

**08.06.2021**

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

Scrip Code: 524669

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

Symbol: HESTERBIO

**Respected Sir / Madam:**

**Subject: Outcome of Board Meeting**

This is with reference to our letter dated 27.05.2021 intimating the date of the Board Meeting for consideration of the Standalone and Consolidated Audited Financial Results for the quarter and year ended on 31.03.2021 and to consider declaration of dividend, if any, on the equity shares of the Company, for the financial year 2020-21.

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) Audited Standalone and Consolidated Financial Results for the quarter and year ended 31.03.2021, as recommended by Audit Committee and the Audited Standalone and Consolidated Financial Statements for the year ended 31.03.2021.
- 2) Recommended dividend of 100% that is INR 10 per equity share of INR 10 each for the financial year 2020-21, subject to approval of members in the ensuing Annual General Meeting.
- 3) Resignation of Mr. Chetas Patel from the post of Chief Financial Officer (KMP) of the Company with effect from the close of the office hours on 08.06.2021.
- 4) Appointment of Mr. Nikhil Jhanwar as a Chief Financial Officer (KMP) of the Company with effect from 09.06.2021.
- 5) Re-appointment of Ernst & Young LLP as an Internal Auditor of the Company for the financial year 2021-22.

Pursuant to Regulation 33 (3) (d) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended time to time), we hereby state that the Statutory Auditors of the Company, Chadulal M. Shah & Co., Chartered Accountants (FRN: 101698W) have issued an Audit Report with unmodified opinion on the Audited Standalone and Consolidated Financial Results of the Company for the financial year ended on 31.03.2021.

The details, as required under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with SEBI Circular No. CIR / CFD / CMD / 4 /2015 dated 9 September 2015, including the brief profile of the Key Managerial Personnel referred as above (in case of appointment/reappointment), are given as Annexures respectively.

We attach herewith:

- 1) The approved standalone and consolidated audited financial results and auditors reports.
- 2) Press Release issued in this regard

**HESTER**

**Hester Biosciences Limited**  
**Head Office**  
Pushpak, 1<sup>st</sup> 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](http://www.hester.in)

**CIN** L99999GJ1987PLC022333

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 10:45 a.m. and concluded at 11:50 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

**Annexure-1:** The details of resignation of Chief Financial Officer of the Company:

| Sr. | Particulars                                       | Details                                                      |
|-----|---------------------------------------------------|--------------------------------------------------------------|
| 1   | Name of Key Managerial Personnel                  | Mr. Chetas patel                                             |
| 2   | Reason for change viz. appointment or resignation | Resignation                                                  |
| 3   | Date of Resignation                               | With effect from the close of the office hours on 08.06.2021 |
| 4   | Brief profile (in case of appointment)            | Not Applicable                                               |

**Annexure-2:** The details of appointment of Chief Financial Officer of the Company:

| Sr. | Particulars                                       | Details                                                                                                                                                                                                                                                                          |
|-----|---------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 1   | Name of Key Managerial Personnel                  | Mr. Nikhil Jhanwar                                                                                                                                                                                                                                                               |
| 2   | Reason for change viz. appointment or resignation | Upon resignation of Mr. Chetas Patel as a Chief Financial Officer of the Company, Mr. Nikhil Jhanwar has been appointed as Chief Financial Officer of the Company.                                                                                                               |
| 3   | Date of appointment / & Term of appointment;      | With effect from 09.06.2021, Appointment as a Chief Financial Officer (Key Managerial Personnel)                                                                                                                                                                                 |
| 4   | Brief profile (in case of appointment)            | Mr. Nikhil Jhanwar is a chartered accountant and holds degree of Bachelor of Commerce from Mumbai University. Nikhil has more than 16 years of experience, particularly in the fields of auditing, accounting advice, taxation. Nikhil was earlier working with S R B C & CO LLP |

**For Hester Biosciences Limited**



**Rajiv Gandhi**  
**CEO & Managing Director**  
DIN: 00438037

**STATEMENT OF AUDITED STANDALONE FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED ON MARCH 31, 2021**

Amount in INR Million

| Sr. No. | Particulars                                                                                | Quarter Ended             |               |                           | Year Ended      |                 |
|---------|--------------------------------------------------------------------------------------------|---------------------------|---------------|---------------------------|-----------------|-----------------|
|         |                                                                                            | 31-03-2021                | 31-12-2020    | 31-03-2020                | 31-03-2021      | 31-03-2020      |
|         |                                                                                            | Audited<br>(Refer note 7) | Unaudited     | Audited<br>(Refer note 7) | Audited         | Audited         |
|         | <b>Income</b>                                                                              |                           |               |                           |                 |                 |
| 1       | Revenue from Operations                                                                    | 631.58                    | 528.18        | 414.32                    | 2,084.77        | 1,694.25        |
| 2       | Other Income                                                                               | 1.20                      | 6.35          | 2.97                      | 16.48           | 29.27           |
| 3       | <b>Total Income</b>                                                                        | <b>632.78</b>             | <b>534.53</b> | <b>417.29</b>             | <b>2,101.25</b> | <b>1,723.52</b> |
| 4       | <b>Expenses</b>                                                                            |                           |               |                           |                 |                 |
|         | (a) Cost of material consumed                                                              | 91.32                     | 53.49         | 54.01                     | 241.75          | 276.23          |
|         | (b) Purchases of stock-in-trade                                                            | 80.31                     | 84.22         | 46.05                     | 252.09          | 171.89          |
|         | (c) Change in inventories of finished goods, traded goods and work in progress             | 27.50                     | (34.24)       | (49.76)                   | 40.14           | (155.74)        |
|         | (d) Employee benefits expense                                                              | 97.87                     | 86.38         | 109.39                    | 334.51          | 371.56          |
|         | (e) Finance cost                                                                           | 4.72                      | 9.38          | 17.75                     | 39.47           | 50.34           |
|         | (f) Depreciation and amortisation expense                                                  | 24.46                     | 24.36         | 22.86                     | 96.33           | 93.85           |
|         | (g) Other expenses                                                                         | 128.43                    | 132.49        | 151.98                    | 496.35          | 503.10          |
|         | <b>Total Expenses</b>                                                                      | <b>454.61</b>             | <b>356.08</b> | <b>352.27</b>             | <b>1,500.64</b> | <b>1,311.23</b> |
| 5       | <b>Profit Before Tax and Exceptional Items</b>                                             | <b>178.17</b>             | <b>178.45</b> | <b>65.01</b>              | <b>600.61</b>   | <b>412.29</b>   |
| 6       | Exceptional Items (Refer Note 2)                                                           | (52.78)                   | -             | -                         | (52.78)         | -               |
| 7       | <b>Profit before tax</b>                                                                   | <b>125.40</b>             | <b>178.45</b> | <b>65.01</b>              | <b>547.83</b>   | <b>412.29</b>   |
| 8       | <b>Tax Expense</b>                                                                         |                           |               |                           |                 |                 |
|         | Current tax                                                                                | 49.78                     | 46.57         | 20.02                     | 163.65          | 118.05          |
|         | Deferred tax                                                                               | (12.97)                   | (1.03)        | (5.04)                    | (14.83)         | (18.00)         |
|         | <b>Total Tax Expense</b>                                                                   | <b>36.81</b>              | <b>45.54</b>  | <b>14.98</b>              | <b>148.82</b>   | <b>100.05</b>   |
| 9       | <b>Profit After Tax</b>                                                                    | <b>88.59</b>              | <b>132.91</b> | <b>50.03</b>              | <b>399.01</b>   | <b>312.24</b>   |
| 10      | <b>Other Comprehensive Income</b>                                                          |                           |               |                           |                 |                 |
|         | Items that will not be reclassified to Profit or Loss                                      |                           |               |                           |                 |                 |
|         | Remesurement Gain/(Loss) on Defined Benefit Plans                                          | 0.01                      | 0.95          | 0.46                      | 2.86            | (5.36)          |
|         | Income Tax Impact                                                                          | (0.00)                    | (0.24)        | (0.12)                    | (0.72)          | 1.35            |
|         | <b>Total Other Comprehensive Income</b>                                                    | <b>0.01</b>               | <b>0.71</b>   | <b>0.35</b>               | <b>2.14</b>     | <b>(4.01)</b>   |
| 11      | <b>Total Comprehensive Income for the period</b>                                           | <b>88.60</b>              | <b>133.62</b> | <b>50.37</b>              | <b>401.15</b>   | <b>308.23</b>   |
| 12      | Paid-up equity share capital                                                               |                           |               |                           | 85.07           | 85.07           |
| 13      | Other Equity                                                                               |                           |               |                           | 2,290.74        | 1,945.73        |
| 14      | Earnings Per Share (Face Value of INR 10 each)<br>(Not Annualised) - Basic & Diluted (INR) | 10.41                     | 15.62         | 5.88                      | 46.90           | 36.70           |

**STATEMENT OF AUDITED STANDALONE ASSETS AND LIABILITIES AS AT 31 MARCH 2021**

Amount in INR Million

| Particulars                                                                             | As at<br>31-03-2021 | As at<br>31-03-2020 |
|-----------------------------------------------------------------------------------------|---------------------|---------------------|
| <b>I. ASSETS</b>                                                                        |                     |                     |
| <b>(1) Non-current assets</b>                                                           |                     |                     |
| (a) Property Plant & Equipment                                                          | 863.07              | 960.81              |
| (b) Capital Work-in-Progress                                                            | 35.38               | 8.74                |
| (c) Other Intangible Assets                                                             | 3.30                | 3.93                |
| (d) Biological Assets other than the Bearer Plants                                      | 0.56                | 2.90                |
| (e) Financial Assets                                                                    |                     |                     |
| (i) Investments                                                                         | 438.85              | 406.71              |
| (ii) Loans                                                                              | 7.40                | 50.86               |
| (iii) Other Financial Assets                                                            | 41.14               | 52.37               |
| (f) Other Non-current Assets                                                            | 34.39               | 53.77               |
|                                                                                         | <b>1,424.09</b>     | <b>1,540.09</b>     |
| <b>(2) Current assets</b>                                                               |                     |                     |
| (a) Inventories                                                                         | 570.12              | 604.32              |
| (b) Financial Assets                                                                    |                     |                     |
| (i) Trade Receivables                                                                   | 455.50              | 447.61              |
| (ii) Cash and Cash Equivalents                                                          | 12.44               | 51.90               |
| (iii) Other Financial Assets                                                            | 4.17                | 3.99                |
| (iv) Loans                                                                              | 179.99              | 0.97                |
| (c) Other Current Assets                                                                | 173.84              | 123.02              |
|                                                                                         | 1,396.06            | 1,231.81            |
| <b>Total Assets</b>                                                                     | <b>2,820.15</b>     | <b>2,771.90</b>     |
| <b>II. EQUITY AND LIABILITIES</b>                                                       |                     |                     |
| <b>(1) Equity</b>                                                                       |                     |                     |
| (a) Share capital                                                                       | 85.07               | 85.07               |
| (b) Other equity                                                                        | 2,290.74            | 1,945.73            |
|                                                                                         | <b>2,375.81</b>     | <b>2,030.80</b>     |
| <b>(2) Liabilities</b>                                                                  |                     |                     |
| <b>(a) Non-current liabilities</b>                                                      |                     |                     |
| (i) Financial Liabilities                                                               |                     |                     |
| -Borrowings                                                                             | 26.76               | 74.45               |
| -Other Financial Liabilities                                                            | 3.03                | 1.53                |
| (ii) Deferred Tax Liabilities (Net)                                                     | 68.06               | 82.89               |
|                                                                                         | <b>97.85</b>        | <b>158.87</b>       |
| <b>(b) Current liabilities</b>                                                          |                     |                     |
| (i) Financial Liabilities                                                               |                     |                     |
| -Borrowings                                                                             | 17.10               | 318.01              |
| -Trade Payables                                                                         |                     |                     |
| -Total outstanding dues of micro enterprises and small enterprises                      | 2.98                | 7.08                |
| -Total outstanding dues of creditors other than micro enterprises and small enterprises | 137.27              | 129.00              |
| -Other Financial Liabilities                                                            | 124.22              | 98.35               |
| (ii) Other Current Liabilities                                                          | 26.83               | 25.38               |
| (iii) Current Tax Liabilities                                                           | 29.42               | -                   |
| (iv) Provisions                                                                         | 8.67                | 4.41                |
|                                                                                         | 346.49              | 582.23              |
| <b>Total Liabilities</b>                                                                | 444.34              | 741.10              |
| <b>Total Equity and Liabilities</b>                                                     | <b>2,820.15</b>     | <b>2,771.90</b>     |

**STATEMENT OF AUDITED STANDALONE CASH FLOWS FOR THE YEAR ENDED ON 31 MARCH 2021**

Amount in INR Million

| Particulars                                                           | Year Ended      |                 |
|-----------------------------------------------------------------------|-----------------|-----------------|
|                                                                       | 31-03-2021      | 31-03-2020      |
|                                                                       | Audited         | Audited         |
| <b>A. Cash Flow from Operating Activities</b>                         |                 |                 |
| Profit Before Tax                                                     | 547.83          | 412.29          |
| <b>Adjustments For:</b>                                               |                 |                 |
| Depreciation and Amortisation Expense                                 | 96.33           | 93.85           |
| Exceptional Items                                                     | 52.78           | -               |
| Provision for doubtful debt                                           | 2.87            | -               |
| Bad Debts Written off                                                 | 6.90            | 0.62            |
| (Profit) / Loss on Sale of Property, Plant & Equipments               | 2.69            | (4.74)          |
| Interest expense                                                      | 37.15           | 38.18           |
| Interest Income                                                       | (12.94)         | (5.40)          |
| <b>Operating Profit Before Changes in Working Capital</b>             | <b>733.61</b>   | <b>534.80</b>   |
| <b>Adjustments For:</b>                                               |                 |                 |
| Trade Receivables                                                     | (17.65)         | (121.52)        |
| Inventories                                                           | 34.20           | (119.36)        |
| Other Assets                                                          | (50.77)         | 17.14           |
| Trade Payables                                                        | 4.17            | 55.59           |
| Other Current Liabilities                                             | 2.94            | 15.28           |
| Short-term Provisions                                                 | 4.25            | 1.19            |
| Loans                                                                 | (179.03)        | 1.61            |
| Other Financial Liability                                             | 0.44            | 0.57            |
| Other Financial Assets                                                | 3.44            | (13.55)         |
| <b>Cash Generated From Operations</b>                                 | <b>535.60</b>   | <b>371.74</b>   |
| Income Tax paid (net)                                                 | (134.89)        | (113.52)        |
| <b>Net Cash Flow from Operating Activities (A)</b>                    | <b>400.71</b>   | <b>258.22</b>   |
| <b>B. Cash Flow from Investing Activities</b>                         |                 |                 |
| Capital Expenditure on Property, Plant & Equipment                    | (42.50)         | (84.00)         |
| Proceeds from sale of Property, Plant & Equipment                     | 0.42            | 9.81            |
| Investment in Subsidiary Companies                                    | (8.25)          | (124.52)        |
| Proceeds from loans repaid                                            | -               | 3.82            |
| Interest received                                                     | 12.67           | 4.43            |
| Investment in Bank Deposits (net)                                     | 10.74           | (22.87)         |
| <b>Net Cash Flow used in Investing Activities (B)</b>                 | <b>(26.92)</b>  | <b>(213.32)</b> |
| <b>C. Cash Flow from Financing Activities</b>                         |                 |                 |
| Repayment of long term borrowings                                     | (19.04)         | (12.60)         |
| Proceeds/(Repayment) of Short-term Borrowings (net)                   | (300.91)        | 108.64          |
| Interest Paid                                                         | (37.15)         | (38.18)         |
| Dividend Paid (Including Dividend Distribution Tax)                   | (56.15)         | (71.79)         |
| <b>Net Cash Flow used in Financing Activities (C)</b>                 | <b>(413.25)</b> | <b>(13.92)</b>  |
| <b>Net Increase / (Decrease) in Cash and Cash Equivalents (A+B+C)</b> | <b>(39.46)</b>  | <b>30.98</b>    |
| Cash and Cash Equivalents at the beginning of the year                | 51.90           | 20.92           |
| <b>Cash and Cash Equivalents at the end of the year</b>               | <b>12.44</b>    | <b>51.90</b>    |

## Notes:

- The above standalone financial results of Hester Biosciences Limited (the "Company") have been reviewed by the Audit Committee and approved by the Board of Directors of the Company in their respective meetings held on 8 June 2021.

- Exceptional items includes:

| Particulars                                         | Amount (INR in million) |
|-----------------------------------------------------|-------------------------|
| Loss on disposal of Patan Farm                      | 33.21                   |
| Impairment of interest accrued / loan to subsidiary | 19.57                   |
| Total                                               | 52.78                   |

- Followings are the details of segment wise revenue, results, segment assets and liabilities:

(Amount in INR Million)

| Particulars                                   | Quarter Ended   |                 |                 | Year Ended      |                 |
|-----------------------------------------------|-----------------|-----------------|-----------------|-----------------|-----------------|
|                                               | 31-03-2021      | 31-12-2020      | 31-03-2020      | 31-03-2021      | 31-03-2020      |
| <b>Segment Revenue</b>                        |                 |                 |                 |                 |                 |
| a. Poultry Healthcare                         | 485.49          | 414.53          | 313.31          | 1,558.58        | 1,269.38        |
| b. Animal Healthcare                          | 146.09          | 113.65          | 101.02          | 526.19          | 424.87          |
| <b>Total</b>                                  | <b>631.58</b>   | <b>528.18</b>   | <b>414.32</b>   | <b>2,084.77</b> | <b>1,694.25</b> |
| <b>Segment Results</b>                        |                 |                 |                 |                 |                 |
| a. Poultry Healthcare                         | 120.54          | 140.04          | 29.54           | 388.39          | 310.61          |
| b. Animal Healthcare                          | 27.84           | 41.45           | 50.26           | 201.89          | 122.75          |
| <b>Total</b>                                  | <b>148.38</b>   | <b>181.49</b>   | <b>79.80</b>    | <b>590.28</b>   | <b>433.36</b>   |
| Finance Costs                                 | 4.72            | 9.38            | 17.75           | 39.47           | 50.34           |
| Other unallocated expenditure/ (income) (net) | 18.26           | (6.35)          | (2.96)          | 2.98            | (29.27)         |
| <b>Profit before Tax</b>                      | <b>125.40</b>   | <b>178.45</b>   | <b>65.01</b>    | <b>547.83</b>   | <b>412.29</b>   |
| <b>Segment Assets</b>                         |                 |                 |                 |                 |                 |
| a. Poultry Healthcare                         | 1,822.52        | 1,758.82        | 2,009.42        | 1,822.52        | 2,009.42        |
| b. Animal Healthcare                          | 325.89          | 287.29          | 247.17          | 325.89          | 247.17          |
| Unallocated Assets                            | 671.73          | 819.21          | 515.33          | 671.73          | 515.33          |
| <b>Total</b>                                  | <b>2,820.15</b> | <b>2,865.32</b> | <b>2,771.91</b> | <b>2,820.15</b> | <b>2,771.91</b> |
| <b>Segment Liabilities</b>                    |                 |                 |                 |                 |                 |
| a. Poultry Healthcare                         | 143.64          | 278.89          | 132.31          | 143.64          | 132.31          |
| b. Animal Healthcare                          | 39.59           | 42.98           | 42.49           | 39.59           | 42.49           |
| Unallocated Liabilities                       | 261.10          | 256.25          | 566.31          | 261.10          | 566.31          |
| <b>Total</b>                                  | <b>444.34</b>   | <b>578.11</b>   | <b>741.11</b>   | <b>444.34</b>   | <b>741.11</b>   |

- During the quarter, the Company has made investment aggregating to INR 23.90 million in the equity shares of its subsidiary, Hester Biosciences Nepal Private Limited.
- The Board of Directors has recommended a dividend of INR 10 per equity share (100%) for FY21, subject to the approval of the shareholders in the ensuing Annual General Meeting.

6. The Code on Social Security, 2020 ("Code") relating to employees benefits during employment and post-employment benefits received Presidential assent in September 2020. The Code has been published in the Gazette of India. However, the date on which the Code will come into effect has not been notified and the final rules/ interpretation have not yet been issued. The Company will assess the impact of the Code when it comes into effect and will record any related impact in the period the Code becomes effective.
7. The figures for the last quarters are the balancing figures between the audited figures in respect of the full year ending 31 March 2021 and 31 March 2020 and the unaudited published year-to-date figures up to 31 December 2020 and 31 December 2019 respectively, being the date of the end of the third quarter of the respective financial years which were subjected to limited review.
8. The figures for the previous year/periods have been regrouped/reclassified wherever necessary to make them comparable to current year/period.

**For and on behalf of the Board of Directors**



**Rajiv Gandhi**  
**CEO & Managing Director**  
**DIN: 00438037**

**Place: Ahmedabad**  
**Date: 08.06.2021**



**Hester Biosciences Limited**  
**Head Office**  
 Pushpak, 1<sup>st</sup> 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** 1800 233 7937  
[www.hester.in](http://www.hester.in)  
**CIN** L99999GJ1987PLC022333

**AUDITED CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED ON 31 MARCH 2021**

Amount in INR Million

| Sr. No. | Particulars                                                                                | Quarter Ended             |                |                           | Year Ended      |                 |
|---------|--------------------------------------------------------------------------------------------|---------------------------|----------------|---------------------------|-----------------|-----------------|
|         |                                                                                            | 31-03-2021                | 31-12-2020     | 31-03-2020                | 31-03-2021      | 31-03-2020      |
|         |                                                                                            | Audited<br>(Refer note 6) | Unaudited      | Audited<br>(Refer note 6) | Audited         | Audited         |
|         | <b>Income</b>                                                                              |                           |                |                           |                 |                 |
| 1       | Revenue from Operations                                                                    | 641.75                    | 568.94         | 436.20                    | 2,143.32        | 1,832.68        |
| 2       | Other Income                                                                               | 24.76                     | 12.71          | 47.92                     | 46.84           | 63.66           |
| 3       | <b>Total Income</b>                                                                        | <b>666.51</b>             | <b>581.66</b>  | <b>484.12</b>             | <b>2,190.16</b> | <b>1,896.35</b> |
| 4       | <b>Expenses</b>                                                                            |                           |                |                           |                 |                 |
|         | (a) Cost of Materials Consumed                                                             | 142.47                    | 136.99         | 62.19                     | 386.59          | 376.33          |
|         | (b) Purchase of Stock-in-Trade                                                             | 22.39                     | 28.14          | 22.34                     | 79.67           | 65.16           |
|         | (c) Change in inventories of finished goods, traded goods and work in progress             | 11.69                     | (28.36)        | (55.98)                   | 35.97           | (161.68)        |
|         | (d) Employee Benefit Expense                                                               | 111.45                    | 107.91         | 124.13                    | 389.23          | 406.51          |
|         | (e) Finance Cost                                                                           | 14.35                     | 15.23          | 25.42                     | 66.04           | 73.70           |
|         | (f) Depreciation and Amortisation Expense                                                  | 36.30                     | 32.66          | 31.98                     | 133.14          | 130.72          |
|         | (g) Other Expenses                                                                         | 155.98                    | 112.49         | 211.64                    | 565.29          | 592.32          |
|         | <b>Total Expenses</b>                                                                      | <b>494.63</b>             | <b>405.06</b>  | <b>421.71</b>             | <b>1,655.92</b> | <b>1,483.09</b> |
| 5       | <b>Profit Before Tax and Exceptional Items</b>                                             | <b>171.87</b>             | <b>176.60</b>  | <b>62.41</b>              | <b>534.24</b>   | <b>413.26</b>   |
| 6       | Exceptional Items (Refer Note 2)                                                           | (33.21)                   | -              | -                         | (33.21)         | -               |
|         | <b>Profit before tax</b>                                                                   | <b>138.66</b>             | <b>176.60</b>  | <b>62.41</b>              | <b>501.03</b>   | <b>413.26</b>   |
| 7       | <b>Tax Expense</b>                                                                         |                           |                |                           |                 |                 |
|         | Current tax                                                                                | 51.86                     | 48.35          | 20.27                     | 169.47          | 121.67          |
|         | Deferred tax                                                                               | (14.17)                   | (0.44)         | (5.47)                    | (15.42)         | (18.43)         |
|         | <b>Total Tax Expense</b>                                                                   | <b>37.69</b>              | <b>47.91</b>   | <b>14.81</b>              | <b>154.05</b>   | <b>103.24</b>   |
| 8       | <b>Profit After Tax</b>                                                                    | <b>100.97</b>             | <b>128.69</b>  | <b>47.60</b>              | <b>346.98</b>   | <b>310.02</b>   |
| 9       | <b>Other Comprehensive Income</b>                                                          |                           |                |                           |                 |                 |
|         | <b>Items that will not be reclassified to Profit or Loss</b>                               |                           |                |                           |                 |                 |
|         | Remesurement Gain/(Loss) on Defined Benefit Plans                                          | 0.01                      | 0.95           | 0.46                      | 2.86            | (5.36)          |
|         | Income Tax Impact                                                                          | (0.00)                    | (0.24)         | (0.12)                    | (0.72)          | 1.35            |
|         | <b>Items that will be reclassified to Profit or Loss</b>                                   |                           |                |                           |                 |                 |
|         | Foreign Currency Translation Reserve                                                       | (17.59)                   | (18.18)        | 20.63                     | (17.94)         | 24.49           |
|         | Income Tax Impact                                                                          | -                         | -              | -                         | -               | -               |
|         | <b>Total Other Comprehensive Income</b>                                                    | <b>(17.58)</b>            | <b>(17.47)</b> | <b>20.97</b>              | <b>(15.80)</b>  | <b>20.48</b>    |
| 10      | <b>Total Comprehensive Income for the period</b>                                           | <b>83.39</b>              | <b>111.21</b>  | <b>68.57</b>              | <b>331.18</b>   | <b>330.50</b>   |
| 11      | <b>Profit for the period attributable to:</b>                                              |                           |                |                           |                 |                 |
|         | (i) Owners of the Company                                                                  | 96.89                     | 123.45         | 27.41                     | 344.30          | 291.71          |
|         | (ii) Non Controlling Interest                                                              | 4.08                      | 5.24           | 20.20                     | 2.68            | 18.32           |
| 12      | <b>Other Comprehensive Income for the peiod attributable to:</b>                           |                           |                |                           |                 |                 |
|         | (i) Owners of the Company                                                                  | (3.50)                    | (18.54)        | 20.97                     | (15.80)         | 20.48           |
|         | (ii) Non Controlling Interest                                                              | (14.08)                   | 1.07           | -                         | -               | -               |
| 13      | <b>Total Comprehensive Income for the peiod attributable to:</b>                           |                           |                |                           |                 |                 |
|         | (i) Owners of the Company                                                                  | 93.39                     | 104.91         | 48.38                     | 328.50          | 312.19          |
|         | (ii) Non Controlling Interest                                                              | (10.00)                   | 6.30           | 20.20                     | 2.68            | 18.32           |
| 14      | Paid-up equity share capital (face value of INR 10)                                        |                           |                |                           | 85.07           | 85.07           |
| 15      | Reserve as shown in the Audited Balance Sheet of the previous year                         |                           |                |                           | 2,198.01        | 1,925.65        |
| 16      | Earnings Per Share (Face Value of INR 10 each)<br>(Not Annualised) - Basic & Diluted (INR) | 11.87                     | 15.13          | 5.60                      | 40.79           | 36.44           |

| <b>STATEMENT OF AUDITED CONSOLIDATED ASSETS AND LIABILITIES AS AT 31 MARCH</b> |                             |                             |
|--------------------------------------------------------------------------------|-----------------------------|-----------------------------|
| Amount in INR Million                                                          |                             |                             |
| <b>Particulars</b>                                                             | <b>As at<br/>31-03-2021</b> | <b>As at<br/>31-03-2020</b> |
| <b>I. ASSETS</b>                                                               |                             |                             |
| <b>(1) Non-current assets</b>                                                  |                             |                             |
| (a) Property, Plant & Equipment                                                | 1,322.87                    | 1,418.54                    |
| (b) Capital Work-in-Progress                                                   | 1,089.87                    | 741.51                      |
| (c) Other Intangible Assets                                                    | 4.21                        | 3.93                        |
| (d) Biological Assets other than the Bearer Plants                             | 0.56                        | 2.90                        |
| (e) Financial Assets                                                           |                             |                             |
| (i) Investments                                                                | -                           | -                           |
| (ii) Loans                                                                     | -                           | -                           |
| (e) Financial Assets                                                           | 41.14                       | 52.37                       |
| (f) Other Non-current Assets                                                   | 36.78                       | 53.68                       |
|                                                                                | <b>2,495.44</b>             | <b>2,272.93</b>             |
| <b>(2) Current assets</b>                                                      |                             |                             |
| (a) Inventories                                                                | 622.22                      | 639.67                      |
| (b) Financial Assets                                                           |                             |                             |
| (i) Trade Receivables                                                          | 492.12                      | 584.36                      |
| (ii) Cash and Cash Equivalents                                                 | 212.69                      | 235.31                      |
| (iii) Other Financial Assets                                                   | 4.31                        | 3.99                        |
| (iv) Loans                                                                     | 179.99                      | 0.97                        |
| (c) Current Tax Assets                                                         | -                           | -                           |
| (c) Other Current Assets                                                       | 103.72                      | 128.81                      |
|                                                                                | <b>1,615.06</b>             | <b>1,593.10</b>             |
| <b>Total Assets</b>                                                            | <b>4,110.49</b>             | <b>3,866.03</b>             |
| <b>II. EQUITY AND LIABILITIES</b>                                              |                             |                             |
| <b>(1) Equity</b>                                                              |                             |                             |
| (a) Share capital                                                              | 85.07                       | 85.07                       |
| (b) Other equity                                                               | 2,198.01                    | 1,925.65                    |
| Equity Attributable to Owners                                                  | 2,283.08                    | 2,010.72                    |
| Non Controlling Interest                                                       | 76.50                       | 54.21                       |
|                                                                                | <b>2,359.58</b>             | <b>2,064.93</b>             |
| <b>(2) Liabilities</b>                                                         |                             |                             |
| <b>(a) Non-current liabilities</b>                                             |                             |                             |
| (i) Financial Liabilities                                                      |                             |                             |
| -Borrowings                                                                    | 828.42                      | 764.76                      |
| -Other Financial Liabilities                                                   | 54.87                       | 53.58                       |
| -Lease Liabilities                                                             | -                           | -                           |
| (ii) Deferred Tax Liabilities (Net)                                            | 72.76                       | 88.17                       |
| (iii) Other non-current liabilities                                            | 181.20                      | 59.93                       |
|                                                                                | <b>1,137.25</b>             | <b>966.44</b>               |
| <b>(b) Current liabilities</b>                                                 |                             |                             |
| (i) Financial Liabilities                                                      |                             |                             |
| -Borrowings                                                                    | 32.79                       | 325.42                      |
| -Trade Payables                                                                | 280.86                      | 200.23                      |
| -Other Financial Liabilities                                                   | 198.87                      | 136.17                      |
| -Lease Liabilities                                                             | -                           | -                           |
| (ii) Other Current Liabilities                                                 | 26.36                       | 168.26                      |
| (iii) Current Tax Liabilities (Net)                                            | 30.83                       | -                           |
| (iii) Provisions                                                               | 43.95                       | 4.56                        |
|                                                                                | <b>613.66</b>               | <b>834.66</b>               |
|                                                                                | <b>1,750.91</b>             | <b>1,801.10</b>             |
| <b>Total Equity and Liabilities</b>                                            | <b>4,110.49</b>             | <b>3,866.03</b>             |

**STATEMENT OF AUDITED CONSOLIDATED CASH FLOWS FOR THE YEAR ENDED ON 31 MARCH 2021**

Amount in INR Million

| Particulars                                                        | Year Ended      |                 |
|--------------------------------------------------------------------|-----------------|-----------------|
|                                                                    | 31-03-2021      | 31-03-2020      |
|                                                                    | Audited         | Audited         |
| <b>A. Cash Flow from Operating Activities</b>                      |                 |                 |
| Profit Before Tax                                                  | 501.03          | 413.26          |
| <b>Adjustments For:</b>                                            |                 |                 |
| Depreciation and Amortisation Expense                              | 133.14          | 132.30          |
| Exceptional Items                                                  | 33.21           | -               |
| Loss on disposal of investment in subsidiary                       | -               | 0.74            |
| Provision for doubtful debt                                        | 2.87            | -               |
| Bad Debts Written off                                              | 6.90            | 0.62            |
| (Profit) / Loss on Sale of Property, Plant & Equipments            | 23.22           | (5.31)          |
| Interest expense                                                   | 40.25           | 76.66           |
| Interest Income                                                    | (12.94)         | (3.73)          |
| <b>Operating Profit / (Loss) Before Changes in Working Capital</b> | <b>727.67</b>   | <b>614.54</b>   |
| <b>Adjustments For:</b>                                            |                 |                 |
| Trade Receivables                                                  | 82.47           | (256.33)        |
| Inventories                                                        | 17.46           | (131.82)        |
| Other Assets                                                       | 25.09           | -               |
| Other Non Current Assets                                           | 16.90           | 33.29           |
| Trade Payables                                                     | 80.63           | 98.63           |
| Other Current Liabilities                                          | (108.88)        | 96.07           |
| Short-term Provisions                                              | (4.10)          | (3.33)          |
| Loans                                                              | (179.03)        | 1.61            |
| Other Financial Liability                                          | 63.98           | 29.60           |
| Other Financial Assets                                             | (2.42)          | (5.18)          |
| <b>Cash Generated From Operations</b>                              | <b>719.75</b>   | <b>477.09</b>   |
| Income Tax paid (net)                                              | (139.36)        | (109.36)        |
| <b>Net Cash Flow from Operating Activities (A)</b>                 | <b>580.39</b>   | <b>367.73</b>   |
| <b>B. Cash Flow from Investing Activities</b>                      |                 |                 |
| Proceeds from sale of Property, Plant & Equipment                  | 0.42            | 9.81            |
| Capital Expenditure on Property, Plant & Equipment                 | (407.42)        | (734.98)        |
| Interest received                                                  | 12.67           | 3.73            |
| Investment in Bank Deposits (net)                                  | 10.74           | (23.30)         |
| <b>Net Cash Flow from / (used in) Investing Activities (B)</b>     | <b>(383.58)</b> | <b>(744.73)</b> |

| Particulars                                                                                            | Year Ended      |                 |
|--------------------------------------------------------------------------------------------------------|-----------------|-----------------|
|                                                                                                        | 31-03-2021      | 31-03-2020      |
|                                                                                                        | Audited         | Audited         |
| <b>C. Cash Flow from Financing Activities</b>                                                          |                 |                 |
| Proceeds from long term borrowings                                                                     | 63.67           | 181.25          |
| Proceeds from Issue of Share Capital in subsidiary entities from Non-controlling interest shareholders | 19.64           | -               |
| Proceeds/(Repayment) of Short-term Borrowings (net)                                                    | (292.64)        | 100.44          |
| Interest Paid                                                                                          | (40.25)         | (76.66)         |
| Proceeds from Grants                                                                                   | 123.54          | 54.19           |
| Dividend Paid (Including Dividend Distribution Tax)                                                    | (56.15)         | (71.79)         |
| <b>Net Cash Flow from / (used in) Financing Activities (C)</b>                                         | <b>(182.19)</b> | <b>187.43</b>   |
| Exchange rate fluctuation arising on consolidation (D)                                                 | (37.24)         | 18.42           |
| <b>Net Increase / (Decrease) in Cash and Cash Equivalents (A+B+C+D)</b>                                | <b>(22.62)</b>  | <b>(171.16)</b> |
| Cash and Cash Equivalents at the beginning of the year                                                 | 235.31          | 406.47          |
| <b>Cash and Cash Equivalents at the end of the year</b>                                                | <b>212.69</b>   | <b>235.31</b>   |

## Notes:

1. The above consolidated financial results of Hester Biosciences Limited (the "Company") and its subsidiaries (together referred as the "Group") have been reviewed by the Audit Committee and approved by the Board of Directors of the Company in their respective meetings held on 8 June 2021.
2. Exceptional items includes loss on disposal of Patan farm aggregating to INR 33.21 million.
3. Followings are the details of segment wise revenue, results, segment assets and liabilities:

(Amount in INR Million)

| Particulars                                   | Quarter Ended   |                 |                 | Year Ended      |                 |
|-----------------------------------------------|-----------------|-----------------|-----------------|-----------------|-----------------|
|                                               | 31-03-2021      | 31-12-2020      | 31-03-2020      | 31-03-2021      | 31-03-2020      |
| <b>Segment Revenue</b>                        |                 |                 |                 |                 |                 |
| a. Pou try Healthcare                         | 527.00          | 395.83          | 302.22          | 1,564.51        | 1,203.46        |
| b. Ani l Healthcare                           | 114.75          | 173.11          | 133.99          | 578.81          | 629.22          |
| <b>Total</b>                                  | <b>641.75</b>   | <b>568.94</b>   | <b>436.20</b>   | <b>2,143.32</b> | <b>1,832.67</b> |
| <b>Segment Results</b>                        |                 |                 |                 |                 |                 |
| a. Poultry Healthcare                         | 168.48          | 101.03          | 59.92           | 389.11          | 309.40          |
| b. Animal Healthcare                          | -12.51          | 90.80           | 61.81           | 180.92          | 126.03          |
| <b>Total</b>                                  | <b>155.97</b>   | <b>191.83</b>   | <b>121.73</b>   | <b>570.03</b>   | <b>435.43</b>   |
| Finance Costs                                 | 14.35           | 15.23           | 33.05           | 66.04           | 81.34           |
| Other unallocated expenditure/ (income) (net) | 2.96            | -               | 26.27           | 2.96            | -59.17          |
| <b>Profit before Tax</b>                      | <b>138.66</b>   | <b>176.60</b>   | <b>62.41</b>    | <b>501.03</b>   | <b>413.26</b>   |
| <b>Segment Assets</b>                         |                 |                 |                 |                 |                 |
| a. Poultry Healthcare                         | 1,891.35        | 1,925.30        | 2,117.64        | 1,891.35        | 2,117.64        |
| b. Animal Healthcare                          | 1,993.65        | 2,360.74        | 1,618.50        | 1,993.65        | 1,618.50        |
| Unallocated Assets                            | 225.49          | 659.10          | 129.89          | 225.49          | 129.89          |
| <b>Total</b>                                  | <b>4,110.49</b> | <b>4,945.14</b> | <b>3,866.03</b> | <b>4,110.49</b> | <b>3,866.03</b> |
| <b>Segment Liabilities</b>                    |                 |                 |                 |                 |                 |
| a. Poultry Healthcare                         | 220.23          | 240.19          | 154.73          | 220.23          | 154.73          |
| b. Animal Healthcare                          | 309.87          | 660.36          | 321.36          | 309.87          | 321.36          |
| Unallocated Liabilities                       | 1,220.81        | 1,323.08        | 1,325.01        | 1,220.81        | 1,325.01        |
| <b>Total</b>                                  | <b>1,750.91</b> | <b>2,223.63</b> | <b>1,801.10</b> | <b>1,750.91</b> | <b>1,801.10</b> |

4. The Board of Directors has recommended a dividend of INR 10 per equity share (100%) for FY21, subject to the approval of the shareholders in the ensuing Annual General Meeting.
5. The Code on Social Security, 2020 ("Code") relating to employees benefits during employment and post-employment benefits received Presidential assent in September 2020. The Code has been published in the Gazette of India. However, the date on which the Code will come into effect has not been notified and the final rules/ interpretation have not yet been issued. The Group will assess the impact of the Code when it comes into effect and will record any related impact in the period the Code becomes effective.

6. The figures for the last quarters are the balancing figures between the audited figures in respect of the full year ending 31 March 2021 and 31 March 2020 and the unaudited published year-to-date figures up to 31 December 2020 and 31 December 2019 respectively, being the date of the end of the third quarter of the respective financial years which were subjected to limited review.
7. The figures for the previous year/periods have been regrouped/reclassified wherever necessary to make them comparable to current year/period.
8. Key numbers of the standalone financial results of the Company for the quarter and year ended on 31 March 2021 are as under:

| Particulars                               | Amount in INR Million |            |            |            |            |
|-------------------------------------------|-----------------------|------------|------------|------------|------------|
|                                           | Quarter Ended         |            |            | Year Ended |            |
|                                           | 31-03-2021            | 31-12-2020 | 31-03-2020 | 31-03-2021 | 31-03-2020 |
| Total Income                              | 632.78                | 534.53     | 417.29     | 2,101.25   | 1,723.52   |
| Profit Before Tax and Exceptional Items   | 178.17                | 178.45     | 65.01      | 600.60     | 412.29     |
| Profit before tax                         | 125.40                | 178.45     | 65.01      | 547.83     | 412.29     |
| Profit After Tax                          | 88.59                 | 132.91     | 50.03      | 399.01     | 312.24     |
| Total Comprehensive Income for the period | 88.60                 | 133.62     | 50.37      | 401.15     | 308.23     |

The Standalone Financial Results are available at the Company's website [hester.in](http://hester.in) and on the website of the stock exchanges [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com).

**For and on behalf of the Board of Directors**



**Rajiv Gandhi**  
**CEO & Managing Director**  
**DIN: 00438037**

**Place: Ahmedabad**  
**Date: 08.06.2021**

# Chandulal M. Shah & Co.

## CHARTERED ACCOUNTANTS

A/6, 6th Floor, Wing-A, Safal Profitaire, Opp. Prahladnagar Garden, Corporate Road, Prahladnagar, Ahmedabad-380015.  
Tel. : 079-2960 1085 • (M) 90330 34430 • E-mail : cmshah@cmshah.com • Website : www.cmshah.com

### Independent Auditor's Report on Quarterly and Year to date Audited Consolidated financial results of the Company 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**

#### Opinion

We have audited the accompanying statement of 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 and year ended 31<sup>st</sup> March, 2021 ("the Statement"), attached herewith, being submitted by the Holding company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "Listing Regulations").

In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of report of other auditors on separate audited financial statements/financial results/financial information of subsidiaries, the Statement:

i. 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) |

- ii. is presented in accordance with the requirements of Regulation 33 of Listing Regulations in this regard; and
- iii. gives a true and fair view in conformity with the recognition and measurement principles laid down in the applicable accounting standards and other accounting principles generally accepted in India, of the consolidated net profit and other comprehensive income and other financial information for the quarter and year ended March 31, 2021.

#### Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing ('SAs') specified under section 143(10) of the Companies Act, 2013, as amended ('the Act'). Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Results section of our report. We are independent of the Group in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ('ICAI') together with the ethical requirements that are relevant to our audit of the financial results under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained by us and other auditors in terms of their reports referred to in "Other Matters" paragraph below, is sufficient and appropriate to provide a basis for our audit opinion.



**Management's Responsibilities for the Consolidated Financial Results**

The Statement have been prepared on the basis of the consolidated financial statements. The Holding Company's Board of Directors are responsible for the preparation and presentation of the Statement that give a true and fair view of the net consolidated profit and other comprehensive income and other financial information of the Group in accordance with the recognition and measurement principles laid down in Indian Accounting Standards prescribed under Section 133 of the Act read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. The respective Board of Directors of the Companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Statement that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the Statement by the Directors of the Holding Company, as aforesaid.

In preparing the Statement, the respective Board of Directors of the Companies included in the Group are responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Board of Directors either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the Companies included in the Group are also responsible for overseeing the Group's financial reporting process.

**Auditor's Responsibilities for the Audit of the Consolidated Financial Results**

Our objectives are to obtain reasonable assurance about whether the Statement as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the Statement.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Statement, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions; misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.



- Conclude on the appropriateness of the Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Statement or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Statement, including the disclosures, and whether the Statement represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial results/financial information of the Group of which we are the independent auditors to express an opinion on the Statement. We are responsible for the direction, supervision and performance of the audit of financial information of such entities included in the consolidated financial results of which we are the independent auditors. For the other entities included in the consolidated financial results, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

We communicate with those charged with governance of the Holding Company and such other entities included in the Statement of which we are independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

We also performed procedures in accordance with the circular issued by the SEBI under Regulation 33(8) of the Listing Regulations, as amended, to the extent applicable.

#### **Other Matter**

- a. The accompanying Statement includes the audited financial results/statements and other financial information, in respect of the 4 subsidiaries and 1 stepdown subsidiary, whose financial statements/results reflect total assets of Rs. 1923.33 Mn as at 31<sup>st</sup> March, 2021 and total revenue of Rs. 103.95 Mn and Rs. 310.72 Mn, total net profit/(loss) after tax of Rs. 2.5 Mn and Rs. (34.27) Mn and total comprehensive income/(loss) of Rs. 3.56 Mn and Rs. (32.60) Mn for the quarter and the year ended on that date respectively, and net cash inflows of Rs. 16.83 Mn for the year ended 31<sup>st</sup> March, 2021, as considered in the Statement which have been audited by their respective independent auditors.

The independent auditors' reports on the financial statements/financial results/financial information of the above referred entities have been furnished to us by the Management and our opinion on the Statement in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, is based solely on the reports of such auditors and the procedures performed by us as stated in paragraph above.

Our opinion on the Statement is not modified in respect of the above matter with respect to our reliance on the work done and the reports of the other auditors.



- b. The financial results include the results for the quarter ended March 31, 2021 being the balancing figures between the audited figures with respect to full financial year ended March 31, 2021 and the published unaudited year-to-date figures upto the end of the third quarter of the current financial year, which were subject to limited review by us, as required under the Listing Regulations.
- c. The comparative financial information of the Company for the corresponding quarter and year ended March 31, 2020, included in these standalone financial results, were audited by the predecessor auditor who expressed an unmodified opinion on those financial information on 26<sup>th</sup> June, 2020.

**For, Chandulal M. Shah & Co.**

Chartered Accountants

FRN 101698W

Arpit D. Shah

Partner

M. No. 135188

UDIN: 21135188AAAACQ5718

Date: 8<sup>th</sup> June 2021

Place: Ahmedabad



# Chandulal M. Shah & Co.

## CHARTERED ACCOUNTANTS

A/6, 6th Floor, Wing-A, Safal Profitaire, Opp. Prahladnagar Garden, Corporate Road, Prahladnagar, Ahmedabad-380015.  
Tel. : 079-2960 1085 • (M) 90330 34430 • E-mail : cmshah@cmshah.com • Website : www.cmshah.com

### Independent Auditor's Report on Quarterly and Year to Date Audited Standalone Financial Results of the Company 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**

#### Opinion

We have audited the accompanying standalone financial results of **Hester Biosciences Limited** ('the Company') for the quarter and year ended March 31, 2021 ('the Statement'), attached herewith, being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ('Listing Regulations').

In our opinion and to the best of our information and according to the explanations given to us, the Statement:

- is presented in accordance with the requirements of Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations in this regard; and
- give a true and fair view in conformity with the recognition and measurement principles laid down in the applicable accounting standards and other accounting principles generally accepted in India of the net profit and other comprehensive income and other financial information of the Company for the quarter and year ended March 31, 2021.

#### Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing ('SAs') specified under section 143(10) of the Companies Act, 2013, as amended ('the Act'). Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Standalone Financial Results section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ('ICAI') together with the ethical requirements that are relevant to our audit of the financial results under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

#### Management's Responsibilities for the Standalone Financial Results

The Statement has been prepared on the basis of the standalone financial statements. The Company's Board of Directors are responsible for the preparation and presentation of the Statement that give a true and fair view of the net profit and other comprehensive income and other financial information in accordance with the recognition and measurement principles laid down in Indian Accounting Standards prescribed under Section 133 of the Act read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. This responsibility also includes



maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the statement, the Board of Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

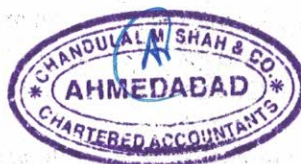
The Board of Directors are also responsible for overseeing the Company's financial reporting process.

#### **Auditor's Responsibilities for the Audit of the Standalone Financial Results**

Our objectives are to obtain reasonable assurance about whether the statement as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the Statement.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Statement, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions; misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.
- Conclude on the appropriateness of the Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's



ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial results or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the standalone financial results, including the disclosures, and whether the Statement represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

#### **Other Matter**

1. The Statement includes the results for the quarter ended March 31, 2021 being the balancing figures between the audited figures with respect to full financial year ended March 31, 2021 and the published unaudited year-to-date figures upto the third quarter of the current financial year, which were subjected to limited review by us, as required under the Listing Regulations.
2. The comparative financial information of the Company for the corresponding quarter and year ended March 31, 2020, included in these standalone financial results, were audited by the predecessor auditor who expressed an unmodified opinion on those financial information on 26<sup>th</sup> June, 2020.

**For, Chandulal M. Shah & Co.**

Chartered Accountants

FRN 101698W



Arpit D. Shah

Partner

M. No. 135188

UDIN: 21135188AAAACP7004

Date: 8<sup>th</sup> June 2021

Place: Ahmedabad



## Press Release

8 June 2021

**Q4FY21 Sales up by 52%, FY21 Sales up by 23%**

**Q4FY21 Net Profit up by 77%, FY21 Net Profit up by 28%**

### Financial Highlights (Standalone)

INR in Million

| Particulars       | Q4     |        |        | 12 Months |         |        |
|-------------------|--------|--------|--------|-----------|---------|--------|
|                   | FY21   | FY20   | Growth | FY21      | FY20    | Growth |
| <b>Net Sales</b>  | 631.58 | 414.32 | 52%    | 2084.77   | 1694.25 | 23%    |
| <b>Net Profit</b> | 88.59  | 50.03  | 77%    | 399.01    | 312.24  | 28%    |
| <b>EPS in INR</b> | 10.41  | 5.88   | 77%    | 46.90     | 36.70   | 28%    |

### Division-wise sales in INR Million

| Particulars        | Q4            |               |            | 12 Months      |                |            |
|--------------------|---------------|---------------|------------|----------------|----------------|------------|
|                    | FY21          | FY20          | Growth     | FY21           | FY20           | Growth     |
| Poultry Healthcare | 476.21        | 302.55        | 57%        | 1513.97        | 1207.15        | 25%        |
| Animal Healthcare  | 86.79         | 74.25         | 17%        | 395.07         | 333.08         | 19%        |
| Other              | 68.58         | 37.52         | 83%        | 175.73         | 154.02         | 14%        |
| <b>TOTAL</b>       | <b>631.58</b> | <b>414.32</b> | <b>52%</b> | <b>2084.77</b> | <b>1694.25</b> | <b>23%</b> |

### Profitability Analysis

| Particular          | Q4FY21 | Q4FY20 | FY21   | FY20   |
|---------------------|--------|--------|--------|--------|
| Gross Profit Margin | 57.14% | 65.71% | 61.95% | 66.97% |
| EBIDTA Margin       | 32.62% | 24.78% | 34.53% | 31.12% |
| Net Profit Margin   | 14.03% | 12.07% | 19.14% | 18.43% |

### Balance Sheet Analysis

| Particular | Q4FY21 | Q4FY20 | Up/(Down)     | FY21   | FY20   | Up/(Down)    |
|------------|--------|--------|---------------|--------|--------|--------------|
| ROE        | 14.92% | 9.85%  | <b>5.07%</b>  | 16.79% | 15.37% | <b>1.42%</b> |
| ROCE       | 28.65% | 12.98% | <b>15.67%</b> | 25.90% | 17.63% | <b>8.27%</b> |
| ROI        | 12.57% | 7.22%  | <b>5.35%</b>  | 14.15% | 11.26% | <b>2.89%</b> |

## **Business Overview of Hester India for FY21**

### Quantitative review

1. The year FY21 has been in line with the financial forecasts and the budgets. During FY21, the overall topline grew by 23% compared to the topline of FY20.
  - a. Domestic sales have registered a growth of 55% in Q4FY21 and 29% in FY21. There was a steep rise in local demand, mainly for the poultry vaccines and health products. Bird-flu incidences in the poultry led towards heavy usage of preventive and curative medication which led an increase in the demand.
  - b. Export sales have registered a marginal growth of 3% in Q4FY21 and a marginal degrowth of 4% in FY21. The main reason for the exports remaining flat in the year was a more or less stand-still in airlines cargo movement due to covid
2. While quarter to quarter gross margins have always been oscillating within a band, the overall year's EBITDA margins have improved.

### Qualitative review

1. Rationalising of product mix continued during the year, besides adding newer products.
2. Marketing and administrative expenses continued to show a downward trend, thereby ensuring a healthier bottom line.

### Dividend for the year FY21

The Board of directors has recommended a dividend of INR 10.00 per equity share (100%) for FY21, subject to the approval of the shareholders. This dividend recommendation is in line with the company's dividend policy to distribute a minimum of 18% of the PAT.

### Going Further

1. Registration process continues for the Classical Swine Fever vaccine, Lumpy skin disease vaccine and Sheep Pox vaccine. We hope to commence the commercial production and marketing for all the three vaccines by December 2021.
2. The recently launched Herbal products division is expected to give substantial results in increasing the top-line this financial year.

*The over-all poultry and animal health business of Hester is slated to grow at a faster rate than what it has been growing in the last few years. This growth will be due to increase the product range as well as due to adding geographical territories.*

## **Status on Hester's initiatives in developing Covid-19 vaccine**

### Collaboration with IIT Guwahati

- On 15 April 2020, Hester signed an agreement with IITG to develop a vaccine against Covid-19.
- IITG is working towards developing the recombinant vaccine candidate, based on which, Hester shall take the project further from developing the master seed up to commercially manufacturing the vaccine.

### MOU with Bharat Biotech

- On 27 May 2021, an MOU was signed between Bharat biotech and Gujarat Covid Vaccine Consortium (GCVC) of which Hester is a part.
- The MOU was towards contract manufacturing of the Drug Substance for Covaxin, for Bharat Biotech.
- Hester shall provide the complete infrastructure at its Gujarat plant for the manufacturing of the Drug Substance.
- The project is progressing as per the timeline.

### **Business Overview of Hester Nepal**

FY21 has not been as per the expectations. Due to the pandemic, FAO tendering for PPR has been very low, notwithstanding the restrictions in air shipments for vaccines supplies, internationally.

Financials in INR Million

| Particular          | Q4FY21 | Q4Y20  | FY21   | FY20   |
|---------------------|--------|--------|--------|--------|
| Net Sales           | 4.19   | 116.44 | 47.51  | 161.80 |
| Net Profit / (Loss) | 6.81   | 57.75  | (9.73) | 39.39  |

### **Business Overview of Texas Lifesciences**

Texas Lifesciences has continued to show growth in the topline and profit. We are in process of expanding the capacity for Texas and making further improvements in the manufacturing process to increase the over-all efficiency.

Financials in INR Million

| Particular          | Q4FY21 | Q4FY20 | FY21   | FY20   |
|---------------------|--------|--------|--------|--------|
| Net Sales           | 66.95  | 34.95  | 180.01 | 128.03 |
| Net Profit / (Loss) | 3.76   | 0.19   | 13.46  | 10.17  |

### **Business Overview of Hester Tanzania**

Company is in process of establishing additional sales and distribution networks keeping in focus the demands from Tanzanian market as well as of the East African countries.

Financials in INR Million

| Particular          | Q4FY21 | Q4FY20  | FY21   | FY20   |
|---------------------|--------|---------|--------|--------|
| Net Sales           | 8.70   | 6.17    | 40.88  | 27.03  |
| Net Profit / (Loss) | (1.17) | (16.00) | (3.88) | (2.68) |

### **Business Overview of Hester Africa**

The project construction is near completion. The commercial production is expected to start by September 2021.



**Rajiv Gandhi**  
**Hester Biosciences Limited**  
**CEO & Managing Director**