuneration of each Director to the median remuneration of all the employees of the Company, percentage increase in remuneration of each Director, Chief Executive Officer, Chief Financial Officer and Company Secretary for the financial year 2015:

Median remuneration of all the employees of the Company for the financial year 2015	Rs. 805,890
The percentage increase in the median remuneration of employees in the financial year	7.37%
The number of permanent employees on the rolls of Company as on 31 December 2015	737

Name of Director/KMP	Remuneration (Rs. in million)	Ratio of remuneration of each Director to median remuneration of the employees of the Company	% increase in remuneration in the financial year 2015
• Non-Executive Directors			
Mr Sanjiv Lamba	Nil	N. A.	N. A.
Ms Desiree Co Bacher	Nil	N. A.	N. A.
• Independent Directors*			
Mr Arun Balakrishnan	0.29	0.36	80.62%
Mr Jyotin Mehta	0.28	0.35	95.14%
Mr Aditya Narayan	0.27	0.33	107.03%
• Executive Director			
Mr Moloy Banerjee, MD	19.24	23.75	7%
• Key Managerial Personnel (other than MD)			
Mr Milan Sadhukhan, CFO	7.84	N. A.	20%
Mr Pawan Marda, CS	5.86	N. A.	8%

* Independent Directors were only paid sitting fees during 2015.

(2) Relationship between average increase in remuneration and Company performance:

As per the Company's remuneration policy, in addition to a fixed salary, employees receive variable remuneration components depending on their grade/band in the hierarchy. Industry benchmarks, overall business performance for the year and annual remuneration budget are taken into consideration for effecting annual increases in remuneration. Every year the salary increases for the Company are decided on the basis of benchmarking survey that is undertaken with similar profile organisations, industry, job profile, experience, etc.

(3) Comparison of the remuneration of the KMP against the performance of the Company:

Particulars	Rs. in million
Aggregate remuneration of KMP in financial year 2015	32.94
Revenue	17,023.47
Remuneration of KMPs (as % of revenue)	0.19%
Profit Before Tax (PBT)	5.56
Remuneration of KMPs (as % of PBT)	592.45%

(4) Variations in the market capitalisation of the Company, price earnings ratio as at the closing date of the current financial year and previous financial year and percentage increase over decrease in the market quotations of the shares of the Company in comparison to the rate at which the Company came out with the last public offer:

Sl. No.	Description	Rs. in million
1	Market Cap variation	
	Mcap at 31 December 2015	26,988.19
	Mcap at 31 December 2014	37,827.82
	Variation in Mcap in FY 2015 (%)	(28.65%)
2	Price-to-Earnings Ratio	
	PE as at 31 December 2015 (Mkt Price/EPS)	115.07
	PE as at 31 December 2014 (Mkt Price/EPS)	704.05
	Variation in PE in FY 2015 (%)	(83.66%)
3	% Increase/Decrease from last Public Offer	
	FPO/Rights Issue price per share (1997)	60
	Market price as at 31 December 2015	316.45
	% Increase/(Decrease)from last FPO/Rights Issue	427.42%

Note: Closing share price of Equity Shares at BSE has been used for the above table.

- (5) Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and exceptional circumstances for increase in the managerial remuneration, if any:

The average percentage increase made in the salaries of permanent employees other than the managerial personnel during the year 2015 was 11.15%, whereas the increase in the managerial remuneration was 7%. The average increases every year is an outcome of the Company's market competitiveness, salary benchmarking survey, inflation and talent retention.

- (6) Comparison of the remuneration of each KMP against the performance of the Company:

Sl. No.	Particulars of Remuneration	Key Managerial Personnel		
		Mr Moley Banerjee, MD	Mr Milan Sadhukhan, CFO	Mr Pawan Marda, CS
1	Remuneration in FY 2015 (Rs. in million)	19.24	7.84	5.86
2	Revenue (Rs. in million)	17,023.47	17,023.47	17,023.47
3	Remuneration as % of Revenue	0.11%	0.05%	0.03%
4	Profit Before Tax (PBT) (Rs. in million)	5.56	5.56	5.56
5	Remuneration as % of PBT	346.04%	141.01%	105.40%

- (7) The key parameters for any variable component of remuneration availed by the directors:

Variable Compensation in the form of Short Term Incentive Plan (STIP) of the Linde Group is an integral part of our total remuneration package for all banded employees including Executive Directors. This performance based STIP is directly linked to Company performance and individual achievement. It is calculated annually, documented and tracked using the individual achievement in performance management system. At the beginning of the year, performance contracts containing key targets are assigned to all banded employees and Executive Directors, which are derived from organisational goals and performance appraisal system ensures assessment of the individual achievement in a fair and transparent manner.

- (8) The ratio of the remuneration of the highest paid director to that of the employees who are not directors but receive remuneration in excess of the highest paid director during the year:
Not Applicable

- (9) It is hereby affirmed that the remuneration paid during the year is as per the remuneration policy of the Company.

On behalf of the Board

Sd/-
S Lamba
Chairman

Mumbai
16 February 2016

Annexure to directors' report.

[Annexure - 3]

Annual Report on Corporate Social Responsibility

[Pursuant to Companies (Corporate Social Responsibility Policy) Rules, 2014]

1. A brief outline of the Company's CSR Policy, including overview of projects or programmes proposed to be undertaken and a reference to the web-link to the CSR Policy and projects or Programmes

Your Company is committed to behave responsibly towards people, society and the environment for inclusive growth of the society where we operate, to conserve natural resources and to develop sustainable products. The CSR Commitment of your Company is centred around four thematic areas viz. Education, Health, Environment and Livelihood (Skill Development).

The CSR Policy of the Company is available on the Company's website at http://www.linde.in/en/corporate_responsibility/publications/index.html.

Brief overview of CSR projects/programmes

Some of the key CSR projects/programmes of Linde India are as follows:

Education: The Company's CSR projects/programmes on Education are intended to support promoting and providing access to basic education for underprivileged/differently abled children. The Company's CSR projects/programmes include adopting and sponsoring a classroom comprising differently abled children at Indian Institute of Cerebral Palsy and at a community school in Jamshedpur, education of visually impaired children at Radha Krishna Dristihina Vidyalaya and education of destitute children through Reaching Hand NGO at Bangalore.

Health: The Company's CSR project/programmes on Health are intended to improve the quality of care giving, preventive health care, etc. In this regard, the Company had provided an advanced cardiac care life support ambulance for cancer patients to Bharat Sevashram Sangha, supported treatment of TB patients at Bantra St. Thomas' Home Welfare Society, production of a film on public awareness about hygiene and proper use of public toilets, health camp for the underprivileged people at a village in Jharkhand.

Environment: The Company's CSR project/programmes on Environment are intended towards its commitment to environmental protection and supporting plantation of trees, access to clean water, etc. As a part of this programme, trees were planted in Chennai.

Livelihood (Skill Development): The Company's CSR projects/programmes on Livelihood are aimed at promoting alternate livelihood and supporting development of vocational skills amongst underprivileged people. The CSR Projects/programmes in this area include livelihood programme for underprivileged women through TARA NGO, contribution towards mid day meals at Bellary to AkshyaPatra Foundation, nursing training for tribal girls at Jamshedpur, etc.

2. The Composition of the CSR Committee

Please refer to the Corporate Governance Report for the composition of the CSR Committee.

	Rs. in million
3. Average net profit of the Company for last three financial years	466.46
4. Prescribed CSR Expenditure (two per cent of the amount as in item 3 above)	9.33
5. Details of CSR Spent during the financial year 2015	
a) Total amount to be spent for the financial year	9.33
b) Total amount spent during the year	8.77
c) Amount unspent, if any	0.56

d) Manner in which the amount was spent during the financial year 2015 is detailed below:

Sl. No.	CSR Project or activity identified	Sector in which the project is covered	Projects/ Programmes coverage [State and District]	Amount outlay [budget] (Rs.)	Amount spent on the Project/Programmes		Cumulative expenditure upto 31 Dec. 2015 (Rs.)	Amount spent Direct/Through implementing agency
					Direct expenditure (Rs.)	Overheads (Rs.)		
01	Advanced cardiac care life support ambulance for cancer patients	Health	Navi Mumbai, Maharashtra	2,100,000	2,326,750	-	2,326,750	Direct – Bharat Sevashram Sangha
02	Treatment of Tuberculosis patients	Health	Howrah, West Bengal	1,000,000	1,000,000	-	1,000,000	Direct – Bantra St. Thomas' Home Welfare Society
03	Livelihood programme for underprivileged women	Livelihood (Skill Development)	Faridabad, Haryana	962,798	962,798	-	962,798	Through implementing agency – Technology and Advancement for Rural Action (TARA), New Delhi
04	Enabling education for the differently abled	Education	Kolkata, West Bengal	800,000	800,000	-	800,000	Direct – Indian Institute of Cerebral Palsy
05	Sponsoring a classroom for education of underprivileged children	Education	Jamshedpur, Jharkhand	627,000	627,000	-	627,000	Direct - Premjyoti Prangan School
06	Education of underprivileged children	Education	Chennai, Tamil Nadu	500,000	500,000	-	500,000	Direct - Aim for Seva
07	Adopting a classroom for education of underprivileged children	Education	Kolkata, West Bengal	500,000	500,000	-	500,000	Through implementing agency – Disha Foundation, Kolkata
08	Contribution towards education of visually impaired children	Education	Rourkela, Odisha	500,000	500,000	-	500,000	Direct – Radhakrishna Drustihina Vidyalaya, Rourkela
09	Prime Minister's National Relief Fund	N.A.	N.A.	500,000	500,000	-	500,000	Direct – Prime Minister's National Relief Fund
10	Helping with the education of destitute children	Education	Bangalore, Karnataka	499,800	500,000	-	500,000	Through implementing agency – Reaching Hand, Bangalore

Sl. No.	CSR Project or activity identified	Sector in which the project is covered	Projects/ Programmes coverage [State and District]	Amount outlay [budget] (Rs.)	Amount spent on the Project/Programmes		Cumulative expenditure upto 31 Dec. 2015 (Rs.)	Amount spent Direct/Through implementing agency
					Direct expenditure (Rs.)	Overheads (Rs.)		
11	Production of a film on hygiene and proper use of public toilets for information of the general public	Health	-	363,800	363,800	-	363,800	Direct
12	Contribution towards midday meals	Livelihood	Bellary, Karnataka	94,450	94,450	-	94,450	Direct - Akshaya Patra at Vittalapura ITI, Bellary
13	Nursing training for tribal girls	Livelihood	Jamshedpur, Jharkhand	72,000	72,000	-	72,000	Direct - Family Planning Association of India, Jamshedpur
14	Health camp for the underprivileged	Health	Rapcha, Jharkhand	23,000	23,200	-	23,200	Direct - Family Planning Association of India, Jamshedpur
15	Carrying out health camps in interior villages	Health	-	800,000	-	-	-	-
16	Drive Safe Campaigns with Kolkata Traffic Police	Livelihood (Skill Development)	-	500,000	-	-	-	-
Total				9,842,848	8,769,998	-	8,769,998	
6.	Reason for failure to spend two per cent of the average net profits of the last three financial year or any part thereof			The Company's CSR spend during the year was Rs. 8.77 million, which was slightly lower than the prescribed CSR spend of Rs. 9.33 million, being 2% of the average net profits of the last three financial years. While the Company had budgeted a higher CSR spend against the prescribed limit as above, two CSR projects, viz. health camps in villages and drive safe campaign with Kolkata Traffic Police could not materialise during the year due to certain issues relating to the modalities of these projects. The Company continues to maintain its focus on the project(s) and is hopeful of implementing them in the next year.				
7.	CSR Committee Responsibility Statement			The CSR Committee confirms that the implementation and monitoring of the CSR activities of the Company are in compliance with the CSR objectives and CSR Policy of the Company.				

On behalf of the Board

Sd/-
M Banerjee
Managing Director

Sd/-
A Balakrishnan
Chairman, CSR Committee

Mumbai
16 February 2016

Annexure to directors' report.

[Annexure - 4]

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO AS PER SECTION 134(3)(m) OF THE COMPANIES ACT, 2013 READ WITH RULE 8(3) OF THE COMPANIES (ACCOUNTS) RULES, 2014

A. CONSERVATION OF ENERGY

- i) Steps taken or impact on conservation of energy:
- (i) Corro-coating of cooling water pumps done by Bellary (1 Pump) and at JSL-Kalinganagar (2 Pumps) has resulted in average 7.5 to 10 KW reduction in power consumption.
 - (iii) Significant improvement in specific power at the 2550 tpd ASU at Jamshedpur by optimizing plant operation.
 - (iv) Energy procurement for Dahej and Taloja ASUs at competitive prices through India Energy Exchange/bilateral agreements.
- ii) Steps taken by the Company for utilizing alternate sources of energy:
The Company is exploring viability of installation of roof top solar unit in one of its merchant ASU.
- iii) Capital investment on energy conservation equipments
- (i) Investment planned for corro-coating of cooling water pumps at some of the remaining ASUs of the Company for reduction in power consumption.
 - (ii) Proposal for purchase of renewable energy certificates.

The above measures will result in savings in consumption of power, improvement in plant reliability and reduction in power usage per unit of output.

B. TECHNOLOGY ABSORPTION

- i) Efforts made towards technology absorption:
Nil

- ii) Benefits derived (like product improvement, cost reduction, product development or import substitution):
Not Applicable
- iii) Information regarding imported technology (last three years):
Not Applicable
- iv) Expenditure on Research and Development:

(a) Capital	Rs. Nil
(b) Recurring	Rs. 0.46 million
(c) Total	Rs. 0.46 million

C. FOREIGN EXCHANGE EARNINGS AND OUTGO

Total Foreign exchange used and earned:
Total Foreign exchange used during the year was Rs. 3,832.00 million and total foreign exchange earned during the year was Rs. 216.21 million, which included Rs. 150.71 million from exports.

On behalf of the Board

Sd/-
S Lamba
Chairman

Mumbai
16 February 2016

Annexure to directors' report.

[Annexure - 5]

FORM NO. MGT 9

EXTRACT OF ANNUAL RETURN

as on financial year ended on 31 December 2015

[Pursuant to Section 92(3) of the Companies Act, 2013 and Rule 12(1) of the Companies (Management & Administration) Rules, 2014]

I. Registration & other details

i	CIN	L40200WB1935PLC008184
ii	Registration Date	24/01/1935
iii	Name of the Company	LINDE INDIA LIMITED
iv	Category/Sub-category of the Company	Public Listed Company having Share Capital
v	Address of the Registered office & Contact details	Oxygen House, P43, Taratala Road, Kolkata - 700 088, West Bengal, India Phone No. +91 33 6602 1600, Fax No. +91 33 2401 4206 Website : www.linde.in
vi	Whether listed Company - Yes/No	Yes
vii	Name, Address & contact details of the Registrar & Transfer Agent, if any	Link Intime India Private Limited Regd. Office: C 13 Pannalal Silk Mills Compound, L B S Marg, Bhandup (W), Mumbai - 400 078, Maharashtra, India Kolkata Office: 59C, Chowringhee Road, 3rd Floor, Kolkata - 700 020, West Bengal, India Phone No. +91 33 2289 0540, Fax No. +91 33 2289 0539

II. Principal business activities of the Company

All the business activities contributing 10% or more of the total turnover of the Company are given below:-

Sl. No.	Name & Description of main products/ services	NIC Code of the Product/service	% to total turnover of the Company
1	Manufacture of liquefied or compressed inorganic industrial or medical gases	20111	87.95%
2	Construction of utility projects	42209	12.05%

III. Particulars of holding, subsidiary & associate companies

Sl. No.	Name & Address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of Shares Held	Applicable Section
1	The BOC Group Limited (a wholly owned subsidiary of Linde AG) The Priestley Centre, 10 Priestly Road, Surrey Research Park, Guildford, Surrey GU2 7XY, England	N.A.	Holding	75%	2(46)
2	Bellary Oxygen Company Private Limited 855 tpd Plant, JSW Steel Ltd. Premises, Torangallu, Bellary, Karnataka - 583 123, India	U40200KA2005 PTC036482	Joint Venture	50%	2(6)

IV. Shareholding pattern (equity share capital breakup as percentage to total equity)

(i) Category-wise Shareholding

Category of Shareholders	No. of Shares held at the beginning of the year on 1 January 2015				No. of Shares held at the end of the year on 31 December 2015				% change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
(a) Individual/HUF	-	-	-	-	-	-	-	-	-
(b) Central Government	-	-	-	-	-	-	-	-	-
(c) State Government	-	-	-	-	-	-	-	-	-
(d) Bodies Corporate	-	-	-	-	-	-	-	-	-
(e) Banks/Financial Institutions	-	-	-	-	-	-	-	-	-
(f) Any other (specify)	-	-	-	-	-	-	-	-	-
Sub-total (A)(1)	-	-	-	-	-	-	-	-	-
(2) Foreign									
(a) NRIs - Individuals	-	-	-	-	-	-	-	-	-
(b) Other Individuals	-	-	-	-	-	-	-	-	-
(c) Bodies Corporate	63,963,167	-	63,963,167	75.0000	63,963,167	-	63,963,167	75.0000	0.0000
(d) Banks/Financial Institutions	-	-	-	-	-	-	-	-	-
(e) Any other (specify)	-	-	-	-	-	-	-	-	-
Sub-total (A)(2)	63,963,167	-	63,963,167	75.0000	63,963,167	-	63,963,167	75.0000	0.0000
Total Shareholding of Promoter (A)= (A)(1)+(A)(2)	63,963,167	-	63,963,167	75.0000	63,963,167	-	63,963,167	75.0000	0.0000
B. Public Shareholding									
(1) Institutions									
(a) Mutual Funds	6,411,509	508	6,412,017	7.5184	6,661,298	508	6,661,806	7.8113	0.2929
(b) Banks/Financial Institutions	7,969	6,973	14,942	0.0175	10,213	6,973	17,186	0.0202	0.0027
(c) Central Government	-	-	-	-	-	-	-	-	-
(d) State Government	0	29	29	0.0000	0	29	29	0.0000	0.0000
(e) Venture Capital Fund	-	-	-	-	-	-	-	-	-
(f) Insurance Companies	765,592	100	765,692	0.8978	765,592	100	765,692	0.8978	0.0000
(g) Foreign Institutional Investors	7,083,796	533	7,084,329	8.3067	6,937,105	533	6,937,638	8.1347	-0.1720
(h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
(i) Any Other (specify)	-	-	-	-	-	-	-	-	-
(i - 1) Foreign Portfolio Investor	-	-	-	-	534,634	-	534,634	0.6269	0.6269
Sub-total (B)(1)	14,268,866	8,143	14,277,009	16.7405	14,908,842	8,143	14,916,985	17.4909	0.7504

Category of Shareholders	No. of Shares held at the beginning of the year on 1 January 2015				No. of Shares held at the end of the year on 31 December 2015				% change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
(2) Non Institutions									
(a) Bodies corporate									
(i) Indian	813,190	20,915	834,105	0.9780	285,528	20,692	306,220	0.3591	-0.6189
(ii) Overseas	-	-	-	-	-	-	-	-	-
(b) Individuals									
(i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	3,294,459	1,061,080	4,355,539	5.1071	3,069,387	1,012,284	4,081,671	4.7860	-0.3211
(ii) Individual shareholders holding nominal share capital in excess of Rs. 1 lakh	1,682,586	12,000	1,694,586	1.9870	1,654,795	12,000	1,666,795	1.9544	-0.0326
(c) Any Other (specify)									
(c - 1) Directors	400	200	600	0.0007	400	200	600	0.0007	0.0000
(c - 2) Clearing Member	44,920	0	44,920	0.0527	17,628	0	17,628	0.0207	-0.0320
(c - 3) Trust	8,690	0	8,690	0.0102	7,954	0	7,954	0.0093	-0.0009
(c - 4) NRIs	95,309	10,298	105,607	0.1238	-	-	-	-	-0.1238
(c - 5) Foreign Nationals	-	-	-	-	286	0	286	0.0003	0.0003
(c - 6) Hindu Undivided Family	-	-	-	-	175,944	0	175,944	0.2063	0.2063
(c - 7) Non Resident Indians (Repatriable)	-	-	-	-	71,689	8,935	80,624	0.0945	0.0945
(c - 8) Non Resident Indians (Non Repatriable)	-	-	-	-	58,789	0	58,789	0.0689	0.0689
(c - 9) Market Maker	-	-	-	-	7,560	0	7,560	0.0089	0.0089
Sub-total (B)(2)	5,939,554	1,104,493	7,044,047	8.2595	5,349,960	1,054,111	6,404,071	7.5091	-0.7504
Total Public Shareholding	20,208,420	1,112,636	21,321,056	25.0000	20,258,802	1,062,254	21,321,056	25.0000	0.0000
(B)= (B)(1)+(B)(2)									
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	84,171,587	1,112,636	85,284,223	100.0000	84,221,969	1,062,254	85,284,223	100.0000	-

(ii) Shareholding of Promoters

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year on 1 January 2015			Shareholding at the end of the year on 31 December 2015			% change in shareholding during the year
		No. of shares	% of total shares of the Company	% of shares pledged/encumbered to total shares	No. of shares	% of total shares of the Company	% of shares pledged/encumbered to total shares	
1	The BOC Group Ltd, U.K., a part of The Linde Group	63,963,167	75.0000	-	63,963,167	75.0000	-	0.0000
Total		63,963,167	75.0000	-	63,963,167	75.0000	-	0.0000

(iii) Change in Promoters' Shareholding (Specify if there is no change)

Sl. No.	Name of the shareholder	Shareholding at the beginning (1 January 2015)/end (31 December 2015) of the year		Cumulative Shareholding during the year (1 January 2015 to 31 December 2015)	
		No. of Shares	% of total shares of the Company	No. of shares	% of total shares of the Company
1	The BOC Group Ltd, U.K., a part of The Linde Group				
	At the beginning of the year	63,963,167	75.0000		
	Date wise Increase/decrease in Promoters shareholding during the year alongwith reason for increase/decrease	-	-	-	-
	At the end of the year	63,963,167	75.0000		

Note: There is no change in the total shareholding of promoters during the year 2015.

(iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters & Holders of GDRs & ADRs)

Sl. No.	Name of shareholders	Shareholding at the beginning (1 January 2015)/end (31 December 2015) of the year			Reason for Increase/Decrease	Cumulative Shareholding during the year (1 January 2015 to 31 December 2015)	
		Date	No. of shares	% of total shares of the Company		No. of shares	% of total shares of the Company
1	Reliance Capital Trustee Co. Ltd. A/c Reliance Equity Opportunity Fund						
	At the beginning of the year	01/01/2015	2,047,258	2.4005			
	Date wise increase/decrease in shareholding during the year alongwith reason for increase/decrease	13/02/2015	6,950	0.0081	Market Purchase	2,054,208	2.4087
		27/02/2015	13,300	0.0156	Market Purchase	2,067,508	2.4243
		06/03/2015	7,000	0.0082	Market Purchase	2,074,508	2.4325
		27/03/2015	23,200	0.0272	Market Purchase	2,097,708	2.4597
		10/04/2015	21,400	0.0251	Market Purchase	2,119,108	2.4848
		01/05/2015	5,150	0.0060	Market Purchase	2,124,258	2.4908
		15/05/2015	20,000	0.0235	Market Purchase	2,144,258	2.5142
		12/06/2015	6,600	0.0077	Market Purchase	2,150,858	2.5290
	At the end of the year	31/12/2015	2,150,858	2.5290			
2	Aberdeen Asian Smaller companies Investment Trust PLC						
	At the beginning of the year	01/01/2015	1,674,000	1.9628			
	Date wise increase/decrease in shareholding during the year alongwith reason for increase/decrease	-	-	-	-	-	-
	At the end of the year	31/12/2015	1,674,000	1.9628			
3	National Westminster Bank PLC As Depository of First State Indian Subcontinent Fund, A Sub Fund of First State Investment ICVC						
	At the beginning of the year	01/01/2015	1,511,708	1.7726			
	Date wise increase/decrease in shareholding during the year alongwith reason for increase/decrease	-	-	-	-	-	-
	At the end of the year	31/12/2015	1,511,708	1.7726			
4	Reliance Capital Trustee Company Limited A/C Reliance Vision Fund						
	At the beginning of the year	01/01/2015	1,350,000	1.5829			
	Date wise increase/decrease in shareholding during the year alongwith reason for increase/decrease	-	-	-	-	-	-
	At the end of the year	31/12/2015	1,350,000	1.5829			
5	The Scottish Oriental Smaller Companies Trust PLC						
	At the beginning of the year	01/01/2015	1,202,895	1.4105			
	Date wise increase/decrease in shareholding during the year alongwith reason for increase/decrease	07/08/2015	(7,947)	(0.0094)	Market Sale	1,194,948	1.4011
		14/08/2015	(5,500)	(0.0064)	Market Sale	1,189,448	1.3947
		23/10/2015	(8,894)	(0.0104)	Market Sale	1,180,554	1.3843
	At the end of the year	31/12/2015	1,180,554	1.3843			

Sl. No.	Name of shareholders	Shareholding at the beginning (1 January 2015)/end (31 December 2015) of the year			Reason for Increase/Decrease	Cumulative Shareholding during the year (1 January 2015 to 31 December 2015)	
		Date	No. of shares	% of total shares of the Company		No. of shares	% of total shares of the Company
6	Reliance Capital Trustee Co Ltd A/C - Reliance Regular Savings Fund - Equity Option						
	At the beginning of the year	01/01/2015	1,000,211	1.1728			
	Date wise increase/decrease in shareholding during the year alongwith reason for increase/decrease	27/03/2015	(211)	(0.0000)	Market Sale	1,000,000	1.1725
	At the end of the year	31/12/2015	1,000,000	1.1725			
7	Reliance Capital Trustee Company Limited - A/C Reliance Tax Saver (ELSS) Fund						
	At the beginning of the year	01/01/2015	900,000	1.0552			
	Date wise increase/decrease in shareholding during the year alongwith reason for increase/decrease	02/01/2015	45,000	0.0528	Market Purchase	945,000	1.1081
		09/01/2015	8,300	0.0097	Market Purchase	953,300	1.1178
		23/01/2015	9,700	0.0114	Market Purchase	963,000	1.1292
		30/01/2015	135,000	0.1583	Market Purchase	1,098,000	1.2875
		06/02/2015	306,000	0.3588	Market Purchase	1,404,000	1.6463
		27/02/2015	22,800	0.0267	Market Purchase	1,426,800	1.6730
		03/04/2015	15,600	0.0183	Market Purchase	1,442,400	1.6913
		10/04/2015	34,000	0.0399	Market Purchase	1,476,400	1.7312
		11/09/2015	5,000	0.0058	Market Purchase	1,481,400	1.7370
	At the end of the year	31/12/2015	1,481,400	1.7370			
8	Pacific Assets Trust PLC (erstwhile First State Investment International Limited A/C Pacific Assets Trust PLC)						
	At the beginning of the year	01/01/2015	893,074	1.0472			
	Date wise increase/decrease in shareholding during the year alongwith reason for increase/decrease	-	-	-	-	-	-
	At the end of the year	31/12/2015	893,074	1.0472			
9	The New India Assurance Company Limited						
	At the beginning of the year	01/01/2015	765,592	0.8977			
	Date wise increase/decrease in shareholding during the year alongwith reason for increase/decrease	-	-	-	-	-	-
	At the end of the year	31/12/2015	765,592	0.8977			
10	New India Investment Company (Mauritius) Limited						
	At the beginning of the year	01/01/2015	750,000	0.8794			
	Date wise increase/decrease in shareholding during the year alongwith reason for increase/decrease	-	-	-	-	-	-
	At the end of the year	31/12/2015	750,000	0.8794			

Note:

The above information in point (iv) is based on the weekly beneficiary position received from Depositories.

(v) Shareholding of Directors & Key Managerial Personnel

Sl. No.	Name of the shareholder	Shareholding at the beginning (1 January 2015)/end (31 December 2015) of the year		Cumulative Shareholding during the year (1 January 2015 to 31 December 2015)	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
	Directors¹				
1	Mr Sanjiv Lamba				
	At the beginning of the year	400	0.0005		
	Date wise increase/decrease in shareholding during the year alongwith reason for increase/decrease	-	-	-	-
	At the end of the year	400	0.0005		
2	Mr Moley Banerjee				
	At the beginning of the year	200	0.0002		
	Date wise increase/decrease in shareholding during the year alongwith reason for increase/decrease	-	-	-	-
	At the end of the year	200	0.0002		
	Key Managerial Personnel²				
3	Mr Pawan Marda, Company Secretary				
	At the beginning of the year	250	0.0003		
	Date wise increase/decrease in shareholding during the year alongwith reason for increase/decrease	-	-	-	-
	At the end of the year	250	0.0003		

Note:

1. Mr Aditya Narayan, Mr Jyotin Kantilal Mehta, Mr Arun Balakrishnan, Mr Binod Patwari (Director for part of the year) and Ms Desiree Co. Bacher (Director for part of the year) did not hold any shares of the Company during the year 2015.
2. Mr Milan Sadhukhan, Chief Financial Officer, did not hold any shares of the Company during the year 2015.

V. Indebtedness

Indebtedness of the Company including interest outstanding/accrued but not due for payment

Rs. in million	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtness at the beginning of the financial year (1 January 2015)				
i) Principal Amount	-	15,644.30	200.96	15,845.26
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	224.20	-	224.20
Total (i+ii+iii)	-	15,868.50	200.96	16,069.46
Change in Indebtedness during the financial year (1 January 2015 - 31 December 2015)				
Additions	-	312.26	151.85	464.11
Reduction	-	(1,594.54)	-	(1,594.54)
Forex impact & CCS unwinding	-	(495.39)	-	(495.39)
Net Change	-	(1,777.67)	151.85	(1,625.82)
Indebtedness at the end of the financial year (31 December 2015)				
i) Principal Amount	-	13,882.60	352.81	14,235.41
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	208.23	-	208.23
Total (i+ii+iii)	-	14,090.83	352.81	14,443.64

VI. Remuneration of directors and key managerial personnel

A. Remuneration to Managing Director, Whole-time Directors and/or Manager

Sl. No.	Particulars of Remuneration	Name of the MD/WTD/Manager	Rs. in million	
			Total Amount	
1	Gross salary	Mr Moloy Banerjee, MD		
	(a) Salary as per provisions contained in Section 17(1) of the Income Tax, 1961		13.81	13.81
	(b) Value of perquisites u/s 17(2) of the Income Tax Act, 1961		3.79	3.79
	(c) Profits in lieu of salary u/s 17(3) of the Income Tax Act, 1961		-	-
2	Stock Option		-	-
3	Sweat Equity		-	-
4	Commission			
	as % of profit		-	-
	others (specify)		-	-
5	Others (Contribution to Funds)		1.64	1.64
Total (A)			19.24*	19.24
Ceiling as per the Companies Act, 2013			Nil	Nil

* Special Resolution for payment of minimum remuneration was passed by the shareholders at Company's annual general meeting held on 15 May 2015.

B. Remuneration to other Directors

Sl. No.	Particulars of Remuneration	Rs. in million		
		Commission	Sitting Fees	Total Compensation
I	Independent Directors			
1	Mr Jyotin Kantilal Mehta	-	0.28	0.28
2	Mr Arun Balakrishnan	-	0.29	0.29
3	Mr Aditya Narayan	-	0.27	0.27
	Total (I)	-	0.84	0.84
II	Other Non Executive Directors[#]			
1	Mr Sanjiv Lamba	-	-	-
2	Mr Binod Patwari*	-	-	-
3	Ms Desiree Co Bacher*	-	-	-
	Total (II)	-	-	-
	Total (B)=(I) + (II)	-	0.84	0.84
	Total Managerial Remuneration [(A)+(B)]	-	-	20.08
	Overall Ceiling as per the Companies Act, 2013	Nil	Nil	Nil

[#] Comprises of Directors representing The Linde Group. They have not accepted any remuneration from the Company.

* Part of the year

C. Remuneration to KMP other than MD/Manager/WTD

Sl. No.	Particulars of Remuneration	Key Managerial Personnel		Rs. in million
				Total Amount
		CFO Mr Milan Sadhukhan	Company Secretary Mr Pawan Marda	
1	Gross Salary			
	(a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961	6.70	4.72	11.42
	(b) Value of perquisites u/s 17(2) of the Income Tax Act, 1961	0.64	0.65	1.29
	(c) Profits in lieu of salary u/s 17(3) of the Income Tax Act, 1961	-	-	-
2	Stock Option	-	-	-
3	Sweat Equity	-	-	-
4	Commission			
	as % of profit	-	-	-
	others (specify)	-	-	-
5	Others (Contribution to Funds)	0.50	0.49	0.99
	Total	7.84	5.86	13.70

VII. PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES

There were no penalties/punishment/compounding of offences for breach of any section of the Companies Act against the Company or its Directors or other officers in default, if any, during the year 2015.

On behalf of the Board

Sd/-
S Lamba
Chairman

Mumbai
16 February 2016

Annexure to directors' report.

[Annexure - 6]

Form No. MR-3

SECRETARIAL AUDIT REPORT

for the financial year ended 31 December 2015

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule no.9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members of
Linde India Limited

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Linde India Limited (hereinafter called "the Company"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31 December 2015 complied with the statutory provisions listed hereunder and also that the Company has proper board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31 December 2015 according to the provisions of:

1. The Companies Act, 2013 ("the Act") and the rules made thereunder;
2. The Securities Contracts (Regulation) Act, 1956 ("SCRA") and the rules made thereunder;
3. The Depositories Act, 1996 and the regulations and bye-laws framed thereunder;
4. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
5. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ("SEBI Act"):
 - a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992 to the extent applicable to the Company during the period under review;

- c. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 to the extent applicable to the Company during the period under review;
 - d. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
 - e. The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;
 - f. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
 - g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009;
 - h. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;
 - i. The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 to the extent applicable to the Company during the period under review;
6. Laws specifically applicable for Chemical Industries are:
- a. Explosives Act, 1884, Explosives Rules, 2008
 - b. Gas Cylinder Rules 2004
 - c. Static & Mobile Pressure Vessels (Unfired) Rules, 1981
 - d. Petroleum Act, 1934 & Petroleum Rules, 2002
 - e. Drugs & Cosmetics Act & Rules
 - f. Ammonium Nitrate Rules 2012
 - g. Environment Protection Act & Rules
 - h. Drug (Prices Control) Order under Essential Commodities Act.

We have also examined compliance with the applicable clauses of the following:

- a. Secretarial Standards issued by the Institute of Company Secretaries of India;
- b. The Listing Agreements entered into by the Company with the BSE Limited, National Stock Exchange of India Limited and the Calcutta Stock Exchange Limited (upto 19 October 2015) to the extent applicable to the Company during the period under review.

We report that during the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

Management Responsibility

1. Maintenance of secretarial records is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit;
2. We have followed the audit practices and the processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion;
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company;
4. Wherever required, we have obtained the Management Representation about the compliance of laws, rules and regulation and happening of events etc;
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedure on test basis;
6. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

We further report that

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

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

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

Based on such checks as considered appropriate and documents provided by the Company, we observed that the specific laws, as applicable to the Company are being duly complied with by various cross functional departments and plant managers.

We further report that during the audit period, the Company has not incurred any specific event that can have a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc.

Vinod Kothari & Company
Practising Company Secretaries

Sd/-
Vinod Kothari
CEO
Membership No: A4718
C P No: 1391

Date: 13 February 2016
Place: Kolkata

Report on corporate governance.

In accordance with Regulation 34(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 [hereinafter referred to as 'SEBI Listing Regulations'] read with the disclosure requirements relating to the Corporate Governance Report contained in Schedule V of the SEBI Listing Regulations which came into effect from 1 December 2015 and Clause 49 of the erstwhile Listing Agreement entered into with the Stock Exchanges in India, the details of compliance by the Company with the norms on Corporate Governance are as under:

Company's philosophy on Code of Governance

Linde India Limited believes in good corporate governance and continuously endeavours to improve focus on it by increasing transparency and accountability to its shareholders in particular and other stakeholders in general. The Company undertakes to behave responsibly towards its shareholders, business partners, employees, society and the environment. As a member of The Linde Group, the Company is committed to business integrity, high ethical values and professionalism in all its activities.

Board of Directors (Board)

Composition of the Board as on 31 December 2015

Linde India's Board has an appropriate mix of Executive and Non-Executive Directors. The Non-Executive Directors including Independent Directors impart balance to the Board and bring independent judgment in its deliberations and decisions. As on 31 December 2015, the Board of the Company comprised of six Directors, detail whereof is given below:

- A Non-Executive Chairman representing The Linde Group;
- Three Independent Directors;
- One Non-Executive Director representing The Linde Group; and
- One Executive Director.

The composition of the Board is in conformity with Section 149 of the Companies Act, 2013 and Reg. 17 of SEBI Listing Regulations.

Board Meetings

A calendar of Board and Committee meetings is agreed and circulated in advance to the Directors. Additional meetings are held, when necessary. During the year ended 31 December 2015, four Board meetings were held on 17 February 2015, 23 April 2015, 06 August 2015 and 09 November 2015. The gap between any two consecutive meetings did not exceed one hundred and twenty days.

Board Agenda

The meetings of the Board are governed by a structured agenda. The agenda papers are circulated in advance before each meeting to all the Directors. All Board members have access to accurate, relevant and timely information to fulfill their responsibilities. The Board members in consultation with the Chairman may bring up other matters for consideration at the Board meetings.

Information placed before the Board

Necessary information as required under the Companies Act and the Listing Agreement/SEBI Listing Regulations as applicable have been placed before and reviewed by the Board from time to time. The Board also periodically reviews compliance by the Company with the applicable laws/statutory requirements concerning the business and affairs of the Company.

Attendance of Directors at the Board Meetings of the Company held during the year ended 31 December 2015 and the last Annual General Meeting (AGM), Number of Other Directorship(s) and other Board Committee Membership(s) held as on 31 December 2015

Name of the Director	Category of Directorship	No. of Board meetings attended	Attendance at the last AGM held on 15 May 2015	No. of other directorship(s) ⁽ⁱ⁾	Other Board Committee membership(s)/ chairmanship(s) ⁽ⁱⁱ⁾
Mr S Lamba ⁽ⁱⁱⁱ⁾	(Chairman) Non-Executive Director	4	Yes	-	-
Mr A Balakrishnan	Independent Director	4	Yes	7	5 [including 4 as Chairman]
Mr J Mehta	Independent Director	4	Yes	1	1 [as Chairman]
Mr A Narayan	Independent Director	4	Yes	2	2 [including 1 as Chairman]
Mr B Patwari ^{(iii)(iv)}	Non-Executive Director	-	N.A.	-	-
Ms D Bacher ^{(iii)(v)}	Non-Executive Director	3	Yes	-	-
Mr M Banerjee	(Managing Director) Executive Director	4	Yes	-	-

(i) Excludes directorships in Indian private limited companies, foreign companies, companies under Section 8 of the Companies Act, 2013.

(ii) Represents memberships/chairmanships of Audit Committee and Stakeholders Relationship Committee.

(iii) Director representing The Linde Group.

(iv) Mr B Patwari resigned as Director of the Company from the close of business hours on 17 February 2015.

(v) Ms D Bacher was appointed as an Additional Director (Non-Executive) of the Company by the Board effective 17 February 2015.

(vi) There are no inter-se relationships between the Board Members of the Company.

Separate Meeting of Independent Directors

During the year 2015, as per the requirement of Schedule IV of the Companies Act, 2013 and the Listing Agreement/SEBI Listing Regulations, two separate meetings of Independent Directors were held on 23 April 2015 and 01 October 2015 without the presence of the non-independent directors and the members of the management. These meetings were conducted in an informal manner to enable the Independent Directors to discuss and review the performance of non-independent directors and the Board as a whole, performance of the Chairman of the Company and for assessing the quality, quantity and timeliness of flow of information between the Company management and the Board. The Independent Directors also meet the non-executive Chairman to discuss their issues and concerns, if any, and for providing their inputs in this regard.

Codes and Policies

The Board has adopted all applicable codes and policies as per the requirement of the Companies Act, 2013, SEBI (Prohibition of Insider Trading) Regulations, 2015 and the Listing Agreement/SEBI Listing Regulations. The requisite codes and policies are posted on the Company's website at www.linde.in and references to these codes and policies have been given elsewhere in this Report.

Codes of Conduct

As a member of The Linde Group, the Company had adopted Linde's Code of Ethics as the Code of Conduct for all its employees including its Wholtime Directors. Linde's Code of Ethics anchors ethical and legal behaviour within the organisation. The Board of Directors laid down a separate Code for the Non-Executive Directors of the Company. The aforesaid Codes are available on the Company's website at http://www.linde.in/en/investor_relations/codes_and_policies/index.html. All Directors and senior management personnel of the Company as on 31 December 2015 have individually affirmed their compliance with the applicable Code of Conduct. A declaration signed by the Managing Director (CEO) to this effect is enclosed at the end of this report. The Code of Conduct for the Non-Executive Directors is in line with the provisions of Section 149(8) and Schedule IV of the Companies Act, 2013 and contains brief guidance for professional conduct by the Non-Executive Independent Directors.

During the year 2015, pursuant to the SEBI (Prohibition of Insider Trading) Regulations, 2015, the Board of the Company approved and laid down Linde India's Code of Conduct to regulate, monitor and report Insider Trading by the Company's employees and other connected persons and a Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information to ensure timely and adequate disclosure of price sensitive information to the Stock Exchange(s)

by the Company to enable the investor community to take informed investment decisions with regard to the Company's securities. The Code of Conduct to regulate, monitor and report Insider Trading has replaced the Company's earlier code on Insider Trading framed under the SEBI (Prohibition of Insider Trading) Regulations, 1992. The Company has taken measures to create awareness about the Code among its employees and has implemented a system of reporting details of trading in the securities of the Company by the Designated Persons to the Audit Committee at periodic intervals.

Risk Management

The Company had originally developed a risk management framework in the year 2006 for identification and prioritization of various risks based on pre defined criteria. Since then the Company has been holding risk workshops periodically to refresh its risks in line with the dynamic and ever changing business environment. During the year under review, a fresh risk workshop was conducted on 13 July 2015, which was attended by the senior management team of the Company. The senior management team deliberated on the carried forward risks and new risks identified at the workshop and prioritized them on the basis of their EBIT impact and probability scores. These risks were thereafter assigned to various risk owners within the Company and appropriate mitigation plans were put in place in respect of them. The Company has implemented a system for identification, assessment, mitigation and review of new risks on an ongoing basis. The Board provides oversight of the risk management process followed by the Company and reviews the progress of the action plan for each risk on quarterly basis with special focus on the top 5 identified key risks.

Formal Letter of Appointment to the Independent Directors

As per the provisions of Sections 149 and 152 read with Schedule IV of the Companies Act, 2013 and rules made thereunder and Clause 49 of the Listing Agreement, the Members had appointed Mr A Balakrishnan, Mr J Mehta and Mr A Narayan as Independent Directors of the Company with effect from 1 October 2014 for a term of five consecutive years. Individual letters of appointment were issued to the Independent Directors on their appointment containing the terms and conditions of their appointment, role, duties and liabilities, evaluation process, code of conduct, etc. The specimen letter of appointment issued to the Independent Directors has been posted on the Company's website at www.linde.in.

Familiarisation programmes for Independent Directors

As a member of The Linde Group, the Company believes that an appropriate induction programme for new Directors and ongoing training for existing Directors makes a significant contribution to the maintenance of high corporate governance standards. The Managing Director and the Company Secretary are jointly responsible for ensuring that such induction and training programmes are provided to Directors, who in consultation with the Chairman ensure that the programmes to familiarise the Non-Executive Directors with the business is maintained over time and kept relevant to the needs of the individual directors and the Board as a whole. The familiarization programme is designed to build an understanding of Linde India, its business model, markets and regulatory environment, roles, rights and responsibilities of Independent Directors etc. Details of familiarization programmes for Directors is disclosed on the Company's website at http://www.linde.in/en/about_linde_india_limited/management/index.html.

CEO/CFO Certification

The Managing Director (CEO) and the Chief Financial Officer (CFO) of the Company have certified to the Board that all the requirements of the Listing Agreement/SEBI Listing Regulations, inter alia, dealing with the review of financial statements and cash flow statement for the year ended 31 December 2015, transactions entered into by the Company during the said year, their responsibility for establishing and maintaining internal control systems for financial reporting and evaluation of the effectiveness of the internal control system and making of necessary disclosures to the Auditors and the Audit Committee have been duly complied with.

Committees of the Board

As on 31 December 2015, the Company had four committees of the Board of Directors – Audit Committee, Nomination and Remuneration Committee, Stakeholders Relationship Committee and Corporate Social Responsibility Committee.

The minutes of all Board and Committee meetings are placed before the Board and noted by the Directors at the Board meetings. The role, composition and terms of reference of Audit Committee, Nomination and Remuneration Committee, Stakeholders Relationship Committee and Corporate Social Responsibility Committee including the number of meetings held during the year ended 31 December 2015 and the related attendance are as follows:

Audit Committee

The Audit Committee of the Company was constituted in the year 1988. The present terms of reference of the Audit Committee are aligned as per the provisions of Section 177 of the Companies Act, 2013 and include the roles as laid out in the Listing Agreement/SEBI Listing Regulations.

Terms of Reference

The brief description of the terms of reference of the Audit Committee in line with the Companies Act, 2013 and the SEBI Listing Regulations is as follows:

- a. Overview of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
- b. Recommend to the Board the appointment/removal of statutory auditors, nature and scope of audit, fixation of audit fee and payment for any other services rendered by the statutory/external auditors.
- c. Review with the management, quarterly and annual financial statements and all related matters as stated in the Listing Agreement/SEBI Listing Regulations, before submission to the Board.
- d. Review with the management the statement of uses/application of funds raised through an issue (public issue, rights issue, preferential issue, etc.).
- e. Review with the management, performance of statutory and internal auditors.
- f. Review of the adequacy and effectiveness of Internal Audit function, the internal control system of the Company, structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure, coverage and frequency of internal audit.
- g. Discussion with internal auditors on any significant findings and follow up thereon including reviewing the findings of internal investigations, if any.
- h. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post audit discussion to ascertain any area of concern.
- i. Review of the functioning of Whistle Blower mechanism.
- j. Approval of appointment of Chief Financial Officer.
- k. Review and monitor the auditor's independence and effectiveness of audit process.
- l. Scrutiny of inter-corporate loans and investments.
- m. Approval of related party transactions and any subsequent modification/ratification of transactions with related parties.
- n. And, generally all items listed in Section 177 of the Companies Act, 2013 and Clause 49 of the Listing Agreement/Schedule II of the SEBI Listing Regulations.

As stipulated in Part C of Schedule II of SEBI Listing Regulations, the Audit Committee also reviews management discussion and analysis of financial performance, significant related party transactions, Internal Audit reports relating to internal control and appointment/removal and terms of remuneration of Chief Internal Auditor.

The Audit Committee may also review such matters as considered appropriate by it or referred to it by the Board.

Composition

The composition of the Audit Committee has been in accordance with the requirement of the Listing Agreement/Reg. 18 of SEBI Listing Regulations and Section 177 of the Companies Act, 2013. As on 31 December 2015, the Committee comprised of four Non-Executive Directors, three of whom, including the Chairman of the Committee were Independent Directors. Mr J Mehta, Independent Director (Chairman of the Committee), Mr S Lamba, a Non-Executive Director representing The Linde Group, Mr A Balakrishnan, Independent Director and Mr A Narayan, Independent Director were the Members of the Committee. As per the requirement of Reg. 18 of SEBI Listing Regulations and Section 177 of the Companies Act, 2013, all members of the Audit Committee are financially literate with at least one member having expertise in accounting or related financial management. The Chairman of the Audit Committee attended the Annual General Meeting of the Company held on 15 May 2015.

The Managing Director, Chief Financial Officer and Head-Internal Audit are permanent invitees in all meetings of the Committee. The Statutory Auditors of the Company are invited to attend the Audit Committee meetings. The Cost Auditors are also invited to the meeting(s) for discussion on Cost Audit Report and for other related matters, if any. The Company Secretary acts as the Secretary to the Committee.

Meetings and Attendance during the year

Five meetings of the Audit Committee were held during the year ended 31 December 2015. The meetings were held on 17 February 2015, 23 April 2015, 06 August 2015, 01 October 2015 and 09 November 2015. The gap between any two consecutive meetings did not exceed one hundred and twenty days. The attendance of the Members at these meetings was as follows:

Name of the Director	No. of meetings held during tenure	No. of meetings attended
Mr J Mehta	5	5
Mr A Balakrishnan	5	5
Mr S Lamba	5	5
Mr A Narayan	5	5

Nomination and Remuneration Committee (NRC)

Terms of Reference

The brief terms of reference of the Nomination and Remuneration Committee, inter alia, include the following:

- a. Identifying and selection of persons for appointment as directors and senior management in accordance with the criteria laid down and to recommend to the Board their appointment.
- b. Formulate the criteria for determining qualifications, positive attributes and independence of a Director.
- c. Recommend/review remuneration of the Managing Director and Wholetime Director(s) based on performance and defined assessment criteria.
- d. Recommend to the Board a policy for selection and appointment of Directors, Key Managerial Personnel and other senior management positions.
- e. Formulate and review criteria for evaluation of performance of the Board of Directors.
- f. Devise a policy on Board diversity.
- g. Succession planning for the Board level and key management positions.
- h. Carry out any other function as mandated by the Board from time to time and/or enforced by any statutory notification/amendment.

Composition

As on 31 December 2015, the Committee comprised of three Non-Executive Directors, two of whom including the Chairman of the Committee were Independent Directors. Mr A Balakrishnan, Independent Director (Chairman of the Committee), Mr J Mehta, Independent Director and Mr S Lamba, a Non-Executive Director representing The Linde Group were the Members of the Committee as on 31 December 2015.

Meetings and Attendance during the year

During the year ended 31 December 2015, three meetings of the Committee were held on 17 February 2015, 23 April 2015 and 09 November 2015. The attendance of the Members at these meetings was as follows:

Name of the Director	No. of meetings held during tenure	No. of meetings attended
Mr A Balakrishnan	3	3
Mr S Lamba	3	3
Mr J Mehta	3	3

Performance Evaluation Criteria

During the year, the performance evaluation was done at three levels - by the Nomination and Remuneration Committee, the Board and at a separate meeting of the Independent Directors. First, the Independent Directors at their separate meetings reviewed the performance of the Board, Chairman of the Board and the Non-Independent Directors and also assessed the quality, quantity and timeliness of flow of information between the Company management and the Board. Subsequently, at a meeting of the Nomination and Remuneration Committee of the Board, the process of self assessment and peer review by the Individual Directors on pre-defined criteria was agreed which included the performance evaluation forms for evaluating the performance of Board as a whole, various Committees of the Board, Individual Directors and Independent Directors. The inputs received from all Board members were processed for review of the Chairman, who presented the same at the Board. The Board discussed the inputs received from the Directors for evaluating the effectiveness of the functioning of the Board and that of its various Committees and Individual Directors including the Independent Directors.

Nomination and Remuneration Policy

The Board of Directors of the Company has on the recommendation of the Nomination and Remuneration Committee of the Board approved a Nomination and Remuneration Policy of the Company which, inter alia, covers Policy on appointment, remuneration and removal of Directors, Key Managerial Personnel and Senior Management, Policy on succession planning and Policy on Board diversity. This policy is available in the Investor Relations section of the Company's website at www.linde.in.

Payment of remuneration to the Executive/Wholetime Directors of the Company is governed by the terms and conditions of their appointment as recommended by the Nomination and Remuneration Committee and approved by the Board subject to the approval of the Shareholders and the Central Government, where applicable. The remuneration structure comprises basic salary, perquisites and allowances, variable compensation pay under The Linde Group's Short Term, Mid Term and Long Term Incentive Plan and contribution to provident, superannuation and gratuity funds.

Non-Executive/Independent Directors of the Company may receive remuneration by way of fees for attending meetings of the Board or Committee thereof as approved by the Board from time to time within the prescribed limits. Non-Executive Independent Directors may also be paid commission as approved by the shareholders subject to a limit of 1% of the net profits of the Company computed under the applicable provisions of the Companies Act, 2013. The Commission payable to the Independent Directors is determined by the Board within the aforesaid limit of 1% of the net profits after taking into account their attendance and roles and responsibilities in various Committees of the Board.

During the year 2015, the sitting fees payable to the Independent Directors for attending each meeting of the Board of Directors and Audit Committee had been revised from Rs. 15,000 to Rs. 35,000 and sitting fees for attending each meeting of the Nomination and Remuneration Committee, Stakeholders Relationship Committee and Corporate Social Responsibility Committee had been revised from Rs. 8,000 to Rs. 15,000 w.e.f. 01 May 2015. Remuneration of Non-Executive Directors, other than the Directors representing The Linde

in Rupees

Name of the Director	Salary and Allowances	Variable Compensation Pay	Contribution to Provident and other Funds	Perquisites/ Other Benefits	Total
Mr M Banerjee, Managing Director	11,057,760	2,742,409	1,647,382	3,788,306	19,235,857

The Agreement entered into with Mr Moloy Banerjee is for a period of 3 years from the date of his appointment i.e. 30 July 2013 and can be terminated by either party by giving not less than six months notice in writing. The Agreement does not provide for payment of any severance fees. Presently, the Company does not have a scheme for grant of stock options to its employees.

Details of Remuneration to Non-Executive Directors

Details of remuneration to the Non-Executive Directors during the year ended 31 December 2015 are given below:

in Rupees

Name of the Director	Sitting Fees*	Commission
Mr A Balakrishnan, Independent Director	289,000	-
Mr J Mehta, Independent Director	281,000	-
Mr A Narayan, Independent Director	265,000	-
Total	835,000	-

*Exclusive of Service Tax.

As the Company did not have any net profit for the financial year ended 31 December 2015 as per the computation laid down in Section 198 of the Companies Act, 2013, commission to the Independent Directors for the year 2015 could not be considered by the Board.

In addition to the sitting fees and commission, the Company pays/ reimburses expenses incurred by the Non-Executive/Independent Directors for attending the Board and Committee meetings and general meetings of the Members of the Company.

Other than the above, the Non-Executive Directors do not have any pecuniary relationship or transactions with the Company.

Group, by way of commission is determined by the Board in terms of approval accorded by the Shareholders.

Details of Remuneration to Executive/Wholetime Directors

Details of remuneration to Executive/Wholetime Directors during the year ended 31 December 2015 are given below:

The details of shares/convertible instruments held by the Executive and Non-Executive Directors of the Company as on 31 December 2015 are as follows:

Name of the Director	Number of Equity Shares	No. of Convertible Instruments
Mr S Lamba	400	N.A.
Mr M Banerjee	200	N.A.

Stakeholders Relationship Committee (SRC)

Terms of Reference

The brief terms of reference of Stakeholders Relationship Committee, inter alia, include the following:

- Overseeing and review of all matters connected with transfer, transmission, subdivision, consolidation, etc of the Company's securities;
- Approval for issue of the Company's duplicate share/debenture certificates;
- Monitoring redressal of grievances of investors/shareholders and other security holders;
- Recommending methods to upgrade the standard of services to investors, shareholders and other security holders;
- Carrying out any other function as referred by the Board from time to time or enforced by any statutory notification/amendment.

Composition

As on 31 December 2015, the Stakeholders Relationship Committee comprised of three Directors, which consists of two Independent Directors, viz. Mr A Narayan (Chairman of the Committee) and Mr J Mehta and Mr M Banerjee, Managing Director of the Company.

The Company Secretary acts as the Secretary to the Committee.

During the year ended 31 December 2015, the Committee met once on 06 August 2015. The attendance of the Members at the meeting was as follows:

Name of the Director	No. of meetings held during tenure	No. of meetings attended
Mr A Narayan	1	1
Mr J Mehta	1	1
Mr M Banerjee	1	1

The Board of Directors has delegated the power of approving the share transfers, transmission etc. to the Managing Director and Company Secretary of the Company for expediting these processes. During the year, the Committee of Delegates met at regular intervals to dispose of all stipulated matters relating to share transfers, transmission, issue of duplicate share certificates, etc with a view to meet the timeline for registering the transfer/transmission etc of equity shares.

Compliance Officer

The Board of Directors has designated Mr Pawan Marda, Asst. Vice President and Company Secretary of the Company as the Compliance Officer.

Shareholders' Complaints

During the year ended 31 December 2015, the Company received 15 complaints from the shareholders/investors. As on 31 December 2015, no shareholder/investor complaint was pending. It is the endeavour of the Company to attend to all such complaints and other correspondence within a period of 15 days except where constrained by disputes or legal impediments.

Pending Share Transfers & Dematerialisation Requests

The Company's shares are required to be compulsorily traded in electronic form and as such the Company receives few transfers in physical form. During the year ended 31 December 2015, the Company processed 6,775 shares for transfer. As on 31 December 2015, no request for transfer or dematerialization of shares was pending.

Corporate Social Responsibility (CSR) Committee

The Corporate Social Responsibility (CSR) Committee of the Company was constituted by the Board at its meeting held on 7 February 2014 in compliance with the provisions of the Companies Act, 2013 read with Rules made thereunder.

Terms of Reference

The brief terms of reference of CSR Committee are as follows:

- Formulate and recommend to the Board, a Corporate Social Responsibility (CSR) Policy which shall indicate the CSR activities to be undertaken by the Company as specified in the Companies Act, 2013;
- Recommend the amount of expenditure to be incurred on CSR activities; and
- Monitor the CSR Policy of the Company from time to time.

Composition

As on 31 December 2015, the CSR Committee comprised of three Directors, two of whom including the Chairman of the Committee were Independent Directors viz. Mr A Balakrishnan (Chairman of the Committee) and Mr A Narayan and one Executive Director viz. Mr M Banerjee, Managing Director of the Company. During the year, Mr B Patwari, ceased to be a Member of the Committee with effect from close of business hours on 17 February 2015 consequent upon his resignation as the Director of the Company. With effect from 01 April 2015, Mr A Narayan, Independent Director of the Company was inducted by the Board as a Member of the Committee.

Attendance

During the year ended 31 December 2015, two meetings of the Committee were held on 17 February 2015 and 09 November 2015. The attendance of the Members at the meetings was as follows:

Name of the Director	No. of meetings held during tenure	No. of meetings attended
Mr A Balakrishnan	2	2
Mr A Narayan*	1	1
Mr M Banerjee	2	2
Mr B Patwari**	1	0

* Inducted as a Member of the Committee w.e.f. 01 April 2015.

** Ceased to be a Director and Member of the Committee w.e.f. 17 February 2015.

General Body Meetings

A) Location and time for last three Annual General Meetings (AGM) and details of special resolutions passed:

Financial Year	Date of AGM	Venue	Time	No. of Special Resolution(s) passed
Year ended 31 December 2014	15 May 2015	Kala Mandir, Kolkata	10.00 a.m.	1. Approval of minimum remuneration to Managing Director; and 2. Adoption of new set of Articles of Association.
Year ended 31 December 2013	23 May 2014	Kala Mandir, Kolkata	3.00 p.m.	None
Year ended 31 December 2012	17 May 2013	Kala Mandir, Kolkata	3.00 p.m.	None

B) Postal Ballot:

During the year ended 31 December 2015, no resolutions were passed through Postal Ballot. None of the business proposed to be transacted at the ensuing Annual General Meeting requires passing a resolution through Postal Ballot. No special resolution is proposed to be conducted through Postal Ballot at the ensuing Annual General Meeting. The Company will seek shareholders' approval through Postal Ballot in respect of resolutions relating to such businesses as are prescribed in the Companies Act, 2013.

C) Appointment/Re-appointment of Directors:

Information about Directors proposed to be appointed/re-appointed as required under Reg. 36(3) of SEBI Listing Regulations is furnished under Note 21 of the Notice of the ensuing Annual General Meeting.

- The Company also issues official press releases to the print media. The News and Media section in the Company's website includes all major press releases made by the Company.
- The Company has its own functional website www.linde.in as required by the Listing Agreement/SEBI Listing Regulations, where information about the Company, quarterly and annual audited financial results, annual reports, distribution of shareholding at the end of the each quarter, official press releases, information required to be disclosed under Reg. 30(8) and 46 of the SEBI Listing Regulations, etc are regularly updated.
- Management Discussion and Analysis is a part of the Directors' Report.
- All material events/information relating to the Company that could influence the market price of its securities or investment decisions are timely disclosed to the Stock Exchanges as per the Company's Policy on determination of materiality of events framed under SEBI Listing Regulations. All disclosures under this policy are also displayed on the Company's website and hosted for a minimum period of five years and thereafter as per the Archival Policy of the Company. The Policy on determination of materiality of events and Archival Policy of the Company is available on the Company's website at www.linde.in.
- The Company has made presentation(s) to investors/analysts in conference call(s) during the year and the said presentation(s) is/are posted on the Company's website.
- The Company has an exclusive section on "Investor Relations" in its website "www.linde.in" for the purpose of giving necessary information to the Shareholders on various matters such as transfer, transmission, dematerialisation and rematerialisation of shares, issue of duplicate share certificates, nomination facility, use of electronic clearing service for payment of dividend, green initiative, etc. These information, procedures, formats, etc. are available on the aforesaid website in downloadable formats as a measure of added convenience to the investors.

Means of Communication

- The unaudited quarterly financial results in respect of the first three quarters of the financial year 2015 were approved, taken on record and submitted to the Stock Exchanges as per the Listing Agreement along with "limited review report" within forty five days of the close of the relevant quarter. Audited financial results in respect of the last quarter of 2015 were submitted to the Stock Exchanges as per the SEBI Listing Regulations along with the results of the entire financial year with a note stating that the figures for the quarter ended 31 December were published as balancing figures between audited figures in respect of the full financial year and the published year to date figures up to the third quarter of the respective financial year. Also the figures up to the end of the third quarter were only reviewed and not subjected to audit.
- Financial results for the first three quarters of 2015 were published during the year in The Financial Express (English) and Ei Samay (in vernacular language-Bengali). The audited financial results for the year 2015 were published in Economic Times (English) and Ei Samay (in vernacular language-Bengali).

Other Disclosures

- **Materially significant related party transactions (i.e. transactions of the Company of material nature, with its promoters, the directors or the management, their subsidiaries or relatives etc.) that may have potential conflict with the interests of the Company at large:**

None of the transactions with any of the related parties were in conflict with the interests of the Company. However, the related party disclosures about list of related parties and transactions given under Note 46 of Notes to Financial Statements for the year ended 31 December 2015 may be referred. All related party transactions are in the ordinary course of business and are at arm's length.

Pursuant to the provisions of Section 188 of the Companies Act, 2013 and Clause 49 of the erstwhile Listing Agreement, all contracts/agreements/arrangements whether existing or to be entered into by the Company in future with Linde AG, Germany (ultimate holding Company) for purchase/sale of plant, equipment, critical spares, gases in bulk or in cylinders, etc and for rendering or availing of services, borrowings and interest thereon and/or other related transactions on an ongoing basis in every financial year subject to an aggregate limit of Rs.10,000 million for the total value of all such transactions in each financial year of the Company were approved by the shareholders of the Company through Postal Ballot on 1 October 2014.

The Policy on dealing with Related Party Transactions is available on the Company's website at http://www.linde.in/en/investor_relations/codes_and_policies/index.html.

- **Details of non-compliance by the Company, penalties, strictures imposed on the Company by Stock Exchange(s) or SEBI or any statutory authority, on any matter related to the capital markets, during the last three years:**

No penalties or strictures have been imposed by Stock Exchange(s), SEBI or any statutory authority on any matter related to capital markets during the last three years.

- **Details of establishment of Vigil Mechanism, whistle blower policy and affirmation that no personnel has been denied access to the Audit Committee:**

The Linde Group's Code of Ethics encourages all employees who have concerns about their work or the business of the Company, to discuss these issues with their line managers. The employees also have free access to Human Resource, Internal Audit and Legal Services Department for resolving their concerns. No personnel has been denied access to the Audit Committee.

As per the requirement of the Companies Act, 2013 and the Listing Agreement/SEBI Listing Regulations, the Company has framed its Whistle Blower Policy to enable all employees and the directors to report in good faith any violation of the Code of Ethics as enumerated in the Policy. The whistle blowers may also lodge their

complaints/concern with the Chairman of the Audit Committee, whose contact details are provided in the Whistle Blower Policy of the Company. The Policy also offers appropriate protection to the whistle blowers from victimization, harassment or disciplinary proceedings.

- **Details of compliance with non mandatory (discretionary) requirements:**

The Company complies with the following non mandatory (discretionary) requirements as specified in Part E of Schedule II of SEBI Listing Regulations:

The Board

The Chairman of the Company is a Non-Executive Director representing The Linde Group. However, the Company is not maintaining an exclusive Chairman's office at its expense.

Shareholders' Rights

The quarterly, half yearly and annual financial results of the Company are published in leading newspapers and are also posted on the Company's website. Significant press releases are also posted on the website in the News and Media section.

The Company had sent Annual Reports for 2014 together with Notice of the Annual General Meeting in electronic mode to those shareholders who had given their consent in this regard and registered their e-mail addresses with the Company's RTA or the Depositories for this purpose. For other shareholders, who had not registered their email ids, the complete Annual Report for 2014 in physical form was sent at their registered address.

Modified opinion(s) in audit report

The Auditors of the Company have issued an unmodified report with emphasis of matter on the impact of early adoption of Accounting Standard 30 "Financial Instruments: Recognition and Measurement" to the Members of the Company on the financial statements for the year ended 31 December 2015. The Members are requested to refer to the full Auditor's Report as well as the relevant clarification given in the Directors' Report contained in this Annual Report.

Separate posts of Chairperson and Chief Executive Officer (Managing Director)

The Company has appointed separate persons to the post of Chairman and Managing Director.

Reporting of Internal Auditor

The Internal Auditor of the Company directly submits its reports to the Audit Committee of the Board. The Internal Auditor is a permanent invitee at the Audit Committee Meetings and regularly attends these Meetings, inter alia, in connection with Audit Plan and Internal Audit Reports.

- **Web link where policy on determining 'material' subsidiaries is disclosed:**

The Company does not have any subsidiary.

General Shareholder Information

Date, time & venue of the Annual General Meeting	19 May 2016 at 3.00 p.m. Kala Mandir Auditorium 48, Shakespeare Sarani, Kolkata 700 017	
Financial Calendar 2016 (tentative and subject to change)	i. Financial Year	January 2016 to December 2016
	ii. First Quarter Results	29 April 2016
	iii. Second Quarter and Half Yearly Results	22 July 2016
	iv. Third Quarter Results	26 October 2016
	v. Audited Annual Results	February 2017
Book Closure Period	10 May 2016 to 19 May 2016 (both days inclusive)	
Dividend Payment Date	On or after 25 May 2016	
Listing on Stock Exchanges	a) BSE Ltd., P. J. Towers, Dalal Street, Mumbai 400 001 b) National Stock Exchange of India Ltd., Exchange Plaza, 5th Floor, Bandra Kurla Complex, Bandra (East), Mumbai 400 051	
	Annual Listing Fees have been paid to all these stock exchanges for the year 2015-16.	
Stock Code	a) BSE Ltd., Physical: 23457; Demat: 523457 b) National Stock Exchange of India Ltd., Symbol: LINDEINDIA	

Voluntary delisting of Equity Shares from The Calcutta Stock Exchange Ltd. (CSE)

During the year, the Company had made an application to The Calcutta Stock Exchange Ltd. (CSE) for voluntary delisting of its equity shares from the said Exchange pursuant to Reg. 7(1)(b) of the SEBI (Delisting of Equity Shares) Regulations, 2009, in view of no trading in the shares of the Company at the CSE since 2011. The Company's application for voluntary delisting was granted by the CSE with effect from 19 October 2015.

Transfer of Unclaimed Dividend to Investor Education and Protection Fund

Shareholders are requested to refer to the notice of the Annual General Meeting for the due dates for transfer of unclaimed dividends to Investor Education and Protection Fund. This information is also posted in the Investor Relation section of the Company's website. Shareholders are requested to immediately contact the Company or its Registrar & Transfer Agents, Messrs Link Intime India Pvt. Ltd., 59C, Chowringhee Road, 3rd Floor, Kolkata 700 020 for claiming their unpaid/unclaimed dividends, if any.

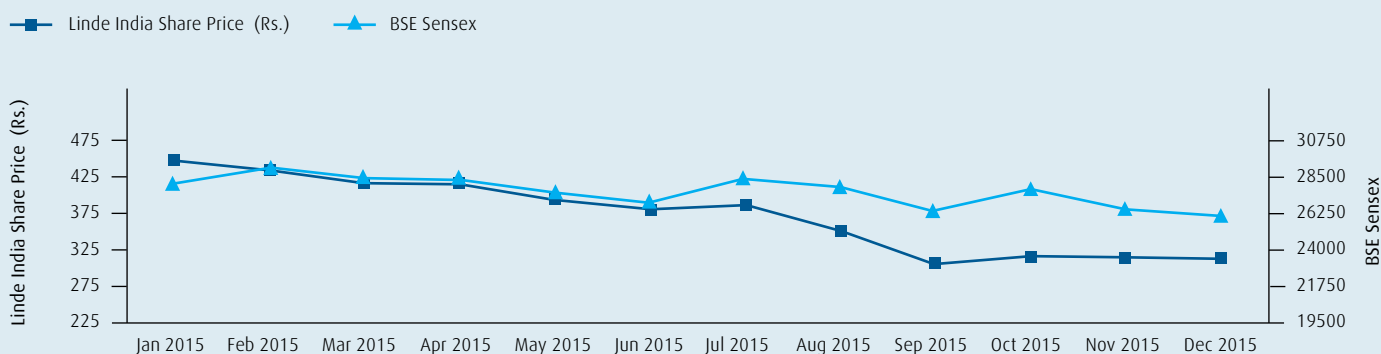
Stock Market Price Data

Monthly high and low quotations and volume of shares traded on BSE Ltd. (BSE) and National Stock Exchange of India Ltd. (NSE) during the year ended 31 December 2015

Month	BSE			NSE		
	High (Rs.)	Low (Rs.)	Volume of shares traded	High (Rs.)	Low (Rs.)	Volume of shares traded
January 2015	479.00	411.55	103,298	476.95	382.30	405,518
February 2015	453.00	412.90	69,160	454.90	414.55	522,363
March 2015	442.00	390.00	138,355	442.95	388.00	288,536
April 2015	445.00	382.50	390,240	436.00	380.00	171,770
May 2015	414.90	370.50	59,932	414.70	371.35	130,526
June 2015	395.75	365.10	43,647	395.90	363.00	67,784
July 2015	405.10	366.00	56,983	407.65	364.55	190,752
August 2015	392.00	309.00	91,991	392.85	310.00	215,448
September 2015	325.50	295.35	44,717	328.05	295.50	62,214
October 2015	334.00	299.00	36,753	334.00	298.00	82,083
November 2015	329.40	303.70	15,075	332.00	302.20	39,518
December 2015	330.00	296.50	37,691	327.00	300.10	60,147

Performance of the Company's shares to broad based indices such as BSE Sensex

Linde India Share Price vs. BSE Sensex (Average Monthly Closing)



Registrar and Transfer Agents	Link Intime India Pvt. Ltd. 59C, Chowringhee Road, 3rd Floor, Kolkata 700 020 Contact person : Mr S. P. Guha, Head-Operations Phone : 91-33-2289 0540; Telefax : 91-33-2289 0539 Email : kolkata@linkintime.co.in
Share Transfer System	The work relating to Share Registry both in physical and electronic form is handled by Link Intime India Pvt. Ltd., Registrar and Transfer Agents of the Company. In compliance with the requirement of the Listing Agreement/Reg. 40 of SEBI Listing Regulations, all transfers, sub division, consolidation, renewal, exchange, etc of shares in the Company are processed after they are approved by the Committee of Managing Director and Company Secretary, who have been delegated this power by the Board of Directors for expediting these processes. The Committee of Delegates has now been meeting at regular intervals to dispose of all matters relating to transfer, transmission, etc. Dematerialisation of shares is processed normally within a period of 10 days from the date of receipt of the Demat Request Form.
Dematerialisation of shares and Liquidity	The Company's shares are compulsorily required to be traded in electronic form and are available for trading in the depository systems of both National Securities Depository Ltd. (NSDL) and Central Depository Services (India) Ltd. (CDSL). The International Securities Identification Number (ISIN) of the Company, as allotted by NSDL and CDSL, is INE473A01011. As on 31 December 2015, a total of 84,221,969 equity shares of the Company constituting 98.75% of the total Subscribed and Paid up Share Capital stands dematerialized.

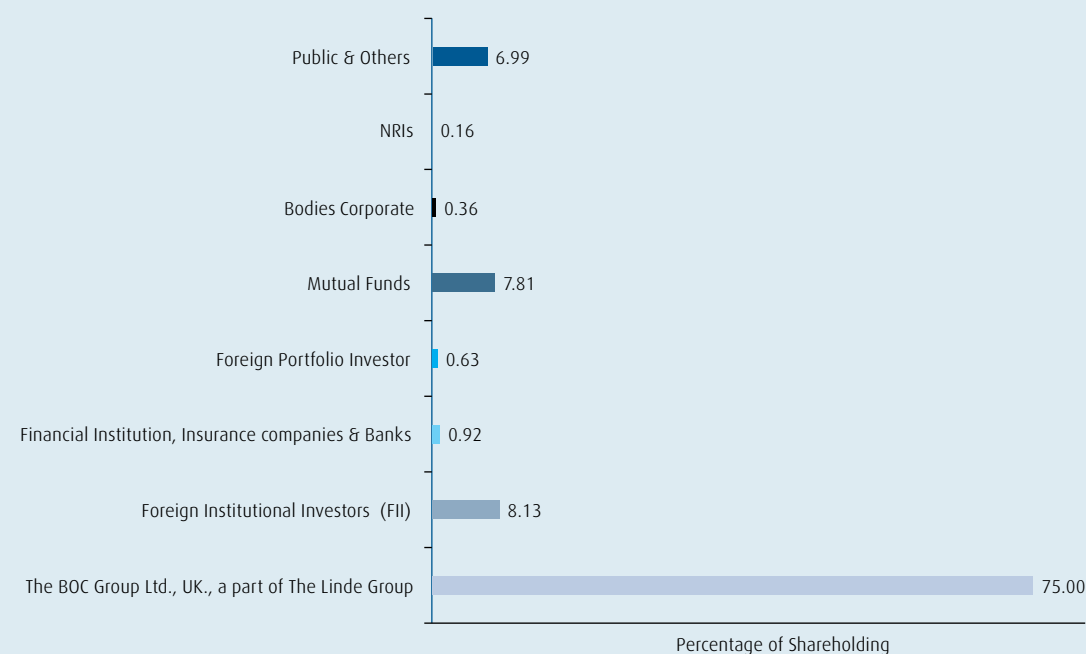
Distribution of shareholding as on 31 December 2015

Number of Shares Slab	Number of Shareholders	% of Shareholders	Number of Shares held	% of Shares held
1-50	7,687	40.18	154,677	0.18
51-100	3,511	18.35	312,123	0.37
101-250	3,546	18.53	624,679	0.73
251-500	2,344	12.25	874,567	1.03
501-1000	1,209	6.32	895,197	1.05
1001-5000	728	3.81	1,478,250	1.73
5001-10000	46	0.24	316,533	0.37
10001-100000	41	0.22	1,068,943	1.25
Above 100000	20	0.10	79,559,254	93.29
Total	19,132	100.00	85,284,223	100.00

Shareholding pattern as on 31 December 2015

Category	Number of Shares held	% of Issued & Paid up Share Capital
(A) Foreign Promoters		
The BOC Group Ltd, U.K., a part of The Linde Group	63,963,167	75.00
(B) Public Shareholding		
(I) Institutional Shareholding		
Foreign Institutional Investors	6,937,638	8.13
Financial Institutions, Insurance Companies & Banks	782,878	0.92
Foreign Portfolio Investor	534,634	0.63
Mutual Funds	6,661,806	7.81
Sub-Total (I)	14,916,956	17.49
(II) Government Shareholding	29	0.00
Sub-Total (II)	29	0.00
(III) Non-Institutional Shareholding		
Bodies Corporate	306,220	0.36
NRIs	139,413	0.16
Public & Others	5,958,438	6.99
Sub-Total (III)	6,404,071	7.51
Total	85,284,223	100.00

Shareholding pattern as on 31 December 2015



Outstanding GDRs/ADRs, Warrants or any Convertible instruments, conversion date and likely impact on equity:

Not Applicable

Commodity price risk or foreign exchange risk and hedging activities:

The Company's Policy is to take forward cover in respect of its major foreign currency exposure such as for imports, repayment of borrowings & interest thereon denominated in foreign currency and export receivables.

Plant Locations:**Bangalore**

Plot No 1& 2 (Part),
Survey No. 59/1 & 60,
Sompura Industrial Area,
Dobaspet, 1st Stage,
Bangalore 562 111

Bellary

Tonnage Plant (1800 tpd)
JSW Steel premises, Toarangallu,
Dist-Bellary, Karnataka 583 123

Bhiwadi

Plot No. B-821, RIICO Industrial Area,
Phase II, Dist. Alwar
Bhiwadi 301 019, Rajasthan

Chennai

Plot No. G-21, SIPCOT Industrial Park,
Irungattukottai, Sriperumbudur,
Dist. Kancheepuram 602 105

Dahej

Tonnage Plant
Packaged Gases and Products Plant
Plot No. – D-2/19,
Dahej Industrial Estate,
Village – Suru,
Dist. Bharuch,
Gujarat 392130

Faridabad

Plot-41, Sector-6,

Hyderabad

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

Jajpur

Tonnage Plant (421 tpd)
Jindal Stainless Ltd.,
Kalinganagar Industrial Complex,
Duburi,
Dist. Jajpur 755 026

Kalinganagar Industrial Complex (PGP),
Duburi, Village – Khurunti,
Danagadi Tahasil,
PO – Gobarghati, Jajpur 755 026

Jamshedpur

Tonnage Plant (2550 tpd)
Tonnage Plant (1290 tpd)
Industrial Gases Plants
(500 tpd, 275 tpd x 2)
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 (120 tpd),
Jamshedpur 831 007

Kolkata

Plant Manufacturing Works,
P-41 Taratala Road,
Kolkata 700 088

48/1 Diamond Harbour Road,
Kolkata 700 027

Pune

B 16/2, MIDC Industrial Area
Chakan, Village – Nighoje,
Tal-Khed, Dist. Pune,
410 501

Rourkela

Tonnage Plant (2x853 tpd)
Near Rourkela Steel Plant Fertilizer Gate,
Rourkela Town Unit No. 46,
P.O. Tangrapalli, Dist. Sundargarh,
Rourkela, Odisha 769 007

Selaqui

Tonnage Plant (221 tpd)
Khasara No. 122, MI
Central Hope TownTwin Industrial
Estate, Phase-II, Selaqui, Dehradun 248 197

Taloja

Tonnage Plant (330 tpd)
T-8, MIDC Industrial Area,
Taloja, Dist. Raigad, Navi Mumbai 410 208

T-25, MIDC Industrial Area, Taloja, Dist. Raigad,
Navi Mumbai 410 208

Trichy

Plot No. 30, 31 & 32,
Sidco Industrial Estate, Mathur,
Dist. Pudukkottai 622 515

Uluberia

P.O. Birshibpur, Uluberia, Dist. Howrah

Visakhapatnam

Plot No.93 & 94, AIE
Pedagantyada, Gajuwaka
Visakhapatnam 530 044

Address for correspondence:

Asst. Vice President and Company Secretary

Linde India Limited

Oxygen House, P 43 Taratala Road
Kolkata 700 088 India

Phone : 91-33-6602 1600

Fax : 91-33-2401 4206

E mail: contact.lg.in@linde.com

Declaration by the Managing Director (CEO) under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

To,
The Members of
Linde India Limited

I, Moloy Banerjee, Managing Director of Linde India Limited declare that to the best of my knowledge and belief, all the Members of the Board and senior management personnel of the Company have affirmed their respective compliance with the applicable Code of Conduct for the year ended 31 December 2015.

Moloy Banerjee
Managing Director

Mumbai
16 February 2016

Auditor's Certificate on compliance with the conditions of Corporate Governance as stipulated in SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

To,
The Members of
Linde India Limited

We have examined the compliance of conditions of Corporate Governance by Linde India Limited ('the Company') for the year ended on 31 December 2015, as stipulated in Regulations 17 to 27 and clauses (b) to (i) of Regulation 46(2) read with Schedule V of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 [Listing Regulations]/Clause 49 of the Listing Agreements of the said Company with stock exchanges in India (as applicable).

The compliance of conditions of Corporate Governance is the responsibility of the Management of the Company. Our examination was carried out in accordance with the Guidance Note on Certification of Corporate Governance and Guidance Note on Audit Report and Certificates for Special Purpose (as applicable), issued by the Institute of Chartered Accountants of India and was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Regulations/Listing Agreements (as applicable).

We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For B S R & Co. LLP
Chartered Accountants
Firm's Registration No: 101248W/W-100022
Jayanta Mukhopadhyay
Partner
Membership No: 055757

Place: Mumbai
Date: 16 February 2016

Balance sheet.

in Rupees million	Note	As at 31 Dec, 2015	As at 31 Dec, 2014
EQUITY AND LIABILITIES			
Shareholders' funds			
Share capital	2	852.84	852.84
Reserves and surplus	3	13,072.99	13,039.38
		13,925.83	13,892.22
Non-current liabilities			
Long-term borrowings	4	13,382.60	11,024.00
Deferred tax liabilities (net)	5	1,542.87	1,828.86
Other long-term liabilities	6	432.23	272.77
Long-term provisions	7	2,599.12	2,813.24
		17,956.82	15,938.87
Current liabilities			
Short-term borrowings	8	500.00	1,500.00
Trade payables	9		
- total outstanding dues of micro and small enterprises		1.18	0.71
- total outstanding dues of creditors other than micro and small enterprises		2,161.08	2,507.65
Other current liabilities	10	1,599.47	4,249.48
Short-term provisions	7	497.65	706.22
		4,759.38	8,964.06
TOTAL		36,642.03	38,795.15
ASSETS			
Non-current assets			
Fixed assets			
Tangible fixed assets	11	21,497.65	21,879.22
Intangible fixed assets	12	78.28	128.55
Capital work-in-progress	11	5,765.52	3,560.92
Non-current investments	13	150.07	150.07
Long-term loans and advances	14	2,711.90	5,424.65
Other non-current assets	15	700.46	1,438.93
		30,903.88	32,582.34
Current assets			
Inventories	16	652.99	708.63
Trade receivables	17	3,362.79	3,073.85
Cash and bank balances	18	210.30	571.70
Short-term loans and advances	19	675.09	1,231.58
Other current assets	20	836.98	627.05
		5,738.15	6,212.81
TOTAL		36,642.03	38,795.15
Significant accounting policies	1		

The notes referred to above form an integral part of the financial statements

As per our report of even date attached
for B S R & Co. LLP
Chartered Accountants
Firm Registration No. 101248W/W-100022
JAYANTA MUKHOPADHYAY, Partner
Membership No. : 055757

M SADHUKHAN, Chief Financial Officer
Membership No. : 060064

P MARDA, Asst. Vice President & Company Secretary
Membership No. : A8625

For and on behalf of Board of Directors of
Linde India Limited
CIN: L40200WB1935PLC008184
S LAMBA, Chairman DIN : 00320753
J MEHTA, Director DIN : 00033518
M BANERJEE, Managing Director DIN : 00273101

Mumbai
16 February 2016

Statement of profit and loss.

in Rupees million	Note	Year ended 31 Dec, 2015	Year ended 31 Dec, 2014
Revenue from operations	21		
Sale of products (gross)		14,987.72	13,919.85
Revenue from construction contracts		1,910.36	2,022.70
Other operating revenues		125.39	206.12
		17,023.47	16,148.67
Less: Excise duty		1,357.18	1,235.21
Total		15,666.29	14,913.46
Other Income	22	318.09	108.14
Total Revenue		15,984.38	15,021.60
Expenses			
Cost of materials consumed	23	1,119.10	931.60
Purchase of stock-in-trade	24	558.95	752.53
Changes in inventories of finished goods, contract work-in-progress and stock in trade	25	16.42	7.74
Employee benefits	26	924.26	909.14
Finance costs	27	898.83	1,028.66
Depreciation and amortisation (including impairment)	28	1,615.25	1,813.46
Other expenses	29	10,751.01	9,542.69
Total expenses		15,883.82	14,985.82
Profit before exceptional items and tax		100.56	35.78
Exceptional item	43	(95.00)	-
Profit before tax		5.56	35.78
Income tax expense :			
Current tax - MAT		(5.47)	(8.14)
MAT credit entitlement		5.47	8.14
Deferred tax release [Refer Note 41 (iv)]		220.61	18.22
Provision for Tax for earlier years adjusted		8.40	-
Profit for the year		234.57	54.00
Earnings per equity share [nominal value of share Rs. 10 (previous year Rs.10)]	38		
On profit after taxation and before exceptional items			
Basic (Rs.)		3.48	0.63
Diluted (Rs.)		3.48	0.63
On profit after taxation			
Basic (Rs.)		2.75	0.63
Diluted (Rs.)		2.75	0.63
Significant accounting policies	1		

The notes referred to above form an integral part of the financial statements

As per our report of even date attached
for B S R & Co. LLP
Chartered Accountants
Firm Registration No. 101248W/W-100022
JAYANTA MUKHOPADHYAY, Partner
Membership No. : 055757

M SADHUKHAN, Chief Financial Officer
Membership No. : 060064
P. MARDIA, Asst. Vice President & Company Secretary
Membership No. : A8625

For and on behalf of Board of Directors of
Linde India Limited
CIN: L40200WB1935PLC008184
S LAMBA, Chairman DIN : 00320753
J MEHTA, Director DIN : 00033518
M BANERJEE, Managing Director DIN : 00273101

Mumbai
16 February 2016

Cash flow statement.

in Rupees million	Year ended 31 Dec,2015	Year ended 31 Dec, 2014
A. Cash flow from operating activities :		
Profit before tax	5.56	35.78
Adjustments for :		
Depreciation and amortisation including impairment	1,615.25	1,813.46
Bad Debts written off	19.32	-
Provision for doubtful receivables	61.82	24.51
Provision for warranties	19.14	83.56
Unrealised foreign exchange loss / (gain)	5.75	(8.35)
Gain on ECB restructuring	(86.95)	-
Dividends on non-current investments - trade	(30.00)	(15.00)
Profit on disposal of fixed assets (net)	(151.39)	(68.78)
Provision for liquidated damages written back	-	(5.02)
Provisions/liabilities no longer required written back	(47.56)	(52.29)
Finance cost(net)	874.71	1,022.87
Operating cash flow before working capital changes	2,285.65	2,830.74
Adjustments for increase / decrease in :		
Trade receivables	(369.28)	(179.17)
Loans and advances	653.89	440.64
Other assets	(547.91)	624.02
Inventories	55.64	54.26
Liabilities and provisions	247.12	(840.48)
Cash generated from operations	2,325.11	2,930.01
Income taxes paid (net of refund)	98.71	(215.65)
Net cash generated from operating activities	2,423.82	2,714.36
B. Cash flow from investing activities :		
Purchase or construction of fixed assets (including intangible assets, capital advances and capital work in progress)	(810.23)	(3,040.55)

in Rupees million	Year ended 31 Dec,2015	Year ended 31 Dec, 2014
Proceeds from sale of fixed assets	197.92	373.24
Dividend received	30.00	15.00
Interest received	12.37	9.73
Bank deposits (having original maturity of more than 3 months)	(6.12)	-
Net cash used in investing activities	(576.06)	(2,642.58)
C. Cash flow from financing activities :		
Proceeds from borrowings	1,812.26	3,789.31
Repayment of borrowings	(3,078.57)	(2,364.13)
Mark to market gain on cancelation of derivative contracts	489.97	-
Mark to market loss on roll forward of derivative contracts	(11.24)	-
Finance cost paid	(1,274.20)	(1,358.46)
Dividend paid	(127.92)	(128.49)
Tax paid on dividend	(25.58)	(21.74)
Net cash generated from financing activities	(2,215.28)	(83.51)
Net increase/(decrease) in cash and cash equivalents (A+B+C)	(367.52)	(11.73)
Cash and cash equivalents at the beginning of the period	571.70	583.43
Cash and cash equivalents at the end of the period	204.18	571.70
Notes to cash flow statement		
Cash and cash equivalents comprises of (refer Note 18) :		
Cash on hand	1.20	4.86
With scheduled banks:		
- on current accounts	85.26	227.35
- on deposit account (with original maturity of 3 months or less)	113.00	334.78
- on unclaimed dividend accounts *	4.72	4.71
	204.18	571.70

* accounts are not available for use by the Company

The notes referred to above form an integral part of the financial statements

As per our report of even date attached
for B S R & Co. LLP
Chartered Accountants
Firm Registration No. 101248W/W-100022
JAYANTA MUKHOPADHYAY, Partner
Membership No. : 055757

M SADHUKHAN, Chief Financial Officer
Membership No. : 060064

P MARDIA, Asst. Vice President & Company Secretary
Membership No. : A8625

For and on behalf of Board of Directors of
Linde India Limited
CIN: L40200WB1935PLC008184
S LAMBA, Chairman DIN : 00320753
J MEHTA, Director DIN : 00033518
M BANERJEE, Managing Director DIN : 00273101

Mumbai
16 February 2016

Notes to financial statements.

Company Overview

Linde India Limited is a public company having Corporate Identity Number L40200WB1935PLC008184. It is incorporated under the Companies Act, 1956 and its shares are listed on the National Stock Exchange of India Limited (NSE) and Bombay Stock Exchange Limited (BSE). The Company is primarily engaged in manufacture of industrial and medical gases and construction of cryogenic and non cryogenic air separation plants.

1. Significant accounting policies

The accounting policies set out below have been applied consistently to the periods presented in these financial statements.

a) Basis of preparation of financial statements

These financial statements have been prepared and presented under the historical cost convention, on the accrual basis of accounting and comply with the Accounting Standards prescribed in the Companies (Accounting Standards) Rules, 2006 issued by the Central Government, which continue to apply under Section 133 of the Companies Act, 2013 read with rule 7 of the Companies (Accounts) Rules, 2014 and other relevant provisions of the Companies Act, 2013 ('the Act'), to the extent notified and applicable, and other accounting principles generally accepted in India. The financial statements are presented in Indian rupees rounded off to the nearest million.

b) Use of estimates

The preparation of financial statements in conformity with Generally Accepted Accounting Principles (GAAP) requires management to make judgments, estimates and assumptions that affect the application of accounting policies and reported amounts of assets, liabilities, income and expenses and the disclosure of contingent liabilities on the date of the financial statements. Actual results could differ from those estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Any revision to accounting estimates is recognised prospectively in current and future periods.

c) Current – non current classification

All assets and liabilities are classified into current and non-current.

Assets

An asset is classified as current when it satisfies any of the following criteria:

- it is expected to be realised in, or is intended for sale or consumption in, the company's normal operating cycle;
- it is held primarily for the purpose of being traded;
- it is expected to be realised within 12 months after the reporting date; or
- it is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least 12 months after the reporting date.

Current assets include the current portion of non-current financial assets.

All other assets are classified as non-current.

Liabilities

A liability is classified as current when it satisfies any of the following criteria:

- it is expected to be settled in the company's normal operating cycle;
- it is held primarily for the purpose of being traded;
- it is due to be settled within 12 months after the reporting date; or
- the company does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting date. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

Current liabilities include current portion of non-current financial liabilities.

All other liabilities are classified as non-current.

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013. Based on the nature of manufacturing activity and the time between the acquisition of assets for processing and their realization in cash and cash equivalents, the Company has ascertained its operating cycle for the purpose of current – non-current classification of assets and liabilities:

- as 12 months for the gases and related products of the Company
- as 24 months for the Project Engineering Division of the Company which are engaged in the manufacture and construction of cryogenic and non-cryogenic air separation plants.

d) Revenue recognition

Revenue from sale of gas and related products in the course of ordinary activities is recognised when property in the goods and related products or all significant risk and rewards of their ownership are transferred to the customer and no significant uncertainty exists regarding the amount of the consideration that will be derived from the sale of gas and its related products and regarding its collection. Facility charge is recognised on accrual basis as per the terms of the contract with the customers. The amount recognized as revenue is exclusive of sales tax and value added tax.

Contract revenue and contract costs associated with the long term construction contracts are recognised as revenue and expenses respectively by reference to the stage of completion of the project at the Balance Sheet date. The stage of completion of project is determined by the proportion that contract costs incurred for work performed upto the balance sheet date bear to the estimated total contract costs. If total cost is estimated to exceed total contract revenue, the company provides for foreseeable loss.

Interest income is recognised on a time proportion basis taking into account the amount outstanding and the interest rate applicable.

Income from dividend is recognised when right to receive payment is established.

e) Tangible fixed Assets

Tangible fixed assets are stated at cost of acquisition or construction or revalued amounts less accumulated depreciation or accumulated impairment loss, if any. Cost of item of tangible fixed asset includes purchase price, taxes, non-refundable duties, freight and other costs that are directly attributable to bringing assets to their working condition for their intended use.

Spares that can be used only with particular items of plant and machinery and such usage is expected to be irregular are capitalised.

Fixed assets under construction are disclosed as capital work in progress.

f) Intangible fixed Assets

Goodwill arising on acquisition of a business is measured at cost less any accumulated impairment loss.

Intangible assets that are acquired by the Company are measured initially at cost. After initial recognition, an intangible asset is carried at its cost less any accumulated amortisation and any accumulated impairment loss.

Subsequent expenditure is capitalised only when it increases the future economic benefits from the specific asset to which it relates.

g) Depreciation

Tangible fixed assets

- Depreciation is computed based on the management's estimate of useful life of a fixed asset which is in accordance with the useful lives of fixed assets indicated in Schedule II of the Companies Act, 2013. For certain assets categorised under "Plant and equipment", based on internal assessment, the management believes that these assets have useful lives of 10 years, 15 years and 18 years, which is different from the useful lives as prescribed under Part C of Schedule II of the Act.
- In case of revalued fixed assets, depreciation is provided as aforesaid, on the total value of fixed assets as appearing in the books of account after revaluation. Additional depreciation attributable to revalued amount is charged to the Statement of Profit and Loss. On disposal of a previously revalued item of fixed asset, the difference between the net disposal proceeds and the net book value is charged or credited to the Statement of Profit and Loss except that, to the extent such loss is related to an increase which was previously recorded as a credit to revaluation reserve and which has not been subsequently reversed or utilised, is charged directly to that account. The

amount standing in revaluation reserve following the retirement or disposal of an asset, which relates to that asset is transferred to general reserve.

- Consideration for obtaining leasehold rights over land is being amortised over the period of the lease.
- Assets individually costing Rs. 10,000 or less are charged off to the Statement of Profit and Loss in the year of acquisition.
- Spares capitalised are being depreciated over the useful life / remaining useful life of the plant and machinery with which such spares can be used.
- Assets retired from active use and held for disposal are stated at lower of their net book value and net realizable value and shown under "Other current assets".

h) Amortisation

Intangible fixed assets are amortised in Statement of Profit and Loss over their estimated useful lives, from the date that they are available for use based on the expected pattern of consumption of economic benefits of the asset. Accordingly, at present, these are being amortised on straight line basis. In accordance with the applicable Accounting Standard, the Company follows a rebuttable presumption that the useful life of an intangible asset will not exceed ten years from the date when the asset is available for use. However, if there is persuasive evidence that the useful life of an intangible asset is longer than ten years, it is amortised over the best estimate of its useful life.

The amortization rates are as follows:

Goodwill	20%
Software	20%
Non- compete fee	20%
Leasehold rights	33.33%

i) Impairment

The carrying amounts of fixed assets and capital work in progress are reviewed at each Balance Sheet date in accordance with Accounting Standard 28 on 'Impairment of Assets' prescribed by the Companies (Accounting Standards) Rules, 2006 (as amended), to determine whether there is any indication of impairment. If any such indication exists, the assets recoverable amounts are estimated at each reporting date. An impairment loss is recognised whenever the carrying amount of an asset or the cash generating unit of which it is a part exceeds the corresponding recoverable amount. Impairment losses are recognised in the Statement of Profit and Loss. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the assets carrying amount does not exceed the carrying amount that would have been determined net of depreciation or amortisation, if no impairment loss had been recognised. Impairment loss recognized for goodwill is not reversed in a subsequent period unless the impairment loss was caused by a specific external event of an exceptional nature that is not expected to recur, and subsequent external events have occurred that reverse the effect

of that event. Goodwill, intangible assets which are amortised over a period exceeding ten years and intangible assets which are not yet available for use are tested for impairment annually.

j) Borrowing costs

Borrowing costs that are attributable to the acquisition, construction or production of qualifying assets are treated as direct cost and are considered as part of cost of such assets. A qualifying asset is an asset that necessarily requires a substantial period of time to get ready for its intended use or sale. Capitalisation of borrowing costs is suspended in the period during which the active development is delayed beyond reasonable time due to other than temporary interruption. All other borrowing costs are charged to the statement of profit and loss as incurred.

k) Investments

Non-current investments are stated at cost. Provision is made for diminution, other than temporary, in the value of investments, wherever applicable. Current investments are stated at lower of cost and fair value.

l) Inventories

Inventories which comprise raw materials, components, stores and spare parts are valued at lower of cost and net realisable value. Cost includes purchase price, duties and taxes (other than those subsequently recoverable by the Company from taxing authorities), freight inward and other expenditure in bringing inventories to present locations and conditions. In determining the cost, weighted average cost method is used. The carrying costs of raw materials, components and stores and spare parts are appropriately written down when there is a decline in replacement cost of such materials and the finished products in which they will be incorporated are expected to be sold below cost.

Finished goods are valued at the lower of cost and net realisable value. The comparison of cost and net realisable value is made on an item by item basis. Cost comprises of direct material and labour expenses and an appropriate portion of production overheads incurred in bringing the inventory to their present location and condition. Fixed production overheads are allocated on the basis of normal capacity of the production facilities.

Excise duty liability is included in the valuation of year - end inventory of finished goods.

Costs incurred on long term construction contracts representing general purpose item of inventories are disclosed as contract work in progress net of provision for loss.

m) Leases

Finance leases

Assets made available to customers under arrangements which are in the nature of finance lease are recognised as a receivable at the inception of the lease at an amount equal to the net investment in the lease or the fair value of the leased assets, whichever is lower. The excess of net investment in the lease/ fair value of the leased asset, as the case may be, over the book value of the leased asset are recognised as gain in the Statement of Profit and Loss at the inception of the lease. Lease rentals are apportioned between principal and interest based on a pattern reflecting a constant periodic return on the net investment of the lessor outstanding in respect of the finance lease. The lease rental amount received reduces the net investment in the lease and interest is recognised as revenue. Initial direct costs are recognised immediately in the Statement of Profit and Loss.

Operating leases

Lease payments under operating leases are recognised as expense in the Statement of Profit and Loss on a straight line basis over the lease term.

n) Research and development

Revenue expenditure on research and development is expensed in the year in which it is incurred and related capital expenditure is considered as addition to fixed assets.

o) Employee benefits

The Company's obligations towards various employee benefits have been recognised as follows:

Short term benefits

Employee benefits payable wholly within twelve months of receiving employees services are classified as short-term employee benefits. These benefits include salaries and wages, bonus and ex-gratia. The undiscounted amount of short-term employee benefits to be paid in exchange for employee services is recognized as an expense as the related service is rendered by employees.

Cost of accumulating compensated absences that are expected to be availed within a period of 12 months from the period end are recognised when the employees render the service that increases their entitlement to future compensated absences. Cost is computed based on past trends and is not discounted. Cost of non-accumulating compensated absences is recognised when absences occur.

Post employment benefits

- i) Monthly contributions to Provident Funds which are in the nature of defined contribution schemes are charged to Statement of Profit and Loss and deposited with the provident fund authorities on a monthly basis.

Provident fund administered through Company's trust for certain employees (in accordance with Provident Fund Regulation) are in the nature of defined benefit obligations with respect to the yearly interest guarantee. Annual charge is recognised based on actuarial valuation of the Company's related obligation on the reporting date. Actuarial gains or losses for the year are recognised in the Statement of Profit and Loss as income or expenses.

- ii) Gratuity and superannuation schemes which are in the nature of defined benefit plans, excepting Plan B of Executive Staff Pension Fund, are administered by the Trustees. Annual contributions are recognised on the basis of actuarial valuation of related obligations and plan assets conducted by an external actuary appointed by the Company and are paid to the respective funds. Plan B of Executive Staff Pension Fund which is a defined contribution scheme for which the Trustees of the scheme have entrusted the administration of the related fund to the Life Insurance Corporation of India (LICI). The contributions are charged to Statement of Profit and Loss and deposited with LICI on a monthly basis.

Compensated absences

Cost of long term benefit by way of accumulating compensated absences that are expected to be availed after a period of 12 months from the period-end are recognised when the employees render the service that increases their entitlement to future compensated absences. Such costs are recognised based on actuarial valuation of related obligation on the reporting date. Actuarial gains and losses for the year are recognised in the Statement of Profit and Loss as income or expense.

Termination Benefits

Costs of termination benefits have been recognised only when the Company has a present obligation as a result of a past event, it is probable that an outflow of resources will be required to settle such obligation and the amount of the obligation can be reliably estimated.

p) Foreign exchange transactions

Foreign exchange transactions are recorded at the exchange rate prevailing on the dates of the transactions. Year-end monetary assets and liabilities denominated in foreign currencies are translated at the year-end foreign exchange rates.

Exchange differences arising on settlements/ translations are recognised in the Statement of Profit and Loss. In case of forward exchange contracts which are entered into to hedge the foreign currency risk of a receivable/ payable recognised in these financial statements, premium or discount on such contracts are amortised over the life of the contract and exchange differences arising thereon in the reporting period are recognised in the Statement of Profit and Loss.

q) Derivative instruments and hedge accounting

The Company has entered into forward contracts and principal and interest swap contracts with a bank to hedge its risks associated with foreign currency and variable interest rate fluctuations related to certain firm commitments and forecasted transactions. These derivative contracts are being considered as cash flow hedges applying the recognition and measurement principles set out in the Accounting Standard 30 "Financial Instruments: Recognition and Measurement" (AS 30). The use of hedging instruments is governed by the Company's policies approved by the Board of Directors. The Company does not use these contracts for trading or speculative purposes.

To designate a forward contract/ swap contract as an effective hedge, management objectively evaluates and evidences with appropriate supporting documents at the inception of each contract whether the contract is effective in offsetting cash flows attributable to the hedged risk.

Hedging instruments are initially measured at fair value and are re-measured at subsequent reporting dates at fair value. Gain/ loss arising from year end translation of borrowings drawn down and gain/loss arising from changes in fair values of these derivatives that are effective hedges are recognized directly in the shareholders' funds and retained there till these hedging instruments either expire or are sold, terminated, exercised or no longer qualify for hedge accounting. When a hedged transaction

is no longer expected to occur, the net cumulative gain or loss recognized in shareholders' funds is transferred to the Statement of Profit and Loss for the year.

In the absence of designation as effective hedge, gain or loss arising from changes in fair values of these swap contracts are recognized in the Statement of Profit and Loss.

r) Provisions and contingent liabilities

A provision is created when there is a present obligation as a result of a past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of the obligation. A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. When there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made. Contingent assets are neither recognised nor disclosed in the financial statements. However, contingent assets are assessed continually and if it is virtually certain that an inflow of economic benefits will arise, the asset and related income are recognised in the period in which the change occurs.

s) Tax

Income-tax expense comprises current tax (i.e. amount of tax for the period determined in accordance with the income-tax law) and deferred tax charge or credit (reflecting the tax effects of timing differences between accounting income and taxable income for the period).

Current tax is measured at the amount expected to be paid to (recovered from) the taxation authorities, using the applicable tax rates and tax laws. Deferred tax is recognised in respect of timing differences between taxable income and accounting income i.e. differences that originate in one period and are capable of reversal in one or more subsequent periods. The deferred tax charge or credit and the corresponding deferred tax liabilities or assets are recognised using the tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date. Deferred tax assets are recognised only to the extent there is reasonable certainty that the assets can be realised in future; however, where there is unabsorbed depreciation or carried forward loss under

taxation laws, deferred tax assets are recognised only if there is a virtual certainty supported by convincing evidence that sufficient future taxable income will be available against which such deferred tax assets can be realised. Deferred tax assets are reviewed as at each balance sheet date and written down or written-up to reflect the amount that is reasonably/virtually certain (as the case may be) to be realised.

Minimum Alternative Tax ('MAT') under the provisions of the Income-tax Act, 1961 is recognised as current tax in the Statement of Profit and Loss. The credit available under the Act in respect of MAT paid is recognised as an asset only when and to the extent there is convincing evidence that the company will pay normal income tax during the period for which the MAT credit can be carried forward for set-off against the normal tax liability. MAT credit recognised as an asset is reviewed at each balance sheet date and written down to the extent the aforesaid convincing evidence no longer exists.

t) Earnings per share

Basic earnings per share are computed using the weighted average number of equity shares outstanding during the year. Diluted earnings per share are computed using the weighted average number of equity and dilutive equity equivalent shares outstanding during the year, except where the results would be anti-dilutive.

u) CSR Expenditure

All amounts spent on Corporate Social Responsibility (CSR) activities, which is specified in Schedule VII to the Companies Act, 2013 read with MCA Circular No. 21/2014 dated 24.10.2014, is recognised as CSR Expenditure in the Statement of Profit and Loss.

No provision for the amount which is not spent, i.e., any shortfall in the amount that was expected to be spent as per the provisions of the Act on CSR activities and the amount actually spent at the end of financial year is made in the financial statements. However, if the company has already undertaken certain CSR activity for which a liability has been incurred by entering into a contractual obligation, then in accordance with the generally accepted principles of accounting, a provision for the amount representing the extent to which the CSR activity was completed during the year, is recognised in the financial statements.

2. Share capital

in Rupees million	As at 31 Dec, 2015		As at 31 Dec, 2014	
	Number	Amount	Number	Amount
Authorised				
Equity Shares of Rs. 10 each	86,000,000	860.00	86,000,000	860.00
Issued				
Equity Shares of Rs. 10 each	85,286,209	852.86	85,286,209	852.86
Subscribed and paid up				
Equity Shares of Rs. 10 each fully paid up	85,284,223	852.84	85,284,223	852.84

Reconciliation of shares outstanding at the beginning and at the end of the reporting period

in Rupees million	As at 31 Dec, 2015		As at 31 Dec, 2014	
	Number	Amount	Number	Amount
Equity Shares of Rs. 10 each fully paid up At the commencement and at the end of the year	85,286,209	852.86	85,286,209	852.86

Shares held by holding/ultimate holding company and/or their subsidiaries/associates

in Rupees million	As at 31 Dec, 2015		As at 31 Dec, 2014	
	Number	Amount	Number	Amount
Equity shares of Rs. 10 each fully paid up held by: The BOC Group Ltd,U.K., holding company	63,963,167	639.63	63,963,167	639.63

Particulars of shareholders holding more than 5% shares of a class of shares

	As at 31 Dec, 2015		As at 31 Dec, 2014	
	Number	% of total shares in class	Number	% of total shares in class
Equity shares of Rs. 10 each fully paid up held by: The BOC Group Ltd,U.K., holding company	63,963,167	75.00	63,963,167	75.00

Rights, preferences and restrictions attached to equity shares

The Company has a single class of equity shares. Accordingly, all equity shares rank equally with regard to dividends and share in the Company's residual assets. The equity shares are entitled to receive dividend as declared from time to time. The voting rights of an equity shareholder on a poll (not on show of hands) are in proportion to its share of the paid-up equity capital of the Company. Voting rights

cannot be exercised in respect of shares on which any call or other sums presently payable have not been paid.

On winding up of the company, the holders of equity shares will be entitled to receive the residual assets of the company, remaining after distribution of all preferential amounts in proportion to the number of equity shares held.

3. Reserve and surplus

in Rupees million	As at 31 Dec, 2015	As at 31 Dec, 2014
Securities premium account		
At the commencement and at the end of the year	6,972.52	6,972.52
Revaluation reserve		
At the commencement of the year	11.34	14.08
Less: Amount transferred to the general reserve	0.01	2.74
	11.33	11.34
Capital incentive		
At the commencement and at the end of the year	2.00	2.00
General reserve		
At the commencement of the year	984.33	978.89
Add :Transfer from revaluation reserve	0.01	2.74
Add : Transfer from surplus	-	2.70
	984.34	984.33
Translation and hedging reserve (Refer Note 42)		
At the commencement of the year	21.67	303.21
Add : Movement during the year	(78.53)	(281.54)
	(56.86)	21.67
Surplus (profit and loss balance)		
At the commencement of the year	5,047.52	5,149.73
Profit for the year	234.57	54.00
Adjustments for depreciation (Refer Note 11)	45.45	-
Appropriations		
Proposed equity dividend [amount Re. 0.75 per share (previous year: Rs.1.5 per share)]	63.96	127.93
Tax on proposed equity dividend	13.02	25.58
Transfer to general reserve	-	2.70
	5,159.66	5,047.52
	13,072.99	13,039.38

4. Long-term borrowings

in Rupees million	Non-current portion		Current portion*	
	As at 31 Dec, 2015	As at 31 Dec, 2014	As at 31 Dec, 2015	As at 31 Dec, 2014
Unsecured				
Foreign currency loan from Linde AG, ultimate holding company	-	4,209.71	-	2,059.10
Rupee loan from Linde AG, ultimate holding company	10,693.28	5,241.57	-	-
Foreign currency term loan from bank	2,689.32	1,572.72	-	1,061.20
	13,382.60	11,024.00	-	3,120.30

* Amount disclosed under "other current liabilities" under note 10

4. Long-term borrowings (contd..)

in Rupees million	Loan outstanding		Repayment schedule	Interest rate	Interest rate as per interest rate swap
	As at 31 Dec, 2015	As at 31 Dec, 2014			
Borrowings					
(a) External commercial borrowings of EURO Nil (previous year EURO 40.60 million)* [Also refer note 42]	-	3,096.27	Half yearly installments from February 2013 to May 2016 [refer note 42(iii)]	3months EURIBOR + 3.5%	11.24%
(b) External commercial borrowings of EURO Nil (previous year EURO 41.60 million)* [Also refer note 42]	-	3,172.54	Yearly installments from August 2012 to September 2017 [refer note 42(iii)]	4.585%	9.45%
(c) External commercial borrowings in INR	5,553.83	5,241.57	Half Yearly installments from January 2017 to January 2020	7.76%	NA
(d) External commercial borrowings in INR	2,230.59	-	Quarterly installments from January 2017 to October 2020	8.95%	NA
(e) External commercial borrowings in INR	2,908.86	-	Quarterly installments from January 2017 to October 2020	8.91%	NA
(f) Foreign Currency term loan from bank of USD Nil # (previous year USD 16.84 million)	-	1,061.20	June 2015	USD-LIBOR-BBA+265 basis points	9.4%
(g) Foreign Currency term loan from bank of USD 4.95 million# (previous year USD 4.95 million)	327.73	312.02	July 2017	USD-LIBOR-BBA+158 basis points	9.5%
(h) Foreign Currency term loan from bank of USD 20.00 million# (previous year USD 20.00 million)	1,324.16	1,260.70	July 2017	USD-LIBOR-BBA+105 basis points	9.5%
(i) Foreign Currency term loan from bank of USD 15.67 million# (previous year USD Nil)	1,037.43	-	May 2018	USD-LIBOR-BBA+115 basis points	9.0%
	13,382.60	14,144.30			

* Against the above loan the company has designated principal and interest swap contracts with a bank as hedges of foreign currency borrowing facilities aggregating Euro Nil (previous year Euro 82.20 million) equivalent to Rs. Nil (previous year Rs. 5,268.39). Also refer note 42

Against the above loan the company has designated principal and interest swap contracts with a bank as hedges of foreign currency borrowing facilities aggregating USD 40.62 million (previous year USD 41.79 million) equivalent to Rs. 2,500.00 (previous year Rs. 2,499.99). Also refer note 42

5. Deferred tax liabilities (net)

in Rupees million	As at 31 Dec, 2015	As at 31 Dec, 2014
Deferred tax liabilities		
Difference between net book value of depreciable assets as per books and written down value as per Income Tax Act, 1961	2,937.05	2,654.43
Mark to market on derivative contracts	-	11.16
Future Income from finance lease arrangement	137.10	126.62
(A)	3,074.15	2,792.21
Deferred tax asset		
Mark to market on derivative contracts	30.16	-
Provision for doubtful receivables, contingencies, warranties and employee benefits	120.90	89.71
Separation payment to employees	35.75	9.24
Unabsorbed depreciation	1,342.88	862.85
Others	1.59	1.55
(B)	1,531.28	963.35
Deferred tax liabilities (net) (A) - (B)	1,542.87	1,828.86

6. Other long-term liabilities

in Rupees million	As at 31 Dec, 2015	As at 31 Dec, 2014
Sundry deposits	352.81	200.96
Creditors for capital goods	16.03	21.37
Advance from customers	63.39	50.44
	432.23	272.77

7. Provisions

in Rupees million	Long term		Short term	
	As at 31 Dec, 2015	As at 31 Dec, 2014	As at 31 Dec, 2015	As at 31 Dec, 2014
Provision for employee benefits				
Gratuity*	40.31	41.33	-	-
Pension*	31.93	19.16	-	-
Compensated absences	23.48	20.83	1.05	1.73
Other employee benefits*	24.83	22.57	127.86	146.77
	120.55	103.89	128.91	148.50
Other provisions				
Provision for warranties	-	-	189.32	242.09
Provision for liquidated damages	-	-	80.23	118.46
Provision for contingencies	-	-	22.21	43.66
Provision for dismantling cost	532.00	532.00	-	-
Provision for proposed equity dividend	-	-	63.96	127.93
Tax on proposed equity dividend	-	-	13.02	25.58
Provision for tax (Including fringe benefit tax) [Refer note -14(a)]	1,946.57	2,177.35	-	-
	2,478.57	2,709.35	368.74	557.72
Total provisions	2,599.12	2,813.24	497.65	706.22

*Refer note 34

Movement of provisions

in Rupees million	Liquidated damages	Warranties	Contingencies	Dismantling Costs
Balance as at 1 January 2015	118.46	242.09	43.66	532.00
	(136.48)	(235.94)	(52.96)	(417.00)
Add: Provision during the year	-	42.82	2.56	-
	(-)	(100.43)	(-)	(115.00)
Less: Utilised during the year	38.23	71.91	23.13	-
	(13.00)	(77.41)	(5.46)	(-)
Less: Reversed during the year	-	23.68	0.88	-
	(5.02)	(16.87)	(3.84)	(-)
Balance as at 31 December 2015	80.23	189.32	22.21	532.00
	(118.46)	(242.09)	(43.66)	(532.00)

(previous year figures are in bracket)

(a) Provision for liquidated damages

Liquidated damages are provided based on contractual terms when the delivery / commissioning dates of an individual project have exceeded or are likely to exceed the delivery / commissioning dates and / or on the deviation in contractual performance as per the respective contracts. This expenditure is expected to be incurred over the respective contractual terms up to closure of the contract (including warranty period).

(b) Provision for warranties

Warranty costs are provided based on a technical estimate of the costs required to be incurred for repairs, replacement, material cost, servicing and past experience in respect of warranty costs. It is expected that this expenditure will be incurred over the contractual warranty period.

(c) Provision for contingencies

Provision is towards known contractual obligation, litigation cases and pending assessments in respect of taxes, duties and other levies in respect of which management believes that there are present obligations and the settlement of such obligations are expected to result in outflow of resources, to the extent provided for.

(d) Provision for dismantling costs

Provision is towards estimated cost to be incurred on dismantling of plants at the customers' site upon expiry of the tenure of the contractual agreement with the customer. Such cost has been capitalised under plant and machinery.

8. Short-term borrowings

in Rupees million	As at 31 Dec, 2015	As at 31 Dec, 2014
Unsecured		
Short term loan from bank *	-	1,500.00
Short term loan from fellow-subsiary **	500.00	-
	500.00	1,500.00

* The loan was repayable on demand and it carried an interest rate in the range of 9.70% to 10.20% per annum payable monthly.

** The loan is repayable in Dec 2016 and it carries an interest rate of 7.90%.

9. Trade payables

in Rupees million	As at 31 Dec, 2015	As at 31 Dec, 2014
total outstanding dues of micro and small enterprises	1.18	0.71
total outstanding dues of creditors other than micro and small enterprises	2,161.08	2,507.65
	2,162.26	2,508.36
Disclosures as required under the Micro, Small and Medium Enterprises Development Act, 2006 ("the MSMED Act") based on the information available with the Company are given below:		
Particulars		
The amounts remaining unpaid to suppliers as at the end of the year		
- Principal	-	-
- Interest	-	-
The amount of interest paid by the buyer in terms of Section 16 of the MSMED Act, 2006	0.18	-
The amounts of the payments made to suppliers beyond the appointed day during each accounting year	8.17	-
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under MSMED Act, 2006	-	-
The amount of interest accrued and remaining unpaid at the end of each accounting year	-	-
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under section 23 of the MSMED Act, 2006	0.63	0.45

10. Other current liabilities

in Rupees million	As at 31 Dec, 2015	As at 31 Dec, 2014
Current maturities of long-term borrowings (refer note 4)	-	3,120.30
Advance from customers	603.33	159.39
Billing in excess over cost and profit	543.88	445.47
Interest accrued but not due on borrowings	208.23	224.20
Mark to Market on derivative contracts	-	3.15
Unpaid dividend	4.72	4.71
Creditors for capital goods	210.46	274.36
Employee liabilities	17.98	5.07
TDS payable	9.78	12.47
Work contract tax payable	1.09	0.36
	1,599.47	4,249.48

11. Tangible fixed assets

in Rupees million	Freehold Land	Leasehold Land	Buildings*	Plant and Equipments	Furniture and Fixtures	Vehicles	Office Equipments	Total
Gross Block								
Balance as at 1 January 2014	221.01	116.90	962.56	21,607.28	105.24	62.32	252.87	23,328.18
Additions	41.27	-	121.43	5,364.70	4.66	1.43	42.09	5,575.58
Disposals/adjustments	-	-	(7.85)	(37.44)	(3.50)	(18.13)	(6.27)	(73.19)
Reclassification to assets held for sale	-	(1.12)	-	-	-	-	-	(1.12)
Other adjustments								
Borrowing Costs	-	-	-	1,477.99	-	-	-	1,477.99
Balance as at 31 December 2014	262.28	115.78	1,076.14	28,412.53	106.40	45.62	288.69	30,307.44
Balance as at 1 January 2015	262.28	115.78	1,076.14	28,412.53	106.40	45.62	288.69	30,307.44
Additions	-	-	64.19	1,138.06	5.50	-	44.55	1,252.30
Disposals/adjustments	-	-	(0.98)	(86.08)	(30.92)	(18.53)	(70.34)	(206.85)
Balance as at 31 December 2015	262.28	115.78	1,139.35	29,464.51	80.98	27.09	262.90	31,352.89
Depreciation and Impairment Losses								
Balance as at 1 January 2014	-	10.83	219.77	6,358.50	36.36	31.83	178.43	6,835.72
Depreciation for the year	-	1.94	32.98	1,585.92	8.75	5.75	12.22	1,647.56
Impairment released during the year	-	-	(0.38)	(0.02)	-	-	-	(0.40)
Accumulated depreciation on Disposals	-	-	(4.74)	(27.31)	(3.34)	(13.49)	(5.48)	(54.36)
Reclassification to assets held for sale	-	(0.30)	-	-	-	-	-	(0.30)
Balance as at 31 December 2014	-	12.47	247.63	7,917.09	41.77	24.09	185.17	8,428.22
Balance as at 1 January 2015	-	12.47	247.63	7,917.09	41.77	24.09	185.17	8,428.22
Depreciation for the year	-	1.20	36.94	1,445.52	19.00	1.73	40.26	1,544.65
Depreciation transfer to Reserves #	-	-	1.81	45.60	-	0.12	21.98	69.51
Impairment loss during the year	-	-	-	3.76	-	-	-	3.76
Impairment released during the year	-	-	-	(0.02)	(0.04)	-	-	(0.06)
Accumulated depreciation on Disposals	-	-	(0.98)	(85.36)	(29.53)	(7.12)	(67.85)	(190.84)
Balance as at 31 December 2015	-	13.67	285.40	9,326.59	31.20	18.82	179.56	9,855.24
Net block								
As at 31 December 2014	262.28	103.31	828.51	20,495.44	64.63	21.53	103.52	21,879.22
As at 31 December 2015	262.28	102.11	853.95	20,137.92	49.78	8.27	83.34	21,497.65

11. Tangible fixed assets (contd..)

in Rupees million	Total
Capital work-in-progress**	
Balance as at 1 January 2014	7,437.32
Additions	3,200.41
Asset capitalised/adjusted/impaird during the year***	(7,076.81)
Balance as at 31 December 2014	3,560.92
Balance as at 1 January 2015	3,560.92
Additions	3,469.53
Asset capitalised/adjusted during the year	(1,264.93)
Balance as at 31 December 2015	5,765.52

* Includes revaluation on building Rs. 11.33 (previous year Rs. 11.34) done by an external valuer on 30 September 1966 and 1 October 1980

** Includes borrowing costs aggregating Rs. 903.84 (previous year Rs. 497.92). Capital work in progress Includes impairment balance of Rs. 121.86 (previous year Rs. 151.96)

*** The impairment loss in the previous year represents the writedown in value of certain assets to the extent of Rs. 121.85 million

On re-assessment of useful lives of Tangible Fixed Assets in accordance with Schedule II of the Companies Act, 2013, an amount of Rs 45.45 million (net of deferred tax of Rs 24.06 million) has been adjusted against the opening balance of Retained Earnings, in respect of the residual value of assets whose remaining useful life as on 1st January 2015 has become 'nil'.

12. Intangible fixed assets

in Rupees million	Goodwill	Software	Non compete fees	Leasehold rights	Total
Gross block					
Balance as at 1 January 2014	124.16	63.77	17.00	13.30	218.23
Additions	-	16.39	-	-	16.39
Balance as at 31 December 2014	124.16	80.16	17.00	13.30	234.62
Balance as at 1 January 2015	124.16	80.16	17.00	13.30	234.62
Additions	-	17.34	-	-	17.34
Disposals/adjustments	-	(63.81)	-	-	(63.81)
Balance as at 31 December 2015	124.16	33.69	17.00	13.30	188.15
Amortisation					
Balance as at 1 January 2014	27.68	29.54	2.69	2.11	62.02
Amortisation for the Year	24.83	11.39	3.40	4.43	44.05
Balance as at 31 December 2014	52.51	40.93	6.09	6.54	106.07
Balance as at 1 January 2015	52.51	40.93	6.09	6.54	106.07
Amortisation for the Year	24.83	34.18	3.40	4.43	66.84
Accumulated amortisation on Disposals/Adjustments	-	(63.04)	-	-	(63.04)
Balance as at 31 December 2015	77.34	12.07	9.49	10.97	109.87
Net block					
As at 31 December 2014	71.65	39.23	10.91	6.76	128.55
As at 31 December 2015	46.82	21.62	7.51	2.33	78.28

13. Non current investments (valued at cost unless stated otherwise)

in Rupees million	As at 31 Dec, 2015	As at 31 Dec, 2014
Trade investments		
Unquoted		
I. Investment in joint venture		
Bellary Oxygen Company Private Limited	150.00	150.00
15,000,000 (Previous year 15,000,000) equity shares of Rs. 10 each		
Other investments		
Unquoted		
I. At Nominal value of Re 1 each		
Woodlands Multispeciality Hospital Limited		
2,980 (Previous Year 2,980) Equity shares of Rs. 10 each	0.00	0.00
Quoted		
II. Investment in equity shares		
JSW Steel Limited	0.07	0.07
100 (Previous Year 100) equity shares of Rs. 10 each		
	150.07	150.07
The aggregate book value and market value of quoted non current investments and book value of unquoted non current investments are as follows		
Quoted non-current investment		
Aggregate book value	0.07	0.07
Aggregate market value	0.10	0.10
Aggregate book value of un-quoted non-current investment	150.00	150.00

14. Long term loans and advances

in Rupees million	Non-current Portion		Current Portion*	
	As at 31 Dec, 2015	As at 31 Dec, 2014	As at 31 Dec, 2015	As at 31 Dec, 2014
To parties other than related parties (Unsecured and considered good)				
Capital advances	12.53	52.59	-	-
Security deposits	187.36	202.40	50.51	62.45
Other loans and advances				
Prepaid expenses	3.07	4.10	36.74	21.77
Balance with custom, excise etc.	-	16.32	390.04	720.39
Advance tax recoverable [Refer note (a) below] [includes MAT credit entitlement Rs. 472.51 (previous year Rs. 467.04)]	2,508.94	2,818.28	-	-
	2,711.90	3,093.69	477.29	804.61
To related parties (Unsecured and considered good)				
Capital advances	-	2,265.96	-	-
Other advances	-	65.00	-	135.00
	-	2,330.96	-	135.00
	2,711.90	5,424.65	477.29	939.61

* Amount disclosed under "short term loans and advances" under note 19

(a) Advance tax (net of provision) aggregates to Rs. 562.37 (previous year Rs. 640.93).

15. Other non current asset (Unsecured and considered good)

in Rupees million	As at 31 Dec, 2015	As at 31 Dec, 2014
Receivable from finance lease arrangement	362.18	334.67
Receivable from mark to market on derivative contracts	113.62	1,104.26
Unbilled revenue	224.66	-
	700.46	1,438.93

16. Inventories (Valued at lower of cost and net realisable value)

in Rupees million	As at 31 Dec, 2015	As at 31 Dec, 2014
Stores and spare parts [including goods in transit Rs. 0.19 (previous year Rs. Nil)]	333.84	368.76
Raw materials and components [including goods in transit Rs. Nil (previous year Rs. 3.86)]	9.93	14.23
Finished goods [including goods in transit Rs. 2.73 (previous year Rs. 1.09)]	271.73	267.14
Contract work-in-progress	37.49	58.50
	652.99	708.63
Closing stock of finished goods		
Class of goods		
Air separation unit gases	184.97	169.25
Other cylinder gases	44.13	54.92
Others	42.63	42.97
	271.73	267.14

17. Trade receivables

in Rupees million	As at 31 Dec, 2015	As at 31 Dec, 2014
Receivables outstanding for a period exceeding six months from the date they became due for payment		
(a) Unsecured, considered good	1,959.10	1,764.99
(b) Doubtful	165.81	121.66
Less : Provision for doubtful receivables	(165.81)	(121.66)
	1,959.10	1,764.99
Other receivables		
(a) Unsecured, considered good	1,403.69	1,308.86
(b) Doubtful	33.23	15.56
Less : Provision for doubtful receivables	(33.23)	(15.56)
	1,403.69	1,308.86
	3,362.79	3,073.85

18. Cash and bank balances

in Rupees million	As at 31 Dec, 2015	As at 31 Dec, 2014
Cash and cash equivalents		
- Cash on hand	1.20	4.86
- Balances with banks		
on current accounts	85.26	227.35
on deposit account (with original maturity of 3 months or less)	113.00	334.78
on unclaimed dividend accounts *	4.72	4.71
Other Bank Balances	6.12	-
	210.30	571.70
* accounts are not available for use by the Company		
Bank balances available on demand/deposits with original maturity of 3 months or less included under 'Cash and cash equivalents'	113.00	334.78
Bank deposits due to mature within 12 months of the reporting date included under 'Other bank balances'	6.12	-
Bank deposits due to mature after 12 months of the reporting date included under 'Other noncurrent assets' (refer note 15)	-	-

19. Short term loans and advances (Unsecured and considered good)

in Rupees million	As at 31 Dec, 2015	As at 31 Dec, 2014
Current portion of long term loans and advances (refer note 14)		
To parties other than related parties	477.29	804.61
To related parties	-	135.00
Other short-term loans and advances		
To parties other than related parties		
Advances for supply of goods and services	163.98	270.19
Advances to employees	2.12	2.14
To related parties		
Advances for supply of goods and services	31.70	19.64
	675.09	1,231.58

20. Other current assets (Unsecured and considered good)

in Rupees million	As at 31 Dec, 2015	As at 31 Dec, 2014
Claims including escalation	219.90	119.29
Receivables from finance lease arrangement	35.16	37.86
Receivable from mark to market on derivative contracts	-	66.06
Unbilled revenue	186.13	140.10
Fixed assets reclassified as held for sale	4.23	23.98
Receivable from related parties - for recovery of expenses	154.50	166.48
Other receivable	237.06	73.28
	836.98	627.05

21. Revenue from operations

in Rupees million	Year ended 31 Dec, 2015	Year ended 31 Dec, 2014
Sale of products (gross)	14,987.72	13,919.85
Revenue from construction contracts (Refer note 39)	1,910.36	2,022.70
Other operating revenues (refer note 21a below)	125.39	206.12
	17,023.47	16,148.67
Less: Excise duty	1,357.18	1,235.21
Revenue from operations (net)	15,666.29	14,913.46
21.a Other operating revenues		
Interest income on finance lease arrangement	48.95	45.16
Provisions/liabilities no longer required written back	47.56	52.29
Provision for liquidated damages written back	-	5.02
Gain on Foreign Exchange (Net)	8.56	41.54
Miscellaneous Income	20.32	62.11
	125.39	206.12
Breakup of revenue		
Air separation unit gases	14,262.87	12,927.93
Other cylinder gases	159.13	189.24
Vessels, plants and other engineering project goods	1,910.36	2,022.70
Others	565.72	802.68
	16,898.08	15,942.55

22. Other income

in Rupees million	Year ended 31 Dec, 2015	Year ended 31 Dec, 2014
Rent	19.32	18.57
Dividends on long term investments - trade	30.00	15.00
Profit on disposal of fixed assets (net)	151.39	68.78
Gain on ECB restructuring [Also refer note 42 (iii)]	86.95	-
Insurance claims received	6.31	-
Interest income		
on deposits and others [tax deducted at source Rs. 1.23 (previous Year Rs. 0.58)]	12.37	5.79
on income tax refund	11.75	-
	318.09	108.14

23. Cost of materials consumed

in Rupees million	Year ended 31 Dec, 2015	Year ended 31 Dec, 2014
Inventory of materials at the beginning of the year	14.23	15.38
Purchases	1,114.80	930.45
Less: Inventory of materials at the end of the year	9.93	14.23
	1,119.10	931.60
Breakup of cost of material consumed		
Ferrous, non-ferrous metals and components	1,063.71	871.02
Chemicals	55.39	60.58
	1,119.10	931.60
Breakup of inventory - materials		
Ferrous, non-ferrous metals and components	5.51	11.81
Chemicals	4.42	2.42
	9.93	14.23

24. Breakup of purchase of stock in trade

in Rupees million	Year ended 31 Dec, 2015	Year ended 31 Dec, 2014
Air separation unit gases	344.45	334.23
Other cylinder gases	29.21	92.67
Others	185.29	325.63
	558.95	752.53

25. Changes in inventories of finished goods, contract work in progress and stock in trade

in Rupees million	Year ended 31 Dec, 2015	Year ended 31 Dec, 2014
Opening inventory		
Finished goods	267.14	314.59
Contract work-in-progress	58.50	18.79
	325.64	333.38
Less : Closing inventory		
Finished goods	271.73	267.14
Contract work-in-progress	37.49	58.50
	16.42	7.74

26. Employee benefits

in Rupees million	Year ended 31 Dec, 2015	Year ended 31 Dec, 2014
Salaries, wages and bonus	768.24	731.99
Contribution to provident and other funds	89.84	100.15
Workmen and staff welfare expenses	65.44	65.26
Separation payments to employees	0.74	11.74
	924.26	909.14

27. Finance costs

in Rupees million	Year ended 31 Dec, 2015	Year ended 31 Dec, 2014
on long and short term borrowings from banks	389.59	396.64
on external commercial borrowings (net of capitalisation) and others	509.24	632.02
	898.83	1,028.66

28. Depreciation and amortisation (including impairment)

in Rupees million	Year ended 31 Dec, 2015	Year ended 31 Dec, 2014
Depreciation of tangible fixed assets	1,544.65	1,647.56
Impairment losses	3.76	121.85
Amortisation of intangible fixed assets	66.84	44.05
	1,615.25	1,813.46

29. Other expenses

in Rupees million	Year ended 31 Dec, 2015	Year ended 31 Dec, 2014
Consumption of stores and spare parts	299.16	308.35
Travelling expenses	161.78	160.95
Power and fuel	7,468.74	6,153.93
Repairs		
- Plant and machinery	191.51	198.20
- Buildings	22.80	21.71
- Others	63.10	42.00
Insurance	48.31	61.37
Freight and transport	1,234.33	1,304.26
Rent (refer note 37)	55.57	71.39
Rates and taxes	33.92	10.79
Communication costs	44.18	45.92
Contract Job expenses	284.51	306.08
Provision for warranties	19.14	83.56
Bad debts written off [Net of provision for Liquidated damages adjusted Rs. 38.23 (Previous year provision for doubtful receivables Rs. 123.74)]	19.32	-
Provision for doubtful receivables	61.82	24.51
Technical support fees	16.42	3.69
CSR expenditure (refer note 44)	8.77	5.08
Miscellaneous expenses (refer note 33)	717.63	740.90
	10,751.01	9,542.69

30. Interest in joint venture

- a) The Company does not have a subsidiary and is not required to present consolidated financial statements under Accounting Standard 21 – “Consolidated Financial Statements” prescribed by the Companies (Accounting Standards) Rules, 2006 (as amended). Interest in Joint-venture has been accounted for as a long term investment in these financial statements. The details as per Accounting Standard 27 – “Financial Reporting of Interest in Joint Ventures” as prescribed by the Companies (Accounting Standards) Rules, 2006 (as amended) are disclosed regarding the assets, liabilities, income and expenses of the joint venture company as additional information to the users of the financial statements.
- b) The Company’s interest, as a venturer, in a jointly controlled entity (Incorporated Joint Venture) is:

Name of the Joint Venture	Country of Incorporation	Percentage of ownership interest as at 31 December 2015	Percentage of ownership interest as at 31 December 2014
Bellary Oxygen Company Private Limited (Belloxy)	India	50	50

The Company’s share in the aggregate amount of assets, liabilities, income and expenses of the above jointly controlled entity (as per the respective unaudited financial statement available with the company) is as under:

in Rupees million	As at/for year ended 31 Dec. 2015 (Unaudited)	As at/for year ended 31 Dec. 2014 (Unaudited)
Non-current assets	641.53	708.88
Current assets	149.97	208.95
Non-current liabilities	175.12	299.32
Current liabilities	82.01	137.23
Revenue	484.47	480.05
Expenses(including income tax expense)	396.52	383.96
Contingent liabilities	2.96	2.92
Capital commitments	0.52	1.51
Other Commitments	Nil	Nil

- c) Company’s transactions with Belloxy, being a related party, during the year ended 31 December 2015 are disclosed under note 46.

31. Commitments:

Estimated Capital commitments (net of advance) not provided for Rs. 766.22 (Previous Year Rs. 903.69)

32. Contingent liabilities not provided for

in Rupees million	As at 31 Dec, 2015	As at 31 Dec, 2014
a) Excise duty and service tax matters *	38.03	38.03
b) Other excise matters **	-	-
c) Sales tax matters *	166.84	111.34
d) Sales tax liability transferred to a beneficiary ***	9.20	27.60
e) Bills discounted	74.19	59.05
f) Other claims	12.56	16.66

* Excludes disputed matters in view of favourable appellate decisions on similar issues.

** Cryogenic vessels for gases were cleared from one factory for captive installation to the other factory of the Company. The Company is contesting the Department's allegation that the assessable value of such inter unit transfer was not calculated as per the principles of Cost Accounting Standards-4 (CAS-4). As per the view of the management based on the facts of the case and document available, the liability would not devolve on the Company.

*** Pursuant to an approved scheme of Government of Maharashtra, certain Sales Tax Liabilities of the Company had been transferred to an eligible beneficiary, at a discount, for which a bank guarantee had been provided by the beneficiary to ensure timely payment to the concerned authorities.

33. Miscellaneous expenses under note 29 includes Auditors' remuneration :

in Rupees million	Year ended 31 Dec, 2015	Year ended 31 Dec, 2014
As Auditors		
Audit fee	1.64	1.64
Limited reviews	0.60	0.60
Group reporting package review	0.88	0.80
Tax audit fee	0.78	0.77
Other certificates etc.	0.24	0.26
Reimbursement of expenses	0.66	0.47
	4.80	4.54

34. The details of employee benefits for the year ended 31 December 2015 on account of gratuity and pension which are funded defined employee benefit plans and provident fund which is an unfunded benefit plan are as under:

in Rupees million	Pension		Gratuity		Provident Fund	
	2015	2014	2015	2014	2015	2014
(i) Components of Employer Expense						
a) Current service cost	1.48	0.83	6.86	5.28	4.00	2.70
b) Interest cost	2.94	2.51	5.62	5.02	2.29	1.54
c) Expected return of plan assets	(1.40)	(1.40)	(2.85)	(2.55)	-	-
d) Actuarial losses / (gains)	10.25	16.17	4.24	16.27	(4.08)	1.64
e) Total expenses recognised in Statement of Profit and Loss	13.27	18.11	13.87	24.02	2.21	5.88
(ii) Actual returns for the year ended	1.18	1.75	3.02	3.96	-	-
(iii) Net liability recognised in Balance Sheet as at the year end						
a) Present value of defined benefit obligation	50.48	36.71	78.57	77.34	27.09	24.88
b) Fair value of plan assets	18.55	17.55	38.26	36.01	-	-
c) Deficit	31.93	19.16	40.31	41.33	27.09	24.88
d) Net liability recognised in Balance Sheet	31.93	19.16	40.31	41.33	27.09	24.88
(iv) Change in Defined Benefit Obligation (DBO) during the year						
a) Present value of DBO at the beginning of Year	36.71	29.92	77.34	59.73	24.88	19.41
b) Current service cost	1.48	0.83	6.86	5.28	4.00	2.70
c) Interest cost	2.94	2.51	5.62	5.02	2.29	1.54
d) Actuarial (gains) / losses	10.03	16.52	4.41	17.68	(4.08)	1.64
e) Benefits paid	(0.68)	(13.07)	(15.66)	(10.37)	-	(0.41)
f) Present value of DBO	50.48	36.71	78.57	77.34	27.09	24.88
(v) Change in Fair Value of Plan Assets during the year ended						
a) Fair value of plan assets at the beginning of year	17.55	17.67	36.01	33.12	-	-
b) Expected return on plan assets	1.40	1.40	2.85	2.55	-	-
c) Actuarial gains /(losses)	(0.22)	0.35	0.17	1.41	-	-
d) Actual company contribution	0.50	12.70	14.89	7.80	-	0.41
e) Benefits paid	(0.68)	(13.07)	(15.66)	(10.37)	-	(0.41)
f) Acquisition adjustment	-	(1.50)	-	1.50	-	-
h) Fair value of plan assets at the end of the year	18.55	17.55	38.26	36.01	-	-
(vi) Actuarial assumptions						
a) Discount rate (%)	8.00	8.10	8.00	8.10	7.80	9.20
b) Expected return on plan assets (%)	8.00	8.00	8.00	8.00	-	-
c) Salary escalation rate (%)	5.00	5.00	5.00	5.00	-	-
(vii) Major category of planned assets						
Insurance managed funds (%)	100.00	100.00	100.00	100.00	-	-

34. The details of employee benefits for the year ended 31 December 2015 on account of gratuity and pension which are funded defined employee benefit plans and provident fund which is an unfunded benefit plan are as under: (contd..)

(viii) Net Assets/(Liability) recognised in Balance Sheet (including experience adjustment impact)

in Rupees million	2015	2014	2013	2012	2011
Pension					
a) Present value of defined benefit obligation	50.48	36.71	29.92	27.79	30.98
b) Fair value of plan assets	18.55	17.55	17.67	18.18	18.93
c) Deficit	31.93	19.16	12.25	9.61	12.05
d) Experience adjustment of plan assets [(gain)/ loss]	0.22	(0.35)	0.17	(0.23)	0.38
e) Experience adjustment of obligation [(gain)/ loss]	9.76	14.11	5.02	2.50	6.65
f) Actuarial (gain)/ loss due to change on assumptions	0.27	2.41	(1.03)	0.13	(0.73)

in Rupees million	2015	2014	2013	2012	2011
Gratuity					
a) Present Value of defined benefit obligation	78.57	77.34	59.73	63.86	56.64
b) Fair value of plan assets	38.26	36.01	33.12	33.63	40.40
c) Deficit	40.31	41.33	26.61	30.23	16.24
d) Experience adjustment of plan assets [(gain)/ loss]	(0.18)	(1.41)	0.70	0.58	0.47
e) Experience adjustment of obligation[(gain)/ loss]	3.60	9.82	(0.05)	7.53	2.97
f) Actuarial (gain)/ loss due to change on assumptions	0.82	7.86	(4.95)	0.57	(2.53)

in Rupees million	2015	2014	2013	2012	2011
Provident Fund					
a) Present Value of defined benefit obligation	27.09	24.88	19.41	17.51	10.91
b) Fair value of plan assets	-	-	-	-	-
c) Deficit	27.09	24.88	19.41	17.51	10.91
D) Experience adjustment of plan assets [(gain)/ loss]	-	-	-	-	-
E) Experience adjustment of obligation[(gain)/ loss]	(7.39)	4.03	(2.13)	2.17	(0.83)
f) Actuarial (gain)/ loss due to change on assumptions	3.31	(2.39)	2.09	1.50	(0.11)

Notes

1. The Pension Expenses and Gratuity Expenses have been recognised in 'Contribution to Provident and other funds' under Note 26 to the Statement of Profit and Loss Account.
2. The estimates of future salary increases, considered in actuarial valuations take account of inflation, seniority, promotion and other relevant factors such as supply and demand factors in the employment market.
3. The expected rate of return on plan assets is based on the current portfolio of assets, investment strategy and market scenario. In order to protect capital and optimised returns within acceptable risk parameters, the plan assets are well diversified.
4. The discount rate is based on the prevailing market yield on Government Securities as at the balance sheet date for the estimated terms of obligation.

35. Expenditure on Research and Development

in Rupees million	Year ended 31 Dec, 2015	Year ended 31 Dec, 2014
Revenue expenditure	0.46	0.87

36. a) Certain plant and machineries have been made available by the Company to the customers under a finance lease arrangement. Such assets given under a finance lease arrangement have been recognised, at the inception of the lease, as a receivable at an amount equal to the net investment in the lease. The finance income arising from the lease is being allocated based on a pattern reflecting constant periodic return on the net investment in the lease.
- b) Details with respect to the above leased asset under finance lease arrangements in accordance with Accounting Standard 19 –‘Leases’ as prescribed by the Companies (Accounting Standards) Rules, 2006 (as amended).

in Rupees million	As at 31 Dec, 2015	As at 31 Dec, 2014
Total gross investment in the lease	728.24	656.09
Less : Present value of minimum lease payments	211.42	206.55
Less : Present value of unguaranteed residual value	17.85	21.93
Unearned finance income	498.97	427.61
Gross investment in the lease :		
i) Not later than one year [Present value of minimum lease payments receivable Rs. 45.55 (Previous year Rs. 46.81)]	86.04	81.96
ii) Later than one year but not later than five years [Present value of minimum lease payments Rs.127.93 (Previous year Rs. 126.40)]	343.36	298.13
iii) Later than five years [Present value of minimum lease payments Rs. 55.79 (Previous year Rs. 55.27)]	298.84	276.00
iv) Contingent rent recognised in the Statement of Profit and Loss	8.79	13.80
v) Uncollectable minimum lease payments receivable at the Balance Sheet date	-	-

37. Company has taken various residential and office premises under operating lease or leave and license agreements. These agreements are for a period of 11 months to 3 years, cancellable during the life of the contract at the option of both the parties and do not contain stipulation for increase in lease rentals. Minimum lease payment charged during the year to the statement of profit and loss aggregated to Rs. 55.57 (Previous year Rs. 71.39).

38. Earnings per share :

in Rupees million	Year ended 31 Dec, 2015	Year ended 31 Dec, 2014
a) Numerator used:		
Profit before tax and exceptional item	100.56	35.78
Less: Taxes thereon	(196.13)	18.22
Profit after tax and before exceptional item	296.69	54.00
Less: Exceptional item	95.00	-
Add: Taxes thereon	32.88	-
Profit after tax	234.57	54.00
b) Denominator used:		
Number of equity shares of Rs. 10 each used during the year	85,286,209	85,286,209
c) Earning per share (Rs.) - on profit after tax and before exceptional item (basic and diluted earnings per equity share of Rs. 10 each)		
	3.48	0.63
d) Earning per share (Rs.) - on profit after tax (basic and diluted earnings per equity share of Rs. 10 each)		
	2.75	0.63

39. Information in accordance with the requirements of the Revised Accounting Standard 7 on Construction Contracts as prescribed by the Companies (Accounting Standards) Rules, 2006 (as amended).

in Rupees million	Year ended 31 Dec, 2015	Year ended 31 Dec, 2014
a) Contract revenue recognised	1,910.36	2,022.70
b) Aggregate amount of contract costs incurred and recognised profits (less recognised losses) for all the contracts in progress	15,404.04	19,417.53
c) Amount of customer advances outstanding for contracts in progress	495.95	33.76
d) Amount of retention due from customers for contracts in progress	1,570.95	1,464.66
e) Gross amount due from customers for contracts in progress	223.62	198.59
f) Gross amount due to customers for contracts in progress	543.88	445.47

40. Details of foreign currency exposures on account of receivables/payables not hedged by a derivative instrument are as follows:

		As at 31 Dec, 2015 (in currency million)	As at 31 Dec, 2014 (in currency million)	As at 31 Dec, 2015 (in Rupees million)	As at 31 Dec, 2014 (in Rupees million)
Trade Payables	GBP	0.20	0.17	18.53	14.66
	EUR	2.60	3.58	197.24	286.80
	USD	2.30	3.31	140.25	196.17
	AUD	0.00	0.00	0.00	0.00
	SGD	0.07	0.21	2.95	9.56
	JPY	4.51	4.51	2.82	2.82
	BDT	0.09	-	0.08	-
	IDR	0.00	0.03	0.00	0.00
Trade Receivable / Other Receivable	EUR	0.72	0.14	55.17	11.53
	USD	1.22	1.14	66.13	59.92

41. (i) Provision for taxation has been recognised with reference to the taxable profit for the year ended 31 December 2015 in accordance with the provision of the Income tax Act, 1961. The ultimate tax liability for the assessment year 2016-2017 will be determined on the basis of total income for the year ending on 31 March 2016.
- (ii) The Company has established a comprehensive system of maintenance of information and documents as required by the transfer pricing legislation under Section 92-92F of the Income - Tax Act, 1961. Since the law requires the existence of such information and documentation to be contemporaneous in nature, the Company is in the process of updating the documentation of the domestic and international transactions entered into with the associated enterprises during the assessment year and expects such records to be in existence latest by due date as required under law. The management is of the opinion that its domestic and international transaction are at arm's length so that the aforesaid legislation will not have any impact on the financial statements, particularly on the amount of tax expense and that of provision for taxation.
- (iii) During the year the company has recognised **Rs. 5.47** (previous year 8.14) as MAT credit entitlement and the same has been carried forward having regard to the trend of profitability and future projections. Management is of the opinion that the company will pay normal income tax during the period for which the MAT credit can be carried forward for setoff against the normal tax liability.
- (iv) Deferred tax release of **Rs. 220.61** during the year includes **Rs. 253.26** arising from tax benefit on investment allowance availed as per Section 32AC of the Income Tax Act, 1961.
42. As explained in note 1(q) above, the Company has designated the following derivative contracts with banks:
- (i) (a) Principal and interest swap as hedges of foreign currency borrowing facilities aggregating **Euro Nil** (previous year Euro 82.20 million) and **USD 40.62 million** (previous year USD 41.79 million) equivalent to **Rs. 2,500.00** (previous year Rs. 7,768.38) available to the Company at variable interest rates based on LIBOR. The principal and interest rate swap pertaining to borrowings aggregating to **Rs Nil** (previous year Rs 3,096.27), **Rs 1,651.89** (previous year Rs 4,745.26) and **Rs 1,037.43** (previous year Rs Nil) will mature in the year 2016, 2017 and 2018 respectively, based on the remaining period as of the balance sheet date.
- (b) Further the Company has entered into certain firm commitments for purchase of **Euro 0.90 million** (previous year Euro 0.90 million) and sale of **USD 6.39 million** (previous year USD Nil million).

The foreign exchange forward contracts mature between 1 – 24 months. The following table analysis of the derivative financial instruments into relevant maturity groupings based on the remaining period of the Balance Sheet date:

in Rupees million	As at 31 Dec, 2015	As at 31 Dec, 2014
Not later than one month	66.45	-
Later than one month not later than three months	-	-
Later than three months and not later than one year	435.36	75.07
Later than one year	11.91	-

Rs. 123.80 (net of deferred tax Rs. 65.55) [Previous year Rs. 748.78 (net of deferred tax Rs. 385.57)] being the translation loss on foreign currency borrowings drawn down till the year-end and Rs. 74.17 (net of deferred tax Rs.39.22) [Previous year Rs. 772.53 (net of deferred tax Rs. 397.79)] being the portion of gain arising from changes in fair values of the swap contracts referred to in point (a) above that are determined to be effective hedge of the aforesaid foreign currency borrowing facilities at variable interest and the related hedged transaction expected to occur in future have been recognized in translation and hedging reserve in shareholders' funds.

Further, the translation loss on the forward covers for firm commitments which are determined to be effective hedge of foreign currency payables and receivables referred in point (b) above aggregating to Rs. 7.23 (net of deferred tax Rs. 3.83) [Previous year Rs. 2.08 (net of deferred tax Rs. 1.07)] has been recognised in translation & hedging reserve in shareholders' funds.

(ii) Pursuant to the ICAI's announcement in March 2008, the Company had opted for early adoption of Accounting Standard 30 "Financial Instruments: Recognition and Measurement" issued by the ICAI in the year ended 31 December 2009. Accordingly, the Company during the year 1 January 2015 to 31 December 2015 has recognised net loss of Rs.78.53 (net of deferred tax Rs 41.32) under 'Translation and hedging reserves', representing net exchange gain/loss on borrowings and mark to market gain/loss arising from changes in fair value of principal and interest rate swaps, forward contracts against firm commitments, which qualify for hedge accounting being effective hedges.

(iii) During the year, the Company has restructured two of its existing ECBs availed from Linde AG, which were earlier denominated in Euro with on-shore hedging through cross-currency cum interest-rate swaps. As per the amendment to the ECB Agreements, the currency of the ECBs has been changed from Euro to INR by way of off-shore hedging and the repayment period of the ECBs has now been deferred from 2016-17 to 2020. As a result of this restructuring, the existing hedge on the ECBs has been unwinded and the restructured ECBs are now denominated in INR with a lower all-in cost. The Company has transferred net gain of Rs 86.95 million from "Translation and hedging reserves" to the Statement of Profit and Loss on account of cancellation of cross-currency cum interest-rate swaps. The aforesaid gain has been included under "Other Income."

43. Exceptional item represents separation cost of employees on account of a Voluntary Retirement Scheme launched by the Company during the year.

44. Corporate social responsibility

As per Section 135 of the Act, a CSR committee has been formed by the Company. The funds are utilised throughout the year on the activities which are specified in Schedule VII of the Act. The utilisation is done by way of direct contribution towards aforesaid activities.

in Rupees million	Amount
a) Gross amount required to be spent by the Company during the year	9.33
b) The areas of CSR activities and contributions made thereto in cash are as follows:	
Amount spent during the year on:	
1) Construction / Acquisition of any assets	-
2) For purpose other than (1) above:	
- Promoting and preventive healthcare	3.71
- Promoting education including special education and employment enhancing vocational fees	3.43
- Livelihood (skill development)	1.13
- Others	0.50
Total	8.77

45. Segment information in accordance with Accounting Standard 17 prescribed by the Companies (Accounting Standards) Rule,2006 (as amended).

- Determination of segment information is based on the organisational and management structure of the Company and its internal financial reporting system. The Company business segments namely 'Gases and Related Products' and 'Project Engineering' have been considered as primary segments for reporting format. Segment revenue, results, assets and liabilities include the respective amounts that are directly attributable to or can be allocated on a reasonable basis to each of the segments. Revenue, expenses, assets and liabilities which relate to the enterprise as a whole and are neither attributable to nor can be allocated on a reasonable basis to each of the segments, have been disclosed as unallocable.
- The Company operates predominantly within the geographical limits of India, accordingly secondary segments have not been considered.
- Inter-segment revenue has been recognised at cost.

Information about business segment

in Rupees million	31 December 2015			31 December 2014		
	Gases and Related Products	Project Engineering	Total	Gases and Related Products	Project Engineering	Total
1 Segment revenue						
External revenue (net of excise duty) (A)	13,709.58	1,903.65	15,613.23	12,864.62	2,001.58	14,866.20
Interest income (B)	48.95	-	48.95	45.16	-	45.16
Interest income - unallocable			24.12			5.79
Other income - unallocable			298.08			104.45
Total external revenue			15,984.38			15,021.60
Inter segment revenue (C)	-	353.88	353.88	-	1,420.00	1,420.00
Total segment revenue (A) + (B) + (C)	13,758.53	2,257.53	16,016.06	12,909.78	3,421.58	16,331.36
2 Segment results	663.34	445.21	1,108.55	733.27	641.88	1,375.15
Interest income	48.95	-	48.95	45.16	-	45.16
Total segment result	712.29	445.21	1,157.50	778.43	641.88	1,420.31
Interest expense (net) - unallocable			(874.71)			(1,022.87)
Other unallocable expenses (net of unallocable income)			(182.23)			(361.66)
Profit before tax and exceptional item			100.56			35.78
Exceptional item			(95.00)			-
Profit before tax			5.56			35.78
Less: Tax expense			(229.01)			(18.22)
Profit after tax			234.57			54.00
3 Segment assets	31,026.56	2,262.14	33,288.70	31,378.40	2,228.06	33,606.46
Unallocated assets			3,203.26			5,038.62
Unallocated investments			150.07			150.07
Total assets			36,642.03			38,795.15
4 Segment liabilities and provisions	2,704.59	2,187.34	4,891.93	2,640.31	1,923.07	4,563.38
Unallocable liabilities and provisions			2,398.80			2,866.39
Borrowings			13,882.60			15,644.30
Deferred tax liability (net)			1,542.87			1,828.86
Total liabilities			22,716.20			24,902.93
5 Cost incurred to acquire fixed assets	3,455.68	1.08	3,456.76	3,129.55	3.07	3,132.62
Unallocable			17.48			60.95
			3,474.24			3,193.57
6 Depreciation/amortisation	1,572.32	9.98	1,582.30	1,668.66	3.23	1,671.89
Impairment loss	3.76	-	3.76	121.86	-	121.86
Unallocated depreciation / amortisation			29.19			19.71
			1,615.25			1,813.46
7 Impairment released	0.06	-	0.06	0.40	-	0.40
On disposal of fixed assets						
8 Significant non cash expenses other than depreciation/amortisation	61.82	38.46	100.28	24.51	83.56	108.07

46. Information on Related Party Disclosures.

A) List of Related Parties

i) Ultimate Holding Company (entity having control over the Company)

Linde AG, Germany

ii) Holding Company (entity having control over the Company)

The BOC Group Limited, United Kingdom

(Wholly owned subsidiary of Linde AG)

iii) Fellow Subsidiaries and Joint Venture with whom transactions have taken place during the year

a) Located outside India

Fellow Subsidiary	Country
Linde Bangladesh Limited	Bangladesh
Chemogas N.V.	Belgium
BOC (China) Holdings Co. Limited.	China
Linde Electronics & Speciality Gases (Suzhou) Co. Limited.	China
Linde Kryotechnik AG	Switzerland
Cryostar SAS	France
Linde Gáz Magyarország Zrt.	Hungary
PT. Linde Indonesia	Indonesia
Linde Malaysia Sdn. Bhd.	Malaysia
Linde ROC SDN. BHD.	Malaysia
Linde Gas Asia Pte Ltd Philippines - ROHQ	Philippines
Linde Philippines Inc	Philippines
Linde Engineering Russia	Russia
Linde Gas Singapore Pte Limited	Singapore
Linde Gas Asia Pte Limited	Singapore
Linde Treasury Asia Pacific Pte Limited	Singapore
Linde Engineering South Africa (Pty) Ltd.	South Africa
Ceylon Oxygen Limited	Srilanka
AGA AB Corporate Staffs	Sweden
BOC Limited - ENG (Gases)	United Kingdom
Linde Cryoplants Limited	United Kingdom
Cryostar USA LLC	United States of America
Linde North America, Inc.	United States of America
Linde Gas North America LLC	United States of America
Linde Engineering North America Inc.	United States of America

b) Located in India

Fellow Subsidiary

Linde Global Support Services Private Limited

Linde Engineering India Private Limited

Joint Venture

Bellary Oxygen Company Private Limited

iv) Key Management Personnel of the Company

Mr. M Banerjee, Managing Director

Mr. M Sadhukhan, Chief Financial Officer

Mr. P Marda, Asst. Vice President & Company Secretary

B) Transactions with Related Parties during the year

Nature of Transaction (in Rupees million)	Ultimate Holding Company	Holding Company	Fellow Subsidiaries (Refer 'C' below)	Joint Venture	Key Management Personnel
Purchase of goods	33.69 (4.72)	- (-)	259.14 (406.41)	88.52 (82.00)	- (-)
Purchase of fixed assets	2,264.61 (291.48)	- (-)	19.83 (136.01)	3.68 (-)	- (-)
Services received	130.79 (129.28)	16.42 (3.69)	188.18 (210.57)	- (-)	- (-)
Facility fees income	- (-)	- (-)	5.16 (4.50)	- (-)	- (-)
Sale of goods/fixed assets/ spares/services	0.58 (99.86)	- (-)	197.97 (242.16)	14.01 (13.84)	- (-)
Recovery of expenses	2.90 (21.89)	- (-)	64.62 (80.17)	11.48 (11.44)	- (-)
Reimbursement of expenses	0.32 (16.09)	- (-)	- (1.14)	- (5.15)	- (-)
Rent received	- (-)	- (-)	18.96 (18.21)	- (-)	- (-)
Managerial remuneration	- (-)	- (-)	- (-)	- (-)	32.94 (28.99)
Dividend paid / payable	- (-)	47.97 (95.94)	- (-)	- (-)	- (-)
Dividend received	- (-)	- (-)	- (-)	30.00 (15.00)	- (-)
Borrowings during the year	312.26 (2,109.31)	- (-)	500.00 (-)	- (-)	- (-)
Borrowings repaid during the year	578.57 (1,364.13)	- (-)	- (-)	- (-)	- (-)
Finance cost	794.40 (666.32)	- (-)	0.97 (-)	- (-)	- (-)
Outstanding balances:					
- Receivables	109.93 (130.85)	0.80 (0.80)	71.38 (60.29)	27.70 (5.13)	- (-)
- Payables	147.36 (256.26)	9.88 (85.63)	257.98 (437.16)	- (80.92)	- (2.18)
- Payables for borrowings	10,693.28 (11,510.38)	- (-)	500.00 (-)	- (-)	- (-)
- Interest accrued but not due	201.01 (135.72)	- (-)	0.97 (-)	- (-)	- (-)
- Advance to vendors/ Capital advances	16.27 (2,263.05)	- (-)	4.82 (22.55)	10.61 (200.00)	- (-)
- Advance from Customer	- (-)	- (-)	286.05 (-)	- (-)	- (-)
- Unbilled Revenue	- (-)	- (-)	44.54 (-)	- (-)	- (-)

c) Details of transactions with fellow subsidiaries and Key Management Personnel (included under Column 'Fellow Subsidiaries' and 'Key Management Personnel' respectively in 'B' above) the amount of which is in excess of 10% of the total related party transactions of the similar nature

Nature of Transaction (in Rupees million)	Name of fellow subsidiaries	Year ended 31 Dec, 2015	Year ended 31 Dec, 2014
1. Purchase of goods	Cryostar SAS	44.07	32.41
	Linde Gas North America LLC	175.39	308.64
2. Purchase of fixed assets	Cryostar SAS	3.51	24.40
	Linde Engineering North America Inc.	13.42	110.60
3. Services received	Linde Gas Asia Pte. Ltd. - Philippines ROHQ	49.28	56.64
	Linde Gas North America LLC	64.15	64.44
	Linde Gas singapore Pte. Limited	-	10.76
	AGA AB Corporate Staffs	13.77	21.99
	Linde ROC SDN. BHD.	52.68	46.59
4. Facility fees received	Linde Global Support Services Private Limited	5.16	4.50
5. Sale of goods/services	PT. Linde Indonesia	-	126.90
	Linde Kryotechnik AG	22.98	-
	Linde Engineering India Private Limited	44.98	-
	Linde Bangladesh Limited	118.34	101.20
6. Recovery of expenses	Linde Gas Asia Pte Ltd	56.07	71.26
7. Reimbursement of expenses	Linde Gas Asia Pte. Ltd.	-	1.15
8. Rent received	Linde Global Support Services Private Limited	18.96	18.21
9. Borrowings during the year	Linde Engineering India Private Limited	500.00	-
10. Finance cost	Linde Engineering India Private Limited	0.97	-
11. Managerial Remuneration	M Banerjee	19.24	16.71
	M Sadhukhan	7.84	6.80
	P Marda	5.86	5.48
12. Outstanding balance:			
- Receivables	Linde Bangladesh Limited	23.53	18.72
	Linde Engineering India Private Limited	9.86	-
	Linde Global Support Services Private Limited	7.69	4.72
	Linde Gas Asia Pte Limited	24.78	28.83
- Payables	Linde Gas Asia Pte. Ltd	6.69	20.16
	Linde Gas North America LLC	90.69	141.53
	AGA Aktiebolag	65.25	86.78
	Linde ROC SDN. BHD.	31.89	47.76
- Payables for borrowings	Linde Engineering India Private Limited	500.00	-
- Interest accrued but not due	Linde Engineering India Private Limited	0.97	-
- Advance to Vendors/ Capital Advances	Cryostar SAS	2.73	0.36
	Linde Gas Singapore Pte. Ltd.	0.55	0.55
	Linde (Thailand) Public Company Limited	1.52	-
	Linde Gas North America LLC	-	17.03
	Linde Engineering India Private Limited	-	4.85
- Advance from Customer	Linde Bangladesh Limited	216.06	-
	Linde Kryotechnik AG	64.81	-
- Unbilled Revenue	Linde Bangladesh Limited	23.96	-
	Linde Kryotechnik AG	20.58	-

47. Value of Imports on CIF basis

in Rupees million	Year ended 31 Dec, 2015	Year ended 31 Dec, 2014
Components and spare parts	230.23	234.25
Capital goods	2,375.49	750.08
	2,605.72	984.33

48. Consumption of raw materials, components and stores and spare parts

in Rupees million	Year ended 31 Dec, 2015		Year ended 31 Dec, 2014	
	Amount	% of total Consumption	Amount	% of total Consumption
Raw material				
Imported	-	-	-	-
Indigenous	55.39	100.00	60.58	100.00
	55.39	100.00	60.58	100.00
Components and Stores and Spare parts				
Imported	241.13	17.69	249.41	21.15
Indigenous	1,121.74	82.31	929.96	78.85
	1,362.87	100.00	1,179.37	100.00

49. Expenditure in foreign currency

in Rupees million	Year ended 31 Dec, 2015	Year ended 31 Dec, 2014
Travelling expenses	0.23	0.52
Technical support fees	16.42	3.69
Services received	318.97	344.27
Interest expense	794.40	666.32
Reimbursement of expenses	0.32	17.23
	1,130.34	1,032.03

50. Earnings in foreign exchange

in Rupees million	Year ended 31 Dec, 2015	Year ended 31 Dec, 2014
Export (F.O.B. basis)	150.71	242.16
Sale of Fixed Assets	2.86	99.86
Recovery of expenses	62.64	97.38
	216.21	439.40

51. Remittance in foreign currency on account of dividend

in Rupees million	Year ended 31 Dec, 2015	Year ended 31 Dec, 2014
Number of Non-Resident Shareholders	One	One
Dividend for the year	2014	2013
Number of Shares held	63,963,167	63,963,167
Amount Remitted	95.94	95.94

Dividend warrants of certain non -resident shareholders send to their bankers in India have been excluded.

52. Expenses are net of reimbursement received for salary, travel and other expenses aggregating Rs. 79.00 (previous year Rs. 113.50).

As per our report of even date attached
for **B S R & Co. LLP**
Chartered Accountants
Firm Registration No. 101248W/W-100022
JAYANTA MUKHOPADHYAY, Partner
Membership No. : 055757

M SADHUKHAN, Chief Financial Officer
Membership No. : 060064

P MARDIA, Asst. Vice President & Company Secretary
Membership No. : A8625

For and on behalf of Board of Directors of
Linde India Limited
CIN: L40200WB1935PLC008184
S LAMBA, Chairman DIN : 00320753
J MEHTA, Director DIN : 00033518
M BANERJEE, Managing Director DIN : 00273101

Mumbai
16 February 2016

Independent auditor's report.

To the Members of Linde India Limited

Report on the financial statements

We have audited the accompanying financial statements of Linde India Limited ('the Company'), which comprise the Balance Sheet as at 31 December 2015, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31 December 2015, and its profit and its cash flows for the year ended on that date.

Emphasis of Matters

We draw attention to Note 42 (ii) which explains the impact of early adoption of Accounting Standard 30 "Financial Instruments: Recognition and Measurement" issued by the Institute of Chartered Accountants of India. As a result of such adoption, the Company during the year ended 31 December 2015 has recognised net loss of **Rs.78.53 million** (net of deferred tax **Rs. 41.32 million**) under 'Translation and hedging reserves', representing net exchange gain/loss on borrowings and mark to market gain/loss arising from changes in fair value of principal and interest rate swaps, forward contracts against firm commitments, which qualify for hedge accounting being effective hedges.

Further, as explained in Note 42(iii), the Company has transferred gain of **Rs 86.95 million** from "Translation and hedging reserves" to the Statement of Profit and Loss during the year ended 31 December 2015 on account of cancellation of certain cross currency cum interest rate swaps.

Our opinion is not modified in respect of these matters

Report on other legal and regulatory requirements

1. As required by the Companies (Auditor's Report) Order, 2015 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143 (3) of the Act, we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - e) On the basis of the written representations received from the directors as on 31 December 2015 taken on record by the Board of Directors, none of the directors is disqualified as on 31 December 2015 from being appointed as a director in terms of Section 164 (2) of the Act.
 - f) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note 32 to the financial statements;
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

Annexure to the auditor's report.

(Referred to in our report of even date)

- i) a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- b) The Company has a regular programme of physical verification of its fixed assets by which all fixed assets are verified in a phased manner over a period of three years. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.
- ii) a) The inventory, except goods-in-transit, has been physically verified by the management during the year. In our opinion, the frequency of such verification is reasonable.
- b) The procedures for the physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
- c) The Company is maintaining proper records of inventory. The discrepancies noticed on verification between the physical stocks and the book records were not material.
- iii) According to the information and explanation given to us and on the basis of our examination of the records of the company, the Company has not granted any loans, secured or unsecured, to companies, firms or other parties covered in the register maintained under section 189 of the Act. Accordingly, paragraphs 3(iii) of the Order is not applicable.
- iv) In our opinion and according to the information and explanations given to us, and having regard to the explanation that purchases of certain items of inventories and fixed assets are for the Company's specialised requirements and similarly certain goods sold and services rendered are for the specialised requirement of the buyer and suitable alternative sources are not available to obtain comparable quotations, there is an adequate internal control system commensurate with the size of the Company and the nature of its business with regard to purchase of inventories and fixed assets and with regard to the sale of goods and services. There is no continuing failure to correct major weaknesses in the internal control system.
- v) In our opinion, and according to the information and explanations given to us, the Company has not accepted deposits as per the directives issued by the Reserve Bank of India under the provisions of Section 73 to 76 or any other relevant provisions of the Act and the rules framed thereunder. Accordingly, paragraph (v) of the Order is not applicable to the Company.
- vi) We have broadly reviewed the books of account maintained by the Company pursuant to the rules prescribed by the Central Government for maintenance of cost records under section 148(1) of the Act and are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained. However, we have not made a detailed examination of the records.
- vii) a) According to the information and explanations given to us and on the basis of our examination of the records of the company, amounts deducted/ accrued in the books of account in respect of undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, wealth tax, service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues have been regularly deposited during the year by the Company with the appropriate authorities.
- According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees' state insurance, income-tax, sales-tax, wealth tax, service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues were in arrears as at 31 December 2015 for a period of more than six months from the date they became payable.

- b) According to the information and explanations given to us, there are no dues of income-tax, sales tax, wealth tax, service tax, duty of customs, duty of excise, value added tax and cess which have not been deposited with the appropriate authorities on account of any dispute except the following:

Name of the Statute	Nature of Dues	Amount in (Rs. million) #	Period to which amount relates	Forum where the dispute is pending
Central State Sales Tax Act and VAT Acts	Sales Tax/ VAT	55.05*	2005-2006	High Court
		206.95	1998-2001	Revisional Board
			2007-2012	
		136.10*	1995-1999	Tribunal
			2003-2004	
			2004-2006	
			2007-2008	
		375.55	2005-2013	Joint Commissioner (Appeals) of Commercial taxes
64.79	2004-2005	Deputy Commissioner (Appeals) of Commercial Taxes		
	2009-2011			
17.98	2012-13	Additional Commissioner of Commercial taxes		
Central Excise Act, 1944	Excise Duty	21.72	1999-2009	Supreme Court
		10.49	1998-2001	High Court
			2008-2009	
		134.34**	1991-2011	Customs, Excise and Service Tax Appellate Tribunal
		7.89	1991-2010	Commissioner (Appeals)
		56.65	2007-2010	Commissioner of Central Excise
			2012-2014	
		15.24	1996-2000	Additional Commissioner
2.89	2007-2012	Deputy Commissioner		
Finance Act, 1994	Service tax	14.92	2005-2012	Assistant Commissioner
			2014-2015	
		423.64	2005-2008	Customs, Excise and Service Tax Appellate Tribunal
			2008-2014	
		5.94	2005-2010	Commissioner (Appeals)
		297.84	2004-2010	Commissioner of Service tax
			2013-2015	
4.35	2004-2007	Additional Commissioner		
0.13	2009-2010	Deputy Commissioner		
6.49	2009-2011	Assistant Commissioner		
			2007-2011	Assistant Commissioner

* Including amounts aggregating to Rs. 141.63 million in respect of sales tax cases, which have been stayed by respective authorities

** Including amounts aggregating to Rs. 81.76 million in respect of Excise cases, which have been stayed by respective authorities

Excluding the demands the proceedings of which have been set aside or remanded for reassessment by the appropriate authorities. Amounts are net of pre-deposits aggregating to Rs 73.51 million.

- (c) According to the information and explanations given to us, no amount is required to be transferred to Investor Education and Protection Fund in accordance with the relevant provision of the Companies Act, 1956 (1 of 1956) and rules made thereunder.
- (viii) The Company does not have any accumulated losses at the end of the financial year and has not incurred cash losses in the current financial year and in the immediately preceding financial year.
- (ix) In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of dues to banks. The Company did not have any outstanding dues to any financial institutions or debenture holders during the year.
- (x) According to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from banks or financial institutions.
- (xi) In our opinion and according to the information and explanations given to us, the term loans taken by the Company has been applied for the purpose for which the loans were obtained.
- (xii) According to the information and explanations given to us, no fraud on or by the Company has been noticed or reported during the year.

Ten-year financial data.

Ten-Year Financial Data

in Rupees million	2007	31-Dec 2007 (9 months)	31-Dec 2008 (12 months)	2009	2010	2011	2012	2013	2014	2015
Sales										
Home	4,954.7	3,259.8	5,697.3	8,245.6	10,214.8	11,577.1	12,577.2	14,260.9	15,700.5	16,747.4
Export	11.1	12.1	19.3	113.6	146.3	104.5	1,425.8	771.1	242.1	150.7
Profit/ (Loss) before Tax and Exceptional Item	437.7	240.2	832.3	920.0	1,295.7	1,748.5	536.4	663.4	35.8	100.6
Tax	183.3	96.0	212.3	376.1	359.4	531.9	164.6	317.3	(18.2)	196.1
Profit/ (Loss) after Tax, before Exceptional Item	254.4	144.2	620.0	543.9	936.3	1,216.6	371.8	346.1	54.0	296.7
Exceptional Item, (net of Tax)	191.6	472.4	180.4	(11.5)	-	-	523.0	427.2	-	(62.1)
Profit after Tax	446.0	616.6	800.4	532.4	936.3	1,216.6	894.8	773.3	54.0	234.6
Share Capital	490.8	490.8	852.8	852.8	852.8	852.8	852.8	852.8	852.8	852.8
Reserves and Surplus	2,819.7	3,246.0	9,509.7	9,728.4	10,297.8	11,767.0	12,486.3	13,420.4	13,039.4	13,073.0
Shareholders' Funds	3,310.5	3,736.8	10,362.5	10,581.2	11,150.6	12,619.8	13,339.1	14,273.3	13,892.2	13,925.8
Loan Funds	917.3	2,190.0	-	1,176.1	4,691.6	8,380.3	10,989.6	15,278.1	15,644.3	13,882.6
Total Capital Employed	4,227.8	5,926.8	10,362.5	11,757.3	15,842.2	21,000.1	24,328.7	29,551.4	29,536.5	27,808.4
Debt - Equity (%)	27.7	58.6	-	11.1	42.1	66.4	82.4	107.0	112.6	99.7
Gross Block (includes capital Work-in-progress)	7,298.4	9,456.1	12,248.2	14,958.0	20,624.2	19,801.6	28,549.8	31,013.8	34,254.9	37,428.4
Depreciation (includes Impairment)	3,012.8	3,217.3	3,363.1	3,792.2	4,326.2	4,883.3	5,946.9	6,927.8	8,686.2	10,087.0
Net Block (includes Capital Work in Progress)	4,285.6	6,238.8	8,885.1	11,165.8	16,298.0	14,918.3	22,602.9	24,086.0	25,568.7	27,341.5
Investments	150.0	150.0	150.0	150.0	150.0	150.0	150.0	150.1	150.1	150.1
Net Current Assets	275.7	21.4	1,822.7	1,188.6	192.0	66.1	1,023.8	2,129.0	1,869.1	1,478.8
Dividend (Incl. Tax thereon)	143.6	199.6	149.7	149.7	149.1	148.7	148.7	149.7	153.5	77.0
Rate of Dividend	25%	20%	15%	15%	15%	15%	15%	15%	15%	7.5%
No. of Issued Shares	49,084,223	49,084,223	85,284,223	85,284,223	85,284,223	85,284,223	85,284,223	85,284,223	85,284,223	85,284,223
Earnings per Share (Rs.)	9.09	12.56	9.59	6.24	10.98	14.26	10.49	9.07	0.63	3.48
No of Shareholders	31,772	31,663	29,178	26,759	21,824	20,364	20,883	20,590	19,183	19,132
No of Employees	643	657	722	666	726	797	797	839	832	737

Note: Year 2011 figures are updated as per revised schedule VI requirement where ever necessary

Notes.

Linde India Limited

CIN: L40200WB1935PLC008184

Oxygen House, P43 Taratala Road, Kolkata 700 088, India

Phone: +91 33 6602 1600, Fax +91 33 2401 4206

Email: contact.lg.in@linde.com

Customer Service Centre: 1800 3456789 (toll free)

www.linde.in

→ Linde India Limited.



Linde India Limited.

Notice 2015.

Notice.

Notice is hereby given that the Eightieth Annual General Meeting of the Members of Linde India Limited will be held at the Kala Mandir Auditorium, 48 Shakespeare Sarani, Kolkata 700 017 on Thursday, 19 May 2016 at 3.00 p.m. to transact the following business:

Ordinary Business:

1. To receive, consider and adopt the audited financial statements for the year ended 31 December 2015 and the Reports of the Directors and Auditors thereon.
2. To declare dividend on Equity Shares.
3. To appoint a Director in place of Ms Desiree Co Bacher (DIN: 07097389), who retires by rotation and being eligible, offers herself for re-appointment.
4. To ratify the appointment of Messrs. B S R & Co. LLP, Chartered Accountants (Firm Regn. No. 101248W/W-100022), as approved by the Members at the Seventy Ninth Annual General Meeting as Auditors of the Company, to hold office until the conclusion of the Eighty First Annual General Meeting and to fix their remuneration and in this connection, to consider and, if thought fit, to pass with or without modification(s), the following resolution, which will be proposed as an Ordinary Resolution:

"RESOLVED that pursuant to the provisions of Section 139 and other applicable provisions, if any, of the Companies Act, 2013 and the Rules framed thereunder, as amended from time to time, the appointment of Messrs B S R & Co. LLP, Chartered Accountants (Firm Regn. No. 101248W/W-100022), as Auditors of the Company from the conclusion of this Annual General Meeting until the conclusion of the 81st Annual General Meeting of the Company, be and is hereby ratified at such remuneration as may be mutually agreed upon between the Auditors and the Board of Directors of the Company based on the recommendation of the Audit Committee, in addition to reimbursement of all out-of-pocket expenses in connection with the audit of the accounts of the Company."

Special Business:

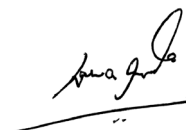
To consider and, if thought fit, to pass with or without modification(s), the following resolution:

5. As an Ordinary Resolution:
"RESOLVED that pursuant to the provisions of Section 148(3) and all other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), Messrs Bandyopadhyaya Bhaumik & Co., Cost Accountants (Firm Regn. No. 000041), appointed as Cost Auditors by the Board of Directors of the Company to conduct the audit of cost records of the Company for the financial year ending 31 December 2016 be paid a remuneration of Rs. 1,45,000/- (Rupees One Lakh Forty Five Thousand only) plus applicable service tax and out of pocket expenses that may be incurred during the course of audit and the said remuneration be and is hereby ratified and confirmed."

Registered Office:
Oxygen House
P 43 Taratala Road
Kolkata 700 088
India

Mumbai
16 February 2016

By order of the Board
Linde India Limited



Pawan Marda
Membership No. ACS 8625
Asst. Vice President & Company Secretary

Notes:

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING IS ENTITLED TO APPOINT A PROXY/PROXIES TO ATTEND AND VOTE ON HIS BEHALF AND SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY.

Proxies, in order to be effective, must be received by the Company not less than 48 hours before the commencement of the meeting i.e. by 3.00 p.m. on Tuesday, 17 May 2016.

A person can act as Proxy on behalf of Members not exceeding 50 and holding in the aggregate not more than 10% of the total share capital of the Company carrying voting rights. In case a Proxy is proposed to be appointed by a Member holding more than 10% of the total share capital of the Company carrying voting rights, then such person shall not act as a Proxy for any other Member.

2. Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 concerning the Special Business in the Notice of this Annual General Meeting is annexed hereto and forms part of this Notice.
3. The Register of Members and Share Transfer Books of the Company shall remain closed from Tuesday, 10 May 2016 to Thursday, 19 May 2016 (both days inclusive) for the purpose of Annual General Meeting and payment of dividend.
4. The dividend, as recommended by the Board of Directors, if declared at this Annual General Meeting will be paid to those Members whose names appear on the Company's Register of Members after giving effect to all valid transfer deeds in physical form lodged with the Company/RTA on or before 9 May 2016 and in respect of shares held in dematerialised form to the beneficial owners whose names appear in the statements to be furnished by the Depositories for this purpose as at the close of business hours on 9 May 2016. The dividend declared at the Annual General Meeting shall be paid on or after 25 May 2016.
5. As per the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 [SEBI Listing Regulations], the Company shall use any of the electronic mode of payment facility approved by the Reserve Bank of India for the payment of dividend. Members holding shares in demat mode are requested to submit their Bank details viz. Bank Account Number, Name of the Bank, Branch details, MICR Code, IFS Code to the Depository Participants with whom they are maintaining their demat account and Members holding shares in physical mode are requested to submit the said bank details to the Company's Registrar & Transfer Agents.
6. The Notice of the Annual General Meeting, Annual Report 2015, inter alia, indicating the process and manner of e-voting along with Attendance Slip and Proxy Form are being sent in electronic mode to all the Members whose e-mail IDs are registered with the Company's Registrar & Transfer Agents or the Depository Participant(s) unless any Member has requested for a hard copy of the same. For Members who have not registered their e-mail IDs as above, physical copies of the Notice of the Annual General Meeting, Annual Report 2015, inter alia, indicating the process and manner of e-voting along with Attendance Slip and Proxy Form are being sent at their registered addresses.
7. Corporate Members are required to send to the Company a certified copy of the Board Resolution, pursuant to Section 113 of the Companies Act, 2013, authorising their representative to attend and vote at the Annual General Meeting.
8. In case of joint holders attending the meeting, only such joint holder who is higher in the order of names, will be entitled to vote at the meeting.
9. In terms of Section 205A and Section 205C of the Companies Act, 1956 as amended from time to time and/or relevant corresponding provisions of the Companies Act, 2013 once notified, the amount of dividend remaining unpaid or unclaimed for a period of seven years from the date of transfer to the unpaid dividend account, is required to be transferred to the Investor Education and Protection Fund (IEPF) established by the Central Government.

Members who have not encashed their dividend warrant(s) for any one or more of the financial year(s) viz. year ended on 31 December 2008, 31 December 2009, 31 December 2010, 31 December 2011, 31 December 2012, 31 December 2013 and 31 December 2014 are requested to make their claims to the Company or its Registrar & Transfer Agents, Link Intime India Pvt. Ltd., 59C, Chowringhee Road, 3rd Floor, Kolkata 700 020 for the same. The due dates for transfer of the aforesaid unpaid/unclaimed dividend to IEPF are as follows:

Dividend for the year ended	Due date for transfer to IEPF
Year ended 31 Dec 2008 (54th Dividend)	3 July 2016
Year ended 31 Dec 2009 (55th Dividend)	30 June 2017
Year ended 31 Dec 2010 (56th Dividend)	9 July 2018
Year ended 31 Dec 2011 (57th Dividend)	23 June 2019
Year Ended 31 Dec 2012 (58th Dividend)	23 June 2020
Year Ended 31 Dec 2013 (59th Dividend)	29 June 2021
Year Ended 31 Dec 2014 (60th Dividend)	22 June 2022

Members are advised that once the unpaid/unclaimed dividend is transferred to IEPF, no claim shall lie in respect thereof.

10. Members are requested to note that pursuant to the provisions of the Companies Act, 2013 and the SEBI Listing Regulations, all such shares in respect of which dividend has not been paid or claimed for seven consecutive years or more are also required to be transferred to IEPF.
11. Members holding shares in physical form are requested to notify immediately any change in their address including Pin code, Bank Mandate, etc to the Company's Registrar & Transfer Agents, Link Intime India Pvt. Ltd., 59C, Chowringhee Road, 3rd Floor, Kolkata 700 020. Members holding shares in electronic form are requested to furnish this information to their respective Depository Participants for updation of the changes.
12. Members who hold shares in electronic form and who have not registered their e-mail addresses so far are requested to register their email IDs with their Depository Participants. Members who hold shares in physical form are requested to fill and send the "Email Registration Form" to the Company/Registrar and Transfer Agents. This form is available on the Company's website at www.linde.in under Investor Relations section.
13. Members holding shares in multiple folios in identical names or joint accounts in the same order of names are requested to consolidate their shareholdings into one folio. Members holding shares in physical form are also requested to take action for dematerialization of the shares to avail the benefits of demat.
14. Members holding shares in the physical form and desirous of making/changing Nomination in respect of their shareholdings in the Company, as permitted under Section 72 of the Companies Act, 2013 and Rules made thereunder, are requested to submit the prescribed Form No. SH-13 and SH-14, as applicable for this purpose to the Company's Registrar & Transfer Agents, Link Intime India Pvt. Ltd., who will provide the form on request. These forms are also available on the Company's website at www.linde.in under Investor Relations section. Members holding shares in dematerialised form should make/change their nomination with their Depository Participants.
15. Members are requested to contact the Company's Registrar & Transfer Agents, Link Intime India Pvt. Ltd., 59C, Chowringhee Road, 3rd Floor, Kolkata 700 020 (Phone No. +91 33 2289 0540; Fax No. +91 33 2289 0539) for reply to their queries/redressal of complaints, if any, or contact Ms Kavita Karwa, Executive-Secretarial at the Registered Office of the Company (Phone +91 33 6602 1600, Email: kavita.karwa@linde.com).
16. Members, Proxies and Authorised Representatives are requested to bring their Attendance Slips together with their copies of the Annual Reports to the Meeting. Copies of the Annual Report will not be provided at the AGM venue.
17. The Register of Contracts or Arrangements in which Directors are interested, maintained under Section 189 of the Companies Act, 2013, the Register of Directors and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Companies Act, 2013 read with Rules made thereunder would be available for inspection by the Members at the Registered Office of the Company on all working days, except Saturdays, Sundays and public holidays, between 11.00 a.m. and 1.00 p.m. upto the date of the Annual General Meeting.
18. The Securities and Exchange Board of India has mandated submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in demat mode are, therefore, requested to submit a self attested copy of their PAN card to the Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit the self attested copy of their PAN card to the Company's Registrar & Transfer Agents.
19. A Route map showing directions to reach the venue of the 80th Annual General Meeting is given at the end of this Notice as per the requirement of the Secretarial Standards-2 on "General Meetings".
20. **E-voting:**
In compliance with the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of Companies (Management and Administration) Rules, 2014 as amended from time to time and Reg. 44 of SEBI Listing Regulations, the Company is pleased to provide to the Members facility of voting by electronic means in respect of businesses to be transacted at the 80th Annual General Meeting (AGM) which includes remote e-voting (i.e. voting electronically from a place other than the venue of the general meeting) and voting at the AGM through an electronic voting

system. The Company also proposes to provide the option of voting by means of Ballot Form at the AGM in addition to the electronic voting system mentioned above. The Company has engaged the services of National Securities Depository Limited (NSDL) for facilitating voting by electronic means.

Mr S. M. Gupta (Membership No. FCS-896) of Messrs S. M. Gupta & Co., Company Secretaries (C. P. No. 2053), whom failing, Mr P Sarawagi (Membership No. FCS-3381) of M/s. P Sarawagi & Associates, Company Secretaries (C. P. No. 4882) who have individually consented to the Company to act as the Scrutinizer, have been appointed by the Board of Directors as the Scrutinizer to scrutinize the voting process (electronically or otherwise) for the 80th Annual General Meeting of the Company in a fair and transparent manner and submit a Scrutinizer's report of the total votes cast to the Chairman or a person authorised by him in writing.

The procedure with respect to e-voting is provided below:

(A) In case of Members receiving notice by e-mail from NSDL:

- i. Open e-mail and open the attached PDF file viz; "Lindeindia.e-voting.pdf" with your Client ID (in case you are holding shares in demat mode) or Folio No. (in case you are holding shares in physical mode) as password. The said PDF file contains your user ID and password for e-voting. Please note that this password is an initial password.
- ii. Launch internet browser by typing the URL <https://www.evoting.nsdl.com>.
- iii. Click on "Shareholder-Login".
- iv. Insert your user ID and password as initial password noted in step (i) above. Click Login. If you are already registered with NSDL for e-voting, you can use your existing user ID and password for casting your vote.
- v. Password change menu appears. Change the password with new password of your choice with minimum 8 digits/characters or combination thereof. Note new password. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- vi. Home page of e-voting opens. Click on "e-voting : Active Voting Cycles".
- vii. Select "E Voting Event Number (EVEN)" of Linde India Limited for casting your vote.
- viii. Now you are ready for e-voting as "Cast Vote" page opens.
- ix. Cast your vote by selecting appropriate option and click on: "Submit" and also "Confirm" when prompted. Upon confirmation, the message "vote cast successfully" will be displayed.
- x. Once you have voted on the resolution, you will not be allowed to modify your vote.
- xi. Institutional Shareholders and bodies corporate (i.e. other than individuals, HUF, NRI, etc) are required to send scanned copy (PDF/JPG Format) of the relevant Board

Resolution/Authority letter etc. together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote to the Scrutinizer through e-mail to scrutinizer@linde.com with a copy marked to evoting@nsdl.co.in.

(B) In case of Members receiving Notice of Annual General Meeting by post:

- a. Initial password is provided on the Attendance Slip for the AGM.
- b. Please follow all steps from Sl. No. (ii) to Sl. No.(xi) mentioned in (A) above, to cast your vote.

Other Instructions:

- I. Persons who have acquired shares and became Members of the Company after the dispatch of the Notice of the AGM but before the cut-off date of 12 May 2016, may obtain their user ID and password for e-voting from Company's Registrar & Transfer Agents, Link Intime India Pvt. Ltd., 59C, Chowringhee Road, 3rd Floor, Kolkata 700 020 (Phone No. +91 33 2289 0540; Fax No. +91 33 2289 0539) or NSDL (Phone No. +91 22 2499 4600).
- II. The remote e-voting period starts on Monday, 16 May 2016 at 9.00 a.m. and ends on Wednesday, 18 May 2016 at 5.00 p.m. During this period, Members of the Company holding shares either in physical form or in dematerialized form, as on the cut-off date of 12 May 2016, may cast their votes electronically. The remote e-voting module will be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the Member, the Member shall not be allowed to change it subsequently.
- III. In case of any queries, you may refer to the "Frequently Asked Questions (FAQs)" for Shareholders and e-voting user manual for Shareholders available at the "downloads" section of NSDL website at www.evoting.nsdl.com.
- IV. The voting rights of the Members shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date. In case of joint holders, only one of the joint holders may cast his vote.
- V. Members attending the meeting who have not already cast their vote by remote e-voting shall be able to exercise their voting right at the meeting through electronic voting system/ballot. The Members who have cast their vote by remote e-voting prior to the meeting may also attend the meeting but shall not be entitled to cast their vote again.
- VI. The Results of the e-voting will be declared not later than 48 hours of conclusion of the AGM i.e. Saturday, 21 May 2016. The declared Results along with the Scrutinizer's Report will be available on the Company's website at www.linde.in and on the website of NSDL at www.evoting.nsdl.com and will also be forwarded to the Stock Exchanges where the Company's shares are listed. Subject to receipt of requisite number of votes, the resolutions set out in the Notice shall be deemed to be passed on the date of the AGM.

21. Re-appointment of Director:

Ms Desiree Co Bacher, Director of the Company, having DIN: 07097389 retires by rotation at the ensuing 80th Annual General Meeting and being eligible, offers herself for re-appointment.

Pursuant to SEBI Listing Regulations, following information is being furnished about the aforesaid Director proposed to be re-appointed:

Ms Desiree Co Bacher (born 1971) is a Bachelor of Science in Accountancy and is a Certified Public Accountant in the Philippines. Ms Bacher joined Linde Philippines in August 1999 in the finance function, as the Financial Controller and thereafter moved to various senior management positions in the finance function within the Linde Group and is presently the Head of Finance and Control for South and East Asia and is based at the Group's Regional Office at Singapore.

Ms Bacher does not hold directorship in any other Company in India. However, her overseas directorships include Linde Gas Asia Pte. Ltd., Linde Bangladesh Ltd., Linde ROC Sdn Bhd, Linde Philippines Inc., Bataan Industrial Gases Inc., Linde Philippines (South) Inc., BOC Gist Inc., CIGC Corporation and Cryo Industrial Gases Inc.

Ms Bacher presently does not hold any shares in Linde India Ltd.

Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 to the accompanying Notice:

As the business specified in Item No. 5 of the Notice of even date, to which this statement is annexed, is item of special business to be transacted at the 80th Annual General Meeting of the Company, the

following facts are set out in compliance with the provisions of Section 102 of the Companies Act, 2013:

Item No. 5:

The Board of Directors of the Company had on the recommendation of the Audit Committee, approved the appointment of Messrs Bandyopadhyaya Bhaumik & Co., Cost Accountants (Firm Regn. No. 000041) as the Cost Auditors to conduct the audit of cost records of the Company for the financial year ending 31 December 2016.

In accordance with the provisions of Section 148(3) of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditors has to be ratified by the Members of the Company.

The Board, therefore, recommends the Ordinary Resolution set out at item no. 5 of the Notice for approval by the Members.

None of the Directors/Key Managerial Personnel of the Company or their relatives is in any way concerned or interested, financially or otherwise, in the Resolution.

Registered Office:
Oxygen House
P 43 Taratala Road
Kolkata 700 088
India

By order of the Board
Linde India Limited



Pawan Marda
Membership No. ACS 8625
Asst. Vice President & Company Secretary

Mumbai
16 February 2016

Route map of 80th AGM Venue of Linde India Limited.



Linde India Limited

CIN: L40200WB1935PLC008184

Oxygen House, P43 Taratala Road, Kolkata 700 088, India

Phone: +91 33 6602 1600, Fax +91 33 2401 4206

Email: contact.lg.in@linde.com

www.linde.in

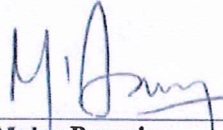
FORM A (For audit report with unmodified opinion)

1.	Name of the Company	Linde India Limited
2.	Annual Financial Statements for the year ended	31 December 2015
3.	Type of Audit Qualification	Unmodified / <i>Emphasis of Matter</i> <i>(Emphasis of Matter since 2015)</i>
4.	Frequency of observation	N.A.


Signatures of Linde India Limited:



Jyotin Mehta
Audit Committee Chairman



Moly Banerjee
Managing Director



Milan Sadhukhan
Chief Financial Officer

Place: Mumbai
Date: 16 February 2016

Signatures by Auditor:

For **BSR & CO. LLP**
Chartered Accountants
Form Registration No. 101248W/W-100022



Jayanta Mukhopadhyay
Partner
Membership No. 055757
Place: Mumbai
Date: 16 February 2016

