



May 25, 2022

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

**Scrip Code: 539450**

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

**Scrip Symbol: SHK**

Dear Sir/ Madam,

**Sub: Submission of Audited Financial Results for the quarter and year ended March 31, 2022**

At the meeting of Board of Directors of the Company (“the Board”) held today, the Board has approved the audited financial results (standalone and consolidated) for the quarter and year ended March 31, 2022 and took on record the Report issued by Statutory Auditors in this regard.

Accordingly, please find enclosed the following:

- Audited financial results (Standalone and Consolidated) for the quarter and year ended March 31, 2022 (“Results”)
- Report issued by Statutory Auditors
- Declaration that the Statutory Auditors have not expressed any modified opinion(s) in their Audit Report

You are requested to take the above on record.

Thanking you,

Yours faithfully,

For S H Kelkar and Company Limited

  
Rohit Saraogi  
EVP & Group CFO



*Encl: As above*



**S H Kelkar And Company Limited**  
Lal Bahadur Shashtri Marg, Mulund (West), Mumbai - 400 080. Tel : +91 22 2167 7777  
Regd. Office : Devkaran Mansion, 36, Mangaldas Road, Mumbai - 400 002. (INDIA)  
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CIN No. L74999MH1955PLC009593

## INDEPENDENT AUDITOR'S REPORT ON AUDIT OF ANNUAL CONSOLIDATED FINANCIAL RESULTS AND REVIEW OF QUARTERLY FINANCIAL RESULTS

### TO THE BOARD OF DIRECTORS OF S H KELKAR AND COMPANY LIMITED

#### Opinion and Conclusion

We have (a) audited the Consolidated Financial Results for the year ended March 31, 2022 and (b) reviewed the Consolidated Financial Results for the quarter ended March 31, 2022 (refer 'Other Matters' section below), which were subject to limited review by us, both included in the accompanying "Statement of Consolidated Financial Results for the Quarter and Year Ended March 31, 2022" of **S H Kelkar and Company Limited** ("the Parent") and its subsidiaries (the Parent and its subsidiaries together referred to as "the Group"), and its share of the net profit after tax and total comprehensive income of its joint venture for the quarter and year ended March 31, 2022, ("the Statement") being submitted by the Parent pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("the Listing Regulations").

#### (a) Opinion on Annual Consolidated Financial Results

In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of the audit reports of the other auditors on separate financial statements / consolidated financial statements / consolidated financial information of the subsidiaries and joint venture referred to in Other Matters section below, the Consolidated Financial Results for the year ended March 31, 2022:

(i) includes the results of the following entities:

##### A. Subsidiaries:

- a. Keva Flavours Private Limited
- b. Keva Fragrances Private Limited
- c. VN Creative Chemicals Private Limited
- d. Keva U.K. Ltd
- e. PFW Aroma Ingredients
- f. Keva Europe B.V
- g. Keva Italy S.r.l
- h. Nova Fragranze S.r.l. (w.e.f. April 07, 2021)
- i. Keva Fragrance Industries Pte Ltd
- j. PT SHKKEVA Indonesia
- k. Anhui Ruibang Aroma Company Limited
- l. Creative Flavours and Fragrances S.p.A
- m. CFF Labs Srl
- n. CFF Commerciale Srl
- o. Keva Ventures Private Limited (w.e.f. July 29, 2021)
- p. Amikeva Private Limited (w.e.f. February 07, 2022)
- q. Provier Beheer B. V. (w.e.f. January 25, 2022)
- r. Holland Aromatics B. V. (w.e.f. January 25, 2022)
- s. NuTaste Food and Drinks Labs Private Limited (w.e.f. January 03, 2022)

##### B. Joint Venture:

- a. Purandar Fine Chemicals Private Limited



- (ii) is presented in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended; and
- (iii) gives a true and fair view in conformity with the recognition and measurement principles laid down in the Indian Accounting Standards and other accounting principles generally accepted in India of the consolidated net profit and consolidated total comprehensive income and other financial information of the Group for the year ended March 31, 2022.

**(b) Conclusion on Unaudited Consolidated Financial Results for the quarter ended March 31, 2022**

With respect to the Consolidated Financial Results for the quarter ended March 31, 2022, based on our review conducted and procedures performed as stated in paragraph (b) of Auditor's Responsibilities section below and based on the consideration of the review reports of the other auditors referred to in Other Matters section below, nothing has come to our attention that causes us to believe that the Consolidated Financial Results for the quarter ended March 31, 2022, prepared in accordance with the recognition and measurement principles laid down in the Indian Accounting Standards and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, including the manner in which it is to be disclosed, or that it contains any material misstatement.

**Basis for Opinion on the Audited Consolidated Financial Results for the year ended March 31, 2022**

We conducted our audit in accordance with the Standards on Auditing ("SAs") specified under Section 143(10) of the Companies Act, 2013 ("the Act"). Our responsibilities under those Standards are further described in paragraph (a) of Auditor's Responsibilities section below. We are independent of the Group, and its joint venture in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("the ICAI") together with the ethical requirements that are relevant to our audit of the Consolidated Financial Results for the year ended March 31, 2022 under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us and other auditors in terms of their reports referred to in Other Matters section below, is sufficient and appropriate to provide a basis for our audit opinion.

**Management's Responsibilities for the Statement**

This Statement, which includes the Consolidated Financial Results is the responsibility of the Parent's Board of Directors and has been approved by them for the issuance. The Consolidated Financial Results for the year ended March 31, 2022, has been compiled from the related audited consolidated financial statements. This responsibility includes the preparation and presentation of the Consolidated Financial Results for the quarter and year ended March 31, 2022 that give a true and fair view of the consolidated net profit and consolidated other comprehensive income and other financial information of the Group including its joint venture in accordance with the recognition and measurement principles laid down in the Indian Accounting Standards, prescribed under Section 133 of the Act, read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations.



The respective Board of Directors of the companies included in the Group and of its joint venture are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and its joint venture and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the respective financial results that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of this Consolidated Financial Results by the Directors of the Parent, as aforesaid.

In preparing the Consolidated Financial Results, the respective Board of Directors of the companies included in the Group and of its joint venture are responsible for assessing the ability of the respective entities to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Board of Directors either intends to liquidate their respective entities or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group and of its joint venture are responsible for overseeing the financial reporting process of the Group and of its joint venture.

### **Auditor's Responsibilities**

#### **(a) Audit of the Consolidated Financial Results for the year ended March 31, 2022**

Our objectives are to obtain reasonable assurance about whether the Consolidated Financial Results for the year ended March 31, 2022 as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this Consolidated Financial Results.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Annual Consolidated Financial Results, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Board of Directors.



- Evaluate the appropriateness and reasonableness of disclosures made by the Board of Directors in terms of the requirements specified under Regulation 33 of the Listing Regulations.
- Conclude on the appropriateness of the Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group and its joint venture to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Consolidated Financial Results or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and its joint venture to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Annual Consolidated Financial Results, including the disclosures, and whether the Annual Consolidated Financial Results represent the underlying transactions and events in a manner that achieves fair presentation.
- Perform procedures in accordance with the circular issued by the SEBI under Regulation 33(8) of the Listing Regulations to the extent applicable.
- Obtain sufficient appropriate audit evidence regarding the Annual Standalone Financial Results, entities within the Group and its joint venture to express an opinion on the Annual Consolidated Financial Results. We are responsible for the direction, supervision and performance of the audit of financial information of such entities included in the Annual Consolidated Financial Results of which we are the independent auditors. For the other entities included in the Annual Consolidated Financial Results, which have been audited by the other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

Materiality is the magnitude of misstatements in the Annual Consolidated Financial Results that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Annual Consolidated Financial Results may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the Annual Consolidated Financial Results.

We communicate with those charged with governance of the Parent and such other entities included in the Consolidated Financial Results of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.



**(b) Review of the Consolidated Financial Results for the quarter ended March 31, 2022**

We conducted our review of the Consolidated Financial Results for the quarter ended March 31, 2022 in accordance with the Standard on Review Engagements (SRE) 2410 'Review of Interim Financial Information Performed by the Independent Auditor of the Entity', issued by the ICAI. A review of interim financial information consists of making inquiries, primarily of the Company's personnel responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with SAs specified under section 143(10) of the Act and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

The Statement includes the results of the entities as listed under paragraph (a)(i) of Opinion and Conclusion section above.

We also performed procedures in accordance with the circular issued by the SEBI under Regulation 33(8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, to the extent applicable.

**Other Matters**

- The Statement includes the results for the Quarter ended March 31, 2022 being the balancing figure between audited figures in respect of the full financial year and the published year to date figures up to the third quarter of the current financial year which were subject to limited review by us. Our report is not modified in respect of this matter.
- The comparative financial information in the Statement of the Group (a) for the corresponding quarter, were reviewed and (b) as at and for the year ended March 31, 2021, were audited, by the predecessor auditor. The report of the predecessor auditor on this comparative financial information for the quarter and year ended March 31, 2021, dated May 27, 2021 expressed unmodified opinion.

Our conclusion on the Statement is not modified in respect of this matter.

- We did not audit the financial statements of 13 subsidiaries included in the consolidated financial results, whose financial statements reflect total assets of Rs. 1,309.43 crores as at March 31, 2022, and total revenues of Rs. 220.42 crores and Rs. 903.16 crores for the quarter and year ended March 31, 2022, respectively, total net profit after tax of Rs. 8.27 crores and Rs. 9.83 crores for the quarter and year ended March 31, 2022, respectively and total comprehensive income of Rs. 6.95 crores and Rs. 0.44 crores for the quarter and year ended March 31, 2022, respectively and net cash inflow of Rs. 10.47 crores for the year ended March 31, 2022, as considered in the Statement. The consolidated financial results also includes the Group's share of (loss) / profit after tax of Rs. (0.06) crores and Rs. 0.03 crores for the quarter and year ended March 31, 2022 respectively and total comprehensive (loss) / income of Rs. (0.06) crores and Rs. 0.03 crores for the quarter and year ended March 31, 2022 respectively, as considered in the Statement, in respect of a joint venture whose financial statements have not been audited by us. These financial statements have been audited, by other auditors whose reports have been furnished to us by the Management and our opinion and conclusion on the Statement, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and a joint venture, is based solely on the reports of the other auditors and the procedures performed by us as stated under Auditor's Responsibilities section above.



Six of the subsidiaries are located outside India whose consolidated financial statements have been prepared by its management in accordance with accounting principles generally accepted in their respective countries and which have been audited by the other auditor under generally accepted auditing standards applicable in their respective countries. The Parent's management has converted the audited financial statements of the aforesaid subsidiaries located outside India from accounting principles generally accepted in their respective countries to accounting principles generally accepted in India. We have reviewed these conversion adjustments made by the Parent's management. Our opinion and conclusion on the Statement, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries located outside India, is based on the reports of other auditors, our review of the conversion adjustments prepared by the Management of the Company and the procedures performed by us as stated in Opinion and Conclusion paragraph above.

Our report on the Statement is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors.

- The consolidated financial results includes the unaudited financial information of 5 subsidiaries, whose financial information reflect total assets of Rs. 296.42 crores as at March 31, 2022 and total revenues of Rs. 36.73 crores and Rs. 53.48 crores for the quarter and year ended March 31, 2022 respectively, total net profit after tax of Rs. 9.08 crores and Rs. 5.76 crores for the quarter and year ended March 31, 2022 respectively and total comprehensive income of Rs. 8.70 crores and Rs. 9.28 crores for the quarter and year ended March 31, 2022 respectively and net cash inflows of Rs. 22.20 crores for the year ended March 31, 2022, as considered in the Statement. These financial information are unaudited and have been furnished to us by the Management and our opinion and conclusion on the Statement, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries is based solely on such unaudited financial information. In our opinion and according to the information and explanations given to us by the Board of Directors, these financial information are not material to the Group.

Our report on the Statement is not modified in respect of the above matter with respect to our reliance on the financial information certified by the Board of the Directors.

**For DELOITTE HASKINS & SELLS LLP**  
Chartered Accountants  
(Firm's Registration No. 117366W/W-100018)



**Mehul Parekh**  
(Partner)  
(Membership No. 121513)  
UDIN: 22121513AJOUIL6058

Place: Mumbai

Date: May 25, 2022



**STATEMENT OF CONSOLIDATED AUDITED FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED MARCH 31,2022**

		[Rupees in Crore, except for share data and if otherwise stated]				
Particulars	Quarter Ended			Year Ended		
	31.03.2022	31.12.2021	31.03.2021	31.03.2022	31.03.2021	
	(Refer note 14)	(Unaudited)	(Refer note 14)	(Audited)	(Audited)	
<b>1. Income</b>						
(a.) Sales	423.50	368.03	375.97	1,458.46	1,260.01	
(b.) Sales - Contract manufacturing (Refer note 5)	26.32	28.55	20.53	101.14	55.11	
(c.) Other operating income	0.81	2.63	0.48	4.59	6.83	
<b>Revenue from operations</b>	<b>450.63</b>	<b>399.21</b>	<b>396.98</b>	<b>1,564.19</b>	<b>1,321.95</b>	
<b>2. Other Income</b>						
(a.) Foreign Exchange Gains Exports contracts	0.41	2.65	4.52	3.08	10.04	
(b.) Other	8.22	1.69	3.66	14.43	13.42	
<b>3. Total Income (1 + 2)</b>	<b>459.26</b>	<b>403.55</b>	<b>405.16</b>	<b>1,581.70</b>	<b>1,345.41</b>	
<b>4. Expenses</b>						
(a.) Cost of materials consumed	287.92	225.19	187.97	897.22	700.61	
(b.) Changes In Inventories of finished goods, work-in-progress and stock-in-trade	(40.86)	(16.00)	23.10	(63.84)	0.89	
(c.) Contract manufacturing cost of goods sold (Refer note 5)	25.91	25.17	18.41	92.14	48.87	
(d.) Employee benefits expense	54.50	49.46	43.91	198.75	150.04	
(e.) Finance costs	5.23	3.60	3.95	16.18	17.07	
(f.) Depreciation and amortisation expense(refer note 15)	20.09	17.11	18.18	71.77	61.51	
(g.) Other expenses	63.26	55.94	56.48	225.29	185.66	
<b>Total expenses</b>	<b>416.05</b>	<b>380.46</b>	<b>352.00</b>	<b>1,437.51</b>	<b>1,164.65</b>	
<b>5. Profit before exceptional items and Share of Profit in joint venture (3-4)</b>	<b>43.20</b>	<b>43.08</b>	<b>53.16</b>	<b>144.19</b>	<b>180.76</b>	
6. Share of Profit/(Loss) in joint venture	(0.06)	0.03	0.05	0.03	0.24	
<b>7. Profit before exceptional items and tax (5+6)</b>	<b>43.14</b>	<b>43.11</b>	<b>53.21</b>	<b>144.22</b>	<b>181.00</b>	
8. Exceptional items - (Loss)/Gain (Refer note 4 )	(5.76)	-	-	(11.96)	12.50	
<b>9. Profit before tax (7+8)</b>	<b>37.38</b>	<b>43.11</b>	<b>53.21</b>	<b>132.26</b>	<b>193.50</b>	
<b>10. Tax expense</b>						
Current tax	16.65	12.31	12.01	48.24	45.46	
Prior year tax ( refer note 10 & 11)	6.35	-	-	(57.74)	0.84	
Deferred tax	0.78	(1.50)	1.04	(7.66)	3.23	
<b>11. Profit for the period / year (9-10)</b>	<b>13.60</b>	<b>32.30</b>	<b>40.16</b>	<b>149.42</b>	<b>143.97</b>	
12. Loss for the period/year attributable to Non-controlling Interests	1.10	(0.07)	0.03	0.85	(0.72)	
<b>13. Profit for the period/year attributable to Owner's of the Company</b>	<b>12.50</b>	<b>32.37</b>	<b>40.13</b>	<b>148.57</b>	<b>144.69</b>	
<b>14. Other comprehensive income</b>						
Items that will not be reclassified to profit or loss	(1.56)	0.11	0.52	(1.28)	0.66	
Income tax relating to items that will not be reclassified to profit or loss	0.41	(0.03)	(0.12)	0.33	(0.16)	
Items that will be reclassified to profit or loss	(2.19)	(3.32)	(3.47)	(5.45)	(3.75)	
Income tax relating to items that will be reclassified to profit or loss	-	-	-	-	-	
<b>Other comprehensive income / (loss)</b>	<b>(3.34)</b>	<b>(3.24)</b>	<b>(3.07)</b>	<b>(6.35)</b>	<b>(3.25)</b>	
<b>15. Other comprehensive income / (loss) attributable to Non-controlling interests</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	
<b>16. Other comprehensive income / (loss) attributable to Owner's of the Company</b>	<b>(3.34)</b>	<b>(3.24)</b>	<b>(3.07)</b>	<b>(6.35)</b>	<b>(3.25)</b>	
<b>17. Total comprehensive income for the period/ year (10+16)</b>	<b>10.26</b>	<b>29.06</b>	<b>37.09</b>	<b>143.07</b>	<b>140.72</b>	
<b>18. Total comprehensive loss for the period / year attributable to Non controlling interests</b>	<b>1.10</b>	<b>(0.07)</b>	<b>0.03</b>	<b>0.85</b>	<b>(0.72)</b>	
<b>19. Total comprehensive income for the period/ year attributable to Owner's of the Company (16 - 17)</b>	<b>9.16</b>	<b>29.13</b>	<b>37.06</b>	<b>142.22</b>	<b>141.44</b>	
20. Paid-up equity share capital (Face Value of Rs 10 each)	138.42	141.32	141.32	138.42	141.32	
21. Reserves excluding revaluation reserves as at Balance sheet date				874.88	810.29	
<b>22. Earnings per share (Face Value of Rs 10 each) (not annualised):(Refer note 12)</b>						
(a) Basic	0.91	2.35	2.91	10.81	10.48	
(b) Diluted	0.91	2.35	2.91	10.81	10.48	



K. V. V.



**Notes :**

- 1 The above consolidated financials results of S H Kelkar and Company Limited and its subsidiaries (collectively referred to as 'the Group') and its joint venture were reviewed by the Audit Committee at its meeting held on May 25, 2022 and subsequently approved by the Board of Directors of S H Kelkar and Company Limited ('the Company') at its meeting held on May 25, 2022. The comparative financial information of the Company for the quarter and year ended March 31, 2021, have been reviewed / audited, as applicable, by the predecessor statutory auditors. The statutory auditors of the Company have reviewed / audited the above results for the quarter and year ended March 31, 2022 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 above results are filed with the Stock Exchanges and available on Group website -www.keva.co.in.
- 2 The Group has two reportable operating segments viz. Fragrances and Flavours, as per IND AS 108-Operating Segment. Fragrances segment manufactures/trades in fragrances and aroma Ingredients. Flavours segment manufactures/trades in flavours.
- 3 Earning before interest, tax, depreciation and amortisation (EBITDA) after exceptional items for the quarter ended March 31, 2022 at Rs 62.70 crore (for the quarter ended December 30, 2021 : Rs 63.83 crore and quarter ended March 31, 2021: Rs 75.34 crore ), for year ended March 31, 2022 at Rs 220.21 crore (for the year ended March 31, 2021 at Rs.272.08 crore ).  
Formulae for computing EBITDA = Profit before tax (after exceptional item) + Depreciation and amortisation expense + Finance cost
4. A Factory operations at Mahad Industrial Area, Maharashtra, of the Group pertaining to one of the subsidiary, V N Creative Chemicals Private Limited (VNCC), were suspended temporarily due to unprecedented rains in Mahad, Raigad district of Maharashtra and was shut down for the period from July 22, 2021, to August 25, 2021. After carrying out necessary repairs, the operations of VNCC resumed on August 26, 2021 and the loss resulting from flood, a peril insured against, pertaining to loss /damage of certain inventory and machinery aggregating to Rs.6.20 crore has been charged as an exceptional item to the Consolidated Statement of Profit and Loss for the year March 31, 2022. VNCC has filed a claim against the said losses, which is under evaluation by the Insurance company. Further to this, VNCC is in the process of filing business interruption claim with the insurance company.
4. B During the current quarter, group has disposed off assets belonging PFW's (PFW Aroma Ingredients B.V.) assets which were held for sale, resulting in loss of Rs 5.84 cr. The same is accounted under Exceptional Item.
4. C Further to our disclosure dated January 16, 2018 regarding execution of Share Purchase Agreement dated January 15, 2018 by the Company for acquisition of 100% equity stake of Creative Flavours and Fragrances S.p.A. (CFF) and acquisition of 51% equity stake upfront by the Company in January 2018, the Company, through its Italian subsidiary — Keva Italy Srl, has completed acquisition of balance 49% equity stake in CFF at a consideration of Euros 16 Million on July 28, 2020. Accordingly, CFF has been de-recognised as joint venture and recognised as wholly owned subsidiary effective August 1, 2020. An exceptional gain of Rs 12.50 crore has been recorded in the Consolidated Statement of Profit and Loss for the year ended March 31, 2021, on account of de-recognising the joint venture in accordance with Ind AS.
- 5 Pursuant to the acquisition of 100% stake in CFF, the Group acquired a customer contract whereby CFF sells fragrance formulations to one large customer on contract manufacturing. Accordingly, CFF performs processing of raw materials under the guidance of the customer. This activity is not part of the Group's core business and is done only for one large customer due to a past long term agreement entered by CFF.
- 6 The Board of Directors of the Company at its meeting held on October 29, 2021, approved the proposal of buyback of 2,900,000 equity shares of the Company for an aggregate amount not exceeding Rs. 60.90 crore being 9.64% of the fully paid up share capital and free reserves of the Company as of March 31, 2021 at Rs. 210 per share. The buyback was offered to all eligible equity shareholders of the Company under the open market route through the stock exchange. The buyback of equity shares through the stock exchange was opened on December 15, 2021 and closed on December 28, 2021. The equity shares bought back were extinguished on January 12, 2022.
- 7 On April 07, 2021, Group acquired 70% stake in Nova Fragranze S.r.l. ("Nova"), through its foreign subsidiaries Creative Flavours & Fragrances SpA(CFF) & Keva Italy S.r.l. for a consideration of Rs 13.02 crore and entered into a Share and Purchase Agreement(SPA) to gain beneficial ownership over balance 30% stake in Nova. Nova is an Italy based Company specialised in the fragrance development and marketing with focus on premium customers in hair care / beauty care segments. The acquisition would enable broadening the group's fragrance business in Italy. The fair value of the net assets and resulting goodwill is determined as per Ind AS 103 Business Combinations.
- 8 On December 14, 2021, S.H.Kelkar and Company Limited through its wholly owned subsidiary Keva Europe B.V., entered into a Share Purchase Agreement(SPA) to acquire a 100% stake in Holland Aromatics B.V. (Holland Aromatics). The acquisition is done by acquiring 100% stake of Provler Beheer B.V., holding company of Holland Aromatics domiciled in the Netherlands. As per SPA and subject to customary closing conditions, 62% of the stake were acquired upon closure of the transaction, and the balance 38% shall be acquired in two tranches of 19% stake each over the next two years. The consideration for the acquisition of 82% stake of Euro 13.02 million was settled on January 25, 2022. The transaction brings on-board a high-potential company with a strong local presence in Europe, especially in the Northern European and German markets. The fair value of the net assets, non-controlling interest and resulting goodwill is determined as per Ind AS 103 Business Combinations.
- 9 On January 03, 2022, S.H.Kelkar and Company Limited, through its wholly owned subsidiary Keva Flavours Private Limited (KFL) has entered into a Share Purchase Agreement(SPA) to acquire 100% stake in NuTaste Food and Drink Labs Private Limited (NuTaste). As per the SPA, KFL has acquired 100% stake in NuTaste. KFL has settled the consideration of Rs. 13.25 crore on January, 11, 2022. The acquisition accelerates the momentum of Group's flavour business. The fair value of the net assets and resulting goodwill is determined as per Ind AS 103 Business Combinations.
- 10 In respect of ongoing tax appeal in case of Keva Fragrances Pvt. Ltd, a wholly owned subsidiary of the Group, the Income Tax Appellate Tribunal (ITAT) in its order vide dated 2nd August 2021 (uploaded on the ITAT site on 4th August 2021 ), has set aside the order of Commissioner of Income Tax (Appeals) and has directed Assessing officer to allow the amortisation of goodwill as an eligible expenditure. ITAT has also quashed the departmental appeal on the two issues favoured by CIT (A) earlier i.e. allowing set off of brought forward losses and unabsorbed depreciation and deletion of additions under section 56(2)(viib). Consequent to the said order, the group has reversed the additional tax provisions amounting to Rs. 64.49 crore, provided in its books in earlier periods, which had been made given the uncertainty over the allowability of goodwill amortisation as an eligible expenditure. Thus, the financial results for the year ended March 31, 2022 includes reversal of the aforementioned provision, the same has been reported as Prior period Income/Expenses.
- 11 In respect of deduction U/s. 35(2AB), company has received Form 3CL from Department of Scientific and Industrial Research [DSIR] for the FY 2016-17 to FY 2018-19, de-recognizing perfumery cost for weighted deduction. The company will be contesting against the disallowance of entire expense with the appropriate authorities. The company has provided for Rs 6.35 cr towards amount claimed as deduction u/s 35(2AB) on conservative basis.
- 12 Basic and Diluted earnings per share for the quarter ended March 31, 2022, December 31, 2021, year ended March 31, 2022 and March 31, 2021 are adjusted for the effect of treasury shares held by the Company.
- 13 The Board of Directors at its meeting held on 25 May 2022 recommended a final dividend of Rs 0.75 per share of Rs 10 each, for the financial year ended 31 March 2022. The final dividend shall be subject to approval of shareholders at the ensuing Annual General Meeting.
- 14 The figures for the quarter ended 31st March, 2022 and 31st March, 2021 are the balancing figures between the audited figures in respect of the full financial year and the unaudited published year to date figures upto the third quarter of the relevant financial year.
- 15 Depreciation and amortisation expense includes amortisation of intangible which are acquired by the Group, details are as below -

Depreciation and amortisation expense	Quarter Ended			Year Ended	
	31.03.2022	31.12.2021	31.03.2021	31.03.2022	31.03.2021
Amortisation of Intangibles - on acquisition	4.87	1.69	0.23	10.54	2.07

16 Previous period / year figures have been regrouped and reclassified wherever considered necessary.

17 The amount reflected as "0.00" in Financial Results are value with less than one lakh



For and on behalf of Board of Directors

*Kedar Vaze*

Kedar Vaze

Director and Chief Executive Officer

Place: Mumbai  
Date: 25 May 2022

S H KELKAR AND COMPANY LIMITED

CIN : L74999MH1955PLC009593

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(Rupees in Crore)

Consolidated Statement of Assets and Liabilities		As at March 31, 2022	As at March 31, 2021
Particulars		Audited	Audited
<b>A</b>	<b>ASSETS</b>		
	<b>Non-current assets</b>		
1	Property, plant and equipment	344.23	333.21
	Capital work-in-progress	4.04	7.88
	Right of use asset	61.24	50.07
	Investment property	13.01	12.90
	Goodwill	289.48	204.40
	Other intangible assets	251.52	140.77
	Intangible assets under development	4.84	19.97
	Investment in a joint venture	1.33	1.29
	Financial assets		
	Investments	0.02	0.02
	Other financial assets	16.78	7.55
	Deferred tax assets (net)	17.95	24.08
	Current tax assets (net)	56.55	36.57
	Other non-current assets	3.81	15.76
	<b>Total non-current assets</b>	<b>1,064.80</b>	<b>854.47</b>
2	<b>Current assets</b>		
	Inventories	555.44	429.41
	Financial assets		
	Trade receivables	461.30	374.50
	Cash and cash equivalents	119.24	136.53
	Other bank balances	3.28	2.64
	Loans	5.47	5.99
	Other financial assets	4.04	5.34
	Other current assets	83.48	61.18
	<b>Total current assets</b>	<b>1,232.25</b>	<b>1,015.59</b>
	<b>Assets held for sale</b>		28.01
	<b>TOTAL ASSETS</b>	<b>2,297.05</b>	<b>1,898.07</b>
<b>B</b>	<b>EQUITY AND LIABILITIES</b>		
1	<b>Equity</b>		
	Equity share capital	138.42	141.32
	Other equity	874.88	810.29
	<b>Equity attributable to owners of the Company</b>	<b>1,013.30</b>	<b>951.61</b>
	Non-controlling interest	80.35	2.96
	<b>Total equity</b>	<b>1,093.65</b>	<b>954.57</b>
2	<b>Liabilities</b>		
	<b>Non-current liabilities</b>		
	Financial liabilities		
	Borrowings	363.02	294.37
	Lease liabilities	47.80	37.21
	Other financial liabilities	18.47	1.63
	Provisions	0.55	0.58
	Deferred tax liabilities (net)	48.58	36.18
	<b>Total non-current liabilities</b>	<b>478.42</b>	<b>369.96</b>
	<b>Current liabilities</b>		
	Financial liabilities		
	Borrowings	268.91	167.33
	Lease liabilities	18.29	18.78
	Trade payables		
	-total outstanding dues of micro enterprises and small enterprises	20.08	9.98
	-total outstanding dues of creditors other than micro enterprises and small enterprises	331.90	237.33
	Other financial liabilities	22.60	28.11
	Other current liabilities	33.45	31.36
	Provisions	14.82	13.37
	Current tax liabilities (net)	14.93	67.29
	<b>Total current liabilities</b>	<b>724.98</b>	<b>573.54</b>
	<b>Total Liabilities</b>	<b>1,203.40</b>	<b>943.50</b>
	<b>TOTAL EQUITY AND LIABILITIES</b>	<b>2,297.05</b>	<b>1,898.07</b>



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S H KELKAR AND COMPANY LIMITED

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Consolidated Segment-wise Revenue, Assets and Liabilities for the Quarter and year ended March 31,2022



(Rupees in Crore)

Particulars	Quarter Ended			Year Ended	
	31.03.2022	31.12.2021	31.03.2021	31.03.2022	31.03.2021
	(Refer note 14)	(Unaudited)	(Refer note 14)	(Audited)	(Audited)
<b>1. Segment Revenue</b>					
Fragrance	401.59	360.70	363.49	1,418.96	1,203.31
Flavours	48.23	35.88	33.01	140.64	111.81
<b>Total</b>	<b>449.82</b>	<b>396.58</b>	<b>396.50</b>	<b>1,559.60</b>	<b>1,315.12</b>
Other Operating Income	0.81	2.63	0.48	4.59	6.83
<b>Sales/ Income From Operations</b>	<b>450.63</b>	<b>399.21</b>	<b>396.98</b>	<b>1,564.19</b>	<b>1,321.95</b>
<b>2. Segment Results (Profit (+) / Loss(-) before tax and Interest from ordinary activities)</b>					
- Fragrance	49.91	51.09	65.55	165.27	196.36
- Flavours	3.05	4.01	3.47	16.72	22.48
<b>Total</b>	<b>52.96</b>	<b>55.10</b>	<b>69.02</b>	<b>181.99</b>	<b>218.84</b>
Less: Finance costs	(5.23)	(3.60)	(3.95)	(16.18)	(17.07)
<b>Add/(Less): Other unallocable income net of unallocable expenditure</b>	<b>(10.35)</b>	<b>(8.39)</b>	<b>(11.86)</b>	<b>(33.55)</b>	<b>(8.27)</b>
<b>Total Profit Before Tax from ordinary activities and share of profit from Equity Investment in Joint Venture</b>	<b>37.38</b>	<b>43.11</b>	<b>53.21</b>	<b>132.26</b>	<b>193.50</b>
<b>3. Segment Assets</b>					
- Fragrance	2,046.42	1,784.24	1,695.50	2,046.42	1,695.50
- Flavours	155.04	124.36	123.43	155.04	123.43
- Unallocated	95.59	165.67	79.14	95.59	79.14
<b>Total</b>	<b>2,297.05</b>	<b>2,074.27</b>	<b>1,898.07</b>	<b>2,297.05</b>	<b>1,898.07</b>
<b>4. Segment Liabilities</b>					
- Fragrance	464.77	415.64	302.41	464.77	302.41
- Flavours	47.16	21.36	26.07	47.16	26.07
- Unallocated	691.47	565.24	615.02	691.47	615.02
<b>Total</b>	<b>1,203.40</b>	<b>1,002.24</b>	<b>943.50</b>	<b>1,203.40</b>	<b>943.50</b>

**Notes on Segment Information:**

1. Segment Revenue , Results, Assets and Liabilities represent amounts identifiable to each of the segments. Other unallocable income net of unallocable expenditure mainly includes Interest Income, dividend Income, income from current investments(net), expenses on common services not directly identifiable to individual segments, corporate expenses and unallocable exceptional items.



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**Consolidated Audited Cash Flow Statement for year ended 31 March 2022**

(Rupees in Crore)

Particulars	31.03.2022	31.03.2021
	(Audited)	(Audited)
<b>A. Cash flows from operating activities</b>		
Profit before from continuing operations	132.26	193.50
<b>Adjustments for :</b>		
Depreciation and amortization	71.77	61.51
Exceptional Item	11.96	(12.50)
Interest income	(0.51)	(1.30)
(Profit)/loss on sale of investment	(0.05)	-
(Profit)/loss on sale of fixed assets	(0.44)	(0.44)
Rent income	(2.22)	(1.15)
Interest expense	16.18	17.07
Provision for doubtful debts	(0.79)	7.03
Provision/ Liabilities no longer required written Back	(0.67)	(3.31)
Remeasurement of defined benefit liability	(0.90)	-
Bad Debts written off	0.02	0.50
Intangible assets under development written off	12.86	14.42
Unrealised (gain) / loss on foreign exchange (net)	1.59	1.61
(Gain)/ Loss on Derivative contract	1.34	(3.64)
Share of profit in equity accounted investee (net of tax)	(0.03)	(0.24)
<b>Operating profit before working capital changes</b>	<b>242.37</b>	<b>273.06</b>
<b>Changes in working capital</b>		
(Increase)/ decrease in trade and other receivables	(59.33)	(12.78)
(Increase) / decrease in loans and advances	(0.47)	(1.39)
(Increase)/ decrease in inventories	(118.08)	(69.34)
(Increase) / Decrease in other current assets	(20.40)	2.81
(Increase) / Decrease in Non current assets	13.32	-
Increase /(decrease) in trade and other payables	67.87	14.24
Increase / (decrease) in Provision	(12.75)	0.95
<b>Net change in working capital</b>	<b>(129.84)</b>	<b>(65.51)</b>
<b>Cash flows generated from operating activities before taxes</b>	<b>112.53</b>	<b>207.55</b>
Direct taxes paid	(62.34)	(12.40)
<b>Net cash flows generated from operating activities (A)</b>	<b>50.19</b>	<b>195.15</b>
<b>B. Cash flows from investing activities</b>		
Purchase of Property, plant and equipment, investment property and intangibles (Including Capital work in progress and intangible under development )	(26.77)	(33.77)
Proceeds from sale of fixed assets (net)	0.19	3.55
Proceeds from sale of assets held for sale (net)	28.01	-
Proceeds from sale of mutual funds	41.65	-
Investment in mutual funds	(41.60)	-
Loan Given	(2.01)	(2.07)
Increase / (decrease) in non-current deposits with bank	(0.94)	0.46
Rent income	2.22	1.15
Payment of acquisition of subsidiaries	(161.21)	(119.47)
Interest received	0.51	1.28
<b>Net cash flows (used in) investing activities (B)</b>	<b>(159.95)</b>	<b>(148.87)</b>



*Keval*

<b>C. Cash flows from financing activities</b>		
Proceeds from term loan	82.52	220.25
Repayment of term loans	(6.87)	(5.20)
Proceeds of working capital loans	49.57	1.31
Repayment of working capital loans	(3.04)	(66.91)
Payment of lease obligations	(22.10)	(24.22)
Sales of Treasury Shares by Employee Benefit Trust	1.26	-
Payment for buyback of shares - security premium	(58.00)	-
Payment for buyback of equity shares	(2.90)	-
Payment for expenses on buyback	(5.80)	-
Dividend received on treasury shares	0.25	0.33
Dividend Paid including Tax thereon	(10.60)	(14.13)
Increase/(Decrease) in Non Controlling interest	0.41	(6.91)
Interest paid	(12.12)	(16.92)
<b>Net cash flows generated from financing activities (C)</b>	<b>12.58</b>	<b>87.60</b>
D. Net (Decrease)/increase in cash and cash equivalents ( A + B + C)	(97.18)	133.88
E. Cash and cash equivalents at the beginning of the year	102.09	(33.07)
Cash taken over on acquisition of subsidiary	23.78	-
F. Effect of exchange rate changes on cash and cash equivalents	2.04	1.28
G. Cash and cash equivalents at the end of the year (D+E+F)	30.73	102.09
<b>Cash and cash equivalents (end of the year)</b>		
Cash and cash equivalents comprise of :		
Balances with banks in -		
current accounts	197.34	114.30
exchange earners foreign currency account	(78.38)	22.05
Cash on hand	0.27	0.18
Cash and cash equivalents at the end of the year	<b>119.23</b>	<b>136.54</b>
Bank overdraft	(88.50)	(34.45)
<b>Total Cash and cash equivalents</b>	<b>30.73</b>	<b>102.09</b>

The above statement of cash flow has been prepared under the indirect method as set out in Indian Accounting standard 7 'Statement of Cash Flows'.



*Kalyan*

**INDEPENDENT AUDITOR'S REPORT ON AUDIT OF ANNUAL STANDALONE  
FINANCIAL RESULTS AND REVIEW OF QUARTERLY FINANCIAL RESULTS**

**TO THE BOARD OF DIRECTORS OF  
S H KELKAR AND COMPANY LIMITED**

**Opinion and Conclusion**

We have (a) audited the Standalone Financial Results for the year ended March 31, 2022 and (b) reviewed the Standalone Financial Results for the quarter ended March 31, 2022 (refer 'Other Matters' section below), which were subject to limited review by us, both included in the accompanying "Statement of Standalone Financial Results for the Quarter and Year Ended March 31, 2022" of **S H Kelkar and Company LIMITED** ("the Company"), ("the Statement"), being submitted by the Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("the Listing Regulations").

**(a) Opinion on Annual Standalone Financial Results**

In our opinion and to the best of our information and according to the explanations given to us, the Standalone Financial Results for the year ended March 31, 2022:

- i. is presented in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended; and
- ii. gives a true and fair view in conformity with the recognition and measurement principles laid down in the Indian Accounting Standards and other accounting principles generally accepted in India of the net profit and total comprehensive income and other financial information of the Company for the year then ended.

**(b) Conclusion on Unaudited Standalone Financial Results for the quarter ended  
March 31, 2022**

With respect to the Standalone Financial Results for the quarter ended March 31, 2022, based on our review conducted as stated in paragraph (b) of Auditor's Responsibilities section below, nothing has come to our attention that causes us to believe that the Standalone Financial Results for the quarter ended March 31, 2022, prepared in accordance with the recognition and measurement principles laid down in the Indian Accounting Standards and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, including the manner in which it is to be disclosed, or that it contains any material misstatement.



**Basis for Opinion on the Audited Standalone Financial Results for the year ended March 31, 2022**

We conducted our audit in accordance with the Standards on Auditing ("SAs") specified under Section 143(10) of the Companies Act, 2013 ("the Act"). Our responsibilities under those Standards are further described in paragraph (a) of Auditor's Responsibilities section below. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("the ICAI") together with the ethical requirements that are relevant to our audit of the Standalone Financial Results for the year ended March 31, 2022 under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion.

**Management's Responsibilities for the Statement**

This Statement which includes the Standalone Financial Results is the responsibility of the Company's Board of Directors and has been approved by them for the issuance. The Standalone Financial Results for the year ended March 31, 2022 has been compiled from the related audited standalone financial statements. This responsibility includes the preparation and presentation of the Standalone Financial Results for the quarter and year ended March 31, 2022 that give a true and fair view of the net profit and other comprehensive income and other financial information in accordance with the recognition and measurement principles laid down in the Indian Accounting Standards prescribed under Section 133 of the Act read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Standalone Financial Results that give a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the Standalone Financial Results, the Board of Directors are responsible for assessing the Company's ability, to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are also responsible for overseeing the financial reporting process of the Company.

**Auditor's Responsibilities**

**(a) Audit of the Standalone Financial Results for the year ended March 31, 2022**

Our objectives are to obtain reasonable assurance about whether the Standalone Financial Results for the year ended March 31, 2022 as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could



reasonably be expected to influence the economic decisions of users taken on the basis of this Standalone Financial Results.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Annual Standalone Financial Results, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Board of Directors.
- Evaluate the appropriateness and reasonableness of disclosures made by the Board of Directors in terms of the requirements specified under Regulation 33 of the Listing Regulations.
- Conclude on the appropriateness of the Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Company to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Statement or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Annual Standalone Financial Results, including the disclosures, and whether the Annual Standalone Financial Results represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the Annual Standalone Financial Results of the Company to express an opinion on the Annual Standalone Financial Results.

Materiality is the magnitude of misstatements in the Annual Standalone Financial Results that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Annual Standalone Financial Results may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the Annual Standalone Financial Results.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.





**(b) Review of the Standalone Financial Results for the quarter ended March 31, 2022**

We conducted our review of the Standalone Financial Results for the quarter ended March 31, 2022 in accordance with the Standard on Review Engagements ("SRE") 2410 'Review of Interim Financial Information Performed by the Independent Auditor of the Entity', issued by the ICAI. A review of interim financial information consists of making inquiries, primarily of the Company's personnel responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with SAs specified under section 143(10) of the Act and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

**Other Matters**

- The Statement includes the results for the Quarter ended March 31, 2022 being the balancing figure between audited figures in respect of the full financial year and the published year to date figures up to the third quarter of the current financial year which were subject to limited review by us. Our report on the Statement is not modified in respect of this matter.
- The comparative financial information in the Statement of the Company (a) for the corresponding quarter, were reviewed and (b) as at and for the year ended March 31, 2021 were audited, by the predecessor auditor. The reports of the predecessor auditor on this comparative financial information for the quarter ended March 31, 2021 and for the year ended March 31, 2021, dated May 27, 2021 expressed unmodified conclusion / opinion, as applicable.

Our conclusion on the Statement is not modified in respect of this matter.

**For DELOITTE HASKINS & SELLS LLP**  
Chartered Accountants  
(Firm's Registration No. 117366W/W-100018)



**Mehul Parekh**  
(Partner)  
(Membership No. 121513)  
UDIN: 22121513AJOUCC1352

Place: Mumbai

Date: May 25, 2022

## S H KELKAR AND COMPANY LIMITED

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## STATEMENT OF STANDALONE AUDITED FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED MARCH 31, 2022

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

Particulars	Quarter Ended			Year Ended	
	31.03.2022	31.12.2021	31.03.2021	31.03.2022	31.03.2021
	(Refer note 8)	(Unaudited)	(Refer note 8)	(Audited)	(Audited)
<b>1. Income</b>					
(a.) Sales	219.98	216.03	219.62	802.26	756.13
(b.) Other operating income	1.30	1.57	1.23	4.63	4.88
<b>Revenue from operations</b>	<b>221.28</b>	<b>217.60</b>	<b>220.85</b>	<b>806.89</b>	<b>761.01</b>
<b>2. Other income</b>	<b>5.44</b>	<b>2.77</b>	<b>10.26</b>	<b>12.69</b>	<b>34.43</b>
<b>3. Total income (1+2)</b>	<b>226.72</b>	<b>220.37</b>	<b>231.11</b>	<b>819.58</b>	<b>795.44</b>
<b>4. Expenses</b>					
(a.) Cost of materials consumed	154.72	147.63	139.15	543.06	466.39
(b.) Changes in Inventories of finished goods, work-in-progress and	(6.92)	(6.36)	1.95	(18.97)	15.47
(c.) Employee benefits expense	20.79	21.27	22.20	84.24	73.02
(d.) Finance costs	0.85	0.69	1.58	3.91	6.28
(e.) Depreciation and amortisation expense	6.81	7.16	6.74	27.68	27.63
(f.) Royalty expense	4.74	4.53	4.23	17.41	15.72
(g.) Other expenses	25.19	20.89	24.62	96.15	91.16
<b>Total expenses</b>	<b>206.18</b>	<b>195.81</b>	<b>200.47</b>	<b>753.48</b>	<b>695.67</b>
<b>5. Profit before tax (3 - 4)</b>	<b>20.54</b>	<b>24.56</b>	<b>30.64</b>	<b>66.10</b>	<b>99.77</b>
<b>6. Tax expense</b>					
Current tax	5.41	7.24	5.55	19.09	19.55
Prior year tax (refer note 5)	6.35	-	-	6.35	-
Deferred tax	0.10	(0.90)	0.06	(1.83)	0.51
<b>Total tax expense</b>	<b>11.86</b>	<b>6.34</b>	<b>5.61</b>	<b>23.61</b>	<b>20.06</b>
<b>7. Profit for the period / year (5 - 6)</b>	<b>8.68</b>	<b>18.22</b>	<b>25.03</b>	<b>42.49</b>	<b>79.71</b>
<b>8. Other comprehensive income</b>					
Items that will not be reclassified to profit or loss	(0.85)	0.11	0.30	(0.52)	0.44
Income tax relating to items that will not be reclassified to profit or loss	0.21	(0.02)	(0.07)	0.13	(0.11)
<b>Other comprehensive income</b>	<b>(0.64)</b>	<b>0.09</b>	<b>0.23</b>	<b>(0.39)</b>	<b>0.33</b>
<b>9. Total comprehensive income for the period / year (7 + 8)</b>	<b>8.04</b>	<b>18.31</b>	<b>25.26</b>	<b>42.10</b>	<b>80.04</b>
<b>10. Paid-up equity share capital (face value of Rs 10 each)</b>	<b>138.42</b>	<b>141.32</b>	<b>141.32</b>	<b>138.42</b>	<b>141.32</b>
<b>11. Reserves excluding revaluation reserves as at balance sheet date</b>				<b>462.86</b>	<b>493.65</b>
<b>12 Earnings per share (face value of Rs 10 each) (not annualised): (as per note 6)</b>					
(a) Basic	0.64	1.32	1.81	3.09	5.78
(b) Diluted	0.64	1.32	1.81	3.09	5.78

## Notes :

- The above standalone financials results of S H Kelkar and Company Limited were reviewed by the Audit Committee at its meeting held on May 25, 2022 and subsequently approved by the Board of Directors of S H Kelkar and Company Limited ('the Company') at its meeting held on May 25, 2022. The comparative financial information of the Company for the quarter ended March 31, 2021 and year ended March 31, 2021 have been reviewed / audited, as applicable, by the predecessor statutory auditors. The statutory auditors of the Company have reviewed / audited the above results for the quarter and year ended March 31, 2022 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 above results are filed with the Stock Exchanges and available on Group website -www.keva.co.in.
- The Company is in the business of manufacturing of fragrances. The Company has only one reportable business segment which is manufacturing of fragrances.
- Earning before interest, tax, depreciation and amortisation (EBITDA) for the quarter ended March 31, 2022 is Rs 28.20 crores (for the quarter ended March, 2021: Rs 38.96 crores and for the quarter ended December 31, 2021 is Rs. 32.41 crores), year ended March 31, 2022 is Rs. 97.69 crores, (year ended March 31, 2021 : Rs. 133.68 crores). Formulae for computing EBITDA = Profit before tax + Depreciation and amortisation expense + Finance cost.
- The Board of Directors of the Company at its meeting held on October 29, 2021, approved the proposal of buyback of 2,900,000 equity shares of the Company for an aggregate amount not exceeding Rs. 60.90 crores being 9.64% of the fully paid up share capital and free reserves of the Company as of March 31, 2021 at Rs. 210 per share. The buyback was offered to all eligible equity shareholders of the Company under the open market route through the stock exchange. The buyback of equity shares through the stock exchange was opened on December 15, 2021 and closed on December 28, 2021. The equity shares bought back were extinguished on January 12, 2022.
- In respect of deduction U/s. 35(2AB), the Company has received Form 3CL from Department of Scientific and Industrial Research [DSIR] for the FY 2016-17 to FY 2018-19, de-recognizing perfumery cost for weighted deduction. The Company will be contesting against the disallowance of entire expense with the appropriate authorities. The Company has provided for Rs 6.35 crore towards amount claimed as deduction u/s 35(2AB) on conservative basis.
- Basic and Diluted earning per share for the quarter ended and year ended is adjusted for the effect of treasury shares held by the Company.
- The Board of Directors at its meeting held on 25 May 2022 recommended a final dividend of Rs 0.75 per share of Rs 10 each, for the financial year ended 31 March 2022. The final dividend shall be subject to approval of shareholders at the ensuing Annual General Meeting.



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8 The figures for the quarter ended 31st March, 2022 and 31st March, 2021 are the balancing figures between the audited figures in respect of the full financial year and the unaudited published year to date figures upto the third quarter of the relevant financial year.

9 Previous period / year figures have been regrouped and reclassified wherever necessary.



For and on behalf of Board of Directors

Place: Mumbai  
Date: May 25, 2022



Kedar Vaze

Director and Chief Executive Officer

S H KELKAR AND COMPANY LIMITED

CIN : L74999MH1955PLC009593



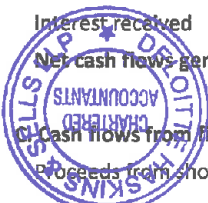
Regd. Office : Devkaran Mansion, 36 Mangaldas Road, Mumbai - 400002 India

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**Standalone Audited Statement of Cash Flow for the year ended March 31, 2022**

(Rupees in Crore)

Particulars	As at	As at
	March 31, 2022	March 31, 2021
	(Audited)	(Audited)
<b>A. Cash flows from operating activities</b>		
Profit before tax	66.10	99.77
<b>Adjustments for :</b>		
Depreciation and amortisation expense	27.68	27.63
Net loss on sale of property, plant and equipment	(0.05)	0.28
Intangible asset under development written off	12.15	11.21
Gain on sale of investment	(0.05)	-
Unrealised exchange fluctuation loss / (gain) (net)	0.72	(5.28)
Dividend income	(0.95)	(20.08)
Rent income	(0.84)	(0.61)
Inventory write down	0.51	0.96
Interest income	(0.45)	(1.43)
Reversal of loss allowances on trade receivables	(1.90)	(1.51)
Bad debts written off	0.01	*0.00
Gain on write back of financial liabilities measured at amortised cost	(1.23)	(3.98)
Interest on delayed payment of Income tax	0.03	-
Finance costs	3.88	6.28
<b>Operating profit before working capital changes</b>	<b>105.61</b>	<b>113.24</b>
<b>Changes in working capital</b>		
Decrease / (Increase) in trade receivables	39.16	(51.95)
Decrease / (Increase) in loans and advances and other assets	9.35	(4.43)
Decrease / (Increase) in inventories	(83.37)	0.72
Increase in trade and other payables, provisions	40.08	38.04
<b>Net change in working capital</b>	<b>5.22</b>	<b>(17.63)</b>
<b>Cash flows generated from operating activities before taxes</b>	<b>110.83</b>	<b>95.61</b>
Net direct taxes (paid)	(23.52)	(11.16)
<b>Net cash flows generated from operating activities (A)</b>	<b>87.31</b>	<b>84.45</b>
<b>B. Cash flows from investing activities</b>		
Purchase of property, plant and equipment, investment property and intangibles (including capital work-in-progress and intangible assets under development)	(12.13)	(21.94)
Investment in equity shares of subsidiaries	(1.00)	(67.58)
Loan recovered from subsidiary	14.00	-
Proceeds from sale of property, plant and equipment (net of related expenditure)	0.14	6.16
Proceeds from sale of mutual funds	41.65	-
Investment in Mutual Funds	(41.60)	-
Rent income received	0.84	0.61
Increase in deposits and other bank balances	(0.85)	0.38
Dividend received	5.20	15.02
Interest received	1.05	2.10
<b>Net cash flows generated from / (used in) investing activities (B)</b>	<b>7.30</b>	<b>(65.25)</b>
<b>C. Cash flows from financing activities</b>		
Proceeds from short term borrowings (including from a related party)	17.00	106.63



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Repayment of short term borrowings (including to a related party)	(45.90)	(106.63)
Repayment of lease obligations	(6.50)	(5.69)
(Purchase)/Sale of Investment by Employee Benefit Trust	1.27	-
Dividend paid (including tax thereon)	(10.60)	(14.13)
Dividend received on treasury shares	0.25	0.33
Buy back of equity share	(2.90)	-
Premium paid on buy back of equity share	(58.00)	-
Expenses pursuant to buy back of equity shares	(5.80)	-
Finance costs paid	(4.11)	(4.35)
<b>Net cash flows (used in) financing activities (C)</b>	<b>(115.29)</b>	<b>(23.84)</b>
<b>D. Net decrease In cash and cash equivalents ( A + B + C)</b>	<b>(20.68)</b>	<b>(4.64)</b>
<b>E. Cash and cash equivalents at the beginning of the period</b>	<b>30.59</b>	<b>35.23</b>
<b>F. Cash and cash equivalents at the end of the period (D+E+F)</b>	<b>9.91</b>	<b>30.59</b>
<b>Cash and cash equivalents</b>	<b>9.91</b>	<b>30.59</b>
Cash and cash equivalents comprise of :		
Balances with banks in -		
· Current accounts	9.17	26.73
Exchange earners foreign currency account	0.60	3.72
Cash on hand.	0.14	0.14
<b>Total Cash and cash equivalents</b>	<b>9.91</b>	<b>30.59</b>

\*Amount in less than Rs 0.01 crores

The above statement of cash flow has been prepared under the indirect method as set out in Indian Accounting Standard (Ind AS 7) - Statement of Cash Flow

