



February 28, 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 business update as on February 28, 2018.

We request you to kindly take the same on record.

Thanking you,

Yours faithfully,
For S H Kelkar and Company Limited

Deepti Chandratre

Deepti Chandratre
Company Secretary & Compliance Officer



S H Kelkar And Company Limited
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CIN No. L74999MH1955PLC009593

Business Update of the Company as at 28.02.2018

S H Kelkar and Company Ltd (the Company) has informed the stock exchanges that the Board of Directors of the Company at its meeting held on February 28, 2018 *inter alia* discussed the following matters:

1) Strategy on customer engagements in light of the current global raw material scenario:

The global Fragrance and Flavours (F&F) industry is facing somewhat unprecedented levels of uncertainty in raw material supplies for various reasons including disruption in operations of manufacturing facilities across the globe, among them BASF, Germany, leading to volatility in raw material prices. The Company believes the current scenario is transitory in nature and may last the next few quarters.

In this background, the Company's prudent inventory management practice is helping it to maintain supplies to its customers and meet its commitments. The company is committed to partner its customers to overcome this situation. The Company also considers this situation as a strategic opportunity to explore increase in engagement with its customers and build new relationships. The Company believes it will be able to pass on the price increase to the customers.

2) Impact on Service Income vertical in a GST-environment:

The Company's service income vertical has undergone a change post the GST-stabilization. Streamlining of the customers' supply chain locations is leading to a limited opportunity for the service income segment. This may reflect in muted revenues to that extent ; however, the Company's margins are not likely to see any material impact as a consequence thereof.

3) Update on acquisition of Creative Flavours & Fragrances (CFF)

The Company's acquisition of CFF, one of the largest Fragrance companies in Italy, is progressing as per plan. This acquisition is a value accretive and synergistic opportunity for the SHK, as it further augments the strategy to expand its product offerings particularly in focus areas of Fine Fragrances, Fabric Care and Air care.

4) Update on stake transfer by Promoter

Mr. Kedar Vaze, Whole Time Director & CEO and one of the promoters of the Company, in the month of December 2016 had acquired ~1% additional stake in the Company through an open market transaction. This stake of 1% is now being transferred indirectly to the Company's EBT (Employee Benefit Trust) over a period. While family members from the promoter group may sell / buy SHK shares upto 0.5%-1% to meet their personal needs, the Promoters themselves remain committed to retain the majority & grow the Company's Fragrance & Flavour business.