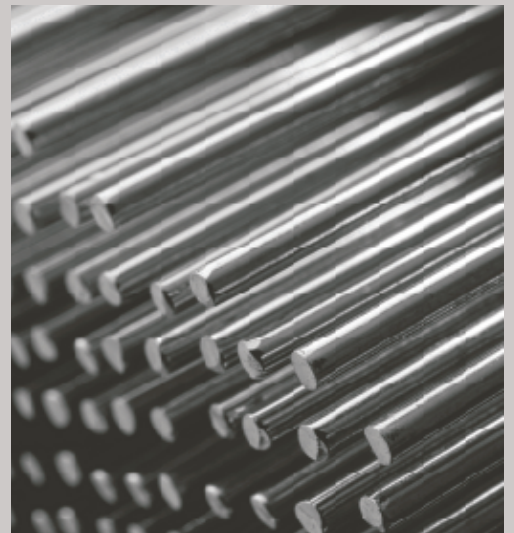


ANNUAL REPORT

2012-13



Good Luck Steel Tubes Limited

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BOARD OF DIRECTORS

Mr. M. C. Garg
Mr. R. C. Garg
Mr. Nitin Garg
Mr. Vijender Kumar Tyagi
Mr. Rahul Goel
Mr. Anurag Agarwal

STATUTORY AUDITOR

M/s Sanjeev Anand & Associates

COMPANY SECRETARY

Mr. Abhishek Agrawal

BANKERS

Axis Bank
Bank of Baroda
ING Vysya Bank
State Bank of India
Standard Chartered Bank
Union Bank of India

FACTORY

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

UNITS

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

Good Luck Engineering Co.
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, New Delhi – 20, Ph. – 011-26387281-83

Notice

Notice is hereby given that 27th Annual General Meeting of the members of Good Luck Steel Tubes Ltd. will be held at Regd. Office: 5/102, Sikka Complex, Community Centre, Preet Vihar, Vikas Marg, Delhi – 110 092 on Monday, 30th September 2013 at 9.30 a.m. to transact the following business:-

Ordinary Business

1. To receive, consider and adopt the Audited Balance Sheet as on 31st March 2013 and Profit and Loss account for the year ended on that date and the report of Board of Directors and Auditors thereon.
2. To declare a dividend.
3. To appoint a Director in place of Sh. Rahul Goel who retires by rotation and being eligible offer himself for re-appointment.
4. To appoint a Director in place of Sh. Anurag Agarwal who retires by rotation and being eligible offer himself for re-appointment.
5. To appoint auditors of the company and to fix their remuneration and to consider and if thought fit, to pass with or without modification the following resolution as an ordinary resolution.

“RESOLVED THAT M/s Sanjeev Anand & Associates Chartered Accountant, Ghaziabad, be and is hereby appointed as Auditors of the Company, to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting of the Company on such remuneration as shall be fixed by Board.”

Special Business

6. To consider and, if thought fit, to pass the following resolutions as Ordinary Resolution:

“RESOLVED THAT pursuant to the provisions of Section 293(1)(d) and other applicable provisions, if any, of the Companies Act 1956 and article 101 of the Articles of Association of the Company, the consent of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter called “the Board” and which term shall be deemed to include any Committee, which the Board may have constituted or hereinafter constitute to exercise its powers including the powers conferred by this resolution and with the power to delegate such authority to any person or persons) for raising borrowings through loans, credit or issue of Securities to Bank(s), Financial or other Institution(s), Mutual Fund(s), Non-Resident Indians (NRIs), Foreign Institutional Investors (FIIs) or any other person(s), body(ies) corporate, etc., whether shareholder of the Company or not, upto a limit of **Rs. 500 crores (Rupees Five Hundred Crores)** (apart from the temporary loans obtained from the Company's Bankers in the ordinary course of business) for both domestic and foreign currency borrowings from time to time, as it may think fit, for the purpose of financing working capital requirement as also for acquisitions of capital assets and/or for the purpose of any other requirements of the company both for capital and revenue in nature, on such security and on such terms and conditions as the Board may deem fit, notwithstanding that the monies to be borrowed, together with the monies already borrowed by the Company (apart from the temporary loans obtained from the Company's Bankers in the ordinary course of business), exceed the aggregate, for the time being, of the paid up capital of the Company and its free reserves, that is to say, reserves not set apart for any specific purpose.

RESOLVED FURTHER THAT the Board be and is hereby authorized to do all such acts, deeds and things and to sign all such documents as may be necessary, expedient and incidental thereto to give effect to this resolution.”

By order of the Board
For GOOD LUCK STEEL TUBES LTD.

Date : 26.08.2013
Place: Ghaziabad

(ABHISHEK AGRAWAL)
Company Secretary

NOTES:-

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY, TO ATTEND AND VOTE ON POLL INSTEAD OF HIMSELF / HERSELF AND THE PROXY NEED NOT TO BE A MEMBER OF THE COMPANY. Proxies in order to be effective must be received by the company not less than 48 hours before the meeting. Proxies submitted on behalf of limited companies, societies, etc., must be supported by appropriate resolutions/authority, as applicable. A blank proxy form is attached herewith.
2. A copy of the Balance Sheet as at March 31st 2013 and the Profit and Loss Account for the year ended on that date together with the Auditors' and Directors Report thereon are enclosed. Members are requested to bring their copies of Annual Report to the meeting.
3. The register of member and the share transfer books of the company will remain closed from 25th September 2013 to 30th September 2013(both days inclusive).
4. Shareholders are requested to address all communication regarding transfer/transmission of share, change of address etc. to company's Registrar and Share Transfer Agent M/s MAS SERVICES LTD, T- 34, 2nd Floor, Okhla Industrial Area, Phase - II, New Delhi – 110 020.
5. Members desiring any information on the accounts are required to write to the Company at its administrative office, Good Luck House, II-F, 166-167, Nehru Nagar, Ambedker Road, Ghaziabad – 201001, giving atleast 10 days notice prior to the date of AGM to enable the Management to collect and keep the information ready.
6. Members who hold shares in dematerialized form are requested to bring their Client ID and DP ID numbers for easy identification of attendance at the meeting.
7. At the ensuing Annual General Meeting, Mr. Rahul Goel and Mr. Anurag Agarwal, retire by rotation and being eligible offer themselves for re-appointment. The information or details pertaining to director to be provided in terms of Clause 49 of the listing agreement with the Stock Exchange are annexed herewith.

EXPLANATORY STATEMENT UNDER SECTION 173(2) OF THE COMPANIES ACT, 1956

Item No. 5

As the members are aware, your Company is exploring various opportunities for all round growth of the Company through expansion, diversification, etc. With a view to meet the growing need of capital expenditure and working capital funds, the Company would be required to borrow funds from time to time by way of loans and/or issue of Bonds, Debentures or other securities. As per section 293(1) (d) of the Companies Act 1956, borrowings (apart from temporary loans obtained from the Company's bankers in ordinary course of business) by the Board beyond the aggregate of the paid up capital of the company and its free reserve requires approval from the shareholders of the Company. With the growth of Company the fund requirements of the Company are growing up and the existing limit of Rs. 400 Cr. is likely to be exhausted in near future, and hence the proposal for obtaining the consent of the members by way of Ordinary Resolution for increasing this limit of Rs. 400 Crores to Rs. 500 Crores is made.

Accordingly the resolution u/s 293(1)(d) is being proposed to seek your consent. Your Directors recommend the resolution as set out above for your approval.

None of the Directors is concerned or interested in the proposed resolutions.

By order of the Board
For GOOD LUCK STEEL TUBES LTD.

Date : 26.08.2013
Place: Ghaziabad

(ABHISHEK AGRAWAL)
Company Secretary

ANNEXURE

Information required under clause 49 of the Listing Agreement in regard to the Directors seeking re-appointment under Item No. 3 & 4 of the Notice

Name	Mr. Rahul Goel
Date of Birth	14/09/1972
Date of Appointment	19/12/2006
Education Qualification	B. Com.
Expertise in specific functional area	Mr. Rahul, an independent non executive director has a good experience of finance and accounting functions. He is distinguished entrepreneur having rich experience of steel business.
Directorship/Chairmanship/Membership of Committees of the board of other companies	None
No. of Shares held in the Company	NIL

Name	Mr. Anurag Agarwal
Date of Birth	12/02/1982
Date of Appointment	19/12/2006
Education Qualification	B. Com., LLB
Expertise in specific functional area	Mr. Anurag Agarwal is associated with the company as an independent non executive director. He is young, energetic and dynamic person having a good experience in his field.
Directorship/Chairmanship/Membership of Committees of the board of other companies	None
No. of Shares held in the Company	NIL

Director Report

Dear Shareholders,

The Board of Directors of your Company takes pleasure in presenting 27th Annual Report and audited accounts of your Company for the financial year ended 31st March, 2013.

Performance /result

(₹ In Cr.)

Particulars	2012-13	2011-12
Gross Turnover	1049.61	742.56
Earning before interest, tax & depreciation	69.97	49.68
Interest	30.12	15.79
Depreciation	7.05	5.21
Profit before tax	32.80	28.68
Profit after tax	21.79	20.70
Amount available for appropriation	95.35	78.27
Appropriation :		
General Reserve	4.00	4.00
Dividend	0.75	0.75
Dividend Tax	0.12	0.12
Balance carried forward to next year	90.48	73.40

Transfer to general reserves

Out of the total profit for the financial year 2012-13, an amount of ₹ 4.00 Crore is proposed to be transferred to the General Reserve.

Dividend

Your Directors are pleased to recommend a dividend of ₹ 0.40 (20%) per equity share of ₹ 2/- each for the financial year 2012-13. 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 ₹ 0.75 cr. towards dividend and ₹ 0.12 cr. towards dividend tax resulting in a total outflow of ₹ 0.87 cr.

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. Rahul Goel & Mr. Anurag Agarwal, 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 2013-14 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. 60,00,000/- or more per annum where employed through out the year or Rs. 5,00,000/- 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, 2013 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, 30th May, 2013

ANNEXURE A

INFORMATION AS PER SECTION 217(1)(E) READ WITH 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 31.03.2013

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. On the basis of suggestions and with continuous endeavor, the company has succeeded in entering into a short term agreement with GAIL (India) Limited for continuous supply of Natural Gas through pipe line for replacing our existing fuel arrangement of our two plants situated at Sikandarabad Industrial Area, Bulandshahar, U.P. The Company is hopeful that the supply of gas to both of the plant will start latest by the end of second quarter of the Financial Year 2013-14. Through this new fuel arrangement the company will be able to contribute "keep the environment clean" drive.

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

A.	Power and Fuel Consumption	2012-13	2011-12
1.	Electricity		
(a)	Purchased		
	Unit (in thousand) KWH	22474.24	17074.46
	Total Amount (₹ in Lakh)	1350.88	928.73
	Rate/Unit (₹)	6.01	5.44
(b)	Own Generation		
	Through Diesel Generator		
	Unit (in thousand)	1594.63	3701.32
	Units per ltr. of diesel oil	3.00	2.80
	Cost/units	13.56	13.69
2.	Furnace Oil		
	Total Amount (₹ in Lakh)	1207.73	952.85
	Total Quantity (K.L.)	2836.99	2430.65
	Average Rate (₹ K.L.)	42570.82	39201
Consumption per unit of Production			
	Production (MT)	161229.675	123823.42
	Electricity	149.28	167.79
	Furnace Oil	17.595	19.63

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:

(₹ In Lakh)

Particulars	Current Year	Previous Year
Out go (CIF value of Imports)	165.16	59.84
Out go (Expenditure)	403.96	298.35
Earnings (F.O.B. value of Exports)	35250.19	18342.65

Management discussion and analysis

Industry Overview

Steel products are classified into four broad categories: flat steel products, long steel products, scrap and semi finished products. Flat products include plates, hot-rolled strip and sheets, and cold-rolled strip and sheets. The long steel products are tubes, pipes, structure, wire rods, beams, forging products etc.

The steel industry is an economic indicator, as it plays a critical role in infrastructure and overall economic development. However, despite its size, the steel industry remains relatively fragmented is highly cyclical and intensely competitive. After witnessing the sturdy growth for most of the initial phase in the last decade, the steel industry suffered a setback due to the recession in 2008 as consumers utilized existing inventories rather than buying new stocks. The industry witnessed a slight turnaround in late 2009 and continued to grow slowly thereafter. Demand for steel benefited from growth in the developing economies that helped counter the sluggishness in developed countries. Asia, particularly China, continued to be the principal growth driver. But, the demand for steel products, nonetheless, remained below pre-recession levels.

The automotive, construction and natural oil & gas markets have been the largest consumers of steel, consuming more than half of the total steel produced. In 2012-13, the continuing Euro-zone sovereign debt crisis, economic stagnation or slow growth in developed economies and a cooling of emerging market economies took a toll on these industries. Growth in the Chinese economy, which in recent years has been one of the main demand drivers for steel, slowed. These challenging economic conditions continued to hinder the steel industry in the year 2013.

So far as the domestic steel industry is concerned, the year 2013 was not a good year for it. The Indian steel industry could not be escaped from the global slowdown impact and saw a subdued growth from the key consuming sectors. The limited availability of iron ore also affected the industry adversely. The growth in the steel industry remained muted in FY13, and somewhat lower than the 5.5% growth recorded in FY 12.

The domestic steel demand is likely to grow at a faster pace in comparison of world steel market and is expected to grow at a rate of 6.7% annually till 2016-17. While the demand for flat products in the domestic market is likely to be supported by the automobiles, at a timid pace, demand for long products will continue to increase on the back of modest growth in demand from the construction sector.

Opportunity

The automotive, construction and natural oil & gas are the thrust area for steel industry. In the past year demands from all the sectors was sluggish which resulting into the weak steel demand in the domestic steel market too. The slow decisions on policy related matters and non stability in the government functioning has hampered the fresh investment in the core industries. However, now the government is active and a lot of concrete steps are being taken to boost the investment and demand across all industry.

The government has taken some steps to kick-start investments on fast-track basis. The Land Acquisition and Rehabilitation and Resettlement (LARR) Bill, which has been cleared by the Cabinet, could bring greater clarity, reduce uncertainty, and thereby aid investments in the construction and real estate sector.

In the rail budget 2013, thrust has been laid down on new projects like dedicated freight corridor, new coach manufacturing plant, upgradation of stations, augmentation of rail tracks and infrastructure. Being one of the biggest steel consumers in the country, the demand of the steel products across all segments is likely to boost. Further Progress on the Delhi-Mumbai Industrial Corridor has the potential of providing a fillip to the investment climate of the country. Policy rate cuts by the RBI and improving business sentiments could also support a revival in investments.

Threat

Steel prices are generally volatile, owing to highly cyclical nature of the global steel industry. Rising raw material prices have a direct impact on steel prices as higher raw material prices induces a corresponding increase in steel prices. However, in the wake of lower demand, it becomes increasingly challenging to pass on raw material price hikes to consumers. Furthermore, overcapacity, glut in cheaper Chinese steel imports, economic conditions and shifts toward other substitutes significantly impact steel prices.

Further, the government has made the norms easier to import the steel and steel products for mega industrial projects. The domestic producers have around 90 million tones of capacity with utilization level of 70-80%. Currently a lot of idle capacity exists in Indian Steel Industry and despite that the easier norm will strike at the heart of steel Industry.

The government is considering to increase the royalty on iron ore which will add to the cost of raw material and sluggish demand is restraining the company to transfer the cost to the end user which will ultimately create the margin pressure.

Company's Performance

In spite of sluggish demand and pricing pressure, with the crossing of ₹1000 cr. as its gross turnover the company has achieved a mile stone. The total turnover of the company has increased by 41.35% over the last year figure of ₹742 cr. The Company is continued to perform outstanding in its international business also and has posted export turnover of ₹367.30 cr. which constitute around 37% of the total turnover for the FY 2012-13. The company has made a whopping jump in it's over all performance. Its profit before interest and taxes has reached to ₹ 67.20 cr., in comparison of ₹47.30 cr. for the year 2011-12. The book value of equity share at the end of the financial year 2012-13 has reached to ₹63.42 per share.

It is continuous endeavor of the management that keeps the Company growing at an enormous pace and in this direction, your management is planning to enter into some more value added products and to modernize & augment its existing manufacturing facility.

Further, this year the Company has succeeded in entering into the agreement with the GAIL (India) limited for continuous supply of RLNG gas through pipe line for its two plants for the purpose of replacing its existing fuel arrangement for manufacturing process. This new arrangement will definitely helps the Company in counter the rising fuel bill and providing a clean environment to the society. Though, the current agreement is a short term agreement but the Company is hopeful that it will secure the uninterrupted supply of gas in future also.

Outlook

In 2014, the steel industry will continue to face headwinds in the form of overcapacity and surge of imports. Global steel demand is expected to improve gradually in 2014 compared with 2013 levels. Growth in the United States will be supported by strong momentum in the auto sector and recovery in construction markets. Concerns surrounding China's growth and the European debt crisis remain overhangs on the sector's outlook.

Efforts of the Chinese government to rebalance its economy will contribute to the domestic and global steel demand. Although China is the dominant market in the steel sector, India is also increasing its presence, due to rise in its domestic steel demand. The rising middle class population along with increased urbanization will fuel steel demand in the future.

But, overcapacity has been a perennial problem. Stiff competition from cheaper imports and from domestic producers with new or expanded facilities continues to result in a significant oversupply of steel compared to demand.

However, selling prices will improve hand-in-hand with improved demand across most regions, due to higher raw material prices

and an end to the destocking that was observed during last years. In addition to raw material prices, the sustainability of higher steel prices will continue to depend on an increase in sustainable real demand, and no further worsening of the Euro-zone debt crisis.

Risk & Concern

The outlook of Indian steel industry is likely to remain stagnant. This is mainly due to weak demand across segments like auto, construction and infrastructure and slow recovery in demand. The raw material prices are likely to soar and a weak rupee could lead to increase in coal cost and iron ore cost. The Companies which has taken the loan in the foreign currency will be badly hit. Further, any chance of a meaningful recovery in steel demand is FY14 is appears bleak since a weak rupee will delay lending rate cut. A recovery in capex cycle is also not likely before 2014. The Company may face margin pressure on steel prices and the net financial cost is likely to increase due to bad economy condition.

Internal control system and risk management

The Company's internal risk and audit management, supported by competent personnel and adequate internal control mechanisms, safeguard assets from possible losses and unauthorized use and ensure transactions are being authorized, recorded and reported properly. Besides, the Company has also availed services of external firms to help the Company's internal audit and risk management department.

Human Resources

The Company recognizes the Human Resources as most important assets of the company. The Company is constantly engaged in enriching the value and developing competencies of the Human Resources.

The Human Resource function provides in-house and on-the-job training to fresher and functional personnel. Regular workshops are conducted. The comprehensive Performance Management System helps map employees' competency gaps and strategic development plans are formulated to bridge the gaps. The HR activities cover a lot of initiatives in the areas of skill development. The organization continues to regularly review people policies and implement need based revision.

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

Your Company believes that the fundamental objective of corporate governance is to enhance the interests of all stakeholders. The Company's corporate governance practices emanate from its commitment towards discipline, accountability, transparency and fairness. Key elements in corporate governance are timely and adequate disclosure, establishment of internal controls and high standards of accounting fidelity, product and service quality.

Your Company also believes that good corporate governance practices help to enhance performance and valuation of the Company.

BOARD OF DIRECTORS

The Board provides leadership, strategic guidance and objective judgement on the affairs of the Company. The Board comprises persons of eminence with excellent professional achievements in their respective fields. The independent Directors provide their independent judgement, external perspective and objectivity on the issues which are placed before them. The Company's commitment to good governance practices allows the Board to effectively perform these functions.

The Company has an Executive Chairman and the number of Independent Directors is 50% of the total number of Directors. As on 31st March, 2013, 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 Ltd. Cos.	No. of Chairmanship/Memberships of Committees in other Public Ltd. Cos.	
					Chairmanship	Memberships
Sh. M.C. Garg	Promoter, Executive Chairman	11	Yes	-	-	-
Sh. R.C. Garg	Promoter, Executive Director	12	Yes	-	-	-
Sh. A.K. Garg	Promoter, Executive Director	1	Yes	-	-	-
Sh. Nitin Garg	Executive Director	13	Yes	-	-	-
Sh. Vijender Kr. Tyagi	Independent, Non Executive Director	9	No	-	-	-
Sh. Rahul Goel	Independent, Non Executive Director	10	No	-	-	-
Sh. Anurag Agarwal	Independent, Non Executive Director	7	Yes	-	-	-

Notes:-

1. During the Financial Year 2012-13, Fifteen Board Meetings were held and the gap between two meetings did not exceed four months. The Board Meetings were held on 26th April 2012, 01st May, 2012, 30th May, 2012, 28th June 2012, 04th August, 2012, 13th August, 2012, 23rd August, 2012, 29th August, 2012, 20th September, 2012, 29th September, 2012, 01st November, 2012, 16th November, 2012, 07th January, 2013, 31st January 2013 and 20th March, 2013.
2. * Only two Committees, namely, Audit Committee and Shareholders'/Investors' Grievance Committee have been considered.
3. ** due to sudden and untimely death of Mr. Anil kr. Garg on 29th April, 2012, he is ceased to be on the board and Mr. Nitin Garg has been appointed as a director to fill the casual vacancy and confirmed by the company as whole time director in the last Annual General Meeting.
4. The information as required under Annexure IA to Clause 49 is being made available to the Board.
5. 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, 2013. A declaration of compliance of this Code signed by Chairman is annexed to this report.

COMMITTEES 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, 2013, the Committee has 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 Kumar Tyagi, Director 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/GM (Finance) 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 4th April, 2012, 30th May, 2012; 13th Aug, 2012; 1st November, 2012 and 31st January, 2013 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	5
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 31.03.2013 was as under:

Name of the Member	Category
Mr. Anuarag Agarwal	Chairman
Mr. Vijender Tyagi	Member
Mr. Rahul Goel	Member
Mr. Ripu Sudan Mittal	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 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	4
Mr. R. C. Garg	Member	4

Mr. Abhishek Agrawal, Company Secretary acts 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 2013 are given as follows:

Detail of complaints received/resolved during the year

- ♦ No. of Complaints received during the year : Nil
- ♦ No. of Complaints not resolved to the satisfaction of Shareholders : Nil
- ♦ No. of Pending Complaints : Nil
- ♦ No. of Pending share transfer as on 31.03.2013 : 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
2010	Thursday	30.09.2010	9.30 A.M.	NIL
2011	Friday	30.09.2011	9.30 A.M.	Increase the remuneration of Mr. Manish Garg, Mr. Nitin Garg and Mr. Umesh Garg u/s 314
2012	Thursday	20.09.2012	9.30 A.M.	NIL

(II) Extra Ordinary General Meeting Detail

No Extra-Ordinary General Meeting of the shareholders was held during the year.

(III) Postal Ballot

There was no Postal Ballot conducted during the year as required under the provisions of Section 192A of the Companies Act, 1956.

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 or Jansatta.

(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	: Monday , September 30, 2013 at 9.30 A.M.
Venue	: 5/102, Sikka Complex, Community Centre, Preet Vihar, Delhi-110092
Date of Book Closure	: From 25.09.2013 to 30.09.2013 (Both Days Inclusive)
Dividend Payout Date	: 25th October, 2013

(II) Financial Calender 2013 - 14 (Tentative & Subject to Change)

First Quarter Result	: July, 2013
Second Quarter Result	: October, 2013
Third Quarter Result	: January, 2014
Annual Results for the year ending on 31.03.2014	: May, 2014

(III) Listing on Stock Exchange

The company's shares are listed at the following stock exchanges.

Bombay Stock Exchange Limited

Phiroze Jeejeebhoy Towers,
Dalal Street, Mumbai - 400001
Stock Code : 530655

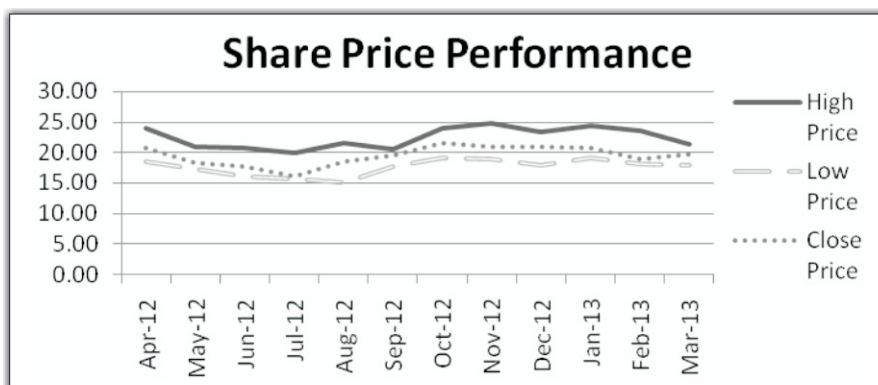
Delhi Stock Exchange Limited

DSE House, 3/1,
Asif Ali Road,
New Delhi-110002

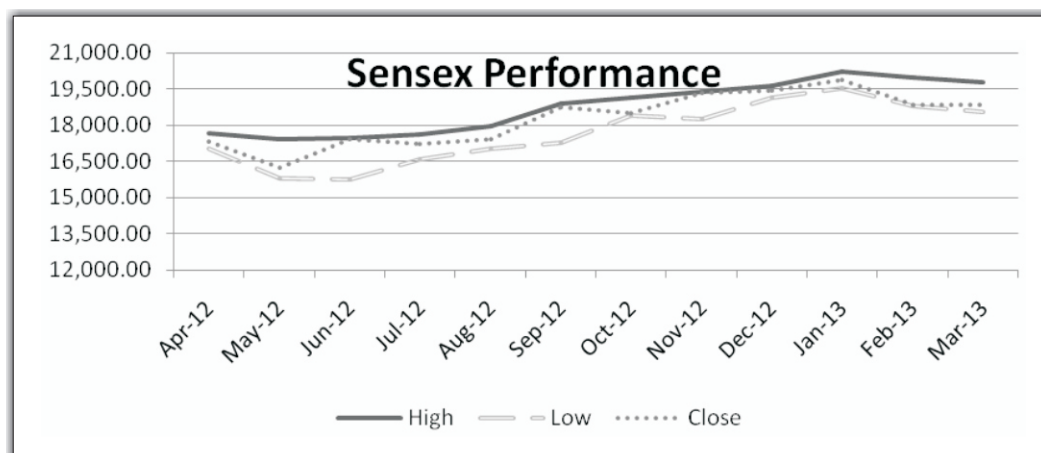
(IV) Market Price Data

The monthly high/low market prices of the shares during last financial year 2012-13 at the Bombay Stock Exchange (BSE) are as under:

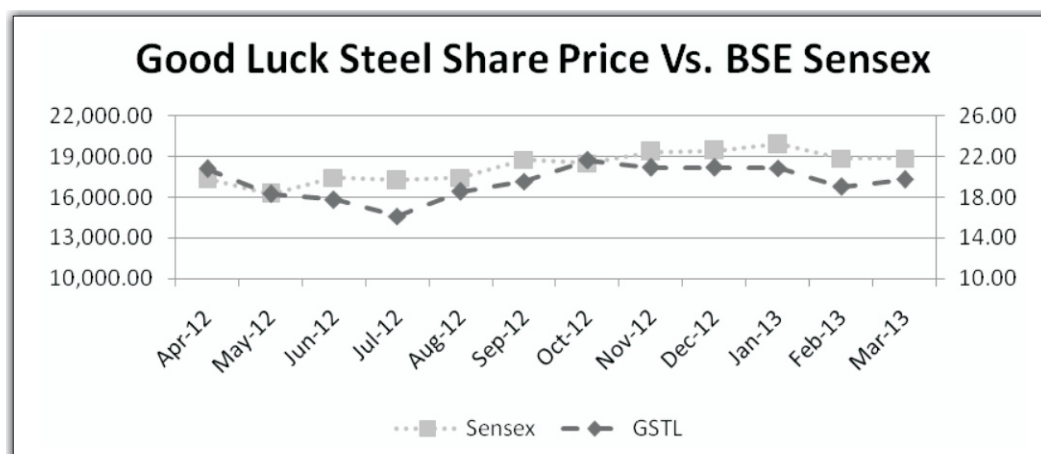
Month	High Price	Low Price	Close Price
Apr-12	24.00	18.60	20.80
May-12	21.00	17.40	18.30
June-12	20.80	16.05	17.75
Jul-12	19.95	15.80	16.15
Aug-12	21.50	15.10	18.55
Sep-12	20.50	17.80	19.55
Oct-12	23.95	19.15	21.60
Nov-12	24.75	19.00	20.90
Dec-12	23.45	18.00	20.90
Jan-13	24.40	19.10	20.85
Feb-13	23.65	18.10	19.00
Mar-13	21.40	18.00	19.70



(V) BSE Sensex Movement during the period



(VI) Share Price in Comparison to BSE Sensex



(VII) Distribution of Shareholding and Shareholding Pattern

The Distribution of shareholding and shareholding pattern of the shares as on 31.03.2013 are as follows:

Share Holding of Nominal Value of ₹	Shareholders		Shares held	
	Number	% to Total	Number	% to Total
1 to 5000	3787	93.047	1835077	9.802
5001 to 10000	150	3.686	565226	3.019
10001 to 20000	57	1.4	425552	2.273
20001 to 30000	15	0.369	188368	1.006
30001 to 40000	8	0.197	134711	0.72
40001 to 50000	4	0.098	91101	0.487
50001 to 100000	5	0.123	186163	0.994
100001 and above	44	1.081	15295052	81.699
TOTAL	4070	100	18721250	100

(VIII) Dematerialization of Shares and Liquidity

Description	No. of Shareholders	% of No. of Shareholders	No. of Share	% of Shares held
NSDL	1963	48.00	3123243	16.68
CDSL	1535	37.53	14795507	79.03
Physical	592	14.47	802500	4.29
Total Share Holder	4090		18721250	



Security Code No of the company with NSDL and CDSL (ISIN) – INE 127I01024.
* 20 holders are common in demat & physical

(IX) 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 dispatched within stipulated time frame.

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 Reconciliation of Share Capital 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).

(X) 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

(XI) Plant Location

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.)

(XII) 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. 2013.

For Good Luck Steel Tubes Ltd

Place: Ghaziabad
Date: 30th May 2013

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 Good Luck Steel Tubes Limited for the year ended 31.03.2013, 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

Place: GHAZIABAD
Date: 30th May 2013

(S. AGRAWAL)
Partner
M.No. 72907

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, 2013 and 31st March, 2012 and found the same in agreement therewith.

For **Sanjeev Anand & Associates**
Chartered Accountants

Place: GHAZIABAD
Date: 30th May 2013

(S. AGRAWAL)
Partner
M.No. 72907

Independent Auditor's Report

To The Members of
GOOD LUCK STEEL TUBES LIMITED

Report on the Financial Statements

We have audited the accompanying financial statements of **GOODLUCK STEEL TUBES LIMITED** which comprise the Balance Sheet as at 31st March 2013, the Statement of Profit & Loss and Cash Flow Statement for the year ended and a summary of significant accounting policies and explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India including accounting standards referred to in Section 211(3C) of the Companies Act, 1956. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards on auditing issued by the Institute of Chartered Accountants of India. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amount and disclosures in the financial statements. The procedures selected depend on auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the management, as well as evaluating the overall presentation of the financial statements.

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

Opinion

In our opinion and to best of our information and according to explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- (i) in the case of Balance Sheet, of the State of the affairs of the Company as at 31st March, 2013;
- (ii) in the case of Statement of Profit & Loss, 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.

Report on Other Legal and Regulatory Requirements

- 1) 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 the matters specified in paragraphs 4 and 5 of the said Order.
- 2) As required by Section 227(3) of the Companies Act, 1956, 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, the Statement of Profit & Loss and Cash Flow Statement dealt with by this report are in agreement with the books of account;

- d) In our opinion, the Balance Sheet, the Statement of Profit and Loss and Cash Flow Statement, 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 2013, taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2013, from being appointed as a director in terms of section 274(1)(g) of the Companies Act, 1956.

For **SANJEEV ANAND & ASSOCIATES**

Chartered Accountants

Firm Reg. No. 007171C

Place: GHAZIABAD

Date: 30th May 2013

(S. AGRAWAL)

Partner

M.No. 072907

**ANNEXURE TO INDEPENDENT AUDITOR'S REPORT
REFERRED TO IN PARAGRAPH 3 OF OUR REPORT OF EVEN DATE**

- (i) In respect of fixed assets:
 - (a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets on the basis of available information.
 - (b) All the assets have not been physically verified by the management during the year but there is regular system 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 and the going status of the Company is not affected.
- (ii) In respect of inventories:
 - (a) The inventories have been physically verified during the year by the management. In our opinion, the frequency of verification is reasonable.
 - (b) In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventories followed by management are reasonable and adequate in relation to the size of the Company and the nature of its business.
 - (c) The Company has maintained proper records of inventories. As explained to us, there was no material discrepancies noticed on physical verification of inventories as compared to the books records.
- (iii) In respect of the loans secured or unsecured, granted or taken by the Company to / from companies, firms or other parties covered in the register maintained under section 301 of the Companies Act, 1956:
 - (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 ₹ 706.90 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 are not, Primo 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 have not observed any continuing failure to correct major weaknesses in internal control system.

- (v) In respect of contracts or arrangements referred to in section 301 of the Companies Act, 1956:
 - (a) In our opinion and according to the information and explanations given to us, the transactions made in pursuance of contracts or arrangements that need to be entered in the register maintained u/s 301 of the Companies Act, 1956 have been so entered.
 - (b) In our opinion and according to the information and explanations given to us, the transactions made in pursuance of contracts or arrangements entered in the register maintained u/s 301 of the Companies Act, 1956 have been 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.
- (vii) in our opinion, 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 have not however made a detailed examination of the records with a view to determine where they are accurate or complete.
- (ix) In respect of statutory dues:
 - (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 statutory 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 2013 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 Income Tax, Sales Tax, Custom Duty, Wealth Tax, Service Tax, Excise Duty and Cess which haven't been deposited on account of any dispute.
- (x) The Company does not have any accumulated losses at the end of the financial year. The Company has not incurred any cash losses during the financial year covered by our audit and in the immediately preceding financial year.
- (xi) Based on our audit procedure and according to the information and explanations given to us, we are of the opinion that the Company has not defaulted in repayment of dues to Financial Institutions and Banks.
- (xii) In our opinion and according to the information and explanations given to us and based on the information available, the Company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and others securities.
- (xiii) In our opinion, the Company is not chit fund or a nidhi / mutual benefit fund / society. Therefore, the provisions of clause 4(xiii) of the Companies (Auditor's Report) Order, 2003 are not applicable to the Company.
- (xiv) in our opinion, the Company is not 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 are not applicable to the Company.
- (xv) In our opinion and according to the information and explanations given to us, the Company has not given the guarantees for loan taken by others from the Banks or financial Institutions.

- (xvi) The Company has raised new term loans during the year. In our opinion and according to the information and explanations given to us, the term loans outstanding at the beginning of the year and those raised during the year have been applied for the purpose for which they are raised.
- (xvii) According to the information and explanations given to us and on an overall examination of the Balance Sheet of the Company we are of the opinion that there are no funds raised on short-term basis that have been used for long-term investment.
- (xviii) The Company has not 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) The Company has not raised any money by issue of debentures during the year.
- (xx) The Company has not raised any money by way of public issues during the year.
- (xxi) In our opinion and according to the information and explanations given to us no material fraud on or by the Company has been noticed or reported during the course of our audit.

For **SANJEEV ANAND & ASSOCIATES**
Chartered Accountants
Firm Reg. No. 007171 C

Place: GHAZIABAD
Date: 30th May 2013

(S. AGRAWAL)
Partner
M.No. 072907

Balance Sheet

As At 31st March 2013

Particulars	Note No.	₹ in Lacs As on 31.03.2013	₹ in Lacs As on 31.03.2012
EQUITY AND LIABILITIES			
Shareholder's Fund			
Share Capital			
Reserves and Surplus	2	374.43	374.43
	3	11,505.32	9,406.98
		11,879.75	9,781.41
Non-Current Liabilities			
Long-term borrowings			
Deferred tax liabilities (Net)	4	4,335.72	4,184.12
Long term provisions	5	1,185.86	828.06
	6	60.46	38.87
		5,582.04	5,051.05
Current Liabilities			
Short-term borrowings			
Trade payables	7	21,908.18	18,568.40
Other current liabilities	8	4,133.56	1,872.69
Short-term provisions	9	2,599.41	1,745.90
	10	830.84	958.56
		29,471.99	23,145.55
Total		46,933.78	37,978.00
ASSETS			
Non-Current Assets			
Fixed Assets			
Tangible assets			
Capital work-in-progress	11	11,658.97	7,990.16
Long term loans and advances	11	22.72	1,679.62
Investments	12	696.60	874.31
	13	214.61	-
		12,592.90	10,544.09
Current-Assets			
Inventories			
Trade Receivables	14	11,550.44	10,245.16
Cash and Cash equivalents	15	18,317.68	13,157.57
Short-term loans and advances	16	654.35	569.04
	17	3,818.41	3,462.14
		34,340.88	27,433.91
Total		46,933.78	37,978.00
Significant accounting policies	1		
Notes on Financial Statements	2 to 36		

**As per our report of even date annexed hereto
For SANJEEV ANAND & ASSOCIATES
Chartered Accountants**
Firm Registration No. 007171C

(S. AGARWAL)
Partner
M.No. 072907

**Place : Ghaziabad
Date : 30th May 2013**

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

(M.C. GARG)
Chairman

(ABHISHEK AGRAWAL)
Company Secretary

(R.C. GARG)
Director

(SANJAY BANSAL)
General Manager Finance

Statement of Profit And Loss

For The Year Ended on 31st March 2013

Particulars	Note No.	₹ in Lacs As on 31.03.2013	₹ in Lacs As on 31.03.2012
Income			
Revenue from operations (Gross)	18	104,961.41	74,256.76
Less : Excise Duty		9,637.06	6,351.96
Revenue from operations (Net)		95,324.35	67,904.80
Other Income	19	2,412.02	1,443.61
Total (I)		97,736.37	69,348.41
Expenses			
Cost of raw materials consumed	20	72,568.04	53,988.26
Purchase of Stock-in-Trade	21	2,955.80	32.01
Changes in Inventories of Finished Goods			
Stock-in-Process and Stock-in-Trade	22	(1,381.62)	(1,298.97)
Employee Benefit Expenses	23	2,959.11	2,329.94
Finance Cost	24	3,440.88	1,921.25
Depreciation & Amortization Expenses	25	705.52	521.43
Other Expenses	26	13,208.89	8,986.25
Total (II)		94,456.62	66,480.17
Profit before exceptional item & tax (I-II)		3,279.75	2,868.24
Prior Period Items		(15.51)	59.49
Profit Before Tax		3,295.26	2,808.75
Tax Expenses			
Current Tax		743.22	632.71
Deferred Tax		357.80	164.80
Profit for the year		2,194.24	2,011.24
EARNINGS PER EQUITY SHARE			
[Nominal value per share ₹ 2/- (Previous Year : ₹ 2/-)]	30	11.72	10.74
Basic and Diluted			
Significant accounting policies	1		
Notes on Financial Statements	2 to 36		

As per our report of even date annexed hereto
For SANJEEV ANAND & ASSOCIATES
Chartered Accountants
Firm Registration No. 007171C

(S. AGARWAL)
Partner
M.No. 072907

Place : Ghaziabad
Date : 30th May 2013

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

(M.C. GARG)
Chairman

(ABHISHEK AGRAWAL)
Company Secretary

(R.C. GARG)
Director

(SANJAY BANSAL)
General Manager Finance

Good Luck Steel Tubes Limited

Cash Flow Statement for the Year 2012-13

Description	₹ in Lacs As on 31.03.2013	₹ in Lacs As on 31.03.2012
A. Cash Flow from operation activities :		
Net Profit before tax as per Profit & Loss Account	3,295.26	2,808.75
<u>Adjustment for :</u>		
Depreciation	705.52	521.43
Pre-operative Expenses	-	-
Loss on Sale of Fixed Assets	5.19	0.04
Finance Cost	3,440.88	1,921.25
	7,446.85	5,251.47
Operating Profit before working capital changes		
<u>Adjustment for :</u>		
Trade and Other Receivables	(5,338.69)	(4,729.89)
Inventories	(1,305.28)	(3,542.40)
Trade and Other Payable	2,160.85	1,507.60
Cash Generated from Operations	2,963.73	(1,513.22)
Taxes Paid	(743.22)	(632.71)
Net Cash Flow Operating Activities	Total (A)	(2,145.93)
B. Cash flow from Investing Activities		
Purchase of Fixed Assets	(2,744.61)	(3,822.72)
Sale of Fixed Assets	13.73	0.63
Purchase of Investments	(214.61)	-
Sale of Investments	-	5.15
Net Cash used in investing Activities	Total (B)	(2,945.49)
C. Cash flow from Financing Activities		
Proceeds from Borrowing for working capital	3,339.78	4,727.56
Proceeds from Borrowing for Terms Loan	1,394.95	2,299.12
Proceeds from Unsecured Loans	(395.95)	626.55
Interest Paid	(3,440.88)	(1,921.25)
Dividend Paid	(87.61)	(87.03)
Net Cash from Financing Activities	Total (C)	5,644.95
Net increase in cash and cash Equivalents	(A+B+C)	(317.92)
Opening Balance of Cash and cash equivalents	569.04	886.96
Closing Balance of Cash and cash equivalents	654.35	569.04

As per our report of even date annexed hereto
For SANJEEV ANAND & ASSOCIATES
Chartered Accountants
Firm Registration No. 007171C

(S. AGARWAL)
Partner
M.No. 072907

Place : Ghaziabad
Date : 30th May 2013

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

(M.C. GARG)
Chairman

(ABHISHEK AGRAWAL)
Company Secretary

(R.C. GARG)
Director

(SANJAY BANSAL)
General Manager Finance

1. Significant Accounting Policies

COMPANY OVERVIEW

Good Luck Steel Tubes Limited is engaged in the manufacturing of Black & G.I. Pipe, C.R. Sheet / Coil, G.P.G.C. Sheet / Coil, C.R.C.A. Sheet / Coil, Structures, Poles, Stainless / Mild / Alloy steel forgings & flanges, Bright Bars, ERW Tube & CDW Tubes, etc.

A. 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, accounting standards notified under section 211(3C) of the Companies Act, 1956 and the relevant provisions thereof.

B. USE OF ESTIMATES

The preparation of financial statements requires 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.

C. FIXED ASSETS

The fixed assets viz. Land, Building, Plant & Machinery of Sikandrabad unit were revalued at fair market value as at 31st. March, 1994 as assessed by the valuers appointed for the purpose. As a result, book value of such assets was increased by ₹ 242.29 Lacs 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. All cost, including financing cost till commencement of commercial production, net of charges on foreign exchange contracts and adjustments arising from exchange rate variations attributable to the fixed assets are capitalized.

D. DEPRECIATION AND AMORTISATION

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. The leasehold land has not been amortized. In respect of revalued assets, an amount of ₹ 8.27 Lacs 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.

E. INVENTORY

Inventories are valued at lower of cost or net realizable value except by-products and scrap which is valued at net realizable value. The cost is determined by using first-in-first-out (FIFO) method. Finished goods and semi-finished goods include costs of conversion and other costs incurred in bringing the inventories to their present location and condition. Cost of raw materials, stores & spares, packing materials, trading and other products are valued at cost.

F. REVENUE RECOGNITION

Revenue is recognized to the extent that is probable that the economic benefits will flow to the Company and the revenue can be reliably measured.

Revenue from operations include sale of goods, services, excise duty and sales during trial run period, adjusted for discounts (net), Value Added Tax (VAT) and Service Tax.

Interest income is recognized on a time proportion basis taking into account the amount outstanding and the applicable interest rate. Interest income is included under the head "Other Income" in the statement of Profit and Loss account.

G. EMPLOYEES' BENEFITS

Retirement benefits, such as gratuity are accounted for on the basis of provisions as lay 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.

H. BORROWING COSTS

Borrowing costs that are attributable to the acquisition or construction of qualifying assets are capitalized as part of the cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use. All other borrowing costs are charged to Profit and Loss account.

I. 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 at year end rates. In respect of monetary items which are covered by forward exchange contracts, the difference between the realizable rates at the year end 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 of long term liabilities, where they relate to acquisition of fixed assets, in which case they are adjusted to the carrying cost of such assets.

J. INVESTMENTS

Non-current Investments comprises unquoted equity shares of Masterji Metalloys Pvt. Ltd. which are stated at cost.

K. CENVAT / VAT

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

L. PROVISION FOR TAXATION

Provision for current tax is made after taking into consideration benefits admissible under 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.

L. 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 or disclosed in the financial statements.

Notes on Financial Statement for the year ended 31st March, 2013

The previous year figures have been regrouped / reclassified/rearranged, wherever necessary to confirm to the current year presentation.

2. Share Capital

Description	₹ in Lacs As on 31.03.2013	₹ in Lacs As on 31.03.2012
<u>Authorised Capital</u>		
50,000,000 Equity Shares of ₹ 2/- each (Previous year		
50,000,000 Equity Shares of ₹ 2/- each)	1,000.00	1,000.00
<u>Issued, Subscribed Capital</u>		
1,87,21,250 Equity Shares of ₹ 2/- each (Previous year		
1,87,21,250 Equity Shares of ₹ 2/- each)	374.43	374.43
<u>Paid-up Capital</u>		
Balance as per the last financial statements		
1,87,21,250 Equity Shares of ₹ 2/- each (Previous year		
1,87,21,250 Equity Shares of ₹ 2/- each)	374.43	374.43
	374.43	374.43

The Company has only one class of shares referred to as equity shares having a par value of ₹ 2/- Each holder of equity shares is entitled to one vote per share.

The details of shareholders holding more than 5% shares :

Mr. Nitin Garg	No. of Shares	1486750	559500
	% held	7.94	2.99

3. Reserves And Surplus

Revaluation Reserve

Balance as per the last financial statements	14.27	22.54
Less : Amount tfd. to the Statement of Profit & Loss as reduction from Depreciation	8.27	8.27
Closing Balance	6.00	14.27

Securities Premium Reserve

Balance as per the last financial statements	455.13	455.13
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Description	₹ in Lacs As on 31.03.2013	₹ in Lacs As on 31.03.2012
<u>General Reserve</u>		
Balance as per the last financial statements	1,596.64	1,196.64
Add : Amount transferred from Surplus balance in the statement of Profit & Loss	400.00	400.00
Closing Balance	1,996.64	1,596.64
<u>Surplus in the statement of Profit & Loss</u>		
Balance as per the last financial statements	7,340.94	5,816.73
Add : Profit for the year	2,194.24	2,011.25
Amount available for appropriation	9,535.18	7,827.98
Less : Appropriations :		
Proposed Dividend	74.89	74.89
Dividend Tax	12.73	12.15
Amount transferred to General Reserve	400.00	400.00
Closing Balance	9,047.56	7,340.94
Total	11,505.32	9,406.98

4. Long-Term Borrowings

Secured Term Loans :

From State Bank of India	995.00	-
From Axis Bank Ltd.	2,238.59	2,686.04

Unsecured Loans :

From Related Parties	923.13	1,173.08
From Body Corporates	179.00	325.00

Net Amount	4,335.72	4,184.12
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Term loan are secured by way of first charge on 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 and their relatives.

Maturity Profile of secured term loans are as set out below :

	₹ in Lacs
1-2 Years	1,772.50
2-3 Years	1,101.38
3-4 Years	359.71
Beyond 4 Years	-

5. Deferred Tax Liability (Net)

Deferred Tax Liability

Related to Fixed Assets	1,216.35	850.42
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Deferred Tax Assets

Disallowances under the Income Tax Act, 1961	(30.49)	(22.36)
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Total	1,185.86	828.06
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6. Long-Term Provisions

Description	₹ in Lacs As on 31.03.2013	₹ in Lacs As on 31.03.2012
<u>Provision for Employees Benefits</u>		
Provision for Gratuity / Leave Benefits	60.46	38.87
Total	60.46	38.87
<u>Secured Loans :</u>		
Working Capital Loan from Banks	21,908.18	18,568.40
Total	21,908.18	18,568.40

Working capital limits comprising of Cash credit Limits / Export credit Limits / Bills discounted 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 and their relatives.

8. Trade Payables

Trade Creditors	4,133.56	1,872.69
Total	4,133.56	1,872.69

9. Other Current Liabilities

Current maturities of long-term debt (Refer Note No. 4)	1,585.46	738.05
Unclaimed Dividends	11.05	9.21
Creditors for Capital Expenditure	100.11	132.91
Other Payables	902.79	865.73
(Includes statutory dues, Provisions and advance recd.)		
Total	2,599.41	1,745.90

10. Short-term Provisions

	₹ in Lacs As on 31.03.2013	₹ in Lacs As on 31.03.2012
Mark-to-market loss on forward	-	238.81
Proposed Dividend*	74.89	74.89
<u>Provision for :</u>		
Tax on Dividend	12.73	12.15
Current Taxes	743.22	632.71
Total	830.84	958.56

* The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

11. Fixed Assets

₹ in Lacs

Sl. No.	Description	GROSS BLOCK				DEPRECIATION				NET BLOCK	
		As on 01.04.2012	Additions 2012-13	Adjustment 2012-13	Total As on 31.03.2013	Upto 01.04.2012	For the year 2012-13	Adjustment 2012-13	Upto 31.03.2013	As on 31.03.2013	As on 31.03.2012
1	Land (Leasehold)	176.50	-	-	176.50	-	-	-	-	176.50	176.50
2	Land (Freehold)	330.40	-	-	330.40	-	-	-	-	330.40	330.40
3	Factory Building	1,599.84	970.81	-	2,570.65	317.04	68.83	-	385.86	2,184.79	1,282.80
4	Office Building	46.96	-	-	46.96	4.95	0.77	-	5.72	41.24	42.01
5	Residential Flat	28.52	-	-	28.52	0.58	0.46	-	1.05	27.48	27.94
6	Furniture & Fixtures	85.33	2.86	-	88.19	33.42	5.59	-	39.00	49.19	51.91
7	Plant & Machinery	7,945.61	3,281.67	-	11,227.28	2,296.83	560.25	-	2,857.08	8,370.21	5,648.78
8	Office Equipments	195.92	23.19	-	219.11	98.00	22.73	-	120.73	98.38	97.92
9	Vehicles	536.11	122.98	43.38	615.71	204.23	55.16	24.46	234.93	380.78	331.88
		10,945.20	4,401.51	43.38	15,303.33	2,955.04	713.79	24.46	3,644.37	11,658.97	7,990.16
10	Capital work in Progress	1,679.62	1,056.94	2,713.83	22.72	-	-	-	-	22.72	1,679.62
	Total	12,624.82	5,458.45	2,757.21	15,326.05	2,955.04	713.79	24.46	3,644.37	11,681.69	9,669.78
	Previous Year	8,810.17	5,127.18	1,312.54	12,624.82	2,432.74	529.70	7.40	2,955.04	9,669.78	6,377.43

12. Long Term Loans & Advances

Description	₹ in Lacs As on 31.03.2013	₹ in Lacs As on 31.03.2012
(unsecured, Considered goods unless stated otherwise)		
Capital Advances	517.99	714.90
Security Deposits	178.61	159.41
Total :	696.60	874.31

13. Investments

In Equity Shares - Unquoted, fully paid up

Shares of Associate Company		
10,73,025 share of Rs. 10/- each of		
Masterji Metalloys Pvt. Ltd.	214.61	-
(Previous Year - Nil)		
Total	214.61	-

14. Inventories

(As taken, valued and certified by the management)		
(At lower of cost and net realizable value unless stated otherwise)		
Raw Materials	5,170.54	5,286.09
Work-in-progress	557.63	501.06
Finished Goods	5,292.35	3,967.30
Stores, Spares & Packing Materials	529.92	490.71
Total	11,550.44	10,245.16

15. Trade Receivables

(Unsecured, Considered good unless stated otherwise)		
Outstanding for a period exceeding six months from		
the date, they are due for payment	840.96	740.39
Others	17,476.71	12,417.18
Total	18,317.68	13,157.57

16. Cash And Bank Balances

Cash on hand	45.45	26.65
Balances with banks in current and deposit accounts	608.90	542.39
Total	654.35	569.04
Balances with banks in unclaimed dividend accounts	11.04	9.21
Balances with banks held as margin money		
deposits against bank guarantees	432.55	373.01

Cash and bank balances as on 31st March 2013 and 31st March 2012 include restricted cash and bank balances of ₹ 443.60 Lacs and ₹ 382.22 Lacs respectively. The restrictions are primarily on account of bank balances held as margin money deposits against guarantees and unclaimed dividends.

The deposits maintained by the Company with banks comprise of time deposits, which can be withdrawn by the Company at any point without notice or penalty on the principal.

17. Short Term Loans & Advances

Description	₹ in Lacs As on 31.03.2013	₹ in Lacs As on 31.03.2012
(Unsecured, considered goods unless stated otherwise)		
Advance recoverable in cash or in kind or for value to be received	417.52	633.41
Security Deposits	4.27	10.80
Mark-to-market gain on forward	86.00	-
<u>Other Loans and advances:</u>		
Prepaid Income tax	744.51	638.65
Prepaid Expenses	78.20	83.82
Balances with statutory / government authorities	2,487.91	2,095.46
Total	3,818.41	3,462.14

18. Revenue From Operations

Gross Sales	104,956.63	74,236.54
Less : Excise Duty	9,637.06	6,351.96
Net Sales	95,319.57	67,884.58
Job Work	4.78	20.22
Total	95,324.35	67,904.80

19. Other Income

Export Benefits	1,980.99	1,170.90
Interest Income	132.36	108.81
Dividend Income	-	0.04
Exchange Fluctuation	211.42	-
Other Non-operative Income	87.25	163.86
Total	2,412.02	1,443.61

20. Cost of Raw Material Consumed

Inventory at the beginning of the year	5,286.09	3,132.80
Add : Purchases	72,452.49	56,141.55
	77,738.58	59,274.35
Less : Inventory at the end of the year	5,170.54	5,286.09
Cost of raw material consumed	72,568.04	53,988.26

20. 1 Cost of Raw Material Consumed

Description	₹ in Lacs As on 31.03.2013	₹ in Lacs As on 31.03.2012
Imported	-	41.47
Imported (% of consumption)	0.00%	0.08%
Indigenous	72,568.04	53,946.79
Indigenous (% of consumption)	100.00%	99.92%
Total	72,568.04	53,988.26

20. 2 Details of Raw Material Consumed

H.R. Coils / Strips / Skelp	52,975.59	39,739.36
Steel Ingots & Blooms	10,459.53	6,294.74
Others	9,132.92	7,954.16
Total	72,568.04	53,988.26

21 Purchase of Stock-in-trade

Purchase of Stock-in-trade	2,955.80	32.01
Total	2,955.80	32.01

22. Changes In Inventories of Finished Goods, Stock-in-process And Stock-in-trade

Inventories at the beginning of the year		
work-in-progress	501.06	479.03
Finished goods/Stock-in-Trade	3,967.30	2,690.36
	4,468.36	3,169.39
Inventories at the end of the year		
work-in-progress	557.63	501.06
Finished goods / stock-in-trade	5,292.35	3,967.30
	5,849.98	4,468.36
Total	(1,381.62)	(1,298.97)

23. Employee Benefit Expenses

Salaries, Wages & Bonus	2,753.92	2,192.97
Contribution to provident and other fund	134.26	102.18
Staff Welfare Expenses	70.93	34.79
Total	2,959.11	2,329.94

24. Finance Cost

Interest on borrowings	3,011.51	1,579.56
Bank Commission & Charges	320.89	211.21
Applicable loss on foreign currency transactions & translations	108.48	130.48
Total	3,440.88	1,921.25

25. Depreciation & Amortization Expenses

Description	₹ in Lacs As on 31.03.2013	₹ in Lacs As on 31.03.2012
Depreciation	713.79	529.70
Less : Transferred from Revaluation Reserve	8.27	8.27
Total	705.52	521.43

26. Other Expenses

Consumption of stores, and spares	3,695.76	2,759.32
Power & Fuel Expenses	2,540.28	1,761.83
Processing Charges	557.71	219.34
<u>Repairs & Maintenance :</u>		
Plant & Machinery	202.39	119.39
Others	55.08	35.89
Freight & Forwarding	4,280.46	2,186.13
Advertisement	22.72	38.50
Commission on Sales	228.63	266.48
Selling & Sales Promotion	35.24	20.57
Rebate & Discount	395.63	230.81
Packing Materials	543.18	278.24
Exchange Fluctuation	-	585.13
Printing & Stationery	24.86	21.42
Postage, Telegram & Telephone	65.85	52.39
Traveling and Conveyance	343.20	255.76
Legal & Professional Expenses	40.82	30.73
Audit Fees	2.50	2.00
Insurance	42.41	47.14
Rates, Taxes & Fees	49.93	21.52
Donation	35.12	23.80
Miscellaneous Expenses	41.93	29.82
Loss on Sale of Fixed Assets	5.19	0.04
Total	13,208.89	8,986.25

26. 1 Value of Stores & Spares Consumed

Imported	3.87	0.83.
Imported (% of consumption)	0.10%	0.03%
Indigenous	3,691.89	2,758.49
Indigenous (% of consumption)	99.90%	99.97%
Total	3,695.76	2,759.32

27. Value of Imports on CIF Basis In Respect of :

Raw Materials	-	41.47
Stores & Spares	3.87	0.83
Capital goods	161.29	17.54
Total	165.16	59.84

28. Payment To Auditors As :

Description	₹ in Lacs As on 31.03.2013	₹ in Lacs As on 31.03.2012
Auditors		
Statutory Audit Fees	2.00	1.50
Tax Audit Fees	0.25	0.25
Certificate and Consultation Fees	0.25	0.25
Total	2.50	2.00

29. Expenditure In Foreign Currency

Foreign Bank Charges	32.87	25.17
Tours & Traveling	49.28	38.61
Commission on Export Sales	108.42	170.56
Advertisement	7.60	17.37
Export Clearing, Forwarding & Other Charges	205.79	46.64

30. Earning Per Share

Net profit after tax as per Statement of Profit and Loss		
Attributable to Equity Shareholders (₹ in Lacs)	2,194.24	2,011.24
Weighted average No. of Equity Shares	18721250	18721250
Basic and Diluted Earning per share (₹)	11.72	10.74
Face value per equity share (₹)	2.00	2.00

31. Earning In Foreign Currency

FOB Value of Exports	35,250.19	18,342.65
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32. Remittance In Foreign Currency on Account of Dividend

The Company has paid dividend in respect of shares held by Non-Residents. The exact amount of dividend remitted in foreign currency can not be ascertained. The total amount remittable in this respect is given herein below:

No. of Non-Resident Shareholders	13	15
No. of Equity Shares held by them	167500	171900
Amount of Dividend Paid	0.67	0.52
Tax deducted at Source	Nil	Nil
Year to which dividend relates	2011-12	2010-11

33. Related Party Disclosures :

As per Accounting Standard -18, the disclosure of transactions with the related parties are given below:

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

Name of Related Party	Relationship
Masterji Metalloys Pvt. Ltd.	Associate
Shri M. C. Garg Shri R. C. Garg Shri Nitin Garg Shri A. K. Garg Shri Anurag Agarwal Shri Vijendra Kumar Tyagi Shri Rahul Goel	Key Management Personnel
Shri Ram Agarwal Shri Shyam Agarwal Shri Manish Garg Shri Rajeev Garg Shri Ashish Garg Shri Umesh Garg Shri Saras Garg Shri Tushar Garg	Relatives of Key Management Personnel

(ii) Transactions during the year with related parties :

₹ in Lacs

Nature of Transactions	Associates	Key Management Personnel	Relatives of Key Mgt. Personnel	Total
<u>Remuneration Paid :</u>				
Current Year	-	78.00	159.00	237.00
Previous Year	-	68.40	118.95	187.35
<u>Loans Taken :</u>				
Current Year	-	1.50	238.00	239.50
Previous Year	-	16.00	297.75	313.75
<u>Loans Repaid :</u>				
Current Year	-	16.00	473.45	489.45
Previous Year	-	-	92.20	92.20
<u>Goods Purchased :</u>				
Current Year	8.66	-	-	8.66
Previous Year	-	-	-	-
<u>Goods sold :</u>				
Current Year	1,481.62	-	-	1,481.62
Previous Year	399.00	-	-	399.00

34. Contingent Liabilities and Commitments

Description	₹ in Lacs As on 31.03.2013	₹ in Lacs As on 31.03.2012
Contingent Liabilities		
Outstanding bank guarantees issued by the banks Counter Guaranteed by the Company	1,404.03	1,193.53
Commitments		
Estimated amount of contracts remaining to be executed on Capital Account and not provided for	98.75	360.41

35. Financial and Derivative Instruments

Derivatives outstanding as at the reporting date

Forward Contract for hedge of highly probable foreign Currency sales	4,505.39	7,623.23
Forward Contract for hedge of Foreign Currency Loans	-	1,724.48

Particulars of unhedged foreign currency exposures as at the reporting date

Foreign currency exposures that are not hedged by derivative instruments	Nil	Nil
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36. Segment Information

A. Business Segments

The Company has identified three segments viz. Pipe/Sheets/Structure, Engineering goods & Auto Tubes. Segments have been identified and reported taking into account nature of products and services, the differing risks and returns and the internal business reporting system. The accounting policies adopted for segment reporting are in line with the accounting policy of the Company

The segments are further described below:

- (i) The pipe/Sheet/Structure segment includes Black & G.I. Pipe, C.R. Sheet/Coil, G.P.G.C. Sheet/Coil, C.R.C.A. Sheet/Coil, Structures, Poles and their scrap and by-products.
- (ii) The Engineering Goods segment includes stainless/mild/alloy steel forgings, bright bars, flanges and their scrap.
- (iii) The Auto Tube segment includes ERW Tube, CDW Tube and their scrap.

INFORMATION ABOUT BUSINESS SEGMENTS

Segment Revenue, Results, Assets & Liabilities

Description	₹ in Lacs As on 31.03.2013	₹ in Lacs As on 31.03.2012
Segment Revenue		
a) Pipe/Sheet/Structure		
- External	66,260.74	49,480.80
- Inter-segment	4,317.66	1,878.09
- Total	70,578.40	51,358.88
b) Engineering goods		
- External	15,744.69	10,010.70
- Inter-segment	323.26	264.65
- Total	16,067.95	10,275.35
c) Auto Tubes		
- External	15,511.32	9,584.20
- Inter-segment	2,772.10	933.14
- Total	18,283.42	10,517.34
Total Segment Revenue	104,929.77	72,151.58
Less : Inter Segment Revenue	7,413.02	3,075.88
Net Sales / Income from Operations	97,516.75	69,075.70
Add : Unallocable Revenue	219.62	272.71
Total Revenue	97,736.37	69,348.41
Segment Results		
Profit before interest and tax from each segment		
a) Pipe/Sheet/Structure	2,265.25	1,773.73
b) Engineering goods	1,719.20	1,392.37
c) Auto Tubes	2,516.57	1,350.69
Total Segment Result	6,501.02	4,516.79
Add : Unallocable Income	219.61	272.70
Less : Finance cost	3,440.88	1,921.25
Less : Other unallocable expenses	(15.51)	59.49
Profit before tax	3,295.26	2,808.75
Less : Provision for taxes	1,101.02	797.51
Profit after tax	2,194.24	2,011.24

OTHER INFORMATION

Description	₹ in Lacs As on 31.03.2013	₹ in Lacs As on 31.03.2012
Segment Assets		
a) Pipe/Sheet/Structure	25,988.78	22,004.83
b) Engineering goods	10,943.25	8,278.58
c) Auto Tubes	9,569.20	7,321.58
Total	46,501.23	37,604.99
Add : Unallocable Assets	432.55	373.01
Total Assets		
Segment Liabilities	46,933.78	37,978.00
a) Pipe/Sheet/Structure	3,749.14	2,752.99
b) Engineering goods	1,302.77	272.26
c) Auto Tubes	243.66	219.98
Total	5,295.57	3,245.23
Add : Unallocable Liabilities	743.22	632.71
Total Liabilities		
Capital Expenditure	6,038.79	3,877.94
a) Pipe/Sheet/Structure	734.06	1,455.42
b) Engineering goods	1,374.05	1,102.83
c) Auto Tubes	593.12	1,256.40
Total Depreciation	2,701.23	3,814.65
a) Pipe/Sheet/Structure	376.21	320.26
b) Engineering goods	148.46	76.61
c) Auto Tubes	180.85	124.56
Total Non Cash Expenses other than Depreciation	705.52	521.43
a) Pipe/Sheet/Structure	-	-
b) Engineering goods	-	-
c) Auto Tubes	-	-
Total	-	-
B. Geographical Segments		
Revenue		
- Within India	61,006.10	49,220.34
- Outside India	36,730.27	20,128.07
Total Revenue	97,736.37	69,348.41

As per our report of even date annexed hereto
For SANJEEV ANAND & ASSOCIATES
Chartered Accountants
Firm Registration No. 007171C

(S. AGARWAL)
Partner
M.No. 072907

Place : Ghaziabad
Date : 30th May 2013

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

(M.C. GARG)
Chairman

(ABHISHEK AGRAWAL)
Company Secretary

(R.C. GARG)
Director

(SANJAY BANSAL)
General Manager Finance



GOOD LUCK STEEL TUBES LIMITED

Regd. Off: 5/102, Sikka Complex, Community Centre, Preet Vihar, Delhi – 92
Website: www.goodlucksteel.com

ATTENDANCE SLIP

(TO BE SIGNED AND HANDED OVER AT THE ENTRANCE OF THE MEETING HALL)

I/We hereby record my/our presence at the Annual General Meeting of the above named Company held at 9.30 a.m. on Monday, 30th September 2013, at 5/102, Sikka Complex, Community Centre, Preet Vihar, Delhi – 110 092.

NAME &) OF THE MEMBER &)

Registered Folio No :

Client ID No:

DP ID No. :

To be filled in, if the Proxy attends instead of the Member)

Member's/Proxy's Signature



GOOD LUCK STEEL TUBES LIMITED

Regd. Off: 5/102, Sikka Complex, Community Centre, Preet Vihar, Delhi – 92
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PROXY FORM

I/We of being a Member(s) of Good Luck Steel Tubes Limited hereby appoint of or failing him of or failing him of as my/our Proxy in my/our absence to attend and vote for me/us and on my/our behalf at the Annual General Meeting of the Company to be held at 9.30 a.m. on Monday, 30th September 2013, at 5/102, Sikka Complex, Community Centre, Preet Vihar, Delhi – 110 092.

AS WITNESSED: under my/our hand(s) this day of, 2013

Signed by the said :

Regd. Folio No./Client ID No. :

DP ID No. :

Affix
₹ 1/-
Revenue
Stamp

NOTES:

1. This proxy need not be a member.
2. The Proxy form must be deposited at the Registered Office of the Company not less than 48 hours before the time fixed for holding the meeting.



Good Luck Steel Tubes Limited

Registered Office : 5/102, Sikka Complex, Community Centre, Preet Vihar, Vikas Marg, Delhi - 110 092

Corporate Office : Good Luck House, II-F, 166-167, Nehru Nagar, Ambedkar Road, Ghaziabad (U.P.)

www.goodlucksteel.com