



Good Luck Steel Tubes Ltd.

(A Govt. of India Recognised Export House)

Manufacturers & Exporters of :

ERW BLACK / GALVANIZED STEEL TUBES

COLD ROLLED BLACK & GALVANIZED COILS / SHEETS (GP/GC)

(ON D.G.S. & D.RATE CONTRACT)

Corp. Office : "GOODLUCK HOUSE" Ambedkar Road, GHAZIABAD-201001 (U.P.) INDIA



Ref. No.

Date

May 30, 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

Dear Sir/ Madam,

Sub: Transcript of Investors and Analysts Conference call

As earlier informed, a Conference Call for the investors and analysts held on Wednesday, May 25, 2016 at 12.00 Noon IST to discuss the 4QFY16 Earnings of the Company.

Please find attached herewith the transcript of the aforesaid call.

This is for your information and record.

Thanking you,

For **Good Luck Steel Tubes Limited**

Director



“Good Luck Steel Tubes Limited Q4 FY16 Earnings Conference Call”

May 25, 2016



MANAGEMENT: **MR. MAHESH CHANDRA GARG – CHAIRMAN - GOOD LUCK
STEEL TUBES LTD**
 **MR. RAM AGGARWAL – CEO - GOOD LUCK STEEL TUBES
LTD**
 **MR. SANJAY BANSAL – CFO - GOOD LUCK STEEL TUBES
LTD**

MODERATOR: **MR. VIKRAM SURYAVANSHI – VP (INSTITUTIONAL EQUITY
RESEARCH), PHILLIPCAPITAL (INDIA) PRIVATE LIMITED**

- Moderator:** Ladies and gentlemen good day and welcome to the Good Luck Steel Tubes Limited Q4 FY16 Earning Conference Call hosted by PhillipCapital (India) Private Limited. As a reminder all participant lines will be in the listen-only mode and there will be an opportunity for you to ask questions after the presentation concludes. Should you need assistance during the conference call please signal an operator by pressing ‘*’ then ‘0’ on your touchtone phone. I would now like to hand the conference over to Mr. Vikram Suryavanshi from PhillipCapital. Thank you and over to you sir.
- Vikram Suryavanshi** Good afternoon and very warm welcome to everyone. Thank you for being on the call of Good Luck Steel Tubes Limited. From management we have with us Mr. Mahesh Garg – Chairman, Mr. Ram Aggarwal – CEO and Mr. Sanjay Bansal – CFO. So now I hand over the call to the management for their opening comments.
- Mahesh Garg** Good afternoon. I thank you for joining for Q4 and full year 2016 Earning Conference Call. I would like to give you some background about the company and then proceed with the remaining session. Good Luck Steel Tubes Limited is a diversified engineering company with over 30 years of experience in manufacturing of auto tubes, structures, forgings, cold rolled value added products. We are headquartered in Ghaziabad and have a total manufacturing capacity of 2,24,000 tons with more than 2000 employees. Last year results are with you. 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.
- But I am happy to inform every one of you that under the prime circumstances company has done very well and managed itself to perform well. MIP in particular, we are an export-thirst company. Our exports are roughly 30% of our total turnover. MIP is going to help us in promoting our export market and their margins in this year to come. Not only this, the indications of more than normal monsoon, the demand in the domestic market will also get a boost, which company will benefit most. Company has done substantial CAPEX in last three years in value added products like auto tubes, structures and revamping of forging division. You are aware that oil

has turned around and in times to come we can expect substantial capex to start in oil sector, where forging will benefit [our investment in demand of auto going up in USA, we will have a very good market for auto tubes And in the refinery,

the government is going to kick start investments in the country , may be almost Rs. 4-5 lakh crores, 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. 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 bottom line and top line. I will hand over to Mr. Ram Aggarwal – CEO.

Ram Aggarwal

Good afternoon and welcome. To take it ahead from Mr. Garg I would just like to tell Good Luck is a manufacturing exporter of value adding engineering goods. Our endeavor to shift our focus to value added has paid off this year. During this year company has completed capital expenditure of around Rs. 39 crores in a structure division. New facility has been commissioned and has started its commercial production in end of March. Now the capacity of this structure division is reached at 48,000 from the previous of 24,000 MT per annum. New plants will cater to railways, solar support structures and heavy structures like steel bridges and girders.

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. We expect the new structure plant to boost revenue by at least 10%. This CAPEX basically it is a part of the company strategy to shift its focus towards the high margin delivery of steel products like auto tube forging and structure steel products. Our revenue contribution from value added products has been increased to 53% in FY16 as compared to 39% in FY12. We are targeting to generate 75% of revenue from value added products by FY18-19. To achieve this, we have clearly identified four key sectors namely these auto tubes, railways, power and infrastructure which will add to our growth going forward. In last 2 years' company has done CAPEX and modernization of the plant. Now we are looking to get the fruits from the investments we have done and reduce debt. We are committed to

create superior value for our shareholders by taking necessary action with focus to improve our bottom line versus top line.

To summarize, our financial highlights for the financial year 2015-16 company had exciting year. 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 as Mr. Garg was discussing right now. 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. Our unique business model of continuous reshuffling of products and market keep us ahead. At this point we are done with our CAPEX cycle and want to concentrate consolidating capacities and improving bottom line. In the end I would like to say that we are really thankful to all our stakeholders and also assure everyone that we are working hard to improve our financial performance.

Thank you and now we will open the conference for question & answer session.

Moderator

Thank you very much sir. Ladies & gentlemen we will now begin the question and answer session. We have first question from the line of Aman Vij from State Investment Management. Please go ahead.

Aman Vij

I have two questions. First question is can you give an approximate growth in each of the four segments which you talked about for FY16? Second question is regarding a ballpark EBITDA margin and return on capital invested in each segment.

Ram Aggarwal

In these four sectors what we have done, first is the auto sector. Auto sector is basically 45% of our total sales and the growth has been approximately 10%

this year and in the second sector that is the structural sector which is basically an infra sector. In infra sector we have grown around 15% to 20% this year and the forging section we have not grown in this. This has been flat this year. And regarding this return on investment in all these sectors, automobile the EBITDA is running around 15% to 16%. In structured it is around 10% to 12%. In forging, again it is 13% to 14%. I hope both your questions are answered.

Moderator Next question is from the line of Jhanvi Shah from Reliance Mutual Fund. Please go ahead.

Jhanvi Shah Sir I have one question, why has the performance – if I see your segment finance performance in the engineering goods division in the last quarter has come off and we have reported around a 2 crores EBIT loss in the segment. And for the whole year also your overall revenue is down by almost 45 crores.

Ram Aggarwal Basically in the forging sector it has been down for last 2 year because it is main concentration was in the power sector and in the oil sector. Oil was down for last 1-2 years so all the CAPEX was basically postponed. In the power sector government has given that this much capacity will come, this much capacity will come but the generation is at loss. And whatever products we were making in the engineering that was in supply to hydro powers, thermal powers so in that all four sectors CAPEX was postponed and new requirements were not coming, only the normal requirements were there, maintenance requirements were there. That is the reason whole two years but last one year particularly it has been down. But now we have changed our portfolio we are going to increase our engineering products which has a good demand.

Jhanvi Shah So what is the outlook for this year now? What kind of order book would we have and what kind of turnover do you think to expect from this segment again?

Ram Aggarwal Definitely in the forging sector this year looks bright. The reason being IOCL and the BPCL they all have given some 10,000 crores investment plan this

year. Oil somewhere it has come to \$40-50 per barrel. Power sector there is a growing demand further. Again this wind sector as well as hydro power this was down for the last 2 years. This year the CAPEX is likely to be there in the hydro sector also. Moreover, we have been approved by Kuwait Oil Company. So there is a project coming in Nigeria where EIL is the consultant so we have been approved there. So whatever I look, there should be good demand, good orders. Moreover, we have done some modifications in our plant, so our raw material consumption will be less. It will increase our bottom line.

Jhanvi Shah

The turnover of structures division for this particular quarter depends upon order execution and all of your projects. So what kind of orders did we execute this quarter and if you have been given outlook over the next year. I just wanted to know there has been some spillover of orders from this quarter into the next quarter.

Ram Aggarwal

I understand. Basically there is a spillover of orders because as we had started Railway over bridge that order has been started to be executed only in this quarter. This is Railway Over bridge order. It is executing as Ganga bridge on Agra-Itawa Highway. Moreover, solar orders may have also been spilled over to this quarter and moreover whatever investment we have done it has been commissioned only in the last week of March. So this quarter it will be a partial contribution but from quarter 2 there will be a good contribution from the structure division.

Jhanvi Shah

So what is the quantum or orders that have got spilled over?

Ram Aggarwal

Basically orders of around 30-35 crores was spilled over and in structured division we have an order book of the increased capacity we have an order book of around 7 to 8 months.

Moderator

Next question is from the line of Salil Utangi from Systematic Shares. Please go ahead.

Salil Utangi

Good afternoon regards to the structure of steel. Basically sir you have doubled your capacity. So what do you basically foresee in this segment. So

what kind of growth you are expecting and you are focusing on I think railways and solar. So are you also supplying to the infrastructure segment like construction and others? So can you just throw some light on that?

Ram Aggarwal Basically in the structure division we are catering to 4 to 5 segments. One sector is transmission line so we are approved by Power Grid and NTPC, so we are supplying to all these Siemens, NTPC and BHEL, to these sectors.

Salil Utangi So you are supplying transmission towers there.

Ram Aggarwal We are supplying only the transmission towers. They are the erection contractors Power grid gives a contract, or NTPC gives contract. We make towers and supply to them. Then they erect it then the cycle is completed. The other part is we are doing it in this structure; it is a solar support structure. We are def supplier, (design, erection and fabrication); we are doing the step conclusion for the solar supported structure. We are supplying to Tata BP Solar, Sterling and Wilson and you name the company we are supplying to them. So we are supplying to solar support structures for them. Then they put their panel on that and then power is evacuated. This is from solar side. We are at two places. One is the designing, erection and fabrication of solar structure then again when power is evacuated a sub- station is required, we supply the sub- station. In the sub-station we again supply the tower and then again this power is evacuated to the grid. Also when the transmission line is laid down for that again our structure towers have been supplied. This is the total chain. Apart from this we are doing the railways over bridges and girders. As you know all the supreme court has given the mandated that 1,36,000 unmanned crossing and they all are to be covered from ROB/FOB's so that no accidents are there. So there is a demand, in my opinion there is a demand of 3 million tons in the next 3 years. And DFC -Dedicated Freight Corridor is executing. So we have been approved by RDSO by ministry of railways to supply these bridges and girders and one of the girder I have already told we have supplied to this on Ganga bridge. So we are expecting more orders in this. So outlook is very bright in this sector.

Salil Utangi Sir basically structural steel is a ERW tube, right ERW steel?

- Ram Aggarwal** No, structural steel is basically plate girders, angles, channels.
- Salil Utangi** You were also into ERW tubes, right earlier?
- Ram Aggarwal** We were earlier in the ERW tubes, which have a different tube. Here we have shifted to our structured division where raw material is different, where use is different. It is basically being catered to infra sector.
- Salil Utangi** So ERW segment comes under which segment of yours?
- Ram Aggarwal** It is our regular product. Here we are making ERW tubes, GI tubes and cold rolled sheets and pipes which has a combined capacity of 1,04,000 tons .
- Salil Utangi** Okay, so that is 1,04,000 then your structural is 48,000 and the remaining is -
- Ram Aggarwal** Forging is 12,000 tons and 60,000 is of automobile tubes. This is a special kind of ERW tubes. These are special tubes are for automobiles.
- Salil Utangi** Sir in structural you are saying it is a better margin product, what kind of margins you are likely to get in this?
- Ram Aggarwal** Basically these margins will vary from 10% to 16% because every product has a different margin. Like if you talk of railway work it is between 15% to 16% but if you talk of this transmission and towers it will be only 10%. And solar if you talk it may go to 14% to 16%. And this is a demand dynamics. If demand is more we can get more prices.
- Salil Utangi** So you have any order book as of now in this?
- Ram Aggarwal** Yes, we are having an order book around 7 to 8 months of the increased capacity in the structure section.
- Salil Utangi** And you have other specialized products or so like automobile and cold rolled? Have margins close to 14-15%?
- Ram Aggarwal** Basically now we have this value added segment, it has moved to 53%. So in this sector the margins are in the range of 10% to 15% but in the regular

sector of pipes and cold rolled sheets ERW pipe what we were discussing it is in the range of 5% to 6%.

- Salil Utangi** Okay, so ERW and cold rolled are in the range of 5% to 6% and that proportion is going down now.
- Ram Aggarwal** That is going down. It has come down to 47% this year and we aim to do it 25% and 75% value added which is our target in next 2 to 3 years.
- Moderator** Next question is from the line of Akshay Gandhi, individual investor. Please go ahead.
- Akshay Gandhi** First question is on the structure, recently commissioned structures division in which we did CAPEX of around Rs. 30 crores. I just want to understand for FY17 what utilization level we are looking for this division?
- Ram Aggarwal** Basically in this division we will be looking up to around 36,000 to 38,000 in the coming year 2017 which was earlier 22,000. Out of 24,000 we had produced last year on 22,000. This year we are looking for up to 38,000 to 40,000 tons.
- Akshay Gandhi** So sir it will be like what close to 75% utilization level?
- Ram Aggarwal** Yes.
- Akshay Gandhi** Okay and sir this division will again have an EBITDA margin of like north of 10%?
- Ram Aggarwal** It will again depend on what kind of orders we get. What kind of orders like I have told in solar it is 14% to 16%. In towers it is 10% to 12%. In railways it is 15% to 16%. So it is a mix of that. On an average it should be around 12% to 13%.
- Akshay Gandhi** So like for this recently expanded structures division do we have confirmed order book to backed this utilization level or I mean do we expect to get the order book in future?

- Ram Aggarwal** We are having an order book of around 7 to 8 months. Normally 70% plant is booked always but there is always a floating demand in the market. If somebody has a urgent demand we also cater to it. So as far as order book is concerned there is no dearth of orders for our division because we are divided into many categories. We are in railways, we are solar, we are in power, we are in pollution equipment. So there are so many sectors. We can maneuver from one sector to other sector as the demand arises.
- Akshay Gandhi** One more question if I can squeeze in, on the expansion in EBITDA margin during this year, is it possible to cut it into two parts like what has been the benefit in the EBITDA margin it should derive due to depressed steel prices and what benefit was because of change in product profile? I am just trying to understand that are these EBITDA margins sustainable because now that MIP has come in and the steel prices have again gone up. So is there a sustainability in these EBITDA margins or we see them coming down by like 50 bps to 100 bps?
- Mahesh Garg** Sir I can tell you the EBITDA margin achieved are sustainable unless there are some other negative triggers in the world of business. World business is uncertain but we are happily placed. MIP is definitely going to help the company in the form of export performance. We become viable, domestic prices will remain high. International prices will be lower. We are allowed import without MIP. So our margin on export is going to go up substantially.
- Akshay Gandhi** But for the domestic market will there be a negative impact on the margin?
- Mahesh Garg** No, we are not in the trading segment. We are with the actual users. So our trading margins will not be affected. Higher is the price, we get a higher return. There are no issues on that.
- Akshay Gandhi** And sir the second question is on the planned capacity which we plan to put up in Dahej and it is around Rs. 290 crores of CAPEX, so what is the update on that?
- Ram Aggarwal** Basically that plant (in Bhuj, Gujarat) has been deferred because the management has decided we will first consolidate whatever CAPEX we have

done in the last 2 to 3 years, we want to consolidate, we want to earn money out of it, and we want to deleverage our balance sheet so that there is a lesser load on our working capital. So that plan, we can tell only after 1 or 2 years. We are now concentrating only on the project what we have done, what CAPEX we have done in the last two years we are concentrating on that.

Akshay Gandhi So for this year and for next year there is no additional CAPEX which we plan to do apart from the maintenance CAPEX?

Ram Aggarwal There will be maintenance of CAPEX. 10-20 crore CAPEX will be there definitely because these are the running plants but there will be no major CAPEX in coming year. Our market dynamics changes daily. If any opportunity comes we will let you know. Right now I do not see any opportunity to start that.

Moderator Next question is from the line of Augustya Dave from CAO Capital. Please go ahead.

Augustya Dave I had a very similar question to what the previous speaker had asked which was the CAPEX for the next two years. So Dahej is definitely getting deferred. So the maximum CAPEX that we will see is around Rs. 10 crores to Rs. 20 crores this year which will be maintenance CAPEX.

Ram Aggarwal Yes.

Augustya Dave So given that how much debt can we see which will be getting repaid this year? I mean what is the current purity of long-term debt this year and how much extra will you be looking to pay down?

Sanjay Bansal In fact total long term debt as on 31st March is 97 crores and during financial year 2016-17, 14.5 crores is to be repaid. Company has no plan to excess repay any amount.

Augustya Dave Okay, so we will see a reduction of 15 crores roughly.

Sanjay Bansal Yes.

- Augustya Dave** So working capital, will it go up substantially sir or could we assume similar number of days? And trend will be same?
- Sanjay Bansal** Since our structure plant is already operative, so definitely working capital requirements will increase. I think it will touch Rs. 250 crores. Presently it is at Rs. 235 crores. There may be a 15 crores increase in the working capital.
- Augustya Dave** And sir you mentioned in response to previous question that you will be touching 38,000 to 40,000 tons this year from the new plant. So I was wondering can you disclose the amount of revenue we can expect? You also mentioned 10% growth but the steel prices are all over the place. Based on today's steel price how much this translates into revenue?
- Ram Aggarwal** It should translate to around 210 crores at the current prices but if the price changes then it will definitely change.
- Augustya Dave** And this is for the entire 38,000 to 40,000 ton volume?
- Ram Aggarwal** 38,000 to 40,000 tons.
- Augustya Dave** And sir other than depreciation which I guess will be reflected in Q4 numbers you must have charged the entire depreciation. Will we see any other additional fixed cost because of the new plant? I mean employee expenses depreciation whatever we are seeing in Q4 is that a good run rate to take for the entire year?
- Sanjay Bansal** it will continue in next financial year.
- Augustya Dave** And sir this is the final question from my side sir. You have maintained this shift in value addition going forward even in your last annual reports. And now you are saying that the Dahej plant is getting kind of deferred. So that does not change the 75% target, right? And in case also obviously you have to reconfirmed that but I was just wondering will it change the margin profile because that was supposed to be even more value added, right?
- Ram Aggarwal** Basically what we have planned, we just want to test whatever we have done. That is why we have postponed, we have not cancelled it. We want to see the

profit margins. We are expecting around 10% to 15% EBITDA in the structure sector. Structure sector is working like anything. My government is saying 200 GW solar energy. Government is saying 8 lakh crores in railways. So this is more appropriate to concentrate on this. And the margins at 75% whatever what we have said it is likely to be achieved with this investment only.

Moderator Next question is from the line of Saurabh Basrar from Altis Advisors. Please go ahead.

Saurabh Basrar My question is that what kind of growth are you anticipating in 2017 from a revenue standpoint and secondly how do you sort of see that across segments, so basically where does it come from?

Mahesh Garg Basically we are growing normally 15% to 20%, so this year normal growth will come but the sector where the investment we have made we can expect a better growth may be around 25%.

Saurabh Basrar So you are talking about structures?

Mahesh Garg Yes.

Saurabh Basrar See structures right now is contributing about Rs. 150 crores, that is 15% and anticipating another 50% addition to it in terms of capacity from 22,000 to about 36,000, right. So that is about 7.5% on overall revenue.

Ram Aggaral Sir I think we have noted the answer which we gave you from Rs. 150 crores we are going to Rs. 210 crores. So it has become almost equal to 22%.

Saurabh Basrar Correct, so that is from the structure side, right. So beyond that in terms of your other value added segments what is that you are looking at?

Mahesh Garg Auto tubes, forging. Forging we are definitely expecting a big demand boost due to all prices going up. The CAPEX cycle in oil sector, which was down, will definitely give a boost to the demand in forging. The power sector demand will go up. So their demand will come. Auto sector as I mentioned in my earlier presentation, USA and Europe auto demand is booming and we are

doing almost 60% of auto tubes to export. So there we are expecting a good growth in the years to come.

Saurabh Basrar And just last question is there a dividend policy or still it is more on ad-hoc basis depending on year to year?

Mahesh Garg It is not on ad-hoc but it is not written down either. If you want me to disclose it, I will not like to do it but we are very pragmatic as far as the dividend is concerned. Since 1995 when we went public we have been paying dividend consistently year after year without a miss.

Saurabh Basrar No doubt about that and going forward obviously the free-cash flows would increase and since you do not have any major CAPEX coming up....

Mahesh Garg I can assure you as stakeholder in the company, the shareholder will benefit and they will enjoy. And we are very much concerned about the welfare of the shareholders.

Moderator Next question is from the line of Aman Vij from State Investment. Please go ahead.

Aman Vij Sir one more question was regarding the utilization in this auto tube section. So can you throw some highlight on it?

Ram Aggarwal In the auto tube section we were having a capacity of 30,000 before expansion and we have expanded this capacity to 60,000 tons before last year basically. It has been commissioned in FY15 only. So the capacity utilization of the increased capacity it has almost reached to 65%.

Aman Vij Okay, and you said you are expecting a good growth in this segment because of this US and -

Ram Aggarwal Definitely we are expecting a good demand this year.

Aman Vij So no further CAPEX in this segment as of now?

Ram Aggarwal Balancing equipment investment will be there otherwise no major CAPEX in any of the divisions in FY17 as I have already told.

- Aman Vij** And second question is regarding mix of export plus domestic. So it is around 73% as of now. So going forward where do you see this ratio going?
- Ram Aggarwal** This will depend upon the market dynamic again because the Indian export was down 23% last year, our export was down only 18%. There was a volume decrease in every sector around the global but in this coming year due to this MIP and other sectors there will be increase in the export demand and if there is an increase in demand we will definitely be benefitted. Moreover, our auto sector there is a good demand. So despite Indian conditions, we will be able to perform good in the export division.
- Moderator** We move to the next question that is from the line of Pankaj Shah from Vallum Capital. Please go ahead.
- Pankaj Shah** Could you just share your views on the CDW tube section with the kind of margins capacity that we have and outlook for the future?
- Mahesh Garg** It is highly engineered product. It is mainly denotes tube but each piece of the tube is excellence in engineering. We have a worldwide acceptability of our product. Our tubes are ultimately used in branded cars to name BMW, Audi, Merck and others. So there is a big scope of increase in the capacity but capacity will be incremental, may be 10-15% demand will rise in the current year due to positive scenario and indications we are getting from overseas market. Even in the domestic markets the auto sector is looking up this year.
- Pankaj Shah** And sir the kind of margins that we have in this section the CDW tube?
- Mahesh Garg** Around 15% to 16%.
- Pankaj Shah** And what is your capacity sir?
- Ram Aggarwal** The capacity is 60,000 tons of installed capacity. We have been utilizing 48,000 tons this year FY16 and next year it is likely to increase.
- Moderator** Next question is from the line of Sharad Shah from Kitara Capital. Please go ahead.

- Sharad Shah** My question is on the line of auto business – how much is your total sales in that segment?
- Mahesh Garg** We are in auto in different divisions. From forging also we supply to auto, we supply in auto tubes, we supply auto structures also. So our total sales almost 55% to 60% is in auto.
- Sharad Shah** Okay, so what is into auto tubes?
- Mahesh Garg** Auto tube is around 40%.
- Sharad Shah** Amount wise?
- Mahesh Garg** Amount wise it is around Rs. 300 crores.
- Sharad Shah** And out of that how much is export?
- Mahesh Garg** Export is around Rs. 200 crores.
- Sharad Shah** And volumes?
- Ram Aggarwal** Volume is around 48,000 tons. What I have told is the total but it includes the domestic as well as export. The different figures we can give after going through the figures. our CFO will give. We will just come back to you around that figures.
- Sharad Shah** Okay, so what are the margins what we have earned in this?
- Ram Aggarwal** It is 15% to 16% EBITDA normally is in the auto tube division.
- Moderator** As there are no further questions from the participants I would now like to hand out the floor to Vikram Suryavanshi of PhillipCapital, Over to you sir.
- Vikram Suryavanshi** I thank the management for taking time out for interacting with the stakeholders and we wish a very good year ahead and thank you all for being on the call.



*Good Luck Steel Tubes Limited
May 25, 2016*

Moderator

Thank you very much sir. Ladies & gentlemen on behalf of PhillipCapital (India) Private Limited that concludes this conference call. Thank you for joining us and you may now disconnect your lines.