

Zydus Foundation

Registered Office:

Zydus Corporate Park, Scheme No. 63, Survey No. 536,

Khoraj (Gandhinagar), Nr. Vaishnodevi Circle,

S. G. Highway, Ahmedabad – 382481

CIN: U85300GJ2019NPL105919

Phone: 079-48040000

Website: www.zydusfoundation.com

February 12, 2022

Listing Department

NATIONAL STOCK EXCHANGE OF INDIA LIMITED

Exchange Plaza, Bandra Kurla Complex,

Bandra (E),

Mumbai-400 051

Sub: **Outcome of Board Meeting**

Dear Sir / Madam,

The Board of Directors at their meeting held today i.e. February 12, 2022, approved the unaudited financial results for the quarter / nine months ended on December 31, 2021.

In this regard, please find enclosed the following:

1. the unaudited financial results for the quarter / nine months ended on December 31, 2021, reviewed by the Board of Directors pursuant to regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("the **Listing Regulations**").
 2. the Limited Review Reports of Mukesh M. Shah & Co., Chartered Accountants and the Statutory Auditors of the Company certifying the limited review of the unaudited financial results of the Company for the quarter / nine months ended on December 31, 2021 pursuant to regulation 52 of the Listing Regulations.
 3. the asset cover certificate certified by the Statutory Auditors of the Company.
- The Board Meeting commenced at 1:00 p.m. and concluded at 2:00 p.m.

Please receive the information and disclosures in order.

Thanking you,

Yours faithfully,

For, **ZYDUS FOUNDATION**

DHWANI TRIVEDI
COMPANY SECRETARY

Encl.: As above

Independent Auditor's Review Report on Review of Interim Financial Results

To,
The Board of Directors of Zydus Foundation

1. We have reviewed the accompanying statement of Unaudited Financial Results of Zydus Foundation ['the Company'] for the quarter and nine month ended December 31, 2021 ['the Statement']. This Statement is the responsibility of the Company's management and approved by the Company's Board of Directors. Our responsibility is to express a conclusion on the Statement based on our review.
2. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410 'Review of Interim Financial Information Performed by the Independent Auditor of the Entity', issued by the Institute of Chartered Accountants of India (ICAI). The 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 analytical procedures 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.
3. 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 Indian Accounting Standard and other recognized accounting practices and policies, has not disclosed the information required to be disclosed in terms of Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 including the manner in which it is to be disclosed, or that it contains any material misstatement.

Place: Ahmedabad
Date: February 12, 2022

UDIN: 22030190ABMZZS2070

For Mukesh M. Shah & Co
Chartered Accountants
Firm Registration No. 106625W

Mukesh
Mahendrabhai
Shah
Mukesh M. Shah
Partner
Membership No. 030190

Digitally signed by Mukesh
Mahendrabhai Shah
Date: 2022.02.12 14:02:07
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Zydus Foundation

Registered office : Zydus Corporate Park, Scheme No. 63, Survey No. 536 Khoraj (Gandhinagar), Nr. Vaishnodevi Circle, S. G. Highway, Ahmedabad 382 481.
Website : www.zydusfoundation.com, CIN : U85300GJ2019NPL105919

Statement of Income and Expenditure for the Quarter and Nine Months ended December 31, 2021

Particulars	Rupees in Lakh					
	3 Months ended 31/12/2021	Preceding 3 Months ended 30/09/2021	Corresponding 3 months ended 31/12/2020 in the previous year	Year to date figures for current period ended 31/12/2021	Year to date figures for previous period ended 31/12/2020	Previous Year ended 31/03/2021
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
Income:						
Revenue from operation	1,291	1,219	1,170	3,643	1,926	3,343
Other Income	528	652	597	1,699	1,531	2,129
Total Income	1,819	1,871	1,767	5,342	3,457	5,472
Expenses:						
Employee Benefits Expense	871	824	712	2,519	2,015	2,794
Finance Costs	280	280	270	839	799	1,066
Depreciation, Amortisation and Impairment expense	390	210	311	726	398	711
Administration and other expenses	848	512	585	1,805	1,240	1,865
Total Expenses	2,389	1,826	1,878	5,889	4,452	6,436
Excess of (Expenditure)/Income over Income/(Expenditure) before tax	(570)	45	(111)	(547)	(995)	(964)
Tax Expense	-	-	-	-	-	0
Excess of (Expenditure)/Income over Income/(Expenditure) before tax	(570)	45	(111)	(547)	(995)	(964)
Other Comprehensive Income for the year	(3)	(3)	(3)	(9)	6	3
Total Comprehensive Income for the year	(573)	42	(114)	(556)	(989)	(961)
Paid-up equity share capital (Face value Re. 10/-)	5	5	5	5	5	5
Reserves excluding Revaluation Reserve (i.e. Other Equity)						16,892
Debt Equity Ratio	1.11	1.08	3.13	1.11	3.13	1.09
Debt Service Coverage Ratio	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
Interest Service Coverage Ratio	(1.53)	(0.42)	(0.47)	(0.81)	(1.66)	(1.23)
Current Ratio	0.48	0.73	0.34	0.48	0.34	0.94
Long term debt to working capital	(9.97)	(21.84)	(3.71)	(9.97)	(3.71)	(186.87)
Bad debts to Account receivable ratio	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
Current liability ratio	0.14	0.12	0.20	0.14	0.20	0.07
Total debts to total assets	0.44	0.44	0.48	0.44	0.48	0.46
Debtors turnover *	36.62	34.34	51.78	34.45	28.41	27.40
Inventory turnover *	49.42	48.04	63.81	46.48	35.01	54.80
Operating margin (%)	-33.2%	-9.6%	-10.9%	-18.7%	-69.0%	-39.4%
Net profit margin (%)	-44.2%	3.7%	-9.5%	-15.0%	-34.4%	-28.8%

* Ratios for the quarter/ Nine months have been annualised

Notes :

- The above financial results were approved by the Board of Directors at their meeting held on February 12, 2022.
- The Statutory Auditors of the Company have reviewed the above financial results pursuant to Regulation 52 of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015.
- The above results have been prepared in accordance with the Companies [Indian Accounting Standards] Rules, 2015 [Ind AS] prescribed under Section 133 of the Companies Act, 2013 and other recognised accounting practices and policies to the extent applicable.
- The Company had issued and allotted Unsecured Redeemable Non-convertible Debentures [NCD] which are due for its repayment as shown below.
The total NCDs outstanding as on December 31, 2021 amount to INR 18,500 lakh.

Sr. No.	Particulars	Credit Rating	Repayment due on	
			Principal	Interest
1	NCD Series 1	CARE BBB+	March 25, 2025	March 25, 2022 [INR 18.50 Lakh]

There is no change in rating of the NCDs post issuance of NCDs. The interest on NCD is not due for payment as on the date of the financial statements. The NCDs issued by the Company carries prepayment option i.e. it can be repaid in full or part with due consent from majority Debenture holders at any date before its final maturity date. As the NCDs are unsecured, the asset cover is not applicable.

The cumulative amount of outstanding NCDs as on December 31, 2021 of INR 18,500 [as at March 31, 2021 INR 18,500] Lakh is disclosed as under:

INR 14,383 Lakh [as at March 31, 2021 INR 13,558] under the head of "Borrowings";

INR 2,949 Lakh [as at March 31, 2021 INR 3,842] under the head of "Other Non Current Financial Liabilities"; and

INR 1,168 Lakh [as at March 31, 2021 INR 1,100] under the head of "Other current financial Liabilities

Value of Debenture Redemption Reserve as on December 31, 2021 is INR NIL. The Company is a Section 8 Company, hence disclosure for EPS is not applicable.

- Debt Equity Ratio = Total Borrowings / Total Equity

Total Borrowings = Long Term Borrowings + Short Term Borrowings

Total Equity = Equity Share Capital + Other Equity

Debt Service Coverage Ratio = Earnings before Finance cost, Depreciation & Amortisation and Tax / Current Maturities of Long Term Debt [No current maturity in reporting period, hence this ratio is not applicable]

Interest Service Coverage Ratio = Earnings before Finance cost, Depreciation & Amortisation and Tax / Finance cost

Current Ratio = Current Assets / Current Liabilities

Long term debt to working capital = Non-Current Borrowings / Current Assets Less Current Liabilities

Bad debts to Account receivable ratio = Bad debts / Average Account receivable [No bad debts in reporting period, hence this ratio is not applicable]

Current liability ratio = Total Current Liabilities / Total Liabilities

Total debts to total assets = Total Borrowings / Total Assets

Debtors turnover = Gross Revenue / Average Account receivable

Inventory turnover = Gross Revenue/ Average Inventory

Operating margin (%) = EBIDTA / Total Revenue from Operations

Net profit margin (%) = PAT / Total Revenue from Operations

- Figures of previous reporting period have been regrouped/ reclassified wherever necessary to correspond with the figures of the current reporting period.

By order of the Board,
For Zydus Foundation

PANKAJ
RAMANBHAI
PATEL
Director

Digitally signed by
PANKAJ RAMANBHAI
PATEL
Date: 2022.02.12
13:59:21 +05'30'

MUKESH M. SHAH & CO.

CHARTERED ACCOUNTANTS

To,
The Board of Directors
Zydus Foundation
Ahmedabad
India

Certificate from the Statutory Auditor of the Company

1. This certificate is issued in accordance with the terms of our engagement letter.
2. Zydus Foundation ("the company"), a company registered under section 8 of the Companies Act, 2013, is required to submit Auditors' certificate certifying the details as specified in "Annexure A" as per SEBI circular SEBI/ HO/ MIRSD/ CRADT/ CIR/ P/ 2020/230 dated November 12, 2020 for the period ended on 31st December, 2021 in respect of the Non-convertible Debentures amounting Rs. 18,500 Lakhs issued by the company in financial year 2019-2020.

Management's Responsibility

3. The management of the company is responsible for ensuring that the compliances in respect of the Non-Convertible debentures issued by it with the applicable rules and regulations, and also for the preparation and maintenance of all accounting and other relevant supporting records and documents. This responsibility includes the design, implementation and maintenance of internal control relevant to the extracting the details required in this certificate as per the requirement of applicable rules and regulations.

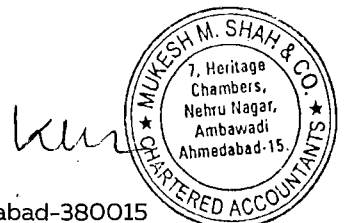
Our Responsibility

4. Our responsibility is to provide reasonable assurance in the form of an opinion based on our examination of the books of account and other relevant records of the company for the period ended December 31, 2021.
5. We conducted our examination in accordance with the 'Guidance Note on Reports or Certificates for Special Purposes (Revised 2016)' issued by the Institute of Chartered Accountants of India ("the Guidance Note"). The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the Institute of Chartered Accountants of India.
6. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

Opinion

7. Based on our examination of the books of accounts and other relevant records and in accordance with the information and explanations provided to us, the relevant required details as required under regulation 56(1)(d) of the SEBI (Listing Obligations and Disclosure Requirements)

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7th Floor, Heritage Chambers, Behind Bikanerwala Sweets, Near Azad Society, Nehru Nagar, Ahmedabad-380015

MUKESH M. SHAH & CO.

CHARTERED ACCOUNTANTS

Regulations, 2015 read with SEBI Circular referred to in point No. 2 above are attached herewith in "Annexure - A" to this certificate.

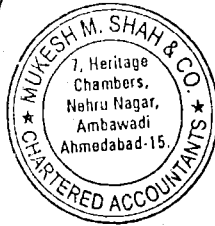
Restriction on use

8. The certificate has been prepared at the request of the company, solely for the purpose of submitting the same to the Debenture Trustee and should not be used by any other person or for any other purpose. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this certificate is shown or into whose hands it may come without our prior consent in writing.

For Mukesh M. Shah & Co.,
Chartered Accountants
Firm Registration No.: 106625W

Karnik K. Shah

per Karnik K. Shah
Partner
Membership No.: 129675



Place: Ahmedabad
Date: 12th February, 2022
UDIN: 22129675ABOOPK1144

ANNEXURE – A
UDIN – 22129675ABOOPK1144

- a) The company has vide its Board Resolution and information memorandum / offer document and under various Debenture Trust Deeds, has issued the following listed debt securities:

ISIN	Private placement / Public issue	Secured / Unsecured	Sanctioned Amount (INR in Lacs)
INEO4VY08012	Private Placement	Unsecured	Rs. 18,500

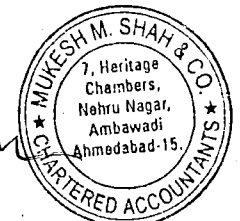
- b) Asset cover for listed debt securities:

- i. The financial information as on 31st December, 2021 has been extracted from the books of accounts for the year ended 31st December, 2021 and other relevant records of the listed entity;
- ii. The assets of the company provide coverage of ___ times of the interest and principal amount, which is in accordance with the terms of the issue / debenture trust deed (calculation as per statement of asset cover ratio for the Secured debt securities table-I) - Not applicable as the company has not issued any secured debt securities.
- iii. The total assets of the company provide coverage of 1.90 times of the principal, which is in accordance with the terms of issue (calculation as per statement of asset coverage ratio available for the unsecured debt securities - table - II) (as per requirement of Regulation 54 read with Regulation 56(1)(d) of LODR Regulations).

Table I – Not Applicable for the company

Table II

Sr. No	Particulars		Amount (INR in lacs)
i	Net assets of the listed entity available for unsecured lenders (Property Plant & Equipment (excluding intangible assets and prepaid expenses) + Investments + Cash & Bank Balances + Other current/ Non-current assets excluding deferred tax assets (-) Total assets available for secured lenders/creditors on pari passu/exclusive charge basis under the above heads (-) unsecured current/ non-current liabilities [other than borrowings considered in "B" below] (-) interest accrued/ payable on unsecured borrowings)	A	35,118
ii	Total borrowing (unsecured) <ul style="list-style-type: none"> • Term Loan • Non-convertible Debt Securities • CC / OD Limits • Other Borrowings • Ind-AS adjustment for effective interest rate on unsecured borrowings 	B	18,500
iii	Asset Coverage Ratio:	A/B	1.90



MUKESH M. SHAH & CO.

CHARTERED ACCOUNTANTS

- c) Compliance of all the covenants/ terms of the issue in respect of listed debt securities of the company:

We have examined the compliances made by the company in respect of the covenants/ terms of the issue of the listed NCD as specified in Sub-clause 49 of Clause 3 of the Information Memorandum and certify that the such covenants/ terms of the issue have been complied by the company as on date except as stated below:

No.	Covenants / Terms	Remarks
1	Credit into the demat accounts of the Debenture-holders of the Debentures within 4 (four) Business Days from the Deemed Date of Allotment.	The Deemed date of Allotment is 24 th March, 2020. The NCDs were credited to the holder's account on 31 st March, 2020. [*]
2	Submission of a certificate from the Auditor or a practicing-chartered accountant evidencing the end use of the Debentures, to be furnished to Debenture Trustee within 30 (thirty) days from the Deemed Date of Allotment.	The certificate was obtained on 2 nd September, 2020. [**]
3	Within 15 (fifteen) days of the Deemed Date of Allotment, provide confirmation of listing of the Debentures on the WDM segment of the Stock Exchange.	The listing approval has been done on 22 nd April, 2020. The company has obtained NOC from IDBI Trusteeship Services Limited for delay in obtaining approval for listing vide letter dated 20 th April, 2020.

Note:

[*] The NCDs were allotted on 5th business day. Management represents that the delay was caused because of nationwide lockdown situation and no offices including the certain government offices were not working.

[**] Management represents that the total funds were utilized by August, 2020, hence, the certificate was obtained on 2nd September, 2020.

