

31 July 2019

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 held today and Submission of Standalone and Consolidated Unaudited Financial Results for the quarter ended on 30 June 2019

Start Time: 9.45 am

Conclusion Time: 10.15 am

This is in reference to our letter dated 18 July 2019 intimating the date of the Board Meeting for consideration of the Standalone and Consolidated Unaudited Financial Results for the quarter ended on 30 June 2019.

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 ended on 30 June 2019.
- 2) Approved the Resignation of Mr. Jigar Shah from the post of Chief Financial Officer (Key Managerial Personnel) of the Company and last day at work would be 31 August 2019.

We attach herewith:

- 1) The approved Standalone and Consolidated Unaudited Financial Results along with Limited Review Report
- 2) Press Release issued in this regard

We are arranging to publish these results in the newspaper as per SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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

Sincerely,
For Hester Biosciences Limited



Rajiv Gandhi
CEO & Managing Director
DIN: 00438037

UNAUDITED STANDALONE FINANCIAL RESULTS FOR THE QUARTER ENDED 30 JUNE 2019
In Million INR

Sr.	Particulars	Quarter Ended			Year Ended
		30-06-2019	31-03-2019	30-06-2018	31-03-2019
		Unaudited	Audited	Unaudited	Audited
1	Net Sales/ Income from Operations	424.26	488.29	382.60	1,711.87
2	Other Income	13.17	14.81	7.74	30.97
3	Total Revenue (1+2)	437.43	503.10	390.33	1,742.84
4	Total Expenses	290.90	342.77	256.29	1,145.33
	(a) Cost of material consumed	53.77	57.34	68.89	227.32
	(b) Purchases of stock-in-trade	30.63	31.25	18.39	137.26
	(c) Change in inventories	(25.45)	31.24	(34.76)	(72.45)
	(d) Employee benefits expenses	78.37	69.63	62.76	267.41
	(e) Finance cost	12.42	13.84	5.33	35.43
	(f) Depreciation and amortisation expenses	23.26	29.39	15.93	75.66
	(g) Other expenses	117.90	110.09	119.76	474.69
5	Profit before tax (3-4)	146.53	160.33	134.04	597.51
6	Tax Expense	48.56	36.55	37.20	158.99
	Current tax	48.41	25.69	39.33	152.39
	Deferred tax	0.15	10.86	(2.13)	6.60
7	Profit for the period (5-6)	97.97	123.77	96.84	438.52
8	Other Comprehensive Income	(0.60)	(0.55)	(0.33)	(2.38)
	A (i) Items that will not be reclassified to Profit or Loss	(0.84)	(0.78)	(0.47)	(3.36)
	(ii) Income Tax realting to items that will not be reclassified to profit or loss	0.24	0.23	0.14	0.98
	B (i) Items that will be reclassified to Profit or Loss	-	-	-	-
	(ii) Income Tax realting to items that will be reclassified to profit or loss	-	-	-	-
9	Total Comprehensive Income for the period (7+8)	97.37	123.22	96.51	436.14
10	Paid-up equity share capital (face value of INR 10)	85.07	85.07	85.07	85.07
11	Reserve as shown in the Audited Balance Sheet of the previous year	-	-	-	1,709.30
12	Earnings Per Share (of INR 10 each) (Not Annualised) - Basic & Diluted	11.52	14.55	11.38	51.55

REPORT ON SEGMENT REVENUE, RESULTS, ASSETS AND LIABILITIES
In Million INR

Sr.	Particulars	Quarter Ended			Year Ended
		30-06-2019	31-03-2019	30-06-2018	31-03-2019
		Unaudited	Audited	Unaudited	Audited
1	Segment Revenue				
	a. Poultry Healthcare	333.51	377.87	327.01	1,306.20
	b. Animal Healthcare	55.61	103.94	36.21	354.85
	c. Others	35.14	6.48	19.37	50.82
	Total Revenue	424.26	488.29	382.60	1,711.87
2	Segment Results (Profit before Finance Cost and Taxes)				
	a. Poultry Healthcare	126.38	119.99	128.83	478.61
	b. Animal Healthcare	15.93	60.60	3.69	152.00
	c. Others	16.65	(6.43)	6.85	2.34
	Total Segment Results	158.95	174.17	139.37	632.94
	a. Finance Cost	12.42	13.84	5.33	35.43
	b. Exceptional Items (Income)	-	-	-	-
	c. Other unallocable expenditure/(income) [Net]	-	-	-	-
	Profit before Tax	146.53	160.33	134.04	597.51
3	Segment Assets				
	a. Poultry Healthcare	-	-	-	1,880.89
	b. Animal Healthcare	-	-	-	243.20
	Unallocated Assets	-	-	-	338.55
	Total	-	-	-	2,462.64
4	Segment Liabilities				
	a. Poultry Healthcare	-	-	-	441.22
	b. Animal Healthcare	-	-	-	126.17
	Unallocated Liabilities	-	-	-	100.89
	Total	-	-	-	668.28

Notes:

1. The Unaudited Standalone Financial Results for the quarter ended on 30 June 2019 were reviewed by the Audit Committee and then approved by the Board of Directors at their meeting held on 31 July 2019.
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. Ind AS 116 – Leases, is effective for reporting periods beginning on or after 1 April 2019, replaces Ind AS 17 – Leases. As the Company does not have any lease, the adoption of the standard is not likely to have any impact on its financial statements.
4. Segment wise reporting in accordance with Ind AS 108 is given separately.
5. Provision for taxation includes current tax of INR 48.41 million and deferred tax expense of INR 0.15 million for the quarter ended on 30 June 2019.
6. 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: 31 July 2019

Rajiv Gandhi
CEO & Managing Director

SHAH KARIA & ASSOCIATES

Chartered Accountants

405, SCARLET BUSINESS HUB, OPP. ANKUR SCHOOL,
NR. MAHALAXMI FIVE ROADS, FATEHPURA, PALDI,
AHMEDABAD - 380 007, GUJARAT, INDIA

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Independent Auditor's Review Report on the Quarterly Unaudited Standalone Financial Results
(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 Standalone Financial Results of **Hester Biosciences Limited** (the 'Company') for the quarter ended June 30, 2019 (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 'Regulation'), read with SEBI Circular No. CIR/CFD/CMD1/44/2019 dated March 29, 2019 (the 'Circular').

The preparation of the Statement in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34, (Ind AS 34) "Interim Financial Reporting" prescribed under Section 133 of the Companies Act, 2013, as amended, read with relevant rules issued thereunder and other accounting principles generally accepted in India, read with the Circular, is the responsibility of the Company's management and has been approved by the Board of Directors of the Company. Our responsibility is to express a conclusion 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 the 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 provide 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 the recognition and measurement principles laid down in the applicable Indian Accounting Standards ('Ind AS') specified under Section 133 of the Companies Act, 2013 as amended, read with relevant rules issued thereunder and other recognised accounting practices and policies has not disclosed the information required to be disclosed in terms of the Regulation, read with the Circular, including the manner in which it is to be disclosed, or that it contains any material misstatement.

For **SHAH KARIA AND ASSOCIATES**

Chartered Accountants

ICAI Firm Registration No.: 131546W



Priyank Shah

Partner

Membership No.: 118627



Place: Ahmedabad

Date: July 31, 2019

UNAUDITED CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER ENDED 30 JUNE 2019
In Million INR

Sr.	Particulars	Quarter Ended			Year Ended
		30-06-2019	31-03-2019	30-06-2018	31-03-2019
		Unaudited	Unaudited	Unaudited	Audited
1	Net Sales/ Income from Operations	447.58	522.33	398.08	1,780.67
2	Other Income	5.75	59.71	7.21	72.10
3	Total Revenue (1+2)	453.33	582.04	405.29	1,852.77
4	Total Expenses	323.11	412.69	285.13	1,284.21
	(a) Cost of material consumed	76.04	77.08	85.17	293.62
	(b) Purchases of stock-in-trade	6.62	11.28	6.89	71.28
	(c) Change in inventories	(26.91)	29.35	(35.12)	(76.11)
	(d) Employee benefits expenses	86.16	80.78	67.37	289.29
	(e) Finance Cost	18.99	24.60	13.00	66.34
	(f) Depreciation and amortisation expenses	32.27	40.65	22.26	117.55
	(g) Other expenses	129.94	148.95	125.56	522.24
5	Profit before tax (3-4)	130.22	169.34	120.16	568.56
6	Tax Expense	49.36	34.34	37.22	161.62
	Current tax	49.21	22.69	39.35	154.24
	Deferred tax	0.15	11.65	(2.13)	7.39
7	Profit for the period (5-6)	80.86	135.00	82.94	406.94
8	Other Comprehensive Income	0.39	(0.69)	(0.20)	(2.51)
	A (i) Items that will not be reclassified to Profit or Loss	(0.84)	(0.78)	(0.47)	(3.36)
	(ii) Income Tax realting to items that will not be reclassified to profit or loss	0.24	0.23	0.14	0.98
	B (i) Items that will be reclassified to Profit or Loss	0.99	(0.13)	0.13	(0.13)
	(ii) Income Tax realting to items that will be reclassified to profit or loss	-	-	-	-
9	Total Comprehensive Income for the period (7+8)	81.25	134.31	82.74	404.42
10	Profit for the period attributable to:				
	(i) Owners of the Company	83.87	98.03	86.29	415.67
	(ii) Non Controlling Interest	(3.02)	36.97	(3.36)	(8.74)
11	Other Comprehensive Income for the peiod attributable to:				
	(i) Owners of the Company	0.40	(0.76)	(0.20)	(2.59)
	(ii) Non Controlling Interest	-	0.07	-	0.07
12	Total Comprehensive Income for the peiod attributable to:				
	(i) Owners of the Company	84.27	97.54	86.09	413.09
	(ii) Non Controlling Interest	(3.02)	36.77	(3.36)	(8.66)
13	Paid-up equity share capital (face value of INR 10)	85.07	85.07	85.07	85.07
14	Reserve as shown in the Audited Balance Sheet of the previous year	-	-	-	1,689.52
15	Earnings Per Share (of INR 10 each) (Not Annualised) - Basic & Diluted	9.51	15.87	9.75	47.84

REPORT ON SEGMENT REVENUE, RESULTS, ASSETS AND LIABILITIES
In Million INR

Sr.	Particulars	Quarter Ended			Year Ended
		30-06-2019	31-03-2019	30-06-2018	31-03-2019
		Unaudited	Unaudited	Unaudited	Audited
1	Segment Revenue				
	a. Poultry Healthcare	333.51	377.87	327.01	1,303.40
	b. Animal Healthcare	78.93	137.98	51.69	426.45
	c. Others	35.14	6.48	19.37	50.82
	Total Revenue	447.58	522.33	398.08	1,780.67
2	Segment Results (Profit before Finance Cost and Taxes)				
	a. Poultry Healthcare	126.38	119.99	128.83	478.99
	b. Animal Healthcare	6.19	80.38	(2.52)	153.58
	c. Others	16.65	(6.43)	6.85	2.34
	Total Segment Results	149.21	193.94	133.16	634.90
	a. Finance Cost	18.99	24.60	13.00	66.34
	b. Exceptional Items (Income)	-	-	-	-
	c. Other unallocable expenditure/(income) [Net]	-	-	-	-
	Profit before Tax	130.22	169.34	120.16	568.56
3	Segment Assets				
	a. Poultry Healthcare	-	-	-	1,880.89
	b. Animal Healthcare	-	-	-	243.20
	Unallocated Assets	-	-	-	870.42
	Total	-	-	-	2,994.51
4	Segment Liabilities				
	a. Poultry Healthcare	-	-	-	441.22
	b. Animal Healthcare	-	-	-	126.17
	Unallocated Liabilities	-	-	-	652.54
	Total	-	-	-	1,219.93

Notes:

1. The Unaudited Consolidated Financial Results for the quarter ended on 30 June 2019 were reviewed by the Audit Committee and then approved by the Board of Directors at their meeting held on 31 July 2019.
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. Ind AS 116 – Leases, is effective for reporting periods beginning on or after 1 April 2019, replaces Ind AS 17 – Leases. As the Group does not have material leases, the adoption of the standard is not likely to have any impact on its financial statements.
4. Segment wise reporting in accordance with Ind AS 108 is given separately.
5. 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
6. Provision for taxation includes current tax of INR 49.21 million and deferred tax expense of INR 0.15 million for the quarter ended on 30 June 2019.
7. 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: 31 July 2019

Rajiv Gandhi
CEO & Managing Director

SHAH KARIA & ASSOCIATES

Chartered Accountants

405, SCARLET BUSINESS HUB, OPP. ANKUR SCHOOL,
NR. MAHALAXMI FIVE ROADS, FATEHPURA, PALDI,
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Independent Auditor's Review Report on the Quarterly Unaudited Consolidated Financial Results
(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 'Parent') and its subsidiaries (the Parent and its subsidiaries together referred to as the 'Group') for the quarter ended June 30, 2019 (the 'Statement'), attached herewith, being submitted by the Parent pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the 'Regulation'), read with SEBI Circular No. CIR/CFD/CMD1/44/2019 dated March 29, 2019 (the 'Circular').

This Statement, which is the responsibility of the Parent's management and approved by the Parent's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34, (Ind AS 34) "Interim Financial Reporting" prescribed under Section 133 of the Companies Act, 2013, as amended, read with relevant rules issued thereunder and other accounting principles generally accepted in India, read with the Circular. Our responsibility is to express a conclusion 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. A review of interim financial information consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

We also performed procedures in accordance with the circular issued by the SEBI under regulation 33(8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, to the extent applicable.

The Statement includes the results of the following entities:

- Texas Lifesciences Private Limited
- Hester Biosciences Nepal Private Limited
- Hester Biosciences Africa Limited
- Hester Biosciences Kenya Limited

We did not review the interim financial results and other financial information, in respect of all subsidiaries, whose financial result/information reflects total revenues of Rs. 47.32 million, net loss after tax of Rs. 17.11 million and total comprehensive income of Rs. 0.99 million for the quarter ended June 30, 2019. These financial statements and other financial information have been certified by the management. All subsidiaries, except (a) 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. According to information and explanation given to us by management, these interim financial results are not material to the Group. Our conclusion on the Statement is not modified in respect of the above matter.



SHAH KARIA & ASSOCIATES

Chartered Accountants

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Based on our review conducted and procedures performed as stated above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in the Indian Accounting Standards ('Ind AS') specified under Section 133 of the Companies Act, 2013 as amended, read with relevant rules issued thereunder and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of the Regulation, read with the Circular, including the manner in which it is to be disclosed, or that it contains any material misstatement.

For **SHAH KARIA AND ASSOCIATES**

Chartered Accountants

ICAI Firm Registration No.: 131546W



Priyank Shah

Partner

Membership No.: 118627



Place: Ahmedabad

Date: July 31, 2019

Press Release

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31 July 2019

Q1FY20 Results: Sales up by 11 %

Financial Highlights

	Q1FY20	Q1FY19	Growth	FY19
Net Sales (INR Million)	424.26	382.60	11%	1711.87
Net Profit (INR Million)	97.97	96.84	1%	438.52
EPS (INR)	11.52	11.38	1%	51.55

Revenue Growth in Q1FY20 INR Million - Division

Division	Q1FY20		Q1FY19		Growth
	Sales	Contribution	Sales	Contribution	
Poultry Health Care	333.51	79%	327.01	86%	1.99%
Animal Health Care	55.61	13%	36.21	9%	53.58%
Other	35.14	8%	19.37	5%	81.36%
TOTAL	424.26	100 %	382.60	100 %	10.89 %

Business Overview

Hester India

1. The Quarter has been satisfactory over all, in terms of achieving targets.
2. In Q1FY20, there has also been an impact on the sales of Poultry Health Care Division due to the steep rise in maize prices. The high cost of feed has forced the farmers to divert their liquidity towards financing the higher cost of feed rather than spending on health products.
3. In the Animal Health Care Division, we met our targets. The relevance of this division has been increasing which is in line with our objectives.
4. There is a marginal increase in the absolute Net Profit in Q1FY20 as against Q1FY19.

Hester Nepal

1. There has been a revenue growth of 64% in Q1FY20 as compared to Q1FY19. Supply of PPR vaccine against global tenders has contributed towards majority of this revenue growth.
2. Marketing authorisation for 12 vaccines including 5 inactivated vaccines have been received, which will further help boost domestic sales in Nepal.

Texas Lifesciences

1. Texas has registered a sales growth of 87.65% in Q1FY20 as against Q1FY19.
2. Capacity expansion for animal health products is being planned at Texas, to cater the increasing requirement of Hester as well as additional business.

Hester Africa

The progress of the manufacturing facility is going on as per schedule. We are currently in the construction phase.

Q1FY20 Key Financials

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Hester INDIA

Profitability Analysis

Particular	Q1FY20	Q1FY19	Up / (Down)
GP Margin	69.13%	67.09%	2.04 %
EBIDTA Margin	39.84%	38.57%	1.27 %
NP Margin	23.09%	25.31%	(2.22 %)
EPS in INR Non Annualised	11.52	11.38	0.14

Hester NEPAL

Financials in INR Million

Particular	Q1FY20	Q1FY19	Growth
Net Sales	23.93	14.58	64.14 %
Net Profit / (Loss)	(11.21)	(4.36)	

Texas Lifesciences

Financials in INR Million

Particular	Q1FY20	Q1FY19	Growth
Net Sales	25.91	13.81	87.65 %
Net Profit / (Loss)	2.05	(4.08)	150.16 %



Rajiv Gandhi
Hester Biosciences Limited
CEO & Managing Director