

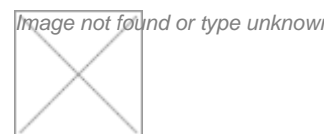
## Betting Big on Animal Biologicals

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### Mr Rajiv Gandhi

CEO & MD, Hester Biosciences



*Having consolidated its position in the poultry vaccine market, Hester Biosciences has chartered out mammoth plans in the global animal biologicals market*

Hester Biosciences (HBL), Gujarat, has been in the business of veterinary vaccines for more than a decade and since then it has been striving towards increasing its product basket and expanding its geographical reach. Today, its product range includes 39 types of poultry vaccines. Hester has a state-of-the-art facility to produce veterinary vaccines. It has the capacity to manufacture over five billion doses of animal vaccines, with the current capacity utilization being 35 percent. Apart from export of vaccines, Hester imports one vaccine from the US. Besides marketing its own vaccines, Hester represents companies like Merial, US and Biopharm, Czech Republic for poultry vaccines; and Synbiotics, US for animal diagnostic kits in the Indian market. Hester achieved a turnover of 37.5 crore in the last financial year, with a PAT of 6.03 crore. Throwing light on the company's performance during a difficult year for the overall animal vaccine market, Rajiv Gandhi, CEO and managing director, Hester Biosciences, says, "Currently, Hester is exporting to 10 countries. In the financial year 2009-10, our exports were 2.5 percent of our sales. This year, it is estimated to be over 8 percent of our sales."

### Global Plans

At a time when India is heading towards becoming a vaccine production hub of the world, Hester visualizes a very bright future for itself in the animal biological segment. Hester started as a company producing poultry biological and is now increasing its product range by getting into large animal biologicals. Its current healthy financial status is at a time when the

company is operating at a 55 percent capacity. Gandhi predicts that higher capacity utilization will only lead to an improved bottom line. He says, "Hester aims to have a significant worldwide presence in the segment of animal biologicals. To achieve this objective, Hester intends to target Africa, Asia, East Europe and South America. Presence in these markets would be either through distributors or by setting up biological manufacturing units in strategic locations, mainly to overcome the non tariff barriers." Gandhi also expects Africa and Asia to be the big growth areas for animal biologicals. The company aims a turnover of ₹500 crore in the next four years, with 100% of the revenue coming from animal biologicals.

HBL made its strong footing in Nepal last year by signing a joint venture agreement with Him Electronics (HEPL), Nepal, to establish an animal vaccine manufacturing plant in Nepal, a first of its kind in the country. The proposed company – Hester Biosciences Nepal Private Limited, would manufacture a range of poultry, sheep, cattle and swine vaccines for the market in Nepal as well as the global market with an investment of ₹15 crore. The facility will qualify for WHO GMP certification, besides getting ISO, EMS, OHSAS accreditation.

To ensure long-term sustenance and to maintain a competitive edge internationally, Hester intends to invest in a R&D unit in the US. The proposed R&D center would do applied research to commercialize the technology in all the production units of Hester, across the globe.

**Nayantara Som** in Mumbai