

Press Release

26 October 2015

Q2FY16 Results - Improved Profitability

Financial Highlights

	FY16 - FY15 Q2 Comparison			FY16 - FY15 H1 Comparison		
	FY16	FY15	Growth	FY16	FY15	Growth
Net Sales INR mn	240.05	214.91	12%	485.35	447.94	8%
Net Profit INR mn	42.97	27.43	57%	89.60	70.85	26%
EPS INR	5.05	3.22	57%	10.53	8.33	26%

Q2 Highlights

- Hester has reported a Net Sales of INR 240.05mn in Q2FY16 as compared to INR 214.91mn for the previous corresponding period, thereby registering a growth of 12%.
- Net Profit for Q2FY16 is recorded at INR 42.97mn as against INR 27.43mn for the previous corresponding period, thereby registering a growth of 57%.
- Earnings Per Share for the Q2FY16 is at INR 5.05 as against INR 3.22 for Q2FY15.

H1 Highlights

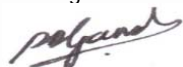
- Hester has reported a Net Sales of INR 485.35mn in H1FY16 as compared to INR 447.94mn for the previous corresponding period, thereby registering a growth of 8%.
- Net Profit for H1FY16 is recorded at INR 89.60mn against INR 70.85mn for the previous corresponding period, thereby registering a growth of 26%.
- Earnings Per Share for H1FY16 is at INR 10.53 as against INR 8.33 for the H1FY15.

Business Outlook

- Our focus has been towards improving profitability. It is our endeavor, at the least, to sustain this level of profitability.
- Domestic poultry vaccine division contributed 77% to the sales as against 87% in the last financial year. The contribution of the other three divisions (Poultry health products, Large Animal vaccines & Large Animal Health Products divisions) has been systematically increasing.
- Exports are growing as per forecasts and hope to grow at 100% on a year-to-year basis.

Nepal Plant

Our Nepal project is near completion in face of a very challenging social, political and economic environment. We are grateful for the support of our local partners the Golchha Group, our bankers and the local administration at Kathmandu for their unstinting support. We are optimistic about improvement in business environment and are working towards commencement of commercial production in the coming months



Rajiv Gandhi
Hester Biosciences Limited
CEO & Managing director

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

STANDALONE UNAUDITED FINANCIAL RESULTS FOR THE QUARTER/HALF YEAR ENDED 30 SEPTEMBER 2015							₹ In Million
PART I							
Sr.No.	Particulars	Quarter Ended			Six Months Ended		Year Ended
		30-09-15	30-06-15	30-09-14	30-09-15	30-09-14	31-03-15
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
1	Manufacturing Sales	200.78	213.91	196.77	414.69	414.25	826.17
	Trading Sales	29.43	31.38	18.13	60.82	33.68	62.89
	Other Operational Income	9.84	0.00	0.00	9.84	0.00	11.31
	Net Sales/ Income from Operations	240.05	245.29	214.91	485.35	447.94	900.37
2	Total Expenses	178.50	176.91	168.34	355.42	336.81	691.60
	(a) Cost of material consumed	45.17	45.58	39.36	90.75	71.91	155.74
	(b) Purchases of Stock in Trade	24.91	13.59	14.00	38.50	23.68	37.23
	(c) Change in inventories	-18.63	8.60	15.85	-10.53	44.90	59.58
	(d) Employee benefits expenses	38.45	29.34	26.31	67.79	53.25	122.40
	(e) Depreciation	12.92	13.39	8.53	26.31	16.81	52.91
	(f) Other expenses - Manufacturing	40.14	33.33	36.83	73.47	65.02	126.82
	(g) Other expenses - Selling, General & Admin.	35.55	33.08	27.46	68.63	61.24	136.92
3	Profit From Operations before other income, finance cost & exceptional items	61.56	68.38	46.57	129.93	111.13	208.77
4	Other Income	2.73	0.08	0.17	2.81	0.34	3.29
5	Profit from ordinary activities before finance costs & exceptional items	64.29	68.46	46.74	132.74	111.47	212.06
6	Finance cost	5.19	12.03	10.91	17.21	20.60	44.07
7	Profit from ordinary activities after finance cost but before exceptional items	59.10	56.43	35.83	115.53	90.87	167.99
8	Exceptional Items	0.00	0.00	0.00	0.00	0.00	26.53
9	Profit from ordinary activities before tax	59.10	56.43	35.83	115.53	90.87	194.52
10	Tax Expense	16.13	9.80	8.40	25.93	20.02	48.70
11	Net Profit from ordinary activities after tax	42.97	46.63	27.43	89.60	70.85	145.82
12	Paid-up equity share capital	85.07	85.07	85.07	85.07	85.07	85.07
13	Reserves & Surplus	-	-	-	-	-	775.45
14	EPS (INR) (not annualised) (before and after extraordinary items) - Basic & Diluted	5.05	5.48	3.22	10.53	8.33	17.14
PART II							
A	PARTICULARS OF SHARE HOLDING						
1	Public shareholding:						
	- Number of Share	3907428	3907428	3929028	3907428	3929028	3928928
	- % of Shareholding	45.93	45.93	46.19	45.93	46.19	46.19
2	Promoters and Promoter group shareholding						
a)	Pledged / Encumbered						
	- Number of shares	Nil	Nil	Nil	Nil	Nil	Nil
	- percentage of shares (as a % of the total shareholding of promoter and promoter group)	Nil	Nil	Nil	Nil	Nil	Nil
	- Percentage of shares (as a % of the total share capital of the Company)	Nil	Nil	Nil	Nil	Nil	Nil
b)	Non- encumbered						
	- Number of shares	4599372	4599372	4577772	4599372	4577772	4577872
	- percentage of shares (as a % of the total shareholding of promoter and promoter group)	100.00	100.00	100.00	100.00	100.00	100.00
	- Percentage of shares (as a % of the total share capital of the Company)	54.07	54.07	53.81	54.07	53.81	53.81
B	INVESTOR COMPLAINTS FOR THE QUARTER ENDED 30-09-2015						
	Pending at the beginning of the quarter				NIL		
	Received during the quarter				NIL		
	Disposed of during the quarter				NIL		
	Remaining unresolved at the end of the quarter				NIL		

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REPORT ON SEGMENT REVENUE, RESULTS AND CAPITAL EMPLOYED							₹ In Million
Sr. No.	Particulars	Quarter Ended			Six Months Ended		Year Ended
		30-09-15	30-06-15	30-09-14	30-09-15	30-09-14	31-03-15
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
1	Segment Revenue						
	a. Poultry Vaccine	221.44	229.55	198.93	450.99	418.33	846.14
	b. Large Animal Health Product	18.61	15.74	15.98	34.36	29.61	54.23
	Total Income from Operations (Net)	240.05	245.29	214.91	485.35	447.94	900.37
2	Segment Results (Profit before Finance Cost, Exceptional Items and Taxes)						
	a. Poultry Vaccine	67.70	69.16	47.34	136.86	114.67	221.99
	b. Large Animal Health Product	-3.41	-0.70	-0.61	-4.12	-3.20	-9.93
	Total	64.29	68.46	46.74	132.74	111.47	212.06
	a. Finance Costs	5.19	12.03	10.91	17.21	20.60	44.07
	b. Exceptional Items	0.00	0.00	0.00	0.00	0.00	26.53
	c. Other unallocable expenditure/(income) [Net]	0.00	0.00	0.00	0.00	0.00	0.00
	Profit before Tax	59.10	56.43	35.83	115.53	90.87	194.52
3	Segment Capital Employed						
	a. Poultry Vaccine	818.44	768.66	694.79	818.44	694.79	773.79
	b. Large Animal Health Product	68.15	56.69	48.37	68.15	48.37	53.46
	c. Unallocated Capital Employed	148.40	144.51	72.14	148.40	72.14	87.08
	Total	1034.99	969.86	815.30	1034.99	815.30	914.33
Notes 1. Standalone Statement of Assets and Liabilities							₹ In Million
Sr. No.	Particulars	As at	As at				
		30-09-15	30-09-14				
		Unaudited	Unaudited				
A	EQUITY AND LIABILITIES						
1	Shareholder's Fund						
	a-Share Capital	85.07	85.07				
	b-Reserve & Surplus	864.81	739.10				
2	Non Current Liabilities						
	a-Long Term Borrowings	139.64	47.12				
	b-Deferred Tax Liabilities(Net)	55.09	47.49				
	c-Other Long Term Liabilities	0.00	7.22				
3	Current Liabilities						
	a-Short Term Borrowings	216.10	248.98				
	b-Trade Payables	69.36	58.88				
	c-Other Current Liabilities	68.63	75.510				
	d-Short Term Provisions	13.63	26.870				
	Total	1512.33	1336.24				
B	ASSETS						
1	Non Current Assets						
	a -Fixed Assets						
	(i) Tangible assets	555.56	512.44				
	(ii) Intangible assets	3.38	0.97				
	(iii) Capital work-in-progress	103.48	138.18				
	b-Non Current Investment	87.27	67.37				
	c-Long Term Loans & Advances	142.18	100.38				
2	Current Assets						
	a-Inventories	322.00	323.91				
	b-Trade Receivables	243.28	166.61				
	c-Cash & Cash Equivalents	36.63	16.33				
	d-Short Term Loans & advances	18.55	10.05				
	Total	1512.33	1336.24				

2 The Board of Directors have approved the aforesaid working results at their meeting held on 26.10.2015 after reviewed by the Audit Committee of the Company.

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


4 Provision for taxation includes Current Tax of ₹24.66 million including deferred Tax of ₹1.27 million for the half year ended on 30.09.2015 as per AS-22.

5 The company has got an approval of the scheme of merger / demerger from shareholders in their meeting held on 15.09.2015 and approval from different authorities are under process.

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

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

By Order of the Board



Rajiv Gandhi
CEO & Managing Director

Place: Ahmedabad
Date: 26.10.2015

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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.: +91-79-26562132/33 Email: 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 unaudited financial results of **HESTER BIOSCIENCES LIMITED** for the period ended 30th September 2015 except for the disclosures regarding ‘public shareholding’ and ‘Promoter & promoter group shareholding’ which have been traced from disclosures made by the management and have not been audited by us. 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.

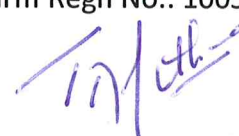
We conducted our review in accordance with the Standard on Review Engagement (SRE) 2410, “Review of Interim Financial Information Performed by Independent auditor of the Entity” issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain 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 Accounting standard 25, Interim Financial Reporting (“AS 25”), specified under section 133 of the companies Act 2013, read with Rule 7 of the Companies (Accounts) Rules 2014 and other accounting principles generally accepted in India and other recognised accounting practices and policies, has not disclosed the information required to be disclosed in terms of Clause 41 of the Listing Agreement including the manner in which it is to be disclosed, or that it contains any material misstatement.

Place: Ahmedabad
Date: 26th October 2015

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




Tehmul .B. Sethna
Partner
Membership No.: 35476