

Sportking INDIA LTD.

(Govt. Recognised Four Star Export House)

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

SIL/2024-25/SE

Date: 29.10.2024

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 Presentation for the Quarter and Half year ended 30th September, 2024

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 half year ended 30th September, 2024.

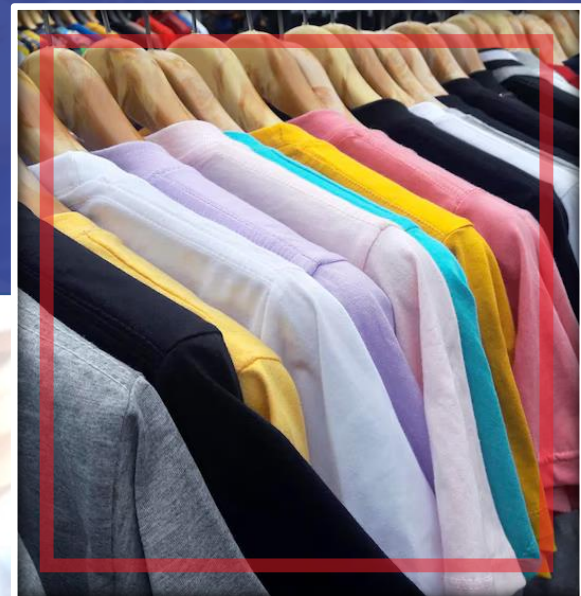
You are requested to take the above mentioned information on your records.

Yours truly,

For SPORTKING INDIA LIMITED

LOVLESH VERMA
COMPANY SECRETARY
(ACS: 34171)

Sportking



SPORTKING INDIA LTD.

Investor Presentation – October 2024

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Q2 & H1 FY25 - Financial Performance



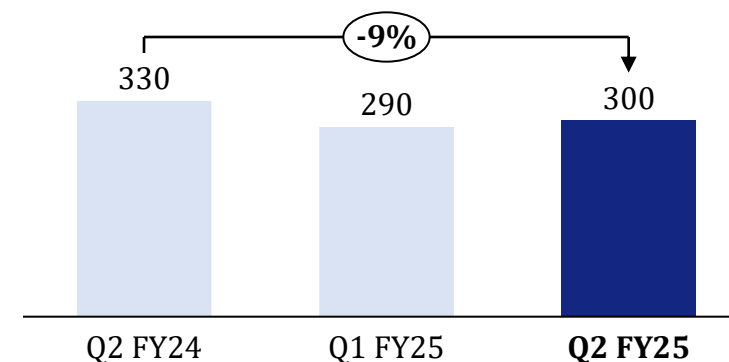
Quarterly Highlights
Q2 FY25

Revenue from Operations*
Rs. 652 crores 3.7%

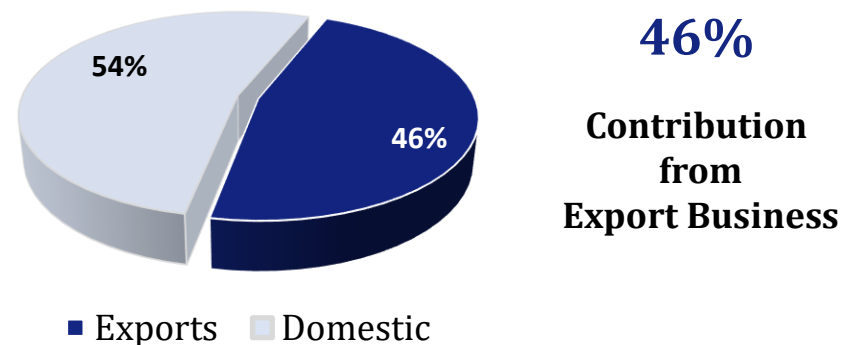
GROSS PROFIT	EBITDA
Rs. 139 crores	Rs. 58 crores
<i>Margin at 21.4%</i>	<i>Margin at 8.9%</i>

EBIT	Profit After Tax
Rs. 44 crores	Rs. 25 crores
<i>Margin at 6.7%</i>	<i>Margin at 3.8%</i>

Revenue from Export Businesses
(Rs. in crores)



Q2 FY25 Revenue Contribution



* Change in Revenue from Operations on a yearly basis

Revenue from Operations*

Rs. 1,286 crores

10.1%



GROSS PROFIT

Rs. 293 crores

Margin at 22.8%

EBITDA

Rs. 132 crores

Margin at 10.2%

EBIT

Rs. 102 crores

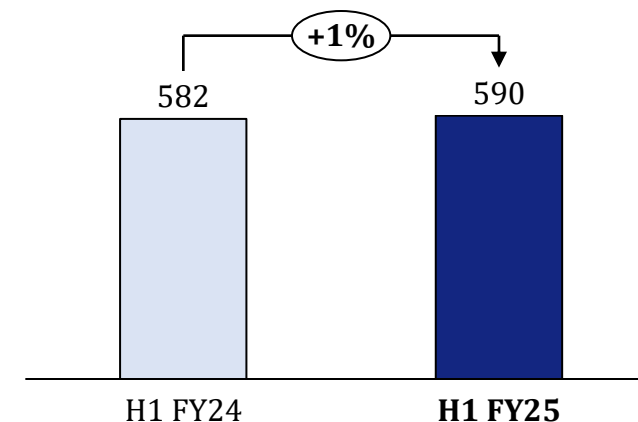
Margin at 8.0%

Profit After Tax

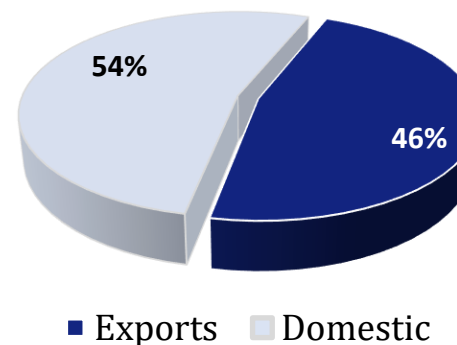
Rs. 57 crores

Margin at 4.4%

Revenue from Export Businesses
(Rs. in crores)



H1 FY25 Revenue Contribution

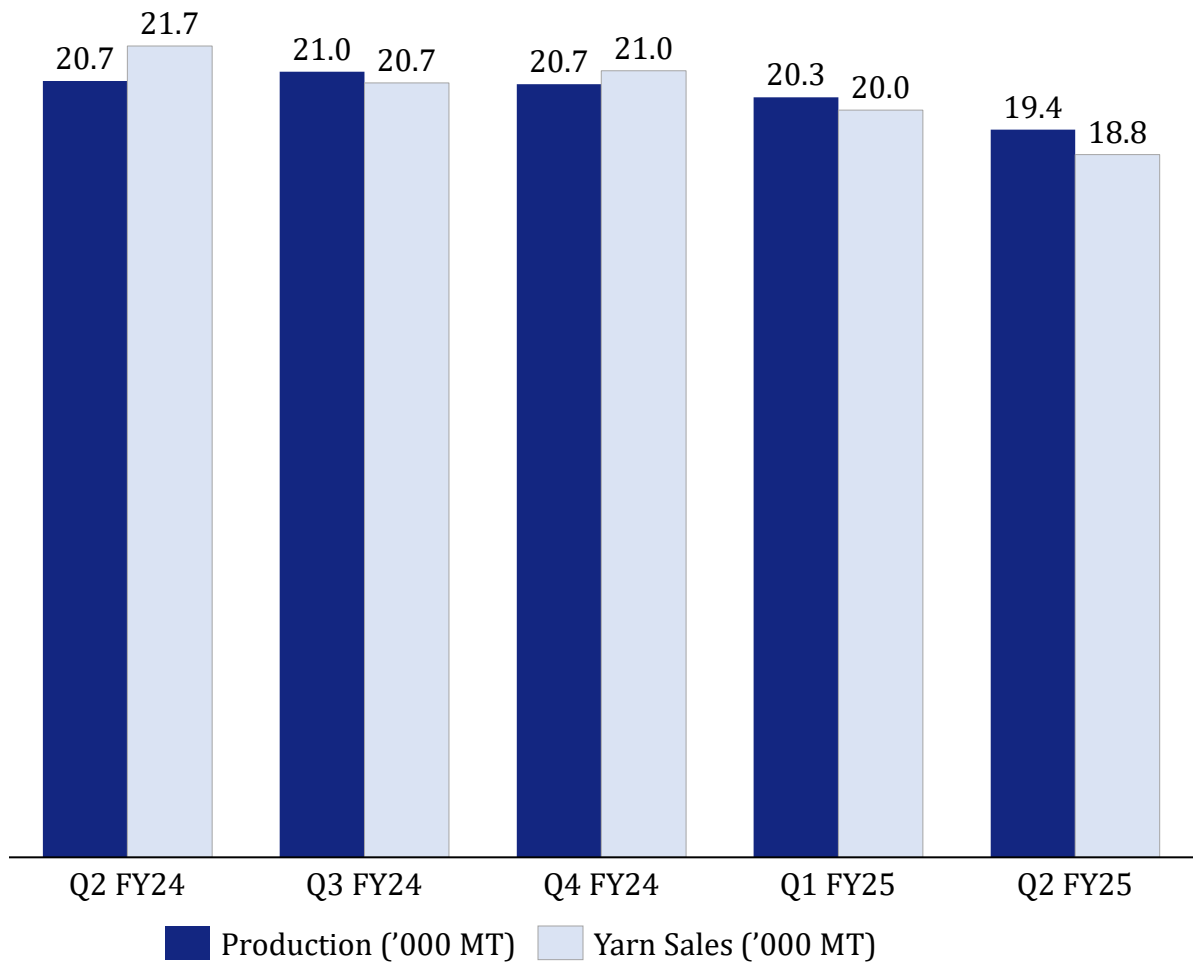


46%

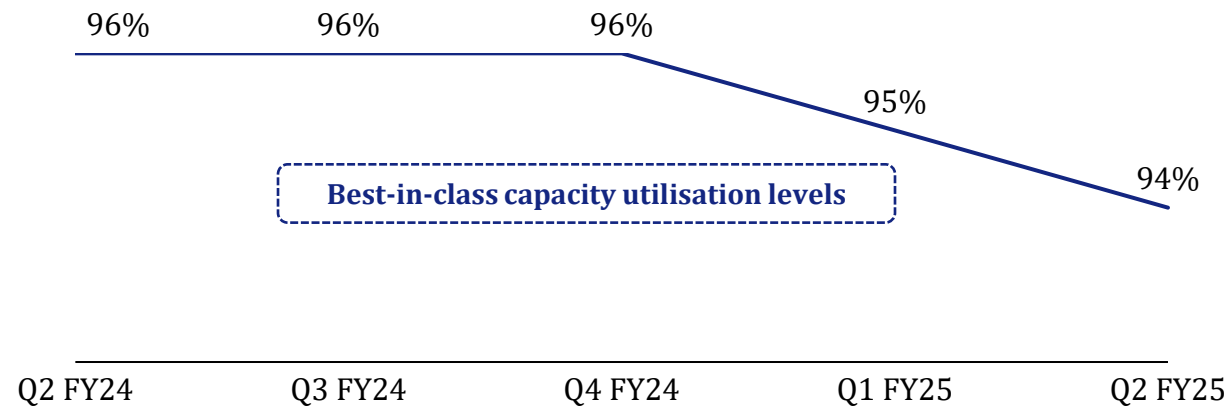
Contribution from Export Business

* Change in Revenue from Operations on a yearly basis

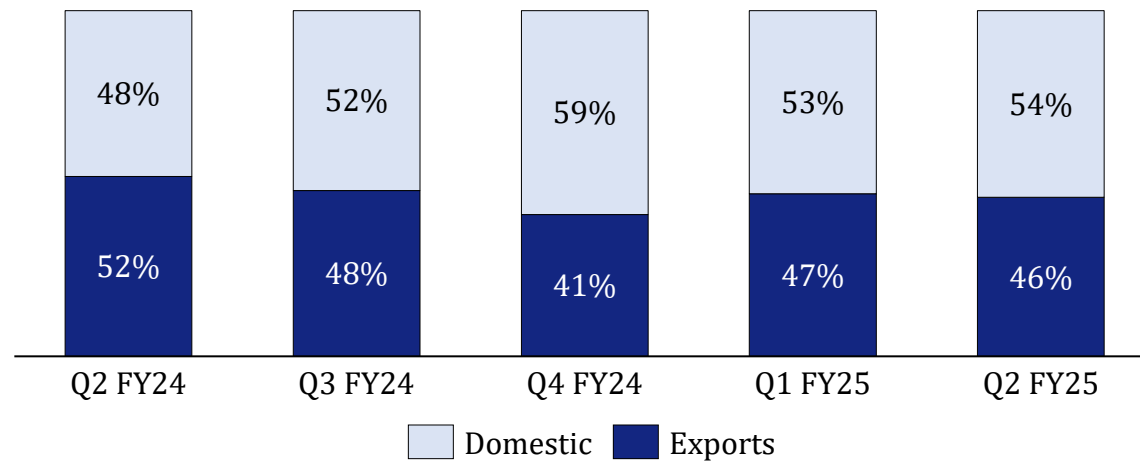
Yarn Production and Sales Volumes



Capacity Utilisation

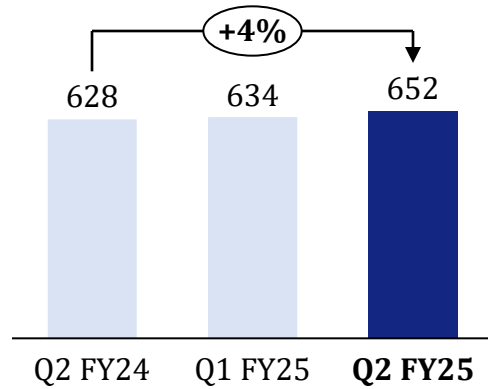


Revenue Contribution by Geography

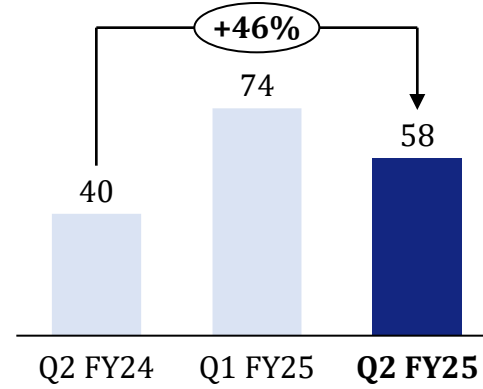


Q2 FY25 FINANCIAL PERFORMANCE

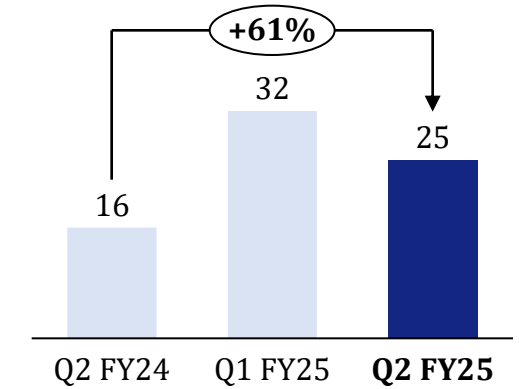
Revenue from Operations (Rs. in Crs)



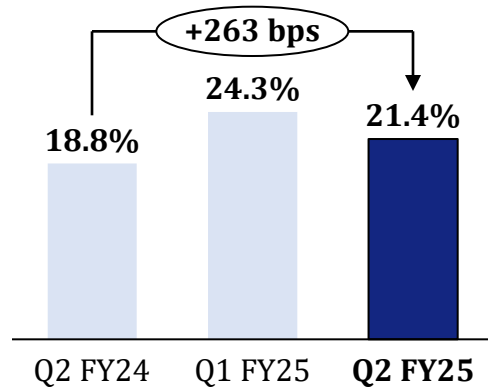
EBIDTA (Rs. in Crs)



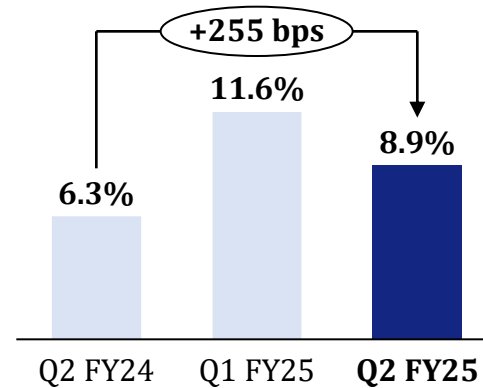
PAT (Rs. in Crs)



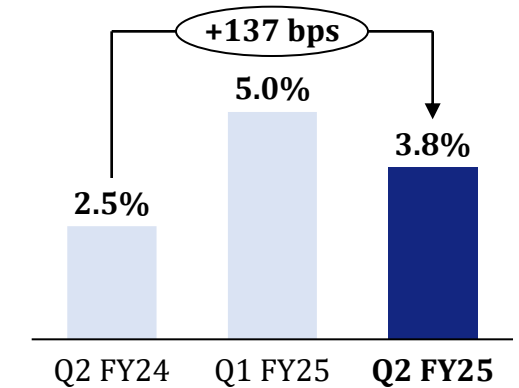
Gross Profit %



EBITDA %

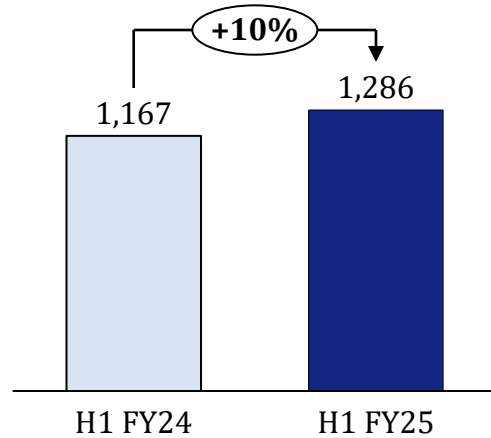


PAT %

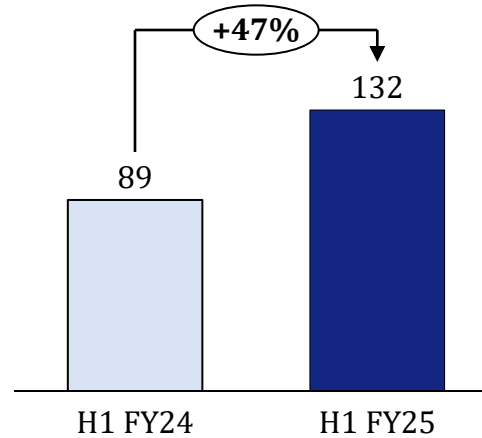


H1 FY25 PERFORMANCE (Y-o-Y)

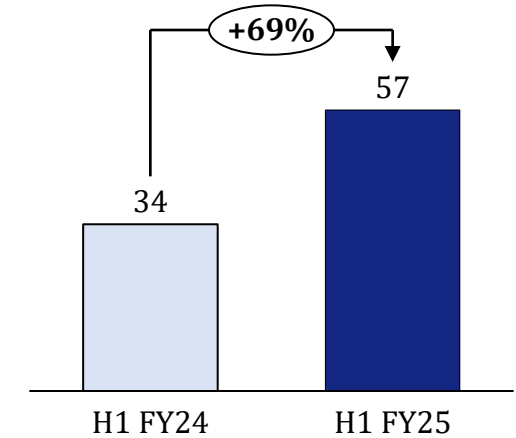
Revenue from Operations (Rs. in Crs)



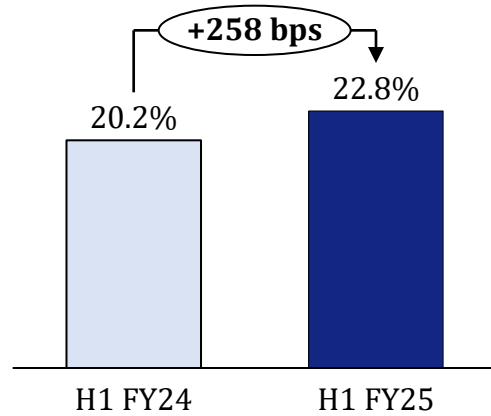
EBIDTA (Rs. in Crs)



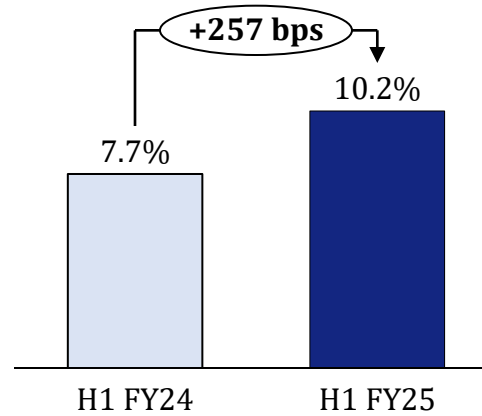
PAT (Rs. in Crs)



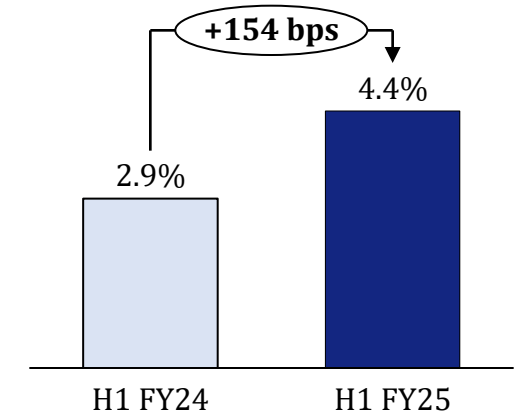
Gross Profit %



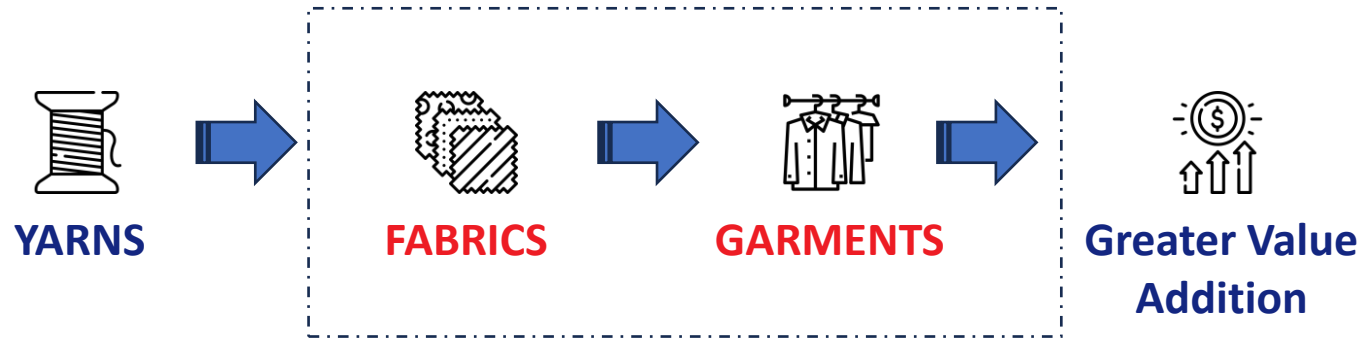
EBITDA %



PAT %



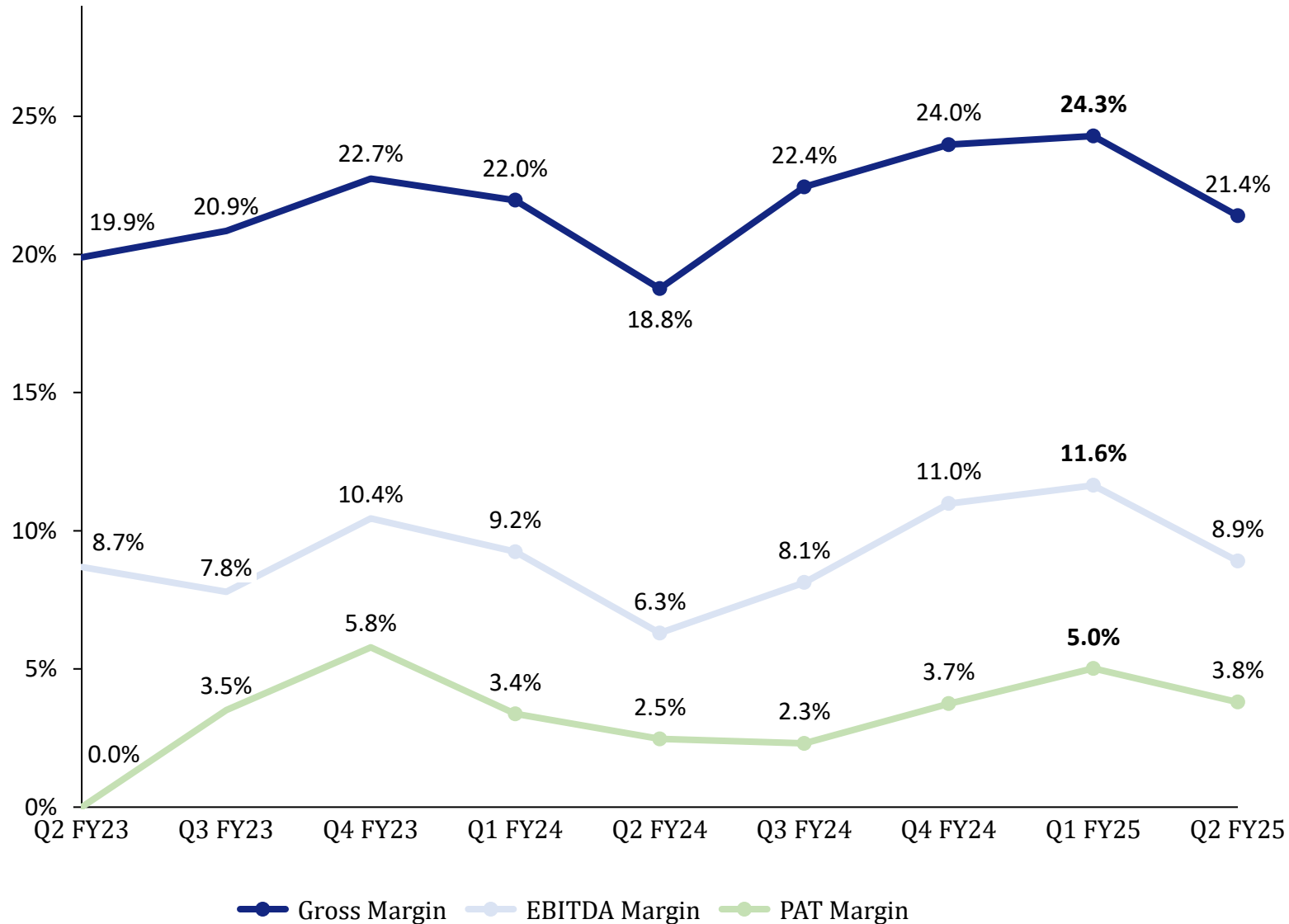
Setting Foundation For Forward Integration



- ❖ **In-principle approval of merger** of M/s Marvel Dyers and Processor Pvt Ltd and manufacturing facilities of M/s Sobhagia Sales Pvt Ltd with Sportking India Limited
- ❖ Marvel Dyers is engaged in the business of **Dyeing, Printing & Finishing of Fabrics**
- ❖ Sobhagia Sales is engaged in the business of **Manufacturing and Retailing of Readymade Garments**
- ❖ The proposed amalgamation will **enable forward integration** with manufacturing and selling of Processed/ Dyed knitted fabric and garments resulting into value addition as the company expands its operations higher up the textile product chain

Further Commitment to Sustainable Operations

- ❖ Proposed Investment of **26%** of Equity Share Capital of M/s Evincea Renewable Two Pvt. Ltd. a special purpose vehicle (SPV) for **INR. 12.09 Crs**
- ❖ The SPV will commission the Solar Power Plant with capacity of 40.3 MW for supply of power to Company's Bathinda and Ludhiana Unit **for period of 25 years**
- ❖ Schedule commencement of power supply period is tentatively 15 months, and company is **expecting saving in power cost about 10-12%**
- ❖ Have a **fully operationalised Rooftop Solar Project of 25MW** capacity for captive power consumption
- ❖ Company has long standing commitment towards sustainable operations and the proposed investment will further extend the same



Triggers for Margin Recovery

- ❖ Demand in key markets showing signs of improvement
- ❖ Pickup in Domestic Market from second half of Q3 FY24
- ❖ Demand rising from segments such as Weaving and Denim. Demand from retailers showing encouraging signs
- ❖ Utilisation ramped up ~95% with quick integration of newly increased capacity
- ❖ Cotton prices are expected to be stable aiding efficient inventory management

Q2 & H1 FY25 PROFIT & LOSS STATEMENT

Profit & Loss statement (Rs. in Crs)	Q2 FY25	Q2 FY24	Y-o-Y	Q1 FY25	Q-o-Q	H1 FY25	H1 FY24	Y-o-Y
Revenue from Operation	651.6	628.3	3.7%	634.0	2.8%	1285.7	1167.3	10.1%
Raw Material Cost	487.1	441.2		450.5		937.6	853.2	
Purchase of Finished goods	0.2	0.3		0.2		0.4	0.7	
(Increase) / Decrease In Stocks	-14.1	28.4		-7.6		-21.7	0.0	
Power Cost	39.1	40.5		36.9		76.0	77.0	
Gross Margin	139.4	117.9	18.3%	154.0	-9.5%	293.4	236.3	24.2%
Gross Margin %	21.4%	18.8%		24.3%		22.8%	20.2%	
Employee Cost	33.4	34.2		34.1		67.5	66.4	
Other Expenses	48.4	44.1		46.0		94.4	80.5	
EBITDA	57.7	39.6	45.8%	73.8	-21.9%	131.5	89.4	47.2%
EBITDA %	8.9%	6.3%		11.6%		10.2%	7.7%	
Other Income	7.9	19.8		6.8		14.6	25.1	
Depreciation	22.1	21.6		21.8		43.9	41.9	
Finance cost	10.5	16.5		15.2		25.8	26.9	
PBT	32.9	21.3	54.6%	43.5	-24.3%	76.5	45.7	67.4%
PBT Margin %	5.1%	3.4%		6.9%		5.9%	3.9%	
Exceptional Items	0.0	0.0		0.0		0.0	0.0	
Tax	7.9	5.8		11.7		19.6	12.0	
PAT	25.0	15.5	61.4%	31.8	-21.4%	56.8	33.7	68.8%
PAT Margin %	3.8%	2.5%		5.0%		4.4%	2.9%	

BALANCE SHEET STATEMENT

Equity & Liabilities (₹ in Cr)	Sep-24	Mar-24
Equity Share Capital	12.9	12.9
Other Equity	939.7	889.6
Total Equity	952.6	902.4
Financial liabilities		
1. Borrowing	379.9	394.4
2. Lease Liabilities	0.4	0.5
Provisions	16.4	15.2
Deferred tax Liabilities (Net)	26.4	26.0
Other Non-Current Liabilities	0.0	0.0
Total Non-Current Liabilities	423.1	436.1
Financial Liabilities		
(ii) Borrowings	111.5	480.4
(ii) Lease Liabilities	0.1	0.1
(iii) Trade Payables	103.3	87.3
(iv) Other Financial Liabilities	54.0	43.0
Other Current Liabilities	7.3	5.3
Current Tax Liabilities	8.6	7.7
Provisions	1.0	1.0
Total Current Liabilities	285.8	624.7
Total Equity & Liabilities	1661.5	1963.2

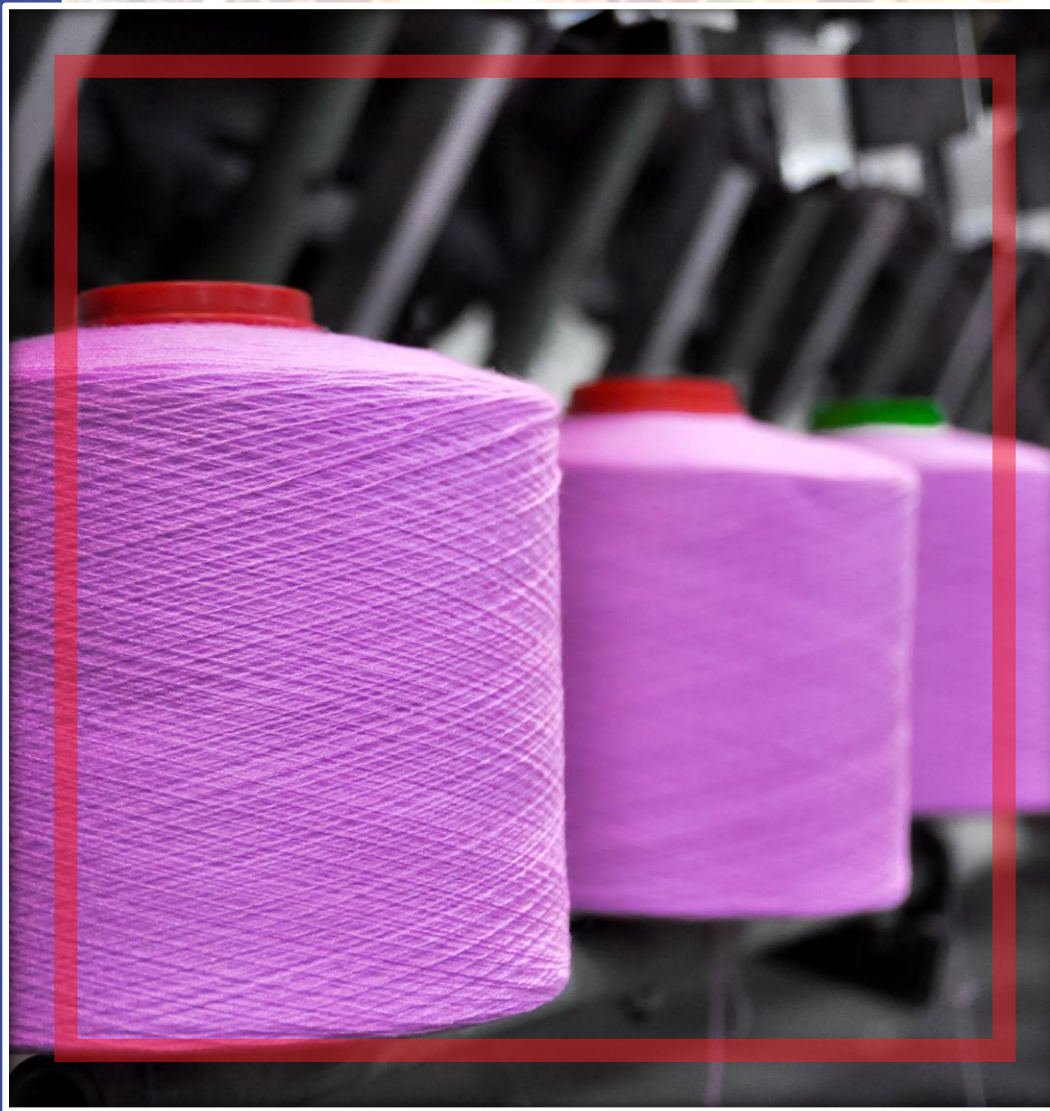
Assets (₹ in Cr)	Sep-24	Mar-24
Property, plant and equipment	747.4	785.1
Capital Work-in-Progress	12.3	0.0
Right of Use Asset	0.5	0.5
Other Intangible Assets	0.2	0.2
Income Tax Assets (Net)	1.0	2.1
Other Financial Assets	19.5	19.5
Other Non-Current Assets	20.9	0.8
Total Non-Current Assets	801.7	808.2
Financial Assets		
(i) Inventories	337.8	645.0
(ii) Trade Receivable	392.8	356.1
(iii) Cash and Cash Equivalents	4.9	1.4
(iv) Bank balances other than above	0.1	0.0
(v) Other Financial Assets	14.6	18.1
Other Current Assets	109.6	134.3
Total Current Assets	859.8	1155.0
Total Assets	1661.5	1963.2

CASH FLOW STATEMENT

Cash Flow Statement (Rs. Crs.)	Sep-24	Sep-23
Cash Flow from Operating Activities		
Profit before Tax	76.5	45.7
Adjustment for Non-Operating Items	68.6	62.9
Operating Profit before Working Capital Changes	145.1	108.6
Changes in Working Capital	-327.8	88.1
Cash Generated from Operations	472.9	20.5
Less: Direct Taxes paid	-17.2	-5.6
Net Cash from Operating Activities	455.7	14.9
Cash Flow from Investing Activities	-35.8	-37.9
Cash Flow from Financing Activities	-416.4	13.9
Net increase/ (decrease) in Cash & Cash equivalent	3.5	-9.1
Cash and cash equivalents at the beginning of the year	1.4	11.6
Cash and cash equivalents at the end of the year	4.9	2.4

Sportking

Business 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

Recognised **Four Star**
Export House

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. Present installed capacity- 65K+ spindles

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

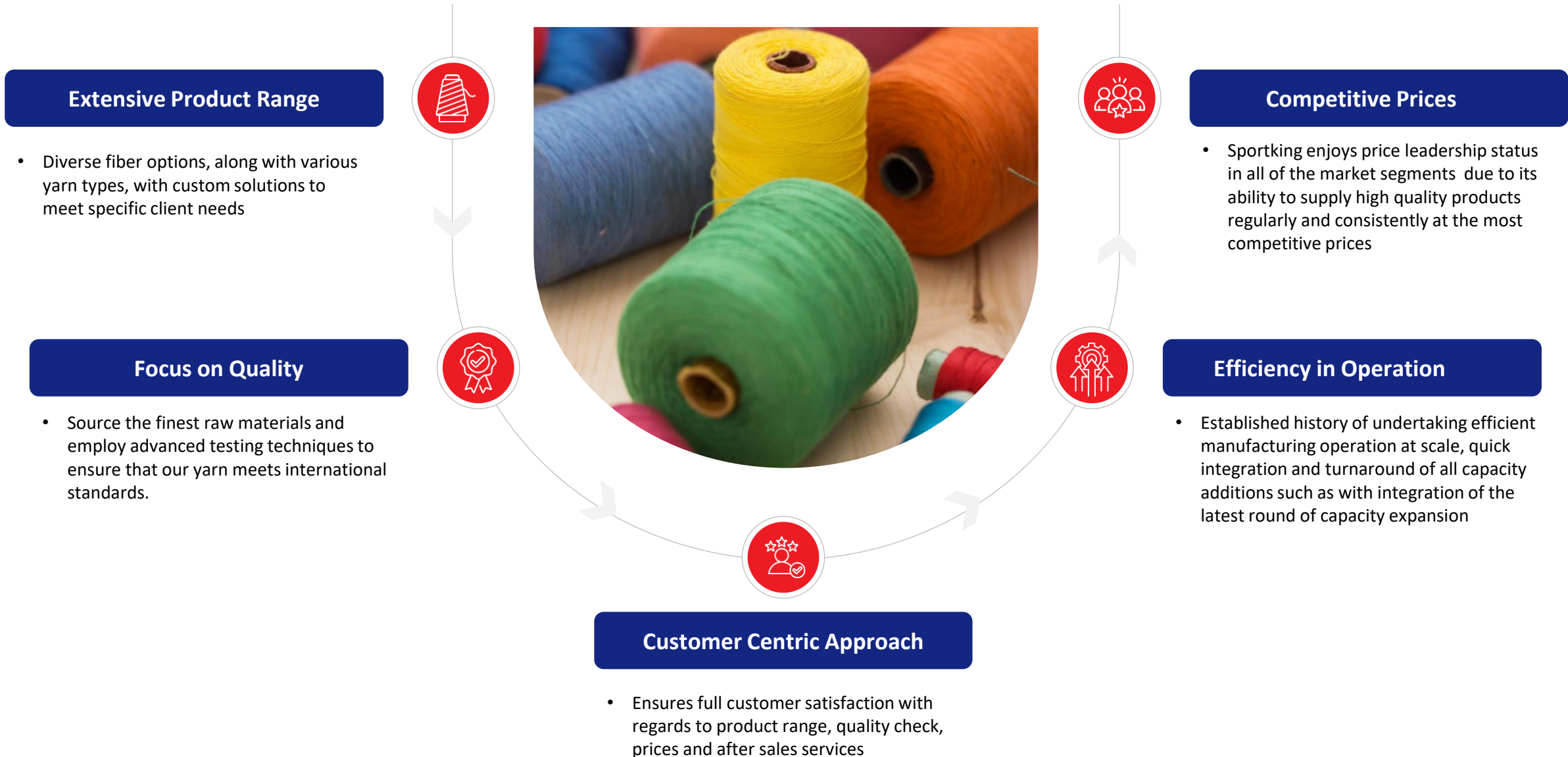


Spinning Capacity increased further with Greenfield expansion with installation of 57K+ Spindles at Bathinda for manufacturing of Cotton Compact Yarn. Capacity increased to 1,38,720 Spindles upto November 2013.

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.

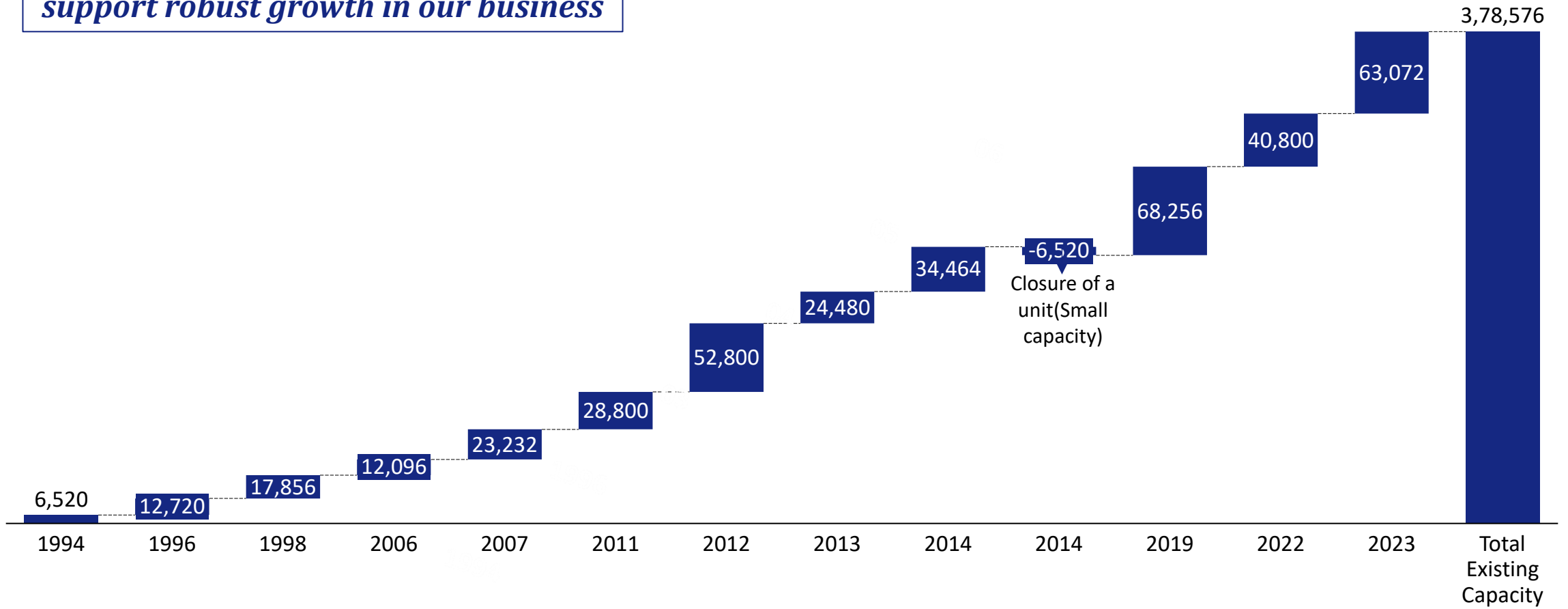


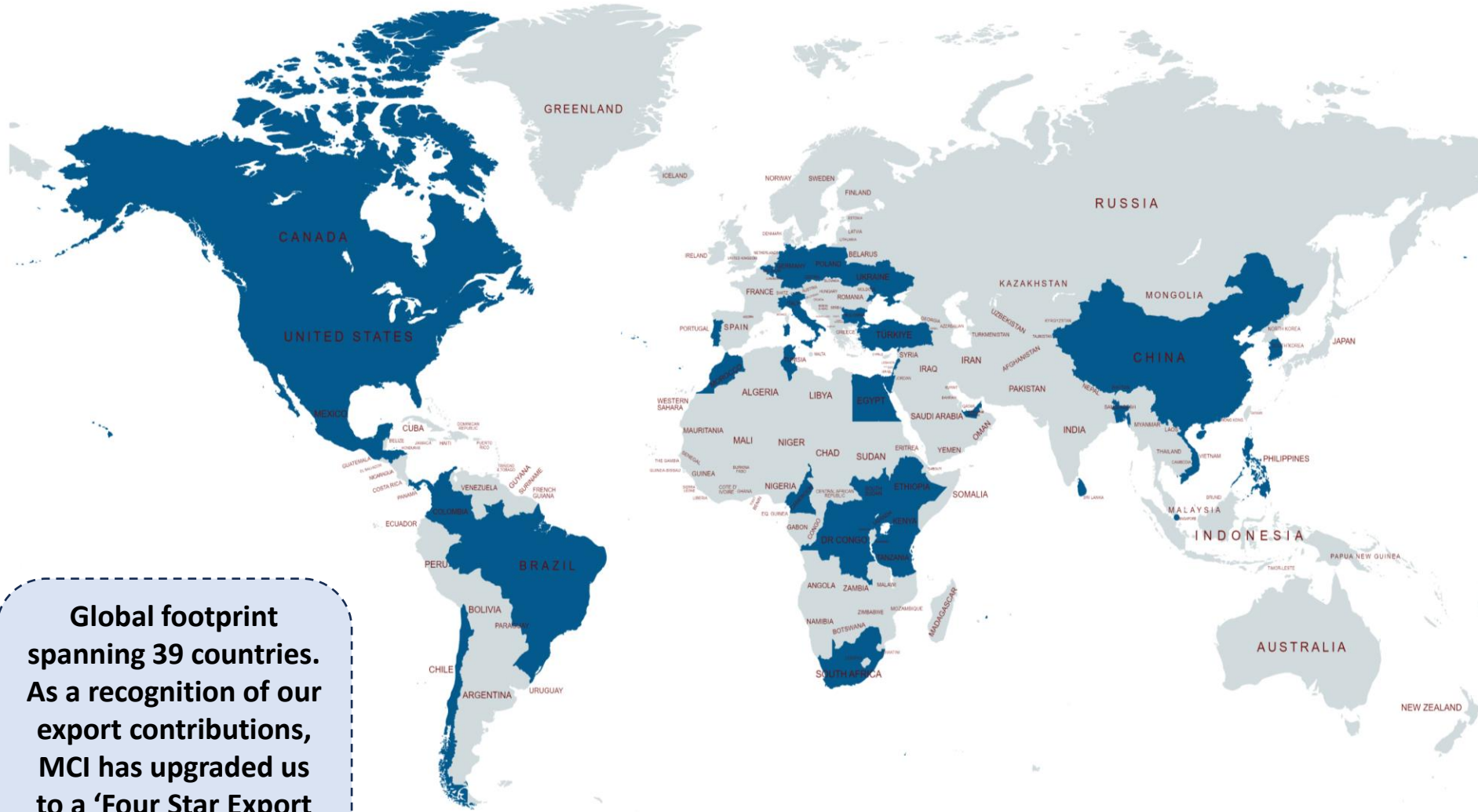
Successful commissioning of 10 MW Rooftop Solar Power Project for in house consumption. Capex undertaken for additional 15MW Solar Power project completed in 2023-24. Fully operationalization of additional 103K+ Spindles for manufacturing of Polyester Cotton yarn and cotton yarn (compact).



CAPACITY BUILTUP OVER THE YEARS

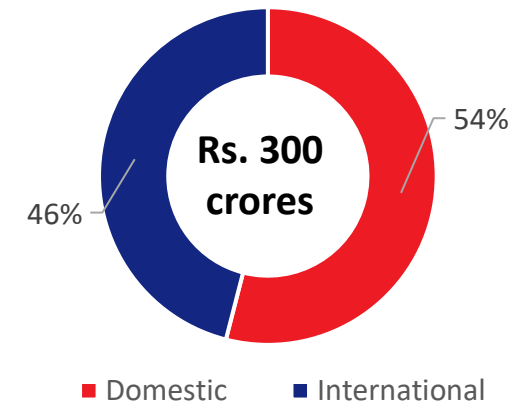
Continuous capacity addition to support robust growth in our business





Global footprint spanning 39 countries. As a recognition of our export contributions, MCI has upgraded us to a 'Four Star Export House' in FY24.

Geography Wise Revenue Break-up Q2 FY25



We are representing India on a world stage with average exports worth more than US \$ 125-175 million.



Capacity utilisation of all units more than 95%

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

- 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 Tensest

Uster Classimat

Uster Hairiness tester





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.



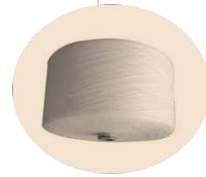
Concentrated Production Capacity: Bulk of total spindle capacity (80%+) is housed under a single unit easing oversight and operational planning



The **basic price of electricity is Rs. 5.50 per Unit** for the industry as announced by the Punjab Govt.



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



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



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.

M&S
EST. 1884

**JACK &
JONES**

ZARA



OLLY
WEAR

Sainsbury's

VERO MODA®

INDITEX



Munish Avasthi
Chairman & Managing
Director

- Munish Avasthi aged 51 years is having rich experience in Spinning/Textile Industry from last 30 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

- Mrs. 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

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, Exports & Imports, key business decisions, 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



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Sportking

Sector Outlook



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



India is emerging as a powerhouse in exports

Currently textile sector exports stand at \$34.43bn at the end of FY24, which is expected to breach \$100bn by the end of FY30.



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 +1 strategy

A lot of developed countries are moving their suppliers from China to other major textile countries, India being the second largest cotton producer, is going to have a massive opportunity from this strategy utilized by developed countries like USA and EU.



MARKET DECLINE



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



Budgetary Support

- In the interim budget 2024, government allocated ₹4,392.85 crore to the textile industry.
- ₹600 crore was dedicated for the procurement of cotton by Cotton Corporation of India (CCI)



PM Mitra Yojana

- Government is planning to set up 12 new industrial parks and 5-6 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



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



Remission of duties & taxes on Exports

- Government has approved continuation of RoSCTL with the same rates till 31st March 2026 and extension of RoDTEP scheme under September 30,2025



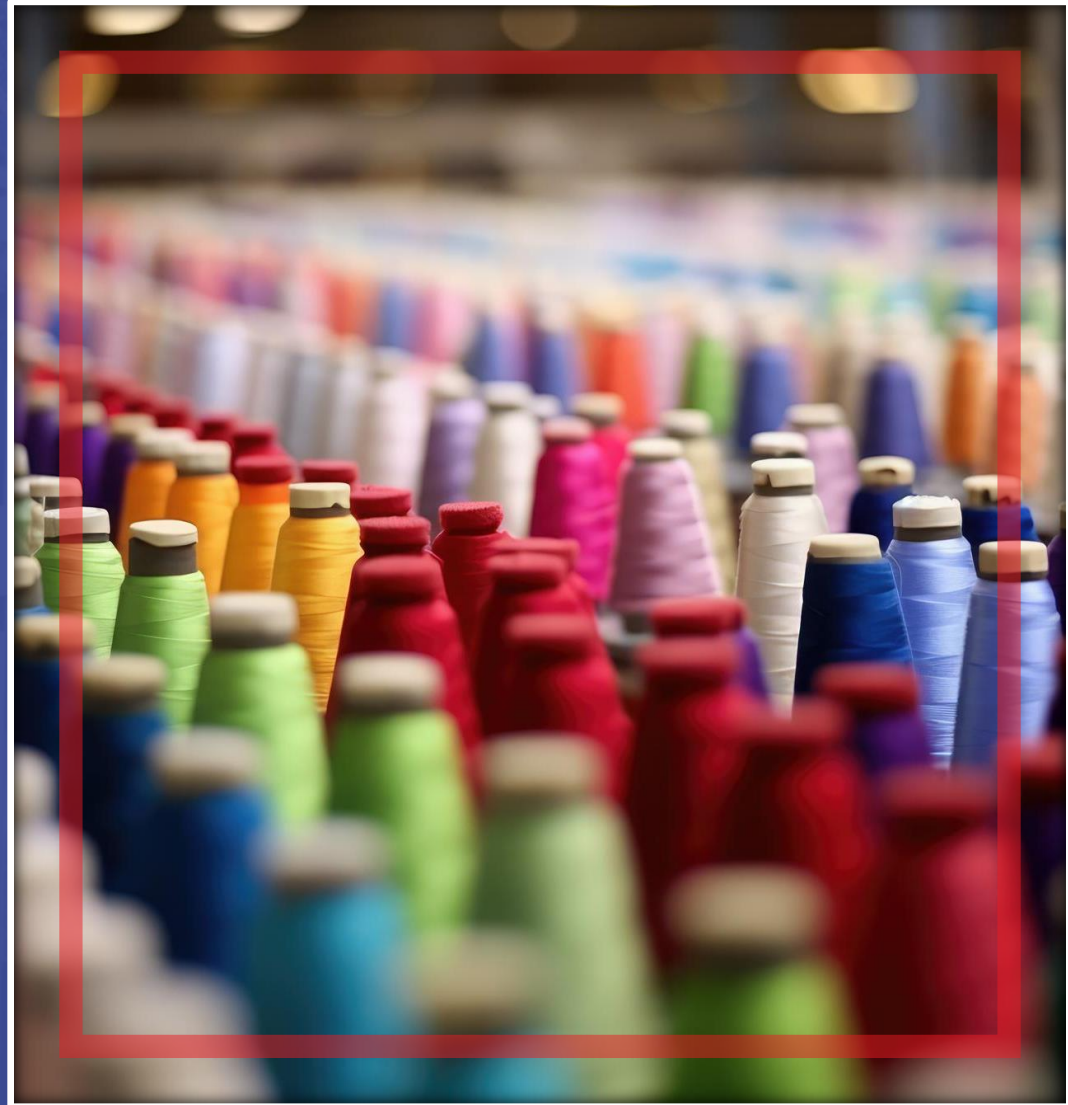
PLI Schemes

- Government announced PLI Scheme with a budgetary outlay of ₹106.83 billion for the period of FY25-26 to FY29-30 for Textile Industry.
- Recently, government has announced the addition of Medical/Hygiene Textiles as well as Technical Textiles Products in its PLI Scheme.



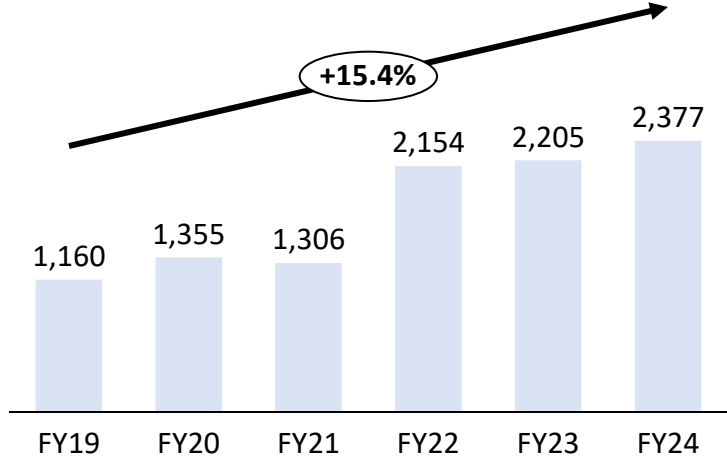
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Annexure

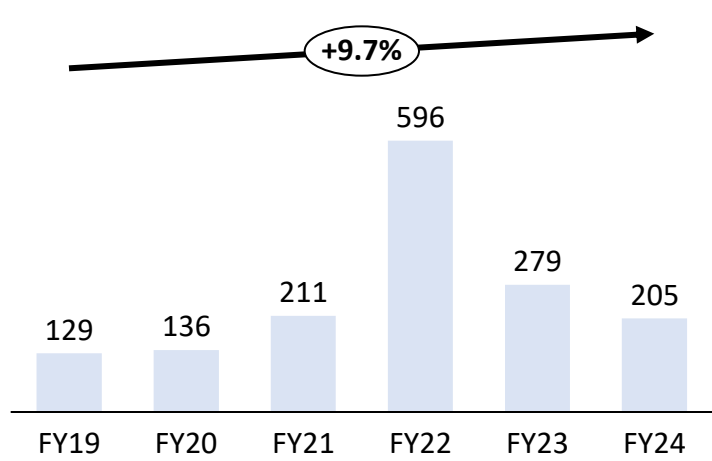


HISTORICAL FINANCIAL CHARTS

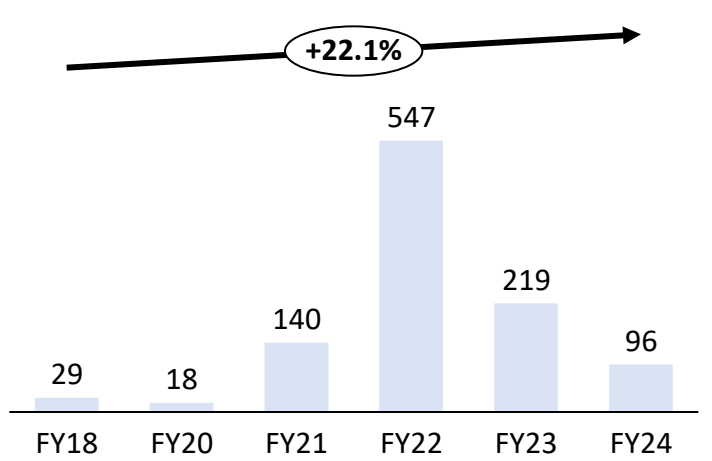
Revenue from Operations (Rs. in Crs)



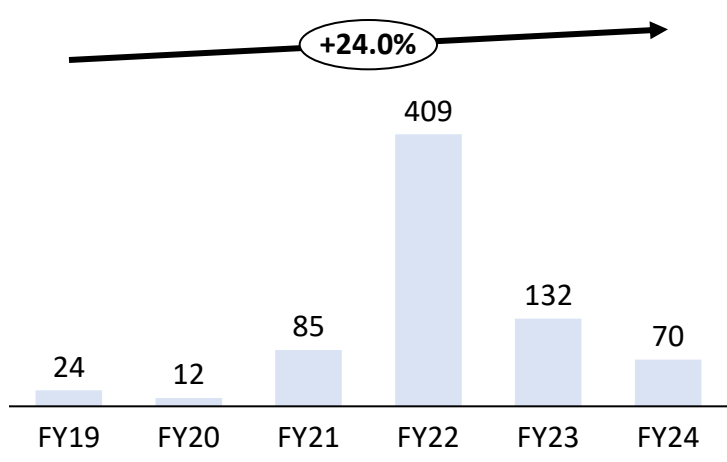
EBITDA (Rs. in Crs)



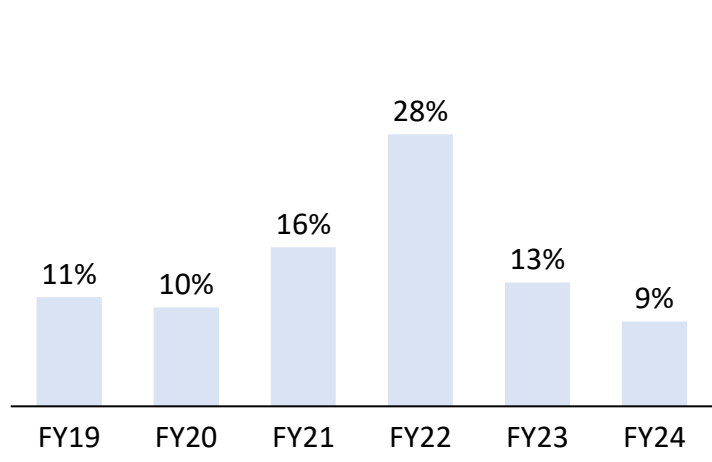
PBT (Rs. in Crs)



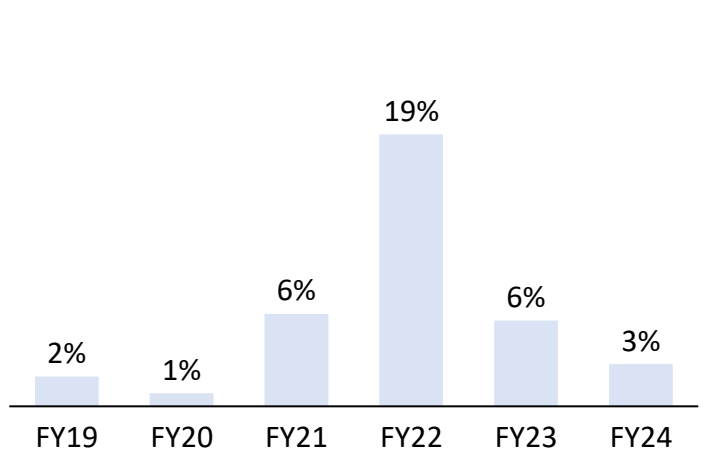
PAT (Rs. in Crs)



EBITDA %



PAT %



HISTORICAL PROFIT & LOSS STATEMENT

Profit & Loss statement (Rs. in Crs)	Mar'24	Mar'23	Mar'22	Mar'21	Mar'20	Mar'19
Revenue from Operation	2377	2,205	2,154	1,306	1,355	1,161
Raw Material Cost	1703	1,558	1,181	785	901	756
Purchase of Finished goods	1	1	0	0	1	1
(Increase) / Decrease In Stocks	1	-15	-14	10	7	-2
Power Cost	155	119	120	112	113	96
Gross Margin	517	542	867	399	334	309
Gross Margin %	22%	25%	40%	31%	25%	27%
Employee Cost	139	116	105	87	97	83
Other Expenses	173	147	166	103	100	97
EBITDA	205	279	596	209	136	129
EBITDA %	9%	13%	28%	16%	10%	11%
Depreciation and Amortisation Expense	86	48	44	52	63	54
Finance Costs	59	23	29	36	58	39
Other Income	36	12	24	19	3	2
PBT	96	219	547	140	18	38
PBT Margin %	4%	10%	25%	11%	1%	3%
Exceptional Items	0	30	-	22	-	-
Tax	26	58	138	33	6	14
PAT	70	132	409	85	12	24
PAT Margin %	3%	6%	19%	7%	1%	2%
Earnings per share (EPS) (Rs.)	55	99	308	63	9	17

Thank You

Sportking

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