

August 09, 2016

To
The Manager
The Department of Corporate Services
BSE Limited
Floor 25, P. J. Towers,
Dalal Street, Mumbai – 400 001

To
The Manager
The Listing Department
National Stock Exchange of India Limited
Exchange Plaza, Bandra Kurla Complex,
Bandra (East), Mumbai – 400 051

Scrip Code: 539450

Scrip Symbol: SHK

Dear Sir/ Madam,

Sub: Submission of unaudited financial results for the quarter ended June 30, 2016

At the meeting of Board of Directors of the Company ("the Board") held today, the Board has approved the unaudited financial results (standalone and consolidated) for the quarter ended June 30, 2016 and took on record the Limited Review Report issued by Statutory Auditors in this regard.

We enclose the following:

- Unaudited financial results (standalone and consolidated) for the quarter ended June 30, 2016 ("Results")
- Limited Review Report issued by Statutory Auditors
- Press release on Results

You are requested to take the above on record.

Thanking you,

Yours faithfully,

For S H Kelkar and Company Limited



Deepti Chandratre

Company Secretary & Compliance Officer



S H Kelkar And Company Limited

Lal Bahadur Shastri Marg, Mulund (West), Mumbai - 400 080. Tel : +91 22 2167 7777

Regd. Office : Devkaran Mansion, 36, Mangaldas Road, Mumbai - 400 002. (INDIA)

Phone : (022) 2206 96 09 & 2201 91 30 / Fax : (022) 2208 12 04

www.keva.co.in

CIN No. L74999MH1955PLC009593

SH KELKAR AND COMPANY LIMITED

CIN : L74999MH1955PLC009593

Regd. Office : Devkaran Mansion, 36 Mangaldas Road, Mumbai - 400002 India

Website : www.keva.co.in, E-mail : investors@keva.co.in, Tel No. +91 22 21649163, Fax No. : +91 22 21649766



STATEMENT OF STANDALONE UNAUDITED FINANCIAL RESULTS FOR THE QUARTER ENDED 30 JUNE 2016

(Rupees in Crores, except for share data and if otherwise stated)

Particulars	Quarter Ended 30.6.2016 Unaudited	Quarter Ended 30.6.2015 Unaudited	Quarter Ended 31.3.2016 Unaudited	Year Ended 31.3.2016 Unaudited
1. Income from operations				
(a.) Net Sales/ Income from Operations (net of excise duty)	157.81	137.00	166.36	558.28
(b.) Other Operating Income	0.29	0.25	0.21	0.96
Total Income from operations (net) (a + b)	158.10	137.25	166.57	559.24
2. Expenses				
(a.) Cost of materials consumed	108.31	80.85	103.68	343.53
(b.) Purchase of stock in trade	-	-	-	-
(c.) Changes in inventories of finished goods, work-in-progress and stock-in-trade	(16.96)	1.74	(0.88)	(1.34)
(d.) Employee benefits expense	13.04	11.20	14.64	52.99
(e.) Depreciation and amortisation expense	1.50	3.45	3.53	13.40
(f.) Other expenses	18.92	17.38	20.23	71.23
Total Expenses	124.81	114.62	141.20	479.81
3. Profit/(Loss) from Operations before other income, finance cost and exceptional items (1-2)	33.29	22.63	25.37	79.43
4. Other Income	1.97	1.69	4.20	23.82
5. Profit / (Loss) from ordinary activities before finance costs and exceptional items (3 + 4)	35.26	24.32	29.57	103.25
6. (a.) Finance Costs - Imputed interest (Refer note 10)	-	1.89	-	4.80
(b.) Finance Costs - Others	0.55	3.68	0.31	9.28
7. Profit / (Loss) from ordinary activities after finance costs but before exceptional items (5 - 6)	34.71	18.75	29.26	89.17
8. Exceptional Items	-	-	-	-
9. Profit / (Loss) from ordinary activities before tax (7 + 8)	34.71	18.75	29.26	89.17
10. Tax expense	11.92	5.04	9.55	23.62
11. Net Profit / (Loss) from ordinary activities after tax (9 + 10)	22.79	13.71	19.71	65.55
12. Extraordinary items	-	-	-	-
13. Net Profit / (Loss) for the period (11 + 12)	22.79	13.71	19.71	65.55
14. Other Comprehensive Income (net of tax)	(0.02)	0.11	(0.08)	(0.08)
15. Total Comprehensive Income (13 + 14)	22.77	13.82	19.63	65.47
16. Paid-up equity share capital (Face Value of Rs 10 per share)	144.62	131.04	144.62	144.62
17. Reserve excluding Revaluation Reserves as per balance sheet of previous accounting year	-	-	-	401.04
18. Earnings Per Share (not annualised):				
(a) Basic	1.58	1.05	1.36	4.81
(b) Diluted	1.58	1.05	1.36	4.81



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S H KELKAR AND COMPANY LIMITED

CIN : L74999MH1955PLC009593

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Website : www.keva.co.in, E - mail : investors@keva.co.in, Tel No : +91 22 21649163, Fax No : +91 22 21649766

**Notes :**

- The Company adopted Indian Accounting Standard ("Ind AS") from 1 April, 2016 and accordingly the Standalone Financial Results have been prepared in accordance with the recognition and measurement principles laid down in the Ind AS 34 Interim Financial Reporting prescribed under Section 133 of the Companies Act, 2013 read with the relevant rules issued thereunder and the other accounting principles generally accepted in India. The Standalone Financial Results for all periods have been prepared in accordance with the recognition and measurement principles of Ind AS 34.
- The above results were reviewed and recommended by the Audit Committee on 09th August, 2016 and subsequently approved by the Board of Director at its meeting held on 09th August, 2016. The statutory auditors of S H Kelkar and Company Limited ('the Company') have carried out a limited review of the above results for the quarter ended 30 June 2016 pursuant to regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as "the Listing Regulations, 2015")
The limited review report does not contain any qualifications. The Limited review report is filed with the Stock Exchanges and available on Company's website - www.keva.co.in.
- The Standalone Financial results for the quarters ended 31st March 2016 and 30th June, 2015 and year ended 31st March 2016 have not been audited or reviewed by the auditors and are compiled by the management after exercising necessary due diligence to ensure a true and fair view of the Group's affairs.
- Reconciliation of Net profit as reported under previous Generally Accepted Accounting Principles ('Previous GAAP') and as per IND AS is given as follows:

Particulars	Rs. In Crores		
	Quarter Ended	Quarter Ended	Year Ended
	30.6.2015	31.3.2016	31.3.2016
	Unaudited	Unaudited	Unaudited
Standalone Net profit as per IGAAP	15.95	19.75	70.81
Ind AS adjustments			
1. Imputed Interest cost on committed returns to the investor shareholder	(1.89)	-	(4.80)
2. Amortisation of Upfront Fees on borrowings	(0.32)	-	(0.83)
3. Debtors provisioning based on Expected loss model	(0.13)	(0.98)	(1.17)
4. Guarantee Commission on corporate guarantees given to subsidiaries	0.04	0.05	0.18
5. MTM gain/(loss) on financial instruments	-	0.75	0.88
6. Deferred tax on Ind AS adjustments	0.17	0.06	0.40
7. Actuarial gain/(loss) on defined benefit plans reclassified to OCI, net of tax	(0.11)	0.08	0.08
Standalone Net profit as per Ind AS	13.71	19.71	65.55

- The proceeds from IPO were Rs. 209.99 (gross of issue related expenses inclusive of Service Tax- Rs.18.20)

Details of utilisation of IPO proceeds are as follows:

Particulars	Object of the issue as per the prospectus	Rs. In Crores	
		Utilised upto 30 June 2016	Unutilised amount as at 30 June 2016
Repayment/pre-payment in full or in part of certain loans availed	126.00	126.00	-
Investment in K.V. Arochem Private Limited for repayment/pre-	32.00	32.00	-
General Corporate purposes	33.79	33.79	-
TOTAL	191.79	191.79	-

Funds infused by the Company in K.V. Arochem Privated Limited out of IPO proceeds but not yet utilised for loan repayment, amounting to Rs.17 Crore, is maintained as Fixed deposit with a Bank. The same will be utilised for the loan payment as and when installments for the said loan are due.

- On 02 April, 2016, the Company has acquired 100% share capital of Rasiklal Hemani Agencies Pvt Ltd.
- With effect from 1 April 2016, the Company has changed its method for charging depreciation on tangible assets from diminishing balance method to straight-line method, based on the expected pattern of consumption of the future economic benefits embodied in the asset. Consequently, the depreciation charge for the quarter ended 30 June 2016 is lower by Rs 1.37 crores and the profit for the period is higher by Rs 0.90 crores.
- With effect from 1 April 2016, the Company has changed its policy for valuation of inventory from 'First-in, first out' method to 'Weighted average cost' method. The impact of the change in the valuation of inventory as at 1 April 2016 on the results for the quarter is not material.
- With effect from 1 April 2016, the Company has changed its policy for accounting for research and development expenses. The Company has decided to capitalise development costs on intangible assets as per the requirements of Ind AS 38 - Intangible assets. The development costs capitalised during the quarter ended 30 June 2016 on eligible projects under development aggregated to Rs 2.78 crores. Had the Company continued with the old policy of charging development costs to the Statement of profit and loss, the profit after tax for the quarter ended 30 June 2016 would have been lower by Rs 1.70 crores.
- Finance costs for the quarter ended 30 June 2015 and the year ended 31 March 2016 includes imputed interest costs of Rs 1.89 crores and Rs 4.80 crores respectively, towards guaranteed returns to certain shareholders pursuant to the shareholders agreement entered into with them. The shareholders agreement which entitled certain shareholders to the said guaranteed returns has been terminated and the cumulative debt has been reclassified as equity on 16 November 2015.
- The Company is operating in the manufacture of fragrances. The Company has only one reportable business segment which is manufacture of fragrances.
- Previous period's/ year's figures have been regrouped/ reclassified, where necessary, to conform to current period's classification.



Place: Mumbai
Dated: 9 August, 2016



For and on behalf of Board of Directors

Ramesh Vaze
Managing Director

BSR & Co. LLP

Chartered Accountants

5th Floor, Lodha Excelus,
Apollo Mills Compound
N. M. Joshi Marg, Mahalaxmi
Mumbai - 400 011
India

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Limited Review Report on Quarterly Standalone Financial Results of S H Kelkar and Company Limited pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

To the Board of Directors of S H Kelkar and Company Limited

We have reviewed the accompanying statement of unaudited standalone financial results ('the Statement') of S H Kelkar and Company Limited ('the Company') for the quarter ended 30 June 2016 attached herewith, being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. This Statement is the responsibility of the Company's management and has been approved by the Board of Directors in their meeting held on 9 August 2016. Our responsibility is to issue a report on the Statement based on our review.

We conducted our review in accordance with the Standard on Review Engagement (SRE) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity", issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the financial statements are free of material misstatement. A review is limited primarily to inquiries of the Company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.

Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying statement of unaudited standalone financial results prepared in accordance with applicable accounting standards i.e. Ind AS prescribed under Section 133 of the Companies Act, 2013, read with relevant rules issued thereunder and other recognised accounting practices and policies, has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and SEBI Circular dated 5 July 2016 including the manner in which it is to be disclosed, or that it contains any material misstatement.

Attention is drawn to the fact that the figures for the corresponding quarters ended 30 June 2015 and 31 March 2016 and for the year ended 31 March 2016, including the reconciliation of profit under Ind AS of the corresponding quarters / year with profit reported under previous GAAP, as reported in these unaudited standalone financial results have been approved by the Company's Board of Directors but have not been subjected to review.

For BSR & Co. LLP
Chartered Accountants

Firm's Registration No: 101248W/W-100022



Aniruddha Godbole
Partner

Membership No: 105149

Mumbai
9 August 2016

S H KELKAR AND COMPANY LIMITED



CIN : L74999MH1955PLC009593

Regd. Office : Devkaran Mansion, 36 Mangaldas Road, Mumbai - 400002 India

Website : www.keval.co.in, E - mail : investors@keval.co.in, Tel No. : +91 22 21649163, Fax No. : +91 22 21649766

STATEMENT OF CONSOLIDATED UNAUDITED FINANCIAL RESULTS FOR THE QUARTER ENDED 30 JUNE 2016

(Rupees in Crores, except for share data and if otherwise stated)

Particulars	Quarter Ended 30.6.2016	Quarter Ended 30.6.2015	Quarter Ended 31.3.2016	Year Ended 31.3.2016
	Unaudited	Unaudited	Unaudited	Unaudited
1. Income from operations				
(a) Net Sales/ Income from Operations (net of excise duty)	254.44	220.58	264.49	921.15
(b) Other Operating Income	1.42	0.56	1.29	3.72
Total Income from operations (net) (a + b)	255.86	221.14	265.78	924.87
2. Expenses				
(a) Cost of materials consumed	146.06	126.69	159.42	517.75
(b) Purchase of stock in trade	2.03	0.33	0.07	1.79
(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	(6.31)	(3.44)	(10.59)	(8.33)
(d) Employee benefits expense	29.34	24.56	29.61	111.85
(e) Depreciation and amortisation expense	4.40	7.35	7.73	29.70
(f) Other expenses	37.41	32.60	42.44	150.32
Total Expenses	212.93	188.09	228.68	803.08
3. Profit/(Loss) from Operations before other income, finance cost and exceptional items (1-2)	42.93	33.05	37.10	121.79
4. Other Income	3.20	1.88	4.97	10.44
5. Profit / (Loss) from ordinary activities before finance costs and exceptional items (3 + 4)	46.13	34.93	42.07	132.23
6. Finance Costs - Imputed interest (Refer note 11)	-	1.89	-	4.80
7. Finance Costs - Others	1.93	5.27	1.38	15.23
8. Profit / (Loss) from ordinary activities after finance costs but before exceptional items (5 - 6)	44.20	27.77	40.69	112.20
9. Exceptional Items	-	-	-	-
9. Profit / (Loss) from ordinary activities before tax (7 + 8)	44.20	27.77	40.69	112.20
10. Tax expense	16.67	8.28	14.74	38.08
11. Net Profit / (Loss) from ordinary activities after tax (9 + 10)	27.53	19.49	25.95	74.12
12. Extraordinary items	-	-	-	-
13. Net Profit / (Loss) for the period (11 + 12)	27.53	19.49	25.95	74.12
14. Other Comprehensive Income (net of tax)	(1.81)	4.31	0.21	6.25
15. Total Comprehensive Income (13 + 14)	25.72	23.80	26.16	80.37
16. Paid-up equity share capital (Face Value of Rs 10 per share)	144.62	131.04	144.62	144.62
17. Reserve excluding Revaluation Reserves as per balance sheet of previous accounting year				
18. Earnings Per Share (not annualised):				
(a) Basic	1.90	1.49	1.79	5.43
(b) Diluted	1.90	1.49	1.79	5.43



S H KELKAR AND COMPANY LIMITED

CIN : L74999MH1955PLC009593

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Notes :

- The Company adopted Indian Accounting Standard ("Ind AS") from 1 April, 2016 and accordingly the Consolidated Financial Results have been prepared in accordance with the recognition and measurement principles laid down in the Ind AS 34 Interim Financial Reporting prescribed under Section 133 of the Companies Act, 2013 read with the relevant rules issued thereunder and the other accounting principles generally accepted in India. The Consolidated Financial Results for all periods have been prepared in accordance with the recognition and measurement principles of Ind AS 34.
- The above results were reviewed and recommended by the Audit Committee on 09th August, 2016 and subsequently approved by the Board of Director at its meeting held on 09th August, 2016. The statutory auditors of S H Kelkar and Company Limited ("the Company") have carried out a limited review of the above results for quarter ended 30 June 2016 pursuant to regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as "the Listing Regulations, 2015"). The limited review report does not contain any qualifications. The limited review report is filed with the Stock Exchanges and available on Company's website - www.keva.co.in.
- The Consolidated Financial results for the quarters ended 31st March 2016 and 30th June, 2015 and year ended 31st March 2016 have not been audited or reviewed by the auditors and are compiled by the management after exercising necessary due diligence to ensure a true and fair view of the Group's affairs.
- Reconciliation of Net profit as reported under previous Generally Accepted Accounting Principles ("Previous GAAP") and as per IND AS is given as follows:

Particulars	Rs. In Crores		
	Quarter Ended	Quarter Ended	Year Ended
	30.6.2015	31.3.2016	31.3.2016
	Unaudited	Unaudited	Unaudited
Consolidated Net profit as per IGAAP	20.78	26.07	80.21
Ind AS adjustments			
1. Imputed Interest cost on committed returns to the investor shareholder	(1.89)	-	(4.80)
2. Amortisation of Upfront Fees on borrowings	(0.32)	-	(0.83)
3. Restatement of past business combinations	(0.07)	(0.07)	(0.29)
4. Debtors provisioning based on Expected loss model	1.70	(1.99)	(3.41)
5. MTM gain/(loss) on financial instruments	(0.24)	1.20	0.75
6. Deferred tax on GAAP adjustments and consolidation adjustments	(0.67)	0.59	2.35
7. Actuarial gain/(loss) on defined benefit plans reclassified to OCI net of tax	0.20	0.15	0.14
Consolidated Net profit as per Ind AS	19.49	25.95	74.12

- The proceeds from IPO were Rs 209.99 (gross of issue related expenses inclusive of Service Tax- Rs 18.20)

Details of utilisation of IPO proceeds are as follows:

Particulars	Rs. In Crores	
	Object of the issue as per the prospectus	Utilised upto 30 June 2016
		Unutilised amount as at 30 June 2016
Repayment/pre-payment in full or in part of certain loans availed	126.00	126.00
Investment in K V Arochem Private Limited for repayment/pre-payment in full or in part of certain loans availed	32.00	32.00
General Corporate purposes	33.79	33.79
TOTAL	191.79	191.79

Funds infused by the Holding Company in K V. Arochem Private Limited out of IPO proceeds but not yet utilised for loan repayment, amounting to Rs. 17 Crore, is maintained as Fixed deposit with a Bank. The same will be utilised for the loan payment as and when installments for the said loan are due.

- On 02 April, 2016, the Company has acquired 100% share capital of Rasiklal Hemani Agencies Pvt Ltd. On 02 April, 2016, the Company has also acquired, through Keva Flavours Pvt. Ltd. (subsidiary), the Business Undertaking of Hi-Tech Technologies comprising of Flavours Division.
- The Board of Directors of Keva Fragrances Private Limited ("KFG") and K V Arochem Private Limited ("KVA"), wholly-owned subsidiaries of the Company, in a meeting held on 29 January 2016, accorded its consent to the merger of KFG with KVA under the Scheme of Amalgamation ("Scheme") with effect from May 1, 2015 (i.e. Appointed Date). KVA and KFG have filed an application for merger on 10 February 2016, followed by a petition dated 25 April, 2016 with the Hon'ble High Court of Judicature at Bombay. The Scheme is currently pending approval with the regulatory authorities and the Bombay High Court.
- With effect from 1 April 2016, the Group has changed its method for charging depreciation on tangible assets from diminishing balance method to straight-line method, based on the expected pattern of consumption of the future economic benefits embodied in the asset. Consequently, the depreciation charge for the quarter ended 30 June 2016 is lower by Rs 3.48 crores and the profit for the period is higher by Rs. 2.30 crores.
- With effect from 1 April 2016, the Group has changed its policy for valuation of inventory from 'First-in, first out' method to 'Weighted average cost' method. The impact of the change in the valuation of inventory as at 1 April 2016 on the results for the quarter is not material.
- With effect from 1 April 2016, the Group has changed its policy for accounting for research and development expenses. The Company has decided to capitalise development costs on intangible assets as per the requirements of Ind AS 38 - Intangible assets. The development costs capitalised during the quarter ended 30 June 2016 on eligible projects under development aggregated to Rs 3.06 crores. Had the Company continued with the old policy of charging development costs to the Statement of profit and loss, the profit after tax for the quarter ended 30 June 2016 would have been lower by Rs 1.70 crores.
- Finance costs for the quarter ended 30 June 2015 and the year ended 31 March 2016 includes imputed interest costs of Rs 1.89 crores and Rs 4.80 crores respectively, towards guaranteed returns to certain shareholders pursuant to the shareholders agreement entered into with them. The shareholders agreement which entitled certain shareholders to the said guaranteed returns has been terminated and the cumulative debt has been reclassified as equity on 16 November 2015.
- The Group has identified two reporting segments viz. Fragrances and Flavours as primary segment. Fragrances segment manufactures/ trades in Fragrances and aroma ingredients for Fragrances Flavours segment manufactures/ trades in Flavours.
- Previous period's/ year's figures have been regrouped/ reclassified, where necessary, to conform to current period's classification.



For and on behalf of Board of Directors

Ramesh Vaze

Ramesh Vaze
Managing Director

Place : Mumbai
Dated: 9 August, 2016

S H KELKAR AND COMPANY LIMITED

CIN : L74999MH1955PLC009593

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S H KELKAR AND COMPANY LIMITED

(Rupees in Crore, except for share data and if otherwise stated)



Particulars	Quarter ended 30th June 2016	Quarter ended 30th June 2015	Quarter ended 31st March 2016	Year ended 31st March 2016
	Unaudited	Unaudited	Unaudited	Unaudited
1. Segment Revenue				
- Fragrance	248.06	229.89	283.44	971.61
- Flavours	35.88	12.44	19.56	65.13
Total	283.94	242.33	303.00	1,036.74
Less: Inter Segment Revenue	(29.50)	(21.75)	(38.51)	(115.59)
Other Operating Income	1.42	0.56	1.29	3.72
Net sales/ Income From Operations	255.86	221.14	265.78	924.87
2. Segment Results (Profit (+) / Loss(-) before tax and interest from ordinary activities)				
- Fragrance	34.83	32.26	36.12	115.83
- Flavours	10.40	2.33	3.61	11.06
Total	45.23	34.59	39.73	126.89
Less: i) Finance costs	(1.93)	(7.16)	(1.38)	(20.03)
Add/(Less): Other unallocable income net of unallocable expenditure	0.90	0.34	2.34	5.34
Total Profit Before Tax from ordinary activities	44.20	27.77	40.69	112.20
3. Segment Assets				
- Fragrance	902.71	791.42	898.62	898.62
- Flavours	86.36	39.69	44.58	44.58
- Unallocated	80.90	62.06	80.09	80.09
Total	1,069.97	893.17	1,023.29	1,023.29
4. Segment Liabilities				
- Fragrance	177.68	218.91	185.08	185.08
- Flavours	25.37	8.26	13.07	13.07
- Unallocated	119.64	215.82	103.65	103.65
Total	322.69	442.99	301.80	301.80
5. Capital Employed				
(Segment assets - Segment liabilities)				
- Fragrance	725.03	572.51	713.54	713.54
- Flavours	60.99	31.43	31.51	31.51
- Unallocated	(38.74)	(153.76)	(23.56)	(23.56)
Total	747.28	450.18	721.49	721.49



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B S R & Co. LLP

Chartered Accountants

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Limited Review Report on Quarterly Consolidated Financial Results of S H Kelkar and Company Limited pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

To the Board of Directors of S H Kelkar and Company Limited

We have reviewed the accompanying Statement of unaudited consolidated financial results ("the Statement") of S H Kelkar and Company Limited ("the Company") and its subsidiaries (the Company and its subsidiaries 'the Group') for the quarter ended 30 June 2016, attached herewith, being submitted by the Company pursuant to Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. This Statement is the responsibility of the Company's management and has been approved by the Board of Directors in their meeting held on 9 August 2016. Our responsibility is to issue a report on the Statement based on our review.

We conducted our review in accordance with the Standard on Review Engagement (SRE) 2410, "*Review of Interim Financial Information Performed by the Independent Auditor of the Entity*" issued by the Institute of Chartered Accountants of India. This Standard requires that we plan and perform the review to obtain moderate assurance as to whether the financial statements are free of material misstatement. A review is limited primarily to inquiries of the Company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and, accordingly, we do not express an audit opinion.

We did not review the interim financial results of eight subsidiaries included in the unaudited consolidated financial results, whose interim financial results reflect total revenues of Rs 56.85 crores and total loss after tax of Rs 6.16 crores for the quarter ended 30 June 2016, as considered in the unaudited consolidated financial results. These interim financial results have not been reviewed by their auditors and are based solely on the management's accounts.

Based on our review conducted as stated above, nothing has come to our attention that causes us to believe that the accompanying Statement of unaudited consolidated financial results prepared in accordance with the applicable accounting standards i.e. Ind AS prescribed under Section 133 of the Companies Act, 2013, read with relevant rules issued thereunder and other recognised accounting practices and policies, has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, and SEBI Circular dated 5 July 2016 including the manner in which it is to be disclosed, or that it contains any material misstatement.



**Limited Review Report on Quarterly Consolidated Financial Results of
S H Kelkar and Company Limited pursuant to the Regulation 33 of the SEBI
(Listing Obligations and Disclosure Requirements) Regulations, 2015
(Continued)**

S H Kelkar and Company Limited

Attention is drawn to the fact that the figures for the corresponding quarters ended 30 June 2015 and 31 March 2016 and for the year ended 31 March 2016, including the reconciliation of profit under Ind AS of the corresponding quarter / year with profit reported under previous GAAP, as reported in these unaudited consolidated financial results have been approved by the Company's Board of Directors but have not been subjected to review.

For B S R & Co. LLP

Chartered Accountants

Firm's Registration No: 101248W/W-100022



Aniruddha Godbole
Partner

Membership No: 105149

Mumbai
9 August 2016



S H Kelkar and Company Limited

Corporate Office: L.B.S Marg, Near Balrajeshwar Temple, Mulund (W), Mumbai – 400080

Registered Office: Devkaran Mansion, 36, Mangaldas Road, Mumbai 400 002.

S H Kelkar and Company announces Q1FY17 results

Total Income up 16% to Rs. 256 crore
EBITDA improves 20% to Rs. 51 crore
PAT grew by 41% to Rs 28 crore

Mumbai, August 09, 2016: S H Kelkar and Company, the largest Indian-origin Fragrance and Flavours Company in India, has announced its financial results for the quarter ended June 30, 2016.

Q1 FY17 performance overview compared with Q1FY16

- Total Income grew by 15.7% to Rs. 255.9 crore from Rs. 221.1 crore
- EBITDA increased by 19.5% to Rs. 50.5 crore from Rs. 42.3crore
 - EBITDA margin increased by 60 bps to 19.7%
- Profit Before Tax grew by 59.2% to Rs. 44.2 crore from Rs. 27.8 crore
- Profit After Tax was up 41.3% at Rs. 27.5 crore compared to Rs. 19.5 crore

Key Developments

- Successfully integrated Hi-Tech Technologies (HTT) into Flavours Division of the Company

Commenting on the results, Mr. Kedar Vaze, Chief Executive Officer and Director at SH Kelkar and Company said,

"We have begun the financial year on a strong note with healthy performance in both Fragrance and Flavours businesses. Top-line growth was primarily driven by the domestic market which grew by 21%. The results also reinforce the operating leverage in our business with profitability growing at a much faster pace than revenues.

It is our constant endeavor to outperform the FMCG industry growth rates, which our industry closely tracks, by focusing on expanding our market share, increasing investments in R&D to drive product innovation, and by leveraging our leadership position in a niche industry. We continue to evaluate strategic opportunities on the back of our strong balance sheet which should enable us to deliver sustainable growth going forward."

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About S H Kelkar and Company Limited:

S H Kelkar and Company Limited (SHK) is the largest Indian-origin Fragrance & Flavour Company in India*. It has a long standing reputation in the fragrance industry developed in 90 years of experience. Its fragrance products and ingredients are used as a raw material in personal wash, fabric care, skin and hair care, fine fragrances and household products. Its flavor products are used as a raw material by producers of baked goods, dairy products, beverages and pharmaceutical products. It offers products under SHK, Cobra and Keval brands.

The Company has a strong and dedicated team of 18 scientists, 12 perfumers, two flavourists, evaluators and application executives at its facilities and five creation and development centers in Mumbai, Bengaluru, The Netherlands and Indonesia for the development of fragrance and flavour products. Their research team has developed 12 molecules over the last three years, of which the Company has filed patent applications for three.

Over the years, SHK has developed a vast product portfolio of fragrances and flavor products for the FMCG, personal care, pharmaceutical and food & beverages industry. The Company has a diverse and large client base of over 4,100 customers including leading national and multi-national FMCG companies, blenders of fragrances & flavors and fragrance & flavor producers.

**Source: "Market Study on Fragrances and Flavours" by Nielsen, March 22, 2015*

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