



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 and Company announces Q1 FY18 results

Total Income stood at Rs. 239 crore
EBITDA margins steady at 19.5%
PAT stood at Rs. 27 crore

Mumbai, August 10, 2017: S H Kelkar and Company, the largest Indian origin Fragrance and Flavours Company in India, has announced its financial results for the quarter ended June 30, 2017.

Q1 FY18 performance overview compared with Q1 FY17

- Total Income declines by 7.8% to Rs. 238.8 crore from Rs. 259.0 crore
- EBITDA lower by 8.0% to Rs. 46.5 crore from Rs. 50.5 crore
 - EBITDA margin steady at 19.5%
- Profit After Tax lower by 2.5% to Rs. 26.8 crore from Rs. 27.5 crore
 - PAT margins improves to 11.2%
- The business momentum during the quarter saw a slowdown due to GST-led cautiousness in trade and other broader market challenges



Commenting on the performance of Q1 FY2018, Mr. Kedar Vaze, Chief Executive Officer and Director at SH Kelkar and Company said,

“We have begun the fiscal on a steady footing despite broader market challenges and subdued demand in the FMCG sector. GST-led destocking across trade and channels impacted the sector as a whole, which in turn affected our domestic performance. International business performance, however, remained fairly steady as we sustained market share across key geographies.

Over the last many years, we have been constantly working on several cost optimization measures to improve our operating efficiency. In sync with this approach, the Company is implementing a well-thought out cost-saving initiative in the Fragrance division, which will allow us greater flexibility in our backend manufacturing operations and leverage our existing presence in a low cost centre. This initiative is a key area of focus for us and we look forward to reporting an attractive ROI.

Going forward, we anticipate the macro-situation to normalize by the latter half of the fiscal led by a healthy rebound of consumer demand. We remain confident that our business fundamentals, innovation & R&D capabilities, and our leadership position in the niche sector will help upscale Company’s performance in the quarters ahead. Moreover, the pro-growth and cost-saving initiatives undertaken by us will also help augment business performance from H2 FY18 onwards.”

- ENDS -



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, Bengaluru, The Netherlands and Indonesia for the development of fragrance and flavour products. Their research team has developed 12 molecules over the last three years, of which the Company has filed patent applications for three.

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:

Certain statements that are made in the Press Release 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.