



November 13, 2017

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 and half year ended September 30, 2017

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 and half year ended September 30, 2017 and took on record the Limited Review Report issued by Statutory Auditors in this regard.

Accordingly, please find enclosed the following:

- Unaudited financial results (standalone and consolidated) for the quarter and half year ended September 30, 2017 (“Results”)
- Limited Review Report issued by Statutory Auditors
- Press release on Results
- Presentation on results being made to investors in the Conference Call scheduled on November 14, 2017, invite of which has been submitted to the stock exchanges on November 09, 2017.

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



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)
Phone : (022) 2206 96 09 & 2201 91 30 / Fax : (022) 2208 12 04
www.keva.co.in
CIN No. L74999MH1955PLC009593

S H 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 AND SIX MONTHS ENDED 30 SEPTEMBER 2017

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

Particulars	Quarter Ended	Quarter Ended	Quarter Ended	Six Months Ended	Six Months Ended	Year Ended
	30.09.2017	30.06.2017	30.09.2016	30.09.2017	30.09.2016	31.03.2017
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
Sales excluding Excise & GST	139.66	144.33	154.56	283.99	312.37	614.46
1. Income						
(a.) Income/Sales from Operations (Refer note 4)	139.66	160.38	172.13	300.04	348.98	686.37
(b.) Other Operating Income	0.24	0.24	0.08	0.48	0.36	0.89
(c.) Other Income	3.35	3.38	2.06	6.73	4.03	11.49
Total Income	143.25	164.00	174.27	307.25	353.37	698.75
2. Expenses						
(a.) Cost of materials consumed	75.28	114.66	89.18	189.94	200.90	348.00
(b.) Purchase of stock in trade	-	-	-	-	-	-
(c.) Changes in inventories of finished goods, work-in-progress and stock-in-trade	5.63	(34.41)	5.72	(28.78)	(14.66)	14.38
(d.) Excise duty on sale of goods	-	16.05	17.57	16.05	36.61	71.91
(e.) Employee benefits expense	17.16	15.16	15.94	32.32	28.38	62.00
(f.) Finance Costs	0.64	0.58	0.65	1.22	1.20	2.40
(g.) Depreciation and amortisation expense	2.58	2.46	1.72	5.04	3.22	6.81
(h.) Royalty expense	3.97	4.18	-	8.15	-	18.02
(i.) Other expenses	19.98	18.36	17.33	38.34	36.25	72.05
Total Expenses	125.24	137.04	147.51	262.28	291.90	595.57
3. Profit before exceptional items and tax (1-2)	18.01	26.96	26.76	44.97	61.47	103.18
4. Exceptional items	-	-	-	-	-	-
5. Profit before tax (3 + 4)	18.01	26.96	26.76	44.97	61.47	103.18
6. Tax expense						
Current tax	6.08	8.72	8.23	14.80	20.44	26.69
Deferred tax	(0.04)	0.27	(0.11)	0.23	(0.40)	2.18
7. Net Profit for the period after tax (5 - 6)	11.97	17.97	18.65	29.94	41.43	74.31
8. Other Comprehensive Income						
Items that will not be reclassified to profit or loss	(0.34)	(0.34)	(0.02)	(0.68)	(0.04)	(1.35)
Income Tax on relating to items that will not be reclassified to profit or loss	0.11	0.12	-	0.23	-	0.47
Other Comprehensive Income (net of tax)	(0.23)	(0.22)	(0.02)	(0.45)	(0.04)	(0.88)
9. Total Comprehensive Income for the period (7 + 8)	11.74	17.75	18.63	29.49	41.39	73.43
10. Paid-up equity share capital (Face Value of Rs 10 per share)	144.62	144.62	144.62	144.62	144.62	144.62
11. Other Equity	-	-	-	-	-	474.18
12. Earnings Per Share (not annualised):						
(a) Basic	0.83	1.24	1.29	2.07	2.86	5.14
(b) Diluted	0.83	1.24	1.29	2.07	2.86	5.14

Notes :

- The above results were reviewed and recommended by the Audit Committee on 13 November, 2017 and subsequently approved by the Board of Directors at its meeting held on 13 November, 2017. 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 and six months ended 30 September 2017 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.
- Financial results for all the periods presented have been prepared in accordance with the recognition and measurement principles of IND-AS notified under Companies (Indian Accounting Standard) Rules, 2015, as amended.
- The Company is operating in the manufacture of fragrances. The Company has only one reportable business segment which is manufacture of fragrances.
- According to the requirements of IND AS and SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015, revenue for the corresponding previous quarters ended 30 June 2017 and 30 September, 2016 for the six months ended 30 September 2016 and year ended 31 March 2017 were and are reported inclusive of Excise Duty. The Government of India has implemented Goods and Service Tax ("GST") from 1 July 2017 replacing Excise Duty, Service Tax and various other indirect taxes. As per Ind As 118, the revenue for the quarter ended 30 September, 2017 is reported net of GST. Had the previously reported revenues been shown net of excise duty, comparative revenue of the Company would have been as follows:

	Quarter Ended 30.09.2017	Quarter Ended 30.06.2017	Quarter Ended 30.09.2016	Six Months Ended 30.09.2017	Six Months Ended 30.09.2016	Year Ended 31.03.2017
Net Sales/ Income from Operations	139.66	144.33	154.56	283.99	312.37	614.46

- Consequent to the issuance of "Guidance Note on Division II - Ind As Schedule III to the Company Act, 2013", certain items of financial results have been regrouped/reclassified.

Place: Mumbai
Dated: 13 November, 2017



For and on behalf of Board of Directors

Kedar Vaze
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

Website : www.keva.co.in, E - mail : investors@keva.co.in

Tel No. +91 22 21649163, Fax No : +91 22 21649766



(Rupees in Crores)

	Statement of Assets and Liabilities Particulars	STANDALONE	STANDALONE
		As at 30 September 2017	As at 31 March 2017
		Unaudited	Audited
A	ASSETS		
	Non-current assets		
1	Property, Plant and Equipment	123.42	94.39
	Capital work-in-progress	2.23	0.00
	Other Intangible assets	19.22	19.43
	Intangible Assets under Development	7.50	4.57
	Financial Assets		
	Investment in subsidiaries	174.60	170.61
	Others	0.00	0.00
	Deferred tax assets (net)	0.36	0.36
	Current tax assets (net)	15.81	16.76
	Other non-current assets	2.40	1.23
	Total non current assets	345.54	307.35
	Current Assets		
	Inventories	212.57	190.51
	Financial Assets		
	Investments	11.04	49.68
	Trade receivables	130.79	138.13
	Cash and cash equivalents	3.55	17.25
	Other bank balances	0.03	0.03
	Loans	53.36	41.29
	Others	4.67	5.45
	Other current assets	4.80	9.50
	Total current assets	420.81	451.84
	TOTAL ASSETS	766.35	759.19
B	EQUITY AND LIABILITIES		
	Equity		
	Equity share capital	144.62	144.62
	Other equity		
	Retained earnings	214.53	215.52
	Other Reserves	258.65	258.66
	Equity attributable to owners of the Company	617.80	618.80
	Total equity	617.80	618.80
	Non-current liabilities		
	Financial liabilities		
	Borrowings	0.32	0.40
	Deposits	24.10	24.10
	Provisions	0.00	3.88
	Total non-current liabilities	24.42	28.38
	Current liabilities		
	Financial liabilities		
	Short term borrowings	0.00	0.00
	Trade payables	90.20	65.30
	Derivatives	0.00	0.05
	Other financial liabilities	14.05	33.32
	Other current liabilities	7.64	8.41
	Provisions	9.88	4.03
	Current tax liabilities (net)	2.36	0.90
	Total current liabilities	124.13	112.01
	Total Liabilities	148.55	140.39
	TOTAL EQUITY AND LIABILITIES	766.35	759.19



Handwritten signature

BSR & Co. LLP

Chartered Accountants

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

Telephone +91 (22) 4345 5300
Fax +91 (22) 4345 5399

Limited Review Report on Quarterly and Year to Date Unaudited 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 and six months ended 30 September 2017 attached herewith, in which are incorporated returns from a Branch in Amsterdam, The Netherlands, pursuant to the requirements 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 13 November 2017. 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 results are free of material misstatement. A review is limited primarily to inquiries of 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. Indian Accounting Standards ('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.

For BSR & Co. LLP
Chartered Accountants

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



Aniruddha Godbole
Partner

Membership No: 105149

Mumbai
13 November 2017



STATEMENT OF CONSOLIDATED UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND SIX MONTHS ENDED 30 SEPTEMBER 2017

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

Particulars	Quarter Ended	Quarter Ended	Quarter Ended	Six Months Ended	Six Months Ended	Year Ended
	30.09.2017	30.06.2017	30.09.2016	30.09.2017	30.09.2016	31.03.2017
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
Sales excluding Excise & GST	220.83	233.92	243.78	454.75	498.22	975.04
1. Income						
(a.) Income/Sales from Operations including Excise (Refer note 5)	220.83	251.85	262.39	472.68	537.74	1,054.35
(b.) Other Operating Income	1.10	1.07	1.47	2.17	2.89	5.47
(c.) Other Income	1.16	4.37	2.49	5.53	5.67	11.55
Total Income	223.09	257.29	266.35	480.38	546.30	1,071.37
2. Expenses						
(a.) Cost of materials consumed	104.99	159.30	137.02	264.29	286.59	495.54
(b.) Purchase of stock in trade	(0.01)	4.97	2.13	4.96	4.16	23.83
(c.) Changes in inventories of finished goods, work-in-progress and stock-in-trade	9.59	(42.10)	(2.85)	(32.51)	(12.67)	16.07
(d.) Excise duty on sale of goods	-	17.93	18.61	17.93	39.52	79.31
(e.) Employee benefits expense	30.70	30.18	30.20	60.88	58.50	122.49
(f.) Finance costs	1.07	0.60	2.15	1.67	4.08	5.16
(g.) Depreciation and amortisation expense	5.70	5.82	4.89	11.52	9.30	19.44
(h.) Other expenses	41.21	40.52	36.75	81.73	75.20	156.75
Total Expenses	193.28	217.22	228.90	410.47	464.68	918.59
3. Profit before exceptional items and tax (1-2)	29.84	40.07	37.45	69.91	81.62	152.78
4. Exceptional Items	-	-	-	-	-	-
5. Profit before tax (3 + 4)	29.84	40.07	37.45	69.91	81.62	152.78
6. Tax expense						
Current tax	11.01	12.62	11.54	23.63	29.36	45.94
Deferred tax	(0.03)	0.65	1.62	0.62	0.46	2.02
7. Profit for the period (5 - 6)	18.87	26.80	24.30	45.66	51.80	104.82
8. Profit attributable to Non-controlling Interests	-	-	-	-	-	-
9. Profit after Non-controlling Interests (7 - 8)	18.87	26.80	24.30	45.66	51.79	104.82
10. Other Comprehensive Income						
Items that will not be reclassified to profit or loss	(0.46)	(0.46)	(0.03)	(0.92)	(0.07)	(1.83)
Income Tax on relating to items that will not be reclassified to profit or loss	0.15	0.16	-	0.31	-	0.63
Items that will be reclassified to profit or loss	3.53	3.69	(1.60)	7.22	(3.38)	(7.97)
Other Comprehensive Income (net of tax)	3.22	3.39	(1.63)	6.61	(3.45)	(9.17)
11. Other Comprehensive Income (net of tax) attributable to Non-controlling Interests	-	-	-	-	-	-
12. Other Comprehensive Income (net of tax) after after Non-controlling Interests (10 - 11)	3.22	3.39	(1.63)	6.61	(3.45)	(9.17)
13. Total Comprehensive Income for the period (9 + 12)	22.09	30.19	22.66	52.27	48.34	95.65
14. Paid-up equity share capital (Face Value of Rs 10 per share)	144.62	144.62	144.62	144.62	144.62	144.62
15. Other Equity						
16. Earnings Per Share (not annualised):						
(a) Basic	1.30	1.85	1.68	3.16	3.58	7.25
(b) Diluted	1.30	1.85	1.68	3.16	3.58	7.25

Notes :

- The above results were reviewed and recommended by the Audit Committee on 13 November, 2017 and subsequently approved by the Board of Directors at its meeting held on 13 November 2017. 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 and six months ended 30 September 2017 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.
- Financial results for all the periods presented have been prepared in accordance with the recognition and measurement principles of IND-AS notified under Companies (Indian Accounting Standard) Rules, 2015, as amended.
- 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.
- Kevala Fragrances Private Limited, ("KFPL") a subsidiary company in the Group has acquired VN Creative Chemicals Private Limited ("VNCCPL") in accordance with Share Purchase Agreement executed between KFPL and VNCCPL on 29 September, 2017.
- According to the requirements of IND AS and SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015, revenue for the corresponding previous quarters ended 30 June 2017 and 30 September, 2016 for the six months ended 30 September 2016 and year ended 31 March 2017 were and are reported inclusive of Excise Duty. The Government of India has implemented Goods and Service Tax ("GST") from 1 July 2017 replacing Excise Duty, Service Tax and various other indirect taxes. As per Ind As 118, the revenue for the quarter ended 30 September, 2017 is reported net of GST. Had the previously reported revenues been shown net of excise duty, comparative revenue of the Company would have been as follows:

	Quarter Ended 30.09.2017	Quarter Ended 30.06.2017	Quarter Ended 30.09.2016	Six Months Ended 30.09.2017	Six Months Ended 30.09.2016	Year Ended 31.03.2017
Net Sales/ Income from Operations excluding Excise/GST	220.83	233.92	243.78	454.75	498.22	975.04

- Consequent to the issuance of "Guidance Note on Division II - Ind As Schedule III to the Company Act, 2013", certain items of financial results have been regrouped/reclassified.

For and on behalf of Board of Directors

Place: Mumbai
Dated: 13 November, 2017



Kedar Vaze
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

Website : www.keva.co.in, E - mail : investors@keva.co.in

Tel No. +91 22 21649163, Fax No : +91 22 21649766



(Rupees in Crores)

	Statement of Assets and Liabilities Particulars	CONSOLIDATED	
		As at 30 September 2017	As at 31 March 2017
		Unaudited	Audited
A	ASSETS		
	Non-current assets		
1	Property, Plant and Equipment	271.51	233.14
	Capital work-in-progress	19.84	2.44
	Goodwill on Consolidation	21.56	20.64
	Other Intangible assets	42.07	42.58
	Intangible Assets under Development	8.79	5.01
	Financial Assets		
	Investments	0.00	-
	Loans	3.48	2.24
	Others	1.12	1.11
	Deferred tax assets (net)	5.90	4.08
	Current tax assets (net)	27.25	25.49
	Other non-current assets	43.17	43.08
	Total non current assets	444.69	379.81
	Current Assets		
	Inventories	390.15	350.16
	Financial Assets		
	Investments	11.04	49.68
	Trade receivables	218.80	217.01
	Cash and cash equivalents	8.80	41.91
	Other bank balances	8.77	13.54
	Loans	7.38	3.66
	Derivatives	0.00	2.07
	Others	0.79	1.29
	Other current assets	28.51	19.78
	Total current assets	674.24	699.10
	TOTAL ASSETS	1118.93	1078.91
B	EQUITY AND LIABILITIES		
	Equity		
	Equity share capital	144.62	144.62
	Other equity		
	Retained earnings	319.23	304.72
	Other Reserves	369.55	362.42
	Equity attributable to owners of the Company	833.40	811.76
	Non-Controlling Interest	0.00	0.00
	Total equity	833.40	811.76
	Non-current liabilities		
	Financial liabilities		
	Borrowings	3.38	9.17
	Deposits	1.21	1.10
	Provisions	0.76	5.42
	Deferred tax liabilities (net)	10.27	7.33
	Total non-current liabilities	15.62	23.02
	Current liabilities		
	Financial liabilities		
	Borrowings	57.24	53.19
	Trade payables	124.69	110.68
	Other financial liabilities	33.56	46.13
	Derivatives	0.02	0.20
	Other current liabilities	19.34	16.84
	Provisions	12.91	5.70
	Current tax liabilities (net)	22.15	11.39
	Total current liabilities	269.91	244.13
	Total Liabilities	285.53	267.15
	TOTAL EQUITY AND LIABILITIES	1118.93	1078.91



KW

S H 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

Consolidated Segment-wise Revenue, Assets, Liabilities and Capital Employed for the quarter ended 30 September 2017

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



Particulars	Quarter Ended	Quarter Ended	Quarter Ended	Six Months Ended	Six Months Ended	Year Ended
	30.09.2017	30.06.2017	30.09.2016	30.09.2017	30.09.2016	31.03.2017
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
Segment Revenue (Excluding Excise & GST)						
Fragrance	194.28	202.68	221.08	396.96	441.20	850.65
Flavours	26.55	31.24	22.70	57.79	57.02	124.39
Total	220.83	233.92	243.78	454.75	498.22	975.04
1. Segment Revenue (Including Excise)						
Fragrance	194.28	218.65	238.13	412.93	477.18	922.36
Flavours	26.55	33.20	24.26	59.75	60.57	131.99
Total	220.83	251.85	262.39	472.68	537.74	1,054.35
Other Operating Income	1.10	1.07	1.47	2.17	2.89	5.47
Sales/ Income From Operations	221.93	252.92	263.86	474.85	540.63	1,059.82
2. Segment Results (Profit (+) / Loss(-) before tax and interest from ordinary activities)						
- Fragrance	31.09	36.54	35.68	67.64	70.50	123.86
- Flavours	4.22	6.29	3.40	10.51	13.78	34.40
Total	35.31	42.83	39.08	78.15	84.28	158.26
Less: i) Finance costs	(1.07)	(0.60)	(2.15)	(1.67)	(4.08)	(5.16)
Add/(Less): Other unallocable income net of unallocable expenditure	(4.40)	(2.16)	0.52	(6.56)	1.42	(0.32)
Total Profit Before Tax from ordinary activities	29.84	40.07	37.45	69.91	81.62	152.78
3. Segment Assets						
- Fragrance	944.84	946.17	922.81	944.84	922.81	896.21
- Flavours	129.48	139.50	100.58	129.48	100.58	136.87
- Unallocated	44.63	42.71	58.70	44.63	58.70	55.46
Total	1,118.95	1,128.38	1,082.09	1,118.95	1,082.09	1,088.54
4. Segment Liabilities						
- Fragrance	150.73	153.38	155.70	150.73	155.70	147.29
- Flavours	27.15	35.02	29.03	27.15	29.03	28.42
- Unallocated	107.67	98.04	128.64	107.67	128.64	101.07
Total	285.54	286.44	313.37	285.54	313.37	276.78
5. Capital Employed (Segment assets - Segment liabilities)						
- Fragrance	794.11	792.79	767.11	794.11	767.11	748.92
- Flavours	102.33	104.49	71.55	102.33	71.55	108.45
- Unallocated	(63.04)	(55.34)	(69.94)	(63.04)	(69.94)	(45.61)
Total	833.40	841.94	768.71	833.40	768.71	811.76



Keval

B S R & Co. LLP

Chartered Accountants

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

Telephone +91 (22) 4345 5300
Fax +91 (22) 4345 5399

Limited Review Report on Quarterly and Year to Date Unaudited 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 ('hereinafter referred to as 'the Holding Company') and its subsidiaries (the Holding Company and its subsidiaries together referred to as 'the Group') for the quarter and six months ended 30 September 2017 attached herewith, being submitted by the Holding Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. This Statement is the responsibility of the Holding Company's management and has been approved by the Board of Directors in their meeting held on 13 November 2017. 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 results are free of material misstatement. A review is limited primarily to inquiries of Holding Company's 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.

The Statement include the results of the following entities:

Name of the Entity	Relationship
Saiba Industries Private Limited	Wholly Owned Subsidiary
Keva Flavours Private Limited	Wholly Owned Subsidiary
Rasiklal Hemani Agencies Private Limited	Wholly Owned Subsidiary
Keva Fragrances Private Limited (including its following wholly owned subsidiaries)	Wholly Owned Subsidiary
- Keva Chemicals Private Limited	
- VN Creative Chemicals Private Limited	
Keva U.K. Ltd (including its following wholly owned subsidiary)	Wholly Owned Subsidiary
- PFW Aroma Ingredients B.V	
Keva Fragrance Industries Pte Ltd. (including its following wholly owned subsidiary)	Wholly Owned Subsidiary
- PT SHKKEVA Indonesia	
Tanishka Fragrance Encapsulation Technologies LLP	Subsidiary

Limited Review Report on Quarterly and Year to Date Unaudited 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)

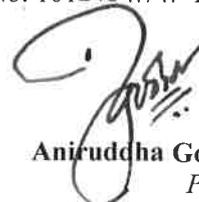
S H Kelkar and Company Limited

We did not review the financial results of ten subsidiaries included in the unaudited consolidated financial results, whose interim financial results reflect total assets of Rs 410.65 crores and net assets of Rs 159.29 crores as at 30 September 2017, total revenues of Rs 61.40 crores and Rs 136.74 crores, total profit after tax of Rs 0.85 crores and Rs 3.38 crores and total comprehensive income of Rs 4.17 crores and Rs 11.08 crores for the quarter and six months ended 30 September 2017 respectively, as considered in the unaudited consolidated financial results. These unaudited financial results have not been reviewed by the respective auditors and are based solely on the management certified accounts. In our opinion and according to the information and explanations given to us by the management, these financial results are not material to the Group. Our conclusion is not modified in respect of this matter.

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 applicable accounting standards i.e. Indian Accounting Standards ('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.

For **B S R & Co. LLP**
Chartered Accountants

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



Aniruddha Godbole
Partner
Membership No: 105149

Mumbai
13 November 2017



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 Q2 & H1 FY18 results

H1FY18

Revenues stood at Rs. 455 crore

EBITDA margin at 18%

PAT stood at Rs. 46 crore

Mumbai, November 13, 2017: S H Kelkar and Company, the largest Indian origin Fragrance and Flavours Company in India, has announced its financial results for the quarter and half-year ended September 30, 2017.

H1 FY18 performance overview compared with H1 FY17

- Revenues from operations declines by 8.7% to Rs. 454.8 crore from Rs. 498.2 crore
- EBITDA lower by 12.5% to Rs. 83.1 crore from Rs. 95.0 crore
 - EBITDA margin at 18.0%
- Profit After Tax lower by 11.8% at Rs. 45.7 crore from Rs. 51.8 crore
 - PAT margins steady at 9.9%
- The business momentum during the period saw a slowdown due to GST-led issues across trade and other broader market challenges which impacted the demand environment

Q2 FY18 performance overview compared with Q2 FY17

- Revenues from operations declines by 9.4% to Rs. 220.8 crore from Rs. 243.8 crore
- EBITDA lower by 17.7% at Rs. 36.6 crore from Rs. 44.5 crore
 - EBITDA margin at 16.4%
- Profit After Tax lower by 22.4% at Rs. 18.8 crore from Rs. 24.3 crore
 - PAT margins steady at 8.4%

Commenting on the performance, Mr. Kedar Vaze, Whole Time Director and CEO at SH Kelkar and Company said,

“We have reported a subdued performance during the quarter as GST related challenges impacted our domestic business. While we were anticipating demand to slowdown in Q2 owing to GST implementation, the recovery was much slower than we anticipated earlier especially in the months of July and August. We saw demand stabilizing in September and I am pleased to share that we recorded healthy sales growth in the month of October itself. So we strongly believe the Q2 performance was a temporary blip in demand and expect the momentum built in October to continue in the upcoming months.

Amidst the challenging business environment, our focus on improving operational efficiencies and cost rationalization remains on track. We are hopeful that such efforts will help us in achieving our goal of delivering superior and sustainable ROIs going forward.

Going ahead, we are confident of delivering improved results as revival in macros coupled with our strategic initiatives towards strengthening our product offerings. We foresee that our strong supply chain position will enable us to further augment business performance from H2 FY18 onwards.”

Key Developments:

- **Executed Share Purchase Agreement to buyout 100% share capital of VN Creative Chemicals (VNCC)**
 - With the acquisition, Company to acquire full control of land and manufacturing facility (including plant and machinery) in Raigad, Maharashtra, owned by VNCC
 - Investment in-line with the Company’s earlier envisaged strategic cost-saving initiative in the overseas Fragrance division, which will allow greater flexibility in backend manufacturing operations and leverage existing presence in a competitive and high quality centre like India
 - The Company expects to execute this initiative by end of this fiscal and showcase higher earnings in the International Fragrance from second half FY19 onwards

- **Established Fine Fragrance Development Centre in Amsterdam, Netherlands during H1 FY18**
 - Part of long-term goal to establish a respectable global position in this segment

- **Emphasis on R&D to continue**
 - The Company has filed 10 patent applications, of which 2 have been commercially exploited in the deodorant and fine fragrance categories. Newly launched development centre expected to further improve commercial traction

- ENDS -



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. The company offers products under SHK, Cobra and Keva brands.

The Company has a strong and dedicated team of scientists, perfumers, 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. The research team has developed 12 molecules over the last three years. The Company has filed 10 patent applications in respect of molecules, systems and processes developed by it, of which 2 have been commercially exploited in deodorant and fine fragrance categories. Newly established Fine Fragrance development centre in Amsterdam expected to further improve commercial traction in this segment.

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.

For further information please contact:

Ms Deepti Chandratre
S H Kelkar and Company Limited
Tel: +91 22 2167 7777
Fax: +91 22 2164 9766
Email: deepti.chandratre@keva.co.in

Anoop Poojari / Shikha Kshirsagar
CDR India
Tel: +91 22 6645 1211/1243
Fax: +91 22 6645 1213
Email: anoop@cdr-india.com
shikha@cdr-india.com

DISCLAIMER:

Certain statements that are made in the Press Release may be forward-looking statements. Such forward-looking statements are subject to certain risks and uncertainties like significant changes in economic environment in India and overseas, tax laws, import duties, litigation, labour relations etc. Actual results might differ substantially from those expressed or implied. SH Kelkar Limited will not be in any way responsible for any action taken based on such statements and discussions; and undertakes no obligation to publicly update these forward-looking statements to reflect subsequent events or circumstances.



Crafting Sensorial Delight

S H Kelkar and Company Limited

Largest Indian-origin Fragrance & Flavour Company

Q2 & H1 FY18 Earnings Presentation

November 13, 2017





Disclaimer

Certain statements and opinions with respect to the anticipated future performance of SHK in the presentation (“forward-looking statements”), which reflect various assumptions concerning the strategies, objectives and anticipated results may or may not prove to be correct. Such forward-looking statements involve a number of risks, uncertainties and assumptions which could cause actual results or events to differ materially from those expressed or implied by the forward-looking statements. These include, among other factors, changes in economic, political, regulatory, business or other market conditions. Such forward-looking statements only speak as at the date the presentation is provided to the recipient and SHK is not under any obligation to update or revise such forward-looking statements to reflect new events or circumstances. No representation or warranty (whether express or implied) is given in respect of any information in this presentation or that this presentation is suitable for the recipient’s purposes. The delivery of this presentation does not imply that the information herein is correct as at any time subsequent to the date hereof and SHK has no obligation whatsoever to update any of the information or the conclusions contained herein or to correct any inaccuracies which may become apparent subsequent to the date hereof.



Crafting Sensorial Delight



Q2 & H1 FY18 Results Overview

Management Comment



Commenting on the performance, Mr. Kedar Vaze, Whole Time Director & CEO at SH Kelkar and Company Ltd. said:

“We have reported a subdued performance during the quarter as GST related challenges impacted our domestic business. While we were anticipating demand to slowdown in Q2 owing to GST implementation, the recovery was much slower than we anticipated earlier especially in the months of July and August. We saw demand stabilizing in September and I am pleased to share that we recorded healthy sales growth in the month of October itself. So we strongly believe the Q2 performance was a temporary blip in demand and expect the momentum built in October to continue in the upcoming months.

Amidst the challenging business environment, our focus on improving operational efficiencies and cost rationalization remains on track. We are hopeful that such efforts will help us in achieving our goal of delivering superior and sustainable ROIs going forward.

Going ahead, we are confident of delivering improved results as revival in macros coupled with our strategic initiatives towards strengthening our product offerings. We foresee that our strong supply chain position will enable us to further augment business performance from H2 FY18 onwards.”

Consolidated Summarized P&L Statement

Particulars (Rs. crore)	Q2 FY18	Q2 FY17	Y-o-Y Change (%)	H1 FY18	H1 FY17	Y-o-Y Change (%)
Revenues from Operations (Sales excluding Excise & GST)	220.8	243.8	-9.4%	454.8	498.2	-8.7%
Other Operating Income	1.1	1.5	-25.3%	2.2	2.9	-24.9%
Total Operating Income	221.9	245.3	-9.5%	456.9	501.1	-8.8%
Other Income	1.2	2.5	-53.3%	5.5	5.7	-2.4%
Total Income	223.1	247.7	-10.0%	462.5	506.8	-8.7%
Total Expenditure	186.5	203.3	-8.3%	379.4	411.8	-7.9%
▪ Raw Material expenses	114.6	136.3	-15.9%	236.7	278.1	-14.9%
▪ Employee benefits expense	30.7	30.2	1.6%	60.9	58.5	4.1%
▪ Other expenses	41.2	36.8	12.1%	81.7	75.2	8.7%
EBITDA	36.6	44.5	-17.7%	83.1	95.0	-12.5%
EBITDA margin (%)	16.4%	18.0%	-160 bps	18.0%	18.7%	-70 bps
Finance Costs	1.1	2.2	-50.3%	1.7	4.1	-59.1%
Depreciation and Amortization	5.7	4.9	16.2%	11.5	9.3	23.9%
PBT	29.8	37.4	-20.3%	69.9	81.6	-14.4%
Tax expense	11.0	13.2	-16.5%	24.3	29.8	-18.7%
PAT	18.8	24.3	-22.4%	45.7	51.8	-11.8%
PAT Margins	8.4%	9.8%	-140 bps	9.9%	10.2%	-30 bps
Cash Profit	24.5	29.2	-15.9%	57.2	61.1	-6.4%

Key Developments

Executed Share Purchase Agreement to buyout 100% share capital of VN Creative Chemicals (VNCC)

- With the acquisition, Company to acquire full control of land and manufacturing facility (including plant and machinery) in Raigad, Maharashtra, owned by VNCC
- Investment in-line with the Company's earlier envisaged strategic cost-saving initiative in the overseas Fragrance division, which will allow greater flexibility in backend manufacturing operations and leverage existing presence in a competitive and high quality centre like India
- The Company expects to execute this initiative by end of this fiscal and showcase higher earnings in the International Fragrance from second half FY19 onwards

Established Fine Fragrance Development Centre in Amsterdam, Netherlands during H1 FY18

- Part of long-term goal to establish a respectable global position in this segment

Emphasis on R&D to continue

- The Company has filed 10 patent applications, of which 2 have been commercially exploited in the deodorant and fine fragrance categories. Newly launched development centre expected to further improve commercial traction

H1 FY2018 Financial and Operational Discussions (Y-o-Y)



Revenues from operations stood at Rs. 455 crore as against Rs. 498 crore

- Topline performance was lower owing to GST-led issues impacting demand in the domestic market
 - Sales in the months of July and August were much lower than expected - sales performance stabilized in the month of September and the Company witnessed a healthy uptick in the month of October
 - The Company expects growth to accelerate from Q3 onwards as trade stabilizes across the domestic market along with improving macro factors
- Export performance in the Fragrance division was subdued owing to a challenging geo-political environment prevalent in the Middle East

EBITDA stood at Rs. 83 crore; EBITDA margins at 18.0%

- Gross margins improved to 49% as compared to 45% in the corresponding period as a result of better sales mix
- EBITDA margins declined by 70 bps on account of lower revenues

PBT at Rs. 70 crore

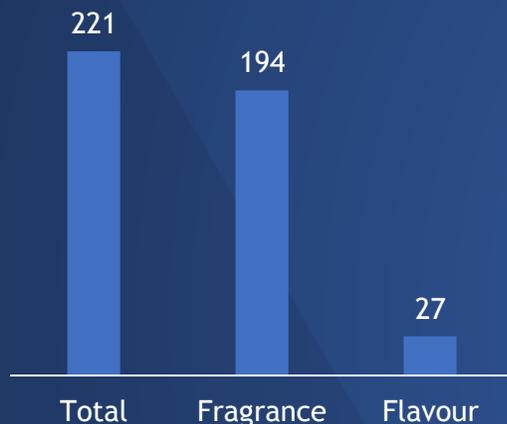
- PBT is lower by 14.4% at Rs. 70 crore as against Rs. 82 crore in H1 FY17

PAT stood at Rs. 46 crore as against Rs. 52 crore; EPS at Rs. 3.16

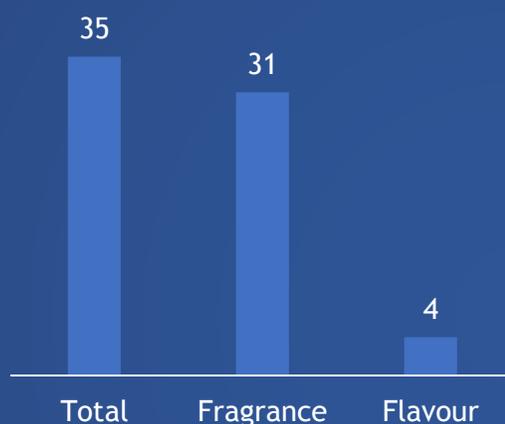
- PAT margins at 9.9% as against 10.2% in H1 FY17

Revenue & Operating Performance - Q2 & H1 FY18

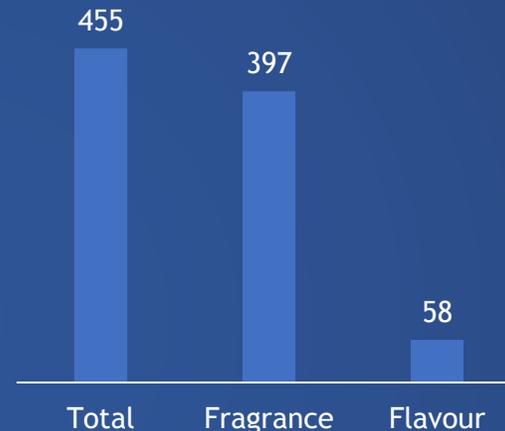
Q2 FY18 (Revenue)



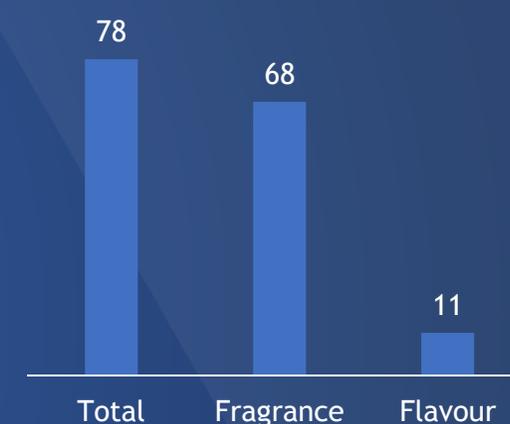
Q2 FY18 (Operating Profit)



H1 FY18 (Revenue)



H1 FY18 (Operating Profit)



Y-o-Y Growth

-9%

-12%

17%

-10%

-13%

24%

-9%

-10%

1%

-7%

-4%

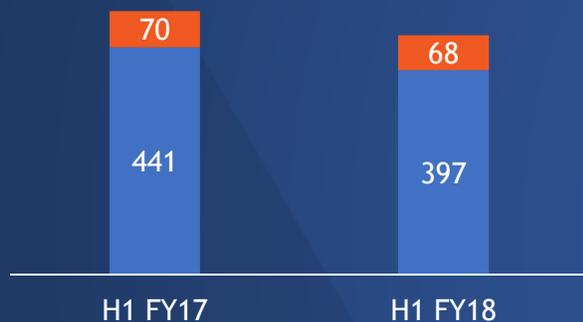
-24%

- For H1 FY18, revenues came in at Rs. 455 crore; Constant currency revenues was lower by 8%
 - Lower consumer offtake and slower re-stocking resulted in a sluggish performance on the domestic front during the period under review
- Overall, challenging macro environment witnessed across the domestic and international markets resulted in subdued performance
- Fragrance division contributed 87% to Total Revenues and contribution of Flavours division stood at 13%

Fragrance Division

Net Revenue & Operating Profit - H1 FY18

■ Revenue ■ OP



Y-o-Y Growth

Rev. growth -10%

OP growth -4%

- Fragrance division delivered slower growth during the period - domestic revenues declined by 13%, overseas revenues reported de-growth of 3%
- A transitory challenging environment across trade and channels led to subdued domestic performance
- Operating profit was at Rs 68 crore, lower by 4%
 - Operating profit margins - at 17.0% in H1 FY18 vs 16.0% in H1 FY17

Domestic and Overseas Revenue - H1 FY18



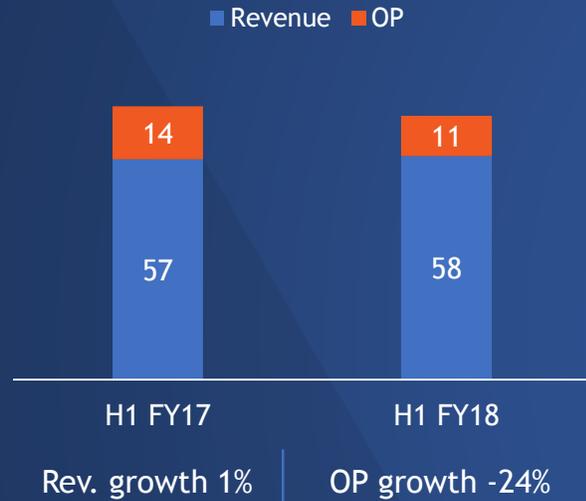
Note: Figures in Rs. crore

Y-o-Y Growth (%)	H1 FY18
Domestic	-13
Overseas	-3
Total Growth	-10



Flavour Division

Net Revenue & Operating Profit - H1 FY18



- Flavour division reported a steady performance during the period
- Domestic segment grew 11%, while overseas business reported de-growth of 12%
 - Healthy market share gains in the domestic markets aided growth
- Operating profit margins at 18.2% in H1 FY18 vs 24.2% in H1 FY17

Domestic and Overseas Revenue - H1 FY18



Y-o-Y Growth (%)	H1 FY18
Domestic	11
Overseas	-12
Total Growth	1

Note: Figures in Rs. crore



Consolidated Balance Sheet



EQUITY AND LIABILITIES			ASSETS		
Particulars (Rs. Crore)	CONSOLIDATED As at 30th September 2017 (Unaudited)	CONSOLIDATED As at 31st March 2017 (Audited)	Particulars (Rs. Crore)	CONSOLIDATED As at 30th September 2017 (Unaudited)	CONSOLIDATED As at 31st March 2017 (Audited)
Equity			ASSETS		
Equity share capital	144.62	144.62	Non-current assets		
Other equity			Property, Plant and Equipment	271.51	233.14
Retained earnings	319.23	304.72	Capital work-in-progress	19.84	2.44
Other Reserves	369.55	362.42	Goodwill on Consolidation	21.56	20.64
Equity attributable to owners of the Company	833.40	811.76	Other Intangible assets	42.07	42.58
Non-Controlling Interest	0.00	0.00	Intangible Assets under Development	8.79	5.01
Total equity	833.40	811.76	Financial Assets		
Non-current liabilities			Loans	3.48	2.24
Financial liabilities			Others	1.12	1.11
Borrowings	3.38	9.17	Deferred tax assets (net)	5.90	4.08
Deposits	1.21	1.10	Current tax assets (net)	27.25	25.49
Provisions	0.76	5.42	Other non-current assets	43.17	43.08
Deferred Tax Liabilities	10.27	7.33	Total non current assets	444.69	379.81
Total non-current liabilities	15.62	23.02	Current Assets		
Current liabilities			Inventories	390.15	350.16
Financial liabilities			Financial Assets		
Short term borrowings	57.24	53.19	Investments	11.04	49.68
Trade payables	124.69	110.68	Trade receivables	218.80	217.01
Other financial liabilities	33.56	46.13	Cash and cash equivalents	8.80	41.91
Derivatives	0.02	0.20	Bank balances other than above	8.77	13.54
Other current liabilities	19.34	16.84	Loans	7.38	3.66
Provisions	12.91	5.70	Derivatives	0.00	2.07
Liabilities for current tax (net)	22.15	11.39	Others	0.79	1.29
Total current liabilities	269.91	244.13	Other current assets	28.51	19.78
Total Liabilities	285.53	267.15	Total current assets	674.24	699.10
TOTAL - EQUITY AND LIABILITIES	1,118.93	1,078.91	TOTAL - ASSETS	1,118.93	1,078.91

Balance Sheet Snapshot - As on 30th September, 2017



833

Networth

342

Fixed Assets

29

Cash & Investments

46

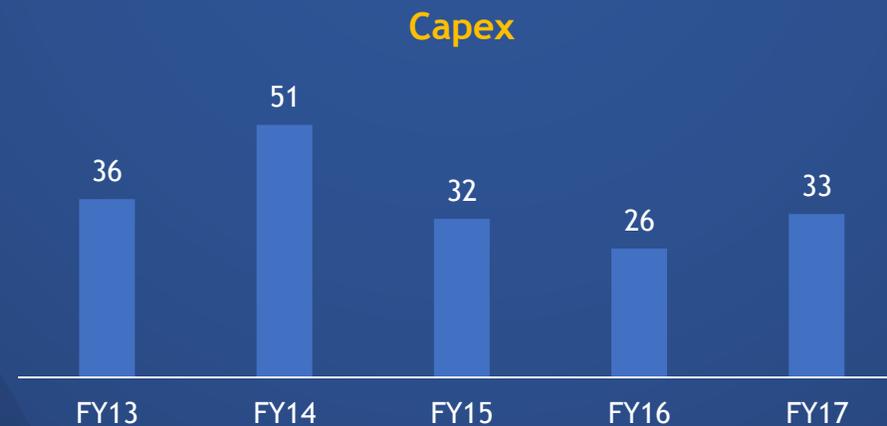
Net Debt

Cash Flow Snapshot



Particulars (Rs. crore)	FY13	FY14	FY15	FY16	FY17	H1 FY18
Cash flow from Operations	103.1	32.1	61.7	86.4	103.2	29.3
Cash flow from investing activities	-33.3	-63.7	-17.3	-22.4	-93.0	-71.9
Net	69.8	-31.6	44.4	64.0	10.2	-42.6

Note: Cash and cash equivalent includes investments in mutual fund

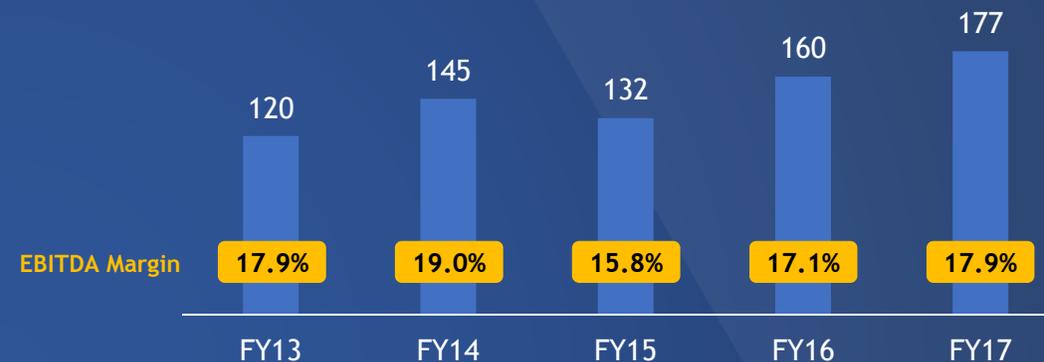


Robust Historical Financial Trend

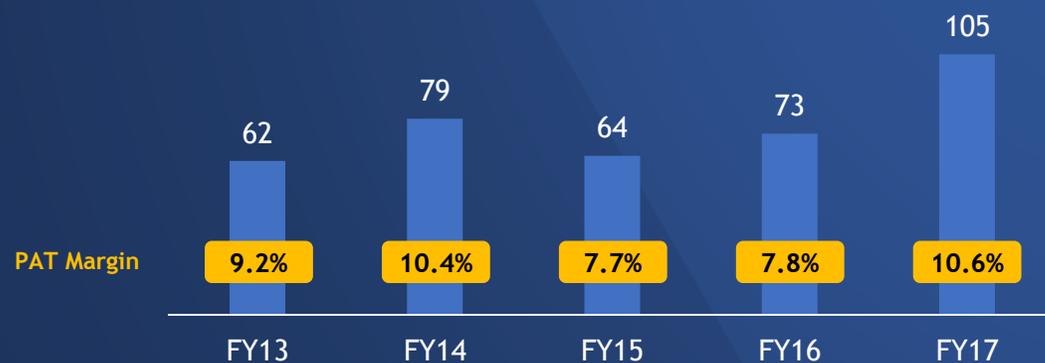
Net Revenue from Operations



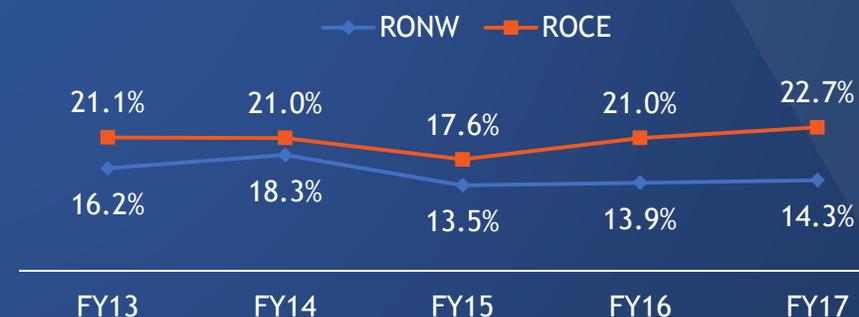
EBITDA



PAT



Return on Net Worth & Return on Capital Employed (%)



Key Financial Ratios

Particulars (Rs. crore)	FY13	FY14	FY15	FY16	FY17	H1 FY18
EBITDA margin (%)	17.9	19.0	15.8	17.1	17.9	18.0
PAT Margin (%)	9.2	10.4	7.7	7.8	10.6	9.9
Debt to Equity	0.3	0.4	0.5	0.1	0.1	0.1
Debt to EBITDA	1.1	1.3	1.8	0.5	0.4	0.4
Return on Networth (%)	16.2	18.3	13.5	13.9	14.3	11.6
Return on Capital Employed (%)	21.1	21.0	17.6	21.0	22.7	17.9

Note:

1. Return on Networth is calculated as: $PAT / \text{Average Networth}$
2. Return on Capital Employed is calculated as: $EBIT / \text{Average Capital Employed}$
3. All figures till FY15 as per IGAAP;



Crafting Sensorial Delight



Annexure

Conference Call Details



S H Kelkar and Company Ltd.'s Q2 & H1 FY18 Earnings Conference Call

Time	<ul style="list-style-type: none">• 12.00 noon IST on Tuesday, November 14, 2017
Primary dial-in number	<ul style="list-style-type: none">• +91 22 3938 1071
India Local access Number	<ul style="list-style-type: none">• +91 22 3940 3977 (Accessible from all carriers)
International Toll Free Number	<ul style="list-style-type: none">• Hong Kong: 800 964 448• Singapore: 800 101 2045• UK: 0 808 101 1573• USA: 1 866 746 2133

About Us



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. The Company offers products under SHK, Cobra and Keval brands.

The Company has a strong and dedicated team of scientists, perfumers, 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. The research team has developed 12 molecules over the last three years. The Company has filed 10 patent applications in respect of molecules, systems and processes developed by it, of which 2 have been commercially exploited in deodorant and fine fragrance categories. Newly established Fine Fragrance development centre in Amsterdam expected to further improve commercial traction in this segment.

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.

For further information please contact:

Ms Deepti Chandratre

S H Kelkar and Company Limited

Tel: +91 22 2167 7777

Fax: +91 22 2164 9766

Email: deepti.chandratre@keval.co.in

Anoop Poojari / Shikha Kshirsagar

CDR India

Tel: +91 22 6645 1211/1243

Fax: +91 22 6645 1213

Email: anoop@cdr-india.com

shikha@cdr-india.com



Crafting Sensorial Delight



Thank You