# Sportking

# SPORTKING INDIA LIMITED

Corporate Identity Number (CIN): L17122PB1989PLC053162

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PUBLIC ANNOUNCEMENT FOR THE ATTENTION OF EQUITY SHAREHOLDERS/ BENEFICIAL OWNERS OF EQUITY SHARES OF SPORTKING INDIA LIMITED FOR THE BUYBACK OF EQUITY SHARES THROUGH TENDER OFFER UNDER SECURITIES AND EXCHANGE BOARD OF INDIA (BUY-BACK OF SECURITIES) REGULATIONS, 2018, AS AMENDED.

This Public Announcement ("**Public Announcement**" or "**PA**") is being made in pursuant to the provisions of Regulation 7(i) and Schedule II to be read along with Schedule I with other applicable provisions of the Securities and Exchange Board of India (Buy Back of Securities) Regulations, 2018 ("**SEBI Buyback Regulations**") for the time being in force including any statutory modifications and amendments from time to time.

OFFER FOR BUYBACK OF UP TO 5,80,000 (FIVE LAKH EIGHTY THOUSAND) FULLY PAID-UP EQUITY SHARES OF THE COMPANY OF FACE VALUE OF ₹ 10/-(RUPEES TEN ONLY) EACH ("EQUITY SHARES" OR "SHARES") AT A PRICE OF ₹ 950/- (RUPEES NINE HUNDRED FIFTY ONLY) PER EQUITY SHARE ON A PROPORTIONATE BASIS THROUGH THE TENDER OFFER ROUTE THROUGH STOCK EXCHANGE MECHANISM.

Certain figures contained in this Public Announcement, including financial information, have been subject to rounding-off adjustments. All decimals have been rounded off to 2 (two) decimal points. In certain instances, (i) the sum or percentage change of such numbers may not conform exactly to the total figure given; and (ii) the sum of the numbers in a column or row in certain tables may not conform exactly to the total figure given for that column or row.

# 1. DETAILS OF THE BUYBACK OFFER AND OFFER PRICE

- 1.1. Pursuant to the resolution passed by the Board of Directors of Sportking India Limited (the "Board" / "Board of Director", which expression includes any committee constituted by the Board to exercise its power, including the powers conferred by the resolution) at their meeting held on January 28, 2023 ("Board Meeting"), the Company hereby approved the buyback of up to 5,80,000 (Five Lakh Eighty Thousand) fully paid-up equity shares of face value of ₹ 10/- (Rupees Ten Only) each of the Company ("Equity Shares") (representing 4.37% of the total number of Equity Shares in the existing total paid-up equity capital and total number of Equity Shares in the paid-up equity share capital as per the latest audited financial statements of the Company for the financial year ended March 31, 2022 of the Company) at a maximum price of ₹ 950/- (Rupees Nine Hundred Fifty only) per equity share ("Buyback Price") (including a premium of ₹ 940/- per equity share) payable in cash for an maximum aggregate amount of up to ₹ 55,10,00,000/- (Rupees Fifty Five Crore Ten Lakh only) (excluding Company's transaction cost viz. fees, brokerage, applicable taxes such as securities transaction tax, buy back tax, goods and service tax, stamp duty, advisors fees, printing and dispatch expenses and other incidental and related expenses, herein after referred to as "Transaction Cost") ("Buyback Size"), which represents 8.01% of the total of the paid-up equity share capital and free reserves as per the latest audited financials of the Company for the financial year ended March 31, 2022, which is not exceeding 10% of the total paid-up equity share capital and free reserves as per the audited financial statements for the financial year ended March 31, 2022 of the Company under the Board Approval route, as provided under the proviso to Section 68(2)(b) of the Companies Act, 2013, through the "Tender offer" route as prescribed under the SEBI Buyback Regulations on a proportionate basis, from all the existing shareholders/ beneficiary owners of the Company, including the promoter and promoter group (as defined under SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011), holding fully paid-up equity shares of the Company as on Friday, February 10, 2023 ("Record Date") (hereinafter defined) ("Buyback"). Please refer to Paragraph 12 below for details regarding the Record Date and share entitlement for tender in the Buyback.
- 1.2. The Buyback is in accordance with the provisions contained in Article 40 of the Articles of Association of the Company, Sections 68, 69, 70 and all other applicable provisions of the Companies Act, 2013, as amended from time to time ("Companies Act"), the Companies (Share Capital and Debentures) Rules, 2014 ("Share Capital Rules"), the Companies (Management and Administration) Rules, 2014, ("Management Rules") and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 including any statutory modification or re-enactment thereof for the time being in force and the provisions contained in the SEBI Buyback Regulations.
- 1.3. The Buyback Size does not include any expenses incurred or to be incurred for the Buyback like filing fees payable to the Securities and Exchange Board of India ("SEBI"), Transaction Cost, fees and charges payable to BSE Limited ("BSE") and National Stock Exchange of India Limited ("NSE") (together, BSE and NSE hereinafter referred to as "Stock Exchanges"), public announcement publication expenses, printing and dispatch expenses and other incidental and related expenses.
- 1.4. The Board of Directors of the Company approved the Buyback, by passing a Board Resolution, dated January 28, 2023. The Buyback is further subject to approvals, permissions and sanctions as may be necessary, and subject to such conditions and modifications, if any, from time to time from statutory, regulatory or governmental authorities as required under applicable laws including but not limited to the SEBI and the Stock Exchanges where the Equity Shares of the Company are listed *i.e.* BSE and NSE.
- The Equity Shares shall be bought back on a proportionate basis from all the equity 1.5. shareholders / beneficial owners of the Company as on the Record Date ("Eligible Shareholders") through the "Tender Offer" route, as prescribed under Regulation 4(iv)(a) of the SEBI Buyback Regulations, and subject to applicable laws, facilitated by tendering of Equity Shares by such Eligible Shareholders and settlement of the same, through the stock exchange mechanism as specified by SEBI in the Circular "Mechanism for acquisition of share through Stock Exchange pursuant to Tender-Offers under Takeovers, Buy Back and Delisting" bearing number CIR/CFD/ POLICYCELL/1/2015 dated April 13, 2015 as amended via SEBI circulars CFD/ DCR2/CIR/P/2016/131 dated December 9, 2016 and CFD/DCR-III/CIR/P/2021/615 dated August 13, 2021 ("SEBI Circulars") and such other circulars or notifications as may be applicable and the Company shall request BSE being the designated stock exchange ("Designated Stock Exchange") to provide a separate window ("Acquisition Window") to facilitate placing of sell orders by Eligible Shareholders who wish to tender Equity Shares in the Buyback. The details of the platform will be specified by BSE from time to time. All Eligible Shareholders may place orders in the Acquisition Window, through their respective stock brokers ("Seller Member").
- In terms of the SEBI Buyback Regulations, under Tender Offer route, Promoters and Promoter Group of the Company have the option to participate in a Buyback. Accordingly, members of the Promoter and Promoter Group of the Company have

- 3. MAXIMUM AMOUNT REQUIRED UNDER THE BUYBACK AND ITS PERCENTAGE OF THE TOTAL PAID UP CAPITAL AND FREE RESERVES AND SOURCES OF FUNDS FROM WHICH BUYBACK WOULD BE FINANCED
- 3.1. The funds permissible to be deployed for Buyback shall not exceed 10% of fully paid-up equity share capital and free reserves (including securities premium) of the Company under the Board approval route, as provided under the proviso to Section 68(2)(b) of the Act. The total paid-up equity share capital and free reserves as per latest audited balance sheet of the Company for the financial year ended March 31, 2022 is ₹ 68,766.95 Lakh. Accordingly, the maximum amount that can be utilized in the present Buyback is ₹ 6,876.70 Lakh. The Company proposes to utilize an aggregate amount of up to ₹ 5,510.00 Lakh for the Buyback (excluding Transaction Cost) which is within the maximum amount as aforesaid and it represents 8.01% of the total paid-up equity share capital and free reserves of the Company.
- 3.2. The funds required for implementation of the Buyback (including the Transaction Cost) will be sourced from current balances of cash and cash equivalents and/ or internal accruals of the Company. The Company does not intend to raise additional debt for the explicit purposes of the Buyback. Thus, borrowed funds from banks and financial institutions if any will not be used for the Buyback. However, if required, the Company may borrow funds in the ordinary course of its business during / before expiry of Buyback Period, as provided under law / SEBI Buyback Regulations.
- 3.3. The Company confirmed that the Buyback shall be made out of free reserves and/ or securities premium account of the Company, and/ or such other sources as may be permitted by the SEBI Buyback Regulations or the Companies Act as at March 31, 2022 (the last audited financial statements available as on the date of Board meeting recommending the proposal of the Buyback). The Company shall transfer from its free reserves, a sum equal to the nominal value of the Equity Shares bought back through the Buyback to the Capital Redemption Reserve account and the details of such transfer shall be disclosed in its subsequent audited balance sheet and annual report.
- 4. MAXIMUM OFFER PRICE FOR BUYBACK OF THE EQUITY SHARES AND BASIS OF ARRIVING AT THE BUYBACK PRICE
- 4.1. The Equity Shares are proposed to be bought back at a price of ₹ 950/- (Rupees Nine Hundred Fifty only) per Equity Share (including a premium of ₹ 940/- per equity share). The Buyback Offer Price has been arrived at, after considering various factors including, but not limited to the trends in the volume weighted average prices of the Equity Shares on Stock Exchanges where the Equity Shares are listed, impact on net worth of the Company, price earnings ratio, earnings per share and other financial parameters.
- 4.2. The Buyback Offer Price represents:
  - (a) Premium of 34.75% and 35.77% over the volume weighted average market price of the Equity Shares on NSE and BSE, respectively, during the three months preceding January 21, 2023, being the date of intimation to the Stock Exchanges for the Board Meeting to consider the proposal of the Buyback ("Intimation Date").
  - (b) Premium of 35.45% and 36.68% over the volume weighted average market price of the Equity Shares on NSE and BSE, respectively, for sixty trading days preceding the Intimation Date.
  - (c) Premium of 36.92% and 35.83% over the volume weighted average market price of the Equity Shares on NSE and BSE, respectively, for two weeks preceding the Intimation Date.
  - (d) Premium of 42.27% and 42.57% over the closing price of the Equity Shares on NSE and BSE, respectively, as on January 20, 2023, being the working day preceding the Intimation Date.
  - (e) Premium of 34.48% and 34.07% over the closing price of the Equity Share on NSE and BSE, respectively, as on January 27, 2023 being the working day preceding the Board Meeting Date wherein proposal for Buyback was approved.
- 4.3. Since the Board Meeting was held on Saturday, the closing market price of the Equity Shares on NSE and BSE as on one day prior to the date of the Board Meeting *i.e.* January 27, 2023 was ₹ 706.40/- and ₹ 708.60/- respectively.
- 5. MAXIMUM NUMBER OF EQUITY SHARES THAT THE COMPANY PROPOSES TO BUYBACK

The Company proposes to Buyback up to 5,80,000 (Five Lakh Eighty Thousand) Equity Shares of face value of ₹ 10/- each of the Company (representing 4.37% of the outstanding equity shares of the Company as on the date of Board Meeting). **METHODOLOGY FOR BUYBACK** 

- METHODOLOGY FOR BUYBACK
  As required under the SEBI Buyback Regulations, Equity Shares to be bought back under Tender Offer are divided into two categories: (i) reserved category for Small Shareholders (as defined hereinafter); and (ii) general category for all other shareholders.
- 6.2. The Buyback will be undertaken on a proportionate basis from the Eligible Shareholders through the tender offer process prescribed under Regulation 4(iv)(a) of the SEBI Buyback Regulations. Additionally, the Buyback shall be, subject to applicable laws, implemented by tendering of Equity Shares by Eligible Shareholders and settlement of the same through the stock exchange mechanism as specified by SEBI in the circulars CIR/CFD/POLICYCELL/1/2015 dated April 13, 2015 as amended via SEBI circulars SEBI circulars CFD/DCR2/CIR/P/2016/131 dated December 09, 2016 and CFD/DCR-III/CIR/P/2021/615 dated August 13, 2021 in terms of Regulation 9(vii) of the SEBI Buyback Regulations. The Buyback is subject to other approvals, permissions and exemptions as may be required from time to time from any statutory and/or regulatory authority including SEBI and the Stock Exchanges.
- 7. DETAILS OF SHAREHOLDING OF PROMOTER AND PROMOTER GROUP INCLUDING PERSON IN CONTROL
- .1. The shareholding of the promoter and promoter group including person in control ("Promoter and Promoter Group") as on the date of the Board Meeting *i.e.* January 28, 2023 is given below:

Sr. No.	Promoter and Promoter Group	Number of Equity Shares Held	Percentage (%)
1.	Raj Kumar Avasthi (Deceased)	12,86,000	9.68
2.	Munish Avasthi	9,70,422	7.30
3.	Anjali Avasthi	8,454	0.06
4.	Anjali Dada	6,000	0.05
5.	Suraj Dada	8,800	0.07
6.	Parveen Avasthi	6,50,000	4.89
7.	Angel Finvest Private Ltd	19,51,600	14.69
8.	Aradhna Knitwears Private Limited	72,572	0.55
9.	Sobhagia Logistics Private Limited	31,95,940	24.05
10.	Sobhagia Sales Private Limited	17,02,260	12.81
Tota		98,52,048	74.15

expressed their intention vide their letters dated January 28, 2023 to participate in the Buyback and tender up to an aggregate maximum number of 85,66,048 Equity Shares, which has been detailed in paragraph 7.5.3 and 7.5.4 of this PA.

- 7.5.2. Pursuant to the proposed Buyback and depending upon the response of the Buyback the voting rights of the Promoter and Promoter Group in the Company may increase / decrease over the existing holding of 74.15% of the outstanding equity shares of the Company. The Promoter and Promoter Group has undertaken that in case there is an increase in the voting rights of the Promoter and Promoter Group over 75%, necessary steps will be taken to reduce the shareholding of the Promoter and Promoter Group over 75%, necessary steps will be taken to reduce the shareholding of the Promoter and Promoter Group in accordance with the provisions contain in the Rule 19A(1) of the Securities Contract (Regulation) Rules, 1957, as amended so that the Company is in due compliance with the minimum public shareholding requirement as provided under Regulation 38 of the SEBI Listing Regulations.
- 5.3. The maximum number of Equity Shares to be tendered by the Promoter and Promoter Group of the Company who have expressed their intention to tender Equity Shares in the Buyback is as under:

Sr. No.	Name of the Promoter and Promoter Group	Maximum Number of Equity Shares which may be Tendered
1.	Munish Avasthi	9,70,422
2.	Anjali Avasthi	8,454
3.	Anjali Dada	6,000
4.	Suraj Dada	8,800
5.	Parveen Avasthi	6,50,000
6.	Angel Finvest Private Limited	19,51,600
7.	Aradhna Knitwears Private Limited	72,572
8.	Sobhagia Logistics Private limited	31,95,940
9.	Sobhagia Sales Private Limited	17,02,260
	Total	85,66,048

 7.5.4. Details of the date and price of the Equity Shares allotted/acquired/credited/ transferred/transmitted to the Promoter and Promoter Group of the Company, which are intended to be tendered, are set-out as below:

## a) Munish Avasthi

Date of Transaction	Nature of Transaction	No. of Equity Shares	Face Value (₹)	Total Consideration (₹)
February 10, 1993	Off Market Purchase	1,000	10.00	10,000
April 05, 1993	Off Market Purchase	1,000	10.00	10,000
April 05, 1993	Off Market Purchase	1,000	10.00	10,000
March 01, 1994	Off Market Purchase	1,000	10.00	10,000
March 01, 1994	Off Market Purchase	1,000	10.00	10,000
March 01, 1994	Off Market Purchase	1,000	10.00	10,000
March 16, 1994	Further Allotment	1,01,000	10.00	10,10,000
August 22, 1994	Off Market Purchase	1,000	10.00	10,000
February 25, 1995	Further Allotment	14,000	10.00	4,90,000
July 08, 2013	Off Market Purchase	400	10.00	14,000
September 02, 2013	Off Market Purchase	400	10.00	14,000
September 02, 2013	Off Market Purchase	400	10.00	14,000
October 22, 2014	Off Market Purchase	400	10.00	14,000
October 22, 2014	Off Market Purchase	400	10.00	14,000
October 22, 2014	Off Market Purchase	1,500	10.00	52,500
October 22, 2014	Off Market Purchase	200	10.00	7,000
October 22, 2014	Off Market Purchase	200	10.00	7,000
October 22, 2014	Off Market Purchase	200	10.00	7,000
October 22, 2014	Off Market Purchase	200	10.00	7,000
October 22, 2014	Off Market Purchase	400	10.00	14,000
November 10, 2014	Off Market Purchase	200	10.00	7,000
September 25, 2015	Off Market Purchase	1,000	10.00	35,000
September 25, 2015	Off Market Purchase	600	10.00	15,000
September 25, 2015	Off Market Purchase	600	10.00	15,000
September 25, 2015	Off Market Purchase	200	10.00	7,000
September 17, 2016	Off Market Purchase	1,00,000	10.00	69,17,000
February 09, 2017	Off Market Purchase	1,000	10.00	35,000
February 15, 2017	Off Market Purchase	400	10.00	14,000
November 23, 2017	Off Market Purchase	10,000	10.00	3,50,000
September 28, 2021	Bonus Issue	7,22,100	10.00	NA
December 22, 2021	Open Market Purchase	2,156	10.00	27,00,212
December 23, 2021	Open Market Purchase	3,472	10.00	44,66,872
December 24, 2021	Open Market Purchase	1,994	10.00	25,67,415
Total		9,70,422		

## Anjali Avasth

b)

C)

e)

f)

g)

Date of Transaction	Nature of Transaction	No. of Equity Shares	Face Value (₹)	Total Consideration (₹)
February 25, 1995	Further Allotment	1,000	10.00	35,000
September 28, 2021	Bonus Issue	3,000	10.00	NA
March 08, 2022	Open Market Purchase	4,454	10.00	48,64,746
Total		8,454		

Date of Transaction	Nature of Transaction	No. of Equity Shares	Face Value (₹)	Total Consideration (₹)
December 12, 1995	Further Allotment	1,500	10.00	52,500
September 28, 2021	Bonus Issue	4,500	10.00	NA
Total		6,000		

Accordingly, members of the Promoter and Promoter Group of the Company have expressed their intention to participate in the Buyback. The extent of their participation in the Buyback has been detailed in Paragraph 7.5 of this Public Announcement.

- 1.7. The Buyback from the Eligible Shareholders who are residents outside India including non-resident Indians, foreign nationals, foreign corporate bodies (including erstwhile overseas corporate bodies), foreign institutional investors / foreign portfolio investors, shall be subject to such approvals, if any, and to the extent necessary or required from the concerned authorities including approvals from the Reserve Bank of India ("**RBI**") under the Foreign Exchange Management Act, 1999 and the rules and regulations framed thereunder, and that such approvals shall be required to be taken by such non-resident shareholders.
- 1.8. The Buyback will not result in any benefit to the members of the Promoter and Promoter Group, persons in control of the Company or any directors of the Company except to the extent of the cash consideration received by them from the Company pursuant to their respective participation in the Buyback in their capacity as Equity Shareholders of the Company, and the change in their shareholding as per the response received in the Buyback, as a result of the extinguishment of Equity Shares which will lead to reduction in the Equity Share capital of the Company post Buyback. Any change in voting rights of the Promoter Group of the Company pursuant to completion of Buyback will not result in any change in control over the Company.
- 1.9. Participation in the Buyback by Eligible Shareholders may trigger tax implications in India and in their country of residence. The transaction of Buyback would also be chargeable to securities transaction tax in India. In due course, Eligible Shareholders will receive a Letter of Offer, which will contain a more detailed note on taxation. However, in view of the particularized nature of tax consequences, Eligible Shareholders are advised to consult their own legal, financial and tax advisors for the applicable tax implications prior to participating in the Buyback.
- 1.10. A copy of this Public Announcement is available on the website of the Company at www.sportking.co.in and is expected to be available on the website of the SEBI at www.sebi.gov.in during the period of Buyback and on the website of the Stock Exchanges at www.bseindia.com and www.nseindia.com and of the Registrar to the Buyback at www.beetalfinancial.com.

#### 2. NECESSITY FOR BUYBACK

The Buyback proposal aims to effectively utilize surplus cash by rewarding the shareholders/beneficiary owner of the Equity Shares. The Buyback of equity shares will result in reduction of paid-up equity share capital which may be accompanied by likely increase in Return on Capital Employed. The Company believes that the Buyback may create long term value for the shareholders. The Buyback through "Tender Offer" method as specified under the SEBI Buyback Regulations gives an option to existing shareholders to either receive the surplus cash by participating in the Buyback or remain invested and enjoy percentage increase in the shareholding in the post Buyback capital without any additional investments.

The Buyback through "Tender Offer", inter-alia, offers the following advantages:

- a. The Buyback will help the Company to distribute surplus cash to its shareholders in proportion to their shareholding;
- The Buyback involves allocation of 15% reservation to small shareholders subject to their entitlement. The Company believes that this reservation for small shareholders would benefit a large number of public shareholders, who would get classified as a "small shareholder";
- c. The Buyback may help in improving financial ratios such as Earnings per share, return on equity, by reducing the equity base of the Company. It will also lead to long term increase in shareholder's value; and
- d. The Buyback gives an option to the existing shareholders to either participate in the Buyback and receive cash in lieu of equity shares accepted under the Buyback or not participate in the Buyback and enjoy a resultant increase in their percentage shareholding in the Company post the Buyback.

7.2. As on the date of Board Resolution (*i.e.* January 28, 2023) none of the directors of the companies forming part of Promoter and Promoter Group held any Equity Shares in the Company except the following:

Sr. No.	Name of the Directors of Companies Forming part of Promoter and Promoter Group	Number of Equity Shares Held	Percentage (%)		
	Angel Finvest Private Limited				
1.	Munish Avasthi	9,70,422	7.30		
2.	Anjali Avasthi	8,454	0.06		
	Sobhagia Logistics Private Limited				
1.	Parveen Avasthi	6,50,000	4.89		
2.	Munish Avasthi	9,70,422	7.30		
3.	Naresh Kumar Jain	5,200	0.04		
	Sobhagia Sales Priv	ate Limited			
1.	Munish Avasthi	9,70,422	7.30		
2.	Parveen Avasthi	6,50,000	4.89		
3.	Anjali Avasthi	8,454	0.06		

7.3. Except as disclosed below none of the director of the Company ("Directors") or key managerial personnel of the Company ("KMPs") hold any Equity Shares in the Company, as on the date of the Board Meeting i.e. January 28, 2023:

Sr. No.	Name of the Director	Designation	No of Equity Shares held	Percentage (%)
1.	Munish Avasthi	Managing Director	9,70,422	7.30
2.	Naresh Kumar Jain	Executive Director	5,200	0.04
3.	Anjali Avasthi	Non-Executive and Non Independent Director	8,454	0.06

- 7.4. No Equity Shares or other specified securities in the Company were either purchased or sold (either through the stock exchanges or off market transaction) by any of the Promoters, members of the Promoter Group, directors of the Promoters and Promoter Group, where such Promoter or Promoter Group entity is a Company, by persons who are in control of the Company, Directors and KMPs during a period of six months preceding the date of the Board Meeting at which the Buyback was approved and from that date till the date of this Public Announcement
- 7.5. INTENTION OF THE PROMOTER AND PROMOTER GROUP OF THE COMPANY TO TENDER EQUITY SHARES FOR BUYBACK INDICATING THE NUMBER OF EQUITY SHARES, DETAILS OF ACQUISITION WITH DATES AND PRICE
- 7.5.1. In terms of the SEBI Buyback Regulations, under the Tender Offer, the Promoter and Promoter Group of the Company have the option to participate in the Buyback. In this regard, some members of the Promoter and Promoter Group of the Company have

#### d) Suraj Dada

Date of Transaction	Nature of Transaction	No. of Equity Shares	Face Value (₹)	Total Consideration (₹)
February 20, 1996	Further Allotment	2,200	10.00	77,000
September 28, 2021	Bonus Issue	6,600	10.00	NA
Total		8,800		

#### Parveen Avasthi

Date of Transaction	Nature of Transaction	No. of Equity Shares	Face Value (₹)	Total Consideration (₹)
February 15, 1989	Subscriber to the Memorandum	1,000	10.00	10,000
March 16, 1994	Further Allotment	1,58,000	10.00	15,80,000
August 22, 1994	Off Market Purchase	1,000	10.00	10,000
September 30, 1995	Off Market Purchase	1,000	10.00	10,000
September 30, 1995	Off Market Purchase	1,000	10.00	10,000
September 30, 1995	Off Market Purchase	500	10.00	5,000
September 28, 2021	Bonus Issue	4,87,500	10.00	NA
Total		6,50,000		

### Angel Finvest Private Limited

Date of Transaction	Nature of Transaction	No. of Equity Shares	Face Value (₹)	Total Consideration (₹)
November 10, 2012	Off Market Purchase	3,99,700	10.00	1,39,89,500
December 10, 2012	Off Market Purchase	29,900	10.00	10,46,500
July 21, 2014	Off Market Purchase	58,300	10.00	20,40,500
September 28, 2021	Bonus Issue	14,63,700	10.00	NA
Total		19,51,600		

### Aradhna Knitwears Private Limited

Date of Transaction	Nature of Transaction	No. of Equity Shares	Face Value (₹)	Total Consideration (₹)
February 20, 1996	Further Allotment	21,600	10.00	7,56,000
August 26, 2021	Market Sale	(38)	10.00	(1,52,681)
August 27, 2021	Market Sale	(2,169)	10.00	(90,52,124)
September 01, 2021	Market Sale	(150)	10.00	(6,06,176)
September 02, 2021	Market Sale	(100)	10.00	(4,08,959)
September 03, 2021	Market Sale	(1,000)	10.00	(41,15,147)
September 28, 2021	Bonus Issue	54,429	10.00	NA
Total		72,572		

#### h) Sobhagia Logistics Private limited

Date of Transaction	Nature of Transaction	No. of Equity Shares	Face Value (₹)	Total Consideration (₹)
December 12, 1995	Further Allotment	5,37,585	10.00	1,88,15,475
February 01, 1996	Off Market Purchase	70,000	10.00	7,00,000
August 01, 1996	Off Market Purchase	4,000	10.00	97,500
September 15, 1996	Off Market Purchase	11,500	10.00	3,98,017
November 30, 1996	Off Market Purchase	8,700	10.00	3,04,500
August 14, 1997	Off Market Purchase	8,300	10.00	2,40,000
April 07, 1998	Off Market Purchase	26,200	10.00	7,09,500
March 20, 1999	Off Market Purchase	2,200	10.00	63,000
January 31, 2000	Off Market Purchase	15,200	10.00	5,24,000
April 30, 2000	Off Market Purchase	20,500	10.00	7,06,000
July 31, 2000	Off Market Purchase	6,200	10.00	1,92,000
October 31, 2000	Off Market Purchase	6,400	10.00	1,49,000
July 31, 2001	Off Market Purchase	200	10.00	7,000
February 22, 2003	Off Market Purchase	100	10.00	3,500
October 30, 2004	Off Market Purchase	77,500	10.00	26,48,500
April 28, 2014	Off Market Purchase	4,300	10.00	1,00,000
July 07, 2014	Off Market Purchase	100	10.00	3,500
September 28, 2021	Bonus Issue	23,96,955	10.00	NA
Total		31,95,940		

## Sobhagia Sales Private Limited

Date of Transaction	Nature of Transaction	No. of Equity Shares	Face Value (₹)	Total Consideration (₹)
February 25, 1995	Further Allotment	1,10,000	10.00	11,00,000
February 28, 1995	Further Allotment	1,10,000	10.00	11,00,000
December 12, 1995	Further Allotment	3,32,000	10.00	1,16,20,000
February 01, 1996	Off Market Purchase	37,500	10.00	13,12,500
February 20, 1996	Further Allotment	29,900	10.00	10,46,500
April 07, 1998	Off Market Purchase	3,700	10.00	1,29,500
March 20, 1999	Off Market Purchase	44,215	10.00	15,47,525
October 30, 1999	Off Market Purchase	8,000	10.00	2,80,000
October 31, 2000	Off Market Purchase	32,600	10.00	11,41,000
March 30, 2009	Off Market Purchase	75,000	10.00	43,58,000
November 10, 2012	Market Sale	(3,99,700)	10.00	(1,39,89,500)
December 10, 2012	Market Sale	(29,900)	10.00	(10,46,500)
July 21, 2014	Market Sale	(58,300)	10.00	(20,40,500)
October 31, 2016	Pursuant to Scheme of Amalgamation with Classic Wears Private Limited	1,30,550	10.00	NA
September 28, 2021	Bonus Issue	12,76,695	10.00	NA
Total		17,02,260		

#### 8. NO DEFAULTS:

The Company Confirms that there are no defaults subsisting in the repayment of any deposits accept either before or after the Companies Act, 2013, interest payable thereon or redemption of debentures or preference shares or interest payment thereon, payment of dividend due to any shareholder, or repayment of any term loans or interest payable thereon to any financial institution or banking companies; CONFIRMATIONS FROM THE COMPANY AS PER THE PROVISIONS OF THE

- 9 SEBI BUYBACK REGULATIONS AND THE COMPANIES ACT:
- all Equity Shares are fully paid-up;
- 9.2. the Buyback Size i.e. ₹ 55,10,00,000/- (Rupees Fifty Five Crore Ten Lakh only) does not exceed 10% of the aggregate paid-up equity share capital and free reserves as per the latest audited financial statements of the Company for the financial year ended March 31, 2022;
- the maximum number of Equity Shares proposed to be purchased under the 9.3. Buyback i.e. 5,80,000 Equity Shares, does not exceed 25% of the total number of Equity Shares in the paid-up equity share capital of the Company as per the latest audited financial statements of the Company for the financial year ended March 31, 2022;
- 9.4. Unless otherwise specifically permitted by any relaxation issued by SEBI and/ or any other regulatory authority, the Company shall not raise further capital for such period of time, as prescribed under the provisions of Regulation 24(i)(f) of the SEBI Buyback Regulations from the expiry of the date on which the payment of consideration is made to the shareholders who have accepted the Buyback ("Buyback Period"), except in discharge of its subsisting obligations and in compliance with the SEBI Buyback Regulations;
- 9.5. the Company has not undertaken a buyback of any of its securities during the period of one year immediately preceding the date of the Board meeting;
- the Company shall not issue and allot any Equity Shares or specified securities 9.6. including by way of bonus or conversion of employee stock options /outstanding instruments into Equity Shares, from the date of board resolution for the Buyback till the expiry of the Buyback Period;
- the Company, as per the provisions of Section 68(8) of the Companies Act, will not 9.7. issue same kind of shares or other securities including allotment of new shares under Section 62(1)(a) of the Act or other specified securities within a period of 6 (six) months after the completion of the Buyback except by way of bonus issue or equity shares issued in order to discharge of subsisting obligations such as conversion of warrants, stock option schemes (including stock appreciation rights schemes), sweat equity or conversion of preference shares or debentures into equity shares;
- the Company shall not use borrowed funds, directly or indirectly, whether secured 9.8.

will not be rendered insolvent within a period of one year from the date of the Board meeting approving the Buyback; and

c) in forming an opinion as aforesaid, the Board has taken into account the liabilities, as if the Company were being wound up under the provisions of the Companies Act and the Insolvency and Bankruptcy Code 2016, including prospective and contingent liabilities.

#### **REPORT OF AUDITOR** 11.

The text of the report dated January 28, 2023 received from M/s. SCV & Co, LLP Chartered Accountants, the Statutory Auditors of the Company, addressed to the Board of Directors of the Company is reproduced as under

## **Quote**

- To The Board of Directors
- Sportking India Limited Village Kanech, Near Sahnewal,
- G.T. Road, Ludhiana 141120
- Dear Sirs

#### Sub.: Statutory Auditors' Report in respect of proposed buyback of equity shares by Sportking India Limited ("Company") in terms of clause (xi) of Schedule I of Securities and Exchange Board of India (Buy-back of Securities) Regulations, 2018, as amended ("Buyback Regulations").

This report is issued in accordance with the terms of our engagement letter dated January 23, 2023. The Board of Directors of the Company have approved a proposed buyback of equity shares by the Company at its meeting held on January 28, 2023, in pursuance of the provisions of Section 68, 69 and 70 of the Companies Act, 2013 ("Act") and the Buyback Regulations.

The accompanying statement of permissible capital payment ("Annexure A") based on the audited financial statements as at and for the year ended March 31, 2022 (hereinafter referred together as the "Statement") is prepared by the Management which we have initialed for identification purposes only.

#### **Board of Directors Responsibility**

The Board of Directors of the Company is responsible for the following:

- The amount of the permissible capital payment for the securities in question
- is properly determined;
- It has made a full inquiry into the affairs and prospects of the Company and ii. has formed the opinion that the Company will not be rendered insolvent within a period of one year from the date of the Board Meeting approving the buyback ("Board Meeting"); and
- A declaration is signed by at least two directors of the Company, that the iii. Board of Directors has made a full enquiry into the affairs and prospects of the Company and has formed the opinion that the Company will not be rendered insolvent within a period of one year from the date of Board Meeting and in forming the opinion, it has taken into account the liabilities as if the Company were being wound up under the provisions of the Act.

## Auditors' Responsibility

- Pursuant to the requirements of the Buyback Regulations, it is our responsibility to provide reasonable assurance:
  - (i) whether we have inquired into the state of affairs of the Company in relation to the audited financial statements for the financial year ended March 31, 2022;
  - (ii) if the amount of permissible capital payment as stated in the Statement attached herewith, has been properly determined considering the latest audited financial statements in accordance with Section 68(2)(c) of the Act: and
  - (iii) if the Board of Directors in their meeting dated January 28, 2023, have formed the opinion as specified in clause (x) of Schedule I to the Buyback Regulations, on reasonable grounds and that the Company will not, having regard to its state of affairs, be rendered insolvent within a period of one year from that date.
- A reasonable assurance engagement involves performing procedures to obtain sufficient appropriate evidence on the Reporting Criteria. The procedures selected depend on the auditor's judgment, including the assessment of the risks associated with the Reporting Criteria. Within the scope of our work, we performed the following procedures:
  - a) Examined authorisation for buy back from the Articles of Association of the Company
  - b) Examined that the amount of capital payment for the buyback as detailed in Annexure A is within the permissible limit computed in accordance with the provisions of Section 68 of the Act and SEBI Buyback Regulations;
  - Examined that the ratio of the debt owned by the Company, if any, is c) not more than twice the capital and its free reserves after such buyback based on audited financial information of the Company for the year ended March 31, 2022;
  - Examined that all the shares for buyback are fully paid-up; d)
  - Inquired into the state of affairs of the Company with reference to e) the audited financial information of the Company for the year ended March 31, 2022 and examined budgets and projections prepared by the Management;
  - Traced fair valuation of assets and liabilities valued at fair value from f) underlying audited books of accounts for the year ended March 31, 2022. Examined minutes of the meetings of the Board of Directors for the
  - g) purposes of buyback;
  - h) Examined Directors' declarations for the purpose of buyback and solvency of the Company; and
  - Obtained appropriate representations from the Management of the i) Company,
- The audited financial statements for the year ended March 31, 2022 were audited by us, on which we issued an unmodified audit opinion vide our report dated April 30, 2022. Our audit of these financial statements was conducted in accordance with the Standards on Auditing specified under Section 143(10) of the Companies Act and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India ("ICAI"). Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. Such audit was not planned and performed in connection with any transactions to identify matters that maybe of potential interest to third parties.

Particulars	Amount (Rs. in Lakhs)
Paid-up equity share Capital as on March 31, 2022 (1,32,87,200 equity shares of Rs. 10/- each) <b>(A)</b>	1328.72
Free Reserves as on March 31, 2022	
Retained Earnings	67175.26
General Reserve	3.00
Total Free Reserve (B)	67178.26
Securities Premium as on March 31, 2022 (C)	259.97
Total (A+B+C)	68766.95
Maximum amount permissible for the buyback under Section 68 of the Act i.e. 25% of total paid up equity share capital and free reserves	17191.74
Maximum amount permissible for buy back under section 68 of the Act, within the powers of the Board of Directors - 10% of total paid-up equity share capital and free reserves	6876.70
Amount approved by the Board of Directors for the buyback in the meeting held on January 28, 2023	5510.00

Note: The impact of taxes and transaction costs related to Buyback of equity shares has not been considered in the above amount.

	SCV & Co. LLP
	Chartered Accountants
	Firm Reg. No.: 000235N/N500089
	(Sanjiv Mohan)
Place : Ludhiana	Partner
Dated: January 28, 2023	Membership No.: 086066

<u>Unquote</u>

#### 12. **RECORD DATE AND SHAREHOLDER'S ENTITLEMENT**

- 12.1. As required under the SEBI Buyback Regulations, the Company has fixed Friday, February 10, 2023 as the Record Date ("Record Date") for the purpose of determining the entitlement and the names of the Eligible Shareholders of Equity Shares who are eligible to participate in the Buyback
- 12.2. In due course, Eligible Shareholders will receive a letter of offer along with a tender form indicating the entitlement for participating in the Buyback
- The Equity Shares to be bought back as part of the Buyback are divided in two 12.3. categories and the entitlement of a shareholder in each category shall be calculated accordingly
  - Reserved category for Small Shareholders ("Reserved Category"); and
  - General category for Eligible Shareholders other than the Small Shareholders b. ("General Category").
- 12.4. As defined in Regulation 2(i)(n) of the SEBI Buyback Regulations, a "small shareholder" is a shareholder who holds equity shares having market value, on the basis of closing price on the stock exchange having highest trading volume as on Record Date, of not more than ₹ 2,00,000/- (Rupees Two Lakhs only).
- 12.5. In accordance with Regulation 6 of the SEBI Buyback Regulations, 15% of the number of Equity Shares which the Company proposes to Buyback or number of Equity Shares entitled as per the shareholding of Small Shareholders, whichever is higher, shall be reserved for the Small Shareholders as part of this Buyback.
- On the basis of the shareholding on the Record Date, the Company will determine the entitlement of each Eligible Shareholder, including Small Shareholders, to tender their Equity Shares in the Buyback. This entitlement for each Eligible Shareholder will be calculated based on the number of Equity Shares held by the respective Elicible Shareholder as on the Record Date and the ratio of the Buyback applicable in the category to which such Eligible Shareholder belongs. The final number of Equity Shares that the Company shall buyback from each Eligible Shareholders will be based on the total number of shares tendered. Accordingly, the Company may not purchase all of the Equity Shares tendered by the Eligible Shareholders
- 12.7. After accepting the Equity Shares tendered on the basis of entitlement, the Equity Shares left to be bought back, if any, in one category shall first be accepted, in proportion to the Equity Shares tendered over and above their entitlement in the offer by Eligible Shareholders in that category, and thereafter from Eligible Shareholders who have tendered over and above their entitlement in other category.
- 12.8. The participation of the Eligible Shareholders in the Buyback is voluntary. Eligible Shareholders can choose to participate, in full or in part or they may choose not to participate in the Buyback. Eligible Shareholders also have the option of tendering additional Equity Shares (over and above their entitlement) and participate in the shortfall created due to non-participation of some other Eligible Shareholders, if any. If the Buyback entitlement for any Eligible Shareholder is not a round number, then the fractional entitlement shall be ignored for computation of Buyback entitlement to tender Equity Shares in the Buyback
- 12.9. The maximum number of Equity Shares that can be tendered under the Buyback cannot exceed the number of Equity Shares held by any Eligible Shareholder as on the Record Date. In case the Eligible Shareholder holds Equity Shares through multiple demat accounts, the tender through a demat account cannot exceed the number of Equity Shares held in that demat account.
- 12.10. The Equity Shares tendered as per the entitlement by the Eligible Shareholder as well as additional Equity Shares tendered, if any, will be accepted as per the procedure laid down in the Buyback Regulations. The settlement of the tenders under the Buyback will be done using the "Mechanism for acquisition of shares through Stock Exchange" notified under the SEBI Circulars. Eligible Shareholders will receive a letter of offer along with a tender/offer form indicating their respective entitlement for participating in the Buyback.
- 12.11. Small Shareholders holdings of multiple demat accounts would be clubbed together for identification of small shareholder if sequence of Permanent Account Number ("PAN") for all holders is matching. Similarly, in case of physical shareholders, if the sequence of names of joint holders is matching, holding under such folios should be clubbed together for identification of small shareholder.
- 12.12. Participation in the Buyback by shareholders may trigger taxation in India and in their country of residence. The Buyback transaction would also be subject to securities transaction tax in India. The shareholders are advised to consult their own legal, financial and tax advisors prior to participating in the Buyback
- 12.13. Detailed instructions for participation in the Buyback (tender of Equity Shares in the Buyback) as well as the relevant time table will be included in the letter of offer which will be sent in due course to the Eligible Shareholders as on Record Date who have registered their email IDs with the denositories / the Company shal

- or unsecured, of any form and nature, from Banks and/ or Financial Institutions to paying the consideration to the equity shareholders who have tendered their Equity Shares in the Buyback;
- 9.9. the Company shall not buyback locked-in Equity Shares and non-transferable Equity Shares till the pendency of the lock-in or till the Equity Shares become transferable;
- 9.10. the Company shall not buyback its equity shares or other specified securities from any person through negotiated deals whether on or off the stock exchanges or through spot transactions or through any private arrangement in the implementation of the Buyback;
- 9.11. it shall not directly or indirectly purchase its own shares through any subsidiary company including its own subsidiary companies or through any investment company or group of investment companies;
- 9.12. there are no defaults subsisting in the repayment of any deposits or interest payment thereon, redemption of debentures or interest payment thereon or redemption of preference shares or payment of dividend due to any shareholder or repayment of any term loans or interest payable thereon to any financial institution or banking company, in the last three years;
- 9.13. the Company has been in compliance with Sections 92, 123, 127 and 129 of the Act:
- 9.14. The consideration of the Equity Shares bought back by the Company will be paid only by way of cash;
- the Company will not withdraw the Buyback after the draft letter of offer is filed with 9.15. the SEBI or the public announcement of the Buyback is made;
- 9.16. the Company shall not buyback out of the proceeds of an earlier issue of the same kind of shares or same kind of other specified securities;
- 9.17. the Company shall not make any further offer of buyback within a period of one year reckoned from the expiry of the Buyback Period;
- 9.18. the Company is not undertaking the Buyback to delist its equity shares other specified securities from the Stock Exchanges;
- as per Regulation 24(i)(e) of the SEBI Buyback Regulations, the Promoters and 9.19. members of Promoter Group, and their associates, other than the Company, shall not deal in the Equity Shares or other specified securities of the Company either through the stock exchanges or off-market transactions (including inter-se transfer of Equity Shares among the Promoters and members of Promoter Group) from the date of the resolution till the closure of the Buyback Period;
- 9.20. there are no pending schemes of amalgamation or compromise or arrangement pursuant to the Companies Act ("Scheme") involving the Company, and no public announcement of the Buyback shall be made during pendency of any such Scheme; and
- 9.21. the ratio of the aggregate of secured and unsecured debts owed by the Company shall not be more than twice the paid-up capital and free reserves after the Buyback as prescribed under the Companies Act and rules made thereunder.
- 10. CONFIRMATION FROM THE BOARD THAT IT HAS MADE A FULL ENQUIRY INTO THE AFFAIRS AND PROSPECTS OF THE COMPANY AND HAS FORMED THE OPINION:

The Board as on the date of board meeting has confirmed that it has made full enquiry into the affairs and prospects of the Company and has formed the opinion that:

- immediately following the date of the Board Meeting held on January 28, a) 2023, there will be no grounds on which the Company could be found unable to pay its debts;
- b) as regards the Company's prospects for the year immediately following the date of the Board Meeting approving the Buyback i.e. January 28, 2023 and having regard to the Board's intention with respect to the management of the Company's business during that year and to the amount and character of the financial resources which will be available to the Company during that year, the Company will be able to meet its liabilities as and when they fall due and

- We conducted our examination of the Statement in accordance with the 4. 'Guidance Note on Reports or Certificates for Special Purposes', issued by the ICAI. The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.
- We have complied with the relevant applicable requirements of the Standard 5. on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

#### Opinion

Based on inquiries conducted and our examination as above and according to the information and explanations provided to us by the management of the Company, we report that:

- We have inquired into the state of affairs of the Company in relation to its latest a. audited financial statements for the financial year ended March 31, 2022;
- b. The amount of permissible capital payment towards the proposed buyback of equity shares as computed in the Statement attached herewith is, in our view, properly determined in accordance with Section 68(2)(c) of the Act The amounts of share capital and free reserves have been extracted from the latest audited financial statements of the Company for the financial year ended March 31, 2022; and
- The Board of Directors of the Company, in their meeting held on January 28, 2023 have formed their opinion as specified in clause (x) of Schedule I of the Buyback Regulations, on reasonable grounds and that the Company, having regard to its state of affairs, will not be rendered insolvent within a period of one year from the date of passing the Board meeting resolution dated January 28, 2023

#### Restriction on Use

This report has been issued at the request of the Company solely for use of the Company;

- in connection with the proposed buyback of equity shares of the Company in (i) pursuance to the provisions of Section 68 and other applicable provisions of the Act and the Buyback Regulations;
- to enable the Board of Directors of the Company to include in the public announcement, draft letter of offer, letter of offer and other documents pertaining to buyback to be sent to the shareholders of the Company or filed with (a) the Registrar of Companies. Securities and Exchange Board of India. stock exchanges, public shareholders and any other regulatory authority as per applicable law and (b) the Central Depository Services (India) Limited, National Securities Depository Limited; and
- For providing to the manager, for the purpose of extinguishment of equity (iii) shares and may not be suitable for any other purpose.

#### SCV & Co. LLP

**Chartered Accountants** 

Membership No.: 086066

Firm Reg. No.: 000235N/N500089

(Sanjiv Mohan) Partner

### Place : Ludhiana

#### Dated: January 28, 2023 Annexure A

### Statement of determination of the permissible capital payment towards buyback of equity shares in accordance with Section 68(2)(c) of the Act

Computation of amount of permissible capital payment towards buyback of equity shares in accordance with Section 68(2)(c) of the Companies Act, 2013 ("the Act") based on audited financial statements for the financial year ended March 31, 2022: dispatched the Letter of Offer through electronic means. On receipt of a request by the Registrar from any shareholder to receive a copy of the Letter of Offer in physical form, the same shall be provided. The Eligible Shareholders who have not registered their email ids with the depositories / the Company, shall be dispatched the Letter of Offer through physical mode by registered post / speed post / courier.

#### PROCESS AND METHODOLOGY FOR THE BUYBACK 13.

- 13.1. The Buyback is open to all eligible shareholders, i.e., the shareholders/beneficial owners who hold Equity Shares of the Company either in physical form ("Physical Shares") or in dematerialized form ("Demat Shares") (such shareholders are referred as the "Eligible Shareholders") as on the Record Date. Additionally, the Buyback shall, subject to applicable laws, to be facilitated by tendering of Equity Shares by the shareholders and settlement of the same, through the stock exchange mechanism as specified in the SEBI Circulars.
- The Buyback shall be implemented using the "Mechanism for acquisition of shares 13.2. through Stock Exchange pursuant to Tender-Offers under Takeovers, Buy Back and Delisting" notified by SEBI vide circular CIR/CFD/POLICYCELL/1/2015 dated April 13, 2015, CFD/DCR2/CIR/P/2016/131 dated December 9, 2016 and CFD/DCR-III/CIR/P/2021/615 dated August 13, 2021 ("SEBI Circulars") such other circulars or notifications as may be applicable and in accordance with the procedure prescribed in the Companies Act and the SEBI Buyback Regulations and as may be determined by the Board (including committee authorized by the Board to complete the formalities of the Buyback) and on such terms and conditions as may be permitted by law from time to time.
- For implementation of the Buyback, the Company has appointed Master Capital Services Limited as the registered broker to the Company ("Company's Broker") through whom the purchases and settlement on account of the Buyback would be made by the Company. The contact details of the Company's Broker are as follows:



## Master Capital Services Limited

SCO 22-23, Sector 9D, Madhya Marg, Chandigarh -160 009; Tel. No.: +91 172 484 8000; Contact Person: Mr. Ajay Sharma; Email: aiavsharma@mastertrust.co.in: Website: www.mastertrust.co.in: SEBI Registration No.: INZ000210539; CIN: U67190HR1994PLC076366.

- 13.4. The Company shall approach BSE being the designated stock exchange ("Designated Stock Exchange") to provide a separate acquisition window ("Acquisition Window") to facilitate placing of sell orders by Eligible Shareholders who wish to tender Equity Shares in the Buyback and in accordance with the procedure prescribed in the Act and the SEBI Buyback Regulations. The details of the Acquisition Window will be specified by BSE from time to time
- 13.5. In the event the Eligible Shareholders' registered stock broker ("Seller Member(s)") is not registered with BSE as a trading member/ stock broker, then that Eligible Shareholder can approach any BSE registered stock broker and can register themselves by using quick unique client code ("UCC") facility through the registered stock broker (after submitting all details as may be required by such registered stock broker in compliance with applicable law). In case the Eligible Shareholders are unable to register using UCC facility through any other registered broker, Eligible Shareholders may approach Company's Broker i.e., Master Capital Services Limited to place their bids, subject to completion of KYC requirements as required by the Company's Broker.

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- 13.6. In case, the Seller Member is not registered with the BSE, the Eligible Shareholders may approach the Company's Broker to place the bid.
- 13.7. At the beginning of the tendering period, the order for buying Equity Shares shall be placed by the Company through the Company's Broker. During the tendering period, the order for selling the Equity Shares will be placed in the Acquisition Window by Eligible Shareholders through their respective Seller Member(s) during normal trading hours of the secondary market. The Seller Members can enter orders for dematerialized shares as well as physical shares.
- 13.8. Further, the Company will not accept Equity Shares tendered for Buyback which are under restraint order of the court/ any other competent authority for transfer/ sale and/ or title in respect of which is otherwise under dispute or where loss of share certificates has been notified to the Company and the duplicate share certificates have not been issued either due to such request being under process as per the provisions of law or otherwise

#### 13.9. Procedure to be followed by Eligible Shareholders holding Equity Shares in the dematerialized form:

- Eligible Shareholders who desire to tender their Equity Shares held by them a) in dematerialized form under the Buyback would have to do so through their respective Seller Member by indicating to the concerned Seller Member, the details of Equity Shares they intend to tender under the Buyback.
- b) The Seller Member would be required to place an order / bid on behalf of the Eligible Shareholders who wish to tender Equity Shares in the Buyback using the acquisition window of the BSE. Before placing the order/bid, the Eligible Shareholder would be required to transfer the tendered Equity Shares to the special account of Indian Clearing Corporation Limited ("Clearing Corporation") by using the early pay-in mechanism as prescribed by the Designated Stock Exchange or the Clearing Corporation, prior to placing the bid by the Seller Member.
- The details of the special account of the Clearing Corporation and the c) settlement number shall be informed in the issue opening circular that will be issued by the Designated Stock Exchange and/ or the Clearing Corporation.
- The lien shall be marked in the demat account of the Eligible Shareholders d) for the Equity Shares tendered in the Buyback. The details of Equity Shares marked as lien in the demat account of the Eligible Shareholders shall be provided by the depositories to the Clearing Corporation.
- In case, the demat account of the Eligible Shareholders is held in one e) depository and clearing member pool and clearing corporation account is held with other depository, the Equity Shares tendered under the Buyback shall be blocked in the shareholders demat account at the source depository during the tendering period. Inter Depository Tender Offer ("IDT") instructions shall be initiated by shareholders at source depository to clearing member pool/ Clearing Corporation account at target depository. Source depository shall block the shareholder's securities (i.e., transfers from free balance to blocked balance) and sends IDT message to target depository for confirming creation of lien. Details of shares blocked in the shareholders demat account shall be provided by the target depository to the Clearing Corporation
- f) For custodian participant orders for dematerialized Equity Shares, early pay-in is mandatory prior to confirmation of order/bid by custodian participant The custodian participant shall either confirm or reject the orders not later than the closing of trading hours on the last day of the tendering period. Thereafter, all unconfirmed orders shall be deemed to be rejected. For all confirmed custodian participant orders, any order modification shall revoke the custodian confirmation and the revised order shall be sent to the custodian again for confirmation.
- Upon placing the bid, the Seller Member shall provide a transaction registration g) slip ("TRS") generated by the stock exchange bidding system to the Eligible Shareholder on whose behalf the bid has been placed. The TRS will contain the details of order submitted such as bid ID number, application number, Depository Participant ID, client ID, number of Equity Shares tendered etc.
- h) Eligible Shareholders who have tendered their Equity Shares in the Buyback can 'hand deliver' Tender Form duly signed (by all Eligible Shareholders in case Equity Shares are in joint names) in same order in which they hold the Equity Shares, along with the TRS generated by the exchange bidding system at the office of Registrar to the Buyback (mentioned in paragraph 16 of this Public Announcement). TRS will be generated by the respective Seller Members. Eligible Shareholders who cannot hand deliver the Tender Form and other documents at the office of Registrar to the Buyback, may send the same by registered post, speed post, courier at their own risk, superscribing the envelope as "Sportking India Limited - Buyback Offer 2023", to the Registrar to the Buyback at their office, so that the same are received not later than 2 (two) days from the Buyback Closing Date (by 05:00 p.m.). One copy of TRS will be retained by the Registrar and it will provide acknowledgment of the same to the Eligible Shareholder. It is clarified that in case of dematerialized Equity Shares, submission of the Tender Form and TRS is not mandatory.
- In case of non-receipt of the completed tender form and other documents, i) but receipt of Equity Shares in the account of the Clearing Corporation and a valid bid in the exchange bidding system, the bid for Buyback shall be deemed to have been accepted.
- The Eligible Shareholders will have to ensure that they keep the DP Account active and unblocked to receive credit in case of return of Equity Shares due to rejection or partial acceptance. Further. Eligible Shareholders will have to ensure that they keep the savings bank, account attached to the DP account, active and updated to receive credit remittance due to acceptance of Buyback of shares by the Company.
- k) Excess dematerialized Equity Shares or unaccepted dematerialized Equity Shares, if any, tendered by the Eligible Shareholders would be returned to them by Clearing Corporation. If the securities transfer instruction is rejected in the depository system, due to any issue then such securities will be transferred to the Shareholder Broker's (Seller Member's) depository pool account for onward transfer to the Eligible Shareholder. In case of custodian participant orders, excess dematerialized Shares or unaccepted dematerialized Shares, if any, will be returned to the respective custodian depository pool account.
- Eligible Shareholders who have tendered their Demat Shares in the Buyback I) shall also provide all relevant documents, which are necessary to ensure transferability of the Demat Shares in respect of the Tender Form to be sent. Such documents may include (but not be limited to): (i) Duly attested power of attorney, if any person other than the Eligible Shareholder has signed the Tender Form; (ii) Duly attested death certificate and succession certificate/ legal heirship certificate, in case any Eligible Shareholder is deceased, or court approved scheme of merger/ amalgamation for a company; and

(iii) In case of companies, the necessary certified corporate authorizations (including board and/ or general meeting resolutions).

The Buyback from the Eligible Shareholders who are residents outside m) India including non-resident Indians, foreign nationals, foreign corporate bodies (including erstwhile overseas corporate bodies), foreign institutional investors/ foreign portfolio investors, shall be subject to such approvals, if any and to the extent necessary or required from the concerned authorities including approvals from the Reserve Bank of India ("**RBI**") under the Foreign Exchange Management Act, 1999 and the rules and regulations framed thereunder, and that such approvals shall be required to be taken by such Non-Resident Shareholders

## 13.10. Procedure to be followed by Eligible Shareholders holding Equity Shares in the physical form:

The acceptance of tendered shares be undertaken before the Physical Transfer Cut-off Date the procedure for tendering to be followed by Eligible Shareholders holding Equity Shares in the physical form is as detailed below.

- In accordance with the SEBI circular no. SEBI/HO/CFD/CMD1/ a) CIR/P/2020/144 dated July 31, 2020, shareholders holding securities in physical form are allowed to tender shares in buyback through tender offer route. However, such tendering shall be as per the provisions of the SEBI Buyback Regulations.
- Eligible Shareholders who are holding Equity Shares in physical form and b) intend to participate in the Buyback will be required to approach the Seller Member along with the complete set of documents for verification procedures to be carried out including the (i) completed tender form and original share certificate(s), (ii) valid Form SH 4 (transfer form) duly filled and signed by the Eligible Shareholder (in same order and as per the specimen signatures registered with the Company) and duly witnessed at the appropriate place authorizing the transfer in favor of the Company, (iii) self-attested copy of the Eligible Shareholder's PAN Card, and (iv) any other relevant documents such as power of attorney, corporate authorization (including board resolution/ specimen signature), notarized copy of death certificate and succession certificate or probated will, if the original shareholder has deceased, etc., as applicable. In addition, if the address of the Eligible Shareholder has undergone a change from the address registered in the Register of Members of the Company, the Eligible Shareholders would be required to submit a self-attested copy of address proof consisting of any one of the following documents: valid Aadhar Card, Voter Identity Card or Passport.
- Based on these documents, the concerned Seller Member shall place a bid c) on behalf of the Eligible Shareholders holding Equity Shares in physical form and who wish to tender Equity Shares in the Buvback. using the acquisition window of BSE. Upon placing the bid, the Seller Member shall provide a TRS generated by the exchange bidding system to the Eligible Shareholder. TRS will contain the details of order submitted like folio number, certificate number, distinctive number, number of Equity Shares tendered etc.
- d) Any Seller Member/ Eligible Shareholder who places a bid for physical Equity Shares, is required to deliver the original Equity Share certificate(s) and documents (as mentioned above) along with the TRS either by registered post, speed post or courier or hand delivery to the registrar to the Buyback i.e. Beetal Financial & Computer Services Private Limited ("Registrar" "Registrar to the Buyback") (at the address mentioned at paragraph 16 below) not later than 2 (two) days from the offer closing date. The envelope should be superscribed as "Sportking India Limited - Buyback Offer 2023". One copy of the TRS will be retained by Registrar and it will provide acknowledgement of the same to the Seller Member/ Eligible Shareholder.
- Eligible Shareholders holding physical Equity Shares should note that physical e) Equity Shares will not be accepted unless the complete set of documents is submitted. Acceptance of the physical Equity Shares for the Buyback shall be subject to verification as per the SEBI Buyback Regulations and any further directions issued in this regard. The Registrar will verify such bids based on the documents submitted on a daily basis and till such time, the Designated Stock Exchange shall display such bids as 'unconfirmed physical bids'. Once the Registrar confirms the bids, it will be treated as 'confirmed bids'
- f) In case any Eligible Shareholder has submitted Equity Shares in physical form for dematerialization, such Eligible Shareholders, should ensure that the process of getting the Equity Shares dematerialized is complete well in time so that they can participate in the Buyback Offer before the closure of the tendering period of the Buyback.
- 13.11. Modification / cancellation of bids will be allowed during the tendering period of the Buyback
- 13.12. The cumulative quantity of Equity Shares tendered shall be made available on the website of the Designated Stock Exchange, *i.e.* www.bseindia.com throughout the trading session and will be updated at specific intervals during the tendering period. METHOD OF SETTLEMENT 14.
  - Upon finalization of the basis of acceptance as per SEBI Buyback Regulations: The settlement of trades shall be carried out in the manner similar to a)
  - settlement of trades in the secondary market and as intimated by the Clearing Corporation from time to time. The Company will pay the consideration to the Company's Broker which b) will transfer the consideration pertaining to the Buyback to the Clearing
  - Corporation's bank account as per the prescribed schedule. For Equity Shares accepted under the Buyback, the Clearing Corporation will make direct funds pay-out to the respective Eligible Shareholders. If any Eligible Shareholder's bank account details are not available or if the fund transfer instruction is rejected by the Reserve Bank of India or relevant bank, due to any reasons, then the amount payable to the Eligible Shareholders will be transferred to the concerned Seller Members' for onward transfer to such Eligible Shareholder.
  - In case of certain types of Eligible Shareholders' viz. non-resident Indians, foreign clients etc. (where there are specific Reserve Bank of India ("RBI") c) and other regulatory requirements pertaining to funds pay-out) who do not opt to settle through custodians, the funds pay-out would be given to their respective Seller Member's settlement account for releasing the same to their respective Eligible Shareholder's account onward. For this purpose, the client type details would be collected from the Registrar to the Buyback whereas funds payout pertaining to the bids settled through custodians will be transferred to the settlement bank account of the custodian, each in accordance with the applicable mechanism prescribed by the Stock Exchange and the Clearing Corporation from time to time. In case of deals confirmed by custodian, the settlement will be released to custodian's settlement account.

3

- d) Eligible Shareholder will have to ensure that they keep their depository participant ("DP") account active and unblocked to receive credit in case of return of Equity Shares, due to rejection or due to non/partial acceptance of Equity Shares under the Buyback
- Excess Equity Shares or unaccepted Equity Shares, in dematerialized form, e) if any, tendered by the Eligible Shareholders would be transferred by the Clearing Corporation directly to the respective Eligible Shareholder's DP account. If the securities transfer instruction is rejected in the depository system, due to any issue then such securities will be transferred to the Seller Member's depository pool account for onward transfer to such Eligible Shareholder. In case of custodian participant orders, excess dematerialized Shares or unaccepted dematerialized Shares, if any, will be returned to the respective custodian participant.
- Any excess Equity Shares, in physical form, pursuant to proportionate acceptance/ rejection will be returned to the Eligible Shareholders directly by the Company/ Registrar. The Company is authorized to split the share certificate and issue new consolidated share certificate for the unaccepted Equity Shares, in case the Equity Shares accepted by the Company are less than the Equity Shares tendered in the Buyback by Eligible Shareholders holding Equity Shares in the physical form. The Company will issue a new consolidated share certificate for all the unaccepted and excess Equity Shares in physical form and return the same to the sole/ first shareholder (in case of joint shareholders).
- The Seller Member would issue contract note to the respective Eligible g) Shareholder for the Equity Shares accepted under the Buyback. The Company's Broker would also issue a contract note to the Company for the Equity Shares accepted under the Buyback.
- The Equity Shares bought back in demat form would be transferred directly to h) the escrow demat of the Company opened for Buyback ("Company Demat Escrow Account") provided it is indicated by the Company's Broker or it will be transferred by the Company's Broker to the Company Demat Escrow Account on receipt of the Equity Shares from the clearing and settlement mechanism of BSE.
- Eligible Shareholders who intend to participate in the Buyback should i) consult their respective Seller Member for payment to them of any cost, charges and expenses (including brokerage) that may be levied by the Seller Member upon the selling Eligible Shareholders for placing the order to sell the Equity Shares on behalf of the Eligible Shareholders. The Buyback consideration received by the selling Eligible Shareholders, in respect of accepted Equity Shares, could be net of such costs, charges and expenses (including brokerage) and the Manager to the Buyback and the Company accept no responsibility to bear or pay such additional cost, charges and expenses (including brokerage) incurred solely by the selling Eligible Shareholders.
- The Equity Shares lying to the credit of the Company Demat Escrow Account j) and the Equity Shares bought back and if accepted in physical form will be extinguished in the manner and following the procedure prescribed in the SEBI Buyback Regulations.

## COMPLIANCE OFFICER

15.

16.

Shareholders may contact the Compliance Officer (For the purpose of Buyback) of the Company for any clarifications or to address their grievances, if any, during office hours *i.e.* 10:00 a.m. to 05:00 p.m. on all working days except Saturday, Sunday and public holidays, at the following address:

### Compliance Officer: Mr. Lovlesh Verma

Address: Village Kanech, Near Sahnewal, GT Road, Ludhiana -141 120. Tel. No.: +91 161 2845456 to 60; Fax No.: +91 161 2845458 Email: cs@sportking.co.in; Website: www.sportking.co.in

# **REGISTRAR TO THE BUYBACK/ INVESTOR SERVICE CENTRE**

In case of any queries, shareholders may also contact the Registrar to the Buyback, during office hours i.e. 10.00 a.m. to 05.00 p.m. on all working days except Saturday Sunday and public holidays, at the following address:

# ΒΕΕΤΔΙ

**Beetal Financial & Computer Services Private Limited** 

Beetal House, 3rd Floor, 99 Madangir, Behind Local Shopping Centre, Near Dada Harsukh Das Mandir, New Delhi - 110 062. Contact Person: Mr. Punit Mittal

Tel. No.: +91 11 2996 1281; Fax: +91 11 2996 1284 Email: beetalrta@gmail.com; Website: www.beetalfinancial.com

SEBI Registration Number: INR00000262 Validity: Permanent Registration CIN: U67120DL1993PTC052486

MANAGER TO THE BUYBACK 17.



# Master Capital Services Limited

SCO 22-23, Sector 9D, Madhya Marg, Chandigarh -160 009. Tel. No.: +91 172 484 8000 Contact Person: Mr. Jaspal Rawat Email: skl.buyback@mastertrust.co.in; Website: www.mastertrust.co.in SEBI Registration No: INM000000107; Validity Period: Permanent Registration CIN: U67190HR1994PLC076366.

#### DIRECTORS' RESPONSIBILITY 18.

As per Regulation 24(i)(a) of the SEBI Buyback Regulations, the Board of Directors of the Company accepts full and final responsibility for the information contained in this Public Announcement and confirms that such document contains true, factual and material information and does not contain any misleading information.

For and on behalf of the Board of Directors	of Sportking	g India Limited

Sd/-	Sd/-	Sd/-
Munish Avasthi	Naresh Kumar Jain	Lovlesh Verma
Managing Director	Executive Director	Company Secretary and Compliance Officer
DIN: 00442425	DIN: 00254045	Membership No.: ACS-34171

Date : January 30, 2023 Place : Ludhiana