Phone : 91-120-4196600, 4196700
Fax : 91-120-4196666, 4196777

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

Ref. No. .....

Date .....

CIN: L74899DL1986PLC050910

April 30, 2015

The Manager
National Stock Exchange of India Ltd.,
Exchange Plaza, C-1, Block G,
Bandra Kurla Complex,
Bandra (E)
Mumbai – 400 051

Sub: Investor's Presentation

Dear Sir,

The company has issued an Investor's Presentation of the company. A copy of the Presentation is being enclosed herewith.

This is for your information and doing the needful.

Thanking You

Sincerely Yours
For Good Luck Steel Tubes Limited

Authorised Signatory

Encl: as above

Regd. Office : 5/102, Sikka Complex (1st Floor) Community Centre, Preet Vihar, Vikas Marg, Delhi-110 092 INDIA
Telefax No. : 91-11-22514254
E-mail : goodluck@goodlucksteel.com Website : www.goodlucksteel.com

GOODLUCK

Infinite are Possibilities

INVESTOR PRESENTATION

SAFE HARBOR

Some of the statements in this document that are not historical facts are forward-looking statements. These statements entail risks and uncertainties that could cause actual events to differ materially from these forward-looking statements. These risks include, but are not limited to, the level of market demand for our product, market situation for our key inputs, market conditions that could cause our customers to reduce their spending for our products, our ability to create, acquire and build new businesses and to grow our existing businesses and other risks not specifically mentioned herein but those that are common to industry. The Company does not undertake to update these statements publicly to reflect changed eventualities.

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10) Key focus Sectors
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13) Financials & SHP
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15) Recent Developments
16) Expansion Outlook

FACT SHEET

Incorporation	**1986, Delhi NCR**
Products categories	1.CDW/AUTO Tubes, 2.Forged engineering products, Bright Bars 3.Transmission and distribution tower for power, solar structure solution, primary and secondary structure for boilers 4.Galvanized corrugated sheets ,(Black and GI) 5. Structure Tubing (Black and GI),Annealed sheets for white goods(CRCA) Etc
Specialization	Automobile tube, structural tubes, fabricated galvanized structures, forged shafts and flanges, black and galvanized pipes
Key Industries Served	Automobile, Railway, agriculture and horticulture, power transmission and distribution, solar power, oil and gas , infrastructure, white good OEMs, heavy and medium engineering industry, defense and nuclear industry
Key Financials (FY 2015 P)	Revenue (Cr) : 1089.44 EBITDA (%) : 7.84 NPM(%) : 2. 68 EPS: 13.95
Export Destinations	Around 40% off products are exported to More than 100 countries across the globe including USA, Latin America, UK, Germany, France, Africa, gulf countries, Australia, South East Asian countries

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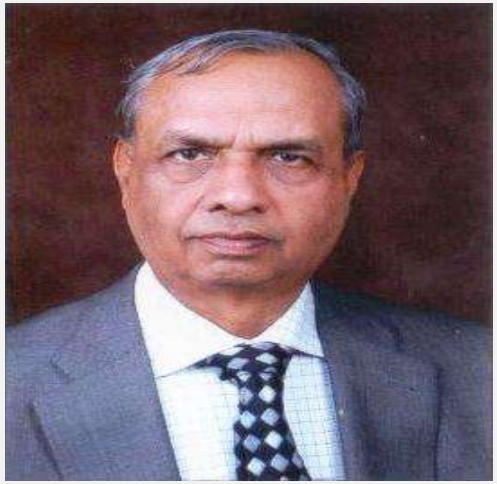
MANAGEMENT BACKGROUND

Mr. Mahesh Chandra Garg – Chairperson



- ✓ Graduated in the year 1967 (Indian Institute of Technology, Roorkee).
- ✓ Possesses more than 45 years experience.
- ✓ Took-up an overseas assignment with M/s Comcraft Ltd. Promoted by NRIs and erected many steel tube mills in Kenya and Nigeria and thereafter started his own venture.

Mr. Ramesh Chandra Garg – Whole Time Director

- ✓ Graduation in the field of mining (ISM – Dhanbad).
- ✓ Being the Chief Mining Engineering, he had a distinguished career with M/s Coal India Ltd.
- ✓ Possesses more than 40 years of experience.

MANAGEMENT BACKGROUND

Mr. Nitin Garg – Whole Time Director

- ✓ 34 years of age, a qualified Mechanical Engineer from HBIT, Kanpur and an M.B.A. from Narsee Monjee Institute of Management.
- ✓ Worked with Yamaha Motors and Honda Motors.
- ✓ Joined the company as a production Engineer and currently looking after entire production process independently.

Mr. Ram Agarwal – CEO

- ✓ Qualified engineer and completed his graduation in the year 1990.
- ✓ 24 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 .

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MANAGEMENT BACKGROUND

Mr. Manish Garg – COO

- ✓ 44 years of age, is an qualified engineer, handling over all the Export Business since last 22 years.

Mr. Shyam Agarwal – COO

- ✓ 44 years old, is a qualified engineer and has more than 20 years of experience in steel Industry.

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KEY MILESTONES

1986: Incorporated Pvt. Ltd. Company

1987: First plant Commissioned

1992: Commissioned first GI plant

1994: Converted in to Public Ltd. Co.

1995: Launched first IPO for USD 900000

1997: Capacity enhanced to 50000 MTPA

2003: Turnover crossed 150 Cr.

2006: Commissioned First forging plant

2007: First plant commissioned for CDW/ Auto Precision tubes

2009: Turn over crossed 500 Cr.

2013: Turnover crossed 1000 Cr.

2014: Commissioned new plant for ERW/Auto Precision tubes

2015: Production capacity reached to 2Lacs MTPA

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COMPANY VERTICALS

TUBE VERTICAL

- Welded Tubes & Pipes
- Galvanized Tubes & Pipes
- Structure Tubing
- Agriculture Tubes

SHEET VERTICAL

- Cold rolled coils & sheets
- Galvanized coils & sheets
- CRCA

STRUCTURE VERTICALS

- Galvanized structure for power & telecom projects
- Solar structure solutions

FORGING VERTICAL

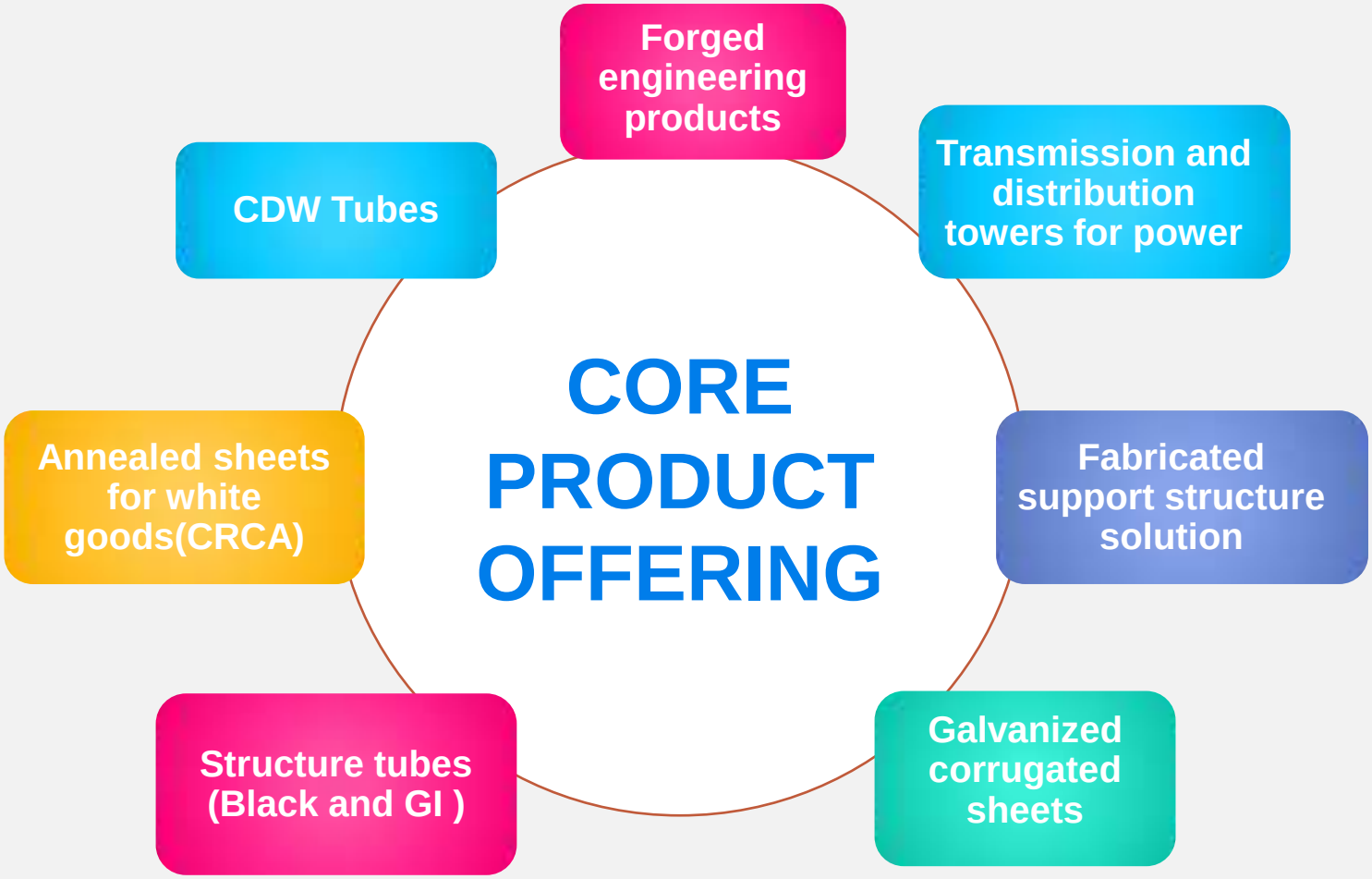
- Forged flanges
- Gear Rings
- Bright Bars
- Blind & Tube Sheets
- Gear Shanks
- Forged Shafts
- Nuclear power products
- Railway products

AUTO TUBES VERTICAL

- CDW/DOM Tues
- Precision Tubes
- Engineering Tube
- Boiler Tubes
- Transformer Tubes
- Fuel & Air Tube & Many More

Location & Map

CORE PRODUCT OFFERING



PRODUCT PROFILE

- GALVANIZED PIPES
  - ✓ The galvanized pipes are mostly demanded for plumbing or tubing purpose, which can withstand corrosion from water and other elements.
  - ✓ WELDED TUBES & PIPES
  - ✓ BLACK PIPES
  - ✓ HOT DIP GALVANISED PIPES
  - ✓ PRE GALVANISED PIPES
  - ✓ CASING & SCREEN PIPES

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PRODUCT PROFILE(CONTD)

- SQUARE & RECTANGULAR PIPES
  - ✓ Manufactured using finest quality of steel, Square and Rectangular Pipes are extensively used in welded steel frames which experience loads from multiple directions.
  - ✓ SQUARE SECTIONS
  - ✓ RECTANGULAR SECTIONS
  - ✓ ROUND HOLLOW SECTIONS

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PRODUCT PROFILE(CONTD)

- CR COILS & SHEETS
  - ✓ These are demanded all over the country, chiefly in automobile components, consumer durables items, industrial goods and precision tubes.
  - ✓ COLD ROLLED COILS & SHEETS
  - ✓ GALVANISED COILS
  - ✓ GALVANISED SHEETS
  - ✓ CRCA
  - ✓ HRPO

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PRODUCT PROFILE(CONTD)

- CDW TUBES
  - ✓ These tubes are especially used in automotive and general industries.
  - ✓ CDW/DOM TUBES
  - ✓ PRECISION TUBES
  - ✓ BICYCLE FRAME TUBES
  - ✓ STEEL TUBES FOR AUTOMOBILES
  - ✓ ENGINEERING TUBES
  - ✓ BOILER TUBES
  - ✓ HEAT EXCHANGER TUBES
  - ✓ PROPELLER SHAFT TUBES
  - ✓ TRANSFORMER TUBES
  - ✓ FUEL & AIR TUBES
  - ✓ AUTOMOTIVE SHOCK ABSORBER
  - ✓ FURNITURE TUBES
  - ✓ STRUCTURAL TUBES
  - ✓ TELESCOPIC FRONT FORK TUBES
  - ✓ BOBBIN TUBES FOR TEXTILE MACHINES

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PRODUCT PROFILE(CONTD)

- FORGINGS
  - ✓ These products are bulk requirement in the market due to high quality and durability.
  - ✓ FORGED FLANGES
  - ✓ WELD NECK FLANGES
  - ✓ SLIP ON FLANGES
  - ✓ SOCKET WELDING FLANGES
  - ✓ LAP JOINT FLANGES
  - ✓ THREADED FLANGES
  - ✓ BLIND FLANGES
  - ✓ GEAR RINGS
  - ✓ BLIND & TUBE SHEETS
  - ✓ GEAR SHANKS
  - ✓ FORGED SHAFTS

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PRODUCT PROFILE(CONTD)

- BRIGHT BARS
  - ✓ These are manufactured from impeccable quality steel that are completely corrosion free with a clean, smooth & bright surface.

- FABRICATED STEEL STRUCTURE
  - ✓ These are required in Infrastructure Projects in Bridges, Walkways, Girders, Rail Over Bridges, Foot Over Bridges, Boiler Support structures, Pipe rack structures, Chimney structures and secondary support structures for Power, Oil& Gas, Refineries, Fertilizer and Chemical and Cement Industries.

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PRODUCT PROFILE(CONTD)

- TRANSMISSION & TELECOM TOWERS
  - ✓ These towers are widely used for electric power transmission.
  - ✓ High Voltage transmission Towers
  - ✓ Grid Towers
  - ✓ Durable High Performance

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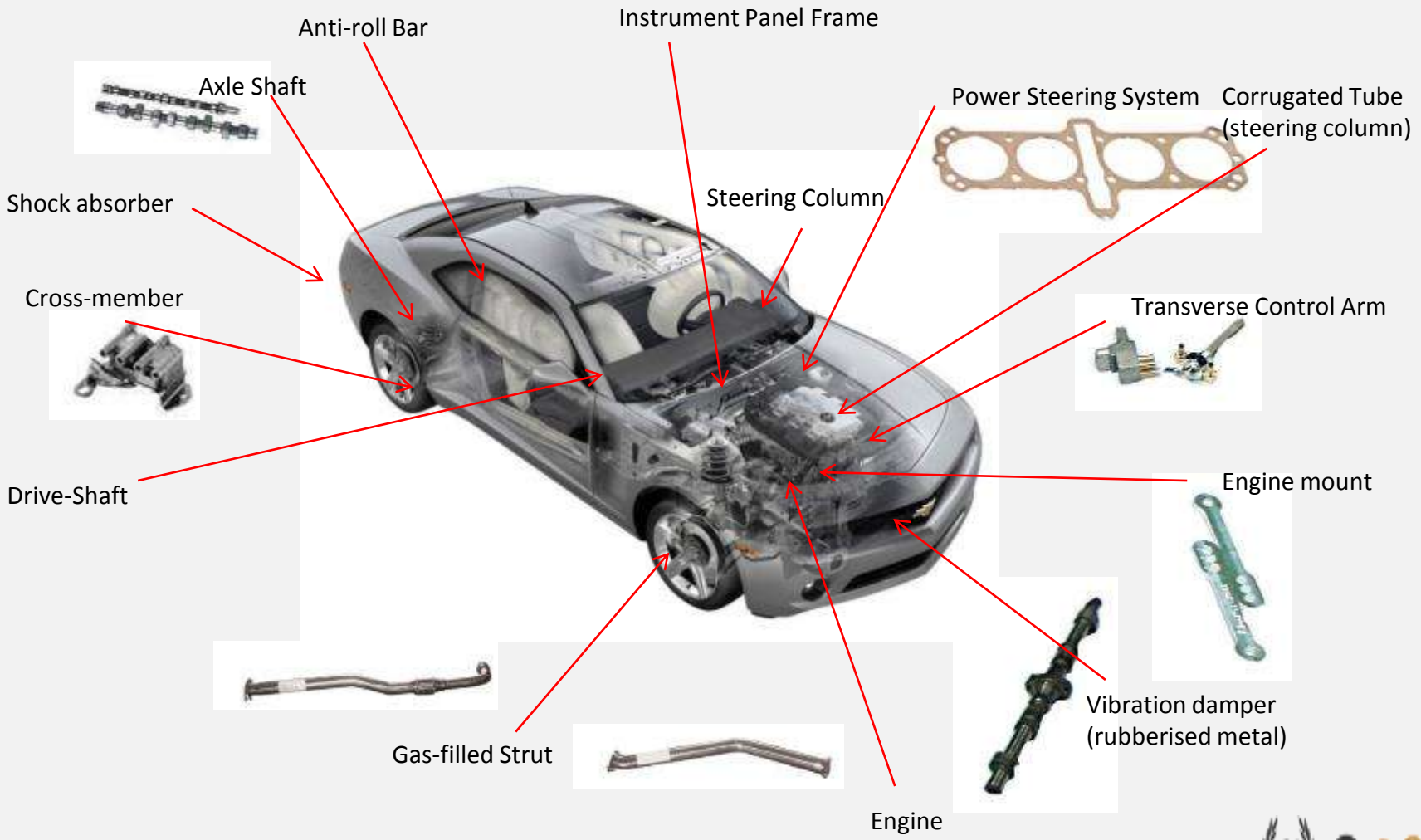
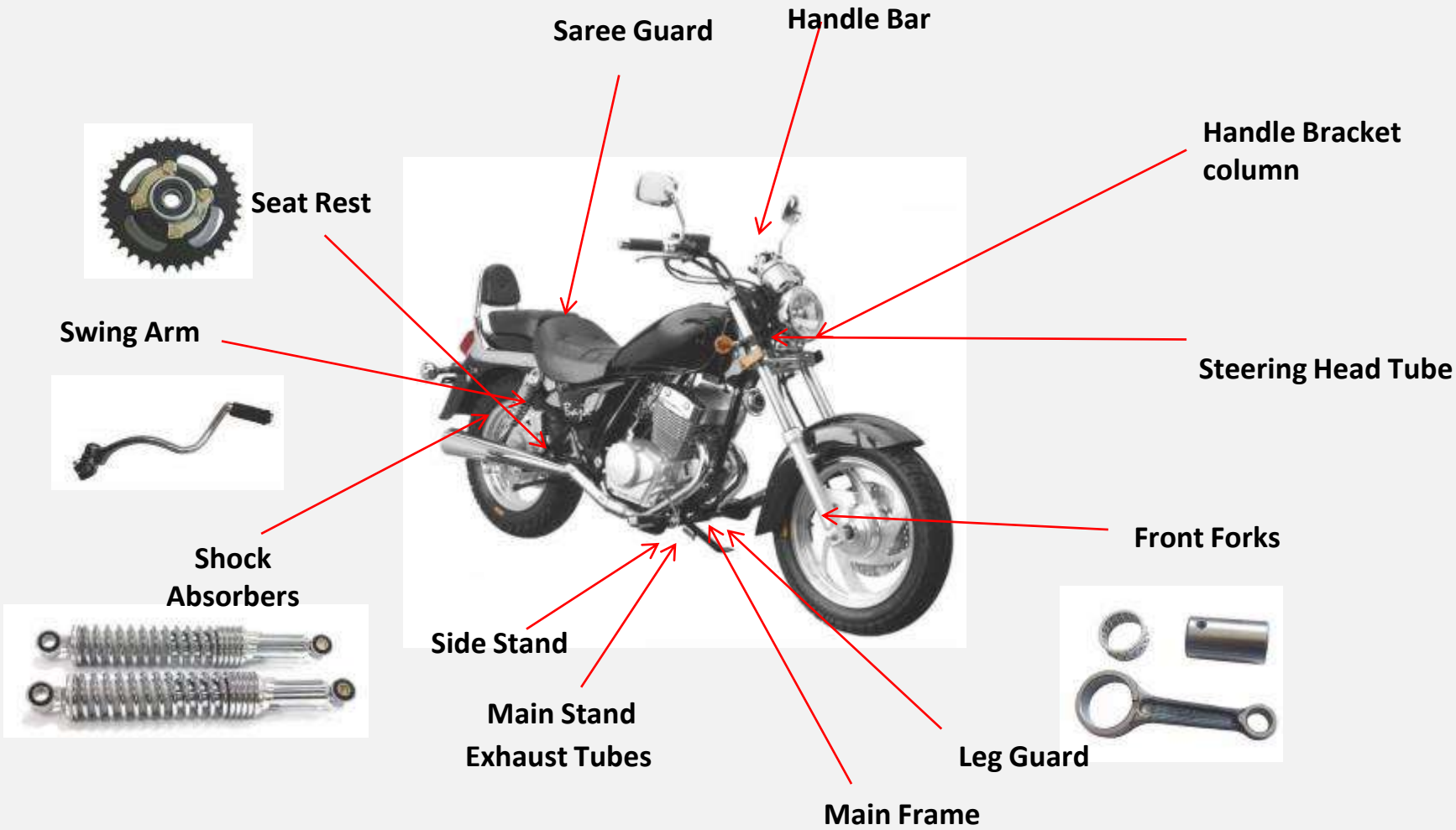
KEY INPUT PROVIDER OF AUTO INDUSTRY



KEY INPUT PROVIDER FOR 2 WHEELER



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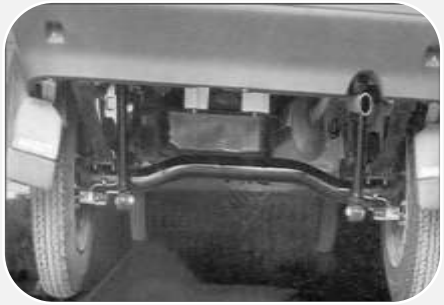
NEW PRODUCTS

CYCLINDER BORE TUBES

DRIVE SHAFTS

FRONT FORK TUBES

TIE RODS FOR 4 WHEELER



REAR AXLE TUBES FOR 4 WHEELER

RACK TUBES FOR POWER STEERING

FRONT STRUT TUBE

4 WHEELER CHASIS TUBE

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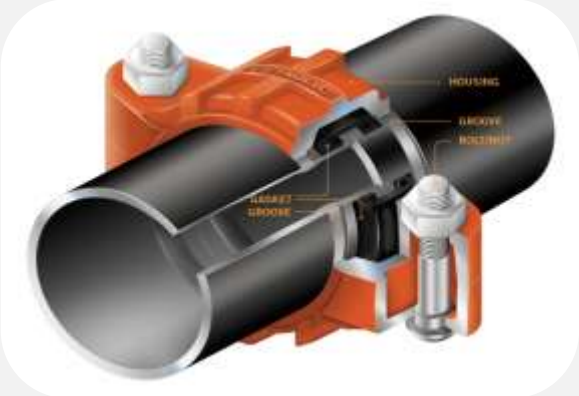
NEW PRODUCTS(CONTD)

HYDRAULIC CYLINDRICAL TUBE



GROOVED FIR FIGHTING PIPE

SOLAR STRUCTURE SOLUTION

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KEY FOCUS SECTORS

SECTOR	PRODUCTS MANUFACTURED
• **AUTOMOTIVE:** A Sector driving Indian Economy for last 3 years and poised to lead in next 5 years.	• CDW Tubes - for engine & body parts of Two wheelers & four wheeler • Structure Tubes – Used in Light Commercial Vehicle's body • Auto Forging – For Various Engine parts.
• **RAILWAY:** World's third biggest in terms of passengers & goods traffic but poor structural health needing 8.5 lacs crore in next five crore.	• Forged Parts – for electrical loco engines such as Rotor shafts and Armature shafts • CDW Tubes- Used in Diesel locoworks • Fabricated coach Parts – for GS/AC loco coaches in RCF, ICF & Rai Bareilly.

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KEY FOCUS SECTORS(CONTD)

SECTOR	PRODUCTS MANUFACTURED

• **POWER(RENEWABLE & NON-RENEWABLE:**
  • 67% Thermal (coal/gas)
  • 19% Hydropower
  • 12% Renewable
  • 2% Nuclear
  • 4th biggest energy consumer in the world.
	• Structure for power generating boilers.
	• Forging-shafts & parts for thermal/hydro.
	• Solar Structure solutions for renewable energy.
	• Structure for evaluation Nuclear power and forged parts for nuclear plants.
	• GIS & GIB structure for smart cities.

• **DEFENSE:** More or less 100% import reliant consuming India's foreign reserves A 100 billion USD industry for next 5 years.	• Structure tubes for military Truck bodies. Forging for small engine parts but it being a new sector reserved till few months back. Opening discreetly for Indian Manufacture. No major head way so far.

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KEY FOCUS SECTORS(CONTD)

SECTOR	PRODUCT MANUFACTURED
• **OIL & GAS:** A basic energy segments because it energize the world.	• Forges flanges & shafts to oil & Gas companies, domestic as well as Global such as IOCL, GE Oil & Gas. Approved by EIL for flanges.

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LIST OF CLIENTS

Audi

TATA MOTORS

ISGEC

एनटीपीसी NTPC

ALSTOM Power

PGCIL

KSS

INDIAN RAILWAYS

TRF A TATA Enterprise

From the house of STERLING AND WILSON

From the house of STERLING AND WILSON

ABB

GMR

ओएनजीसी ONGC

GE Oil & Gas

EIL

Reliance Industries Limited

TOSHIBA Leading Innovation >>>

MITSUBISHI HEAVY INDUSTRIES

NPCIL

GOODLUCK

RAW MATERIAL SUPPLIERS

JSW

BHUSHAN

BHUSHAN STEEL LIMITED

ESSAR

TATA STEEL

GOODLUCK

GLOBAL ASSOCIATIONS

ŠKODA

RENAULT

Volkswagen. Das Auto.

Audi
Truth in Engineering

Mercedes-Benz

We are serving the most reputed names in the automotive sector through their associates/ our buyers in USA and Europe.

Prominent buyers are M/s Voestalpine, M/s Thiel & Hoche, M/s Marubeni Australia etc.

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INDUSTRY HIGHLIGHTS

- Steel demand growth to start to improve from the second half of fiscal 2015-16, supported by a pick-up in consumption.
- India's steel consumption to grow to 83 million tonnes by the end of 2015-16.
- The domestic steel demand is likely to grow at a faster pace in comparison of world steel market; expected to grow at a rate of 6.7% annually till 2016-17.
- Government's decision of setting up new 'smart cities' and redevelopment of airports will spur demand for metal companies.
- As per AIFA estimate, Indian auto industry will touch USD 30-40 Billion by 2015 and growth to be led by exports which will account for USD 20-25 Billion.
- As per AIFA estimates, global forging industry to grow at 9.73% for the period 2014-18.

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GLOBAL STEEL OUTLOOK

- In 2015 structural reforms and improving confidence will support a further 6% growth in Indian steel demand but elevated inflation and fiscal consolidation remain key downside risks to the outlook.

- Growth in Demand is expected to come from outside China as the Chinese Government pushes through economic restructuring with a focus on private consumption. India to gain from Chinese slowdown.

- US imports (specifically steel sheets) are up 37% from last year. US steel demand expected to improve on the back of residential construction, grown automotive production and energy investments. US auto growth getting robust. A 19 Trillion economy growth even by 3% will take Indian Steel Exports to new height.

- As per latest trend, consumer industry is increasingly tapping opportunities arising out of growing trend among global automotive OEM to outsource components from low cost countries such as India.

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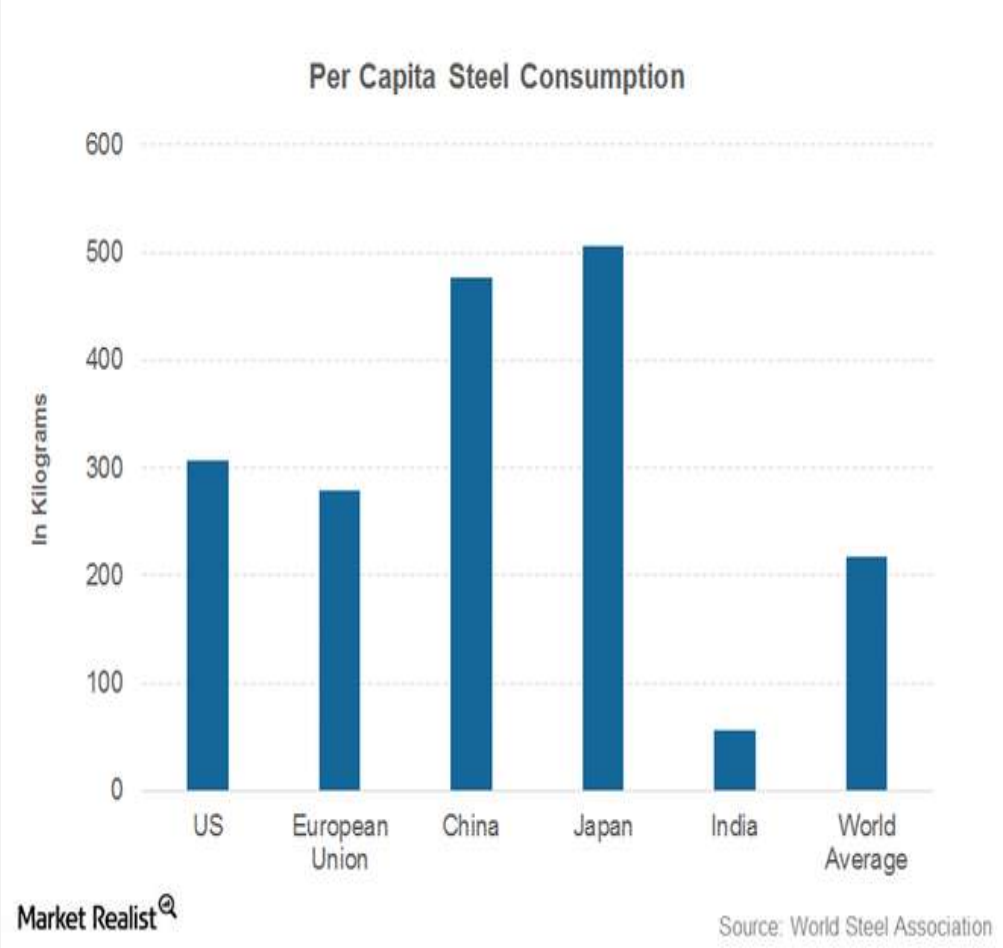
GLOBAL STEEL OUTLOOK(CONTD)

- Director General of WSA, expects steel demand to increase to 2,000 million tonnes in 2030—up 25% from 1,600 million tonnes in 2014.
- India's per capita steel consumption is still below the global average.
- India's steel demand is expected to increase as the country takes strides towards development. The new government is also taking a lot of initiatives to boost investors' confidence.



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SWOT ANALYSIS

STRENGTHS:

- Diversified and right mix of products.
- Reshuffling of its products and market to adapt to the changing market scenario.
- Widespread presence in domestic and overseas markets.
- Consistent R&D and product modification.
- A visionary and committed management board.
- Highly qualified dedicated team of professionals.

WEAKNESS

- Lesser turnover of each product.
- Heavy cost of funds.
- Distance from major ports.

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SWOT ANALYSIS

OPPORTUNITY

- Pro-development government policy.
- Increase in government investment in infrastructure such as roads, railway nuclear power, green energy (solar and wind).
- Increased international interest in India's growth story.
- Due to cheap labor and skilled man power, India is becoming an automobile hub.
- Low per capita consumption of steel and value added products in India.

THREAT

- Foreign exchange instability.
- Fluctuation in raw material prices.
- Change in government policies.

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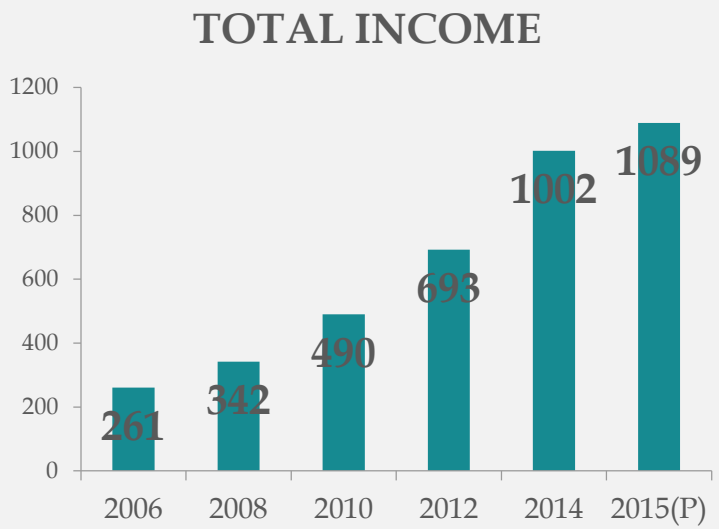
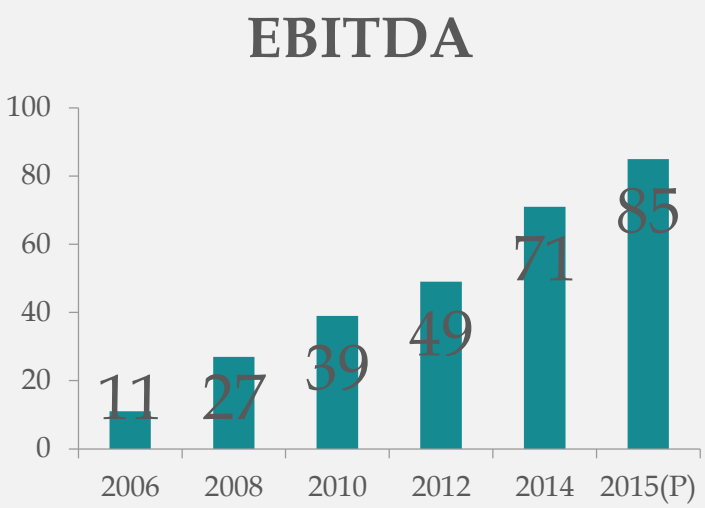
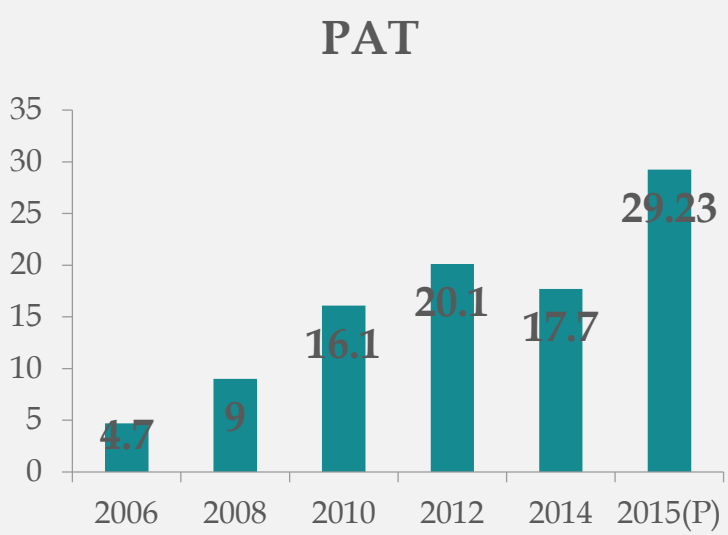
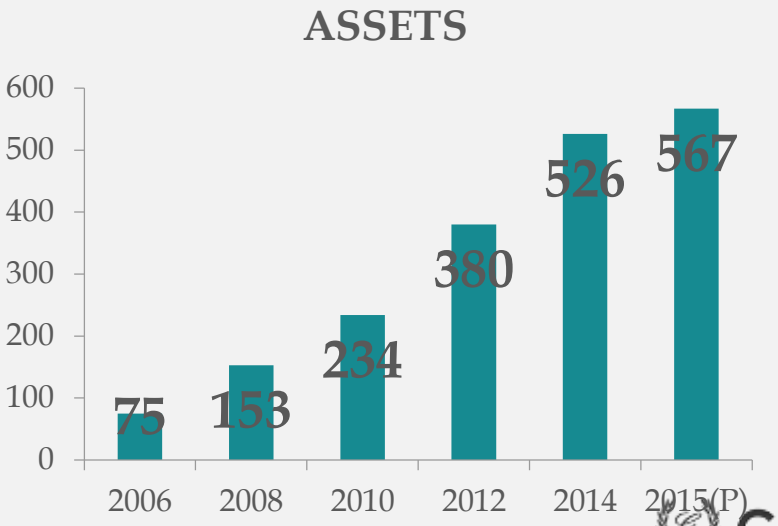
FINANCIAL HIGHLIGHTS

INR Cr.

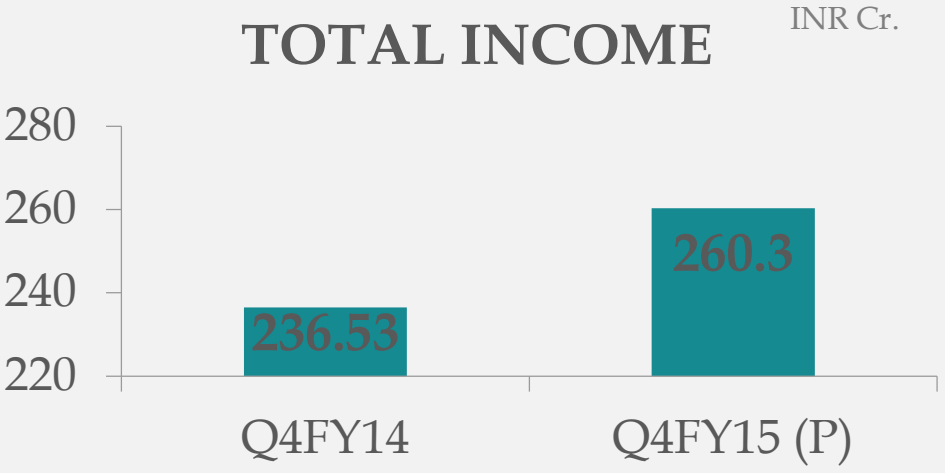


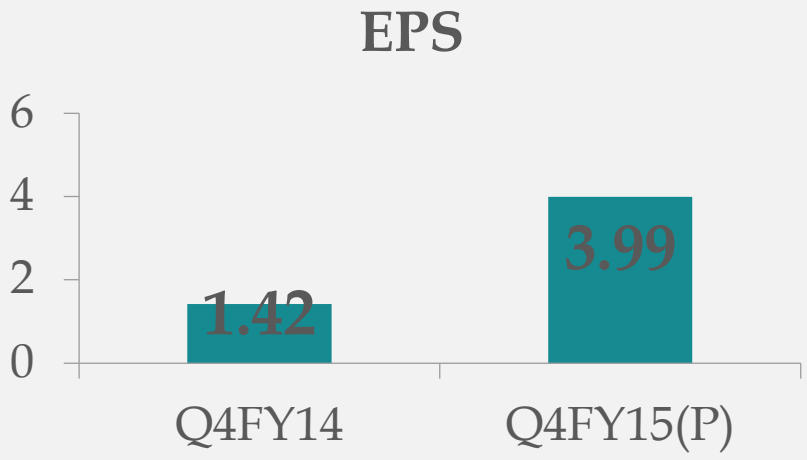


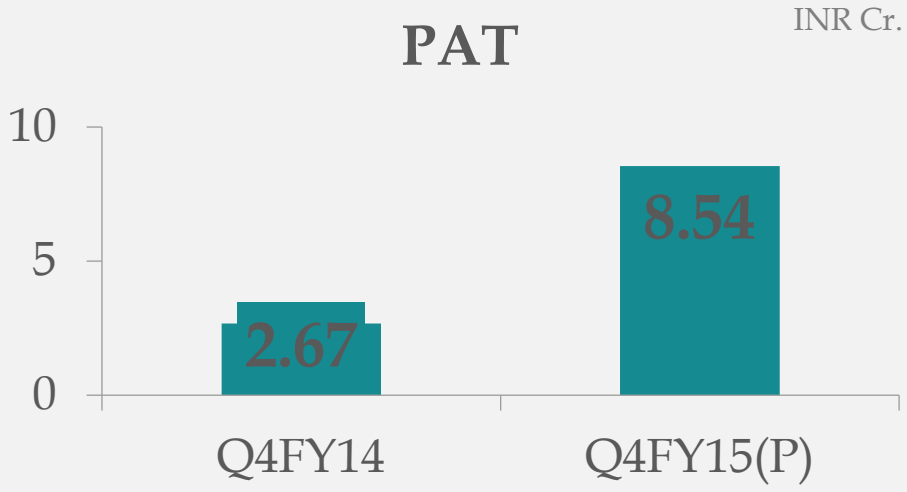




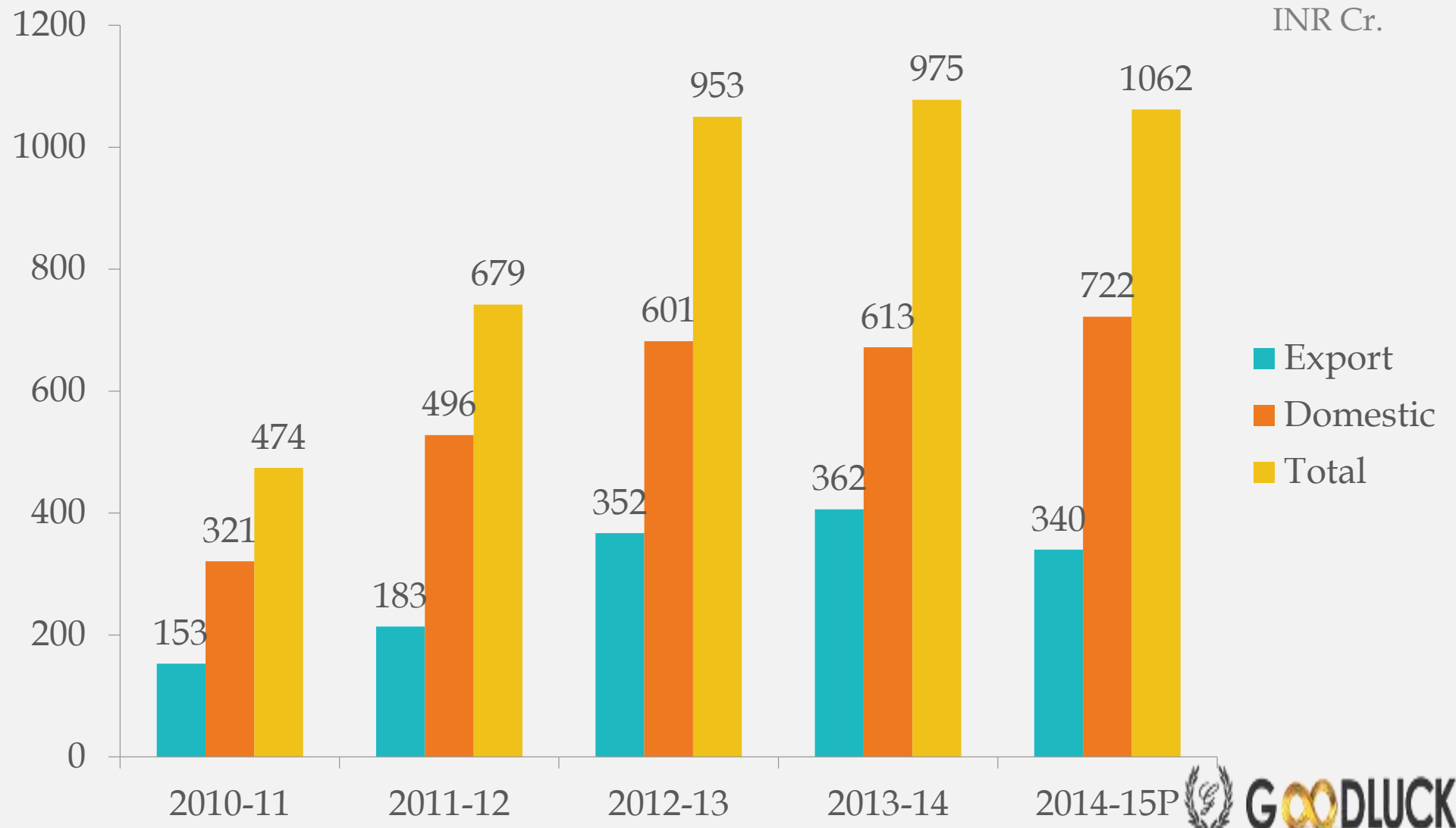
FINANCIAL HIGLIGHTS







FINANCIAL GROWTH



Q4 RESULT HIGHLIGHTS

- Shift of focus from lower margin to high yield low volume.
- Downtrend in raw material prices is to the tune of 18%.
- Efficient use of current manufacturing facility.
- Improved and better logistic management.

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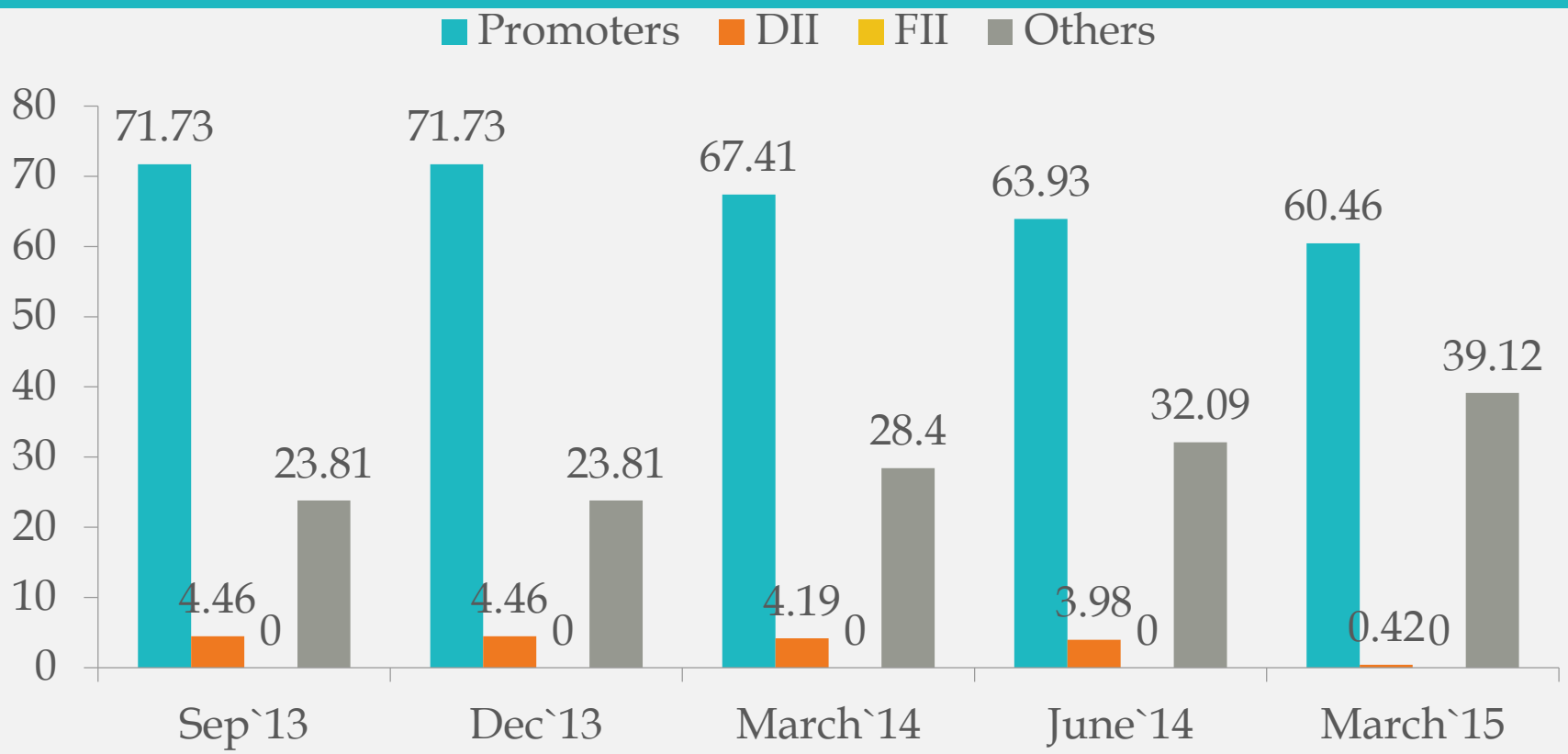
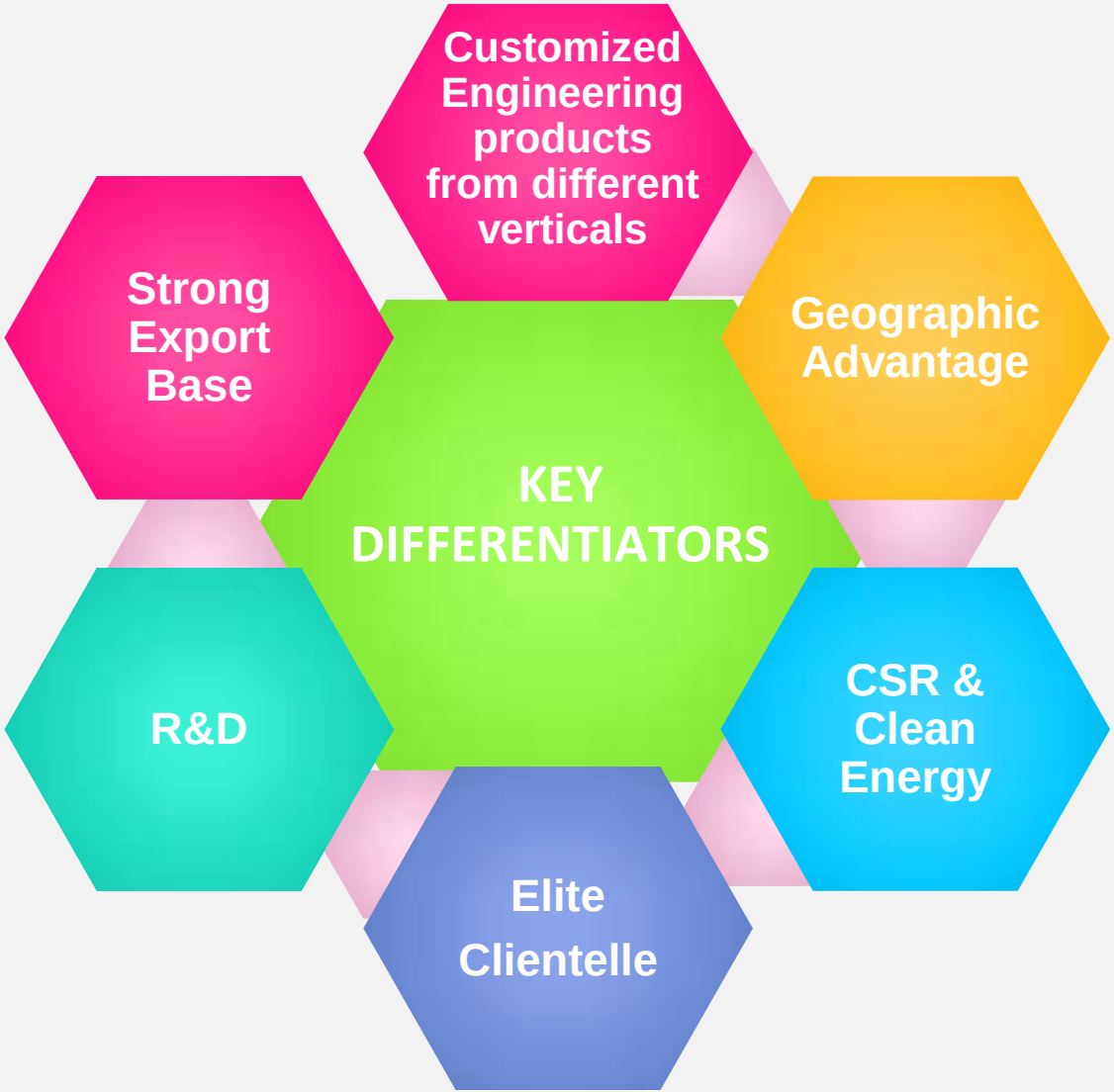
SHAREHOLDING PATTERN



An increase is observed in shareholding of Others with a decrease in Promoter shareholding due to **issue of share warrants on preferential basis to promoter and non promoter** and **complete conversion to equity** of the same.

KEY DIFFERENTIATORS



KEY DIFFERENTIATORS

Customized Engineering products from different verticals

- Customized products ranging from auto tubes, forging products to tower and solar structure solution have made the company renowned.

Geographic advantage

- Cheap labour
- Located at DMIC (Delhi Mumbai Industrial Corridor) corridor.
- Proximity to dry port.

Clean energy

- Agreement with natural gas suppliers through pipeline.
- Uninterrupted power.

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KEY DIFFERENTIATORS (CONTD)

R&D

- Special R&D team of professionals for every product segment

STRONG EXPORT BASE

- Exports ~40% of its production to more than 100 countries across the globe including USA, Latin America and EU countries.

CSR

- Free regular health checkup camps for employees and local communities. The company has tied up with renowned hospital for the same
- Financial aid provided to charitable cancer hospital and eye care centers and the company is running its pathology on charitable basis.
- Feed 10000 plus stray cows in local Goshalas
- Financial aid to local school with strength of 3300 under privileged students for providing education up to 12th grade.
- Promote clean and green environment by planting 1500 plus plants in nearby areas and developing public parks for local community

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RECENT DEVELOPMENTS

- Inaugurated its 96 crore, 30,000 MTPA manufacturing plant at Sikandrabad in Uttar Pradesh in November, 2014. It will be completely utilized by Q1FY16 and will add up to top line by `200 crore and & bottom line suitably.

- Got Approved by Chittaranjan Locomotive Works (CLW) for manufacturing in its forging unit the Armature Shaft of HTM for Electrical Locomotives.

- Supplied products to two major solar projects and is already working with big conglomerates such as Lanco Infratech, ABB, Tata Projects, GMR Infrastructure and Rays Power Experts

- Targeting to reduce this business upto 25-30% by FY2018. At the same time, it is strengthening its position in other verticals (auto and forging businesses) by increasing the product portfolio to improve the margin profile.

- Planning to diversify its forging business to cater to defense (gun barrels), aerospace and oil & gas industries.

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EXPANSION OUTLOOK

- After identifying the huge potential of fabricated support structure solutions in Railway, Defense and Power sector in India and overseas, the company is expanding its structure division with the new & modern facilities up to the tune 50 Cr to be completed in March 2016.

- Expansion in **forging division** expected with investment of **Rs.150 Crore**, to start in Jan 2016 .

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EXPANSION OUTLOOK(CONTD)

Robust Demand

Demand would be supported by growth in domestic market.

Infrastructure, oil & gas and automotives would drive the growth of the industry.

Increasing investments

Intended steel capacity build-up in India is set to result in investments in the range of USD 104.2 Billion to USD 208.3 billion by 2030

301 MoU's have been signed with various states for planned capacity of about 488.6 MT

Advantage India

Competitive advantage

India is the world's 4th largest producer of crude steel . It is expected to become the 2nd producer by 2015.

Easy availability of low-cost manpower and presence of abundant reserves make India competitive in the global setup.

Policy support

100% FDI through the automatic route is allowed.

Large infrastructure projects in the PPP mode are formed

National steel policy implemented to encourage the industry to reach global benchmarks.

- Contact details for further information and meeting request:
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- Reliant Investor Relation Consultancy
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- +91 9582111450
- +91 75061 31222
- +9111 2244 4422

RIRC