

STATEMENT OF AUDITED STANDALONE FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED 31 MARCH 2023

Amount in INR Million

Sr. No.	Particulars	Quarter Ended			Year Ended	
		31 March 2023	31 December 2022	31 March 2022	31 March 2023	31 March 2022
		Audited (Refer note 4)	Unaudited	Audited (Refer note 4)	Audited	Audited
	Income					
1	Revenue from Operations	606.96	707.73	502.51	2,540.00	2,193.51
2	Other Income	9.50	9.62	10.81	53.23	46.57
3	Total income	616.46	717.35	513.32	2,593.23	2,240.08
4	Expenses					
	(a) Cost of material consumed	84.24	68.33	89.86	292.81	370.74
	(b) Purchases of stock-in-trade	197.66	130.67	124.74	553.71	392.97
	(c) Change in inventories of finished goods, traded goods and work in progress	(81.43)	10.54	(49.39)	(47.71)	(125.26)
	(d) Employee benefits expense	123.78	125.79	96.96	479.17	391.19
	(e) Finance cost	3.48	31.37	13.83	64.97	24.68
	(f) Depreciation and amortisation expense	26.21	24.37	25.48	97.88	95.02
	(g) Other expenses	173.52	182.53	139.80	713.16	558.18
	Total expenses	527.46	573.60	441.28	2,153.99	1,707.52
5	Profit before tax	89.00	143.75	72.04	439.24	532.56
6	Tax Expense					
	Current tax	22.90	28.96	19.64	107.27	142.53
	Deferred tax	3.47	7.50	2.92	8.55	(5.14)
	Total tax expense	26.37	36.46	22.56	115.82	137.39
7	Profit after tax	62.63	107.29	49.48	323.42	395.17
8	Other Comprehensive Income					
	Items that will not be reclassified to Profit or Loss					
	Remesurement Gain/(Loss) on Defined Benefit Plans	1.95	(0.15)	1.22	1.51	(2.10)
	Income tax impact	(0.49)	0.04	(0.31)	(0.38)	0.53
	Total Other Comprehensive Income	1.46	(0.11)	0.91	1.13	(1.57)
9	Total Comprehensive Income for the period / year	64.09	107.18	50.39	324.55	393.60
10	Paid-up equity share capital				85.07	85.07
11	Other Equity				2,838.75	2,599.27
12	Earnings Per Share (Face Value of INR 10 each) (Not Annualised) - Basic & Diluted (INR)	7.36	12.61	5.82	38.02	46.45

STATEMENT OF AUDITED STANDALONE ASSETS AND LIABILITIES AS AT 31 MARCH 2023

Amount in INR Million

Particulars	As at 31 March 2023	As at 31 March 2022
ASSETS		
Non-current assets		
(a) Property Plant & Equipment	1,078.46	839.50
(b) Capital Work-in-Progress	1,461.38	802.24
(c) Other Intangible Assets	3.71	3.59
(d) Intangible Assets under Development	24.69	16.85
(e) Financial Assets		
(i) Investments	646.89	646.89
(ii) Other Financial Assets	45.29	60.41
(f) Other Non-current Assets	37.25	210.22
Total Non-current Assets	3,297.67	2,579.70
Current assets		
(a) Inventories	792.16	707.34
(b) Financial Assets		
(i) Trade Receivables	823.60	569.16
(ii) Cash and Cash Equivalents	43.01	15.28
(iii) Bank Balances other than (ii) above	16.61	4.53
(iv) Loans	58.47	58.76
(v) Other Financial Assets	166.46	146.64
(c) Other Current Assets	260.17	163.01
Total Current Assets	2,160.48	1,664.72
Total Assets	5,458.15	4,244.42
EQUITY AND LIABILITIES		
Equity		
(a) Share capital	85.07	85.07
(b) Other equity	2,838.75	2,599.27
Total Equity	2,923.82	2,684.34
Liabilities		
Non-current liabilities		
(a) Financial Liabilities		
(i) Borrowings	833.97	732.49
(ii) Other Financial Liabilities	7.03	5.53
(b) Non Current Provision	17.16	10.77
(c) Deferred Tax Liabilities (Net)	71.47	62.92
(d) Other Non Current Liabilities	240.00	-
Total Non-current Liabilities	1,169.63	811.71
Current liabilities		
(a) Financial Liabilities		
(i) Borrowings	809.25	486.64
(ii) Trade Payables		
-Total outstanding dues of micro enterprises and small enterprises	4.56	19.88
-Total outstanding dues of creditors other than micro enterprises and small enterprises	282.55	90.39
(iii) Other Financial Liabilities	130.39	125.88
(b) Other Current Liabilities	99.66	13.81
(c) Provisions	4.42	2.39
(d) Current Tax Liabilities	33.87	9.38
Total Current Liabilities	1,364.70	748.37
Total Liabilities	2,534.33	1,560.08
Total Equity and Liabilities	5,458.15	4,244.42

STATEMENT OF AUDITED STANDALONE CASH FLOWS FOR YEAR ENDED 31 MARCH 2023

Amount in INR Million

Particulars	Year Ended	
	31 March 2023	31 March 2022
	Audited	Audited
A. Cash Flow from operating activities		
Profit before tax	439.24	532.56
Adjustments for:		
Depreciation and amortisation Expense	97.88	95.02
Provision for doubtful debt	1.85	2.28
Bad debts written off	3.43	19.86
(Profit) / Loss on sale of property, plant & equipment	(0.16)	(0.69)
Profit on buy-back of shares by subsidiary	-	(2.26)
Interest expense	62.63	19.25
Unrealised foreign exchange loss / (gain)	0.81	2.54
Interest income	(20.90)	(19.02)
Operating profit before working capital changes	584.78	649.54
Adjustments for:		
Trade receivables	(260.58)	(138.36)
Inventories	(84.82)	(137.21)
Other assets	(97.16)	10.83
Trade payables	176.89	(29.98)
Other current liabilities	85.85	(13.02)
Provisions	8.42	4.49
Loans	0.29	(1.77)
Other financial Liability	1.52	2.69
Other financial assets	(0.92)	(23.79)
Cash Generated from Operations	414.27	323.42
Income tax paid (net)	(80.65)	(164.37)
Net cash generated from operating activities (A)	333.62	159.05
B. Cash flow from investing activities		
Capital expenditure on Property, Plant and Equipment, including capital advances and capital work-in-progress and on intangible assets	(726.44)	(906.69)
Proceeds from Sale of Property, Plant and Equipment	0.25	1.79
Payment towards investment in joint venture entity	-	(208.15)
Proceeds from buy-back of shares by subsidiary	-	9.79
Interest received	4.27	2.63
Bank / margin money deposits withdrawn / (Investment) (Net)	2.28	(5.20)
Net cash used in investing activities (B)	(719.64)	(1,105.83)
C. Cash flow from financing activities		
Proceeds from long term borrowings	282.57	861.42
Repayment of long term borrowings	(165.58)	(128.95)
Proceeds/(Repayment) of Short-term Borrowings (net)	240.49	315.78
Government grant received	240.00	-
Interest Paid	(98.66)	(13.56)
Dividend Paid	(85.07)	(85.07)
Net cash generated from financing activities (C)	413.75	949.62
Net increase in cash and cash equivalents (A) + (B) + (C)	27.73	2.84
Cash and cash equivalents at the beginning of the year	15.28	12.44
Cash and cash equivalents at the end of the year	43.01	15.28

Notes:

- The standalone financial results of Hester Biosciences Limited (the "Company") have been reviewed by the Audit Committee and approved by the Board of Directors of the Company in their respective meetings held on 17 May 2023. The statutory auditors have carried out an audit of these standalone financial results for the year ended 31 March 2023 and have issued an unmodified opinion on the same.
- Following are the details of segment wise revenue, results, segment assets and liabilities:

Amount in INR Million

Particulars	Quarter Ended			Year Ended	
	31 March 2023	31 December 2022	31 March 2022	31 March 2023	31 March 2022
Segment Revenue					
a. Poultry Healthcare	365.45	323.18	400.94	1,426.85	1,712.31
b. Animal Healthcare	146.76	378.52	101.57	1,006.79	481.20
c. Petcare	6.06	6.03	-	17.67	-
d. Others	88.69	-	-	88.69	-
Total Revenue from Operations	606.96	707.73	502.51	2,540.00	2,193.51
Segment Results					
a. Poultry Healthcare	56.11	48.88	83.73	270.53	537.88
b. Animal Healthcare	7.33	138.97	(9.95)	253.86	(16.81)
c. Petcare	(1.27)	0.18	-	(3.99)	-
d. Others	34.37	-	-	34.37	-
Total Segment Results	96.54	188.03	73.78	554.77	521.07
a. Finance Costs	3.48	31.37	13.83	64.97	24.68
b. Other unallocable expenditure/(income) (Net)	4.06	12.91	(12.09)	50.56	(36.17)
Profit before Tax	89.00	143.75	72.04	439.24	532.56
Segment Assets					
a. Poultry Healthcare	2,346.50	2,452.92	2,362.17	2,346.50	2,362.17
b. Animal Healthcare	583.71	555.98	310.29	583.71	310.29
c. Petcare	13.86	11.40	-	13.86	-
d. Others	112.60	-	-	112.60	-
Unallocated Assets	2,401.48	2,031.42	1,571.96	2,401.48	1,571.96
Total	5,458.15	5,051.72	4,244.42	5,458.15	4,244.42
Segment Liabilities					
a. Poultry Healthcare	166.02	129.62	151.37	166.02	151.37
b. Animal Healthcare	160.18	120.99	46.12	160.18	46.12
c. Petcare	0.57	1.22	-	0.57	-
d. Others	88.36	-	-	88.36	-
Unallocated Liabilities	2,119.20	1,940.16	1,362.59	2,119.20	1,362.59
Total	2,534.33	2,191.99	1,560.08	2,534.33	1,560.08

Notes:

- Others segment include sale of other Pharmaceutical products.
- Unallocated assets and liabilities includes capital work in-progress, capital advances and capital creditors related to Human Vaccine Project as the same is yet to be capitalised.

- The Board of Directors has recommended a dividend of INR 8 (eight) per equity share (80%) for FY23, subject to the approval of the shareholders in the ensuing Annual General Meeting.
- The figures for the last quarters are the balancing figures between the audited figures in respect of the full year ending 31 March 2023 and 31 March 2022 and the unaudited published year-to-date figures upto 31 December 2022 and 31 December 2021 respectively, being the date of the end of the third quarter of the respective financial years which were subjected to limited review.

For and on behalf of the Board of Directors


Rajiv Gandhi
CEO & Managing Director
DIN: 00438037

Place: Ahmedabad
Date: 17 May 2023

STATEMENT OF AUDITED CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED 31 MARCH 2023

Amount in INR Million

Sr. No.	Particulars	Quarter Ended			Year Ended	
		31 March 2023	31 December 2022	31 March 2022	31 March 2023	31 March 2022
		Audited (refer note 3)	Unaudited	Audited (refer note 3)	Audited	Audited
	Income					
1	Revenue from Operations	672.99	749.44	564.69	2,660.91	2,350.06
2	Other Income	31.88	43.91	71.92	151.51	137.41
3	Total income	704.87	793.35	636.61	2,812.42	2,487.47
4	Expenses					
	(a) Cost of material consumed	152.05	121.39	170.27	529.88	627.96
	(b) Purchases of stock-in-trade	126.69	69.89	33.01	297.49	126.18
	(c) Change in inventories of finished goods, traded goods and work in progress	(75.38)	11.44	(43.10)	(52.51)	(105.56)
	(d) Employee benefits expense	144.61	146.14	122.67	560.20	453.32
	(e) Finance cost	13.74	38.90	15.00	93.20	40.64
	(f) Depreciation and amortisation expense	53.65	52.40	51.31	206.95	165.81
	(g) Other expenses	208.27	212.99	178.59	819.76	648.33
	Total expenses	623.63	653.15	527.75	2,454.97	1,956.68
5	Profit before Share of Profit of Joint Venture entity and Tax	81.24	140.20	108.86	357.45	530.79
6	Share of Profit in Joint Venture entity	2.97	19.78	4.23	44.09	4.23
7	Profit before tax	84.21	159.98	113.09	401.54	535.02
8	Tax Expense					
	Current tax	23.02	31.84	21.21	112.78	147.84
	Deferred tax	4.05	6.56	1.81	8.41	(7.66)
	Total tax Expense	27.07	38.40	23.02	121.19	140.18
9	Profit after tax	57.14	121.58	90.07	280.35	394.84
10	Other Comprehensive Income					
	Items that will not be reclassified to Profit or Loss					
	Remeasurement Gain/(Loss) on Defined Benefit Plans	1.91	(0.15)	1.22	1.47	(2.10)
	Income tax impact	(0.48)	0.04	(0.31)	(0.37)	0.53
	Items that will be reclassified to Profit or Loss					
	Foreign Currency Translation Reserve	(4.94)	2.94	5.94	15.15	9.78
	Income Tax Impact	-	-	-	-	-
	Total Other Comprehensive Income	(3.51)	2.83	6.85	16.25	8.21
11	Total Comprehensive Income for the period/year	53.63	124.41	96.92	296.60	403.05
12	Profit for the period/year attributable to:					
	(i) Owners of the Company	45.31	111.86	77.23	266.27	393.20
	(ii) Non Controlling Interest	11.83	9.72	12.84	14.08	1.64
13	Other Comprehensive Income for the period/year attributable to:					
	(i) Owners of the Company	(3.50)	2.83	6.85	16.26	8.21
	(ii) Non Controlling Interest	(0.01)	-	-	(0.01)	-
14	Total Comprehensive Income for the period/year attributable to:					
	(i) Owners of the Company	41.81	114.69	84.08	282.53	401.41
	(ii) Non Controlling Interest	11.82	9.72	12.84	14.07	1.64
15	Paid-up equity share capital				85.07	85.07
16	Other Equity				2,712.23	2,514.78
17	Earnings Per Share (Face Value of INR 10 each) (Not Annualised) - Basic & Diluted (INR)	6.72	14.29	10.59	32.96	46.41

STATEMENT OF AUDITED CONSOLIDATED ASSETS AND LIABILITIES AS AT 31 MARCH 2023		
Amount in INR Million		
Particulars	As at 31 March 2023	As at 31 March 2022
ASSETS		
Non-current assets		
(a) Property Plant & Equipment	2,589.01	2,368.13
(b) Capital Work-in-Progress	1,461.38	802.24
(c) Other Intangible Assets	4.67	3.59
(e) Intangible Assets under Development	24.69	16.85
(i) Investments	253.05	212.38
(ii) Other Financial Assets	45.80	60.56
(f) Other Non-current Assets	45.14	210.23
Total Non-current Assets	4,423.74	3,673.98
Current assets		
(a) Inventories	848.10	753.82
(b) Financial Assets		
(i) Trade Receivables	796.31	552.80
(ii) Cash and Cash Equivalents	131.56	247.50
(iii) Bank Balances other than (ii) above	16.61	4.53
(iv) Loans	59.90	60.80
(v) Other Financial Assets	170.36	150.10
(c) Other Current Assets	253.08	178.08
Total Current Assets	2,275.92	1,947.63
Total Assets	6,699.66	5,621.61
EQUITY AND LIABILITIES		
Equity		
(a) Share capital	85.07	85.07
(b) Other equity	2,712.23	2,514.78
Equity Attributable to Owners	2,797.30	2,599.85
Non Controlling Interest	88.16	74.09
Total Equity	2,885.46	2,673.94
Liabilities		
Non-current liabilities		
(a) Financial Liabilities		
(i) Borrowings	1,848.50	1,645.44
(ii) Lease Liabilities	56.27	52.70
(iii) Other Financial Liabilities	7.15	5.66
(b) Non Current Provision	19.32	12.72
(c) Deferred Tax Liabilities (Net)	73.51	65.10
(d) Other Non Current Liabilities	322.49	197.08
Total Non-current Liabilities	2,327.24	1,978.70
Current liabilities		
(a) Financial Liabilities		
(i) Borrowings	833.03	580.27
(ii) Lease Liabilities	3.72	3.27
(iii) Trade Payables	299.77	180.18
(iv) Other Financial Liabilities	164.06	141.54
(b) Other Current Liabilities	147.35	51.51
(c) Provisions	5.08	2.82
(d) Current Tax Liabilities	33.95	9.38
Total Current Liabilities	1,486.96	968.97
Total Liabilities	3,814.20	2,947.67
Total Equity and Liabilities	6,699.66	5,621.61

STATEMENT OF AUDITED CONSOLIDATED CASH FLOWS FOR THE PERIOD ENDED 31 March 2023		
Amount in INR Million		
Particulars	Year Ended	
	31 March 2023	31 March 2022
	Audited	Audited
A. Cash Flow from operating activities		
Profit before tax	401.54	535.02
Adjustments for:		
Depreciation and amortisation Expense	206.95	165.81
Share of profit in joint venture entity	(44.09)	(4.23)
Provision for doubtful debt	1.85	4.71
Bad debts written off	3.43	19.86
(Profit) / Loss on sale of property, plant & equipment	(0.16)	(0.69)
Amortisation of deferred grant	(113.08)	(89.05)
Interest expense	89.89	31.07
Unrealised foreign exchange loss / (gain)	0.81	2.54
Interest income	(21.73)	(19.03)
Operating profit before working capital changes	525.41	646.01
Adjustments for:		
Trade receivables	(249.65)	(87.79)
Inventories	(94.28)	(131.60)
Other assets	(74.60)	(71.97)
Trade payables	119.64	(100.67)
Other liabilities	83.11	25.15
Provisions	8.86	6.87
Loans	0.90	(3.81)
Other financial liability	1.27	3.41
Other financial assets	(3.63)	(27.39)
Cash Generated From Operations	317.03	258.21
Income tax paid (net)	(81.07)	(171.09)
Net cash generated from operating activities (A)	235.96	87.12
B. Cash flow from investing activities		
Capital expenditure on Property, Plant and Equipment, including capital advances and capital work-in-progress and on intangible assets	(777.62)	(957.10)
Proceeds from Sale of Property, Plant and Equipment	0.25	1.79
Payment towards investment in joint venture entity	-	(208.15)
Interest received	5.10	2.64
Bank / margin money deposits withdrawn / (Investment) (Net)	2.28	(5.06)
Net cash used in investing activities (B)	(769.99)	(1,165.88)
C. Cash flow from financing activities		
Proceeds from long term borrowings	320.44	1,033.47
Repayment of long term borrowings	(171.37)	(180.44)
Proceeds/(Repayment) of Short-term Borrowings (net)	240.13	315.66
Proceeds from Issue of Share Capital in subsidiary entities from Non-controlling interest shareholders	-	3.98
Payment to Non-controlling interest shareholders for buy-back of shares in subsidiary	-	(8.03)
Proceeds from grant	240.00	61.91
Payment of principal portion of lease liabilities	(0.63)	(0.74)
Interest Paid	(125.92)	(25.38)
Dividend Paid	(85.07)	(85.07)
Net cash generated from financing activities (C)	417.58	1,115.36
Exchange rate fluctuation arising on consolidation (D)	0.51	(1.79)
Net decrease in cash and cash equivalents (A) + (B) + (C) + (D)	(115.94)	34.81
Cash and cash equivalents at the beginning of the year	247.50	212.69
Cash and cash equivalents at the end of the year	131.56	247.50

Notes:

- The consolidated financial results of Hester Biosciences Limited (the "Company") and its subsidiaries (together referred as the "Group") and its joint venture entity have been reviewed by the Audit Committee and approved by the Board of Directors of the Company in their respective meetings held on 17 May 2023. The statutory auditors have carried out an audit of these consolidated financial results for the year ended 31 March 2023 and have issued an unmodified opinion on the same.
- Following are the details of consolidated segment wise revenue, results, segment assets and liabilities:

Amount in INR Million

Particulars	Quarter Ended			Year Ended	
	31 March 2023	31 December 2022	31 March 2022	31 March 2023	31 March 2022
Segment Revenue					
a. Poultry Healthcare	367.18	313.67	396.80	1,413.19	1,718.31
b. Animal Healthcare	211.06	429.74	167.89	1,141.36	631.75
c. Petcare	6.06	6.03	-	17.67	-
d. Others	88.69	-	-	88.69	-
Total Revenue from Operations	672.99	749.44	564.69	2,660.91	2,350.06
Segment Results					
a. Poultry Healthcare	58.54	38.59	86.61	269.23	547.38
b. Animal Healthcare	7.61	149.80	27.88	207.35	9.06
c. Petcare	(1.27)	0.18	-	(3.99)	-
d. Others	34.37	-	-	34.37	-
Total Segment Results	99.25	188.57	114.49	506.96	556.44
a. Finance Costs	13.76	38.90	15.00	93.22	40.64
b. Share of Profit in Joint Venture Entity	2.97	19.78	4.23	44.09	4.23
c. Other unallocable expenditure/(income) (Net)	4.25	9.47	(9.37)	56.29	(14.99)
Profit before Tax	84.21	159.98	113.09	401.54	535.02
Segment Assets					
a. Poultry Healthcare	2,422.77	2,529.17	2,360.77	2,422.77	2,360.77
b. Animal Healthcare	2,142.83	2,195.96	2,123.38	2,142.83	2,123.38
c. Petcare	13.86	11.40	-	13.86	-
d. Others	112.60	-	-	112.60	-
Unallocated Assets	2,007.60	1,632.69	1,137.46	2,007.60	1,137.46
Total	6,699.66	6,369.22	5,621.61	6,699.66	5,621.61
Segment Liabilities					
a. Poultry Healthcare	273.36	236.29	219.44	273.36	219.44
b. Animal Healthcare	260.73	184.28	343.50	260.73	343.50
c. Petcare	0.57	1.22	-	0.57	-
d. Others	88.36	-	-	88.36	-
Unallocated Liabilities	3,191.18	3,115.61	2,384.73	3,191.18	2,384.73
Total	3,814.20	3,537.40	2,947.67	3,814.20	2,947.67


Notes:

- Others segment include sale of other Pharmaceutical products
 - Unallocated assets and liabilities includes capital work in-progress, capital advances and capital creditors related to Human Vaccine Project as the same is yet to be capitalised.
- The figures for the last quarters are the balancing figures between the audited figures in respect of the full year ending 31 March 2023 and 31 March 2022 and the unaudited published year-to-date figures upto 31 December 2022 and 31 December 2021 respectively, being the date of the end of the third quarter of the respective financial years which were subjected to limited review.
 - The Board of Directors has recommended a dividend of INR 8 (eight) per equity share (80%) for FY23, subject to the approval of the shareholders in the ensuing Annual General Meeting.
 - Key numbers of the standalone financial results of the Company for the period ended 31 March 2023 are as under:

Particulars	Quarter Ended			Year Ended	
	31 March 2023	31 December 2022	31 March 2022	31 March 2023	31 March 2022
Total income	616.46	717.35	513.32	2,593.23	2,240.08
Profit before tax	89.00	143.75	72.04	439.24	532.56
Profit after tax	62.63	107.29	49.48	323.42	395.17
Total comprehensive income	64.09	107.18	50.39	324.55	393.60

 The Standalone Financial Results are available at the Company's website www.hester.in and on the website of the stock exchanges www.bseindia.com and www.nseindia.com.

For and on behalf of the Board of Directors


Rajiv Gandhi
 CEO & Managing Director
 DIN: 00438037

 Place: Ahmedabad
 Date: 17 May 2023

Chandulal M. Shah & Co.

CHARTERED ACCOUNTANTS

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Independent Auditor's Report on Quarterly and Year to Date Audited Standalone Annual Financial Results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.

To
The Board of Directors of
Hester Biosciences Limited

Opinion

We have audited the accompanying standalone financial results of **Hester Biosciences Limited** ('the Company') for the quarter and year ended March 31, 2023, ('the Statement'), attached herewith, being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ('Listing Regulations').

In our opinion and to the best of our information and according to the explanations given to us, the Statement:

- is presented in accordance with the requirements of Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations in this regard; and
- give a true and fair view in conformity with the recognition and measurement principles laid down in the applicable accounting standards and other accounting principles generally accepted in India of the net profit and other comprehensive income and other financial information of the Company for the quarter and year ended March 31, 2023.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing ('SAs') specified under section 143(10) of the Companies Act, 2013, as amended ('the Act'). Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Standalone Financial Results section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ('ICAI') together with the ethical requirements that are relevant to our audit of the standalone financial results under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Management's Responsibilities for the Standalone Financial Results

The Statement has been prepared on the basis of the standalone financial statements. The Company's Board of Directors are responsible for the preparation and presentation of the Statement that give a true and fair view of the net profit and other comprehensive income and other financial information in accordance with the recognition and measurement principles laid down in Indian Accounting Standards prescribed under Section 133 of the Act read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of



CHARTERED ACCOUNTANTS

the statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the statement, the Board of Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

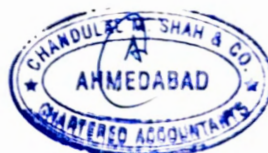
The Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Standalone Financial Results

Our objectives are to obtain reasonable assurance about whether the statement as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the Statement.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Statement, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions; misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.
- Conclude on the appropriateness of the Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial results or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial results, including the disclosures, and whether the Statement represent the underlying transactions and events in a manner that achieves fair presentation.



We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Other Matter

1. The Statement includes the results for the quarter ended March 31, 2023, being the balancing figures between the audited figures with respect to full financial year ended March 31, 2023, and the published unaudited year-to-date figures up to the third quarter of the current financial year, which were subjected to limited review by us, as required under the Listing Regulations.



Place: Ahmedabad

Date: May 17, 2023

For, Chandulal M. Shah & Co.

Chartered Accountants

FRN 101698W

A handwritten signature in blue ink, appearing to read "Arpit D. Shah".

Arpit D. Shah

Partner

M. No. 135188

UDIN: 23135188BGXCF05321

Chandulal M. Shah & Co.

CHARTERED ACCOUNTANTS

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Independent Auditor's Report on Quarterly and Year to date Audited Consolidated Annual Financial Results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended

To
The Board of Directors of
Hester Biosciences Limited

Opinion

We have audited the accompanying statement of consolidated financial results of **Hester Biosciences Limited** ("the Holding company"), its subsidiaries and joint venture entity (the Holding, its subsidiaries and joint venture entity together referred to as "the Group") for the quarter and year ended March 31, 2023, ("the Statement"), attached herewith, being submitted by the Holding company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "Listing Regulations").

In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of report of other auditors on separate audited financial statements/financial information of subsidiaries and unaudited financial results as certified management of Joint Venture, the Statement:

i. includes the results of the following subsidiaries & Joint Venture:

Sr. No.	Name of the Company	Relationship
1	Texas Lifesciences Private Limited	Subsidiary
2	Hester Biosciences Nepal Private Limited	Subsidiary
3	Hester Biosciences Africa Limited	Subsidiary
4	Hester Biosciences Kenya Limited	Subsidiary
5	Hester Biosciences Tanzania Limited	Subsidiary
6	Thrishool Exim Limited	Joint Venture Entity

ii. is presented in accordance with the requirements of Regulation 33 of Listing Regulations in this regard; and

iii. gives a true and fair view in conformity with the recognition and measurement principles laid down in the applicable accounting standards and other accounting principles generally accepted in India, of the consolidated net profit and other comprehensive income and other financial information for the quarter and year ended March 31, 2023.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing ('SAs') specified under section 143(10) of the Companies Act, 2013, as amended ('the Act'). Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Results section of our report. We are independent of the Group in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ('ICAI') together with the ethical requirements that are relevant to our audit of the financial results under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained by us and other auditors in the reports referred to in "Other Matters" paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial results.



Management's Responsibilities for the Consolidated Financial Results

The Statement have been prepared on the basis of the consolidated financial statements. The Holding Company's Board of Directors are responsible for the preparation and presentation of the Statement that give a true and fair view of the net consolidated profit and other comprehensive income and other financial information of the Group in accordance with the recognition and measurement principles laid down in Indian Accounting Standards prescribed under Section 133 of the Act read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. The respective Board of Directors of the Companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Statement that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the Statement by the Directors of the Holding Company, as aforesaid.

In preparing the Statement, the respective Board of Directors of the Companies included in the Group are responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Board of Directors either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the Companies included in the Group are also responsible for overseeing the Group's financial reporting process.

Auditor's Responsibilities for the Audit of the Consolidated Financial Results

Our objectives are to obtain reasonable assurance about whether the Statement as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the Statement.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Statement, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.



- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.
- Conclude on the appropriateness of the Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Statement or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Statement, including the disclosures, and whether the Statement represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial results of the Group of which we are the independent auditors to express an opinion on the Statement. We are responsible for the direction, supervision and performance of the audit of financial information of such entities included in the consolidated financial results of which we are the independent auditors. For the other entities included in the consolidated financial results, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion. Our responsibilities in this regard are further described in sub paragraph (a) of the "Other Matters" paragraph in this audit report.

We communicate with those charged with governance of the Holding Company and such other entities included in the Statement of which we are independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

We also performed procedures in accordance with the circular No CIR/CFD/CMD1/44/2019 issued by the Securities and Exchange Board of India under Regulation 33(8) of the Listing Regulations, to the extent applicable.

Other Matter

- a. The accompanying Statement includes the audited financial results other financial information, in respect of the 5 subsidiaries, whose financial statements reflect total assets of INR 1,889.23 million as at March 31, 2023 and total revenue of INR 170.90 million and INR 529.42 million, total net profit / (loss) after tax of INR (8.96) million and INR (89.41) million and total comprehensive income / (loss) of INR (8.15) million and INR (88.22) million for the quarter and the year ended on that date respectively, and net cash inflows / (outflows) of INR (143.67) million for the year ended March 31, 2023, as considered in the Statement which have been audited by their respective independent auditors.

The independent auditors' reports on the financial results of the above referred entities have been furnished to us by the Management and our opinion on the in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, is based solely on the reports of such auditors and the procedures performed by us as stated in paragraph above.



Our opinion on the Statement is not modified in respect of the above matter with respect to our reliance on the work done and the reports of the other auditors.

- b. The accompanying Statement includes the group's share of Net Profit / (Loss) after tax of INR 2.97 million and INR 44.09 million quarter and the year ended on March 31, 2023, in respect of 1 joint venture entity, whose unaudited financial results as certified by the management of this entity has been furnished to us by the management and our opinion on those consolidated financial statements in so far as it relates to the amounts and disclosures included in respect of this joint venture is based solely on such unaudited financial statements.

In our opinion and according to the information and explanations given to us by the Board of Directors, these financial statements are not material to the Group.

- c. Certain of these subsidiaries and joint venture entity are located outside India whose financial results have been prepared in accordance with accounting principles generally accepted in their respective countries ('local GAAP'). The Holding Company's management has converted the financial results of such subsidiaries from local GAAP to accounting principles generally accepted in India. We have reviewed these conversion adjustments made by the Holding Company's management. Our conclusion, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, is based on the conversion adjustments prepared by the management of the Holding company and reviewed by us.
- d. The consolidated annual financial results include the results for the quarter ended March 31, 2023, being the balancing figures between the audited figures with respect to full financial year ended March 31, 2023, and the published unaudited year-to-date figures up to the end of the third quarter of the current financial year, which were subject to limited review by us, as required under the Listing Regulations.

For, Chandulal M. Shah & Co.

Chartered Accountants

FRN 101698W



A handwritten signature in blue ink, appearing to read "Arpit".

Arpit D. Shah

Partner

M. No. 135188

UDIN:23135188BGXCFP6026

Place: Ahmedabad

Date: May 17, 2023