

# Sportking INDIA LTD.

(Govt. Recognised Four Star Export House)

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**SIL/2023-24/SE**

**Date: 20.01.2024**

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

**SUB: PRESS RELEASE REGARDING UNAUDITED FINANCIAL RESULTS FOR THE QUARTER/NINE MONTHS ENDED 31<sup>ST</sup> DECEMBER, 2023.**

Dear Sir,

Pursuant to Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements), Regulations 2015, please find attached herewith Press Release with respect to Unaudited Financial Results for the quarter/nine months ended 31<sup>st</sup> December, 2023, as approved by the Board of Directors of the Company in its meeting held on 20<sup>th</sup> January, 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 India Limited reports consistent performance as margins improve***

**Punjab, 20<sup>th</sup> January 2024:** Sportking India Limited, one of India’s leading textile conglomerate, announced its financial results for the quarter ended 31<sup>st</sup> December 2023.

### **Key Highlights of the Quarter**

- Export contribution to Revenue from Operation stood at 48% for the quarter.
- Revenue from operation stood at Rs. 598.7 Crs for Q3 FY24, up 16.7% Y-o-Y but down 4.7% Q-o-Q. 9M FY24 Revenue is Rs. 1766.0 Crs – an increase of 5.7% YoY
- EBITDA for Q3FY24 was Rs. 48.7 Crs – an increase of 21.5% YoY. EBITDA Margin for the quarter improved by 183 bps sequentially & 32 bps on a yearly basis to reach 8.1%
- Cash Profit after Tax\* for the quarter was Rs. 36 Crs
- All phases of rooftop solar power project (total 25MW) have been operationalized for captive consumption – it will not only help reduce greenhouse gas emissions but also help save on power cost as the company now operates at a larger scale.

### **Financial Performance**

Particulars (Rs. Crs)	Q3 FY24	Q3 FY23	Y-o-Y	Q2 FY24	Q-o-Q
Total Operational Revenues	598.7	512.9	<b>16.7%</b>	628.3	<b>-4.7%</b>
Gross Profit	134.4	106.3	<b>26.4%</b>	117.9	<b>14.0%</b>
Gross Margin (%)	22.4%	20.7%	<b>+172 bps</b>	18.8%	<b>+368 bps</b>
EBITDA	48.7	40.0	<b>21.5%</b>	39.6	<b>22.9%</b>
EBITDA Margin (%)	8.1%	7.8%	<b>+32 bps</b>	6.3%	<b>+183 bps</b>
Other Income	7.7	5.1		19.8	
Depreciation	22.1	14.2		21.6	
Finance Cost	15.6	6.3		16.5	
Tax	4.8	6.5		5.8	
Profit After Tax	13.8	18.0	<b>-23.5%</b>	15.5	<b>-11.0%</b>
PAT Margin (%)	2.3%	3.5%	<b>-121 bps</b>	2.5%	<b>-16 bps</b>

*Higher Depreciation and Finance Cost persisting for FY24 on account of increasing existing capacity by 35% put to use in March 2023. Sequentially PAT declined on account of lower “other income.”*

\* Cash Profit After Tax = Profit After Tax + Depreciation

**Commenting on the results, Mr. Munish Avasthi, Chairman & Managing Director said,**

*“Moderation in raw material prices combined with marginally better sequential spreads largely translated to improving operating margins for the quarter despite a softer topline. While Indian cotton prices have regained its competitiveness in the international market, we continue to keep a watchful eye on the cotton and yarn spreads. Revenue contribution from exports and domestic market remained evenly keeled for us and we expect the revival of domestic market demand to continue in the next quarter.*

*We experienced a healthy domestic market demand on the back of delayed festivals and the country experiencing a bigger wedding season as compared to last year as anticipated before. On the exports front, demand recovery has been slow but definitive – with cotton yarn exports picking up indicated also by government data. While our export operations may not be directly affected by the Red Sea Crisis, an early resolution is the most desirable to further boost export rebound to the end markets of USA and the EU.*

*Operationally we managed to achieve better productivity as compared to the previous quarter as we were able to enjoy benefits of a scaled-up production for the entire quarter. The completion of the last leg of our rooftop solar project means that we now have 25MW of power available for captive consumption. Steady improvements in the outlook for both export and domestic markets continue to make us hopeful for our prospects in the near future.”*

**About Sportking India Ltd:**

Established in 1989, Sportking India Ltd emerged as one of India’s leading textile in company & owns 3 state-of-the-art manufacturing facilities in India equipped with latest machinery, produces yarns that are a benchmark in quality. The company produces well diversified range of grey and dyed textile yarns to cater to the demands of weaving and knitting industry in domestic as well as international markets.

With presence in more than 30 countries, Sportking India Ltd. is representing India on a world stage with a commitment to deliver superior quality products among evolving trends in customer preferences.

Sportking India Ltd	Investor Relations: Orient Capital
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**Safe Harbor Statement**

Any forward-looking statements about expected future events, financial and operating results of the Company are based on certain assumptions which the Company does not guarantee the fulfilment of. These statements are subject to risks and uncertainties. Actual results might differ substantially or materially from those expressed or implied. Important developments that could affect the Company’s operations include a downtrend in the industry, global or domestic or both, significant changes in political and economic environment in India or key markets abroad, tax laws, litigation, labour relations, exchange rate fluctuations, technological changes, investment and business income, cash flow projections, interest, and other costs. The Company does not undertake any obligation to update forward-looking statements to reflect events or circumstances after the date thereof.