

The logo for Sportking, featuring the word "Sportking" in a bold, blue, sans-serif font. The letter "o" is replaced by a stylized red and white circular icon resembling a tennis ball. The logo is set against a background of a modern building and a blue sky with a large white and grey curved graphic element.

Sportking

The text "27th ANNUAL Report 2015-16" is displayed in a large, bold, black font. The "27" is significantly larger than the "th". The word "ANNUAL" is in red with a white outline, while "Report 2015-16" is in black with a white outline. The text is positioned in the lower half of the page, overlaid on a white background that transitions into a blue footer.

27th ANNUAL Report 2015-16

SPORTKING INDIA LIMITED

BOARD OF DIRECTORS

Sh. Raj Kumar Avasthi	Chairman & Managing Director
Sh. Munish Avasthi	Managing Director
Sh. Naresh Kumar Jain	Executive Director
Sh. Sunil Puri	Director
Sh. Prashant Kochhar	Director
Smt. Harbhajan Kaur Bal	Director

CHIEF FINANCIAL OFFICER

Sh. Parveen K. Gupta

COMPANY SECRETARY

Sh. Nikhil Kalra

AUDITORS

M/s Rawla & Company
Chartered Accountants,
504, Surya Kiran Building,
19, K. G. Marg, New Delhi

BANKERS

State Bank of India

IFB Branch, Golden Tower,
Dholewal Chowk,
Ludhiana-141003

State Bank of Patiala

Specialized Commercial Branch,
Aarti Complex, Miller Ganj,
Ludhiana-141003

Punjab National Bank

International Banking Branch,
Industrial Area-A, Ludhiana-141003

Allahabad Bank

IFB Branch, Cheema Chowk
Ludhiana-141008

Central Bank of India

Mid Corporate Branch,
369, R.K.Road, Ind Area-A,
Ludhiana-141008

Punjab and Sind Bank

Industrial Finance Branch
Dholewal Chowk, Ludhiana-141003

REGISTERED OFFICE

5/69, Guru Mansion, (First Floor)
Padam Singh Road, Karol Bagh,
New Delhi - 110005

CORPORATE OFFICE

Village Kanech, Near Sahnewal, G. T. Road,
Sahnewal. G. T. Road, Ludhiana-141120

ADMINISTRATIVE OFFICE

178, Col. Gurdial Singh Road,
Civil Lines, Ludhiana - 141001

WORKS

Village Kanech, Near Sahnewal,
G. T. Road, Ludhiana - 141120

Village Barmalipur, Near Doraha,
G. T. Road, Ludhiana- 141416

Village Jeeda, Kotkapura Road,
Distt. Bathinda - 151201

REGISTRAR & TRANSFER AGENT

Beetal Financial & Computer Services (P) Ltd.
BEETAL HOUSE, 3RD Floor, 99 Madangir,
Near Dada Harsukhdas Mandir
New Delhi - 110062

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NOTICE

NOTICE is hereby given that the **Twenty Seventh Annual General Meeting of the members of Sportking India Limited** will be held on Friday, the **30th day of September, 2016 at 2.00 P.M.** at Registered Office of the company situated at 5/69, Guru Mansion, 1st Floor, Padam Singh Road, Karol Bagh, New Delhi-110005 to transact the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Financial Statements of the Company for the financial year ended 31st March, 2016, including the Audited Balance Sheet as at 31st March, 2016 and the Statement of Profit and Loss for the year ended on that date and the Reports of Directors and Auditors thereon.
2. To appoint a Director in place of Sh. Raj Kumar Avasthi(DIN 01041890), who retires by rotation and being eligible, offers himself for re- appointment.
3. **To appoint Auditors of the Company and fix their remuneration**

To consider and if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution:**

"RESOLVED THAT pursuant to the provisions of Section 139, 142 and other applicable provisions, if any, of the Companies Act 2013 read with Companies (Audit and Auditors) Rules, 2014, (the rules) (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) M/s. Rawla & Company, Chartered Accountants, New Delhi (Registration No. 001661N), the retiring auditors of the company be and are hereby re-appointed as Statutory Auditors of the Company to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting of the Company on such remuneration as may be decided by the Board of Directors of the Company."

SPECIAL BUSINESS

4. **Regularize the Appointment of Sh. Prashant Kochhar (DIN: 07298730) as an Independent Director of the Company.**

To consider and if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution:**

"RESOLVED THAT pursuant to the provisions of Section 149,150,152 read with Schedule IV and all other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and the provisions of SEBI Listing Obligation and Disclosure Requirements (LODR) Regulations, 2015, Sh.Prashant Kochhar (DIN:07298730),who was appointed as an Additional Director (Independent) of the Company by the Board of Directors in its meeting held on 30.09.2015 and who ceases to hold office under section 161 of the Companies Act, 2013 on the date of this meeting and in respect of whom the company has received a notice under section 160 in writing from member proposing his candidature for the office of director be and is hereby appointed as an Independent Director of the Company (not liable to retire by rotation) for a period a five years w.e.f. 30.09.2015 or upto the conclusion of the 31st Annual general Meeting of the company in the calendar year 2020."

5. Approval for entering into Related Party Transactions

To consider and if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution**:

"RESOLVED THAT in supersession to the earlier resolution passed in the 25th Annual General Meeting of the company held on 11th day of September 2014 and pursuant to the provisions of Section 188, 177 and all other applicable provisions if any, of the Companies Act, 2013 (the Act) read with the Companies (Meetings of Board and its Powers) Rules, 2014 as amended time to time, SEBI (LODR) Regulations, 2015 amended time to time, and the Memorandum and Articles of the Association of the Company and subject to such approvals, consents, sanctions and permissions as may be necessary, consent of the members of the company be and is hereby accorded to the board of directors of the company to enter into contracts and/or agreements with related parties as defined under the Act with respect to sale, purchase or supply of goods or materials, leasing of property of any kind, availing or rendering of any services, appointment of agent for purchase or sale of goods, materials, services or property or appointment of such related party to any office or place of profit in the company, or its subsidiary or associate company or any other transactions whatever nature with related parties for an aggregate value of Rs.1000 Crores over a period of five years commencing from 1st October 2016.

FURTHER RESOLVED THAT the Board of Directors of the Company, be and is hereby authorised to determine the actual sums to be involved in the proposed transactions and the terms and conditions related thereto and all other matters arising out of or incidental to the proposed transactions and generally to do all acts deeds and things that may be necessary proper, desirable or expedient and to execute all documents, agreements and writings as may be necessary, proper, desirable or expedient to give effect this resolution.

6. Ratification of the remuneration of the Cost Auditors for Financial Year 2016-17

To consider, and if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution**:

"RESOLVED THAT pursuant to the provisions of Section 148 and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 and the Companies (Cost Audit) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), M/s R.R. & Co, Cost Accountants, Ludhiana (Registration No. 00323) appointed by the board of directors as cost auditors of the company, to conduct the audit of the cost records of the company for the financial year ending 31st March 2017, be paid remuneration of Rs. 75000/- plus applicable taxes.

7. Payment of Remuneration to Sh. Raj Kumar Avasthi (DIN: 01041890) Managing Director of the Company

To consider, and if thought fit, to pass, with or without modification(s), the following resolution as a **Special Resolution**:

"RESOLVED THAT, pursuant to the provisions of Section 197, Schedule V and other applicable provisions, if any, of the Companies Act, 2013, approvals of the members of the company be and is hereby accorded to approve the remuneration of Sh. Raj Kumar Avasthi, Managing Director of the Company on the terms and conditions set out below w.e.f 01.04.2016 upto the date of his appointment as Managing Director i.e. 30.09.2017.

Salary - Salary will be in the scale of Rs. 725000-75000- 800000 per month.

Commission: upto such amount in one or more tranches in a financial year by which total remuneration does not exceed the limits as specified under Clause A of Section II of Part II of the Schedule V and other applicable provisions of the Companies Act 2013.

Perquisites - The following perquisites shall be allowed which is included in salary except those prescribed under Section IV of Part II of Schedule V of the Companies Act, 2013:

- a) Housing - Free residential accommodation along with the free furnishing and other amenities to be provided by the Company. The expenditure incurred by the Company on gas, electricity, water and furnishing shall be valued as per the Income Tax Rules, 1962.
- b) Medical Reimbursement- Expenses incurred by the appointee (including Mediclaim insurance premium) on self and his family will be subject to a ceiling of one month's salary in a year or three month's salary over a period of three years.
- c) Leave Travel concession - The expenses incurred on Leave Travel Concession by the appointee on self and his family shall be reimbursed once in a year.
- d) Club Fees -Fees of clubs subject to a maximum of two clubs. This will not include admission and life membership fees.
- e) Personal Accident Insurance- Premium not to exceed Rs. 5000/- per annum.
- f) Provident Fund -Contribution to provident fund, superannuation funds or annuity fund to the extent these either singly or put together are not taxable under the Income Tax Act, 1961.
- g) Gratuity -Gratuity payable shall not exceed half a month's salary for each completed year of service.
- h) Car - Free use of company's car for official as well as personal purposes along with driver.
- i) Telephone/Cell phone - Free use of company's telephone at residence/cell phone for official as well as personal purposes. Use of Car for private purposes and personal long distance calls on telephone/cell phone shall be billed by the company to him.

Explanation-Family means the spouse, the dependent children and dependent parents of the Managing Director.

Minimum Remuneration - Notwithstanding anything to the contrary herein contained, where in any financial year, during the currency of the tenure of the Managing Director, the company has no profits or its profits are inadequate, the company will pay remuneration in accordance with the provisions as required under Clause A of Section II of Part II of the Schedule V and other applicable provisions of the Companies Act, 2013.

RESOLVED FURTHER THAT the Board be and is hereby authorized to do all such acts, deeds and things and execute all such documents, instruments and writings as may be required and to delegate all or any of its powers herein conferred to any Committee of Directors or Director(s) to give effect to the aforesaid resolution.

8. Payment of Remuneration to Sh. Munish Avasthi (DIN: 00442425), Managing Director of the Company

To consider, and if thought fit, to pass, with or without modification(s), the following resolution as a **Special Resolution**:

"RESOLVED THAT, pursuant to the provisions of Section 197, Schedule V and other applicable provisions, if any, of the Companies Act, 2013, approvals of the members of the company be and is hereby accorded to approve the remuneration of Sh. Munish Avasthi, Managing Director of the Company on the terms and conditions set out below w.e.f 01.04.2016 upto the date of his appointment as Managing Director i.e. 30.09.2017.

Salary - Salary will be in the scale of Rs. 725000-75000- 800000 per month.

Commission: upto such amount in one or more tranches in a financial year by which total remuneration does not exceed the limits as specified under Clause A of Section II of Part II of the Schedule V and other applicable provisions of the Companies Act 2013.

Perquisites - The following perquisites shall be allowed which is included in salary except those prescribed under Section IV of Part II of Schedule V of the Companies Act, 2013:

- a) Housing - Free residential accommodation along with the free furnishing and other amenities to be provided by the Company. The expenditure incurred by the Company on gas, electricity, water and furnishing shall be valued as per the Income Tax Rules, 1962.
- b) Medical Reimbursement- Expenses incurred by the appointee (including Mediclaim insurance premium) on self and his family will be subject to a ceiling of one month's salary in a year or three month's salary over a period of three years.
- c) Leave Travel concession - The expenses incurred on Leave Travel Concession by the appointee on self and his family shall be reimbursed once in a year.
- d) Club Fees -Fees of clubs subject to a maximum of two clubs. This will not include admission and life membership fees.
- e) Personal Accident Insurance- Premium not to exceed Rs. 5000/- per annum.
- f) Provident Fund -Contribution to provident fund, superannuation funds or annuity fund to the extent these either singly or put together are not taxable under the Income Tax Act, 1961.
- g) Gratuity -Gratuity payable shall not exceed half a month's salary for each completed year of service.
- h) Car - Free use of company's car for official as well as personal purposes along with driver.
- i) Telephone/Cell phone - Free use of company's telephone at residence/cell phone for official as well as personal purposes. Use of Car for private purposes and personal long distance calls on telephone/cell phone shall be billed by the company to him.

Explanation-Family means the spouse, the dependent children and dependent parents of the Managing Director.

Minimum Remuneration - Notwithstanding anything to the contrary herein contained, where in any financial year, during the currency of the tenure of the Managing Director, the company has no profits or its profits are inadequate, the company will pay remuneration in accordance with the provisions as required under Clause A of Section II of Part II of the Schedule V and other applicable provisions of the Companies Act, 2013.

RESOLVED FURTHER THAT the Board be and is hereby authorized to do all such acts, deeds and things and execute all such documents, instruments and writings as may be required and to delegate all or any of its powers herein conferred to any Committee of Directors or Director(s) to give effect to the aforesaid resolution.

By Order of the Board

(Raj Kumar Avasthi)
Chairman
DIN: 01041890

Place: Ludhiana
Date : 13.08.2016

Regd. Office :
5/69, Guru Mansion, 1st Floor,
Padam Singh Road, Karol Bagh,
New Delhi - 110005

NOTES:

1. The Statement pursuant to Section 102(1) of the Companies Act, 2013 setting out the material facts in respect of the business under Item No (s.) 4 to 8 set out above and the details under Regulation 36 (3) of SEBI (LODR) Regulations, 2015 in respect of Directors proposed to be appointed/ re-appointed at the Annual General Meeting, is annexed hereto.
2. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ALSO ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON A POLL INSTEAD OF HIMSELF/HERSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY**
The instrument(s) appointing the proxy, if any, shall be deposited at the Registered Office of the Company at 5/69, Guru Mansion, 1st Floor, Padam Singh Road, Karol Bagh, New Delhi -110005 not less than Forty Eight (48) hours before the commencement of the meeting and in default, the instrument of proxy shall be treated as invalid. Proxies shall not have right to speak at the meeting.
A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the company carrying voting rights. A member holding more than ten percent of the total share capital of the company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.
3. Members holding share certificates under different folio numbers but in the same order of name are requested to apply for consolidation of such folios and send relevant share certificates to the Registrars and the Share Transfer Agent of the Company.
4. The copy of relevant documents can be inspected at the registered office of the company on any working day between 11:00 A.M. To 01:00 P.M.
5. Members are requested to bring their copies of the Annual Report at the Meeting. Members seeking any information with regard to the accounts of the company are requested to write to the company at least 15 days before the date of the meeting so as to enable the management to keep the information ready.

6. Members are requested to notify change in address, if any, to the company at its registered Office quoting their folio number.
7. Members/Proxies should bring the attendance slip sent herewith, duly filled in and signed and handover the same at the entrance of the meeting place.
8. The company's Registrar and Share Transfer Agents is M/s. Beetal Financial & Computer Services (P) Ltd., are situated at Beetal House, 99 Madangir, Behind Local Shopping Centre, Near Dada Harsukh Dass Mandir, New Delhi and has maintained connectivity with both NSDL/CDSL.
9. In compliance with the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) rules, 2014 as amended from time to time and Regulation 44 of Listing Regulations, Members have been provided with the facility of "remote e-voting" (e-voting from a venue other than place of Annual General Meeting) on resolutions proposed to be considered at the ensuing Annual General Meeting. The facility of casting the votes by the members using an electronic voting system from a place other than venue of the AGM ("remote e-voting") will be provided by Central Depository Services (India) Limited (CDSL). The facility for voting through ballot paper shall be made available at the AGM and the members attending the meeting who have not cast their vote by remote e-voting shall be able to exercise their right at the meeting through ballot paper.

The instructions for shareholders voting electronically are as under:

- (i) The voting period begins on Tuesday, September 27, 2016 at 09:00 a.m. [IST] and ends on Thursday, September 29, 2016 at 05.00 p.m. [IST]. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date, Friday, September 23, 2016 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
- (iii) The shareholders should log on to the e-voting website www.evotingindia.com.
- (iv) Click on Shareholders.
- (v) Now Enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (vi) Next enter the Image Verification as displayed and Click on Login.
- (vii) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
- (viii) If you are a first time user follow the steps given below:

For members holding shares in Demat Form and Physical Form	
PAN*	<p>Enter your 10 digit alpha-numeric PAN issued by the Income Tax Department (applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"> • Members who have not updated their PAN with the Company/Depository Participant are requested to use the the first two letters of their name and the 8 digits of the sequence number in the PAN field. • In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field
Dividend Bank Details or Date of Birth (DOB)	<p>Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login.</p> <ul style="list-style-type: none"> • If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (iv).

- (ix) After entering these details appropriately, click on "SUBMIT" tab.
- (x) Members holding shares in physical form will then directly reach the company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (xi) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xii) Click on the EVSN- 160817006 for SPORTKING INDIA LIMITED to vote.
- (xiii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiv) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xv) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xvi) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xvii) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.
- (xviii) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xix) Shareholders can also cast their vote using CDSL's mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. iPhone and Windows phone users can download the app from the App Store and the Windows Phone Store respectively on or after 30th June 2016. Please follow the instructions as prompted by the mobile app while voting on your mobile.
- (xx) Note for Non - Individual Shareholders and Custodians
 - " Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporates.
 - " A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
 - " After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
 - " The list of accounts linked in the login should be emailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - " A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- (xxi) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com.
- (xxii) The Company has appointed **Mr. Sunny Kakkar, Practicing Company Secretary (M. No. ACS 34170 & C.P. No. 12712)** as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.
- (xxiii) The Chairman shall, at the AGM, at the end of discussion on the resolutions on which voting is to be held, allow voting with the assistance of scrutinizer, by use of "Ballot Paper"/ "Poling Paper" for all those member who are present at the AGM but have not cast their votes by availing the remote e- voting facility.

ANNEXURE TO THE NOTICE**STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013****Item No. 4**

Sh. Prashant Kochhar who was appointed as an Additional Director (Independent) of the company by the board of directors in its meeting held on 30.09.2015. According to the provisions of section 161 of the Companies Act, 2013, he may hold office as director only upto the date of ensuing Annual General Meeting. As required by section 160 of the Act, a notice has been received from a member signifying his intention to propose appointment of Sh. Prashant Kochhar as an Independent Director along with deposit of requisite amount.

The company has also received declaration from Sh. Prashant Kochhar that he meet with the criteria of independence as prescribed both under sub section (6) of section 149 of the Act and the provisions of SEBI (LODR) Regulations, 2015. He is not disqualified from being appointed as Director in terms of section 164 of the Act and have given their consent to act as director.

It is proposed to appoint Sh. Prashant Kochhar as an Independent Director of the Company to hold office for a period of five years w.e.f 30.09.2015 or upto the conclusion of the 31st Annual General Meeting of the Company in the calendar year 2020.

In the opinion of the Board Sh. Prashant Kochhar fulfill the conditions for appointment as Independent Director as specified in the Act and the Listing Regulations and he is independent of the management.

Brief resume of Sh. Prashant Kochhar nature of their expertise in specific functional areas and names of companies in which they hold directorships and memberships / chairmanships of Board Committees, shareholding and relationships between directors are provided in the statement giving details under Regulation 36 (3) of the Listing Regulation with Stock Exchanges in respect of the Directors proposed to be appointed/ re-appointed, annexed to this notice.

Copy of the draft letters for respective appointment of Sh. Prashant Kochhar as Independent Director setting out the terms and conditions are available for inspection by members at the Registered Office of the Company.

Sh. Prashant Kochhar and their relatives to the extent of their shareholding's interest, if any, in the company are interested/deemed to be interested in the respective resolution with regard to their respective appointment.

Save and except the above, none of the other Directors / Key Managerial Personnel of the Company/their relatives are, in any way, concerned or interested, financially or otherwise, in these resolutions.

The Board recommends the Ordinary Resolution set out at Item No 4 of the Notice for approval by the shareholders.

Item No. 5

The provisions of Section 188 (1) read with of the Companies Act, 2013 read with the Companies (Meetings of Board and its Powers) Rules, 2014 as amended time to time provide that, except with the prior approval of the company by way of ordinary resolution a company shall not enter into a transaction or transactions, where the transaction or transactions to be entered for sale, purchase or supply of any goods or materials, directly or through appointment of agent, exceeding ten per cent of the turnover of the company or rupees one hundred crore, whichever is lower, as mentioned in clause (a) and clause (e) respectively of sub section (1) of Section 188;

Further as per SEBI (LODR) Regulations, 2015 all material related party transactions shall require approval of the shareholders through resolution.

Explanation: A transaction with a related party shall be considered material if the transaction(s) to be entered into individually or taken together with previous transactions during a financial year, exceeds ten per cent of annual consolidated turnover of the listed entity as per the last audited financial statements of the listed entity.

In light of the above provisions of the Companies Act, 2013 and rules made thereunder and SEBI (LODR) Regulations, 2015, the Audit Committee and Board of Directors of the company have approved the transactions for an aggregate value of Rs.1000 Crores over a period of five years commencing from 1st October 2016 that company may enter with its related parties.

Members are hereby informed that pursuant to the provisions of Companies Act, 2013 and SEBI (LODR) Regulations, 2015, no member of the company shall vote on such ordinary resolution to approve any contract or arrangement, if such member is a related party.

None of the Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the Ordinary Resolution.

The Board recommends the Ordinary Resolution set out at Item No. 5 of the Notice for approval by the shareholders.

Item No. 6

The Board of Directors of the Company, on the recommendation of the Audit Committee, approved the appointment of M/s. R.R. & Co, Cost Accountants, to conduct the audit of the cost records of the Company for the financial year ending 31st March, 2017 at a fixed remuneration of Rs. 75000/- plus applicable taxes.

In terms of the provisions of Section 148(3) of the Companies Act, 2013 read with Rule 14(a)(ii) of the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditor is required to be ratified by the Shareholders of the Company.

None of the Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution.

The Board recommends the Ordinary Resolution set out at Item No. 6 of the Notice for approval by the shareholders.

Item No. 7

Sh. Raj Kumar Avasthi - is a founder of the Sportking Group and possesses vast experience and expertise in managing textile businesses including apparel/garment business from the last 42 years. He is working as Managing Director of the company since 1995. He was appointed as Chairman and Managing Director by the members in the annual general meeting held on September 30, 2012 to hold office upto September 30, 2017 at a remuneration in the scale of Rs. 200000-30000-320000 + perquisites. The remuneration was increased to Rs. 500000-75000-650000 + perquisites w.e.f. 01.04.2013 for a period of three years i.e. upto 31.03.2016 in the annual general meeting held on 30.09.2013. Further the company in its general meeting held on 11th September, 2014 had also approved the commission @ 5% of the net profits of the company w.e.f 01.04.2014 in addition to the increased remuneration approved earlier but not exceeding Rs. 10 Lacs per month. The payment of increased remuneration to Sh. Raj Kumar Avasthi, was valued upto 31.03.2016.

Pursuant to the recommendation of Nomination and Remuneration Committee, the Board of Directors of the Company passed a resolution on August 13, 2016 approving remuneration of Sh. Raj Kumar Avasthi as per the resolution stated above. This is subject to the approval of the shareholders at this Annual General Meeting. Hence the said resolution is placed before the members for their approval.

The resolution stated above may also be read and treated as disclosure in compliance with the requirements of Section 190 of the Companies Act, 2013.

Sh. Raj Kumar Avasthi and Sh. Munish Avasthi and their relatives are deemed to be interested in the resolutions set out respectively at Item Nos. 7 of the Notice, to the extent of their remuneration in the Company.

Save and except the above, none of the other Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in these resolutions.

The Board recommends the Special Resolution set out at Item No. 7 of the Notice for approval by the shareholders.

Item No. 8

Sh. Munish Avasthi - is a founder of the Sportking Group and possesses vast experience and expertise in managing textile businesses from the last 23 years. He is working as Joint Managing Director since 1999 and later as Managing Director. He was appointed as Managing Director by the members in the annual general meeting held on September 30, 2012 to hold office upto September 30, 2017 at a remuneration in the scale of Rs. 200000-30000-320000 + perquisites. The remuneration was increased to Rs. 500000-75000-650000 + perquisites w.e.f. 01.04.2013 for a period of three years i.e. upto 31.03.2016 in the annual general meeting held on 30.09.2013. Further the company in its general meeting held on 11th September, 2014 had also approved the commission @ 5% of the net profits of the company w.e.f 01.04.2014 in addition to the increased remuneration approved earlier but not exceeding Rs. 10 Lacs per month. The payment of increased remuneration to Sh. Munish Avasthi, was valued upto 31.03.2016.

Pursuant to the recommendation of Nomination and Remuneration Committee, the Board of Directors of the Company passed a resolution on August 13, 2016 approving remuneration of Sh. Munish Avasthi as per the resolution stated above. This is subject to the approval of the shareholders at this Annual General Meeting. Hence the said resolution is placed before the members for their approval.

The resolution stated above may also be read and treated as disclosure in compliance with the requirements of Section 190 of the Companies Act, 2013.

Sh. Raj Kumar Avasthi and Sh. Munish Avasthi and their relatives are deemed to be interested in the resolutions set out respectively at Item Nos. 8 of the Notice, to the extent of their remuneration in the Company.

Save and except the above, none of the other Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in these resolutions.

The Board recommends the Special Resolution set out at Item No.8 of the Notice for approval by the shareholders.

STATEMENT AS REQUIRED UNDER SCHEDULE V OF THE COMPANIES ACT, 2013 WITH REFERENCE TO THE ITEM NO(S). 7 AND 8 ARE AS FOLLOWS:

I. GENERAL INFORMATION:**Nature of Industry**

Sportking India Limited ("the company") is into Textile Industry.

Date or Expected Date of Commencement of Commercial Production:

The Company was incorporated on February 15, 1989 under the Companies Act, 1956. The Certificate for Commencement of Business was issued by the Registrar of Companies, Delhi & Haryana on June 15, 1990 and it started commercial production soon thereafter.

In Case of New Companies, Expected Date of Commencement of Activities As Per Project Approved by Financial Institutions Appearing in the Prospectus:

Not Applicable

Financial performance for the year ended 31.03.2016

Particulars	(Rupees In Lacs)
Income for the year	103965.36
Profit before Interest, Depreciation and Tax	13055.98
Finance Charges	5107.15
Profit before Depreciation and Taxes	7948.83
Depreciation	5906.39
Provisions for Taxation-Current Tax (Net of Mat Credit)	870.87
Deferred Tax	34.00
Prior Period Items / Extra Ordinary Items	-
Net Profit/(Loss) for the Current Year	1137.57

Export performance and net foreign exchange collaborations

Particulars	Export (FOB Value) (Rupees In Lacs)	Net Foreign Exchange Earnings (Rupees In Lacs)
2015-16	56481.92	56029.91
2014-15	57314.46	56740.67

Foreign Investments or collaborators, if any. : Nil

II. INFORMATION ABOUT THE APPOINTEE**A. Sh. Raj Kumar Avasthi, Managing Director****Background Details**

Sh. Raj Kumar Avasthi aged 70 years having rich experience in Designing & Manufacturing of Apparel/Textile Business from last 42 years. He is the Chairman cum Managing Director of the company since 1995. He has knowledge of latest textile technology and advancement in manufacturing operations as well as a great vision for future of textile industry.

Past Remuneration

The company has approved remuneration to Sh. Raj Kumar Avasthi, Chairman cum Managing Director on a salary in the scale of Rs. 500000-750000-650000 per month along with 5% commission but not exceeding Rs. 10 Lacs per month.

Recognition or awards : Nil

Job Profile and his suitability

Sh. Raj Kumar Avasthi is the Chairman cum Managing Director of the Company. He looks after the overall operations of the Company. He has enriched experience of more than 42 years in Textile Industry. The Company has made tremendous growth under his leadership. Sh. Raj Kumar Avasthi is instrumental in the development of the Company.

Remuneration Proposed

Salary - Salary will be in the scale of Rs. 725000-75000- 800000 per month plus perquisites, Commission: upto such amount in one or more tranches in a financial year by which total remuneration does not exceed the limits as specified under Clause A of Section II of Part II of the Schedule V and other applicable provisions of the Companies Act 2013.or Minimum remuneration in accordance with the provisions of Schedule V of the Companies Act, 2013 in case of loss or inadequacy of profits.

Comparative remuneration profile with respect to industry, size of the company, profile of the position and person (in case of expatriates the relevant details would be w.r.t. the country of his origin).

Taking into consideration the size of the Company, the profile of Sh. Raj Kumar Avasthi, Chairman cum Managing Director of the Company, the responsibilities shouldered by him and the industry benchmarks, the remuneration proposed to be paid is commensurate with the remuneration packages paid to similar senior level incumbents, in other companies.

Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personnel, if any.

Except for receiving remuneration from the company as Chairman-cum- Managing Director, Sh. Raj Kumar Avasthi had no other pecuniary relationship with the company. Sh. Munish Avasthi, Managing Director is his relative.

B. Sh. Munish Avasthi, Managing Director**Background Details**

Sh. Munish Avasthi aged 43 years having rich experience in Spinning/Textile Industry from last 23 years. He is the Managing Director of the company since 1999. He has knowledge of latest technology and advancement in manufacturing operations as well as a great vision for future of textile industry.

Past Remuneration

The company has approved remuneration to Sh. Munish Avasthi, Managing Director on a salary in the scale of Rs. 500000-75000-650000 per month along with 5% commission but not exceeding Rs. 10 Lacs per month.

Recognition or awards : Nil

Job Profile and his suitability

Subject to the supervision and control of the Board of Directors Sh. Munish Avasthi is in overall in-charge of operational affairs of the Company. The Company has made tremendous growth under his leadership. He is also looking after the finance, sales and purchase. He is a dynamic new generation industrialist. As a Managing Director he has played a key role in making the Company one of the most efficient yarn manufacturers in the country. With a single unit of 6720 spindles at Village Meharban, Ludhiana today the Company has 3(Three) textile units situated at various locations in Punjab.

Remuneration Proposed

Salary - Salary will be in the scale of Rs. 725000-75000- 800000 per month plus perquisites, Commission: upto such amount in one or more tranches in a financial year by which total remuneration does not exceed the limits as specified under Clause A of Section II of Part II of the Schedule V and other applicable provisions of the Companies Act 2013.or Minimum remuneration in accordance with the provisions of Schedule V of the Companies Act, 2013 in case of loss or inadequacy of profits.

Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personnel, if any.

Except for receiving remuneration from the company as Managing Director, Sh. Munish Avasthi had no other pecuniary relationship with the company. Sh. Raj Kumar Avasthi, Chairman and Managing Director is his relative.

III. OTHER INFORMATION:**Reasons of loss or inadequate profits**

The company had adequate net profits during the last few financial year. Though the financial charges, depreciation and other expenses had decreased/stabilised due to increased scale of operations but the recession in the domestic

and international market and other economic & external factors may effect the profitability of the company in future. So an enabling provision is made for payment of minimum remuneration in case of loss or inadequate profits.

Steps taken or proposed to be taken for improvement

Optimal utilization of the resources available with the Company, by using technologically advanced machines to achieve optimum production mix.

Aggressive Marketing to capture sizable shares in the Textile Industry. The Company is planning to expand its presence in those domains where small and mid-size companies are operating but cannot provide superior quality products and thus it will help the Company to increase its order book size and in turn help the Company to achieve optimum utilization of its installed capacity as well as optimum product mix. Concentrating on the Export Market, the Company is actively touching base with new clients in international market, whereby the untapped territories can be explored leading to increase in overall performance of the Company.

Expected increase in productivity and profits in measurable terms

With the above mentioned steps taken by the Company, the Company will be able to improve its sales and profit.

IV. DISCLOSURES

Remuneration Package

As described in the resolution stated above.

By Order of the Board
(Raj Kumar Avasthi)
Chairman
DIN: 01041890

Place: Ludhiana

Date : 13.08.2016

Regd. Office :
5/69, Guru Mansion, 1st Floor,
Padam Singh Road, Karol Bagh,
New Delhi - 110005

ANNEXURE TO THE NOTICE

Details of Directors seeking appointment/ re-appointment at the Annual General Meeting (Pursuant to Regulation 36 (3) of the Listing Regulations)

Particulars	1	2
Name of the Director	Sh. Raj Kumar Avasthi	Sh. Prashant Kochhar
Age	70 Years	42 Years
Date of Appointment	15.02.1989	30.09.2015
Qualification	Intermediate	Chartered Accountant
Nature of his expertise in specific functional areas	An Industrialist, having rich experience in designing and manufacturing of Apparel /Textile Business	Having rich experience in the field of finance and accountancy.
Disclosure of Relationship between Directors	Father of Sh. Munish Avasthi, Managing Director of the Company.	N.A.
Names of the listed entities in which the person also holds the directorship and the membership of the committees of the board	Nil	Nil
Shareholding of Non-Executive Director	N.A.	Nil

DIRECTORS' REPORT**Dear Members,**

The Directors of your company are pleased to present their Twenty Seventh Annual Report on the affairs of the company together with Audited Accounts of the Company for the year ended 31st March, 2016.

1. FINANCIAL RESULTS

The Company prepared its financial statements in accordance with the requirements of the Companies Act, 2013 and the Generally Accepted Accounting Principles (GAAP) in India. The financial statements have been prepared on historical cost basis. The estimates and judgments relating to the financial statements have been made on a prudent basis, so as to reflect in a true and fair manner, the form and substance of transactions and reasonably present the company's state of affairs, profits and cash flows for the year ended on 31st March, 2016.

The summarized financial results for the Financial Years 2015-16 & 2014-15 are as under:

Particulars	(Rs. in Crores)	
	2015-16	2014-15
Gross Turnover/Operating Income	1039.65	1144.34
Profit before Interest, Depreciation & Taxation	130.55	151.17
Less :Interest (Net)	51.07	78.52
Profit before Depreciation & Taxation	79.48	72.65
Less: Depreciation	59.06	70.01
Net Profit before Taxation	20.42	2.64
Less Current Tax{Net of MAT Credit}	8.70	0.24
Deferred Tax	0.34	(5.62)
Net Profit afterTax	11.38	8.02
Add: Surplus of Last Year	90.87	84.95
Less: Transfer to Capital Redemption Reserve	0.43	0.43
Prior Period Depreciation Adjustment (Net of Deferred Tax)	-	1.67
Surplus carried to Balance Sheet	101.82	90.87

2. MANAGEMENT'S DISCUSSION AND ANALYSIS**BUSINESS REVIEW****Economic Outlook**

In 2015, global economic activity remained subdued. Global outlook was mostly influenced by gradual slowdown and rebalancing of economic activity in China away from investment and manufacturing toward consumption and services, lower prices for energy and other commodities and a gradual tightening in monetary policy in the United States in the context of a resilient U.S. recovery as several other major advanced economy central banks continue to ease monetary policy.

The world GDP growth decelerated to 3.1% in 2015 from 3.4% in 2014. In 2016, the IMF expects global uncertainties to prevail and projects a modest recovery in the world's GDP growth at 3.2%. This will be primarily driven by emerging markets & developing economies. Uncertainty has increased & risks to weaker growth scenarios are becoming more tangible. Presently, recovery of global economy remains too slow, fragile, with the risk that persistent low growth can have damaging effects on the social and political fabric of many countries.

Growth in advanced economies will be hampered by weak demand on account of unresolved crisis legacies, as well as unfavorable demographics and low productivity growth.

Commodity markets pose two-sided risks. On the downside, further declines in commodity prices would worsen the outlook for already-fragile commodity producers and increasing yield on energy sector debt threaten a broader tightening of credit conditions. On the upside, the recent decline in oil prices may provide a stronger boost to demand by oil importers than currently envisaged, including consumers' possible perception that prices will remain lower for longer.

The Indian economy in the current fiscal is expected to grow at 7.4%, slightly lower than 7.6% projected. However, government has forecasted that GDP for the fiscal year 2015-16 would grow by 7.6%. Exports continued to decline for the seventeenth month in Apr'16 by 6.7% due to falling world prices for commodities, including metal and petroleum products. It is expected to remain weak due to continued moderation in growth in China and the general slowdown in emerging market economies. Growth in the Index of Industrial Production (IIP) stood at 0.1% in Mar'16 as compared to 2.5% in the year ago period and 1.99% in the preceding month. The poor performance of the index was on the back of contraction in both manufacturing and mining sector output.

Consumer price inflation (CPI) has evolved along the RBI's projected trajectory for Jan'16 and the target was met with a marginal undershoot. However, in the month of Apr'16, CPI inflation rose to a three-month high of 5.4% due to a sharp rise in food prices. Stability in inflation is expected to continue in this year aided by stable oil prices in the near term and the overall positive sentiment in the domestic market in lieu of expectations of a normal monsoon. The RBI expects CPI inflation to decelerate modestly and remain around 5% during 2016-17 with small variation.

Improvement in consumption demand in both urban and rural areas is expected to drive the growth in manufacturing output while capacity additions and govt. initiatives are likely to give a boost to the electricity and mining sectors. The Seventh Pay Commission awards are expected to further bolster urban demand in FY17. Further, prospects of normal monsoon after two consecutive droughts are expected to prop up rural demand. Forecasts from the World Bank showed that India will be a bright spot amid a gloomy outlook for developing countries in the next two years and predicts it will grow at 7.9% by 2018. India would benefit on the back drop of a reduction in external vulnerabilities, a strengthening domestic business cycle and a supportive policy environment.

Textile Outlook

Indian Textile Industry is one of the leading textile industries in the world and has an overwhelming presence in the economic life of the country. It represents a rich and diverse spectrum of activities with the hand-woven sector on one end and the capital intensive mill sector on other end. The Indian textile sector is unique in comparison to that of other countries owing to the close linkage of the industry to agriculture and also due to linkage with the culture and traditions of the country. The Industry has a capacity to produce a versatile spread of products appropriate for varied market segments both export and domestic. The Industry plays a pivotal role through its contribution to industrial output and the employment generation and the export earnings of the country. The Textiles sector comprising cotton, man-made fibers, jute, sericulture & silk, wool, a number of specially fibres and their products and Handlooms and Handicrafts, play a key role in the Indian Economy by way of significant contribution to GDP, manufacturing output, employment generation and export earnings. The textiles industry accounts for 14% of industrial production, which is 4% of GDP; employs 45 million people and accounts for 13% share of the country's total exports basket.

The Government's focus on the farmer and rural sector is expected to boost the economic health of rural India which in return will improve consumption of textiles and apparels. Significantly large expenditure by the government in the rural and agricultural sector will stimulate demand. Domestic textile market size is anticipated to grow significantly, driven by increased consumption from rural and semi urban areas in the next 2-3 years. The

government has been pushing for indigenous production through 'Make in India' campaign to bring down imports. The Union Budget 2016-17 has received a mixed response from the industry. At a time when India's textile and apparel exports are down, a few incentives would have brought some cheer to the exporting community. But the domestic apparel industry is unhappy with the inclusion of garments under the excise net.

The India's export of Textiles and Clothing has been projected to US\$64.41 billion for the next FY 2016-17. The Textile sector includes a large apparel and garment sector which employs 12.3 Million persons and produce 3.6 Million tones of apparel and garments. The readymade garment segment contributing 43% of Indian textile Export which include cotton garments and accessories, manmade fibre garments and other textile clothing. India is major exporting country as far as textile sector is concerned and not depend on import. Majority of Import take place for re-export or special requirement. As per UN Comtrade database, India is ranked as the 2nd largest textile and clothing export globally, after China, with \$38.6 billion worth of exports. In clothing segment India is ranked 6th largest exporter with \$16.5 billion clothing export behind China, Bangladesh, Italy, Germany and Vietnam.

Cotton

India's Cotton Production, during the crop year 2015-16, is estimate to be 341.50 lakhs Bales, as per Cotton Association of India (CAI). The overall output for the crop year 2014-15 was 382.75 lakhs Bales, the association said in a statement consumption in the local market is expected to be 305 lakhs Bales.

Cotton Yarn & Exports

The textile exports of India remained flat in the last financial year, at \$40 billion as compared to \$41.4 billion in the previous year. Regardless of poor condition of market, the Indian textile industry did well as compared to other sectors on the export front. However, exports during FY 2015-16 were less than the \$47.5 billion target fixed by the government for textile and clothing. The subdued trend in export was due to recessionary trend in Europe and the US markets, industry.

To boost the Export the Basic Custom Duty Reduced to 2.5% on specified fibers and yarn. This measure will help bring down the input cost for several technical textiles manufacturers in the country. Also, basic customs duty on import of specified fabrics reduced to zero provided these articles are imported to manufacture garments for export. Also, the string attached to this facility that the total value of goods imported shall not exceed one per cent of the Free on Board (FOB) value of textile garments exported during the preceding financial year. The products included to this facility are cotton and elastane printed fabrics, cotton and metallic yarn dyed blended fabrics, cotton and spandex and metallic blended fabrics, cotton and silk lining fabric, 100% linen chambray woven/dyed fabric etc.

Opportunities and Threats

India has the potential to double its market size in the long run as China is losing its competitive advantage in textiles mainly on account of increasing labour & power costs, the appreciating Yuan, and focus on the domestic market with high value products. The shift from China to India is expected to happen in the long run, to make India a dependable source of supply for the World. The Government has introduced the Amended Technology Upgradation Fund Scheme (ATUFS) to give a further boost for technology investment in the textile industry. The ATUFS targets employment generation, exports, conversion of existing looms to better-quality technology looms and improved quality of processing industry. The ATUFS is expected to act as a catalyst to the Government's 'Make in India' campaign for the textile sector. Approval has also been given for 24 new textile parks which will further create employment opportunities and investments. Increasing competition from countries like Bangladesh, Vietnam, Pakistan and Sri Lanka due to favorable tariff structures on exports to developed markets like the US, EU, Canada, Australia, etc poses a significant challenge to Indian exports. Exports from India attract a much higher duty as compared to other Asian countries.

The Central Government had also approved a special package in June 2016 for the textiles and apparel sector under which the additional capital subsidy of 10% under ATUFS and Enhanced Duty Drawbacks coverage to refund the state levies for the garment sector had been allowed with a outlay of Rs. 6000 crores besides to bear the entire share of employer contribution towards Employee Provident Fund for new employees, Relaxation of overtime working hours/ other labour laws etc. which will result in additional investments worth \$11 billions, creation of one crore additional jobs and increase in exports worth \$ 30.4 billion which will help boost textile and garmenting sector with increased demand of textile yarn.

FINANCIAL ANALYSIS

Production/Sales Review

During the year under review, the company achieved production of 45168 M.T. of Cotton/Synthetic Yarn against previous year production of 46150 M.T. Due to decrease in prices of cotton yarn with decrease in prices of raw cotton fibre the gross turnover / operating income declined to Rs. Rs.1039.65 Crores (including exports / export incentives of Rs.580.98 Crores) as against previous year gross turnover/operating income of Rs.1144.34 Crores (including exports/export incentives of Rs. 592.23 Crores). The value of the exports remained at the same level.

Profitability

The company achieved Gross Profit (Profit before depreciation, interest and income tax) of Rs.130.55 Crores with ratio of 12.55% during FY 2015-16 as compared to Rs. 151.17 Crores in the previous FY 2014-15 with ratio of 13.21%. The interest cost declined to Rs.51.07 Crores as compared to Rs.78.52 Crores in the previous year due to availment of export finance in foreign currencies, reduction in the interest of term loan borrowings and working capital borrowings. The company earned gross cash profit before tax of Rs. 79.48 Crores against Rs. 72.64 Crores in the previous year and cash profit after tax of Rs.70.43 Crores against Rs.78.03 Crores in the previous year. The level of profit before tax had increased to Rs.20.42 crores as compared to previous year Rs. 2.64 crores. After providing for current tax of Rs.8.70 Crores (Net of MAT Credit) [Previous year 0.24 crores (Net of MAT Credit)], deferred tax liabilities of 0.34 Crores (Previous Year Rs.(-) Rs. 5.62 Crores) there was a net profit after tax of Rs.11.38 Crores against previous year net profit (after tax) of Rs.8.02 Crores. After transfer of Rs.0.43 Crores to Capital Redemption Reserve the surplus in the Profit & Loss Appropriation Account stands at Rs.101.82 Crores.

RESOURCE UTILISATION

Fixed Assets

The Gross Block of Fixed Assets (including work-in-progress) had increased to Rs.731.61 Crores as on 31st March, 2016 as compared to Rs.723.13 Crores in the previous year, while the Net Fixed Assets (including work-in progress) as at 31st March 2016 were Rs.400.57 crores as compared to Rs.452.41 Crores in the previous year.

Current Assets and Current Liabilities

The inventory level increased by Rs. 108.00 Crores from Rs. 160.01 Crores at the end of the previous year to Rs. 268.01 Crores at the end of the year under review. The Sundry Debtors level decreased by Rs. 16.15 Crores from Rs. 64.90 Crores at the end of the previous year to Rs. 48.75 Crores at the end of the year under review while the level of other current assets decreased by Rs10.68 Crores to Rs. 82.88 Crores at the end of current year from Rs. 93.56 Crores at the end of previous year. The level of trade payables/short term borrowings/other current liabilities and provisions increased by Rs.69.95 Crores i.e. from Rs. 288.87 Crores at the end of previous year to Rs. 358.83 Crores at the end of current year.

LIQUIDITY & CAPITAL RESOURCES

The position of liquidity and capital resources is given below:

Particulars	(Rs.in Crores)	
	2015-16	2014-15
Cash & Cash Equivalent : Beginning of the year	2.78	4.31
End of the year	2.99	2.78
Net Cash provided/ (used) by:		
Operating Activities	22.71	242.83
Investing Activities	(9.98)	(25.27)
Financial Activities	(12.52)	(219.09)

The company is utilizing cash accruals for meeting term loans repayment commitments, acquisition of balancing equipments/ fixed assets and improvement of net working capital funds.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY:

The Company has internal audit department to oversee internal control systems and procedures to ensure efficiency of decisions for optimum utilization and protection of resources and compliance with applicable statutory laws and regulations and internal policies. Reports are submitted by the internal auditor to the Audit Committee of the Board and necessary action/recommendation are made thereafter by the said committee. Continuous efforts are being made to further improve and strengthen the internal control systems.

HUMAN RESOURCES / INDUSTRIAL RELATIONS

The company recognizes its human resources as its most valuable asset and takes pride in the commitment, competence and dedication shown by its employees in all areas of business. The Company has specialized professionals in the respective fields to take care of its operations and allied activities. The Company is committed to nurturing, enhancing and retaining the top talent through superior learning. This is critical pillar to support the organization's growth and its sustainability in the long run. During the year under review, the company enjoyed cordial relationship with workers and employees at all levels.

3. CREDIT RATING

The ICRA Limited has re-affirmed bank loan rating at BBB (pronounced ICRA triple B) for long term credit facilities and at A3+ (pronounced ICRA A three plus) for short term credit facilities.

4. DIVIDEND

No dividend was declared by the company for FY 2015-16. The provisions of Section 125(2) of the Companies Act, 2013 relating to Transfer of Unclaimed Dividend to Investor Education and Protection Fund do not apply as there was no dividend declared and paid by the company in the past 10 years.

5. SHARE CAPITAL

The paid up Equity Share Capital as at 31st March, 2016 stood at Rs. 3.39 crores (Rs. 3.56 crores minus Calls in Arrears of Rs. 0.16 Crores) divided into 3561000 Equity Shares of the face value of Rs. 10/- each while the paid up Redeemable Preference Shares Capital as at 31st March 2016 stood at Rs. 8.52 Crores divided into 8516200 Preference Shares of Rs. 10/- each. During the year under review, the Company has not issued any equity shares with differential voting rights nor has granted any stock options or sweat equity. As on 31st March, 2016 none of the Directors of the Company hold instruments convertible into equity shares of the Company.

6. SUBSIDIARY/ASSOCIATE/JOINT VENTURE COMPANIES

The Company does not have any subsidiary /associate/joint venture companies.

7. SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS

There are no significant and material orders passed by the Regulators/Court/Tribunals that would impact the going concern status of the Company and its future operations.

8. CORPORATE SOCIAL RESPONSIBILITY (CSR)

As per the provisions of section 135 of the Companies Act, 2013 every company having net worth of rupees five hundred crore or more or turnover of Rs. one thousand crore or more or a net profit of rupees five crore or more during any financial year is required to spend in every financial year at least 2% of the average net profits made during the three immediate preceding financial years on CSR activities.

The disclosure relating to the CSR activities pursuant to section 134(3) of the Companies Act, 2013 read with Rule 9 of the Companies(Accounts) Rules, 2014 and Companies (Corporate Social Responsibility) Rules, 2014, is annexed hereto as "Annexure A" and forms part of this Report.

9. BUSINESS RISK MANAGEMENT

The Board of Directors in their meeting has formulated Risk Management Policy of the Company. The aim of Risk Management policy is to maximize opportunities in all activities and to minimize adversity. The policy includes identifying type of risks and its assessment, risk handling, monitoring and reporting, which in the opinion of the Board may threaten the existence of the Company. The Risk Management policy may be accessed on the Company's website.

10. RELATED PARTY TRANSACTIONS

All contracts / arrangements / transactions entered by the Company with related parties during the financial year were in the ordinary course of business and on arm's length basis. During the year, the Company had not entered into any contract / arrangement / transaction with related parties which could be considered material in accordance with the provisions of Regulation 23 of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015. However, all the related party transactions are placed before the Audit Committee and the Board for their approval.

The Policy on dealing with related party transactions as approved by the Board may be accessed on the Company's website.

11. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS:

The company has not given any loans, guarantees or made investments under the provisions of Section 186 of the Companies Act, 2013.

12. DIRECTORS

In accordance with the provision of Section 152 of the Companies Act, 2013, Sh. Raj Kumar Avasthi, Managing Director of the company, is liable to retire by rotation at the forthcoming Annual General Meeting and being eligible offers himself for re-appointment.

Sh. Prashant Kochhar was appointed as an additional director of the company in the category of independent with effect from 30th September 2015 who holds office until the date of this Annual General Meeting under section 161 of the Companies Act, 2013 ("the act"). The Board now recommends the appointment of Sh. Prashant Kochhar as an Independent Director under section 149 of the Companies Act, 2013 and regulation 25 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 w.e.f 30.09.2015 to hold office for 5 (Five) consecutive years i.e. for a term up to the conclusion of 31st annual general meeting of the company in the calendar year 2020.

All independent directors have given declarations that they meet the criteria of independence as laid down under section 149(6) of the Companies Act, 2013 and under regulation 25 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

AUDIT COMMITTEE

The Company has an Audit Committee of the Board of Directors, the members of which are Sh. Prashant Kochhar, Smt. Harbhajan Kaur Bal and Sh. Sunil Puri. Sh. Prashant Kochhar is the Chairman of the committee. The committee is empowered to look into all the matters related to finance and accounting and its terms of reference are as per regulation 18 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with section 177 of The Companies Act, 2013.

NUMBER OF MEETINGS OF THE BOARD AND AUDIT COMMITTEE

During the year under review, Six Board Meetings and Four Audit Committee Meetings were convened and held, the details of which are given in the Corporate Governance Report. The intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013 and regulation 18 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

BOARD EVALUATION

Pursuant to the provisions of the Companies Act, 2013 and regulation 25 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board has carried out an evaluation of its own performance, the directors individually as well as the evaluation of the working of its Audit and Nomination & Remuneration Committees. The performance evaluation of the independent directors was completed. The performance evaluation of the Managing Director and Non - Independent Directors were carried out by the independent directors. The manner in which the evaluation has been carried out has been explained in the Corporate Governance Report.

NOMINATION AND REMUNERATION POLICY

The Board of the directors has constituted Nomination and Remuneration Committee who has framed a policy in relation to the remuneration of Directors, Key Managerial Personnel and Senior Management of the Company and the criteria for their selection and appointment which is stated in the Corporate Governance Report.

WHISTLE BLOWER POLICY/ VIGIL MECHANISM

Pursuant to Section 177(9-10) of the Companies Act, 2013 and regulation 22 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 the Company has formulated a whistle blower policy for vigil mechanism for directors and employees reporting for unethical behavior, fraud and mismanagement or violation of Company's code of conduct. The details of the Policy are also posted on the website of the Company.

DIRECTORS' RESPONSIBILITY STATEMENT

In terms of Section 134 (5) of the Companies Act, 2013, the directors would like to state that:

- i) In the preparation of the annual accounts, the applicable accounting standards had been followed.
- ii) The directors had selected such accounting policies and applied them consistently and made judgments and estimates that were reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for the year ended on 31st March, 2016.
- iii) The directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act 2013, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- iv) The directors had prepared the annual accounts on a going concern basis.
- v) The directors had laid down internal financial controls to be followed by the company and that such internal financial controls were adequate and were operating effectively.
- vi) The directors had devised proper system to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

13. AUDITORS AND THEIR REPORT**STATUTORY AUDITORS**

M/s. Rawla & Company, Chartered Accountants (Firm Registration No. 01661N), New Delhi, Statutory Auditors of the Company, holds office until the conclusion of the ensuing Annual General Meeting and are eligible for re-appointment. The Company has received confirmation from them to the effect that their re-appointment, if made, would be within the prescribed limits under Section 141(3) (g) of the Companies Act, 2013 and that they are not disqualified for reappointment.

There is no audit qualification reservations/ or adverse remark or disclaimer in the statutory audit report for the year under review. The comments in the Auditors' Report read with Notes to Accounts are self-explanatory and do not call for any further explanation.

SECRETARIAL AUDITORS

Pursuant to provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 the company appointed M/s B.K. Gupta & Associates, Company Secretaries to undertake the Secretarial Audit of the Company. The Secretarial Audit Report is annexed herewith as "Annexure B"

There is no audit qualification, reservations or adverse remarks or disclaimer in the secretarial audit report or the year under review.

COST AUDITORS

The Board of Directors has appointed M/s R.R. & Company, Cost Accountants, as the Cost Auditors of the Company to conduct Audit of the cost records of the company for the FY 2016-17. However, as per provisions of Section 148 of the Companies Act, 2013, read with Companies (Cost Records and Audit) Rules, 2014, the remuneration to be paid to the Cost Auditors is subject to ratification by members. Accordingly, the remuneration to be paid to M/s R.R & Company, Cost Accountants, for financial year 2016-17 is placed for ratification before the members at the Annual General Meeting.

14. EXTRACT OF ANNUAL RETURN

The details of the Extract of the Annual Return (Form MGT-9) is given in "Annexure C" of this report.

15. LISTING OF SECURITIES

The fully paid up Equity Shares of company were listed on Bombay Stock Exchange Limited (BSE) for trading. The Company has also paid the listing fees to BSE Ltd for financial year 2016- 17.

16. ENVIRONMENT AND SAFETY

The Company is conscious of importance of environment clean and safety operations. The company conducts operation in such a manner as to ensure safety of all concerned, compliances of environmental regulations and prevention of various natural resources. As required by the Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013, the Company has formulated and implemented a policy on prevention of sexual harassment at workplace with a mechanism of lodging complaints. During the year under review, no complaints were reported to the board.

17. PUBLIC DEPOSITS:

The Company has not raised any deposits from the public except the interest free unsecured loan from the Promoter Director of the Company. Hence the provisions of Section 73 of the Companies Act, 2013 and the Companies (Acceptance of Deposits) Rules, 2014 with regard to acceptance of deposits from public are not attracted.

18. PARTICULARS OF CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

The information in accordance with the provisions of Section 134(3)(m) of the Companies Act, 2013 read with Rule, 8 of the Companies (Accounts) Rules, 2014, regarding conservation of energy, technology absorption and foreign exchange earnings & outgo is given in "Annexure-D" of this report.

19. PARTICULARS OF EMPLOYEES

The disclosures in respect of managerial remuneration as required under Section 197(12) read with Rule 5(1) of the Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014 and statement showing the names and other particulars of the employees drawing remuneration in excess of the limits set out in Rule 5 (2) and 5 (3) Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014 is given in "Annexure E" of this report.

20. PREVENTION OF INSIDER TRADING:

In January 2015, SEBI notified the SEBI (Prohibition of insider trading) Regulations, 2015 which came into effect from May 15, 2015. Pursuant thereto, the Company has formulated and adopted a new Code for Prevention of Insider Trading. The Company has adopted a Code of Conduct for Prevention of Insider Trading with a view to regulate trading in securities by the Directors and designated employees of the Company. The Code requires pre-clearance for dealing in the Company's shares and prohibits the purchase or sale of Company shares by the Directors and the designated employees while in possession of unpublished price sensitive information in relation to the Company and during the period when the Trading Window is closed. The Board is responsible for implementation of the Code.

All Directors and the designated employees have confirmed compliance with the Code.

21. CODE OF CONDUCT:

The Board of Directors has approved a Code of Conduct which is applicable to the Members of the Board and all Senior Manager Personnel in the course of day to day business operations of the company. The Company believes in "Zero Tolerance" against bribery, corruption and unethical dealings / behaviors of any form and the Board has laid down the directives to counter such acts. The Code has been posted on the Company's website.

The Code lays down the standard procedure of business conduct which is expected to be followed by the Directors and all Senior Manager Personnel in their business dealings and in particular on matters relating to integrity in the work place, in business practices and in dealing with stakeholders.

22. CORPORATE GOVERNANCE

The Corporate Governance, which forms an integral part of this Report, are set out as separate Annexure, together with the Certificate from the auditors of the Company regarding compliance with the requirements of Corporate Governance as stipulated in regulation 27 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

23. ACKNOWLEDGEMENTS

Your Directors wish to place on record their appreciation of the co-operation from the Bankers, Financial Institutions and Government Bodies & Business Associates. Your Directors also record their appreciation of the services rendered by the employees of the company.

By Order of the Board

Place: Ludhiana
Date : 13.08.2016

(Raj Kumar Avasthi)
Chairman
DIN: 01041890

Regd. Office :
5/69, Guru Mansion, 1st Floor,
Padam Singh Road, Karol Bagh,
New Delhi - 110005

**ANNEXURE A TO DIRECTOR'S REPORT
CSR ACTIVITIES**

For Financial Year Ended 31st March, 2016

(Pursuant to Section 135 of the Companies Act, 2013 and Rule 9 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 and its amendment)

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.**
- To formulate and recommend to the Board, a Corporate Social responsibility (CSR) Policy indicating activities to be undertaken by the company in compliance with the provisions of the Companies Act, 2013 and rules made thereunder.
 - To recommend the amount of expenditure to be incurred on the CSR activities.
 - To monitor the implementation of the CSR policy of the company from time to time.

The detailed policy of the company on corporate social responsibility is available at company website at http://sportking.co.in/admin/uploaded_code_policy/CSR_Policy.pdf

2. **The Composition of the CSR Committee.**

Name	Designation	Category
Sh. Munish Avasthi	Chairman	Promoter Director
Sh. Raj Kumar Avasthi	Member	Promoter Director
Smt. Harbhajan Kaur Bal	Member	Independent Director

3. **Average net profit of the company for the last three financial years.**

Financial Year	Net Profit (in Crs)	Average Profit (In Crs)
2014-15	2.64	23.62
2013-14	43.03	
2012-13	25.21	

4. **Prescribed CSR Expenditure (two percent of the amount as in item 3 above)**

Rs. 47.24 Lakhs (i.e. 2% of 23.62 Crores)

5. **Details of CSR spent during the financial year:**

- Total amount to be spent for the financial Year : NIL
- Amount Unspent, if any : Rs. 47.24 Lakhs
- Manner in which the amount spent during the financial year detailed below:

(1) Sr. No.	(2) CSR Project or activity identified	(3) Sector in which the project is covered	(4) Projects or programs (1) Local area or other (2) Specify the state and district where projects or programs was undertaken	(5) Amount outlay (budget) project or programs wise	(6) Amount spent on the projects or programs Sub heads: (1) Direct expenditure on projects or programs (2) Over Heads	(7) Cumulative Expenditure upto the reporting period	(8) Amount Spent Direct or through implementing agency
-	-	-	-	-	-	-	-

6. **In case the company have 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 company is exploring the option of Environment Sustainability through development of public roundabouts/parks to be allotted by the government organisation and education development programmes and the CSR expenditure is expected to be incurred in current financial year.

7. **A responsibility statement of the CSR Committee:** The members of the CSR Committee hereby states that the implementation and monitoring of CSR Policy, is in compliance with CSR objectives and Policy of the Company.

Raj Kumar Avasthi
Chairman-cum-Managing Director

Munish Avasthi
Chairman-CSR Committee

**ANNEXURE B TO DIRECTOR'S REPORT
SECRETARIAL AUDIT REPORT
For Financial Year Ended 31st March, 2016****(Pursuant to Section 204(1) of the Companies Act, 2013 and Rule 9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014)**

To
The Members,
Sportking India Limited
5/69, Guru Mansion,
Padam Singh Road,
New Delhi-110005

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Sportking India Limited (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 Company's 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 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.

We have examined the books, papers, minute books, forms and returns filed and other records maintained by Sportking India 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;
- (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:- Not Applicable during the period under review;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - (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 and The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009- Not Applicable during the Audit period;
 - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999- Not Applicable during the Audit period;
 - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008- Not Applicable during the Audit period;
 - (f) 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;
 - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009- Not Applicable during the Audit period; and
 - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998- Not Applicable during the Audit period
- (vi) We have relied on the representation made by the Company & its Officers for system and mechanism formed by the Company for compliances under other applicable Acts as Environmental Laws & Labour Laws as per list attached herewith.

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

- (i) Secretarial Standards (SS-1 and SS-2) issued by The Institute of Company Secretaries of India.
- (ii) The Listing Agreements entered into by the Company with Bombay Stock Exchange.

During the period under review the Company has generally complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

We 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 exists 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.

We further report that there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the audit period the company has made the following decision which is having major bearing in the Company's affair in pursuance of above referred laws, rules, regulation, guidelines, standards, etc.

- a) Company has altered its Articles of Association by passing Special Resolution in their Annual General Meeting held on 30.09.2015.

**For B K Gupta & Associates
Company Secretaries**

**(Bhupesh Gupta)
Partner**

**Place: Ludhiana
Dated: 13.08.2016**

**M No. : FCS 4590
CP No. : 5708**

Note: This report is to be read with our letter of even date which is annexed and forms an integral part of this report.

LIST OF LABOUR LAWS AND ENVIRONMENTAL LAWS WHICH HAVE BEEN VERIFIED DURING AUDIT PERIOD

List of Labour Laws

Factories Act, 1948
Industrial Disputes Act, 1947
The Payment of Wages Act, 1936
The Minimum Wages Act, 1948
Employee's State Insurance Act 1948
The Payment of Bonus Act, 1972

List of Environmental Laws

Environment (Protection) Act, 1986
Water (Prevention and Control of Pollution) Act, 1974
Air (Prevention and Control of Pollution) Act, 1981
Hazardous Waste (Management, Handling and Transboundary Movements) Rules, 2008

To
The Members,
Sportking India Limited
5/69, Guru Mansion,
Padam Singh Road,
New Delhi-110005

1. Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on the random test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on random test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

**For B K Gupta & Associates
Company Secretaries**

**(Bhupesh Gupta)
Partner**

**Place: Ludhiana
Dated: 13.08.2016**

**M No. : FCS 4590
CP No. : 5708**

**ANNEXURE C TO THE DIRECTORS' REPORT
EXTRACT OF ANNUAL RETURN
(FORM NO. MGT 9)**

**For Financial Year ended on 31st March, 2016
(Pursuant to Section 92 (3) of the Companies Act, 2013 and Rule 12(1) of the Company
(Management & Administration) Rules, 2014)**

1. REGISTRATION & OTHER DETAILS:

1.	CIN	L17122DL1989PLC035050
2.	Registration Date	15/02/1989
3.	Name of the Company	Sportking India Limited
4.	Category/Sub-category of the Company	Public Company / Limited by shares
5.	Address of the Registered office	5/69, Guru mansion, First Floor ,Padam Singh Road, Karol Bagh, New Delhi – 110005, Contact details & Ph No. 011-25754885
6.	Whether listed company	Yes
7.	Name, Address & contact details of the Registrar & Transfer Agent, if any.	Beetal Financial & Computer Services Private Limited Beetal House, 3rd Floor, 99 Madangir, Behind Local Shopping Centre, Near Dada Harsukhdas Mandir, New Delhi – 110 062. Tel.: 91 11 2996 1281, Fax: 91 11 2996 1284

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/	NIC Code of the Product/service	% to total turnover of the company
1	Textiles	131- Spinning, weaving & Finishing of Textiles	100%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES -

Sr. No.	Name of the Company	Address of the Company	Holding/Subsidiary/Associate	% of Share held	Applicable Section
1	NA				

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

Category of Shareholder	No. of Shares held at the beginning of Year(As on 01-04- 2015)				No. of Shares held at the end of the Year(As on 31-03-2016)				% Change During the year
	Demat	Physical	Total	% of total Share	Demat	Physical	Total	% of total Share	
A. Promoters									
(1) Indian									
a) Individual/HUF	102700	399400	502100	14.10	116000	388500	504500	14.16	0.06
b) Central Govt.	-	-	-	-	-	-	-	-	-
c) State Govt (PSIDC)	-	200000	200000	5.62	-	200000	200000	5.62	-
d) Bodies Corp.	1492450	241600	1734050	48.70	1492450	241600	1734050	48.70	-
e) Banks/Fi	-	-	-	-	-	-	-	-	-
Total Shareholder of Promoter (A)	1595150	841000	2436150	68.42	1608450	830100	2438550	68.48	0.06
B. Public Shareholding									
1. Institutions	-	-	-	-	-	-	-	-	-
a) Mutual Funds	-	-	-	-	-	-	-	-	-
b) Banks/Fi	-	-	-	-	-	-	-	-	-
c) Central Govt.	-	-	-	-	-	-	-	-	-
d) State Govt.(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital	-	-	-	-	-	-	-	-	-

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Funds									
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FIs	-	-	-	-	-	-	-	-	-
h) Foreign Venture capital Funds	-	-	-	-	-	-	-	-	-
i) Others (specify)	-	-	-	-	-	-	-	-	-
Sub Total (B)(1)-	-	-	-	-	-	-	-	-	-
2. Non-Institutions									
a) Bodies Corp.									
i) Indian	-	69600	69600	1.95	-	69600	69600	1.95	-
ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individuals									
i) Individuals shareholder holding nominal share capital upto Rs. 1 Lakh	4500	865950	870450	24.44	5600	862450	868050	24.38	(0.06)
ii) Individual shareholder holding nominal share capital in excess of Rs.1Lakh	-	114700	114700	3.22	-	114700	114700	3.22	-
c) Others (Specify)									
Non Resident Indians	-	70100	70100	1.97	-	70100	70100	1.97	-
Overseas corporate Bodies	-	-	-	-	-	-	-	-	-
Foreign Nationals	-	-	-	-	-	-	-	-	-
Clearings Members	-	-	-	-	-	-	-	-	-
Trusts	-	-	-	-	-	-	-	-	-
Foreign Bodies-DR	-	-	-	-	-	-	-	-	-
Sub Total (B)(2):-	4500	1120350	1124850	31.58	5600	1116850	1122450	31.52	(0.06)
Total Public Shareholding (B)=(B)(1)+(B)(2)	4500	1120350	1124850	31.58	5600	1116850	1122450	31.52	(0.06)
C. Shares held by Custodian for GDRS& ADRS	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	1599650	1961350	3561000	100.00	1614050	1946950	3561000	100.00	-

B) Shareholding of Promoter-

SN	Shareholders Name	Shareholding at the beginning of the Year			Shareholding at the end of the year			% Chnagne in Share holding during the Year
		No. of Shares	% of total Share of the Company	% of Share Pledged/ encumbered to the shares	No. of Shares	% of Total Sahres of the Company	% of Shares Pledged/ encumbered to total share	
1	Namokar Capital Services Private Limited	798985	22.44	-	798985	22.44	-	-
2	Angle Finvest Private Limited	487900	13.70	-	487900	13.70	-	-
3	Sobhagia Sales Private Limited	295015	8.28	74.57	295015	8.28	74.57	-
4	Punjab State Industrial Development Corporation Limited (PSIDC)	200000	5.62	-	200000	5.62	-	-
5	Sh. Raj Kumar Avasthi	203200	5.72	59.55	203200	5.72	59.55	-
6	Smt. Parveen Avasthi	162500	4.56	97.23	162500	4.56	97.23	-

7	Classic Wears Private Limited	130550	3.67	-	130550	3.67	-	-
8	Sh. Munish Avasthi	126900	3.56	79.59	129300	3.63	78.11	0.06
9	Aradhna Knitwears	21600	0.61	-	21600	0.61	-	-
10	Sh. Ashok Kumar Sharma	3000	0.08	-	3000	0.08	-	-
11	Sh. Suraj Dada	2200	0.06	-	2200	0.06	-	-
12	Sh. Jagdish Chandar	1800	0.05	-	1800	0.05	-	-
13.	Smt. Anjali Dada	1500	0.04	-	1500	0.04	-	-
14	Smt. Anjali Avasthi	1000	0.03	-	1000	0.03	-	-
	Total	2436150	68.42	24.63	2438550	68.48	24.85	0.06

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

SN	Name	Shareholding at the Beginning of the year (01.04.2015)/ end of the year (31.03.2016)		Date	Increase/ Decrease in Share holding	Reason	Cumulative Shareholding during the year (01.04.2015 to 31.03.2016)	
		No. of Share	% of Total shares of the Company				No. of Share	% of total share of the Company
1	Sh. Munish Avasthi	126900	3.56	01.04.2015				
				25.09.2015	+2400	Transfer	129300	3.63
	At the end of the year	129300	3.63	31.03.2016			129300	3.63

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

SN	Name	Shareholding at the Beginning of the year (01.04.2015)/ end of the year 31.03.2016)		Date	Increase/ Decrease in Share holding	Reason	Cumulative Shareholding during the year (01.04.2015 to year (31.03.2016)	
		No. of Share	% of Total shares of the Company				No. of shares	% of total share of the Company
1	Santosh Dass	50000	1.40	01.04.2015	-	Nil		
	At the end of the year	50000	1.40	31.03.2016		Movement during the year	50000	1.40
2	Vinod Talwar	21600	0.61	01.04.2015	-	Nil		
	At the end of the Year	21600	0.61	31.03.2016		Movement during the year	21600	0.61
3	Marvel Dyers & Processers Private Limited (Formerly)- friends dyeing & finishing Mills Pvt. Ltd.)	21600	0.61	01.04.2015	-	Nil		
	At the end of year	21600	0.61	31.03.2016		Movement during the year	21600	0.61
4	Sam Aviation Private Limited	21600	0.61	01.04.2015	-	Nil		
	At the end of the Year	21600	0.61	31.03.2016		Movement during the year	21600	0.61
5	LWS Knitwear Private Limited	13000	0.36	01.04.2015	-	Nil		
						Movement		

	At the end of the year	13000	0.36	31.03.2016		During the year	13000	0.36
6	Riba Textiles Limited	10800	0.30	01.04.2015	-	Nil Movement during the year		
	At the end of the Year	10800	0.30	31.03.2016			10800	0.30
7	Amit Garg	10800	0.30	01.04.2015	-	Nil Movement during the year		
	At the end of the year	10800	0.30	31.03.2016			10800	0.30
8	Nitin Garg	10800	0.30	01.04.2015	-	Nil Movement during the year		
	At the end of year	10800	0.30	31.03.2016			10800	0.30
9	Rajeev Verma	10800	0.30	01.04.2015	-	Nil Movement during the year		
	At the end of year	10800	0.30	31.03.2016			10800	0.30
10	Rosy Sharma	10000	0.28	01.04.2015	-	Nil Movement during the year		
	At the end of year	10000	0.28	31.03.2016			10000	0.28

E) Shareholding of Directors and Key Managerial Personnel:

SN	Name	Shareholding at the Beginning of the year (01.04.2015)/end of the year (31.03.2016)		Date	Increase Decrease in Share holding	Reason	Cumulative Shareholding during the year (01.04.2015 to 31.03.2016)	
		No. of Share	% of Total shares of the Company				No. of Share	% of total share of the Company
A. Director								
1	Sh. Raj Kumar Avasthi (Chairman and Managing Director)	203200	5.72	01.04.2015				
	At the end of the Year	203200	5.72	31.03.2016			203200	5.72
2	Sh. Munish Avasthi (Managing Director)	126900	3.56	01.04.2015				
	At the end of Year	129300	3.63	31.03.2016	+2400	Transfer	129300	3.63
3	Sh. Naresh Kumar jain (Executive Director)	1300	0.04	01.04.2015	-	Nil Movement during the year		
	At the end of year	1300	0.04	31.03.2016			1300	0.04
4	Sh. Prashant Kocchar (Independent) Director	-	-	01.04.2015	-	Nil Movement During the year		
	At the end of year	-	-	31.03.2016	-		-	-
5	Sh. Sunil Puri (Independent Director)	-	-	01.04.2015	-	Nil Movement during the year		
	At the end of year	-	-	31.03.2016	-		-	-
6	Smt. Harbhajan Kaur Bal (Independent Director)	-	-	01.04.2015	-	Nil Movement during the year		
	At the end of year	-	-	31.03.2016	-		-	-

B. Key Managerial Personal (KMP's)								
7	Sh. Parveen Kumar Gupta (CFO)	-	-	01.04.2015	-	Nil Movement during the year	-	-
		-	-	31.03.2016			-	-
8	Sh. Nikhil Kalra (Company Secretary & Compliance Officer)	-	-	01.04.2015	-	Nil Movement during the year	-	-
		-	-	31.03.2016			-	-

V) **INDEBTEDNESS** - indebtedness of the Company interest outstanding/ accrued but not due for payment.

	Amount in Crores			
	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	527.91	1.00	-	528.91
ii) Interest due but not paid	3.01	-	-	3.01
iii) Interest accrued but not due	1.40	-	-	1.40
Total(i+ii+iii)	532.32	1.00	-	533.32
Change in Indebtedness during the financial year				
* Addition	30.46	-	-	30.46
* Reduction	-	-	-	-
Net Change	30.46	-	-	30.46
Indebtedness at the end of the financial year				
i) Principal Amount	561.05	1.00	-	562.05
ii) Interest due but not paid	1.61	-	-	1.61
iii) Interest accrued but not due	0.12	-	-	0.12
Total (i+ii+iii)	562.78	1.00	-	563.78

VI. REMUNERATION ON OF DIRECTORS AND KEY MANAGERIAL PERSONNEL.

Remuneration to Managing Director, Whole-time Directors and/or Manager:

SN	Particulars of Remuneration	Name of MD/WTD/Manager			Total Amount
		CMD	MD	WTD	
		Sh. Raj Kumar Avasthi	Sh. Munish Avasthi	Sh. Naresh Kumar Jain	
1	Gross Salary				
	(a) Salary as per provisions contained in section 17(1) of the income Tax Act, 1961	7800000	7800000	1080000	16680000
	(b) Value of perquisites u/s 17(2) Income Tax Act, 1961	1174914	1174914	540000	2889828
	(c) Profits is of salary under Section 17(3) Income-tax Act, 1961				
2	Stock Option	-	-	-	-
3	Sweat Equity	-	-	-	-
4	Commission - as % of profit - others, Specify..	3000000	3000000	-	6000000
	Total (A)	11974914	11974914	1620000	25569828
	Ceiling as per the Act	Complied with the provision of Schedule V of the Companies Act 2013.			

B. Remuneration to other Directors

SN	Particulars of Remuneration	Name of Director				Total Amount
		Sh. Prashant Kochhar*	Sh. Ajay Chaudhry**	Sh. Sunil Puri	Smt. Harbhajan Kaur Bal	
1	Independent Director Fee for attending board/committee meetings	15000	15000	30000	30000	90000
	Commission	-	-	-	-	-
	Others, Please Specify	-	-	-	-	-
	Total(1)	15000	15000	30000	30000	90000
2	Other Non-Executive Directors					
	Fee for attending board/committee meetings	-	-	-	-	-
	Commission	-	-	-	-	-
	Others, Please Specify	-	-	-	-	-
	Total (2)	-	-	-	-	-
	Total Managerial Remuneration (1+2)	15000	15000	30000	30000	90000

* Appointed on 30.09.2015.

** Retired on 30.09.2015

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

SN	Particulars of Remuneration	Key Managerial Personnel			
		CEO	CFO (Sh. Parveen K Gupta)	CS (Sh. Nikhil Kalra)	Total
1	Gross Salary	Not Applicable			
	(a) Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961		1766400	426972	2193372
	b) Value of Perquisites u/s 17(2) Income-tax Act, 1961		15000	15000	30000
	c) Profits in salary under section 17(3) Income-Tax Act, 1961				
2	Stock Option		-	-	-
3	Sweat equity		-	-	-
4	Commission		-	-	-
	- as % of Profit		-	-	-
	Others Specify		-	-	-
5	Total		1781400	441972	2223372

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

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

ANNEXURE D TO THE DIRECTORS' REPORT

Information as per Section 134(3)(m) of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014 forming part of the Directors' Report for the year ended 31st March, 2016.

1. Conservation of Energy

The Energy Conservation is given highest priority by the organization and its continuous efforts for this project as initiated in the previous year are being implemented across the organization such as installation of LED Tube installation, Modification of H Plant, Installing VFD System for Compress Air, Replacement of energy efficient Ring Frame Spindles, Conversion of ECO System Pnumafil Suction Nozzle in Rieter Ring Frame, Installation of Inverter drive in diesel ring frame area.

In Dyeing Area the installation of Heat Exchanger at Dye House Effluent, Availability of Hot Water Storage to improve the process efficiency and energy conservation. This has also helped in saving of fuel consumption and improving boiler efficiency along with enhancing the functioning of ETP Plant and consistency in adhering of Norms.

(FORM A)**A Power & Fuel Consumption**

	2015-16	2014-15
i) Electricity		
a) Purchased		
Units (Kwh.)	15,73,91,771	15,53,58,463
Amount (Rs.)	91,72,65,971	98,11,82,686
Rate Per Unit (Rs.)	5.83	6.32
b) (Through Generator)		
Units (Kwh)	2,55,836	2,55,427
Amount (Rs.)	35,96,168	43,65,553
Cost per unit (Rs.)	14.06	17.09
ii) Coal / Pet coke		
Qty. (Kgs.)	21,14,380	19,73,201
Amount (Rs.)	1,70,52,967	2,04,71,096
Rate per unit (Rs.)	8.07	10.37
iii) Furnace Oil	NIL	NIL
iv) Rice Husk	NIL	NIL
Qty. (Kgs.)	NIL	NIL
Amount (Rs.)	NIL	NIL
Rate per unit (Rs.)	NIL	NIL
v) Other/internal generation	NIL	NIL

B) Consumption per Unit of production

i) Electricity (Kwh/Kg. of Product)	3.49	3.38
ii) Coal and Rice Husk	0.05	0.04
iii) Furnace	NIL	NIL
iv) Others/Internal Generation	NIL	NIL

2. Technology Absorption

Efforts made in Technology Absorption are furnished in Form B as under:

A. Research and Development

i) Specific Areas in which Research & development is carried out by the Company: Research & Development is carried out for continual improvement in product quality thereby setting benchmarks for quality and better realization to customer by optimum utilization of available resources. Product Development is a continuous endeavor of the management and contamination free and other fibre dyed products, Jaspe Yarn in Poly Cotton Grey, 100% Polyester Fibre Dyed, Injection Yarn having different dye absorption behaviour resulted in to high fashion garments usage and creating value addition to both.

ii) Benefits derived as a result of Research & Development:

- a) Enlargement of market base with new products.
- b) Quality improvement, customer satisfaction.
- c) Cost reduction, productivity & efficiency enhancement.
- d) Enhanced capacity to cater for higher volume to foreign customers.

iii) Future Course of Action:

- a) Productivity enhancement of Spinning Machines
- b) Development of new products
- c) Investment in R & D

iv) Expenditure on Research & Development:

The capital as well as revenue expenditure incurred on Research & Development activities has been shown under the respective heads of Plant & Machinery and Consumable Stores of Annual Accounts and it is not possible to segregate the same.

B. Technology Absorption, Adaptation and Innovation:**i) Efforts Made:**

- a. Installation of New Contamination Sorting Vision Shield (Magic Eye) in the blow room, thus improving the efficiency of removing white Poly Propylene in available material and minimizing the risk of it in yarn.
- b. Installation of PP censor in Auto Corner Uster UQC-III thus removing the presence of Poly Propylene in Grey Yarn. Thus, further improving yarn quality in terms of PP Contamination Content.
- c. Modification of M type Fly Catcher in Ring Frame Area resulting into better productivity and reduced machine down time.
- d. For better Flats cleaning, installation of flat cleaning device at cards resulting into quality consistency.
- e. Installation of New Modified flat in carding thus improving its Nep removal efficiency there by resulting in improved quality and consistency of in process material and final end product.

ii) Benefits derived as a result of the above efforts e.g., product improvement, cost reduction, product development, import substitution etc.:

Use of the latest developed techniques has enabled the company to improve the quality of yarn, launch of new products and reduction of cost of production.

iii) Particulars of imported Technology during the last five years:

During the financial year 2014-15 the Company has imported the compacting system for improving the product quality.

3. Foreign Exchange Earnings and Outgo:

The company continued its efforts to develop export markets throughout the year and has got adequate response from various customers worldwide. The company has earned foreign exchange of Rs 560.30 Crores by export of its products. The outgoes of foreign exchange is Rs. 130.61 Crores, being the CIF value of imports of raw material/capital goods/stores & spares, interest on foreign currency loans & overseas commission/traveling expenses.

ANNEXURE E TO THE DIRECTOR'S REPORT**Particulars of Employees and Related Disclosures****DETAILS PERTAINING TO REMUNERATION AS REQUIRED UNDER SECTION 197(12) OF COMPANIES ACT, 2013 READ WITH RULE 5 (1) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) 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 2015-16 and percentage increase in remuneration of each Director, Chief Financial Officer and Company Secretary during the financial year 2015-16 are as under:

Sr. No.	Names of the Directors/KMP	Designation	Remuneration of the financial year 2015-16 (Rs. In Lacs)	Ratio of Directors /KMP remuneration to Median remuneration	% Increase in the Remuneration in the Financial year 2015-16
I	Executive Directors				
1	Sh. Raj Kumar Avasthi	Chairman -cum- Managing Director	119.75	149.68	47.86
2	Sh. Munish Avasthi	Managing Director	119.75	149.68	47.86
3	Sh. Naresh Kumar Jain	Executive Director	16.20	20.25	12.50
II	Non-Executive Directors				
4	Sh. Prashant Kochhar*	Independent Director	0.15	0.19	-
5	Sh. Ajay Chaudhry**	Independent Director	0.15	0.19	-
6	Sh. Sunil Kumar Puri	Independent Director	0.30	0.19	-
7	Dr. Harbhajan Kaur Bal	Independent Director	0.30	0.38	-
III	Key Managerial Personnel				
8	Mr. Parveen Kumar Gupta	Chief Financial Officer	17.81	22.26	8.33
9	Mr. Nikhil Kalra	Company Secretary	4.42	5.52	17.87

*Appointed on 30.09.2015

**Retired on 30.09.2015

- There were 4505 permanent employees on the rolls of Company as on March 31, 2016.
- The median remuneration of employees of the Company during the financial year 2015-16 was Rs. 79884/- and there was no increase in the median remuneration of employees over the previous year.
- Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year 2014-15 and its comparison with the percentile increase in the managerial remuneration and justification there of and point out if there are any exceptional circumstances for increase in the managerial remuneration

During the financial year under review there was no increase in the salaries of employees other than the managerial personnel in the last financial year 2014-15. Further, percentage increase made in the salaries of managerial remuneration for the same financial year was 41.62%

5. The 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.

Not Applicable.

6. It is hereby affirmed that the remuneration paid is as per the Remuneration Policy for Directors, Key Managerial Personnel and other Employees.

STATEMENT CONTAINING PARTICULARS OF EMPLOYEES AS PER SECTION 197(12) OF THE COMPANIES ACT, 2013 READ WITH RULE 5(2) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014.

Name of the Employee	Designation	Remuneration (Rs. In Lacs)	Nature of Employment	Qualification	Experience (Years)	Joining Date	Age	Previous Employment	% of Equity Shares held	Relationship with Director
Raj Kumar Avasthi	CMD	119.75	Permanent	HSC	42	15.02.1989	70	NA	5.71	-
Munish Avasthi	MD	119.75	Permanent	B.Com	23	01.08.1991	43	NA	3.63	-
Shiv Kumar Sharma	President	24.25	Permanent	B.Tech	28	22.08.2013	52	Birla Textiles Indonesia	NIL	No
Ashok Kumar Sharma	President	23.83	Permanent	B.Tech	30	19.08.2010	53	Deepak Spinners Limited	NIL	No
Parveen Kumar Gupta	CFO	17.81	Permanent	FCA, ACS	32	01.04.1999	56	NA	NIL	No
D.S. Yadav	Vice President (H.R.)	16.96	Permanent	MSW	27	02.07.1997	50	Pashupati Spinning and Weaving Mills Limited	NIL	No
Rashim Jindal	President	16.44	Permanent	MBA	24	09.09.2004	46	Vardman Spinning	NIL	No
A.P. Singh	G.M. (H.R.)	16.23	Permanent	B.Sc, LL.B & MSW	24	01.05.2012	38	Triveni Engg. & Industries Limited	NIL	No
Naresh Kumar Jain	ED	16.20	Permanent	B.A.	40	30.07.2009	62	Classic Wears Pvt. Ltd.	NIL	No
Jai Prakash Singhal	Sr. G.M. (Engg.)	15.10	Permanent	B.E. Electrical	36	07.08.2010	59	GPI Textiles Limited	NIL	No
Shaji John	AVP	15.03	Permanent	B.Tech (Textiles)	26	12.03.2013	53	Ginli Filaments Limited	NIL	No
R.P. Gupta	EA to MD	14.04	Permanent	Master of Textile Tech.	30	16.09.2014	52	Thai Acrylics Fibre, Thailand	NIL	No

CORPORATE GOVERNANCE REPORT

Corporate Governance is the application of best management practices, continued compliances of law and adherence to highest ethical standards to achieve the Company's objective of enhancing shareholders value and its image. Adopting high standards with transparency gives comfort to all existing and potential stakeholders including government & regulatory authorities, customers, suppliers, bankers, employees and shareholders. The Company remains resolute in its commitment to conduct business in accordance with the highest ethical standards and sound Corporate Governance Practices. The Company believes that good Corporate Governance is a continuous process and strives to improve the Corporate Governance practices to meet shareholder's expectations.

In India, Corporate Governance Standards for listed companies are regulated by the Securities and Exchange Board of India (SEBI), through Security Exchange Board of India (SEBI) in chapter IV read with schedule V of (Listing Obligations and Disclosure Requirements) Regulations 2015. The Company has adopted best practices mandated in regulations. This chapter, besides being in compliance of the mandatory Listing Regulation gives an insight into the process of functioning of the Company.

1. COMPANY'S PHILOSOPHY

- a) Faith in bright future of Indian textiles
- b) Total Customer focus in all operational areas
- c) Respect for people, consumer delight, Integrity, Quality and Shareholder's value.
- d) Achieving excellence through continuous innovation & creativity
- e) Faith in individual potential and respect for human values

2. BOARD OF DIRECTORS

Composition:

The Board of the Company is headed by Executive Chairman & Managing Director. The Board consists of Six Directors out of which two are promoter Directors, one is non-independent director and three are independent Directors. Sh. Raj Kumar Avasthi (Chairman & Managing Director) and Sh. Munish Avasthi (Managing Director) are related to each other.

The details of Board of Directors and their shareholding in the Company are as under:

Name of the Directors	Category	No. of shares held in the Company
Sh. Raj Kumar Avasthi	Executive Chairman & Managing Director and Promoter	203200
Sh. Munish Avasthi	Managing Director & Promoter	129300
Sh. Naresh Kumar Jain	Executive Non-Promoter Director	1300
Sh. Prashant Kochhar*	Non- Executive Independent Director	NIL
Sh. Sunil Puri	Non- Executive Independent Director	NIL
Smt. Harbhajan Kaur Bal	Non- Executive Independent Director	NIL

* Appointed on 30.09.2015.

Board Meetings etc:

The Board normally meets once in a quarter. Additional meetings are held as and when required. During the year under review, board met six times on 30.05.2015, 25.06.2015, 14.08.2015, 30.09.2015, 14.11.2015 and 13.02.2016. The intervening gap between the above said meeting was within the timelines as stipulated under the Companies Act, 2013 and SEBI (LODR) Regulations, 2015.

The board members attendance at the Board meetings, last Annual General Meeting and directorship and committee memberships in other Public Limited Companies are as under-

Name of the Directors	No. of Board Meeting Attended	Attendance at the last AGM	Total No. of Directorships in other Companies	Total No. of Committee Memberships in other Companies	Total No. of Committee Chairmanships in other Companies
Sh. Raj Kumar Avasthi	6	Yes	-	-	-
Sh. Munish Avasthi	6	Yes	1	-	-
Sh. Naresh Kumar Jain	6	Yes	-	-	-
Sh. Prashant Kochhar*	3	No	-	-	-
Sh. Ajay Chaudhry**	3	Yes	3	3	3
Sh. Sunil Puri	6	No	-	-	-
Smt. Harbhajan Kaur Bal	6	No	5	4	2

*Appointed on 30.09.2015

**Retired on 30.09.2015

Note:

- i) The above mentioned Directorships exclude private limited companies, foreign companies and Companies under section 8 of the Companies Act, 2013.
- ii) Committee includes Audit Committee and Stakeholders Relationship Committee.

3. AUDIT COMMITTEE**Composition:**

The Audit Committee of the Company in terms of Section 177 of the Companies Act, 2013 and Regulation 18 of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 comprise of three directors i.e., Sh. Prashant Kochhar, Smt. Harbhajan Kaur Bal and Sh. Sunil Puri. Sh. Prashant Kochhar is the Chairman of the Committee. All the members of Audit Committee are financially literate and Chairman of the Committee possesses expertise in legal, finance and accounting matters.

Terms of reference:

The terms of reference of the Audit Committee based on the role of the Audit Committee as mentioned in Chapter IV read with Schedule II of Part C of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 are as under:

A. The role of the audit committee shall include the following:

- (1) oversight of the listed entity's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;

- (2) recommendation for appointment, remuneration and terms of appointment of auditors of the listed entity;
- (3) approval of payment to statutory auditors for any other services rendered by the statutory auditors;
- (4) reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:
 - (a) matters required to be included in the director's responsibility statement to be included in the board's report in terms of clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013;
 - (b) changes, if any, in accounting policies and practices and reasons for the same;
 - (c) major accounting entries involving estimates based on the exercise of judgment by management;
 - (d) significant adjustments made in the financial statements arising out of audit findings;
 - (e) compliance with listing and other legal requirements relating to financial statements; disclosure of any related party transactions;
 - (f) modified opinion(s) in the draft audit report;
- (5) reviewing, with the management, the quarterly financial statements before submission to the board for approval;
- (6) reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the board to take up steps in this matter;
- (7) reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;
- (8) approval or any subsequent modification of transactions of the listed entity with related parties;
- (9) scrutiny of inter-corporate loans and investments;
- (10) valuation of undertakings or assets of the listed entity, wherever it is necessary;
- (11) evaluation of internal financial controls and risk management systems;
- (12) reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
- (13) reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
- (14) discussion with internal auditors of any significant findings and follow up there on;
- (15) reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;
- (16) discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
- (17) to look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
- (18) to review the functioning of the whistle blower mechanism;
- (19) approval of appointment of chief financial officer after assessing the qualifications, experience and

background, etc. of the candidate;

(20) Carrying out any other function as is mentioned in the terms of reference of the audit committee.

(B) The audit committee shall mandatorily review the following information:

- (1) management discussion and analysis of financial condition and results of operations;
- (2) statement of significant related party transactions (as defined by the audit committee), submitted by management;
- (3) management letters / letters of internal control weaknesses issued by the statutory auditors;
- (4) internal audit reports relating to internal control weaknesses; and
- (5) the appointment, removal and terms of remuneration of the chief internal auditor shall be subject to review by the audit committee.
- (6) statement of deviations:
 - (a) quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1).
 - (b) annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice in terms of Regulation 32(7).

The committee met four times in the financial year 2015-16 on 30.05.2015, 14.08.2015, 14.11.2015 & 13.02.2016. The attendance of committee members is as under:

Name of the Directors	Designation	Category	No. of Meeting Attended
Sh. Prashant Kochhar*	Chairman	Non Executive Independent Director	2
Sh. Ajay Chaudhry**	Chairman	Non Executive Independent Director	2
Smt. Harbhajan Kaur Bal	Member	Non Executive Independent Director	4
Sh. Sunil Puri	Member	Non Executive Independent Director	4

* Appointed on 30.09.2015

**Retired on 30.09.2015

4. STAKEHOLDERS' RELATIONSHIP COMMITTEE

The SR Committee's composition meets the requirements of Regulation 20 of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015. The SR Committee is primarily responsible to consider and resolve the grievances of the security holders including complaints related to transfer of shares, non receipt of annual report and non receipt of declared dividend. Sh. Nikhil Kalra, Company Secretary of the Company act as Compliance officer of the committee as per the requirement of SEBI Listing Regulation. During the year 2015-16 no complaint was received from the shareholders and investors.

The committee met seven times in the financial year 2015-16 on 16.09.2015, 25.09.2015, 15.10.2015, 22.12.2015, 11.01.2016, 25.01.2016 & 23.02.2016. The attendance of committee members is as under:

Name of the Directors	Designation	Category	No. of Meeting Attended
Smt. Harbhajan Kaur Bal	Chairman	Non Executive Independent Director	7
Sh. Munish Avasthi	Member	Executive Promoter Director	7
Sh. Naresh Kumar Jain	Member	Executive Non Promoter Director	7

5. NOMINATION AND REMUNERATION COMMITTEE AND POLICY**Composition:**

The Nomination & Remuneration Committee of the Company in terms of Section 178 of the Companies Act, 2013 and Regulation 19 of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 comprise of three directors

- Sh. Sunil Puri
- Smt. Harbhajan Kaur Bal
- Sh. Prashant Kochhar

Terms of reference:

- (1) formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the board of directors a policy relating to, the remuneration of the directors, key managerial personnel and other employees;
- (2) formulation of criteria for evaluation of performance of independent directors and the board of directors;
- (3) devising a policy on diversity of board of directors;
- (4) identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the board of directors their appointment and removal.
- (5) whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors.

POLICY FOR SELECTION AND APPOINTMENT OF DIRECTORS AND THEIR REMUNERATION

The Nomination and Remuneration (N&R) Committee has adopted a Charter which, inter alia, deals with the manner of selection of Board of Directors and Managing Director and their remuneration

A. Criteria of selection of Non-Executive Directors

1. The Non-Executive Directors shall be of high integrity with relevant expertise and experience so as to have a diverse Board with Directors having expertise in the fields of manufacturing, marketing, finance, taxation, law, governance and general management.
2. In case of appointment of Independent Directors, the N&R Committee shall satisfy itself with regard to the independent nature of the Directors vis-à-vis the Company so as to enable the Board to discharge its function and duties effectively. The N&R Committee shall ensure that the candidate identified for appointment as a Director is not disqualified for appointment under Section 164 of the Companies Act, 2013.
3. The N&R Committee shall consider the following attributes / criteria, whilst recommending to the Board the candidature for appointment as Director.
 - i. Qualification, expertise and experience of the Directors in their respective fields
 - ii. Personal, Professional or business standing;
 - iii. Diversity of the Board.

B. Remuneration to Non-Executive Directors

Non-Executive Directors shall be entitled to receive sitting fees for each meeting of the Board attended by him, of such sum as may be approved by the Board of Directors within the overall limits prescribed

under the Companies Act, 2013 and The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

C. Criteria of selection of Executive Directors

For the purpose of selection of Executive Directors including Chairman & Managing Director and Whole Time Directors the Nomination & Remuneration (N&R) Committee shall identify persons of integrity who possess relevant expertise, experience and leadership qualities required for the position and shall take into consideration recommendation, if any, received from any member of the Board. The Committee will also ensure that the incumbent fulfills such other criteria with regard to age and other qualifications as laid down under the Companies Act, 2013 or other applicable laws.

D. Remuneration to Executive Directors

At the time of appointment or re-appointment, the Executive Director's including Chairman & Managing Director and Whole Time Directors shall be paid such remuneration as may be mutually agreed between the Company (which includes the N&R Committee and the Board of Directors) and Executive Director's including Chairman & Managing Director and Whole Time Directors within the overall limits prescribed under the Companies Act, 2013. The remuneration shall be subject to the approval of the Members of the Company in General Meeting. The remuneration comprises salary, allowances, perquisites, amenities and provident and other retirement benefits funds as approved by the shareholders at the General Meeting.

E. Remuneration Policy for the Senior Management Employees

In determining the remuneration of the Senior Management Employees (i.e. KMPs and Executive Committee Members, if any) the N&R Committee shall ensure the relationship of remuneration and performance benchmark is clear. The Managing Director will carry out the individual performance review based on the standard appraisal matrix and shall take into account the appraisal and other factors mentioned herein-above, whilst recommending the annual increment and performance incentive to the A&R Committee for its review and approval.

The committee met three times in the financial year 2015-16 on 14.08.2015, 30.09.2015 and 31.03.2016. The attendance of committee members is as under:

Name of the Directors	Designation	Category	No. of Meeting Attended
Sh. Sunil Puri	Chairman	Non Executive Independent Director	3
Smt. Harbhajan Kaur Bal	Member	Non Executive Independent Director	3
Sh. Prashant Kochhar*	Member	Non Executive Independent Director	1
Sh. Ajay Chaudhary**	Member	Non Executive Independent Director	2

* Appointed on 30.09.2015

**Retired on 30.09.2015

DETAILS OF THE REMUNERATION PAID/PAYABLE TO THE DIRECTORS AND KEY MANAGERIAL PERSONNEL FOR THE YEAR ENDED 31ST MARCH 2016.

Executive Directors:

Name	Designation	Salary (Rs.)	Allowances / Perquisites (Rs.)	Commission (Rs.)	Contribution to PF (Rs.)	Total (Rs.)
Sh. Raj Kumar Avasthi	Chairman & Managing Director	78,00,000	11,74,914	30,00,000	-	1,19,74,914
Sh. Munish Avasthi	Managing Director	78,00,000	11,74,914	30,00,000	-	1,19,74,914
Sh. Naresh Kumar Jain	Executive Director	10,80,000	5,40,000	-	-	16,20,000

Non Executive Independent Directors:

Name	Designation	Amount (Rs)
Sh. Sunil Puri	Non Executive Independent Director	30,000
Smt. Harbhajan Kaur Bal	Non Executive Independent Director	30,000
Sh. Prashant Kochhar*	Non Executive Independent Director	15,000
Sh. Ajay Chaudhry**	Non Executive Independent Director	15,000

* Appointed on 30.09.2015

**Retired on 30.09.2015

Key Managerial Personnel

Name	Designation	Amount (Rs)
Sh. Parveen K Gupta	Chief Financial Officer	17,81,400
Sh. Nikhil Kalra	Company Secretary	4,41,972

6. CORPORATE SOCIAL RESPONSIBILITY (CSR) COMMITTEE

Composition:

Pursuant to the provisions of section 135 and Schedule VII of the Companies Act, 2013, the company has framed a Corporate Social Responsibility (CSR) Committee which comprises of three Directors i.e. Sh. Munish Avasthi, Sh. Raj Kumar Avasthi & Smt. Harbhajan Kaur Bal. Sh. Munish Avasthi is the chairman of the committee. The Company formulated CSR Policy, which is uploaded on the Company's website.

Terms of reference:

- To formulate and recommend to the Board, a Corporate Social Responsibility (CSR) Policy indicating activities to be undertaken by the Company in compliance with provisions of the Companies Act, 2013 and rules made thereunder.

- ii) To recommend the amount of expenditure to be incurred on the CSR activities.
- iii) To monitor the implementation of the CSR Policy of the Company from time to time.
- iv) 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 or as may be necessary or appropriate for performance of its duties.

The committee met once in the financial year 2015-16 on 31.03.2016. The attendance of committee members is as under:

Name of the Directors	Designation	Category	No. of Meeting Attended
Sh. Munish Avasthi	Chairman	Executive Promoter Director	1
Sh. Raj Kumar Avasthi	Member	Executive Promoter Director	1
Smt. Harbhajan Kaur Bal	Member	Non Executive Independent Director	1

7. INDEPENDENT DIRECTORS MEETING

During the year under review, the Independent Directors met on 31.12.2015, inter alia, to discuss:

- i) Evaluation of performance of Non Independent Directors and the Board of Directors as a whole.
- ii) Evaluation of performance of Chairman of the Company, taking into account the views of the Executive and Non-Executive Directors.
- iii) Evaluation of the quality, content and timelines of flow of information between the Management and the Board that is necessary for the Board to effectively and reasonably perform its duties. All the Independent Directors were present at the Meeting.

FAMILIARISATION PROGRAMME FOR INDEPENDENT DIRECTORS:

On appointment of an individual as Independent Director, the Company issues a formal Letter of Appointment to the concerned director, setting out in detail, the terms of appointment, duties and responsibilities. Each newly appointed Independent Director is taken through a formal familiarization program which provides information relating to the Company. The programme also provides awareness of the Independent Directors on their roles, rights, responsibilities towards the Company. The code of familiarisation programme for Independent Directors is available at company website at www.sportking.co.in.

8. PERFORMANCE EVALUATION

Pursuant to the provisions of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, the Board has carried out the annual performance evaluation of its own performance, the Directors individually as well as the evaluation of the working of its Audit, Nomination and Remuneration and Compliance Committees. A separate exercise was carried out to evaluate the performance of individual Directors including the Chairman of the Board, who were evaluated on parameters such as level of engagement and contribution, independence of judgment safeguarding the interest of the Company and its minority shareholders etc.

The performance evaluation of the Independent Directors was carried out by the entire Board. The performance evaluation of the Managing Director and the Non Independent Directors was carried out by the Independent Directors who also reviewed the performance of the Secretarial Department. The Directors expressed their satisfaction with the evaluation process.

9. ANNUAL GENERAL MEETING:

The Details of last three Annual General Meetings are as follows:

Meeting	Day	Date	Time	Venue	No. of Special Resolutions Passed
26 th AGM	Wednesday	30/09/15	2.00 P.M.	5/69, Guru Mansion, 1st Floor Padam Singh Road , Karol Bagh, New Delhi	3
25 th AGM	Thursday	11/09/14	2.00 P.M.	5/69, Guru Mansion, 1st Floor Padam Singh Road , Karol Bagh, New Delhi.	6
24 th AGM	Monday	30/09/13	2.00 P.M.	5/69, Guru Mansion, 1st Floor Padam Singh Road, Karol Bagh, New Delhi.	2

The Company has not passed any resolution through postal ballot, during the financial years under review.

10. DISCLOSURES

The company has not entered into any transaction of a material nature with the Promoters, the Directors or the Management, their relatives etc. that may have any potential conflict with the interests of the company. The company has complied with the requirements of the stock exchanges, SEBI and other statutory authorities on all matters related to capital markets during the last three years. There were no penalties imposed nor any strictures issued on the Company by the Stock Exchanges, SEBI or any other statutory authority relating to the above.

11. MEANS OF COMMUNICATION

The Company communicates with the shareholders through various means viz. through its Annual Reports, Publication of financial results, in leading newspapers and by filing of various reports and returns with the statutory bodies like Stock Exchanges and the Registrar of Companies.

Apart from this the quarterly unaudited financial results are published in prominent daily newspapers viz. Pioneer & Veer Arjun, New Delhi. Also they are uploaded on the company's website www.sportking.co.in.

12. GENERAL SHAREHOLDERS INFORMATION:**i) 27th Annual General Meeting**

Date	30 th September, 2016
Time	2.00 P.M.
Venue	Regd. Office: 5/69, Guru Mansion, 1st Floor, Padam Singh Road, Karol Bagh, New Delhi - 110 005
ii) Financial Calendar	2016-17 (Tentative)
First Quarter Results (Unaudited)	On 13 th August, 2016
Second Quarter Results (Unaudited)	On or before 14 th November, 2016
Third Quarter Results (Unaudited)	On or before 14 th February, 2017
Fourth Quarter (Audited)	On or before 30 st May, 2017
iii) Dates of Book Closure	N.A.
iv) Dividend Payment date	No dividend declared.

v) LISTING:

The Equity Shares (fully paid) of the Company listed on Bombay Stock Exchange Limited (BSE). The Company has paid listing fees to BSE for the financial year 2016-17.

vi. STOCK MARKET DATA (Script Code-539221)

There is no actual trading of shares due to which no stock market data is available.

vii. SHARE TRANSFER SYSTEM / REGISTRAR AND TRANSFER AGENT (RTA):

The Share transfer committee approves the transfer of shares in the physical form as per the time limit specified in the listing agreement. M/s Beetal Financial & Computer Services (P) Ltd. is Registrar & Transfer Agent of the Company who has adequate staff & infrastructure to provide services to the shareholder and maintaining connectivity with both the depositories NSDL & CDSL.

viii) DISTRIBUTION OF SHAREHOLDERS AS ON 31ST MARCH 2016.

RANGE		Shareholders		Shares	
No. of Shares		Nos.	% to Total	Nos.	% to Total Shares
Up to	500	1548	74.28	421700	11.84
501	1000	456	21.88	379150	10.65
1001	2000	32	1.53	46300	1.30
2001	3000	17	0.81	39500	1.11
3001	4000	0	0.00	0	0.00
4001	5000	8	0.38	34600	0.97
5001	10000	5	0.23	39700	1.11
Above	10001	18	0.86	2600050	73.02
TOTAL		2084	100.00	3561000	100.00

ix. DEMATERIALIZATION OF SHARES

The International Securities Identification Number (ISIN) of equity shares of the Company is INE885H01011. The Shareholders are required to submit demat /remat request to depository participants(DP) with whom they maintain a demat account. DP sends the request for demat of shares along with physical share certificates to Registrar & Transfer Agents of the Company. The Registrar liaison with DP and NSDL/CDSL and acknowledge the receipt of physical share for demat and verify the genuiness.After verification the RTA updates the final demat register. The RTA forwards the confirmation report toCDSL/NSDL or rejection report as the case may be. As on 31st march 2016, 45.33% of shares held in dematerialized form and the rest in physical form.

x. Outstanding GDRs, ADRs, Warrants or any Convertible instruments etc. : Nil

xi. PLANT LOCATIONS

Village Kanech, Near Sahnewal, G.T. Road, Ludhiana - 141120

Village Barmalipur, Near Doraha, G.T. Road, Ludhiana - 141416

Village Jeeda, KotkapuraRoad,Distt. Bathinda - 151201

xii. Address for correspondence:

Regd. Office: 5/69, Guru Mansion, 1st Floor,
Padam Singh Road, Karol Bagh,
New Delhi. 110005

Registrar & Transfer Agent:

Beetal Financial & Computer Services (P) Ltd.
3rd Floor, 99 Madangir
Behind Local Shopping Centre
Near Dada HarsukhdaasMandir
New Delhi 110062
Phone: 011-29961281, Fax: 011-29961284

DECLARATION ON COMPLIANCE OF THE COMPANY'S CODE OF CONDUCT

I hereby declare that all the Directors and Senior Management Personnel have confirmed compliance with the code of conduct adopted by the Company.

Place : Ludhiana
Date : 13.08.2016

Raj Kumar Avasthi
Chairman & Managing Director
DIN:- 01041890

CEO / CFO CERTIFICATION

To

The Board of Directors,
Sportking India Limited

- (a) We have reviewed the financial statements, read with the cash flow statement of Sportking India Limited for the year ended 31st March, 2016 and that to the best of our knowledge and belief:
- (i) These statements do not contain any materially untrue statement or omit any material fact or contain statements that may be misleading;
 - (ii) These statements present a true and fair view of the Company's affairs and are in compliance with current accounting standards, applicable laws and regulations.
- (b) There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or in violation of the Company's code of conduct..
- (c) We accept responsibility for establishing and maintaining internal controls for the financial reporting. We have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and steps taken for rectifying these deficiencies.
- (d) We have indicated to the Auditors and Audit Committee:
- (i) Significant changes, if any, in the internal control over the financial reporting during the year.
 - (ii) Significant changes, if any, in accounting policies made during the year and that the same has been disclosed in the notes of accounts to the financial statements; and
 - (iii) Instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having significant role in the Company's internal control system over financial reporting.

P K Gupta
Chief Financial Officer
Place: Ludhiana
Dated : 13.08.2016

Raj Kumar Avasthi
Chairman & Managing Director
DIN:-01041890

Auditors' Certificate on Compliance of Corporate Governance under Corporate Governance Clause SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015.

To
The Members of
Sportking India Limited

We have examined the compliance of conditions of Corporate Governance by Sportking India Limited, for the year ended on 31st March 2016, as stipulated in SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015.

The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination has been limited to a review of the procedures and implementation thereof adopted by the Company for ensuring compliance with the conditions of the Corporate Governance as stipulated in the said Clause. 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 and based on there presentations made by the Directors and the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015.

Further, we state that no investors' grievances are pending for a period exceeding one month against the Company as per the records maintained by the Stakeholders Relationship Committee.

We state that such compliance is neither an assurance as to future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For Rawla & Company
Chartered Accountants
FRN : 001661N

CA Hardeep Singhal
(Partner)
M.No.505618

Place : Ludhiana
Date : 30.05.2016

INDEPENDENT AUDITOR'S REPORT**To the Members of Sportking India Limited****Report on the Financial Statements**

We have audited the accompanying financial statements of Sportking India Limited ('the Company'), which comprise the balance sheet as at 31 March 2016, the statement of profit and loss and the 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 thereunder.

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 the 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 a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the 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 on the financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair

view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2016 and its profit & 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 the Annexure A, a statement on the matters specified in the paragraph 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 purposes 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 the written representations received from the directors as on 31 March 2016 taken on record by the Board of Directors, none of the directors is disqualified as on 31 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"; and
 - (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 financial statements - Refer Note 26 to the financial statements;
 - (ii) the Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts .
 - (iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company during the year ending March 31, 2016.

For Rawla & Company
Chartered Accountants
FRN : 001661N

Place : Ludhiana
Date : May 30, 2016

CA Hardeep Singhal
(Partner)
M.No.505618

ANNEXURE-A TO THE AUDITORS' REPORT FOR THE YEAR ENDED ON 31st MARCH, 2016

[Referred in Paragraph (1) of Independent Auditor's report to the members of the Company on the financial statements for the year ended 31st March, 2016, we report that:

1. In respect of fixed assets

- (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
 - (b) As per explained to us, all the fixed assets have been physically verified by the management in a phased periodic manner, which in our opinion is reasonable, having regard to the size of the Company and nature of its assets. No material discrepancies were noticed on such physical verification.
 - (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company.
2. The Company has maintained proper record of inventories. The inventories have been physically verified during the year by the management. As explained to us, there were no material discrepancies noticed on physical verification of inventories as compared to the book records.
 3. According to information & explanations given to us, the company had not granted any loans, secured & unsecured to companies, firms, Limited Liability Partnerships, or other parties covered in the register maintained under Section 189 of the Companies Act, 2013. Accordingly, paragraph 3(iii) of the Order is not applicable
 4. According to information and explanations given to us, the company had not granted any loans or provided any guarantees or securities or made any investments as covered under section 185/186 of the Companies Act, 2013. Accordingly, paragraph 3(iv) of the Order is not applicable
 5. According to the information and explanations given to us, the company has not accepted any deposits from the public within the meaning of Sections 73 and 74 of the Act and the rules framed there under to the extent notified.
 6. We have broadly reviewed the Cost Records maintained by the Company pursuant to the Companies (Cost Records and Audit) Rules 2014, prescribed by the Central Government of India, under Section 148(1) of the Companies Act, 2013 and are of the opinion that prima facie the prescribed cost records have been made and maintained. We have however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.

7. In respect of statutory dues:

- a) According to the records of the company, undisputed statutory dues including Provident Fund, Investor Education and Protection Fund, Employee's State Insurance, Income Tax, Value Added Tax, Service tax, Customs duty, Excise duty, Cess and other statutory dues have been generally deposited with the appropriate authorities.

According to the information and explanation given to us, no undisputed amounts payable in respect of Provident Fund, Investor Education and Protection Fund, Employee's State Insurance income Tax, Value Added Tax, Service Tax, Customs duty, Excise duty, Cess and other material statutory dues were in arrears as at 31 March 2016 for a period of more than six months from the date they became payable.

- b) The disputed statutory dues aggregating Rs. 594.20 lacs that have not been deposited on account of disputed matters pending before the appropriate authorities are as under:

Name of the Statute	(Nature of Dues)	Financial Year to which relates	Amount (₹ in Lacs)	Forum where dispute is (F.Y) Pending
Income Tax Act, 1961	Income Tax	1997-98	Nil*	Hon'ble Supreme Court of India
		2005-06	99.58	Commissioner of Income Tax (Appeals)
		2008-09 2009-10 2010-11 2011-12 & 2013-14	4.98**	
		2007-08	Nil*	
Punjab Vat Act, 2005	Vat/C.S.T.	2006-07	4.34	Deputy Excise & Taxation Commissioner (Appeals)
		2008-09	16.85	
Provident Fund Act, 1952	Provident Fund	1993-94, 1994-95 & 1997-98	1.88	Employees Provident Fund Appellate Tribunal, New Delhi
Provident Fund Act, 1952	Provident Fund	1995-96, 1997-98 & 1998-99	6.70***	Employees Provident Fund Appellate Tribunal, New Delhi
Finance Act, 1994	Excise tax	2010-11	44.87	Joint Secretary, Ministry of Finance, New delhi
Electricity Act 2003	Electricity Charges	2011-12	415.00	High Court of Punjab, Haryana and Chandigarh

* The income tax department is in appeal.

** Net of MAT Credit Entitlement.

*** Net of ₹2.23 Lacs already paid under protest pending for final verdict.

8. Based on our audit procedures and according to the information and explanations given to us, we are of the opinion that the company has not defaulted in repayment of dues to financial institutions, and banks. Further the company had neither issued any debentures or nor raised any borrowings from the government.
9. The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) during the year. The term loans outstanding at the beginning of the year and those raised during the year have been applied for the purposes for which they were obtained.

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 give to us and based on our examination of the records of the Company, the Company has paid/provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.
12. In our opinion and according to the information and explanations given to us, the Company is not a nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.
13. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
14. According to the information and explanations give to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.
15. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.
16. The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act 1934.

**For Rawla & Company
Chartered Accountants
FRN : 001661N**

**CA Hardeep Singhal
(Partner)
M.No.505618**

**Place : Ludhiana
Date : May 30, 2016**

ANNEXURE - B TO THE AUDITORS' REPORT FOR THE YEAR ENDED ON 31ST MARCH 2016**Report on the Internal Financial Controls 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 Sportking India Limited ("the Company") as of 31 March 2016 in conjunction with our audit of the financial statements of the Company for the year ended 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 control over financial reporting criteria established by the Company considering the 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 ('ICAI'). 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 assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' 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 Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with 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 controls 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 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 the 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 control 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, 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 31 March 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 on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

**For Rawla & Company
Chartered Accountants
FRN : 001661N**

**CA Hardeep Singhal
(Partner)
M.No.505618**

**Place : Ludhiana
Date : May 30, 2016**

BALANCE SHEET AS AT 31ST MARCH, 2016

(Rupees in Lakhs)

PARTICULARS	NOTE	ASAT	ASAT
		31.03.2016	31.03.2015
1. EQUITY AND LIABILITIES			
1) Shareholders Funds			
(a) Share Capital	1	1191.35	1191.27
(b) Reserves & Surplus	2	15335.18	14197.41
		16526.53	15388.68
2) Non-current liabilities			
(a) Long-Term Borrowings	3	25681.57	30605.67
(b) Deferred Tax Liabilities (Net)	4	2493.00	2459.00
(c) Long-Term Provisions	5	508.93	449.65
		28683.50	33514.32
3) Current liabilities			
(a) Short-Term Borrowings	6	25821.08	17872.54
(b) Trade Payables	7		
i) Total outstanding dues of micro enterprises and small enterprises		0.00	0.00
ii) Total outstanding dues of creditors other than micro enterprises and small enterprises		1857.02	2875.70
(c) Other Current Liabilities	8	7702.90	8060.64
(d) Short-Term Provisions	9	502.72	79.04
		35883.72	28887.92
TOTAL		81093.75	77790.92
2. ASSETS			
1) Non-current assets			
(a) Fixed assets	10		
(i) Tangible Assets`		39680.93	44160.37
(ii) Intangible Assets		179.68	54.65
(iii) Tangible Capital Work-in-Progress		197.24	948.02
(iv) Intangible Asset Under Development		0.00	77.77
(b) Long-Term Loans and Advances	11	1071.67	701.48
		41129.52	45942.29
2) Current assets			
(a) Inventories	12	26801.41	16001.41
(b) Trade Receivables	13	4874.98	6490.39
(c) Cash and cash equivalents	14	298.63	278.30
(d) Short-Term Loans and Advances	15	3516.78	3431.51
(e) Other Current Assets	16	4472.43	5647.02
		39964.23	31848.63
TOTAL		81093.75	77790.92
Significant Accounting Policies and Notes on Accounts	1-35		

As per our report of even date attached

For & on behalf of Board of Directors

For Rawla & Company
Chartered Accountants
(FRN-00166IN)

(Raj Kumar Avasthi)
Chairman & Managing Director
DIN: 01041890

(Munish Avasthi)
Managing Director
DIN: 00442425

(Naresh Kumar Jain)
Executive Director
DIN: 00254045

CA Hardeep Singhal
(Partner)
M. No. 505618

Ludhiana
May 30, 2016

(P.K. Gupta)
Chief Financial Officer

(Sukhdev Gupta)
General Manager (F&A)

(Nikhil Kalra)
Company Secretary
M. No. A30289

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2016

PARTICULARS	NOTE	(Rupees in Lakhs except earning per share)	
		YEAR ENDED 31.03.2016	YEAR ENDED 31.03.2015
Income			
Revenue from Operations	17	103507.69	112688.43
Other Income	18	457.67	1746.13
Total Revenue		103965.36	114434.56
Expenses			
Cost of Materials Consumed	19	61551.76	71952.23
Purchase of Traded Goods	20	5422.64	1199.22
Changes in Inventories of Finished Goods, Work-in-Progress and Stock-in-Trade	21	9.45	2049.66
Employee Benefits Expenses	22	6317.53	5361.84
Finance Costs	23	5107.15	7852.28
Depreciation and Amortisation Expenses	10	5906.39	7000.99
Other Expenses	24	17608.00	18754.36
Total Expenses		101922.92	114170.58
Profit before tax		2042.44	263.98
MAT Credit Entitlement		0.00	-69.70
Tax Expense:			
Current Tax	25	870.87	93.32
Deferred Tax		34.00	-562.00
Profit for the period		1137.57	802.36
Earning per Equity Share of Face Value of ` 10/- each:			
Basic		31.95	22.53
Diluted		31.95	22.53
Significant Accounting Policies and Notes on Accounts	1-35		

As per our report of even date attached

For & on behalf of Board of Directors

For Rawla & Company
Chartered Accountants
(FRN-00166IN)

(Raj Kumar Avasthi)
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May 30, 2016

(P.K. Gupta)
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General Manager (F&A)

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Company Secretary
M. No. A30289

CASH FLOW STATEMENT FOR THE PERIOD 1ST APRIL 2015 TO 31ST MARCH, 2016

Particulars	(Rupees in Lakhs)	
	YEAR ENDED 31.03.2016	YEAR ENDED 31.03.2015
A. CASH FROM OPERATING ACTIVITIES :		
Net Profit before tax & extraordinary items		
Net Profit before tax	2042.44	263.97
Adjustments for :		
Depreciation	5906.39	7000.99
Interest on Borrowings	4567.09	7974.31
Interest/Rent/Dividend Income	-93.64	-88.81
Profit/Loss on Assets Sold/Destroyed (Net)	-1.14	-88.30
OPERATING PROFIT (LOSS) BEFORE WORKING CAPITAL CHANGES	12421.13	15062.16
Adjustments for :		
Trade and Other Receivables	2285.73	2519.53
Inventories	-10799.99	7737.07
Trade Payable and Other liabilities	-1587.04	-260.56
Cash Generated from operating activities	2319.82	25058.21
Taxes Paid	-48.26	-774.91
Net Cash from operating activities	2271.56	24283.30
B. CASH FLOW FROM INVESTING ACTIVITIES :		
Purchase of Fixed Assets	-838.64	-2746.03
Sale of Fixed Assets	116.36	116.36
Securities	-403.58	-42.41
Advances for Investing Activities	33.38	55.84
Interest/Rent/Dividend Received	93.64	88.81
Net Cash used in Investing Activities	-998.83	-2527.43
C. CASH FLOW FROM FINANCING ACTIVITIES :		
Proceeds from the issue of Share Capital	0.28	10.76
Proceeds from the Long Term Borrowings	31.36	1434.45
Proceeds from the Short Term Borrowings	7948.53	-10270.49
Repayment of Short Term Borrowings		
Repayment of Long Term Borrowings	-4665.47	-5109.62
Interest Paid	-4567.09	-7974.31
Net Cash used in Financing Activities	-1252.39	-21909.20
D. NET INCREASE IN CASH AND CASH EQUIVALENTS	20.33	-153.34
OPENING CASH AND CASH EQUIVALENTS	278.30	431.64
CLOSING CASH AND CASH EQUIVALENTS	298.63	278.30

Notes:-1) The above Cash Flow Statement has been prepared under the 'Indirect Method' as set out in the Accounting Standard-3 on Cash Flow Statement issued by ICAI.

2) Previous year's figures have been regrouped wherever necessary to conform to the current year's classification.

As per our report of even date attached

For & on behalf of Board of Directors

For Rawla & Company
Chartered Accountants
(FRN-00166IN)

(Raj Kumar Avasthi)
Chairman & Managing Director
DIN: 01041890

(Munish Avasthi)
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Ludhiana
May 30, 2016

(P.K. Gupta)
Chief Financial Officer

(Sukhdev Gupta)
General Manager (F&A)

(Nikhil Kalra)
Company Secretary
M. No. A30289

**SIGNIFICANT ACCOUNTING POLICIES AND NOTES ON FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH, 2016****CORPORATE INFORMATION**

Sportking India Limited (The Company) is a public company incorporated under the provisions of the Companies Act, 1956 on 15th February 1989. The company is engaged in manufacturing of Cotton Yarn, Synthetic Yarn, Blended Yarn and Trading of Fabric and of Dyeing Activity. The Company has two manufacturing units at Ludhiana and one at Bathinda.

SIGNIFICANT ACCOUNTING POLICIES**a) Accounting Convention :**

The financial statements are prepared under historical cost convention using the accrual system of accounting in accordance with the accounting principles generally accepted in India and the requirements of Section 133 of the Companies Act, 2013 ('the Act'), read with Rule 7 of the Companies (Accounts) Rules, 2014(as amended) and other accounting pronouncements of The Institute of Chartered Accountants of India. Value Added Tax (VAT), Income Tax and Service Tax, Cess, Insurance Claims etc. which are accounted for as and when final demand/refund/claim is determined on final assessment.

b) Use of Estimates :

The preparation of financial statements requires the management of the company to make estimates and assumption that effect the reported balances of assets/liabilities and disclosure relating to the contingent liabilities and provisions as at the date of the financial statements and reported amounts of income and expenses during the year. The difference between the actuals and estimates are recognized in the year such amounts are known/materialised

c) Provisions, Contingent Liabilities and Contingents Assets :

Provisions involving substantial degree of estimation in measurement are recognized where there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. Contingent Liabilities are not recognized but are disclosed in the notes. Contingent assets are neither recognized nor disclosed in the financial statements/notes.

d) Fixed Assets :

- i) Fixed Assets are stated at cost of acquisition, net of cenvat credit /terminal excise duty, additional custom duty including net effect on foreign exchange fluctuation/contracts, financial cost and other incidental expenses till the commencement of commercial production attributable to acquisition or construction/installation of fixed assets less depreciation and impairment loss.
- ii) Capital works in progress are carried at cost, comprising direct cost, finance cost, net effect on foreign fluctuation/contracts and related incidental expenses.
- iii) Intangible assets are stated at cost of acquisition less accumulated amortisation.

e) Depreciation / Amortisation :

- (i) The company has provided depreciation on the fixed assets when it is put to use on the basis of the useful life of the assets as prescribed in Schedule II under the provisions of The Companies Act, 2013
- (ii) Renovation to premises taken on lease by the company have been amortised over the period of lease and in case of premature termination would be written off fully.
- (iii) Electricity Line Expenses / Service Connection Charges being intangible assets are amortised over a period of 5 years.
- (iv) Computer Software being intangible assets are amortised over a period of 5 years.

f) Impairment of Assets :

At each balance sheet date the carrying amounts of fixed assets are reviewed by the management to determine whether there is any indication that these assets had suffered an impairment loss. If any such indication exists recoverable amount of the asset is estimated in order to determine the extent of impairment loss. Recoverable amount is the higher of an asset's net selling price and value in use. In assessing, value in use, the estimated future cash flows expected from the continuing use of the assets and from its disposal are discounted to their present value using a pre tax discount rate that reflects the current market assessments of time value of money and risks specific to the asset. Reversal of impairment loss is recognized immediately as income in the profit and loss account.

g) Inventories :

These are valued as under:

- i) Raw Material, Work-in-Process and useable waste At cost or net realisable value whichever is lower.
- ii) Stores & Spares At cost less provision for obsolescence or net realisable value whichever is lower.
- iii) Finished Goods At cost plus excise duty payable on sale or net realisable value whichever is lower.
- iv) Unusable waste At net realisable value
- v) Cenvat credit/Terminal Excise Duty paid on inputs is accounted for by reducing the purchase cost of related inputs.
- vi) The raw material, stores & spares and raw-material contents of work-in-process are valued by using the first-in-first out (FIFO) method while the finished goods are valued by using weighted average cost method. Cost relating to finished goods/work-in-process means direct raw material cost and allocable manufacturing expenses.
- vii) The company makes provision for the value of goods in transit at the year end for imported/indigenous raw material only.
- viii) The policy of valuation of inventories is in accordance with Accounting Standard-2 (Revised) 'Valuation of Inventories' issued by the Institute of Chartered Accountants of India.

h) Sales/Revenue Recognition :

- i) Domestic sales are accounted, net of returns & trade discounts, on dispatch of products to customers from the works/warehouses and export sales on shipment of goods. Sales within India comprising of sale of goods and services are inclusive of excise duty, if any. The sale value of goods on which value added tax has already been charged, are exclusive of such tax.
- ii) The revenue in respect of export benefit is recognized on post exports basis, at the rate at which the entitlement accrues, to the extent the company is reasonably certain of the realisable value.

i) Excise Duty :

The excise duty liability has been accounted for in respect of the finished goods/ useable waste cleared/ lying in the factory/bonded premises which are liable to excise duty provided the cenvat of excise duty/ additional custom duty of the inputs have been availed.

j) Employee Benefits :

- i) Short-term employee benefits are recognized as an expense at the undiscounted amount in the profit and loss account of the year in which the related service is rendered.

- ii) Long term employee benefits are recognized as an expense in the profit and loss account for the year in which the employee has rendered services. The expense is recognized at the present value of the amount payable determined using actuarial valuation techniques. Actuarial gains / losses in respect of long term benefits are adjusted to the profit and loss account.

k) Subsidy :

Government's Capital Investment Subsidy in the nature of promoters' contribution represents Capital.

l) Direct Taxes :

i) Current Tax

Provision for Income Tax, if any, is based on the assessable profits, computed in accordance with the provisions of Income Tax Act, 1961

ii) Defered Tax

Deferred Income tax expense or benefit is recognized on timing differences being the difference between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent period. Deferred tax assets or liabilities are measured using the tax rates and tax laws that have been enacted or substantially enacted by the balance sheet date.

Deferred tax assets in respect of unabsorbed depreciation and carry forward of losses are recognized only to the extent that there is virtual certainty that sufficient taxable income will be available to realize these assets. All other deferred tax assets are recognized only to the extent there is reasonable certainty that sufficient future taxable income will be available to realize these assets.

m) Foreign Currency Transactions :

- i) Foreign currency transactions are accounted for at equivalent rupee value converted at the exchange rates prevailing at the time of such transaction
- ii) Monetary Assets & Liabilities in foreign currency are translated at the year-end rate through exchange fluctuation account to the respective accounts as per the guidance note issued by The Institute of Chartered Accountants of India
- iii) Any income or expense on account of exchange differences either on settlement or translation is recognized in the revenue account except in cases where they relate to acquisition of fixed assets and before put to use in which case they are adjusted to the carrying cost of such assets.
- iv) Financial derivatives and hedging contracts are accounted on the date of settlement. The accrued/ realised gain/loss in respect of the settled contracts/ renewed/ cancelled is only recognized in the books of accounts.

n) Prior Period Items :

Income and expenditure which relate to significant items of prior accounting period other than those occasioned during the close of accounting year to which it is relatable, is considered in current year.

o) Borrowing Costs :

Borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised as part of the cost of the asset till the asset is ready for use. Other borrowing costs are recognised as an expense in the year in which they are incurred.

p) Lease :

Leases of assets under which the lessor effectively retains all the risks and benefits of ownership are classified as operating lease. Payments made under operating lease are charged to profit and loss account over the period of lease.

(Rupees in Lakhs)

PARTICULARS	AS AT	AS AT
	31-03-2016	31-03-2015

NOTE - 1 : SHARE CAPITAL**Authorised**

50,00,000 (Previous year 50,00,000)

Equity Shares of ₹10/- each 500.00 500.00

2,00,00,000 (Previous year 2,00,00,000)

5% Redeemable Non- Cumulative

Preference Shares of ₹10/- each 2000.00 2000.00

Issued

35,61,000 (Previous Year 35,61,000)

Equity Shares of ₹10/- each fully paid up 356.10 356.10

85,16,200 (Previous Year 85,16,200)

5% Redeemable Non -Cumulative Preference

Shares of ₹10/- each fully paid up 851.62 851.62

1207.72 1207.72**Subscribed and fully paid up**

30,72,600 (Previous Year 30,70,200)

Equity Shares of ₹10/- each fully paid up 307.26 307.02

85,16,200 (Previous Year 85,16,200)

5% Redeemable Non- Cumulative Preference

Shares of ₹10/- each fully paid up 851.62 851.62

1158.88 1158.64**Subscribed but not fully paid up**

4,88,400 (Previous Year 4,90,800)

Equity Shares of ₹10/- each partly paid up 48.84 49.08

Less : Calls in Arrears

a) From directors & officers 0.00 0.00

b) From others 16.37 16.45

32.47 32.63**1191.35 1191.27**

a) Each holder of Equity share is entitled to one vote per share. In the event of liquidation of the company, the holders are entitled to receive any of the remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders

b) Preference shares are having preference over equity shares in respect of payment of 5% dividend and repayment of capital over equity shareholders and is entitled to voting rights in the resolutions directly affecting their interest and on all resolution at every meeting of the company on the dividends to them are in arrears for the two financial years immediately preceding the last meeting or for any three years during the period of six years ending with the financial years preceding the last meeting. Preference shares are redeemable within 20 years from the date of allotment.

Current Year**Previous Year**

No. of Preference Shares to be Redeemed	Date of Redemption	No. of Preference Shares to be Redeemed	Date of Redemption
i) 24,39,000	31.03.2021	i) 24,39,000	31.03.2021
ii) 8,85,200	31.07.2026	ii) 8,85,200	31.07.2026
iii) 23,00,000	31.03.2031	iii) 23,00,000	31.03.2031
iv) 28,92,000	31.03.2032	iv) 28,92,000	31.03.2032

PARTICULARS	AS AT	AS AT
	31-03-2016	31-03-2015

c) The amount remaining unpaid on account of calls in arrear of public issue 9,28,500 Equity Shares of ₹ 10/- each for cash at a premium of ₹ 25/- per share have been apportioned between Share Capital (₹ 16.37 Lacs) (P.Y. ₹ 16.45 Lacs) and Share Premium Account (₹ 38.19 Lacs) (P.Y. ₹ 38.39 Lacs) in the ratio of three to seven

d) Reconciliation of the Number of shares

i) Equity shares

Opening Balance	3561000	3561000
Add: Addition during the year	0	0
Less : Reduction in shares	0	0
Closing Balance	3561000	3561000

ii) Preference shares

Opening Balance	8516200	8516200
Add: Addition during the year	0	0
Less : Reduction in shares	0	0
Closing Balance	8516200	8516200

Class of shares / Name of shareholder

i) Equity shares with voting rights

	No. of Shares held	% of Holding	No. of Shares held	% of Holding
-Namokar Capital Services Limited	798985	(22.44%)	798985	(22.44%)
-Angel Finvest (P) Limited	487900	(13.70%)	487900	(13.70%)
-Sobhagia Sales Private Limited	295015	(8.28%)	295015	(8.28%)
-Sh. Raj Kumar Avasthi	203200	(5.71%)	203200	(5.71%)
-Punjab State Industrial Development Corp. Ltd.	200000	(5.62%)	200000	(5.62%)

ii) Redeemable preference shares

-Sh. Raj Kumar Avasthi	2489000	(29.23%)	2489000	(29.23%)
-Classic Wears (P) Limited	2018000	(23.70%)	2018000	(23.70%)
-Sobhagia Sales Private Limited	1940200	(22.78%)	1940200	(22.78%)
-Sobhagia Clothing Co. (Through Partners)	1240000	(14.56%)	1240000	(14.56%)
-Angel Finvest (P) Limited	529000	(6.21%)	529000	(6.21%)

i) Equity Shares

- Alloted as Fully paid up pursuant to contract(s) without payment being received in cash	-	-
- Alloted as Fully paid up by way of bonus shares	-	-
- Shares bought back	-	-

ii) Preference Shares

- Alloted as Fully paid up pursuant to contract(s) without payment being received in cash	-	-
- Alloted as Fully paid up by way of bonus shares	-	-
- Shares bought back	-	-

PARTICULARS	AS AT	AS AT
	31-03-2016	31-03-2015

NOTE - 2 : RESERVES AND SURPLUS

a) Capital Redemption Reserve		
As per Last Balance Sheet	325.90	283.32
Add: Transfer from Statement of Profit & Loss	42.58	42.58
	368.48	325.90
b) Securities Premium Reserve		
As per Last Balance Sheet	4729.85	4729.85
Less: Call in arrears*	38.19	38.39
	4691.66	4691.46
* Refer Note No. 1 (c)		
c) Capital Investment Subsidy Reserve		
As per Last Balance Sheet	90.00	90.00
	90.00	90.00
d) General Reserve		
As per Last Balance Sheet	3.00	3.00
	3.00	3.00
e) Statement of Profit and Loss		
As per the last financial statement	9087.05	8495.02
Add: As per Statement of profit and loss	1137.57	802.36
Less: Transfer to Capital Redemption Reserve	42.58	42.58
Less: Adjustment relating to Fixed Assets	0.00	167.75
Closing Balance	10182.04	9087.05
	15335.18	14197.41

NOTE - 3 : LONG TERM BORROWINGS

a) Secured Term loans :		
From Banks		
- Rupee Loans	13382.25	22263.62
Foreign Currency Loans (FCL)	11570.51	7681.62
	24952.76	29945.24
Acceptance payable/ Buyer's Credit (Machinery) under Bank's LC/LOU*		
Foreign Currency Loans (FCL)	628.81	560.43
b) Unsecured Loans and advances:		
- From Directors	100.00	100.00
	25681.57	30605.67

- i) The term loans from State Bank of India, State Bank of Patiala, Punjab National Bank, Central Bank of India, Punjab & Sind Bank and Allahabad Bank are secured against a) first pari-pasu charge on hypothecation and mortgage of all present and future Plant & Machinery and Land/Building of the Company situated at Village Meharban / Village Kanech / Village Barmalipur, Ludhiana and Village Jeeda, Bathinda. b) second pari-pasu charge on hypothecation of current assets of the company and c) equitable mortgage of commercial land & building situated at Village Barmalipur, Ludhiana owned by Sh. Raj Kumar Avasthi (Chairman & Managing Director) & Sh. Munish Avasthi (Managing Director)
These term loans are further guaranteed by Sh. Raj Kumar Avasthi (Chairman & Managing Director) & Sh. Munish Avasthi (Managing Director).
- ii) The term loans from HDFC Bank Limited/ ICICI Bank Limited, are secured against hypothecation of respective vehicles
- iii) The Loan of ₹ 100 Lacs from Sh. Munish Avasthi (Managing Director) carry NIL interest and is not repayable before 31.03.2017
- iv) The Company has not defaulted in repayment of loans and interest .
- v) Terms of repayment of term loans are as under:-

CURRENT YEAR

Name of Bank	AS AT 31.03.2016	Installments o/s as at 31.03.2016	Payable within 12 months
Term Loans Project		(Quarterly)	
State Bank of Patiala- (INR)	0.27	3	237.11
(FCL)	236.84		
Punjab National Bank (INR)	156.29	4	312.50
(FCL)	156.21		
Punjab National Bank (INR)	32.53	4	62.50
(FCL)	29.97		
Punjab National Bank (INR)	0.00	4	63.12
(FCL)	63.12		
Punjab National Bank (INR)	0.19	7	140.00
(FCL)	303.50		
State Bank of Patiala- (INR)	4.18	14	510.00
(FCL)	2894.76		
Punjab National Bank (INR)	1.16	15	704.00
(FCL)	3438.58		
Punjab National Bank (INR)	0.21	30	292.00
(FCL)	2906.18		
Allahbad Bank	1593.33	16	340.00
Central Bank of India	5243.41	24	624.00
Allahbad Bank	6043.48	24	724.00
State Bank of India- (INR)	20.39	23	376.50
(FCL)	4049.99		
Punjab & Sind Bank	2415.34	24	288.84
Term Loans Vehicles		(Monthly)	
HDFC Bank Limited	1.23	10	1.23
ICICI Bank Limited	0.42	1	0.42
ICICI Bank Limited	2.93	29	1.14
ICICI Bank Limited	2.93	29	1.14
ICICI Bank Limited	3.47	29	1.35
ICICI Bank Limited	3.56	29	1.38
ICICI Bank Limited	3.56	29	1.38
ICICI Bank Limited	3.56	29	1.38
ICICI Bank Limited	3.56	29	1.38
ICICI Bank Limited	3.95	29	1.53
ICICI Bank Limited	2.93	29	1.14
ICICI Bank Limited	2.93	29	1.14
ICICI Bank Limited	4.58	16	3.39
ICICI Bank Limited	5.89	42	1.48
ICICI Bank Limited	4.38	26	1.91
ICICI Bank Limited	6.26	26	2.73
ICICI Bank Limited	4.58	26	2.00
ICICI Bank Limited	4.94	26	2.16
	29655.58		4702.82
Net of Instalments	24952.76		

PREVIOUS YEAR			
Name of Bank	AS AT 31.03.2015	Installments o/s As at 31.03.2015	Payable within 12 months
Term Loans Project		(Quarterly)	
State Bank of Patiala- (INR)	0.27	7	236.68
(FCL)	557.91		
Punjab National Bank	625.00	8	312.50
Punjab National Bank	125.00	8	62.50
Punjab National Bank	125.00	8	62.50
Punjab National Bank	440.00	11	140.00
State Bank of Patiala- (INR)	4.18	18	444.55
(FCL)	3561.58		
Punjab National Bank	3979.74	19	540.00
Punjab National Bank	3044.51	32	324.00
Allahbad Bank	1853.33	19	260.00
Central Bank of India	5867.41	28	624.00
Allahbad Bank	6767.48	28	724.00
State Bank of India- (INR)	22.38	27	381.16
(FCL)	4624.52		
Punjab & Sind Bank	2654.02	28	240.68
Term Loans Vehicles		(Monthly)	
HDFC Bank Limited	0.12	1	0.12
HDFC Bank Limited	1.63	10	1.63
HDFC Bank Limited	5.18	11	5.18
HDFC Bank Limited	2.54	22	1.31
ICICI Bank Limited	30.43	12	30.43
ICICI Bank Limited	0.77	5	0.77
ICICI Bank Limited	5.17	13	4.75
ICICI Bank Limited	3.96	41	1.03
ICICI Bank Limited	3.96	41	1.03
ICICI Bank Limited	4.69	41	1.22
ICICI Bank Limited	4.80	41	1.25
ICICI Bank Limited	4.80	41	1.25
ICICI Bank Limited	4.80	41	1.25
ICICI Bank Limited	4.80	41	1.25
ICICI Bank Limited	5.35	41	1.38
ICICI Bank Limited	3.96	41	1.03
ICICI Bank Limited	3.96	41	1.03
ICICI Bank Limited	7.63	28	3.05
ICICI Bank Limited	7.22	54	1.33
	34358.07		4412.83
Net of Instalments	29945.24		

PARTICULARS	AS AT 31-03-2016	AS AT 31-03-2015
NOTE - 4 : DEFFERED TAX LIABILITY		
Deferred tax liabilities		
Related to Fixed Assets and Computer Software	2685.00	2840.00
Deferred tax assets		
Compensated absences and Gratuity	192.00	381.00
Net Deferred tax liability	<u>2493.00</u>	<u>2459.00</u>
NOTE - 5: LONG TERM PROVISIONS		
Provision of employee benefits:		
a) Leave encashment	160.45	156.51
b) Gratuity	348.48	293.14
(Refer to Note No. 22)	<u>508.93</u>	<u>449.65</u>
NOTE - 6 : SHORT TERM BORROWINGS		
Secured		
- Working Capital borrowings from banks		
Rupee Loans	8679.40	12070.91
Foreign Currency Loans (FCL)	13017.02	1992.83
- Acceptances payable Buyer's Credit (Raw Material) under Bank's LC/LOU		
Acceptances payable in INR	0.00	3808.80
Buyer Credit repayable in Foreign Currency	4124.66	0.00
	<u>25821.08</u>	<u>17872.54</u>
i) Secured	Total outstanding	Total outstanding
Cash Credit / Export Packing Credit Limits		
State Bank of India (INR)	340.69	3603.43
(FCL)	5498.47	1947.89
State Bank of Patiala (INR)	63.34	3510.28
(FCL)	3631.74	44.94
Punjab National Bank (INR)	435.01	1424.33
(FCL)	3886.81	0.00
Central Bank of India	661.81	1363.65
Punjab & Sind Bank	850.15	0.00
Warehouse Receipt Limits		
Punjab National Bank	4947.43	1170.14
State Bank of India	1380.97	999.08
	<u>21696.42</u>	<u>14063.74</u>
ii) The Working capital borrowings (Cash Credit / Export Packing Credit) and Acceptances Payable/Buyer Credit/Letter of Credit/Letter of Comfort/Bank Guarantee Limit from consortium member banks viz. State Bank of India, State Bank of Patiala, Punjab & Sind Bank, Central Bank of India and Punjab National Bank are secured against a) first pari-pasu charge on all the current assets of the company including raw material, consumable stores & spares, stock in process, finished goods, bills, book debts and receivables and b) further collaterally secured against second pari pasu charge on the fixed assets of the company at Village Meharban, Village Kanech, Village Barmalipur, Ludhiana, Village Jeeda Bathinda and c) equitable mortgage of commercial land & building situated at Village Barmalipur, Ludhiana owned by Sh. Raj Kumar Avasthi (Chairman & Managing Director) & Sh. Munish Avasthi (Managing Director)		
iii) The working capital borrowings (Pledge of Warehouse Receipts) from State Bank of India and Punjab National Bank are secured against pledge of warehouse receipts of the raw cotton bales stored in approved warehouse.		
iv) These working capital borrowings are further guaranteed by Sh. Raj Kumar Avasthi (Chairman & Managing Director) & Sh. Munish Avasthi (Managing Director)		
v) Working capital loans are repayable on demand.		

PARTICULARS	AS AT 31-03-2016	AS AT 31-03-2015
NOTE - 7 : TRADE PAYABLES		
a) Total outstanding dues of micro enterprises and small enterprises*	0.00	0.00
b) Total outstanding dues of creditors other than micro enterprises and small enterprises	1857.02	2875.70
	<u>1857.02</u>	<u>2875.70</u>
*The details of the amount outstanding to "Micro Enterprises and Small Enterprises" are based on available information with the Company and the outstanding balance beyond 45 days is ₹NIL (Previous year ₹NIL)		
a) The principal amount and the interest due thereon remaining unpaid to any supplier at the year end	0.00	0.00
b) The amount of interest paid in terms of section 16 of the MSME Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during the year	0.00	0.00
c) The amount of interest due and payable for the period of delay in making payment but without adding the interest specified under the MSME Development Act, 2006	0.00	0.00
d) The amount of interest accrued and remaining unpaid at the year end	0.00	0.00
e) The amount of further interest remaining due and payable in the succeeding years	0.00	0.00
NOTE - 8 : OTHER CURRENT LIABILITIES		
a) Current Maturities of long term debt (Refer to Note No. 3)	4702.82	4412.83
b) Interest accrued but not due on borrowings	12.90	139.75
c) Interest accrued and due on borrowings	161.07	301.26
d) Advance from Customers	251.31	342.64
e) Creditors for Capital Expenditure	8.28	27.32
f) Security deposit/retention money	16.00	9.51
g) Other liabilities		
Statutory dues	310.95	238.33
Employee dues	760.20	584.53
Others	1479.37	2004.47
	<u>7702.90</u>	<u>8060.64</u>

PARTICULARS	ASAT 31-03-2016	ASAT 31-03-2015
NOTE - 9: SHORT TERM PROVISIONS		
a) Provision for Taxation		
Provision	892.72	64.42
Less: Paid / MAT Credit	<u>437.72</u>	<u>13.03</u>
	455.00	51.39
b) Provision of employee benefits		
- Leave encashment	15.79	16.50
- Gratuity	<u>31.93</u>	<u>11.15</u>
(Refer Note No. 22)	47.72	27.65
	502.72	79.04
(* Note 10-Fixed Assets on next page)		
NOTE - 11: LONG TERM LOANS & ADVANCES		
Unsecured but considered good		
a) Capital Advances	81.77	136.44
b) Security Deposits	955.86	552.28
c) Others-Prepaid Expenses	<u>34.04</u>	<u>12.76</u>
	1071.67	701.48
NOTE - 12 : INVENTORIES		
(at cost or net realisable value, whichever is lower)		
a) Raw Material	16170.31	9420.95
b) Raw Material in transit	3730.94	224.36
c) Work in Progress	1188.46	1110.35
d) Finished Goods / Stock in Trade	4638.92	4726.48
e) Store and Spares	<u>1072.78</u>	<u>519.27</u>
	26801.41	16001.41
NOTE - 13 : TRADE RECEIVABLES		
(Unsecured, unconfirmed & considered Good)		
a) Due over six months	117.61	326.35
b) Others	<u>4757.37</u>	<u>6164.04</u>
(Refer note no. 28)	4874.98	6490.39
NOTE - 14 : CASH AND CASH EQUIVALENTS		
Cash & cash equivalents		
Balances with banks in current accounts	27.64	35.76
Cash on Hand	<u>270.99</u>	<u>242.54</u>
	298.63	278.30

***NOTE - 10 : FIXED ASSETS**

i) Tangible Assets	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	As on 01-04-2015	Addition during the year	Sale/Adjustment during the year	As on 31-03-2016	As on 01-04-2015	Provided for Assets with Nil life as on 01-04-2015	Provided For the Year	Sale/Adjustment during the year	As on 31-03-2016	As on 31-03-2015
Land	1722.85	1.20	1.53	1722.51	0.00	0.00	0.00	0.00	1722.51	1722.85
Building	17410.19	525.29	0.00	17935.49	2543.79	0.00	540.94	0.00	3084.73	14866.40
Building Lease Hold	141.30	0.00	0.00	141.30	60.19	0.00	16.22	0.00	76.41	81.11
Plant & Machinery	50969.30	813.08	0.00	51782.38	23943.15	0.00	5204.79	0.00	29147.93	27026.16
Vehicles	529.21	31.74	0.00	560.95	231.11	0.00	63.98	0.00	295.09	288.10
Furniture & Fixture	263.68	8.23	0.00	271.92	97.93	0.00	31.53	0.00	129.46	165.75
TOTAL	71036.54	1379.54	1.53	72414.55	26876.16	0.00	5857.46	0.00	32733.62	44160.37
Previous Year	69749.89	1716.12	429.47	71036.54	20078.58	247.75	6958.69	401.41	26883.61	48671.31
ii) Intangible Assets	GROSS BLOCK				DEPRECIATION				NET BLOCK	
Particulars	As on 01-04-2015	Addition during the year	Sale/Adjustment during the year	As on 31-03-2016	As on 01-04-2015	Provided for Assets with Nil life the year	Provided for the year	Sale/Adjustment during the year	As on 31-03-2016	As on 31-03-2015
Computer Software	17.26	173.95	0.00	191.21	10.28	0.00	36.54	0.00	46.81	6.98
Electric Line Expenses	359.57	0.00	0.00	359.57	311.90	0.00	12.39	0.00	324.29	47.67
TOTAL	376.83	173.95	0.00	550.78	322.17	0.00	48.93	0.00	371.10	54.65
Previous Year	195.13	55.60	0.00	250.73	146.33	0.00	42.30	0.00	188.63	48.79
iii) Capital Work in Progress										
TANGIBLE ASSETS	948.02	197.24	948.02	197.24	0.00	0.00	0.00	0.00	0.00	948.02
INTANGIBLE ASSETS	77.77	89.50	167.27	0.00	0.00	0.00	0.00	0.00	0.00	77.77
TOTAL	1025.79	286.75	1115.29	197.24	0.00	0.00	0.00	0.00	0.00	1025.79
PREVIOUS YEAR	51.47	1017.59	43.27	1025.79	0.00	0.00	0.00	0.00	1025.79	51.47
NET TOTAL	72439.16	1840.24	1116.82	73162.57	27198.33	0.00	5906.39	0.00	33104.72	45240.81

PARTICULARS	AS AT 31-03-2016	AS AT 31-03-2015
NOTE - 15: SHORT TERM LOANS & ADVANCES		
(Unsecured, considered good)		
Other than related parties		
a) Prepaid Expenses	74.02	144.08
b) Advance to suppliers	2359.34	1785.01
c) MAT Credit Entitlement	1083.42	1502.42
(Refer Note no. 28)	3516.78	3431.51
NOTE - 16: OTHER CURRENT ASSETS		
a) Recoverable from Government Departments	2201.22	2257.40
b) Claims receivables	2271.21	3389.62
	4472.43	5647.02
NOTE - 17: REVENUE FROM OPERATIONS		
a) Sale of products	101478.58	110065.24
b) Sale of Services	87.05	195.48
c) Other operating revenue	1954.30	2456.39
	103519.93	112717.11
Less: Excise Duty	12.24	28.68
	103507.69	112688.43
a) Details of Sale of Products/Services		
i) Yarn		
-Export	55203.03	57211.71
-Domestic	31236.97	41221.40
ii) Waste		
-Export	1278.89	102.75
-Domestic	6120.86	6889.37
iii) Others	7638.83	4640.01
	101478.58	110065.24
b) Detail of Sale of Services		
Job Work Charges	87.05	195.48
	87.05	195.48
c) Details of Other Operating Revenue		
Duty Drawback / DEPB Incentive	1616.79	1646.57
SHIS Licence Income	183.01	330.12
Incremental Export Incentive/MLFPS/FPS/FMS	0.00	262.94
Other Business Income	39.17	134.49
Sale of Scrap	115.33	82.27
	1954.30	2456.39

PARTICULARS	YEAR ENDED 31-03-2016	YEAR ENDED 31-03-2015
NOTE - 18 : OTHER INCOME		
a) Profit on Sales of Assets	1.14	88.30
b) Misc. Income	57.26	69.30
c) Rent Received	3.72	1.25
d) Interest Income	89.92	87.56
e) Profit/Loss on Forward Contracts/Derivatives	142.25	268.91
f) Difference in Exchange Flctuation	163.38	1138.41
g) Premium on Forward Exchange Contracts	0.00	92.40
	457.67	1746.13
NOTE - 19 : COST OF MATERIAL CONSUMED		
Opening Stock	9645.31	15170.69
Add : Purchases	71807.70	66426.85
	81453.01	81597.54
Less : Closing Stock	19901.25	9645.31
Material Consumed during the year	61551.76	71952.23
Detail of Material consumed		
Raw Cotton	49789.98	55860.18
Manmade Fibre	11403.05	15931.58
Yarn	358.73	160.47
	61551.76	71952.23
NOTE - 20 : PURCHASE OF TRADED GOODS		
Purchase of Traded Goods	5422.64	1199.22
	5422.64	1199.22
Detail of Traded Goods		
Man Made Fibre	1280.98	0.00
Raw Cotton	3919.40	1182.19
Others	222.26	17.03
	5422.64	1199.22
NOTE - 21: CHANGES IN INVENTORY		
Opening Stock		
Work-In-Progress	1110.35	1666.33
Finished Goods / Stock in Trade	4726.48	6220.16
	5836.83	7886.49
Closing Stock		
Work-In-Progress	1188.46	1110.35
Finished Goods / Stock in Trade	4638.92	4726.48
	5827.38	5836.83
Increase(-)/Decrease(+)In Stock	9.45	2049.66

PARTICULARS	YEAR ENDED	YEAR ENDED
	31-03-2016	31-03-2015
NOTE - 22 : EMPLOYEE BENEFIT EXPENSES		
Salaries, Wages and Allowances	5077.59	4649.00
Contribution to Provident & Other Funds	487.69	463.19
Gratuity & Leave Encashment	111.25	116.86
Bonus	565.07	63.32
Workers & Staff Welfare	75.93	69.47
	6317.53	5361.84

Disclosures on 'Employees Benefits'

The disclosures required under Accounting Standard 15, "Employee Benefits" (Revised) notified in the Companies (Accounting Standards) Rules 2006, are given below :-

a) Defined Contribution Plan

Contribution to Defined Contribution Plan, during the year is as under:

	(₹ In Lacs)	
Employer's Contribution to Provident Fund	-	131.09
Employer's Contribution to Family Pension Fund	-	232.88

b) Defined Benefit Plan

The Employees' Gratuity Fund Scheme managed by Life Insurance Corporation of India is a defined benefit plan. The present value of obligation is determined based on actuarial valuation using the Projected Unit Credit Method, which recognizes each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation. The obligation for leave encashment is recognized in the same manner as gratuity.

(₹ in Lakhs)

Sr. No. Particulars	Gratuity (Funded)		Leave Encashment (Unfunded)	
	31.03.16	31.03.15	31.03.16	31.03.15
(a) Change in Present value of Defined Benefit Obligations.				
Defined Benefit obligation as on 01.04.2015	385.25	353.69	173.01	136.69
Current Service Cost	109.09	95.37	58.07	53.35
Interest Cost	30.50	17.74	13.70	0.00
Actuarial (Gain/Loss)	(48.82)	(44.42)	(47.22)	0.00
Benefits Paid	(21.33)	(37.12)	(21.32)	17.03
Defined Benefit Obligation as on 31.03.2016	454.69	385.25	176.24	173.01

b) Change in fair value of Plan Assets				
Fair value of plan assets as on 01.04.2015	80.96	69.88	--	--
Expected Return on Plan Assets	4.99	5.17	--	--
Actuarial (Gain/Loss)	0.00	0.00	--	--
Employer Contribution	22.77	15.97	--	--
Benefits Paid	(34.45)	(10.06)	--	--
Fair Value of Plan Assets as on 31.03.2016	74.27	80.96	--	--
Actual Return on Plan Assets	0.00	0.00	--	--
c) Reconciliation of Fair Value of Assets and Obligations				
Fair Value of Plan Assets as at 31st March, 2016,	74.27	80.96		
Present Value of Obligation as at 31st March, 2016	454.69	385.25	176.24	173.01
Amount recognized in Balance Sheet	(380.41)	304.29	176.24	173.01
d) Expenses recognized in Profit & Loss Account				
Current Service Cost	109.09	95.37	58.07	53.35
Interest Cost	30.50	17.74	13.70	--
Expected Return on Plan Assets	(4.73)	(5.17)	0.00	--
Actuarial (Gain)/ Loss	(48.55)	(44.42)	(47.22)	--
Net Cost	86.31	63.51	24.55	53.35
e) Investment Details				
L.I. C. Group Gratuity Policy	16.52%	21.02%	--	--
f) Actuarial Assumptions				
Mortality Table	IALM(2006-08)	L.I.C (1994-96)	IALM(2006-08)	L.I.C (1994-96)
Discount Rate (Per annum)	7.90%	8.00%	7.90%	8.00%
Expected Rate of Return on Plan Assets (per annum)	8.00%	9.00%	--	--
Rate of escalation in salary (per annum)	7.00%	7.00%	7.00%	7.00

The estimates of rate of escalation in salary's considered in actuarial valuation and other factors such as inflation, seniority, promotion and other relevant factors including supply and demands in the employment market have been taken into account. The above information is certified by the actuary.

The expected rate of return on plan assets is determined considered several applicable factors, mainly the composition of plan asset held, assessed risk, historical results of return on plan asset and the company's policy for the plan asset management.

NOTE - 23 : FINANCE COST

a) Interest on Bank borrowings	3768.28	6572.54
b) Other Borrowing Cost	531.77	1239.46
c) Premium on Forward Exchange Contracts	781.35	0.00
d) Interest on Income Tax Payments	25.75	40.28
	5107.15	7852.28

PARTICULARS	YEAR ENDED 31-03-2016	YEAR ENDED 31-03-2015
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NOTE - 24 : OTHER EXPENSES**Manufacturing expenses**

Power & Fuel and Generator Expenses	9389.71	10089.74
Freight & Cartage	89.28	109.77
Packing Material	1477.32	1303.52
Dyes & Chemicals	920.35	908.29
Consumption of Stores & Spares	1509.46	2157.15
Repairs to Machinery	219.18	118.32
	13605.30	14686.79

Administration expenses

Rent	13.63	13.84
Fees & Taxes	53.15	65.22
Professional Charges	21.41	35.62
Printing & Stationery	28.97	32.15
Postage & Telegram	22.62	23.68
Telephone Expenses	15.94	13.45
Insurance	81.64	80.49
Vehicle Maintenance	76.57	120.96
General Expenses	193.39	115.49
Building Repair	39.10	62.55
Charity & Donation	1.01	0.16
Travelling & Conveyance	92.38	67.02
Entertainment Expenses	6.76	4.37
Directors' Meeting Fees	0.90	0.90
Payment to Auditors*	13.11	6.56
Festival Expenses	47.36	41.56
Service Tax	24.28	36.67
Worker's Conveyance	234.57	328.84
Provision for Obsolete Stores	51.90	0.00
Advertisement Expenses	2.09	5.14
	1020.78	1054.67

Selling and Distribution expenses

Ocean freight and Clearing & forwarding	1837.57	1737.60
Cartage, freight	136.03	235.10
Commission & Discount	1008.32	1040.20
	2981.92	3012.90
	17608.00	18754.36

***Payment to Auditors**

-Audit Fee	9.25	4.62
-Tax Audit Fees	1.75	0.88
-Others - taxation	0.20	0.10
Add: Service Tax	1.62	0.69
-Reimbursement of expenses	0.29	0.27
	13.11	6.56

NOTE - 25 : CURRENT TAX

a) Current Year	872.00	62.00
b) Previous Year	-1.13	31.32
	870.87	93.32

NOTE-26
CONTINGENT LIABILITIES

(₹ in Lakhs)

Sr. No.	Particulars	AS AT 31.03.2016	AS AT 31.03.2015
a)	Letter of Credit(s) /Bank Guarantee(s) issued by banks	2619.96	408.32
b)	Bills Discounted with Banks	10993.75	15820.35
c)	Commitments on account of Capital account remaining to be executed (Net of Advances) out of which Letter of Credits/Bank Guarantee ₹18.55 Lacs (Pr.Year ₹Nil) (net of margin) issued by banks.	1137.16	1025.02
d)	Bonds against un-fulfilled export obligations under Export Promotion Capital Goods/Duty Exemption scheme.	314.53	359.69
e)	Disputed Income Tax Liabilities of cases pending with appellate authorities.	104.56	99.58
f)	Provident Fund disputes pending with High Court. (Net of Margin)	8.58	8.58
g)	Disputed Sales Tax/VAT Liabilities of cases pending with appellate authorities.	21.19	41.18
h)	Disputed Excise Liabilities of cases pending with appellate authorities	44.87	44.87
i)	Disputed Electricity Liabilities of cases pending with appellate authorities.	415.00	415.00
j)	Disputed Electricity Tower Case pending with appellate authorities.	No amount determined	No amount determined

NOTE - 27

The working capital borrowings and current account balances are net of cheques issued but not presented for payment of ₹661.36 Lacs (Previous year ₹778.81 Lacs) and that of cheques deposited but not credited of ₹1,162.35 Lacs (Previous year ₹808.00 Lacs) with net amount of (-) ₹500.99 Lacs (Previous Year (-) ₹29.19 Lacs). Accordingly, the trade payables and trade receivables are understated to the extent of ₹661.36 Lacs and ₹1,162.35 Lacs (Previous year ₹778.81 Lacs and ₹808.00 Lacs) respectively and working capital borrowings have been understated to the extent of (-) ₹500.99 Lacs (Previous Year (-) ₹29.19 Lacs)

NOTE - 28

Details of Related Parties Disclosures/Transactions in compliance of Accounting Standard-18 are as under:-

1.) Names of Related Parties and the Nature of Relationship: ---**a) Associate Concerns**

M/s N.R.S. Knitwear's	M/s Classic Wears (P) Ltd.
M/s Sportking Knitwear	M/s Aradhana Fabrics (P) Ltd.
M/s Sobhagia Clothing Co.	M/s Marvel Dyers & Processors (P) Ltd.
M/s Darling Demons	M/s N.T.M. Shawls (P) Ltd.
M/s Fashionable Attire	M/s Namokar Capital Services (P) Ltd.
M/s Nagesh Classic	M/s Aradhana Knitwears (P) Ltd.
M/s Sobhagia Sales (P) Ltd.	M/s Daksh Creations
M/s Go Green Projects Pvt. Ltd.	M/s Dada Motors
M/s Dada Motors Pvt. Ltd.	

b) Key Management Personnel

Sh. Raj Kumar Avasthi	Chairman & Managing Director
Sh. Munish Avasthi	Managing Director
Sh. Naresh Jain	Executive Director

2) Related Party Transactions

Associates Concerns	Sale/Job Work Sale	Rental Income	Purchase/Job work	Other Expenses	Total
Sobhagia Sales P Ltd.	1363.79	0.00	8.28	1.46	1373.54
Classic Wears P Ltd.	468.50	3.00	0.54	0.00	472.04
Aradhana Fabrics (P) Ltd.	129.89	0.00	0.00	0.00	129.89
Sobhagia Clothing Co.	1638.85	0.00	634.03	0.00	2272.88
Fashionable Attire	71.74	0.00	0.00	0.00	71.74
Nagesh Classic	57.15	0.00	0.00	0.00	57.15
N.R.S. Knitwears	7.60	0.00	0.00	0.00	7.60
Daksh Creations	76.27	0.00	0.00	0.00	76.27
Dada Motors	0.00	0.00	0.00	4.21	4.21
Dada Motors Pvt. Ltd.	0.00	0.00	33.09	10.57	43.65
Total	3813.79	3.00	675.94	16.24	4508.97

Key Managerial Personnel	Mangement Services Paid				Lease Rent Paid	Total
	Basic	HRA	Commission	Perquisites		
Sh. R.K. Avasthi	78.00	0.00	30.00	11.75	5.45	125.20
Sh. Munish Avasthi	78.00	0.00	30.00	11.75	0.55	120.30
Sh. Naresh Jain	10.80	5.40	0.00	0.00	0.00	16.20
Total	166.80	5.40	60.00	23.50	5.99	261.70
Relatives of Key Managerial Personnel's						
Smt. Anjali Avasthi	0.00	0.00	0.00	0.00	2.00	2.00
Raj Kumar (HUF)	0.00	0.00	0.00	0.00	4.80	4.80
Total	0.00	0.00	0.00	0.00	6.80	6.80

Unsecured Loan From Director				
Name of Director	Opening Balance as on 01.04.2015	Raised During the year	Paid During the year	Balance as on 31.03.2016
Sh. Munish Avasthi	100.00	0.00	0.00	100.00

Debts due from firms or private companies in which any director is a proprietor/partner or a director or a member:

Particulars	Outstanding as on 31.03.2016	Outstanding as on 31.03.2015
M/s Classic Wears Pvt. Ltd.	291.40	19.26
M/s Sobhagia Sales (P) Ltd.	1345.52	1266.98
M/s Aradhana Fabrics (P) Ltd.	105.50	125.83
M/s Sobhagia Clothing Co.*	1003.58	985.07

*includes advances to supplier.

NOTE - 29

Accounting for leases has been done in accordance with Accounting Standard -19. The details of Lease transactions for the year are as follows:-

- a) Finance Lease: The Company does not have any finance lease arrangement.
- b) Operating Lease;
 - i) Lease rentals charged in the Profit and Loss account for the year net of rent received is ₹9.91 Lacs (Previous year is ₹12.59 Lacs).
 - ii) The company has entered into operating leases for its godowns, land, guest house/residential house and machinery that are renewable on a periodic basis and cancellable at company's option. The company has not entered into sub-lease agreements in respect of these leases.
 - iii) The total of future minimum lease payments under non-cancellable leases are as follows:-

(₹ in Lacs)

Particulars	AS AT 31-03-2016	AS AT 31-03-2015
Not Later than one year	14.30	12.64
Later than one year but not later than five years	43.10	46.06
Later than five years	5.47	1.24

- c) Lease deed agreements are pending for execution in respect of company's premises at 178 Col. Gurdial Singh Road, Civil Lines, Ludhiana and at Village Morkarima, Near Mullanpur, Ferozepur Road, Ludhiana.

NOTE - 30

The foreign currency exposures of the company against firm commitments and/or highly probable forecast transactions are as under:-

Particulars	AS AT 31.03.2016		AS AT 31.03.2015	
	Foreign Currency	INR	Foreign Currency	INR
Hedged Foreign Currency Exposure				
Imports				
USD/INR	14.66	971.37	15.62	983.59
Loans				
FCNR USD/INR	215.76	14296.26	138.86	8744.01
PCFC USD/INR	200.85	13306.31	31.64	1969.27
Interest				
USD/INR	0.15	9.68	0.12	7.37
Exports				
USD/INR	-	-	182.23	11342.00
Un-hedged Foreign Currency Exposure				
Raw Material USD/INR	56.48	3742.05	-	-
Capital Goods USD/INR	1.30	85.81	-	-
Capital Goods EURO/INR	0.15	10.93	-	-
Commission USD/INR	6.67	442.21	11.64	732.67

NOTE - 31

	(₹ In lakhs)	
	AS AT 31.03.2016	AS AT 31.03.2015
A CIF Value of Imports		
Raw Materials	10321.89	3146.92
Stores & Spares	992.02	694.86
Capital Goods/in Transit	95.72	1587.92
Dyes & Chemicals	22.32	20.06
Oil & Lubricants	-	2.41
B Earning in Foreign Currency		
FOB Value of Exports	56029.91	56740.67
C Expenditure in Foreign Currency		
Interest	833.76	223.43
Traveling Expenses	25.78	18.52
Commission	757.26	724.82
Subscription	8.52	6.84
Others	3.90	3.51

D Value of Imported & Indigenous Raw Material & Store Consumed and Percentage thereof

Particulars	Value (₹)	% age	Value (₹)	% age
a) Raw Material				
Imported	1296.44	2.11%	3320.75	4.54%
Indigenous	60255.32	97.89%	69813.67	95.46%
b) Stores & Spares/Packing Material				
Imported Spares	595.89	15.00%	667.21	14.87%
Imported Dyes & Chemicals	127.19	3.20%	10.22	0.23%
Imported Oil & Lubricants	0.67	0.02%	2.49	0.06%
Indigenous Spares/Packing Material	2454.88	61.81%	2920.10	65.07%
Indigenous Dyes & Chemicals	793.16	19.97%	887.25	19.77%

NOTE - 32

The company has provided 10% on account of diminution in value of absolute unserviceable and surplus stores & spares of gross value amounting to ₹51.90 Lacs (Previous Year ₹Nil).

NOTE - 33

As the company is dealing only in textiles, the operations of the company are considered as a single business segment hence Segment Reporting under Accounting Standard-17 is not applicable.

NOTE - 34

- a) In the opinion of the Board of Directors, the Current Assets and Loans & Advances have been stated at the realizable values.
- b) The balance due to or from the parties, on whatever account, are subject to reconciliation & confirmation.

NOTE - 35

Previous year figures have been regrouped/ restated wherever necessary.

As per our report of even date attached

For Rawla & Company
Chartered Accountants
(FRN-00166IN)

CA Hardeep Singhal
(Partner)
M. No. 505618

Ludhiana
May 30, 2016

For & on behalf of Board of Directors

(Raj Kumar Avasthi)
Chairman & Managing Director
DIN: 01041890

(Munish Avasthi)
Managing Director
DIN: 00442425

(Naresh Kumar Jain)
Executive Director
DIN: 00254045

(P.K. Gupta)
Chief Financial Officer

(Sukhdev Gupta)
General Manager (F&A)

(Nikhil Kalra)
Company Secretary
M. No. A30289

27th ANNUAL GENERAL MEETING

I/we hereby record my/our presence at the 27th Annual General Meeting of the Company, to be held on Friday, the 30th day of September, 2016 at 2.00 p.m. at the registered office of the company at 5/69, Guru Mansion (First Floor) Padam Singh Road, Karol Bagh, New Delhi-110005

DP ID		Folio No.	
Client ID		No. of Shares Held	
Member's/Proxy's Name in Block Letters		Member's/Proxy's	

Note:

- Shareholders attending the Meeting in person or by Proxy are requested to complete the attendance slip and hand it over at the entrance of the Meeting venue.
- Please read instructions given at Note No. 9 of the Notice of 27th Annual General Meeting, carefully before voting electronically.

ELECTRONIC VOTING PARTICULARS		
EVSN (E-voting Sequence Number)	User ID/Folio No./DP / Client ID	Sequence No.
160817006		

.....Cut here.....

Name of the Member(s)		
Registered Address		
Email ID		
Folio No./Client ID		DP ID

I/We, being the member(s) of _____ shares of the above named company, hereby appoint:

- Name: _____ Address: _____
 E-mail Id: _____ Signature: _____, or failing him
- Name: _____ Address: _____
 E-mail Id: _____ Signature: _____, or failing him
- Name: _____ Address: _____
 E-mail Id: _____ Signature: _____, or failing him

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 27th Annual General Meeting of the Company, to be held on Friday, the 30th day of September, 2016 at 2.00 p.m. at the registered office of the company at 5/69, Guru Mansion (First Floor) Padam Singh Road, Karol Bagh, New Delhi-110005 and at any adjournment thereof in respect of such resolutions as are indicated below:-

Resolution No.	Resolution
1.	To Receive, consider and adopt the Audited Financial Statements of the Company for the financial year ended 31st March, 2016 and the Reports of the Directors and Auditors thereon.
2.	To Appoint a director in place of Sh. Raj Kumar Avasthi (DIN 01041890), who retires by rotation and being eligible offers himself for re-appointment.
3.	To Appoint Auditors of the company and fix their remuneration.
4.	Regularize the Appointment of Sh. Prashant Kochhar (DIN: 07298730) as an Independent Director of the Company
5.	Approval for entering into Related Party Transactions
6.	Ratification of the remuneration of the Cost Auditors for Financial Year 2016-17
7.	Payment of Remuneration to Sh. Raj Kumar Avasthi, (DIN: 01041890) Managing Director of the Company.
8.	Payment of Remuneration to Sh. Munish Avasthi (DIN: 00442425), Managing Director of the

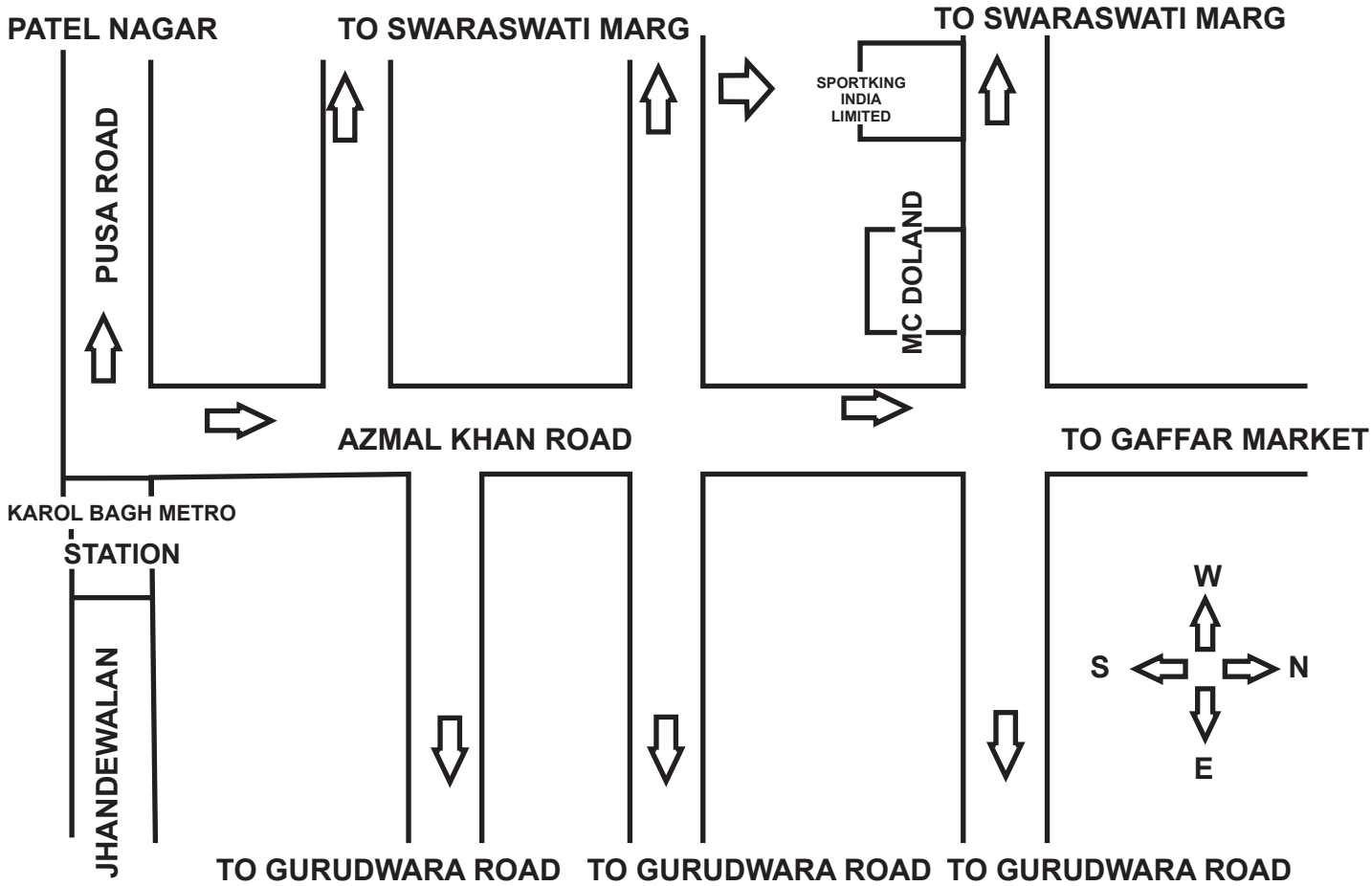
Signed this _____ day of _____, 2016

Signature of Shareholder: _____ Signature of Proxy holder(s): _____



Note: This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.

VENUE OF AGM
SPORTKING INDIA LIMITED
 Regd. office: 5/69, Guru Mansion (First Floor) Padam Singh Road,
 Karol Bagh, New Delhi-110005





Save Tree Save Earth

Green Initiative

The Ministry of Corporate Affairs (MCA) has taken a "Green Initiative in the Corporate Governance" by allowing paperless compliances by the Companies. Your Company has decided to join the MCA in its environmental friendly initiative.

Henceforth, the Company proposes to send documents such as Notice of the General Meetings, Annual Report and other communication to its shareholders via electronic mode to the registered e-mail addresses of shareholders. To support this green initiative of the Government in full measure, shareholders are requested to register/update their latest e-mail addresses with their Depository Participant (D.P.) with whom they are having Demat A/c or send the same to the Company via e-mail at:- cs@sportking.co.in

We solicit your valuable co-operation and support in our endeavor to contribute our bit to the environment.



BOOK POST
(PRINTED MATTER)

If undelivered please return to :
SPORTKING INDIA LIMITED
Regd. office : 5/69, Guru Mansion (1st Floor)
Padam Singh Road, Karol Bagh,
New Delhi - 110 005