

Sportking INDIA LTD.

(Govt. Recognised Three Star Export House)

Regd. & Corporate Office : Vill. Kanech, Near Sahnewal, G.T. Road, Ludhiana-141120 Ph. (0161) 2845456 to 60 Fax : 2845458
Admn. Office : 178, Col. Gurdial Singh Road, Civil Lines, Ludhiana-141001 Ph. (0161) 2770954 to 55 Fax : 2770953
E-mail : sportking@sportking.co.in CIN No. L17122PB1989PLC053162
Website : www.sportking.co.in GST No.: 03AAACS3037Q1ZA

SIL/2022-23/SE

05.09.2022

To BSE Limited Phiroze Jeeheebhoy Towers, Dalal Street, Mumbai-400001	To National Stock Exchange of India Ltd, Exchange Plaza, Bandra Kurla Complex, Bandra (East), Mumbai- 400051
Script Code: 539221	Symbol: SPORTKING

Sub: Annual Report (Regulation 34 of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015

Dear Sir,

Pursuant to Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed herewith Copy of Annual Report of the Company for the Financial Year 2021-22. Further the 33rd Annual General Meeting of the Company is scheduled to be held on **Friday, the 30th Day of September 2022 at 10.00 AM** at Registered Office of the company situated at Village Kanech, Near Sahnewal GT Road, Ludhiana-141120 (Punjab).

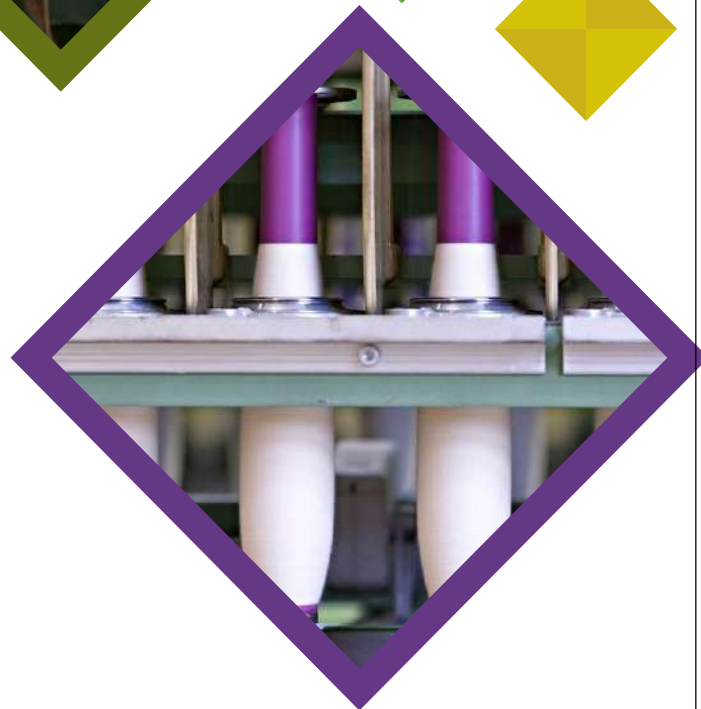
You are requested to please take the same on your records.

For SPORTKING INDIA LIMITED

**LOVLESH VERMA
COMPANY SECRETARY
(ACS: 34171)**

Sportking

SPORTKING INDIA LIMITED



33rd ANNUAL REPORT

2021-22

BOARD OF DIRECTORS

Sh. Raj Kumar Avasthi(Ceased on 23.07.2022)	Chairman & Managing Director
Sh. Munish Avasthi(Chairman w.e.f. 03.09.2022)	Chairman & Managing Director
Sh. Naresh Kumar Jain	Executive Director
Smt.Anjali Avasthi (Appointed on 03.09.2022)	Non-Executive Non Independent Director
Dr. Sandeep Kapur	Independent Director
Sh. Prashant Kochhar	Independent Director
Smt. Harpreet Kaur Kang	Independent Director

CHIEF FINANCIAL OFFICER

Sh. Parveen K Gupta

COMPANY SECRETARY

Sh. Lovlesh Verma

BANKERS

State Bank of India

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

Punjab National Bank

Large Corporate Branch
Industrial Area-A ,Ludhiana - 141003

Union Bank of India

MCB Branch Premises No. 5, Dashmesh Complex ,
New Lajpat Nagar, Pakhowal Road, Ludhiana -141001

Indian Bank

LCB Branch, 165, Industrial Area,
Cheema Chowk, Ludhiana - 141003

Export Import Bank of India Ltd.

C- 213, Second floor Elante Of f ices,
Plot No. 178-178 A Industrial Area, Phase-1
Chandigarh - 160002

Central Bank of India

Mid Coprorate Branch,
369, R.K.Road, Ind AreaA,
Ludhiana - 141003

STATUTORY AUDITORS

SCV & CO. LLP

Chartered Accountants
B-XIX-220, Rani Jhansi Road
Ghumar Mandi, Ludhiana -141001

REGISTERED / CORPORATE OFFICE

Village Kanech, Near 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

Contents	Page No
Journey So far & Key Performance Indicators	1-6
Directors' Report	7-36
Corporate Governance Report	37-49
Independent Auditors' Report	50-60
Balance Sheet	61
Profit & Loss Statement	62
Cash Flow Statement	64
Notes on Financial Statements	65-120
Notice	121

You will forever be a Source of Inspiration



Late Sh. Raj Kumar Avasthi Ji
Founder / Chairman of Sportking India Limited
18th June 1946- 23rd July 2022

In the month of July 2022, Sh. Raj Kumar Avasthi, founder /chairman of the company fondly called as “Bau Ji” passed away. He was instrumental in establishing Sportking Group of Industries as India’s leading vertically integrated textile conglomerate, which was started by him with his father Sh. Jagdish Chandra Avasthi in 1977. In more than four decades of its existence, Sportking Group has relentlessly continued its journey on the path of fast paced growth under the benevolent vision of late. Sh. Raj Kumar Avasthi.

Sh. Raj Kumar Avasthi was on the Board of the Company since inception and the Company has immensely benefitted from his vision and leadership during his tenure. His passing away will be a great loss to the Company and all the Directors and Employees of the company/group companies convey deep sympathy, sorrow and condolences to his family. We are and will always be extremely grateful for his contribution to the company and society and hold the deepest gratitude for the same.

He has done a lot of important work in Punjab for the growth of textile/ readymade and yarn sector. He always focused on making the youth especially rural women folk self-reliant. For this, he had encouraged the youth in the retail sector and provided training to the youth by giving them better pay and stipend. Along with this, he was also involved in the state and national level textile committees. He also built a Sportking Fashion Institute to connect Ludhiana with lifestyle and fashion.

We endeavour to fulfil the legacy that he has left behind which is eternal in the roots of the company and its employees. His ever-graceful presence will always missed

Sportking

JOURNEY SO FAR

installed 6K+ Spindles for manufacturing of Acrylic Yarn at Ludhiana in 1993



Spinning Capacity increased by greenfield expansion with installation of 12K+ spindles at Ludhiana for manufacture of synthetic yarn. Capacity expanded from time to time for manufacturing of Synthetic/ Polyester Cotton Blended. Present installed capacity- 65K+spindles.



Setting up of a Dye House at Ludhiana for dyeing/ processing of textile yarn fibers



Successful expansion at Bathinda Unit adding 68K+ spindles with state-of-the-art plant for manufacturing of cotton compact yarn achieving a Company's total overall spinning capacity 274K+ spindles.



Spinning Capacity increased further by Greenfield expansion with installation of 57K+ Spindles at Bathinda for manufacturing of Cotton Compact Yarn. Capacity expanded from time to time for manufacturing of Polyester Cotton Blended/ Cotton Compact yarn and capacity increased to 140K+ Spindles upto November 2013.



**Successful commissioning of 10.2 MW
Rooftop Solar Power Project in June 2022 at Bathinda Unit**



Revenue
Rs. 2,154 crores **+65%**



Operating EBITDA
Rs. 596 crores **+185%**



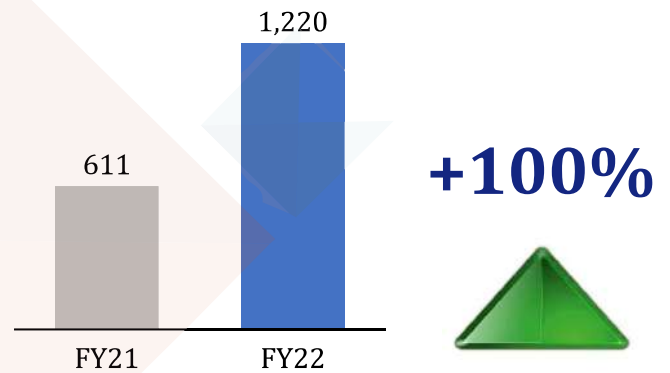
Margin at 28%

Operating PBT
Rs. 523 crores **+426%**

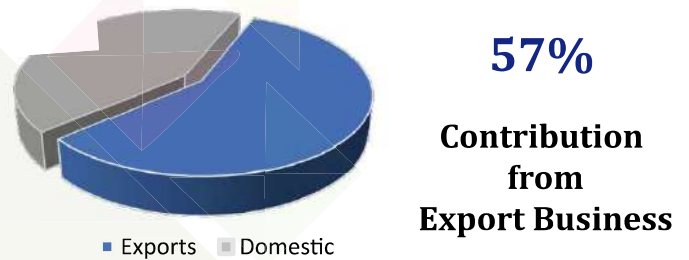


Margin at 24%

Growth in Export Business



Revenue Contribution



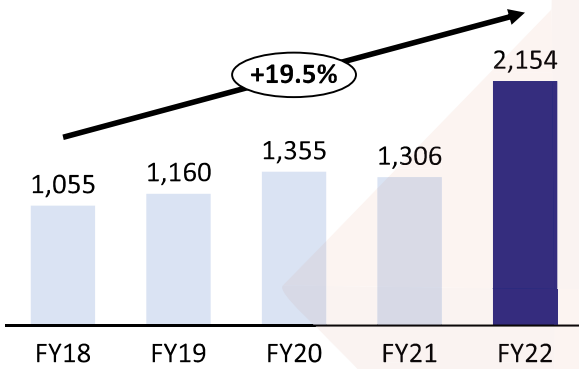
Status of ongoing expansion Project Phase 1 & 2 at Bathinda Unit



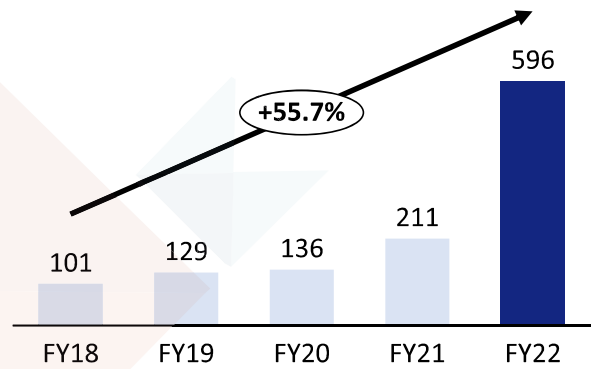
- 1st Phase capacity addition – 40,800 Spindles for manufacturing of Polyester Cotton yarn - Machinery will reach by September 2022. So the additional capacity is likely to be commissioned shortly.
- 2nd Phase capacity addition – 63072 spindles for manufacturing of cotton compact yarn - Project implementation is going as per schedule and same will be commissioned in the Q4 of FY 2022-23.

ANNUAL FINANCIAL CHARTS - 5 YEARS

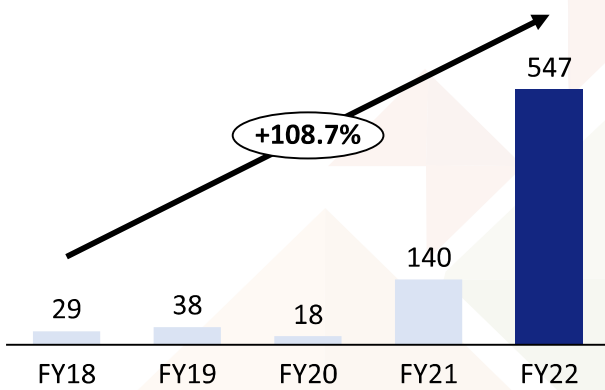
Revenue from Operations (Rs. in Crs)



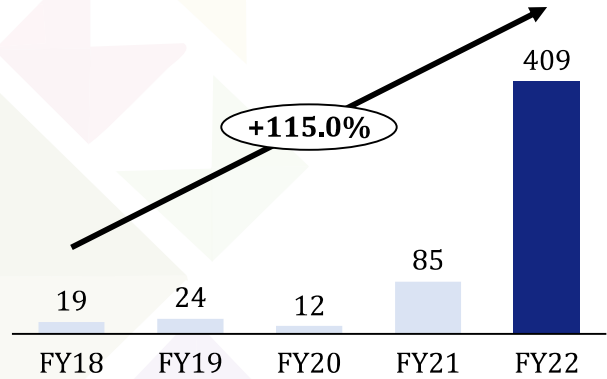
EBITDA (Rs. in Crs)



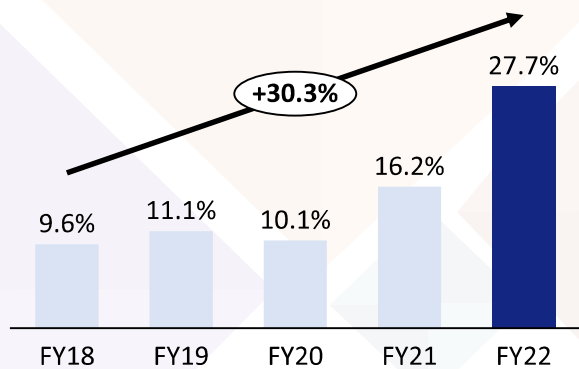
PBT (Rs. in Crs)



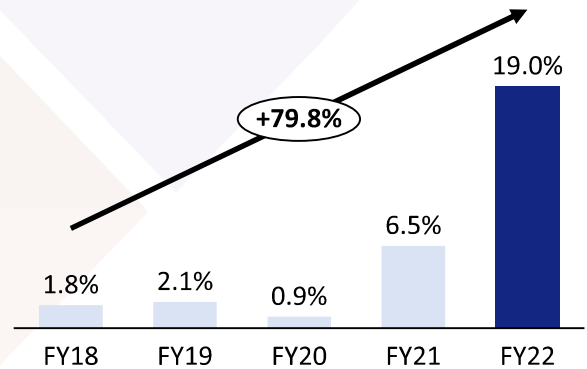
PAT (Rs. in Crs)



EBITDA %

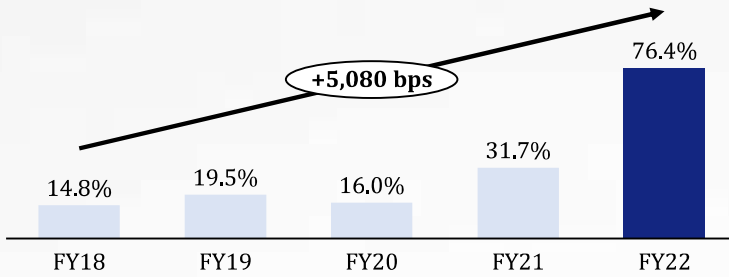


PAT %

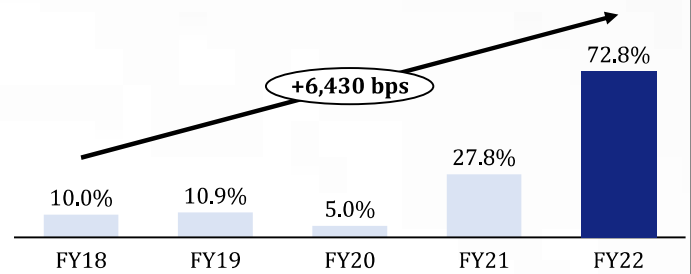


KEY FINANCIAL RATIO(S) - 5 YEARS

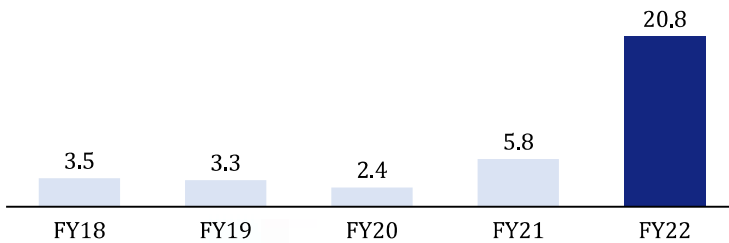
ROCE



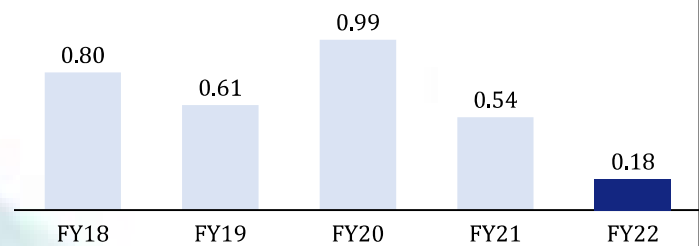
ROE



Interest Coverage ratio



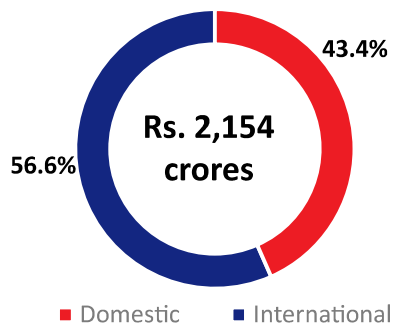
Long term Debt/Equity Ratio



OUR GLOBAL PRESENCE



Geography Wise Revenue Break-up FY22



We are representing India on a world stage with exports worth more than US \$ 175 million.

DIRECTORS' REPORT

Dear Members

The Directors of your company are pleased to present their 33rd Annual Report on the affairs of the company together with Financial Statement of the Company for the year ended 31st March, 2022.

1. FINANCIAL RESULTS

The financial statements of the Company for the year ended 31st March, 2022, had been prepared in accordance with Indian Accounting Standards (Ind AS). The financial performance of your Company for Financial Year(s) 2021-22 and 2020-21 are as under:

Particulars	(Rupees in Lakhs)	
	F.Y. 2021-22	F.Y. 2020-21
Revenue from Operations (Net)	215401.18	130623.67
Other Income	2415.12	1860.28
Earnings before Interest , Depreciation, Tax and Amortization (EBIDTA) and Exceptional Items	61984.58	22744.55
Interest and Financial Expenses	2857.81	3577.23
Profit before Depreciation, Amortization , Tax (PBDT) and Exceptional Items	59126.77	19167.32
Depreciation and Amortization	4385.91	5173.43
Profit before Tax (PBT) and Exceptional Items	54740.86	13993.89
Exceptional Items	0.00	2195.10
Profit before Tax (PBT)	54740.86	11798.79
Provision for Tax		
-Current Tax	13852.65	3671.72
-Prior Period Tax	(31.62)	423.38
-Deferred Tax	(5.09)	(749.19)
Profit after Tax (PAT)	40924.92	8452.88
Other Comprehensive Income (Net of Tax of Rs. 45.10 Lakhs in Current Year and Rs. 35.19 Lakhs in previous year)	134.09	104.64
Total Comprehensive Income for the year	41059.01	8557.52
Earnings Per Equity Share (In Rs.)		
-Basic	308.00	63.19
-Diluted	308.00	63.19

MANAGEMENT'S DISCUSSION AND ANALYSIS

BUSINESS REVIEW

Economic Outlook

The global economy rebounded in Calendar Year 2021 posting a growth of 6.1%. The global recovery continued but momentum was weakened, hobbled by the pandemic. The world economy now is simultaneously facing re-emergence of COVID-19, inflation, scaling back of government spending and normalization of monetary policies/ heightened financial volatility. The new crisis of Russia- Ukraine war and frequent and wider-ranging lockdowns in China is exacerbating supply and demand tensions, damaging consumer sentiment and is threatening global economic growth. Prices of crude and other commodities spiraled to multiyear high and risks to economic prospects have become challenging as the spillover of the war spreads to other countries mainly through commodity markets, trade, and financial linkages.

Brent crude prices have been hovering in the US\$ 100-120 range since mid-March, posing the higher risk to India's economic prospects and putting the global recovery at heightened risk. Global food prices were at an all-time high during March 2022 and are expected to harden further in view of potential supply disruptions. With inflation turning out to be persistent and broad-based, major Advanced Economies (AEs) quickened the pace of unwinding of their ultra-accommodative monetary policies. Meanwhile, emerging markets continue to witness capital outflows, as the US Fed accelerated its tapering of asset purchases, recently raised the Fed funds rate thrice and signaled aggressive rate hikes.

In its latest World Economic Outlook report, the IMF has projected global growth to slow from an estimated 6.1% in 2021 to 3.6% in 2022 and 2023. This is 0.8 and 0.2 percentage points lower for 2022 and 2023 than projected in January.

Beyond 2023, global growth is forecast to decline to about 3.3% over the medium term. War-induced increase in commodity price and broadening price pressures have led to 2022 inflation projections of 5.7% in advanced economies and 8.7% in emerging market and developing economies—1.8 and 2.8 percentage points higher than projected last January.

The Provisional Estimates for FY 2021-22 released by the National Statistical Office (NSO) placed India's real Gross Domestic Product (GDP) growth at 8.7%. Economic activity which was recovering with the ebbing of the third wave, rapid stride towards universal vaccination, and supportive fiscal and monetary policies, now faces significant headwinds from the worsening geopolitical developments and the accompanying sharp rise in global commodity prices and weakening global growth outlook. The GDP growth rate projects has been lowered down by various agencies citing worsening supply bottlenecks and rising inflation risks caused by geo-political conflict.

Industrial activity lost some momentum in the second half of FY2022, as manufacturing was affected by supply side shortages and input cost pressures. Mining activity was supported by coal and natural gas, offsetting the contraction in crude oil production. Hence, industrial GVA decelerated sharply from 23.1% in H1 to 0.9% in H2. Services sector activity grew by 7.1% in H2 and crossed its pre-pandemic level. The contact-intensive services, viz., trade, hotels, transport, and communication, inched towards normalization, though their rebound was held back by the Omicron variant.

Export Merchandise exports and imports remained buoyant in FY2022. During FY2022, merchandise exports at \$419.6 billion surpassed the target of \$400 billion. The \$300 billion mark in exports was achieved in FY12, and it took almost a decade to add an incremental \$100 billion in exports.

Various indicators, including enhanced Goods and Services Tax (GST) receipts, increased acceptance of transactions based on Unified Payments Interface (UPI), positive growth in Index of Industrial Production (IIP) and rising private spending, all point to a promising economic rebound. While several macroeconomic parameters indicate sustained growth, geopolitical tensions such as the Russia-Ukraine conflict have resulted in a spike in inflation rates, driven by higher oil prices, increased input costs, and supply chain disruptions. The Reserve Bank of India's (RBI's) Monetary Policy Committee (MPC) has increased the Repo Rate from 400 bps to 540 bps in three tranches of 40/50/50 bps since May 2022 to keep inflation under control. Despite a variety of challenges such as climate-related concerns, new Covid-19 variants, persistent unemployment and healthcare infrastructure issues, India's strong economic fundamentals have provided the essential cushion to keep up the growth momentum. The RBI's monetary policies, as well as government programmes such as Product Linked Incentives (PLIs), the National Monetization Plan (NMP) and PM Gati Shakti - National Master Plan, are all intended to improve the domestic economy.

Textile Outlook

The outbreak of the Coronavirus disease (COVID-19) has acted as a massive restraint on the textile manufacturing market in 2021 as supply chains were disrupted due to trade restrictions and consumption declined due to lockdowns imposed by governments globally. The COVID-19 pandemic had challenged the textile industry drastically which is now on a recovery stage. Increasing demand for apparel from the fashion industry coupled with the growth of e-commerce platforms is expected to drive the market growth.

The global textile market size is expected to grow from \$530.97 billion in 2021 to \$575.06 billion in 2022 at a compound annual growth rate (CAGR) of 8.3%. The textiles market is expected to grow to \$760.21 billion in 2026 at a CAGR of 7.2%. Increasing demand for online shopping is expected to drive the textile manufacturing market. Manufacturers can now sell their products on a larger platform than before, which will increase their customer base geographically driving the growth of the textile manufacturing market. In countries such as India, for instance, e-commerce portals have boosted the sales of traditional garments by giving larger exposure to producers who were confined to one geography.

The Indian textile industry is one of the largest in the world with a large unmatched raw material base and manufacturing strength across the value chain. India is the 6th largest exporter of Textiles & Apparel in the world. India's textiles and clothing industry is one of the mainstays of the national economy. India's textiles industry has a capacity to produce a wide variety of products suitable for different market segments, both within India and across the world. It provides direct and indirect employment and source of livelihood for millions of people including a large number of women and rural population. The sector has perfect alignment with Government's key initiatives of Make in India, Skill India, Women Empowerment and Rural Youth Employment.

India is now recognized as the largest producer of cotton and jute garments in the world. There is tough competition from China, Bangladesh, Pakistan, and Vietnam for exporting textile products in the global market. However, the Indian textile industry still manages for a comeback even after the decline of the business in 2020 - 21. The textiles and apparel industry contribute 2.3% to the country's GDP, 13% to industrial production and 12% to exports. The sector employs around 40 Million workers. India scaled its highest ever exports tally at US\$ 44.4 Bn in Textiles and Apparel (T&A) including Handicrafts in FY 2021-22, indicating a substantial increase of 41% and 26% over corresponding figures in FY

2020-21 and FY 2019-20, respectively. USA was the top export destination accounting for 27% share, followed by EU (18%), Bangladesh (12%) and UAE (6%). In terms of product categories, the export of cotton Textiles was US\$ 17.2 Bn with 39% share registering a growth of 54% and 67% during 2021-22 over FY 2020-21 and FY 2019-20, respectively. Export of ready-made garments was at \$16 billion with 36 % in FY22, up 31 % against the last year. Man-made textiles exports were at \$6.3 billion with a 14 % share in the previous financial year, a growth of 51 % FY21 and 18 % FY20.

Cotton Association of India (CAI) has reduced its April estimate of the cotton crop for the 2021-22 season by 11.50 lakh bales to 323.63 lakh bales from its previous estimate of 335.13 lakh bales and has attributed the reduction in crop estimate due to the drop in production in states Gujarat, Maharashtra, Madhya Pradesh, Telangana, Tamil Nadu, and Karnataka. The government has allowed duty free imports of cotton until 31st October 2022 as prices in the local market has increased because of lower production in 2021-22 season. Due to higher domestic prices of cotton, farmers are inclined to take up cotton cultivation in upcoming cotton season 2022-23.

Global 2022-23 cotton area and production are projected as 32.9 million hectares (81.4 million acres) and 121.1 million bales of 217.72 Kg each compared to previous year 118.40 lakh bales which is 2.6 lakh bales (2.23%) above the 2021-22 estimates of cotton production led by China, India, and the United States.

Cotton sowing for the 2022-23 season is progressing well in Punjab, Haryana and some parts of Rajasthan. Telangana government is targeting to increase the area under cotton by 55-65 percent to about 28-30 lakh hectares as compared to last year's 18 lakh hectares. Overall, for all India there is expectation of 12-15% increase in sown area from last year which may contain the soaring domestic prices. However the prices of cotton in the international market are lower than the domestic price.

However, in the current year the risk of slowdown in the world economy has lowered the demand for the Textile Products resulting fall in the International as well as Domestic prices. The high cotton prices coupled with slackness in Global demand are affecting the fortunes of the Textile Industry. Indian cotton yarn exports are likely to witness a decline in financial year 2023 after robust increase in the previous year. The Future is still not clear. Your management is looking at the future with optimism and expects that with the improvement in the global demand and softening of raw cotton prices in the coming periods, will give a relief to the Textile Industry. We expect that in this challenging period, Government will support the Spinning industry in the form of favorable Textile policies, incentives and other benefits which are of paramount importance for the future growth of the Industry. The high rate of interest is affecting the financial performance of the Textile Industry. The Spinning industry being more capital intensive requires huge funds, long term as well as short term in the form of working capital for its running. The Government must support the industry by providing cheap finance so that the industry remains financially viable.

The Government is fully conscious of the importance of the Textile Industry The Government has introduced Production Link Incentives Scheme (PLI) for the Textile Industry under which incentives will be provided for setting Textile & Apparel manufacturing in key man -made fibre based products. This will give a further push to the Textile Industry. The Government is also in the process of setting up seven integrated Mega Textile parks in the country to enable India's Textile Industry to become Globally competitive, attracts large investments and boost employment generation through the creation of world- class infrastructure. The Mega Textile parks will offer an opportunity to create an integrated Textile value chain right from spinning, weaving, processing, dyeing and knitting to garment manufacturing at one location. It is expected that the world class industrial infrastructure will attract big-ticket investments in the sector

The Union Ministry of Textiles is more active in developing the textile industry. Under Union Budget 2022-23, the total allocation for the textile sector was Rs. 12,382 crore. Moreover, Rs. 10,683 crore Production-linked Incentive scheme is expected to be a major boost for the textile manufacturers which will provide incentive to MMF (man-made fibre) apparel and MMF fabrics. The Indian government has allowed 100% Foreign Direct Investment (FDI) in the textile industry. Further a Comprehensive Economic Partnership Agreement is signed between India and the United Arab Emirates in February 2022, in terms of the exports of textiles and jewelry. As per the rating Agencies, in fiscal 2023, operating profitability of the textile Industry is expected to moderate to 15-18% due to a more balanced demand-supply situation, and higher input (cotton) prices, but will still remain above the pre-pandemic level of 12-14%.

The Company is dealing in the Yarn Segment only and Company is persistently facing such challenges and is taking necessary steps to strengthen its export/ indigenous market operations with more value added/ sustainable yarn products/customer base. Further the Company has adequate liquidity and financial resources to meet its operational requirements, financial commitments/ service of debt obligations and statutory liabilities as per indications available as on date.

Key Financial Ratios

In accordance with the SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018, the Company is required to give details of significant changes) in key financial ratios (change of 25% or more as compared to the immediately previous financial year. The detail is as under:-

Ratio (s)	Unit	31 st March 2022	31 st March 2021	Changes (%)	Remarks
Debtor Turnover Ratio	Days	71	60	(-) 18.33	Increase in the amount of Export Receivable due to increase in prices of yarn / more credit period as compared to previous year
Inventory Turnover Ratio	Days	88	78	(-)12.82	Due to Increase in the Raw Material Inventory Stock along with increase in prices of raw cotton as compared to previous year
Interest Coverage Ratio	Times	21.68	6.00	261.33	Improvement due to low interest cost with lower availment of fund based working capital limits, repayment of term loans and higher EBIDTA Levels.
Current Ratio	Times	1.70	1.31	29.77	Improvement due to plough back of surplus cash profits in building up of current assets / net worth.
Debt Equity Ratio	Times	0.70	1.41	50.35	
Operating Profit Margin	%	24.98	10.45	139.04	Improvement due to better sales realization
Net Profit Margin	%	19.00	6.47	193.66	
Return on Net Worth	%	53.50	23.97	123.20	

Ratios where there has been a significant change as compared to previous year

The company had achieved EBIDTA/Sales ratio of 28.78% during FY 2021-22 vis -a-vis EBIDTA/Sales ratio of 17.41% in the previous FY 2020-21 which has improved due to substantial improvement in overall sales realizations. Further demand of the yarn had also increased in the export market with the restrictions on import of cotton yarn from China by many Countries. The cost of interest had come down due to lower availment of fund based working capital limits, repayment of term loans.

The current year net profit after tax is Rs. 40924.92 Lakhs against previous year net profit after tax of Rs. 8452.88 Lakhs (an increase of 384%) which is a record level in the history of the Company due to which there is substantial improvement in the Operating Profit Margin, Net Profit Margin and Return on Net Worth.

FINANCIAL ANALYSIS

Production/Revenue

During the year under review, the company achieved production of 59856 M.T. of Cotton/Synthetic Yarn against previous year production of 55033 M.T. which had increased by 8.76%. The company achieved a gross turnover/operating income of Rs. 215401.18 Lakhs (including export incentives of Rs. 5108.47 Lakhs) as compared to Rs. 130623.67 Lakhs (including export incentives of Rs. 1117.02 Lakhs) in the previous year. The value of the exports were at Rs. 122002.37 Crs in the current year as compared to Rs. 60037.15 Lakhs from in the previous year. The Exports of Company registered a growth of over 100% over previous financial year.

Profitability

The demand of cotton/polyester cotton/synthetic yarn had increased substantially due to increase in demand of knitted / casual wears garments in the domestic market and the demand of the yarn had also increased in the export market with the restrictions/ ban on import of cotton yarn from China by USA and other Countries due to labour issue of Uyghurs community in their Xingjian Province. The company had achieved Earning before Depreciation, Interest, Tax and Amortization (EBIDTA) of Rs.61984.58 Lakhs with EBIDTA/Sales ratio of 28.78% during FY 2021-22 as compared to Rs. 22744.55 Lakhs with EBIDTA/Sales ratio of 17.41% in the previous FY 2020-21(an increase of 172%) which has increased substantially due to better margins, availability of additional RODTEP Export Incentives, improve productivity / efficiency level. The cost of interest had come down to Rs. 2857.81 Lakhs as compared to Rs. 3577.23 Lakhs in the previous year due to lower availment of fund based working capital limits and repayment of term loans.

The Company earned profit before tax of Rs. 54740.86 Lakhs as compared to previous year Rs. 11798.79 Lakhs. After providing for current tax of Rs. 13852.65 Lakhs (Previous year Rs. 3671.72 Lakhs), Prior Period Tax of (Rs. 31.62 Lakhs) (Previous Year Rs. 423.38 Lakhs) Deferred tax liabilities of Rs. (5.09 Lakhs) (Previous Year Rs. 749.19 Lakhs) there was a net profit after tax of Rs. 40924.92 Lakhs against previous year net profit after tax of Rs. 8452.88 Lakhs showing a growth of 384%. Total Other Comprehensive Income for current financial year is Rs. 134.09 lakhs as compared to (Rs. 104.64 Lakhs) in previous year and the net profit after tax and other comprehensive income was Rs. 41059.01 Lakhs as compared to previous year net profit after tax and other comprehensive income of Rs. 8557.52 Lakhs. The company earned gross cash profit (before tax) of Rs. 59126.77 Lakhs against Rs. 19167.32 Lakhs in the previous year and cash profit (after current taxes) of Rs. 45305.74 Lakhs against Rs. 12877.12 Lakhs in the previous year.

RESOURCE UTILISATION

Fixed Assets

The net Block of Property, Plant and Equipment as at 31st March, 2022 was Rs. 38164.71 Lakhs as compared to Rs. 41724.31 Lakhs in the previous year while the Capital work in progress was at Rs. 7322.88 Lakhs as at 31.03.2022 as compared to Nil in the previous year which has increased on account of expansion project under implementation.

Current Assets and Current Liabilities

The current assets as on 31st March, 2022 were Rs. 105809.40 Lakhs as against Rs. 59843.37 Lakhs in the previous year. Inventory level was at Rs. 52189.14 Lakhs as compared to the previous year level of Rs. 28119.89 Lakhs. Trade Receivables level was at Rs. 41112.88 Lakhs (including Bill discounted/Negotiated of Rs. 16278.24 Lakhs) as compared to the previous year level of Rs. 21127.24 Lakhs (including bill discounted/Negotiated of Rs. 6105.40 Lakhs). The current liabilities as on 31st March 2022 were Rs. 62136.40 Lakhs as against Rs. 45728.06 Lakhs in the previous year.

LIQUIDITY & CAPITAL RESOURCES

The position of liquidity and capital resources is given below:

Particulars	(Rupees in Lakhs)	
	FY 2021-22	FY 2020-21
Cash & Cash Equivalents		
Beginning of the year	82.98	158.93
End of the year	53.54	82.98
Net Cash provided/ (used) by:		
Operating Activities	9563.09	10277.29
Investing Activities	-10283.69	-254.41
Financial Activities	691.16	-10098.83

The company is utilizing cash accruals for meeting term loans repayment commitments and building of net working capital funds etc.

EXPANSION PROJECT

The Company is in process of installation of additional 40800 Spindles (first phase) at Bathinda Unit for production of polyester cotton yarn (Compact) at an appraised cost of Rs. 190 Crs (including Working Capital margin of Rs. 15 Crs) to be funded by internal cash accruals of Rs. 65 Crs and Term Loan of Rs. 63 Crs from Union Bank of India & Rs. 62 Crs from Indian bank and capacity addition of 63072 Spindles for manufacturing of cotton compact yarn along with 10.2 MW Rooftop Solar Power Project (Second Phase) at Bathinda Unit at an appraised cost of Rs. 340 Crs (including Working Capital margin of Rs. 25 Crs) to be funded by internal cash accruals of Rs. 120 Crs and Term Loan of Rs. 110 Crs from Indian Bank, Rs. 55 Crs each from Union Bank of India and Exim bank of India Ltd.

The Company has incurred Rs. 128.25 Crs on the first phase expansion project upto 31.07.2022 funded mainly by internal cash accruals of Rs. 66.27 Crs and capex Letter of Credit(s) of Rs. 42.05 Crs / term loans of Rs 18.55 Crs/ sundry creditor of Rs 1.38 Crs . The letter of credit of Rs. 40.35 Crs for the remaining main spinning machinery is established and machinery will reach by September 2022. So the additional capacity is likely to be commissioned shortly.

Further the Company has so far incurred 91 Crs on the second expansion project upto 31.07.2022 funded mainly by internal cash accruals of Rs. 90.50 Crs and term loan of Rs. 0.50 Crs. Also the Company has already commissioned 10.2 MW Rooftop Solar Power Project at Bathinda Unit in month of June 2022 for captive power consumption which will not only reduce greenhouse gas emissions but also improve the power cost.

Credit Rating

CRISIL Ratings Limited had upgraded/assigned the following credit rating of the Company:

Sr No	Name of the Facility	Rating on 25.04.2022 (Upgraded)	Rating on 02.08.2021 (Assigned/upgraded)
1.	Long Term Rating	CRISIL A/Stable	CRISIL A-/ Stable
2.	Short Term Rating	CRISIL A1	CRISIL A2+

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 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.

DETAILS OF APPLICATION MADE OR ANY PROCEEDING PENDING UNDER THE INSOLVENCY AND BANKRUPTCY CODE, 2016 (31 OF 2016) DURING THE YEAR ALONGWITH THEIR STATUS AS AT THE END OF THE FINANCIAL YEAR

Not Applicable

THE DETAILS OF DIFFERENCE BETWEEN AMOUNT OF THE VALUATION DONE AT THE TIME OF ONE TIME SETTLEMENT AND THE VALUATION DONE WHILE TAKING LOAN FROM THE BANKS OR FINANCIAL INSTITUTIONS ALONG WITH THE REASONS THEREOF

Not Applicable

2. DIVIDEND

No dividend was declared by the company for FY 2021-22. 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.

Regulation 43A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended) requires that top 1000 listed entities based on market capitalization as on 31st March, 2022 shall formulate a dividend distribution

policy. We would like to inform you that company has been included in the list of top 1000 listed companies by BSE on the basis of market capitalization as on 31st March, 2022 as per the list released by them in Current FY 2022-23. So the Company has formulated a Dividend Distribution Policy and it is available on Company's website i.e. www.sportking.co.in

3. SHARE CAPITAL

The paid up Equity Share Capital as at 31st March, 2022 stood at Rs. 1344.80 Lakhs divided into 13287200 Equity Shares of the face value of Rs. 10/- each (Rs. 1328.72 Lakhs plus amount of Rs. 16.08 Lakhs paid up on forfeited Equity Shares) vis-à-vis Rs. 348.26 Lakhs as at 31st March 2021 divided into 3321800 Equity Shares of the face value of Rs. 10/- each (Rs. 332.18 Lakhs plus amount of Rs. 16.08 Lakhs paid up on forfeited Equity Shares). As approved by the Shareholder of the Company in the Annual general meeting held on 10th September 2021, the Company had allotted 99,65,400 fresh equity shares of Rs. 10/- each on 28th September 2021 as fully paid-up bonus equity shares in proportion of 3:1 (i.e. three bonus shares for every one equity share held) to the eligible members /list of beneficial owners on record date of 24th September 2021.

The paid up Redeemable Preference Shares Capital as at 31st March, 2022 stood at Rs. 1001.72 Lakhs divided into 10017200 Preference Shares face value of Rs. 10/- each vis-à-vis Rs. 1001.72 Lakhs as at 31st March, 2021 divided into 10017200 Preference Shares face value 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, 2022 none of the Directors of the Company hold instruments convertible into equity shares of the Company.

4. SUBSIDIARY/ASSOCIATE/JOINT VENTURE COMPANIES

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

5. 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.

6. CORPORATE SOCIAL RESPONSIBILITY (CSR)

As per the amended provisions of section 135 of the Companies Act, 2013 every company having net worth of rupees five hundred crore or more or turnover of rupees 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.

7. RISK MANAGEMENT POLICY

The Company has adopted a Risk Management Policy with the objective of ensuring sustainable business growth with stability and to promote a pro-active approach in reporting, evaluating and resolving risks associated with the business. In order to achieve the key objective, the policy establishes a structured and disciplined approach to Risk Management, in order to guide decisions on risk related issues. The Policy on Risk Management may be accessed on the Company's website at the www.sportking.co.in.

8. 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 an arm's length basis. Omnibus Approval was obtained on yearly basis in respect of transaction which is repetitive in nature. All the Related Party transactions are placed before the Audit Committee and the Board for review and approval on quarterly basis.

During the year, under consideration 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 the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Accordingly, the disclosure of Related Party Transactions as required under Section 134(3)(h) of the Companies Act, 2013 in Form AOC-2 is not applicable. Suitable disclosure as required by the Accounting Standard (Ind-AS 24) has been made in the notes to the Financial Statements

The Company in terms of Regulation 23 of SEBI (LODR) Regulations, 2015, submits the disclosures of Related Party transactions to stock exchange and also publishes the same on its website.

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

9. 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.

10. DIRECTORS

With profound grief and sorrow, we inform you about the sad demise of Sh. Raj Kumar Avasthi Founder/Chairman and Managing Director of the Company on 23.07.2022 and accordingly he ceased to be Director of the Company. The Company benefited immensely from his vision and guidance during his association with the Company. Our Company places on records its sincere appreciation for the contribution, support and valuable guidance given by him during his tenure as Chairman of the Company.

Further in accordance with the provisions of Article of Association of the Company the Board of Directors in their meeting held on 03.09.2022 has appointed Mr. Munish Avasthi (DIN:0042425) as Chairman of the Board and shall also preside as Chairman at all the general meetings of members of the company, unless elected otherwise.

In accordance with the provision of Section 152 of the Companies Act, 2013, Mr. Munish Avasthi (DIN: 00442425), 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.

The Board of Directors of the Company has appointed Mrs. Anjali Avasthi (DIN: 06911970) as an Additional Director of the Company in their meeting held on 03.09.2022 who will hold office up to the next Annual General Meeting of the Company in the terms of section 161 of the Companies Act 2013. Pursuant to provisions of Section 160 of the Companies Act 2013 the company has received a notice together with requisite deposit from a member of the Company signifying his intention to propose Mrs. Anjali Avasthi (DIN: 06911970) as Non-Executive Director (Non Independent) of the Company. The Company has also received from Mrs. Anjali Avasthi (DIN: 06911970), Consent in writing to act as director in Form DIR-2 pursuant to Rule 8 of Companies (Appointment & Qualification of Directors) Rules, 2014 and Intimation in Form IR-8 in terms of Companies (Appointment & Qualification of Directors) Rules, 2014 to the effect that she is not disqualified under sub section (2) of section 164 of the Companies Act, 2013.

Mr. Munish Avasthi and Sh. Naresh Kumar Jain who were re-appointed in the annual general meeting held on 09th September 2017 as Managing Directors and Whole Time Director of the company for a period of 5 years to hold the office upto 30th September 2022. Further on the recommendation of the Nomination and Remuneration Committee board of directors of in their meeting held on 03.09.2022 approved their re-appointment along with their remuneration for further period of three years starting from 01st October 2022 subject to the approval of the member by Special Resolution.

The Company has received declarations from all Independent Directors confirming that they meet the relevant independence criteria as laid down in Section 149(6) of the Act as well as the Regulation 16(1)(b) and 25 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

KEY MANAGERIAL PERSONNEL

The following are the Key managerial Personnel of the Company pursuant to Section 203 of the Companies Act, 2013 read with rule 3 and 8 of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

Sr. No	Name	Designation
1.	Mr. Munish Avasthi	Managing Director
2.	Mr. Parveen K Gupta	Chief Financial Officer
3.	Mr. Lovlesh Verma	Company Secretary

AUDIT COMMITTEE

The Company had an Audit Committee of the Board of Directors, the members of which are Mr. Prashant Kochhar, Dr. Sandeep Kapur, Mrs. Harpreet Kaur Kang and Mr. Naresh kumar Jain. Mr. 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 Board Meetings and 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 evaluated the effectiveness of its functioning, of the Committees and of individual Directors, pursuant to the provisions of the Act and the SEBI Listing Regulations. The Independent Directors carried out annual performance evaluation of the Chairperson, the Non-Independent Directors and the Board as a whole in the separate meeting of the Independent Directors taking into account the views of the Executive Directors and other Non-Executive Directors.. The manner in which the evaluation has been carried out has been explained in the Corporate Governance Report.

NOMINATION AND REMUNERATION POLICY

In compliance with Section 178 of the Companies Act, 2013, 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 Policy also provides the procedure of making such representation and dealing with the said representation and also provides protection from victimization. During the year under review, no employee was denied access to the Audit committee in this behalf. 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 reason able 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, 2022.
- 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.

11. AUDITORS AND THEIR REPORT**STATUTORY AUDITORS**

The Statutory Auditors of the Company had submitted Auditors' Report on the accounts of the Company for the financial year ended 31st March, 2022. There is no audit qualification reservations or adverse remarks or disclaimer in the said financial statements. The comments in the Auditors' Report read with Notes to Accounts are self- explanatory and do not call for any further explanation.

The Board of Directors of the Company on the recommendation of the Audit Committee has re-appointed M/s. SCV & Co, LLP Chartered Accountants (Firm registration No. 000235N/N500089) as statutory auditors of the Company for a further period of five years from the conclusion of forthcoming Annual General Meeting till the conclusion of the 38th Annual General Meeting to be held in the year 2027 on such remuneration as may be decided by the Board of Directors in consultation with the Statutory Auditors of the Company. The said appointment is subject to approval of the members of the Company in their ensuing Annual General Meeting.

SECRETARIAL AUDITORS

M/s Sunny Kakkar and Associates, Company Secretaries (FCS NO – 10111, CP NO-12712) have carried out the Secretarial Audit for the financial year ended March 31, 2022 and their Secretarial Audit Report in Form No. MR-3 is annexed herewith as "Annexure B". There is no audit qualification, reservations or adverse remarks or disclaimer in the secretarial audit report during the year under review.

The Board, pursuant to the provision of Section 204 of the Companies Act, 2013 read with Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, has appointed M/s Sunny Kakkar and Associates, Company Secretaries (FCS NO – 10111, CP NO-12712) as Secretarial Auditor to conduct Secretarial Audit for the financial year 2022-23.

COST AUDITORS

M/s R.R. & Company, Cost Accountants had submitted Cost Audit Report along with Annexure for the financial year ended 31st March, 2022. There is no qualification reservations or adverse remarks or disclaimer in the said report.

The Board of Directors has appointed M/s R.R. & Company, Cost Accountants, (Firm Registration No. 00323) as the Cost Auditors of the Company to conduct Audit of the cost records of the company for the FY 2022-23. 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 2022-23 is placed before the members at Annual General Meeting.

12. EXTRACT OF ANNUAL RETURN

The details forming part of the extract of the Annual Return in Form MGT-9, as required under Section 92 of the Companies Act, 2013 read with Rule 12 of the Companies (Management and Administration) Rules, 2014 for the financial year 2021-22 has been uploaded on Company's website at www.sportking.co.in.

13. LISTING OF SECURITIES

The fully paid up 13287200 Equity Shares (face Value of Rs. 10/- each) of company are listed on Bombay Stock Exchange (BSE) Limited for trading as on 31.03.2022. The Company has also paid the listing fees for financial year 2022-23 to BSE.

Further National Stock Exchange of India Limited (NSE) has granted the listing approval for 13287200 Equity Shares (face Value of Rs. 10/- each) each vide their letter No. NSE/LIST/92 dated 22nd August 2022. The Equity shares of the Company are now also listed and admitted to dealings on the National Stock Exchange w.e.f. 24th August 2022.

14. 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. The Company has commissioned 10.2 MW Rooftop Solar Power Project at Bathinda Unit in month of June 2022 for captive power consumption which will reduce greenhouse gas emissions.

15. PUBLIC DEPOSITS:

The Company has not raised any deposits from the public. 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.

16. 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-C" of this report.

17. 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 D" of this report.

18. BUSINESS RESPONSIBILITY REPORTING

As stipulated under Regulation 34(2)(f) of the SEBI Listing Regulations, 2015 Business Responsibility Reporting ("BRR") is to be submitted by top 1,000 listed entities based on their market capitalization in the format as specified by SEBI from time to time. We would like to inform you that company has been included in the list of top 1000 listed companies by BSE on the basis of market capitalization as on 31st March, 2022 as per the list released by them in Current FY 2022-23. Accordingly, the company has attached the Business Responsibility Reporting as per "Annexure E" and forms part of this Annual Report.

19. 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.

20. 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 Practicing Company Secretary regarding compliance with the requirements of Corporate Governance as stipulated in regulation 27 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

21. 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
For Sportking India Limited**

**(Munish Avasthi)
Chairman
DIN: 00442425**

**Place: Ludhiana
Date : 03.09.2022**

**Regd. Office:
Village Kanech, Near Sahnewal
GT Road, Ludhiana-141120 (Punjab)**

ANNEXURE A TO DIRECTORS' REPORT
CSR ACTIVITIES
For Financial Year Ended 31st March, 2022
(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.**
 - a. 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.
 - b. To recommend the amount of expenditure to be incurred on the CSR activities.
 - c. 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 www.sportking.co.in.

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

The member directors of the Committee are as under

Sr. No	Name of the Director	Designation	Category	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1.	Mr. Munish Avasthi	Chairman	Promoter Director	1	1
2.	Mr. Raj Kumar Avasthi*	Member	Promoter Director	1	1
3.	Dr. Sandeep Kapur	Member	Independent Director (Non- Executive)	1	1

* Due to sad demise of Sh. Raj Kumar Avasthi on 23.07.2022, he ceased to be member of the committee.

Further the Board of Directors in their meeting held on 03.09.2022 had reconstituted the Corporate Social Responsibility (CSR) Committee which is as under:

Sr. No	Name of the Director	Designation	Category
1.	Mr. Munish Avasthi	Chairman	Executive Promoter Director
2.	Mr. Naresh Kumar Jain	Member	Executive Non Promoter Director
3.	Dr. Sandeep Kapur	Member	Non-Executive Independent Director

3. Provide the web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company www.sportking.co.in
4. Provide the details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable- **Not Applicable**
5. Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any-

Sr No	Financial Year	Amount (In Rs)	
		Amount available for set-off from preceding financial years	Amount required to be set-off for the financial year, if any
1.	2021-22	Rs. 98.87 Lakhs	Rs. 98.87 Lakhs

6. Average net profit of the company as per section 135(5)- **Rs. 5802.95 Lakh**
7. (a) Two percent of average net profit of the company as per section 135(5)- **Rs. 116.06 Lakh**
 - (b) Surplus arising out of the CSR projects or programmes or activities of the previous financial years- **Nil**
 - (c) Amount required to be set off for the financial year, if any- **Rs. 98.87 lakhs**

(d) Total CSR obligation for the financial year (7a+7b- 7c)- **Rs. Rs. 17.19 lakh**

8. (a) CSR amount spent or unspent for the financial year:

Total Amount Spent for the Financial Year. (in Rs.)	Amount Unspent (in Rs.)				
	Total Amount transferred to Unspent CSR Account as per section 135(6).		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5).		
	Amount.	Date of transfer.	Name of the Fund	Amount.	Date of transfer.
Rs. 76.40 Lakh	Nil	NA	NA	Nil	NA

(b) Details of CSR amount spent against ongoing projects for the financial year: **Nil**

(c) Details of CSR amount spent against other than ongoing projects for the financial year:

Si. No.	Name of the Project	Item from the list of activities in schedule VII to the Act.	Local area (Yes/No).	Location of the project.	Amount spent for the project (in Rs.).	Mode of implementation - Direct (Yes/No).	Mode of implementation - Through implementing agency.
1.	Contribute towards Preventive and curative health services in communities	Promoting Healthcare	Yes	Bathinda/ Ludhiana	76.40	Direct	NA

(d) Amount spent in Administrative Overheads: **NIL**

(e) Amount spent on Impact Assessment, if applicable: **Not Applicable**

(f) Total amount spent for the Financial Year (8b+8c+8d+8e): **Rs. 76.40 Lakh**

(g) Excess amount for set off, if any:

Sr No	Particular	Amount (In Rs)
(i)	Two percent of average net profit of the company as per section 135(5)	Rs. 116.06 lakhs
(ii)	Total amount spent for the Financial Year	Rs. 76.40 Lakhs
(iii)	Excess amount spent for the financial year [(ii)-(i)]	(Rs. 39.66 Lakhs)
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	Rs. 98.87 Lakhs
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	Rs 59.21 lakh

9. (a) Details of Unspent CSR amount for the preceding three financial years: **Not Applicable**

(b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s): **None**

10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year: **Not Applicable**

11. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5): **Not Applicable**
12. **A responsibility statement of the CSR Committee:** The CSR Committee hereby confirms that the implementation and monitoring of CSR policy has been carried out with all reasonable care and diligence and the same is in compliance with the CSR objectives and the policy of the Company

Munish Avasthi
Managing Director/ Chairman of CSR Committee

Place: Ludhiana
Date: 03.09.2022

ANNEXURE B TO DIRECTORS' REPORT

ICSI UDIN:-F010111D000672850

SECRETARIAL AUDIT REPORT**FOR THE FINANCIAL YEAR ENDED 31.03.2022**

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

To,
The Members,
Sportking India Limited
CIN:- L17122PB1989PLC053162
Village Kanech, Near Sahnewal,
G.T Road, Ludhiana -141120, Punjab.

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices adopted 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 conduct/statutory compliances and expressing our opinion thereon.

Auditors Responsibility:

Based on our verification of the Company's books, papers, minute books, forms, E-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 March 31, 2022 (Audit Period) complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, approvals, licenses, forms includes E-forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2022 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 (FDI), Overseas Direct Investment (ODI) and External Commercial Borrowings(ECB); **(Not Applicable for 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 (Listing obligations and Disclosure Requirements) Regulations, 2015;
 - c) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
- (vi) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
- (vii) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014; **(Not Applicable for the period under review)**;

- (viii) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; **(Not Applicable for the period under review)**;
- (ix) 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;
- (x) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and **(Not Applicable for the period under review)**;
- (xi) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; **(Not Applicable for the period under review)**;

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India (SS-1 and SS-2).
- (ii) The SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 and 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 and Standards etc.**
- (xii) We have relied on the representation made by the Company & its Officers for the system and mechanism formed by the Company for its Compulsory Certificates, Registrations and various compliances filed by the company under applicable Acts as Environmental Laws & Labour Laws as per List attached herewith.

Based on the information received and records maintained, we further report that:

The Board of Directors of the Company is constituted with proper balance of Executive, Non-Executive and Independent Directors and women director.

Adequate notice of at least seven days was given to all directors to schedule the Board Meetings along with agenda and detailed notes on agenda 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 in compliance of the Act.

Majority decision is carried through and recorded in the minutes of the meetings. Further as informed and verified from minutes, no dissent was given by any director in respect of the resolutions passed in the board and the committee meetings.

That the Company has proper Board- processes and compliance mechanism.

Specific Event:-

- As approved by the Shareholder of in the Annual general meeting of the Company held 26th December 2020, the Company had filed an application with Regional Director, New Delhi for Shifting the Registered Office of the Company from National Capital territory (NCT) of Delhi to State of Punjab and the Registrar of Companies vide their order dated 06.04.2021 has approved the Change of Registered office of the Company from New Delhi to State of Punjab.
- As approved by the Shareholder in the Annual general meeting of the Company held on 10th September 2021 the Company has altered the Clause V (Authorized Capital) of the Memorandum of Association (MOA) by increasing of its authorized share capital from Rs 25.00 Cr to Rs 35.00 Crs.
- As approved by the Shareholder in the Annual general meeting of the Company held on 10th September 2021 the Company had allotted 99,65,400 fresh equity shares of Rs. 10/- each on 28th September 2021 as fully paid-up bonus equity shares in proportion of 3:1 (i.e. three bonus shares for every one equity share held) to the eligible members /list of beneficial owners on record date of 24th September 2021.

We further report that the company has obtained certificate from Practicing Company Secretary that the adequate compliances of bonus issue is compiled as the provision of Companies Act, 2013 and SEBI (Issue of Capital and Disclosure requirements) regulations, 2018 and SEBI (Listing obligations and Disclosure Regulations), 2015.

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 compliances with applicable laws, rules, regulations, guidelines, standards etc.

We further report that during the audit period the company has not incurred any other specific event / action that can have major bearing on the company's affairs in pursuance of above referred laws, rules, regulations; guidelines, standards etc.

**For :- M/S SUNNY KAKKAR & ASSOCIATES.
COMPANY SECRETARIES**

DATE: 23/07/2022

PLACE- KHANNA

UDIN:- F010111D000672850

Prop : CS SUNNY KAKKAR

FCS, LL.B, B.COM

FCS NO - 10111, CP NO-12712

Note: - This Report is to be read with our letter of same date which is annexed as Annexure A and forms as integral part of this report.

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

List of Labour Laws:-

Factories Act, 1948.
Industrial Disputes Act, 1947.
Employees' Provident Funds and Miscellaneous Provisions Act, 1952.
Employee's State Insurance Act, 1948.
The Minimum wages Act, 1948
The Payment of Bonus Act, 1972.
The Apprentices Act, 1961
Payment of Gratuity Act, 1972.
The Contract Labour (Regulation and Abolition) Act, 1970

List of Environmental Laws:-

Environment (Protection) Act, 1986.
Air (Prevention & Control of Pollution) Act, 1981.
Water (Prevention & Control of Pollution) Act, 1974.

ANNEXURE A

To,
The Members,
Sportking India Limited
CIN:- L17122PB1989PLC053162
Village kanech, Near Sahnewal,
G.T Road, Ludhiana -141120, Punjab.

Sub: Our Secretarial Audit for the Financial Year ended March 31, 2022 of even date is to be read along with this letter.

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. We believe that the processes and practices, we followed provide a reasonable basis 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 the management. Our examination was limited to the verification of the procedures on 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.
7. As per the information provided by the Company, there are certain disputes cases filed by or against the Company, which are currently lying pending with the various Courts and Tribunals and tax authorities. However, as informed, these cases have no major impact on the Company.

**For :- M/S SUNNY KAKKAR & ASSOCIATES.
COMPANY SECRETARIES**

**DATE: 23/07/2022
PLACE- KHANNA
UDIN:- F010111D000672850**

**Prop : CS SUNNY KAKKAR
FCS, LL.B, B.COM
FCS NO - 10111, CP NO-12712**

ANNEXURE C TO 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, 2022.

1. Conservation of Energy

The Energy is a important contributing factor in yarn manufacturing thus its saving is given utmost priority by the organization and thus continual work is being carried out in the year where many small initiative has been taken across the organization such as Installation of Lower Wattage LED Tube, Replacement of a Low Wattage LED in Manufacturing, Administration and Colony Area, Extension of Ecorized tubes in Ring Frame Machines, Installation of Energy Efficient Spindles where ever replacement is due thus saving, Optimization of Humidification Plant during winter and Compressed Air by changing Nozels of improved design reducing Leakage and Installation of VFD & Flat Belt conversion and direct coupling in Ring Frame area resulting in to power saving.

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

		2021-22	2020-21
i)	Electricity		
a)	Purchased		
	Units (Kwh.)	201013768	185682523
	Amount (Rs.)	1162833006	1102263772
	Rate Per Unit (Rs.)	5.78	5.94
b)	(Through Generator)		
	Units (Kwh)	147551	89753
	Amount (Rs.)	3774487	2047123
	Cost per unit (Rs.)	25.58	22.81
ii)	Coal / Pet coke		
	Qty. (Kgs.)	2269248	1767080
	Amount (Rs.)	35719639	17731171
	Rate per unit (Rs.)	15.74	10.03
ii)	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)	3.36	3.37
ii)	Coal and Rice Husk	0.04	0.03
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 exercise of the organization and contamination free yarn, Organic Cotton, Other fibre dyed products, Jaspe Yarn in Poly Cotton Grey, 100% Polyester Fibre Dyed, Injection Yarn, Low Pill Super Soft yarn, Polyester Acrylic and their Blends, Multifibre Polyester Acrylic Modal Blended 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. Conversion of UPS Battery Module with CSM Module to avoid side cut issue in Lakshmi Speed Frame thus reducing downtime in machine.
- b. Maintaining unity power factor resulting reduction in maximum demand
- c. Optimization of H-plant during winter season.
- d. Installation of Energy efficient spindles (Novibara)
- e. Implementation of zero waste water policy for Shed-5 RO Plant.
- f. Modification in OHTC make Sara Elgi for door string strip (metal) and uses old flat belts
- g. Modification in Breaker Draw frame SBD-11.

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) In case of imported technology (imported during the last three years reckoned from the beginning of the financial year:

NOT APPLICABLE

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 1220.02 Crs by export of its products. The outgoes of foreign exchange is Rs 162 Crs, being the CIF value of imports of raw material/capital goods/stores & spares, interest on foreign currency loans & overseas commission/traveling expenses.

ANNEXURE D TO DIRECTORS' 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 2021-22 and percentage increase in remuneration of each Director, Chief Financial Officer and Company Secretary during the financial year 2021-22 are as under:

Sr. No.	Names of the Directors/KMP	Designation	Remuneration of the financial year 2021-22 (Rs. In Lacs)	Ratio of Directors/KMP remuneration to Median remuneration	% increase in the Remuneration in the Financial year 2021-22
I	Executive Directors				
1	Sh. Raj Kumar Avasthi*	Chairman-cum-Managing Director	224.16	202.77	NA
2	Sh. Munish Avasthi*	Managing Director	233.97	194.31	NA
3	Sh. Naresh Kumar Jain*	Executive Director	20.70	17.19	NA
II	Non-Executive Directors				
4	Dr. Sandeep Kapur	Independent Director	0.50	0.41	-
5	Mr. Prashant Kochhar	Independent Director	0.40	0.33	-
6	Mrs. Harpreet Kaur Kang	Independent Director	0.50	0.41	-
III	Key Managerial Personnel				
7	Mr. Parveen Kumar Gupta	Chief Financial Officer	21.88	18.16	0.32
8	Mr. Lovlesh Verma	Company Secretary	5.71	4.73	46.41

* In view of Covid-19, the working directors did not draw any salary during the FY 2020-21, so their Remuneration for FY 2021-22 cannot be compared with previous year.

2. There were 5586 permanent employees on the rolls of Company as on March 31, 2022.
3. The median remuneration of employees of the Company during the financial year 2021-22 was Rs 120408/-
4. **Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year 2021-22 and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration**

Employee Group	% increase made in the Salaries
White Collar	12.50
Blue Collar	
- Monthly Wagers	10.00
- Daily Wagers	6.33

* In view of Covid-19, the working directors did not draw any salary during the FY 2020-21, so Managerial Remuneration for FY 2021-22 cannot be comparable with previous year.

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.

SPORTKING INDIA LIMITED
ANNUAL REPORT 2021-22
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
Shiv Kumar Sharma	President	33.37	Permanent	B.Tech	34	22.08.2013	58	Birla Textiles Indonesia	Nil	No
D.S. Yadav	Vice President (H.R.)	22.31	Permanent	MSW	33	02.07.1997	56	Pashupati Spinning and Weaving Mills Limited	Nil	No
Parveen Kumar Gupta	CFO	21.88	Permanent	FCA, ACS	38	01.04.1999	62	NA	Nil	No
Rashim Jindal	President (Marketing)	21.31	Permanent	MBA	30	09.09.2004	52	Vardhman Spinning and General Mills Limited	Nil	No
Rajender Pal	GM - HR & Admin	19.25	Permanent	MBA (HR) , MSW	36	08.09.2017	56	Vardhman Polytex Limited	Nil	No
R.P. Gupta	EA to MD	18.32	Permanent	Master of Textile Technology	36	16.09.2014	58	Thai Acrylics Fibre, Thailand	Nil	No
Shaji John	AVP	18.22	Permanent	B.Tech (Textiles)	32	12.03.2013	59	Ginni Filaments Limited	Nil	No
Jagjeet Kumar Marwaha	GM	17.91	Permanent	B.Tech	33	10.01.2010	56	Nahar Spinning Mills Limited	Nil	No
Abhay Rastogi	GM	17.12	Permanent	B.Tech	33	17.04.1998	56	Malwa Cotton Spinning Mills	Nil	No
Ashok Ahuja	GM	16.72	Permanent	B.Tech (Textile)	35	19.08.2010	58	Orient Syntex Limited	Nil	No

ANNEXURE E TO THE DIRECTORS' REPORT
BUSINESS RESPONSIBILITY REPORT

SECTION A: GENERAL INFORMATION ABOUT THE COMPANY

1.	Corporate Identity Number	L17122PB1989PLC053162
2.	Name of the Company	Sportking India Limited
3.	Registered address	Village kanech, Near Sahnewal, GT Road, Ludhiana-141120
4.	Website	www.sportking.co.in
5.	E-mail ID	cs@sportking.co.in
6.	Financial Year reported	31/03/2022
7.	Sector(s) engaged in (industrial activity code-wise)	Textiles, NIC Code 131
8.	Key products manufactured	The Company is engaged in the business of manufacturing of Cotton/ Polyester Cotton Blended Yarn / Synthetic Yarn
9.	Total number of locations where business activity is undertaken by the Company	
	a. Number of International Locations	Nil
	b. Number of National Locations	3
10	Markets served by the Company - Local/State/National/ International: National / International	National / International

SECTION B: FINANCIAL DETAILS OF THE COMPANY

1.	Paid up Capital (INR):	Rs. 23.30 Crs
2.	Total Turnover (INR)	Rs. 2099.95 Crs
3.	Total profit after taxes (INR):	Rs. 410.59 Crs
4.	Total Spending on Corporate Social Responsibility (CSR) as percentage of profit after tax	Rs. 0.77 Crs (As per requirement of Section 135 of Companies Act 2013, the CSR spend is excess over the required 2% of average net profit of the preceding three years.)
5.	List of activities in which expenditure in 4 above has been incurred	List of Activities mentioned in Annexure A of Director Report

SECTION C: OTHER DETAILS

1.	Does the Company have any Subsidiary Company?	No
2.	Do Subsidiary Company participate in the BR initiatives of the parent Company?	NA
3.	Do any other entity/entities (e.g. suppliers, distributors etc.) that the Company does business with, participate in the BR initiatives of the Company?	No

SECTION D: BR INFORMATION

1. Details of Director/Directors responsible for BR

a. Details of the director responsible for implementation of the BR policies

DIN Number	00442425
Name	Mr. Munish Avasthi
Designation	Managing Director

b. Details of the BR head

DIN Number	00442425
Name	Mr. Munish Avasthi
Designation	Managing Director
Telephone Number	01612845456
Email	cs@sportking.co.in

2. Principle-wise (as per NVGs) BR Policy / policies The Company's Business Responsibility is addressing the following 9 principles as per the National Voluntary Guidelines on Social, Environmental and Economic Responsibilities of Business (NVGs) and the same is supported by the Company's various policies, guidelines & manuals.

- Principle 1 ("P1"): Businesses should conduct and govern themselves with Ethics, Transparency and Accountability.
- Principle 2 ("P2"): Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle
- Principle 3 ("P3"): Businesses should promote the wellbeing of all employees.
- Principle 4 ("P4"): Businesses should respect the interests of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalized.
- Principle 5 ("P5"): Businesses should respect and promote human rights.
- Principle 6 ("P6"): Business should respect, protect, and make efforts to restore the environment.
- Principle 7 ("P7"): Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner.
- Principle 8 ("P8"): Businesses should support inclusive growth and equitable development.
- Principle 9 ("P9"): Businesses should engage with and provide value to their customers and consumers in a responsible manner.

a. **Details of compliance (Reply in Y/N)**

Sr No	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
1.	Do you have a policy/policies for	Y	Y	Y	Y	Y	Y	Y	Y	Y
2.	Has the policy being formulated in consultation with the relevant stakeholders?	While there is no formal consultation with all stakeholders, the relevant policies have evolved over a period of time by taking inputs from concerned internal stakeholders.								
3.	Does the policy conform to any national / international standards? If yes, specify?	The Company takes into consideration all national/international standards, in all spheres, wherever available, and pursues the same.								
4.	Has the policy being approved by the Board? If yes, has it been signed by MD/ owner/ CEO/ appropriate Board Director?	Mandatory policies viz., Code of Conduct & Business Ethics Policy, Whistle Blower Policy, CSR Policy, Code of Conduct to regulate, monitor and report trading by Insiders have been adopted by the board and other operational internal policies are approved by the management.								
5.	Does the Company have a specified committee of the Board/ Director/ Official to oversee the implementation of the policy?	Even though there are no specified committee, the compliance with the policies are being monitored across at all the levels of operations of the company								

6.	Indicate the link for the policy to be viewed online?	Mandatory policies are available on the Company's website www.sportking.co.in .
7.	Has the policy been formally communicated to all relevant internal and external stakeholders?	The policies have been communicated to key internal stakeholders of the Company.
8.	Does the Company have in-house structure to implement the policies?	Yes - At each stage, the transactions are cross verified and followed and are verified for compatibility with the policies of the company
9.	Does the Company have a grievance redressal mechanism related to the policies to address stakeholders' grievances related to the policies?	The whistle blower mechanism provides employees to report any concern or grievances pertaining to any potential or actual violation of the Company's Code of Conduct, which covers all aspects of BRR
10.	Has the Company carried out independent audit/ evaluation of the working of this policy by an internal or external agency?	BR Policies are reviewed internally, wherever appropriate.

- b. If answer to the question at serial number 1 against any principle, is 'No', please explain why: (Tick up to 2 options) - **Not Applicable**

3. Governance related to BR:

- a. Indicate the frequency with which the Board of Directors, Committee of the Board or CEO meet to assess the BR performance of the Company. Within 3 months, 3-6 months, annually, more than 1 year:

Pursuant to the SEBI (LODR) Regulations, 2015, top 1000 listed companies based on market capitalization are required to have "Business Responsibility Report" (BRR) as part of their Annual Report. The company has been included in the list of top 1000 listed companies by BSE on the basis of market capitalization as on 31st March, 2022 as per the list released by them in Current FY 2022-23. Accordingly, this is the first year of implementation. However, the Business Responsibility performance will be assessed periodically by the management

- b. Does the Company publish a BR or a Sustainability Report? What is the hyperlink for viewing this report? How frequently it is published ?

This is the first BR report that the Company is publishing which is part of the Annual Report.. The same can be viewed at website of the company.

Section E : Principle-wise Performance**Principle 1: Businesses should conduct and govern themselves with Ethics, Transparency and Accountability.**

1. Does the policy relating to ethics, bribery and corruption cover only the Company ? Yes/No. Does it extend to the Group/Joint Ventures/Suppliers/Contractors/NGOs/Others?

The policy covers both the company and its suppliers. Members of the Board of Directors and senior management of the Company abide by the Code of Conduct. Whistle Blower Policy/Vigil Mechanism is also in place, which provides opportunity to report any concern about unethical behavior, actual or suspected fraud or violation of the code of conduct or policies. We encourage ethical behavior as an essential part of the work culture for all our stakeholders.

2. How many stakeholder complaints have been received in the past financial year and what percentage was satisfactorily resolved by the management? If so, provide details thereof, in about 50 words or so.

Generally there is no complaint from the stakeholders. The details of shareholders complaints received and resolved during the financial year 2021-22 are provided in the Corporate Governance Report. However the Company has in place, a mechanism for dealing with complaints received from various stakeholders.

Principle 2: Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle

1. List up to 3 of your products or services whose design has incorporated social or environmental concerns, risks and/or opportunities.

The company manufactures Cotton/ Polyester Cotton Blended / Synthetic Yarn and the main input is raw cotton and synthetic fibre. The Raw Cotton is agricultural produce, and as such there are no social or environmental concerns or risks involved. We use 100% organic cotton / BCI certified cotton / recycled polyester staple fibre/ recycle cotton fibre.

2. For each such product, provide the following details in respect of resource use (energy, water, raw material etc.) per unit of product(optional)

Reduction during sourcing / production /distribution achieved since the previous year throughout the value chain and Reduction during usage by consumers (energy , water) has been achieved since the previous year?

The Energy is a important contributing factor in yarn manufacturing thus its saving is given utmost priority by the organization and thus continual work is being carried out in the year where many small initiative has been taken across the organization such as Installation of Lower Wattage LED Tube, Replacement of a Low Wattage LED in Manufacturing, Administration and Colony Area, Extension of Ecorized tubes in Ring Frame Machines, Installation of Energy Efficient Spindles where ever replacement is due thus saving, Optimization of Humidification Plant during winter and Compressed Air by changing Nozels of improved design reducing Leakage and Installation of VFD & Flat Belt conversion and direct coupling in Ring Frame area resulting in to power saving.

The Company has installed / commissioned 10.2 MW Rooftop Solar Power Plant at its Bathinda Unit in June 2022 for in-house power consumption which will reduce greenhouse gases and contributor to the Central Govt initiative of Renewable Energy. This will also reduce the power cost. We have installed Effluent Treatment Plant (ETPs) and Sewage Treatment Plant (STP) for in-house treatment of process/domestic waste water which is disposed in to its own land for plantation purpose as per the norms of regulatory authorities and a part of the treated sewage water is used for flushing of toilets.

3. Does the Company have procedures in place for sustainable sourcing (including transportation)?If yes, what percentage of your inputs sustainably? Also, provide details thereof, in about 50 words or so.

Yes- The main input raw material cotton/ synthetic fibre is widely available, in a sustainable manner, both from domestic and overseas market and the services of transport/railway authorities are available for the transportation of raw material to company factories.

4. Has the Company taken any steps to procure goods and services from local & small producers, including communities surrounding their place of work? If yes, what steps have been taken to improve their capacity and capability of local and small vendors?

Yes – Emphasis is placed to source the materials from local & small producers and suppliers. Based upon the input requirements the vendors are advised to upgrade the product supplies.

5. Does the Company have a mechanism to recycle products and waste? If yes what is the percentage of recycling of products and waste (separately as <5%, 5-10%, >10%). Also, provide details thereof, in about 50 words or so.

All the wastes are either reprocessed in our own manufacturing unit or disposed off for other industrial uses. Some part of our waste out of production is recycled and reprocessed in our own operations and balance is sold for other industrial uses.

Principle 3: Businesses should promote the wellbeing of all employees.

1. Total number of employees: 5586
2. Total number of employees hired on temporary/third party contractual / casual basis: 2353
3. Number of permanent women employees: 99
4. Number of permanent employees with disabilities: 7
5. Do you have an employee association that is recognized by management: No
6. What percentage of your permanent employees is members of this recognized employee association – NA
7. Please indicate the Number of complaints relating to child labour, forced labour, involuntary labour, and sexual harassment in the last financial year and pending, as on the end of the financial year.

No	Category	No. of complaints filed during financial year 2021-22	No. of complaints pending during financial year 2021-22
1.	Child labour/forced labour/involuntary labour	Nil	Nil
2.	Sexual harassment	Nil	Nil
3.	Discriminatory employment	Nil	Nil

8. What percentage of your under mentioned employees were given safety & skill up-gradation training in the last year?

- (a) Permanent Employees: 5586
- (b) Permanent Women Employees: 2353
- (c) Casual / Temporary / Contractual Employees: 99
- (d) Employees with Disabilities; 7

The Company's continuous endeavor is to provide safe, productive and positive environment for our employees that are free from any form of discrimination, including but not limited to sexual harassment. The company always supports its workforce so that they can maintain a healthy work-life balance and develop their professional as well as personal skills.

Principle 4: Businesses should respect the interests of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalized.

1. Has the Company mapped its internal and external stakeholders?

The Company has mapped its internal as well as external stakeholders and carries out engagements with investors, employees, clients and business partners, etc. The interaction with the stakeholders and investors is done through result announcement, Annual Reports and meeting. The company website is quite useful for communication with the stakeholders and investors. Moreover, the Annual General Meeting (AGM) provides the Shareholders an opportunity to engage directly with the Directors and the Management. The internal stakeholders, like employees of the Company, are identified through surveys and regular engagements.

2. Out of the above, has the Company identified the disadvantaged, vulnerable and marginalised stakeholders

To certain extent

3. Are there any special initiatives taken by the Company to engage with the disadvantaged, vulnerable and marginalised stakeholders. If so, provide details thereof, in about 50 words or so.

The Company has always engaged itself in special initiatives with the disadvantaged, vulnerable and marginalized stakeholders

Principle 5 : Businesses should respect and promote human rights.

1. Does the policy of the Company on human rights cover only the Company or extend to the Group/Joint Ventures/ Suppliers/Contractors/NGOs/Others?

Yes – The Policies in the aforesaid matter of Human Rights covers the Company and also extends to all the stakeholders of the Company. Due recognition and respect for human rights is promoted within the organisation and beyond the workplace. Whistle Blower Policy/Vigil Mechanism is also in place, which provides opportunity to report any concern about human rights violation.

2. How many stakeholder complaints have been received in the past financial year and what percent was satisfactorily resolved by the management? 50 words or so.

No complaint was pending in the past and further, no complaint was received pertaining to human rights violation during the financial year 2021-22.

Principle 6: Business should respect, protect, and make efforts to restore the environment.

1. Does the policy related to Principle 6 cover only the Company or extends to the Group/Joint Ventures/Suppliers/ Contractors/NGOs/others.

Yes – The Policies in the aforesaid matter of Human Rights covers the Company and also extends to all the stakeholders of the Company.

2. Does the company have strategies/ initiatives to address global environmental issues such as climate change, global warming, etc? Y/N. If yes, please give hyperlink for webpage etc.

Energy conservation, use of renewable/ solar power energy, trees plantation, water conservation, use of sustainable fibres is being adopted by the Company. These are conscious initiatives undertaken by the Company.

3. Does the company identify and assess potential environmental risks? Y/N

Yes - The Company has a mechanism to identify and assess potential environmental risks at the plant level.

4. Does the company have any project related to Clean Development Mechanism? If so, provide details thereof, in about 50 words or so. Also, if Yes, whether any environmental compliance report is filed?

The Company has installed / commissioned 10.2 MW Rooftop Solar Power Plant as its Bathinda Unit in June 2022 which will reduce greenhouse gas in sustaining environment and a contributing Central Govt initiative of Renewable Energy. This will also reduce the power cost. Further we have installed Effluent Treatment Plant (ETPs) and Sewage Treatment Plant (STP) for in-house treatment of process/domestic waste water which is disposed in to its own land for plantation purpose as per the norms of regulatory authorities and a part of the treated sewage water is used for flushing of toilets.

5. Has the company undertaken any other initiatives on – clean technology, energy efficiency, renewable energy, etc. Y/N. If yes, please give hyperlink for web page etc

The Company has taken several measures to conserve energy as detailed in Annexure C to the Board's Report.

6. Are the Emissions/Waste generated by the company within the permissible limits given by CPCB/SPCB for the financial year being reported?

Yes.

7. Number of show cause / legal notices received from CPCB/SPCB which are pending (i.e. not resolved to satisfaction) as on end of Financial Year:-

Nil

Principle 7: Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner.

1. Is your company a member of any trade and chamber or association? If Yes, Name only those major ones that your business deals with

Company is a member of the following Trade associations:

- Federation of Indian Export Organizations (FIEO)
- Confederation of Indian Industry [CII]
- The Cotton Textiles Export Promotion Council (TEXPROCIL)
- The Synthetic and Rayon Textiles Export Promotion Council (SRTEPC)
- Northern India Textile Mill's Association

2. Have you advocated/lobbied through above associations for the advancement or improvement of public good? Yes/No; if yes specify the broad areas like: Governance and Administration, Economic Reforms, Inclusive Development Policies, Energy security, Water, Food Security, Sustainable Business Principles, Others)

Yes - We constantly draw attention of the associations on such matters which need to be addressed for facilitating business operations.

Principle 8 : Businesses should support inclusive growth and equitable development.

1. Does the company have specified programmes/initiatives/projects in pursuit of the policy related to Principle 8? If yes details thereof.

The Company has put in place Policy on Corporate Social Responsibility to guide its efforts on CSR initiatives that contribute to inclusive growth and equitable development. The Company's CSR Policy outlines the Company's philosophy & the mechanism for undertaking socially useful programmes for welfare & sustainable development of the community at large as part of its duties as a responsible corporate citizen. For detailed information relating to list of activities in which contribution has been made, please refer the Annual Report on CSR Activities annexed as Annexure A to the Directors' Report.

2. Are the programmes / projects undertaken through in-house team / own foundation / external NGO / government structures / any other organisation?

The CSR activities are carried out directly by the Company.

3. Have you done any impact assessment of your initiative?

Impact assessment is done by our internal teams.

4. What is your company's direct contribution to community development projects- Amount in INR and the details of the projects undertaken.

During the financial year 2021-22, the Company spent Rs. 0.77 Crs towards CSR initiatives. Details of the projects are available in Annexure to the Board's Report.

5. Have you taken steps to ensure that this community development initiative is successfully adopted by the community? Please explain in 50 words, or so.

The Company's CSR initiatives are rolled out directly. Company's Representatives track the reach and take necessary steps to make it successful. Further, the CSR projects are evaluated by the CSR Committee to ensure maximum impact of their initiatives.

Principle 9: Businesses should engage with and provide value to their customers and consumers in a responsible manner.

1. What percentage of customer complaints/consumer cases are pending as on the end of financial year.

Generally there are no cases of complaints. If any complaints received from customers that is taken on utmost priority and resolved to their satisfaction.

2. Does the company display product information on the product label, over and above what is mandated as per local laws? Yes / No / N.A. / Remarks (additional information).

All the display and disclosure requirements as per applicable Statutes are complied with.

3. Is there any case filed by any stakeholder against the company regarding unfair trade practices, irresponsible advertising and/or anti-competitive behaviour during the last five years and pending as on end of financial year. If so, provide details thereof, in about 50 words or so

There is no case against the Company during the last 5 years, relating to unfair trade practices, irresponsible advertising and/or anti-competitive behaviour.

4. Did your company carry out any consumer survey/ consumer satisfaction trends?

The company always engages with its customers and carries out the consumer feedback for company's products to know their satisfaction level so that corrective action / steps if any may be taken to enhance their satisfaction level.

**By Order of the Board
For Sportking India Limited**

**Place: Ludhiana
Date : 03.09.2022**

**(Munish Avasthi)
Chairman
DIN: 00442425**

**Regd. Office:
Village Kanech, Near Sahnewal
GT Road, Ludhiana-141120 (Punjab)**

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), in chapter IV read with schedule V of Securities and Exchange Board of India (SEBI) (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 Company has complied with the requirements of listing regulations in respect of composition of Board of Directors. None of the independent directors have any pecuniary relationship (except sitting fees) or transactions with the company. The details of Board of Directors and their shareholding as on 31.03.2022 in the Company are as under:

Name of the Directors	Category	No. of equity shares held in the Company
Mr. Raj Kumar Avasthi*	Executive Chairman & Managing Director and Promoter	1286000
Mr. Munish Avasthi	Executive Managing Director and Promoter	970422
Mr. Naresh Kumar Jain	Executive and Non Promoter Director	5200
Mr. Prashant Kochhar	Non- Executive Independent Director	NIL
Dr. Sandeep Kapur	Non -Executive Independent Director	NIL
Mrs. Harpreet Kaur Kang	Non- Executive Independent Director	NIL

*Due to sad demise of Sh. Raj Kumar Avasthi on 23.07.2022, he ceased to be Chairman and Managing Director/ Director of the Company. The Board of Directors appointed Mr. Munish Avasthi (DIN:0042425) as Chairman of the Board and appointed Smt. Anjali Avasthi (DIN: 06911970) as a Non-Executive (Non-Independent) Director of the Company in their meeting held on 03.09.2022.

Board Meetings:

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 24.04.2021, 24.07.2021, 14.08.2021, 23.09.2021, 23.10.2021 and 22.01.2022. The gap between any two meetings did not exceed three months. The board members attendance at the Board meetings, last Annual General Meeting and directorship / committee memberships in other Public Limited Companies are as under-

Name of the Directors	No. of Board Meetings Attended	Attendance at the last AGM	Total No. of Directorships in other Public Companies	Directorship held in other Public Ltd. Companies/ Category of Directorship	Total no. of Committee Memberships in other Public Companies	Total no. of Committee chairmanships in other Public Companies
Mr. Raj Kumar Avasthi*	6	Yes	-	-	-	-
Mr. Munish Avasthi	6	No	-	-	-	-
Mr. Naresh Kumar Jain	6	Yes	-	-	-	-

Mr. Prashant Kochhar	4	Yes	-	-	-	-
Dr. Sandeep Kapur	5	Yes	4	Ralson India Limited (Non-Executive Independent Director) Ludhiana Smart City Limited (Nominee Director) Kangaro Industries Limited (Non-Executive Independent Director) Vardhman Yarns and Threads Limited (Non-Executive Independent Director)	5	-
Mrs. Harpreet Kaur Kang	5	No	1	Vardhman Textiles Limited (Non-Executive Independent Director)	-	-

* Due to sad demise of Sh. Raj Kumar Avasthi on 23.07.2022 he ceased to be Chairman and Managing Director/ Director of the Company

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.

Chart or a Matrix setting out the Skills/Expertise/Competencies of the Board of Directors.

The Board has identified the following skills/expertise/competencies fundamental for the effective functioning of the Company which is currently available with the Board:

Sr NO	Skill/Expertise/Competencies	Names of Directors who have such Skill/Expertise/Competencies					
		Mr. Raj Kumar Avasthi	Mr. Munish Avasthi	Mr. Naresh Kumar Jain	Mr. Prashant Kochhar	Dr. Sandeep Kapur	Mrs. Harpreet Kaur Kang
1.	Industry Knowledge/Experience	✓	✓	✓			
2.	Knowledge of Sector	✓	✓	✓			✓
3.	Accounting, Finance and Banking	✓	✓	✓	✓	✓	✓
4.	Business Strategy and Planning Management	✓	✓	✓	✓	✓	✓
5.	Marketing Management	✓	✓	✓		✓	
6.	Corporate Governance	✓	✓	✓	✓	✓	✓
7.	Legal & Risk Management	✓	✓	✓	✓	✓	✓
8.	Compliance focus Management	✓	✓	✓	✓	✓	✓
9.	Foreign Exchange Management		✓	✓	✓	✓	✓
10.	Project Management	✓	✓	✓		✓	✓

Confirmation from the Board of Directors in context to Independent Directors:

The Board of Directors has confirmed that in the opinion of the board, the independent directors fulfill the conditions specified in these regulations and are independent of the management.

Detailed reasons for the resignation of an independent director who resigns before the expiry of his tenure along with a confirmation by such director that there are no other material reasons other than those provided:

No Independent Director has resigned before expiry of his/her tenure.

3. Board Committee (s)**a. Audit Committee****Composition and Terms of Reference:**

Audit Committee is entrusted with the responsibility to supervise the Company's financial reporting process and internal controls. The audit committee comprised of four directors are as under:

Sr. No	Name of the Directors	Designation	Category
1.	Mr. Prashant Kochhar	Chairman	Non-Executive Independent Director
2.	Dr. Sandeep Kapur	Member	Non-Executive Independent Director
3.	Mrs. Harpreet Kaur Kang	Member	Non-Executive Independent Director
4.	Mr. Naresh kumar Jain	Member	Executive Non Promoter Director

Three out of four members of the Audit Committee are Non-Executive Independent Directors and Mr. 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. The Company Secretary is the Secretary of the Committee.

The Audit committee discusses the reports of Statutory Auditors, Internal Auditors, Secretarial Auditors as well as Cost Auditors of the company. The appointment of Statutory, Secretarial and Cost Auditors are recommended by the Audit Committee. It also reviews the Company's financial and risk management policies, management discussion and analysis of financial condition, results of operations and statement of significant related party transactions on periodic basis including omnibus approval and review thereof. The composition, quorum, powers, role and terms of reference are in accordance with Section 177 of the Companies Act, 2013 and the provisions of Regulation 18 of the Listing Regulations.

During the year, there are no instances where the Board had not accepted the recommendations of the Audit Committee. The committee met four times during the financial year under review on 24.04.2021, 24.07.2021, 23.10.2021 and 22.01.2022. The attendance of committee members is as under:

Name of the Directors	Designation	Category	No(s.) of Meetings Attended
Mr. Prashant Kochhar	Chairman	Non-Executive Independent Director	4
Dr. Sandeep Kapur	Member	Non-Executive Independent Director	3
Mrs. Harpreet Kaur Kang	Member	Non-Executive Independent Director	3
Mr. Naresh kumar Jain	Member	Executive and Non Promoter Director	4

b. Stakeholders' Relationship Committee**Composition and Terms of Reference:**

The Stakeholders Relationship Committee's comprised of three directors are as under:

Sr. No	Name of the Directors	Designation	Category
1.	Dr. Sandeep Kapur	Chairman	Non-Executive Independent Director
2.	Mr. Munish Avasthi	Member	Executive Promoter Director
3.	Mr. Naresh Kumar Jain	Member	Executive Non Promoter Director

The Committee meets the requirements of Regulation 20 of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015.

The Committee is primarily responsible to consider and resolve the grievances of the share holders including complaints related to transfer of shares, non-receipt of annual report and non-receipt of declared dividend, issuance of Duplicate Share Certificates or any other matters with regard to shares if any. Company Secretary of the Company act as Compliance officer of the committee/company as per the requirement of SEBI Listing Regulation. During the financial year 2021-22, 18 investor complaints/ queries were received which was resolved and there was no pending complaint at the end of FY 2021-22. The attendance of committee members is as under:

Name of the Directors	Designation	Category	No.(s.) of Meetings Attended /Attended
Dr. Sandeep Kapur	Chairman	Non-Executive Independent Director	7/17
Mr. Munish Avasthi	Member	Executive Promoter Director	16/17
Mr. Naresh Kumar Jain	Member	Executive Non Promoter Director	17/17

c. Nomination and Remuneration Committee and Policy Composition and Terms of Reference:

The Committee's comprised of three directors are as under:

Sr. No	Name of the Directors	Designation	Category
1.	Dr. Sandeep Kapur	Chairman	Non-Executive Independent Director
2.	Mr. Prashant Kochhar	Member	Non-Executive Independent Director
3.	Mrs. Harpreet Kaur Kang	Member	Non-Executive Independent Director

The Committee meets the requirements of Section 178 of the Companies Act, 2013 and Regulation 19 of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015.

The brief description of terms of reference of Nomination and Remuneration Committee is to guide the Board in relation to the identifying person for appointment/removal, and to recommend/review remuneration of the directors including Whole-time/ Executive Directors, Key Managerial Personnel (KMP) and Senior Management Personnel. The Committee is wide enough covering the matters specified under the Companies Act, 2013 and Regulation 19 of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015.

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(I) Criteria of selection of Non-Executive Directors

- 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.
- 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.
- The N&R Committee shall consider the following attributes / criteria, whilst recommending to the Board the candidature for appointment as Director.
 - Qualification, expertise and experience of the Directors in their respective fields
 - Personal, Professional or business standing;
 - Diversity of the Board.

(II) Remuneration to Non-Executive Directors

Non-Executive Directors shall be entitled to receive sitting fees for each meeting of the Board attended by him, 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.

B(I) Criteria of selection of Executive Directors

For the purpose of selection of Executive Directors including Managing Director(s) 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.

(II) Remuneration to Executive Directors

At the time of appointment or re-appointment, the Executive Director's including Managing Director (s) 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 Managing Director (s) 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/commission, allowances, perquisites, amenities and provident and other retirement benefits funds as approved by the shareholders at the General Meeting.

Policy for Remuneration of 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 N&R Committee for its review and approval.

The committee met two times during the financial year under review on 24.07.2021 and 22.01.2022. The attendance of committee members is as under:

Name of the Directors	Designation	Category	No(s) of Meetings Attended
Dr. Sandeep Kapur	Chairman	Non-Executive Independent Director	1
Mr. Prashant Kochhar	Member	Non-Executive Independent Director	2
Mrs. Harpreet Kaur Kang	Member	Non-Executive Independent Director	1

Details of the Remuneration paid/payable to the Directors and Key Managerial Personnel for the Year Ended 31st March 2022.

Executive Directors:

Name	Designation	Salary (Rs.)	Allowances / Perquisites (Rs.)	Commission (Rs.)	Contribution to PF (Rs.)	Total (Rs.)
Mr. Raj Kumar Avasthi	Chairman & Managing Director	2,22,00,000	22,15,616	—	—	2,44,15,616
Mr. Munish Avasthi	Managing Director	2,22,00,000	11,96,807	—	—	2,33,96,807
Mr. Naresh Jain	Executive Director	13,80,000	6,90,000	—	—	20,70,000

*Allowances/Perquisite includes Rent Free Accommodation of Rs. 9,32,700/-

Non-Executive Independent Directors:

Name	Designation	Amount (Rs)
Dr. Sandeep Kapur	Non-Executive Independent Director	50,000
Mr. Prashant Kochhar	Non-Executive Independent Director	40,000
Mrs. Harpreet Kaur Kang	Non-Executive Independent Director	50,000

Key Managerial Personnel

Name	Designation	Amount (Rs.)
Mr. Parveen K Gupta	Chief Financial officer (CFO)	21,88,080
Mr. Lovlesh Verma	Company Secretary	5,70,624

*Amount does not includes Provident fund, Leave Travel Allowance and conveyance reimbursement.

d) Corporate Social Responsibility (CSR) Committee**Composition and Terms of Reference:**

Pursuant to the provisions of section 135 and Schedule VII of the Companies Act, 2013, the company has formed a Corporate Social Responsibility (CSR) Committee and the Committee's comprised of three directors are as under:

Sr. No	Name of the Director	Designation	Category
1.	Mr. Munish Avasthi	Chairman	Executive Promoter Director
2.	Mr. Raj Kumar Avasthi*	Member	Executive Promoter Director
3.	Dr. Sandeep Kapur	Member	Non-Executive Independent Director

* Due to sad demise of Sh. Raj Kumar Avasthi on 23.07.2022 he ceased to be Managing Director of the Company/ member of the committee.

The Company formulated CSR Policy, which is uploaded on the Company's website. The brief description of Terms of Reference of Corporate Social Responsibility is to review the existing CSR Policy and to make it more comprehensive so as to indicate the activities to be undertaken by the Company as specified in Schedule VII of the Companies Act, 2013 and provide guidance on various CSR activities to be undertaken by the Company and to monitor process.

The committee met once during the financial year under review on 22.01.2022. The attendance of committee members is as under:

Name of the Directors	Designation	Category	No(s.) of Meetings Attended
Mr. Munish Avasthi	Chairman	Executive Promoter Director	1/1
Mr. Raj Kumar Avasthi	Member	Executive Promoter Director	1/1
Dr. Sandeep Kapur	Member	Non-Executive Independent Director	1/1

Further the Board of Directors in their meeting held on 03.09.2022 had reconstituted the Corporate Social Responsibility (CSR) Committee which is as under:

Sr. No	Name of the Director	Designation	Category
1.	Mr. Munish Avasthi	Chairman	Executive Promoter Director
2.	Mr. Naresh Kumar Jain	Member	Executive Non Promoter Director
3.	Dr. Sandeep Kapur	Member	Non-Executive Independent Director

e) Risk Management Committee

As per the provisions of Regulation 21 of SEBI(Listing Obligation Disclosure Requirements) (Second Amendment) Regulations, 2015, top 1000 listed companies based on market capitalization are required to have Risk Management Committee. The company has been included in the list of top 1000 listed companies by BSE on the basis of market capitalization as on 31st March, 2022 as per the list released by them in Current FY 2022-23. Accordingly, in compliance of the said LODR Regulations, the company in their Board of Directors Meeting held on 30.04.2022 has constituted a Risk Management Committee to frame, implement and monitor the risk management plans for the company and the Committee's comprised of three directors are as under:

Sr. No	Name of the Director	Designation	Category
1.	Mr. Munish Avasthi	Chairman	Executive Promoter Director
2.	Mr. Naresh Kumar Jain	Member	Executive Non Promoter Director
3.	Dr. Sandeep Kapur	Member	Non-Executive Independent Director

The main objective of this policy is to ensure sustainable business growth with stability and to promote a pro-active approach in reporting, evaluating and resolving risks associated with the business. In order to achieve the key objective,

the policy establishes a structured and disciplined approach to Risk Management, in order to guide decisions on risk related issues. The Company recognizes that risk is an integral and unavoidable component of business and is committed to managing the risk in a proactive and effective manner. The Company, being one of the largest textile, is committed towards excellence.

f) Committee of Independent Directors and Meeting

The Board of Directors of the Company has constituted a Committee of Independent Directors of the Board comprising of all three Non-Executive Independent Directors. During the year under review, the Independent Directors met on 11.12.2021, 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.

4. 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 (s)/ Whole Time Director (s) 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.

5. ANNUAL GENERAL MEETING

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

Annual General Meeting	Day	Date	Time	Venue	No. of Special Resolutions Passed
32 nd	Friday	10/09/2021	11.00 A.M	Village kanech, Near Sahnewal, GT road, Ludhiana-141120	Nil
31 st	Saturday	26/12/2020	2.00 P.M.	5/69,Guru Mansion, 1st Floor Padam Singh Road , Karol Bagh, New Delhi-110005, Delhi	6
30 th	Saturday	28/08/2019	2.00 P.M.	5/69,Guru Mansion, 1st Floor Padam Singh Road , Karol Bagh, New Delhi-110005, Delhi	1

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

6. 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 Bombay Stock Exchange and the Registrar of Companies. Apart from this the quarterly unaudited financial results are published in prominent daily newspapers viz. Financial Express/ Economic Times and Desh Sewak, Punjab. Also they are uploaded on the company's website www.sportking.co.in.

7. GENERAL SHAREHOLDERS INFORMATION

I).	33rd Annual General Meeting	
	Date	30 th September 2022
	Time	10.00 AM
	Venue	Registered Office at Village Kanech, Near Sahnewal, GT Road, Ludhiana-141120 (Punjab)
II).	Financial Calendar	2022-23
	First Quarter Results (Unaudited)	On or before 14 th August 2022
	Second Quarter Results (Unaudited)	On or before 14 th November 2022
	Third Quarter Results (Unaudited)	On or before 14 th February 2023
	Fourth Quarter (Audited)	On or before 30 th May, 2023
III).	Dates of Book Closure	N.A.
IV).	Dividend Payment Date	No Dividend declared

V. Name and address of Stock Exchanges at which the securities of the Company are listed

BSE Limited Phiroze Jeeheebhoy Towers, Dalal Street, Mumbai-400001	National Stock Exchange of India Ltd, Exchange Plaza, Bandra Kurla Complex, Bandra (East), Mumbai- 400051*
Script Code: 539221	Symbol: SPORTKING

The Company has paid listing fees for the financial year 2022-23.

* The National Stock Exchange of India Limited (NSE) has granted the listing approval for 1,32,87,200 Equity Shares of Rs.10/- each vide their letter No. NSE/LIST/92 dated 22nd August 2022. The Equity shares of the Company are listed and admitted to dealings on the National Stock Exchange w.e.f. 24th August 2022.

VI. STOCK MARKET DATA

Monthly high and low prices of the Company's Scrip equity during the year on the Bombay Stock Exchange Limited.

Month	High Price (Rs.)	Low Price (Rs.)	Close Price (Rs.)	No. of Shares Traded	Total Turnover
Apr-21	1398.15	856.40	1398.15	45976	54882176
May-21	2139.00	1295.00	1862.20	111237	193079032
Jun-21	2065.00	1688.80	1815.75	58214	108529120
Jul-21	3703.85	1800.00	3703.85	182955	545387286
Aug-21	4925.00	3625.00	3995.20	251862	1094556165
Sep-21	5448.00	1255.90	1605.35	304250	942206108
Oct-21	2046.95	1344.40	1478.55	801429	1286520338
Nov-21	1568.00	1185.50	1261.00	380732	533323842
Dec-21	1443.7.00	1170.05	1428.15	284458	381772157
Jan-22	1598.00	1342.00	1421.35	471353	695776740
Feb-22	1523.00	1038.50	1188.60	224427	292124659
Mar-22	1240.00	1050.00	1081.55	220640	252771962

Note: The Company had allotted bonus equity shares on 28.09.2021 in the ratio of 3:1 i.e. three additional equity shares against one equity shares held on record date i.e. 24.09.2021 and the market price thereafter is reflected accordingly.

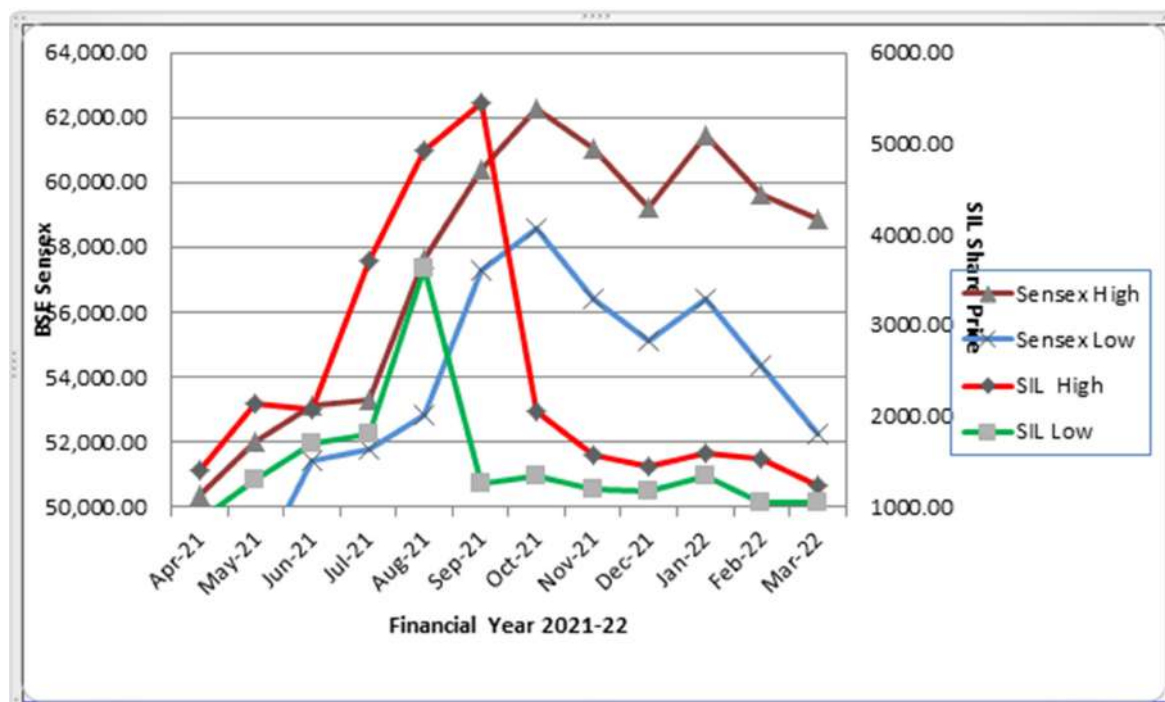
The Equity shares of the Company are listed and admitted to dealings on the National Stock Exchange w.e.f. 24th August 2022

SPORTKING INDIA LIMITED

ANNUAL REPORT 2021-22

Performance in comparison to broad based indices:

SPORTKING INDIA LIMITED (SIL) VS BSE SENSEX



VII. DISTRIBUTION OF EQUITY SHAREHOLDERS AS ON 31ST MARCH 2022.

RANGE No. of Shares	Shareholders		Shares	
	Nos.	% to Total No.(s)	No(s).	% to Total Shares
Up to 5000	18389	96.75	678217	5.10
5001 - 10000	304	1.59	226148	1.70
10001 - 20000	155	0.81	232718	1.75
20001 - 30000	31	0.16	78985	0.59
30001 - 40000	45	0.23	170199	1.29
40001 - 50000	10	0.05	45207	0.34
50001 - 100000	28	0.14	190287	1.43
Above 100001	43	0.22	11665439	87.80
TOTAL	19005	100.00	13287200	100.00

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

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 shareholders and maintaining connectivity with both the depositories NSDL & CDSL .

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 shares for demat and verify the genuineness. After verification the RTA updates the final demat register. The RTA forwards the confirmation report to CDSL/NSDL or rejection report as the case may be. As on 31st March 2022, 94.41% of shares held in dematerialized form and the rest in physical form.

X. Outstanding GDRs, ADRs, Warrants or any Convertible instruments etc. : Nil**XI. Declaration and Certificate**

- Declaration signed by the Chief Executive Officer stating that the members of board of directors and senior management personnel have affirmed compliance with the code of conduct is annexed herewith as a part of the report.
- Declaration signed by the Chief Executive Officer and Chief Financial officer to the Board about compliance by the Company for the financial year ended 31st March, 2022 is annexed herewith as a part of the report.
- Compliance Certificate for Corporate Governance from Practicing Company Secretaries is annexed herewith as a part of the report.
- Certificate from Practicing Company Secretaries that none of the directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as director of Company by the Board/Ministry of Corporate Affairs or any such statutory authority is annexed herewith as a part of the report.

XII. Details of utilization of funds raised through preferential allotment or qualified institutions placement as specified under Regulation 32 (7A).

Nil

XIII. Where the board had not accepted any recommendation of any committee of the board which is mandatorily required, in the relevant financial year. Not Applicable**XIV. Total fees for all services paid by the listed entity and its subsidiaries, on a consolidated basis, to the statutory auditors and all entities in the network firm/network entity of which the statutory auditor is a part.**

Details relating to fees paid by the company to the Statutory Auditors are given in Note No 33 of Financial Statements. Since the Company does not have any subsidiary, the provision on Consolidated Basis is not applicable to the Company. The Company also not paid any fees to the network firm/network entity of which the statutory auditor is a part.

XV. PLANT LOCATIONS

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

XVI Address for correspondence:**Registered and Corporate Office:**

Village Kanech, Near Sahnewal
G.T Road, Ludhiana -141120
Phone:0161-2845456, Email: cs@sportking.co.in

Registrar & Transfer Agent:

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

XVII. Credit Rating

CRISIL Ratings Limited had upgraded/assigned the following credit rating of the Company:

Sr No	Name of the Facility	Rating on 25.04.2022 (Upgraded)	Rating on 02.08.2021 (Assigned/upgraded)
1.	Long Term Rating	CRISIL A/Stable	CRISIL A-/ Stable
2.	Short Term Rating	CRISIL A1	CRISIL A2+

XVIII. OTHER DISCLOSURE

- The requirement of policy for determining 'material' subsidiaries is not applicable to the Company as it does not have any subsidiary company.
- No penalties or strictures have been imposed on the Company by Stock Exchanges or SEBI or any statutory authority on any matter related to capital markets during the last three years.
- The Company has established a vigil mechanism/whistle blower policy for directors and employees to report concerns about unethical behavior, actual or suspected fraud etc. and the same has been disclosed on the website of the Company. Further no personnel has been denied access to the Audit Committee.
- The company has complied with all the mandatory requirements of Corporate Governance as prescribed in SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- 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 the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Policy on dealing with related party transactions as approved by the Board may be accessed on the Company's website at the www.sportking.co.in.
- The risks which the company is exposed to and policies and framework adopted by the company to manage these risks mentioned in Note No 52 of the financial statements.
- 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 complaint was reported to the board.
- There is no Loans and advances in the nature of loans given to firms/companies in which directors are interested.
- Regulation 34(2)(f) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 requires that top 1000 listed entities based on market capitalization shall submit a Business Responsibility Report in the format as specified by SEBI or Business Responsibility and Sustainability Report voluntarily for the financial year 2021-22 in place of mandatory Business Responsibility Report. The company has been included in the list of top 1000 listed companies by BSE on the basis of market capitalization as on 31st March, 2022 as per the list released by them in Current FY 2022-23. Accordingly, the company has attached the Business Responsibility Reporting as part of this Annual Report.
- As per Regulation 25 (10) of Listing Regulations, top 1000 listed entities are required to undertake Director and officer Insurance Policy. The company falls under the category of top 1000 listed entities. For ensuring good Corporate governance and also to comply the regulation of SEBI (LODR) Regulations, 2015 company has taken Directors and Officers insurance ('D and O insurance') Policy.
- Pursuant to the Regulation 43A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended) requires that top 1000 listed entities based on market capitalization as on 31st March, 2022 shall formulate a dividend distribution policy. We would like to inform you that your Company as on 31st March, 2022 falls in the list of top 1000 listed entities. So the Company has formulated a Dividend Distribution Policy and it is available on Company's website i.e. www.sportking.co.in.
- The Statutory Auditors of the Company have issued an Audit Report with un-modified opinion on the Audited Financial Results of the Company for the Financial Year ended 31st March, 2022.
- The Company complied with all the requirement of corporate governance report said out in the schedule V of SEBI (LODR) Regulations, 2015.
- There is no demat suspense account/unclaimed suspense account.

DECLARATION ON COMPLIANCE OF THE COMPANY'S CODE OF CONDUCT

As provided under Regulation 26 (3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, I hereby declare that all the Directors and Senior Management Personnel have confirmed compliance with the code of conduct adopted by the Company.

**By Order of the Board
For Sportking India Limited**

**Place: Ludhiana
Date : 03.09.2022**

**(Munish Avasthi)
Chairman
DIN: 00442425**

**Regd. Office:
Village Kanech, Near Sahnewal
GT Road, Ludhiana-141120 (Punjab)**

CEO / CFO CERTIFICATION

To
The Members of
Sportking India Limited
Village Kanech, Near Sahnewal,
GT Road, Ludhiana-141120

- (a) We have reviewed the financial statements, read with the cash flow statement of Sportking India Limited for the year ended 31st March, 2022 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.

**Parveen K Gupta
Chief Financial Officer**

**Raj Kumar Avasthi
Chairman & Managing Director
DIN: 01041890**

**Place: Ludhiana
Dated: 30.04.2022**

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

(Pursuant Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.)

To
The Members of
Sportking India Limited, Village kanech, Near Sahnewal, GT Road, Ludhiana-141120

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of M/s Sportking India Limited having CIN L17122PB1989PLC053162 and having registered office at Village kanech, Near Sahnewal, GT Road, Ludhiana, produced before me by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Director's Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to us by the Company and its officers, we hereby certify that none of the directors on the board of the Company for the Financial Year ending on 31st March, 2022 have been debarred or disqualified from being appointed or continuing as directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority.

This Certificate has been issued at the request of the Company to make disclosure in its Corporate Governance Report of the Financial Year ended 31st March, 2022.

For Lal Ghai and Associates
Company Secretaries
CS Sumit Ghai
FCS-10253
CP No: 12814

Place: Ludhiana
Dated: 23.07.2022
UDIN: FO10253D000673916

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, Village kanech, Near Sahnewal, GT Road, Ludhiana-141120

We have examined the compliance of conditions of Corporate Governance by Sportking India Limited M/s Sportking India Limited having CIN L17122PB1989PLC053162 and having registered office at Village kanech, Near Sahnewal, GT Road, Ludhiana, for the year ended on 31st March 2022, 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 was limited to the procedure and implementation process adopted by the Company for ensuring the compliance of the conditions of the corporate governance.

This certificate 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.

In our opinion and to the best of our information and according to the explanations and information furnished to us, we certify that the Company has complied with all the requirements of Corporate Governance as stipulated in SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, for the financial year ended 31st March 2022.

For Lal Ghai and Associates
Company Secretaries
CS Sumit Ghai
FCS-10253
CP No: 12814

Place: Ludhiana
Dated: 23.07.2022
UDIN: FO10253D000673951

Independent Auditors' Report

**To the Members of
Sportking India Limited**

Report on the Audit of the Financial Statements**Opinion**

We have audited the accompanying financial statements of Sportking India Limited ('the Company'), which comprise the Balance Sheet as at March 31, 2022, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash flows for the year ended and notes to the financial statements, including a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the financial Statements").

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 Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2022, and the profit and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the financial statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. 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.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. We have determined that there are no key audit matters to communicate in our report.

Information Other than the Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the other information. The other information comprises Directors' Report including annexures, if any, thereon, but does not include the financial statements and our auditor's report thereon. The Directors' Report is expected to be made available to us after the date of this auditors' report.

Our opinion on the financial statements does not cover the other information and we will not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

When we read the Director's report including annexures, if any, thereon, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

Responsibilities of Management and Those Charged with Governance 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 of these financial statements that give a true and fair view of the financial position, financial performance, total comprehensive income, changes in equity and cash flows of the Company in accordance with the Indian Accounting Standards (Ind AS) and other accounting principles generally accepted in India,

including the accounting Standards specified under section 133 of the Act. 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 the 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.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced.

We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial Statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government in terms of sub section (11) of section 143 of the Act, we give in "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, based on our audit, 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 including other comprehensive income, statement of changes in equity and the statement of cash flows dealt with by this Report are in agreement with the books of account.
 - d) In our opinion, the aforesaid financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended.
 - e) On the basis of the written representations received from the directors as on March 31, 2022 taken on record by the Board of directors, none of the directors is disqualified as on March 31, 2022 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". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the internal financial control over financial reporting of the company.
 - 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, as amended 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 38 to the financial statements.
 - ii. The company did not have any long term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
 - iv. (i) The management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(ii) The management has represented that, to the best of its knowledge and belief, no funds have been received by the Company from any person or entity, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(III) Based on such audit procedures that we considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) contain any material misstatement.

v. No dividend has been declared and paid during the year by the Company.

(h) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended, in our opinion and to the best of information and explanations provided to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.

For SCV & Co. LLP

**Chartered Accountants
Firm Reg. No.000235N/N500089**

**(Sanjiv Mohan)
Partner
M. No. 086066**

**Place: Ludhiana
Date: 30th April, 2022**

Annexure – “A” to the Independent Auditors’ Report

(Referred to in paragraph 1 under ‘Report on Other Legal and Regulatory Requirements’ section of our report to the Members of Sportking India Limited of even date)

- (i) (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property Plant and Equipment and relevant details of Right of use Assets.
- (B) The Company has maintained proper records showing full particulars of intangible assets.
- (b) According to the information and explanations given to us, the Property, Plant and Equipment have been physically verified by the management during the year. According to the information and explanations given to us, no discrepancies were noticed on such verification.
- (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, title deed of the immovable properties (other than properties where the company is the lessee and the lease agreements are duly executed in favour of the lessee) disclosed in the financial statements under Property, Plant and Equipment are held in the name of the company.
- (d) The Company has not revalued any of its Property, Plant and Equipment (including right of use assets) and intangible assets during the year.
- (e) Based on the information and explanations given to us, proceedings have been initiated during the year against the company, as beneficiary, for holding any benami property under Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder. The details of the same have been appropriately disclosed in note 57 to the financial statements.
- (ii) (a) According to the information and explanations given to us, physical verification of inventory has been conducted at reasonable intervals by the management. In our opinion, the coverage and procedure of such verification by the management is appropriate. No discrepancies of 10% or more in the aggregate for each class of inventory have been noticed on physical verification of inventories when compared with books of account.
- (b) The Company has been sanctioned working capital limits in excess of Rs. 5 crore, in aggregate, during the year, from banks on the basis of security of inventories and trade receivable (i.e. current assets). There are certain differences in value of inventories as filed with banks vis-a-vis books of accounts. The summary of reconciliation and reasons of material discrepancies in this regard is as under:-

(Rs in Lakhs)

Quarter ending	Name of the Bank	Particulars of security provided	Amount as per books of account	Amount as reported in the quarterly statement	Amount of difference	Reason for major difference
June 30, 2021	State Bank of India and consortium of banks	Stocks	37,403.82	37,426.25	(22.43)	Differences are not material.
		Trade receivables (Excluding Bills discounted amounting of Rs. 6,692 Lakhs)	19,483.00	19,211.99	271.01	Differences are not material and are mainly due to reinstatement of export debtors which was accounted for after submission of statement to the banks.

Sept 30, 2021	State Bank of India and consortium of banks	Stocks	26,166.48	26,185.57	(19.09)	Differences are not material.
		Trade receivables (excluding Bills discounted amounting of Rs. 8,174 Lakhs)	25,859.36	25,442.68	416.68	Differences are not material and are mainly due to reinstatement of export debtors which was accounted for after submission of statement to the banks.
Dec 31, 2021	State Bank of India and consortium of banks	Stocks	40,980.52	40,973.90	6.62	Differences are not material.
		Trade receivables (excluding Bills discounted amounting of Rs. 10,861.19 Lakhs)	27,492.86	27,629.46	(136.60)	Differences are not material and are mainly due to reinstatement of export debtors which was accounted for after submission of statement to the banks.
March 31, 2022	State Bank of India and consortium of banks	Stocks	52,189.14	52,050.64	138.50	Differences are not material.
		Trade receivables (excluding Bills discounted amounting of Rs. 16,278.24 Lakhs)	24,834.64	24,359.00	475.64	Differences are not material and are mainly due to reinstatement of export debtors which was accounted for after submission of statement to the banks.

Note: Trade receivables discounted with banks have not been considered in the above figures as the same is not included in the statement submitted to banks.

- (iii) According to the information and explanations given to us, we report that the Company has not has made investments in, provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties. Therefore reporting under clause 3(iii) of the Order is not applicable.
- (iv) The Company has not has made investments, provided any guarantee or security or granted any loans or advances in the nature of loans. Therefore reporting under clause 3(iv) of the Order is not applicable.
- (v) According to the information and explanations given to us, the Company has not accepted any deposits during the year covered under the provisions of sections 73 to 76 and any other relevant provision of the Companies Act, 2013 and the rules framed there under.
- (vi) We have broadly reviewed the cost records maintained by the company pursuant to the rules made by the Central Government for the maintenance of cost records under section 148(1) of the Act 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 such records with a view to determine whether they are accurate or complete.

- (vii) (a) According to the information and explanations given to us and on the basis of the records of the Company examined by us, in our opinion, the Company has been regular in depositing undisputed statutory dues including Goods and Services Tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, cess and any other statutory dues to the appropriate authorities.

There were no undisputed amounts payable in respect of Goods and Services Tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, cess and any other statutory dues as on the last day of the financial year concerned for a period of more than six months from the date they became payable.

- (b) According to the information and explanations given to us and the records of the Company examined by us, the details of statutory dues referred to in sub-clause (a) above which have not been deposited as on March 31, 2022 on account of disputes are given below:

(Rs in Lakhs)

Name of Statute	Nature of dues	Financial Year to which it relates	Total Demand	Paid under Protest/ Refund Adjusted by department	Unpaid	Forum at which dispute is pending
Income Tax Act, 1961	Income Tax	2005-06	99.58	91.92	7.66	Income tax Appellate Tribunal
Income Tax Act, 1961	Income Tax	2013-14	23.91	-	23.91	Income tax Appellate Tribunal
Income Tax Act, 1961	Income Tax	2010-11 & 2013-14	228.16	-	228.16	Commissioner of Income Tax (Appeals)
Income Tax Act, 1961	Income Tax	2013-14, 2014-15 & 2015-16	609.12	-	609.12	Deputy Commissioner of Income Tax
Central Excise Act, 1944	Excise duty	2010-11	44.87	-	44.87	Central Excise & Service tax Appellate Tribunal, Delhi

- (viii) According to the information and explanations given to us and records of the company examined by us, there are no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).
- (ix) (a) According to the information and explanations given to us and records of the company examined by us, the company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender.
- (b) According to the information and explanations given to us, and on the basis of our audit procedure the company has not been declared willful defaulter by any bank or financial institution or other lender.
- (c) According to the information and explanations given to us, the term loan has been applied for the purpose for which loans were obtained.
- (d) On an overall examination of the financial statements of the Company, funds raised on short- term basis have, prima facie, not been used during the year for long-term purposes by the Company.

- (e) According to the information and explanations given to us, there is no subsidiary, associate or joint venture of the company. Therefore reporting under clause 3(ix)(e) of the Order is not applicable.
- (f) According to the information and explanations given to us, there is no subsidiary, associate or joint venture of the company. Therefore reporting under clause 3(ix)(f) of the Order is not applicable.
- (x) (a) In our opinion and according to the information and explanations given to us and records of the Company examined by us, the Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year and therefore reporting under clause 3(x)(a) of the Order is not applicable.
- (b) During the year, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally convertible) and therefore reporting under clause 3(x)(b) of the Order is not applicable.
- (xi) (a) According to the information and explanations given to us, no fraud by the Company and no fraud on the Company has been noticed or reported during the year.
- (b) No report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report.
- (c) The company has not received whistle blower complaints during the year.
- (xii) According to the information and explanation given to us, the company is not a Nidhi Company. Therefore reporting under clause 3(xii) of the Order is not applicable.
- (xiii) 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 section 177 and 188 of the Act, where applicable and the details of the transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- (xiv)(a) In our opinion the Company has an adequate internal audit system commensurate with the size and the nature of its business.
- (b) We have considered, the internal audit reports for the year under audit, issued to the Company during the year and till date, in determining the nature, timing and extent of our audit procedures.
- (xv) According to 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 person connected with them. Therefore reporting under clause 3(xv) of the Order is not applicable.
- (xvi) (a) Based on the information and explanations given to us, in our opinion, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934 and therefore reporting under clause 3(xvi)(a) of the order is not applicable.
- (b) Based on information and explanation given to us, the company has not conducted any Non-Banking Financial or Housing Finance activities without a valid Certificate of Registration (CoR) from the Reserve Bank of India as per the Reserve Bank of India Act, 1934; and therefore reporting under clause 3(xvi)(b) of the Order is not applicable.
- (c) Based on information and explanation given to us, the company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India, and therefore reporting under clause 3(xvi)(c) of the Order is not applicable.
- (d) In our opinion, there is no core investment company within the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) and therefore reporting under clause 3(xvi)(d) of the Order is not applicable.

- (xvii) The Company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.
- (xviii) There has been no resignation of the statutory auditors of the Company during the year.
- (xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- (i) (a) On the basis of examination of records of the company, there are no unspent amounts towards Corporate Social Responsibility (CSR) requiring a transfer to a Fund specified in Schedule VII to the Companies Act in compliance with second proviso to sub-section (5) of Section 135 of the said Act.
- (b) The Company has not undertaken any ongoing project for the Corporate Social Responsibility activities during the year. Therefore, requirement of transferring of amount remaining unspent in compliance with the provisions of sub-section (6) of section 135 of Companies Act is not applicable to the company.

For SCV & Co. LLP

Chartered Accountants

Firm Reg. No.000235N/N500089

(Sanjiv Mohan)

Partner

M. No. 086066

Place: Ludhiana

Date: 30th April, 2022

Annexure – “B” TO THE INDEPENDENT AUDITORS REPORT

(Referred to in paragraph 2(f) under ‘Report on Other Legal and Regulatory Requirements’ section of our report to the members of Sportking India Limited of even date)

Report on the Internal Financial Controls Over Financial Reporting under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”)

We have audited the internal financial control over financial reporting of Sportking India Limited (“the Company”) as of March 31, 2022 in conjunction with our audit of financial statements of company for the year ended on that date.

Management’s Responsibility for Internal Financial Controls

The Company 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 respective 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 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”) issued by the Institute of Chartered Accountants of India and the Standards on Auditing, prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. 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 were 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 of the company.

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, to the best of our information and according to the explanation given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31 2022, 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 SCV & Co. LLP

**Chartered Accountants
Firm Reg. No.000235N/N500089**

**(Sanjiv Mohan)
Partner
M. No. 086066**

**Place: Ludhiana
Date: 30th April, 2022**

Balance Sheet As At 31st March, 2022

(Rs in Lakhs)

Particulars	Note No.	As at 31st March,2022	As at 31st March,2021
I ASSETS			
1. Non -Current Assets			
(a) Property,Plant and Equipment	3 (a)	38082.71	41671.64
(b) Capital Work-in-Progress	54	7322.88	0.00
(c) Right of Use Asset	3 (b)	75.65	39.22
(d) Other Intangible Assets	3 (c)	6.35	13.45
(e) Financial Assets			
Other Financial Assets	4	1728.69	1406.47
(f) Income Tax Assets (Net)	25	170.79	173.66
(g) Other Non-Current Assets	5	2237.74	52.33
Total Non Current Assets		49624.81	43356.77
2. Current Assets			
(a) Inventories	6	52189.14	28119.89
(b) Financial Assets			
(i) Trade Receivables	7	41112.88	21127.24
(ii) Cash and cash equivalents	8	53.54	82.98
(iii) Bank Balances Other than (ii) above	9	2431.00	0.00
(iv) Other Financial Assets	10	71.19	14.19
(c) Other Current Assets	11	9951.65	10499.07
Total Current Assets		105809.40	59843.37
TOTAL ASSETS		155434.21	103200.14
II EQUITY AND LIABILITIES			
Equity			
(a) Equity Share Capital	12	1344.80	348.26
(b) Other Equity	13	75401.80	35339.33
Total Equity		76746.60	35687.59
Liabilities			
1.Non-Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	14	14107.33	19231.79
(ia) Lease liabilities	15	63.72	26.00
(b) Provisions	16	1116.16	1050.73
(c) Deferred Tax Liabilities (Net)	17	1264.00	1224.00
(d) Other Non-Current Liabilities	18	0.00	251.97
Total Non-Current Liabilities		16551.21	21784.49
2. Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	18	39569.75	31105.53
(ia) Lease Liabilities	19	19.72	6.96
(ii) Trade Payables			
(A) Total Outstanding dues of creditors of Micro Enterprises and Small Enterprises		38.54	72.17
(B) Total Outstanding dues of creditors other than Micro Enterprises and Small Enterprises	20	12405.02	8674.62
(iii) Other Financial Liabilities	21	6406.01	2927.76
(b) Provisions	22	73.32	72.09
(c) Other Current Liabilities	23	889.84	458.98
(d) Current Tax Liabilities (Net)	24	2734.20	2409.95
Total Current Liabilities		62136.40	45728.06
TOTAL EQUITY & LIABILITIES		155434.21	103200.14

See accompanying notes to the financial statements

As per our report of even date attached

For SCV & Co. LLP
Chartered Accountants
Firm Regn. No. 000235N/N500089

(Sanjiv Mohan)
Partner
M.No.086066

Place: Ludhiana
Date :April 30, 2022

For and On behalf of the Board of Directors

Raj Kumar Avasthi
Chairman -Cum- Mg.Director
DIN No.01041890

Munish Avasthi
Managing Director
DIN No.00442425

Naresh Jain
Executive Director
DIN No.00254045

P.K. Gupta
Chief Financial Officer

Lovlesh Verma
Company Secretary

Statement of Profit and Loss for the year ended 31st March,2022

(Rs in Lakhs except otherwise stated)

Particulars	Note No.	For the Year ended 31st March, 2022	For the Year ended 31st March, 2021
Income			
(I) Revenue from Operations	26	215401.18	130623.67
(II) Other Income	27	2415.12	1860.28
(III) Total Income (I+II)		217816.30	132483.95
(IV) Expenses:			
Cost of Materials Consumed	28	118102.78	78541.36
Purchases of stock-in-trade	29	18.99	39.39
Changes in Inventories of Work-in-Progress and Finished Goods	30	-1440.62	963.85
Employee Benefit Expenses	31	10481.55	8663.19
Finance Costs	32	2857.81	3577.23
Depreciation and Amortisation Expense	3(a),3(b),3(c)	4385.91	5173.43
Other Expenses	33	28669.02	21531.61
Total Expenses		163075.44	118490.06
(V) Profit before Exceptional Items and Tax (III-IV)		54740.86	13993.89
(VI) Exceptional Items	34	0.00	2195.10
(VII) Profit before tax (V-VI)		54740.86	11798.79
(VIII) Tax Expense:			
Current Tax	35	13852.65	3671.72
Prior Period Tax Adjustments	35	-31.62	423.38
Deferred Tax	36(c)&(d)	-5.09	-749.19
Total Tax		13815.94	3345.91
(IX) Profit for the year (VII-VIII)		40924.92	8452.89
(X) Total Comprehensive Income			
(a) (i) Items that will not be reclassified to Profit or Loss -Remeasurement of Defined Benefit Plans		179.18	139.83
(ii) Income tax relating to items that will reclassified to Profit or Loss	36(c)&(d)	-45.09	-35.19
Other Comprehensive Income for the Year		134.09	104.64
(XI) Total Comprehensive Income for the Year (IX+X)		41059.01	8557.52
(XII) Earning per Equity Share of par value of Rs. 10/- each			
Basic (Rs)	37	308.00	63.19
Diluted (Rs)		308.00	63.19

See accompanying notes to the financial statements

As per our report of even date attached

For SCV & Co. LLP
Chartered Accountants
Firm Regn. No. 000235N/N500089

For and On behalf of the Board of Directors

(Sanjiv Mohan)
Partner
M.No.086066

Raj Kumar Avasthi
Chairman -Cum- Mg. Director
DIN No.01041890

Munish Avasthi
Managing Director
DIN No.00442425

Naresh Jain
Executive Director
DIN No.00254045

Place: Ludhiana
Date :April 30, 2022

P.K. Gupta
Chief Financial Officer

Lovlesh Verma
Company Secretary

Statement of Changes in Equity As At 31st March,2022

(Rs. in Lakhs)

a) Equity Share Capital

Particulars	Amount
Balance as at 1st April,2020	346.38
Change in equity share capital during the year	
-Unpaid calls received during the year	1.88
Balance as at 31st March,2021	348.26
Change in equity share capital during the year	
-Bonus shares issued during the year	996.54
Balance as at 31st March,2022	1344.80

b) Other Equity

Particulars	Equity Component of Compound Financial Instruments(Inclusive of Securities Premium)*	Reserve and Surplus				other comprehensive income (remeasurement of defined benefit plans)	Total
		Capital Redemption Reserve	Securities Premium	Retained Earnings	General Reserve		
Balance as at 1st April, 2020	5816.30	553.80	697.69	17797.46	3.00	-8.20	24860.05
Amount received against unpaid calls	0.00	0.00	5.02	0.00	0.00	0.00	5.02
Equity Component of Preference Shares allotted during the year	1916.74	0.00	0.00	0.00	0.00	0.00	1916.74
Profit for the year	0.00	0.00	0.00	8452.88	0.00	0.00	8452.88
Other Comprehensive Income for the year	0.00	0.00	0.00	0.00	0.00	104.64	104.64
Balance as at 31st March 2021	7733.04	553.80	702.71	26250.34	3.00	96.44	35339.33
Balance as at 1st April, 2021	7733.04	553.80	702.71	26250.34	3.00	96.44	35339.33
Bonus shares issued during the year	0.00	-553.80	-442.74	0.00	0.00	0.00	-996.54
Profit for the year	0.00	0.00	0.00	40924.92	0.00	0.00	40924.92
Other Comprehensive Income for the year	0.00	0.00	0.00	0.00	0.00	134.09	134.09
Balance as at 31st March,2022	7733.04	0.00	259.97	67175.26	3.00	230.53	75401.80

* Equity Component of Compound Financial Instruments (Inclusive of Securities Premium) includes equity component of Rs. 662.55 Lakhs in respect of preference shares redeemed during the year 2020-21.

See accompanying notes to the financial statements

As per our report of even date attached

For SCV & Co. LLP
Chartered Accountants
Firm Regn. No. 000235N/N500089

For and On behalf of the Board of Directors

Sanjiv Mohan
(Partner)
M. No. 086066

Raj Kumar Avasthi
Chairman- Cum- Mg.Director
DIN No.01041890

Munish Avasthi
Managing Director
DIN No.00442425

Naresh Jain
Executive Director
DIN No.00254045

Place: Ludhiana
Date :April 30, 2022

P.K. Gupta
Chief Financial Officer

Lovlesh Verma
Company Secretary

Statement of Cash Flow For The Year Ended 31st March 2022

(Rs in Lakhs)

Particulars	For the Year ended 31st March, 2022	For the Year ended 31st March, 2021
A. CASH FLOW FROM OPERATING ACTIVITIES :		
Profit before tax	54740.86	11798.79
Adjustments for :		
Depreciation and amortisation expense	4385.91	5173.43
Premium on Redemption of Preference shares	0.00	2195.10
Interest on Liability Component of Compound Financial Instruments	60.82	39.60
Amortisation of Processing Charges	28.48	36.52
Interest on Unsecured Loan From Directors(Net)	0.73	-0.02
Unrealised foreign exchange (Gain)/ Loss on Assets and Liabilities	-269.00	-239.30
Interest & Other Financial Charges on Borrowings	2759.83	3038.55
Expected credit loss allowance	10.36	11.08
Interest Income	-100.46	-123.19
(Profit)/Loss on sale of Property,plant and equipment (Net)	-22.59	0.76
Operating Cash flow before Changes In Working Capital	61594.94	21931.32
Adjustments for Working Capital Changes :		
(Increase(-))/Decrease (+) in Inventories	-24069.25	-6988.14
(Increase (-))/Decrease (+) in Trade and Other Receivables	-19434.64	-4513.98
Increase (+)/(Decrease (-)) in Trade Payable and Other Liabilities	5209.96	1404.60
Cash Generated from Operating Activities	23301.01	11833.80
Income Taxes Paid	-13737.92	-1556.51
Net Cash from/(used in) Operating Activities	9563.09	10277.29
B. CASH FLOW FROM INVESTING ACTIVITIES :		
Payment for Purchase of Property,Plant and Equipment	-7916.41	-402.61
Proceeds from Sale of Property,Plant and Equipment	33.37	21.10
Bank Deposits not considered as cash and cash equivalents	-2436.04	0.00
Interest Received	35.39	127.10
Net Cash from/(used in) Investing Activities	-10283.69	-254.41
C. CASH FLOW FROM FINANCING ACTIVITIES :		
Proceeds from issuance of Preference Shares	0.00	2440.00
Payment on redemption of Preference Shares	0.00	-2439.00
Receipts of unpaid calls of Equity Shares	0.00	6.90
Payment of Lease Liabilities	-6.27	-16.01
Proceeds from Non-Current Borrowings	13.71	990.31
Proceeds from Current Borrowings(Net)	11418.70	0.00
Repayment of Current Borrowings (Net)	0.00	-2580.71
Repayment of Non-Current Borrowings	-8213.32	-5389.60
Interest & Other Financial Charges Paid (Including interest on Lease Liabilities)	-2521.66	-3110.72
Net Cash from/(used in)Financing Activities	691.16	-10098.83
D. Net Increase/ (Decrease) in Cash and Cash Equivalents	-29.44	-75.95
Cash and Cash Equivalents at the beginning of the year	82.98	158.93
Cash and Cash Equivalents at the end of the year**	53.54	82.98

*There is no Non-Cash Transactions arising from financing activities.

**Refer Note 8 for components of Cash and Cash Equivalents

See accompanying notes to the financial statements

As per our report of even dated attached

For SCV & Co. LLP
Chartered Accountants
Firm Regn. No. 000235N/N500089

For and on behalf of Board of Directors

Raj Kumar Avasthi
Chairman -Cum- Mg.Director
DIN No.01041890Munish Avasthi
Managing Director
DIN No.00442425Naresh Jain
Executive Director
DIN No.00254045(Sanjiv Mohan)
Partner
M.No.086066Place: Ludhiana
Date :April 30, 2022P.K. Gupta
Chief Financial OfficerLovlesh Verma
Company Secretary

Notes to the financial statements for the year ended 31st March, 2022**Note 1 GENERAL INFORMATION**

Sportking India Limited (the Company) is a public limited company domiciled in India and incorporated under the provisions of the Companies Act, 1956 on 15th February 1989 and has its registered office at Village Kanech, Near Sahnewal, G.T. Road, Ludhiana, Punjab -141120. The company is engaged in manufacturing of Cotton Yarn, Synthetic Yarn and Blended Yarn. The Company has manufacturing units at Ludhiana and Bathinda. The company's equity shares are listed at BSE Limited (Bombay Stock Exchange).

The financial statements were approved and authorized for issue by the Company's Board of Directors on 30th April 2022.

Note 2 SIGNIFICANT ACCOUNTING POLICIES, SIGNIFICANT ACCOUNTING ESTIMATES, JUDGEMENTS AND ASSUMPTIONS AND APPLICABILITY OF NEW AND REVISED IND AS**2.1 STATEMENT OF COMPLIANCE**

The financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the Act) read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 as amended from time to time and other relevant provisions of the Act.

2.2 BASIS OF PREPARATION AND MEASUREMENT

The financial statements have been prepared on historical cost convention on accrual basis except for certain financial instruments (including derivative instruments) which are measured at fair value at the end of each reporting period.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/ or disclosure purposes in the financial statements is determined on such a basis, except for measurements that have some similarities to fair value but are not fair value, such as net realisable value in Ind AS 2.

In addition, for financial reporting purposes, fair value measurements are categorized into Level 1, 2, or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

The functional and presentation currency of the Company is Indian rupees (₹) and all values are rounded to the nearest lakhs and two decimals thereof, except otherwise stated.

2.3 SIGNIFICANT ACCOUNTING POLICIES:**2.3.1 Revenue Recognition**

Revenue from contracts with customers is recognized as and when the company satisfies performance obligation by transfer of control of goods at an amount that reflects the consideration entitled in exchange for those goods.

Generally, control is transferred upon shipment of goods to the customer or when the goods is made available to the customer, provided transfer of title to the customer occurs and the company has not retained any significant risk of ownership or future obligations with respect to the goods shipped.

2.3.1(a) Sale of products

Revenue from sale of products is recognized at a point of time when the control of goods is transferred to the customer which is usually on dispatch/delivery. Sale is net of sales returns, discounts and goods and services tax.

Revenue is measured at the amount of consideration which the company expects to be entitled to in exchange for transferring distinct goods to a customer as specified in the contract, excluding amount collected on behalf of third parties (For example taxes and duties collected on the behalf of government). Consideration is generally due upon satisfaction of performance obligation and receivable is recognized when it becomes unconditional.

The company does not adjust short term advances received from the customer for the effects of significant financing component if it is expected at the contract inception that the promised goods will be transferred to the customer within a period of.

2.3.1(b) Interest Income

- a) Revenue in respect of interest from customers is recognized when no significant uncertainty exists with regard to the amount to be realized and the ultimate collection thereof.
- b) Interest income from financial assets is recognised when it is probable that economic benefit will flow to the company and the amount of income can be measured reliably and is recognised on a time basis, by reference to the principal amount outstanding and at effective interest rate.

2.3.1(c) Dividend

Dividend income is recognized when the right to receive payment is established and the amount of dividend can be measured reliably.

2.3.1(d) Insurance claims

Insurance and other claims are recognized when no significant uncertainty exists with regard to the amount to be realized and the ultimate collection thereof.

2.3.1(e) Other Income

Revenue in respect of other income is recognized when no significant uncertainty exists with regard to the amount to be realized and the ultimate collection thereof.

2.3.2 Employee Benefits**2.3.2(a) Short term Employee Benefits:**

Employee benefits payable wholly within twelve months of receiving employee services are classified as short-term employee benefits. The amount of short term employee benefits are recognized as an expense on an undiscounted basis in the statement of profit and loss of the year in which the related service is rendered.

2.3.2(b) Post-Employment benefit plans**(a) Defined Contribution Plan:**

Provident fund is a defined contribution scheme. The Company has no obligation, other than the contribution payable to the provident fund. The Company recognizes contribution payable to the provident fund scheme as an expense, when an employee renders the related service

(b) Defined Benefit Plan:

The Company provides for gratuity, a defined benefit retirement plan ('the Gratuity Plan') covering eligible employees of the Company. The Gratuity Plan provides a lump-sum payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount based on the respective employee's salary and the tenure of employment with the Company.

Liabilities with regard to the Gratuity Plan are determined by actuarial valuation, performed by an independent actuary, at each balance sheet date using the projected unit credit method. The company fully contributes all ascertained liabilities to the "Sportking India Limited Employee Group Gratuity Trust" managed by the trustees. The

trustees administrate contributions made to the Trust and contributions are invested in the schemes as permitted by the laws of India.

The Company recognizes the net obligation of a defined benefit plan in its balance sheet as an asset or liability. Re-measurements comprising of actuarial gains and losses, the effect of the asset ceiling (excluding amounts included in net interest on the net defined benefit liability) and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability) are recognised in Other Comprehensive Income which are not reclassified to profit or loss in subsequent periods. All other expenses related to defined benefit plans are recognised in employee benefits expense in the Statement of profit and loss.

2.3.2(c) Other long term employee benefits- Compensated absences:

The Company has a policy on compensated absences which are both accumulating and non-accumulating in nature. The expected cost of accumulating compensated absences is determined by actuarial valuation performed by an independent actuary at each balance sheet date using projected unit credit method. Expense on non-accumulating compensated absences is recognized in the period in which the absences occur.

2.3.3 Property, plant and equipment :

On transition to Ind AS, the Company has elected to continue with the carrying value of all its Property, plant and equipment as at 1st April, 2016 measured as per previous GAAP and use its carrying value as its deemed cost as on date of transition.

Freehold land is carried at cost. All other items of Property, plant and equipment are stated at cost, less accumulated depreciation and impairment loss, if any. The cost directly attributable to acquisition are capitalised until the property plant and equipment are ready for use as intended by the management.

The cost of an item of Property, plant and equipment comprises of:

- (i.) Purchase price including import duties and non-refundable purchase taxes after deducting trade discounts and rebates.
- (ii.) any expenditure directly attributable for bringing an asset to the location and the working condition for its intended use and
- (iii.) the initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located, the obligation for which an entity incurs either when the item is acquired or as a consequence of having used the item during a particular period for purposes other than to produce inventories during that period.

Advances paid towards the acquisition of property, plant and equipment outstanding at each balance sheet date is classified as capital advances under other non-current assets and the cost of assets not put to use before such date are disclosed under 'Capital work-in-progress'.

Subsequent expenditures relating to property, plant and equipment is capitalized only when it is probable that future economic benefits associated with these will flow to the Company and the cost of the item can be measured reliably. Repairs and maintenance costs are recognized in net profit in the statement of profit and loss when incurred. An item of Property, Plant and Equipment and any significant part initially recognized is derecognised upon disposal or when no future economic benefits are expected from its use. Any gain or loss arising on recognition of the asset measured as the difference between the net disposal proceeds and the carrying amount of the asset is included in the income statement when the asset is derecognized.

De-recognition of Property, Plant and Equipment

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on disposal or retirement of an item of property, plant and equipment is determined as the difference between sale proceeds and the carrying amount of the asset and is recognised in profit or loss. Fully depreciated assets still in use are retained in the financial statements.

2.3.4 Intangible Assets

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment losses. Amortisation is recognised on a straight-line basis over their estimated useful lives. The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis. Intangible assets with indefinite useful lives that are acquired separately are carried at cost less accumulated impairment losses.

The Company has elected to continue with the carrying value of all its intangible assets recognised as on April 1, 2016 measured as per the previous GAAP and use that carrying value as its deemed cost as on transition date.

De-recognition of intangible assets

The cost and related accumulated amortization are eliminated from financial statement upon disposal or retirement of the assets and the resulted gain or losses are recognized in the statement of profit and loss.

Gains or losses arising from de-recognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the asset is derecognized.

2.3.5 Depreciation and amortization

Depreciation is provided on Straight Line Method on the basis of useful lives of such assets specified in Schedule II to the Act.

Depreciation method, useful lives and residual values are reviewed periodically, including at each financial year end with the effect of any changes in estimate accounted for on a prospective basis.

Intangible assets are amortized over their respective individual estimated useful lives on a straight-line basis, from the date that they are available for use. The estimated useful life of an identifiable intangible asset is based on a number of factors including the effects of obsolescence, etc. Amortisation method and useful life are reviewed periodically, including at each financial year end with the effect of any changes in estimate accounted for on a prospective basis.

2.3.6 Inventories

Inventories are valued at cost or net realizable value, whichever is lower. The cost in respect of the various items of inventory is computed as under:

- In case of raw materials At first-in first-out (FIFO) basis. The cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition.
- In case of stores and spares at weighted average cost plus direct expenses. The cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition.
- In case of work in progress at raw material cost plus conversion costs depending upon the stage of completion.
- In case of finished goods at average raw material cost plus conversion costs, packing cost and other overheads incurred to bring the goods to their present location and condition.

Net Realisable Value is the estimated selling price in ordinary course of business less estimated cost of completion and estimated cost necessary to make the sales.

2.3.7 Borrowing Costs

Borrowing costs that are directly attributable to the acquisition or construction of a qualifying asset, which are assets that necessarily take a substantial period of time to get ready for their intended use, are added to the cost of the assets. Other borrowing costs are recognized in the statement of Profit and Loss in the period in which they are incurred. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

2.3.8 Earnings per Share

Basic earning per share is computed by dividing the profit for the period attributable to the equity shareholders of the company by the weighted average number of equity shares outstanding during the period. For the purpose of calculating diluted earnings per share, the profit for the period attributable to the equity shareholders is divided by the weighted average number of shares outstanding during the period are adjusted for the effects of all diluted potential equity shares, if any.

2.3.9 Income Taxes

Income tax expense comprises current income tax and net change in deferred income tax asset and liability during the year.

Income tax expense is recognized on net profit in the statement of profit and loss except to the extent that it relates to items recognized directly in equity or other comprehensive income, in which case it is recognized in equity or other comprehensive income respectively.

Current income tax for current periods is recognized at the amount expected to be paid to or recovered from the tax authorities, using the tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date.

Deferred income tax assets and liabilities are recognized for all temporary differences arising between the tax base of assets and liabilities and their carrying amounts in the financial statements. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

Deferred income tax assets and liabilities are measured using tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date and are expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled.

The effect of changes in tax rates on deferred income tax assets and liabilities is recognized as income or expense in the period that includes the enactment or the substantive enactment date.

A deferred income tax asset is recognized to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences and tax losses can be utilized. The Company offsets current tax assets and liabilities and also deferred tax assets and liabilities, where it has a legally enforceable right to set off the recognized amounts and where it intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

2.3.10 Government Grants

The government grants are recognized only when there is reasonable assurance that the conditions attached to them shall be complied with, and the grants will be received.

Government grants related to fixed assets up to financial year 2018-19 were recognised in statement of profit or loss as income on a systematic basis. As per the amendment in Ind-AS 20 "Government Grants vide notification dated 20th September, 2018, the Company has opted to present the grant received / receivable related to assets as deduction from the carrying value of such assets w.e.f. 1st April, 2019.

Government grants related to revenue are recognized on a systematic basis in the statement of profit and loss over the periods necessary to match them with the related costs which they are intended to compensate.

2.3.11 Foreign Currency translations

Transactions in foreign currency are initially recorded in the functional currency i.e. Indian Rupees using the exchange rate prevailing at the date of transactions.

Monetary items denominated in foreign currency are reported using the exchange rate prevailing at the end of reporting period.

The exchange difference arising on the settlement or reporting of monetary items at rates different from rates at which these were initially recorded / reported in previous financial statements, are recognised in the statement of profit and loss in the period in which they arise.

Non-monetary items denominated in foreign currency and measured at historical cost are recorded at the exchange rate prevalent at the date of transaction, Non-monetary items that are measured in term of historical cost in foreign currency are not retranslated.

2.3.12 Dividends

Final dividends on shares are recorded as a liability on the date of approval by the shareholders and interim dividends are recorded as a liability on the date of declaration by the company's Board of Directors.

2.3.13 Leases**The Company as a lessee**

The Company's lease asset classes primarily consist of leases for buildings. The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether: (i) the contract involves the use of an identified asset (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Company has the right to direct the use of the asset.

At the date of commencement of the lease, the Company recognizes a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and leases for which underlying asset is of low value. For these short-term and leases for which underlying asset is of low value, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. Right of use assets is evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the lessee's incremental borrowing rate. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the Company changes its assessment if whether it will exercise an extension or a termination option.

Lease liability and Right of Use assets have been separately presented in the Balance sheet and Lease Payments has been classified as financing cash flows.

The Company as a lessor

Leases for which the company is a lessor is classified as a finance or operating lease. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases.

For operating leases, rental income is recognized on a straight line basis over the term of the relevant lease.

2.3.14 Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

2.3.14(a) Initial Recognition and measurement

The company recognises the financial assets and financial liabilities when it becomes party to the contractual provision of the instruments. All financial assets and liabilities are recognised at fair value on initial recognition except for trade receivables which are initially measured at transaction price. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities that are not at fair value through profit or loss are added/reduced to the fair value on initial recognition.

Transaction cost directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit and loss are recognised immediately in the statement of profit and loss.

2.3.14(b) Subsequent measurement**(a) Non-derivative financial instruments***** Financial assets carried at amortised cost**

A financial asset is subsequently measured at amortised cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

**** Financial assets at fair value through other comprehensive income**

A financial asset is subsequently measured at fair value through other comprehensive income if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Interest income is recognised in profit or loss for instruments measured at Fair value through other comprehensive income.

***** Financial assets at fair value through profit or loss**

A financial asset is measured at fair value through profit and loss unless it is measured at amortized cost or at fair value through other comprehensive income.

****** Financial liabilities**

The financial liabilities are subsequently carried at amortized cost using the effective interest method. For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

(b) Derivative financial instruments

The Company holds derivative financial instruments such as foreign exchange forward contracts to mitigate the risk of changes in exchange rates on foreign currency exposures. The counterparty for these contracts is generally a bank.

Although the Company believes that these derivatives constitute hedges from an economic perspective, they may not qualify for hedge accounting under Ind AS 109, Financial Instruments. Any derivative that is either not designated a hedge, or is so designated but is ineffective as per Ind AS 109, is categorized as a financial asset or financial liability, at fair value through profit or loss.

Derivatives not designated as hedges are recognized initially at fair value and attributable transaction costs are recognized in net profit in the statement of profit and loss when incurred. Subsequent to initial recognition, these derivatives are measured at fair value through profit or loss and the resulting exchange gains or losses are charged to Statement of Profit and Loss.

(c) Equity Share

Equity shares are classified as equity. Incremental costs directly attributable to the issuance of new ordinary share and share options are recognized as a deduction from equity, net of any tax effects.

(d) Compound financial instruments

The non-convertible non-cumulative preference shares issued by the company that provides for mandatory redemption by the company for a fixed or determinable amount at a fixed or determinable future date has been treated as a compound financial instruments as per criteria mentioned in Ind AS 32.

On issuance of the convertible preference shares, the fair value of the liability component is determined using a market interest rate for an equivalent non-convertible instrument. This amount is classified as a financial liability measured at amortised cost (net of transaction costs). The remainder of the proceeds is recognised and included in other equity.

(e) De-recognition of financial instruments

A financial asset is derecognized when the contractual rights to the cash flows from the financial asset expire or it transfers the financial asset and the transfer qualifies for de-recognition under Ind AS 109. A financial liability (or a part of financial liability) is derecognized when the obligation specified in the contract is discharged or cancelled or expires.

2.3.15 Impairment**2.3.15(a) Financial assets (other than measured at fair value through profit or loss)**

The company recognizes loss allowances using the expected credit loss model for the financial assets which are not fair valued through profit or loss.

Loss allowance for trade receivables with no significant financing component is measured at an amount equal to lifetime expected credit losses. For all other financial assets, expected credit losses are measured at an amount equal to the 12-month expected credit loss, unless there has been a significant increase in credit risk from initial recognition in which case those are measured at lifetime expected credit loss.

2.3.15(b) Non-financial assets**Intangible assets and property, plant and equipment**

Intangible assets and property, plant and equipment are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the CGU to which the asset belongs.

If such assets are considered to be impaired, the impairment to be recognized in the statement of profit and loss is measured by the amount by which the carrying value of the assets exceeds the estimated recoverable amount of the asset. An impairment loss is reversed in the statement of profit and loss if there has been a change in the estimates used to determine the recoverable amount. The carrying amount of the asset is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of any accumulated amortization or depreciation) had no impairment loss been recognized for the asset in prior years.

Impairment is reviewed periodically including at the end of each financial year.

2.3.16 Cash and cash equivalents

The Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with the original maturity period of three months or less, which are subject to an insignificant risk of changes in value and all highly liquid investments that are readily convertible to known amounts of cash to be cash equivalents.

2.3.17 Cash flow statement

The cash flow statement is prepared in accordance with the Indian Accounting Standard (Ind AS) - 7 "Statement of Cash flows" using the indirect method for operating activities. Whereby profit for the period is adjusted for the effects of transaction of a non-cash nature, and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the company are segregated.

Cash flows arising from proceeds and repayment of the current borrowing are reported on net basis, as the turnover is quick, the amounts are large and the maturities are short.

2.3.18 Provisions and contingent liabilities

2.3.18 (a) A provision is recognised when:

- a) an entity has a present obligation as a result of a past event;
- b) it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation; and
- c) a reliable estimate can be made of the amount of the obligation.

2.3.18 (b) A disclosure for a contingent liability is made when there is :

- a) a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity; or

b) a present obligation that arises from past events but is not recognised because:

* it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or

** the amount of the obligation cannot be measured with sufficient reliability.

***Contingent assets are not recognised in the financial statements since this may result in the recognition of income that may never be accrued/ realised. A disclosure for contingent assets is made when an inflow of economic benefit is probable.

2.4 SIGNIFICANT ACCOUNTING ESTIMATES, JUDEMENTS AND ASSUMPTIONS

Use of estimates and judgements

The preparation of the financial statements in conformity with Ind AS requires management to make estimates, judgments and assumptions. These estimates, judgments and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the period. Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as management becomes aware of changes in circumstances surrounding the estimates. Changes in estimates are reflected in the financial statements in the period in which changes are made. Differences between actual results and estimates are recognised in the period in which the results are known/ materialised.

Critical accounting, estimates, assumptions and judgments

The following are the areas of estimation uncertainty and critical judgements that the management has made in the process of applying the Company's accounting policies and that have the most significant effect on the amounts recognised in the financial statements:

2.4.1 Useful lives of depreciable tangible and intangible assets

The estimated useful lives of tangible and intangible assets are based on a number of factors including the effects of obsolescence, internal assessment of user experience and other economic factors (such as the stability of the industry, and known technological advances) and the level of maintenance expenditure required to obtain the expected future cash flows from the asset.

The management reviews the useful life of depreciable/amortisable assets at each reporting date.

2.4.2 Recoverable amount of property, plant and equipment

The recoverable amount of property plant and equipment is based on estimates and assumptions regarding the expected market outlook and expected future cash flows. Any changes in these assumptions may have a material impact on the measurement of the recoverable amount and could result in impairment.

2.4.3 Defined benefit plans

Employee benefit obligations are measured on the basis of actuarial assumptions including any changes in these assumptions that may have a material impact on the resulting calculations.

2.4.4 Recognition of deferred tax asset

Management judgement is required for the calculation of provision for income taxes and deferred tax assets and liabilities. The company reviews at each balance sheet date the carrying amount of deferred tax assets. The factors used in estimates may differ from actual outcome which could lead to significant adjustment to the amounts reported in financial statement.

2.4.5 Contingencies

Management judgement is required for estimating the possible outflow of resources, if any, in respect of contingencies/claims/litigations against the Company as it is not possible to predict the outcome of pending matters with accuracy. The Company annually assesses such claims and monitors the legal environment on an ongoing basis, with the assistance of external legal counsel, wherever necessary.

2.4.6 Fair Value measurements

Some of the Company's assets and liabilities are measured at fair value for financial reporting purposes. In estimating the fair value of an asset or liability, the Company uses market-observable data to the extent it is available. Information about the valuation techniques and inputs used in determining the fair value of various assets and liabilities are disclosed in note no. 47.

2.4.7 Estimation of uncertainties relating to the global health pandemic from COVID-19

The company has made assessment of impact of COVID-19 on carrying amount of property, plant and equipment, inventories, receivables and other current assets. Based on current indicators of future economic conditions, the company expects to recover the carrying amount of these assets. However, in view of highly uncertain and continuously evolving business environment, the eventual impact of COVID-19 may be different from the estimated as at the date of approval of these financial statements. The company will continue to closely monitor any material changes arising of future economic conditions and its impact on business.

2.4.8 Inventory

Management has carefully estimated the net realizable values of inventories, taking into account the most reliable evidence available at each reporting date. The future realization of these inventories may be affected by market driven changes.

2.5 CURRENT – NON-CURRENT CLASSIFICATION

All assets and liabilities have been classified as current and non-current on the basis of the following criteria:

Assets

An asset is classified as current when it satisfies any of the following criteria:

- a) it is expected to be realised in, or is intended for sale or consumption in, the company's normal operating cycle;
- b) it is held primarily for the purpose of being traded;
- c) it is expected to be realised within 12 months after the reporting date; or
- d) it is cash or cash equivalent unless it is restricted from being exchanged or use to settle a liability for at least 12 months after the reporting date.

Current assets also include the current portion of non-current financial assets.

All other assets are classified as non-current.

Liabilities

A liability is classified as current when it satisfies any of the following criteria:

- a) it is expected to be settled in the company's normal operating cycle;
- b) it is held primarily for the purpose of being traded;
- c) it is due to be settled within 12 months after the reporting date; or
- d) The Company does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting date. Terms of a liability that could, at the option of the counterpart, result in its settlement by the issue of equity instruments do not affect its classification.

Current liabilities also include current portion of non-current financial liabilities.

All other liabilities are classified as non-current

Operating cycle

Operating cycle is the time between the acquisition of assets for processing/servicing and their realization in cash or cash equivalents.

2.6 APPLICABILITY OF NEW AND REVISED IND AS

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On March 23, 2022, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2022, as below.

- (i) Ind AS 16 – Property Plant and equipment** - The amendment clarifies that excess of net sale proceeds of items produced over the cost of testing, if any, shall not be recognized in the standalone statement of profit and loss but deducted from the directly attributable costs considered as part of cost of an item of property, plant, and equipment. The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2022. The Company has evaluated the amendment and there is no significant impact on its standalone financial statements.

- (ii) Ind AS 37 – Provisions, Contingent Liabilities and Contingent Assets** – The amendment specifies that the 'cost of fulfilling' a contract comprises the 'costs that relate directly to the contract'. Costs that relate directly to a contract can either be incremental costs of fulfilling that contract (examples would be direct labour, materials) or an allocation of other costs that relate directly to fulfilling contracts (an example would be the allocation of the depreciation charge for an item of property, plant and equipment used in fulfilling the contract). The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2022, although early adoption is permitted. The Company has evaluated the amendment and there is no significant impact on its standalone financial statements.

- (iii) Ind AS 109 – Financial Instruments** - The amendment clarifies which fees an entity includes when it applies the '10 percent' test of Ind AS 109 in assessing whether to derecognise a financial liability. The Company has evaluated the amendment and there is no significant impact on its standalone financial statements.

NOTE- 3(a) Property, Plant and Equipment

The Change in the carrying value of property,Plant and Equipment is as follows:-

Tangible Assets			(Rs. In Lakhs)	
Particulars	As at 31st March,2022	As at 31st March,2021		
Land	2247.94	1910.11		
Building	19161.97	19933.00		
Plant and Machinery	16213.68	19337.34		
Furniture and Fixtures	133.43	121.35		
Vehicles	200.44	227.71		
Office Equipment	125.25	142.13		
Total	38082.71	41671.64		

(Rs. In Lakhs)

Particulars	Cost/Deemed Cost				Accumulated Depreciation					Net Block		
	Balance as at 1st April,2021	Additions	Disposals	Other Adjustments	Balance as at 31st March,2022	Balance as at 1st April,2021	Depreciation expense for the year	Eliminated on disposal of Assets	Other Adjustments	Balance as at 31st March,2022	Balance as at 31st March,2022	Balance as at 31st March,2021
Tangible Assets:												
Land	1910.11	337.83	0.00	0.00	2247.94	0.00	0.00	0.00	0.00	0.00	2247.94	1910.11
Building	23102.07	0.00	0.00	0.00	23102.07	3169.07	771.03	0.00	0.00	3940.10	19161.97	19933.00
Building Lease Hold	64.89	0.00	0.00	0.00	64.89	64.89	0.00	0.00	0.00	64.89	0.00	0.00
Plant and Machinery	43631.41	395.23	167.36	0.00	43859.28	24294.07	3510.53	159.00	0.00	27645.60	16213.68	19337.34
Furniture and Fixtures	237.40	36.10	0.00	0.00	273.50	116.05	24.02	0.00	0.00	140.07	133.43	121.35
Vehicles	241.30	8.55	97.41	295.09	447.53	13.59	30.95	92.54	295.09	247.09	200.44	227.71
Office Equipment	247.01	5.08	0.00	0.00	252.09	104.88	21.96	0.00	0.00	126.84	125.25	142.13
Total	69434.19	782.79	264.77	295.09	70247.30	27762.55	4358.49	251.54	295.09	32164.59	38082.71	41671.64

Particulars	Cost/Deemed Cost				Accumulated Depreciation					Net Block		
	Balance as at 1st April,2020	Additions	Disposals	Other Adjustments	Balance as at 31st March,2021	Balance as at 1st April,2020	Depreciation expense for the year	Eliminated on disposal of Assets	Other Adjustments	Balance as at 31st March,2021	Balance as at 31st March,2021	Balance as at 31st March,2020
Tangible Assets:												
Land	1902.80	7.31	0.00	0.00	1910.11	0.00	0.00	0.00	0.00	0.00	1910.11	1902.80
Building	23071.47	30.60	0.00	0.00	23102.07	2399.37	769.70	0.00	0.00	3169.07	19933.00	20672.10
Building Lease Hold	64.89	0.00	0.00	0.00	64.89	64.89	0.00	0.00	0.00	64.89	0.00	0.00
Plant and Machinery	43643.47	67.73	73.60	6.19	43631.41	20051.12	4312.87	69.92	0.00	24294.07	19337.34	23592.35
Furniture and Fixtures	230.24	7.16	0.00	0.00	237.40	90.20	25.85	0.00	0.00	116.05	121.35	140.04
Vehicles	211.98	155.36	126.04	0.00	241.30	93.41	28.05	107.87	0.00	13.59	227.71	118.57
Office Equipment	233.21	13.80	0.00	0.00	247.01	83.72	21.16	0.00	0.00	104.88	142.13	149.49
Total	69358.06	281.96	199.64	6.19	69434.19	22782.71	5157.63	177.79	0.00	27762.55	41671.64	46575.35

1.Refer note 48 for information on Property,Plant and Equipment pledged as security by the company.

2.Also refer note 2.3.3 for option used by company to use carrying value of previous GAAP as deemed cost under IND AS on transition date of April 1,2016 .

3. Refer note 57 in respect of proceedings initiated against the company for holding land under the Benami Transactions (Prohibition) Act, 1988 during the year ended 31st March 2022 wherein the land amounting to Rs. 231.38 Lakhs included in above figures has been attached vide provisional attachment order dated 20.09.2021 u/s 24(4)(a)(i) of the Act.

NOTE- 3 (b) Right of Use Assets

The Change in the carrying value of Right of Use Assets is as follows:-

(Rs. In Lakhs)

Particulars	As at 31st March 2022	As at 31st March 2021
Land and Buildings	75.65	39.22
Total	75.65	39.22

(Rs. In Lakhs)

Particulars	Cost				Accumulated Depreciation					Net Block		
	Balance as at 1st April, 2021	Additions	Disposals	Other Adjustments	Balance as at 31st March,2022	Balance as at 1st April,2021	Depreciation expense for the year	Eliminated on disposal of Assets	Other Adjustments	Balance as at 31st March,2022	Balance as at 31st March,2022	Balance as at 31st March,2021
Land and Buildings	63.58	56.75	0.00	0.00	120.33	24.36	20.32	0.00	0.00	44.68	75.65	39.22
Total	63.58	56.75	0.00	0.00	120.33	24.36	20.32	0.00	0.00	44.68	75.65	39.22

Particulars	Cost				Accumulated Depreciation					Net Block		
	Balance as at 1st April,2020	Additions	Disposals	Other Adjustments	Balance as at 31st March,2021	Balance as at 1st April,2020	Depreciation expense for the year	Eliminated on disposal of Assets	Other Adjustments	Balance as at 31st March,2021	Balance as at 31st March,2021	Balance as at 31st March,2020
Land and Buildings	63.58	0.00	0.00	0.00	63.58	16.56	7.80	0.00	0.00	24.36	39.22	47.02
Total	63.58	0.00	0.00	0.00	63.58	16.56	7.80	0.00	0.00	24.36	39.22	47.02

NOTE- 3 (c) Other Intangible Assets

The Change in the carrying value of Other Intangible Assets is as follows:-

(Rs. In Lakhs)

Particulars	As at 31st March 2022	As at 31st March 2021
Computer Softwares	0.42	1.55
Right to use Power Line	5.93	11.90
Total	6.35	13.45

(Rs. In Lakhs)

Particulars	Cost/Deemed Cost				Amortisation					Net Block		
	Balance as at 1st April,2021	Additions	Disposals	Other Adjustments	Balance as at 31st March,2022	Balance as at 1st April,2021	Depreciation expense for the year	Eliminated on disposal of Assets	Other Adjustments	Balance as at 31st March,2022	Balance as at 31st March,2022	Balance as at 31st March,2021
Other Intangible Assets:												
Computer Softwares	154.99	0.00	0.00	0.00	154.99	153.44	1.13	0.00	0.00	154.57	0.42	1.55
Electric Line Expenses	35.68	0.00	0.00	0.00	35.68	23.78	5.97	0.00	0.00	29.75	5.93	11.90
Total	190.67	0.00	0.00	0.00	190.67	177.22	7.10	0.00	0.00	184.32	6.35	13.45

Particulars	Cost/Deemed Cost				Amortisation					Net Block		
	Balance as at 1st April,2020	Additions	Disposals	Other Adjustments	Balance as at 31st March,2021	Balance as at 1st April,2020	Depreciation expense for the year	Eliminated on disposal of Assets	Other Adjustments	Balance as at 31st March,2021	Balance as at 31st March,2021	Balance as at 31st March,2020
Other Intangible Assets:												
Computer Softwares	154.44	0.55	0.00	0.00	154.99	151.41	2.03	0.00	0.00	153.44	1.55	3.03
Electric Line Expenses	35.68	0.00	0.00	0.00	35.68	17.81	5.97	0.00	0.00	23.78	11.90	17.87
Total	190.12	0.55	0.00	0.00	190.67	169.22	8.00	0.00	0.00	177.22	13.45	20.90

1.The intangible assets are not internally generated.

2.Software purchased and expenditure on power lines are amortized @20% on straight line basis as the useful life has been estimated to be not more than five years.

3.Also refer note 2.3.4 for option used by company to use carrying value of previous GAAP as deemed cost under IND AS on transition date of April 1,2016.

(Rs in Lakhs)

Particulars	As at 31st March,2022	As at 31st March,2021
NOTE -4: Other Financial Assets (Non-Current)		
At Amortised Cost		
a) Fixed Deposits with Banks having maturity period of more than 12 months from reporting date*	116.80	111.76
b) Security Deposits	1611.89	1294.71
Total	1728.69	1406.47
* represents earmarked deposits with bank against term loan. Refer Note 47 for Classification of Financial Assets		
NOTE - 5: Other Non-Current Assets		
Unsecured considered good		
a) Capital Advances	2229.34	33.27
b) Prepaid Expenses	8.40	19.06
Total	2237.74	52.33
NOTE - 6: Inventories		
(At cost or net realisable value, whichever is lower)		
a) Raw Material	45150.30	21825.14
b) Raw Material in transit	1435.75	2317.20
c) Work in Progress	1869.01	1256.72
d) Finished Goods	2211.85	1383.52
e) Store and Spares	1522.23	1337.31
Total	52189.14	28119.89
-The method of valuation of inventory has been stated at Note 2.3.6 -The cost of Inventory recognised as an expense during the year is Rs. 123500.83 Lakhs (Previous Year Rs. 84771.31 Lakhs) -Refer note 48 for information on inventories pledged as security by the company.		
NOTE - 7: Trade Receivables		
-Secured,Considered good		
	0.00	0.00
-Unsecured,Considered good		
-Significant increase in Credit Risks	41045.14	20971.76
-Credit impaired	95.38	172.76
-Credit impaired	-27.64	-17.28
Less: Expected Credit Loss Allowance	0.00	0.00
Total	41112.88	21127.24
Refer note 44(A) for ageing schedule of trade receivables. Refer note 48 for information about trade receivables pledged as security by the company. Refer note 50 for Credit risks/allowance for expected credit loss related to trade receivables. Refer note 43 and 44(C) for information about receivables from related parties including due by firms or private companies respectively in which any director is a partner or a director or a member. Refer Note 47 for Classification of Financial Assets		
NOTE - 8: Cash and Cash Equivalents		
Balances with banks in current accounts	25.38	0.93
Cash on hand	28.16	82.05
Total	53.54	82.98
Refer Note 47 for Classification of Financial Assets		
NOTE - 9: Bank Balances Other than Cash and Cash Equivalents		
Earmarked Fixed deposits with banks		
-As margin money against LC for capital goods	2431.00	0.00
Total	2431.00	0.00
Refer Note 47 for Classification of Financial Assets		
NOTE - 10: Other Financial Assets(Current)		
Financial assets at amortized cost		
a) Interest receivable	66.05	0.99
b) Security Deposits	0.50	13.20
Financial assets at Fair value through Profit and Loss		
Derivative Financial Instruments	4.64	0.00
Total	71.19	14.19
Refer Note 47 for Classification of Financial Assets		
NOTE - 11: Other Current Assets		
Unsecured Considered Good		
a) Prepaid Expenses	282.43	180.25
b) Advance to suppliers*	1026.10	6017.02
c) Recoverable from Government Authorities	6632.25	2314.60
d) Other Recoverables	2010.87	1987.20
Total	9951.65	10499.07
* Refer note 43 and 44(C) for information about advances to related parties including advances to firms or private companies respectively in which any director is a partner or a director or a member.		

NOTE-12: Equity Share Capital

a) Authorised and Paid up Share Capital

Particulars	As at 31st March,2022		As at 31st March,2021	
	Number of Shares	(Rs in Lakhs)	Number of Shares	(Rs in Lakhs)
Authorised Share Capital				
Equity shares of Rs. 10/-each	15000000	1500.00	5000000	500.00
Total	15000000	1500.00	5000000	500.00
Issued,Subscribed and paid up share capital				
Equity shares of Rs.10/- each fully paid up	13287200	1328.72	3321800	332.18
Add : Amount paid up on forfeited Equity Shares		16.08		16.08
	13287200	1344.80	3321800	348.26

b) Rights,preferences and restrictions attached to Equity Shares

The company has one class of Equity Shares having a par value of Rs. 10/-each. 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.

c) Detail of Shares held by the holding company

There is no holding/ultimate holding company of the company.

d) Details of shares held by each shareholder holding more than 5% shares:

Name of shareholder	As at 31st March,2022		As at 31st March,2021	
	No. of Shares held	% of holding	No. of Shares held	% of Holding
Sobhagia Logistics Pvt Ltd. (Formerly Known as Namokar Capital Services Pvt Limited)	3195940	24.05	798985	24.05
Angel Finvest (P) Limited	1951600	14.69	487900	14.69
Sobhagia Sales Private Limited	1702260	12.81	425565	12.81
Raj Kumar Avasthi	1286000	9.68	321500	9.68
Munish Avasthi	970422	7.30	240700	7.25

e) Reconciliation of the Number of equity shares and amount outstanding at the beginning and at the end of the reporting period

Particulars	As at 31st March,2022		As at 31st March,2021	
	Number of Shares	(Rs in Lakhs)	Number of Shares	(Rs in Lakhs)
At the beginning of the reporting period	3321800	348.26	3561000	346.38
Add:Unpaid Calls received during the year				1.88
Less:Shares Forfeited during the year			-239200	
Add : Bonus Shares issued during the year	9965400	996.54		
At the end of the reporting period	13287200	1344.80	3321800	348.26

f) Aggregate number of Equity Shares issued for consideration other than cash,allotted by way of bonus shares,bought back for the period of five years immediately preceding the reporting date:

Fully paid up ordinary shares (Number)		
Equity Shares	As at 31st March,2022	As at 31st March,2021
Allotted as Fully paid up pursuant to contract(s) without payment being received in cash	0.00	0.00
Allotted as Fully paid up by way of bonus shares #	9965400	0.00
Shares bought back	0.00	0.00

During the year ended March 31, 2022, the Company allotted 99,65,400 equity shares as fully paid up bonus shares in proportion of 3:1 (i.e. three bonus shares for every one equity share held) to the eligible members/beneficial owners as on 24th September, 2021, i.e. record date, by capitalisation of amount of Rs. 996.54 Lakhs which was by way of transfer from Capital Redemption Reserve Rs. 553.80 Lakhs and Securities Premium Reserve. Rs. 442.74 Lakhs.

g) Details of Shareholdings by the Promoters and Promoter's Group of the Company

Name	As at 31st March, 2022		As at 31st March, 2021		% change
	No of Shares	% of Total shares	No of Shares	% of Total shares	
Sobhagia Logistics Pvt Ltd. (Formerly Known as Namokar Capital Services Pvt Limited)	3195940	24.05	798985	24.05	0.00
Angel Finvest Private Limited	1951600	14.69	487900	14.69	0.00
Sobhagia Sales Private Limited	1702260	12.81	425565	12.81	0.00
Raj Kumar Avasthi	1286000	9.68	321500	9.68	0.00
Munish Avasthi	970422	7.30	240700	7.25	0.05
Parveen Avasthi	650000	4.89	162500	4.89	0.00
Aradhna Knitwears Private Limited	72572	0.55	21600	0.65	-0.10
Suraj Dada	8800	0.07	2200	0.07	0.00
Anjali Avasthi	8454	0.06	1000	0.03	0.03
Anjali Dada	6000	0.05	1500	0.05	0.00
Total	9852048	74.15	2463450	74.17	-0.02

Name	As at 31st March, 2021		As at 31st March, 2020		% change
	No of Shares	% of Total shares	No of Shares	% of Total shares	
Sobhagia Logistics Pvt Ltd. (Formerly Known as Namokar Capital Services Pvt Limited)	798985	24.05	798985	22.44	1.61
Angel Finvest Private Limited	487900	14.69	487900	13.70	0.99
Sobhagia Sales Private Limited	425565	12.81	425565	11.95	0.86
Raj Kumar Avasthi	321500	9.68	321500	9.03	0.65
Munish Avasthi	240700	7.25	240700	6.76	0.49
Parveen Avasthi	162500	4.89	162500	4.56	0.33
Aradhna Knitwears Private Limited	21600	0.65	21600	0.61	0.04
Suraj Dada	2200	0.07	2200	0.06	0.01
Anjali Dada	1500	0.05	1500	0.04	0.01
Anjali Avasthi	1000	0.03	1000	0.03	0.00
Total	2463450	74.17	2463450	69.18	4.99

Note: The disclosure of shareholding of Promoter and Promoter's Group is based on shareholding pattern filed with Bombay Stock Exchange (BSE) under Regulation 31 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

NOTE 13: Other Equity

Particulars	Equity Component of Compound Financial Instruments (Inclusive of Securities Premium)*	Reserve and Surplus				Other items of other comprehensive income (remeasurement of defined benefit plans)	Total
		Capital Redemption Reserve	Securities Premium	Retained Earnings	General Reserve		
Balance as at 1st April, 2020	5816.30	553.80	697.69	17797.46	3.00	-8.20	24860.05
Amount received against calls unpaid	0.00	0.00	5.02	0.00	0.00	0.00	5.02
Equity component of preference shares allotted during the year	1916.74	0.00	0.00	0.00	0.00	0.00	1916.74
Profit for the year	0.00	0.00	0.00	8452.88	0.00	0.00	8452.88
Other Comprehensive Income for the year	0.00	0.00	0.00	0.00	0.00	104.64	104.64
Balance as at 31st March 2021	7733.04	553.80	702.71	26250.34	3.00	96.44	35339.33
Balance as at 1st April, 2021	7733.04	553.80	702.71	26250.34	3.00	96.44	35339.33
Bonus shares issued during the year	0.00	-553.80	-442.74	0.00	0.00	0.00	-996.54
Profit for the year	0.00	0.00	0.00	40924.92	0.00	0.00	40924.92
Other Comprehensive Income for the year	0.00	0.00	0.00	0.00	0.00	134.09	134.09
Balance as at 31st March, 2022	7733.04	0.00	259.97	67175.26	3.00	230.53	75401.80

* Equity Component of Compound Financial Instruments (Inclusive of Securities Premium) includes equity component of Rs. 662.55 Lakhs in respect of preference shares redeemed during the year 2020-21.

(i) Nature and Purpose of Reserve

1) Equity Component of Compound Financial Instruments

The fair value of the liability component of non-convertible preference shares issued by the company has been determined using an effective interest rate for an equivalent non-convertible instrument and the said amount is classified as a financial liability. The remainder of the proceeds is recognised as 'Equity Component of Compound Financial Instruments' in other equity as per provisions of Ind AS 32.

2) Capital Redemption Reserve

The Company has created Capital redemption reserve for redemption of preference shares at its maturity and certain amount is transferred to the said reserve each year. The reserve can be utilised for issuing bonus shares.

3) Securities Premium

This represents amount of premium recognised on issue of shares to shareholders at a price more than its face value. The reserve can be utilised in accordance with the provisions of the Companies Act 2013.

4) General Reserve

This represents retained earnings which are kept aside out of company's profits. It is a free reserve which can be utilized to meet any future contingencies and to pay dividend to shareholders.

5) Retained Earnings

Retained earnings refer to net earnings not paid out as dividend but retained by the company to be reinvested in its core business. The amount is available for distribution of dividend to its equity shareholders.

6) Reserve for other items through Other comprehensive income

The reserve represents cumulative gains and losses on remeasurement of defined benefit plan (net of taxes). The balance in Other Comprehensive income can be transferred to Other Components of equity i.e. retained earnings as and when the company decides to do so.

(ii) Details of Preference share capital

Particulars	As at 31st March 2022		As at 31st March 2021	
	No. of shares	(Rs in Lakhs)	No. of shares	(Rs in Lakhs)
Authorised Share capital				
5% Redeemable Non Cumulative Preference Shares of Rs. 10/- each	20000000	2000	20000000	2000
Issued, subscribed and fully paid-up Preference Share capital				
5% Redeemable Non Cumulative Preference Shares of Rs. 10/- each fully paid up	10017200	1001.72	10017200	1001.72

Rights, preferences and restrictions attached to preference shares

Preference shares are having preference over equity shares in respect of payment of dividend and repayment of capital over equity shareholders and is entitled to voting rights in the resolutions directly affecting their interest. Preference shares are redeemable within 20 years from the date of allotment. The Board of directors has not decided the date of redemption yet.

The preference shares are presented in the balance sheet as follows:

(Rs in Lakhs)

Particulars	As at	
	31st March 2022	31st March 2021
Face value of Preference Shares Issued	1001.72	1001.62
Add: Securities Premium	7554.85	5358.85
Total as at the beginning of the year	8556.57	6360.47
Add:- Face value of shares issued during year	0.00	244.00
Add:- Securities Premium received during the year	0.00	2196.00
Less:- Face value of shares redeemed during year	0.00	243.90
Total as at the end of the year	8556.57	8556.57
Less: Liability component (net of unwinding of interest) shown under borrowings	-823.53	-823.53
Equity component shown under other equity	7733.04	7733.04

The detail of redemption of preference shares is as follows:

Farest Date by which Redemption is to be done as per date of allotment	No. of Shares	
	As at 31st March 2022	As at 31st March 2021
31.07.2026	885200	885200
31.03.2031	2300000	2300000
31.03.2032	2892000	2892000
04.10.2038	1500000	1500000
22.01.2041	1250000	1250000
07.02.2041	1190000	1190000
Total	10017200	10017200

Details of shares held by each shareholder holding more than 5% shares:

Name of holders	As at 31st March 2022		As at 31st March 2021	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Sobhagia Sales Private Limited	3678200	36.72%	3678200	36.72%
Raj Kumar Avasthi	2770000	27.65%	2770000	27.65%
Sobhagia Clothing Co. (Through Partners)	1240000	12.38%	1240000	12.38%
Munish Avasthi	1225000	12.23%	1225000	12.23%
Angel Finvest (P) Limited	604000	6.03%	604000	6.03%

Reconciliation of the Number of Preference shares and amount outstanding at the beginning and at the end of the reporting period

Particulars	As at 31st March 2022		As at 31st March,2021	
	Number of Shares	Rs in Lakhs	Number of Shares	Rs in Lakhs
At the beginning of the reporting period	10017200	1001.72	10016200	1001.62
Add: Issued during the year	0	0.00	2440000	244.00
Less: Redeemed during the year	0	0.00	2439000	243.90
At the end of the reporting period	10017200	1001.72	10017200	1001.72

Particulars	(Rs in Lakhs)	
	As at 31st March,2022	As at 31st March,2021
NOTE 14: Borrowings (Non-Current)		
At Amortised Cost		
i) From Banks (Secured)		
i) Term Loans :		
Foreign Currency Loans	14892.28	884.58
	0.00	22131.14
Total (A)	14892.28	23015.72
Less:-		
Unamortised Processing Charges	93.80	103.43
Interest Accrued and due for payment	8.79	32.62
Current Maturities of Long Term Debt	1715.73	4711.74
Total (B)	1818.32	4847.79
Net Non-Current Borrowings from banks (A-B)	13073.96	18167.93
ii) From Others (Unsecured)		
Directors*	0.00	91.32
Liability Component of Compound Financial Instruments **	1033.37	972.54
Total	14107.33	19231.79

Refer Note 47 for Classification of Financial liabilities

* The Loan of Nil (PY Rs. 100.00 Lakhs) from Sh. Munish Avasthi (Managing Director) carries nil interest. Further, the above figures are net of Deferred Interest of Nil as at 31st March, 2022 (Rs. 8.68 Lakhs as at 31st March, 2021). Also refer Note 43 in respect of related parties transactions.

** Liability component of 5% Non- Cumulative Redeemable Preference Shares includes unwinding of interest of Rs. 209.84 Lakhs upto 31st March 2022 (Rs. 149.01 Lakhs upto 31st March 2021) using effective interest method to the liability component.

Notes:

i) Nature of security against terms loans

a) The term loans (other than vehicle loans) are secured against a) first pari-passu charge on hypothecation/ equitable mortgage of all present and future Plant and Machinery and Land/Building of the Company situated at Village Meharban / Village Kanech / Village Barmalipur, Ludhiana and Village Jeeda, Bathinda. b) second pari-passu charge on hypothecation of current assets of the company and c) first pari pasu charge on equitable mortgage of commercial land and building situated at Village Barmalipur, Ludhiana jointly owned by Sh. Raj Kumar Avasthi (Chairman-cum- Managing Director) and Sh. Munish Avasthi (Managing Director).

All term loans (other than vehicle loans) are further guaranteed by Sh. Raj Kumar Avasthi (Chairman-cum -Managing Director) and Sh. Munish Avasthi (Managing Director) and term loans availed from SBI,UBI and CBOI having outstanding balance of Rs. 13780.72 Lakhs (PY Rs. 15834.06 Lakhs) sanctioned in the FY 2018-19 further guaranteed by Smt.Parveen Avasthi (wife of Sh.Raj Kumar Avasthi Chairman-cum- Managing Director).

b) The vehicle loans are secured against hypothecation of respective vehicles.

ii) The Company has not defaulted in repayment of loans and interest .

iii) Terms of repayment of term loans

As at 31st March 2022

(Rs. in Lakhs)

Name of Bank	Currency	Outstanding as at 31.03.2022	No. of Instalments outstanding as on 31.03.2022	Rate of Interest (% age)**	Payable within 12 Months
Term Loans (Other than vehicle loans)			(Quarterly Payable)		
Punjab National Bank	INR	966.25	7	7.25 to 7.35	414.00
State Bank of India-1	INR	0.78	0	7.95 to 11.00	0.78
State Bank of India-2	INR	8128.11	22	7.95 to 11.00	750.00
Indian Bank	INR	7.35	0	7.25	0.00
Central Bank of India	INR	1649.66	24	7.60 to 8.20	150.00
Union Bank of India-1	INR	4002.95	21	8.05 to 9.50	375.00
Union Bank of India-2	INR	6.37	0	7.25	0.00
Term Loans (Vehicles Loans)			(Monthly Payable)		
ICICI Bank Limited	INR	0.35	3	9.11	0.35
Axis BANK Limited	INR	16.97	26	9.41	7.49
Axis BANK Limited	INR	17.23	33	8.01	6.06
Union Bank of India	INR	87.47	71	7.40	12.05
Total *		14883.49			1715.73

Net of current maturities

13167.76

*Total above outstanding is exclusive of reinstatement gain amounting to Nil on account of Foreign Exchange Fluctuation and interest accrued and not due amounting to Rs. 8.79

Lakhs

As at 31st March 2021

(Rs. in Lakhs)

Name of Bank	Currency	Outstanding as at 31.03.2021	No. of Instalments outstanding as on 31.03.2021	Rate of Interest (%age)**	Payable within 12 Months
Term Loans (Other than vehicle loans)			(Quarterly Payable)		
Punjab National Bank	INR	1.04	11	9.50	282.00
	FCL	1482.96		3.55	
State Bank of India	INR	240.39	9	9.45 to 10.35	75.00
		0.89		10.35	
	FCL	1223.78	5	3.52 to 4.97	705.00
	INR	0.54		11.95	
FCL	9373.50	26	3.52 to 4.35	750.00	
Indian Bank (Earlier Allahabad Bank)	INR	1.59	5	9.50	1050.00
	FCL	1749.22		3.45 to 3.56	
Central Bank of India	FCL	1886.13	28	3.51	885.00
		1575.23	5	3.51	150.00
Punjab and Sind Bank	INR	353.52	5	9.50 to 10.35	408.00
	FCL	362.60		3.50	
Union Bank of India	INR	128.70	25	8.05 to 9.15	375.00
	FCL	4574.43		3.50 to 3.56	
Term Loans (Vehicles Loans)			(Monthly Payable)		
ICICI Bank Limited	INR	1.75	15	9.11	1.39
Axis Bank Limited	INR	1.74	12	8.95	1.74
		23.78	38	9.41	6.81
		22.83	45	8.01	5.60
Yes Bank Limited	INR	1.65	15	8.82	1.30
		3.45	14	8.85	2.93
		0.62	14	8.85	0.57
Union Bank of India	INR	99.09	83	7.40	11.40
Total *		23109.43			4711.74

Net of current maturities

18397.69

*The above outstanding is exclusive of reinstatement gain amounting to Rs. 126.33 Lakhs on account of Foreign Exchange Fluctuation and interest accrued and not due amounting to Rs. 32.62 Lakhs

** In case of Foreign Currency Loans (FCL) foreign exchange fluctuation (forward premium cost incurred) of about 3.76%-5.25% p.a. has been treated as interest cost.

Particulars	(Rs in Lakhs)	
	As at 31st March,2022	As at 31st March,2021
NOTE - 15 Lease Liabilities (Non-Current)		
At Amortised Cost		
Lease Liabilities (also refer note 42)	63.72	26.00
Total	63.72	26.00
Refer Note 47 for Classification of Financial liabilities		
NOTE - 16 Provisions (Non-Current)		
Provision of employee benefits:		
a) Gratuity	807.38	785.75
b) Compensated absences	308.78	264.98
Total	1116.16	1050.73
Also refer note 41		
NOTE - 17: Deferred Tax Liabilities (Net)		
Deferred Tax Liabilities (A)	1566.00	1626.00
Deferred Tax Assets (B)	-302.00	-402.00
Deferred Tax Liability (Net) (C=A-B)	1264.00	1224.00
Also refer Note 36 (c) & (d) for detail and movement in deferred tax liabilities and assets		
NOTE - 18: Other Non-Current Liabilities		
Deferred Income for Govt Grant against EPCG Licenses	0.00	251.97
Total	0.00	251.97
NOTE - 19: Borrowings (Current)		
I. Working Capital Loans repayable on demand		
From Banks		
Secured		
(a) Cash Credit (Rupee Loans)	2261.77	908.20
(b) Export Packing Credit Loans (Foreign Currency Loans)	19314.01	16441.59
(c) Demand Loans (Rupee Loans)	0.00	1382.44
(d) Buyer's Credit (Foreign Currency Loans)	0.00	1556.16
Unsecured		
Discounted Trade Receivables (Foreign Currency/Rupee Loans) (Refer note below)	16278.24	6105.40
II. Current Maturities of Long term Debt (secured)	1715.73	4711.74
-From banks		
Total	39569.75	31105.53
Refer Note 47 for Classification of Financial liabilities		

Note: As the company has not transferred the significant risks and rewards related to discounted trade receivables, it continue to recognize the full carrying amount of discounted trade receivables in current assets and recognising the cash received as unsecured borrowings.

<u>Terms of repayment</u>	<u>As at 31st March,2022</u>		<u>As at 31st March,2021</u>	
	<u>Amount</u>	<u>Rate of Interest</u>	<u>Amount</u>	<u>Rate of Interest</u>
<u>Cash Credit (Rupee loan)</u>	<u>(in Lakhs)</u>	<u>(%age)</u>	<u>(in Lakhs)</u>	<u>(%age)</u>
State Bank of India	1125.21	7.90 to 8.95	501.19	8.95 to 10.05
Punjab National Bank	1054.13	7.90 to 10.50	398.46	9.75 to 10.50
Central Bank of India	-3.28	8.90 to 11.25	8.55	8.90 to 10.00
Union Bank of India	85.71	7.35	0.00	0.00
Total	2261.77		908.20	
<u>Export Packing Credit Loans (Foreign Currency Loans)</u>				
State Bank of India	10744.20	1.15 to 1.83	9698.18	1.20 to 3.87
Punjab National Bank	3538.99	1.15 to 2.07	3923.17	1.70 to 3.47
Central Bank of India	0.00	1.15 to 1.22	2820.24	1.20 to 3.43
Union Bank of India	5030.82	1.35 to 1.83	0.00	0.00
	19314.01		16441.59	
<u>Demand Loans (Covid Emergency Credit Line Rupee Loans)</u>				
State Bank of India	0.00	0.00	830.46	7.40
Punjab National Bank	0.00	0.00	367.02	8.25
Central Bank of India	0.00	0.00	184.96	7.60
Total	0.00		1382.44	
<u>Buyer's Credit (Foreign Currency Loans)</u>				
State Bank of India (Foreign Offices)	0.00	0.00	1556.16	0.45
Total	0.00		1556.16	

In case of Buyer's Credit Foreign Currency Loans (FCL), the above rate of interest does not include foreign exchange fluctuation treated as interest cost as per Ind AS 23.

Nature of security

i) The Working capital Loans repayable on demand from banks are secured against a) first pari-passu hypothecation charge on all the current assets of the company including raw material, consumable stores and spares, stock in process, finished goods, bills, book debts and receivables b) further collaterally secured against second pari passu hypothecation/ equitable mortgage charge on the Plant and Machinery and Land & Building of the company at Village Meharban/ Village Kanech/ Village Barmalipur, Ludhiana & Village Jeeda Bathinda c) First pari-pasu charge on equitable mortgage of commercial land and building situated at Village Barmalipur, Ludhiana jointly owned by Sh. Raj Kumar Avasthi (Chairman-cum-Managing Director) and Sh. Munish Avasthi (Managing Director)

ii) These working capital repayable on demand from banks are further guaranteed by Sh. Raj Kumar Avasthi (Chairman-cum -Managing Director) and Munish Avasthi (Managing Director) and Smt.Parveen Avasthi (Wife of Sh Raj Kumar Avasthi Chairman-cum-Managing Director)

(Rs in Lakhs)

Particulars	As at 31st March,2022	As at 31st March,2021
NOTE - 20: Lease Liabilities (Current)		
At Amortised Cost		
Lease Liabilities (also refer note 42)	19.72	6.96
Total	19.72	6.96
Refer Note 47 for Classification of Financial liabilities		
NOTE - 21: Trade Payables		
(A) Total outstanding dues of Micro Enterprises and Small Enterprises	38.54	72.17
(B) Total outstanding dues of Creditors other than Micro Enterprises and Small Enterprises*	12405.02	8674.62
Total	12443.56	8746.79
* Includes acceptance payables of Rs. 5325.84 Lakhs (previous year Rs. 5337.89 Lakhs) under usance letter of credit(s) issued by banks which are secured against the assets as referred to in note 19. Refer note 44(B) for ageing schedule of trade payables. Refer note 40 for details relating to micro, small and medium enterprises Refer note 43 and 44(C) for information about payables to related parties including payables to firms or private companies respectively in which any director is a partner or a director or a member. Refer Note 47 for Classification of Financial liabilities		
NOTE - 22: Other Financial Liabilities (Current)		
Financial Liabilities at amortized cost		
a) Interest accrued and not due on borrowings	64.10	51.08
b) Payables for purchase of Property, Plant and Equipments		
(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*	2437.56	54.70
c) Other Payables		
- Security Deposit/Retention Money	48.07	25.44
- Dues to Employees	1724.80	1602.77
- Dues to Others	2131.48	996.34
Financial Liabilities at Fair Value through Profit and Loss		
Derivative Financial Instruments	0.00	197.43
Total	6406.01	2927.76
* Total Outstanding includes acceptance payable amounting to Rs. 2329.97 Lakhs (Previous Year Nil) against which a fixed deposit of Rs. 2431 Lakhs (Previous Year Nil) has been given to the bank as margin money. Refer Note 47 for Classification of Financial liabilities		
NOTE - 23: Provisions (Current)		
Provision of Employee Benefits:		
a) Gratuity	57.31	56.05
b) Compensated absences	16.01	16.04
Total	73.32	72.09
Refer Note 41		
NOTE - 24: Other Current Liabilities		
a) Advances From Customers	612.71	251.51
b) Statutory Remittances	277.13	199.52
c) Deferred Interest Income from Unsecured Loan	0.00	7.95
Total	889.84	458.98
NOTE - 25: Income Tax (Liabilities) / Assets		
I. Income tax liabilities		
Provision for Current Year	13852.65	3971.59
Less: Taxes Paid	11118.45	1561.64
Total	2734.20	2409.95
II. Income tax assets		
Refund Receivable	170.79	173.66
Total	170.79	173.66
Income Tax Liabilities	2734.20	2409.95
Income Tax Assets	170.79	173.66

Particulars	(Rs in Lakhs)	
	As at 31st March,2022	As at 31st March,2021
NOTE - 26: Revenue from operations		
a) Sale of Products	209995.74	129235.55
b) Sale of Services	111.69	137.76
c) Other Operating Revenue	5293.75	1250.36
Total	215401.18	130623.67
a) Detail of sale of products		
i) Yarn		
-Export	118499.43	57997.66
-Domestic	75700.51	58750.06
Total	194199.94	116747.72
ii) Waste		
-Export	3502.94	2039.49
-Domestic	11352.94	9260.06
Total	14855.88	11299.55
iii) Traded Goods/Fibre-Cotton & Synthetic	939.92	1188.28
	209995.74	129235.55
b) Detail of Sale of Services		
Job Work Charges	111.69	137.76
	111.69	137.76
c) Details of Other Operating Revenue		
Export Incentives	5108.47	1117.02
Sale of Scrap	185.28	133.34
	5293.75	1250.36
NOTE - 27: Other Income		
a) Profit on sale of Property,Plant and Equipment (Net)	22.59	0.00
b) Rent Received	4.45	4.34
c) Interest Income		
-Security Deposits	60.82	62.64
-Delayed Receipts	18.73	43.17
-Others	28.86	25.33
d) Foreign Exchange Fluctuation Gain	1724.11	1584.63
e) Govt. Grant Against EPCG Licenses	251.97	114.75
f) Others	303.59	25.42
Total	2415.12	1860.28
NOTE -28: Cost of materials consumed		
Raw Material Consumed*		
Opening Stock	24142.34	16259.63
Add : Purchases	140546.49	86424.07
	164688.83	102683.70
Less : Closing Stock	46586.05	24142.34
Total	118102.78	78541.36
*Includes cost of raw material sold		
Detail of Raw Material consumed		
Raw Cotton	100865.16	68097.05
Manmade Fibre	17237.62	10444.31
	118102.78	78541.36
NOTE - 29: Purchase of Stock- in- Trade		
Yarn	18.99	39.39
Total	18.99	39.39

(Rs in Lakhs)

Particulars	As at 31st March,2022	As at 31st March,2021
NOTE - 30: Change in inventories of Work-In-Progress and Finished Goods		
Inventories at the beginning of the period		
Work-In-Progress	1256.72	1422.48
Finished Goods	1383.52	2181.61
	2640.24	3604.09
Inventories at the end of the period		
Work-In-Progress	1869.01	1256.72
Finished Goods	2211.85	1383.52
	4080.86	2640.24
	(Increase)/Decrease In Stock	963.85
NOTE - 31: Employee benefits Expenses		
Salaries and Wages	9502.75	7831.80
Contribution to Provident and Other Funds	888.90	729.64
Staff Welfare	89.90	101.75
Total	10481.55	8663.19
NOTE - 32: Finance Cost		
a) Interest on Bank Borrowings	1384.89	2356.40
b) Other Borrowing Cost	633.98	510.64
c) Foreign Exchange Fluctuation on Foreign Currency Loans (To the extent regarded as an adjustment to Interest Cost)	838.94	710.19
Total	2857.81	3577.23
NOTE - 33: Other Expenses		
Manufacturing expenses		
Power and Fuel	12023.27	11220.42
Freight, Cartage, Loading/Unloading Expenses	226.08	161.01
Packing Material	2169.01	1594.06
Dyes and Chemicals	940.57	671.51
Stores and Spares	1048.83	967.92
Repairs to Machinery	2040.25	1634.43
Total	18448.01	16249.35
Administrative expenses		
Building Repair	75.49	92.02
Rent	0.50	0.50
Fees and Taxes	51.25	30.59
Professional Charges	69.02	40.67
Printing and Stationery	36.65	33.66
Postage and Telegram	13.04	10.11
Telephone Expenses	6.76	7.72
Insurance	281.66	220.13
Vehicle Maintenance	96.98	88.28
Charity and Donation	0.52	0.00
Corporate Social Responsibility Expense (also refer note 51)	17.19	155.52
Travelling and Conveyance	80.56	27.41
Entertainment Expenses	1.90	0.81
Director's Sitting Fee	1.40	1.70
Payment to Auditors*	12.10	9.08
Festival Expenses	52.60	54.39
Worker's Conveyance	422.20	349.00
Advertisement Expenses	5.14	0.67
Bad Debts	0.00	14.50
Expected Credit Loss Allowance	10.36	11.08
Prior Period Expenses	0.00	5.30
Loss on Sale of Property, Plant & Equipment (Net)	0.00	0.76
Bank Charges	329.58	255.56
Miscellaneous Expenses**	500.62	185.65
Total	2065.52	1595.11
Selling and Distribution expenses		
Freight, Clearing and Forwarding charges and Loading/Unloading Expenses on Sales	5938.17	2520.67
Rebate and discount	63.79	76.32
Commission	2153.53	1090.16
Total	8155.49	3687.15
Total	28669.01	21531.61
* Payment to Auditors		
-Audit Fee	9.00	7.00
-Tax Audit Fee	2.00	1.00
-Reimbursement of Expenses	1.10	1.08
Total	12.10	9.08

** Does not include any item of expenditure with a value of more than 1% of the revenue from operations.

(Rs in Lakhs)

Particulars	As at 31st March,2022	As at 31st March,2021
-------------	--------------------------	--------------------------

NOTE - 34: Exceptional Items

Premium Paid on Redemption of Preference Shares*	0.00	2195.10
--	------	---------

Total	0.00	2195.10
--------------	-------------	----------------

*24,39,000 5% Non-Convertible Non-Cumulative Redeemable Preference Shares of face value of Rs. 10/- each (issued during FY 2000-01 at premium of Rs. 25/- per Share) were redeemed during the year ended 31st March 2021 at a premium of Rs. 90/- per share. The difference of Rs. 2195.10 Lakhs between the carrying amount of the liability component of the said redeemed Preference Shares of Rs. 243.90 Lakhs and redemption/consideration amount of Rs. 2439.00 Lakhs has been recognised as premium on redemption of Preference Shares as an Exceptional Item/Expense in the statement of profit and loss. The said Preference Shares were redeemed out of the proceeds of fresh issue of 24,40,000 5% Non-Convertible Non-Cumulative Redeemable Preference Shares of face value of Rs. 10/- each at a premium of Rs. 90/- per share amounting to Rs. 2440.00 Lakhs thus not impacting the other equity and cash flows of the company.

NOTE - 35: Current tax /Prior Period Tax adjustments

Current Year Tax *	13852.65	3671.72
Prior Period Tax Adjustments**	-31.62	423.38

Total	13821.03	4095.10
--------------	-----------------	----------------

*Inclusive of MAT Credit Entitlement Rs.Nil (PY Rs.115.90 Lakhs) not recoverable written off.

NOTE-36

(a) Tax Expense recognized

(₹ in Lakhs)

Particulars	Year ended 31 st March,2022	Year ended 31 st March,2021
(a) Tax recognized in Statement of Profit and loss		
Current Year Tax	13852.65	3671.72
Prior Years Tax Adjustments	(31.62)	423.38
Deferred Tax	(5.09)	(749.19)
Tax expense recognized in Statement of Profit and loss	13815.94	3345.91
(b) Tax recognized in other comprehensive income		
Current tax	-	-
Deferred tax	45.09	35.19
Total tax expense recognized	13861.03	3381.10

(b) Reconciliation of tax expense after the application of statutory tax rate on Profit before tax

(₹ in Lakhs)

Particulars	Year ended 31 st March,2022	Year ended 31 st March,2021
Accounting profit before tax	54740.86	11798.79
Tax at statutory income tax rate of 25.168%	13777.18	2969.52
Tax effect of adjustments to reconcile expected income tax expense with reported income tax expense		
Expenses not deductible for tax purpose	256.92	645.96
Expenses/deductions allowable under income tax	(181.45)	(66.82)
Current tax adjustment related to earlier years	(31.62)	423.38
Others	40.00	(48.75)
Change in tax rate	0.00	(542.19)
Income tax expense	13861.03	3381.10

(c) Movement in Deferred Tax Assets & Liabilities

(₹ in Lakhs)

	As at 1 st April, 2020	Movement during FY 2020-2021	As at 31 st March, 2021	Movement during FY 2021-2022	As at 31 st March, 2022
Deferred tax liability					
Difference between written down value of Property Plant and Equipment as per books of account and Income tax	2394.70	(794.70)	1600.00	(58.00)	1542.00

Unamortized Processing charges	47.30	(21.30)	26.00	(2.00)	24.00
Total (A)	2442.00	(816.00)	1626.00	(60.00)	1566.00
Deferred Tax Asset					
Items deductible on payment basis under Income tax	374.00	(92.00)	282.00	17.00	299.00
Deferred Govt. Grant	128.00	(65.00)	63.00	(63.00)	0.00
Allowances for expected credit loss	2.00	1.00	3.00	0.00	3.00
Deferred Income for Govt. Grant against EPCG Licenses	0.00	54.00	54.00	(54.00)	0.00
Total (B)	504.00	(102.00)	402.00	(100.00)	302.00
Deferred Tax Liability Before MAT Credit Entitlement (Net) (C=A-B)	1938.00	(714.00)	1224.00	40.00	1264.00
Less: MAT Credit Entitlement (D)	(115.90)	115.90	0.00	0.00	0.00
Net Deferred Tax Liability After MAT Credit Entitlement (C-D)	1822.10	(598.10)	1224.00	40.00	1264.00

(d) Reconciliation of Deferred tax liabilities (Net)**(₹ in Lakhs)**

Particulars	Year ended 31 st March,2022	Year ended 31 st March,2021
Deferred tax liability at the beginning of the year	1224.00	1822.10
Deferred tax (income)/expenses during the year recognized in Statement of Profit and loss	(5.09)	(749.19)
Deferred tax (income)/expenses during the year recognized in Other Comprehensive income	45.09	35.19
MAT Credit Entitlement not recoverable written off during the year	0.00	115.90
Deferred tax liability at the end of the year	1264.00	1224.00

NOTE-37**Earnings Per Share****(₹ in Lakhs)**

Particulars	Year ended 31 st March,2022	Year ended 31 st March,2021
Profit after tax for the year attributable to Equity Shareholders (₹ Lakhs)	40924.92	8452.88
Weighted average number of equity shares	13287200	13377663
Basic Earnings per share (₹)	308.00	63.19
Diluted* Earnings per share(₹)	308.00	63.19
Nominal Value per share (₹)	10.00	10.00

*There are no dilutive potential equity shares.

During the year ended March 31, 2022, the Company allotted 99,65,400 equity shares as fully paid up bonus shares in proportion of 3:1 (i.e. three bonus shares for every one equity share held). Accordingly, earnings per share for the year ended March 31, 2021 has been re-stated based on number of shares outstanding as at the end of that year, as increased for issuance of bonus shares.

NOTE-38**Contingent Liabilities and Commitments****(a) Contingent Liabilities****(₹ in Lakhs)**

Sr. No.	Particulars	As at 31 st March,2022	As at 31 st March,2021
a)	Disputed Income Tax Liabilities of cases pending with appellate authorities.*	960.77	375.04
b)	Disputed Excise Liabilities of cases pending with appellate authorities	44.87	44.87
c)	Disputed Electricity Liabilities of cases pending with appellate authorities.	415.00	415.00

*Amount deposited/adjusted against outstanding demand is ₹91.91Lakhs (Previous year ₹ 91.91Lakhs). Above figures are exclusive of interest accrued.

Note: Based on legal advice, discussions with the solicitors, etc., the management believes that there is fair chance of decision in the company's favour in respect of all the items listed above and hence no provision is considered necessary against the same. The management believes that the ultimate outcome of these proceedings will not have a material adverse effect on the company's financial position and results of operations. Future cash flows in respect of above will be determined only on receipt of judgments/decisions pending with revenue/ judicial authorities.

(b) Commitments**(₹ in Lakhs)**

Sr. No.	Particulars	As at 31 st March,2022	As at 31 st March,2021
a)	Commitments on account of capital account remaining to be executed(Net of Advances) (out of which Letter of Credits ₹ 8946.18 Lakhs) net of margin.	30960.92	213.12
b)	Bonds against un-fulfilled export obligations under Export Promotion Capital Goods/Duty Exemption scheme.	1510.84	10228.40

NOTE - 39**Impairment of Assets**

In accordance with Ind AS-36 on "Impairment of Assets" the Company has assessed as on the balance sheet date, whether there are any indications with regard to the impairment of any of the assets. Based on such assessment it has been ascertained that no potential loss is present and therefore, formal estimate of recoverable amount has not been made. Accordingly, no impairment loss has been provided in the books of account.

NOTE-40

The details relating to micro, small and medium enterprises are as hereunder:

(₹ in Lakhs)

Particulars	Year ended 31 st March,2022	Year ended 31 st March,2021
(a) Amount remaining unpaid to suppliers as at the end of year.		

- Principal amount	38.54	72.17
- Interest due thereon	0.01	0.40
(b) The amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006 (27 of 2006), along with the amount of the payment made to the supplier beyond the appointed day during each accounting year	-	-
(c) The amount of interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006	2.77	2.64
(d) Interest accrued and remaining unpaid at the end of the year		
- Interest accrued during the year	2.77	2.64
- Interest remaining unpaid as at the end of the year	2.77	2.64
(e) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006.	-	-

Note: The amounts have been determined to the extent such parties have been identified on the basis of information available with the company. This has been relied upon by the auditors.

NOTE-41

Disclosures on 'Employee Benefits'

(A) Defined Contribution Plan

The Company makes Contribution to Provident Fund for eligible employees under the scheme and recognise the same as expense which is included in the Note 31 "Employee Benefit Expense" to the financial statements under the head "Contribution to provident and other funds". The details of same are as under:

(₹ in Lakhs)

Particulars	Year ended 31 st March,2022	Year ended 31 st March,2021
Provident Fund administered through Regional Provident Fund Commissioner	586.87	462.33

Defined Benefit Plan

Gratuity:

The defined benefit plan of gratuity is administered by a separate trust that is legally separate from the Company. The trustees are required by the law to act in the interest of the trust and all the relevant stakeholders i.e. active employees, retired employees and employers, etc. The trust is responsible for investment policy with regard to the assets of the trust and the contributions are invested in a scheme with Life Insurance Corporation of India as permitted by law. The liability for employee gratuity is determined on actuarial valuation using projected unit credit method. These plans typically expose the Company to actuarial risks such as investment risk, salary risk, interest rate risk and longevity risk.

(i) Investment risk

The probability or likelihood of occurrence of losses relative to the expected return on any particular investment.

(ii) Salary risk

The present value of defined benefit plan is calculated with the assumption of salary increase, rate of plan, participants in future. Deviation in rate of increase in salary in future for plan participants from the rate of increase in salary used to determine the present value of obligation will have a bearing on the plan's liability.

(iii) Interest risk

The plan exposes the company to the risk of fall in interest rates. A fall in interest rates will result in an increase in the ultimate cost of providing the above benefit and will thus result in an increase in value of the liability.

(iv) Longevity risk

The present value of defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and after employment. An increase in the life expectancy of the plan participants will increase the plans liability.

The Following table set out the funded status of the gratuity plan and amounts recognised in the balance sheet and other disclosures as required under Ind AS 19 'Employee benefits':

(a) Movement in the present value of the obligations:

Particulars	(₹ in Lakhs)	
	Year ended 31 st March,2022	Year ended 31 st March,2021
Present value obligation as at beginning of the year	1010.68	943.15
Interest cost	69.18	64.56
Current Service cost	230.37	209.12
Benefits Paid	(86.63)	(62.19)
Change in Financial Assumptions	(67.59)	
Actuarial (gain)/ loss on Obligation	(118.46)	(143.96)
Present value obligation as at end of the year	1037.55	1010.68

(b) Movement in Fair Value of Plan Asset

Particulars	(₹ in Lakhs)	
	Year ended 31 st March,2022	Year ended 31 st March,2021
Fair value of Plan Assets as at beginning of the year	168.88	157.16
Interest Income	11.56	10.76
Contributions	13.00	6.00
Benefits Paid	(7.82)	(0.91)
Expenses Deducted	(5.89)	
Remeasurement- Return on plan assets excluding amount included in interest income	(6.87)	(4.13)
Fair value of Plan Assets as at end of the year	172.86	168.88

c) Amount recognized in Balance Sheet

Particulars	(₹ in Lakhs)	
	As at 31 st March, 2022	As at 31 st March, 2021
Present value obligation as at end of the year	1037.55	1010.68
Fair value of Plan Assets as at end of the year	172.86	168.88
Surplus/(Deficit)	(864.69)	(841.80)
Effect of asset ceiling if any	-	-
Net Asset/(Liability) recognized in balance sheet	(864.69)	(841.80)

The above liability includes short term liability of ₹57.31 Lakhs (previous year ₹56.05 Lakhs)

d) Amount recognized in Statement of Profit and Loss:

Particulars	(₹ in Lakhs)	
	Year ended 31 st March,2022	Year ended 31 st March,2021
Current service cost	230.37	209.12
Net Interest on net defined benefit liability / (asset)	57.62	53.80
Total Expense recognized in statement of Profit and Loss	287.99	262.92

The above amount has been included in Note 31 "Employee Benefit Expenses" under the head "Salaries and Wages" in the statement of Profit and Loss.

(e) Amount recognized in Other Comprehensive Income:

Particulars	(₹ in Lakhs)	
	Year ended 31 st March,2022	Year ended 31 st March,2021
Actuarial (gain)/loss for the year on Obligation	(186.05)	(143.96)
Re-measurement- Return on plan assets (excluding amount included in net Interest on net defined benefit liability/(asset))	6.87	4.13
Expense/(Income) recognized in Other Comprehensive Income	(179.18)	(139.83)
Bifurcation of Actuarial Gain/Loss on obligation		
1. Actuarial changes arising from changes in demographic assumptions (Gain/ (Loss))	0.00	0.00
2. Actuarial changes arising from changes in financial assumptions (Gain/ (Loss))	(67.59)	0.00
3. Actuarial changes arising from changes in experience adjustments (Gain)/ (Loss)	(118.46)	(143.96)

(f) Investment details of Fund:

Particulars	(₹ in Lakhs)	
	Year ended 31 st March,2022	Year ended 31 st March,2021
Funds Managed by Insurer	172.86	168.88
Total	172.86	168.88

(g) Principal actuarial assumption at the balance sheet date

Particulars	Year ended	
	31 st March,2022	31 st March,2021
Discount Rate (per annum)	7.30%	6.85%
Rate of increase in compensation levels (per annum)	7.00%	7.00%
Expected Average remaining working lives of employees (years)	26.86	27.14
Mortality rate	100% of IALM (2012 - 14)	100% of IALM (2012 - 14)
Method Used	Projected Unit Credit	Projected Unit Credit

The estimates of future salary increases considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in employment market.

(h) Sensitivity analysis

Significant actuarial assumptions for the determination of the defined obligation are discount rate and expected salary increase. The sensitivity is computed by varying one actuarial assumption used for valuation of defined benefit obligation by 1.00% keeping all other actuarial assumptions constant. There is no change from the previous period in the methods and assumptions used in preparing the sensitivity analysis.

The quantitative sensitivity analysis on net liability recognized on account of change in significant actuarial assumptions is as hereunder:

Particulars	Increase/(Decrease) in liability	
	As at 31 st March,2022	As at 31 st March,2021
Discount Rate		
1.00% Increase	(129.12)	(131.06)
1.00% decrease	159.00	162.63
Salary Growth Rate		
1.00% Increase	155.97	159.12
1.00% decrease	(129.19)	(131.24)

(i) The expected cash flows in future years are as under:

Particulars	As at	
	31 st March,2022	31 st March,2021
Within 1 year	57.31	56.05
2-5 years	217.20	172.43
6-10 years	344.99	335.22
Beyond 10 years	3186.79	2991.65
Total expected payments	3806.29	3555.35

(j) The weighted average duration of the defined benefit plan obligation at the end of the reporting period is 14.00 years (Previous Year: 15.00 years).

(k) The expected contribution to the trust during the next year is Nil (Previous Year ₹ 1115.66 Lakhs)

(B) Other Long-Term Employee Benefit

Amount recognized towards Compensated absences in statement of profit and loss in Note 31 "Employee Benefit Expense" under the head "salaries and wages" is ₹79.18 Lakhs (previous year ₹ 31.05 Lakhs)

Liability towards leave encashment as at the end of the year is as under:

Particulars	As at	
	31 st March,2022	31 st March,2021
Current liability	16.01	16.04
Non-current liability	308.78	264.98

NOTE - 42

Company as lessee

(a) Interest expense of ₹ 14.39 Lakhs(Previous year ₹ 4.66Lakhs)on the Lease Liabilities has been included in finance costs under the head 'Other borrowing cost' in the Statement of Profit and Loss.

(b) The change in the carrying value of Right of Use asset during the year is as under:

Particulars	(₹ in Lakhs)		
	Land	Building	Total
Net block as at 1 st April, 2021	12.50	26.72	39.22
Addition during the year	0.00	56.75	56.75
Depreciation during the year	(3.79)	(16.53)	(20.32)
Net block as at 31 st March, 2022	8.71	66.94	75.65

(c) The depreciation expense of ₹ 20.32 Lakhs(Previous Year ₹ 7.80 Lakhs) on Right of use asset is included under depreciation and amortization expense in the statement of Profit and Loss.

(d) The following is the break-up of current and non-current lease liabilities during the year

Particulars	(₹ in Lakhs)	
	As at 31 st March, 2022	As at 31 st March, 2021
Current lease liabilities	19.72	6.96
Non-current lease liabilities	63.72	26.00
Total	83.44	32.96

(e) The movement in lease liabilities during the year ended is as under

Particulars	(₹ in Lakhs)	
	As at 31 st March, 2022	As at 31 st March, 2021
Balance at the beginning of the year	32.96	48.96
Additions during the year	56.75	-
Finance cost accrued during the year	14.39	4.66
Payment of lease liabilities	(20.66)	(20.66)
Balance at the end of the year	83.44	32.96

(f) The table below provides details regarding the contractual maturities of lease liabilities on an undiscounted basis:

Particulars	(₹ in Lakhs)	
	As at 31 st March, 2022	As at 31 st March, 2021
Not later than one year	20.46	11.00
Later than one year and not later than five year	69.44	35.60
Later than five years	23.88	10.50
Total	113.78	57.10

The Company does not face a significant liquidity risk with regard to its lease liabilities as the current assets are sufficient to meet the obligations related to lease liabilities as and when they fall due.

(g) Rental expense recorded for short-term leases of ₹ 0.50 Lakhs (Previous Year ₹ 0.50Lakhs) has been disclosed as rent in head of 'Other expenses'.

Company as lessor

The company has entered into operating leases for its buildings that are renewable on a periodic basis. The lease rentals incomes booked in the statement of Profit and Loss for the year is ₹ 4.45 Lakhs (Previous year is ₹4.34 Lakhs).

The total of future minimum lease rent receipts are as follows:-

(₹ in Lakhs)

Particulars	As at 31 st March,2022	As at 31 st March,2021
Not Later than one year	4.51	4.43
Later than one year but not later than five years	7.30	14.25
Later than five years	0.32	0.88

NOTE-43**Related Party Transactions:****1.) Related Parties and their relationship:****a) Key Management Personnel****I. Whole Time Directors**

- Sh.Raj Kumar Avasthi
- Sh.Munish Avasthi
- Sh.Naresh Jain

II. Independent Directors

- Sh.Sandeep Kapur
- Sh.Prashant Kochhar
- Smt.Harpreet Kaur Kang

III. Chief Financial Officer

- Sh.P. K. Gupta

IV. Company Secretary

- Sh.Lovlesh Verma

a. Close family members of Key Management Personnel

- Smt.Anjali Avasthi

b. Enterprises over which Key Management Personnel is able to exercise control

- Sobhagia Sales (P) Ltd.
- Sobhagia Logistics Pvt Ltd.(Formerly Known as Namokar Capital Services Private Limited) #
- Angel Finvest Private Limited #

c. Enterprises in which Key Management Personnel are able to exercise significant influence

- Sobhagia Clothing Co.
- Marvel Dyers & Processors Pvt Ltd.
- Raj Kumar Avasthi HUF

d. Post Employment Benefit Plan Trust

- Sportking India Limited Employee Group Gratuity Trust

No transaction has taken place during the current year and previous year.

2). Description of nature of transactions with related parties:

Particulars	Key Management Personnel		Close family member of Key Management Personnel		Enterprises over which Key Management Personnel is able to exercise control		Enterprises in which Key Management Personnel are able to exercise significant influence	
	Year ended 31 st March, 2022	Year ended 31 st March, 2021	Year ended 31 st March, 2022	Year ended 31 st March, 2021	Year ended 31 st March, 2022	Year ended 31 st March, 2021	Year ended 31 st March, 2022	Year ended 31 st March, 2021
Expenditure #								
Purchase of Goods and services	-	-	-	-	946.97	181.13	3.86	5.10
Remuneration Paid (Also refer footnote 1 below)	514.42	36.67	-	-			-	-
Director Sitting Fees	1.40	1.70		-			-	-
Lease Rent	9.86	9.86	6.00	6.00			4.80	4.80
Incomes #								
Sale of Goods and Services	-	-	-	-	1805.38	747.91	259.96	291.19
Rent Received	-	-	-	-	3.54	3.54	-	-
Unsecured Loans (Also refer footnote 2 below)								
Opening Balance	100.00	100.00	-	-			-	-
Add: Received during the year	-	-	-	-			-	-
Less: Repaid during the year	100.00	-	-	-			-	-
Closing Balance	0.00	100.00	-	-			-	-

Amount Receivable/ (Payable) at the end of year								
Sobhagia Sales (P) Ltd.					1586.04	1206.35		
Sobhagia Clothing Co.							722.91	957.58
Marvel Dyers Pvt. Ltd.							(3.78)	(5.91)

The transactions with related parties reported above are inclusive of indirect taxes, wherever applicable.

Contribution to Sportking India Limited Employee Group Gratuity Trust during the reporting period is ₹13.00Lakhs (Previous year ₹6.00Lakhs)

Transactions with Key Managerial Personnel

(₹ in Lakhs)

Particulars	Year ended 31 st March,2022	Year ended 31 st March,2021
Short term Employee Benefits	512.33	34.72
Post-Employment Benefits (Refer footnote 1)	2.09	1.95
Rent Paid	9.86	9.86
Director's Sitting Fee	1.40	1.70

Footnotes:-

1. Managerial remuneration does not include provisions made for Gratuity and Compensated absence amounts as these are determined on actuarial basis for the company as a whole. Further remuneration does not include value of non-cash perquisites.
2. The Loan from directors in financial statements at note no. 14 is net of deferred interest of Nil (Previous year ₹8.68 Lakhs)

Note-44(A) Ageing schedule of Trade receivables from due date of payment

(i) As on 31stMarch, 2022

(₹ in Lakhs)

Particulars	Outstanding for following period from due date of payments						
	Not Due	Less than 6 Months	6 Months to 1 Year	1-2 Years	2-3 Years	More than 3 Years	Total
(i) Undisputed Trade Receivables-Considered Good	15012.55	25484.62	547.97	-	-	-	41045.14
(II) Undisputed Trade Receivables-Which have significant increase in Credit risk	-	-	-	2.64	36.00	56.74	95.38
(iii) Undisputed Trade Receivables-Credit Impaired	-	-	-	-	-	-	-
(iv) Disputed Trade Receivables-Considered Good	-	-	-	-	-	-	-
(v) Disputed Trade Receivables-Which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables-Credit Impaired	-	-	-	-	-	-	-
Total (A)	15012.55	25484.62	547.97	2.64	36.00	56.74	41140.52
Allowance for Expected Credit Loss (B)				(1.32)	(7.20)	(19.12)	(27.64)
Net receivable (A-B)	15012.55	25484.62	547.97	1.32	28.80	37.62	41112.88

ii. As on 31stMarch, 2021

Particulars	Outstanding for following period from due date of payments						
	Not Due	Less than 6 Months	6 Months to 1 Year	1-2 Years	2-3 Years	More than 3 Years	Total
(i) Undisputed Trade Receivables-Considered Good	10436.96	9912.17	187.31	435.32	-	-	20971.76
(II) Undisputed Trade Receivables-Which have significant increase in Credit risk	-	2.64	-	88.48	81.64	-	172.76
(iii) Undisputed Trade Receivables-Credit	-	-	-	-	-	-	-

Impaired							
(iv) Disputed Trade Receivables-Considered Good	-	-	-	-	-	-	-
(v) Disputed Trade Receivables-Which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables-Credit Impaired	-	-	-	-	-	-	-
Total (A)	10436.96	9914.81	187.31	523.80	81.64	-	21144.52
Allowance for Expected Credit Loss (B)	-	(0.26)	-	(8.85)	(8.17)	-	(17.28)
Net receivable (A-B)	10436.96	9914.55	187.31	514.95	73.47	-	21127.24

Note-44(B) Ageing schedule of Trade Payables from due date of payment**(i) As at 31st March, 2022****(₹ in Lakhs)**

Particulars	Outstanding for following period from due date of payments					
	Not Due	Less than 1 Year	1-2 Years	2-3 Years	More Than 3 Years	Total
(i) MSME	29.50	9.04	-	-	-	38.54
(II) Others	8168.40	4228.42	4.71	0.95	2.54	12405.02
(iii) Disputed Dues-MSME	-	-	-	-	-	-
(iv) Disputed Dues-Others	-	-	-	-	-	-
Total	8197.90	4237.46	4.71	0.95	2.54	12443.56

(ii) As on 31st March, 2021

Particulars	Outstanding for following period from due date of payments					
	Not Due	Less than 1 Year	1-2 Years	2-3 Years	More Than 3 Years	Total
(i) MSME	68.64	1.40	2.13	-	-	72.17
(II) Others	6380.82	2278.27	12.08	1.83	1.62	8674.62
(iii) Disputed Dues-MSME	-	-	-	-	-	-
(iv) Disputed Dues-Others	-	-	-	-	-	-
Total	6449.46	2279.67	14.21	1.83	1.62	8746.79

NOTE 44(C)

1. The trade receivables include ₹ 1845.89 Lakhs (previous year ₹ 1206.35 Lakhs) due from the firms and private companies in which any director is a partner or a director or a member.
2. The advances to suppliers include ₹ 463.06 Lakhs (previous year ₹ 957.58 Lakhs) paid to the firms and private companies in which any director is a partner or a director or a member.
3. The trade payables include ₹ 3.78 Lakhs (previous year ₹5.91 Lakhs) due to the firms and private companies in which any director is a partner or a director or a member.

NOTE- 45**Disclosure under Ind AS 115 " Revenue from Contracts with Customers"**

The following is the Analysis of the Company's Revenue from its Products & Services

(i)Disaggregation of revenue

The table below presents disaggregated revenues from contracts with customers for the reporting period by offerings and contract-type.

(a)Types of goods

Particulars	(₹ in Lakhs)	
	Year ended 31 st March,2022	Year ended 31 st March,2021
Sale of Yarn	194199.94	116747.72
Sale of Waste	14855.88	11299.55
Sale of Traded Goods/ Raw material	939.92	1188.28
Sale of Services	111.69	137.76
Total	210107.43	129373.31

(b)Total Revenue from Contracts with Customers

Particulars	(₹ in Lakhs)	
	Year ended 31 st March,2022	Year ended 31 st March,2021
Revenue from Customers based in India	88105.06	69336.16
Revenue from Customers based outside India	122002.37	60037.15
Total	210107.43	129373.31

(c) Timing of Revenue Recognition

Particulars	Year ended	
	31 st March,2022	31 st March,2021
Revenue from goods transferred to customers at point of time	210107.43	129373.31
Revenue from goods transferred to customers over the period	-	-
Total	210107.43	129373.31

(d) Export Benefit are in the nature of government grants covering following benefits

(₹ in Lakhs)

Particulars	Year ended 31 st March,2022	Year ended 31 st March,2021
Duty Draw Back Benefits	2082.05	1086.55
Merchandise Export From India Scheme (MEIS) and Remission of Duties & Taxes on Exported Products (RoDTEP)	3026.42	30.47
Total	5108.47	1117.02

Revenue in respect of the export incentives is recognised on post export basis and it is reasonable to expect ultimate collection.

The Central Government has notified the rates and other operating guidelines of Remission of Duties and Taxes on Exported Products (RoDTEP) scheme on the eligible exports w.e.f. 1stJanuary 2021 vide notification dated 17th August 2021/ 23rd September 2021. Accordingly the Company has accrued benefits under the said scheme amounting to Rs. 458.54 Lakhs(Net) during the current year on eligible exports for the period from 1st January, 2021 to 31st March, 2021.

(ii) Trade receivables and Contract Balances

The company classifies the right to consideration that are unconditional in exchange for deliverables as receivable. Trade receivables are presented net of impairment in balance sheet.

The balances of trade receivables and advance from customers at the beginning and end of the reporting period have been disclosed at note no. 7 and 24 respectively.

The revenue recognised during the year ended 31stMarch 2022 includes revenue against advances from customers amounting to ₹ 251.51 Lakhs (Previous Year ₹ 113.39 lakhs) at the beginning of the year.

(iii) Performance obligations and remaining performance obligations

The remaining performance obligation disclosure provides the aggregate amount of the transaction price yet to be recognized as at the end of the reporting period and an explanation as to when the Company expects to recognize these amounts in revenue.

The aggregate value of performance obligations that are completely or partially unsatisfied as at March 31, 2022 is Nil (previous year Nil).

NOTE -46**Segment Reporting**

The Company is primarily in the business of manufacturing, purchase and sale of textile yarns. The Managing Director of the Company, which has been identified as being the Chief Operating Decision Maker (CODM), evaluates the Company's performance, allocate resources based on the analysis of the various performance indicators of the Company as a single unit. Therefore, there is only one reportable segment for the Company.

Geographical Information:

The Company is domiciled in India. The company operates in two principal geographical areas i.e. within India and outside India.

Particulars	Year ended 31 st March,2022	Year ended 31 st March,2021
Revenue from Sale of Products/Services		
Within India	88105.06	69336.16
Outside India	122002.37	60037.15
Total Revenue	210107.43	129373.31

The Company's revenue from sale of Products/Services from external customers by location of the customers is as follows:-

Name of Country	Year ended 31 st March,2022	Year ended 31 st March,2021
India	88105.06	69336.16
Bangladesh	80354.91	33621.33
Hong Kong	8552.16	4283.57
Macau	6502.29	197.01
Others *	26593.01	21935.24
Total	210107.43	129373.31

*Others includes revenue from countries having less than 5% of total revenue from outside India (including Special economic zone in India).

The transactions with any single external customer do not exceed 10% of the company's total revenue during the year ended 31 March 2022 and 31 March 2021.

The company has business operations only in India and does not hold any non-current asset outside India.

NOTE-47

(a) Financial Instruments by Category

The carrying value and fair value of financial instruments at the end of each reporting period is as follows:

Particulars	(₹ in Lakhs)				
	At Amortized cost	At fair value through profit and loss (Mandatory)	At fair value through OCI (Mandatory)	Total carrying value	Total Fair value
As at 31st March 2022					
Assets:					
Trade receivables (Refer Note 7)	41112.88	-	-	41112.88	41112.88
Cash and Cash Equivalents (Refer Note 8)	53.54	-	-	53.54	53.54
Other bank balances (Refer Note 9)	2431.00	-	-	2431.00	2431.00
Other financial assets (Refer Note 4 & 10)	1795.24	4.64	-	1799.88	1799.88
Total	45392.66	4.64	0.00	45397.30	45397.30
Liabilities:					

Borrowings including current maturities (Refer Note 14 &19)	53677.08	-	-	53677.08	53677.08
Lease liabilities (Refer Note 15 & 20)	83.44	-	-	83.44	83.44
Trade Payables (Refer Note 21)	12443.56	-	-	12443.56	12443.56
Other financial liabilities (Refer Note 22)	6406.01	-	-	6406.01	6406.01
Total	72610.09	-	-	72610.09	72610.09
As at 31st March 2021					
Assets:					
Trade receivables (Refer Note 7)	21127.24	-	-	21127.24	21127.24
Cash and Cash Equivalents (Refer Note 8)	82.98	-	-	82.98	82.98
Other bank balances (Refer Note 9)	0.00	-	-	0.00	0.00
Other financial assets (Refer Note 4 & 10)	1420.66	-	-	1420.66	1420.66
Total	22630.88	-	-	22630.88	22630.88
Liabilities:					
Borrowings including current maturities (Refer Note 14 &19)	50337.32	-	-	50337.32	50337.32
Lease liabilities (Refer Note 15 & 20)	32.96	-	-	32.96	32.96
Trade Payables (Refer Note 21)	8746.79	-	-	8746.79	8746.79
Other financial liabilities (Refer Note 22)	2730.33	197.43	-	2927.76	2927.76
Total	61847.40	197.43	-	62044.83	62044.83

Carrying value of financial assets and financial liabilities designated at amortised cost approximate its fair value.

Fair Value Measurement

(i) Fair Value hierarchy

Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities

Level 2 - Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly [i.e. as prices] or indirectly (i.e. derived from prices)

Level 3 - Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

(ii) The following table presents fair value hierarchy of assets and liabilities measured at fair value:

Particulars	Fair Value	Level 1	Level 2	Level 3
As at 31st March 2022				
Other financial Assets (current)				
-Derivative financial instruments	4.64	0.00	0.00	4.64
Other financial liabilities (current)				
-Derivative financial instruments	0.00	0.00	0.00	0.00
As at 31st March 2021				
Other financial assets (current)				
-Derivative financial instruments	0.00	0.00	0.00	0.00

Other financial liabilities (current)				
-Derivative financial instruments	197.43	0.00	0.00	197.43

NOTE-48**Assets pledged as Security**

The Carrying amount of assets pledged as security for current and non-current borrowings are:-

Particulars	(₹ in Lakhs)	
	As at 31 st March,2022	As at 31 st March,2021
Current Assets		
Financial Assets		
Trade receivables (Excluding Bills Discounted)	24834.64	15021.84
Non-Financial Assets		
Inventories	52189.14	28119.89
Total Current Assets Pledged as Security (A)	77023.78	43141.73
Non Current Assets		
Property Plant and Equipment	38082.71	41671.64
Total Non Current Assets Pledged as Security (B)	38082.71	41671.64
Total Assets Pledged as Security (A+B)	115106.49	84813.37

NOTE-49**Capital Management**

The primary objective of the company's capital management is to maintain optimum capital structure to reduce cost of capital and to maximize the shareholder value.

The company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants which otherwise would permit the banks to immediately call loans and borrowings. In order to maintain or adjust the capital structure, the company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Company is not subject to any externally imposed capital requirements.

The Company monitors capital using a gearing ratio, which is net debt i.e. non-current borrowings inclusive of current maturities (net of cash and cash equivalents) divided by total equity. The Company's gearing ratio is as follows:

Particulars	(₹ in Lakhs)	
	As at 31 st March,2022	As at 31 st March,2021
Non-current borrowings (Inclusive of Current Maturities)	15823.06	23943.53
Less: Cash and cash equivalents	53.54	82.98
Net debt (A)	15769.52	23860.55
Total Equity (B)	76746.60	35687.59
Gearing ratio (A/B)	0.21	0.67

Further, there have been no breaches in the financial covenants of any interest-bearing loans and borrowing during the reporting period.

There were no changes in the objectives, policies or processes for managing capital from prior years.

NOTE-50

Financial Instruments and Risk Management

The principal financial assets of the Company include trade and other receivables, loans and advances and cash and bank balances that derive directly from its operations. The principal financial liabilities of the company include loans and borrowings, trade and other payables and the main purpose of these financial liabilities is to finance the day to day operations of the company.

The Company is exposed to market risk (including foreign currency risk, interest rate risk and other price risk), credit risk and liquidity risk. The Company's senior management oversees the management of these risks and that advises on financial risks and the appropriate financial risk governance framework for the Company.

This note explains the risks which the company is exposed to and policies and framework adopted by the company to manage these risks:

(i) Market Risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market prices comprise three types of risk: foreign currency risk, interest rate risk and investment risk.

a) Foreign Currency Risk

The company operates internationally and business is transacted in several currencies. The export sales of company comprise around 58% of the total sales of the company, Further the company also imports certain assets and raw material/stores etc. from outside India. The exchange rate between the Indian rupee and foreign currencies has changed substantially in recent years and may fluctuate substantially in the future. Consequently, the company is exposed to foreign currency risk and the results of the company may be affected as the rupee appreciates/ depreciates against foreign currencies. Foreign exchange risk arises from the future probable transactions and recognized assets and liabilities denominated in a currency other than company's functional currency.

The company measures the risk through a forecast of highly probable foreign currency cash flows and manages its foreign currency risk by appropriately hedging the transactions. The Company uses derivative financial instruments such as foreign exchange forward contracts to mitigate the risk of changes in exchange rates on foreign currency exposures.

The following table summarizes the company's exposure foreign currency risk from financial instruments at the end of each reporting period:

Particulars	(Amount in FC-Lakhs)	
	As at 31 st March,2022	As at 31 st March,2021
a) Exposure on account of Financial Assets		
Trade receivables (A)		
-In USD	456.65	198.50
-In Euro	0.00	1.37
-In CHF	-	-
Amount hedged through forwards(B)		
-In USD	6.94	2.28
-In Euro	0.00	0.09
-In CHF	-	-
Net Exposure to Foreign Currency Assets (C=A-B)		
-In USD	449.71	196.22
-In Euro	0.00	1.28
-In CHF	-	-

b) Exposure on account of Financial Liabilities		
Borrowings, Trade and other Payables (D)		
-In USD	529.19	686.96
-In Euro	-	-
-In CHF	1.85	-
Amount Hedged through forwards (E)		
-In USD	254.83	579.89
-In Euro	-	-
-In CHF	0.18	-
Net Exposure to Foreign Currency Liabilities (F=D-E)		
-In USD	274.36	107.07
-In Euro	-	-
-In CHF	1.67	-
Net Exposure to Foreign Currency-Payable/(Receivable) (F-C)		
-In USD	(175.35)	(89.15)
-In Euro	0.00	(1.28)
-In CHF	1.67	0.00

The following significant exchange rates applied during the year:

Particulars	2021-2022 (Average exchange rate)	2020-2021 (Average exchange rate))	2021-2022 (Year end rates)	2020-2021 (Year end rates))
INR/USD	74.5000	72.7114	75.7925	73.1150
INR/EURO	86.5502	86.0464	84.2200	85.7275
INR/CHF	81.0815	77.8330	80.0425	77.5050

Foreign currency sensitivity

The impact on the Company's profit before tax due to changes in the fair value of monetary assets and liabilities including foreign currency derivatives on account of reasonably possible change in USD,CHF and Euro exchange rates (with all other variables held constant) will be as under:

Particulars	(₹ in Lakhs)	
	As at 31 st March,2022	As at 31 st March,2021
10% Strengthening/ weakening of USD against INR	(1328.99)	(651.83)
10% Strengthening/ weakening of Euro against INR	0.00	(10.94)
10% Strengthening/ weakening of CHF against INR	13.36	0.00

b) Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

As the Company has no significant interest-bearing assets, the income and operating cash flows are substantially independent of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's debt obligations with floating interest rates, which are included in interest bearing loans and borrowings in these financial statements. The company's fixed rate borrowings are not subject to interest rate risk, since neither the carrying amount nor the future cash flows will fluctuate because of a change in market interest rates.

At the reporting date the interest rate profile of the Company's interest bearing financial instrument is as below:

(₹ in Lakhs)

Particulars	As at 31 st March,2022	As at 31 st March,2021
Variable Rate Instruments		
Borrowings (Non-current) (inclusive of current maturities)	14770.25	22987.15
Borrowings (Current)	21534.25	17349.79
Total variable Rate Borrowings	36304.50	40336.94

Particulars	As at 31 st March,2022	As at 31 st March,2021
Fixed Rate Instruments		
Borrowings (Non-current) (inclusive of current maturities)	122.03	154.91
Borrowings (Current)	16278.24	9044.00
Total fixed Rate Borrowings	16400.27	9198.91

Cash flow sensitivity analysis for variable rate instruments

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of loans and borrowings affected. A change of 100 basis points in interest rates for variable rate instruments at the reporting date would have increased/(decreased) profit or loss for the below years by the amounts shown below. With all other variables held constant, the Company's profit before tax is affected through the impact on floating rate borrowings, as follows:

(₹ in Lakhs)

Particulars	As at 31 st March,2022	As at 31 st March,2021
Increase/ (decrease) in 100 basis point	363.04	403.37

c) Investment Risk:

Company has not made any investments hence it is not exposed to investment risk.

(ii) Liquidity Risk

The financial liabilities of the company, other than derivatives, include loans and borrowings, trade and other payables. The company's principal sources of liquidity are cash and cash equivalents and the cash flow that is generated from operations.

The company monitors its risk of shortage of funds to meet the financial liabilities using a liquidity planning tool. The company plans to maintain sufficient cash to meet the obligations as and when fall due.

The table below analyses the company's financial liabilities and financial assets into relevant maturity groupings based on their contractual maturities.

(₹ in Lakhs)

Particulars	As at 31 st March,2022	As at 31 st March,2021
Borrowings from Banks		
Not later than one year	39569.75	31105.53
Later than one year and not later than five year	13038.10	12651.81
Later than five years	129.66	5778.50

Trade Payables		
Not later than one year	12435.36	8729.13
Later than one year and not later than five year	8.20	17.66
Later than five years	-	-
Other Financial liabilities		
Not later than one year	6425.73	2934.72
Later than one year and not later than five year	50.36	20.13
Later than five years	13.36	5.87
Total financial liabilities		
Not later than one year	58430.84	42769.38
Later than one year and not later than five year	13096.66	12689.60
Later than five years	143.02	5784.37

Financial assets	As at 31stMarch,2022	As at 31stMarch,2021
Trade receivable		
Not later than one year	41045.14	20538.82
Later than one year and not later than five year	67.74	588.42
Later than five years	-	-
Cash and cash equivalents and Other bank balances		
Not later than one year	2484.54	82.98
Later than one year and not later than five year	-	-
Later than five years	116.80	111.76
Other financial assets		
Not later than one year	71.19	14.19
Later than one year and not later than five year	-	-
Later than five years	-	-
Total financial assets		
Not later than one year	43600.87	20635.99
Later than one year and not later than five year	67.74	588.42
Later than five years	116.80	111.76

In addition to above financial assets, the company has inventories of ₹ 52189.14 Lakhs as on 31st March, 2022 (₹ 28119.89 Lakhs as on 31st March, 2021) which can be realized to meet its financial obligations.

(iii) Credit Risk

Credit risk refers to the risk of default on its obligation by the counterparty resulting in a financial loss. The maximum exposure to the credit risk at the reporting date is primarily from trade receivables which are typically unsecured. Credit

risk on cash and bank balances is limited as the company generally invests in deposits with banks and financial institutions with high credit ratings assigned by credit rating agencies. The Company's credit risk in case of all other financial instruments is negligible.

The company assesses the credit risk based on external credit ratings assigned by credit rating agencies. The company also assesses the creditworthiness of the customers internally to whom goods are sold on credit terms in the normal course of business. The credit limit of each customer is defined in accordance with this assessment. Outstanding customer receivables are regularly monitored and shipments to overseas customers are generally covered by letter's of credit of foreign bank.

The impairment analysis is performed on client to client basis for the debtors that are past due at the end of each reporting date. The company has not considered an allowance for credit loss in case of trade receivables that are past due but there has not been a significant change in the credit quality and the amounts are still considered recoverable.

The following is the detail of revenues generated from top five customers of the company and allowance for lifetime expected credit loss in case of trade receivables:

Particulars	(₹ in Lakhs)	
	As at 31 st March,2022	As at 31 st March,2021
(a)Revenue from top five customers		
- Amount of sales (In Lakhs) (Yarn Sale)	43132.33	30966.50
-% of total sales	20.53	23.91
(b)Allowance for expected credit losses		
-Balance at the beginning of the period	17.28	6.20
-Amount written off/ reversed during the year	-	(0.72)
-Recognized during the year	10.36	11.80
-Balance at the end of the period	27.64	17.28

The maximum exposure to credit risk at the reporting date is the carrying value of trade receivables as disclosed at Note 7.

Write off policy

The financials assets are written off in case there is no reasonable expectation of recovering from the financial ass

NOTE -51

In accordance with provisions of Section 135 of the Companies Act, 2013, a company meeting the applicable threshold, need to spend at least 2% of the average net profit of the immediate preceding three financial years on Corporate Social Responsibility (CSR) activities as defined in schedule-VII of the Companies Act 2013.

The company has spent a sum of ₹ 76.40 Lakhs (previous year ₹ 155.52 Lakhs) towards approved Corporate Social Responsibility (CSR) activities. The unspent amount as at reporting date is Nil Lakhs (Previous year Nil Lakhs.)

Particulars	(₹ in Lakhs)	
	Year ended 31 st March,2022	Year ended 31 st March,2021
(a) Amount required to be spent by the company during the year	116.06	56.65
(b) Amount of expenditure incurred during the year		
i) Construction/ acquisition of any asset	-	-
ii) On purposes other than (i) above	76.40	155.52
(c) Shortfall/(Surplus) at the end of the year	39.66	(98.87)
(d) Total of previous years shortfall/(Surplus)	(98.87)	0.00

(e) Excess expenditure carried forward to next year	(59.21)	(98.87)
(f) Reasons of shortfall	NA	NA
(g) Nature of CSR activities	COVID related activities (i.e. Contribution to Disaster Management, Distribution of PPE Kits & Masks etc.)	COVID related activities (i.e. Contribution to Disaster Management, Distribution of PPE Kits & Masks etc.)
(h) Detail of related party transactions-Contribution to Trust controlled by the Company in relation to CSR	Nil	Nil

#For the purpose of this disclosure, shortfall pertaining to financial years prior to 1st April 2020 has not been considered.

NOTE- 52

The Code on Social Security, 2020 ('Code') relating to employee benefits during employment and post-employment benefits has been notified in the Official Gazette on 29th September 2020. The draft rules have been released on November 13, 2020 and suggestions have been invited from stakeholders which are under consideration by the Ministry. The impact of the change will be assessed and accounted in the period in which said rules are notified for implementation.

NOTE- 53

The borrowing cost amounting to Nil has been capitalized during the year (previous year Nil).

NOTE-54**Ageing schedule of Capital Work in Progress****(i) As at 31st March 2022****(₹ in Lakhs)**

	Amount in CWIP For a period of				
	<1 Year	1-2 Years	2-3 Years	More Than 3 Years	Total
(i) Projects in progress	7322.88	-	-	-	7322.88
(ii) Projects temporarily suspended	-	-	-	-	-

(ii) As at 31st March 2021**(₹ in Lakhs)**

	Amount in CWIP For a period of				
	<1 Year	1-2 Years	2-3 Years	More Than 3 Years	Total
(i) Projects in progress	-	-	-	-	-
(ii) Projects temporarily suspended	-	-	-	-	-

Note: There is no such project in capital-work-in progress, whose completion is overdue or has exceeded its cost compared to its original plan as on 31st March 2022 and 31st March 2021.

NOTE - 55

Key Financial Ratios

Current ratio (in times)	Current assets	Current liabilities	1.70	1.31	29.77%	Due to substantial improvement in profitability level in FY 2021-22 which was retained by the company. Thus showing higher tangible net worth as well as net working capital in FY 2021-22
Debt Equity ratio (in times)	Total Debt	Total Equity	0.70	1.41	-50.35%	
Debt Service Coverage ratio (in times)	Earnings available for debt service ⁽¹⁾	Debt Service ⁽²⁾	4.35	1.92	126.56%	
Return on Equity ratio (ROE) (in %)	Profit for the year	Average Total Equity	72.80%	27.76%	162.25%	
Inventory turnover ratio (in times)	Cost of Goods sold	Average inventory	3.06	3.43	-10.78%	Due to substantial increase in prices of raw cotton there is a great increase in average inventory level as well as net working capital in FY 2021-22
Trade receivables turnover ratio (in times)	Sales of goods and services	Average Trade Receivable	6.75	6.66	1.35%	Due to substantial improvement in profitability level in FY 2021-22 which was retained by the company. Thus showing higher tangible net worth as well as net working capital in FY 2021-22
Trade payables turnover ratio (in times)	Purchases during the year	Average Trade Payables	15.02	12.56	19.58%	
Net capital turnover ratio (in times)	Sales of goods and services	Average Working Capital	7.27	13.42	-45.82%	Due to substantial increase in prices of raw cotton there is a great increase in average inventory level as well as net working capital in FY 2021-22
Net profit ratio (in %)	Profit for the year	Revenue from operations	19.00%	6.47%	193.66%	Due to substantial improvement in profitability level in FY 2021-22 which was retained by the company. Thus showing higher tangible net worth as well as net working capital in FY 2021-22
Return on capital employed (ROCE) (in %)	Earnings before interest and tax	Average Capital Employed ⁽³⁾	52.59%	20.48%	156.78%	

(1) Net Profit after taxes + Non-cash operating expenses like depreciation and other amortizations + Interest + other adjustments like profit/ loss on sale of property plant and equipment

(2) Interest & Lease payments during the year + Principal repayments during the year.

(3) Tangible Net Worth + Total Debt + Deferred Tax Liabilities+ Lease Liabilities Short Term & Long Term.

NOTE - 56

An ocean vessel carrying the containerized export cargo/finished goods of the company amounting to ₹ 22.66 crores had partly tilted/capsized at the seaport's berth on 24th March, 2022 and the rescue operations of the vessel/cargo are still in progress. The revenue against sale of such goods has been recognized based on the accounting policy of the company and shown as recoverable from customers under the head 'Trade Receivable' as on 31st March, 2022. Further, the management has reviewed the recoverability of the said amount and is of the opinion that there is no significant uncertainty with regard to the ultimate collection of the amount recognized as revenue.

NOTE - 57

Details of Benami Property held

The proceedings have been initiated against the company for holding benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended by The Benami Transactions (Prohibition) Amendment Act, 2016 ('the Act')) during the year ended 31st March 2022. The below are the details in regard to the proceedings:

Particulars	Details			
(i) Details of such property (including year of acquisition) and amount thereof	S. No.	Particulars	Year of Acquisition	Amount (in Lakhs)
	1	Land measuring 09 Kanal 10 Marla situated at Village Jeeda, Distt. Bathinda	2011-12	30.88
	2	Land measuring 03 Kanal 02 Marla situated at Village Jeeda, Distt. Bathinda	2011-12	13.02
	3	Land measuring 12 Kanal 04 Marla situated at Village Jeeda, Distt. Bathinda	2012-13	65.58
	4	Land measuring 23 Kanal 09 Marla situated at Village Jeeda, Distt. Bathinda	2011-12	98.49
	5	Land measuring 17 Kanal 16 Marla situated at Village Jeeda, Distt. Bathinda	2013-14	23.42
		Total		231.38
(ii) Details of Beneficiaries	M/s. Sportking India Limited			
(iii) If property is in the books, then reference to the item in the Balance Sheet	The above mentioned Land is included in total amount of Land shown under Note No.3 (a) 'Property Plant & Equipment'			
(iv) If property is not in the books, then the fact shall be stated with reasons,	Not applicable			
(v) Where there are proceedings against the company under this law as an abetter of the transaction or as the transferor then the details shall be provided	Not applicable			
(vi) Nature of proceedings, status of same and company's view on same	Initiating officer under the Act passed the provisional attachment order dated 29.06.2021 u/s 24(3) of the PBPT Act, 1988. And then passed an order dt 20.09.2021 u/s 24(4)(a)(i) of the PBPT Act, 1988 read with rectification order dated 27.10.2021 provisionally attaching the above mentioned properties (after rectification of provisional attachment order dt 20.09.21 for total properties/land measuring approx 170 Kanal value Rs. 722.01 Lakhs) alleging that the Company had purchased these properties out of the Share Capital and Securities Premium received from Sobhagia Sales Pvt Ltd which in turn had received the same from shell companies.			

	<p>The matter is pending before adjudicating authority under the Act as on 31st March 2022 where reply has been filed and hearing is scheduled on 06.06.2022.</p> <p>The Company has filed a Civil writ petition with Hon'ble Punjab and Haryana High Court on the grounds that :-</p> <ol style="list-style-type: none"> a) the Company has already availed Direct Tax Vivad Se Vishwas Scheme,2020 in the present case and no matter covered by order passed under the scheme can be reopened in any other proceeding under the Income-tax Act or under any other law for the time being in force or under any agreement in accordance with section 5(3) of Direct Tax Vivad Se Vishwas Act 2020. b) On 11th August, 2016 the Benami Transaction Prohibition Amendment Act, 2016 was passed and the same was notified to take effect from 1st November, 2016. The provisions of the amended act were not applicable to the purchasing of property during FY 2011-12 which was regulated by the provisions of the unamended Benami Transaction Prohibition Act,1988 and even under the said act, no action had been taken against the Company and thus, the same was not subject of any Benami Transaction. <p>The next hearing at Hon'ble Punjab and Haryana High Court is scheduled on 02.05.2022.</p> <p>The Hon'ble High Court of Calcutta in the case of Ganpati Dealcom Pvt Ltd. has already held that the amended provisions of Benami Act are applicable from the date of amendment in the year 2016, not in respect of past transactions. The Central Govt has already filed an appeal against the said judgement before the Hon'ble Supreme Court of India and their judgement is awaited.</p> <p>Based on the legal advice, the Company is of view that the proceedings are not in accordance with law and the Company is hopeful that the final outcome shall be decided in the favour of the Company.</p>
--	---

NOTE - 58

The title deeds of all the immovable properties are held in name of the Company.

NOTE - 59

The company has not been declared as wilful defaulter by any bank or financial Institution or other lender.

NOTE - 60

The company does not have any transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956.

NOTE - 61

The company does not have any such transactions which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).

NOTE - 62

The Company has not traded or invested in Crypto currency or Virtual Currency, during the financial year ended 31st March, 2022.

NOTE - 63

There are no loans or advances in the nature of loans granted to Promoters, Directors, KMPs and the related parties (as defined under Companies Act, 2013), either severally or jointly with any other person, that are:

- (a) Repayable on demand; or
- (b) Without specifying any terms or period of repayment

NOTE - 64

The company has not advanced or loaned or invested funds (either from borrowed funds or share premium or any other sources or kind of funds) to any other person or entity, including foreign entities ("Intermediaries") with the understanding (whether recorded in writing or otherwise) that the Intermediary shall.

- a. directly or indirectly lend or invest in other person or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or
- b. provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

NOTE - 65

The company has not received any fund from any person or entity, including foreign entities (Funding parties) with the understanding (whether recorded in writing or otherwise) that the company shall.

- a. directly or indirectly lend or invest in other person or entities identified in any manner whatsoever by or on behalf of the funding party (Ultimate Beneficiaries) or
- b. provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

NOTE - 66

The Company has taken borrowings from banks on the basis of security of inventories and trade receivable (i.e current assets). There are certain differences in value of inventories and trade receivables as filed with banks vis-à-vis books of accounts. The summary of reconciliation and reasons of material discrepancies in this regard is as under:-

(₹ in Lakhs)

Quarter ending	Name of the Bank	Particulars of security provided	Amount as per books of accounts	Amount as reported in the quarterly statement	Amount of difference	Reason for material differences
30 th June, 2021	State Bank of India and consortium of banks	Stocks	37403.82	37426.25	(22.43)	Differences are not material.
		Trade receivables (Excluding Bills discounted amounting of Rs.6692 Lakhs)	19483.00	19211.99	271.01	Differences are not material and are mainly due to reinstatement of export debtors which was accounted for after submission of statement to the banks.
30 th Sept, 2021	State Bank of India and consortium of banks	Stocks	26166.48	26185.57	(19.09)	Differences are not material.
		Trade receivables (excluding Bills discounted amounting of Rs.8174 Lakhs)	25859.36	25442.68	416.68	Differences are not material and are mainly due to reinstatement of export debtors which was accounted for after submission of statement to the banks.
31 st Dec, 2021	State Bank of India and consortium of banks	Stocks	40980.52	40973.90	6.62	Differences are not material.
		Trade receivables (excluding Bills discounted amounting of Rs.10861.19 Lakhs)	27492.86	27629.46	(136.60)	Differences are not material and are mainly due to reinstatement of export debtors which was accounted for after submission of statement to the banks.
31 st March, 2022	State Bank of India and consortium of banks	Stocks	52189.14	52050.64	138.50	Differences are not material.
		Trade receivables (excluding Bills discounted amounting of Rs.16278.24 Lakhs)	24834.64	24359.00	475.64	Differences are not material and are mainly due to reinstatement of export debtors which was accounted for after submission of statement to the banks.

Note: Trade receivables other than trade receivables discounted with banks have not been considered in the above figures as the same is not included in the statement submitted to banks.

NOTE - 67

The company does not have any charge or satisfaction which is yet to be registered with ROC beyond the statutory period.

NOTE - 68

The figures of comparative period have been regrouped/ reclassified to comply with the amendments in schedule III to the Companies Act, 2013 vide notification dated 24th March, 2021 or to make them comparable with current year classification, if any.

As per our report of even date attached

For SCV & Co.LLP

Chartered Accountant

Firm Regn No.000235N/N500089

For and on behalf of Board of Directors**(Sanjiv Mohan)****(Partner)****M.No.0860866****Raj Kumar Avasthi**

Chairman Cum Mg.Director

DIN No.01041890

Munish Avasthi

Managing Director

DIN No.00442425

Naresh Jain

Executive Director

DIN No.00254045

Place: Ludhiana**Date: April 30, 2022****P.K. Gupta**

Chief Financial Officer

Lovlesh Verma

Company Secretary

NOTICE

NOTICE is hereby given that the **33rd Annual General Meeting** of the members of Sportking India Limited will be held on **Friday, the 30th Day of September 2022 at 10.00 AM** at Registered Office of the company situated at **Village Kanech, Near Sahnewal GT Road, Ludhiana-141120 (Punjab)** to transact the following business:

ORDINARY BUSINESS

1. To consider and adopt the Standalone Financial Statements of the Company for the financial year ended 31st March, 2022 and the Reports of the Board of Directors and Auditors thereon.
2. To appoint a Director in place of Mr. Munish Avasthi (DIN: 00442425) who retires by rotation and being eligible, offers himself for re- appointment.
3. To re-appoint Statutory Auditors of the Company from the conclusion of this 33rd Annual General Meeting of the Company till the conclusion of the 38th Annual General Meeting of the Company to be held in the year 2027 and to 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 Section 139, 142 and all other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, (including any statutory modification(s) or re-enactment (s) thereof for the time being in force) and pursuant to the recommendations of the Audit Committee and the Board of Directors of the Company, M/s. SCV & Co, LLP Chartered Accountants, (Firm registration No. 00235N/N500089) be and are hereby re- appointed as the Statutory Auditors of the Company for a second term of five consecutive years, who shall hold office from the conclusion of this 33rd Annual General Meeting of the Company till the conclusion of the 38th Annual General Meeting of the Company to be held in the year 2027 on such remuneration as may be decided by the Board of Directors in consultation with the Statutory Auditors of the Company."

SPECIAL BUSINESS

4. **Ratification of the remuneration of the Cost Auditors for Financial Year 2022-23**

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 & other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 & 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 (Firm 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, 2023, be paid remuneration of Rs. 1,30,000/- plus applicable taxes."

5. **Regularization of the appointment of Mrs. Anjali Avasthi (DIN: 06911970) as a Non-Executive Non 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 Sections 149,152,161 and all other applicable provisions of the Companies Act, 2013 read with the Companies (Appointment and Qualification of Directors) Rules, 2014 and SEBI (LODR) Regulations, 2015(including any statutory modification(s) or re-enactment thereof, for the time being in force), Mrs. Anjali Avasthi (DIN: 06911970) who was appointed as an Additional Director of the Company on 03rd September 2022 and who holds such office up to the date of conclusion of this Annual General Meeting and in respect of whom the company has received a notice in writing from a member proposing her candidature for the office of Director under the Companies Act, 2013 be and is hereby appointed as a Non-Executive Director (Non Independent) of the Company, liable to retire by rotation.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution.”

6. **Re-appointment and Payment of Remuneration to Mr. Munish Avasthi (DIN: 00442425) as Managing Director along with designating Sh. Munish Avasthi as Chief Executive Officer (CEO) of the Company**

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

RESOLVED THAT subject to provisions of Sections 196, 197, 198, 203 and all other applicable provisions of the Companies Act, 2013 (“the Act”) read with Schedule V and Rules made thereunder, applicable provisions of SEBI (LODR) Regulations, 2015(including any statutory modification(s) or re-enactment thereof, for the time being in force), the relevant provisions of the Articles of Association of the Company and pursuant to the recommendations of the Nomination & Remuneration Committee and approval of the Board and subject to such other approvals, as may be necessary, consent of the Members be and is hereby accorded for re-appointment of Mr. Munish Avasthi (DIN: 00442425) as Managing Director of Company for a period of 3 years effective from 01st October 2022, liable to retire by rotation as well as designating Mr. Munish Avasthi (DIN: 00442425) as Chief Executive Officer (CEO) of the Company during his term of re-appointment as Managing Director of the Company.

RESOLVED FURTHER THAT the re-appointment and remuneration of Mr. Munish Avasthi (DIN: 00442425) as Managing Director will be on the following terms and conditions:

Basic Salary of Rs. 10,00,000/- (Rupees Ten Lakh Only) Per Month with a yearly provision of additional salary/commission/perquisite of Rs. 2,40,00,000/- (Rupees Two Crore Forty Lakh Only) payable monthly or quarterly or at such other intervals in one or more tranches as the Board may decide from time to time, however subject to a ceiling of overall remuneration of Rs. 3,60,00,000/- (Rupees Three Crore Sixty Lakh Only) per year.

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

- a. Housing - Free furnished residential accommodation along with other amenities. The expenditure incurred by the Company on gas, electricity, water and furnishing shall be valued as per the Income Tax Rules, 1962.
- b. Medical Expenses/Reimbursement thereof- Expenses incurred by the company/appointee (including Medclaim insurance premium/ medical treatment/ hospitalization expenses) on self and his family.
- 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.
- e. Personal Accident Insurance Premium.
- 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 along with driver for official as well as personal purposes.
- i. Telephone/Cell phone - Free use of company's telephone at residence/cell phone for official as well as personal purposes.

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 of Directors of the company be and is hereby authorized to alter and vary the terms and conditions so as not to exceed the limits specified in Schedule V of the Companies Act, 2013 and is authorized to do all such acts, deeds matters and things as may be necessary or expedient for giving effect to said resolution.”

7. **Re-appointment / Continuation and Payment of Remuneration to Mr. Naresh Kumar Jain (DIN: 00254045) as Whole Time Director of Company upon attaining age of Seventy years**

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

RESOLVED THAT subject to provisions of Sections 196, 197, 198, 203 and all other applicable provisions of the Companies Act, 2013 ("the Act") read with Schedule V and Rules made thereunder, applicable provisions of SEBI (LODR) Regulations, 2015 (including any statutory modification(s) or re-enactment thereof, for the time being in force), the relevant provisions of the Articles of Association of the Company and pursuant to the recommendations of the Nomination & Remuneration Committee and approval of the Board and subject to such other approvals, as may be necessary, consent of the Members be and is hereby accorded for re-appointment Mr. Naresh Kumar Jain (DIN: 00254045) as Whole time Director of Company for a period of 3 years effective from 01st October 2022, liable to retire by rotation and continuation of holding of office of Whole Time Director upon attaining the age of 70 (Seventy) years during the period of re-appointment on the following terms and conditions:

Basic Salary Rs. 1,15,000/- (Rupees One Lakh Fifteen Thousand) Per Month

Perquisites -The following perquisites shall be allowed from in addition to Basic Salary except those prescribed under Section IV of Part II of Schedule V of the Companies Act, 2013

- a. Housing - Free furnished residential accommodation along with other amenities or house rent allowance equal to 50% of the basic salary. The expenditure incurred by the Company on gas, electricity, water and furnishing shall be valued as per the Income Tax Rules, 1962.
- b. Medical Expenses/Reimbursement thereof- Expenses incurred by the company/appointee (including Mediclaim insurance premium/ medical treatment/ hospitalization expenses) on self and his family.
- 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.
- e. Personal Accident Insurance Premium.
- 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 along with driver for official as well as personal purposes.
- i. Telephone/Cell phone - Free use of company's telephone at residence/cell phone for official as well as personal purposes.

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

Minimum Remuneration - Notwithstanding anything to the contrary herein contained, where in any financial year, during the currency of the tenure of the Whole time 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 during the period from 1st October, 2022 to 30th September, 2025 and during the remaining term of Whole time Director, the payment of minimum remuneration, if required, will again be reviewed/ considered by the Board of Directors/ Members .

RESOLVED FURTHER THAT the Board of Directors of the company be and is hereby authorized to alter and vary the terms and conditions so as not to exceed the limits specified in Schedule V of the Companies Act, 2013 and is authorized to do all such acts, deeds matters and things as may be necessary or expedient for giving effect to said resolution."

8. **Increase in the borrowing powers of the company under Section 180(1)(c) of Companies Act, 2013**

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

“RESOLVED THAT in supersession of the Special resolution adopted in Annual General Meeting of the Company held on 11th day of September 2014 and in accordance with Section 180 (1)(c) of the Companies Act, 2013 (including any statutory modification or re-enactment thereof for the time being in force) and the Articles of Association of the Company, the consent of the Members be and is hereby accorded to the Board of Directors of the Company hereinafter referred to as “The Board” (which term shall be deemed to include any Committee thereof which the Board may constitute for this purpose), to borrow any sum or sums of money from time to time at their discretion, for the purpose of the business of the Company, from any one or more Banks, Financial Institutions and other persons, firms, bodies corporate etc. notwithstanding that the monies to be borrowed together with the monies already borrowed by the Company (apart from temporary loans obtained from the Company’s Bankers in the ordinary course of business) may, at any time exceed the aggregate of the paid up share capital of the Company, its free reserves (that is to say reserves not set apart for any specific purpose) and securities premium as per the latest annual audited financial statements but not exceeding to sum of Rs. 1500 Crores (Rupees One Thousand Five Hundred Crores Only) and that the Board of Directors be and is hereby empowered and authorized to arrange or fix the terms and conditions of all such monies to be borrowed from time to time as to interest, repayment, security or otherwise as they may, in their absolute discretion, think fit.

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board be and is hereby authorized to do all such acts, deeds, matters and things as it may in its absolute discretion deem necessary, proper, or desirable and to settle any question, difficulty, doubt that may arise in respect of the borrowing(s) aforesaid and further to do all such acts, deeds and things and to execute all documents and writings as may be necessary, proper, desirable or expedient to give effect to this resolution.”

9. **Creation of the security for the loan/ credit facilities by mortgage/ creation of charge under Section 180(1)(a) of Companies Act, 2013**

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

“RESOLVED THAT in supersession of the Special resolution adopted in Annual General Meeting of the Company held on 11th day of September 2014 and in accordance with Section 180 (1)(a) of the Companies Act, 2013 (including any statutory modification or re-enactment thereof for the time being in force) and the Articles of Association of the Company, the consent of the Members be and is hereby accorded to the Board of Directors of the company hereinafter referred to as “The Board” (which term shall be deemed to include any Committee thereof which the Board may constitute for this purpose), to mortgage, pledge, charges or hypothecation, in addition to the mortgage, pledge, create charges or hypothecation already created/to be created by the Company, in such form and manner and with such ranking and at such time and on such terms as the Board may determine, on all or any of the movable and/or immovable properties of the Company wherever situated, both present and future and/or the whole or any part of the undertaking(s) of the Company, in favour of Company’s Bank (s)/ Financial Institutions/ Lender(s) other Investing Agencies for securing the borrowings availed/to be availed by the Company by way of loans, credit facilities, Stand by letter of Credit/ Letter of Credit, financial obligations or otherwise by the Company, in foreign currency or in Indian rupees, within the overall limits of the borrowing powers of the Board as determined from time to time by members of the Company, pursuant to Section 180(1)(c) of the Companies Act, 2013

RESOLVED FURTHER THAT for the purpose of giving effect to this Resolution, the Board or any committee or person(s) authorised by the Board, be and is / are hereby authorised to finalize, settle and execute such documents / deeds / writings / papers / agreements as may be required and to do all acts, deeds, matters and things as may in its / his / their absolute discretion deem necessary, proper or desirable and to settle any question(s), difficulty(ies) or doubt(s) that may arise in regard to creating security(ies) as aforesaid or other considered to be in the best interest of the Company.

**By Order of the Board
For Sportking India Limited**

**(Munish Avasthi)
Chairman
DIN: 00442425**

**Place: Ludhiana
Date : 03.09.2022**

**Regd. Office:
Village Kanech, Near Sahnewal
GT Road, Ludhiana-141120 (Punjab)**

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.) 3 to 9 set out above and the details under Regulation 36 (3) of SEBI (LODR) Regulations, 2015 in respect of Directors proposed to be re-appointed at the Annual General Meeting, is annexed hereto as Annexure 1 and Annexure 2 respectively.
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 Village Kanech, Near Sahnewal, G.T. Road, Ludhiana-141120 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. Corporate members intending to send their authorized representatives to attend the Meeting are requested to send to the Company a certified copy of the Board Resolution authorizing their representative to attend and vote on their behalf at the Meeting.
4. 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.
5. 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.
6. Electronic copy of the Annual Report for the financial year 2021-22 is being sent to all the members whose Email IDs are registered with the Company / Depository Participant for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered the Email address, physical copy of the Annual Report is being sent separately
7. 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.
8. Members are requested to notify change in address, if any, to the company at its registered Office quoting their folio number.
9. 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.
10. The company's Registrar and Share Transfer Agents 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.
11. 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 joined the MCA in its environmental friendly initiative. The company would 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 the Depository Participants (D.P.) with whom they are having Demat Account 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.
12. SEBI has mandated the submission of Permanent Account Number (PAN) by every securities market participant. Members holding shares in electronic form are therefore requested to submit their PAN to the DP with whom they maintain their demat accounts. Members holding shares in physical form should submit their PAN to M/s. Beetal Financial & Computer Services (P) Ltd /Company.
13. 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:

- a) The voting period begins on 27th September 2022 at 09.00 a.m (IST) and ends on 29th September 2022 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 (record date) of 23rd September 2022 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- b) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
- c) Pursuant to SEBI Circular No. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 09.12.2020, under Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, listed entities are required to provide remote e-voting facility to its shareholders, in respect of all shareholders' resolutions. However, it has been observed that the participation by the public non-institutional shareholders/retail shareholders is at a negligible level.

Currently, there are multiple e-voting service providers (ESPs) providing e-voting facility to listed entities in India. This necessitates registration on various ESPs and maintenance of multiple user IDs and passwords by the shareholders. In order to increase the efficiency of the voting process, pursuant to a public consultation, it has been decided to enable e-voting to all the demat account holders, by way of a single login credential, through their demat accounts/ websites of Depositories/ Depository Participants. Demat account holders would be able to cast their vote without having to register again with the ESPs, thereby, not only facilitating seamless authentication but also enhancing ease and convenience of participating in e-voting process.

- d) In terms of SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility

Pursuant to above said SEBI Circular, Login method for e-Voting and joining virtual meetings for Individual shareholders holding securities in Demat mode CDSL/NSDL is given below

Type of shareholders	Login Method
Individual Shareholders holding securities in Demat mode with CDSL	<ol style="list-style-type: none"> 1) Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are https://web.cdslindia.com/myeasi/home/login or visit www.cdslindia.com and click on Login icon and select New System Myeasi. 2) After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers i.e. CDSL/NSDL/KARVY/LINKINTIME, so that the user can visit the e-Voting service providers' website directly. 3) If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration 4) Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on www.cdslindia.com home page or click on https://evoting.cdslindia.com/Evoting/EvotingLogin The system will authenticate the user by sending OTP on registered Mobile & Email as

	recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.
Individual Shareholders holding securities in demat mode with NSDL	<ol style="list-style-type: none"> 1) If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: https://eservices.nsd.com either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. 2) If the user is not registered for IDeAS e-Services, option to register is available at https://eservices.nsd.com. Select "Register Online for IDeAS Portal" or click at https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp 3) Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsd.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting
Individual Shareholders (holding securities in demat mode) login through their Depository Participants	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. After Successful login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

Important note: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. CDSL and NSDL

Login type	Helpdesk details
Individual Shareholders holding securities in Demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at toll free no. 1800 22 55 33.
Individual Shareholders holding securities in Demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 1800 1020 990 and 1800 22 44 30

e) Login method for e-Voting and joining virtual meetings for Physical shareholders and shareholders other than individual holding in Demat form.

- 1) The shareholders should log on to the e-voting website www.evotingindia.com.
- 2) Click on "Shareholders" module.
- 3) 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. Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.
- 4) Next enter the Image Verification as displayed and Click on Login.
- 5) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier e-voting of any company, then your existing password is to be used.
- 6) If you are a first-time user follow the steps given below:

	For Physical shareholders and other than individual shareholders holding shares in Demat.
PAN	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) <ul style="list-style-type: none"> • Shareholders who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number sent by Company/RTA or contact Company/RTA.
Dividend Bank Details OR Date of Birth (DOB)	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. <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.

- f) After entering these details appropriately, click on "SUBMIT" tab.
- g) Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders 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.
- h) For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- i) **Click on the EVSN < 220831001> for Sportking India Limited on which you choose to vote.**

- j) 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.
- k) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- l) 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.
- m) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- n) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.
- o) 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.
- p) Additional Facility for Non – Individual Shareholders and Custodians –For Remote Voting only.
- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to www.evotingindia.com and register themselves in the "Corporate" module.
 - 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 mailed 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.
 - Alternatively Non Individual shareholders are required to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address i.e. cs@sportking.co.in, if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.
14. The Company has appointed Mr. Sunny Kakkar, Practicing Company Secretary (M. No. FCS 10111 & C.P. No. 12712) as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.
15. If you have any queries or issues regarding attending AGM & e-Voting from the CDSL e-Voting System, you may write an email to helpdesk.evoting@cdslindia.com or contact at toll free no. 1800225533. All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Sr. Manager, (CDSL) Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 00013 or send an email to helpdesk.evoting@cdslindia.com or call on toll free no. 1800 22 55 33.
16. 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"/ "Polling Paper" for all those member who are present at the AGM but have not cast their votes by availing the remote e- voting facility.

By Order of the Board
For Sportking India Limited

(Munish Avasthi)
Chairman
DIN: 00442425

Place: Ludhiana
Date : 03.09.2022

Regd. Office:
Village Kanech, Near Sahnewal
GT Road, Ludhiana-141120 (Punjab)

ANNEXURE 1 TO THE NOTICE**STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013****Item No. 3**

The Members had approved the appointment of M/s. SCV & Co, LLP, Chartered Accountants, (Firm registration No. 000235N/N500089) as Statutory Auditors of the Company, to hold office till the conclusion of the 33rd AGM (to be held in the year 2022) at the 28th Annual General Meeting ("AGM") of the Company held on 09th September 2017. After evaluating and considering various factors such as industry experience, competency of the audit team, efficiency in conduct of audit, independence, etc., the Board of Directors of the Company based on the recommendation of the Audit Committee, at its meeting held on 03.09.2022, had recommended the re-appointment of M/s. SCV & Co, LLP, Chartered Accountants, having registration No. 000235N/N500089 as the Statutory Auditors of the Company, for a second term of five consecutive years from the conclusion of 33rd AGM in the year 2022 till the conclusion of 38th AGM of the Company to be held in the year 2027, at a remuneration as may be mutually agreed between the Board of Directors and Statutory Auditors for approvals by the members of the Company.

M/s. SCV & Co, LLP Chartered Accountants have consented to their appointment as Statutory Auditors and have confirmed that if appointed, their appointment will be in accordance with Section 139 and Section 141 of the Act.

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. 3 for approval by the members.

Item No. 4

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, Ludhiana to conduct the audit of the cost records of the Company for the financial year ending 31st March, 2023 at a fixed remuneration of Rs. 1,30,000/- plus applicable taxes in their meeting held on 03.09.2022.

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. 4 for approval by the members.

Item No. 5

Mrs. Anjali Avasthi (DIN: 06911970), was appointed as an Additional Director of the Company at the meeting of Board of Directors held on 03.09.2022 who will hold office up to the conclusion of next Annual General Meeting of the Company to be held on 30th September 2022 in the terms of section 161 of the Companies Act 2013.

The company has received a notice together with requisite deposit from a member of the company signifying his intention to propose Mrs. Anjali Avasthi (DIN: 06911970) as Non-Executive Director (Non-Independent) of the Company pursuant to provisions of Section 160 of the Companies Act 2013.

The Company has also received from Mrs. Anjali Avasthi (DIN: 06911970), Consent in writing to act as director in Form DIR-2 pursuant to Rule 8 of Companies (Appointment & Qualification of Directors) Rules, 2014 and Intimation in Form DIR-8 in terms of Companies (Appointment & Qualification of Directors) Rules, 2014 to the effect that she is not disqualified under sub section (2) of section 164 of the Companies Act, 2013.

Brief resume of Mrs. Anjali Avasthi (DIN: 06911970) and nature of her expertise in specific functional areas and names of companies in which she hold directorships and memberships / chairmanships of Board Committees, shareholding and relationships between directors is provided in the statement giving details under Regulation 36 (3) of the Listing Regulation in respect of the Directors proposed to be appointed/ re-appointed, annexed to this notice.

Copy of the draft letter for appointment of Mrs. Anjali Avasthi as Non-Executive Director setting out the terms and conditions is available for inspection by members at the Registered Office of the Company.

Mrs. Anjali Avasthi and Mr. Munish Avasthi and their relatives are deemed to be interested in the resolution.

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 this resolution.

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

Item No. 6

Mr. Munish Avasthi is a Bachelor of Commerce from Delhi University and having rich experience in Spinning/Textile Industry from last 30 years. He is associated with the Company as its Director since 1992 and working as Managing Director since 1999. The day to day operations of the company are looked after by him. He was re-appointed as Managing Director by the members in the annual general meeting held on September 09, 2017 to hold office upto September 30, 2022.

Considering his knowledge of various aspects relating to the Company's affairs and long business experience, for smooth and efficient running of the business and in terms of the provisions of the Act and the Articles of Association of the Company, the Nomination and Remuneration Committee of the Board and the Board of Directors in their meeting held on 03.09.2022 had re-appointed him as Managing Director of the Company for a further period of 3 (Three) years with effect from 01st October 2022 and also designating Mr. Munish Avasthi (DIN: 00442425) as Chief Executive Officer (CEO) of the Company during his term of reappointment as Managing Director of the Company along with payment of remuneration to him subject to approval of the shareholders.

The Company's Performance is continuously improving under his leadership and guidance and the company is in process of enhancing capacity by installing more than one lakh spindles along with 10.2 MW Rooftop Solar Power Project at a project cost of about Rs. 500 Crs which will further improve the performance of the Company. Keeping in view the level of remuneration prevailing in the Industry and Market Situation, the Nomination and Remuneration Committee in their meeting held on 03.09.2022 had recommended the payment of remuneration to Mr. Munish Avasthi at Basic Salary of Rs. 10,00,000/- (Rupees Ten Lakh Only) Per Month with a yearly provision of additional salary/commission/perquisite of Rs. 2,40,00,000/- (Rupees Two Crore Forty Lakh Only) payable in one or more tranches as the Board may decide from time to time, however subject to a ceiling of overall remuneration of Rs. 3,60,00,000/- (Rupees Three Crore Sixty Lakh Only) per year has been approved by Board of Directors in their Meeting held on 03.09.2022 subject to the approval of the shareholders.

In terms of the provisions of Section 197 read with Schedule V of the Act, the Company is required to obtain the approval of the members by way of a special resolution for payment of remuneration to Managerial Personnel. Further, Pursuant to Regulation 17 (Listing Obligations and Disclosure Requirements) Regulations, 2015, the fees or compensation payable to Executive Directors who are promoters or members of the promoter group, shall be subject to the approval of the shareholders by special resolution in a general meeting, if the annual remuneration payable to such Executive Director exceeds Rs.5 Crore or 2.5% of the net profits of the Company, whichever is higher; or where there is more than one such director, the aggregate annual remuneration to such directors exceeds 5% of the net profits of the Company. As the company is having one executive promoter director and the remuneration to the executive promoter director may exceed the 2.5% of the net profits of the Company, special resolution is proposed for such remuneration.

The proposed special resolution being approved in respect of resolution set out at Item No. 6, of this Notice would also be in compliance with the requirements of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and resolution stated above may also be read and treated as disclosure in compliance with the requirements of Section 190 of the Companies Act, 2013.

Mr. Munish Avasthi is not disqualified from being appointed as Managing Director in terms of Section 164 of the Act and has given his consent to act as a Managing Director and he has not been debarred from holding the office of director or continuing as a director of company by SEBI/MCA or any other authority in India or abroad.

Brief profile of Sh. Munish Avasthi as stipulated under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is given as an Annexure to this Notice.

Mr. Munish Avasthi and their relatives are deemed to be interested in the resolution to the extent of his 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 the resolution.

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

Item No. 7

Mr. Naresh Kumar Jain is a graduate and has enormous experience and exposure in managing textile and garment business. He is associated with the Sportking Group since inception and has made major contribution in the success of the group. He was re-appointed as Whole Time Director by the members in the annual general meeting held on September 09, 2017 to hold office upto September 30, 2022.

Mr. Naresh Kumar Jain had wide experience in the management of business and industry. The Board is of the view that the continued association of Mr. Naresh Kumar Jain would benefit the Company. In terms of the provisions of the Act and the Articles of Association of the Company, the Nomination and Remuneration Committee of the Board and the Board of Directors in their meeting held on 03.09.2022 and re-appointed him as Whole time Director of the Company for a further period of 3 (Three) years with effect from 01st October 2022 along with payment of remuneration subject to approval of the shareholders.

The Company's Performance is continuously improving under his leadership and guidance and keeping in view the level of remuneration prevailing in the Industry and Market Situation, the Nomination and Remuneration Committee in their meeting held on 03.09.2022 had recommended the payment of remuneration to Mr. Naresh Kumar Jain at Basic Salary of Rs. 1,15,000 (Rupees One Lakh Fifteen Thousand) Per Month along with perquisites (in addition to Basic Salary) which has been approved by Board of Directors in their Meeting held 03.09.2022 subject to the approval of the shareholders.

Further, Mr. Naresh Kumar Jain, Whole Time Director during the term of his re-appointment will attain the age of 70 years. The Company seeks consent of the members by way of special resolution for continuation of their holding of existing office after the age of 70 years during the term of his appointment under the provisions of Section 196(3) (a) of the Companies Act, 2013. The Board therefore recommends the Special Resolution for your approval

In terms of the provisions of Section 197 read with Schedule V of the Act, the Company is required to obtain the approval of the members by way of a special resolution for payment of remuneration to Managerial Personnel. 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.

Mr. Naresh Kumar Jain is not disqualified from being appointed as whole time Director in terms of Section 164 of the Act and has given his consent to act as a Whole Time Director and he has not been debarred from holding the office of director or continuing as a director of company by SEBI/MCA or any other authority in India or abroad.

Brief profile of Mr. Naresh Kumar Jain as stipulated under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is given as an Annexure to this Notice.

Mr. Naresh Kumar Jain or his relatives are deemed to be interested in the resolution to the extent of his 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 the resolution.

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

The following additional information as required under Schedule V of the Companies Act, 2013 in respect of Item No 6 to 7 is given below:

I. General Information:

Nature of Industry

Sportking India Limited 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 31.03.2022

Particulars	(Rs in Lakhs)
	F.Y. 2021-22
Revenue from Operations (Net)	215401.18
Other Income	2415.12
Earning before Interest , Depreciation, Tax and Amortization (EBIDTA)	61984.58
Interest and Financial expenses	2857.81
Profit before Depreciation, Amortization and Tax (PBDT)	59126.77
Depreciation and Amortization	4385.91
Profit before Tax (PBT)	54740.86
Provision for Tax	
-Current Tax	13852.65
-Prior Period Tax	(31.62)
-Deferred Tax	(5.09)
Profit after Tax (PAT)	40924.92
Other Comprehensive Income (Net of Tax of Rs.45.09 Lakhs)	134.09
Total Comprehensive Income for the period	41059.01

Foreign Investments or collaborators, if any. : Nil

II. INFORMATION ABOUT THE APPOINTEE

A Mr. Munish Avasthi, Managing Director

Background Details

Mr. Munish Avasthi is having rich experience in Spinning/Textile Industry from last 30 years. He is associated with the Company as its Director since 1992 and working as Managing Director since 1999. He is a Bachelor of Commerce from Delhi University. The day to day operations of the company are looked after by him.

Past Remuneration

Basic Salary of Rs. 10,00,000/- (Rupees Ten Lakh) Per Month with a yearly provision of additional salary/commission/perquisite of Rs. 2,40,00,000/- (Rupees Two Crore Forty Lakh Only) payable in one or more tranches as the Board may decide from time to time, however subject to a ceiling of overall remuneration of Rs. 3,60,00,000/- (Rupees Three Crore Sixty Lakh Only) per year.

Recognition or awards:

He has been awarded First Generation Entrepreneur Award for Textile Mills by the Cotton Association of India on 09.04.2018.

Job Profile and his suitability

Subject to the supervision and control of the Board of Directors Mr. 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. The Company's Performance is

continuously improving under his leadership and guidance and the company is in process of increasing the installed spindles capacity by more than one lakh spindles along with 10.2 MW Rooftop Solar Power Project which will further improve the performance of the Company.

Remuneration Proposed

Basic Salary of Rs. 10,00,000/- (Rupees Ten Lakh) Per Month with a yearly provision of additional salary/commission/perquisite of Rs. 2,40,00,000/- (Rupees Two Crore Forty Lakh Only) payable in one or more tranches as the Board may decide from time to time, however subject to a ceiling of overall remuneration of Rs. 3,60,00,000/- (Rupees Three Crore Sixty Lakh Only) per year.

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 Mr. Munish Avasthi, 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 Managing Director, Mr. Munish Avasthi had no other pecuniary relationship with the company. Mrs. Anjali Avasthi, Non-Executive Director is his relative.

B. Mr. Naresh Kumar Jain, Whole Time Director**Background Details**

Mr. Naresh Kumar Jain is a graduate and has enormous experience and exposure in managing textile and garment business. He is associated with the Sportking Group since inception and has made major contribution in the success of the group

Past Remuneration

The company has approved remuneration to Mr. Naresh Kumar Jain, Whole Time Director on a salary in the scale of Basic Salary of Rs. 1,15,000/- per month along with perquisite (in addition to Basic Salary).

Recognition or awards:

Nil

Job Profile and his suitability

Mr. Naresh Kumar Jain is looking after the day to day affairs of the Company. He is also looking after the Commercial and Secretarial work of the Company..

Remuneration Proposed

Salary - Salary will be in the scale of Rs 115000 per month along with perquisite (in addition to Basic Salary).

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 Mr. Naresh Kumar Jain, Whole Time 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 Whole Time Director, Mr. Naresh Kumar Jain had no other pecuniary relationship with the company.

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

The company had adequate net profits during the last many financial years. The recent outbreak of COVID-19 pandemic globally including India is resulting in an economic slowdown all over. The Indian economy has been impacted by this pandemic /geo political tensions between Russia / Ukraine/ increase in commodity prices resulting in increased inflation rates which may affect 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. 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

Item(s) No. 8 and 9

The Members of the Company in the Annual General Meeting held on 11th September 2014 had accorded their consent authorizing the Board of Directors of the Company to borrow monies and to create mortgage and/or charge on all or any of the movable and/or immovable properties of the Company, from time to time, exceeding the aggregate of the paid-up share capital and free reserve upto Rs 1000 Crs (Rupees One Thousand Crore only). The Company is in the process of capacity expansion and growth, and with a view to augment financial resources the Company may, from time to time, raise finances from various Banks, Financial Institutions and other persons, firms, bodies corporate, as may be considered fit, which, together with the moneys already borrowed by the Company (apart from temporary loans obtained from the Company's bankers in ordinary course of business) and to create mortgage, pledge, charges or hypothecation, in addition to the mortgage, pledge, charges or hypothecation created/to be created by the Company from time to time, may exceed the aggregate of the paid up capital and free reserves and securities premium of the Company which is presently Rs. 767.46 crores as on 31st March 2022. It is therefore proposed to increase the maximum borrowing limits from existing limit of Rs 1000 crores to Rs 1500 Crores or limits prescribed under Section 180(1)(c) (as may be amended from time to time), whichever is higher.

Pursuant to Section 180 (1) (a) and Section 180 (1)(c) of the Companies Act, 2013 consent of the members is required by way of special resolutions to borrow funds, apart from temporary loans obtained from the company's bankers in the ordinary course of business and to create mortgage and/or charge on all or any of the movable and/or immovable properties of the Company, from time to time, exceeding aggregate of the paid up share capital and free reserves including Securities Premium Account of the Company and therefore it is proposed to obtain consent of the members by way of Special Resolutions under Section 180 and other applicable provisions of the Companies Act, 2013, to increase the borrowing powers of the Board of Directors and create mortgage, pledge, create charges or hypothecation, in addition to the mortgage, pledge, create charges or hypothecation created/to be created by the Company from time to time, as set out in the resolution proposed at Item Nos. 8 & 9 of the accompanying Notice upto Rs. 1500 Crores (Rupees One Thousand Five Hundred Crore only) or limits prescribed under Section 180 (as may be amended from time to time), whichever is higher.

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. 8 and 9 for approval by the members.

**By Order of the Board
For Sportking India Limited**

**(Munish Avasthi)
Chairman
DIN: 00442425**

**Place: Ludhiana
Date : 03.09.2022**

**Regd. Office:
Village Kanech, Near Sahnewal
GT Road, Ludhiana-141120 (Punjab)**

ANNEXURE 2 TO THE NOTICE**Details of Directors seeking appointment/ re-appointment at the Annual General Meeting (Pursuant to Regulation 36 (3) of the Listing Regulations)**

Name of the Director	Mr. Munish Avasthi	Mrs. Anjali Avasthi	Mr. Naresh Kumar Jain
DIN	00442425	06911970	00254045
Age	49 Years	47 Years	68 Years
Date of Appointment	16.11.1992	03.09.2022	30.07.2009
Qualification	Graduate	Graduate	Graduate
Nature of his expertise in specific functional areas	30 Years' experience in managing Spinning/Textile Industry	Vast Experience in Managing Garments Business	Vast Experience in Managing Textile and Garments Business
Names of the other listed entities in which the person also holds the Directorship	NA	NA	NA
The membership of the committees of the board of other Listed Entities	NA	NA	NA
Disclosure of Relationship between Directors	Related to Mrs. Anjali Avasthi	Related to Mr. Munish Avasthi	NA
Equity Shareholding	970422	4000	5200

SPORTKING INDIA LIMITED
CIN: L17122PB1989PLC053162
Registered Office: Village kanech, Near Sahnewal, G.T Road, Ludhiana-141120
E-mail: cs@sporking.co.in, Website: www.sporking.co.in
ATTENDANCE SLIP

Ref. Folio/DP/ & Client No. _____

No. of shares held _____

Member's/Proxy's Name in Block Letter _____

I/We certify that I am a registered shareholder/proxy for the registered shareholder of the company. I hereby record my presence at the 33rd Annual General Meeting of the company held on Friday, 30th Day of September 2022 at 10.00 A.M. at its Registered Office at Village Kanech, Near Sahnewal, G.T Road, Ludhiana-141120.

Name of the Shareholder/Proxy
(In Block Letter)

Signature of the Shareholder/Proxy

Note: 1) Please fill the attendance slip and hand it over at the entrance of meeting venue. Joint shareholders may obtain additional attendance slip on request.

2) Please read instructions given at Note No. 13 of the Notice of 33rd Annual General Meeting, carefully before voting electronically.

-----cut here-----

Form No. MGT-11
SPORTKING INDIA LIMITED
CIN :L17122PB1989PLC053162
Registered Office: Village kanech, Near Sahnewal, G.T Road, Ludhiana-141120
E-mail: cs@sporking.co.in, Website: www.sporking.co.in

PROXY FORM
(Pursuant to section 105(6) of the Companies Act, 2013 and rules 19(3) of the Companies (Management and Administration) Rules, 2014

Name of the member (s) : _____

Registered Address: _____

Folio No./DP & Client Id: _____

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

1. Name & Address _____ Signature _____ or failing him/her
2. Name & Address _____ Signature _____ or failing him/her
3. Name & Address _____ Signature _____ or failing him/her as

my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 33rd Annual General Meeting of the company held on Friday, 30th Day of September 2022 at 10.00 A.M. at its Registered Office at Village Kanech, Near Sahnewal, G.T Road, Ludhiana-141120 and at any adjournment thereof in respect of the following resolutions as are indicated below:-

Resolution No	Description	For	Against
ORDINARY BUSINESS			
1.	To consider and adopt the Standalone Financial Statements of the Company for the financial year ended 31st March, 2022 and the Reports of the Board of Directors and Auditors thereon		
2.	To appoint a Director in place of Mr. Munish Avasthi (DIN: 00442425) who retires by rotation and being eligible, offers himself for re- appointment.		
3.	To re-appoint Statutory Auditors of the Company from the conclusion of this 33rd Annual General Meeting of the Company till the conclusion of the 38th Annual General Meeting of the Company to be held in the year 2027 and to fix their remuneration		
SPECIAL BUSINESS			
4.	Ratification of the remuneration of the Cost Auditors for Financial Year 2022-23		
5.	Regularization of the appointment of Mrs. Anjali Avasthi (DIN: 06911970) as a Non-Executive Non Independent Director of the Company		
6.	Re-appointment and Payment of Remuneration to Mr. Munish Avasthi (DIN: 00442425) as Managing Director along with designating Sh. Munish Avasthi as Chief Executive Officer (CEO) of the Company		
7.	Re-appointment / Continuation and Payment of Remuneration to Mr. Naresh Kumar Jain (DIN: 00254045) as Whole Time Director of Company upon attaining age of Seventy years		
8.	Increase in the borrowing powers of the company under Section 180(1)(c) of Companies Act, 2013		
9.	Creation of the security for the loan/ credit facilities by mortgage/ creation of charge under Section 180(1)(a) of Companies Act, 2013		

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. Incomplete Proxy form will not be accepted.

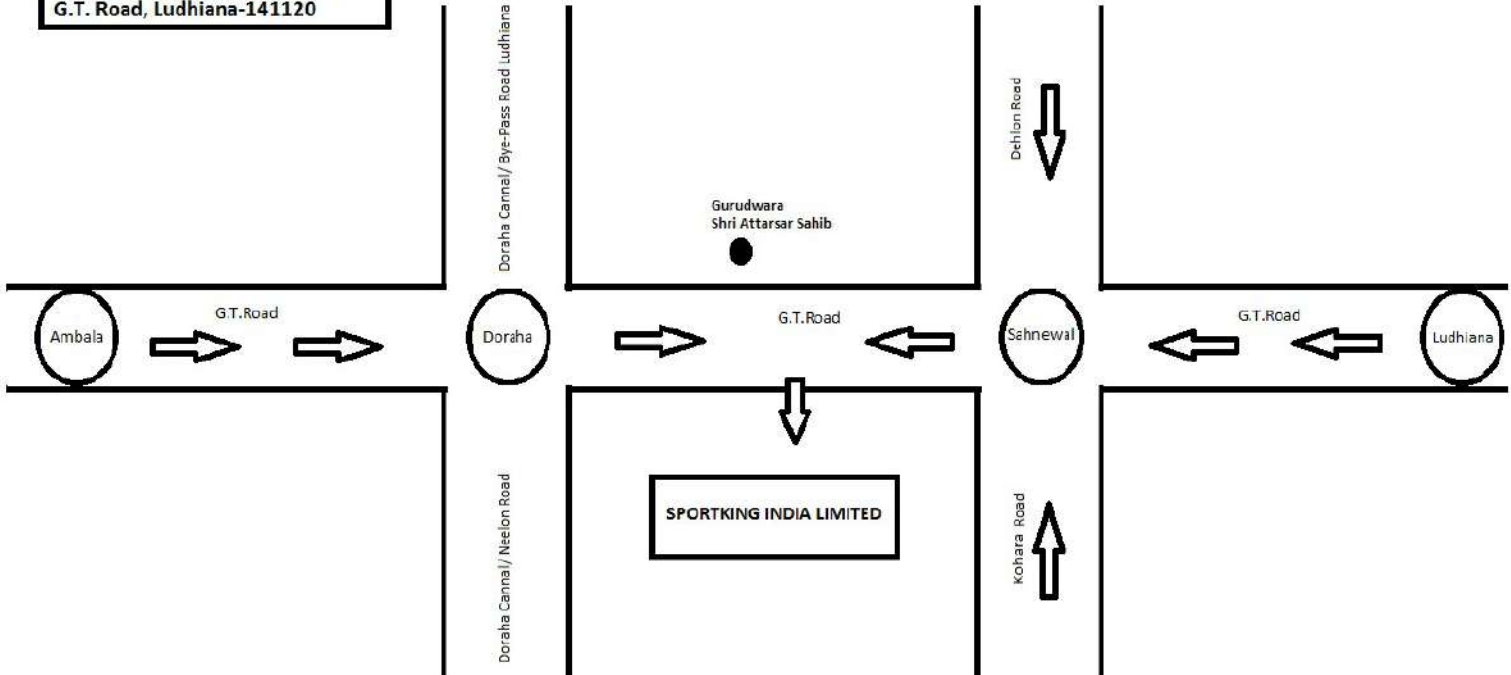
Signed this ____ day of _____ 2022

Signature of the proxy holder

Signature of shareholder

Affix Revenue Stamp of Rs. 1/-

**Venue of Annual General Meeting
Sportking India Limited
Village Kanech, Near Sahnewal,
G.T. Road, Ludhiana-141120**





Save Tree Save Earth

Green Initiative

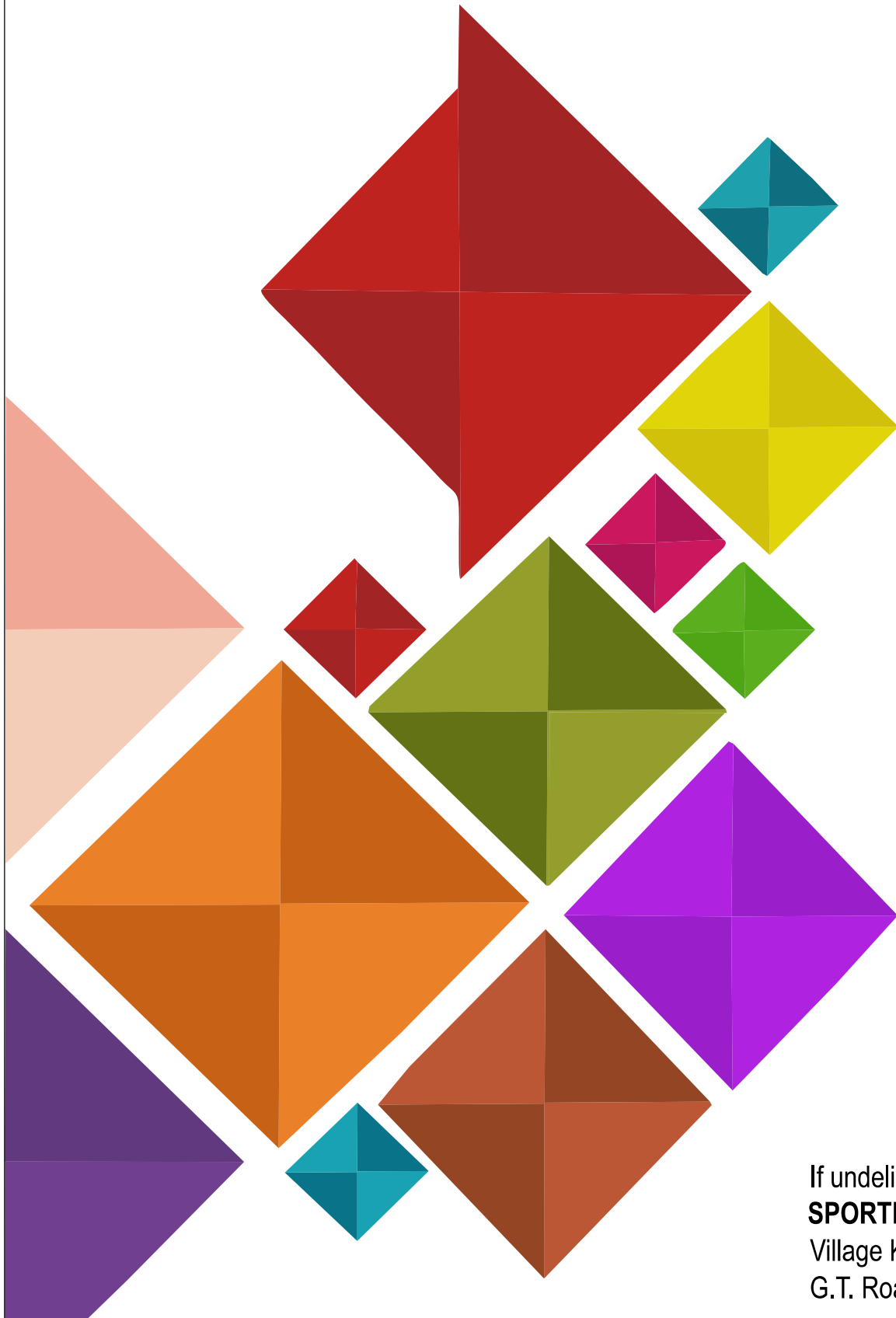
The Ministry of Corporate Affairs (MCA) has taken a "Green Initiative in the Corporate Governance" by allowing paperless compliances by the Companies. Your Company has decided to join the MCA in its environmental friendly initiative.

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.



Sportking



If undelivered please return to :
SPORTKING INDIA LIMITED
Village Kanech, Near Sahnewal,
G.T. Road, Ludhiana - 141120