

Sportking INDIA LTD.

(Govt. Recognised Three Star Export House)

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Website : www.sportking.co.in GST No.: 03AAACS3037Q1ZA

SIL/2023-24/SE

Date: 04.05.2023

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

Subject: Investor's Presentation under Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Dear Sir,

Pursuant to Regulation 30 and other applicable provisions of SEBI (Listing Obligations and Disclosure Requirements), Regulations 2015, please find attached herewith copy of Investor's Presentation with respect to Performance of the Company for the quarter and year ended 31st March, 2023.

You are requested to take the above mentioned information on your records.

Yours truly,

For SPORTKING INDIA LIMITED

LOVLESH VERMA
COMPANY SECRETARY
(ACS: 34171)

The logo for Sportking, featuring the word "Sportking" in a white, sans-serif font on a dark blue rectangular background. The letter 'o' in "Sport" is stylized with a white circle inside it.

Sportking



Investor Presentation - May 2023

SAFE HARBOR

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All Maps used in the presentation are not to scale. All data, information, and maps are provided "as is" without warranty or any representation of accuracy, timeliness or completeness.

A photograph of several spools of thread. In the foreground, there are two large spools of blue thread, one partially visible on the left and one larger one on the right. In the background, there are several smaller spools of white thread, slightly out of focus. The text 'Financial Performance' is overlaid in the center of the image.

**Financial
Performance**

DELIVERED STRONG GROWTH WITH SUSTAINED MARGINS

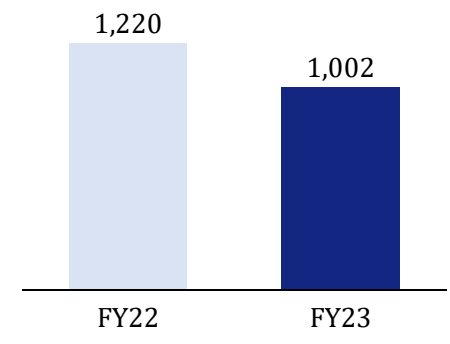
YoY Highlights
FY23

Revenue +2%
Rs. 2205 crores

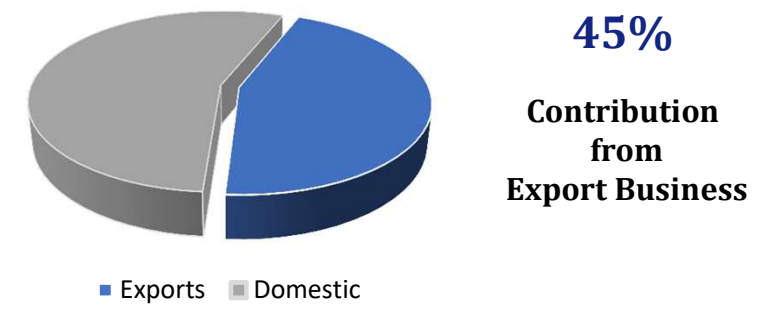
Operating EBITDA
Rs. 279 crores
Margin at 13%

Operating PBT
Rs. 208 crores
Margin at 9%

Revenue from Export Businesses



FY23 Revenue Contribution

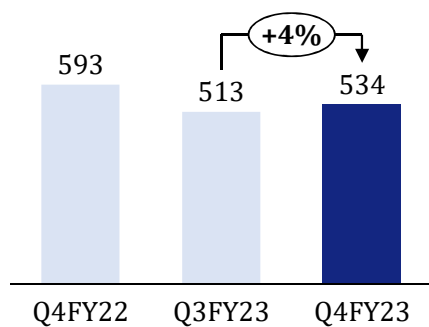


Operating EBITDA = PAT + Tax expenses + Finance Cost + Depreciation & Amortization- Other Income+ Exceptional Item

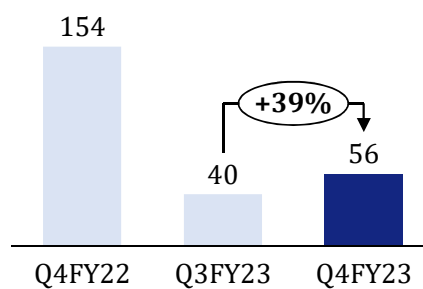
Operating PBT = PAT + Tax expenses - Other Income+ Exceptional Item

Q4FY23 PERFORMANCE (YoY & QoQ)

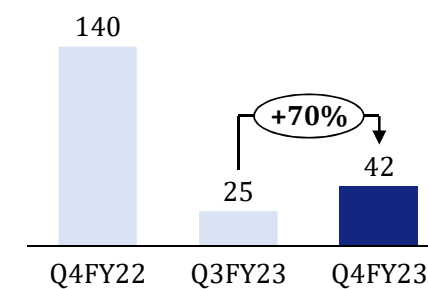
Revenue from Operations (Rs. in Crs)



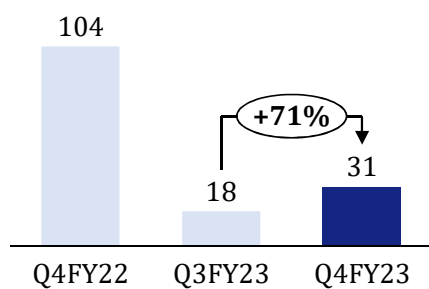
EBIDTA (Rs. in Crs)



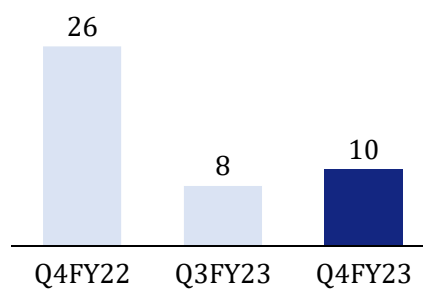
PBT (Rs. in Crs)



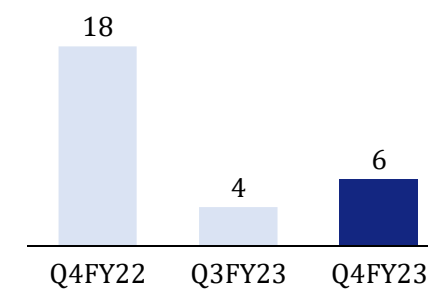
PAT (Rs. in Crs)



EBITDA %

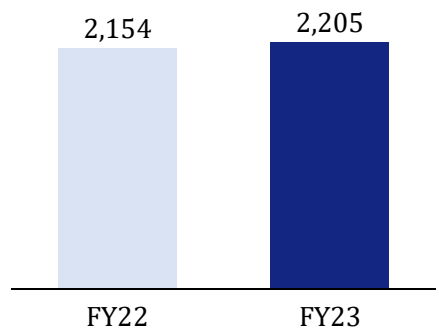


PAT %

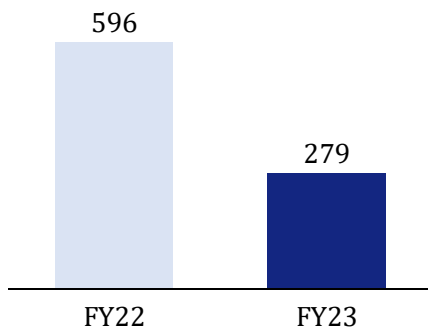


FY23 PERFORMANCE (YOY)

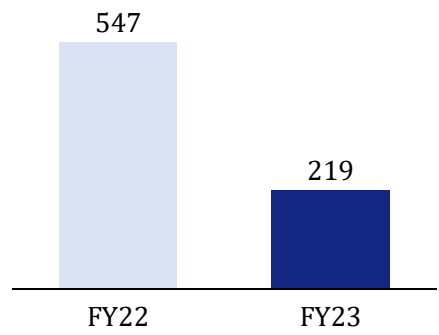
Revenue from Operations (Rs. in Crs)



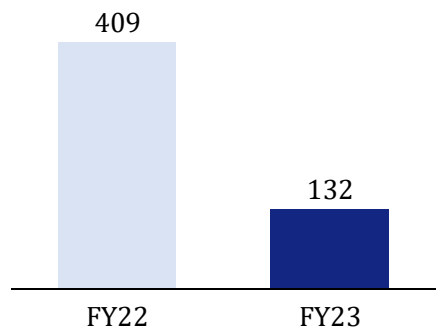
EBIDTA (Rs. in Crs)



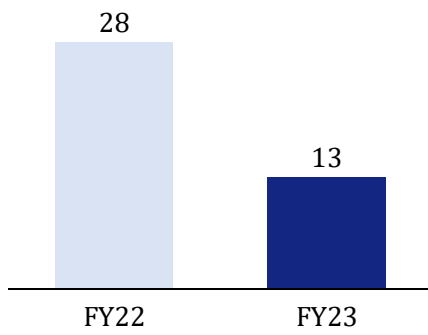
PBT (Rs. in Crs)



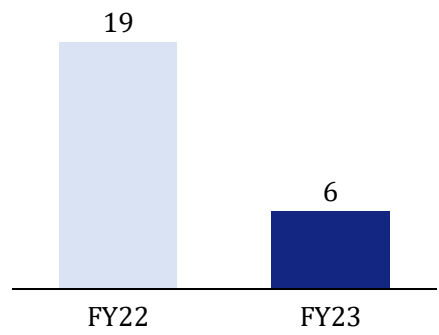
PAT (Rs. in Crs)



EBITDA %



PAT %



Q4 & FY23 PROFIT & LOSS

Profit & Loss statement (Rs. in Crs)	Q4FY23	Q4FY22	Y-o-Y	Q3FY23	Q-o-Q	FY23	FY22	Y-o-Y
Revenue from Operation	534	593	-10%	513	4%	2,205	2,154	2%
Raw Material Cost	380	337		376		1,558	1,181	
Purchase of Finished goods	0	0		0		1	0	
(Increase) / Decrease In Stocks	0	-4		0		-15	-14	
Power Cost	32	29		30		119	120	
Gross Margin	122	231	-47%	107	14%	542	867	-37%
Gross Margin %	23%	39%		21%		25%	40%	
Employee Cost	31	27		32		116	105	
Other Expenses	35	50		35		147	166	
EBITDA	56	154	-64%	40	39%	279	596	-53%
EBITDA %	10%	26%		8%		13%	28%	
Other Income	2	6		5		12	24	
Depreciation	14	10		14		48	44	
Finance cost	2	10		6		23	29	
PBT	42	140	-70%	25	70%	219	547	-60%
PBT Margin %	8%	24%		5%		10%	25%	
Exceptional Items	0	0		0		30	0	
Tax	11	36		7		58	138	
PAT	31	104	-70%	18	71%	132	409	-68%
PAT Margin %	6%	18%		4%		6%	19%	
Earnings per share (EPS) (Rs.)	23	78		14		99	308	

BALANCE SHEET STATEMENT

Equity & Liabilities (₹ in Cr)	Mar'23	Mar'22
Equity Share Capital	13	13
Other Equity	887	754
Total Equity	900	767
Financial liabilities		
1. Borrowing	343	141
2. Lease Liabilities	1	1
Provisions	12	11
Deferred tax Liabilities (Net)	21	13
Other Non-Current Liabilities	-	-
Total Non-Current Liabilities	377	166
Financial Liabilities		
(ii) Borrowings	131	396
(ii) Lease Liabilities	0	0
(iii) Trade Payables	103	124
(iv) Other Financial Liabilities	43	64
(v) Other Current Liabilities	11	9
(vi) Current Tax Liabilities	9	27
(vii)Provisions	1	1
Total Current Liabilities	298	621
Total Equity & Liabilities	1575	1554

Assets (₹ in Cr)	Mar'23	Mar'22
Property, plant and equipment	756	381
Capital Work-in-Progress	7	73
Right of Use Asset	1	1
Other Intangible Assets	0	0
Income Tax Assets (Net)	2	2
Other Financial Assets	18	17
Other Non Current Assets	7	22
Total Non-Current Assets	790	496
Financial Assets		
(i) Inventories	372	522
(ii) Trade Receivable	234	411
(iii) Cash and Cash Equivalents	12	1
(iv) Bank balances other than above	56	24
(v) Other Financial Assets	1	1
(vi) Other Current Assets	110	99
Total Current Assets	785	1058
Total Assets	1575	1554

CASH FLOW STATEMENT

Cash Flow Statement (Rs. Crs.)	Mar-23	Mar-22
Cash Flow from Operating Activities		
Profit before Tax	189	547
Adjustment for Non-Operating Items	97	69
Operating Profit before Working Capital Changes	287	616
Changes in Working Capital	300	-383
Cash Generated from Operations	587	233
Less: Direct Taxes paid	-67	-137
Net Cash from Operating Activities	520	96
Cash Flow from Investing Activities	-392	-103
Cash Flow from Financing Activities	-117	7
Net increase/ (decrease) in Cash & Cash equivalent	11	0
Cash and cash equivalents at the beginning of the year	1	1
Cash and cash equivalents at the end of the year	12	1

SportKing

Business Overview



OVERVIEW

Established in **1989**

Owens **3** State of the art manufacturing facilities

Diversified Product Range

Manufacturing facilities with **Modern Technology**



Presence in **30+** countries

Committed to create **High Quality** end products

Compliance with **International Quality** recognition standards

Focus on **High Manufacturing** efficiencies

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 (2nd unit) 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 for dyeing/ processing of textile yarn fibers



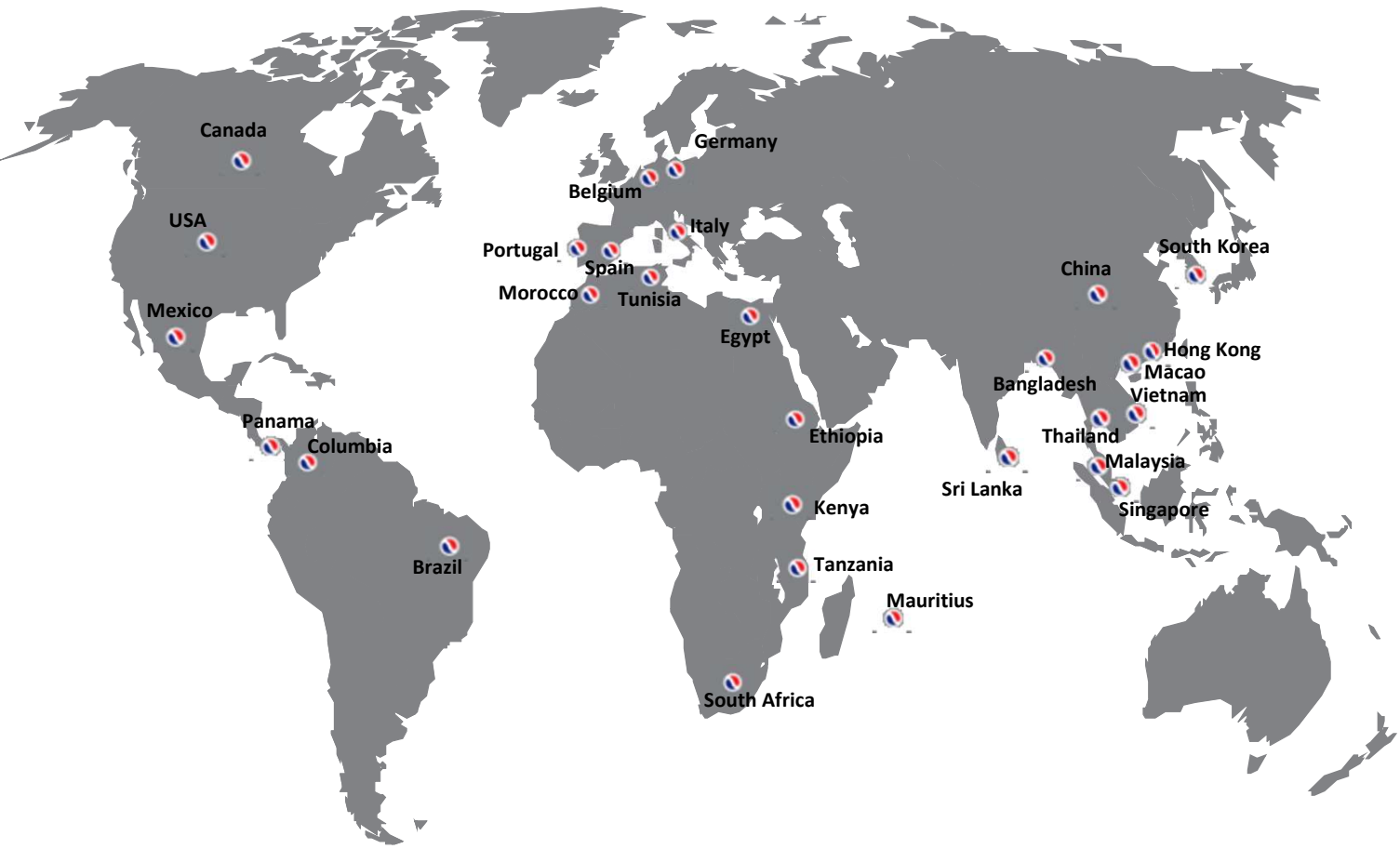
Spinning Capacity increased further with Greenfield expansion with installation of 57K+ Spindles at Bathinda for manufacturing of Cotton Compact Yarn. Capacity expanded from time to time for manufacturing of Polyester Cotton Blended/ Cotton Compact yarn and capacity increase to 1,38,720 Spindles upto November 2013.

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

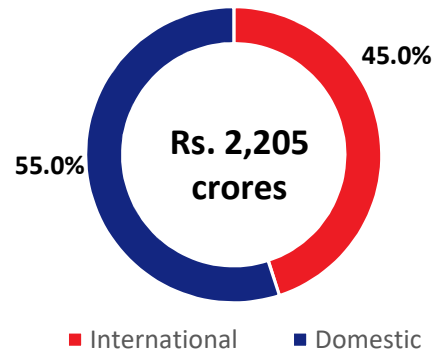


Successful commissioning of 10MW Rooftop Solar Power Project for in house consumption. 1st Phase & 2nd Phase capacity addition Of 40,800 & 63,072 Spindles respectively completed for manufacturing of Polyester Cotton yarn and cotton yarn (compact)

PRESENCE ACROSS THE GLOBE



Geography Wise Revenue Break-up FY23



We are representing India on a world stage with average exports worth more than US \$ 150-175 million.

MANUFACTURING FACILITIES & CAPACITIES



Units	Manufacturing	Installed Capacities
Unit I - Spinning Unit	Acrylic/Blended Acrylic Polyester Yarn/ Blended Polyester Cotton yarn	65,904 Spindles
Unit II - Dye House	Support to Unit No. I & III for their synthetic fibre/ yarn dyeing processing	15-20 MTPD
Unit III - Spinning Unit	compact/contamination free cotton / Polyester cotton blended yarn	3,12,672 Spindles

Capacity utilisation of all units more than 90%

TECHNOLOGICAL EDGE

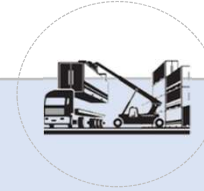
- Technologically advanced machineries to support our manufacturing infrastructure
- Robust control practices in place to ensure consistent quality of our products
- Use of modern testing instruments such as:
 - HVI
 - AFIS
 - Uster Classimat
 - Uster Tensest
 - Uster Hairiness tester



STRATEGIC ADVANTAGES



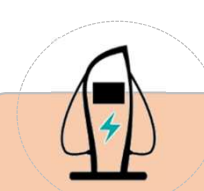
Rail & Roads : Helps in better connectivity with other parts of India.



Inland Container Depot(ICD): ICD at Bathinda/Ludhiana for import/export clearances & regular road transport/train service availability between company's unit/ICD and different seaports.



The variable price of electricity will be Rs. 5.00 per Unit for the industry as announced by the Punjab Govt. w.e.f. 1st January 2018.



Electricity Duty and Infrastructure Development Fund of 13.33% of the cost of power (for the existing unit at Bathinda) has been waived by the Government of Punjab

PRODUCT RANGE



100% Cotton Yarns

- 100% cotton combed compact yarns in normal and sublime quality for knitting and weaving
- 100% cotton combed compact slub
- 100% cotton combed Eli twist



Polyester/Cotton Blended Yarns

- Polyester/cotton combed yarns
- Polyester/ cotton Melange yarns



Fancy Yarns

- Jaspe yarns, Jaspe slub yarns, injection slub yarns and snow yarns.



Dyed Yarns

- 100 % cotton and PC blended dyed yarns



Acrylic & Acrylic/Polyester Blended Yarns

- 100% Acrylic high bulk yarns
- 100% Acrylic Non bulk yarns
- Acrylic/ polyester blended high bulk yarns

SALES & MARKETING



Focus on excellence

Focus on delivering best & premium quality products to most quality conscious brands and customers.

Customer Driven Innovation

As a result of changing trends in both domestic & international markets accompanied with customer centric approach, our innovation initiatives are customer driven.

Domestic & international markets

We have established ourselves as a prime producer of premium quality yarns and also as one of the largest exporters of cotton yarns to the most quality conscious garment brands across the globe

Sale of products through dedicated dealer/agents & directly

A strong team of dedicated dealers/agents in domestic as well as international markets

Dedicated marketing team

Located at corporate office ensuring quick responses to customer queries amidst continuously evolving market trends.

MARQUEE CUSTOMERS



BOARD OF DIRECTORS

Munish Avasthi Managing Director

- Munish Avasthi aged 48 years is having rich experience in Spinning/Textile Industry from last 28 years.
- The day-to-day operations of the company are looked after by him. He has been also awarded First Generation Entrepreneur Award for Textile Mills by Cotton Association of India in April 2018.

Naresh Jain Executive/Whole Time Director

- Naresh Jain has enormous experience and exposure in managing textile and garment business.
- He is working as an executive/Whole time director of the company since 2009

Prashant Kochhar Non-Executive Independent Director

- Prashant Kochhar is a renowned Fellow Chartered Accountant and Senior Partner in Khattak Kochhar & Co
- He manages the client base comprising of corporate clients & specializes in the areas of International Consulting and Taxation (Oil & Gas), Service Tax and Corporate Finance

Sandeep Kapur Non-Executive Independent Director

- Dr. Sandeep Kapur is professor of business management at Punjab Agricultural University, Ludhiana, India (PAU).
- He established Technology Marketing and IPR cell at PAU and designed various IPR related training courses. He has about 35 research papers to his credit in journals of national and international repute

Harpreet Kaur Kang Non Executive Independent Director

- Ms. Harpreet Kaur Kang has done Graduation in Advance Business Program in International Business and International Marketing from Harvard University, USA
- From the last 20 years she is working as a faculty member for MBA and BBA students teaching various subjects including International Business, Consumer Behaviour, etc.

Anjali Avasthi Non Executive Non Independent Director

- Anjali Avasthi has a Bachelor's degree in Arts
- She has experience of managing Garments Business for many years

MANAGEMENT TEAM

Sandeep Sachdeva
Chief Financial Officer

- Sandeep Sachdeva is a Qualified Chartered Accountant & Company Secretary with experience of more than 22 years in accounting & finance, trading, banking industries covering, handling of Direct and Indirect taxation and various other matters
- He looks after overall works related to Finance, Finalization of company's Balance sheet, Direct/Indirect taxation etc.

Shiv K. Sharma
President- Production

- Shiv K. Sharma is a B.Tech with an experience of over 37 years
- He look after the overall Project Implementation, Production, Development, and Maintenance of the company's Bathinda spinning unit

D. S. Yadav
President – Pers. & Admin.

- D. S. Yadav has a Master Degree with specialization in Labour Welfare & Personnel Management & Industrial Relation with an experience of over 33 years
- He is responsible for overall handling & controlling of Personnel, Industrial Relations, HRD, Labour Welfare & General Administration of the company Ludhiana Units

Rashim Jindal
President – Raw Material & Marketing

- Rashim Jindal is an MBA (Marketing) with over 28 years of experience
- He looks after overall Marketing with respect to both – Domestic & International markets
- Raw materials is also under his purview

Ravi Parkash Gupta
EA to MD

- Mr. RP Gupta is a M.Tech (Textile) with over 35 years of experience
- He looks after the overall Commercial Operations of the company



Way Forward



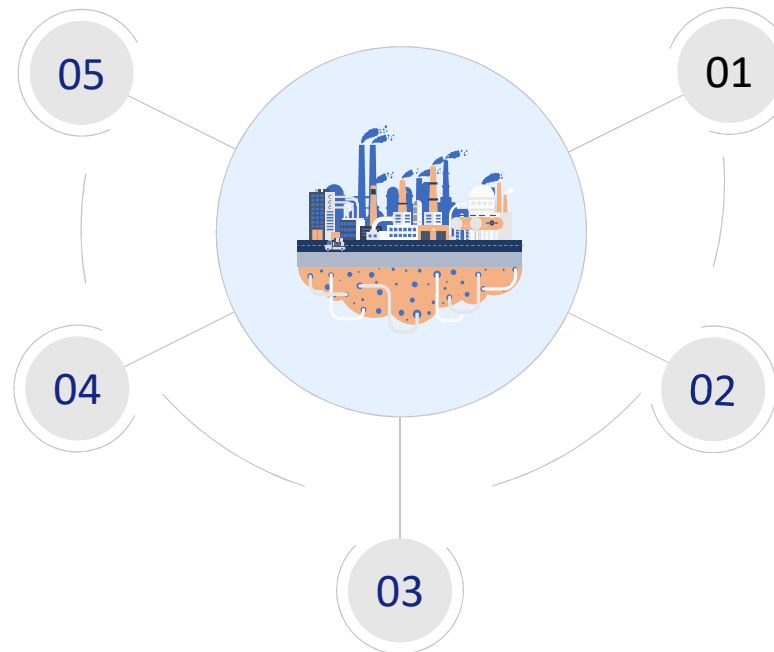
GOVERNMENT SUPPORT TO TEXTILE SECTOR

Textile Cluster Development Scheme (TCDS)

The Indian Textile Ministry is implementing the Textile Cluster Development Scheme (TCDS) from 2021-22 to 2025-26 with a view to create an integrated workspace and linkages-based ecosystem for existing and potential textile units

PLI Schemes

Government is set to come out with second PLI scheme in consultation with industry to focus on segments which are not covered in the earlier scheme like home textile, etc.



Remission of duties & taxes on Exports

Government has approved continuation of RoSCTL with the same rates till 31st March 2024

Free Trade Agreements

- Recent FTAs signed between India and UAE, ECTA signed between India and Australia
- India is currently in process of negotiating FTAs with EU, UK, Canada, Israel and other GCC countries/regions

Mega textile parks

- Approval seven mega textiles and apparel parks under “PM-Mitra” with capital support of Rs 44.4bn over five years from the central and state governments
- Development Capital Support (DCS) of up to Rs 5bn will be given to all greenfield parks and the central government has also announced competitiveness incentive support of Rs 3bn for the early establishment of textiles manufacturing units.

INDIAN TEXTILE SECTOR- READY FOR A TRANSFORMATION

India's textiles sector is at an inflection point

The sector can act fast and grab the huge opportunity opening up due to a change in global textile trade patterns.

While the opportunity is huge, the government and the industry need to act in coordination, and fast, as the world will not wait.

Working population

Large working population is an asset for this industry
India has a large working population



Strong belief in India's capability to increase market share in global textiles

The structural story for the sector intact, and the government and industry will be able to address short-term concerns together
4-5 years will be required to see the real benefits of China +1 strategy

Low-cost countries are a natural choice for textiles

Textiles manufacturing is labour and capital intensive, which is why its manufacturing base has shifted organically to developing and low-cost countries.

Developed countries such as the USA, Europe, Australia, and Japan are major importers of textiles, as they find this cheaper than producing them locally.

China's natural advantages are eroding slowly

While China's market share is large, its increasing per capita income and labour costs have resulted in its market share steadily declining in global trade since 2015

BUSINESS STRENGTHS

01 Product Range

Well diversified range of products suitable for use in manufacture of woven and knitted fabrics for summer and winter wear

02 Focus on Quality

Ensuring supply of high-quality yarns consistently

03 Customer centric Approach

Ensuring full customer satisfaction in terms of quality , prices, timely execution of orders and prompt after sales services



04 Competitive Prices

Sportking enjoys price leadership status in all of the market segments due to its ability to supply high quality products regularly and consistently at the most competitive prices

05 Customer Queries resolution

Quick responses to customer queries and willingness to develop new products to meet customer requirement

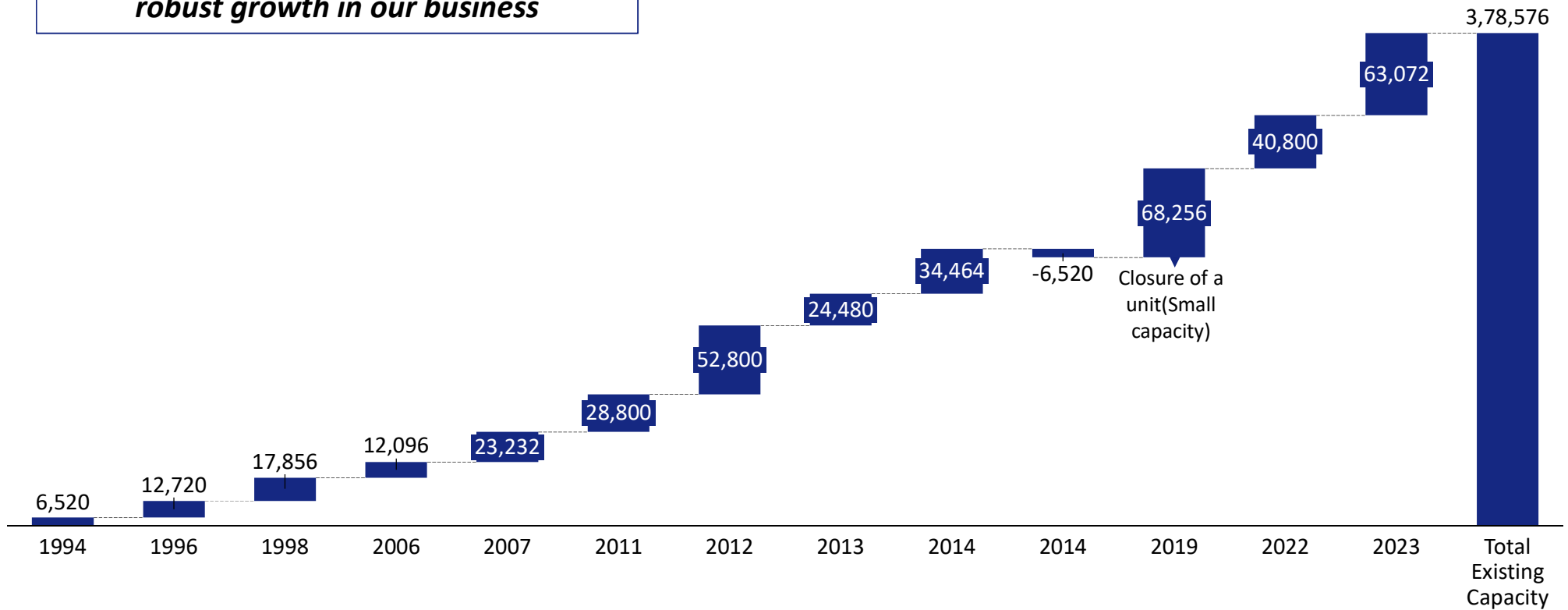
06 Brand Launching

Crystal - cotton yarn made with imported cotton

Sublime - High end quality yarn made with Indian selected cotton to achieve excellence in yarn parameters

CAPACITY BUILTUP OVER THE YEARS

Continuous capacity addition to support robust growth in our business



Rooftop Solar Power Projects at Bathinda Unit



Completion of 10MW Rooftop Solar Power Project at for in house consumption

- Completion Month- June 2022
- Objective to reduce greenhouse gas emissions and power cost

New 15MW Rooftop Solar Power Project for in house consumption

- Board approval received for new 15 MW Solar Power Project for captive consumption
- Expected to be commissioned by September 2023

Completion of Phase 1 & 2 capacity expansion Projects at Bathinda Unit

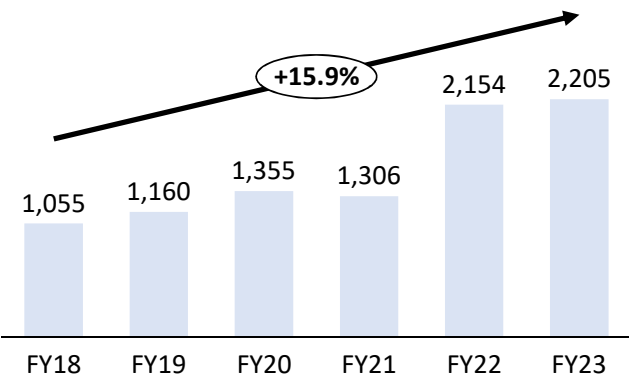


Completion of phase 1 & phase 2 expansion project

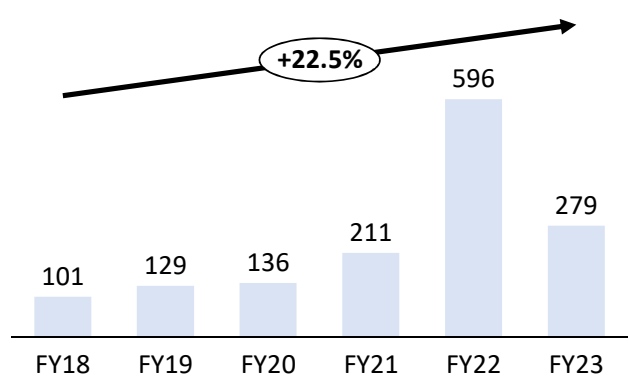
- 1st Phase capacity addition – 40,800 Spindles for manufacturing of Polyester Cotton yarn – Completed
- 2nd Phase capacity addition – 63,072 spindles for manufacturing of cotton compact yarn – Completed in Q4 FY23 as planned

HISTORICAL FINANCIAL CHARTS

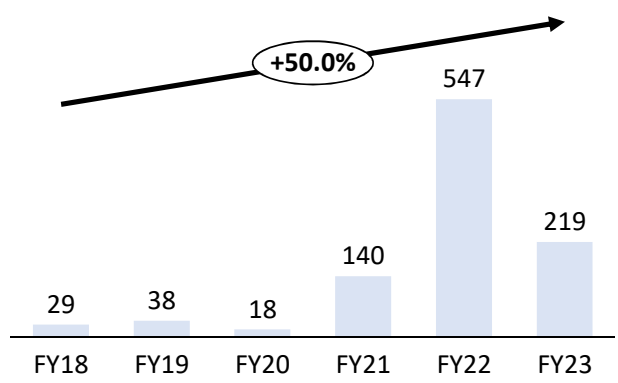
Revenue from Operations (Rs. in Crs)



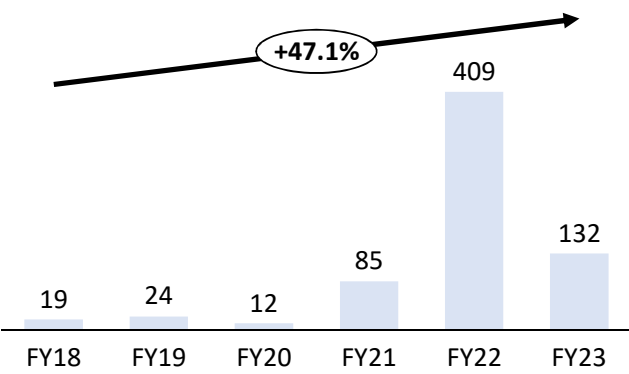
EBITDA (Rs. in Crs)



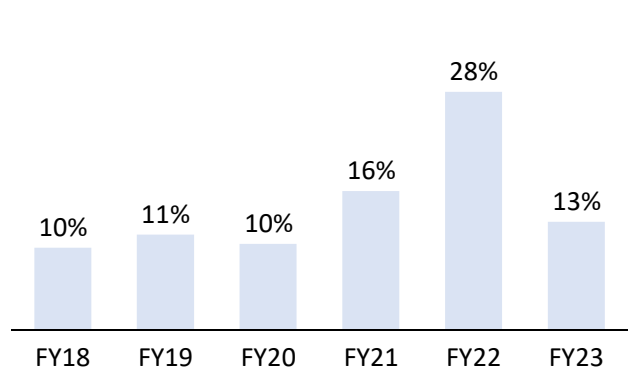
PBT (Rs. in Crs)



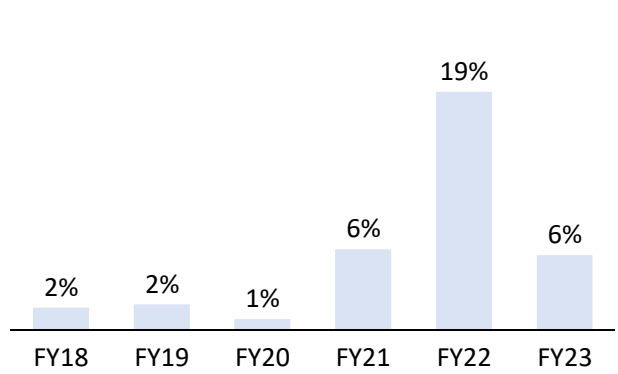
PAT (Rs. in Crs)



EBITDA %

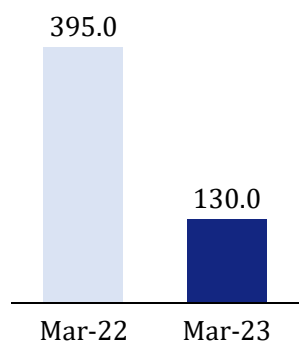


PAT %

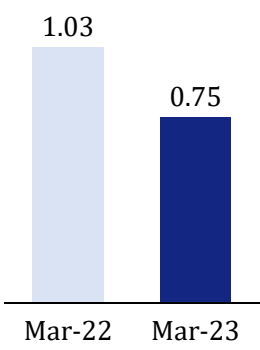


IMPROVING DEBT PROFILE & FINANCIAL RATIOS

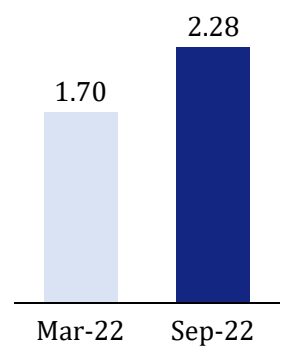
Short term



TOL/ TNW



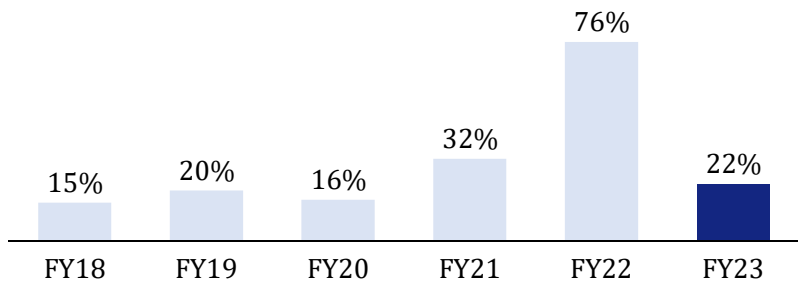
Current Ratio



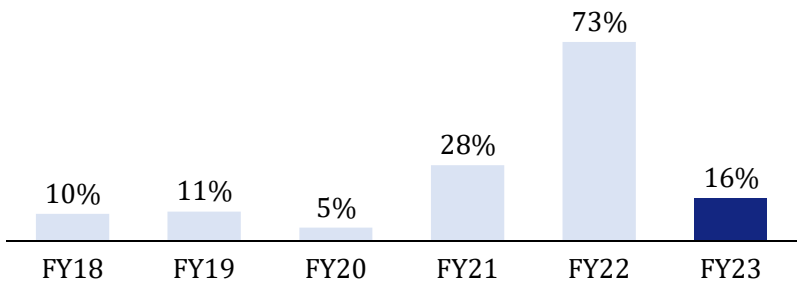
Substantial reduction in availment of short term bank borrowing by Rs. 265 crores as on 31st March 2023 resulting in improvement of Financial Ratio(s).

KEY FINANCIAL RATIOS

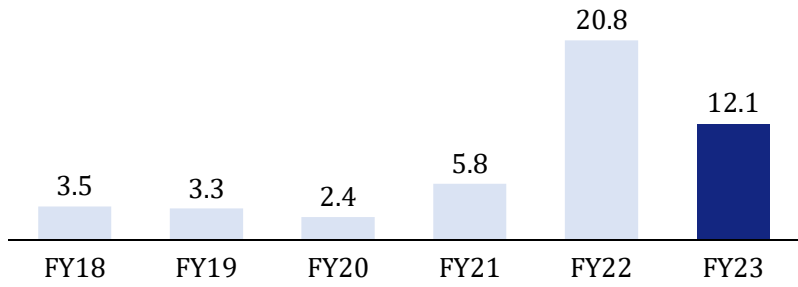
ROCE #



ROE *



Interest Coverage ratio



Long term Debt/Equity Ratio



ROCE = EBIT/ Average Capital Employed

* ROE = PAT/ Average Net Worth

* Interest Coverage Ratio = EBITDA/ Finance Cost

PROFIT & LOSS STATEMENT

Profit & Loss statement (Rs. in Crs)	Mar'23	Mar'22	Mar'21	Mar'20	Mar'19	Mar'18
Revenue from Operation	2,205	2,154	1,306	1,355	1,161	1,055
Raw Material Cost	1,558	1,181	785	901	756	682
Purchase of Finished goods	1	0	0	1	1	1
(Increase) / Decrease In Stocks	-15	-14	10	7	-2	13
Power Cost	119	120	112	113	96	95
Gross Margin	542	867	399	334	309	175
Gross Margin %	25%	40%	31%	25%	27%	25%
Employee Cost	116	105	87	97	83	74
Other Expenses	147	166	103	100	97	89
EBITDA	279	596	209	136	129	101
EBITDA %	13%	28%	16%	10%	11%	10%
Depreciation and Amortisation Expense	48	44	52	63	54	56
Finance Costs	23	29	36	58	39	29
Other Income	12	24	19	3	2	13
PBT	219	547	140	18	38	29
PBT Margin %	10%	25%	11%	1%	3%	3%
Exceptional Items	30	-	22	-	-	-
Tax	58	138	33	6	14	10
PAT	132	409	85	12	24	19
PAT Margin %	6%	19%	7%	1%	2%	2%
Earnings per share (EPS) (Rs.)	99	308	63	9	17	4

THANK YOU

Sportking



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