

S H KELKAR AND COMPANY LIMITED

(formerly S H Kelkar & Co. Pvt. Ltd.)

CIN : U74999MH1955PLC009593

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

**Notes :**

- The above standalone results for the quarter and nine months ended 31st December 2015 have been reviewed and recommended by the Audit Committee and thereafter were approved by the Board of Directors at its Meeting held on 9 February 2016. The statutory Auditors of S H Kelkar and Company Limited ('the Company') have carried out a limited review of the above results 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
- During the quarter ended 31st December 2015, the company has completed the initial public offer (IPO) of 28,231,827 Equity shares of Rs. 10 each at an issue price of Rs.180 per equity share, consisting of fresh issue of 11,666,666 equity shares and an offer for sale of 16,565,161 equity shares by Selling Shareholders. The equity shares of the company were listed on National Stock Exchange of India Limited (NSE) via ID SHK and BSE Limited (BSE) via ID 539450 on November 16, 2015. Accordingly, the financial results for the quarter ended and nine months period ended 31 December 2014 and quarter ended 30 September 2015 were not subjected to limited review by the Statutory Auditors of the Company.

- The proceeds from IPO is Rs.209.99 crores (including issue related expenses inclusive of Service Tax- Rs.17.63 crore)

Details of utilisation of IPO proceeds are as follows:

Particulars	Object of the Issue as per the prospectus	Rs in crores	
		Utilised upto 31 December 2015	Unutilised amount as at 31st December 2015
Repayment/pre-payment in full or in part of certain loans availed	126.00	126.00	0.00
Investment in K.V.Arochem Private Limited for repayment/pre-payment in full or in part of certain loans availed by KVA	32.00	32.00	0.00
General Corporate purposes	34.36	-	34.36
TOTAL	192.36	158.00	34.36

The unutilized amounts of the issues as at 31st December 2015 have been temporarily deployed in money market mutual funds.

- The company has incurred Rs. 33.30 crores (inclusive of Service Tax) of IPO expenses. Of the above IPO expenses, certain expenses (such as legal counsel cost, audit fee, Listing fees and stamp duty expenses) aggregating to Rs 6.59 crores are directly attributable to the Company and have been adjusted towards the securities premium account. Remaining IPO expenses aggregating to Rs 26.71 crores, have been allocated between the Company Rs. 11.04 crores and selling shareholders Rs 15.67 crores in proportion to the equity shares allotted to the public as fresh issue by the company and under offer for sale by the selling shareholders.
- Other Income - Others include dividend income of Rs 15.00 crores for the previous quarter ended 30 September 2015 and Rs 15.00 Crores for the nine months period ended 31 December 2015 (corresponding for the nine months period ended 31 December 2014 and for the previous year ended 31 March 2015: Rs 15 Crores). It also includes profit on sale of property of Rs. 10.18 crores for the corresponding nine months period ended 31 December 2014 and for the previous year ended 31 March 2015.
- The Company is operating in the manufacture of fragrances. The Company has only one reportable business segment which is manufacture of fragrances.
- Previous period's/ year's figures have been regrouped/ reclassified, where necessary, to conform to current period's classification.

For and on behalf of Board of Directors

Place : Mumbai
Dated : February 09, 2016



Kedar Vaze
Kedar Vaze
Director / Group CEO



B S R & Co. LLP

Chartered Accountants

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Review report

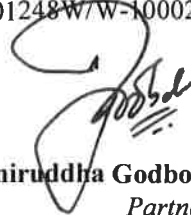
To the Board of Directors of S H Kelkar and Company Limited

(formerly, S. H. Kelkar & Co. Private Limited)

- 1 We have reviewed the accompanying statement of Unaudited Financial results ('the Statement') of S H Kelkar and Company Limited (formerly, S. H. Kelkar & Co. Private Limited) ('the Company') for the quarter and nine months period ended 31 December 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 9 February 2016. Our responsibility is to issue a report on the Statement based on our review.
- 2 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 Statement are free of material misstatement. A review is limited primarily to inquiries of Company personnel and analytical procedures applied to financial data and thus provide less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.
- 3 Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying statement of unaudited financial results prepared in accordance with applicable accounting standards specified under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014 and other recognised accounting practices and policies has not disclosed the information required to be disclosed in terms of Regulation 33 of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 including the manner in which it is to be disclosed, or that it contains any material misstatement.
- 4 This being the first quarter post Initial Public Offering ('IPO') by the Company, we have not reviewed the financial results for the preceding quarter ended 30 September 2015 and for the corresponding quarter and nine months period ended 31 December 2014 included in the accompanying Statement for the quarter and nine months period ended 31 December 2015.

For B S R & Co. LLP
Chartered Accountants

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


Aniruddha Godbole
Partner

Membership No: 105149

Mumbai
9 February 2016



STATEMENT OF CONSOLIDATED UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND NINE MONTHS ENDED 31 DECEMBER, 2015

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

Particulars	Quarter ended 31st December		Quarter ended 30th September		Nine Months ended 31st December		Previous Year ended 31st March	
	2015 Unaudited	2014 Unaudited	2015 Unaudited	2014 Unaudited	2015 Unaudited	2014 Unaudited	2015 Audited	2014 Audited
1. Income from Operations -								
a. Net Sales/Income from Operations (Net of excise duty)	229.03	195.41	207.75	207.75	658.11	598.32	833.12	833.12
b. Other Operating Income	1.02	0.44	0.84	0.84	2.43	1.50	2.41	2.41
Total Income from operations (net) [a+b]	230.05	195.85	208.59	208.59	660.54	599.82	835.53	835.53
2. Expenses								
a. Cost of materials consumed	105.05	93.24	124.50	124.50	355.83	321.05	452.77	452.77
b. Purchases of stock-in-trade	1.27	2.62	2.62	2.62	4.22	5.50	7.65	7.65
c. Changes in inventories of finished goods, work-in-progress and stock-in-trade	13.93	22.81	(8.24)	(8.24)	2.26	(0.17)	(0.39)	(0.39)
d. Employee benefits expense	29.12	27.59	28.21	28.21	82.24	84.47	112.22	112.22
e. Depreciation and amortisation expense	7.14	7.88	7.33	7.33	21.75	20.50	29.30	29.30
f. Other expenses	39.28	33.15	33.28	33.28	107.79	103.33	146.11	146.11
Total Expenses	195.79	187.29	187.70	187.70	574.09	534.68	747.66	747.66
3. Profit / (Loss) from operations before other income, finance costs and exceptional items (1-2)	34.26	8.56	20.89	20.89	86.45	65.14	87.87	87.87
4. a. Other income - exchange gain/(net)	1.55	1.11	0.29	0.29	3.06	7.35	10.71	10.71
4. b. Other income - Others (refer note 5)	0.83	0.25	1.24	1.24	2.73	12.09	14.44	14.44
5. Profit / (Loss) from ordinary activities before finance costs and exceptional items (3+4)	36.64	9.92	22.42	22.42	92.24	84.58	113.02	113.02
6. Finance costs	3.23	3.42	5.00	5.00	13.03	12.90	18.52	18.52
7. Profit / (Loss) from ordinary activities after finance costs but before exceptional items (5-6)	33.41	6.50	17.42	17.42	79.21	71.68	94.50	94.50
8. Exceptional items	-	-	-	-	-	-	-	-
9. Profit / (Loss) from Ordinary Activities Before Tax (7+8)	33.41	6.50	17.42	17.42	79.21	71.68	94.50	94.50
10. a) Tax expense- current year	10.00	1.95	7.47	7.47	25.07	24.39	30.28	30.28
10. b) Tax expense- earlier year	-	-	-	-	-	(2.78)	(6.18)	(6.18)
11. Net Profit / (Loss) from Ordinary Activities After Tax (9-10)	23.41	4.55	9.95	9.95	54.14	49.47	70.40	70.40
12. Extraordinary items	-	-	-	-	-	-	-	-
13. Net Profit / (Loss) for the period (11+12)	23.41	4.55	9.95	9.95	54.14	49.47	70.40	70.40
14. Share of Profit / (loss) of associates	-	-	-	-	-	-	-	-
15. Minority interest	-	0.01	-	-	-	0.02	-	0.02
16. Net Profit / (Loss) after taxes, minority interest and share of profit / (loss) of associates (13+14+15)	23.41	4.56	9.95	9.95	54.14	49.49	70.42	70.42
17. Paid up equity shares capital (Face value Rs 10 per share)	144.62	132.27	132.27	132.27	144.62	132.27	132.27	132.27
18. Reserve excluding Revaluation Reserves as per balance sheet of previous accounting year	-	-	-	-	-	-	368.24	368.24
19.i Earnings Per Share (before extraordinary items) (of Rs. 10 each) (not annualised):								
(a) Basic	1.74	0.34	0.75	0.75	4.02	3.74	5.32	5.32
(b) Diluted	1.74	0.34	0.75	0.75	4.02	3.72	5.30	5.30
19.ii Earnings Per Share (after extraordinary items) (of Rs. 10 each) (not annualised):								
(a) Basic	1.74	0.34	0.75	0.75	4.02	3.74	5.32	5.32
(b) Diluted	1.74	0.34	0.75	0.75	4.02	3.72	5.30	5.30



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CONSOLIDATED SEGMENT WISE REVENUE, RESULTS AND CAPITAL EMPLOYED FOR THE QUARTER AND NINE MONTHS ENDED 31 DECEMBER, 2015
(Rupees in Crores, except for share data and if otherwise stated)

Quarter ended 31st December		Quarter ended 30th September	Particulars		Nine Months ended 31st December		Previous Year ended 31st March
2015 Unaudited	2014 Unaudited	2015 Unaudited		2015 Unaudited	2014 Unaudited	2015 Audited	
			1. Segment Revenue				
241.48	203.04	217.50	- Fragrance	689.61	620.59	871.70	
19.34	14.26	13.79	- Flavours	45.57	44.25	66.07	
260.82	217.30	231.29	Total	735.18	664.84	937.77	
31.79	21.89	23.54	Less: Inter Segment Revenue	77.07	66.52	104.65	
229.03	195.41	207.75	Net sales/ Income From Operations	658.11	598.32	833.12	
			2. Segment Results (Profit (+) / Loss(-) before tax and interest from ordinary activities)				
32.16	9.02	19.10	- Fragrance	81.46	60.73	83.21	
2.54	0.78	2.46	- Flavours	7.34	7.12	9.70	
34.70	9.80	21.56	Total	88.80	67.85	92.91	
(3.23)	(3.42)	(5.00)	Less: i) Finance costs	(13.03)	(12.90)	(18.52)	
1.94	0.12	0.86	Add/(Less): Other unallocable income net of unallocable expenditure	3.44	16.73	20.11	
33.41	6.50	17.42	Total Profit Before Tax from ordinary activities	79.21	71.68	94.50	
			3. Capital Employed (Segment assets - Segment liabilities)				
701.61	638.06	638.93	- Fragrance	701.61	638.06	641.01	
30.70	33.58	31.40	- Flavours	30.70	33.58	32.21	
32.12	(153.00)	(119.58)	- Unallocated (refer note 6)	32.12	(153.00)	(163.52)	
764.43	518.64	550.75	Total	764.43	518.64	509.70	



Always



Notes :

1 The above consolidated results for the quarter and nine months ended 31st December 2015 have been reviewed and recommended by the Audit Committee and thereafter were approved by the Board of Directors at its Meeting held on 9 February 2016. The statutory Auditors of S H Kelkar and Company Limited ('the Company') have carried out a limited review of the above results 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

2 During the quarter ended 31st December 2015, the company has completed the initial public offer (IPO) of 28,231,827 Equity shares of Rs. 10 each at an issue price of Rs.180 per equity share, consisting of fresh issue of 11,666,666 equity shares and an offer for sale of 16,565,161 equity shares by Selling Shareholders. The equity shares of the company were listed on National Stock Exchange of India Limited (NSE) via ID SHK and BSE Limited (BSE) via ID 539450 on November 16, 2015. Accordingly, the financial results for the quarter ended and nine months period ended 31 December 2014 and quarter ended 30 September 2015 were not subjected to limited review by the Statutory Auditors of the Company.

3 The proceeds from IPO is Rs.209.99 crores (including issue related expenses inclusive of Service Tax- Rs.17.63 crores)

Details of utilisation of IPO proceeds are as follows:

Particulars	Object of the issue as per the prospectus	Rs. in crores	
		Utilised upto 31 December 2015	Unutilised amount as at 31st December 2015
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Investment in K.V.Arochem Private Limited for repayment/pre-payment in full or in part of certain loans availed by KVA	32.00	32.00	-
General Corporate purpose	34.36	-	34.36
TOTAL	192.36	158.00	34.36

The unutilized amounts of the issues as at 31st December 2015 have been temporarily deployed in money market mutual funds.

4 The company has incurred Rs. 33.30 crores (inclusive of Service Tax) of IPO expenses. Of the above IPO expenses, certain expenses (such as legal counsel cost, audit fee, Listing fees and stamp duty expenses) aggregating to Rs 6.59 crores are directly attributable to the Company and have been adjusted towards the securities premium account. Remaining IPO expenses aggregating to Rs 26.71 crores, have been allocated between the Company Rs. 11.04 crores and selling shareholders Rs 15.67 crores in proportion to the equity shares allotted to the public as fresh issue by the company and under offer for sale by the selling shareholders.

5 Other Income - Others includes profit on sale of property of Rs 10.18 crores for the corresponding nine months period ended 31 December 2014 and for the previous year ended 31 March 2015.

6 Movement in unallocated capital employed during the quarter ended 31 December 2015 is mainly on account of repayment of borrowings out of proceeds from IPO.

7 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

8 Previous period's/ year's figures have been regrouped/ reclassified, where necessary, to conform to current period's classification.

Place : Mumbai
Dated : February 09, 2016



For and on behalf of Board of Directors

Kedar Vaze

Kedar Vaze
Director / Group CEO

B S R & Co. LLP

Chartered Accountants

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Review report

To the Board of Directors of S H Kelkar and Company Limited

(formerly, S. H. Kelkar & Co. Private Limited)

- 1 We have reviewed the accompanying statement of Unaudited Consolidated Financial Results ('the Statement') of S H Kelkar and Company Limited *(formerly, S. H. Kelkar & Co. Private Limited)* ('the Company') and its subsidiaries (the Company and its subsidiaries are together referred to as 'the Group') for the quarter and nine months period ended 31 December 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 9 February 2016. Our responsibility is to issue a report on the Statement based on our review.
- 2 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 Statement are free of material misstatement. A review is limited primarily to inquiries of Company personnel and analytical procedures applied to financial data and thus provide less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.
- 3 We did not review the interim financial results of one subsidiary considered in the preparation of the Statement for the quarter and nine months period ended 31 December 2015, whose interim financial results reflect total revenue of Rs 6.71 crores and Rs. 26.79 crores for the quarter and nine months period ended 31 December 2015, respectively, and total loss after tax of Rs 9.24 crores and Rs 16.47 crores for the quarter and nine months period ended 31 December 2015, respectively. This interim financial results have been reviewed by other auditors whose reports have been furnished to us and our report on the Statement, in so far as it relates to the amounts and disclosures included in respect of this subsidiary, is based solely on the reports of other auditors.
- 4 We did not review the interim financial results of seven subsidiaries considered in the preparation of the Statement for the quarter and nine months period ended 31 December 2015, whose interim financial results reflect total revenue of Rs 50.23 crores and Rs. 145.88 crores for the quarter and nine months period ended 31 December 2015, respectively, and total loss after tax of Rs 4.67 crores and Rs 10.09 crores for the quarter and nine months period ended 31 December 2015, respectively. These interim financial results of seven subsidiaries, as approved by the respective Board of Directors of these subsidiaries, have been furnished to us by the management, and our report on the Statement in so far as it relates to the amounts included in respect of these subsidiaries is based solely on such board approved interim financial results.



Review report (*Continued*)

S H Kelkar and Company Limited

(formerly, S. H. Kelkar & Co. Private Limited)

- 5 Based on our review conducted as 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 specified under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014 and other recognised accounting practices and policies has not disclosed the information required to be disclosed in terms of Regulation 33 of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 including the manner in which it is to be disclosed, or that it contains any material misstatement.
- 6 This being the first quarter post Initial Public Offering ('IPO') by the Company, we have not reviewed the consolidated financial results for the preceding quarter ended 30 September 2015 and for the corresponding quarter and nine months period ended 31 December 2014 included in the accompanying Statement for the quarter and nine months period ended 31 December 2015.

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

Chartered Accountants

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



Aniruddha Godbole

Partner

Membership No: 105149

Mumbai
9 February 2016