



October 04, 2024

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: Business Update – Q2 FY 2024-25**

Pursuant to Regulation 30 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed herewith business update for Q2 – FY 2024-25.

We request you to kindly take the same on record.

Thanking you,

Yours faithfully,

**For S H Kelkar and Company Limited**

**Rohit Saraogi**  
**Company Secretary & Compliance Officer**

*Encl: As above*



**S H Kelkar and Company Limited**

Lal Bahadur Shastri Marg, Mulund (West), Mumbai - 400 080. Tel: +91 22 6606 7777

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

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CIN No. L74999MH1955PLC009593



## 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.

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**Mumbai, October 04, 2024:** S H Kelkar and Company Ltd (SHK), the largest Indian origin Fragrance and Flavours Company in India, would like to share the following business update for Q2 FY2025.

### Operational Update:

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- During the quarter, business sentiment remained positive, with healthy demand across various segments. The Company's performance was further strengthened by the recovery of the order backlog. The core European segment also performed well, achieving double-digit revenue growth despite a generally subdued demand environment in the region. On a consolidated basis, H1 FY2025 revenues reached ₹ 1,000 crore, reflecting a YoY growth of 17.4% (provisional and unaudited)
- The shift in the product mix during the quarter led to a moderation in gross margins on a sequential basis, though margins remain better on a YoY basis. Additionally, the Company is facing availability issues in a few strategic raw materials, which is expected to result in some price increases in the coming quarters, despite overall supply conditions remaining stable
- On the balance sheet front, net debt rose to ₹596 crore as of September 30, 2024 (provisional and unaudited), primarily due to continued inventory replenishment. The Company is generating strong cash flows, which should help strengthen the balance sheet going forward
- The Company has submitted its claim to the insurance company and expects a partial payment in the coming quarter to support reduction in debt and refurbishment of the Vashivali plant

### Update on Promoter Holding:

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- During the quarter, the promoter group sold 45.97 lakh shares, representing 3.32% of the total fully paid-up equity shares of SHK. After the sale, the promoter group's holding stands at 55.63% as of September 30, 2024
- The sale was made to meet certain personal requirements, and the promoter group does not anticipate any further sale of shares in the near future

Note: All figures mentioned in the business update are provisional and unaudited. Figures exclude NuTaste Food and Drink Labs, in which the Company has divested part of its stake and now holds 40% only.