

30.01.2021

To,
BSE Limited
Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai - 400 001

To,
National Stock Exchange of India Limited
Exchange Plaza,
Bandra - Kurla Complex,
Bandra (E), Mumbai - 400 051

Scrip Code: 524669

Symbol: HESTERBIO

Respected Sir / Madam:

Subject: Outcome of Board Meeting

This is with reference to our letter dated 21.01.2021 intimating the date of the Board Meeting for consideration of the Standalone and Consolidated Unaudited Financial Results for the quarter and nine months ended on 31.12.2020.

Pursuant to the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we would like to inform you that Board of Directors, in their Meeting held today, have approved the followings:

1. Standalone and Consolidated Unaudited Financial Results for the quarter and nine months ended on 31.12.2020.
2. Issuance of equity shares, and/or equity linked securities and/or securities convertible into equity shares through Qualified Institutional Placement (QIP) or preferential allotment for an amount not exceeding INR 200 crores, subject to approval of members through Postal Ballot process.

We attach herewith:


1. The approved Standalone and Consolidated Unaudited Financial Results and Limited Review Reports.
2. Press Release issued in this regard

We would be publishing the extract of results in the newspaper as per SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The Board Meeting commenced at 10:40 a.m. and concluded at 11:00 a.m.

You are requested to take the above information on your record.

Sincerely,
For Hester Biosciences Limited


Rajiv Gandhi
CEO & Managing Director
DIN: 00438037



Hester Biosciences Limited
Head Office
Pushpak, 1st Floor
Panchvati Circle
Motilal Hirabhai Road
Ahmedabad 380006
Gujarat, India
Phone +9179 26445106

Plant Address
Village Merda-Ardraj
Taluka Kadi
District Mehsana
Gujarat 382721, India
Phone +9179 26445105

Email mail@hester.in
Toll Free 1 800 233 7937
www.hester.in
CIN L99999GJ1987PLC022333

Notes:

- 1 The Unaudited Standalone Financial Results for the quarter and nine months ended on 31.12.2020 were reviewed by the Audit Committee and then approved by the Board of Directors at their meeting held on 30.01.2021. The Statutory Auditor have carried out "Limited Review" of financial results of the Company for the quarter and Nine months ended on 31.12.2020.
- 2 The Unaudited Standalone Financial Results have been prepared in accordance with the Indian Accounting Standards (Ind AS) as prescribed under Section 133 of the Companies Act, 2013 read with Rule 3 of Companies (Indian Accounting Standards) Rules, 2015.
- 3 Segment wise reporting in accordance with Ind AS 108 is given separately.
- 4 The figures for the corresponding previous period have been regrouped/reclassified wherever necessary, to make them comparable.

For and on behalf of the Board of Directors

Place: Ahmedabad
Date: 30.01.2021


Rajiv Gandhi
CEO & Managing Director
DIN: 00438037



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Notes:

- 1 The Unaudited Consolidated Financial Results for the quarter and nine months ended on 31.12.2020 were reviewed by the Audit Committee and then approved by the Board of Directors at their meeting held on 30.01.2021. The Statutory Auditor have carried out "Limited Review" of financial results of the Company for the quarter and Nine months ended on 31.12.2020.
- 2 The Unaudited Consolidated Financial Results have been prepared in accordance with the Indian Accounting Standards (Ind AS) as prescribed under Section 133 of the Companies Act, 2013 read with Rule 3 of Companies (Indian Accounting Standards) Rules, 2015.
- 3 Segment wise reporting in accordance with Ind AS 108 is given separately.
- 4 Consolidated Financial Figures include results of following Subsidiary Companies:
 - a) Texas Lifesciences Private Limited
 - b) Hester Biosciences Nepal Private Limited
 - c) Hester Biosciences Africa Limited
 - d) Hester Biosciences Kenya Limited
 - e) Hester Biosciences Tanzania Limited (Step-down Subsidiary)
- 5 The figures for the corresponding previous period have been regrouped/reclassified wherever necessary, to make them comparable.

For and on behalf of the Board of Directors

Place: Ahmedabad
Date: 30.01.2021


Rajiv Gandhi
CEO & Managing Director
DIN: 00438037

Chandulal M. Shah & Co.

CHARTERED ACCOUNTANTS

A/6, 6th Floor, Wing-A, Safal Profitaire, Opp. Auda Garden, Corporate Road, Prahladnagar, Ahmedabad-380052.
Tel. : 079-2960 1085 • (M) 90330 34430 • E-mail : cmshah@cmshah.com • Website : www.cmshah.com

Independent Auditor's review report on Quarterly and Year-to-Date Unaudited Standalone Financial Results of Hester Biosciences Limited pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended

To,
The Board of Directors of
Hester Biosciences Limited

We have reviewed the accompanying statement of unaudited financial results of Hester Biosciences Limited for the quarter and nine months' period ended on December 31, 2020 ("the Statement") attached herewith, being submitted by the Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "Listing Regulations").

This Statement, which is the responsibility of the Company's Management and approved by the Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed u/s 133 of the Companies Act, 2013, and other accounting principles generally accepted in India and in accordance with Regulation 33 of the Listing Regulations. Our responsibility is to issue a Report on the Statement based on our review.

We conducted our review of the Statement in accordance with the Standard on Review Engagements (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 Statement is free of material misstatement. A review is limited primarily to inquiries of Company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.

Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with applicable accounting standards and other recognized accounting principles and policies, has not disclosed the information required to be disclosed in terms of Regulation 33 of the Listing Regulations including the manner in which it is to be disclosed or that it contains any material misstatement.

We have not audited or reviewed the accompanying financial results and other financial information for the quarter and nine months ended December 31, 2019 and year ended March 31, 2020 which has been solely prepared based on the information compiled by the Management and reviewed/audited by erstwhile auditors.

For, Chandulal M. Shah & Co.
Chartered Accountants
FRN. 101698W



Place: Ahmedabad
Date: 30/01/2021

A handwritten signature in blue ink, appearing to read "Arpit D. Shah".

Arpit D. Shah
Partner

Membership No. 135188
UDIN :- 21135188AAAABK5549

Chandulal M. Shah & Co.

CHARTERED ACCOUNTANTS

A/6, 6th Floor, Wing-A, Safal Profitaire, Opp. Auda Garden, Corporate Road, Prahladnagar, Ahmedabad-380052.
Tel. : 079-2960 1085 • (M) 90330 34430 • E-mail : cmshah@cmshah.com • Website : www.cmshah.com

Independent Auditor's review report on Quarterly and Year-to-date Unaudited Consolidated financial results of Hester Biosciences Limited pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended

Review Report To
The Board of Directors of
Hester Biosciences Limited

We have reviewed the accompanying statement of unaudited consolidated financial results of **Hester Biosciences Limited** ("the Holding company") and its subsidiaries (the Holding and its subsidiaries together referred to as "the Group") for the quarter ended 31st December, 2020 and year-to-date results for the period from 1st April, 2020 to 31st December, 2020 ("the Statement"), attached herewith, being submitted by the company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "Listing Regulations").

This Statement, which is the responsibility of the Company's Management and approved by the Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed u/s 133 of the Companies Act, 2013 as amended, read with relevant rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to issue a Report on the Statement based on our review.

We conducted our review of the Statement in accordance with the Standard on Review Engagements (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 Statement is free of material misstatement. A review is limited primarily to inquiries of Company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.

The statement includes the results of the following subsidiaries:

Sr. No.	Name of the Company
1	Texas Lifesciences Private Limited
2	Hester Biosciences Nepal Private Limited
3	Hester Biosciences Africa Limited
4	Hester Biosciences Kenya Limited
5	Hester Biosciences Tanzania Limited (Stepdown subsidiary)



Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with applicable accounting standards and other recognized accounting principles and policies has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 including the manner in which it is to be disclosed, or that it contains any material misstatement.

The consolidated unaudited financial results includes the interim financial statements, financial information & financial results of 4 subsidiaries and 1 stepdown subsidiary which have not been reviewed/audited by their auditors, whose interim financial statements, financial information & financial results reflect total revenue of Rs. 110.99 Mn and Rs. 206.77 Mn, total net profit/(loss) after tax of Rs. 12.68 Mn and Rs. (36.77 Mn) and total comprehensive income/(loss) of Rs. 13.29 Mn and Rs. (36.16 Mn) for the quarter ended 31st December, 2020 and for the period from 1st April, 2020 to 31st December, 2020, respectively, as considered in the consolidated unaudited financial results. These financial statements and other financial information have been certified by the management. All subsidiaries, except (Sr. No. 1) are located outside India whose financial results have been prepared in accordance with accounting principles generally accepted in their respective countries ('local GAAP'). The Parent's management has converted the financial results of such subsidiaries from local GAAP to accounting principles generally accepted in India. We have not reviewed these conversion adjustments made by the Parent's management.

Our conclusion on the statement is not modified in respect of the above matter.

We have not audited or reviewed the accompanying consolidated financial results and other financial information for the quarter and nine months ended 31st December, 2020 and year ended 31st March, 2020 which has been solely prepared based on the information compiled by the Management and reviewed/audited by erstwhile auditors.

Place: Ahmedabad
Date: 30/01/2021



For, Chandulal M. Shah & Co.
Chartered Accountants
FRN. 101698W

Arpit D. Shah
Partner

Membership No. 135188
UDIN :- 21135188AAAABLS924

Press Release
30 January 2021
Q3FY21 Sales up by 22%, 9MFY21 Sales up by 14%
Q3FY21 Net Profit up by 72%, 9MFY21 Net Profit up by 18%
Financial Highlights
INR in Million

Particulars	Q3			9M		
	FY21	FY20	Growth	FY21	FY20	Growth
Net Sales	528.18	433.93	22%	1,453.19	1,279.94	14%
Net Profit	132.91	77.30	72%	310.42	262.21	18%
EPS (In INR)	15.62	9.09	72%	36.49	30.82	18%

Division-wise sales in INR Million

Particulars	Q3			9M		
	FY21	FY20	Growth	FY21	FY20	Growth
Poultry Healthcare	396.09	300.24	32%	1,037.77	904.61	15%
Animal Healthcare	98.97	94.82	4%	308.27	258.83	19%
Other	33.12	38.87	(15%)	107.15	116.50	(8%)
TOTAL	528.18	433.93	22%	1,453.19	1,279.94	14%

Profitability Analysis

Particular	Q3FY21	Q3FY20	9MFY21	9MFY20	FY20
GP Margin	68.22%	66.76%	64.04%	67.37%	66.97%
EBIDTA Margin	38.97%	29.97%	35.35%	33.17%	31.12%
NP Margin	25.16%	17.81%	21.36%	20.49%	18.43%
EPS in INR Non-Annualised	15.62	9.09	36.49	30.82	36.70

Balance Sheet Analysis

Particular	Q3FY21	Q3FY20	Up/(Down)	9MFY21	9MFY20	Up/(Down)
ROE	23.24%	15.60%	7.64%	18.05%	17.60%	0.45%
ROCE	26.66%	17.82%	8.84%	22.65%	19.84%	2.81%
ROI	18.55%	11.11%	7.44%	14.41%	12.53%	1.88%

Business Overview of Hester India

Analysing the performance through various parameters:

1. Poultry Healthcare Division	It has registered a growth of 32% in Q3FY21 and 15% in 9MFY21 in comparison to the corresponding period last year.
2. Animal Healthcare Division	It has registered growth of 4% in Q3FY21 and 19% in 9MFY21. The seemingly low growth of 4% on a Q-to-Q basis is purely due to large tender orders received last year in Q3 as against not received this year in Q3.
3. Vaccine sales	(poultry and animal divisions) have registered growth of 20% in Q3FY21 and 12% in 9MFY21 as compared to the corresponding period last year.
4. Health product sales	(poultry and animal divisions) have registered growth of 48% in Q3FY21 and 31% in 9MFY21 as compared to the corresponding period last year.
5. Geography	Domestic sales have registered a growth of 43% in Q3FY21 and 20% in 9MFY21 and the export sales have reduced by 51% in Q3FY21 and 5% in 9MFY21. While export orders have continued to pour in, the higher demand within India compelled us to divert the production for domestic sales.
6. Brucella tender	The outcome of the tender for Brucella vaccine under the National Animal Disease Control Program of the Government of India is awaited. Sales through this tender are expected to commence from March 2021.
7. Bird Flu impact	There has been no impact on our sales due to the current Bird Flu situation in India.

Going further:

- Hester is set to launch a new range of Herbal Health products in this quarter.
- Vaccine production expansion plans have been finalised for India. We hope to embark on the expansion activities in this quarter, the details would be shared in the next few weeks.
- In view of the various vaccine opportunities within India, including those of Brucella and LSD vaccines, till our expansion activities go on-stream, temporarily, Hester will focus on the Indian market. Exports will be mainly of health products.
- Hester is also evaluating expansion opportunities in manufacturing and distribution of Animal Health Products and Biologicals, worldwide.
- The Board has authorised the management to explore appropriate financing alternatives for the expansion activities for an aggregate outlay of INR 2 billion.
- Our developmental activities are ongoing for the human Covid-19 vaccine with IIT Guwahati.

Business Overview of Hester Nepal

- Revenue for Q3FY21 was recorded at INR 36.20 Mn as against INR 8.69 Mn in Q3FY20.
- Revenue for 9MFY21 was recorded at INR 43.33 Mn as against INR 45.36 Mn in 9MFY20.

Q3FY21 has performed as per expectations. FAO Tenders for PPR have now started, (though in a small way), which has resulted in increase in top-line in Q3FY21 and we are expecting the same to follow in the coming part of the year.

Financials in INR Million

Particular	Q3FY21	Q3FY20	9MFY21	9MFY20	FY20
Net Sales	36.20	8.69	43.33	45.36	161.80
Net Profit / (Loss)	9.41	6.54	(16.54)	(18.36)	39.39

Business Overview of Texas Lifesciences

1. Revenue for Q3FY21 was recorded at INR 51.69 Mn as against INR 33.31 Mn in Q3FY20.
2. Revenue for 9MFY21 was recorded at INR 113.07 Mn as against INR 93.09 Mn in 9MFY20.

Texas Lifesciences has continued to show growth in topline due to the growth in sales of health products at Hester.

The company has also started direct registration process for products to be exported to various African countries.

Financials in INR Million

Particular	Q3FY21	Q3FY20	9MFY21	9MFY20	FY20
Net Sales	51.69	33.31	113.07	93.09	128.03
Net Profit / (Loss)	4.44	4.70	9.70	9.99	10.17

Business Overview of Hester Tanzania

1. Revenue for Q3FY21 was recorded at INR 16.61 Mn as against INR 8.87 Mn in Q3FY20.
2. Revenue for 9MFY21 was recorded at INR 32.18 Mn as against INR 20.86 Mn in 9MFY20.

Company is in process of establishing sales and distribution network keeping in focus the Demands from domestic market as well as East African countries

Financials in INR Million

Particular	Q3FY21	Q3FY20	9MFY21	9MFY20	FY20
Net Sales	16.61	8.87	32.18	20.86	27.03
Net Profit / (Loss)	8.86	8.22	0.47	13.35	(2.68)

Business Overview of Hester Africa

The project is near completion. Commercial production has been slated for June 2021.



Rajiv Gandhi
Hester Biosciences Limited
CEO Managing Director

Hester India:



Hester Nepal:



Hester Africa:



Better health for human beings through healthier animals