

Keva

Crafting sensorial delight



Disclaimer: In this annual report we have disclosed forward-looking information to enable investors to comprehend our prospects and take informed investment decisions. This report and other statements – written and oral – that we periodically make contain forward-looking statements that set out anticipated results based on the management’s plans and assumptions. We have tried wherever possible to identify such statements by using words such as ‘anticipates’, ‘estimates’, ‘expects’, ‘projects’, ‘intends’, ‘plans’, ‘believes’ and words of similar substance in connection with any discussion of future performance. We cannot guarantee that these forward-looking statements will be realised, although we believe we have been prudent in assumptions. The achievement of results is subject to risks, uncertainties and even inaccurate assumptions. Should known or unknown risks or uncertainties materialise, or should underlying assumptions prove inaccurate, actual results could vary materially from those anticipated, estimated or projected. We undertake no obligation to publicly update any forward-looking statements, whether as a result of new information, future events or otherwise.

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**years of solidity
coupled with the
speed of a start-up**



Billions have been invested in cutting-edge technologies.



Billions have been invested in advanced R&D.



Billions have been invested in modern-day packaging.



Billions have been invested in promotional campaigns.



The fight for supremacy has come down to a critical differentiator.

Stm



The last frontier.



Smell,
Keva
and
you.

People think they buy products on the basis of logical thinking.

People think they buy products on the basis of an emotional connect.

People think they buy products on the basis of price.

People think they buy products based on the reputation of the manufacturer.

People think they buy products on the basis of where it is placed on the shelf.

People think they buy products on the basis of word-of-mouth.

All of these might as well be true. But the unspoken truth is that people fundamentally buy most products on the basis of how they smell and taste.

At Keva, this has been our conviction for more than 90 years. Helping customers grow brands from scratch into winners.

Can you **imagine** a world **without** fragrances **or** flavours?


Humans have **350** functional olfactory receptor genes.

A study indicates that **80% of the flavours we taste come from what we smell** (which is why foods can become flavourless when we have a blocked nose)

The taste buds on our tongues can identify only four tastes - sweet, sour, bitter and salt. The remaining 'tastes' are **distinguished by smell.**

We have about **four million** smell cells in our noses, divided into about **400** different types.

Each smell cell carries just **one type of receptor** or 'lock' on it - the smell floats through the air, fits into the 'lock' and activates the cell.



Smell accounts for **75-95%** of the impact of flavours. Without being able to smell the difference between onion and potato, it would be difficult to tell them apart.

Humans have **five to six million** odour-detecting cells.

75% emotions are triggered by smell linked to **pleasure, well-being, emotion and memory.**

People **smell with their brain**, not with their nose. The nose detects scent molecules; the brain identifies them.

Women have a **stronger sense of smell than men**; the female brain has up to 50% more olfactory sensors.

Fragrances, especially 'arousing' fragrances like peppermint, **increase alertness and performance.**

The fragrance and flavours industry growth is powered by emerging markets, especially Asia.

Keva is well positioned to benefit from the opportunities for growth from emerging markets; the Company is leveraging its rich learnings from India to extend into a number of Asian geographies with similar demographics, income patterns and aspirations. This bottom-up customer understanding is expected to translate into accelerated revenue growth across the foreseeable future.

Success in the fragrance and flavours sector is derived from a holistic 360-degree presence within the business, a competence that resides primarily with larger global players.

Keva is one of the select full-fledged global companies of its size possessing research-led capabilities in the manufacture of flavours, fragrances and aroma ingredients. This competitive advantage is expected to translate into rapid growth across the foreseeable future.

The largest global companies in the fragrances sector work with some of the largest downstream FMCG customers.

Embracing opportunities, however small, represents the DNA of Keva. Together with these customers, Keva has scripted several success stories. Going ahead, the Company intends to extend this commitment to larger global customers as well – an effective dual-approach strategy to emerge as one of the fastest growing global companies within its sector.

The ability to grow from national to international scale warrants a robust financial foundation.

Keva possesses a robust Balance Sheet, characterised by market-outperforming growth. In addition Keva is debt-free. This serves as a robust foundation to make the Company's global ambition a successful reality.

At Keva, we are attractively placed to capitalise on the increasingly specialised role that various smells play in the marketing of everyday products.