



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

Plant Address
Village Merda-Ardraj
Taluka Kadi
District Mehsana
Gujarat 382721, India

Email mail@hester.in
Toll Free 1800 233 7937
www.hester.in
CIN L99999GJ1987PLC022333

17.08.2021

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:

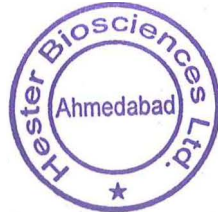
Subject: Submission of Transcripts of earnings conference call

We hereby submitting a transcript of Earnings Conference Call held by the Management of the Company with investors on Wednesday, 12.08.2021 at 2:00 p.m. (IST) to discuss the Standalone and Consolidated Unaudited Financial Results for the quarter ended 30 June 2021.

You are requested to take the above on record.

Sincerely,
For Hester Biosciences Limited


Vinod Mali
Company Secretary &
Compliance Officer



Enclosure: As above



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“Hester Biosciences
Q1 FY2022 Earnings Conference Call”

12 August 2021



HESTER



ICICI Securities



CHORUS CALL®

ANALYST: MR. VINAY BAFNA - ICICI SECURITIES

**MANAGEMENT: MR. RAJIV GANDHI - CHIEF EXECUTIVE OFFICER &
MANAGING DIRECTOR - HESTER BIOSCIENCES
MS. PRIYA GANDHI - DEPUTY DIRECTOR
BUSINESS OPERATIONS - HESTER BIOSCIENCES
MR. NIKHIL JHAWAR - CHIEF FINANCIAL OFFICER -
HESTER BIOSCIENCES**

Moderator: Ladies and gentlemen, good day and welcome to the Hester Biosciences Q1 FY2022 Earnings Conference Call hosted by ICICI Securities. As a reminder, all participant lines will be in the listen-only mode and there will be an opportunity for you to ask questions after the presentation concludes. Should you need assistance during the conference call, please signal the operator by pressing "*" then "0" on your touchtone phone. Please note that this conference is being recorded. I now hand the conference over to Mr. Vinay Bafna from ICICI Securities. Thank you and over to you Sir!

Vinay Bafna: Thank you Lizaan. Good afternoon everyone and welcome to the Hester Biosciences earnings call for the quarter. I would like to thank Hester for giving ISEC the opportunity to host the call for the quarter. From the top management of the company we have today with us Mr. Rajiv Gandhi, CEO and MD, Ms. Priya Gandhi, Deputy Director of Business Operations and Mr. Nikhil Jhawar, CFO of the company. Over to you Rajiv Sir!

Rajiv Gandhi: Good afternoon everybody. As always it is our pleasure talking to all of you on this quarterly call that we have after our results. The press notes have already been released so I am sure you would have gone through the press note and quite a few details have already been mentioned in it, so we would be ready with your questions to answer them, but just to talk briefly about the operations of the company. Q1 as compared to the earlier Q1 definitely was good by far it was good our topline went up by around 50% because the Q1 was highly impacted the last year as compared to this Q1 of course all because of COVID and our profitability has marginally gone up more than what the sales have gone up, so it is in line with all our efforts in ensuring and assuring that our profitability remains. These results have been possible because our team over here has been continuously managing and trying to ensure that the sales do not go down trying to look between the vaccine and the health products and within the vaccine as well as within the health products looking at what species, etc.,

and try to put in an absolute trust in all the areas as far as marketing is concerned.

While the domestic sales went up by 61% the exports actually there was degrowth of 8%. The reason for this is that in exports point number one we had many restrictions in terms of supplying, our ability to supply the products to the countries, all our vaccines are shipped by air and many countries still even today are not really able to get the vaccines or supplies on to them by air and that definitely has been an issue with us also and secondly there had been certain disease prevalences in India in terms of mainly on the poultry side, etc, which also helped us in a way I would help us is the wrong word which propelled our business towards selling more poultry vaccines in Q1, so these were the few reasons and when it comes to domestic demand versus international demand while our plants in Nepal as well as in Tanzania would, the Nepal plant is ready Tanzania plant we hope to inaugurate in the month of October a lot of pressure from us would anyway be transferred over there and at this point where within India we did not want to get into a situation that at the cost of Indian business we try to maintain international business supplying over here was our bigger priority so that much as far as the sales is concerned.

In terms of product mix, our trust has been on the healthcare side of course whatever the trust be, but sometimes because of disease or sometimes because of some peculiar situation there may be a little bit of redesigning of the product mix within the quarter itself, so all these things are regular feature, a little bit movement going up or going down in terms of the gross margin actually do not really, we do not see that as a concern at all because these things are part of the whole business cycle, etc., but overall we are surely trying to ensure that our bottomline is maintained and not only maintained we would want to still further improve it than what it is at this point of time and we are all working towards that. Specific questions on this would be answered once I finish my talk.

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Talking on the human COVID-19 vaccine initiative Hester has gotten into licensing agreement with Bharat Biotech for manufacturing the drug substance for their vaccine Covaxin. This project is under construction, it is a Greenfield project, we are at the moment in the construction phase, we would be constructing a BSL-3 facility towards this and hopefully in the last quarter of this financial year we should be able to see some tangible results out of supplies going out for this project so that is an update on the COVID vaccine. Talking about our subsidiaries, Texas Lifesciences continues in terms of growth on the topline, we have registered a growth as usual because as Hester grows Texas Lifesciences automatically directly grows because all our health products are produced at Texas Lifesciences which we buy from there and we do the marketing. For Hester Nepal it had been a tough quarter again though sales have marginally gone up as compared to Q1 FY2021, but the COVID impact still continues, the country is still not having regular slides for supplies to many of the countries. Secondly FAO tenders have not been upcoming at this point of time so that has also been one reason why which we have not been able to come up to a strong level as far as Hester Nepal is concerned. Something that I would like to mention on this call not mentioned in the press note that OIE which is the apex animal health body which monitors the animal health all across the world had floated a tender for the PPR vaccines to create a vaccine bank of PPR vaccine, so there have been two supply shortlisted for the full bank creation for PPR vaccine and one of the companies is Hester. The progress of that will be seen from September, October as already mentioned by them, so we look forward to remain engaged internationally for PPR. If tenders are slow this creation of this vaccine bank in itself is a very big boost and it should give us reasonable huge turnover. I would not want to commit any quantities at this point of time as and when they are officially announced and decline I would want to talk on it at that time. Hester Tanzania our trading entity, we continued to try to grow the business as far as Hester Tanzania is concerned and we are very confident that besides this we have also embarked on one or two other trading

initiatives in Tanzania and this is going to take we foresee to take a very big jump as far as trading activities in Tanzania is concerned. It is of course one is that our own vaccines will start from October from Hester Africa by that time many things would be opened up from Nepal to be supplied over there, so I think we foresee that in the next four to five months our trading activity would take a very big jump in Tanzania and in the African continent.

Talking about the manufacturing project as I told you we would want to have the opening sometime in the month of October, we are working towards the opening plan and hopefully it should be a matter of pride on the day of the opening because it would be the biggest animal vaccine plant in the continent of Africa and as and when the dates and all get announced I am sure we would make press releases, public notices and all of you would be notified on that, so that completes my brief on Hester on its functioning as well as on its subsidiaries and as I said the press note has been reasonably elaborate and with this I now open the house for taking on questions. Over to all of you.

Moderator: Thank you. Ladies and gentlemen we will now begin the question and answer session. The first question is from the line of Ketan Gandhi from Gandhi Securities. Please go ahead.

Ketan Gandhi: In your press release you have stated that in point number three of other developments, horizontal expansion of markets, can you please share some details on that and its impact on next 5 to 10 years?

Rajiv Gandhi: In the past also I have made a mention of this, but I would not mind making a mention again. Health products and vaccine, these are two different categories, any company that you see worldwide their business from health products is always larger than what their business is of vaccine, at Hester it is the other way round, in vaccine we are far more around two to three times bigger as compared to the health products, so

we foresee as now we are also putting the focus not that there is a reduction on the vaccine front but as we are also pushing this we foresee a reasonable big jump as far as health products is concerned and that is what exactly I have meant in point number three. We have already quite a few products, we have also launched a few herbal products and we are constantly adding more and more products to become more aggressive on the health product side as well.

Ketan Gandhi: What could be the impact in the next 5 to 10 years?

Rajiv Gandhi: The impact of this business should become bigger than what it is for vaccine within three years time and then take it further. I would not be able to give you a quantification of 5 to 10 years at what would it be, but there are companies which have huge turnover, for example even in India if you look at Virbac, if you look at Zydus animal health who just sold their division sometime ago, all of them have turnover of over Rs.500 Crores, so it is just for you to get an idea not for me I would not be able to give you any specific figures on this.

Ketan Gandhi: Sir, another question is what could be the sales contribution in FY2023 from Tanzania and what kind of sales we require to break even?

Rajiv Gandhi: In Hester Africa that is our manufacturing entity over there, a full production we have shown that we should be selling around \$25 to \$30 million over there, we believe that if we are able to generate a sale of approximately \$4 to \$5 million we should be breaking even.

Ketan Gandhi: Can you please share your individual capex plan in India both for poultry and animal vaccine and largely capex for non-vaccine project?

Rajiv Gandhi: We have a few expansion plans, we are in the process of defining them and I think as and when our plans are absolutely ready if you would be obligated to discuss that and inform that and make that in public information, but yes we are looking at expansion plans because we have

reached near to 100% capacity as far as vaccine is concerned. Our health product is also growing at a very fast pace, so there are some plans that we have and we would be sort of making the full plan in the next one to two months' time we would be more or less ready with our expansion plan, which would be notified.

Ketan Gandhi: Global manufacturing capacity including Tanzania can achieve what kind of peak sales and when do you expect this?

Rajiv Gandhi: Now you see in vaccine it is very difficult to give what is the total capacity because in poultry we have 1000 doses, in scattered ruminants we have 25, 50 and 100 doses, so there is a difference between 10 time different in the number of doses in a while as far as other animals is concerned as against poultry, so in over here our total capacity has now gone over approximately around 6 billion it has gone in Tanzania that capacity should be approximately 1.5 billion that is because it is small ruminant safety makes poultry vaccines that capacity could go to up to 3 to 4 billion and we are looking at a total capacity of approximately about 8 to 9 billion doses of all types of animal vaccine.

Ketan Gandhi: In terms of amount Sir can you specify?

Rajiv Gandhi: It is very difficult for us to really define that, a poultry vaccine of 1000 dose vial costs around Rs.50, Rs.60 and some doses are priced at around Rs.2 and from 0.4 paisa to the most expensive vaccine could be Rs.8, Rs.9, so that is the range that we are dealing in as far as vaccines are concerned.

Ketan Gandhi: One housekeeping question what is the current gross debt and gross cash at consolidated level?

Rajiv Gandhi: I will just request Nikhil, our CFO to answer that rather than me take this question.



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- Nikhil Jhawar:** The gross debt at the consolidated level is Rs.95 Crores as on date.
- Ketan Gandhi:** Gross cash?
- Nikhil Jhawar:** The gross cash would be almost like Rs.21 Crores.
- Ketan Gandhi:** My last question is when do you expect to become profitable at Nepal on a sustainable basis?
- Nikhil Jhawar:** We were profitable it could even happen this year we are just waiting all that we need is a few orders that is all and we are confident that this year in itself we should be profitable.
- Ketan Gandhi:** On a sustainable basis right?
- Nikhil Jhawar:** I think it is a sustainable model from day one it is just that COVID delays that FAO has created this situation, otherwise it is an absolute, it is not just sustainable it is a profitable model that we have embarked onto, the rest assured what we are saying today and what you will be seeing after two years it will be difference of 180 degrees and without doubt I can tell you this.
- Ketan Gandhi:** Okay, I have some more questions I will join them in the queue. Thank you.
- Moderator:** Thank you. The next question is from the line of Anirudh Shetty from Solidarity Investment Managers. Please go ahead.
- Anirudh Shetty:** You spoke about the poultry vaccine opportunity in Africa, what I understood is that Africa which is known for large animals can you just throw some light on how big the poultry vaccine opportunity could be and what is our population over there and also the capex that we have been incurring can that be used for this poultry vaccine as well?

Rajiv Gandhi: The African market overall is an untapped market, it is like a chicken or the egg situation over there, but having said that it is not that it is a shot in the dark made by us, it is a well planned project that we have embarked onto over there. The African market for large animal as well as poultry both the markets are huge. Poultry is now getting consolidated in a few countries and it is shifting from backyard to the main poultry and the large animals continued to be scattered, the way they are scattered in India and to give you an exact I am not right now having all these figures with me on the whole African continent, etc., but we are all covered to produce whatever type of vaccine we might want to produce over there in Africa, and we have already made the capital expenditure over there.

Anirudh Shetty: My second question is how do I think about EBITDA margins because as we mentioned globally health is a larger share of mix usually, so how is between our segments on a steady state basis would help at a similar EBITDA margin profile or would that be lower to our vaccine business?

Rajiv Gandhi: EBITDA margins you are talking about comparison between vaccines and health products. Now while vaccines definitely could have a better gross margin, but the number of cycles for the health products where the gestation time is less, the manufacturing time is less, the investment is less, so all that gives more cycles in a year than vaccine so considering if you go onto the cost of material and where our expenses would be more, so we would be able to recover that and at an EBITDA level and at profit before tax level I think with a bigger turnover of health products we would still be in a better situation than what we are today.

Anirudh Shetty: There is scope for margin expansion, our current levels has helped business grow faster as a percentage of mix?

Rajiv Gandhi: Our bottomline at the EBITDA level could definitely improve positively upwards.



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Anirudh Shetty: Have you made the necessary investments in building the distribution, our sales employees will scale up our health business or that is something that we will have to go through over the next one, two years?

Rajiv Gandhi: You are talking about Africa or India?

Anirudh Shetty: India.

Rajiv Gandhi: We are anyway distributing our own products all over the country at this point of time, so we are very well entrenched as far as distribution is concerned. Talking about number of people three years ago we were 60, 70, today we are around between 150 and 200 people so this is we are growing taking in more people as well as expanding the business, so it is an ongoing activity, it is nothing that we are doing new. I do not know does that answer your question I was not able to understand your question actually.

Anirudh Shetty: You clarified it that our sales employee base has expanded quite significantly right from 150 to 200, so you were clarified that thank you.

Moderator: Thank you. The next question is from the line of Manish Jain from GormalOne. Please go ahead.

Manish Jain: Rajiv, when one reads your press statement it sounds very, very bullish that it cannot effectively you are expanding your number of products that you are launching, the number of market segments that you are addressing both in India and African market and of course your increased entry into Africa itself so what in your view are the key challenges that you foresee in the next one, three and five years for you to achieve your true potential?

Rajiv Gandhi: Very reasonable good question, but a little bit on the philosophy side, one, three and five challenges, one challenge in Africa is that we need to create the demand and we need to start selling, but on the flip side the prices

today are between 3 to 10 times per dose and what they are anywhere else in the world, so partly that offsets that, but in the long run it is our endeavor to penetrate the full African market, get Africa business at a normal international level, therefore we have big business and our vaccines are reached all across the continent and we get the credit and the valuation because of being the first company to have changed becoming a game changer in the continent of Africa. So I think even if you look at it the challenge is in the first three years there would be the same challenges in terms of Africa. In terms of India we do not see any challenges as such, it is just that we need to grow the business more somehow or the other vaccines, health products, add more products, make their team bigger and we have reached a point wherein it is just that we have to look and work hard towards getting ourselves higher and higher from this point where we are, there are not any such hurdles that I see it is all internal, we have to work hard to make this big.

Manish Jain: Got it and in terms of team size how many people do you plan to increase both in India and outside India especially in Africa?

Rajiv Gandhi: In India we should be 450 to 500 by next year itself in terms of marketing and if you are talking about Africa we are yet making the plans and we are trying to have people in fact we have hired a few people and we have already put them in place that plan still it is being made and because of it being a new territory, being out of where we are in India it takes a little while before we actually structure the whole thing. We are looking at tying up acquiring some distribution companies in a few countries, so all these sort of things, we are just looking at options which I have mentioned to you for the last two, three years either some distribution companies, manufacturing, unfortunately we have not been able to lay our hands on it, but this is what we are looking and the African model would be at this point let us take it that it would be a dynamic fluid model as we move we will structure ourselves.

Manish Jain: Perfect. Thank you so much.

Moderator: Thank you. The next question is from the line of Manish Gandhi from KPMK Investments. Please go ahead.

Manish Gandhi: I just had one question, so due to COVID what has happened that importance of vaccine world over has gone up the understanding of vaccine and the importance in the life of vaccine has gone up tremendously high, so my question is regarding do you see any changes in the field when you are dealing with farmers they also say to convince them or to give vaccine to the animals do you feel that it is changing the behavior also or in the medium term you feel it is a great help to you to convince them?

Rajiv Gandhi: The media has flashed so much on vaccine that every person illiterate, literate everybody knows vaccine, titre, antibody, antigen, so all these things definitely help in one way, but then on the flip side on the lighter note there is so much of information on the net debt actually sometimes even disorient people, but anyway having said that poultry is an organized and most of the poultry farms are very aware in any case as far as usage of vaccination is concerned. The incidence of COVID would have maximum helped us 2%, 3% definitely nothing more than that. In large animals we feel that we should take a reasonable big lead because of this knowledge in terms of how important a vaccine is and what can happen if a vaccine is not given, it is not what a vaccine can do, what can happen if a vaccine is not given, now people are more or less very aware about these things and therefore the importance of vaccines has definitely gone up in their mind and this perception is now going to become a reality in the next coming few years.

Manish Gandhi: That was exactly and especially large animals Rs.60000 to Rs.70000 a cow or a buffalo so for them it is very important for to have vaccinated?



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Rajiv Gandhi: Yes it is very important.

Manish Gandhi: One more thing as we are expanding large animal vaccines, number of vaccines and even trying to expand our market in large animal, so is it that poultry vaccines are at very low price and the large animals are at higher prices, so eventually after five years per vaccine should change?

Rajiv Gandhi: No, there is nothing of that sort, the poultry population is more than one billion, so what happens is that all this you cannot take it as price related business model and if you take in human vaccines there are some vaccines which are available for a few thousand rupees while some vaccines are even given free, so likewise in poultry cattle I think that comparison should not really be made is a disease against which a vaccine is to be made, we are able to maintain our profitability whether it is a poultry vaccine or a cattle vaccine or a sheep, goat or a swine vaccine and we shall continue to manufacture the range, there could be variation in the number of doses between X species and Y species, but besides that I do not think so there should be any impact of that.

Manish Gandhi: Okay, got it. Thank you so much.

Moderator: Thank you. The next question is from the line of Mitesh Shah from ICICI Securities. Please go ahead.

Mitesh Shah: Sir has this impacted by COVID second wave because poultry is sequentially declined or it is just a volatility of quarterly numbers?

Rajiv Gandhi: I think all this is just little bit here and there where COVID second wave has nothing much to do as far as poultry or large animal business is concerned.

Mitesh Shah: Basically export you said that was impacted because a few countries has stopped so currently these rate charges are quite high and almost on a

rooftop, so can we expect the near term the export business will be impacted because of this and the same with the margin as well?

Rajiv Gandhi: No, I think all this will continue, freight cost cannot be a deciding factor. To tell you in poultry the cost of vaccine to their total cost in their budget is around 1% or 1.5%. Let us presume freight has become two times that 1.5% can become 2.5%, 3% double that but I even with that there is no impact, in buffalo, cattle, sheep in fact the budgetary impact is even less than what it is in poultry, so all these things should not it is just that people should get their awareness and they should vaccinate, these freight charges going up and all. In any case Africa vaccines are sold between three times to five times then what it is sold over here, so all these things are of no relevance.

Mitesh Shah: Thanks a lot.

Moderator: Thank you. The next question is from the line of Alisha from Envision Capital. Please go ahead.

Alisha: Good afternoon and thank you for taking my question. Sir with respect to what the earlier participant was asking with respect to our export sales of revenue this is the second quarter in a row we have seen a degrowth and if the reason is not higher freight like you mentioned that is not the deciding factor then what is the reason for this degrowth two quarters in a row?

Rajiv Gandhi: As mentioned in the call earlier there has been a degrowth yes, which is there but there has been an excessive demand in the Indian market and there are some countries where it is even difficult to reach the vaccines over there, it is not that vaccines are not being bought just because of freight or anything of that is high it is not just because of that. On the other side if the Indian demand is there our first preference is to ensure that we cater to the Indian demand and which we have registered a

growth totally of 61% on a quarter-to-quarter comparison, so it is just that we have made sure that Indian demand does not go at all unled by us this is our in-house market, etc. While export we will soon have Nepal, Africa everything up and running, now whether once Tanzania is ready supplies would be made from Tanzania to the African continent where again the freight would go down then what it is from India. From Nepal yes we will be exporting from there, but it is something which people are already buying so it is basically just that to answer your question is that the Indian market has been very good, there has been some disease incidences, we have diverted everything over here, demand have come it is not that the demand is less internationally, but we have diverted it to the Indian market, but in days to come all these things will be restored, we will have three entities producing so it would not happen that something needed there, but because we have demand here we are consuming it here. We will have Nepal, we will have Tanzania, in fact in Tanzania we are under the process of registering all poultry vaccines also from Nepal, so if India we are in short we will supply from Tanzania, so we are just trying to make sure, we also feel that there should not have been a dip in the exports and we should have push then we should have achieved. I do admit to that but as that has not happened we are trying to reorient ourselves that such thing is not done and that we are able to cut the cake and have it to between the Indian and the international market.

Alisha: Understood it is more capacity constraint and deciding the market to prioritize?

Rajiv Gandhi: Absolutely and partly the actual vaccines being air freighted over there nothing to do with the price.

Alisha: Understood. My second question is I believe in the previous call you had mentioned that we are looking at identifying some partners for Hester Tanzania is there any update on the same?



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Rajiv Gandhi: There is no update Madam, our hunt still continues, I am sure we would be able to get onto certain tie-ups, etc., we are looking at one or two aggressive things probably as soon as we are able to get something, find something, it would be notified to all our shareholders.

Alisha: Understood and also with respect to our Bharat Biotech for the substance manufacturing is there a delay in this project, was it expected to come on stream sooner because I believe in your comment you mentioned that we are expecting supply to start by Q4 hopefully, so is there a delay in that project?

Rajiv Gandhi: No, there is no delay from the last timeline that we have been talking with Bharat Biotech people, etc., and by the end of Q4 we are surely expecting, so I think we are on track at this point of time.

Alisha: Just one last question with respect to your earlier concall you mentioned that for FY2022 you are looking at going at about 25% to 30% is that still stand?

Rajiv Gandhi: It stands.

Alisha: This is excluding the Bharat Biotech or?

Rajiv Gandhi: Bharat Biotech is the one of its kind opportunity that we got all our forecasts are without that factor.

Alisha: Understood.

Rajiv Gandhi: You can take it between 20% and 30%, you can say around that for sure.

Alisha: Your gross margins have been falling in FY2020 I believe for full year it was 67, it was 62 last year and this quarter we are at 59 what is the reason for this consistent decline in gross margins?

Rajiv Gandhi: Gross margin decline has been made up at our EBITDA level and the whole thing is that on a month-to-month, quarter-to-quarter there are always changes in the product mix that has been sold. As I just discussed partly sometimes what happens is that we are selling more health products, we are selling certain vaccines which might have been giving us a little lesser margin, etc., so I would say if you look at the bottomline you would actually be convinced that irrespective of what happens where the bottomline definitely is more or less being protected or we are even trying to improve on that.

Alisha: Thank you.

Rajiv Gandhi: The vaccines have bigger cycle, health products have a smaller cycle while GPs are low on the health products, but having more cycles the ultimate profitability goes up because the average cost per employee goes down because of more cycle of the health product.

Alisha: Thank you Sir.

Moderator: Thank you. The next question is from the line of Ayush Mittal from Mittal Analytics Private Limited. Please go ahead.

Ayush Mittal: Good afternoon. First of all congratulations on a good performance given the challenging times in last quarter, since last couple of calls we have been seen that you are confident about the growth and this growth you are more confident on the Indian side also apart from the expansion in Africa and Nepal that you are doing, so in the Indian context what are you saying driving this big growth for you wherein you were also looking to do some acquisition or build more facility on expansion, can you share something more as to what is happening and what are you trying to capture, how are you trying to capture that?

Rajiv Gandhi: We feel that the business in India is growing and it will further grow and talking about Hester specifically we have got a big potential to grow in



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geometric progression as far as health product is concerned as well as certain large animal vaccines, government is going to be taking up immunization programs, etc., so I am not withstanding the awareness that people are already getting as far as vaccine is concerned, so these are the reasons we feel that the market will definitely grow in India and it will keep on growing and the health product segment is going to grow in definitely geometric progression so that is going to help us in building the topline to a very great extent.

Ayush Mittal: This helps if it is on back of more new products or this is just based on trying to increase your reach and presence across India?

Rajiv Gandhi: Reach and products and species everything.

Ayush Mittal: Can you give some examples as to what kind of products are we introducing on this side?

Rajiv Gandhi: We have curative products which are antibiotics, therapeutic products, we have growth promoters, we have herbal products for growth promotion and specifically against addressing some diseases, we have disinfectants, we have sanitizers, we have the full fledge.

Ayush Mittal: What kind of investments are we making to make this happen the growth start in India?

Rajiv Gandhi: I think in terms of investment increasing the manpower, getting more products produced and becoming more and more determined in trying to grow this business.

Ayush Mittal: There is no capital intensive.

Rajiv Gandhi: No, it is not going to be much capital intensive. I think determination is something which is needed, which is most expensive which we are probably having.



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Ayush Mittal: You were also talking about some acquisition or something in Indian market?

Rajiv Gandhi: We need to get whether India, whether Africa we have been talking but it has to match us, it has to match our philosophy, our budget, there are so many things, but having said that we are anyway organically growing our business at 20%, 25% so I think while that effort still continues we are in any case putting in the efforts at our own end in trying to grow the business.

Ayush Mittal: Got it. Thank you.

Moderator: Thank you. The next question is from the line of Ketan Gandhi from Gandhi Securities. Please go ahead.

Ketan Gandhi: Can you please share the recombinant vaccine we are developing for India and global market?

Rajiv Gandhi: We are working on certain poultry recombinant vaccine work is ongoing, at this point of time I do not have any update on that, work is ongoing and when it get we will inform you, so adding that is all I do not have anything much to say on that neither is it that not addressing it means that projects are not ongoing the projects are ongoing.

Ayush Mittal: Thank you Sir.

Moderator: Thank you. Ladies and gentlemen that was the last question. I now hand the conference over to Mr. Vinay Bafna for his closing comments.

Vinay Bafna: Thank you Lizaan. Thank you for participating everyone. I would give the call to Rajiv Sir for his closing comments before we end the call.

Rajiv Gandhi: Thank you to everybody for being patient and asking me questions I hope I have been able to answer most of your questions. There would have

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been certain questions where I would have not had the answer with me at this point of time from the papers that I have on my table, certain information I might not be able to give for whatever our own internal and regulatory reason, so please pardon me for that, but otherwise it has been always nice interacting and talking to all of you and hope to remain in touch and hear you all again in the next concall. Thank you from my side and from our team.

Moderator:

Thank you. Ladies and gentlemen on behalf of ICICI Securities that concludes this conference call. We thank you for joining us and you may now disconnect your lines.