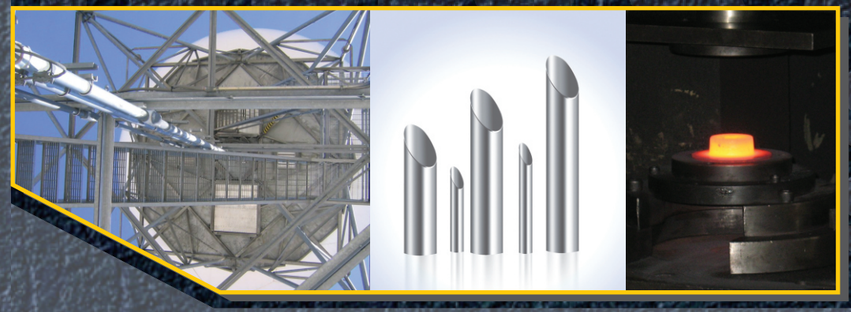
REGISTERED OFFICE

5/102, Sikka Complex, Community Centre,

Preet Vihar, Vikas Marg, Delhi - 110 092

Web: www.goodlucksteel.com Email: goodluck@gooodlucksteel.com

masterstrokes.in



STEEL STRUCTURE

CR COILS & SHEETS

TUBES & PIPE

GALVANIZED STEEL COIL

STEEL STRUCTURE FORGINGS & ROLLED SECTIONS

CR COILS & SHEETS

CRCA

GOODLUCK STEEL TUBES LIMITED

ANNUAL REPORT 2009 -10

OVERVIEW

» *Goodluck Group is one of India's leading and fastest growing business group with over 1000 employees and having multi location plants and units. With experience of more than two decades in the Steel industry Goodluck has diversified business interests in the national and international market.*

MISSION

» *To excel in quality international business.*

VISION

» *To be recognized internationally as best procurement partner.*

CORE VALUES

» *Customer Loyalty*
» *Customer Satisfaction*
» *Commitment to Quality*
» *Continuous Communication*

BOARD OF DIRECTORS

Mr. M. C. Garg	Chairman
Mr. R. C. Garg	Whole Time Director
Mr. Anil Kr. Garg	Whole Time Director
Mr. Vijender Kr. Tyagi	Independent Director
Mr. Rahul Goel	Independent Director
Mr. Anurag Agarwal	Independent Director

STATUTORY AUDITOR

M/s Sanjeev Anand & Associates

COMPANY SECRETARY

Mr. Abhishek Agrawal

BANKERS

State Bank of India
ING Vysya Bank Ltd.
Barclays Bank
Union Bank of India
Punjab National Bank

WORKS

A 42 & 45, Industrial Area, Sikandrabad,
Distt. -Bulandshahar (U.P.)

A 51, Industrial Area, Sikandrabad,
Distt. -Bulandshahar (U.P.)

Khasara No. 2839, Dhoom Manikpur, Dadri,
Distt. – Gautam Budh Nagar (U.P.)

REGISTERED OFFICE

5/102, Sikka Complex, Community Centre,
Preet Vihar, Vikas Marg, Delhi - 110 092
www.goodlucksteel.com

CORPORATE OFFICE

Good Luck House, II-F, 166-167, Nehru Nagar,
Ambedkar Raod, Ghaziabad, (U.P.)

REGISTRAR & TRANSFER AGENT

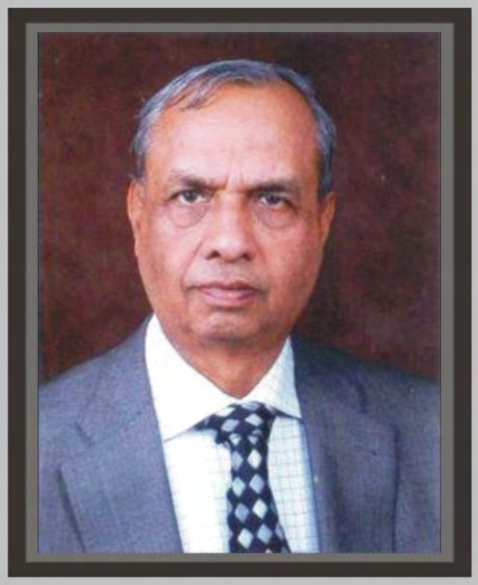
Mas Service Limited
T-34, 2nd Floor,
Okhla Industrial Area, Phase –II, N. Delhi – 20
Ph. – 011-26387281-83

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CHAIRMAN'S MESSAGE

Commodity prices and industrial demand is recovering and we enter 2011 financial year with much greater optimism to when we entered 2010.
M. C. Garg, Chairman



Dear Share Holders,

Good Morning. At the outset I would like to take this opportunity for tendering my heartily thanks to all of you, our veteran Board members, members of Good Luck Family, our Bankers, credit worthy customers and other valuable stake holders for showing their continuous faith and support within us, even in this crisis.

Today, I wish to start our conversation with recalling my concluding note at our previous annual meet. I had alerted that we should be ready to face the difficult & tough time more for another 12-18 months. Though, the economic slowdown has not deepened further in this year 2009-10, still it was very challenging. Many economies in the world are battling with the crisis imposed by the market conditions and the world economic conditions are dicey. We should say thanks to the policy makers that fear of double dip recession is being gradually vanished and the sign of recovery is emerging in some economy of the world. The large and coordinated stimulus from governments globally has secured greater stability in financial markets but developed economies like America & Europe are still struggling with the set back of recession. It is the need of hour that every step should be taken with very vigilantly and which some developing economies like ours and China are doing rightly. Commodity prices and industrial demand is recovering and we enter 2011 financial year with much greater optimism to when we entered 2010.

In a challenging year for the global economy and our industry, we are pleased to report that in the year 2009-10, though the company could not surpass

last year performance but the Company has registered gross turnover of Rs. 514 cr. During the year, the performance of the company was mainly hit by export sales and fall in steel prices across the globe. Even though, the Company has succeeded in maintaining its northward trend with the profit growth of 27.90 % and has posted the net profit of Rs. 16.05 cr. in comparison of 12.55 cr. in the year 2008-09. The EBIDTA has improved by 11.52% with an EPS of Rs. 8.25 which is mainly driven by focusing on our core strengths of low cost production and operational efficiency.

This year the Board has recommended a dividend of 15% i.e. Rs 0.30 per equity share of Rs. 2 each. The dividend will be paid to those shareholders whose names appear on the register of members of the Company on book closure, on approval at the ensuing Annual General Meeting.

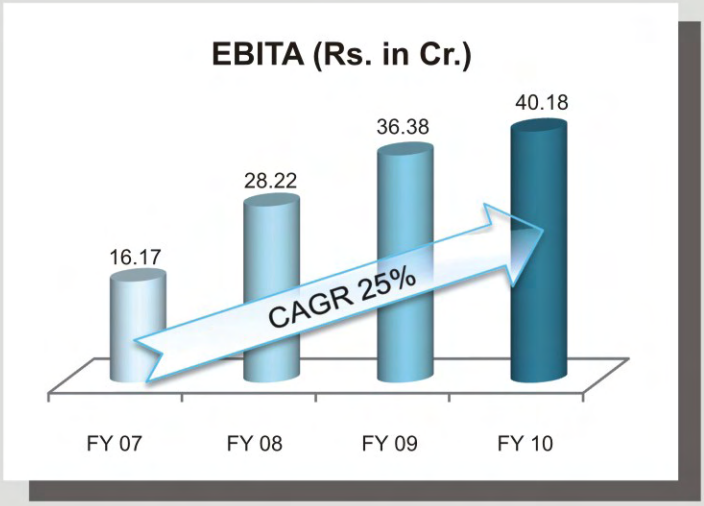
The outlook of the company remains very positive. The fact that we have been able to pass through these troubled times fairly unscathed, speaks well about the resilience of our business strategy. The future of our company lies in finding new customers, manufacturing new products, and in doing so also quickly and relentlessly. In order to do so we need to build the company technology oriented and outward looking. I believe we have taken appropriate actions & put in place the process to achieve these organizational objectives. Last year's experience gives me confidence that we are fully capable of realizing the vision that we have set for ourselves. I would like to thanks & appreciate the role played by my colleagues on the Board in formulating future growth strategies & driving the company to achieve them by strengthening the corporate governance in the organization.

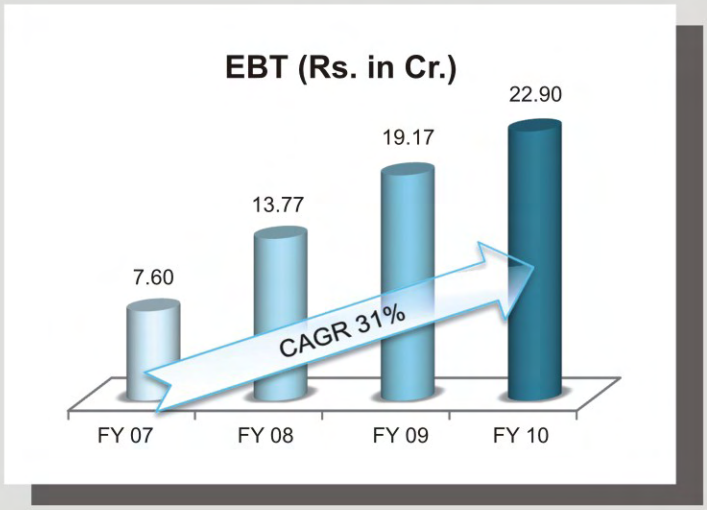
The journey which has been covered so far would not have been possible without the continued confidence & support of all the stakeholders of the Company. We would continue to dedicate our efforts towards increasing the shareholders value on substantial basis in the years to come.



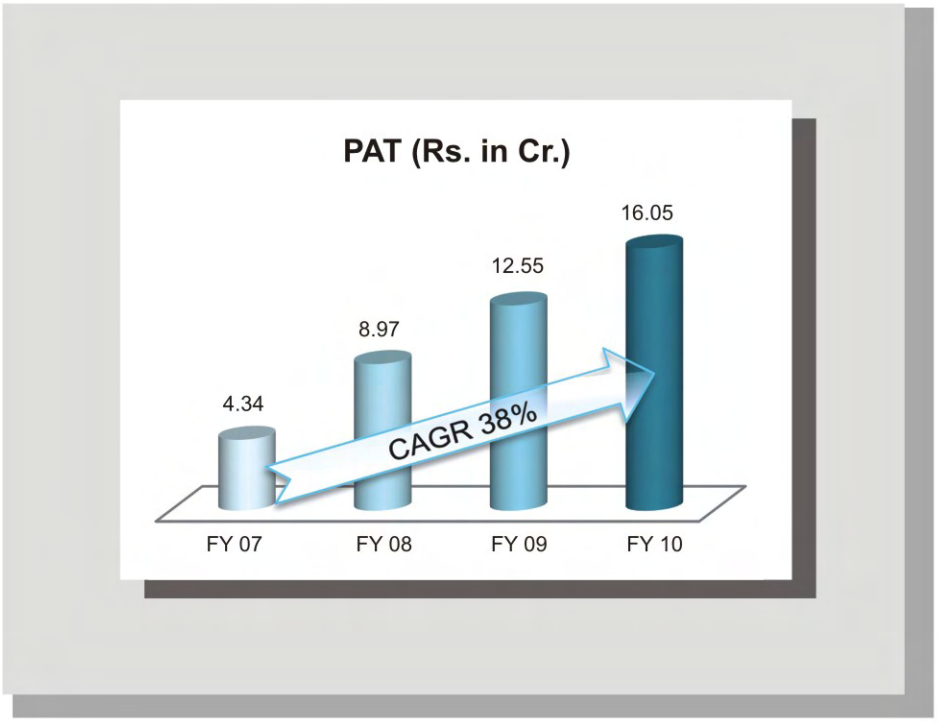
Chairman
Ghaziabad, 27th May 2010

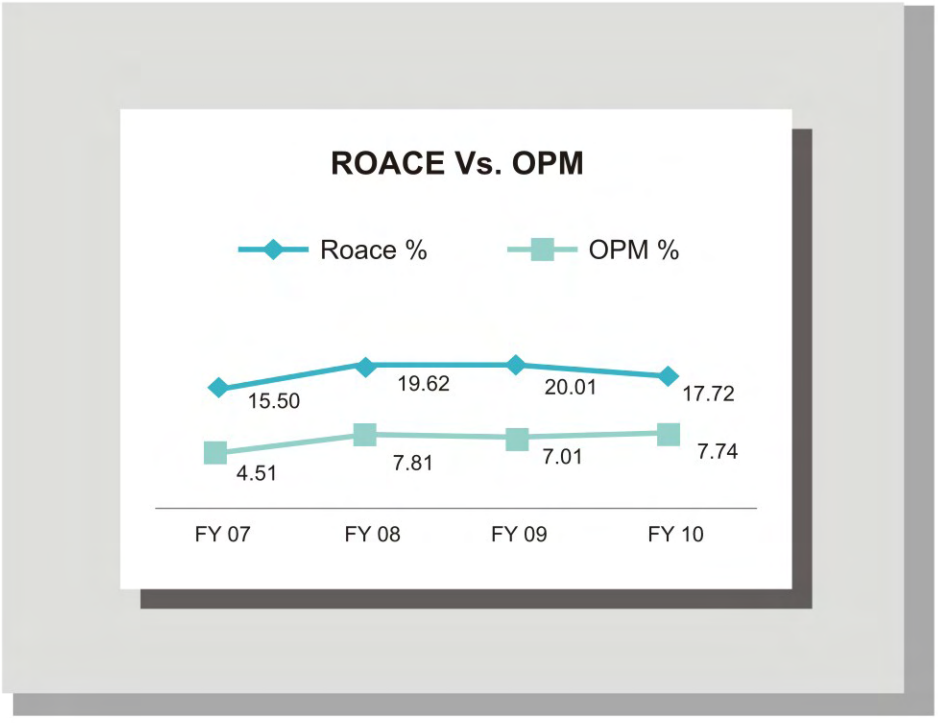
HIGHLIGHTS 2009-10



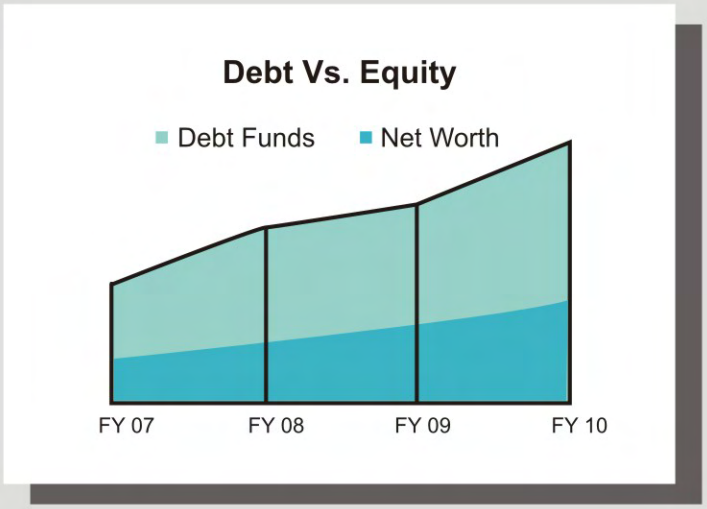


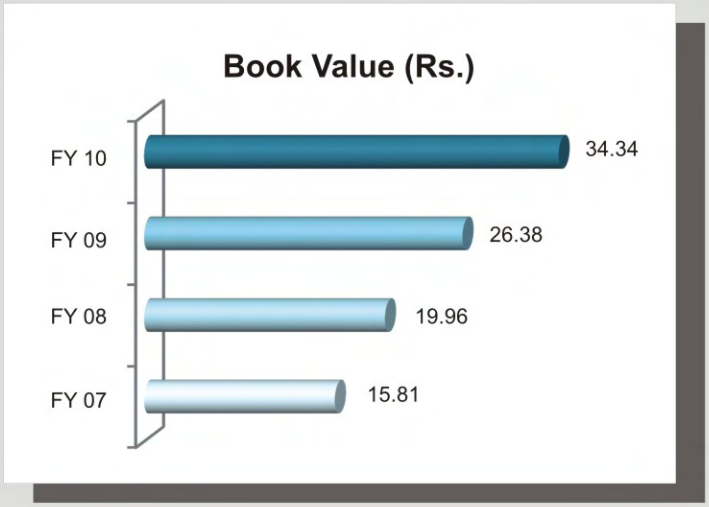
HIGHLIGHTS 2009-10





HIGHLIGHTS 2009-10





DIRECTOR'S REPORT

Dear Members,

The Directors of your Company are pleased to present the 24th Annual Report together with the statement of audited accounts for the financial year ended 31 March 2010.

Financial highlights
The following table gives the financial highlights of your Company according to Indian Generally Accepted Accounting Principles (GAAP).

Particulars	Current Year 2009-10	Previous Year 2008-09
Net Sales /income from Operations	**48951.51**	**48957.92**
Total Expenditure before Dep.	45175.41	45558.42
Operating Profit before dep.	**3776.10**	**3399.50**
Add: Other Income	80.05	58.21
Profit before dep., Interest & Taxes	**3856.15**	**3457.71**
Less: Finance Charges	1213.98	1227.42
Profit before dep. & Taxes	**2642.17**	**2230.29**
Less: Depreciation	352.01	313.13
Profit before Taxes	**2290.16**	**1917.16**
Less: Current Tax	634.15	573.63
Less: Deferred Tax	50.67	79.37
Less: Fringe Benefit Tax	0.00	9.00
Net Profit after Taxes	**1605.34**	**1255.16**
Less: Prior Period Adjustment	(64.16)	(4.28)
Add: Balances b/f from previous year	3531.24	2546.07
Surplus available for appropriations	**5072.42**	**3796.95**
Appropriations:		
General Reserves	56.17	56.17
Dividend on Eq. Shares	9.33	9.54
Dividend tax on Eq. Shares	300	200
Balance carried to Balance Sheet	4706.92	3531.24

Financial performance
During the year under review, the gross turnover of your Company decreased by 3.6% from Rs. 533.74 Crore to Rs. 514.42 Crore. The Earnings before interest, tax depreciation and amortization for the same period has been increased by 10.44% from Rs. 36.38 Crore to Rs. 40.18 Crore and the Net Profit increased by 27.89% from Rs. 12.55Crore to Rs. 16.05 Crore in the current year.

Transfer to general reserves
Out of the total profit for the financial year 2009-10, an amount of Rs. 3.00 Crore is proposed to be transferred to the General Reserve.

Dividend
Your Directors are pleased to recommend a dividend of Rs. 0.30 (15%) per equity share of Rs. 2/- each for the financial year 2009-10. The dividend, if approved at the ensuing Annual General Meeting, will be paid to those shareholders whose names appear on the register of members of the Company as on the Book Closure date. The financial dividend on the Equity Shares, if declared as above would involve an outflow of Rs. 0.56 cr. towards dividend and Rs. 0.10 cr. towards dividend tax resulting in a total outflow of Rs. 0.66 cr.

Delisting
The company's Equity Share has been also delisted from the Jaipur Stock Exchange. The Company's Equity share shall remain listed with Bomaby Stock Exchange Ltd. & Delhi Stock Exchange Limited.

Depository system and listing of shares
Details of the depository system and listing of shares are given in the section "General Shareholder Information", which forms a part of the Corporate Governance Report and is attached with the Annual Accounts.

Registrar and share transfer agent
M/s. Mas Services Limited, Delhi, is the Registrar and Share Transfer Agent of the Company. Details of the depository system and listing of shares are given in the section "General Shareholder Information", which forms a part of the Corporate Governance Report and is attached with the Annual Accounts.

Directors
Mr. Anil Kr. Garg, and Mr. Vijender Kr. Tyagi, Directors of the company retire by rotation at the ensuing Annual General Meeting and being eligible offer themselves for re-appointment.

Auditors
The statutory auditors of the Company, M/s. Sanjeev Anand & Associates, Chartered Accountants, retire at the ensuing Annual General Meeting. M/s. Sanjeev Anand & Associates, Chartered Accountants has confirmed its eligibility and willingness to accept office of Auditor.
The Audit Committee and the Board of Directors therefore recommend M/s. Sanjeev Anand & Associates, Chartered Accountants as statutory auditor of the Company for 2010-11 for the approval of shareholders.

Corporate governance and additional information to **shareholders**
The Company is committed to maintain high standards of corporate governance. A separate report on Corporate Governance, pursuant to Clause 49 of the Listing Agreement with the stock exchange(s), Auditors' Certificate on its compliance, including the Management Discussion and Analysis, and shareholders' information forms a part of this annual report.

Fixed Deposit
The Company has not accepted any public deposits and, as such, no amount on account of principal or interest on public deposits was outstanding as on the date of the Balance Sheet.

Particulars of Employees
Information as required under Section 217(2A) of the Act, read with the Companies (Particulars of Employees) Rules, 1975, as amended, are not applicable to the company as there was no person in the employment of the company who is in receipt of an aggregate remunerations of Rs. 24,00,000/- or more per annum where employed through out the year or Rs. 2,00,000/- or more per month, where employed for part of the year.

Conservation of Energy, Technology Absorption, Foreign Exchange Earnings And Outgo
Details of energy conservation and research and development activities undertaken by the Company along with the information in accordance with the provisions of Section 217(1)(e) of the Companies Act, 1956, read with the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988, are given in Annexure 'A' to the Directors' Report.

Directors' Responsibility Statement
As required by Section 217 (2AA) of the Companies Act, 1956 the Directors' Responsibility Statement is given hereunder :

I) that in the preparation of the annual accounts, the applicable accounting standards have been followed long with proper explanation relating to material departures;
ii) that the Directors 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 financial year March 31, 2010 and of the Profit of the Company for that period;
iii) that the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
iv) that the Directors have prepared the annual accounts on a going concern basis.

Appreciation
Your Directors would like to express their appreciation for assistance and co-operation received from the financial institutions, banks, Government authorities, customers, vendors and members during the year under review. Your Directors also wish to place on record their deep sense of appreciation for the committed services by the executives, staff and workers of the Company.

On behalf of the Board of Directors

M. C. GARG
Chairman
Ghaziabad, 27th May, 2010

ANNEXURE A

INFORMATION AS PER SECTION 217(1)(E) READ WTH COMPANIES (DISCLOSURE OF PARTICULARS IN THE REPORT OF BOARD OF DIRECTORS)RULES, 1988 AND FORMING PART OF THE DIRECTORS' REPORT FOR THE YEAR ENDED ON 31.03.2010

CONSERVATION OF ENERGY:

Your company has always been conscious of the need to conserve energy and has always attempted various measures for the same wherever possible to achieve reduction in the cost of production. The Company has taken various measures on suggestions of experts in the areas where reduction of fuel and oil conservation is possible.

The details regarding present energy consumption including captive generation are furnished below as per Form A of the Annexure to the Rules:

FORM A

	A. Power and Fuel Consumption	**2010 - 2009**	**2008 - 2009**
1.	Electricity		
(a)	Purchased		
	Unit (in thousand) KWH	11451.82	10343.47
	Total Amount (Rs. In Lakh)	560.41	508.61
	Rate/unit (Rs.)	4.89	4.91
(b)	Own Generation		
	(i) Through Diesel Generator		
	Unit (in thousand)	3020.9	2108.4
	Units per ltr.of diesel oil	2.81	2.80
	Cost/units	10.76	10.94
B.	**Consumption per unit of Production**		
	Production (MT)	109145.84	90912.94
	Electricity	132.59	136.96

RESEARCH AND DEVELOPMENT (R & D):

There was a concerted effort in moving towards a more application orientated approach to both manufacturing as well as sales. The plants also managed to achieve substantial process improvements that resulted in lower rejections, rework and therefore in higher yields.

FOREIGN EXCHANGE EARNINGS AND OUTGO:

During the year under review, the total foreign exchange earning and outgo of the company are as follows:

(Rs. in lacs)

Particulars	Current Year	Previous Year
Out go (CIF value of Imports)	1413.21	78.99
Out go (Expenditure)	196.05	258.86
Earnings (F.O.B. value of Exports)	13336.32	19794.91

MANAGEMENT DISCUSSION AND ANALYSIS

OVERVIEW

This has been the worst global crisis in living memory. The global financial landscape has changed significantly since September 2008 and this has had a severe impact on the global economy in the last 18 months. The lack of capital had resulted in a significant decline in demand across most sectors globally and in steel too we saw demand contracting in many end-user segments in the first half of 2009-10.

The collapse in private business investment and decline in consumption levels due to high unemployment rates led to low capacity utilisation in the steel industry in the first half of the year. Europe and the US were the most affected regions, being in the eye of the storm, but there were cascading effects across other geographies as well, including emerging economies like India. The immediate impact on the steel industry was the sharp decline in volume due to the lack of credit among customers. As a consequence steel prices across the world declined significantly. In order to match the reduced demand, steel companies, especially in the US and Europe, reduced their capacity utilisation by temporarily taking capacity off stream. However in emerging economies like India, the credit shortage was not as acute as in the western world and so demand conditions continued to be relatively stable, even though prices dropped significantly in line with the global pricing scenario. The South East Asian economies too witnessed a demand contraction in 2009, partly due to domestic issues, as in Thailand, or due to lower economic activity, especially in the construction sector, resulting from risk aversion and credit concerns.

There was a general apprehension that this trend would persist for some time, as the full impact of the economic slowdown in the developed world worked through the system. It was also a year of reckoning for the policymakers, who had taken a calculated risk in providing substantial fiscal expansion to counter the negative fallout of the global slowdown. The continued recession in the developed world, for the better part of 2009-10, meant a sluggish export recovery and a slowdown in financial flows into the economy.

Yet, over the span of the year, the Indian economy posted a remarkable recovery, not only in terms of overall growth figures but, more importantly, in terms of certain fundamentals, which justify optimism for the Indian economy in the medium to long-term. Your Company also feels that the worst is over and is fully geared to take advantage of the improved economic indicators.

ECONOMY

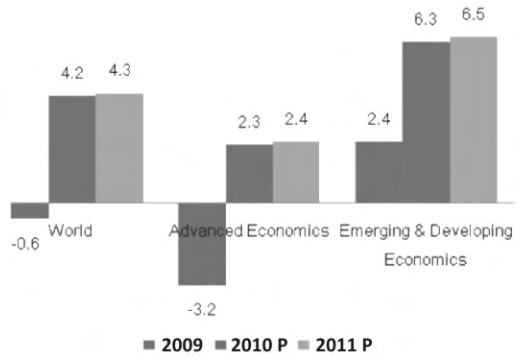
Indian Economy: The fiscal year 2009-10 began as a difficult one with the aftershocks of the depressed economic and market conditions of 2008 and 2009. There was a significant slowdown in the growth rate in the second half of 2008-09, following the financial crisis that began in the industrialized nations in 2007 and spread to the real economy across the world. The GDP growth rate in 2008-09 was 6.7%, with growth in the last two quarters hovering around 6 per cent. However, India's industrial growth during April - September, 2009 (H1 of 2009-10) has shown an improvement over H1 of 2008-09. The country's Index of Industrial Production in H1 of 2009-10 rose by 6.5 percent as against 5 percent during the same period of the previous year. The manufacturing sector, representing about 80 percent of the IIP, grew by 6.3 percent in H1 of 2009-10 over 5.3 percent in H1 of 2008-09.

The Economic Survey of 2009-10 revealed that some of the key macroeconomic indicators revived especially during the second half of the year compared to the previous year. Even though the agricultural output declined by 0.2% as a consequence of a poor monsoon season, the industrial and service sectors grew at the rate of 8.2% and 8.7% respectively taking estimated GDP growth to 7.2% during the year. It is worth noting that the manufacturing industry grew at 8.9% during the year.

Discretionary spending has risen on the back of reduced unemployment prospects and higher spending power among the rural masses. This has resulted in strong growth in the auto and consumer durables sectors. India's steel consumption growth rate is expected to rise to around 12% year-on-year in the near future.

Global Economy : The sharp decline in global demand for consumer durables and investment goods that accompanied the economic crisis, led to a significant demand contraction particularly in the United States of America and Europe which continued in most economies till September 2009. Economies with large current account deficits, excessive reliance on foreign capital to finance domestic consumption, and sizeable fiscal deficits witnessed sharper growth declines. Following unprecedented fiscal and monetary policy stimulus measures and direct Government support for some institutions and sectors, a gradual recovery in domestic demand and the turning of the inventory cycle saw most economies emerge from recession by the end of 2009. In contrast to most developed and emerging economies, China and India were able to avoid recession and recorded GDP growth of around 10% and 7.2% respectively in spite of a slowdown from pre-crisis growth rates as export demand collapsed across many sectors.

The World Bank reported that the positive growth in the emerging and developing economies was more than offset by negative growth in the advanced economies resulting in negative World GDP growth in 2009.



The UK and Europe: The Eurozone economy declined by 2.7% in 2009-10 following a contraction of 1.3% in 2008-09 and emerged from recession in the third quarter of calendar year 2009. However, some member countries like Spain, Ireland and Greece continued to remain in recession till the end of calendar year 2009 while the UK emerged from recession in the last quarter of the calendar year. By the end of the downturn, the Eurozone economy as a whole had contracted by 5.1% from the peak and Eurozone industrial production and exports had posted cumulative declines of 14% and 13% respectively. Meanwhile, reflecting a collapse in confidence, tight credit and a large fall in demand, private business investment continued to decline until the end of 2009-10 posting a cumulative decline of 17.2%. The UK Government and the Bank of England undertook measures to stimulate the British economy increasing the liquidity and easing access for large companies to credit. However, this was not sufficient to support medium and small businesses resulting in a drop in industrial production and private business investment.

China: Chinese policymakers have resorted to specific monetary tightening measures to curb speculative demand and rebalance the economy in a bid to counter potential asset bubbles and overcapacity. Gross Fixed Capital Formation, which accounts for 48% of GDP in China, is expected to slow, but real steel demand is expected to grow by 8% as end-user demand in the auto, appliance and machinery sectors continues to show strong growth momentum. The threat of increased exports from China, due to the slowdown in its construction sector, has risen but there is a view that the Chinese authorities will continue to consolidate the steel industry as 25% of the country's producers are price sensitive and have a high cost base. The Chinese government faces the prospect of an appreciating currency amid weakening global demand and the country's steelmakers can therefore be expected to produce steel primarily to meet domestic requirements rather than subsidize other countries by exporting steel below production cost. In this scenario, pricing of raw materials will decline, easing tightness in the seaborne supply of raw materials. Adverse steel pricing developments in China can restrict international steel prices but are not expected to lead to any sustained spurts in export volumes.

STEEL INDUSTRY

Indian Steel Industry: Indian steel market has continued to post robust growth despite unfavorable economic conditions across the world. The finished steel consumption significantly surpassed the production levels and reached more than 56 Million Metric Tons in FY 2010, which resulted in import surge. As per our estimations, India's steel import is expected to grow at a CAGR of 20% during FY2011-FY2013.

However, on exports front, the industry has been continuously facing declining trends in recent years. In FY2010, exports recorded further drop due to the ailing demand in western countries and billions of dollars worth construction projects halts in Middle East. Amid its thriving domestic demand, the country has become a net importer of steel, and we anticipate this trend to continue in coming years also.

Steel production in the 2010/11 (April-March) fiscal year is likely to be 65 million tonnes, compared to 60-61 million tonnes in the current year.

INDIAN STEEL SCENE (April - Dec. 2009-10*)

Items	Quantity (million tonne)	% Change
Total Finished Steel Production for sale	43.849	3.2
Imports	5.21	16.6
Exports	2.099	(-) 36.1
Consumption	40.997	7.8
Crude Steel Production	45.775	4
Capacity Utilisation (%)	84	-
(Source : JPC); * Provisional		

India's steel consumption rose 12 % in May, the fastest in at least one year, backed by strong demand from automobile, consumer durable and infrastructure sectors, as per the provisional data of steel ministry. However, domestic steel production did not keep pace with demand and rose just 1.5% to 5.1 million tonnes as compared to consumption of 5.4 million tonnes. The excess demand was met through imports from countries like China and Japan. Steel production in the world's fifth-largest steel-producing nation had risen 4.2% to 60 million tonnes for the year ended March 2010. Domestic steel production is expected to grow 10 -12 % this fiscal as some new capacities will come up later this year. Although steel demand is rising, consumers are taking a conservative approach towards fresh purchase as they anticipate farther drop in steel prices. Most steelmakers had raised prices by up to Rs 3,000 per tonne, effective April 1, as a result of rise in raw material prices, particularly iron ore and coking coal. Steel prices are currently ruling at Rs 36,000-37,000 per tonne, well below the 2008 level when they reached a high of Rs 48,000-50,000 per tonne. Steel imports grew 50% to 0.82 million tonne in May from a year-ago period. Steel exports dropped 15% to 0.19 million tonne in the month. India's steel consumption grew 8% to 56.3 million tonnes in the fiscal year ended March 2010 after shrinking a little a year ago due to the economic slowdown. The growing demand as well as the low-base factor made it a staggering year for steel companies.

Hot rolled steel coil prices are up around 25 per cent in the domestic market from the lows of mid-2009. Rising raw material costs, demand and taxes are some of the contributors to rising steel prices. Global demand has been propped by a stimulus steroid pumped Chinese economy. A circumspect Europe and Japan have been operating at utilisation levels of below 80 per cent over the last quarter. The constant threat of imports has kept tightly supplied Indian prices in line with international prices.

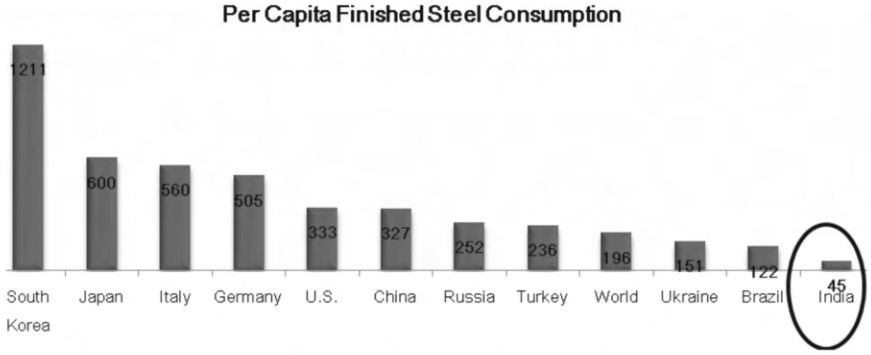
To say that a bet on the future of the Indian steel industry is a bet on the country's future economic prosperity would not be far from the truth. The wide application of steel in a number of industries ensures that its fortunes closely track the country's GDP growth. Growth in steel consumption has hovered around 1.2 times GDP growth over the last five years. With an impressive track record, the country has become a reputed name in the world steel industry. Global steel giants from all over the world have shown interest in the industry because of its phenomenal performance.

World Steel Industry: The world steel industry now seems firmly set on a path to recovery. The recovery is not only earlier, but also stronger than expected. It was driven in large part by government stimulus packages and recent inventory re-stocking. The $500-billion steel industry is recovering from one of the worst downturns it has seen in its history, which cut demand by 6.7 per cent last year, according to World-steel estimates. The group now expects apparent steel use to rise by 10.7 per cent to 1.241 billion tonnes this year, an improved estimate compared with late 2009 forecasts, while demand is expected to hit a historical high at 1.306 billion tonnes in 2011. World steel demand is growing and driven primarily by China's runaway growth, and is now expected to hit pre-crisis levels this year. China's apparent steel use in 2010 is expected to increase by 6.7 per cent to 579 million tonnes. In 2009, it was estimated to have risen to 54.24 million tonnes. However, the current recovery in major developed economies is slower and the projected steel demand for them in 2011 is well below 2007 levels.

OPPORTUNNITY

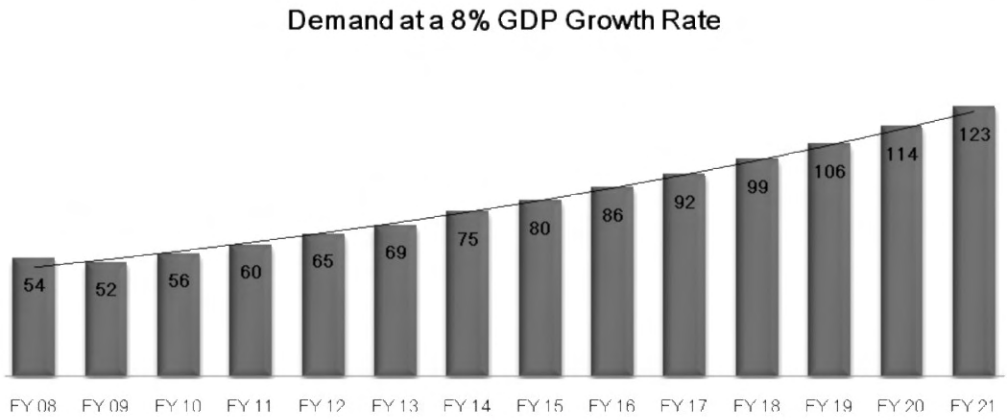
Steel demand in India is seen rising by 10 percent in the fiscal year to March 2011, helped by higher spending on infrastructure. It will continue to rise because a lot of emphasis has also been put in the budget on infrastructure development. India's budget for 2010/11, announced by Finance Minister Pranab Mukherjee, proposed to invest Rs 173,000 crore on infrastructure, a measure cheered by the steel industry.

According to a study, India's steel consumption will continue to grow by 16 per cent annually till 2012, fuelled by demand for construction projects worth US$ 1 trillion. The scope for raising the total consumption of steel is huge, given that per capita steel consumption is only 45 kg - compared to 196 kg across the world.



While the demand for steel will continue to grow in traditional sectors such as infrastructure, construction, housing automotive, steel tubes and pipes, consumer durables, packaging, and ground transportation, specialised steel will be increasingly used in hi-tech engineering industries such as power generation, petrochemicals, fertilizers, etc. The new airports and railway metro projects will require a large amount of stainless steel.

According to an estimate, with the growing need for oil and gas transportation infrastructure, a US$ 118 billion opportunity is waiting to be tapped by steel manufacturers in the next five years. Indian steelmakers are set to make the most of booming global demand for steel pipes and tubes. According to a study, Indian steel companies are likely to get 19 per cent of the total global demand in the years to come.



The Steel Minister, Mr Virbhadra Singh, said in an interview that he had set a target for India to become the second largest steel producer in the world by 2012 with a capacity of 124 million tonnes.

Further, It is estimated that world steel consumption will double in next 25yrs. Quality improvement of Indian steel combined with low cost advantages will definitely help in substantial gain in export market.

THREAT

Rising Raw Material Prices: The current recovery in major developed economies is slower and the projected steel demand for them in 2011 is well below 2007 levels. The escalating raw material prices during 2009-10 caused immense pressure on cost of production of integrated steel producers as well as secondary steel producers. The steel producers are heavily dependent on coking coal import, and the price rise by Iron Ore and coking coal majors has impacted the margins of the Indian steel producers. The latest Long term Agreement Price for coking coal has escalated from US$ 129 to US$ 200 with shift to quarterly pricing and for iron ore the hike was from 90% to 100%.

Lowering Profit Margin: As the raw material prices are swinging upward, it will be very difficult to pass on the whole cost to consumers. Further high quality imported products are also available at a very Competitive rate. It may result into adverse impact on the profitability of the company; it will be a challenge for the domestic steel Industries to tackle the situations.

Dumping of Steel by other Countries: High quality products from developed countries available for imports at competitive prices. The domestic steel sector is facing threat from cheap imports. Import pressure is consequently leading to pressure on margins of the domestic companies on account of lower steel realizations.

Increased Transportation Charge: Railway has decided to reclassify iron-ore to a higher tariff class, which will increase the transportation charge by 5%. Further the deregulation of petroleum prices has also increased the pressure on the road transportation cost also.

Threat of substitute: The tubes and pipes industry is basically different from the steel industry and is more demand-oriented. However, in recent times, demand for PVC pipes recent years has grown. These pipes are used both in the agricultural and construction sectors and its present popularity has emerged as a major threat to the steel tubes and pipes sector.

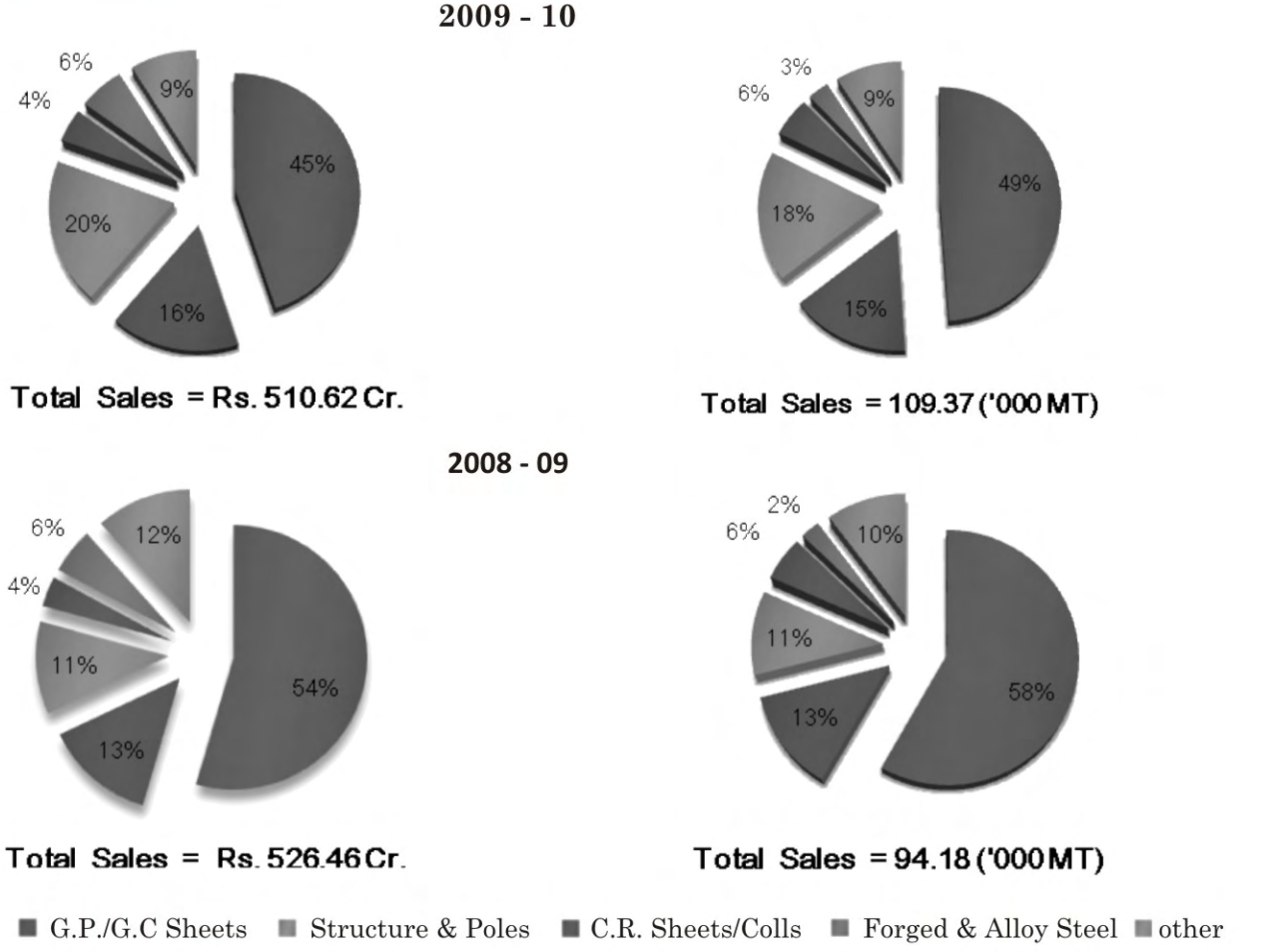
PERFORMANCE

The Company's total sales, in terms of volume, has increased by 16% and during this year the company has managed to sale 109.36 ('000MT) of goods in comparison of 94.18 ('000MT) in the year 2009. But, due to sharp dip in the steel prices across the globe, volume wise company's sale has declined slightly to Rs. 510.62 cr. in comparison of previous year sales of Rs. 526.46 cr. Though the global depression has also hit hard our export sale but the company has set off the deficiency in the export sale by increased domestic sale.

EBIDTA has increased by 10.45% in comparison of previous year and has reached to Rs. 40.18 cr. The PAT has also gone up to Rs. 16.05 Cr. in the year 2010, an increase of Rs. 3.50 cr. in comparison of previous year. The book value of the shares of the company has gone up by 30%. As on 31.03.2010 the book value of each share of Rs. 2/- was around Rs. 34.40 in comparison of Rs. 26.37 in the year 2009. The Earning per share for the year ended on 31.03.2010 stands at Rs. 8.25 per share of Rs. 2 each as compared to Rs. 6.78 in the previous year.

During the year the company has added one more production facility in its existing plant, now the company will be able to produce the CRCA Sheets also. There is huge potential in the market of CRCA sheets. With the growth of automobile sector, electronic sector, which are the main consumer of CRCA sheets, the company will able to penetrate huge volume of the product in the market. During the year, in terms of volume, sale of structures and poles comprises 18% of total sales of the company which was only 11% in the previous year and the sale of sheets has also increased from 13% to 15%. The sale of pipes/tubes was again the major contributor in the total sale which was around 53153 MT and in the year 2009 it was 54838 MT. The following graph shows the performance of the company:

SALES (PRODUCT MIX)



OUTLOOK

The global economic downturn is set to recover at a faster and stronger rate than expected earlier although the pace of recovery is anticipated to vary across geographies and economies. The Asian countries, in particular China and India, are leading the turnaround in the world economy as demand for commodities, intermediates and consumer goods in China is propelling economic activity in the rest of the region. The emerging countries have started to tighten their monetary policies to manage the recovery while inflationary pressures and rising asset prices are resurfacing as a challenge in those countries. The inflationary pressures in the developed economies remain subdued although they are expected to be at a level higher than 2009 resulting in lower interest rates in particular in the United States and European countries. World GDP is expected to grow at 3.5% in 2010. The recovery in most of the economies will result from a turnaround in domestic demand with export momentum picking up for the developing countries and a modest export demand in developed economies. There is a global challenge of managing fiscal imbalances with large public debts in the developed economies. Debt problems in Greece and other East European countries pose a challenge to the European recovery and also to the global financial market stability.

World consumption of steel is expected to be 1.23 billion tones in 2010 registering a growth of 10% over 2009. EU steel market is expected to slowly recover in 2010 with the inventory cycle being the main driver for increased demand during the first half and increase in consumption is anticipated to pick up in the middle of 2010. Crude steel production in the EU is accordingly expected to rise from the low

of 2009 and be around 75-80% of the level of 2007-08. The exports during 2010 are expected to be higher by around 4% as compared to 2009 while imports in 2010 are also anticipated to increase by around 12.5% with rise in demand during the year. With economic and steel market conditions becoming more favorable and the steel producers needing to recover the rise in input costs. It is anticipated that there will be a strong rise in the steel prices in 2010-11. Buoyed by expected strong performances from consuming segments like automotive, construction, infrastructure and capital goods, carbon steel apparent consumption is expected to increase by more than 10% in FY 11. The Flat products consumption is expected to increase in FY 11 by 10.7% and that of long products by 10.3%. High disposable income, emphasis on infrastructure growth and India's growing position as a manufacturing hub is primary drivers for the consumption. However, significant raw material price increases, interest rate tightening and inflation may provide some downsides to an otherwise positive outlook for the industry.

We will continue to follow our successful strategy & actively shape our future. We will focus on improving our portfolio, increasingly efficiency, expanding our business in order to get closer to key market.

RISK & CONCERNS

The nature of Company's business is such that various risks have to be confronted with not only successfully existing in the said business but even to grow at a respectable pace. However, these risks are no different than the ones faced by the industry as a whole. A comprehensive and integrated risk management framework forms the basis of all the de-risking efforts of the Company.

Formal reporting and control mechanisms ensure timely information availability and facilitate proactive risk management. These mechanisms are designed to cascade down to the level of the line managers so that risks at the transactional level are identified and steps are taken towards mitigation in a decentralized fashion.

Raw materials account for the major portion (70-75%) of the total costs. "In case of rising raw material prices , the pipe manufacturers loose on EBDITA margins as majority of the pipe supply contracts are fixed price contracts and do not incorporate any price escalation clause.

Further the fluctuation in currency is another area of concern. As the exports contribute to a major portion of sales, business is prune to the abrupt fluctuation in the currency. High Volatility may affect EBIDTA Margins. This made currency management has become an integral part of the business.

INTERNAL CONTROLS SYSTEMS AND THEIR ADEQUACY

The Company has in place, adequate systems of internal control to reasonably safeguard its assets against loss through unauthorized use and pilferage. A comprehensive system of internal controls employed by the Company ensures optimal use of the resources available at its disposal. Internal audits and checks are an ongoing process within the Company.

The internal audit department has looked into various functional areas of the Company with the following primary objectives:

- To ensure critical examination of weaknesses in the system and offer alternative solutions to overcome them;
- To identify shortcomings that may affect the Company's operations and profitability;
- To review systems and procedures in purchase, capital investments and routine operations to plug revenue leakages;
- To ensure compliance with Company policies and procedures;
- To identify non-performing assets and suggest procedures for their disposal;
- To undertake and complete any other assignments given by the management.

INDUSTRIAL RELATIONS & HUMAN RESOURCE MANAGEMENT

Your Company believes in creating an environment that builds a committed workforce pursuing a shared vision of excellence. Over the years the organization has put in place practices around quality sourcing, performance management and capability enhancement among others. Efforts are continuously made to strengthen these practices to ingrain them with the organization ethos.

Your Company has a team of experienced staff and executives at different levels. It is the commitment of employees at all levels and their contribution to innovation and change that is essential to compete successfully in an increasingly competitive global market place and achieve sustained growth and profitability. Attracting, retaining and motivating employees to perform to their best of their abilities and contribute to the growth of the company along with self-development have been one of the objectives of the Company. The organization continues to regularly review people policies and implement need based revision. Industrial relations at all the Company's work and plants remained cordial through out the year.

CAUTIONARY STATEMENT

Statements made in this report describing the Company's objectives, projections, estimates, expectations may be "forward looking statements". Actual results could differ materially from those expressed or implied. Important factors that could make a difference to the Company's operations include economic conditions affecting demand/supply and price conditions in the domestic and overseas markets in which the Company operates, changes in the Government regulations, tax laws and other statutes and incidental factors.

REPORT ON CORPORATE GOVERNANCE

MANAGEMENT'S PERSPECTIVE ON CORPORATE GOVERNANCE

The Company aims at achieving transparency, accountability and equity across all facets of operation and in all interactions with stakeholders, while fulfilling the role of a responsible corporate representative committed to sound corporate practices. The Company adheres to good corporate practices which constantly undergo changes and betterment, keeping its core goal in mind - maximizing stakeholder value. Adherence to the business ethics and commitment to Corporate Social Responsibility will help the Company achieve excellence. The Company believes that all its operations and actions must ultimately enhance overall benefits over a sustained period of time.

BOARD OF DIRECTORS

The Company has an Executive Chairman and the number of Independent Directors is 50% of the total number of Directors. As on 31st March, 2010, the Company has 6 Directors on its Board, of which 3 Directors are independent. The number of Non- Executive Directors (NEDs) is 50% of the total number of Directors. The Company is in compliance with the Clause 49 of the listing Agreement pertaining to compositions of directors.

None of the Directors on the Board is a Member of more than 10 Committees and Chairman of more than 5 Committees (as specified in Clause 49), across all the companies in which he is a Director. The necessary disclosures regarding Committee positions have been made by the Directors.

The names and categories of the Directors on the Board, their attendance at Board Meetings during the year and at the last Annual General Meeting, as also the number of Directorships and Committee Memberships held by them in other companies are given below:

Name of the Director	Category	No. of Board Meetings attended	Attendance at last AGM (Yes/No)	No. of Directorships in other public Limited Cos.*	No. of Chairmanship / Member -ships of Committees in other Public Ltd. Cos.*	
					Chairmanship	Membership
Sh. M.C. Garg	Non Independent, Executive Chairman	13	Yes	-	-	-
Sh. R. C. Garg	Non Independent, Executive Director	14	Yes	-	-	-
Sh. A. K. Garg	Non Independent, Executive Director	12	Yes	-	-	-
Sh. Vijender Kr. Tyagi	Independent, Non Executive Director	10	No	-	-	-
Sh. Rahul Goel	Independent, Non Executive Director	11	No	-	-	-
Sh. Anurag Agrawal	Independent, Non Executive Director	12	Yes	-	-	-

Notes:-

1. During the Financial Year 2009-10, sixteen Board Meetings were held and the gap between two meetings did not exceed four months. The Board Meetings were held on 25th April 2009, 1st May 2009, 30th May 2009, 5th June 2009, 19th June 2009, 30th June 2009, 09th July 2009, 30th July 2009, 30th Sept. 2009, 19th October 2009, 30th October 2009, 02nd November 2009, 11th December 2009, 02nd January 2010, 21st January 2010 and 03rd March 2010.
2. * Only two Committees, namely, Audit Committee and Shareholders'/Investors' Grievance Committee have been considered.
3. The information as required under Annexure IA to Clause 49 is being made available to the Board.
4. The Board periodically reviews compliance reports of all laws applicable to the Company. Steps are taken by the Company to rectify instances of non-compliance, if any.

CODE OF CONDUCT

The Company has framed Code of Conduct which is applicable to all Directors and members of Senior Management. Pursuant to this Code all the Directors & Senior Management have affirmed compliance with this Code for the year ended March 31, 2010. A declaration of compliance of this Code signed by Chairman is annexed to this report.

COMMITTES OF THE BOARD

Currently there are three committees of the Board: Audit Committee, Remuneration cum Selection Committee & Investor Grievance Committee. The terms of reference of the Committee(s) detailing their scope of work are determined by the Board from time to time. The Board periodically reviews the minutes of the meetings of Audit Committee & Shareholder's Investor Grievance Committee. Composition, terms of reference, number of meetings and related attendance etc., of these committees are detailed.

AUDIT COMMITTEE

The Audit Committee of the company has been dealing with matters prescribed by the Board of Directors on a case to case basis. In general, the primary role/objective of the Audit Committee is to review the financial statements of the Company, strengthen internal controls & look into all transactions having monetary implications on the functioning of the Company. The nomenclature, constitution and terms of reference of the Committee are as per the provisions of the Section 292A of the Companies Act, 1956 and Clause 49 of the Listing Agreement of the Stock Exchange.

As on March 31, 2010, the Committee had three Directors. Out of that two Directors are Non-Executive and Independent Directors in accordance with the prescribed guidelines. Mr. Anurag Agarwal, is the Chairman of the Committee. The other members are Mr. Vijender Tyagi and Mr. M. C. Garg, Chairman of the Company. The members of the Committee have adequate knowledge in the field of finance, accounting, and law. The Scope of the functioning of the Audit Committee is to review, from time to time, the internal control procedures, the accounting policies of the Company and such other functions, as may be recommended from time to time by SEBI, Stock Exchanges and/or under the Companies Act, 1956, which inter-alia include review of:

1. Management Discussion and Analysis of financial condition and results of operations;
2. Statement of significant related party transactions submitted by the management;
3. Management letters/letters of internal control weaknesses issued by the statutory auditors;
4. Internal Audit Reports relating to internal control weaknesses; and the appointment, removal and terms of remuneration of the Chief Internal Auditor; and

5. Risk Framework.

The CFO of the Company is permanent invitees to the meetings of the Committee. The Company Secretary acts as Secretary to the Committee. During the year, 5 (five) meetings of the Audit Committee were held on 25th April 2009, 30th June, 2009; 30st July, 2009; 30th October, 2009 and 21st January, 2010 in due compliance with the stipulated provisions. The attendance record of members of the Audit Committee is given as under:

NAME OF THE MEMBER	CATEGORY	NO. OF MEETINGS ATTENDED
Mr Anuarag Agarwal	Chairman	4
Mr Vijender Tyagi	Member	4
Mr M C Garg	Member	4

REMUNERATION CUM SELECTION COMMITTEE

The Remuneration & Selection Committee shall be deemed to be "Remuneration Committee" within the meaning of Clause 49 of the Listing Agreement, Schedule XIII of the Companies Act, 1956 and for all other purposes as may be required under any / all Acts, Rules, Regulations, Circulars etc, for the time being or as amended from time to time. The composition of the Committee as on 31.03.2010 was as under:

NAME OF THE MEMBER	CATEGORY
Mr Anuarag Agarwal	Chairman
Mr Vijender Tyagi	Member
Mr. Rahul Goel	Member

The Committee has been constituted to recommend/review the remuneration package of the Whole Time Directors apart from deciding other matters. The remuneration policy is directed towards rewarding performance based on review of achievements which are being reviewed periodically which is in consonance with the existing industry practices. This committee meets as and when required. Mr. Abhishek Agrawal, Company Secretary & Compliance Officer of the Company acts as Secretary to the Committee.

INVESTORS GRIEVANCE COMMITTEE

The Board has constituted Investor Grievances Committee to specifically look into the redressal of shareholders' complaints. The Shareholders'/Investors' Grievance Committee consists of the following directors:

NAME OF THE MEMBER	CATEGORY	NO. OF MEETINGS ATTENDED
Mr Vijender Tyagi	Chairman	4
Mr M C Garg	Member	3
Mr R C Garg	Member	4

Sh. Abhishek Agrawal, Company Secretary and Compliance Officer of the company act as Secretary to the Committee.

The terms of reference of the Committee include the following:

- To specifically look into complaints received from the shareholders of the Company.
- To oversee the performance of the Registrar and Transfer Agent of the Company.
- To recommend measurements for over all improvement in the quality of services to the investors.

Details pertaining to the numbers of complaints received and resolved and the status thereof during the financial year ended 31st March 2010 are given as follows:

Detail of complaints received/resolved during the year

- No. of Complaints received during the year : Ten
- No. of Complaints not resolved to the satisfaction of Shareholders : Nil
- No. of Pending Complaints : Nil
- No. of Pending share transfer as on 31.03.2010 : Nil

GENERAL BODY MEETING

(I) Annual General Meeting (AGM) Detail
The last three Annual General Meeting were held at 5/102, Sikka Complex, Community Centre, Preet Vihar, Delhi , the Registered Office of the company. The other detail is as follows:

YEARS	DAY	DATE	TIME	SPECIAL RESOLUTION PASSED
2007	Friday	28.09.2007	9.30 A.M.	Amend The Article Of Association Of The Company
2008	Monday	29.09.2008	9.30 A.M.	Delisting of eq. Share of the company from delhi stock exchagne, jaipur stock exchange and Ahmedabad stock exchange
2009	Wednesday	30.09.2009	9.30 A.M.	NIL

(II) Extra Ordinary General Meeting Detail
During the year one Extra Ordinary General Meeting was held on Saturday, 30.05.2009 at 10.30 A.M. at A - 42 & 45, Industrial Area, Sikanderabad, Distt. Bulandsahar. The following special resolutions were passed in the meeting:

1. Reissue of 52100 forfeited Eq. Shares on Preferential basis to a Non Promoter Investor;
2. Sub-Division of Every Eq. Shares of Rs. 10 each into Five Eq. Shares of Rs. 2 each & Amendment in Memorandum and Article of Association of the Company accordingly;
3. Appointment of Sh. Manish Garg, Sh. Nitin Garg and Sh. Umesh Garg at office/place of profit within the meaning of section 314 of the Act.

(III) Postal Ballot

There were no matters required to be dealt/ passed by the Company by Special Resolution or through postal ballot as required under the provisions of Section 192A of the Companies Act, 1956 during the financial year 2009-10.

DISCLOSURES

The Board of Directors receives the required disclosures, from time to time, relating to financial and commercial transactions from the key managerial personnel of the company. There have been no materially significant related party transactions which may have a potential conflict with the interests of the Company.

There have not been any occasion of non-compliance by the Company and therefore, no penalties or strictures have been imposed on the Company by Stock Exchanges or SEBI or any other Statutory Authority, on any matter related to capital markets, during the last three years.

MEANS OF COMMUNICATION

(I) Quarterly/ Half Yearly/ Annual Results

The Quarterly, Half Yearly and Annual Results of the Company are sent to the Stock Exchanges immediately after they are approved by the Board.

(II) News Releases

The Quarterly, Half Yearly and Annual Results of the Company are published in the prescribed proforma within 48 hours of the conclusion of the meeting of the Board in which they are considered, atleast in one English newspaper and in one Vernacular newspaper of the State where the Registered Office of the Company is situated. The Company generally publishes its financial results in Business Standard, Financial Express, Pioneer, Jansatta and Vir Arjun.

(III) Website

The Company's website www.Goodlucksteel.com contains a separate dedicated section to Investors, where the shareholders information and Financial Results are available. The Company's Information, financial results and shareholding pattern are also available on www.bseindia.com.

GENERAL SHAREHOLDER INFORMATION

(I) Annual General Meeting

Day, Date and Time	:	Thursday, September 30, 2010 at 9.30 A. M.
Venue	:	5/102, Sikka Complex, Community Centre, Preet Vihar, Delhi - 110092
Date of Book Closure	:	From 25.09.2010 to 30.09.2010 (both days Inclusive)
Dividend Payout Date	:	Within 30 days from the date of declaration

(II) Financial Calendar 2010 -11 (Tentative & subject to Change)

First Quarter Result	:	August, 2010
Second Quarter Result	:	October, 2010
Third Quarter Result	:	January, 2011
Annual Results for the year ending on 31.03.2011	:	May , 2011

(III) Listing on Stock Exchange

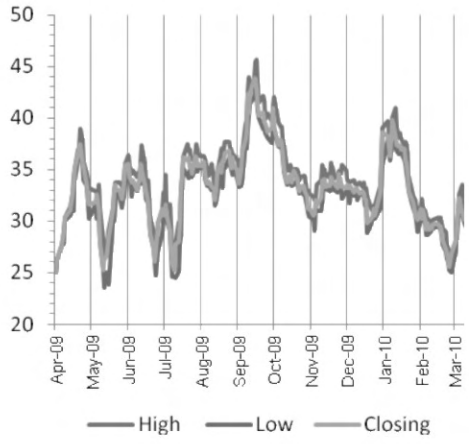
The company's shares are listed at the following stock exchanges. During the last year company's share has been delisted from Jaipur Stock Exchange Limited.

Bombay Stock Exchange Limited Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai- 400001 Stock Code : 530655	Delhi Stock Exchange Limited DSE House, 3/1, Asif Ali Road, New Delhi - 110002

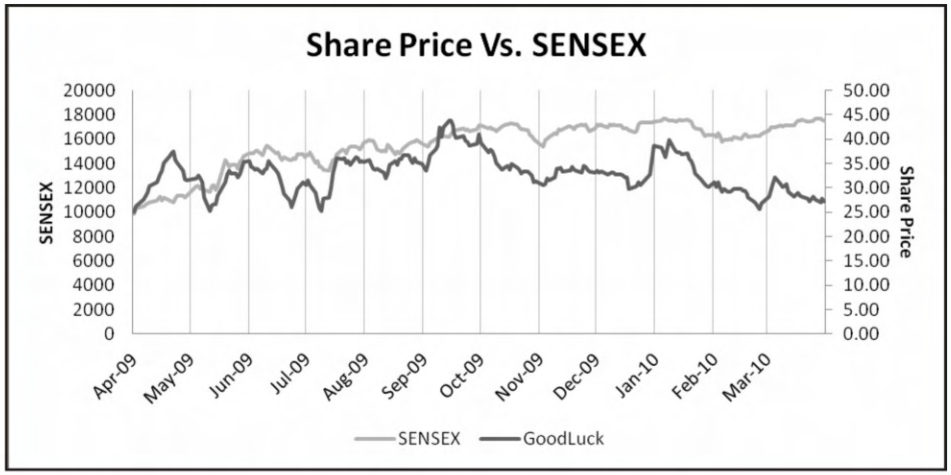
(IV) Market Price Data

The monthly high/low market prices of the shares during last financial year 2009-10 at the Bombay Stock Exchange (BSE) are as under:

Month	High	Low	Closing
Apr-09	38.98	25	31.63
May-09	35.55	23.6	35.4
Jun-09	36.45	24.75	30.8
Jul-09	37.45	24.5	35.35
Aug-09	37.7	31.5	35
Sep-09	45.7	33.3	41
Oct-09	42	30.5	31.3
Nov-09	35.7	29.1	33.2
Dec-09	39.1	28.9	38.65
Jan-10	41	29	30.15
Feb-10	32.15	25.05	26.85
Mar-10	33.5	26.8	27.15



(V) Performance of Share Price in Comparison to BSE Sensex



(VI) Distribution of Shareholding and Shareholding Pattern

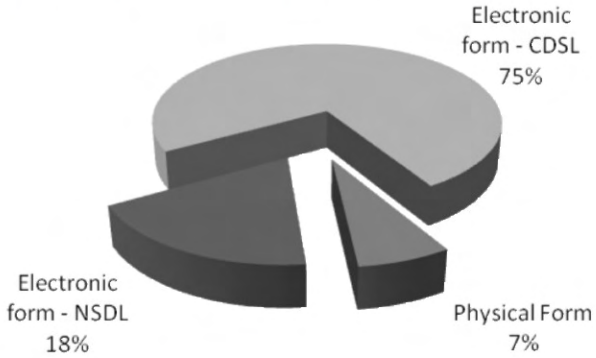
The Distribution of shareholding and shareholding pattern of the shares as on 31.03.2010 are as follows:

Category	No. of Shareholders	No. of Shares	No. of Shares in Demat form	% of Shareholding
Promoters	37	12859750	12859750	68.69%
Bodies corporate	133	2679563	2394563	14.31%
NRI/OCBs/Clearing Members	93	392127	191627	2.10%
Other Indian Public	3610	2789810	1965810	14.90%

(VII) Dematerialization of Shares and Liquidity

The Company has arrangements with both National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) for demat facility. As on 31.03 2010, 17411750 Equity Shares aggregating to 93 % of the total Equity Capital is held in dematerialised form, of which 18% (34,62,440 Equity Shares) of total equity capital is held in NSDL & 75 % (1,39,49,310 Equity Shares) of total equity capital is held in CDSL as on 31.03. 2010.

Security Code No of the company with NSDL and CDSL (ISIN) - INE 127I01024.



(VIII) Share Transfer System

The Company's shares are traded compulsorily in Demat segment on the Stock Exchanges. Shares received for transfer in physical mode are processed and valid transfers are approved within prescribed time limit. Duly transferred share certificates are generally dispatched within 30 days from the date of receipt.

Pursuant to Clause 47 (C) of the Listing Agreement with the Stock Exchanges, certificate on half yearly basis have been filed with the Stock Exchanges for due compliance of share transfer formalities by the Company. In terms of guidelines issued by SEBI, the Secretarial Audit Report for all the quarters have been filed with the Stock Exchanges, which inter-alia gives details about the reconciliation of Share Capital (both physical and demat).

(IX) Registrar and Share Transfer Agent

The company has appointed MAS Services Ltd. as the Registrar and Share Transfer Agent of the company. The Correspondence address of the agent is as follows:
MAS Services Ltd.
T - 34, 2nd Floor, Okhla Industrial Area, Phase - II, New Delhi - 110 020
Email - info@masserv.com

(X) Plant Location

WORKS		
A 42 & 45, Industrial Area, Sikandrabad, Distt. -Bulandshahar (U. P.)	A-51, Industrial Area, Sikandrabad, Distt. -Bulandshahar (U. P.)	Khasra No. 2839, Dhoom Manik Pur, Dadri, Distt.- G. Budh Nagar (U.P.)

(XI) Correspondence Address

The Investor's may send their correspondence to the Registrar and Share Transfer agent or directly to the company at the following Address:

Good Luck House,
II - F, 166-167, Nehru Nagar, Ambedkar Road, Ghaziabad - (U.P.)
Email: investor@goodlucksteel.com

DECLARATION AFFIRMING COMPLIANCE OF CODE OF CONDUCT

As provided under Clause 49 of the Listing Agreement with the Stock Exchanges, the Board Members and the Senior Management Personnel have confirmed compliance with the Code of Conduct for year ended 31.03. 2010.

For Good Luck Steel Tubes Ltd

Place : Ghaziabad
Date: 27th May 2010

M. C. Garg
Chairman

AUDITORS' CERTIFICATE ON COMPLIANCE OF CONDITIONS OF CORPORATE GOVERNANCE

We have examined the compliance of the conditions of Corporate Governance by Goodluck Steel Tubes Limited for the year ended 31.03.2010, as stipulated in Clause 49 of the Listing Agreement of the said Company with Stock Exchanges(s).

The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to the procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of 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 Agreement.

We 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 **Sanjeev Anand & Associates**
Chartered Accountants

(S. AGRAWAL)
Partner
M.No. 72907

Place : GHAZIABAD
Date : 27th May 2010

AUDITOR'S REPORT

The Members,
GOOD LUCK STEEL TUBES LTD.
DELHI.

1) We have audited the attached Balance Sheet of M/S GOODLUCK STEEL TUBES LIMITED as at 31st March 2010 and the Profit & Loss Account and also the cash flow statement for the year ended on that date annexed thereto. These financial statements are the responsibility of the company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

2) We conducted our audit in accordance with auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amount and disclosers in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

3) As required by the Companies (Auditor's Report) Order,2003, as amended by the Companies (Auditor's Report) (Amendment) order, 2004 issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Companies Act, 1956, we enclose in the annexure, a statement on matters specified in paragraphs 4 and 5 of the said Order.

4) Further to our comments in the annexure referred to in paragraph 3 above , we report that :

   a) We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purpose of our audit;
   b) In our opinion, proper books of account as required by law have been kept by the company so far as appears from our examination of those books;
   c) The Balance Sheet, Profit & Loss Account and Cash Flow Statement dealt with by this report are in agreement with the books of account;
   d) In our opinion, the Balance Sheet, Profit and Loss Account and Cash Flow Statement, dealt with by this report comply with the Accounting Standards referred to in Sub-section (3C) of section 211 of the Companies Act., 1956.
   e) On the basis of the written representations received from the directors as on 31st March 2010 and taken on record by the Board of Directors, We report that none of the directors is disqualified as on March 31, 2010, from being appointed as a director in terms of clause (g) of sub- section (1) of section 274 of the Companies Act, 1956.
   f) In our opinion and to the best of our information and according to the explanations given to us, the said accounts read with the significant accounting policies and notes thereon, give the information required by the Companies Act, 1956, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India :-

      (I) in the case of Balance Sheet, of the State of the affairs of the Company as at 31st March, 2010;
      (ii) in the case of Profit & Loss Account, of the Profit for the year ended on that date; and
      (iii) in the case of Cash flow statement, of the cash flows for year ended on that date.

For SANJEEV ANAND & ASSOCIATES
Chartered Accountants

(S. AGARWAL)
Partner
M.NO. 72907

Place : GHAZIABAD
Date : 27.05.2010

ANNEXURE REFERRED TO IN PARAGRAPH 3 OF THE AUDITORS' REPORT OF EVEN DATE ON THE ACCOUNTS FOR THE YEAR ENDED 31st MARCH, 2010 OF M/S GOOD LUCK STEEL TUBES LIMITED

On the basis of such checks as we considered appropriate and according to the information and explanations given to us during the course of audit, we state that :

(i) (a) The company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.

(b) All the assets have not been physically verified by the management during the year but there is regular program of verification which, in our opinion, is reasonable having regard to the size of the company and the nature of its assets. No material discrepancies were noted on such verification.

(c) In our opinion and according to the information and explanations given to us, the company has not made any substantial disposal of fixed assets during the year.

(ii) (a) As per information & explanations given to us, the inventory of the company in its possession has been physically verified by the Management at reasonable intervals. Stocks in the possession and custody of the third parties and stocks in transit as on 31st March 2010 have been verified by the Management with regard to confirmation or statement of account or correspondence of the third parties or subsequent receipt of goods.

(b) The procedures of physical verification of inventories followed by management are reasonable and adequate in relation to the size of 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 books records were not material.

(iii) (a) The company has not granted any loan, secured or unsecured, to Companies, firm or other parties covered in the register maintained under section 301 of the Companies Act, 1956 and hence sub clause (b) , (c) and (d) of clause (iii) of the said order are not applicable.

(b) The company has taken loan from companies, firm and other parties covered in the register maintained under section 301 of the Companies Act, 1956. The maximum amount involved during the year was Rs. 952.33 Lacs.

(c) In our opinion, the rate of interest and the other terms and conditions on which loans have been taken by the company from companies, firms or other parties listed in the register maintained u/s 301 of the Companies Act, 1956 aren't, Prima facie, prejudicial to the interest of the company.

(d) The company is regular in repaying the principal amounts as stipulated and has been regular in the payment of Interest.

(iv) In our opinion, and according to the information and explanation given to us, there are adequate internal control procedures commensurate with the size of the company and the nature of its business with regard of purchase of inventory and fixed assets and for sale of goods and services. During the course of our audit, we haven't observed any continuing failure to correct major weaknesses in internal control.

(v) (a) In our opinion and according to the information and explanations given to us, we are of the opinion that the particulars of contracts and arrangements referred to in u/s 301 of the Companies Act, 1956 have been entered in the register required to be maintained under that section.

(b) In our opinion and according to the information and explanations given to us, the transactions made in pursuance of contacts or arrangements entered in the register maintained u/s 301 of the Companies Act,1956, made at prices which are reasonable having regards to prevailing market prices at the relevant time.

(vi) The company has not invited any deposits from public. In the opinion and according to the information and explanations given to us, the Company has complied with the provisions of sections 58 A and 58 AA or any other relevant provisions of the Act and the Companies (Acceptance of Deposits) Rules, 1975 with regards to the deposits accepted from the public. No order has been passed by the Company Law Board or National Company law tribunal or RBI or any court or any other tribunal.

(vii) To the best of our knowledge and explanations given to us, the company has an internal audit system commensurate with its size and the nature of its business.

(viii) We have broadly reviewed the Books of Account relating to the materials, labour and other items of cost maintained by the company pursuant to the Rules made by the Central Government for the maintenance of cost records u/s 209 (1) (d) of the Companies Act, 1956 and we are of the opinion that prima facie the prescribed accounts and records have been made and maintained .We haven't however made a detailed examination of the records with a view to determine where they are accurate or complete.

(ix) (a) The company is regular in depositing with appropriate authorities undisputed statutory dues including Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Wealth Tax, Service tax, Customs Duty, Excise Duty, Cess and other material statuary dues applicable to it.

(b) According to the information and explanation given to us, no undisputed amounts payable in respect of Income-tax, Wealth tax, Service tax, Sales tax, Custom duty, Excise duty and cess were arrears as at 31st March 2010 for a period of more than six months from the date they became payable.

(c) According to the information and explanation given to us, there are no dues of Sales tax, Custom Duty, Wealth tax, Service Tax, Excise Duty and cess which haven't been deposited on account of any dispute, except the following in respect of income tax along with the forum where dispute is pending:

S. No.	Name of the statute	Nature of the due	Amount	Period to which the amount relates	Forum where dispute is pending
1.	VAT	Entry Tax	Rs. 108.00 Lacs Rs. 291.40 Lacs	F.Y. 2008-09 F.Y. 2009-10	Allahabad High Court

(x) The company doesn't have any accumulated losses as at 31st March 2010. The company hasn't incurred any cash losses during the financial year covered by our audit and the immediately preceding financial year.

(xi) In our opinion and according to the information and explanation given to us, the company hasn't defaulted in repayment of dues to Financial Institutions and Banks.

(xii) In our opinion according to the information and explanations given to us, the company hasn't granted any loans and Advances on the basis of security by way of pledge of shares, debentures and others securities. Hence the question of maintenance of adequate record for this purpose does not arise.

(xiii) In our opinion, the company isn't chit fund or a nidhi / mutual benefit fund / society. Therefore, the provisions of clause 4(xiii) of the Companies (Auditor's Report) Order, 2003 aren't applicable to the company.

(xiv) In our opinion, the company isn't dealing in or trading in shares, securities, debentures and other investments. Accordingly, the provisions of clause 4(xiv) of the Companies (Auditor's Report) Order, 2003 aren't applicable to the Company.

(xv) In our opinion and according to the information and explanation given to us, the company hasn't given the guarantees for loan taken by others from the Banks or financial Institutions.

(xvi) To the best of our knowledge and according to the information and explanation given to us, the term loans have been applied for the purpose for which they are raised.

(xvii) According to the Cash Flow Statement and other records examined by us and information and explanation given to us, on an overall basis, funds raised on short-term basis have, prima facie, not been used during the year for long-term investments.

(xviii) According to the explanation and information given to us, the company hasn't made any preferential allotment of shares during the year to parties and Companies covered in the register maintained u/s 301 of the Companies Act, 1956.

(xix) According to the explanation and information given to us, the company hasn't raised any money by issue of debentures during the year.

(xx) According to the explanation and information given to us, the company hasn't raised any money by public issue during the year.

(xxi) According to the explanation and information given to us, based upon the audit procedures performed and representations made by the management, we report that no fraud on or by the company has been noticed or reported during the course of our audit.

For SANJEEV ANAND & ASSOCIATES
Chartered Accountants

(S. AGARWAL)
Partner
M.NO. 72907

Place : GHAZIABAD
Date : 27.05.2010

BALANCE SHEET AS AT 31ST MARCH, 2010

DESCRIPTION	Sch	As on 31.03.2010	As on 31.03.2009
SOURCES OF FUNDS			
Shareholder's Fund			
Share Captial	1	37,442,500.00	36,921,500.00
Reserves & Surplus	2	608,950,935.91	453,613,547.68
Deferred Tax Liability		60,381,850.00	55,315,080.00
Loan Funds			
Secured Loans	3	1,498,525,888.29	1,059,261,738.47
Unsecured Loans	4	134,366,162.00	191,753,399.00
Total		**2,339,667,336.20**	**1,796,865,265.15**
APPLICATION OF FUNDS			
Fixed Assets			
Gross Block	5	733,022,842.14	632,163,899.02
Less: Depreciation		202,024,146.01	166,269,378.16
Net Block		530,998,696.13	465,894,520.86
Capital Work in Progress		5,397,542.56	1,066,273.00
		536,396,238.69	466,960,793.86
Investments		-	-
Net Current Assets			
Current Assets, Loans & Advances	6	2,016,673,912.78	1,485,580,284.10
Less: Current Liabilities & Provisions	7	213,782,854.28	155,720,891.81
		1,802,891,058.50	1,329,859,392.29
Miscellaneous Expenditure			
Pre- 0perative Expenses		380,039.00	45,079.00
Total		**2,339,667,336.20**	**1,796,865,265.15**
Notes forming part of accounts	16		

As per our report of even date annexed hereto
For SANJEEV ANAND & ASSOCIATES
Chartered Accountants

(S. AGRAWAL)
Partner
M.No. 72907

Place : Ghaziabad
Date : 27.05.2010

On behalf of the Board of Directors
For Good Luck Steel Tubes Limited

(M.C.GARG)
Chairman

(R.C.GARG)
Director

(ABHISHEK AGRAWAL)
Company Secretary

(SANDEEP KUMAR)
C.F.O.

PROFIT & LOSS ACCOUNT FOR THE YEAR ENDING ON 31ST MARCH, 2010

DESCRIPTION	Sch	As on 31.03.2010	As on 31.03.2009
INCOME			
Gross Sales and Operational Income	8	5,144,247,460.76	5,337,453,597.84
Less : Excise Duty		369,168,854.98	518,820,135.01
Net Sales and Operational Income		4,775,078,605.78	4,818,633,462.83
Other Income	9	128,078,410.98	59,713,093.42
		4,903,157,016.76	**4,878,346,556.25**
EXPENDITURE			
Materials	10	3,724,204,937.60	3,768,765,742.72
Manufacturing Expenses	11	331,444,386.19	268,157,264.95
Employee's Remuneration & other Benefits	12	139,596,587.05	103,431,158.93
Finance Expenses	13	137,607,371.81	140,802,091.81
Selling Expenses	14	267,630,007.41	343,249,461.10
Administrative & Other Expenses	15	38,456,047.64	30,910,987.22
Depreciation	5	35,201,144.88	31,313,623.38
		4,674,140,482.58	**4,686,630,330.11**
PROFIT BEFORE TAXATION		**229,016,534.18**	**191,716,226.14**
Less : Provision for Taxation			
Current Tax		63,415,535.00	57,362,500.00
Deferred Tax		5,066,770.00	7,937,341.88
Fring Benefit Tax		-	900,000.00
PROFIT AFTER TAXATION		**160,534,229.18**	**125,516,384.26**
Add/(Less) Prior period adjustments		(6,416,978.00)	(427,999.48)
Add: Balance brought forward from previous year		353,124,890.03	254,607,383.25
Surplus available for appropriations		**507,242,141.21**	**379,695,768.03**
APPROPRIATIONS			
Proposed Dividend		5,616,375.00	5,616,375.00
Tax on Dividend		932,810.00	954,503.00
General Reserve		30,000,000.00	20,000,000.00
Balance carried over to Balance sheet		470,692,956.21	353,124,890.03
		507,242,141.21	**379,695,768.03**
EARNINGS PER SHARES ON Rs. 2/- PER SHARE			
-Basic (Note No. 7)		8.25	6.78 (33.88)*

(*Figures in bracket are on the basis of Face Value of Rs. 10/- per Equity Share)

Notes forming part of accounts

As per our report of even date annexed hereto
For SANJEEV ANAND & ASSOCIATES
Chartered Accountants

(S. AGRAWAL)
Partner
M.No. 72907

Place : Ghaziabad
Date : 27.05.2010

On behalf of the Board of Directors
For Good Luck Steel Tubes Limited

(M.C.GARG)
Chairman

(R.C.GARG)
Director

(ABHISHEK AGRAWAL)
Company Secretary

(SANDEEP KUMAR)
C.F.O.

CASH FLOW STATEMENT FOR THE YEAR ENDING ON 31ST MARCH, 2010

DESCRIPTION		As on 31.03.2010	As on 31.03.2009
A. Cash Flow from operation activities			
Profit before tax		229,016,534.17	191,716,226.14
Adjustment for			
Depreciation		35,201,144.88	31,313,623.38
Loss on Sale of Fixed Assets		92,152.02	382,188.56
Interest		121,397,756.29	122,742,220.36
Operating Profit before working capital change		**385,707,587.36**	**346,154,258.44**
Adjustment for			
Trade and other receivables		(152,046,568.53)	(243,691,617.27)
Inventories		(249,215,606.00)	146,134,565.40
Trade Payables		58,061,962.47	(148,658,787.16)
Cash Generated from Operations		**42,507,375.30**	**99,938,419.41**
Interest			
		(121,397,756.29)	(122,742,220.36)
Income-tax \F.B.T. \Wealth - Tax		(63,415,535.00)	(58,262,500.00)
Dividend		(6,549,185.00)	6,570,878.00)
	TOTAL (A)	**(148,855,100.99)**	**(87,637,178.95)**
B. Cash flow from Investing Activities			
Purchase of Fixed Assets		(107,215,998.68)	(53,201,819.61)
Sale of Fixed Assets		1,660,079.00	615,000.00
Loan & Advances		(101,469,959.56)	(20,913,486.71)
Sale of Investments		-	-
	TOTAL (B)	**(207,025,879.24)**	**(73,500,306.32)**
C. Cash flow from Financing Activities			
Proceeds from Issue of Share capital		9,117,500.00	-
Proceeds from Borrowing for working capital		439,264,149.82	171,663,523.27
Proceeds from Unsecured Loans		(57,387,237.00)	(26,344,953.00)
	TOTAL (C)	**390,994,412.82**	**145,318,570.27**
Others			
Intangibles : Prior year adjustment		6,416,978.00	427,999.48
Pre Operative Expenses		334,960.00	(22,540.00)
	TOTAL (D)	**6,751,938.00**	**405,459.48**
Net increase in cash and cash **Equivalents (A+B+C-D)**		28,361,494.59	(16,224,374.48)
Cash and cash equivalents as at 01.04.2009 (Opening Balance)		54,531,023.77	70,755,398.25
Cash and cash equivalents as at 31.03.2010 (Closing Balance)		82,892,518.37	54,531,023.77
Note:- Figure in brackets represents cash outflow			

As per our report of even date attached.

For SANJEEV ANAND & ASSOCIATES
Chartered Accountants

(S. AGRAWAL)
Partner
M.No. 72907

Place : Ghaziabad
Date : 27.05.2010

On behalf of the Board of Directors
For Good Luck Steel Tubes Limited

(M.C.GARG)
Chairman

(R.C.GARG)
Director

(ABHISHEK AGRAWAL)
Company Secretary

(SANDEEP KUMAR)
C.F.O.

ANNEXED TO AND FORMING PART OF BALANCE SHEET AS ON 31ST MARCH, 2010

DESCRIPTION	As on 31.03.2010	As on 31.03.2009
Schedule-1		
SHARE CAPITAL		
Authorised Capital		
50,000,000 Equity Shares of Rs. 2/- each (Previous year 45,00,000 Equity Shares of Rs. 10/- each)	100,000,000.00	45,000,000.00
Issued, Subscribed capital		
1,87,21,250 Equity Shares of Rs. 2/-each (Previous year 37,44,250 Equity Shares of Rs. 10/-each)	37,442,500.00	37,442,500.00
Paid -up Capital		
1,87,21,250 Equity Shares of Rs. 2/-each (Previous year 36,92,150 Equity Shares of Rs. 10/-each)	37,442,500.00	36,921,500.00
	37,442,500.00	**36,921,500.00**

Note :-

1. Of the above 13,70,750 Equity Shares have been alloted as bonus shares by capitalisation from Capital Reserves and General reserves.
2. Pursuant to the Shareholder's approval in their meeting held on 30.05.2009, the Equity Shares of the Company have been split from Rs. 10/- per share to Rs. 2/- per share.
3. Company has issued 52100 Nos. of Equity Shares of Rs. 10/- at a premium of Rs. 165/- each on 30.05.2009 out of share forfeited.

Schedule-2		
RESERVES & SURPLUS		
CAPITAL RESERVES		
Revaluation Reserves		
As per Last Balance Sheet	3,908,486.70	4,424,594.65
Less: Adjustment for Depreciation	827,177.95	827,177.95
	3,081,308.75	3,597,416.70
Share Forfeited A/c	-	311,070.00
	3,081,308.75	3,908,486.70
Share Premium Account		
As per Last Balance Sheet	45,512,591.00	36,916,091.00
General Reserve		
As per Last Balance Sheet	59,664,079.95	39,664,079.95
Add : Addition during the year	30,000,000.00	20,000,000.00
	89,664,079.95	59,664,079.95
Surplus in Profit & Loss Account	470,692,956.21	353,124,890.03
	608,950,935.91	**453,613,547.68**

ANNEXED TO AND FORMING PART OF BALANCE SHEET AS ON 31ST MARCH, 2010

DESCRIPTION	As on 31.03.2010	As on 31.03.2009
Schedule-3		
SECURED LOANS		
Cash Credit/Export Credit Limits:		
From State Bank of India	410,043,170.61	-
From ING Vysya Bank Ltd.	517,516,598.54	375,855,218.08
From Bank of Baroda	145,611,768.84	286,817,945.54
From Union Bank of India	103,539,652.90	110,728,851.87
From Barclays Bank PLC	159,797,853.40	61,409,134.84
From Exim Bank of India	-	55,934,892.95
Term Loans:		
From Punjab National Bank	86,883,360.00	126,827,747.00
Repayable within one year Rs. 3,52,45,360/- (previous year Rs. 4,04,65,047/-)		
From Bank Of Baroda	75,133,484.00	41,687,948.19
Repayable within one year Rs. 2,36,87,011/- (previous year Rs. 1,62,87,948/-)		
	1,498,525,888.29	**1,059,261,738.47**

Note :

1. Working capital limits are secured by first charge on entire current assets of the company including stocks of raw-materials, work-in-progress, stock lying in godown and ports, finished goods and book debts both present & future. Working capital limits are further secured by way of second charge on entire fixed assets of the company , equitable mortgage of two immovable properties belonging to the directors of the company and their relatives , situated at Plot No. II -F - 166 & II - F-167 , Nehru Nagar , Ambedkar Road , Ghaziabad and personal guarantee of the directors of the company.
2. Term loan are secured by way of first charge on entire fixed assets of the company located at A-45, A-42 & A-51 Industrial Area, Sikandrabad, Distt.Bulandshahr and Plot No. 2839 Dhoom Manikpur, Dadri. Term loan are further secured by way of second charge on entire current assets of the company , both present & future and personal guarantee of the directors of the company.

Schedule-4		
UNSECURED LOANS		
From Directors & Shareholders	103,445,665.00	95,780,820.00
From Body Corporate	30,920,497.00	95,972,579.00
	134,366,162.00	**191,753,399.00**

ANNEXED TO AND FORMING PART OF BALANCE SHEET AS ON 31.03.2010

SCHEDULE-5

FIXED ASSETS (CONSOLIDATED)

		GROSS BLOCK				DEPRECIATION				NET BLOCK	
S. No.	DESCRIPTION	As on 01.04.2009	Additions 2009-10	Adjustments 2009-10	Total as on 31.03.2010	Upto 01.04.2009	For the year 2009-10	Adjustments 2009-10	Total upto 31.03.2009	As on 31.03.2010	As on 31.03.2009
1	Land	17,649,783.50	-	-	17,649,783.50	-	-	-	-	17,649,783.50	17,649,783.50
2	Factory Building	105,800,288.36	9,119,910.85	-	114,920,199.21	19,301,978.55	3,594,904.75	-	22,896,883.30	92,023,315.91	86,498,309.81
3	Office Building	4,696,353.05	-	-	4,696,353.05	265,741.68	76,550.55	-	342,292.24	4,354,060.81	4,430,611.37
4	Furniture & Fixtures	7,746,648.58	328,806.00	-	8,075,454.58	1,786,141.11	501,354.97	-	2,287,496.09	5,787,958.49	5,960,507.47
5	Plant & Machinery	252,976,898.65	45,150,225.00	-	298,127,123.65	109,720,261.13	17,390,997.27	-	127,111,258.40	171,015,865.25	143,256,637.52
6	Plant & machinery (CR New)	200,089,498.33	35,733,589.77	-	235,823,088.10	20,349,855.53	9,839,171.73	-	30,189,027.26	205,634,060.84	179,739,642.80
7	Office Equipments	12,341,212.22	2,257,686.50	251,184.00	14,347,714.72	4,706,260.89	1,433,695.91	35,362.37	6,104,594.43	8,243,120.29	7,634,951.33
8	Electrical Installation	1,120,499.00	-	-	1,120,499.00	110,958.40	53,433.68	-	164,182.11	956,316.90	1,009,540.60
9	Vehicles	29,742,717.33	9,228,238.00	708,329.00	38,262,626.33	10,028,180.87	3,138,213.95	238,192.61	12,928,412.19	25,334,214.14	19,714,536.46
		632,163,899.02	101,818,456.12	959,513.00	733,022,842.14	166,269,378.16	36,028,322.83	273,554.98	202,024,146.01	530,998,696.13	465,894,520.86
10	Capital Work in Progress	1,066,273.00	5,397,542.56	1,066,273.00	5,397,542.56	-	-	-	-	5,397,542.56	1,066,273.00
	Total	633,230,172.02	107,215,998.68	2,025,786.00	738,420,384.70	166,269,378.16	36,028,322.83	273,554.98	202,024,146.01	536,396,238.69	466,960,793.86
	Previous Year	581,454,695.41	53,201,819.61	1,426,343.00	633,230,172.02	134,557,731.27	32,140,801.33	429,154.44	166,269,378.16	466,960,793.86	446,896,964.14

ANNEXED TO AND FORMING PART OF BALANCE SHEET AS ON 31ST MARCH, 2010

DESCRIPTION		As on 31.03.2010	As on 31.03.2009
Schedule-6			
CURRENT ASSETS, LOANS & ADVANCES			
(A) Current Assets			
Inventories			
(As taken, valued and certified by the management)			
(At lower of cost and net realisable value unless otherwise stated)			
(a) Raw Materials		270,997,129.00	118,303,155.00
(b) Finished Goods		297,066,648.00	201,972,250.00
(c) Stores & Spares		30,097,736.00	28,670,502.00
		598,161,513.00	**348,945,907.00**
Sundry Debtors			
(Unsecured, unconfirmed, Considered good)			
(a) Debts Exceeding Six Months		62,504,561.16	41,378,446.02
(b) Others Debts		933,060,437.24	802,139,983.85
		995,564,998.40	**843,518,429.87**
Cash and Bank Balances			
(a) Cash in hand		3,555,967.78	3,609,184.39
(b) Balance with Scheduled Banks			
(i) in current accounts		18,197,234.90	11,439,507.74
(ii) in fixed deposits		61,139,315.69	39,482,331.64
		82,892,518.37	**54,531,023.77**
	A	**1,676,619,029.77**	**1,246,995,360.64**
(B) Loans & Advances			
(unsecured, unconfirmed, considered good)			
Advances recoverable in cash or in kind or for value to be received		199,326,851.68	118,690,092.99
Security Deposits		17,448,422.00	11,962,194.00
Export Incentives/Benefits receivable		59,524,589.00	53,775,989.14
Pre-paid Taxes		63,755,020.34	54,156,647.33
	B	**340,054,883.02**	**238,584,923.46**
Grand Total (A+B)		**2,016,673,912.78**	**1,485,580,284.10**
Schedule-7			
CURRENT LIABILITIES & PROVISIONS			
(A) Current Liabilities :			
Creditors for Goods / Services		34,769,465.71	30,662,624.51
Other Liabilities		78,734,138.18	36,911,597.63
Advance against Sales		27,361,526.02	20,474,869.00
Liability towards Investors Education and Protection Fund under Section 205C of the Companies Act, 1956 not due			
i) Unpaid Dividend		667,427.37	800,653.67
	A	**141,532,557.28**	**88,849,744.81**
(B) Provisions :			
Provision for Taxation		63,415,535.00	58,262,500.00
Corporate Tax on Dividend		932,810.00	954,503.00
Proposed Dividend		5,616,375.00	5,616,375.00
Provision for Employees Benefits		2,285,577.00	2,037,769.00
	B	**72,250,297.00**	**66,871,147.00**
Grand Total (A+B)		**213,782,854.28**	**155,720,891.81**

ANNEXED TO AND FORMING PART OF BALANCE SHEET AS ON 31ST MARCH, 2010

DESCRIPTION		As on 31.03.2010	As on 31.03.2009
Schedule-8			
SALES AND OPERATIONAL INCOME			
Sales Less Transfers		5,106,157,470.76	5,264,615,164.05
Job Charges Received		38,089,990.00	72,838,433.79
		5,144,247,460.76	**5,337,453,597.84**
Schedule-9			
OTHER INCOME			
Export Incentives		83,568,410.86	77,159,009.14
Interest Recd.		7,299,999.29	4,689,379.55
Misc. Income		705,605.14	1,132,328.57
Exchange Fluctuation		36,504,395.69	(23,267,623.84)
		128,078,410.98	**59,713,093.42**
Schedule-10			
MATERIALS			
Raw Material Consumed			
Opening Stocks		118,303,155.00	155,572,588.25
Add : Purchases		3,840,729,435.76	3,445,508,810.61
		3,959,032,590.76	3,601,081,398.86
Less : Closing Stocks		270,997,129.00	118,303,155.00
	A	**3,688,035,461.76**	**3,482,778,243.86**
Purchase for Resale		131,263,874.00	190,499,219.71
	B	**131,263,874.00**	**190,499,219.71**
Increase / Decrease in Finished Goods			
Opening Stock of Finished Goods & Scrap		201,972,249.84	297,460,529.15
Less: Closing Stock of Finished Goods & Scrap		297,066,648.00	201,972,250.00
	C	**(95,094,398.16)**	**95,488,279.150**
Grand Total (A+B+C)		**3,724,204,937.60**	**3,768,765,742.72**
Schedule-11			
MANUFACTURING EXPENSES			
Stores Consumed		166,316,619.41	143,006,280.46
Power & Fuel Expenses		106,884,963.98	88,709,082.50
Processing Charges		43,218,700.94	25,270,583.40
Testing Charges		857,991.51	404,652.00
Repairs & Maintenance to :			
a) Building		454,407.00	2,150,795.90
b) Plant & Machinery		8,482,262.64	6,611,111.73
c) Electric		5,229,440.71	2,004,758.96
		331,444,386.19	**268,157,264.95**

ANNEXED TO AND FORMING PART OF BALANCE SHEET AS ON 31ST MARCH, 2010

DESCRIPTION	As on 31.03.2010	As on 31.03.2009
Schedule-12		
EMPLOYEES' REMUNERATION & OTHER BENEFITS		
Salaries, Wages & Allowances	119,994,868.00	86,920,303.18
Contribution to P.F. & E.S.I. etc.	6,739,306.00	4,788,170.00
Bonus	5,894,769.00	4,671,489.00
Labour & Staff Welfare	2,577,354.05	810,361.75
Other Benefits to Employees	790,290.00	1,760,835.00
Remuneration to Directors	3,600,000.00	4,480,000.00
	139,596,587.05	**103,431,158.93**
Schedule-13		
FINANCE EXPENSES		
Interest		
(a) to Banks	108,577,284.29	109,898,770.36
(b) on Unsecured Loans	12,820,472.00	12,843,450.00
	121,397,756.29	122,742,220.36
Bank Commission & Charges	16,209,615.52	18,059,871.45
	137,607,371.81	**140,802,091.81**
Schedule-14		
SELLING EXPENSES		
Freight & Forwarding	200,924,399.01	251,508,600.19
Advertisement	2,075,327.00	778,948.00
Commission on sales	21,391,894.50	36,142,898.33
Sales Promotion	1,100,703.37	1,183,063.47
Inspection Charges	70,211.98	679,272.54
Rates & Taxes	2,126,978.37	8,724,976.00
Rebate & Remission	21,969,247.58	27,359,015.23
Packing Materials	17,563,662.40	15,470,746.13
Sales Expenses	407,583.20	1,401,941.21
	267,630,007.41	**343,249,461.10**
Schedule-15		
ADMINSTRATIVE & OTHER EXPENSES		
Rent	1,235,525.00	238,875.00
Printing & Stationery	1,860,620.27	1,292,137.86
Postage, Telegram & Telephone	5,289,196.11	4,382,376.70
Vehicle Running & Maintenance	3,120,662.24	2,582,619.95
Repairs & Maintenance	2,965,342.15	2,023,898.21
Travelling & Conveyance	11,892,242.91	8,748,252.00
Legal & Professional Expenses	3,834,164.40	1,863,962.00
Audit Fees	200,000.00	200,000.00
Insurance	3,848,452.76	3,770,189.50
Fee & Subscription	1,189,164.14	1,443,134.78
Meeting & Conference Expenses	29,453.00	45,369.00
Donation	184,900.00	653,420.00
Miscellaneous Expenses	1,475,141.67	2,288,480.65
Loss on Sale of Fixed Assets	92,152.02	382,188.56
Electricity Expenses-office	692,726.47	759,395.00
Festival Expenses	546,304.50	236,688.01
	38,456,047.64	**30,910,987.22**

Schedule Annexed to & Forming Part of Balance Sheet as on 31st March, 2010

NOTES TO BALANCE SHEET AND PROFIT & LOSS ACCOUNT

SCHEDULE-16

I. SIGNIFICANT ACCOUNTING POLICIES:

i) BASIS OF PREPARATION OF FINANCIAL STATEMENTS

The Financial Statements are prepared under the historical cost convention, on accrual basis of accounting, in accordance with the generally accepted accounting principles, as applicable, accounting standards issued by The Institute of Chartered Accountants of India and the relevant provisions of the Companies Act, 1956.

ii) USE OF ESTIMATES

The preparation of financial statements requires use of estimates and assumptions to be made that affect the reported amounts of assets, liabilities and disclosure of contingent liabilities on the date of financial statements and the reported amounts of revenues and expenses during the reporting period. Difference between the actual results and estimates are recognized in the period in which the results are known / materialized.

iii) FIXED ASSETS

The fixed assets viz. Land, Building and Plant & Machinery of Sikandrabad unit were revalued at fair market value as at 31st March, 1994 as assessed by valuers appointed for the purpose. As a result, book value of such assets was increased by Rs. 2,42,29,586/- which was credited to Capital Reserve. The remaining fixed Assets are stated at cost, net of modvat/cenvat/vat, less accumulated depreciation inclusive of freight, duties, taxes and incidental expenses.

iv) DEPRECIATION

Depreciation on fixed assets has been charged on straight line method at the rates prescribed in schedule XIV of the Companies Act, 1956. In case of addition/deletion to Fixed Assets during the year, depreciation has been charged pro-rata with respect to date of addition/deletion. No depreciation is charged on leasehold land. In respect of revalued assets, an amount of Rs. 827,178/- being equivalent to the additional charge of depreciation arising due to revaluation is deducted from Capital Reserve and not charged to the Profit & Loss Account.

v) INVENTORY VALUATION

Inventories are valued at lower of cost or net realizable value except scrap which is valued at net realizable value. The cost is determined by using first-in-first-out (FIFO) method. Finished goods include costs of conversion and other costs incurred in bringing the inventories to their present location and condition.

VI) BALANCE IN BANK IN TERM OF FIXED DEPOSITS

Deposit in Banks in terms of Fixed Deposits includes interest accrued Rs. 36.08 Lacs (Previous Year Rs. 10.45 Lacs) up to the date of Balance Sheet, net of TDS on interest.

vii) EMPLOYEES' BENEFITS

Retirement benefits, such as gratuity and earned leaves are accounted for on the basis of provisions as laid down under accounting standard (AS-15) "Provision for Retirement Benefits" for employees are as per the certificate provided by the management.

Contributions to Provident Fund, a defined contribution plan are made in accordance with the statute, and are recognized as an expense when employees have rendered service entitling them to the contribution.

Company's contribution to state defined contribution plan namely, Employee State Insurance are made in accordance with the statute, and are recognized as an expenses when employees have rendered services entitling them to the contribution.

viii) FOREIGN CURRENCY TRANSACTIONS

Transactions denominated in foreign currencies are normally recorded at the exchange rate prevailing at the time of the transaction. Monetary items denominated in foreign currencies outstanding at the year end are translated at exchange rate applicable on the date of Balance Sheet. In respect of monetary items which are covered by forward exchange contracts, the difference between the year-end rate and the rate on the date of contract is recognized as exchange difference. Any income or expenses on account of exchange difference either on settlement or on translation is recognized in the Profit and Loss Account except in cases where these relate to the acquisition of fixed assets, in those cases they are adjusted to the carrying cost of such assets.

ix) MODVAT/CENVAT/VAT

Modvat/Cenvat/Vat claimed on capital goods is credited to Assets/ capital work in progress account. Modvat/Cenvat/Vat on purchase of raw materials and other materials are deducted from the cost of such materials.

x) PROPOSED DIVIDEND

Dividends proposed by the Directors have been provided for in the books of account which is pending for approval at the Annual General Meeting.

xi) TAXATION

Provision is made for income tax liability in accordance with the provision of Income Tax Act, 1961.

In accordance with the Accounting Standard (AS) - 22 "Accounting for taxes on income", issued by The Institute of Chartered Accountants of India, the Deferred Tax Liability for timing differences between the book and tax profits is accounted for using the tax rates and tax laws that have been enacted or substantially enacted as of the Balance Sheet date.

xii) PROVISIONS, CONTINGENT LIABILITIES AND ASSETS

Provisions are recognized only when there is a present obligation as a result of past events and when a reliable estimate of the amount of the obligation can be made. Contingent liability is disclosed for (i) Possible obligation which will be confirmed only by future events not wholly within the control of the Company or (ii) Present obligation arising from past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made. Contingent Assets are not recognized in the financial statements since this may result in the recognition of income that may never be realized.

2. Contingent Liabilities not provided for in respect of:

(As Certified by the Management)

S.No.	Particulars	Current Year (Rs. In Lacs)	Previous Year (Rs. In Lacs)
I)	Outstanding guarantees issued by the banks Counter guaranteed by the company	887.59	1056.08
ii)	Bills Discounted	531.53	484.57
iii)	Income Tax demand related to A.Y. 2004-05	NIL	37.75
iv)	Estimated amount of contracts remaining to be executed on Capital Account and not provided for (net of advance)	NIL	NIL

3. The Company has given Bank Guarantee of Rs. 357.39 Lacs (P.Y. Rs. 167.31 Lacs) against Bank's Fixed Deposit Receipts towards Entry Tax Liability of Rs. 399.40 Lacs (P.Y. Rs. 108.00 Lacs) Under U.P.Vat Act as per the direction of Hon'ble Allahabad High Court. The Company has provided the liability towards Entry Tax of Rs. 399.40 Lacs (P.Y. Rs. 108.00 Lacs) in the books of accounts.

4. Some of the debit and credit balance in personal accounts are subject to confirmation of the respective parties.

5. In the opinion of the Board, all the Current Assets, Loans & Advances have a value on realization which in the ordinary course of business shall at least be equal to the amount at which it is stated in the Balance Sheet. The provision for all known liabilities is adequate and is not in excess/short of the amount considered reasonably necessary.

6. The Company has not received any memorandum (as required to be filed by the suppliers with the notified authority under the Micro, Small and Medium Enterprises Development Act, 2006) claiming their status as on 31st March, 2010 as micro, small or medium enterprises. Consequently the amount paid/payable to these parties during the year is nil.

7. As per Accounting Standard (AS-18), the disclosures of transactions with related parties as defined in the Accounting Standard are given below:-

(1) List of related parties where control exists and related parties with whom transactions have taken place and relationships:

I) Holding Company — NIL

ii) Subsidiary Company — NIL

iii) Fellow Subsidiary — NIL

iv) Key Management Personnel

Shri M. C. Garg (Chairman)
Shri R. C. Garg (Director)
Shri A. K. Garg (Director)
Shri Anurag Agarwal (Independent Director)
Shri Vijendra Kumar Tyagi (Independent Director)
Shri Rahul Goel (Independent Director)

v) Relatives of Key Management Personnel

Shri Ram Agarwal (Nephew of Director)
Shri Shyam Agarwal (Nephew of Director)
Shri Manish Garg (Son of Director)
Shri Rajeev Garg (Nephew of Director)
Shri Nitin Garg (Son of Director)
Shri Ashish Garg (Nephew of Director)
Shri Umesh Garg (Son of Director)
Shri Saras Garg (Nephew of Director)

(2) Transactions carried out with related parties in (1) above, in ordinary course of business:

Rs. In Lacs

Particulars	Key Management Personnel (KMP)		Relatives of Key Management Personnel		Grand Total	
	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year
Remuneration	36.00	44.80	39.60	55.80	75.60	100.60
Loans Taken	---	---	94.50	144.10	94.50	144.10
Loans Repaid	---	0.87	100.58	104.46	100.58	105.33
Interest Paid	---	1.24	91.92	67.19	91.92	68.43
Rent Paid	1.71	---	5.13	---	6.84	---

8. Earning per Share (EPS) Computed in accordance with Accounting Standard-20 "Earning Per Share":

PARTICULARS	Current Year 31.03.2010	Previous Year 31.03.2009
Profit attributable to equity shareholders	15,41,17,251	12,50,88,385
No. of Equity Shares at the Beginning of the year	18460750	18460750 (3692150)*
Weighted average No. of Equity Shares issued during the year On 30.05.2009 (260500*306/365)	218392	---
Weighted average No. of Equity Shares (Face Value of Rs. 2/- per share)	18679142	18460750 (3692150)*
Basic/diluted EPS (Rs.)	8.25	6.78 (33.88)*

* Figures in bracket are on the basis of face value of Rs. 10/- per Equity Share

9. Auditor's Remuneration

Particulars	Current Year 31.03.2010	Previous Year 31.03.2009
Audit Fee	1.50	1.50
Tax Audit Fee	0.25	0.25
Taxation & Certification Matters	0.25	0.25

10. The following are the outstanding Forward Exchange Contracts entered as on 31st March 2010:

Currency	Buy/Sell	Cross Currency	As on 31.03.2010 (Amount in Lacs)	As on 31.03.2009 (Amount in Lacs)
US Dollar	Sell	Rupees	$ 61.82	$ 2.51
EUR Euro	Sell	Rupees	€ 19.57	€ 1.00
EUR Euro	Sell	USD	€ 5.00	---
US Dollar	Buy	Rupees	$ 35.30	---

11. Additional information pursuant to Schedule - VI to the Companies Act, 1956.
(As certified by the management & Accepted by the Auditors):-

A) Details of Capacity and Production

	Particulars	Current Year 31.03.2010		Previous Year 31.03.2009	
		Qty.(MT)	Rs. (In Lacs)	Qty.(MT)	Rs. (In Lacs)
a)	Installed Capacity				
	Pipes/Tubes	66000.000	—	66000.000	—
	C.R./ G.P./G.C. Sheets/Coils	54000.000	—	54000.000	—
	Structure & Poles	16000.000		16000.000	
	Forged /Alloy Steel	10000.000	—	10000.000	—
b)	Production				
	Pipes/Tubes	54010.352	—-	53152.972	—
	Scrap & Residue	8361.753	—-	6430.112	—
	C.R.Sheets/Coils	6114.032	—-	5504.416	—
	G.P./G.C. Sheets	17441.288	—-	12084.499	—
	Other	—-	—-	15.438	—
	Structure & Poles	20133.423	—-	10331.238	
	Forged /Alloy Steel	3081.616	—	2949.531	—
	Scaffolding Parts	3.376	—-	444.734	—-
c)	Turnover				
	Pipes/Tubes	53527.138	22980.14	54838.976	28709.74
	Scrap & Residue	8343.540	1802.29	6548.370	1749.45
	C.R.Sheets/Coils	6014.105	2265.07	5314.515	1910.06
	G.P./G.C. Sheets	16882.308	8259.20	12011.726	7089.25
	Trading Sales	—-	1745.03	——	2528.54
	Raw material	1630.305	968.80	2555.390	1583.27
	Other	—-	—-	15.438	8.59
	Structure & Poles	19729.053	9927.87	10084.944	5884.90
	Forged / Alloy Steel	3210.189	3106.20	2348.042	2933.49
	Scaffolding Parts	30.590	6.95	459.810	248.86
d)	Self Consumption				
	Pipes/Tubes	7.555	—-	3.820	—-
	C.R. Sheet/Coils	0.350	—-	—-	—-
	G.P./G.C. Sheets	5.385	—-	7.180	
	Structure & Pole	14.910	—-	—-	—-
	Forged / Alloy Steel	4.350	—-	5.600	—-
e)	Opening Stock				
	Pipes/Tubes	3364.402	1066.06	5054.226	2126.56
	Scrap & Residue	104.921	21.39	223.179	62.30
	C.R. Sheet/Coils	210.373	57.14	400.602	195.41
	G.P./G.C. Sheets	603.792	200.16	158.049	77.47
	Trading Goods	—-	—-	—-	147.12
	Structure & Pole	406.638	182.40	160.344	68.85
	Scaffolding Parts	27.214	4.89	42.290	15.33
	Forged / Alloy Steel	963.988	487.69	368.099	281.55
f)	Closing Stock				
	Pipes / Tubes	3524.467	1392.18	3364.402	1066.06
	Scrap & Residue	123.134	37.81	104.921	21.39
	C.R. Sheet/Coils	310.300	113.79	210.373	57.14
	G.P./G.C. Sheets	1157.037	502.16	603.792	200.16
	Structure & Pole	808.848	330.07	406.638	182.40
	Scaffolding Parts	—-	—-	27.214	4.89
	Forged / Alloy Steel	805.455	594.64	963.988	487.69

B) Details of Consumption of Raw Materials, Stores & Spare Parts

Rs. In Lacs

	Particulars	Current Year 31.03.2010		Previous Year 31.03.2009	
		Qty.(MT)	Value	Qty.(MT)	Value
a)	**Raw Material**				
	H.R. Coils/Strips/ Skelp	82231.092	25301.72	71818.098	25054.72
	Zinc	3181.884	3190.24	3219.211	2509.71
	Semi-Finished Pipes	4493.480	1481.73	6206.645	1979.08
	Angle shape	15255.139	4634.80	8419.205	3089.76
	Ingots \Blooms	5246.252	2170.87	4836.107	2020.64
	Sockets	173.481	100.99	260.374	173.86
b)	**Stores & Spare Parts**	—-	1663.17	—-	1430.06

C) Value of imported and indigenous raw materials consumed and Percentage of each to the total consumption

Particulars	Current Year 31.03.2010		Previous Year 31.03.2009	
	% age	Value	% age	Value
Imported Raw materials	3.75	1382.23	—-	—-
Indigenous Raw Material	96.25	35498.12	100.00	34827.78
Total	100.00	36880.35	100.00	34827.78

D) CIF Value of Imports

Rs. in Lacs

Particulars	Current Year 31.03.2010	Previous Year 31.03.2009
	Value	Value
Raw Material	1164.14	—-
Material for resale	234.80	44.69
Stores & Spares	0.58	4.81
Capital Goods	13.69	29.49

E) Earnings in foreign exchange on export

Rs. in Lacs

Particulars	Current Year 31.03.2010	Previous Year 31.03.2009
	Value	Value
FOB Value	13336.32	19794.91

F) Expenditure in foreign Currency

Rs. in Lacs

Particulars	Current Year 31.03.2010	Previous Year 31.03.2009
	Value	Value
Foreign Bank Charges	16.03	19.72
Discount on Export Sale	1.70	—-
Tours & Traveling	19.14	13.17
Commission on Export Sales	140.52	220.01
Advertisement	18.66	5.96

G) Other additional information required to be furnished under Sub Clause of paragraph 3, 4, 4A, 4C and 4D of part II of Schedule VI to the Companies Act, 1956 is either Nil or Not Applicable.

12. Previous year's figure have been re-grouped, re-classified and rearranged, whenever considered necessary to conform to current year's groupings and classifications.

Signature to Schedule 1 to 16.

AS PER REPORT OF EVEN DATE ATTACHED.

FOR SANJEEV ANAND & ASSOCIATES
Chartered Accountants

(S. AGARWAL)
Partner
M.NO. 72907

Place : GHAZIABAD
Dated : 27.05.2010

ON BEHALF OF THE BOARD OF DIRECTORS

(M.C.GARG)
Chairman

(R.C.GARG)
Director

(ABHISHEK AGRAWAL)
Company Secretary

(SANDEEP KUMAR)
C.F.O.

AUDITOR'S CERTIFICATE

We have verified the above cash flow statement of GOOD LUCK STEEL TUBES LTD., derived from the audited Financial Statements and the books and records produced for the years ended 31st March, 2010 and 31st March, 2009 and found the same in agreement therewith.

For SANJEEV ANAND & ASSOCIATES
Chartered Accountants

(S. AGARWAL)
Partner
M.NO.72907

Place : GHAZIABAD
Date : 27.05.2010

BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE

I. REGISTRATION DETAILS

Registration No.	5091	State Code	55
Balance Sheet	31.03.2010		

II. CAPITAL RAISED DURING THE YEAR (Rs. In Lacs)

Public Issue	Nil	Bonus Issue	Nil
Rights Issue	Nil	Private placement	5.21

III. POSITION OF MOBILISATION AND DEPLOYMENT OF FUND (Rs. In Lacs)

Total liabilities	23396.67	Total Assets	23396.67
SOURCES OF FUND			
Paid up Capital	374.43	Reserves & Surplus	6089.51
Secured Loans	14985.26	Unsecured Loans	1343.66
Deferred Tax Liability (Net)	603.82		
APPLICATION OF FUNDS			
Net fixed assets (Including Capital Work-in-progress)	5,363.96	Investment	-
Net Current assets	18028.91	Misc. Expenditure	3.80
Accumulated Losses	-		

IV. PERFORMANCE OF COMPANY (Rs. In Lacs)

Turnover & Other Income	49031.57	Total expenditure	46741.40
Profit Before Tax	2290.17	Profit After Tax	1541.17
Earning Per Share (In Rs.)	8.25	Dividend Rate (%)	15%

V. GENERIC NAMES OF PRINCIPAL PRODUCTS

Description	
ERW Pipes & Tubes	7306
C.R. Coils/Strips	7209

On behalf of the Board of Directors
For Good Luck Steel Tubes Ltd.

(M.C.GARG)
Chairman

(R.C.GARG)
Director

(ABHISHEK AGRAWAL)
Company Secretary

(SANDEEP KUMAR)
C.F.O.

Place : GHAZIABAD
Dated : 27.05.2010