HESTER

20 October 2016

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: **Submission of Standalone Unaudited Financial Results for the quarter and half year ended on 30 September 2016 and Outcome of Board Meeting held today**

Start Time: 10.45 am **Conclusion Time: 11.20 am**

This has reference to our letter dated 12 October 2016 intimating the date of the Board Meeting for consideration of Un-audited financial results for the quarter and half year ended on 30 September 2016.

Pursuant to the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we would like to inform you that the Board of Directors in their Meeting held today have approved the unaudited financial results for the quarter and half year ended on 30 September 2016. The Boards of Directors have declared an interim dividend of 30%, that is INR 3 (three) per equity share on the face value of INR 10 (ten) per share, for the financial year 2016-17.

The Board of Directors has also considered the revision in Remuneration and Re-appointment of Mr. Rajiv Gandhi as a CEO & Managing Director subject to approval of Shareholders and Central Government, if any.

We attach herewith:
1. The approved Unaudited Financial Results along with Limited Review Report of the Auditors
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

HESTER BIOSCIENCES LIMITED

Pushpak, Level One, Panchvati Circle, Motilal Hirabhai Road, Ahmedabad, Gujarat 380006, India
Phone +91 79 2644 5107 Fax +91 79 2644 5105
Email mail@hester.in Web www.hester.in
CIN L99999GJ1987PLC022333

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STANDALONE UNAUDITED FINANCIAL RESULTS FOR THE QUARTER/HALF YEAR ENDED 30 SEPTEMBER 2016

In Million INR

Sr.	Particulars	Quarter Ended			Half Year Ended		Year Ended
		30/09/2016	30/06/2016	30/09/2015	30/09/2016	30/09/2015	31/03/2016
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
1	Manufacturing Sales (Net of Excise Duty)	253.54	266.88	200.78	520.42	414.69	877.28
	Trading Sales	35.77	27.65	29.43	63.42	60.82	105.08
	Other Operational Income	6.99	6.79	9.84	13.78	9.84	26.56
	Net Sales/ Income from Operations	**296.30**	**301.32**	**240.05**	**597.62**	**485.35**	**1008.92**
2	**Total Expenses**	**217.80**	**207.10**	**178.50**	**424.90**	**355.42**	**735.51**
	(a) Cost of material consumed	42.65	44.42	45.17	87.07	90.75	157.67
	(b) Purchases of Stock in Trade	23.24	14.85	24.91	38.09	38.50	67.59
	(c) Change in inventories	5.36	14.64	-18.63	20.00	-10.03	-29.75
	(d) Employee benefits expenses	45.23	38.26	38.45	83.49	67.79	154.40
	(e) Depreciation	13.44	12.91	12.92	26.35	26.31	57.32
	(f) Other expenses - Manufacturing	35.94	33.21	40.14	69.15	73.47	168.41
	(g) Other expenses - Selling, General & Admin.	51.94	48.81	35.55	100.75	68.63	159.87
3	**Profit From Operations before other income, finance cost & exceptional items**	**78.50**	**94.22**	**61.56**	**172.72**	**129.93**	**273.41**
4	Other Income	1.11	3.35	2.73	4.46	2.81	11.94
5	**Profit from ordinary activities before finance costs & exceptional items**	**79.61**	**97.57**	**64.29**	**177.18**	**132.74**	**285.35**
6	Finance cost	8.76	7.81	5.19	16.57	17.21	36.86
7	**Profit from ordinary activities after finance cost but before exceptional items**	**70.85**	**89.76**	**59.10**	**160.61**	**115.53**	**248.49**
8	Exceptional Items	0.00	0.00	0.00	0.00	0.00	0.00
9	**Profit from ordinary activities before tax**	**70.85**	**89.76**	**59.10**	**160.61**	**115.53**	**248.49**
10	Tax Expense	11.16	29.77	16.13	40.93	25.93	56.26
11	**Net Profit from ordinary activities after tax**	**59.69**	**59.99**	**42.97**	**119.68**	**89.60**	**192.23**
12	Paid-up equity share capital	85.07	85.07	85.07	85.07	85.07	85.07
13	Reserves & Surplus	-	-	-	-	-	918.14
14	**EPS (INR) (not annualised)- Basic & Diluted**	**7.02**	**7.05**	**5.05**	**14.07**	**10.53**	**22.60**

REPORT ON SEGMENT REVENUE, RESULTS AND CAPITAL EMPLOYED

In Million INR

Sr.	Particulars	Quarter Ended			Half Year Ended		Year Ended
		30/09/2016	30/06/2016	30/09/2015	30/09/2016	30/09/2015	31/03/2016
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
1	**Segment Revenue**						
	a. Poultry	265.11	279.20	221.44	544.31	450.99	914.98
	b. Large Animal	31.19	22.12	18.61	53.31	34.36	93.94
	Total Income from Operations (Net)	**296.30**	**301.32**	**240.05**	**597.62**	**485.35**	**1008.92**
2	**Segment Results (Profit before Finance Cost, Exceptional Items and Taxes)**						
	a. Poultry	76.88	96.64	67.70	173.75	136.86	269.82
	b. Large Animal	2.73	0.93	-3.41	3.43	-4.12	15.53
	Total	**79.61**	**97.57**	**64.29**	**177.18**	**132.74**	**285.35**
	a. Finance Costs	8.76	7.81	5.19	16.57	17.21	36.86
	b. Exceptional Items	0.00	0.00	0.00	0.00	0.00	0.00
	c. Other unallocable expenditure/(income) [Net]	0.00	0.00	0.00	0.00	0.00	0.00
	Profit before Tax	**70.85**	**89.76**	**59.10**	**160.61**	**115.53**	**248.49**
3	**Segment Assets**						
	a. Poultry	-	-	-	1416.81	1319.16	1358.32
	b. Large Animal	-	-	-	93.37	52.56	63.93
	Unallocated Assets	-	-	-	123.35	140.60	93.14
	Total	-	-	-	**1633.53**	**1512.32**	**1515.39**
4	**Segment Liabilities**						
	a. Poultry	-	-	-	417.89	494.18	421.88
	b. Large Animal	-	-	-	18.32	13.18	9.99
	Unallocated Liabilities	-	-	-	85.91	55.09	165.39
	Total	-	-	-	**522.12**	**562.45**	**597.26**

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Notes 1 Standalone Statement of Assets and Liabilities **In Million INR**

Sr.	Particulars	As at 30/09/2016 Unaudited	As at 30/09/2015 Unaudited
A	**EQUITY AND LIABILITIES**		
1	**Shareholder's Fund**		
	a-Share Capital	85.07	85.07
	b-Reserve & Surplus	1037.81	864.81
2	**Non Current Liabilities**		
	a-Long Term Borrowings	129.59	139.64
	b-Deferred Tax Liabilities(Net)	85.91	55.09
	c-Other Long Term Liabilities	-	-
3	**Current Liabilities**		
	a-Short Term Borrowings	122.03	216.10
	b-Trade Payables	62.58	69.36
	c-Other Current Liabilities	90.95	68.63
	d-Short Term Provisions	1.12	13.63
	Total	**1615.06**	**1512.33**
B	**ASSETS**		
1	**Non Current Assets**		
	a -Fixed Assets		
	(i) Tangible assets	611.19	555.56
	(ii) Intangible assets	7.71	3.38
	(iii) Capital work-in-progress	127.87	103.48
	b-Non Current Investment	86.70	87.27
	c-Long Term Loans & Advances	159.78	142.18
2	**Current Assets**		
	a-Inventories	324.52	322.00
	b-Trade Receivables	227.78	243.28
	c-Cash & Cash Equivalents	34.79	36.63
	d-Short Term Loans & advances	34.72	18.55
	Total	**1615.06**	**1512.33**

2 The Board of Directors have approved the aforesaid working results at their meeting held on 20.10.2016 after reviewed by the Audit Committee of the Company.

3 Segment wise reporting as defined in Accounting Standard (AS-17) is given seperately.

4 Provision for taxation includes Current Tax of INR 35.34 million including Deferred Tax of INR 5.59 million for the half year ended on 30.09.2016 as per AS-22.

5 The Auditors of the Company have carried out a "Limited Review" report for the said Financial Results.

6 The figures have been re-grouped / rearranged wherever necessary.

By Order of the Board

Place: Ahmedabad **Rajiv Gandhi**
Date: 20.10.2016 **CEO & Managing Director**

Apaji Amin & Co LLP

CHARTERED ACCOUNTANTS

Apaji Amin & Co. (a partnership firm) converted into Apaji Amin & Co LLP (Identity No. AAD-2639)

Partners :
Tehmul. B. Sethna
B.Com. F.C.A.
Fredy. M. Contractor
M.Com. F.C.A.

Regd. Office: 304, Aakanksha Building, Opp. Vadilal House,
Navrangpura, Ahmedabad – 380009.
Phone No.: +91-79-26562132/33Email: auditors.apajiamin@gmail.com

Partners :
Rity. M. Malhotra
M.Com. A.C.A
Chirag. R. Ganatra
B.Com. A.C.A

The Board of Directors
Hester Biosciences Ltd
Ahmedabad.

LIMITED REVIEW REPORT

"We have reviewed the accompanying Statement of Standalone Unaudited Financial Results of **HESTER BIOSCIENCES LIMITED** for the quarter and six months ended on 30th September 2016. This statement is the responsibility of the company's management and has been approved by the Board of Directors. Our responsibility is to issue a report on these financial statements based on our review.

We conducted our review of 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 financial statements are free of material misstatement. A review is limited primarily to inquiries of company personnel and an analytical procedure applied to financial data and thus provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.

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

Place: Ahmedabad
Date: 20th October, 2016

APAJI AMIN & CO. LLP
FIRM REGN. NO. 100513W/W100062
CHARTERED ACCOUNTANTS

For Apaji Amin & Co. LLP
Chartered Accountants
Firm Regn No.: 100513W/W100062

Tehmul .B. Sethna
Partner
Membership No.: 035476

HESTER

Press Release

20 October 2016

Q2FY17 Results - Improved Profitability

Financial Highlights

	FY17 - FY16 Q2 Comparison			FY17 - FY16 H1 Comparison		
	FY17	**FY16**	**Growth**	**FY17**	**FY16**	**Growth**
Net Sales INR Mn	296.30	240.05	23%	597.62	485.35	23%
Net Profit INR Mn	59.69	42.97	39%	119.68	89.60	34%
EPS INR	7.02	5.05	39%	14.07	10.53	34%

Q2 Highlights

1. Hester has reported a Net Sales of INR 296.30 Mn in Q2FY17 as compared to INR 240.05 Mn for the previous corresponding period, thereby registering a growth of 23%.
2. Net Profit for Q2FY17 is recorded at INR 59.69 Mn as against INR 42.97 Mn for the previous corresponding period, thereby registering a growth of 39%.
3. Earnings Per Share for the Q2FY17 is at INR 7.02 as against INR 5.05 for Q2FY16.

H1 Highlights

1. Hester has reported a Net Sales of INR 597.62 Mn in H1FY17 as compared to INR 485.35 Mn for the previous corresponding period, thereby registering a growth of 23%.
2. Net Profit for H1FY17 is recorded at INR 119.68 Mn against INR 89.60 Mn for the previous corresponding period, thereby registering a growth of 34%.
3. Earnings Per Share for H1FY17 is at INR 14.07 as against INR 10.53 for the H1FY16.

Business Outlook

- Nepal plant is slated to commence commercial production on 15 November 2016.
- Sales in poultry division grew by 20% while in the Large animal division it grew by 55% in H1. This is in line with our projections.
- Domestic sales grew by 24% while exports grew by 16%. We are short on our export targets, which we hope to recover in H2, more so with Nepal exporting vaccines to Africa.
- Animal diagnostics is our next focus area. We hope to launch our animal diagnostics division in the fourth quarter, thereby becoming one the few animal health companies worldwide, covering preventive, curative, growth promoting products as well as diagnostics.



Rajiv Gandhi
Hester Biosciences Limited
CEO & Managing director

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