

October 1, 2016**Manager, DCS****The Bombay Stock Exchange Ltd.**Phiroze jeejeebhoy Towers,
Dalal Street,
Mumbai**The Manager****National Stock Exchange of India Ltd.**Exchange Plaza, C-1, Block G,
Bandra Kurla Complex,
Bandra (E), Mumbai – 400 051**Ref: Scrip Code: - 530655****Scrip Code: - GOODLUCK****Sub: Annual Report for the Financial Year 2015-16**

Dear Sir/ Madam,

Pursuant to the Regulations of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 a copy of Annual Report for the financial year 2015-16 of the company is being enclosed herewith.

This is for your information and doing the needful.

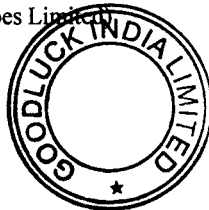
Thanking You

For Goodluck India Limited

(formerly Good Luck Steel Tubes Limited)


(Abhishek Agrawal)

Company Secretary

**Encl: as above**



GOODLUCK
INDIA LIMITED



**ANNUAL
REPORT**
2016



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RAILWAY EXPANSION
EXPORTS
CORE SECTORS FOCUS
ELECTRICITY DEMAND
EFFICIENCY
FOCUS APPROACH
ENGINEERING
TEAMWORK
CONSISTENCY
URBAN DEVELOPMENT
MARQUEE CUSTOMERS
GOVERNMENT EXPENDITURE
TOWER GROWTH
NHAI
CASH FLOW MANAGEMENT
FOCUS APPROACH
VALUE ADDED PRODUCTS
CONOLIDATION
INFRASTRUCTURE DEVELOPMENT
NHAI
DEVELOPMENT FOCUS
URBAN DEVELOPMENT
AUTOMOBILE
SUSTAINABILITY
BEST CUSTOMER SUPPORT
SOLAR POWER
FORGING
CASH FLOW MANAGEMENT
FOCUS APPROACH
INFINITE POSSIBILITIES
STRATEGY
AUTO COMPONENTS



BANKERS



State Bank of India
THE BANKER TO EVERY INDIAN



HDFC BANK



बैंक ऑफ़ बड़ौदा
Bank of Baroda



AXIS BANK



kotak



Union Bank
of India

**Standard
Chartered**



BOARD OF DIRECTORS:

Chairman: M C Garg

Whole Time Director: R C Garg & Nitin Garg

Non Executive Independent Director: I C Agasti, Rahul Goel,
V K Tyagi, Kiran Garg

STATUTORY AUDITOR: M/S Sanjeev Anand & Associates

COMPANY SECRETARY: Abhishek Agrwal

REGISTERED OFFICE: 509, Arunachal Building, Barakhamba Road,
Connaught Place, New Delhi-110001
Ph. +91-11-22465439

CORPORATE OFFICE: Goodluck House, II F, 166-167, Nehru Nagar,
Ambedkar Road, Ghaziabad (India) - 201001
Ph. +91-120-4196600, 4196700

REGISTRAR & SHARE TRANSFER AGENT: Mas Services Ltd.,
T-34, 2nd Floor, Okhla Industrial Area, Phase-II, New Delhi-110020
Ph. +91-11-23687281-83

FACTORY: A-42/45, Industrial Area, Sikandrabad,
Distt. Bulandshahar (U.P.) INDIA

UNITS:

Goodluck Industries: A-51, Industrial Area, Sikandrabad, Distt.
Bulandshahar - 203205 (U.P.) INDIA

Goodluck Industries-II: A-59, Industrial Area, Sikandrabad, Distt.
Bulandshahar - 203205 (U.P.) INDIA

Goodluck Engineering Co. : Khasra No. 2839, Gram Dhoom Manikpur,
G.T. Road, Gautam Budh Nagar, Dadri (U.P.) INDIA

Goodluck Steel Tube Works-2: D-2,3,4, UPSIDC, Gopalpur Industrial Area,
Khata No. 5/17, 73/18, 75/9, Village Rajarampur, Sikandrabad (U.P.) INDIA

Company Snapshot



*A base of customers
spread over the world*

*Over 3
decades of
Experience*



450
customers



30 years
Celebration



2000+
workforce

*A motivated and
talented team
powering growth*



100
countries

*Customers
served in all
verticals*

*Status of comply
to Indian AS
from 2017-18*

*Management focus on
RoCE and RoE*



*Capacity of
2,30,000 MTPA*

*Engaged in manufacturing
and export of auto tubes, cold rolled steel,
hot dip galvanized and painted structural
steel, engineering structures, forging products*

Goodluck Financial Review



(In Rs. Lacs except per share data and ratios)

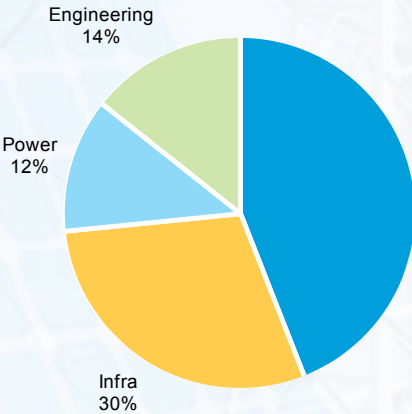
Particulars	FY 2010-11	FY 2011-12	FY 2012-13	FY 2013-14	FY 2014-15	FY 2015-16
INCOME STATEMENT						
Total Income	57,302	69,348	97,736	100,205	108,825	99,471
Growth (%)	16.9	21.0	40.9	2.5	8.6	(8.6)
EBITD	4,082	5,311	7,426	7,098	8,499	10,205
EBITD Margin (%)	7.1%	7.7%	7.6%	7.1%	7.8%	10.3%
PAT	1,475	2,011	2,194	1,771	2,757	3,321
PAT Margin (%)	2.6%	2.9%	2.2%	1.8%	2.5%	3.3%
Expots	17,232	20,128	36,730	37,303	32,672	26,656
RoE	18.75%	20.56%	18.47%	12.13%	15.23%	15.80%
RoC	11.94%	12.09%	14.19%	12.36%	13.15%	12.92%
BALANCE SHEET						
Cash Accrual	1,882	2,533	2,900	2,528	3,888	4,810
Share Capital	374	374	374	398	440	440
Reserves	7,491	9,407	11,505	14,017	17,658	20,581
Borrowings	15,099	22,753	27,829	28,352	30,997	35,240
Fixed Assets	6,377	9,670	11,682	13,670	19,652	23,422
Total Assets	26,736	37,978	46,934	52,560	57,032	67,104
Debt-Equity Ratio	2.0	2.4	2.3	2.0	1.7	1.7
Return on Assets	5.5	5.3	4.7	3.4	4.8	4.9
PER SHARE DATA						
EPS	8	11	12	9	13	15
BOOK VALUE	42	52	63	73	82	96
DIVIDEND %	15%	20%	20%	15%	75%	75%

Business Vertical Revenue

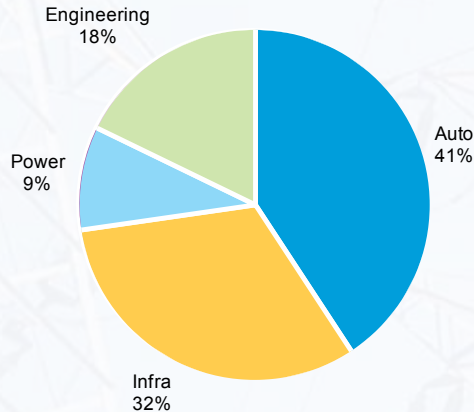


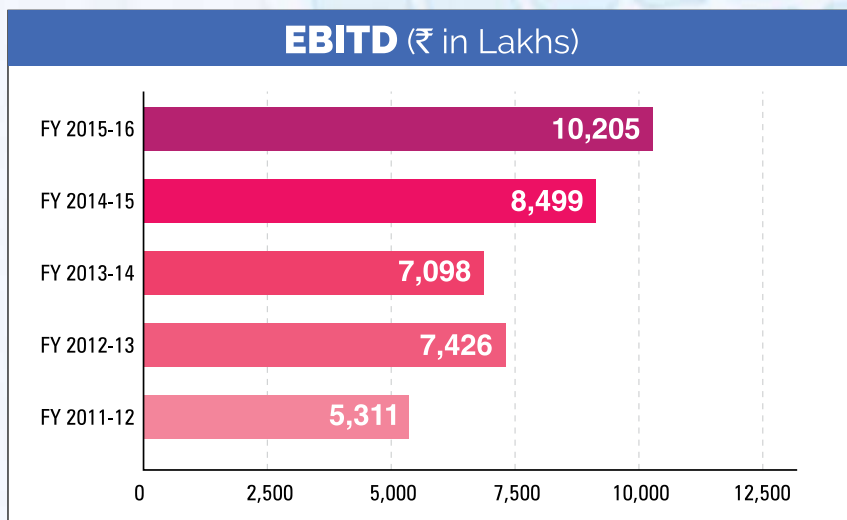
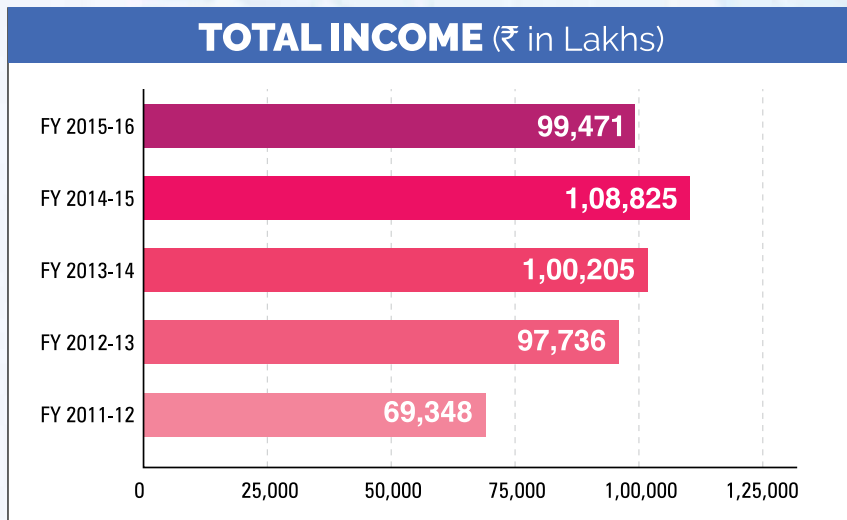
	FY15-16	FY14-15
Auto	44.00%	40.70%
Infra	29.40%	31.90%
Power	12.20%	9.50%
Engineering	14.40%	17.80%

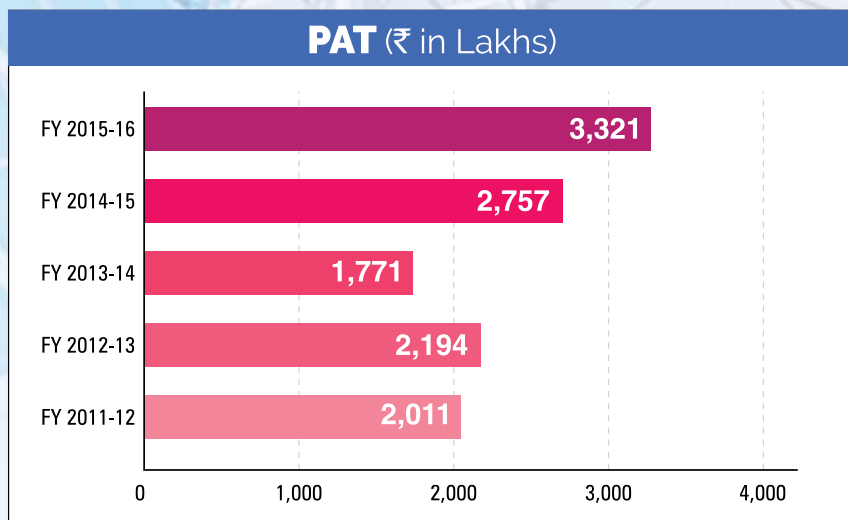
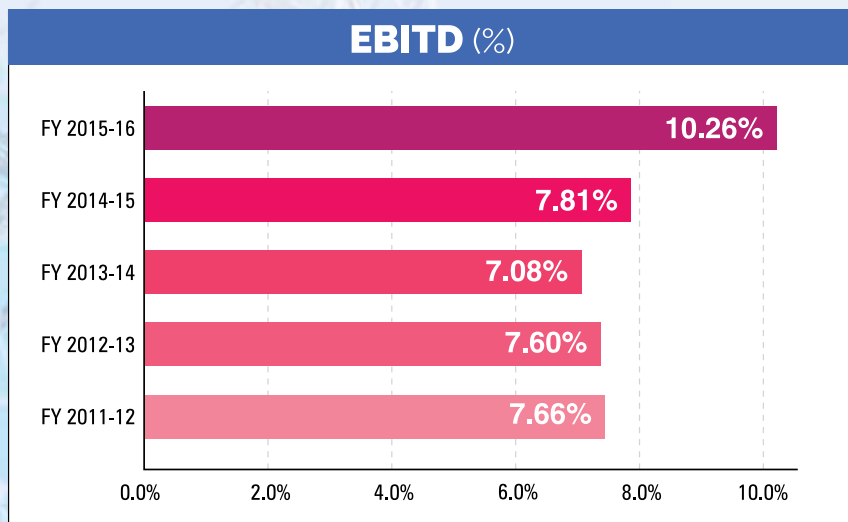
FY 2015-16

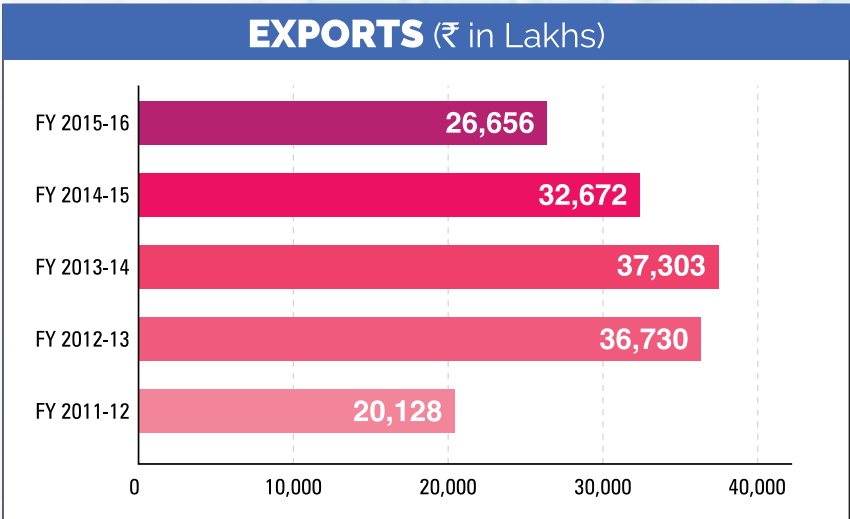
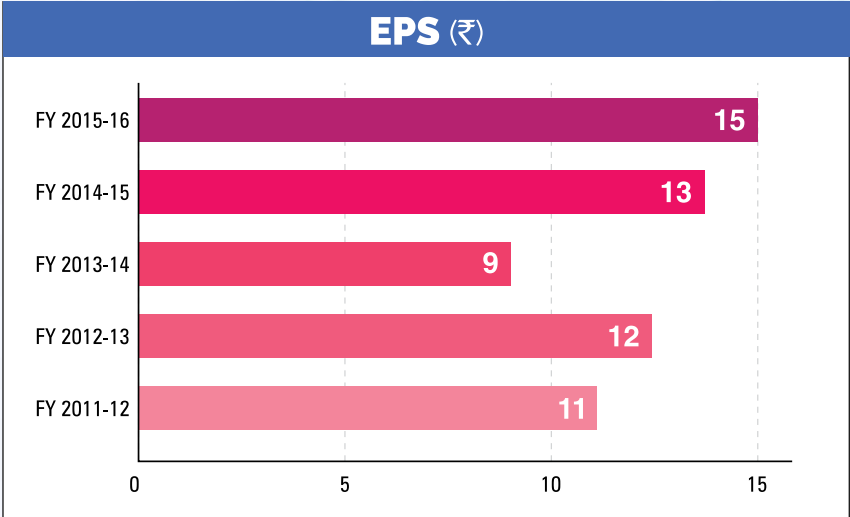


FY 2014-15

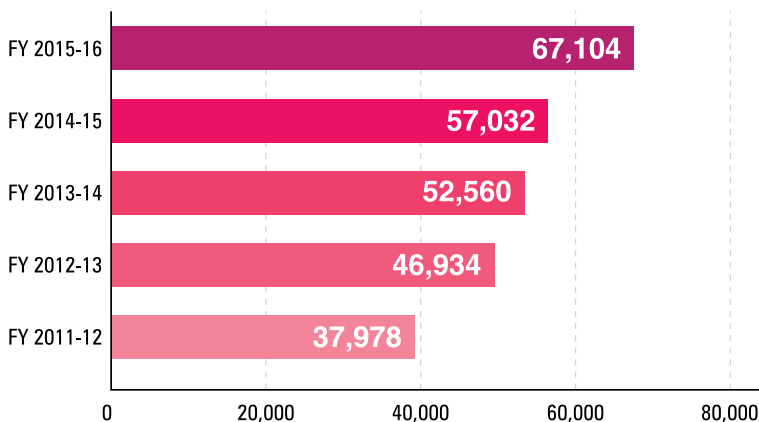




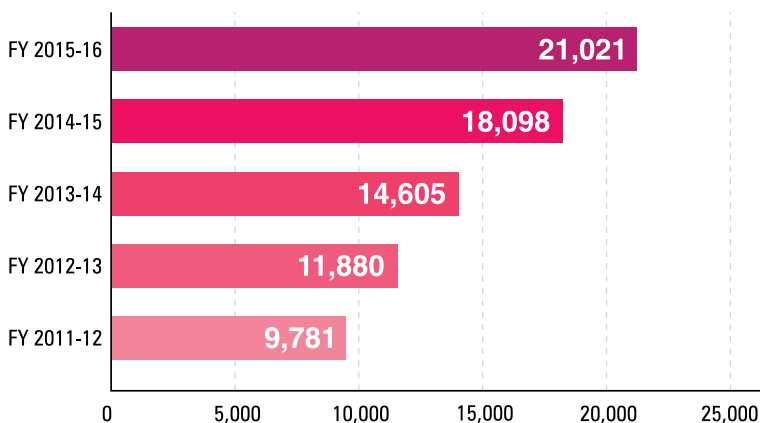


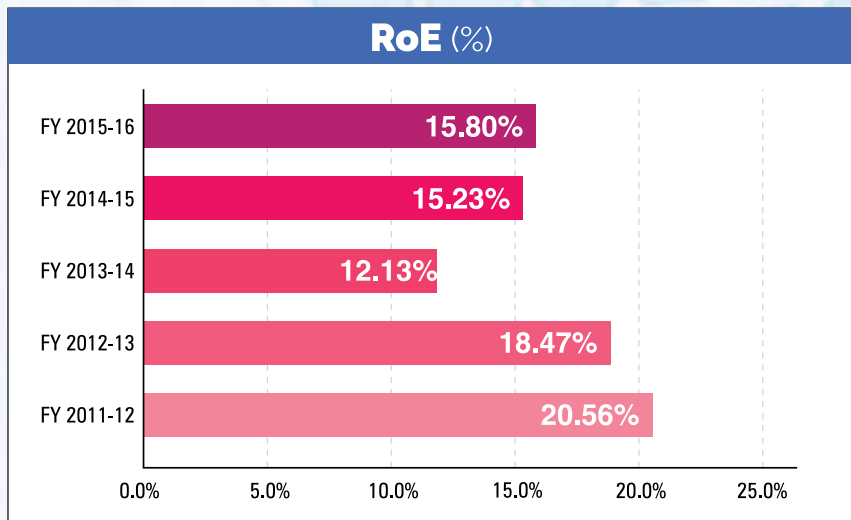
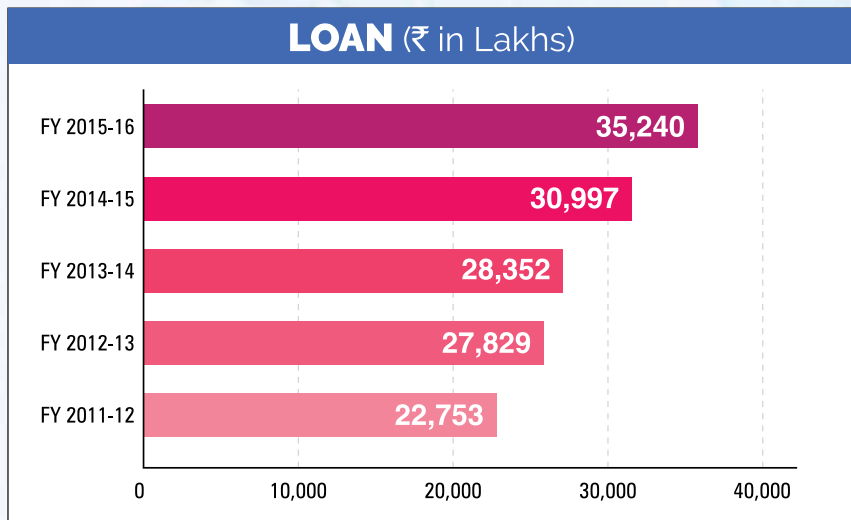


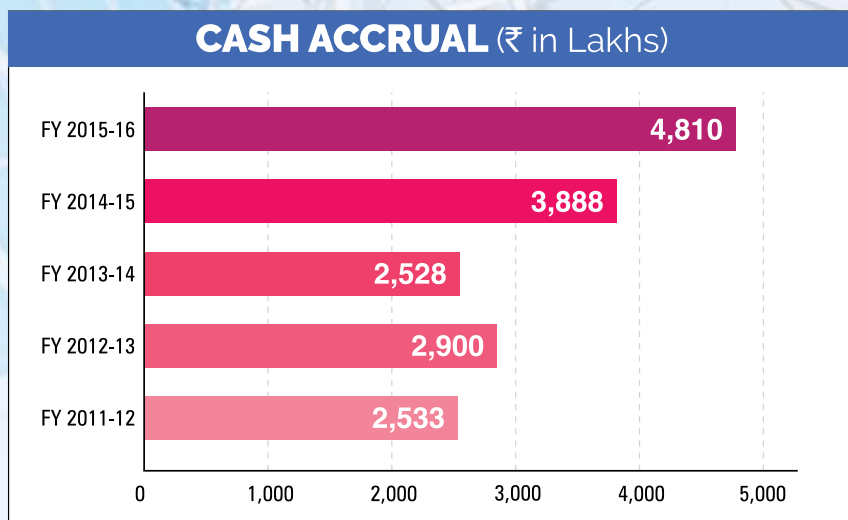
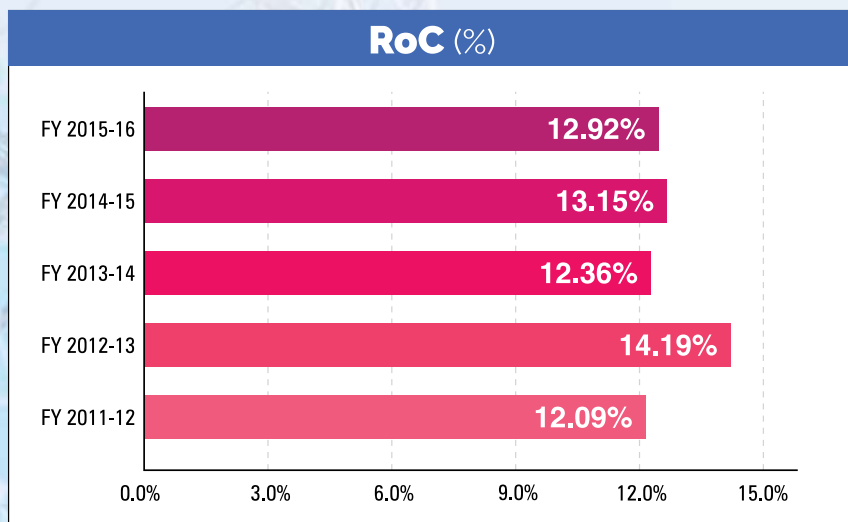
TOTAL ASSETS (₹ in Lakhs)

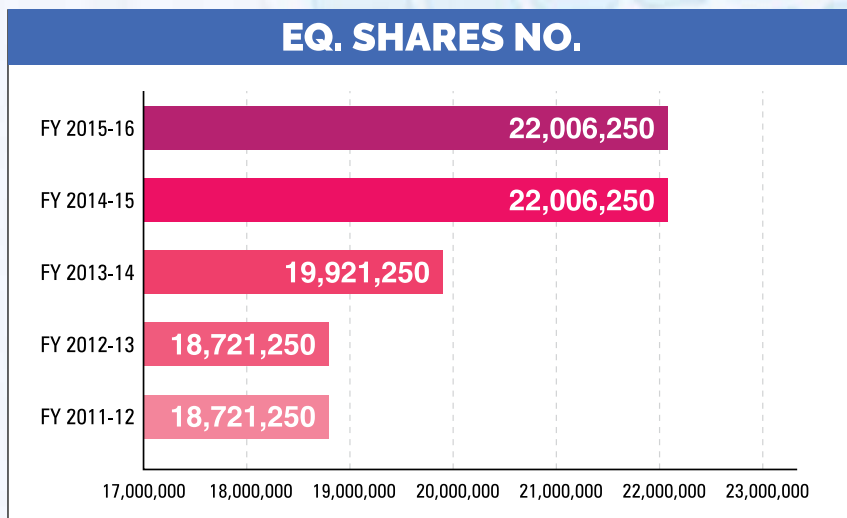
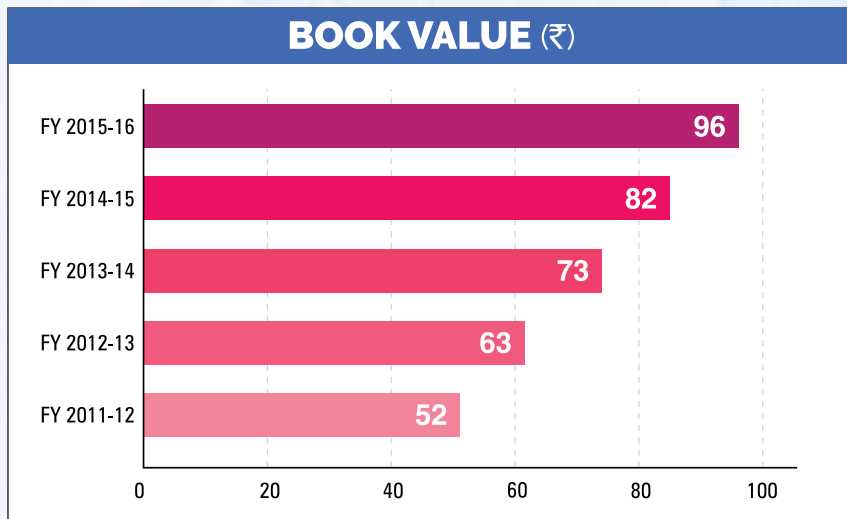


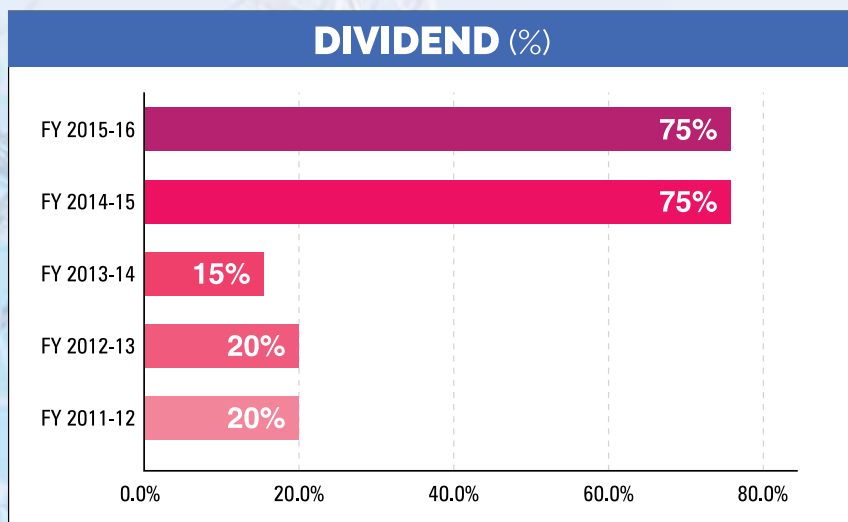
NET WORTH (₹ in Lakhs)











Management Team >>>



Mr. Mahesh Chandra Garg - Chairperson

Graduated in the year 1967

(Indian Institute of Technology, Roorkee).

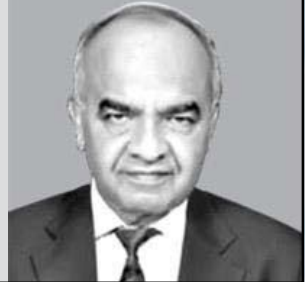
Possesses more than 50 years experience.

Took-up various overseas assignment and thereafter started his own venture.

Mr. Ramesh Chandra Garg - Whole Time Director

Graduation in the field of mining (ISM –Dhanbad).

Possesses more than 45 years of experience.



Mr. Nitin Garg - Whole Time Director

36 years of age, a qualified Mechanical Engineer from HBIT, Kanpur and an M.B.A. from Narsee Monjee Institute of Management.

Joined the company as a production Engineer and currently looking after entire production process independently.

Mr. Manish Garg - COO (Auto)

46 years of age, is a qualified engineer, handling auto and export business from last 25 years.



Mr. Ram Agarwal - CEO

Qualified engineer and completed his graduation in the year 1990.

30 years experience in steel industries.

Handled a number of CR projects and Structure projects independently.

Maintains an equivalent exposure in the field of sales and marketing.



Mr. Shyam Agarwal - COO (Forging)

46 years old, is a qualified engineer and has more than 25 years of experience in steel Industry.



Our Vision >>

1 *To generate 75% revenue
from value added products*

2 *To be the industry's
employer of choice*

3 *To be the preferred
engineering partner to our
OEM customers*



1 *To be recognized internationally as best procurement partner & a model employer*

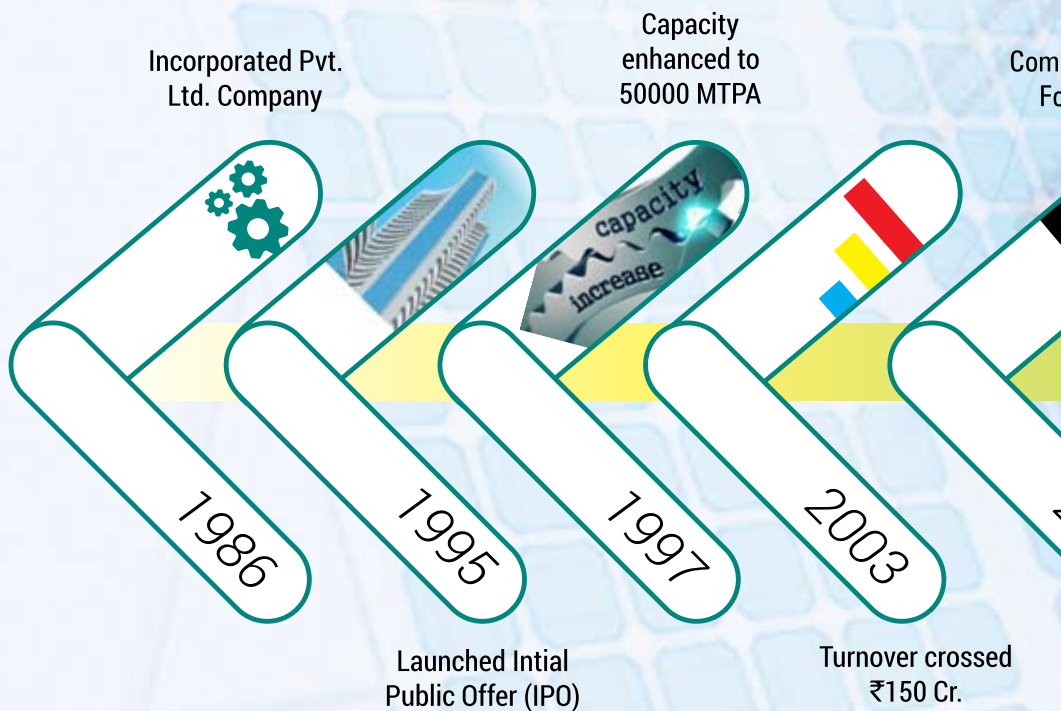
2 *To excel in quality international business*

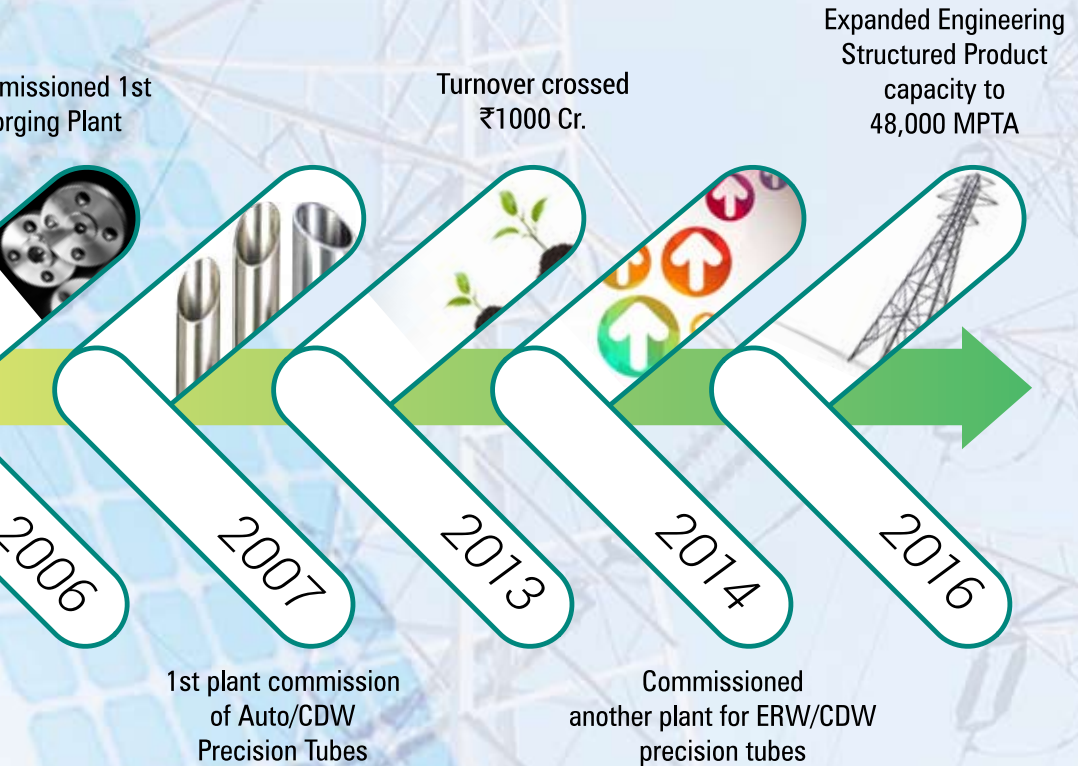
3 *To deliver innovative, user-friendly and better quality products at the best value to customers, keeping in mind the prosperity of the Company and its stakeholders*

***“An organization’s ability to learn, and translate that learning into action rapidly, is the ultimate competitive advantage*”**

... Jack Welch

Timeline





Chairman Speech >>



Mahesh Chandra Garg
CHAIRMAN



***We've done it before and we can do it now.
See the positive possibilities. Redirect the
substantial energy and turn it into positive,
effective, unstoppable determination***

Dear Fellow Shareholders,

Although I was good in studies in my initial years, my parents and seniors guided me that SSE (Senior Secondary examination) is the most important examination. It was like laying a strong Foundation.

Today after 55 years, I am still following & telling the same to my third generation who is active and aggressive than me.

Slow, Sustainable and Consistent (SSC) is the new mantra of our industry and we must learn to play business cycles as always. We must have a strategy to remain in the business for a long and be profitable always. Although we are 'CAUTIOUSLY OPTIMISTIC', the team Goodluck firmly believes that we will able to increase RoE and RoCE in the coming years for all of us.

We were originally named as Good Luck Steel Tubes Ltd., to capture our diversified product profile, we renamed ourselves as Goodluck India Limited and that is what we are today. Our new name which is contemporary to the current market place and practices but anchored on our founding principles, values and belief we share as a group. We are as committed as ever to deliver the best possible quality products.

Our focus on thrust sectors has created a strong foundation for future. The company has made a strategic shift to move from regular low margins products to value added high margin products for higher realisations. Our unique business model of continuous reshuffling of products and market keep us ahead. Our revenue contribution from value added product has been increased to 53% in FY16 as compared to 39% in FY12. We are targeting to generate 75% of revenue from value added product by FY19-20. To achieve this, we have identified four key sectors namely Auto Tube, Railway, Power and Infrastructure which will add to our growth going forward. In line with this strategy, we have also entered new sectors such as Solar, Railway, heavy structure. Special products developed were Engg products, which helped the Company to climb up in the value chain.

In view of the sluggish global demand, the Company repositioned some of its supplies to favorable markets.

Company has performed excellently under the very-very challenging circumstances. Volatility of steel prices and subsequent government intervention in the form of increased custom duty, safeguard duty, MIP, created lot of business uncertainty. We've done it before and we can do it now. See the positive possibilities. Redirect the substantial energy and turn it into positive, effective, unstoppable determination.

In 2016, the Gross Revenues from Operation were Rs. 1084 crore as against Rs. 1170 crore in last year. Sales value reduced marginally due to drop in raw material prices and some deferment of some customer schedules.

We have made a profit after tax of Rs 33 cr. vs Rs 27 cr. last year. EBITDA margins improved from 7.8% to 10.2%. Last year, the prices of our main raw material steel were volatile. Towards the end of the financial year 2015-2016, the global steel price recovered mainly due to the thrust on stimulus and physical market tightness in China. The prices in other regions are witnessing lesser volatility due to broad-basing of trade remedial measure. I believe there will be a small uptrend in raw material prices in FY17.

Company has lay a strong foundation and done already substantial CAPEX in last three years in value added products like auto tubes, structures and revamping of forging division. At this point we are done with our CAPEX cycle and want to concentrate CONSOLIDATING capacities and improving bottom line. The government has started investments in the economy by Rs. 4-5 lakh crores investment in Infrastructure sector. The same is going to give a boost to the infrastructure sector which will benefit the company in the structure division, which we have recently augmented the capacities. Currently the capacity of this structure division has reached at 48,000 from the previous of 24,000 MT per annum. We expect the new structure plant to boost revenue by at least 10% this year. The New capacity will cater to railways, solar support structures and heavy structures like steel bridges and girders.

Last year Our railway products are well accepted and we are confident to win big orders in current year. In tower, we have supplied to every potential buyer in the sector. Our marketing team is trying hard to reach the interior of the country to approach every next vendor for Solar Cell. The results for the same are expected to increase the penetration and demand from new and existing buyers. Solar is a long term business and cannot be viewed by traditional approach of

Quarterly results. Good Luck with RDSO, an organization of ministry of railways, is approved of making a steel position girder and is having a strong order book and repeated orders.

The more than normal monsoon will also boost the domestic demand.

We have been developing new customized products for a number of new customers. We will give product acceptance and order confirmation notices to the stock exchanges in the coming year. Our utilisation of engineering capacity will increase by 20% this year due to some modernization is underway.

I am very sure we have a very good time ahead of us and normal 15-20% growth. These figures can give us even more increase in both bottom line and top line. Moreover, we have done some modifications in our plant, so our raw material consumption will be less. It will also increase our bottom line.

I thank our valued customers, stakeholders, suppliers, business associates, shareholders, and above all, my colleagues in Goodluck for their continuous support. Whatever may be the industry scenario, we are always guided by our core values of Hard Work, Integrity, Teamwork and Social Commitment. Our dedication towards fulfilling social responsibilities also helps us move towards a sustainable future.

On behalf of the board of directors and the employees, thank you for your continued support.

Yours Sincerely,

M C Garg

***Ability is what you're capable of doing.
Motivation determines what you do.
Attitude determines how well you do it.***

... Lou Holtz

Q&A with CEO



“One small step fuelling future sustainable growth.”

... Mr. Ram Agarwal, CEO

*Automate
& Consolidate*

Which are the new products that you are planning to launch?

We will launch Road Crash Barrier in infra sector in September'16 and Trakker Structure in our solar sector in Sept/Oct. 2016. In Forging Vertical/Engineering Goods Sector, specialized auto forging is expected to be launched from Q3FY17.

Is brand really matters in your industry?

In our business, our quality & service is our brand. We are always favoured by our customers by regular/repetitive orders. In fact, many of our overseas customers are with us since 1992. I consider it as a real brand.

What are the efforts you made in expanding your market reach?

Our business model is B2B. We cater to OEM customers. Our Business Development Team is part of our marketing team. They continuously explore business opportunities across domestic & international markets. Additionally we make regular presentations and innovate & revise our catalogues, participate in fairs and exhibitions to show case our products & capabilities. These initiatives help up to capture new customer base.

Are we close to our long term goals?

We are on right track. One small step fuelling future sustainable growth. We monitor our plans regularly and taking corrective actions as & when required to achieve ultimate goal.

What are the new trends in the industry?

Industry is reinventing itself with every passing day. Technological advancement/modernization is the key to future, e.g., in forging industry we have done modernization in our plants that has enabled us to save substantially on weight front.

What is the raw material scenario?

Raw material is in volatile zone. Because government has entered to save steel producers by imposing MIP/Anti Dumping Duty which has resulted in higher raw material price comparing to international markets. This is stressing the demand. In long term, Raw Material availability is likely to be adequate. We being in value added segment, while the impact is minimal, being in B2B sectors we are able to pass it with a time lag.

What is the product mix strategy and what kind of results we can expect from the same?

Reshuffling of Product Mix has been our basic tool to be ahead of our peers. Our value added sector is increasing from 39 % in 2012 to 53% in March 16. This is likely to further

enhance to 75% over next 3-4 years. Results will improve with every percentage point improvement in value added goods.

How we plan to reduce cost of funds?

Fund cost is a regular challenge in our Industry.

Higher margin, continuous efforts to improve working capital cycle and negotiation with lenders will help in reducing the cost of funds. Further, any reduction in the interest rate by RBI will directly reduce our cost.

What are new threats for the Industry?

Government policies /international business decisions, currency movements due to political decisions impact the industry. However our business model is flexible to take care of the same.

What are new opportunities?

Railways, Solar & Road are some sectors that are offering fabulous business opportunities. Government has prioritized infra & renewable energy sector. Next 3 years are likely to see a boom in demand from these sectors. We are well equipped to cater demand from these sectors with efficient pricing. Our latest expansions have qualified us for these rising business opportunities.

What are the major growth drivers?

Auto, Infra, Power will lead us to new horizon and will open new opportunity for us.

What we can expect from the New Generation of the promoter family?

New Generation is taking charge in a professional atmosphere. Having adequate technical education along with global exposure will help them to conceptualize today's business. They had been trained under highly qualified & experienced working professionals. In my opinion, they will be able to take group to new heights to make Goodluck a true Global Brand.



What's your take on ESOP policy?

This is a policy matter & in interest of longevity of our employees, management is studying the same and shall decide in near future.

How you plan to make Goodluck a pure professional company?

Responsibilities & Rights have been clearly identifies for professionals. Every professional works as an owner of his vertical. So, Goodluck is a group of many small capsules being headed by individual professionals. Individual efforts that are placed together is the way to success for Goodluck.

What's the marketing strategy for exports and domestic?

Business development team along with R & D team work continuously for new products & new markets across business verticals. Based on results, they reshuffle products & markets continuously to avoid business hic-ups in current volatile & changing market.



Product Profile Strategy



The only thing that's changed is the competitiveness of the series. It's only become harder to win in our series as the years have gone by. Changing technologies, changing marketplaces, and even changing trends in anti-competitive practices have all presented challenges to antitrust enforcement. Competition breeds good things, and that's what's happened here.

... Al Unser

In today's world, where nothing is predictable and unfamiliar competitors emerge from unexpected directions at the worst possible time, a company like Goodluck think of itself as a collection of evolving capabilities, not just as a collection of products and businesses, which provide the flexibility needed to embark in new directions. In today's competitive environment, a company more than ever needs a strategy that specifies the kind of competitive advantage that it is seeking in its marketplace and articulates how that advantage is to be achieved.



The main strategy of the management is to grow the production of engineered products by at least 25% over next 3 financial years. This will increase the bottom line despite comparatively lower growth in overall top line.

Auto, Infra and Power are three basic areas which are likely to have faster growth.

Indian Govt is keen to make automobile industry four times to Rs 20 lakh crore with in 10 years, growing more then 8% and 70,000 crore exports yearly. Auto sector is on continuous growth to the tune of 15-20%.

As per S&P Global Platts report, 'Make in India' program, which has earmarked \$87 billion worth of investment. Government emphasis on 41 km road daily is opening double digit growth for us.



Government approved nine projects worth about Rs 24,000 crore in nine states for expansion of railway network and connectivity across the country. Road over bridge, Rail over Bridge, under Bridge, Crash barriers demand is likely to boost.

With immense support from government for renewable energy, India expects to add as much as 5.4 gigawatts of solar capacity in 2016, making it the fourth largest solar market globally. Green energy 100 GW target now looks likely to be achieved. We at Goodluck are targeting 300mw/year solar support structure in solar sector.

With Turkey's Enerjisa, planned investment of US \$1.5 billion in power distribution between 2016 and 2020, Indian government has initiated steps to increase the efficiency of power distribution system in the country by addressing issues like network infrastructure, that includes distribution towers. State governments are also strategizing in the direction like UP that has aimed install 87 distribution (33/11 KV) substations by the end of the current financial year. Power transmission is another area where lot of prominence from government has already been visible.

Our strategies should not be considered static. If competitor offerings change, the business environment changes or the positioning strategy proves to be marginal or unworkable, it is time to re-think the strategy. We are following balanced investment approach to improve competitiveness.



Strategic Overview



Strategy is about making choices, trade-offs; it's about deliberately choosing to be different.

... Michael Porter

COMPETITION is on the rise. The challenges are amassed as the industry's economic outlook and relative competitiveness of the industry become less allured. However, we plan to CONSOLIDATE to achieve cost effectiveness for our quality products. Without question, continual cost and productivity developments remain fundamental parts of any medium size firm's success. A low-cost position wins in practically every industry, as it allows a company to out-earn and out-invest over its peers to sustain growth. In other words, at this juncture our objective is to moderate the overall number of products and surge the number of high margin preferred products. By this, we shall be able to improve the quality further while reducing the material overhead cost. Management strongly believes that unlike conventional businesses, where savings drop neatly to the bottom line, cost reduction in forging is intricate. Where those savings come from—capital, operations and maintenance or pass-troughs—matters greatly, as does where they get applied (rate relief, reinvestment or shareholder returns).

Our portfolio is fully customizable as per end-user product requirements. Our customized reporting enables sales heads to effectively monitor the development of their entire product range and identify risks and compare demand scenario on month on month basis.



Management Discussion and Analysis



***The limits of the possible can
only be defined by going beyond
them into the impossible.***

... Arthur C. Clarke

GLOBAL ECONOMIC OUTLOOK

Global recovery is grappling with multiple challenges, and is progressing at a fragile pace. The picture that is emerging across geographies is one of uncertainty and financial turbulence. Among advanced economies the US demonstrated resilience in FY 2015; and growth in the country is projected to continue at a moderate pace. The recovery in the Euro Area during the year was modest in 2015-16; and is projected to continue in the backdrop of low energy prices, a modest fiscal expansion and supportive financial conditions.

The scenario for emerging markets and developing economies is not uniform. The commodity exports of Brazil and Russia were severely impacted by a decline in prices and owing to China's rebalancing act, which is having a spill-over effect on the overall global trade.

INDIAN ECONOMIC OUTLOOK

Despite global headwinds and a truant monsoon, India registered a robust growth of 7.6% in 2015-16 against 7.2% in 2014-15, becoming the fastest-growing major economy in the world. The agriculture sector remained subdued owing to a second successive year of below-par monsoons. Growth in the services sector dipped slightly and was offset by the accelerated growth in the manufacturing sector. Currently, the manufacturing sector in India accounts for ~15% of country's GDP. With the introduction of several nation-building initiatives, this figure is expected reach 25% by 2025.

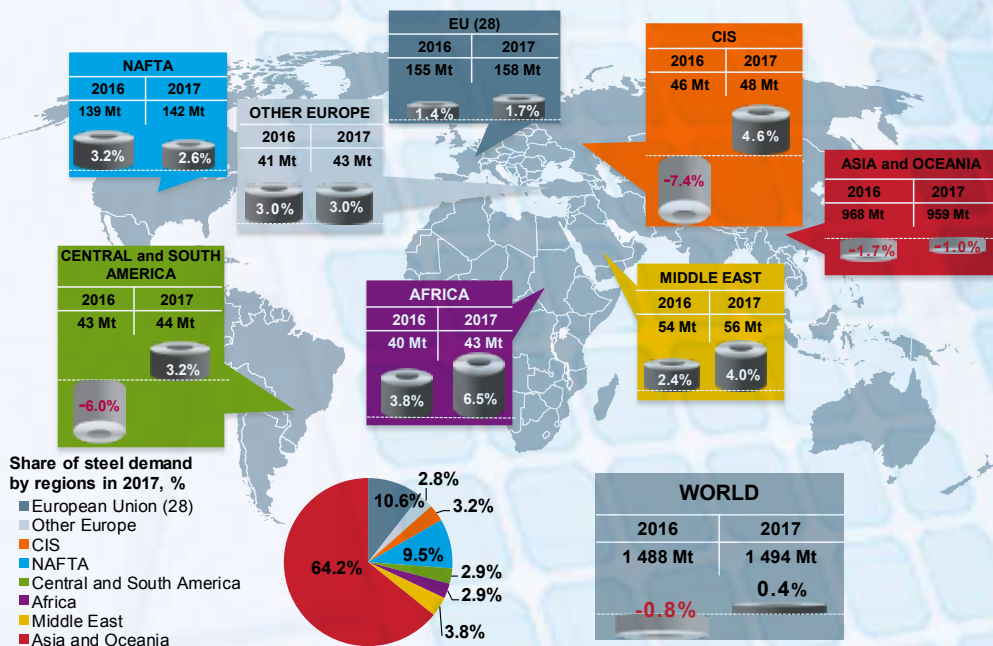
GDP growth	(%)		
Sectors	2013-14	2014-15	2015-16*
Agriculture, forestry & fishing	3.7	1.1	1.1
Industry	4.5	5.9	6.1
Services	9.1	10.6	10.9
GDP at market prices	6.9	7.4	7.6

(Source: Advance CSO Estimates)



GLOBAL INDUSTRY OUTLOOK

In its latest Short Range Outlook (SRO) for 2016 and 2017, the World Steel Association (worldsteel) has projected that global steel demand will drop 0.8% to 1,488 million tonnes in 2016, after a contraction of -3.0% in 2015. It, however, expects world steel demand to return to growth path in 2017, albeit by a marginal increase of 0.4%, to reach 1,494 million tonnes.



Source: Worldsteel

While developed economies are also feeling the effect of the worsening global economic environment, they are expected to maintain a stable recovery momentum. Steel demand in the developed economies will grow by 1.7% in 2016 and 1.1% in 2017.

In the EU, a mild recovery in steel demand continues with generally improving economic sentiments and investment conditions. However, uncertainties in the political landscape related to the refugee crisis and Brexit raises risks to the improving economic condition. Steel demand in the EU is forecast to grow by 1.4% in 2016 and a further 1.7% in 2017.

In the US, steel demand is dampened by the fall in oil prices and a strong dollar, but an improving job market and a robust housing sector will support steel demand. Steel demand in the US is expected to grow by 3.2% in 2016 and 2.7% in 2017.

China continues to weigh heavily on the shrinkage in global steel demand and worldsteel expects the Chinese steel demand to drop by 4.0% this year to 645.40 million tonnes, following a 5.40% year-on-year decline in 2015 to 672.30 million tonnes. Steel demand in the country is expected to be further trimmed down by 3.0% in 2017 to 626.10 million tonnes. The rebalancing of the country's economy and the slowdown in construction activities have contributed to the deceleration in China's steel demand.

Steel Demand Forecasts

Regions	million tonnes			y-o-y growth rates, %		
	2015	2016 (f)	2017 (f)	2015	2016 (f)	2017 (f)
European Union (28)	153.3	155.4	158.1	2.8	1.4	1.7
Other Europe	40.1	41.3	42.6	8.1	3.0	3.0
CIS	50.0	46.3	48.4	-10.8	-7.4	4.6
NAFTA	134.5	138.8	142.3	-8.4	3.2	2.6
Central and South America	45.4	42.6	44.0	-7.3	-6.0	3.2
Africa	39.0	40.5	43.1	4.3	3.8	6.5
Middle East	53.0	54.3	56.4	-1.0	2.4	4.0
Asia and Oceania	984.8	968.5	958.7	-3.3	-1.7	-1.0
World	1 500.1	1 487.7	1 493.6	-3.0	-0.8	0.4
Developed Economies	399.1	405.9	410.4	-4.0	1.7	1.1
Emerging and Developing Economies	1 101.0	1 081.8	1 083.2	-2.7	-1.7	0.1
China	672.3	645.4	626.1	-5.4	-4.0	-3.0
MENA	72.1	74.4	78.0	-0.6	3.1	4.9
Em. and Dev. Economies excl. China	428.6	436.3	457.1	2.0	1.8	4.8
World excl. China	827.7	842.2	867.6	-1.0	1.8	3.0

f - forecast

Source: Worldsteel

However, India, the second major emerging economy in Asia, will, however, continue to see a healthy growth in steel demand in 2016 and 2017. worldsteel forecasts that India's steel demand will increase by an identical 5.4% in both the years, reaching 88.30 million tonnes in 2017, contributed by the low oil prices, the reform momentum and policies to increase infrastructure and manufacturing output. As per Moody's while the earnings for steel producers in China to decline during the fiscal year, after rebounding in the second quarter of 2016 because of temporary price spikes, the profitability of Indian steel companies will outperform that of their regional peers owing to rising domestic demand, minimum import prices and antidumping duties.

Top 10 Steel Using Countries 2015

Countries	million tonnes			y-o-y growth rates, %		
	2015	2016 (f)	2017 (f)	2015	2016 (f)	2017 (f)
China	672.3	645.4	626.1	-5.4	-4.0	-3.0
United States	95.7	98.8	101.5	-10.6	3.2	2.7
India	79.5	83.8	88.3	4.5	5.4	5.4
Japan	62.9	64.4	63.6	-7.0	2.3	-1.2
South Korea	56.0	56.3	56.4	0.9	0.6	0.2
Russia	39.4	35.9	37.4	-8.4	-8.8	4.3
Germany	39.0	39.5	39.9	-1.5	1.2	1.0
Turkey	34.4	35.5	36.7	11.7	3.3	3.2
Mexico	24.2	25.0	26.2	5.8	3.4	4.7
Brazil	21.3	19.4	20.1	-16.7	-8.8	3.1

f - forecast

Source: Worldsteel

Also, despite the difficult global economic environment, the countries in ASEAN continue to show resilient growth. As per worldsteel estimates emerging economies in South and Southeast Asia show strong growth and along with NAFTA and the EU will support a recovery in 2017. It expects steel demand outside China shall continue to grow by 1.8% in 2016 that shall accelerate to 3.0 % in 2017.

INDIAN INDUSTRY OUTLOOK

India's Growth Rate during the Year 2015-16 is 7.6% which is fastest in the last five Years. Indian Economy grew by 7.9% during March 2016 Quarter to consolidate India's position as the fastest growing major Economy for the full Fiscal on robust manufacturing growth of 7.6% as against 7.2% last Year. It is expected to grow up to 8% during the current fiscal. Manufacturing Sector accelerated at 9.3% as against 5.5% during the last Year.

- With the help of Make in India drive, India is on the path of becoming the hub of hi- tech manufacturing as global companies are in the process of setting up manufacturing plants in India. It has become one of the most attractive destinations for investments in the Manufacturing sector. The Government's 'Make in India' initiative has also encouraged domestic entrepreneurs to match global best practices and also attracted FDI. The Make in India initiative is expected to help the country emerge as a hub for global manufacturing bellwethers. This, together with expansion in services is expected to stimulate employment, as well as higher consumer spending.

Make in India campaign has opened many avenues to the Forging Industry. More and more new entrants are coming to join the manufacturing industry, as components manufacturers, we will get a share in that. This has begun to be seen as explained earlier. The Make in India initiative has definitely been a good move in the right direction to give the necessary boost to the overall manufacturing sector. It has created an all-round positive business environment and sentiments. The campaign has definitely been fruitful for certain segment of the forging industry and we are anticipating an increase in demand from the non-auto sector in the medium and long term.

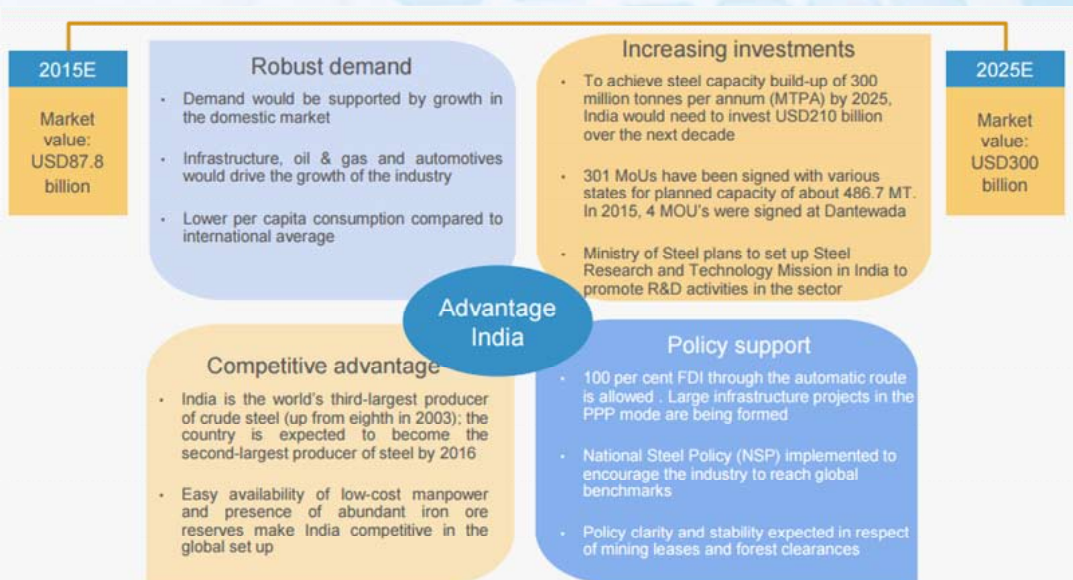
During last year, the rupee depreciated by 7.5% against the US Dollar. This was mainly on account of the fact that the dollar strengthened against all the major currencies because of stronger growth in the USA. But the Indian economy has emerged as the fastest growing economy with a high growth rate of over 7 per cent with manufacturing sector growing at 9.5 percent

Despite multiple headwinds, India produced 89.8 MnT crude steel in FY 2015-16, an increase of 0.9% since last year. In FY 2015-16, the country consumed 80.5 million tonnes (MnT) of finished steel, growth of 4.5% over last year. The industry growth is driven by an availability of raw materials such as iron ore and cost-effective labour.



India is the only major steel consuming market globally which continued to witness increasing demand environment - finished steel demand growth stood at 4.5% in FY 2015- 16. However, the country suffered from an unprecedented, unbridled and unfair inflow of steel imports from countries like China, Japan, South Korea and Russia, which continued to sell their surplus steel production at predatory prices. South Korea and Japan, especially, benefited due to the free trade agreement with India. Consequently, the consumption of domestically produced steel fell by 0.6% during the financial year. The domestic steel industry was forced to take a series of price cuts – leading to a severe margin squeeze for the Indian steel companies.

The surge in imports at predatory pricing led to the Indian government first increasing import duty on carbon steel by 5% (in two steps). Subsequently, it also imposed a safeguard duty on certain hot rolled steel products. When these measures were ineffective, in February 2016, the Government imposed a minimum import price (MIP) on various steel products for a period of six months to create a level playing field for the domestic steel industry.



SECTORS OUTLOOK

Growing engineered steel demand by INFRASTRUCTURE development

Infrastructure creation is critical for a country's economic growth. The Government of India allocates funds to sectors and encourages private participation through the PPP route to push for infrastructure development. It has announced a National Investment and Infrastructure Fund (NIIF) with an expected initial corpus of USD 6.2 billion to help bridge the investment gap (Source: KPMG).

In the current Budget, continuing its focus on infrastructure, the Government allocated Rs. 2.21 Lakh Crore of public spending, 22.5% increase over the previous year. Outlay for road sector is Rs. 97,000 Crore whereas planned investment in Railways is Rs. 1.21 Lakh Crore in the current year. Plan to achieve 100% village electrification by May 01, 2018 and UDAY scheme for the turnaround of discoms should be positive for our industry. Various initiatives planned such as introduction of Public Utility Bill, guidelines for re negotiation of PPP concession agreements, new credit rating systems of infra projects and LIC setting up dedicated fund to provide credit enhancement for infrastructure projects should be able to attract private investment through PPP channel going forward.

As per S&P Global Platts report, 'Make in India' programme, which has earmarked \$87 billion worth of investment in new infrastructure and manufacturing projects over the next five years, will benefit the country's engineered steel companies in big way along with other infrastructure serving industries. with new investments in roads, power and railways over next five years accounting for almost 60% of the total investment. The government wants to construct 10,000 km of highways in the current



financial year. One positive sign is low level of resistance to reforms taken by the government in the last 32 months.

Finished and engineered Steel industry had begun to benefit from higher road construction activity with consumption of rebar and wire rod increasing by 8.5% to 30.14 million tonne (mt) between April 2015 and February 2016, according to Joint Plant Committee data. Similarly, Railways plans to spend \$128 billion on its network in the next five years, including \$17.6 billion in FY17.

Power Transmission driving Engineered Steel demand

Good Luck is a leading manufacturer and exporter of Transmission Tower which are made up of quality galvanized steel like High Voltage transmission Towers, Grid Towers and other Durable High Performance towers. The expanded Engineering Structures capacity is 48,000 MT p.a. and the company has invested INR 390 Mn to double the capacity in FY 2015-16.

Good Luck is one of the largest suppliers for Power transmission distribution structures for line segments up to 765 kv class. The company's workshops are quality certified by PGCIL/NTPC and has supplied structure for GIS for Power Grid Corporation for smart cities. The company is into bulk supply of T&D Structures for export clients as well. The company customizes tower designs as per customer requirements and also fabricates as per customized and standard designs which are developed in-house

With the country's generation capacity addition progressing well, a corresponding increase in Transmission capacity is needed to ensure that power generated reaches the end consumer. India's Power Transmission networks constitute the vital arteries of the entire power value chain. The Government plans to construct 1,07,440 circuit kilometers (ckm) of transmission lines and set up 2,82,740 MVA transformation capacity during the same 12th Plan period.

In India, to bridge the gap between generation capacity and transmission infrastructure, a planned investment of \$75 billion in the next 5-7 years and Rs. 1 trillion of transmission projects



to come up for bidding in the next 12-18 months. In addition, the green energy corridor (Rs. 430 billion), feeder separation (Rs. 1 trillion) and smart cities will be strong demand drivers. Good Luck is already among the top leading manufacturer of Transmission Tower in India and a preferred manufacturer of choice for its customers pan India and abroad. The strong domestic demand and Good Luck's inherent advantage due to its logistics and integrated operations gives it the opportunity to participate and win orders in the fastest growing markets within India.



Power Grid Corporation of India Limited (PGCIL) has incurred capex of Rs. 65,000 crore since March, 2012. Going forward, PGCIL has an objective to award projects worth nearly Rs. 22,500 crore in each FY16E and FY17E, and projects in excess of Rs. 25,000 crore in FY18E. Of the total capex that PGCIL has lined up over FY16-FY18E, the opportunity size for transmission towers is expected to be around Rs. 28,000 crore (40% of the total capex).

RAILWAYS fueling the domestic Engineered steel Demand

The Indian government boosts investments in Railways and infrastructure, Steel demand in India, the world's third-biggest producer, is set to more than double in the next decade.

The Government of India is aiming to target higher investments by prioritizing the decongestion of heavy haul routes and speeding up trains. The Railway Ministry has earmarked an investment of USD 133.5 billion towards the development of railways sector over the next five years ending 2019 (Source: KPMG). Pace of building new railway lines is set to almost double from 7 km/day during FY17 to 13 km/day in FY18

The Indian Railways has proposed to construct 400 route kms of new lines and also add 747 locomotives, 3,431 coaches and 12,000 wagons, among other things in 2016-17. The production of all this would require about three lakh tonnes of steel.

This calculation is based on the assumption that 400 route kms of new lines would translate into at least 800 kms given that at least one track (two rail lines) will be laid on a particular route. The renewal of existing tracks would generate addition demand.

Factors driving the growth in railways that shall lead to surge in steel demand

- In the Union Budget 2016-17, the Government of India has proposed to spend Rs. 2,18,000 crore on roads and railways, enhancing the demand for steel and construction materials
- Ministry of railways Targets spend 2x as compared to previous 5 year outlay at ~ Rs. 521,800 Cr (USD 80 Bn).
- Urbanization & strain on existing infrastructure driving investment in Mass Rapid Transit System
- Metro systems probable for cities with 2Mn population
- Connection to ports through new Rail networks. Diamond Quadrilateral project (bullet train)



Growing engineered steel demand by Infrastructure development

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village electrification by May 01, 2018 and UDAY scheme for the turnaround of discoms should be positive for our industry. Various initiatives planned such as introduction of Public Utility Bill, guidelines for re negotiation of PPP concession agreements, new credit rating systems of infra projects and LIC setting up dedicated fund to provide credit enhancement for infrastructure projects should be able to attract private investment through PPP channel going forward.

As per S&P Global Platts report, Prime Minister Narendra Modi's 'Make in India' program, which has earmarked \$87 billion worth of investment in new infrastructure and manufacturing projects over the next five years, will benefit the country's engineered steel companies in big way along with other infrastructure serving industries. With new investments in roads, power and railways over next five years accounting for almost 60% of the total investment. The government wants to construct 10,000 km of highways in the current financial year. One positive sign is low level of resistance to reforms taken by the government in the last 32 months.

Finished and engineered Steel industry had begun to benefit from higher road construction activity with consumption of rebar and wire rod increasing by 8.5% to 30.14 million tons (mt) between April 2015 and February 2016, according to Joint Plant Committee data. Similarly, Railways plans to spend \$128 billion on its network in the next five years, including \$17.6 billion in FY17.

FINANCIAL PERFORMANCE – FY2015-16

Goodluckfinancial Performance for the financial year 2015-16 was exciting. EBITDA margin for the year ended FY16 to double digit 10.2% over 7.8% in FY15. Net sales were lower at Rs.983 crores in FY16 on account of sharp decline in global commodity prices. But despite the volatile commodity price environment, company was able to maintain the growth momentum and register volume growth of 8.5% in FY16 over FY15. We have reported a net profit of Rs.33.2 crores in FY16 which is an increase of 20% versus last financial year. This has resulted to the earnings per share Rs.15.09 in FY16 as compared to earnings of Rs. 13.16 per share a year ago. Our return on equity has improved to 15.8%. These improvements in financials are clear reflection of the business strategy we have adopted of moving towards high margin products.

HUMAN RESOURCES

Human Capital has always been the most important and valuable assets to the Company as the Company believes in retaining its employees. The Company takes pride in commitment, competence and dedication shown by its employees at all areas of business. Various HR initiatives are taken to align HR policies to the growing requirements of the business.

The Company has a structured indication process and management development programs to upgrade skills of managers.

The Company has strengthened the deployment of high quality employees in key functions, through recruitments and selections. The Company firmly believes that in house human capital will see organization through success in today's highly competitive global environment. Industrial relations were cordial throughout the year and would likely to continue in future also.



Annual Sports Day

In order to improve team work and co-ordination along with fun & gaiety. The Company celebrates Annual Sports Day every year and conduct Goodluck Cricket League. It have been a wonderful experience. All GOODLUCKIANS participate in these matches with lot of joy and excitement. It tranquilize our mind, rejuvenate our body and supply fresh aroma of wind for our hectic life style.



RISK AND CONCERNS

Taxes: India has both centralized taxes and state level taxes like Entry taxes, Octroi duties etc. Any sudden jump in this can make our goods expensive and uncompetitive in that market in case we do not have a manufacturing plant in that state.



Manpower: With economy on a watchful mode and uncertainty over market conditions, customer relationships and high quality service delivery have assumed even greater criticality to sustain performance. Human capital is the differentiator in achieving this. Your company has instituted continuously improving processes in Hiring, Employee Engagement, Key Talent management and Retention of critical employees to ensure the risk of red projects is well managed.



Raw Material Risk and Price Volatility: Availability of critical raw materials in a volatile price environment for its inputs is a business reality. It would be a challenge to procure material at the most optimum price, while ensuring the continuity of supply for uninterrupted production. Moreover, the fluctuating currency exchange rates shall affect the global sourcing scenario and strategy. The Company has always embraced backward Integration as a key element of its risk mitigation strategy to prevent disruption in its supply chain and input prices. Besides, Company sources its major raw materials through long terms contracts, whereby the risk of price volatility is minimized.



Foreign Exchange Risk: Fluctuation in the exchange rate between the US Dollar and Indian Rupee may also adversely affect the financial condition of the Company. To mitigate currency risks, the Company follows a prudent risk management policy, including hedging mechanisms, to protect cash flow.

Cost of Funds: Availability of finance at reasonable interest costs has become difficult due to a tighter monetary policy which has led to subdued industrial activity. The weak overall monsoon as predicted can prove a deterrent for economic growth. A resultant strong inflation may lower consumption demand and reduce infrastructure investment thus adversely affecting demand.

Receivables Risk: The Company constantly reviews its debtors and takes appropriate steps for timely recovery of dues from its customers, besides covering majority of supplies through LC and Bank Guarantee. Further, the stringent criteria adopted by the Company for evaluating the creditworthiness of its customers help the Company to minimize the risk of delayed payment and non-realization of receivables.

OPPORTUNITIES

Your Company is strategizing itself to move towards a new niche portfolio of components that will not only drive our profitably but also support our plan for sustained growth in medium to long term. With immense support from Indian government and foreign investments FY2016-17 is expected to be driven by extraordinary domestic demand from key infra sectors like solar, road and railways, power distribution etc. Your company over the years has strategize itself to serve these industries through competitive edge with impacting its profitability.



India's economic growth is contingent upon the growth of the Indian steel industry. Consumption of steel is taken to be an indicator of economic development. While steel continues to have a stronghold in traditional sectors such as construction, housing and ground transportation, special steels are increasingly being used in engineering industries such as power generation, petrochemicals and fertilizers. India occupies a central position on the global steel map, with the establishment of new state-of-the-art steel mills, acquisition of global scale capacities by players, continuous modernization

and up gradation of older plants, improving energy efficiency and backward integration into global raw material sources.

The 'Make in India' initiative of the government coupled with the interest rate reduction cycle is expected to bring an economic revival and increase spending on infrastructure and related sectors. This will provide a huge opportunity for the industrial products. The Government's Make in India initiative is aimed at reviving the manufacturing sector and increasing its percentage of GDP from 15% to 25%.



THREATS

Change in Government Policies: Your companies has threat from any substantial change of government policy that have direct or direct effect to our buseinss.

Technology advancement: New technological disruption in present scenario is always threat to an ongoing business. We try to minimize the threat by continuously evolving and advancing our technology to latest.

Global Business environment: Your Company serves to many overseas clients. Any impact on international business and trade can directly or indirectly effect our business.

INTERNAL CONTROL SYSTEMS AND ADEQUACY

The Company has an internal control system, which ensures that all transactions are recorded satisfactorily and reported and that all assets are protected against loss from unauthorized use or otherwise. The internal control systems are supplemented by an internal audit system carried out by a team under the direct supervision of the Head of Internal Audit. The findings of such internal audits are periodically reviewed by the management and suitable actions taken to address the gaps, if any. The Audit Committee of the Board meets at regular intervals and addresses significant issues raised by both the Internal Auditors and the Statutory Auditors. The process of internal control and systems, statutory compliance, information technology, risk analysis and risk management are inter-woven to provide a meaningful support to the management of the business.

CORPORATE SOCIAL RESPONSIBILITY (CSR)

The Company is committed to its stakeholders to conduct business in an economically, socially and environmentally sustainable manner that is transparent and ethical.

The Company is committed to inclusive, sustainable development and contributing to building and sustaining economic, social and environmental capital and to pursue CSR projects, as and when required, that are replicable, scalable and sustainable with a significant multiplier impact on sustainable livelihood creation and environmental replenishment.

The Management discussion and analysis report contains forward looking statements based upon the data available with the Company, assumptions with regard to global economic conditions, the government policies etc. The Company cannot guarantee the accuracy of assumptions and future performance of the Company in future. Therefore, the actual results, performance or achievements could thus differ materially from those projected in any such forward looking statement. The Company assumes no responsibility to publicly amend, modify or revise any forward looking statements, on the basis of any subsequent developments, information or events.



Director's Report



Dear Shareholders,

The Board of Directors of your Company takes pleasure in presenting 30th Annual Report and audited accounts of your Company for the financial year ended 31st March, 2016.

(Rs. In Cr.)

Particulars	2015-16	2014-15
Gross Turnover	1084.09	1170.30
Earnings before interest, tax & depreciation	102.05	84.99
Finance co st	39.34	37.30
Depreciation	14.89	11.30
Profit before tax	47.67	36.70
Profit after tax	33.20	27.57
Amount available for appropriation	156.27	132.06

1. Results of Operations and the State of Company's affairs

The Company has performed excellently under the very-very challenging circumstances. In 2016, the Gross Revenues from Operation were Rs. 1084 crore as against Rs. 1170 crore in last year. Sales value reduced marginally due to drop in raw material prices. EBITDA margin for the year ended FY16 to double digit 10.2% over 7.8% in FY15. But despite the volatile commodity price environment, company was able to maintain the growth momentum and register volume growth of 8.5% in FY16 over FY15. We have reported a net profit of Rs. 33.2 crores in FY16 which is an increase of 20% versus last financial year. This has resulted to the earnings per share Rs. 15.09 in FY16 as compared to earnings of Rs. 13.16 per share a year ago. Our return on equity has improved to 15.8%.

2. Transfer To General Reserves

Out of the total profit for the financial year 2015-16, an amount of Rs. 6.00 Crore is proposed to be transferred to the General Reserve.

3. Dividends

The Board has distributed interim dividend @ 37.5% i.e., Rs 0.75 Per Equity Share during the year and further has recommend a Final Dividend of 37.5% i.e., Rs 0.75 Per Equity Share of Rs 2 each for the financial year 2015-16. The Final 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/record date. The total dividend including Interim Dividend on the equity shares would involve an outflow of Rs. 3.30 Cr. toward dividend and Rs 0.67 Cr. toward dividend distribution tax.

4. 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 regulations of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, auditors' certificate on its compliance, including the management discussion and analysis, and shareholders' information forms a part of this report.

Details of the depository system and listing of shares and Registrar & Share Transfer Agent are given in the section Shareholder information, which forms a part of the Corporate Governance Report.

5. Conservation Of Energy, Technology Absorption, Foreign Exchange Earnings And Outgo

Details of conservation of energy, technology absorption, foreign exchange earnings and outgo undertaken by the Company along with the information in are given in Annexure 'A' to the Directors' Report.

6. Directors And Key Management Personnel

During the year under review, there is no change in the composition of the Board of Directors of your Company.

Mr. Nitin Garg, Executive Director is liable to retire by rotation at the ensuing AGM pursuant to the provisions of Section 152 of the Companies Act, 2013 read with the Companies (Appointment and Qualification of Directors) Rules, 2014 and the Articles of Association of your Company and being eligible offer himself for re-appointment.

7. Number Of Meetings Of The Board And Its Committees

The details of the meetings of the Board of Directors and its Committees, convened during the financial year 2015-16 are mentioned under the Corporate Governance Report which forms a part of this report.

8. Statutory Auditors

The Company ratifies the appointment of M/s. Sanjeev Anand & Associates, Chartered Accountant (Firm Reg. no. No.: 007171C), as the Statutory Auditors of the Company to hold office from the conclusion of this meeting until the conclusion of next Annual General Meeting. They have confirmed their eligibility to the effect that their re-appointment, if made, would be within the prescribed limits under the Act and that they are not disqualified for re-appointment.

9. Secretarial Auditor

The Board has appointed M/s Ravi S Sharma & Associates, Practicing Company Secretary (FCS – 7336), to conduct Secretarial Audit for the financial year 2015-16. The Secretarial Audit Report for the financial year ended March 31, 2016 is annexed herewith marked as Annexure 'B' to this Report.

10. Cost Auditor

The Board of Directors of your Company, on the recommendations made by the Audit Committee has approved the appointment of S. R. Kapur, Practicing Cost Accountant, (M. No. 4926) as the Cost Auditor of your Company to conduct the audit of cost records for the financial year 2016-17. The remuneration proposed to be paid to the Cost Auditor, subject to your ratification at the ensuing 30th AGM.

Your Company has received consent from S. R. Kapur, Practicing Cost Accountant, to act as the Cost Auditor for conducting audit of the cost records for the financial year 2016-17 along with a certificate confirming their independence and arm's length relationship.

11. Auditor's Reports

The Statutory Auditor's Report to the Shareholders together with Accounts for the year ended 31st March, 2016 and notes thereon are attached, which are self-explanatory. The observations of Statutory Auditors and Secretarial Auditors in their report, read with the relevant Notes to Accounts are self-explanatory and therefore, do not require any further explanation.

The Statutory Auditors of the Company have not reported any fraud as specified under the second proviso of Section 143(12) of the Companies Act, 2013 (including any statutory modification(s) or re-enactment(s) for the time being in force). The Auditors' Report for the financial year ended 31st March, 2016, does not contain any qualification, reservation or adverse remark.

12. Management Discussion And Analysis

The Management Discussion and Analysis forms an integral part of this report and gives details of the overall industry structure, economic developments, performance and state of affairs of your Company's businesses, internal controls and their adequacy, risk & concerns, risk management systems and other material developments etc. during the financial year 2015-16.

13. Public Deposits

Your Company has not invited or accepted any fixed deposits during the year as per the provisions of Section 73(2) of the Companies Act, 2013, and the rules made there under and as such, no amount of principal or interest was outstanding on the date of the Balance Sheet.

14. Internal Financial Controls

The Company has in place adequate internal financial controls with reference to financial statements. During the year, such controls were tested and no reportable material weakness in the design or operation was observed.

15. Subsidiaries/Joint Ventures/Associate Companies

A separate section on the performance and financial position of the subsidiary company in Form AOC- I is part of the report and is annexed herewith as Annexure 'C'.

As per the SEBI Listing Regulations, a policy on material subsidiaries as approved by the Board of Directors, may be accessed on the Company's website www.goodlucksteel.com.

16. Independent Directors Declaration

The Board of the Company consists of Mr. Vijender Kr. Tyagi, Mr. Ishwar C Agasti, Mr. Rahul Goel and Dr. Kiran Garg as independent Directors. These Directors have confirmed that they fulfil all the requirements as stipulated in Section 149(6) of the Companies Act, 2013 so as to qualify themselves to be appointed as Independent Directors under the provisions of the Companies Act, 2013 and the Rules thereunder.

Every Independent Director, at the first meeting of the Board in which he participates as a Director and thereafter at the first meeting of the Board in every financial year, gives a declaration that he meets the criteria of independence as provided under law.

17. Risk Management Policy

In compliance with the requirement of the Companies Act, 2013 the Company has put in place Risk Minimization and Assessment Procedures. In order to effectively and efficiently manage risk and address challenges, the Company has formulated Risk Management Policy.

The objective of any risk identification and assessment process is to evaluate the combination of likelihood and level of negative impacts from an event. The three main components of risk assessment are business risk, service/operational risk and external risk.

The Company manages the risk in line with current risk management best practices. This facilitates the achievement of our objectives, operational effectiveness and efficiency, protection of people and assets, informed decision-making and compliance with applicable laws and regulations.

18. Change In The Nature Of Business

In pursuance to Rule 8(5) of Companies (Accounts) Rules, 2014, there is no change in the nature of business of Company.

19. Material Orders

In pursuance to Rule 8(5) (vii) of Companies (Accounts) Rules, 2014, No significant or material orders were passed by the Regulators or Courts or Tribunals which impact the going concern status and Company's operations in future.

20. Particulars Of Loans Given, Investments Made, Guarantees Given And Securities Provided

Particulars of loans given, investments made, guarantees given and securities provided along with the purpose for which the loan or guarantee or security is proposed to be utilized by the recipient are provided in the financial statements.

21. Familiarisation Programme For Board Members

The Board members are provided with necessary documents, reports and internal policies to enable them to familiarise with the Company's procedures and practices. Periodic presentations are made at the Board and Board Committee Meetings, on business and performance updates of the Company. The details of such familiarization programmes for Independent Directors are posted on the website of the Company and can be accessed at the link <https://www.goodlucksteel.com>.

22. The Policy On Related Party Transactions

All Contracts/transactions/arrangements entered into by the Company during the financial year with the Related Parties were in ordinary course of business and on an arm's length basis and in accordance with the provisions of the Companies Act, 2013, read with the Rules issued thereunder and the Listing Regulations. Further, there were no transactions with related parties which qualify as material transactions under the Listing Regulations.

All transactions with related parties were reviewed and approved by the Audit Committee. Omnibus approval is obtained for un-foreseen transactions. Subsequently on a quarterly basis the transactions are presented to the Audit Committee, specifying the nature, value and terms and conditions of the same.

The Company has made transactions with related parties pursuant to Section 188 of Companies Act, 2013. The particulars of material contracts or arrangements with related parties referred to in sub-section (1) of section 188 in the Form AOC-2 is annexed herewith as Annexure 'D'.

The Company has formulated a policy on materiality of related party transactions and also on dealing with Related Party Transactions which has been uploaded on the Company's website at the weblink: <https://www.goodlucksteel.com>.

23. Policy On Appointment and Remuneration To Be Paid To Directors, Key Managerial Personnel (KMP) And Other Employees And Criteria Formulated By The Committee For Determining Qualification, Attributes, Independence Of A Director

The Board has adopted a policy, on Remuneration to be paid to Directors, Key Managerial Personnel and other employees and Criteria for Appointment of Directors. The objective of the policy is to define the criteria for qualification, qualities and characteristics for the Board as a whole and to ensure that Executive/Non-Executive Directors and Key Managerial Personnel are sufficiently compensated for their performance.

Policy on appointment of Directors

The Composition and strength of the Board of Directors (“the Board”) of the Company is subject to the provisions of the Companies Act, 2013, Listing Regulations and Articles of the Association of the Company. The Nomination and Remuneration Committee is responsible for evaluating the qualifications of each candidate to be appointed as Director on the Board. In general, it is expected from a Director to possess appropriate skills, experience and knowledge in one or more fields of finance, law, management, sales, marketing, administration, research, corporate governance, technical operations or other disciplines related to the Company’s business or in the area of his expertise and to have ample experience and a proven record of professional success, leadership and the highest level of personal and professional ethics, integrity and values.

Remuneration Policy

Non-Executive Independent Directors may receive sitting fees for attending the Meeting of the Board and Committees thereof. The Executive Directors and other employees are paid remuneration by way of salary, perquisites, allowances and variable pay. Perquisites and retirement benefits are paid as per the Company policy. The remuneration of Executive Directors, as recommended by the Nomination and Remuneration Committee, is approved and further recommended by Board of Directors to the Members for approval. Remuneration and annual pay of Executive Directors and employees is determined keeping in view the industry benchmark and the relative performance of the Company.

Criteria for Determining Qualifications, Positive Attributes & Independence of Director

A director shall possess appropriate skills, experience and knowledge in one or more fields of finance, law, management, sales, marketing, administration, research, corporate governance, operations or other disciplines related to the company’s business or in the area of his expertise.

A director shall be a person of integrity, who possesses relevant expertise and experience and who shall uphold ethical standards of integrity and probity; act objectively and constructively; exercise his responsibilities in a bona-fide manner in the interest of the company; devote sufficient time and attention to his professional obligations for informed and balanced decision making; and assist the company in implementing the best corporate governance practices.

Directors should be free to present their view point independently, Company has also adopted to conduct the separate meeting of the independent Directors, which will ensure that the independent directors of the Company can review the performance of the Board and Chairman. Moreover the Directors should meet the other requirements of the Companies Act, 2013 and Regulation 16(1) (b) of Listing Regulations concerning independence of directors. A complete Remuneration Policy is available Company’s website at the weblink: <https://www.goodlucksteel.com> .

24. Evaluation of the Board's Performance

In compliance with the Companies Act, 2013, and SEBI Listing Regulations, during the year, the Board adopted a formal mechanism for evaluating its performance as well as that of its Committees and individual Directors, including the Chairman of the Board. The exercise was carried out through a structured evaluation to evaluate the performance of individual directors including the Board Chairman.

The evaluation of Independent Directors was carried out by the entire Board and that of the Chairman and the Non-Independent Directors were carried out by the Independent Directors.

The Board of Directors has carried out an annual evaluation of its own performance, Board committees and individual directors pursuant to the provisions of the Companies Act, 2013 and corporate governance requirements as prescribed by SEBI listing Regulations. The performance of the Board was evaluated on the basis of the criteria such as the Board composition and structure, effectiveness of Board process, information and functioning etc. The performance of the committees was evaluated on the basis of the criteria such as the composition of the committees, effectiveness of committee meetings, etc. The Board and Nomination and Remuneration Committee reviewed the performance of the individual directors on the basis of the criteria such as the contribution of individual director to the Board and committee meetings like preparedness on the issue to be discussed meaningful and constructive contribution and inputs in meetings, etc.

The Directors were satisfied with the evaluation results, which reflected the overall engagement of the Board and its Committees with the Company.

25. Corporate Social Responsibility Initiatives

In compliance with Section 135 of the Companies Act, 2013 read with the Companies (Corporate Social Responsibility Policy) Rules 2014, the Company has established Corporate Social Responsibility (CSR) Committee and statutory disclosures with respect to the CSR Committee and an Annual Report on CSR Activities forms part of this Report as Annexure 'E'. The CSR Policy may be accessed on the Company's website at the weblink: <https://www.goodlucksteel.com>.

26. Buy Back of Securities

The Company has not bought back any of its securities during the year under review.

27. Vigil Mechanism

The Company is committed to adhere to the highest standards of ethical, moral and legal conduct of business operations. To maintain these standards, the Company encourages its employees who have concerns about suspected misconduct to come forward and express these concerns without fear of punishment or unfair treatment. A Vigil (Whistle Blower) mechanism provides a channel to the employees

and Directors to report to the management concerns about genuine concerns or grievances, unethical behavior, actual or suspected fraud or violation of the Codes of conduct or legal or regulatory requirements incorrect or misrepresentation of any financial statements and reports, etc. The detail vigil mechanism may be accessed on the Company's website at the weblink: <https://www.goodlucksteel.com>.

28. Extract Of Annual Return

Pursuant to section 92(3) of the Companies Act, 2013 ('the Act') and rule 12(1) of the Companies (Management and Administration) Rules, 2014, extract of annual return is attached as Annexure 'F'.

29. Particulars Of Employees

Particulars of employees and the ratio of the remuneration of each director to the median employee's remuneration and other details in terms of Section 197 of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is attached herewith as Annexure 'G' which form part of this Report.

30. Payment of Listing Fees

Annual listing fee for the year 2016-17 has been paid by the Company to the stock exchanges where the company is listed, i.e., BSE Ltd. and National Stock Exchange Limited.

31. Material Changes And Commitments Affecting The Financial Position Of The Company After 31st March 2016

There was no material change and commitment affecting the financial position of the company after 31st march 2016 till the date of the report. However, The Company has shifted its registered office from 5/102, Sikka Complex, Community Centre, Preet Vihar, Delhi-110 092 to 509, Arunachal Building, Barakhamba Road, Connaught Place, New Delhi-110 001 with effect from 1st May, 2016.

The Board member's under the able leadership team within the organization felt the need for a new name to capture our diversified product profile. In this line the Board of Directors have accords its consent to change the Name of the company from "Good Luck Steel Tubes Limited" to "Goodluck India Limited" which is under process of requisite approval from shareholders and competent authority(ies).

32. Directors Responsibility Statement

As stipulated in Section 134(3) (c) of Companies Act, 2013, your Directors subscribe to the "Directors Responsibility statement" and confirm as under:

- a. That in the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanations relating to material departures.
- b. 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 & fair view of the state of affairs of the Company at the end of Financial Year 2015-16 and of the Profit & Loss A/c of the Company for that period.

- c. That the directors have taken proper and sufficient care of the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities.
- d. That the directors have prepared the annual accounts on a going concern basis.
- e. The directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively.
- f. The directors has devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

33. Appreciation

Your Directors wish to thank and acknowledge with gratitude for assistance and co-operation received from the financial institutions, banks, government authorities, customer, 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

DATE: 24th May, 2016
PLACE: GHAZIABAD

ANNEXURE A

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 suggestion of experts in the areas where reduction of fuel and oil conservation is possible.

The detail regarding present energy consumption including captive generation is furnished below as per form A of the Annexure to the rules:

FORM A

A. Power and Fuel Consumption		2015-16	2014-15
1. Electricity			
(a) Purchased	Unit (in thousand) KWH	31192.278	25110.195
	Total Amount (Rs. In Lakh)	2458.17	1850.59
	Rate/unit (Rs.)	7.88	7.37
(b) Own Generation	Through Diesel Generator		
	Unit (in thousand)	2076.19	1811.20
	Units per ltr.of diesel oil	3.20	3.20
	Cost/units	13.77	17.00
2. Furnace Oil			
	Total Amount (Rs. in Lakh)	318.81	601.65
	Total Quantity(M.Ltr.)	1810.17	1860.75
	Average Rate (Rs. /M.T.)	17.61	32.33
Consumption per unit of Production			
	Production (MT)	204748	173022
	Electricity	162.48	155.60
	Furnace Oil	8.84	10.75

Research and development (R& D):

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

Technology Absorption:

We believe in continual improvement in our designs and products for ensuring full customer satisfaction. Innovation in process control, product development, cost reduction and quality improvement are being made on continuous basis as per the requirements of the market. The technology being used for the manufacture of steel products is developed by in- house efforts and is at par with industry norms.

FOREIGN EXCHANGE EARNING AND OUT GO:

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

(Rs. In Lakhs)

Particulars	2015-16	2014-2015
Out go (CIF value of Imports)	693.26	37.86
Out go (Expenditure)	547.45	512.83
Earnings (F.O.B. value of Exports)	25883.61	32166.42

ANNEXURE B

Form No, MR-3

SECRETARIAL AUDIT REPORT

(FOR THE FINANCIAL YEAR ENDED 31.03.2016)

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

To,

**The Members of,
Good Luck Steel Tubes Limited,**
509, Arunachal Building, Barakhamba Road,
Connaught Place, New Delhi -110001.

I have conducted the Secretarial Audit of the Compliance of applicable statutory provisions and the adherence to good corporate practices by **Good Luck Steel Tubes Limited (CIN: L74899DL1986PLC050910)** (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on our verification of the books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period Covering the financial year ended on 31st March, 2016 ('Audit Period'), complied

with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by Good Luck Steel Tubes Limited ("The Company") for the financial year ended on 31st March, 2016 according to the provisions of:

- I. The Companies Act, 2013 (the Act) and the Rules made thereunder and the applicable provisions of the Companies Act, 1956;
- II. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made thereunder;
- III. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- IV. Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- V. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') to the extent applicable to the Company:-
 - a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992 (up to 14th May 2015) and Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 (effective 15th May 2015);
 - c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
 - d. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
 - e. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; - Not Applicable to the Company during Audit Period
 - f. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; - Not Applicable to the Company during Audit Period
 - g. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; - Not Applicable to the Company during Audit Period
 - h. The Securities and Exchange Board of India (ESOS and ESOP) Guideline, 1999; - Not Applicable to the Company during Audit Period

- i. the Company has complied with the requirements under the Equity Listing Agreements entered into with BSE Limited, National Stock Exchange of India Limited; and

- j. The Memorandum and Articles of Association.

VI. The Management has identified the following laws as specifically applicable to the Company:

- I. The Indian Boiler Act, 1923
- II. The Hazardous wastes (Management & Handling) Rules, 1989
- III. The Explosive Act, 1884

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

- i) Secretarial Standards with regard to Meeting of Board of Directors (SS-1) and General Meetings (SS-2) issued by The Institute of Company Secretaries of India and made effective 1st July, 2015.
- ii) The Listing Agreements entered into by the Company with the BSE Limited, National Stock Exchange of India Limited and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, made effective 1st December, 2015.

During the Audit period under review and as per representation and clarifications provided by the management, I confirm that the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, Listing Agreements etc mentioned above.

I further report that the Company has, in my opinion, complied with the provisions of the Companies Act, 1956 and the Rules made under that Act and the provisions of Companies Act, 2013 as notified by Ministry of Corporate Affairs and the Memorandum and Articles of Association of the Company, with regard to:

- a) Maintenance of various statutory registers and documents and making necessary entries therein;
- b) Closure of the Register of Members.
- c) Forms, returns, documents and resolutions required to be filed with the Registrar of Companies and the Central Government;
- d) Service of documents by the Company on its Members, Auditors and the Registrar of Companies;
- e) Notice of Board meetings and Committee meetings of Directors;
- f) The meetings of Directors and Committees of Directors including passing of resolutions by circulation;

- g) The 29th Annual General Meeting held on 30th September 2015;
- h) Minutes of proceedings of General Meetings and of the Board and its Committee meetings;
- i) Approvals of the Members, the Board of Directors, the Committees of Directors and the government authorities, wherever required;
- j) Constitution of the Board of Directors / Committee(s) of Directors, appointment, retirement and reappointment of Directors including the Managing Director and Whole-time Directors;
- k) Payment of remuneration to Directors including the Managing Director and Whole-time Directors,
- l) Appointment and remuneration of Auditors and Cost Auditors;
- m) Transfers and transmissions of the Company's shares and issue and dispatch of duplicate certificates of shares;
- n) Declaration and payment of dividends;
- o) Transfer of certain amounts as required under the Act to the Investor Education and Protection Fund and uploading of details of unpaid and unclaimed dividends on the websites of the Company and the Ministry of Corporate Affairs;
- p) Borrowings and registration, modification and satisfaction of charges wherever applicable; investment of the Company's funds including investments and loans to others;
- q) Form of balance sheet as prescribed under Part I, form of statement of profit and loss as prescribed under Part II and General Instructions for preparation of the same as prescribed in Schedule VI to the Act;
- r) Directors' report;
- s) Contracts, common seal, registered office and publication of name of the Company; and
- t) Generally, all other applicable provisions of the Act and the Rules made under the Act.

I further report that:

- The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.
- Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exist for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

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

I further report that the Company has complied with the provisions of the Securities Contracts (Regulation) Act, 1956 and the Rules made under that Act, with regard to maintenance of minimum public shareholding.

I further report that the Company has complied with the provisions of the Depositories Act, 1996 and the Byelaws framed thereunder by the Depositories with regard to dematerialization/rematerialisation of securities and reconciliation of records of dematerialized securities with all securities issued by the Company.

I further report that the Company has complied with the provisions of the FEMA, 1999 and the Rules and Regulations made under that Act to the extent applicable.

I further report that:

- a. the Company has complied with the requirements under the Equity Listing Agreements entered into with BSE Limited and National Stock Exchange of India Limited;
- b. the Company has complied with the provisions of the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 including the provisions with regard to disclosures and maintenance of records required under the said Regulations;
- c. the Company has complied with the provisions of the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992 including the provisions with regard to disclosures and maintenance of records required under the said Regulations;

I further report that during the audit period there were following specific events/actions having a major bearing on Company's affairs in pursuance of the above-referred laws, rules, regulations, guidelines, standards etc., :-

- ❑ The Board of Directors at their meeting held on September, 15th, 2015 has considered and approved Scheme of amalgamation under section 391-394 of the Companies Act, 1956 of wholly owned subsidiary Masterji Metalloys Pvt Ltd (the transferor company) with Good Luck Steel Tubes Limited (the transferee company).

For, RAVI S SHARMA & ASSOCIATES
Company Secretaries
Firm Reg. No-I2008DE626400

Ravi. S. Sharma
M. No. - FCS 7336
COP No-8007

Place: New Delhi
Date : 24.05.2016

ANNEXURE C

Form AOC-1

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

Statement containing salient features of the financial statement of subsidiaries/ associate companies/joint ventures

Part “A”: Subsidiaries

(Information in respect of each subsidiary to be presented with amounts in Rs.)

Sl. No.	Particulars	Details
1.	Name of the subsidiary	Masterji Metalloys Private Limited
2.	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	N.A.
3.	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	N.A.
4.	Share capital	Rs. 23845000
5.	Reserves & surplus	Rs. 16951479
6.	Total assets	Rs. 94304484
7.	Total Liabilities	Rs. 94304484
8.	Investments	NIL
9.	Turnover	Rs. 106834919
10.	Profit before taxation	Rs. (7236172)
11.	Provision for taxation	NIL
12.	Profit after taxation	Rs. (3944801)
13.	Proposed Dividend	NIL
14.	% of shareholding	100%

Notes: The following information shall be furnished at the end of the statement:

- Names of subsidiaries which are yet to commence operations : NIL
- Names of subsidiaries which have been liquidated or sold during the year. : NIL

ANNEXURE D

FORM NO. AOC -2

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

Form for Disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub section (1) of section 188 of the Companies Act, 2013 including certain arms length transaction under third proviso thereto

1. Details of contracts or arrangements or transactions not at Arm's length basis.

SL. No.	Particulars	Details
a)	Name (s) of the related party & nature of relationship	N.A.
b)	Nature of contracts/arrangements/transaction	N.A.
c)	Duration of the contracts/arrangements/transaction	N.A.
d)	Salient terms of the contracts or arrangements or transaction including the value, if any	N.A.
e)	Justification for entering into such contracts or arrangements or transactions'	N.A.
f)	Date of approval by the Board	N.A.
g)	Amount paid as advances, if any	N.A.
h)	Date on which the special resolution was passed in General meeting as required under first proviso to section 188	N.A.

2. Details of material contracts or arrangements or transactions at Arm's length basis.

Name (s) of the related party & nature of relationship	Nature of contracts/ arrangements/ transaction	Duration of the contracts/ arrangements/ transaction	Salient terms of the contracts or arrangements or transaction including the value, if any	Date of approval by the Board	Amount paid as advances, if any
N.A.	N.A.	N.A.	N.A.	N.A.	N.A.

The company has not entered into any related party contract or arrangement or transaction which is material. "Material Related Party Transactions" means a contract or arrangement or transaction as defined as material in Listing Regulations or any other law or regulation including any amendment or modification thereof, as may be applicable.

On behalf of the Board of Directors

M. C. GARG

Chairman

DATE: 24th May, 2016

PLACE: GHAZIABAD

ANNEXURE E

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES FOR THE FINANCIAL YEAR 2015-16

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

The policy encompasses the company's philosophy for delineating its responsibility as a corporate citizen and lays down the guidelines and mechanism for undertaking socially useful programmes for welfare & sustainable development of the community at large, is titled as the 'CSR Policy □ 2015'. This Policy shall be read in line with Section 135 of the Companies Act 2013, Companies (Corporate Social Responsibility Policy) Rules, 2014 and such other rules, regulations, circulars, and notifications (collectively referred hereinafter as 'Regulations') as may be applicable and as amended from time to time. The CSR policy – 2015 of GLST will supersede all the earlier policies relating to CSR. The main objective of GLST CSR policy is to lay down guidelines for the company to make CSR a key business process for sustainable development for the society. GLST will act as a good Corporate Citizen, subscribing to the principles of global compact for implementation. The detailed CSR Policy may be accessed on the Company's website at the weblink: <https://www.goodlucksteel.com>.

2. The Composition of the CSR Committee:

S. No.	Name of Director	Category	
1.	Mr. Vijender Kr. Tyagi	Non Executive Independent Director	Chairman
2.	Mr. Nitin Garg	Whole Time Director	Member
3.	Mr. R. C. Garg	Whole Time Director	Member

3. Average net profit of the Company for last three financial years: Rs. 2617.28 Lacs
4. Prescribed CSR Expenditure (two percent of the amount mentioned in item 3 above)
: Rs. 52.35 Lacs
5. Details of CSR spent during the financial year:
 - i) Total amount to be spent for the financial year: Rs. 52.35 Lacs
 - ii) Amount unspent, if any: Rs. 31.27 Lacs
 - iii) Manner in which the amount spent during the financial year is detailed below:

(Rs. In Lacs)

S.No	CSR Project or activity	Sector in which project is covered	Projects or programmes 1. Local area or other 2. Specify the state and district where project or program was undertaken	Amount Outlay (Budget) Project or Program wise	Amount Spent On The Project Or Programs Sub-Head: 1. Direct Expenditure On Projects Or Programs 2. Overheads	Cumulative Expenditure Upto The Reporting Period	Amount Spent: Direct Or Through Implementing Agency
1.	Medical Relief	Healthcare	Ghaziabad	30.00	15.00	15.00	Through Agency
2.	Animal welfare	Animal Welfare	Hapur	10.00	1.00	1.00	Through Agency
3.	Facilities for Senior Citizens	Social Welfare	Ghaziabad	15.00	5.08	5.08	Through Agency
	TOTAL			55.00	21.08	21.08	

All the activities have been undertaken with the agencies active in the relevant field.

6. In case the Company has failed to spend the two percent of the average net profit of the last three financial years or any part thereof, the company shall provide the reasons for not spending the amount in its Board report :

The Concept of Corporate Social Responsibility (CSR) has gained prominence from all avenues. Organizations have realized that government alone would not be able to get success in its endeavor to uplift the downtrodden society. Even much before the issue of CSR became global concern, Good Luck Steel Tubes Limited (GLST) was aware of its responsibility towards the society. In alignment with vision of the company, GLST, through its CSR initiatives, continues to enhance value creation in the society and in the community in which it operates, through its services, conduct & initiatives, so as to promote sustained growth for the society and community, in fulfillment of its role as a Socially Responsible Corporate, with environmental concern. Now, GLST has planned and spent the amount for the welfare of the society and under-privilege section of the society however, unfortunately it falls short from the limit of section 135 of the Act and Companies (Corporate Social Responsibility Policy) Rules, 2014. However the company will ensure to spend the full expenditure of the said amount in next financial year.

7. The CSR Committee confirms that the implementation and monitoring of CSR Policy is in compliance with CSR objectives and Policy of the Company.

M C Garg
Director

V K Tyagi
Chairman CSR Committee

Place: Ghaziabad
Date: 24th May, 2016

ANNEXURE F

FORM NO. MGT 9

*EXTRACT OF ANNUAL RETURN
As on financial year ended on 31.03.2016*

Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Company (Management & Administration) Rules, 2014.

I. REGISTRATION & OTHER DETAILS:

CIN	L74899DL1986PLC050910
Registration Date	06.11.1986
Name of the Company	GOOD LUCK STEEL TUBES LIMITED
Category/Sub-category of the Company	PUBLIC
Address of the Registered office & contact details	509, ARUNACHAL BUILDING, BARAKHAMBHA ROAD, CONNAUGHT PLACE,
Whether listed company	YES
Name, Address & contact details of the Registrar & Transfer Agent, if any.	MAS SERVICES LTD. T-34, 2nd FLOOR, OKHLA INDUSTRAIL AREA, PHASE-II NEW DELHI-110020

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY (All the business activities contributing 10 % or more of the total turnover of the company shall be stated)

S. No.	Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the company
1.	ERW & CDW PIPES	24106	51%
2.	SHEETS	24105	21%
3.	STRUCTURES	25119	15%
4.	FORGING	25910	13%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES -

Sl. No.	Name and Address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
1	Masterji Metalloys (P) Ltd. 509, Arunachal Building, Barakhamba Road, Connaught Place, New Delhi-110001	U27109DL2004PTC128383	Subsidiary	100%	u/s 2(87) (ii) of the Companies Act, 2013.

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

A) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year[As on 31-March-2015]				No. of Shares held at the end of the year[As on 31-March-2016]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/ HUF	13305108	0	13305108	60.461	13305108	0	13305108	60.461	0
b) Central Govt	0	0	0	0	0	0	0	0	0
c) State Govt(s)	0	0	0	0	0	0	0	0	0
d) Bodies Corp.	0	0	0	0	0	0	0	0	0
e) Banks / FI	0	0	0	0	0	0	0	0	0
f) Any other									
Total shareholding of Promoter (A)	13305108	0	13305108	60.461	13305108	0	13305108	60.461	0
B. Public Shareholding									
1.Institutions									
a) Mutual Funds	0	0	0	0	0	0	0	0	0
b) Banks / FI	92673	0	92673	0.421	18470	0	18470	0.08	(0.341)
c) Central Govt	0	0	0	0	0	0	0	0	0
d) State Govt(s)	0	0	0	0	0	0	0	0	0
e) Venture Capital Funds	0	0	0	0	0	0	0	0	0
f) Insurance Companies	0	0	0	0	0	0	0	0	0
g) FIs	0	0	0	0	3422	0	3422	0.02	0.02

h) Foreign Venture Capital Funds	0	0	0	0	0	0	0	0	0
i) Others (Foreign Portfolio Investors)	0	0	0	0	450000	0	450000	2.04	2.04
Sub-total (B)(1):-	92673	0	92673	0.421	471892	0	471892	2.41	1.989
2. Non-Institutions									
a) Bodies Corp.	3678587	0	3678587	16.716	2098539	2500	2101039	9.55	(7.16)
i) Indian	0	0	0	0	0	0	0	0	0
ii) Overseas	0	0	0	0	0	0	0	0	0
b) Individuals	0	0	0	0	0	0	0	0	0
i) Individual shareholders holding nominal share capital up to Rs. 1 lakh	322509	571508	3794017	17.241	4729443	544008	5273451	23.96	6.719
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	284857	00	284857	1.294	221748	0	221748	1.007	(0.287)
c) Others (specify)	0	0	0	0	0	0	0	0	0
Non Resident Indians	139900	153500	293400	1.33	292204	153500	445704	2.02	0.69
Overseas Corporate Bodies	0	0	0	0	0	0	0	0	0
Foreign Nationals	0	0	0	0	0	0	0	0	0
Clearing Members	557608	0	557608	2.534	187308	0	187308	0.85	(1.684)
Trusts	0	0	0	0	0	0	0	0	0
Foreign Bodies - D R	0	0	0	0	0	0	0	0	0
Sub-total (B)(2):-	7880961	727508	8608469	39.118	7529242	700008	8229250	37.39	(1.728)
Total Public Shareholding (B)=(B)(1)+ (B)(2)	7973634	727508	8701142	39.539	8001134	700008	8701142	39.539	0
C. Shares held by Custodian for GDRs & ADRs	0	0	0	0	0	0	0	0	0
Grand Total (A+B+C)	21278742	727508	22006250	100	21306242	700008	22006250	100	N.A.

B) Shareholding of Promoter-

SN	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1	MANISH GARG AND SONS HUF.	127708	0.58	0	127708	0.58	0	0
2	SUNIL KUMAR GARG	232977	1.06	0	232977	1.06	0	0
3	SUSHIL KUMAR GARG	214870	0.98	0	214870	0.98	0	0
4	SAPNA GARG	259247	1.18	0	259247	1.18	0	0
5	ASHISH GARG	124000	0.56	0	124000	0.56	0	0
6	RAJIV GARG	637750	2.90	0	637750	2.90	0	0
7	REENA GARG	186294	0.85	0	186294	0.85	0	0
8	SHYAM AGRAWAL	143706	0.65	0	143706	0.65	0	0
9	ANKITA AGARWAL	297177	1.35	0	297177	1.35	0	0
10	MAHESH CHAND GARG	377250	1.71	0	377250	1.71	0	0
11	MANISH GARG	631707	2.87	0	631707	2.87	0	0
12	NITIN GARG	1486750	6.76	0	1486750	6.76	0	0
13	MITHLESH GARG	690000	3.14	0	690000	3.14	0	0
14	UMESH GARG	315631	1.43	0	315631	1.43	0	0
15	PUSHPA GARG	784537	3.57	0	784537	3.57	0	0
16	SARAS GARG	314500	1.43	0	314500	1.43	0	0
17	RAJAT GARG	291920	1.33	0	291920	1.33	0	0
18	SUDHA GARG	350000	1.59	0	350000	1.59	0	0
19	ANJU GARG	393936	1.79	0	393936	1.79	0	0
20	M C GARG AND SONS HUF.	172500	0.78	0	172500	0.78	0	0

21	ANIL KUMAR AND SONS HUF.	39000	0.18	0	39000	0.18	0	0
22	ASHISH GARG AND SONS HUF.	2000	0.01	0	2000	0.01	0	0
23	MUNNI LAL AND SONS HUF.	234092	1.06	0	234092	1.06	0	0
24	R C GARG AND SONS HUF.	642167	2.92	0	642167	2.92	0	0
25	SUSHIL KUMAR & SONS HUF.	81415	0.37	0	81415	0.37	0	0
26	RAM AGARWAL AND SONS.	50	0	0	50	0	0	0
27	SUNIL KUMAR AND SONS HUF.	131750	0.60	0	131750	0.60	0	0
28	KANAK LATA	286375	1.30	0	286375	1.30	0	0
29	NEETA GARG	615770	2.80	0	615770	2.80	0	0
30	SHIKHA GARG	289833	1.32	0	289833	1.32	0	0
31	RAM AGARWAL	728956	3.31	0	728956	3.31	0	0
32	ARCHANA AGARWAL	538365	2.45	0	538365	2.45	0	0
33	REKHA RANI	511750	2.33	0	511750	2.33	0	0
34	SAVITRI DEVI	312875	1.42	0	312875	1.42	0	0
35	RAMESH CHANDRA GARG	570250	2.59	0	570250	2.59	0	0
36	TUSHAR GARG	288000	1.31	0	288000	1.31	0	0

C) Change in Promoters' Shareholding (please specify, if there is no change)

SN	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	13305108	60.46	13305108	60.46
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc.):	N.A.			
	At the end of the year	13305108			

D) Shareholding Pattern of Top Ten Shareholders (Other than Directors, Promoters and Holders of GDRs and ADRs):

Sl. No	Name	Shareholding		Increase/ Decrease in share-holding	Reason	Cumulative Shareholding during the year (01-04-15 to 31-03-16)	
		No. of Shares at the beginning (01-04-15)	% of total shares of the Company			No. of Shares	% of total shares of the Company
1.	VENUS INSEC PRIVATE LIMITED	2285000	10.383	1250000	TRANSFER	1035000	4.703
2.	ICG Q LIMITED	0	0	450000	TRANSFER	450000	2.04
3.	GLOBE CAPITAL MARKET	9078	0.041	246931	TRANSFER	256009	1.163
4.	MOTILAL OSWAL SEC LTD	227937	1.036	101706	TRANSFER	172391	0.783
5.	KARVY STOCK BROKING LTD	55	0.0002	102150	TRANSFER	102205	0.464
6.	PRADIP KUMAR PATEL	105344	0.479	7200	TRANSFER	98144	0.446
7.	SUMPOORNA PORTFOLIO LIMITED	428216	1.946	343216	TRANSFER	85000	0.386
8.	SUBHASH P RATHOD	0	0	68729	TRANSFER	68729	0.312
9.	ASIA PACIFIC FIN SERVICES MAURITIUS LTD	67500	0.307	N.A.	N.A.	67500	0.307
10.	PADMINI VINIYOG PRIVATE LIMITED	0	0	63955	TRANSFER	63955	0.291

E) Shareholding of Directors and Key Managerial Personnel:

Sl. No	Name	Shareholding		Date	Increase/Decrease in shareholding	Reason	Cumulative Shareholding during the year (01-04-15 to 31-03-16)	
		No. of Shares at the beginning (01-04-15)	% of total shares of the Company				No. of Shares	% of total shares of the Company
1.	MAHESH CHANDRA GARG	377250	1.714	N.A.	N.A.	N.A.	377250	1.714
2.	RAMESH CHANDRA GARG	570250	2.591	N.A.	N.A.	N.A.	570250	2.591
3.	NITIN GARG	1486750	6.756	N.A.	N.A.	N.A.	1486750	6.756
4.	ISWAR CHANDRA AGASTI	0	0	N.A.	N.A.	N.A.	0	0
5.	VIJENDER KUMAR TYAGI	0	0	N.A.	N.A.	N.A.	0	0
6.	RAHUL GOEL	0	0	N.A.	N.A.	N.A.	0	0
7.	KIRAN GARG	0	0	N.A.	N.A.	N.A.	0	0
8.	SANJAY BANSAL	0	0	N.A.	N.A.	N.A.	0	0
9.	ABHISHEK AGRAWAL	0	0	N.A.	N.A.	N.A.	0	0

V) INDEBTEDNESS - INDEBTEDNESS OF THE COMPANY INCLUDING INTEREST OUTSTANDING/ACCRUED BUT NOT DUE FOR PAYMENT (In lacs)

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	29,845.18	986.31	0	30,831.48
ii) Interest due but not paid	93.55	72.15	0	165.71
iii) Interest accrued but not due	0	0	0	-
Total (i + ii + iii)	29,938.73	1058.46	0	30,997.19
Change in Indebtedness during the financial year				
* Addition	19,348.19	1,074.65	0	20,422.84
* Reduction	15,715.09	464.49	0	16,179.58
Net Change	3,633.10	610.16	0	4,243.26
Indebtedness at the end of the financial year				
i) Principal Amount	33,533.71	1,573.72	0	35,107.43
ii) Interest due but not paid	38.11	94.91	0	133.02
iii) Interest accrued but not due	0	0	0	-
Total (i + ii + iii)	33,571.82	1,668.63	0	35,240.45

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A) Remuneration to Managing Director, Whole Time Directors and/or Manager

SN.	Particulars of Remuneration	Name of MD/WT/ Manager (p.a.)			Total Amount
		M.C. Garg	R.C. Garg	Nitin Garg	
1	Gross salary				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	4080000	4080000	2880000	11040000
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961				
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961				
2	Stock Option	N.A	N.A	N.A.	N.A
3	Sweat Equity	N.A	N.A	N.A.	N.A
4	Commission - as % of profit - others, specify...	N.A	N.A.	N.A.	N.A
5	Others, please specify	N.A.	N.A	N.A.	N.A.
	Total (A)	4080000	4080000	2880000	11040000
	Ceiling as per the Act	320.17 lacs (being 10% of the net profits of the Company calculated as per Section 198 of the Companies Act, 2013) N.A.			

B) Remuneration to other directors

SN.	Particulars of Remuneration	Name of Directors				Total Amount
		Kiran Garg	Isvar Chandra Agasti	Vijender Kumar Tyagi	Rahul Goel	
1	Independent Directors	Kiran Garg	Isvar Chandra Agasti	Vijender Kumar Tyagi	Rahul Goel	
	Fee for attending board committee meetings	N.A	N.A	N.A	N.A	N.A
	Commission	N.A	N.A	N.A	N.A	N.A
	Others, please specify	N.A	N.A	N.A	N.A	N.A
	Total (1)	N.A	N.A	N.A	N.A	N.A
2	Other Non-Executive Directors	N.A.	N.A.	N.A.	N.A.	N.A.
	Fee for attending board committee meetings	N.A.	N.A.	N.A.	N.A.	N.A.
	Commission	N.A.	N.A.	N.A.	N.A.	N.A.
	Others, please specify	N.A.	N.A.	N.A.	N.A.	N.A.
	Total (2)	N.A.	N.A.	N.A.	N.A.	N.A.
	Total (B)=(1+2)	N.A.	N.A.	N.A.	N.A.	N.A.
	Total Managerial Remuneration	N.A.	N.A.	N.A.	N.A.	N.A.
	Overall Ceiling as per the Act		Rs. 32.01 lacs (being 1% of the net profits of the Company calculated as per Section 198 of the Companies Act, 2013)			

C) Remuneration to Key Managerial Personnel other than MD/Manager/WTD

SN	Particulars of Remuneration	Key Managerial Personnel (p.a.)		
		CS (Abhishek Agrawal)	CFO (Sanjay Bansal)	Total
1	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	918200	2639400	3557600
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	0	32400	32400
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	N.A.	N.A.	N.A.
2	Stock Option	N.A.	N.A.	N.A.
3	Sweat Equity	N.A.	N.A.	N.A.
4	Commission	N.A.	N.A.	N.A.
	- as % of profit	N.A.	N.A.	N.A.
	Others specify...	N.A.	N.A.	N.A.
5	Others, please specify	N.A.	N.A.	N.A.
	Total	918200	2671800	3590000

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD / NCLT/ COURT]	Appeal made, if any (give Details)
A. COMPANY					
Penalty	N.A.	N.A.	N.A.	N.A.	N.A.
Punishment	N.A.	N.A.	N.A.	N.A.	N.A.
Compounding	N.A.	N.A.	N.A.	N.A.	N.A.
B. DIRECTORS					
Penalty	N.A.	N.A.	N.A.	N.A.	N.A.
Punishment	N.A.	N.A.	N.A.	N.A.	N.A.
Compounding	N.A.	N.A.	N.A.	N.A.	N.A.
C. OTHER OFFICERS IN DEFAULT					
Penalty	N.A.	N.A.	N.A.	N.A.	N.A.
Punishment	N.A.	N.A.	N.A.	N.A.	N.A.
Compounding	N.A.	N.A.	N.A.	N.A.	N.A.

ANNEXURE G

DETAILS PERTAINING TO REMUNERATION AS REQUIRED INFORMATION UNDER SECTION 197(14) & SECTION 197(12) RULE 5 (1) (2) & (3) OF COS (APPOINTMENT & REMUNERATION) RULES, 2014

1.	The ratio of the remuneration of each director to the median remuneration of the employees of the company for the financial year	1. Mr. M.C Garg (Whole- Time Director) : 31.78 : 1 2. Mr. R.C Garg (Whole- Time Director) : 31.78 : 1 3. Mr. Nitin Garg (Independent Director) : 22.43 : 1
2.	Percentage increase in remuneration of each director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager in the financial year	1. Mr. M.C Garg (Whole- Time Director) : 9.68% 2. Mr. R.C Garg (Whole- Time Director) : 9.68% 3. Mr. Nitin Garg (Independent Director) : 14.29% 4. Mr. Sanjay Bansal (C.F.O.) : 6.98% 5. Mr. Abhishek Agrawal (C.S) : 19.28%
3.	Percentage increase in the median remuneration of employees in the financial year	2%
4.	Number of permanent employees on the rolls of company	1630
5.	The Explanation on the relationship between average increase in remuneration and company performance	<p>Remuneration of employees has increased by 4% whereas the sale of the Company has marginally decreased by 7% & Profit after tax has increased by around 20%.</p> <p>Employee's remuneration has increased by 4% on the basis of employee's performance & their long term sustainability and most importantly the Industry trend while on the other hand the sale of Company has marginally decreased by 7 %, so, the average increase in the remuneration is in line with the performance of the company.</p>
6.	Comparison of the remuneration of the Key Managerial Personnel against the performance of the company	Company's Sales has marginally decreased by 7% during last financial year whereas the operating profit has been increased by 20% which itself indicates that the KMPs Remuneration is directly related to the Company performance as a whole.

7.	Variations in the market capitalisation of the Company, price earning ratio, market quote and its comparison	<p>a) The Market capitalisation as on March 31, 2016 was Rs.209.83 cr. (Rs. 173.85 crore as on March 31, 2015)</p> <p>b) Price Earnings ratio of the Company was 6.32 as at March 31, 2016 and was 6.00 as at March 31, 2015</p> <p>c) On the closing of financial year 2015-16 the market quote of share (face value of Rs. 2/-) is Rs. 95.35 as compared to Rs. 79 for the financial year 2014-15.</p>
8.	Average percentage increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentage increase in the managerial remuneration and Justification thereof and point out if there are any exceptional circumstances for increase in the managerial Remuneration.	<p>Average percentage increase already made in the salaries of employees other than the managerial personnel in the last financial year is 4 % in comparison of 11% increase in the managerial remuneration.</p> <p>Explanation: Remuneration of both employees & Managerial Personnel are based on Company's as well as Individual performance and there is no exceptional circumstance for increase in the managerial remuneration.</p>
9.	Comparison of the each remuneration of the Key Managerial Personnel against the performance of the Company.	The remuneration of the Key Managerial Personnel is in line with the performance of the Company and the current Industry trend.
10.	key parameters for any variable component of remuneration availed by the directors	No Variable component till date is introduced in the remuneration structure of Directors.
11.	Ratio of the remuneration of the highest paid director to that of the employees who are not directors but receive remuneration in excess of the highest paid director during the year	N.A.
12.	Affirmation that the remuneration is as per the remuneration policy of the company	It is hereby affirmed that the remuneration paid is as per the Remuneration Policy for Directors, Key Managerial Personnel and other Employees.
13.	Statement of particulars of employees under section 197(12).	The statement of particulars of employees under section 197(12) of the Act read with Rules 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is not being given as no employee is drawing salary, which requires disclosure under above section.

* The company didn't pay any remuneration to its any Non- Executive Independent Director during the Financial Year 2015 – 16.

REPORT ON CORPORATE GOVERNANCE

MANAGEMENT'S PERSPECTIVE ON CORPORATE GOVERNANCE

At Good Luck Steel, Corporate Governance has been an integral part of the way we have been doing our business since inception. We believe that good Corporate Governance emerges from the application of the best and sound management practices and compliance with the laws coupled with adherence to the highest standards of transparency and business ethics. Corporate Governance ensures fairness, transparency and integrity of the Management. The Company believes that sound Corporate Governance is critical for enhancing and retaining investor trust and thus seeks to ensure that its performance goals are met with integrity. The Company has established systems and procedures to ensure that its Board is well informed and well equipped to fulfill its overall responsibilities and to provide Management with the strategic direction needed to create long term shareholders value. The Company maintains highest levels of transparency, accountability and good Management practices through the adoption and monitoring of corporate strategies, goals and procedures to comply with its legal and ethical responsibilities. The Company has always worked towards building trust with shareholders, employees, customers, suppliers and other stakeholders based on the principles of good Corporate Governance.

Pursuant to Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") the Company has executed fresh Listing Agreements with the Stock Exchanges.

The Company is in compliance with the requirements stipulated under regulation 17 to 27 read with Schedule V and clauses (b) to (i) of sub-regulation (2) of regulation 46 of SEBI Listing Regulations, as applicable, with regard to corporate governance. The Directors fully endorse and support the essentials of Corporate Governance and accordingly herein below give a report on Corporate Governance.

BOARD OF DIRECTORS

The Company has a very balanced and diverse Board of Directors, which primarily takes care of the business needs and stakeholders' interest. The Board comprises persons of eminence with excellent professional achievements in their respective fields. The Non-executive Independent Directors on the Board are experienced, competent and highly renowned persons from the fields of finance & taxation, economics, law, governance etc. They take active part at the Board and Committee Meetings by providing valuable guidance to the Management on various aspects of business, policy direction, governance, compliance etc. and play critical role on strategic issues, which enhances the transparency and add value in the decision making process of the Board of Directors.

The composition of the Board also complies with the provisions of the Companies Act, 2013 and SEBI Listing Regulations. As on March 31, 2016, the Company has Seven Directors on its Board of which 4 Directors are Independent Directors which was more

than 50 % of the total number of Directors. At present the number of Non- Executive Directors (NEDs) is more than 50% of the total number of Directors. The composition of the Board is in conformity with Regulation 17 of the SEBI Listing Regulations read with Section 149 of the Act.

None of the Directors on the Board hold directorships in more than ten public companies. Further none of them is a member of more than ten committees or chairman of more than five committees 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 as on 31st March, 2016 are given below:

Name of the Director	Category	No. of Board Meetings attended		Attendance at last AGM (Yes/ No)	Relationships between Directors inter-se	No. of Directorships in other public Limited Cos.	No. of Chairmanship /Memberships of Committees in other Public Ltd. Cos. *	
		Held	Attended				Chairmanship	Membership
Mr. M.C. Garg	Promoter, Executive Chairman	10	10	Yes	Brother of Mr. R. C. Garg	-	-	-
Mr. R. C. Garg	Executive Director	10	10	Yes	Brother of Mr. M. C. Garg	-	-	-
Mr. Nitin Garg	Executive Director	10	9	Yes	Not Applicable	-	-	-
Mr. Vijender Kr. Tyagi	Independent, Non-Executive Director	10	9	Yes	Not Applicable	-	-	-
Mr. Iswar Chandra Agasti	Independent, Non-Executive Director	10	8	Yes	Not Applicable	-	-	-
Mr. Rahul Goel	Independent, Non-Executive Director	10	7	No	Not Applicable	-	-	-
Mrs. Kiran Garg	Independent, Non-Executive Director	10	6	No	Not Applicable	-	-	-

Details of equity shares of the Company held by the Non- Executive Directors as on March 31, 2016 are given below:

Name	Category	Number of equity shares
Mr. Vijender Kr. Tyagi	Independent, Non-Executive	0
Mr. Iswar Chandra agasti	Independent, Non-Executive	0
Mr. Rahul Goel	Independent, Non-Executive	0
Mrs. Kiran Garg	Independent, Non-Executive	0

The Company has not issued any convertible instruments.

NUMBER OF MEETINGS OF THE BOARD

Ten Board meetings were held during the year, as against the minimum requirement of four meetings.

Notes:-

1. During the Financial Year 2015-16, Ten Board Meetings were held and the gap between two meetings did not exceed four months. The Board Meetings were held on 28th April, 2015, 23rd May, 2015, 17th July, 2015, 02nd September, 2015, 07th September, 2015, 15th September, 2015, 26th October, 2015, 24th December, 2015, 13th February, 2016 and 14th March, 2016.
2. * Only two Committees, namely, Audit Committee and Shareholders'/Investors' Grievance Committee have been considered.
3. During the year 2015-16, information as mentioned in Schedule II Part A of the SEBI Listing Regulations, has been placed before the Board for its consideration.
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.
5. The details of the familiarisation programme of the Independent Directors are available on the website of the Company (<http://www.goodlucksteel.com>).

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, 2016. A declaration of compliance of this Code signed by Chairman is annexed to this report.

COMMITTEES OF THE BOARD

To focus effectively on the issues and ensure expedient resolution of diverse matters, the Board has constituted/Reconstituted a set of Committees with specific terms of reference / scope: Audit Committee, Corporate Social Responsibility, Nomination cum Remuneration Committee & Stakeholder Relationship 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 all Committees. Composition, terms of reference, number of meetings and related attendance etc., of these committees are detailed herein.

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 audit committee of the Company is constituted in line with the provisions of Regulation 18 of SEBI Listing Regulations, read with Section 177 of the Act.

As on March 31, 2016, the Committee has three Directors. Out of that two Directors are Non-Executive and Independent Directors in accordance with the prescribed guidelines. Mr. Vijender Kr. Tyagi, is the Chairman of the Committee. The other members are Mr. Rahul Goel and Mr. M. C. Garg. 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, 2013, 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;
5. The appointment, removal and terms of remuneration of the Chief Internal Auditor; and
6. Statement of Deviation, if any.

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, 7 (Seven) meetings of the Audit Committee were held on 28th April, 2015, 23rd May, 2015, 17th July, 2015, 15th September, 2015, 26th October, 2015, 13th February, 2016 and 14th March, 2016 in due compliance with the stipulated provisions. The attendance record of members of the Audit Committee is given as under:

S. No.	Name of the Member	Category	Member/Chairman	Meeting Attended
1.	Vijender Tyagi	Independent director	Chairman	7
2.	Rahul Goel	Independent director	Member	6
3.	Mahesh Chandra Garg	Whole-time director	Member	7

CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

Pursuant to section 135 of the Act and rules made thereunder the Board has constituted Corporate Social Responsibility Committee. The CSR Committee has prepared a transparent monitoring mechanism for ensuring implementation of the projects / programs / activities proposed to be undertaken by the Company.

The CSR Committee has the authority to obtain professional advice from external sources and have full access to information contained in the records of the Company as well as the powers to call any employee / external consultant or such other person(s) and for such purpose as may be deemed expedient for the purpose of accomplishments of overall CSR objectives laid down under the Act.

The CSR Committee will review the CSR activities of the Company and will provide progress update to the Board of Directors. The Composition of the Committee and other details has been given under related annexure to the Directors report.

NOMINATION CUM REMUNERATION COMMITTEE

The nomination and remuneration committee of the Company is constituted in line with the provisions of Regulation 19 of SEBI Listing Regulations, read with Section 178 of the Companies Act, 2013. The role of the Committee, inter alia, is following:

- a) To formulate a criteria for determining qualifications, positive attributes and independence of a Director.
- b) Formulate criteria for evaluation of Independent Directors and the Board.
- c) Identify persons who are qualified to become Directors and who may be appointed in Senior Management in accordance with the criteria laid down in this policy.
- d) To carry out evaluation of every Director's performance.
- e) To recommend to the Board the appointment and removal of Directors and Senior Management.
- f) To recommend to the Board policy relating to remuneration for Directors, Key Managerial Personnel and Senior Management.
- g) Ensure that level and composition of remuneration is reasonable and sufficient, relationship of remuneration to performance is clear and meets appropriate performance benchmarks.
- h) To devise a policy on Board diversity.
- i) To carry out any other function as is mandated by the Board from time to time and / or enforced by any statutory notification, amendment or modification, as may be applicable.
- j) To perform such other functions as may be necessary or appropriate for the performance of its duties.

The detail about Remuneration Policy and remuneration paid to all the directors has already been described in relevant section of the main report. The composition of the Committee and the detail about the meetings of Nomination Cum Remuneration Committee are as follows:

S. No.	Name of the Member	Category	Member/Chairman	Meeting Attended
1.	Iswar C. Agasti	Independent director	Chairman	5
2.	Rahul Goel	Independent director	Member	2
3.	Vijender Tyagi	Independent director	Member	5
4.	R C Garg*	Whole Time Director	Member	2
5.	M C Garg*	Whole Time Director	Member	3

*The Committee has been reconstituted on 2nd September, 2015. Mr. R C Garg, Whole time Director has been replaced by Mr. M C Garg, Chairman & Whole time Director of the Company.

During the year, 5 (Five) meetings of the nomination cum remuneration committee meetings were held on 28th April 2015, 23rd May 2015, 02nd September 2015, 24th December 2015 and 14th March 2016.

Performance Evaluation Criteria for Independent Directors:

The performance evaluation criteria for independent directors is determined by the Nomination and Remuneration committee. An indicative list of factors that may be evaluated include participation and contribution by a director, commitment, effective deployment of knowledge and expertise, effective management of relationship with stakeholders, integrity and maintenance of confidentiality and independence of behaviour and judgment.

Remuneration to the Whole Time Directors, Non-Executive Directors/ Independent Directors:

The shareholders of the Company has approved the appointment of Mr. M. C. Garg as Chairman & Whole Time Director and Mr. R. C. Garg and Mr. Nitin Garg as the whole time directors of the Company for a period of Five(5) years. The terms and conditions of their appointment including remuneration payable to him was approved which was in accordance with the provisions of Section 197, 203, Schedule V and other applicable provisions, if any, of the Companies Act, 2013 read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactments thereof, for the time being in force). The details of the Remuneration paid the Whole Time Directors, Non-Executive Directors/ Independent Directors have been mentioned earlier under the Board of Directors Report.

STAKEHOLDERS RELATIONSHIP COMMITTEE

The Board has Stakeholders Relationship Committee during the year keeping in line with the statutory requirement. The Committee specifically look into the redressal of

shareholders' complaints including complaints related to transfer of shares, non receipt of annual reports and non receipt of declared dividends. The Shareholders'/Investors' Grievance Committee consists of the following directors:

S. No.	Name of the Member	Category	Member/Chairman
1.	Vijender Tyagi	Independent director	Chairman
2.	M C Garg	Whole Time Director	Member
3.	R C Garg	Whole Time Director	Member

Mr. Abhishek Agrawal, Company Secretary acts as Secretary to the Committee who is also the Compliance Officer.

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 overall improvement in the quality of Investors Relation services.

Details pertaining to the numbers of complaints received and resolved and the status thereof during the financial year ended 31st March 2016 are given as follows:

Detail of complaints received/resolved during the year

- ❖ No. of Complaints received during the year : 6
- ❖ No. of Complaints not resolved to the satisfaction of Shareholders : Nil
- ❖ No. of Pending Complaints : Nil
- ❖ No. of Pending share transfer as on 31.03.2016 : Nil

GENERAL BODY MEETING

(I) Annual General Meeting (AGM) Detail

The last three Annual General Meeting were held at the Registered Office of the Company. The other detail is as follows:

YEARS	DAY, DATE and TIME	VENUE	SPECIAL RESOLUTION PASSED
2013	Monday, 30.09.2013 at 9.30 A.M.	5/102, Sikka Complex Community Centre, Preet Vihar, Delhi – 92	NIL
2014	Tuesday, 30.09.2014 at 9.30 A.M.	Aura Grand, 439, Jagriti Enclave, Delhi-92	Increase the Remuneration of Mr. Manish Garg and Mr. Umesh Garg under section 188 of the Act
2015	Wednesday 30.09.2015 at 9.30 A.M.	Aura Grand, 439, Jagriti Enclave, Delhi-92	Revision of the terms & conditions of the Appointment of Mr. M.C. Garg, as Chairman and Whole Time Director. Revision of the terms & conditions of the Appointment of Mr. R.C. Garg, as Whole Time Director. Approval under section 188 of the Companies Act, 2013 for enter into Related Party Transaction.

(II) Extra Ordinary General Meeting Detail

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

(III) Postal Ballot

During the year under review, no resolution was put through Postal Ballot.

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. During the year, no personnel have been denied access to the audit committee.

The policy for determining 'material' subsidiaries is disclosed and policy on dealing with related party transactions has been uploaded on the Company's website at www.goodlucksteel.com

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.

The Company has formulated a Whistle Blower Policy / Vigil Mechanism for the directors and employees (including their representative body) to report genuine concerns or grievances about unethical behavior, actual or suspected fraud or violation of the company's Code of Conduct or Ethics Policy. Such a vigil mechanism shall provide for adequate safeguards against victimization of directors and employees who avail of such mechanism and also make provisions for direct access to the Chairperson of Audit Committee in exceptional cases. The detail policy is uploaded on the website of the Company.

NEAPS (NSE Electronic Application Processing System), BSE Corporate Compliance & the Listing Centre:

NEAPS is a web-based application designed by NSE for corporate e-filing.

BSE Listing is a web-based application designed by BSE for corporate e-filing.

All periodical compliance filings, inter alia, shareholding pattern, Corporate Governance Report, corporate announcements, amongst others are in accordance with the Listing Regulations filed electronically with NEAPS and BSE Listing Centre.

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 format within 48 hours of the conclusion of the meeting of the Board in which they are considered, at least 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/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, shareholding pattern and other information are also available on www.bseindia.com and www.nseindia.com.

(IV) Presentations to institutional investors or Analysts

Presentations made to Institutional Investors and Analysts are uploaded on NEAPS and BSE Online Portal of NSE and BSE respectively and uploaded on the Company's website www.goodlucksteel.com

GENERAL SHAREHOLDER INFORMATION

(I) Annual General Meeting

Day, Date and Time	: Friday, September 30, 2016 at 9.30 A. M.
Venue	: Aura Grand, 439, Jagriti Enclave, Delhi-92
Date of Book Closure (both days Inclusive)	: From 24.09.2016 to 30.09.2016
Dividend Payout Date	: 28th October, 2016

(II) Financial Calendar 2016-17 (Tentative & subject to Change)

First Quarter Result	: July, 2016
Second Quarter Result	: October, 2016
Third Quarter Result	: January, 2017
Annual Results for the year ending on 31.03.2017	: May, 2017

(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

National Stock Exchange Limited

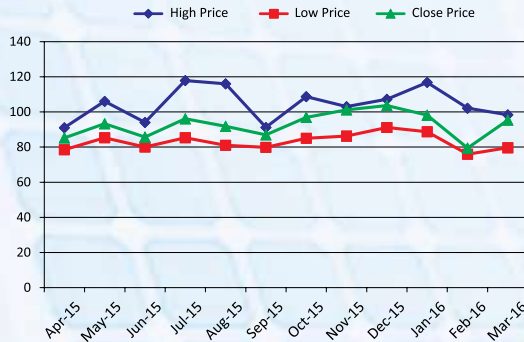
Exchange Plaza C-1, Block-G Bandra
Kurla Complex Bandra (E), Mumbai-400051
Stock Code : GOODLUCK

(IV) MARKET PRICE DATA

The monthly high/low market price of shares during last financial year 2015-16 at the Bombay Stock Exchange (BSE) is as under:

Month	High Price	Low Price	Close Price
Apr-15	91.00	78.45	85.2
May-15	106.00	85.3	93.25
Jun-15	94.00	80.00	85.65
Jul-15	117.85	85.25	96.05
Aug-15	116.00	81.00	91.75
Sep-15	91.15	79.8	86.95
Oct-15	108.70	85.00	96.90
Nov-15	103.00	86.20	101.15
Dec-15	107.20	91.10	103.60
Jan-16	116.80	88.70	98.10
Feb-16	102.10	75.95	79.40
Mar-16	98.35	79.60	95.35

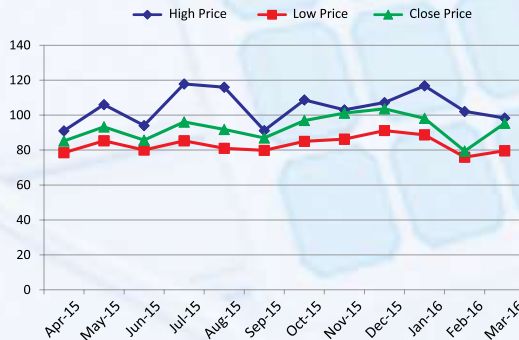
BSE SHARE PRICE PERFORMANCE



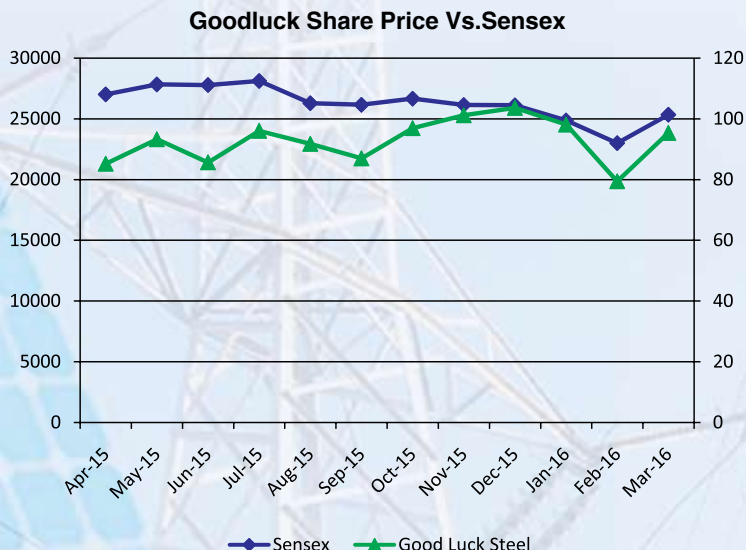
The monthly high/low market price of shares during last financial year 2015-16 at the National Stock Exchange (NSE) is as under:

Month	High Price	Low Price	Close Price
Apr-15	97.4	78.05	85.40
May-15	104.95	84.8	93.55
Jun-15	94.8	90.75	85.90
Jul-15	117.9	85.1	96.05
Aug-15	116.85	80	92.20
Sep-15	91.5	80	86.95
Oct-15	109	100.8	96.85
Nov-15	104	85.8	101.20
Dec-15	107.3	91.15	103.10
Jan-16	117.2	88	97.75
Feb-16	102.4	75	80.00
Mar-16	114	79.15	95.60

NSE SHARE PRICE PERFORMANCE



(V) Performance of the share price of the Company in comparison to the BSE Sensex:



(VI) 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

(VII) 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 statutory time limit.

A summary of approved transfers, transmissions, deletion requests, etc., are placed before the Board of Directors from time to time as per Listing Regulations. Your Company obtains a half-yearly compliance certificate from a Company Secretary in Practice as required under Listing Regulations (including any statutory modification(s) or re-enactment(s) for the time being in force) and files a copy of the said certificate with BSE & NSE.

(VIII) Distribution of Shareholding and Shareholding Pattern

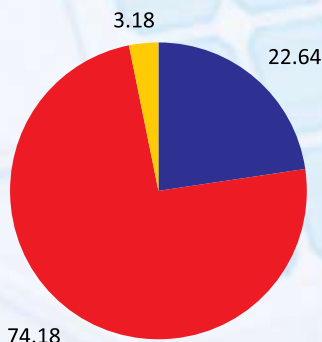
Distribution of shareholding and shareholding pattern of the shares as on 31.03.2016 are as follows:

SHARE HOLDING OF NOMINAL VALUE OF RS 2	SHARE HOLDERS		SHARES HELD	
	NUMBER	% TO TOTAL	NUMBER	% TO TOTAL
1 TO 5000	11476	96.170	3392331	15.415
5001 TO 10000	251	2.103	933977	4.244
10001 TO 20000	98	0.821	710933	3.231
20001 TO 30000	29	0.243	370709	1.685
30001 TO 40000	13	0.109	234667	1.066
40001 TO 50000	08	0.067	183080	0.832
50001 TO 100000	14	0.117	508847	2.312
100001 AND ABOVE	44	0.369	15671706	71.215
TOTAL	11933	100	22006250	100

(IX) Dematerialization of Shares and Liquidity

	NO. OF SHAREHOLDERS	% OF NO. OF SHAREHOLDERS	NO. OF SHARE	% OF SHARE HELD
NSDL	7338	61.50	4981742	22.64
CDSL	4077	34.16	16324500	74.18
PHYSICAL	518	4.34	700008	3.18
TOTAL SHARE HOLDERS	11933	100%	22006250	100%

Status of Physical and Demat % of shares



■ NSDL ■ CDSL ■ PHYSICAL

(X) Outstanding GDRs / ADRs / Warrants or any convertible instruments, conversion date and likely impact on equity:

The Company has not issued any GDRs / ADRs / Warrants or any convertible instruments in the past and hence as on March 31, 2016, the Company does not have any outstanding GDRs / ADRs / Warrants or any convertible instruments.

(XI) Commodity price risk or foreign exchange risk and hedging activities

The company has the exposure towards risk related to commodity price as well as the foreign exchange risk. The concern risks has been discussed under the Management Discussion and Analysis forming part of the Board Report.

(XII) 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.)	A-59, Industrial Area, Sikandrabad, Distt. Bulandshahar (U.P.)	D-2, 3 & 4 UPSIDC Gopalpur Industrial Area & Khata No. 5/17.73/18 & 75/9, Village Rajarampur, Sikandrabad(U.P.)
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(XIII) 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.) - 201001
Email: investor@goodlucksteel.com

AFFIRMATION OF COMPLIANCE WITH CODE OF CONDUCT

Pursuant to the requirements of Regulation 34(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board members and the Senior Management Personnel have confirmed compliance with the Code of Conduct for year ended 31.03.2016.

For Good Luck Steel Tubes Limited

Place: Ghaziabad
Date: 24th May, 2016

M. C. Garg
Chairman

COMPLIANCE CERTIFICATE ON COMPLIANCE OF CONDITIONS OF CORPORATE GOVERNANCE

To

The Members of Good Luck steel Tubes Limited

We have examined the compliance of the conditions of Corporate Governance by Good Luck Steel Tubes Limited for the year ended 31st March, 2016, as stipulated in Regulation 34(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The compliance of conditions of Corporate Governance is the responsibility of the management. Our Examination was limited to a review of procedures and implementations 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 Regulation 34(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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.

SANJEEV ANAND & ASSOCIATES
Chartered Accountants

Place: - Ghaziabad
Dated: - 24th May, 2016

(S. AGRAWAL)
Partner

Mem. No.: 072907
Firm Regn. No. 007171C

Standalone Financial Statements



INDEPENDENT AUDITORS' REPORT

**To The Members of
GOOD LUCK STEEL TUBES LIMITED**

Report on the Financial Statements

We have audited the accompanying standalone financial statements of Good Luck Steel Tubes Limited ("the Company"), which comprises the Balance Sheet as at March 31, 2016, the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under and the Order under section 143(11) of the Act.

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's

judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give true and fair view 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 Company's Directors, as well as evaluating the overall presentation of the financial statements.

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2016 and its profit and its cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in 'Annexure A' a statement on the matters specified in paragraphs 3 and 4 of the Order
2. As required by section 143(3) of the Act, we report that:
 - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the 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 it appears from our examination of those books.
 - c. The Balance Sheet, The Statement of Profit and Loss, and The Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - d. In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under section 133 of the Act read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - e. On the basis of written representations received from the directors as on March 31, 2016, taken on record by the Board of Directors, none of the Directors is disqualified as on 31st March, 2016, from being appointed as a Director in terms of Section 164 (2) of the Act.
 - f. With respect to the adequacy of the internal financial controls over financial reporting of the company and the operating effectiveness of such controls, refer to our separate report in "Annexure B" to this report.

- g. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us :
- (i) The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements.
 - (ii) The Company did not have any long term contracts including derivatives contracts for which they have any material foreseeable losses;
 - (iii) There were no amounts which required to be transferred by the company to the Investor Education and Protection Fund.

For **SANJEEV ANAND & ASSOCIATES**

Chartered Accountants
Firm Reg. No. 007171C

(S. AGARWAL)
Partner
M.NO. 072907

Place : GHAZIABAD
Date : 24th May 2016

ANNEXURE ‘A’ TO THE INDEPENDENT AUDITORS’ REPORT

(Referred to in paragraph 1 under ‘Report on Other Legal and Requirement’ section of our report of even date)

Report on Companies (Auditor’s Report) Order, 2016 (“the Order”) issued by the Central Government of India in terms of section 143(11) of the Companies Act, 2013 (“the Act”) of Good Luck Steel Tubes Limited (“the Company”):

1. In respect of fixed assets of the Company:
 - a. The company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
 - b. The fixed assets were physically verified during the year by the Management in accordance with a regular programme of verification which, in our opinion, is reasonable having regard to the size of the company and the nature of its assets. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
 - c. According to the information and explanations given to us and the records examined by us, we report that the immovable properties disclosed as fixed assets in the financial statements are held in the name of the company.
2. As explained to us, the inventories were physically verified during the year by the Management at reasonable intervals and no material discrepancies were noticed on such verification.
3. According to the information and explanations given to us, the company has not granted any loans, secured or unsecured to companies, firms, limited liability partnerships or other parties covered in the register maintained under section 189 of the Act.
4. In our opinion and according to the information and explanations given to us, the company has complied with the provisions of Sections 185 and 186 of the Act in respect of grant of loans, making investments and providing guarantees and securities, as applicable.
5. The company has not accepted any deposits during the year and does not have any unclaimed deposits as on 31st March, 2016.
6. We have broadly reviewed the books of account maintained by the Company pursuant to the rules made by the Central Government for the maintenance of cost records under section 148(1) of the Companies Act, 2013 and are of the opinion that prima facie, the specified accounts and records have been made and maintained. We have not, however, made a detailed examination of the same.
7. According to the information and explanations given to us, in respect of statutory dues:
 - a. The Company has generally been regular in depositing undisputed statutory

dues including provident fund, employees' state insurance, Income tax, sales tax, service tax, value added tax, duty of customs, duty of excise, cess and any other material statutory dues applicable to it with appropriate authorities.

- b. There were no undisputed amounts payable in respect of provident fund, employees' state insurance, Income tax, sales tax, service tax, value added tax, duty of customs, duty of excise, cess and any other material statutory dues in arrears as at 31st March, 2016 for a period of more than six months from the date they became payable.
- c. According to the records of the Company, the dues outstanding of income-tax, sales-tax, ,service tax, duty of custom, duty of excise, value added tax and cess on account of any dispute, are as follows:

Name of the Statute	Forum where dispute is pending	Financial Year to which the amount relates	Total Amt. (Rs. In Lacs)
Central Excise Act	CESTAT	2006-07, 2009-10, 2010-11, 2011-12, 2013-14,	125.22
Central Excise Act	Commissioner (Appeals)	2011-12, 2012-13, 2014-15	13.24
Commercial Tax U.P.	Commissioner (Appeals)	2011-12, 2014-15	297.62

8. In our opinion and according to the information and explanations given to us, the company has not defaulted in repayment of loans or borrowings to the banks. The Company does not have any outstanding dues in respect of financial institutions and debenture holders during the year.
9. Based on the information and explanations given to us by the management, term loan was applied for the purpose the loan was raised. The Company has not raised any money by way of initial public offer or further public offer (including debt instrument).
10. According to the information and explanations given to us, no material fraud by the company or on the company by its officers or employees has been noticed or reported during the course of our audit.
11. According to the information and explanations given to us, the management has paid managerial remuneration in accordance with the provisions of section 197 read with Schedule V to the Companies Act, 2013.
12. In our opinion, the Company is not a nidhi company. Therefore, the provisions of clause 3(xii) of the order are not applicable.
13. According to the information and explanations given to us, the transactions with the related parties are in compliance with Section 177 and 188 of the Companies Act 2013 where applicable and details have been disclosed in the notes to the financial statements, as required by the applicable accounting standards.

14. During the year, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures hence reporting under clause 3(xiv) of the order is not applicable to the Company.
15. According to the information and explanations given to us, the company has not entered in to any non-cash transaction with the director or persons connected with him as referred to in section 192 of the Companies Act, 2013.
16. According to the information and explanations given to us, the provisions of section 45-IA of the Reserve Bank of India Act, 1934 are not applicable to the Company.

For **SANJEEV ANAND & ASSOCIATES**

Chartered Accountants
Firm Reg. No. 007171C

(S. AGARWAL)
Partner
M.NO. 072907

Place : GHAZIABAD
Date : 24th May 2016

ANNEXURE 'B' TO THE INDEPENDENT AUDITORS' REPORT

(Referred to paragraph 2(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Report on the Internal Financial Control Over Financial Reporting under Clause (i) of Sub-section 3 of Section 143 of the Companies act, 2013 ('the Act')

We have audited the internal financial controls over financial reporting of Good Luck Steel Tubes Limited ("the Company") as on March 31, 2016 in conjunction with our audit of the financial statements of the company for the year ended and as on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal controls over financial reporting criteria established by the company considering essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India (the 'Guidance Note'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its asset, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of the reliable financial information, as required under the Act.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Standards of Auditing prescribed under Section 143(10) of the Act and the Guidance Note, to the extent applicable to an audit of internal financial controls. Those standards and the Guidance Note require that we comply with the ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial control system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the standalone financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial controls over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2016, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note.

For **SANJEEV ANAND & ASSOCIATES**

Chartered Accountants
Firm Reg. No. 007171C

(S. AGARWAL)
Partner
M.NO. 072907

Place : GHAZIABAD
Date : 24th May 2016

BALANCE SHEET

AS AT 31ST MARCH 2016

(₹ in lacs)

PARTICULARS	Note No.	As at 31.03.2016	As at 31.03.2015
<u>EQUITY AND LIABILITIES</u>			
Shareholder's Fund			
Share Capital	2	440.13	440.13
Reserves and Surplus	3	20,580.52	17,657.81
		21,020.65	18,097.94
Non-Current Liabilities			
Long-term borrowings	4	9,917.92	7,924.74
Deferred tax liabilities (Net)	5	2,239.51	1,704.57
Long term provisions	6	191.09	140.71
		12348.52	9,770.02
Current Liabilities			
Short-term borrowings	7	23,863.51	21,267.06
Trade payables	8	5,784.23	4,103.89
Other current liabilities	9	2,865.99	2,829.03
Short-term provisions	10	1,221.20	963.70
		33,734.93	29,163.68
	Total	67,104.10	57,031.64
<u>ASSETS</u>			
<u>Non-current Assets</u>			
Fixed Assets			
Tangible assets	11	22,666.13	19,287.22
Capital work-in-progress	11	755.78	364.95
Long term loans and advances	12	612.43	654.97
Investments	13	542.47	542.47
		24,576.81	20,849.61
<u>Current Assets</u>			
Inventories	14	18,378.31	15,060.60
Trade Receivables	15	17,218.23	14,985.02
Cash and cash equivalents	16	1,148.05	1,226.35
Short-term loans and advances	17	5,782.70	4,910.06
		42,527.29	36,182.03
	Total	67,104.10	57,031.64

The accompanying notes are an integral part of financial statements.

As per our report of even date annexed hereto

For SANJEEV ANAND & ASSOCIATES

Chartered Accountants

Firm Registration No. 007171C

(S. AGRAWAL)

Partner

M.No. 072907

Place : Ghaziabad

Date : 24th May 2016

On behalf of the Board of Directors

For Good Luck Steel Tubes Limited

(M. C. GARG)

Chairman

DIN NO. 00292437

(ABHISHEK AGRAWAL)

Company Secretary

(NITIN GARG)

Director

DIN NO. 02693146

(SANJAY BANSAL)

C.F.O.

STATEMENT OF PROFIT AND LOSS

FOR THE YEAR ENDED ON 31ST MARCH 2016

(₹ in lacs)

PARTICULARS	Note No.	Year ended on 31 st March, 2016	Year ended on 31 st March, 2015
Income			
Revenue from operations (Gross)	18	108,409.07	117,030.55
Less: Excise Duty		10,086.63	10,916.37
Revenue from operations (Net)		98,322.44	106,114.18
Other Income	19	1,148.73	2,710.56
Total (I)		99,471.17	108,824.74
Expenses			
Cost of raw materials consumed	20	70,537.54	82,751.31
Purchase of Stock-in-Trade	21	12.73	60.14
Changes in Inventories of Finished Goods, Stock-in-Process and Stock-in-Trade	22	(2,270.65)	(850.46)
Employee Benefit Expenses	23	4,566.03	3,818.65
Finance Cost	24	3,934.56	3,730.70
Depreciation & Amortization Expenses	25	1,489.18	1,130.77
Other Expenses	26	16,420.29	14,546.06
Total (II)		94,689.68	105,187.17
Profit before exceptional item & tax (I - II)		4,781.49	3,637.57
Exceptional Items		-	-
Profit before tax		4,781.49	3,637.57
Tax Expenses			
Income tax for previous year		14.32	(33.00)
Current Tax		1,020.45	765.65
Deferred Tax		534.95	258.45
MAT Credit Entitlement/ Tax Adjustment		(108.84)	(110.81)
Profit for the year		3,320.61	2,757.28
EARNINGS PER EQUITY SHARE		6.01	7.28
[Nominal value per share ₹ 2/- (Previous Year: ₹ 2/-)]			
Basic and Diluted	30	15.09	13.16

The accompanying notes are an integral part of financial statements.

As per our report of even date annexed hereto

For SANJEEV ANAND & ASSOCIATES

Chartered Accountants

Firm Registration No. 007171C

(S. AGRAWAL)

Partner

M.No. 072907

Place : Ghaziabad

Date : 24th May 2016

On behalf of the Board of Directors

For Good Luck Steel Tubes Limited

(M. C. GARG)

Chairman

DIN NO. 00292437

(ABHISHEK AGRAWAL)

Company Secretary

(NITIN GARG)

Director

DIN NO. 02693146

(SANJAY BANSAL)

C.F.O.

CASH FLOW STATEMENT

FOR THE YEAR ENDED 31.03.2016

(₹ in lacs)

DESCRIPTION		Year ended on 31 st March , 2 016	Year ended on 31 st March, 2015
<u>A. Cash Flow from operating activities:</u>			
Net Profit before tax as per Profit & Loss Account		4,781.49	3,637.57
Adjustment for:			
Depreciation		1,489.18	1,130.77
Pre-operative Expenses		-	-
Loss on Sale of Fixed Assets		(0.26)	4.15
Finance Cost		3,934.56	3,730.70
Operating Profit before working capital changes		10,204.97	8,503.19
Adjustment for:			
Trade and Other Receivables		(2,954.47)	3,708.57
Inventories		(3,317.71)	(1,320.91)
Trade and Other Payables		2,371.54	(1,924.58)
Cash Generated from Operating Activities		6,304.33	8,966.27
Taxes Paid		(1034.77)	(732.66)
Net Cash Flow From Operating Activities	TOTAL (A)	5,269.56	8,233.61
<u>B. Cash flow from Investing Activities</u>			
Purchase of Fixed Assets		(5,267.84)	(7,157.23)
Sale of Fixed Assets		9.17	5.89
Purchase of Investments		-	(327.87)
Net Cash used in Investing Activities	TOTAL (B)	(5,258.67)	(7,479.21)
<u>C. Cash flow from Financing Activities</u>			
Proceeds from issue of Equity Shares & Warrants		-	1,169.63
Proceeds from Borrowing for working capital		2,596.45	(1,378.24)
Proceeds from Borrowing for Term Loan		1036.65	3,926.95
Proceeds from Unsecured Loans		610.17	96.37
Interest Paid		(3,934.56)	(3,730.70)
Dividend Paid		(397.90)	(399.90)
Net Cash from Financing Activities	TOTAL (C)	(89.19)	(315.89)
Net increase in cash and cash Equivalents	(A + B + C)	(78.30)	438.51
Cash and cash equivalents at the beginning of the year		1,226.35	787.84
Cash and cash equivalents at the end of the year		1,148.05	1,226.35

As per our report of even date annexed hereto
For SANJEEV ANAND & ASSOCIATES
Chartered Accountants
Firm Registration No. 007171C
(S. AGRAWAL)
Partner
M.No. 072907

Place : Ghaziabad
Date : 24th May 2016

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

(M. C. GARG)
Chairman
DIN NO. 00292437
(ABHISHEK AGRAWAL)
Company Secretary

(NITIN GARG)
Director
DIN NO. 02693146
(SANJAY BANSAL)
C.F.O.

Notes on Financial Statement for the year ended 31st March, 2016

COMPANY OVERVIEW

Good Luck Steel Tubes Limited ('The Company') is an engineering product manufacturing conglomerate, engaged in manufacturing & also exporting of wide range of heavy engineered structure, transmission and distribution tower, CDW Tubes, Precision Tubes, Pipes, Sheets and forged engineering products. The Company is listed on BSE Ltd and National Stock Exchange Ltd.

1. SIGNIFICANT ACCOUNTING POLICIES

A. BASIS OF PREPARATION OF FINANCIAL STATEMENTS

The Company follows the mercantile system of accounting and recognizes income and expenses on accrual basis. The accounts are prepared on historical cost basis as a going concern. Accounting policies not referred to otherwise are consistent with generally accepted accounting principles and the provisions of the Companies Act, 2013. The financial statements comply with the requirements of the accounting standards notified under section 133 of the Companies Act, 2013 read with Rule 7 of Companies (Accounts) Rules, 2014.

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 has been provided based on life assigned to each asset in accordance with Schedule II of the Companies Act, 2013.

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. Derivative Financial Instruments

The Company uses derivative financial instruments such as forwards, swaps etc.

to hedge its risks associated with foreign exchange fluctuations. The use of financial derivative instruments is governed by company's policies which provide for the use of such financial derivative consistent with the company's risk management strategy and not for speculative purposes.

Derivative financial instruments entered into for hedging foreign exchange risks of recognised foreign currency monetary items are accounted for as per the principles laid down in Accounting Standard-11 "The effects of changes in foreign rates".

If no hedging relationship is designated, the fair value of the derivative financial instruments is marked to market through the Statement of Profit and Loss.

K. INVESTMENTS

Long-term investments are carried at cost less provision for diminution other than temporary, if any, in value of such investments.

L. 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.

M. LITIGATION

The Company is subject to legal proceedings and claims which have arisen in the ordinary course of business. The Company's management does not reasonably expect that these legal actions when ultimately concluded and determined will have a material and adverse affect on the Company's result of operations or financial condition.

N. 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.

2. SHARE CAPITAL

(₹ in lacs)

DESCRIPTION	As at 31.03.2016	As at 31.03.2015
(a) Share Capital		
<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>		
2,20,06,250 Equity Shares of ₹ 2/-each (Previous year	440.13	440.13
2,20,06,250 Equity Shares of ₹ 2/-each)		
<u>Paid-up Capital</u>		
2,20,06,250 Equity Shares of ₹ 2/-each (Previous year	440.13	440.13
2,20,06,250 Equity Shares of ₹ 2/-each		
TOTAL:	440.13	440.13

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.

(a) The reconciliation of number of shares outstanding is set out below:

DESCRIPTION	As at March 31, 2016		As at March 31, 2015	
	Number of Shares	Amount (₹ in lacs)	Number of Shares	Amount (₹ in lacs)
Equity shares				
Opening balance	22,006,250	440.13	19,921,250	398.43
Issued during the year	-	-	2,085,000	41.70
Closing balance	22,006,250	440.13	22,006,250	440.13

(b) The details of shareholders holding more than 5% shares:

Name of Shareholder		As at 31.03.2016	As at 31.03.2015
Venus Insec Pvt. Ltd.	No. of Shares	1035000	2285000
	% held	4.70	10.38
Mr. Nitin Garg	No. of Shares	1486750	1486750
	% held	6.76	6.76

3. RESERVES AND SURPLUS

(₹ in lacs)

DESCRIPTION	As at 31.03.2016	As at 31.03.2015
<u>Securities Premium Reserve</u>		
Balance as per the last financial statements	2,588.93	1,271.13
Add: Addition during the year	-	1,317.80
Closing Balance	2,588.93	2,588.93
<u>General Reserve</u>		
Balance as per the last financial statements	2,762.44	2,296.64
Less: Adjustment related to transitional provision as per Schedule II of the Companies Act, 2013		34.20
Add : Amount transferred from Surplus balance in the statement of Profit & Loss	600.00	500.00
Closing Balance	3,362.44	2,762.44
<u>Surplus in the statement of Profit & Loss</u>		
Balance as per the last financial statements	12,306.44	10,449.07
Add: Profit for the year	3,320.61	2,757.28
Amount available for appropriation	15,627.05	13,206.35
Less: Appropriations:		
Interim dividend	165.05	165.05
Proposed final dividend	165.05	165.05
Dividend for the previous year	-	3.26
Corporate dividend tax	67.80	66.55
Amount transferred to General Reserve	600	500.00
Closing Balance	14,629.15	12,306.44
TOTAL:	20,580.52	17,657.81

During the year the company has paid interim dividend of Rs. 0.75 (Previous Year- 0.75) per equity share of par value of Rs. 2/- each for the financial year 2015-16. Further the company has proposed final dividend of Rs. 0.75 (previous year Rs. 0.75) per equity share of par value Rs. 2/- each for the year 2015-16. Thus the total dividend (including interim dividend) for the financial year 2015-16 is Rs. 1.50 (previous year Rs. 1.50) per equity share of par value Rs. 2/- Each.

4. LONG-TERM BORROWINGS

(₹ in lacs)

DESCRIPTION	As at 31.03.2016	As at 31.03.2015
<u>Secured Term Loans:</u>		
From Axis Bank Ltd.	2,481.00	3,786.48
From State Bank of India	-	2.88
From HDFC Bank	4567.31	3,076.92
From Bajaj Finance Ltd.	1200.98	-
<u>Unsecured Loans:</u>		
From Related Parties	1,668.63	1,058.46
Net Amount	9,917.92	7,924.74
Term loans, except of Rs. 5.00 Crore from Bajaj Finance Ltd. secured by exclusive charge on specified Machinery are secured by way of first charge on fixed assets of the Company located at A-45, A-42, A-51, A-59 & D-4 Industrial Area, Sikandrabad, Distt. Bulandshahr 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		1,540.95
2-3 Years		2,167.65
3-4 Years		2,084.31
Beyond 4 years		2,456.38

5. DEFERRED TAX LIABILITY (Net)

(₹ in lacs)

DESCRIPTION	As at 31.03.2016	As at 31.03.2015
Deferred Tax Liability		
Related to Fixed Assets	2,264.78	1,752.27
Deferred Tax Assets		
Disallowances under the Income Tax Act, 1961	(25.27)	(47.70)
TOTAL:	2,239.51	1,704.57

6. LONG-TERM PROVISIONS

(₹ in lacs)

DESCRIPTION	As at 31.03.2016	As at 31.03.2015
Provision for Employees Benefits		
Provision for Gratuity / Leave Benefits	191.09	140.71
TOTAL:	191.09	140.71

7. SHORT TERM BORROWINGS

(₹ in lacs)

DESCRIPTION	As at 31.03.2016	As at 31.03.2015
<u>Secured Loans:</u>		
From Banks (Working Capital Loan)	23,717.12	21,120.67
From Others	146.39	146.39
TOTAL:	23,863.51	21,267.06

Working capital limits from Banks 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 from Banks 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. Loan from Others are secured by way of pledge of Key Men Life insurance policies of the company

8. TRADE PAYABLES

(₹ in lacs)

DESCRIPTION	As at 31.03.2016	As at 31.03.2015
Trade creditors	5,784.23	4,103.89
TOTAL:	5,784.23	4,103.89

9. OTHER CURRENT LIABILITIES

(₹ in lacs)

DESCRIPTION	As at 31.03.2016	As at 31.03.2015
Current maturities of long-term debt (Refer Note No. 4)	1,459.02	1,805.38
Unclaimed Dividends	23.98	16.38
Creditors for Capital Expenditure	380.54	175.19
Other Payables (Includes statutory dues, Provisions and advance recd.)	1,002.45	832.08
TOTAL:	2,865.99	2,829.03

10. SHORT-TERM PROVISIONS

(₹ in lacs)

DESCRIPTION	As at 31.03.2016	As at 31.03.2015
Mark-to-market loss on forward	2.10	-
Proposed Dividend*	165.05	165.05
<u>Provision for:</u>		
Tax on Dividend	33.60	33.00
Current Taxes	1,020.45	765.65
TOTAL:	1,221.20	963.70

* 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)

		GROSS BLOCK				DEPRECIATION				NET BLOCK		
S.No.	DESCRIPTION	As on 01.04.2015	Additions During the year	Adjust- ments During the year	Total as on 31.03.2016	Upto 01.04.2015	For the year	Set-off from Retained Earnings	Adjust- ments during the year	Total upto 31.03.2016	As on 31.03.2016	As on 31.03.2015
1	Land (Leasehold)	722.49	111.93	-	834.42	-	-	-	-	-	834.42	722.49
2	Land (Freehold)	347.37	78.15	-	425.52	-	-	-	-	-	425.52	347.37
3	Factory Building	4169.94	797.70	-	4967.64	571.64	132.64	-	-	704.28	4,263.36	3,598.30
4	Office Building	46.96	97.10	-	144.06	7.21	0.82	-	-	8.03	136.03	39.75
5	Residential Flat	28.52	-	-	28.52	1.96	0.45	-	-	2.41	26.11	26.56
6	Furniture & Fixtures	117.16	12.12	-	129.28	59.52	15.34	-	-	74.86	54.42	57.64
7	Plant & Machinery	18,334.91	3,538.55	20.05	21,853.41	4,330.30	1,204.35	-	20.05	5,514.60	16,338.81	14,004.61
8	Office Equipments	299.64	58.36	0.91	357.09	207.20	36.85	-	0.86	243.19	113.90	92.44
9	Vehicles	777.98	183.09	34.84	926.23	379.91	98.72	-	25.96	452.67	473.56	398.07
		24,844.97	4,877.00	55.80	29,666.17	5,557.74	1,489.18	-	46.87	7,000.04	22,666.13	19,287.23
10	Capital Work in Progress	364.95	4,691.32	4,300.49	755.78	-	-	-	-	-	755.78	364.95
	Total Current Year	25,209.92	9,568.32	4,356.29	30,421.95	5,557.74	1,489.18	-	46.87	7,000.04	23,421.91	19,652.17
	Previous Year	18,068.55	19,958.18	12,816.81	25,209.92	4,3298.60	1,130.77	34.20	5.82	5,557.74	19,652.17	13,669.96

12. LONG TERM LOANS & ADVANCES

(₹ in lacs)

DESCRIPTION	As at 31.03.2016	As at 31.03.2015
(Unsecured, Considered good unless stated otherwise)		
Capital Advances	366.56	421.82
Security Deposits	245.87	233.15
TOTAL	612.43	654.97

13. INVESTMENTS

(₹ in lacs)

DESCRIPTION	As at 31.03.2016	As at 31.03.2015
In Equity Shares - Unquoted, fully paid up Equity Shares of Subsidiary Company		
23,84,500 (Previous Year 23,84,500) shares of Rs. 10/- each of Masterji Metalloys Pvt. Ltd.	542.47	542.47
TOTAL	542.47	542.47

14. INVENTORIES

(₹ in lacs)

DESCRIPTION	As at 31.03.2016	As at 31.03.2015
(As taken, valued and certified by the management) (At lower of cost and net realizable value unless stated otherwise)		
Raw Materials	7,290.62	6,279.73
Work-in-progress	2,506.60	1,051.93
Finished Goods	7,760.87	6,944.89
Stores, Spares & Packing Materials	820.22	784.05
TOTAL:	18,378.31	15,060.60

15. TRADE RECEIVABLES

(₹ in lacs)

DESCRIPTION	As at 31.03.2016	As at 31.03.2015
(Unsecured, Considered good unless stated otherwise)		
Outstanding for a period exceeding six months from the date, they are due for payment	1,487.52	1,366.23
Others	15,730.71	13,618.79
TOTAL:	17,218.23	14,985.02

16. CASH AND BANK BALANCES

(₹ in lacs)

DESCRIPTION	As at 31.03.2016	As at 31.03.2015
Cash in hand	60.32	35.59
Balances with Banks in current and deposit accounts	1,087.73	1,190.76
TOTAL:	1,148.05	1,226.35

Balances with banks in unclaimed dividend accounts	23.98	16.38
Balances with banks held as margin money deposits against bank guarantees/ LCs / tenders	927.10	1,027.15

Cash and bank balances as on 31st March 2016 and 31st March 2015 include restricted cash and bank balances of ₹ 951.08 Lacs and ₹ 1043.53 Lacs respectively. The restrictions are primarily on account of bank balances held as margin money deposits against bank guarantees/ letter of credit and unclaimed dividends.

17. SHORT TERM LOANS & ADVANCES

(₹ in lacs)

DESCRIPTION	As at 31.03.2016	As at 31.03.2015
(Unsecured, considered good unless stated otherwise)		
Advances recoverable in cash or in kind or for value to be received	1,828.75	903.12
Security Deposits	25.82	10.77
Mark-to-market gain on forward	-	438.67
Other Loans and advances:		
Prepaid Income Tax	932.30	654.62
Prepaid Expenses	180.31	128.03
Balances with statutory / government authorities	2,595.88	2,664.04
MAT Credit Entitlement	219.64	110.81
TOTAL:	5,782.70	4,910.06

18. REVENUE FROM OPERATIONS

(₹ in lacs)

DESCRIPTION	As at 31.03.2016	As at 31.03.2015
Gross Sales	108,398.03	117,023.55
Less: Excise Duty	10,086.63	10,916.37
Net Sales	98,311.40	106,107.18
Job Work	11.04	7.00
TOTAL:	98,332.44	106,114.18

19. OTHER INCOME

(₹ in lacs)

DESCRIPTION	As at 31.03.2016	As at 31.03.2015
Export Benefits	775.55	1,335.12
Interest Income	141.59	161.17
Exchange Fluctuation	205.66	1,197.61
Other Income	25.93	16.66
TOTAL:	1,148.73	2,710.56

20. COST OF RAW MATERIAL CONSUMED

(₹ in lacs)

DESCRIPTION	As at 31.03.2016	As at 31.03.2015
Inventory at the beginning of the year	6,279.73	6,012.45
Add: Purchases	71,548.43	83,018.59
-	77,828.16	89,031.04
Less: Inventory at the end of the year	7,290.62	6,279.73
Cost of raw material consumed	70,537.54	82,751.31

20.1 Value of Imported/Indigenous Raw Material Consumed

(₹ in lacs)

DESCRIPTION	As at 31.03.2016	As at 31.03.2015
Imported	4,826.09	-
Imported (% of consumption)	6.84%	0.00%
Indigenous	65,711.45	82,751.31
Indigenous (% of consumption)	93.16%	100.00%
TOTAL:	70,537.54	82,751.31

20.2 Details of Raw Material Consumed

(₹ in lacs)

DESCRIPTION	As at 31.03.2016	As at 31.03.2015
H.R. Coils / Strips / Skelp	50,981.72	58,685.89
Steel Ingots & Blooms	8,851.47	12,501.08
Others	10,704.35	11,564.34
TOTAL:	70,537.54	82,751.31

21. PURCHASE OF STOCK-IN-TRADE

(₹ in lacs)

DESCRIPTION	As at 31.03.2016	As at 31.03.2015
Purchases of Stock-in-trade	12.73	60.14
TOTAL:	12.73	60.14

22. CHANGES IN INVENTORIES OF FINISHED GOODS, STOCK -IN-PROCESS AND STOCK-IN-TRADE

(₹ in lacs)

DESCRIPTION	As at 31.03.2016	As at 31.03.2015
Inventories at the beginning of the year		
Work-in-progress	1,051.93	819.76
Finished goods / Stock-in-Trade	6,944.89	6,326.61
	7,996.82	7,146.37
Inventories at the end of the year		
Work-in-progress	2,506.60	1,051.93
Finished goods / Stock-in-Trade	7,760.87	6,944.89
	10,267.47	7,996.82
TOTAL:	(2,270.65)	(850.46)

23. EMPLOYEE BENEFIT EXPENSES

(₹ in lacs)

DESCRIPTION	As at 31.03.2016	As at 31.03.2015
Salaries, Wages & Bonus	4,275.53	3,594.70
Contribution to provident and other fund	210.30	175.60
Staff Welfare Expenses	80.20	48.35
TOTAL:	4,566.03	3,818.65

24. FINANCE COST

(₹ in lacs)

DESCRIPTION	As at 31.03.2016	As at 31.03.2015
Interest on borrowings	3,563.25	3,264.53
Bank Commission & Charges	371.31	466.17
TOTAL:	3,934.56	3,730.70

25. DEPRECIATION & AMORTIZATION EXPENSES

(₹ in lacs)

DESCRIPTION	As at 31.03.2016	As at 31.03.2015
Depreciation	1,489.18	1,130.77
TOTAL:	1,489.18	1,130.77

26. OTHER EXPENSES

(₹ in lacs)

DESCRIPTION	As at 31.03.2016	As at 31.03.2015
Consumption of stores and spares	4,140.80	4,142.52
Power & Fuel Expenses	3,161.14	2,692.18
Processing Charges	1,766.51	1,087.73
Repairs & Maintenance :		
Plant & Machinery	486.41	327.86
Others	105.90	77.48
Freight & Forwarding	3,871.39	3,668.91
Advertisement	32.86	25.24
Commission & Other Exp	498.81	461.74
Selling & Sales Promotion	48.19	29.01
Rebate & Discount	317.27	532.96
Packing Materials	810.00	589.60
Printing & Stationery	32.55	35.67
Postage, Telegram & Telephone	92.16	72.90
Travelling and Conveyance	624.01	474.00
Legal & Professional Expenses	143.92	72.45
Audit Fees	3.50	3.00
Insurance	54.84	62.29
Rates, Taxes & Fees	101.37	78.99
CSR Expenses	21.08	-
Miscellaneous Expenses	107.58	107.38
Loss on Sale of Fixed Assets	-	4.16
TOTAL:	16,420.29	14,546.06

26.1. Value of Stores & Spares Consumed

(₹ in lacs)

DESCRIPTION	As at 31.03.2016	As at 31.03.2015
Imported	81.74	20.27
Imported (% of consumption)	1.97%	0.49%
Indigenous	4,059.06	4,122.25
Indigenous (% of consumption)	98.03%	99.51%
TOTAL:	4,140.80	4,142.52

27. VALUE OF IMPORTS ON CIF BASIS IN RESPECT OF:

(₹ in lacs)

DESCRIPTION	As at 31.03.2016	As at 31.03.2015
Stores & Spares	81.74	20.27
Capital goods	611.52	17.59
TOTAL:	693.26	37.86

28. PAYMENT TO AUDITORS

(₹ in lacs)

DESCRIPTION	As at 31.03.2016	As at 31.03.2015
Auditors		
Statutory Audit Fees	3.00	2.50
Tax Audit Fees	0.50	0.50
Certificate and Consultation Fees	0.72	0.41
TOTAL:	4.22	3.41

29. EXPENDITURE IN FOREIGN CURRENCY

(₹ in lacs)

DESCRIPTION	As at 31.03.2016	As at 31.03.2015
Interest and Bank Charges	31.74	29.26
Tours & Travelling	95.68	65.50
Advertisement & Subscription	13.54	20.38
Consultancy Charges	3.37	-
Commission & Export Expenses	403.12	397.69

30. EARNING PER SHARE

(₹ in lacs)

DESCRIPTION	As at 31.03.2016	As at 31.03.2015
Net profit after tax as per Statement of Profit and Loss attributable to Equity Shareholders (₹ in Lacs)	3,320.61	2,757.28
Weighted average No. of Equity Shares	2206250	20948442
Basic and Diluted Earning per share (₹)	15.09	13.16
Face value per equity share (₹)	2.00	2.00

31. EARNING IN FOREIGN CURRENCY

(₹ in lacs)

DESCRIPTION	As at 31.03.2016	As at 31.03.2015
FOB Value of Exports	25,883.61	32,166.42

32. DIVIDEND TO NON RESIDENT SHAREHOLDERS

(₹ in lacs)

DESCRIPTION	As at 31.03.2016	As at 31.03.2015
No. of Non-Resident Shareholders	13	12
No. of Equity Shares held by them	152900	152500
1. Amount of final dividend	1.15	0.46
Year to which final dividend relates	2014-15	2013-14
2. Amount of interim dividend	1.15	1.14
Year to which interim dividend relates	2015-16	2014-15

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.	Subsidiary				
Shri M. C. Garg	Key Management Personnel				
Shri R. C. Garg					
Shri Nitin Garg					
Shri Manish Garg	Relatives of Key Management Personnel				
Shri Umesh Garg					
R.A. Garments LLP	Others (Enterprises Over which Key Management Personnel are able to exercise significant influence)				
Excellent Fincap Pvt. Ltd.					
Shri Jee Housing Pvt Ltd.					
(ii) Transactions during the year with related parties:				₹ in Lacs	
Nature of Transactions	Subsidiary	Key Management Personnel	Relatives of Key Mgt. Personnel	Others	Total
<u>Loans Taken:</u>					
Current Year		-	-	969.20	969.20
Previous Year	-	-	-	1,824.07	1,824.07
<u>Loans Repaid:</u>					
Current Year			-	453.94	453.94
Previous Year	-	26.50	-	1,291.37	1,317.87
<u>Interest Paid:</u>					
Current Year		-	-	105.45	105.45
Previous Year	-	-	-	80.17	80.17
<u>Remuneration Paid:</u>					
Current Year		110.40	69.60	-	180.00
Previous Year	-	99.60	62.40	-	162.00
<u>Processing Charges</u>					
Current Year	296.26	-	-	-	296.26
Previous Year	501.15	-	-	-	501.15
<u>Rent Paid</u>					
Current Year	7.50	-	-	-	7.50
Previous Year	-	-	-	-	-
<u>Goods sold:</u>					
Current Year	466.93	-	-	-	466.93
Previous Year	2,109.13	-	-	-	2,109.13

34. CONTINGENT LIABILITIES AND COMMITMENTS

(₹ in lacs)

DESCRIPTION	As at 31.03.2016	As at 31.03.2015
Contingent Liabilities		
1. Outstanding bank guarantees issued by the banks Counter guaranteed by the Company	912.17	535.44
2. Bills discounted with Banks	1,658.22	2,244.35
3. Disputed demand under Central Excise & Commercial Tax U.P.	436.88	130.86
Commitments		
i) Estimated amount of contracts remaining to be executed on Capital Account and not provided for	666.56	625.52

35. FINANCIAL AND DERIVATIVE INSTRUMENTS

(₹ in lacs)

The Company has entered into the following derivative instruments. All the swaps and forward contracts are accounted for as per accounting policies stated in Note "J" annexed to the balance sheet and statement of profit and loss.		
(1) The Company uses foreign currency forward contracts to hedge its risk associated with foreign currency fluctuations. The use of foreign currency forward contracts is governed by the company's strategy approved by the board of director which provide principles on the use of such forward contracts consistent with the company's risk management policy. The company does not use forward contract for speculative purposes Particulars of outstanding Short term forward exchange contracts entered into by the company on account of receivables including forecast receivables :		
DESCRIPTION	As at 31.03.2016	As at 31.03.2015
No. of Contracts	43	113
US Dollar equivalent	5,483,091	15,887,459
INR equivalent	3,637.09	9,944.09
(2) The Company also uses derivative currency interest rate swap contracts other than forward contract on its capital account. Such transactions are governed by the company's strategy approved by the board of directors which provide principles on the use of these instruments consistent with the company's risk management policy. The company does not use these contracts for speculative purposes. Particulars of outstanding Short term forward exchange contracts entered into by the company on account of receivables including forecast receivables :		
No. of Contracts	2	4
US Dollar equivalent	1,029,135.79	3,597,326.55
INR equivalent	682.66	2,251.60

36. SEGMENT INFORMATION

A. Business Segments		
The Company has identified two segments viz. Pipe/Sheets/Structure/Auto Tubes & Engineering goods . 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/ Auto Tubes /Sheet/Structure segment includes heavy engineered structure, transmission and distribution tower, CDW Tubes, Precision Tubes, Pipes, Sheet, and their scrap and by-products.		
ii) The Engineering Goods segment includes stainless/mild/alloy steel forgings, bright bars, flanges and their scrap.		
INFORMATION ABOUT BUSINESS SEGMENTS		
Segment Revenue, Results, Assets & Liabilities		(₹ in lacs)
	Year ended on 31.03.2016	Year ended on 31.03.2015
Segment Revenue		
a) Pipe/ Auto Tubes/Sheet/Structure		
- External	85,358.13	90,067.15
- Inter-segment	-	-
- Total	85,358.13	90,067.15
b) Engineering goods		
- External	13,945.52	18,579.76
- Inter-segment	15.02	0.51
- Total	13,960.54	18,580.27
Total Segment Revenue	99318.67	108,647.42
Less: Inter Segment Revenue	15.02	0.51
Net Sales / Income from Operations	99,303.65	108,646.91
Add: Unallocable Revenue	167.52	177.83
Total Revenue	99,471.17	108,824.74
Segment Results		
Profit before interest and tax from each segment		
a) Pipe/ Auto Tubes/Sheet/Structure	7,539.44	6,071.70
b) Engineering goods	1,009.09	1,118.74
Total Segment Results	8,548.53	7,190.44
Add: Unallocable Income	167.52	177.83
Less: Finance cost	3,934.56	3,730.70
Profit before tax	4,781.49	3,637.57
Less: Provision for taxes	1,460.88	880.29
Profit after tax	3,320.61	2,757.28

36. OTHER INFORMATION

(₹ in lacs)

DESCRIPTION	As at 31.03.2016	As at 31.03.2015
Segment Assets		
a) Pipe/ Auto Tubes/Sheet/Structure	52,860.46	43,939.90
b) Engineering goods	13,316.55	12,064.58
Total	66,177.00	56,004.48
Add: Unallocable Assets	927.10	1,027.15
Total Assets	67,104.10	57,031.63
Segment Liabilities		
a) Pipe/ Auto Tubes/Sheet/Structure	4,128.62	2,042.85
b) Engineering goods	3,454.43	3,423.44
Total	7,583.04	5,466.29
Add: Unallocable Liabilities	1,020.45	765.65
Total Liabilities	8,603.49	6,231.94
Capital Expenditure		
a) Pipe/ Auto Tubes/Sheet/Structure	4,853.10	6,852.52
b) Engineering goods	414.73	288.86
Total	5,267.83	7,141.38
Depreciation		
a) Pipe/ Auto Tubes/Sheet/Structure	1,264.53	854.65
b) Engineering goods	224.64	276.12
Total	1,489.17	1,130.77
Non Cash Expenses other than Depreciation		
a) Pipe/ Auto Tubes/Sheet/Structure	-	-
b) Engineering goods	-	-
Total	-	-
B. Geographical Segments		
Revenue		
- Within India	72,815.05	76,153.17
- Outside India	26,656.12	32,671.57
Total Revenue	99,471.17	108,824.74

37. During the year, the Company has incurred an amount of Rs. 21.08 Lacs. (Previous year NIL) towards Corporate Social Responsibility expenditure.

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

As per our report of even date annexed hereto

For SANJEEV ANAND & ASSOCIATES

Chartered Accountants

Firm Registration No. 007171C

(S. AGRAWAL)

Partner

M.No. 072907

Place : Ghaziabad

Date : 24th May 2016

On behalf of the Board of Directors

For Good Luck Steel Tubes Limited

(M. C. GARG)

Chairman

DIN NO. 00292437

(ABHISHEK AGRAWAL)

Company Secretary

(NITIN GARG)

Director

DIN NO. 02693146

(SANJAY BANSAL)

C.F.O.

Consolidated Financial Statements



INDEPENDENT AUDITORS' REPORT

To The Members of
GOOD LUCK STEEL TUBES LIMITED

Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of Good Luck Steel Tubes Limited ("the Company") and its subsidiary company (the Company and its subsidiary company together referred as 'the Group'), which comprises the Consolidated Balance Sheet as at March 31, 2016, the Consolidated Statement of Profit and Loss and Consolidated Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information ('the consolidated financial statements').

Management's Responsibility for the Consolidated Financial Statements

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

Auditor's Responsibility

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

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

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

whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the consolidated financial statements that give true and fair view 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 Company's Directors, as well as evaluating the overall presentation of the consolidated financial statements.

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at March 31, 2016 and its consolidated profit and its consolidated cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by section 143(3) of the Act, we report, to the extent applicable, that:
 - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit of the aforesaid consolidated financial statements.
 - b. In our opinion, proper books of account as required by law relating to preparation of the consolidated financial statements have been kept by the Group so far as it appears from our examination of those books.
 - c. The Consolidated Balance Sheet, The Consolidated Statement of Profit and Loss, and The Consolidated Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - d. In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under section 133 of the Act read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - e. On the basis of written representations received from the directors of the company as on March 31, 2016, taken on record by the Board of Directors, none of the Directors of the Group is disqualified as on 31st March, 2016, from being appointed as a Director in terms of Section 164 (2) of the Act.

- f. With respect to the adequacy of the internal financial controls over financial reporting of the company and the operating effectiveness of such controls, refer to our report in "Annexure A", which is based on the auditors' reports of the Holding company and subsidiary company. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Holding Company's / Subsidiary company's internal financial controls over financial reporting.
- g. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us :
- (i) The Group has disclosed the impact of pending litigations on the consolidated financial position of the Group in its consolidated financial statements.
 - (ii) The Group did not have any long term contracts including derivatives contracts for which they have any material foreseeable losses;
 - (iii) There were no amounts which required to be transferred by the company and its subsidiary company to the Investor Education and Protection Fund.

For **SANJEEV ANAND & ASSOCIATES**

Chartered Accountants
Firm Reg. No. 007171C

(S. AGARWAL)
Partner

M.NO. 072907

Place : GHAZIABAD
Date : 24th May 2016

ANNEXURE 'A' TO THE INDEPENDENT AUDITORS' REPORT

(Referred to paragraph 1(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Report on the Internal Financial Control Over Financial Reporting under Clause (i) of Sub-section 3 of Section 143 of the Companies act, 2013 ('the Act')

In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended 31st March, 2016, we have audited the internal financial controls over financial reporting of Good Luck Steel Tubes Limited ("the Company") and its subsidiary company as of that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal controls over financial reporting criteria established by the company considering essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India (the 'Guidance Note'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its asset, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of the reliable financial information, as required under the Act.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Standards on Auditing prescribed under Section 143(10) of the Act and the Guidance Note, to the extent applicable to an audit of internal financial controls. Those standards and the Guidance Note require that we comply with the ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial control system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the standalone financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial controls over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company and its subsidiary company have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2016, based on the internal control over financial reporting criteria established by the Company and its subsidiary company considering the essential components of internal control stated in the Guidance Note.

For **SANJEEV ANAND & ASSOCIATES**

Chartered Accountants

Firm Reg. No. 007171C

(S. AGARWAL)

Partner

M.NO. 072907

Place : GHAZIABAD

Date : 24th May 2016

CONSOLIDATED BALANCE SHEET

AS AT 31ST MARCH 2016

(₹ in lacs)

PARTICULARS	Note No.	As at 31.03.2016	As at 31.03.2015
<u>EQUITY AND LIABILITIES</u>			
Shareholder's Fund			
Share Capital	2	440.13	440.13
Reserves and Surplus	3	20,577.43	17,694.16
		21,017.56	18,134.29
		-	
Non-Current Liabilities			
Long-term borrowings	4	9,937.91	7,944.74
Deferred tax liabilities (Net)	5	2,262.12	1,755.91
Long term provisions	6	191.09	140.71
		12,391.12	9,841.36
Current Liabilities			
Short-term borrowings	7	23,863.51	21,759.12
Trade payables	8	5,809.79	4,346.91
Other current liabilities	9	2,865.99	2,853.29
Short-term provisions	10	1,221.20	972.20
		33,760.49	29,931.52
-	Total	67,169.17	57,907.17
<u>ASSETS</u>			
Non-current Assets			
Fixed Assets			
Tangible assets	11	23,403.80	20,160.82
Capital work-in-progress	11	795.78	404.43
Goodwill on Consolidation		131.41	131.41
Long term loans and advances	12	671.40	786.36
-		25,002.39	21,483.02
Current Assets			
Inventories	13	18,378.31	15,256.92
Trade Receivables	14	16,751.31	14,853.75
Cash and cash equivalents	15	1,151.81	1,265.80
Short-term loans and advances	16	5,885.35	5,047.68
		42,166.78	36,424.15
-	Total	67,169.17	57,907.17

The accompanying notes are an integral part of financial statements.

As per our report of even date annexed hereto

For SANJEEV ANAND & ASSOCIATES

Chartered Accountants

Firm Registration No. 007171C

(S. AGRAWAL)

Partner

M.No. 072907

Place : Ghaziabad

Date : 24th May 2016

On behalf of the Board of Directors

For Good Luck Steel Tubes Limited

(M. C. GARG)

Chairman

DIN NO. 00292437

(ABHISHEK AGRAWAL)

Company Secretary

(NITIN GARG)

Director

DIN NO. 02693146

(SANJAY BANSAL)

C.F.O.

CONSOLIDATED STATEMENT OF PROFIT AND LOSS

FOR THE YEAR ENDED ON 31ST MARCH 2016

(₹ in lacs)

PARTICULARS	Note No.	Year ended on 31 st March, 2016	Year ended on 31 st March, 2015
Income			
Revenue from operations (Gross)	17	108,830.92	118,688.69
Less: Excise Duty		10,133.50	11,098.90
Revenue from operations (Net)		98,697.42	107,589.79
Other Income	18	1,155.19	2,718.78
Total (I)		99,852.61	110,308.57
Expenses			
Cost of raw materials consumed	19	70,781.31	83,678.45
Purchase of Stock-in-Trade	20	12.73	60.14
Changes in Inventories of Finished Goods, Stock-in-Process and Stock-in-Trade	21	(2,246.02)	(871.29)
Employee Benefit Expenses	22	4,627.54	3,909.03
Finance Cost	23	3,969.54	3,790.02
Depreciation & Amortization Expenses	24	1,509.56	1,167.94
Other Expenses	25	16,488.81	14,891.96
Total (II)		95,143.47	106,626.25
Profit before exceptional item & tax (I - II)		4,709.14	3,682.32
Exceptional Items		-	-
Profit before tax		4,709.14	3,682.32
Tax Expenses			
Income tax for previous year		14.32	(33.00)
Current Tax		1,020.45	774.15
Deferred Tax		506.21	268.55
MAT Credit Entitlement/ Tax Adjustment		(113.01)	(114.96)
Profit for the year		3,281.17	2,787.58
EARNINGS PER EQUITY SHARE			
[Nominal value per share ₹ 2/- (Previous Year: Regular ₹ 2/-)]			
Basic and Diluted	30	14.91	13.31

The accompanying notes are an integral part of financial statements.

As per our report of even date annexed hereto

For SANJEEV ANAND & ASSOCIATES

Chartered Accountants

Firm Registration No. 007171C

(S. AGRAWAL)

Partner

M.No. 072907

Place : Ghaziabad

Date : 24th May 2016

On behalf of the Board of Directors

For Good Luck Steel Tubes Limited

(M. C. GARG)

Chairman

DIN NO. 00292437

(ABHISHEK AGRAWAL)

Company Secretary

(NITIN GARG)

Director

DIN NO. 02693146

(SANJAY BANSAL)

C.F.O.

CONSOLIDATED CASH FLOW STATEMENT

FOR THE YEAR ENDED ON 31ST MARCH 2016

(₹ in lacs)

DESCRIPTION		Year ended on 31 st March, 2016	Year ended on 31 st March, 2015
<u>A. Cash Flow from operating activities:</u>			
Net Profit before tax as per Profit & Loss Account		4,709.14	3,682.32
<u>Adjustment for:</u>			
Depreciation		1,509.56	1,167.94
Pre-operative Expenses		-	-
Loss on Sale of Fixed Assets		30.66	3.81
Finance Cost		3,969.54	3,790.02
Operating Profit before working capital changes		10,218.90	8,644.09
<u>Adjustment for:</u>			
Trade and Other Receivables		(2,507.25)	3,580.06
Inventories		(3,121.39)	(1,403.30)
Trade and Other Payables		2,121.32	(1,827.24)
Cash Generated from Operating Activities		6,711.58	8,993.61
Taxes Paid		(1034.77)	(741.15)
Net Cash Flow From Operating Activities	TOTAL (A)	5,676.81	8,252.46
<u>B. Cash flow from Investing Activities</u>			
Purchase of Fixed Assets		(5,269.25)	(7,196.04)
Sale of Fixed Assets		94.69	13.68
Purchase of Investments		-	(327.87)
Net Cash used in Investing Activities	TOTAL (B)	(5,174.56)	(7,510.23)
<u>C. Cash flow from Financing Activities</u>			
Proceeds from issue of Equity Shares & Warrants		-	1,169.63
Proceeds from Borrowing for working capital		2,104.39	(1,385.11)
Proceeds from Borrowing for Term Loan		1036.63	3,926.95
Proceeds from Unsecured Loans		610.17	116.37
Interest Paid		(3,969.54)	(3,790.02)
Dividend Paid		(397.89)	(399.90)
Net Cash from Financing Activities	TOTAL (C)	(616.24)	(362.08)
Net increase in cash and cash Equivalents	(A + B + C)	(113.99)	380.14
Cash and cash equivalents at the beginning of the year		1,265.80	885.66
Cash and cash equivalents at the end of the year		1,151.81	1,265.80

As per our report of even date annexed hereto

For SANJEEV ANAND & ASSOCIATES

Chartered Accountants

Firm Registration No. 007171C

(S. AGRAWAL)

Partner

M.No. 072907

Place : Ghaziabad

Date : 24th May 2016

On behalf of the Board of Directors

For Good Luck Steel Tubes Limited

(M. C. GARG)

Chairman

DIN NO. 00292437

(ABHISHEK AGRAWAL)

Company Secretary

(NITIN GARG)

Director

DIN NO. 02693146

(SANJAY BANSAL)

C.F.O.

Notes on Consolidated Financial Statement for the year ended 31st March, 2016

1 SIGNIFICANT ACCOUNTING POLICIES

A. BASIS OF PREPARATION OF FINANCIAL STATEMENTS

The Company and its subsidiary company follow the mercantile system of accounting and recognize income and expenses on accrual basis. The consolidated accounts are prepared on historical cost basis as a going concern. Accounting policies not referred to otherwise are consistent with generally accepted accounting principles and the provisions of the Companies Act, 2013. The consolidated financial statements comply with the requirements of the accounting standards notified under section 133 of the Companies Act, 2013 read with Rule 7 of Companies (Accounts) Rules, 2014.

B. PRINCIPLES OF CONSOLIDATION

The financial statements of the subsidiary company used in the consolidation are drawn up to the same reporting date as of the Company.

The consolidated financial statements have been prepared on the following basis:

1. The financial statements of the Company and its subsidiary company have been combined on a line by line basis by adding together like items of assets, liabilities, income and expenses. Inter-company balances and transactions and unrealized profits or losses have been fully eliminated.
2. The excess of the cost to the parent of its investments in a subsidiary over the parent's portion of equity at the date on which investment in the subsidiary is made, is recognized as 'Goodwill (on consolidation)'.

C. USE OF ESTIMATES

The preparation of financial statements requires estimates and assumptions to be made by management of the Group 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.

D. FIXED ASSETS

The fixed assets of the Holding Company 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.

E. DEPRECIATION AND AMORTISATION

Depreciation has been provided based on life assigned to each asset in accordance with Schedule II of the Companies Act, 2013.

F. 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.

G. 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.

H. 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.

I. 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.

J. 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.

K. DERIVATIVE FINANCIAL INSTRUMENTS

The Company uses derivative financial instruments such as forwards, swaps etc. to hedge its risks associated with foreign exchange fluctuations. The use of financial derivative instruments is governed by company's policies which provide for the use of such financial derivative consistent with the company's risk management strategy and not for speculative purposes.

Derivative financial instruments entered into for hedging foreign exchange risks of recognised foreign currency monetary items are accounted for as per the principles laid down in Accounting Standard-11 "The effects of changes in foreign rates".

If no hedging relationship is designated, the fair value of the derivative financial instruments is marked to market through the Statement of Profit and Loss.

L. INVESTMENTS

Long-term investments are carried at cost less provision for diminution other than temporary, if any, in value of such investments.

M. 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.

N. LITIGATION

The Company is subject to legal proceedings and claims which have arisen in the ordinary course of business. The Company's management does not reasonably expect that these legal actions when ultimately concluded and determined will have a material and adverse affect on the Company's result of operations or financial condition.

O. 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.

P. 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.

2. Share Capital

(₹ in lacs)

DESCRIPTION	As at 31.03.2016	As at 31.03.2015
(a) Share Capital		
<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>		
2,20,06,250 Equity Shares of ₹ 2/-each (Previous year	440.13	440.13
2,20,06,250 Equity Shares of ₹ 2/-each)		
<u>Paid-up Capital</u>		
2,20,06,250 Equity Shares of ₹ 2/-each (Previous year	440.13	440.13
2,20,06,250 Equity Shares of ₹ 2/-each		
TOTAL:	440.13	440.13

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

(a) The reconciliation of number of shares outstanding is set out below:

DESCRIPTION	As at March 31, 2016		As at March 31, 2015	
	Number of Shares	Amount (₹ in lacs)	Number of Shares	Amount (₹ in lacs)
Equity shares				
Opening balance	22,006,250	440.13	19,921,250	398.43
Issued during the year	-	-	2,085,000	41.70
Closing balance	22,006,250	440.13	22,006,250	440.13

(b) The details of shareholders holding more than 5% shares:

Name of Shareholder		As at 31.03.2016	As at 31.03.2015
Venus Insec Pvt.Ltd.	No. of Shares	1035000	2285000
	% held	4.70	10.38
Mr. Nitin Garg	No. of Shares	1486750	1486750
	% held	6.76	6.76

3. RESERVES AND SURPLUS

(₹ in lacs)

DESCRIPTION	As at 31.03.2016	As at 31.03.2015
<u>Securities Premium Reserve</u>		
Balance as per the last financial statements	2,651.43	1,333.63
Add: Addition during the year	-	1,317.80
Closing Balance	2,651.43	2,651.43
<u>General Reserve</u>		
Balance as per the last financial statements	2,762.44	2,297.33
Less: Adjustment related to transitional provision as per Schedule II of the Companies Act, 2013	-	34.89
Add : Amount transferred from Surplus balance in the statement of Profit & Loss	600.00	500.00
Closing Balance	3,362.44	2,762.44
<u>Surplus in the statement of Profit & Loss</u>		
Balance as per the last financial statements	12,280.29	10,392.62
Add: Profit for the year	3,281.17	2,787.58
Amount available for appropriation	15,561.46	13,180.20
Less: Appropriations:		
Interim dividend	165.05	165.05
Proposed final dividend	165.05	165.05
Dividend for the previous year	-	3.26
Corporate dividend tax	67.80	66.55
Amount transferred to General Reserve	600.00	500.00
Closing Balance	14,563.56	12,280.29
TOTAL:	20,577.43	17,694.16
<p>During the year the Holding company has paid interim dividend of Rs. 0.75 (Previous Year- Rs. 0.75/-) per equity share of par value of Rs. 2/- each for the financial year 2015-16. Further the Holding company has proposed final dividend of Rs. 0.75 (previous year Rs. 0.75) per equity share of par value Rs. 2/- each for the year 2015-16. Thus the total dividend (including interim dividend) for the financial year 2015-16 is Rs. 1.50 (previous year Rs. 1.50) per equity share of par value Rs. 2/- Each.</p>		

4. LONG-TERM BORROWINGS

(₹ in lacs)

DESCRIPTION	As at 31.03.2016	As at 31.03.2015
<u>Secured Term Loans:</u>		
From Axis Bank Ltd.	2,481.00	3,786.48
From State Bank of India	-	2.88
From HDFC Bank	4567.30	3,076.92
From Bajaj Finance Ltd.	1200.98	-
<u>Unsecured Loans:</u>		
From Related Parties	1,668.63	1,078.46
Net Amount	9,937.91	7,924.74
Term loans of the Holding company, except of Rs. 5.00 Crore from Bajaj Finance Ltd. secured by exclusive charge on specified Machinery are secured by way of first charge on fixed assets of the Company located at A-45, A-42, A-51, A-59 & D-4 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		1,540.95
2-3 Years		2,167.65
3-4 Years		2,084.31
Beyond 4 years		2,456.37

5. DEFERRED TAX LIABILITY (Net)

(₹ in lacs)

DESCRIPTION	As at 31.03.2016	As at 31.03.2015
Deferred Tax Liability		
Related to Fixed Assets	2,287.39	1,803.61
Deferred Tax Assets		
Disallowances under the Income Tax Act, 1961	(25.27)	(47.70)
TOTAL:	2,262.12	1,755.91

6. LONG-TERM PROVISIONS

(₹ in lacs)

DESCRIPTION	As at 31.03.2016	As at 31.03.2015
Provision for Employees Benefits		
Provision for Gratuity / Leave Benefits	191.09	140.71
TOTAL:	191.09	140.71

7. SHORT TERM BORROWINGS

(₹ in lacs)

DESCRIPTION	As at 31.03.2016	As at 31.03.2015
<u>Secured Loans:</u>		
From Banks (Working Capital Loan)	23,717.12	21,612.73
From Others	146.39	146.39
TOTAL:	23,863.51	21,759.12

Working capital limits of the Holding company from Banks comprising of Cash credit Limits / Export credit Limits / Bills discounted/ Buyer's Credit are secured by first charge on entire current assets of the Holding 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 from Banks are further secured by way of second charge on entire fixed assets of the Holding Company, equitable mortgage of two immovable properties belonging to the directors of the Holding 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 Holding Company and their relatives. Loan from Others are secured by way of pledge of Key Men Life insurance policies of the Holding company. Overdraft limits of the subsidiary company were secured by equitable mortgage over the property situated at D-2 & D-3 Gopalpur, Industrial Area, Sikandrabad, Distt. Bulandshahr; Khata No. 5, Gata No. 17, Village Rajarampur Pargana & Tehsil Sikandarabad; Khata No. 75, Gata No. 9, Village Rajarampur Pargana & Tehsil Sikandarabad and Khata No. 73, Gata No. 18, Village Rajarampur Pargana & Tehsil Sikandarabad. Overdraft limits were further secured by personal guarantee of the directors of the Subsidiary Company and corporate guarantee of Shri Jee Housing Pvt. Ltd. which were repaid during the year.

8. TRADE PAYABLES

(₹ in lacs)

DESCRIPTION	As at 31.03.2016	As at 31.03.2015
Trade creditors	5,809.79	4,346.91
TOTAL:	5,809.79	4,346.91

9. OTHER CURRENT LIABILITIES

(₹ in lacs)

DESCRIPTION	As at 31.03.2016	As at 31.03.2015
Current maturities of long-term debt (Refer Note No. 4)	1,459.02	1,805.38
Unclaimed Dividends	23.98	16.38
Creditors for Capital Expenditure	380.53	175.19
Other Payables (Includes statutory dues, Provisions and advance recd.)	1,002.46	856.34
TOTAL:	2,865.99	2,853.29

10. SHORT-TERM PROVISIONS

(₹ in lacs)

DESCRIPTION	As at 31.03.2016	As at 31.03.2015
Mark-to-market loss on forward	2.10	-
Proposed Dividend*	165.05	165.05
<u>Provision for:</u>		
Tax on Dividend	33.60	33.00
Current Taxes	1,020.45	774.15
TOTAL:	1,221.20	972.20
* 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)

S.No.	DESCRIPTION	GROSS BLOCK				DEPRECIATION				NET BLOCK	
		As on 01.04.2015	Additions During the year	Adjustments During the year	Total as on 31.03.2016	Upto 01.04.2015	For the year	Set-off from Retained Earnings	Adjustments during the year	Total upto 31.03.2016	As on 31.03.2016
1	Land (Leasehold)	722.49	111.93	-	834.42	-	-	-	-	-	834.42
2	Land (Freehold)	447.92	78.15	-	526.07	-	-	-	-	-	526.07
3	Factory Building	4,466.71	797.70	-	5,264.41	622.01	141.61	-	-	763.62	4,500.79
4	Office Building	46.96	97.09	-	144.05	7.21	0.82	-	-	8.03	136.02
5	Residential Flat	28.52	-	-	28.52	1.96	0.45	-	-	2.41	26.11
6	Furniture & Fixtures	117.42	12.12	-	129.54	59.60	15.37	-	-	74.97	54.57
7	Plant & Machinery	19,010.64	3,538.84	199.39	22,350.09	4,482.77	1,214.82	-	83.58	5,614.01	16,736.08
8	Office Equipments	307.41	58.97	1.73	364.65	211.80	37.76	-	1.06	248.50	116.15
9	Vehicles	777.99	183.09	34.84	926.24	379.91	98.72	-	25.98	452.65	473.59
		25,926.06	4,877.89	235.96	30,567.99	5,765.26	1,509.55	-	110.62	7,164.19	23,403.80
10	Capital Work in Progress	404.43	4,691.83	4,300.48	795.78	-	-	-	-	-	795.78
	Total	26,330.49	9,569.72	4,536.44	31,363.76	5,765.26	1,509.55	-	110.62	7,164.19	24,199.57
	Previous Year	19,166.63	19,996.98	12,833.12	26,330.49	4,577.12	1,167.94	34.89	14.68	5,765.25	20,565.23
											13,669.96

12. LONG TERM LOANS & ADVANCES

(₹ in lacs)

DESCRIPTION	As at 31.03.2016	As at 31.03.2015
(Unsecured, Considered good unless stated otherwise)		
Capital Advances	366.56	421.82
Security Deposits	277.52	341.40
MAT credit entitlement	27.32	23.14
TOTAL:	671.40	786.36

13. INVENTORIES

(₹ in lacs)

DESCRIPTION	As at 31.03.2016	As at 31.03.2015
(As taken, valued and certified by the management) (At lower of cost and net realizable value unless stated otherwise)		
Raw Materials	7,290.62	6,449.09
Work-in-progress	2,506.60	1,051.93
Finished Goods	7,760.87	6,969.52
Stores, Spares & Packing Materials	820.22	786.38
TOTAL:	18,378.31	15,256.92

14. TRADE RECEIVABLES

(₹ in lacs)

DESCRIPTION	As at 31.03.2016	As at 31.03.2015
(Unsecured, Considered good unless stated otherwise)		
Outstanding for a period exceeding six months from the date, they are due for payment	1,487.52	1,366.23
Others	15,263.79	13,487.52
TOTAL:	16,751.31	14,853.75

15. CASH AND BANK BALANCES

(₹ in lacs)

DESCRIPTION	As at 31.03.2016	As at 31.03.2015
Cash in hand	60.59	58.07
Balances with Banks		
In current and deposit accounts	1,091.22	1,207.73
TOTAL:	1,151.81	1,265.80

Balances with banks in unclaimed dividend accounts	23.98	16.38
Balances with banks held as margin money deposits against bank guarantees/ LCs / tenders	932.10	1,108.75

Cash and bank balances as on 31st March 2016 and 31st March 2015 include restricted cash and bank balances of Rs. 956.08 Lacs and Rs. 1125.13 Lacs respectively. The restrictions are primarily on account of bank balances held as margin money deposits against bank guarantees/ letter of credit and unclaimed dividends.

16. SHORT TERM LOANS & ADVANCES

(₹ in lacs)

DESCRIPTION	As at 31.03.2016	As at 31.03.2015
(Unsecured, considered good unless stated otherwise)		
Advances recoverable in cash or in kind or for value to be received	1,859.27	938.80
Security Deposits	25.82	10.77
Mark-to-market gain on forward	-	438.67
Other Loans and advances:		
Prepaid Income Tax	939.58	665.75
Prepaid Expenses	180.31	128.13
Balances with statutory / government authorities	2,660.72	2,754.75
MAT Credit Entitlement	219.65	110.81
TOTAL:	5,885.35	5,047.68

17. REVENUE FROM OPERATIONS

(₹ in lacs)

DESCRIPTION	As at 31.03.2016	As at 31.03.2015
Gross Sales	108,819.88	118,681.69
Less: Excise Duty	10,133.50	11,098.90
Net Sales	98,686.38	107,582.79
Job Work	11.04	7.00
TOTAL:	98,697.42	107,589.79

18. OTHER INCOME

(₹ in lacs)

DESCRIPTION	As at 31.03.2016	As at 31.03.2015
Export Benefits	775.55	1,335.12
Interest Income	148.05	169.03
Exchange Fluctuation	205.66	1,197.61
Other Income	25.93	17.02
TOTAL:	1,155.19	2,718.78

19. COST OF RAW MATERIAL CONSUMED

(₹ in lacs)

DESCRIPTION	As at 31.03.2016	As at 31.03.2015
Inventory at the beginning of the year	6,449.09	6,120.35
Add: Purchases	71,622.84	84,007.20
-	78,071.93	90,127.55
Less: Inventory at the end of the year	7,290.62	6,449.09
Cost of raw material consumed	70,781.31	83,678.45

19.1 Value of Imported/Indigenous Raw Material Consumed

(₹ in lacs)

DESCRIPTION	As at 31.03.2016	As at 31.03.2015
Imported	4,826.09	-
Imported (% of consumption)	6.82%	0.00%
Indigenous	65,955.22	83,678.45
Indigenous (% of consumption)	93.18%	100.00%
TOTAL:	70,781.31	83,678.45

19.2 Details of Raw Material Consumed

(₹ in lacs)

DESCRIPTION	As at 31.03.2016	As at 31.03.2015
H.R. Coils / Strips / Skelp	50,981.72	58,685.89
Steel Ingots & Blooms	8,851.47	12,501.08
Others	10,948.12	12,491.48
TOTAL:	70,781.31	83,678.45

20. PURCHASE OF STOCK-IN-TRADE

(₹ in lacs)

DESCRIPTION	As at 31.03.2016	As at 31.03.2015
Purchases of Stock-in-trade	12.73	60.14
TOTAL:	12.73	60.14

21. CHANGES IN INVENTORIES OF FINISHED GOODS, STOCK -IN-PROCESS AND STOCK-IN-TRADE

(₹ in lacs)

DESCRIPTION	As at 31.03.2016	As at 31.03.2015
Inventories at the beginning of the year		
Work-in-progress	1,051.93	819.76
Finished goods / Stock-in-Trade	6,969.52	6,330.40
	8,021.45	7,150.16
Inventories at the end of the year		
Work-in-progress	2,506.60	1,051.93
Finished goods / Stock-in-Trade	7,760.87	6,969.52
	10,267.47	8,021.45
TOTAL:	(2,246.02)	(871.29)

22. EMPLOYEE BENEFIT EXPENSES

(₹ in lacs)

DESCRIPTION	As at 31.03.2016	As at 31.03.2015
Salaries, Wages & Bonus	4,333.52	3,675.01
Contribution to provident and other fund	213.65	185.16
Staff Welfare Expenses	80.37	48.88
TOTAL:	4,627.54	3,909.03

23. FINANCE COST

(₹ in lacs)

DESCRIPTION	As at 31.03.2016	As at 31.03.2015
Interest on borrowings	3,598.06	3,323.32
Bank Commission & Charges	371.48	466.70
TOTAL:	3,969.54	3,790.02

24. DEPRECIATION & AMORTIZATION EXPENSES

(₹ in lacs)

DESCRIPTION	As at 31.03.2016	As at 31.03.2015
Depreciation	1,509.56	1,167.94
TOTAL:	1,509.56	1,167.94

25. OTHER EXPENSES

(₹ in lacs)

DESCRIPTION	As at 31.03.2016	As at 31.03.2015
Consumption of stores and spares	4,147.38	4,164.23
Power & Fuel Expenses	3,383.29	3,409.15
Processing Charges	1,572.23	676.92
Repairs & Maintenance :		
Plant & Machinery	487.71	328.67
Others	106.04	77.48
Freight & Forwarding	3,874.07	3,680.63
Advertisement	32.85	25.24
Commission & Other Exp	498.81	461.74
Selling & Sales Promotion	48.19	29.01
Rebate & Discount	317.27	532.96
Packing Materials	810.00	589.60
Printing & Stationery	32.77	36.28
Postage, Telegram & Telephone	92.62	73.42
Travelling and Conveyance	624.09	474.34
Legal & Professional Expenses	144.66	73.21
Audit Fees	3.75	3.50
Insurance	56.10	63.91
Rates, Taxes & Fees	101.73	79.34
CSR Expenses	21.08	-
Miscellaneous Expenses	103.25	108.17
Loss on Sale of Fixed Assets	30.92	4.16
TOTAL:	16,488.81	14,891.96

25.1. Value of Stores & Spares Consumed

(₹ in lacs)

DESCRIPTION	As at 31.03.2016	As at 31.03.2015
Imported	81.74	20.27
Imported (% of consumption)	1.97%	0.49%
Indigenous	4,065.64	4,143.96
Indigenous (% of consumption)	98.03%	99.51%
TOTAL:	4,147.38	4,164.23

26 (a). Particulars of subsidiaries:

Name of the Company	Country of Incorporation	Percentage of Voting Power as at 31.03.2016	Percentage of Voting Power as at 31.03.2015
Masterji Metalloys Pvt. Ltd	India	100.00	100.00

26 (b). The Contribution of the subsidiary during the year is as under :

Name of the Subsidiary	Revenue	Net profit/ (loss)	Net Assets
Masterji Metalloys Pvt. Ltd	1,082.31	(39.45)	407.96

27. VALUE OF IMPORTS ON CIF BASIS IN RESPECT OF:

(₹ in lacs)

DESCRIPTION	As at 31.03.2016	As at 31.03.2015
Stores & Spares	81.74	20.27
Capital goods	611.52	17.59
TOTAL:	693.26	37.86

28. PAYMENT TO AUDITORS

(₹ in lacs)

DESCRIPTION	As at 31.03.2016	As at 31.03.2015
Auditors		
Statutory Audit Fees	3.15	2.85
Tax Audit Fees	0.60	0.65
Certificate and Consultation Fees	0.72	0.41
TOTAL:	4.47	3.91

29. EXPENDITURE IN FOREIGN CURRENCY

(₹ in lacs)

DESCRIPTION	As at 31.03.2016	As at 31.03.2015
Interest and Bank Charges	31.74	29.26
Tours & Travelling	95.68	65.50
Advertisement & Subscription	13.54	20.38
Consultancy Charges	3.37	-
Commission & Export Expenses	403.12	397.69

30. EARNING PER SHARE

(₹ in lacs)

DESCRIPTION	As at 31.03.2016	As at 31.03.2015
Net profit after tax as per Statement of Profit and Loss attributable to Equity Shareholders (₹ in Lacs)	3,281.17	2,787.58
Weighted average No. of Equity Shares	22006250	20948442
Basic and Diluted Earning per share (₹)	14.91	13.31
Face value per equity share (₹)	2.00	2.00

31. EARNING IN FOREIGN CURRENCY

(₹ in lacs)

DESCRIPTION	As at 31.03.2016	As at 31.03.2015
FOB Value of Exports	25,883.61	32,166.42

32. REMITTANCE IN FOREIGN CURRENCY ON ACCOUNT OF DIVIDEND

The Holding 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:

DESCRIPTION	As at 31.03.2016	As at 31.03.2015
No. of Non-Resident Shareholders	13	12
No. of Equity Shares held by them	152900	152500
1. Amount of final dividend	1.15	0.46
Year to which final dividend relates	2014-15	2013-14
2. Amount of interim dividend	1.15	1.14
Year to which interim dividend relates	2015-16	2014-15

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.	Subsidiary				
Shri M. C. Garg Shri R. C. Garg Shri Nitin Garg Shri Ram Agarwal Shri Rajat Garg	Key Management Personnel				
Shri Manish Garg Shri Umesh Garg Smt. Archana Garg Shri Dhruv Agarwal Smt. Kanak Lata Smt. Anju Garg Shri Sushil Kumar Garg Shri Saras Garg	Relatives of Key Management Personnel				
R.A. Garments LLP Excellent Fincap Pvt. Ltd. Shri Jee Housing Pvt Ltd.	Others (Enterprises Over which Key Management Personel are able to exercise significant influence)				
(ii) Transactions during the year with related parties:				₹ in Lacs	
Nature of Transactions	Subsidiary	Key Manage- ment Personnel	Relatives of Key Mgt. Personnel	Others	Total
<u>Loans Taken:</u>					
Current Year	-	-	-	969.20	969.20
Previous Year	-	20.00	-	1,834.07	1,854.07
<u>Loans Repaid:</u>					
Current Year	-	-	-	453.94	453.94
Previous Year	-	26.50	67.20	1,301.37	1,395.07
<u>Interest Paid:</u>					
Current Year	-	-	-	105.45	105.45
Previous Year	-	-	-	80.17	80.17
<u>Remuneration Paid:</u>					
Current Year	-	169.20	109.80	-	279.00
Previous Year	-	151.80	92.85	-	244.65

34. CONTINGENT LIABILITIES AND COMMITMENTS

(₹ in lacs)

DESCRIPTION	As at 31.03.2016	As at 31.03.2015
Contingent Liabilities		
1. Outstanding bank guarantees issued by the banks Counter guaranteed by the Company	917.17	617.04
2. Bills discounted with Banks	1,658.22	2,244.35
3. Disputed demand under Central Excise & Commercial Tax U.P.	436.69	130.86
Commitments		
i) Estimated amount of contracts remaining to be executed on Capital Account and not provided for	666.56	625.52

35. FINANCIAL AND DERIVATIVE INSTRUMENTS

(₹ in lacs)

The Holding Company has entered into the following derivative instruments. All the swaps and forward contracts are accounted for as per accounting policies stated in Note "J" annexed to the balance sheet and statement of profit and loss.		
(1) The Holding Company uses foreign currency forward contracts to hedge its risk associated with foreign currency fluctuations. The use of foreign currency forward contracts is governed by the company's strategy approved by the board of director which provide principles on the use of such forward contracts consistent with the Holding company's risk management policy. The company does not use forward contract for speculative purposes.		
Particulars of outstanding Short term forward exchange contracts entered into by the Holding company on account of receivables including forecast receivables :		
DESCRIPTION	As at 31.03.2016	As at 31.03.2015
No. of Contracts	43	113
US Dollar equivalent	5,483,091	15,887,459
INR equivalent	3,637.09	9,944.09
(2) The Holding Company also uses derivative currency interest rate swap contracts other than forward contract on its capital account. Such transactions are governed by the Holding company's strategy approved by the board of directors which provide principles on the use of these instruments consistent with the Holding company's risk management policy. The Holding company does not use these contracts for speculative purposes.		
Particulars of outstanding interest currency rate swap contracts :		
DESCRIPTION	As at 31.03.2016	As at 31.03.2015
No. of Contracts	2	4
US Dollar equivalent	1,029,135.79	3,597,326.55
INR equivalent	682.66	2,251.60

36. SEGMENT INFORMATION

A. Business Segments		
The Group has identified three segments viz. Pipe/Sheets/Structure/Auto Tubes, Engineering goods & Steel Product. 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 group.		
The segments are further described below:		
i) The Pipe/ Auto Tubes /Sheet/Structure segment includes heavy engineered structure, transmission and distribution tower, CDW Tubes, Precision Tubes, Pipes, Sheet, and their scrap and by-products.		
ii) The Engineering Goods segment includes stainless/mild/alloy steel forgings, bright bars, flanges and their scrap.		
iii) Steel Product includes mild steel ingot and runner riser		
INFORMATION ABOUT BUSINESS SEGMENTS		
Segment Revenue, Results, Assets & Liabilities		(₹ in lacs)
	As at 31.03.2016	As at 31.03.2015
Segment Revenue		
a) Pipe/Sheet/Structure		
- External	84,992.17	88,503.98
- Inter-segment	365.96	1,563.17
- Total	85,358.13	90,067.15
b) Engineering goods		
- External	13,914.35	18,341.15
- Inter-segment	46.19	239.12
- Total	13,960.54	18,580.27
c) Steel Product		
- External	772.09	3,277.39
- Inter-segment	296.26	501.55
- Total	1,068.35	3,778.94
Total Segment Revenue	100,387.02	112,426.36
Less: Inter Segment Revenue	708.40	2,303.85
Net Sales / Income from Operations	99,678.62	110,122.51
Add: Unallocable Revenue	173.99	186.04
Total Revenue	99,852.61	11,308.57
	99,852.61	110,308.57
Segment Results		
Profit before interest and tax from each segment		
a) Pipe/Sheet/Structure	7,539.44	6,071.69
b) Engineering goods	1,009.09	1,118.73
c) Steel Product	(51.34)	95.85
Total Segment Results	8,497.19	7,286.27
Add: Unallocable Income	181.49	186.05
Less: Finance cost	3,969.54	3,790.01
Profit before tax	4,709.14	3,682.31
Less: Provision for taxes	1,427.97	894.73
Profit after tax	3,281.17	2,787.58

36. OTHER INFORMATION

(₹ in lacs)

DESCRIPTION	As at 31.03.2016	As at 31.03.2015
Segment Assets		
a) Pipe/Sheet/Structure	51,890.80	43,134.74
b) Engineering goods	13,276.81	11,989.24
c) Steel Product	938.05	1,543.01
Total	66,105.66	56,666.99
Add: Unallocable Assets	1,063.52	1,240.18
Total Assets	67,169.18	57,907.17
Segment Liabilities		
a) Pipe/Sheet/Structure	4,128.62	2,042.85
b) Engineering goods	3,454.43	3,423.44
c) Steel Product	25.56	56.02
Total	7,608.61	5,522.31
Add: Unallocable Liabilities	1,020.45	774.15
Total Liabilities	8,629.06	6,296.47
Capital Expenditure		
a) Pipe/Sheet/Structure	4,853.10	6,852.52
b) Engineering goods	414.73	288.86
c) Steel Product	1.41	22.50
Total	5,269.24	7,163.88
Depreciation		
a) Pipe/Sheet/Structure	1,264.54	854.66
b) Engineering goods	224.64	276.12
c) Steel Product	20.39	37.16
	1,509.57	1,167.94
Non Cash Expenses other than Depreciation		
a) Pipe/Sheet/Structure	-	-
b) Engineering goods	-	-
c) Steel Product	-	-
Total	-	-
B. Geographical Segments		
Revenue		
- Within India	73,196.49	77,637.00
- Outside India	26,656.12	32,671.57
Total Revenue	99,852.61	110,308.57

37. Statement of net assets and profit or loss attributable to owners and minority interest

Name of the Entity	Good Luck Steel Tubes Ltd	Masterji Metalloys Pvt Ltd	Total
% of Consolidated Net Assets	100.01	(0.01)	100.00
Net Assets (Amt in lacs)	21,020.65	(3.09)	21,017.56
% of Consolidated profit or loss	101.20	(1.20)	100.00
Profit or loss (Amt in lacs)	3,320.61	(39.44)	3,281.17

38. During the year, the Holding Company has incurred an amount of Rs. 21.08 Lacs. (Previous year NIL) towards Corporate Social Responsibility expenditure.

39. The petition filed for amalgamation of wholly owned subsidiary Masterji Metalloys Pvt Ltd. with the Company, is pending before Hon'ble Delhi High Court.

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

As per our report of even date annexed hereto

For SANJEEV ANAND & ASSOCIATES

Chartered Accountants

Firm Registration No. 007171C

On behalf of the Board of Directors

For Good Luck Steel Tubes Limited

(S. AGRAWAL)

Partner

M.No. 072907

(M. C. GARG)

Chairman

DIN NO. 00292437

(NITIN GARG)

Director

DIN NO. 02693146

(ABHISHEK AGRAWAL)

Company Secretary

(SANJAY BANSAL)

C.F.O.

Place : Ghaziabad

Date : 24th May 2016



GOODLUCK INDIA LIMITED

(formerly Good Luck Steel Tubes Limited)

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