



March 29, 2016

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: Intimation of 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 on Tuesday, March 29, 2016 at its corporate office. Following is the material outcome of the Board Meeting:

The Company has been looking to further consolidate its leadership position in domestic market and has planned to take direct control of customer relationships in Northern region. For this purpose, the Company is expanding its sales team to serve the growing needs of the customers in that region.

Rasiklal Hemani Agencies Pvt Ltd (RHAPL) are the indenting agents in Northern region for Company’s fragrances for 50 years and generate and collect revenues over Rs. 125 Cr p.a from North India region (FY’15 Rs. 105 Cr). Through deep industry knowledge and wide network of trade contacts of its promoters, RHAPL has over the years built a strong portfolio of customers for the Company’s fragrances.

The Board considered and approved the acquisition of Rasiklal Hemani Agencies Pvt. Ltd. (“RHAPL”) in its meeting held today.

The acquisition shall enable the Company to expand the marketing and field activities in Northern region by directly reaching the customers through RHAPL’s infrastructure.

RHAPL’s revenues by way of commission earned from the Company, for last 3 years is as under:

			Rs. in Cr
FY 2012-13	FY 2013-14	FY 2014-15	
4.18	5.05	5.53	

The acquisition would be, acquiring 100% share capital @ book value as on March 31, 2016 to be paid in cash. The book value of approx. Rs. 25 Cr comprises mainly cash and cash equivalents. Further, an amount of Rs. 5 Cr is to be paid by way of Goodwill/non-compete. The Company expects pay-back of this in 2 to 3 years. Requisite approvals and consent in connection with the acquisition have been obtained.

The proposed acquisition is not a related party transaction and the promoters/promoter group/group companies do not have any interest in RHAPL. Acquisition is targeted to close in Q1 FY 2017.

You are requested to take the above on record.

For S H KELKAR AND COMPANY LIMITED


Deepti Chandratre
Company Secretary & Compliance Officer



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