



October 25, 2019

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: Board Meeting of S H Kelkar and Company Limited – Intimation of material outcome**

A meeting of the Board of Directors (“the Board”) of S H Kelkar and Company Limited (“the Company / Keva”) was held today at its corporate office. Following is a material outcome of the Board Meeting:

**i) Financial Results:**

Pursuant to Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board approved the unaudited financial results (standalone and consolidated) for the quarter and half year ended September 30, 2019 and took on record the Limited Review Report issued by Statutory Auditors in this regard.

**ii) Scheme of Merger by Absorption:**

The Board approved the Scheme of Merger by Absorption (“Scheme”) under Sections 230 to 232 and other applicable provisions of Companies Act, 2013 providing for Merger by Absorption of Keva Chemicals Private Limited, Saiba Industries Private Limited and Rasiklal Hemani Agencies Private Limited, wholly owned subsidiaries of the Company, subject to necessary statutory approvals including the approval of the National Company Law Tribunal Bench at Mumbai. Requisite details regarding the proposed Scheme are provided in **Annexure A**.

**iii) Appointment/Re-appointment of Independent Directors:**

Based on the recommendation of the Nomination and Remuneration Committee, the Board considered and approved the appointment and re-appointment of following as Independent Directors subject to shareholders’ approval:

Name	Nature of appointment	Term	
		From	To
Mr. Mark Elliott	Appointment	December 15, 2019	December 14, 2021
Mr. Dalip Sehgal	Re-appointment	December 09, 2019	December 08, 2022
Mrs. Alpana Parida	Re-appointment	December 09, 2019	December 08, 2020
Mr. Jairaj Purandare	Re-appointment	February 19, 2020	February 18, 2022
Mrs. Sangeeta Singh	Re-appointment	February 19, 2020	February 18, 2023

The Independent Directors have no relationship with any member of the Board of Directors and are not debarred from holding the office of director by virtue of any SEBI order or any other such authority. Their brief profile is enclosed as **Annexure B**.



**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)

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

www.keva.co.in

CIN No. L74999MH1955PLC009593

iv) **Resignation of Mr. Deepak Raj Bindra:**

The Board took note of the resignation tendered by Mr. Deepak Raj Bindra, Non-Executive Director from the Board of Directors of the Company with effect from October 25, 2019 on account of personal exigencies. The Board put on record his valuable contribution to the Company.

v) **Postal Ballot:**

The Board approved the postal ballot notice to seek approval of shareholders in respect of point (iii) above.

vi) **SAP Breakdown and recovery:**

SAP system at Keva broke down on September 30, 2019. In order to ensure business continuity, Keva started SAP Disaster Recovery (DR) Server at DR site. Access to SAP live server was re-established on October 02, 2019. There has been no loss of data due to the incident as back-up was available on DR server. SAP team was called to discuss the issue with the management as well as the Board as SAP team has not been able to provide conclusive root cause analysis and preventive action as yet. Keva shall be closing working with SAP to understand the root cause and take preventive actions, if any.

You are requested to take the above on record.

Thanking you,

Yours faithfully,

For S H Kelkar and Company Limited

  
Deepthi Chandratre  
Company Secretary & Compliance Officer



**Annexure A**

**Details of the Merger by Absorption**

<b>S. No.</b>	<b>Items</b>	<b>Details</b>																																
1.	Name of the entity (ies) forming part of the Scheme and brief details such as size, turnover etc.	<p><b>Transferee Company: S H Kelkar and Company Limited (“SHK”)</b></p> <table border="1" data-bbox="576 479 1406 730"> <tr> <td>Authorised capital (As on March 31, 2019)</td> <td>15,40,64,500 Equity Shares of Rs. 10/- each 1,19,35,500, Preference Shares of Rs. 10/- each</td> </tr> <tr> <td>Paid-up share capital (As on March 31, 2019) **</td> <td>14,46,20,801 Equity Shares of Rs. 10/- each</td> </tr> <tr> <td>Turnover (FY 2018-19)</td> <td>Rs. 693.78 Crores</td> </tr> <tr> <td>Net Profits/ Losses (FY 2018-19)</td> <td>Rs. 44.97 Crores</td> </tr> </table> <p><i>** On 7<sup>th</sup> August, 2019 SHK has bought back 33,00,000 equity shares having face value of INR 10/- each amounting to INR 3,30,00,000.</i></p> <p><b>First Transferor Company: Keva Chemicals Private Limited</b></p> <table border="1" data-bbox="576 913 1406 1106"> <tr> <td>Authorised capital (As on March 31, 2019)</td> <td>45,00,000 Equity Shares of Rs. 10/- each</td> </tr> <tr> <td>Paid-up share capital (As on March 31, 2019)</td> <td>40,30,000 Equity Shares of Rs. 10/- each</td> </tr> <tr> <td>Turnover (FY 2018-19)</td> <td>Rs. 0.23 Crores</td> </tr> <tr> <td>Net Profits/ Losses (FY 2018-19)</td> <td>Rs. (0.27) Crores</td> </tr> </table> <p><b>Second Transferor Company: Saiba Industries Private Limited</b></p> <table border="1" data-bbox="576 1196 1406 1388"> <tr> <td>Authorised capital (As on March 31, 2019)</td> <td>2,500 Equity Shares of Rs. 1,000/- each</td> </tr> <tr> <td>Paid-up share capital (As on March 31, 2019)</td> <td>2,198 Equity Shares of Rs. 1,000/- each</td> </tr> <tr> <td>Turnover (FY 2018-19)</td> <td>Rs. 1.73 Crores</td> </tr> <tr> <td>Net Profits/ Losses (FY 2018-19)</td> <td>Rs. 0.27 Crores</td> </tr> </table> <p><b>Third Transferor Company: Rasiklal Hemani Agencies Private Limited</b></p> <table border="1" data-bbox="576 1478 1406 1671"> <tr> <td>Authorised capital (As on March 31, 2019)</td> <td>50,000 Equity Shares of Rs. 100/- each</td> </tr> <tr> <td>Paid-up share capital (As on March 31, 2019)</td> <td>25,000 Equity Shares of Rs. 100/- each</td> </tr> <tr> <td>Turnover (FY 2018-19)</td> <td>Rs. 3.03 Crores</td> </tr> <tr> <td>Net Profits/ Losses (FY 2018-19)</td> <td>Rs. 3.53 Crores</td> </tr> </table> <p>Transferee Company holds 100% paid up share capital of all the Transferor Companies.</p>	Authorised capital (As on March 31, 2019)	15,40,64,500 Equity Shares of Rs. 10/- each 1,19,35,500, Preference Shares of Rs. 10/- each	Paid-up share capital (As on March 31, 2019) **	14,46,20,801 Equity Shares of Rs. 10/- each	Turnover (FY 2018-19)	Rs. 693.78 Crores	Net Profits/ Losses (FY 2018-19)	Rs. 44.97 Crores	Authorised capital (As on March 31, 2019)	45,00,000 Equity Shares of Rs. 10/- each	Paid-up share capital (As on March 31, 2019)	40,30,000 Equity Shares of Rs. 10/- each	Turnover (FY 2018-19)	Rs. 0.23 Crores	Net Profits/ Losses (FY 2018-19)	Rs. (0.27) Crores	Authorised capital (As on March 31, 2019)	2,500 Equity Shares of Rs. 1,000/- each	Paid-up share capital (As on March 31, 2019)	2,198 Equity Shares of Rs. 1,000/- each	Turnover (FY 2018-19)	Rs. 1.73 Crores	Net Profits/ Losses (FY 2018-19)	Rs. 0.27 Crores	Authorised capital (As on March 31, 2019)	50,000 Equity Shares of Rs. 100/- each	Paid-up share capital (As on March 31, 2019)	25,000 Equity Shares of Rs. 100/- each	Turnover (FY 2018-19)	Rs. 3.03 Crores	Net Profits/ Losses (FY 2018-19)	Rs. 3.53 Crores
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2.	Whether the transaction would fall within related party transactions? If yes, whether the same is done	In terms of General Circular No. 30/2014 dated July 17, 2014, issued by the Ministry of Corporate Affairs, the proposed Merger by Absorption would not be considered as related party transaction (‘RPT’). However, in terms of Securities and Exchange Board of India (Listing Obligations and Disclosure																																



	at "arm's length"	Requirements) Regulations, 2015, the proposed Scheme would be considered as RPT. However, compliance with Regulation 23(2), 23(3) and 23(4) is not required in view of Regulation 23(5) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015
3.	Area of business of the entity(ies)	<p>S H Kelkar and Company Limited is engaged in the business of manufacturing and trading of fragrances and flavours.</p> <p>Keva Chemicals Private Limited is primarily engaged in the business of manufacturing and trading of aroma ingredients.</p> <p>Saiba Industries Private Limited is primarily engaged in the business of manufacturing and trading of flavours and plant extracts i.e. natural essential oils and natural extracts.</p> <p>Rasiklal Hemani Agencies Private Limited is acting as a commission agent for dealing in flavours, fragrances, aromatic chemicals and essential oils.</p>
4.	Rationale for Merger by Absorption	<p>All the Transferor Companies are direct wholly owned subsidiaries of the Transferee Company. In order to consolidate and effectively manage the Transferor Companies and the Transferee Company in a single entity, which will provide several benefits including optimal utilization of resources, economies of scale, attain efficiencies and cost competitiveness, it is intended that the Transferor Companies be merged with the Transferee Company. The rationale for the Scheme of Merger by Absorption of the Transferor Companies by the Transferee Company would, inter alia, have the following benefits:</p> <ol style="list-style-type: none"> <li>Simplification of the group structure and consolidation of legal entities;</li> <li>Reducing the number of legal entities, resulting into lesser administrative and regulatory compliances;</li> <li>Improved allocation of capital and optimization of cash flows contributing to the overall growth prospectus of the combined entity;</li> <li>Creation of a larger asset base and facilitation of access to better financial resources;</li> <li>Enable greater / enhanced focus of the management on the business; and</li> <li>Creating enhanced value for shareholders and allow a focused strategy in operations, which would be in the best interest of all its shareholders, creditors and all other stakeholders.</li> </ol>
5.	Consideration	The entire issued, paid-up, subscribed share capital of all the Transferor Companies is directly held by the Transferee Company. Therefore, no shares shall be issued by the Transferee Company pursuant to the Scheme becoming effective.
6.	Brief details of change in shareholding pattern (if any) of listed entity	There will not be any change in the shareholding of the Transferee Company.



## **Annexure B**

### **Brief Profile**

#### **Mr. Mark Elliott:**

Mr. Mark Elliot, 58, is a seasoned businessman with specialization in marketing and economics and has a rich experience of 30 years. A resident of the Netherlands, he started his professional career with British Petroleum PLC followed by Beiersdorf AG. He started business of import and export of aroma ingredients in 2001 by setting up his own company - Andast International in the Netherlands. Mr. Mark Elliott, with his consistent work spread over a decade and half, has developed a sustained business for many Indian Aroma Ingredient Companies with Global Multinationals and F&F companies based in Europe through Andast International. Mr. Mark Elliott has been acting as consultant for Indian companies for REACH compliances also.

#### **Mr. Dalip Sehgal:**

Mr. Dalip Sehgal, 60, is an Honors graduate in Economics and has done his MBA with specialization in marketing. He has 40 years of rich experience in the corporate world, out of which, 25 years was with Unilever. In the past, he has been the Chairman of the Media Committee of India Society of Advertisers, Member Joint Industry Body (JIB) for TV advertising measurement, Member Rural Committee of ASSOCHAM, Director – Access Development Services, Care India and member of the FMCG Committee of FICCI. Since 2008, he was associated with the Godrej and thereafter, went on to serve as Managing Director of Godrej Consumer Products Ltd., one of the largest Indian FMCG companies. In 2011, he started his own consulting firm focused on providing strategic business consulting, new ventures mentoring, sales and distribution management, and business models for increasing reach in rural India and is currently CEO of Westerly Retail Private Limited (known as Nexus Malls).

#### **Mrs. Alpana Parida:**

Mrs. Alpana Parida, 56, is currently the Managing Director of DMA Yellow Works Ltd., India's oldest and largest branding firm which has worked for Dabur and L&T, ITC, Unilever, ICICI, ITC, Pfizer, Tata Water, Tata Realty, Godrej. Mrs. Alpana Parida has more than two decades of extensive experience in retail and marketing communications in the US and in India. She conducts branding workshops for large corporates. She has served as Marketing Head at Tanishq. She graduated from IIM, Ahemdabad in 1985 and is a Bachelor of Economics. She contributes to major publications and television media on branding related matters and mentors start-ups on a regular basis.

#### **Mr. Jairaj Purandare:**

Mr. Jairaj Purandare, 60, is a Bachelor of Science and a Chartered Accountant having over three and half decades of experience in tax and business advisory matters and is an authority on tax and regulation. Mr. Jairaj Purandare is an established business leader with over 35 years of experience in Government policy and regulatory matters, foreign investment consulting, establishment of Joint Ventures, mergers & acquisitions, international tax and transfer pricing. He is the Founder Chairman of JMP Advisors Private Limited, a leading advisory, tax and regulatory services firm, based in Mumbai and has significant expertise in advising clients such as Bechtel, Citibank, Ge, HSBC, Hutchison, Mahindra & Mahindra, Pepsico, Standard Chartered Bank, STAR and Tata Group. He was Regional Managing Partner, Chairman–Tax and Country Leader– Markets & Industries of PricewaterhouseCoopers (PwC) India. He has served as Chairman of Ernst & Young India (EY). He has considerable experience on various issues in the Financial Services, Infrastructure, Power, Telecom, Media, Pharma and Auto sectors. Leading Tax Advisers, International Tax Review (Euromoney) has named Mr. Purandare as among the leading tax advisers in India.

#### **Mrs. Sangeeta Singh:**

Mrs. Sangeeta Singh, 59, has completed her Master of Arts, Behavioral Psychology, Honours from University of Mumbai. She has over 3 decades of experience primarily in Human Resources encompassing leadership development and organizational culture, employer branding, corporate communications (internal and external) and operations. Her experience spans across professional services, financial



services, consulting and media sectors. Currently she is Proprietor at Sanguine Consultants, (a boutique HR consulting firm operating in strategic Human Resource Management and leadership coaching) where she is involved in leadership assessment, development and coaching for senior management of blue chip companies. She is also an Independent Director on several company boards. Earlier, Mrs. Singh was a Partner at KPMG India heading the HR function and all the legal entities. Her role covered the entire gamut of HR activities for over 8000 staff and partners of the organization where she was responsible for talent strategy and culture, talent sourcing, learning & development, compensation & benefits and retention. She was also a founder member of the Women in Leadership forum and a champion of encouraging women to leadership positions in corporate India.

