



January 16, 2018

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: Disclosure of a) Material Outcome of Board Meeting and b) Material Event pursuant to Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

We are pleased to inform you the following:

a) Material Outcome of Board Meeting:

A meeting of the Board of Directors (“the Board”) of S H Kelkar and Company Limited (“the Company”) was held today at its corporate office. 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 nine months ended December 31, 2017 and took on record the Limited Review Report issued by Statutory Auditors in this regard.

b) Material Event: Acquisition of Creative Flavours and Fragrances S.p.A.:

The Company has entered into an agreement to acquire Creative Flavours and Fragrances S.p.A. (“CFF”) alongwith its subsidiaries on January 15, 2018.

Incorporated in year 2000, CFF is a leading fragrance company in Italy. CFF has presence throughout Europe. The acquisition would enable broadening of the group’s fragrance business. CFF’s approx. revenue* for last 3 years is as under:

| Million Euros | | |
|---------------|---------|---------|
| FY 2014 | FY 2015 | FY 2016 |
| 10.9 | 12.4 | 13.4 |

*Revenue is in respect of core fragrance business and includes only the net processing fee in respect of the tolling business.

The Company, either by itself or through any of its subsidiaries, would be acquiring 100% share capital of CFF over two to three years. As per the agreement, the Company is to acquire 51% stake upfront for approx. Euro 12 Mn. Remaining stake shall be acquired within three years, consideration for which shall be paid based on CFF’s performance. Requisite approvals and consents in connection with the acquisition have been obtained.

The acquisition does not classify as a related party transaction. The promoters/promoter group/group companies have no any interest in CFF. Press release in respect of the acquisition is enclosed.

You are requested to take the above on record.

Thanking you,

Yours faithfully,
For S H Kelkar and Company Limited


Deepti Chandratre
Company Secretary & Compliance Officer



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

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 acquires 51% of Italy-based Creative Flavours & Fragrances S.p.A.

To strengthen global product offerings particularly in Fine Fragrances and Fabric Care segments

Mumbai, January 16, 2018: S H Kelkar and Company Ltd. (SHK), the largest Indian-origin Fragrance and Flavours Company in India, today announced that it is in the process of acquiring Italy-based Creative Flavours & Fragrances S.p.A. ("CFF"). SHK and the current shareholders of CFF have reached an agreement, under which SHK would be acquiring 100% of share capital over two to three years, of which 51% paid share capital to be acquired upfront for approx. Euro 12 million (CFF's revenue from core fragrance business in calendar 2016 was Euro 13.4 million). Remaining stake shall be acquired within three years, consideration for which shall be paid based on the acquired Company's performance. The Company proposes to fund the entire investment through internal accruals.

The earnings accretive acquisition is in-line with SHK's growth strategy to expand its international footprint, extend its presence and build talent in the focused categories of fine fragrance and fabric care. The acquisition further reinforces Company's vision to emerge as one of the top fifteen global players within the next decade. CFF has a strong product portfolio particularly in the Fine Fragrances and Fabric care segments, with solid global and regional client relationships. This acquisition will enable SHK to extend its presence in these focused categories as well as build global clientele.

CFF is a leader in the production and distribution of fragrances in Italy. Headquartered in Milan, CFF products are sold in over 32 countries worldwide with reputable presence in Europe, Middle East and Africa, with in-depth strength in fragrances for fabric & home care.

Commenting on the acquisition, Mr. Kedar Vaze, Whole-time Director & CEO of the Company, said, *"We are excited to announce the acquisition which will enable us to strengthen our position as a business with truly international profile. The acquisition of CFF represents a value accretive and synergistic opportunity for us. Together with our fine fragrance creation studio in Amsterdam, it fortifies our strategy to expand our product offerings in key focus categories like Fine Fragrances and Fabric Care. We believe the products, presence, repute, talent and industry know-how added by way of this acquisition will further strengthen our business capabilities and enhance SH Kelkar's position in the global Fragrance business."*

We continue to execute many strategic initiatives undertaken in the recent past, which will help us deliver superior growth and consolidate our relationship with global customers. We believe that the F&F sector continues to hold huge promise for us. We are already witnessing increasing demand from our customers and are on track to deliver better performance in H2 FY18."

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, 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:

Some of the statements in this communication 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.