



**HESTER**

**Hester Biosciences Limited**

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**CIN** L99999GJ1987PLC022333

**22 May 2023**

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

**Dear Sir/Madam:**

**Subject: Transcripts of earnings conference call held on 17 May 2023**

Pursuant to Regulations 30 and 46(2)(oa) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find attached the transcript of the earnings conference call held by the management of the Company with investors on Wednesday, 17 May 2023 at 2:00 p.m. (IST) to discuss the unaudited financial results for the quarter and year ended 31 March 20223.

This is for your information and records.

**Sincerely,**  
**For Hester Biosciences Limited**

**Vinod Mali**  
**Company Secretary & Compliance Officer**

Enclosure: As above



"Hester Biosciences Limited  
Q4 FY2023 Financial Results Conference Call"

17 May 2023



**ANALYST: MR. ROHAN JOHN - ICICI SECURITIES**

**MANAGEMENT: MR. RAJIV GANDHI - CHIEF EXECUTIVE OFFICER &  
MANAGING DIRECTOR - HESTER BIOSCIENCES LIMITED  
Ms. PRIYA GANDHI - EXECUTIVE DIRECTOR - HESTER  
BIOSCIENCES LIMITED  
MR. NIKHIL JHANWAR - CHIEF FINANCIAL OFFICER -  
HESTER BIOSCIENCES LIMITED**



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**Moderator:** Ladies and gentlemen, good day and welcome to the Hester Biosciences Q4 FY2023 Financial Results Conference Call hosted by ICICI Securities. As a reminder, all participant lines will be in the listen-only mode. There will be an opportunity for you to ask questions after the presentation concludes. Should you need assistance during the conference, please signal an 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. Rohan John from ICICI Securities. Thank you and over to Sir!

**Rohan John:** Thank you. Good afternoon everyone and welcome to the Hester Biosciences Limited's fourth quarter and full year FY2023 earnings conference call. So today we have the senior management with us, Mr. Rajiv Gandhi, CEO & Managing Director, Ms. Priya Gandhi, Executive Director and Mr. Nikhil Jhanwar, CFO on this call. I thank the management for giving ICICI Securities the opportunity to host this call. Over to you Sir!

**Rajiv Gandhi:** Good afternoon everybody. This is Rajiv Gandhi and as always nice to connect with all of you. Today the presentation will be given by Priya Gandhi, Executive Director and my daughter and after that in the Q&A she, Nikhil and myself we will be there to answer all the questions. Over to you Priya!

**Priya Gandhi:** Good afternoon everyone and thank you for joining the call today. This is Priya Gandhi, Executive Director, Hester Biosciences. Usually my father Mr. Rajiv Gandhi takes the call with you all and while he is present on the call today I will be taking the briefing that happens before the Q&A and he shall join in and be there to answer your question. With the numbers and information in front of you which got released today I shall get onto the subjective part of the performance of Q4 FY2023. Our revenues for the quarter went up by 21% on a standalone basis and 19% on a consolidated basis. EBITDA grew by 11% on a standalone basis and 13% on a consolidated basis.



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Coming onto the divisional performances of poultry and animal health, our objective to reduce the dependency on one division has yielded results partly due to the continued depressional conditioning of the poultry industry as well as our efforts to grow the sales in the animal health division. From 80% dependency on the poultry division in the year FY2021-2022 the contribution of poultry division has come down to 60%. This in a way now has helped us as equal distribution of sales amongst the division, which gives us the cushion to overcome any downcycles in any of the divisions. The animal healthcare division saw an upward trend from Q4 with the LSD outbreak in the cattle. As mentioned earlier Hester India does not produce vaccine to prevent LSD; however, the Government of India allows the usage of the goat pox vaccine which we produced to prevent the LSD in cattle. We supply this vaccine across the country through trade plus tender meanwhile we have also acquired a technology for the LSD vaccine from the Indian Veterinary Research Institute Government of India the vaccine will be ready by FY2024. Our health products also complemented the LSD vaccine to ensure better health in cattle. The poultry healthcare division has been impacted with a degrowth of 8% in Q4, the poultry industry continues to be under stress, the egg prices, meat prices, etc., are lower than the production cost and this makes it very difficult for the farmers to invest into resources to rare birds and flocks in the way it should be done. With this even with the demand that continued to remain the payment cycles has been adversely affected. However, the poultry vaccine sales is showing a recovery trend as the degrowth has come down from 27% in Q1 to 16% in Q4.

Speaking of the newly launched pet care division, the pet care division has been functional since the last three quarters; we have launched around 10 products in 15 territories. I had mentioned in the last call keeping the seasonal demand in mind we will be launching deworming solutions in Q4, the launch of which was in line with the planning. In the coming quarter we intend to launch a couple of more specialized products in new sales territories. A point to mention here is that worldwide sales of pet divisions



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of animal health companies is higher than their poultry and animal health division and with this we are very hopeful towards the growth of our pet division.

With regards to the profitability of the quarter there is a growth of 11% in the EBITDA coming from the increase in sales; however, the growth in the health products contribution and the work done towards the expansion of animal and pet division our gross margin has reduced by 1%. Having said that I would also like to point out that the gross margin percent of the health product has improved more than 4% on a quarter-on-quarter basis. Now talking about the way forward the Government of India has commenced immunization program against the PPR disease Hester had won the tender for this. The total value of the order is Rs.40 Crores out of which Rs.38 Crores is to be executed in the coming year in a phased manner.

Based on the advisory issued by the Ministry of Fisheries, Animal Husbandry & Dairying, the yearly immunization against LSD will also have to be carried in order to avoid any severe outbreak. With this we shall be supplying the goat pox vaccine for this program. We shall also be carrying awareness programs of this to promote immunization and also support the overall cattle health by supplementing the vaccination using some of our health products. We have a marketing campaign for LSD which also mentioned "Bhool Na Jana Tika Lagana." The above two programs will also further boost our vaccine sales in the animal healthcare division. We want to continue working on increasing the health product segments and this we shall be looking at introducing value added products in emerging market and also focus on the individual productivity of the field.

Now coming on to the capacity expansion initiative the bulk antigen which is the drug substance production capacity has been completed and the commissioning of the fill-finish which is a drug product capacity will be done in Q1 FY2024 doubling our overall vaccine manufacturing capacity.



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On the COVID-19 vaccine plant with the help of Department of Biotechnology and BIRAC under the mission called Suraksha program and then collaboration with Gujarat Biotechnology Research Centre we have constructed a BSL-III laboratory to produce the drug substance that is the bulk antigen for Covaxin for Bharat Biotech to supply the bulk antigen to them for their production of the Covaxin vaccine. We have received the regulatory approval in this Q4.

As mentioned in the last call while getting into this project and making such a huge investment the thought behind it was to serve the nation and come and use to cater to the growing demand immunized people against COVID-19; however, now with the demand almost going away and thank God for that. We are in process of working out on other vaccines that could be produced here which will require to be produced in a Biosafety Level 3. Onto the subsidiary Hester Nepal did a turnover of Rs.12 Crores, this year we have introduced a few poultry vaccines due to the increased local demand in the poultry segment. We have also expanded our local distribution channel within Nepal.

The PPR export saw a dip due to the lack of tender orders from FAO compared to last year; however, the FAO tenders will start coming in this year. As Hester Africa has also got licenses to produce the PPR, CBPP and LSD for ruminants and ND and IBD vaccines for poultry and we have begun the sales within Tanzania and we have now started the registration processes in other African countries to our joint venture called Thrishool Exim. We continue to penetrate further into the local Tanzanian markets. With this I would now hand over the call to Mr. Gandhi for his concluding remarks and for the Q&A.

**Rajiv Gandhi:**

I hope you all got synopsis on the functioning of the company and we are now ready to take questions from all of you.



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**Moderator:** Thank you very much. The first question is from the line of Shikhar Mundra from Vivog Commercial Limited. Please go ahead.

**Shikhar Mundra:** Sir, I wanted to understand why has there been a degrowth in the poultry healthcare segment and what is the outlook for the segment?

**Rajiv Gandhi:** The poultry industry in India is still continuing to go through a tough phase and therefore a dip or a recessionary condition in the poultry industry which is mainly due to high input cost and low revenue for the output that is for the eggs and for the meat. This has been ongoing, the downturn in our sales has been arrested and it has again picked up in the last quarter, but this continues to be a characteristic or a temporary situation of the poultry industry in India.

**Shikhar Mundra:** What was the overall market degrowth for the industry during the year?

**Rajiv Gandhi:** For the poultry?

**Shikhar Mundra:** Yes.

**Rajiv Gandhi:** I do not have those statistics with me at the moment, but people have taken less replacement flocks, less chicken to grow in their poultry farms, etc., but I am not right now sitting with those figures, I am sorry.

**Shikhar Mundra:** Alright. Thank you that answers my question.

**Moderator:** Thank you. The next question is from the line of Nirav Seksaria from Living Root Capital. Please go ahead. The current participant in the queue seems to have dropped from the queue. The next question is from the line of Ankit Gupta from Bamboo Capital. Please go ahead.

**Ankit Gupta:** Can you talk about African subsidiary in Tanzania when is that expected to ramp up and how do you see the overall scope over Africa?



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**Rajiv Gandhi:** Having got licenses for a few products I think either five or six we have already got the license and now we are gearing and we are trying to start our marketing in Tanzania itself first and we have started the registration process mainly in the nearby countries in the eastern African area as well as a few countries in western Africa. We hope that once the registration happens which takes a few months and after that we are very confident that we should be able to have good sales, in fact some of the vaccines we are the only people who produce those type of vaccines and we see a very good scope, very good potential. At this point we are at the stage where registration and all these administrative issues are going on, but probably say in 6 to 10 months' time we should go ahead and by the time we get the registrations in a few other countries, but at the same time we will start selling Tanzania itself because where we have already got the registration. Apart from that we have also invested in trading company by the name of Thrishool where Hester has 50% equity through that also we are pushing our local sales in Tanzania. To answer your question in quantifiable manner sales in Tanzania will start first in around six to eight, nine months the sales will start to other countries. The scope and the potential is tremendous, it is just a matter of time the registration process, etc., for us to overcome that.

**Ankit Gupta:** At our current capacity in Tanzania how much sales can we generate at optimum capacity utilization?

**Rajiv Gandhi:** Around \$25 million.

**Ankit Gupta:** That is actually pretty high given current sales if you are able to achieve that will be commendable?

**Rajiv Gandhi:** Yes, but any vaccine plant anywhere in the world you cannot construct smaller capacity plants and then grow modularly as and when you get business, the capacity is derived from the freeze drying capacity that you have, the incubation capacity that you have etc., so whether in India, in





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Nepal, in Tanzania our capacities has been big right from the beginning and it is a normal issue, it is not a one-off kind situation in biological.

**Ankit Gupta:** When we expect to reach \$25 million kind of revenue that we can generate from our existing capacity in Tanzania and how many years we can ramp up?

**Rajiv Gandhi:** I think it should take approximately four years to five years for us to reach that turnover.

**Ankit Gupta:** The margins will also be in line with our Indian operations?

**Rajiv Gandhi:** Yes, in fact there will be better over there in terms of realization prices are more in Africa, but let us go at the worst case scenario in line with the Indian profitability.

**Ankit Gupta:** In go through your balance sheet you have CWIP of around Rs.145 Crores, so one will be the COVID vaccine facility which will be there, apart from that anything else it is there in our CWIP?

**Rajiv Gandhi:** Yes. One is the BSL-III laboratory for manufacturing the bulk antigen for COVID, but now with COVID going we are trying to repurpose that facility. Our CFO will answer this because I just misunderstood probably.

**Nikhil Jhanwar:** In the CWIP apart from the COVID facility BSL-III we have the fill finish facility which is under construction which we have given in the press release that is getting completed in the coming quarter.

**Ankit Gupta:** That is expected to double our vaccine capacity in India?

**Rajiv Gandhi:** Yes. In this quarter once that goes on stream when it is commissioned yes and it should happen in less than around 60 days' time.

**Ankit Gupta:** For next year also how do you see growth in poultry and animal healthcare divisions in domestic market?



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**Rajiv Gandhi:** I think one should keep in mind that we are in the agriculture sector; animal husbandry comes in agriculture sector. The opportunity in India to grow in the agriculture sector is high and within the agriculture sector the easiest way to double the income of farmers especially those who have small chicken or cows in their home to improve the productivity of those production animals that way their income will go up much more faster than while improving the production capacity of their agriculture land, so the scope is tremendous in terms of health products, biological and it is something which is going to grow in leaps and bounds. Also the Government of India has put a very big focus on animal husbandry, they are getting into immunization, eradication programs for animal diseases as you are aware Government of India not only India the world has taken up eradication of PPR in sheep and goat. So the end awareness campaigns are going up, so the potential as far as seems to be very big.

**Ankit Gupta:** Thank you Sir and wish you all the best.

**Moderator:** Thank you. The next question is from the line of Nirav Seksaria from Living Root Capital. Please go ahead.

**Nirav Seksaria:** I just wanted to know in the opening remarks you have mentioned that the poultry healthcare dependency has reduced, so at what sources could we assume it to go normalize or going forward?

**Rajiv Gandhi:** Your voice is coming in waves, but as I understand you are looking at the quantum, your question is what would be the ultimate contribution for the poultry healthcare division, is that right?

**Nirav Seksaria:** Going forward what percent should we assume it totally?

**Rajiv Gandhi:** From 100% we had gone down to 70% and today it is 60% and we would want to grow both the poultry as well as the animal health on a one-to-one basis or maybe plus, minus 5% or 10%, 60-40, 40-60, this is what our desire is, but also to mention that the animal healthcare division today in



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India has a much bigger scope because immunization programs are coming up and the number of vaccines required by the Government of India are increasing as well as I was just answering the question of the earlier person that the agriculture sector for it to grow in leaps and bounds. The income of backyard farmer has to grow in order to get good percentage the growth in that industry. So I think all put together I would not be able to give an exact figure on a ratio type, but we will try to run both the horses and continue to run both the horses notwithstanding the third horse which we have is the pet care business which is also sunrise industry in India at this point of time. My answer has been very subjective, but I am not able to give precise figures.

**Nirav Seksaria:** Could you also talk about what was the potential of pet care business in India?

**Rajiv Gandhi:** The pet business of all companies in animal health is the biggest division rather than poultry and large animal. So this is all that I can say with increasing incomes of households in the country with the definition of family changing, the pet and having pets it goes up that is what history shows looking into the western countries, etc., and this trend is also coming up in India, at the moment the number of pets related to the population are definitely less, but this is going up at a galloping rate I think it is growing at around 20% on a year-on-year basis higher than the poultry or the animal healthcare.

**Nirav Seksaria:** Thank you so much Sir.

**Moderator:** Thank you. The next question is from the line of Keshav Garg from Counter Cyclical PMS. Please go ahead.

**Keshav Garg:** Last quarter you indicated that Rs.43 Crores revenue that we did in animal health is sustainable, but in this quarter it has halved to Rs.21 Crores levels which is half on a quarter-on-quarter basis, so is this a one-off and



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Sir going forward on a quarterly basis what kind of number should we expect Rs.21 Crores or nearer to Rs.43 Crores per quarter?

**Rajiv Gandhi:** You are talking about quarter-on-quarter or you are talking about Q3, Q4 or you are talking about corresponding Q4, Q4?

**Keshav Garg:** No, I am talking about quarter-on-quarter, Q4 versus Q3.

**Rajiv Gandhi:** Q4 versus Q3. What happens in immunization programs sometimes it all depends upon when the orders are placed by the government. Now if the order comes and if that has to be given at a particular time then that quarter sales goes up then the next quarter is a bit low, so we have to make sure that over a period of time we have to balance out this business and then we have to take it further. Even if you look at our press note there is an unexecuted order of PPR vaccine which is about to come. The PPR immunization program got a little bit delayed because the government was focusing on the lumpy skin disease. Now these situations come up suddenly in between, it definitely impact us as a seller of these vaccines, but that is a way it is.

**Keshav Garg:** Basically, to foresee **(inaudible) 25:24?**

**Rajiv Gandhi:** Good question. We ourselves are striving towards that point number one, okay? How do we do it? Now with the health products margins are relatively lower than the vaccines, so what we are trying to do is at the end even if the gross margins are less, but at the EBITDA level if we are able to increase with more cycles of the health products, etc., because the time to turnaround health product cycle is less than what it is for vaccine. So vaccines are more profitable at a gross level while in terms of turnover if we can do more cycles it will improve EBITDA level which will again improve the bottom line and even if you go to see quarter-to-quarter basis Q2 it was Rs.9 Crores and in this Q4 it is Rs.10 Crores, yes, it is just a margin 10.9, so from 10% to 11%. We are working on it and we are very conscious of this, be rest assured, we will restore our margins in probably



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not in an extreme short time in a few quarters, but overall a year's time or so we will get back to those margins it is amended, it is **(inaudible)** **27:06** for us to ensure that our margins are again restored to that level and the tough part is that the earlier margins were based only on vaccine sales and now we are going to strive for these margins with vaccines as well as health product, but nonetheless having tasted blood that is the same thing having tasted good margins we are not going to leave it at that.

**Keshav Garg:** Sure Sir, also lastly in our segment revenue in the consolidated figure there is one other segment which is Rs.8.8 Crores revenue and Rs.3.4 Crores PBT?

**Rajiv Gandhi:** The other income is some pharmaceutical products which we have exported to Africa, so that did not qualify to come in these two divisions therefore we showed it separately.

**Keshav Garg:** Lastly Sir, in your judgment do you think that numbers are bottomed out in this fourth quarter and going forward how things will pick up or more pain is left?

**Rajiv Gandhi:** I would say that optimistically looking we are seeing that things will go up because there are these immunization programs, etc., all these things, but I do not think so there is anything like bottoming out or anything of that even in this quarter we have shown improvement over the previous quarter, etc., so I think we hope to grow at a higher rate in this year than what we grew last year for sure as well as improving the bottom line.

**Keshav Garg:** Thank you very much and best of luck.

**Moderator:** Thank you. The next question comes from the line of Shikhar Mundra from Vivog Commercial Limited. Please go ahead.



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**Shikhar Mundra:** What is the capex coming in, what is the capacity in terms of billion doses of vaccine?

**Rajiv Gandhi:** From 4.8 we will go into multiple clients by two approximately 9 billion doses.

**Shikhar Mundra:** So the revenue potential is roughly like around Rs.250 Crores is that right?

**Rajiv Gandhi:** You can say that at the same time we must consider. In any biological plant to estimate the exact production capacity is not possible. If we produce more vaccines of the large animal where we sell products in 100 dose size as against in poultry we have 2000 dose size products so the same freeze dryer, the same number of vial, one vial will continue 100 doses of a typical goat pox vaccine or a PPR vaccine, but in freeze drying poultry vaccine it will have 2000 doses. So this is an approximate figure, it could swing 20% plus or minus. It could even go beyond that; it could even go above.

**Shikhar Mundra:** Got it and will the focus be more towards the animal side or it will be a mix between animal and poultry?

**Rajiv Gandhi:** The focus is going to be on all three animal care, poultry healthcare and pet care. I would want to make it clear there is no dilution of energies or focus amongst any of the divisions, it is just that if there are market forces like what are there today in the poultry industry if that pulls us down we can make it up with the animal healthcare or pet care or if anything with the animal we can make it up with poultry, the focus continues, we had till now been known as a poultry vaccine company and we are very proud even about that fact so the focus on poultry does not even diminished by 0.1%.

**Shikhar Mundra:** Got it and with respect to Nepal like what is the revenue potential for the Nepal subsidiary?



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- Rajiv Gandhi:** At full capacity we can do approximately Rs.50 Crores.
- Shikhar Mundra:** Alright and what is the outlook and how far do you see you can ramp up over there?
- Rajiv Gandhi:** We are at 20, first let us reach 40 and then we will ramp it up it will require six months with marginal investment to take the capacity to double.
- Shikhar Mundra:** No, I meant with respect to the sales, right now we are doing Rs.12 Crores sales from Nepal?
- Rajiv Gandhi:** For sales we are a lot dependent on the PPR tenders of FAO, FAO has committed they are going to increase it because the world has taken up to eradicate PPR. We are waiting for tenders to come up, in fact we already have orders in hand of around Rs.15 Crores etc., in Nepal already we have various tenders, so everything is in process, but yes we are dependent on tender business at the same time we have started looking at the domestic market and we have already got a small share in the domestic market and we will make sure when we also now generate revenues from the domestic market.
- Shikhar Mundra:** How big do you think is the domestic market of Nepal?
- Rajiv Gandhi:** For poultry vaccines it could be around Rs.20 Crores, Rs.30 Crores, for other species I do not have the data.
- Shikhar Mundra:** One more thing regarding the animal healthcare segment in India how big is the segment?
- Rajiv Gandhi:** I think it is some Rs.5000 Crores to Rs.8000 Crores or something I do not have the figures right now. It is very big. We are just like a small drop in the ocean at this point of time, the potential is very high.



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**Shikhar Mundra:** Got it. Thank you.

**Moderator:** Thank you. The next question is from the line of Keshav Garg from Counter Cyclical PMS. Please go ahead.

**Keshav Garg:** Trying to understand that **(inaudible) 34:09**

**Nikhil Jhanwar:** Right now I think we are at a highest borrowing which we have taken, but which will be going down only. We do not have any plans for taking any additional loans...

**Rajiv Gandhi:** Or debt at this point of time.

**Keshav Garg:** Sure Sir and **(inaudible) 34:40?**

**Rajiv Gandhi:** We wish grant keep on coming every year on the lighter side, but these grants are related to specific projects. We had the COVID project and we were working on some other projects internationally, so it is something which will be project related, assignment related, so we will take it forward in that manner.

**Keshav Garg:** What is the interest rate we are paying?

**Nikhil Jhanwar:** All borrowings together somewhere works out to be around 8%.

**Rajiv Gandhi:** 8%.

**Keshav Garg:** What I am trying to understand is that how much capex is required for all our ongoing projects?

**Nikhil Jhanwar:** Currently there is no additional capex is required for the ongoing projects, some Rs.10 Crores to Rs.12 Crores is payable for the capital creditors for the existing project.





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**Rajiv Gandhi:** If we embark on any additional capital which is unlikely then of course that is a different situation, but we are covered fully for the current expansions. What is the total revenue possible, so Rs.50 Crores in Nepal, \$25 million to \$30 million in Africa, Rs.200 Crores over there and over here we can do additional Rs.200 Crores more than what we are doing right now, Rs.600 Crores.

**Keshav Garg:** Thank you very much.

**Rajiv Gandhi:** All the capital is already invested for this potential.

**Keshav Garg:** How many years with respect to this Rs.600 Crores revenue?

**Rajiv Gandhi:** We are trying our best to do it as early as possible. I think it should take approximately three years time for us to reach that.

**Keshav Garg:** Thank you very much.

**Moderator:** Thank you. The next question is from the line of Yogesh Tiwari from Arihant Capital Markets. Please go ahead.

**Yogesh Tiwari:** In the poultry division in Q3 other revenues was about Rs.32 Crores just increased to about Rs.36 Crores, so what is your thinking in Q4, what is driving the recovery in poultry?

**Rajiv Gandhi:** No, it is the industry which is there and some disease incidences, etc., and probably now the poultry industry has reached such an abysmal low level that the only thing that can happen to it is improvement from here on and another thing is that earlier we were selling more of vaccine now we also have a focus on health products, so our range has also gone up with the same marketing team we have more products to reach up to the client, the poultry farmer, the poultry institute, the poultry egg or the meat producer. So it is a combination of all these things.



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**Yogesh Tiwari:** What would be the bifurcation between vaccine and healthcare in poultry out of this 8% decline?

**Rajiv Gandhi:** On a quarter-on-quarter basis I think the vaccine degrew by 15% and the health product increased by 60%. Please keep in mind that the poultry base is high, we are the second largest in poultry in India while health products we are at a very low level, so the multi-client factor in itself is very small, so that also do keep in mind.

**Yogesh Tiwari:** Sure Sir and finally on the poultry division because of the challenges in the division are you seeing any consolidation happening wherein some players have exited the market or may be the organized sector?

**Rajiv Gandhi:** No, I do not see any structural change at this point of time. The number of integrators remains the same, the poultry producers remain the same. We do not see any structural change, in fact structural changes are actually now to be seen in the cattle rearing industry for milk because there is some consolidation that is happening, awareness that is happening, scientific tools that are being used, etc.

**Yogesh Tiwari:** Thank you Sir. It is very helpful.

**Moderator:** Thank you. Ladies and gentlemen that was the last question for today. I now hand the conference over to the management for closing comments. Over to you Sir!

**Rajiv Gandhi:** Thank you all. Just as already well summarized by Priya and you would have read in the press note sales have been good, profits have come down a little bit, but there is a lot of potential all across in Hester India, Hester Nepal and Hester Africa notwithstanding the health product business which is growing as well as the pet business. Please continue to have your faith and confidence in us and trust me we are here to make sure that we become one of the best animal companies in the world. Thank you.



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**Moderator:** Thank you. On behalf of ICICI Securities that concludes this conference call. Thank you for joining us. You may now disconnect your lines.