



October 19, 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 pursuant to Regulation 30 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

Pursuant to the above mentioned regulation, please find enclosed herewith latest business update.

We request you to kindly take the same 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 Shastri 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



BUSINESS UPDATE

S H Kelkar and Company Ltd (SHK) would like to inform the stock exchanges with regard to the following business updates:

Update on Aroma Ingredient manufacturing facilities

SHK today announced the formal inauguration of its aroma ingredients manufacturing facility at Mahad, Maharashtra. With a total installed capacity of approx. 1,200 MTPA, this is one of the largest manufacturing facilities for Tonalid, worldwide. This state-of-the-art facility will also manufacture other key specialty ingredients used in the fragrance industry. The plant was commissioned on September 21, 2018. This relocation of production from Barneveld, Netherlands to a high quality & operationally efficient centre like India is part of an earlier announced strategic plan.

In consolidation of its global market leadership in Tonalid, the Company had earlier announced acquisition of Tonalid manufacturing facility in China. The capacity of that plant has now been optimized to 400 MTPA at a nominal capex.

Key changes in Management personnel & Organisation structure

The Company has accepted the resignation tendered by Mr. Ratul Bhaduri, Executive VP and Group CFO, who wishes to pursue career opportunities outside KEVA. His resignation will be effective from closure of business hours of December 03, 2018. The Board will appoint Mr. Bhaduri's successor in due course.

To enhance agility in responding to market and demand, the Company is redesigning the organisation structure across business verticals. This is expected to improve the operating efficiency of the Company going forward.

Performance Update

While the raw material prices remain challenging, availability of ingredients has gradually improved. The Company anticipates the normalization of raw materials prices to take much longer. In-line with this, SHK has already undertaken price increases to partially cover the unprecedented raw material inflation.

The Company is witnessing the initial signs of normalization of business growth and the trend is likely to gain strength in H2 FY2019. Accordingly, the Company expects revenue growth in the core Fragrance division to remain healthy.