

Zydus Foundation

Registered Office Address:

Zydus Corporate Park, Scheme No. 63, Survey No. 536,
Khoraj (Gandhinagar), Nr. Vaishnodevi Circle,
S. G. Highway, Ahmedabad - 382481
Ahmedabad-380015
CIN: U85300GJ2019NPL105919
Phone No.: 079-48040000
Website: www.zydusfoundation.com

July 15, 2022

Listing Department

NATIONAL STOCK EXCHANGE OF INDIA LIMITED

Exchange Plaza, Bandra Kurla Complex,
Bandra (E),
Mumbai-400 051

Re: **Annual General Meeting and Annual Report 2021-2022**

Dear Sir / Madam,

The Fourth Annual General Meeting ("**AGM**") of the Company will be held on Friday, August 12, 2022 at 10:00 a.m. at the registered office of the Company.

Pursuant to regulation 53(2) of Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("the **Listing Regulations**"), we are submitting herewith the Annual Report of the Company along with the Notice of AGM for the Financial Year ended on March 31, 2022.

Please receive the same in order.

Thanking you,

Yours faithfully,

For, **ZYDUS FOUNDATION**

DHWANI TRIVEDI
COMPANY SECRETARY

Encl.: As above

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NOTICE

NOTICE is hereby given that the **Fourth** Annual General Meeting of the Company will be held on Friday, August 12, 2022 at 10:00 a.m. at the registered office of the Company situated at Zydus Corporate Park, Scheme No. 63, Survey No. 536, Khoraj (Gandhinagar), Nr. Vaishnodevi Circle, S. G. Highway, Ahmedabad-382481, to transact the following business:

Ordinary Business:

1. To receive, consider and adopt the Audited Financial Statements for the year ended on March 31, 2022 along with the report of the Board of Directors and Auditors thereon.
2. To consider the re-appointment of Dr. Sharvil P. Patel (DIN-00131995) as a Director, who retires by rotation and being eligible, offers himself for re-appointment.

By order of the Board of Directors



Dhwani Trivedi
Company Secretary
Membership No. ACS46809

Place: Ahmedabad
Date: June 23, 2022

NOTE:

A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT ONE OR MORE PROXIES TO ATTEND AND VOTE INSTEAD OF HIMSELF, ON A POLL ONLY AND SUCH PROXY NEED NOT BE MEMBER OF THE COMPANY. A person can act as proxy on behalf of members not exceeding 50 (fifty) and holding in the aggregate not more than 10% of the total share capital of the Company.

The instrument of Proxy in order to be effective, should be deposited at the Registered Office of the Company, duly completed and signed, not less than 48 hours before the commencement of the meeting. A Proxy form is sent herewith. Proxy form submitted on behalf of the Companies, Societies, etc. must be supported by an appropriate resolution / authority, as applicable.

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ATTENDANCE SLIP

ZYDUS FOUNDATION

ATTENDANCE SLIP

[CIN: U85300GJ2019NPL105919]

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FOURTH ANNUAL GENERAL MEETING

I/We hereby record my/our presence at the Fourth Annual General Meeting of the Company on Friday, August 12, 2022 at 10:00 a.m. at the Registered Office situated at Zydus Corporate Park, Scheme No. 63, Survey No. 536, Khoraj (Gandhinagar), Nr. Vaishnodevi Circle, S. G. Highway, Ahmedabad-382481.

.....
Member's Folio No.
Signature

.....
Member's/Proxy's name in Block

.....
Member's/Proxy's

Note:

1. Please complete the Folio No. and name, sign this Attendance Slip and hand it over at the Attendance Verification Counter at the ENTRANCE OF THE MEETING HALL.
2. Physical copy of the Annual Report for 2022 and Notice of the Annual General Meeting along with Attendance Slip and Proxy Form is sent in the permitted mode(s) to all members.

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ZYDUS FOUNDATION

PROXY FORM

[CIN: U85300GJ2019NPL105919]

Regd. Office: Zydus Corporate Park, Scheme No. 63, Survey No. 536, Khoraj (Gandhinagar),
Nr. Vaishnodevi Circle, S. G. Highway, Ahmedabad-382481

Name of the member (s):

Registered address:

E-mail Id:

Folio No.

I/We being the member(s) holding shares of the above named Company hereby
appoint:

(1) Name:.....

Address:.....

E-mail ID:..... Signature:.....or
falling him/her;

(2) Name:.....

Address:.....

E-mail ID:..... Signature:.....or
falling him/her;

(3) Name:.....

Address:.....

E-mail ID:..... Signature:.....;

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf on Friday,
August 12, 2022 at 10:00 a.m. at the Registered Office situated at Zydus Corporate Park,
Scheme No. 63, Survey No. 536, Khoraj (Gandhinagar), Nr. Vaishnodevi Circle, S. G. Highway,
Ahmedabad-382481 and at any adjournment thereof.

Signed this day of 2022

Signature of shareholder

Signature of Proxy holder(s)

ZYDUS FOUNDATION

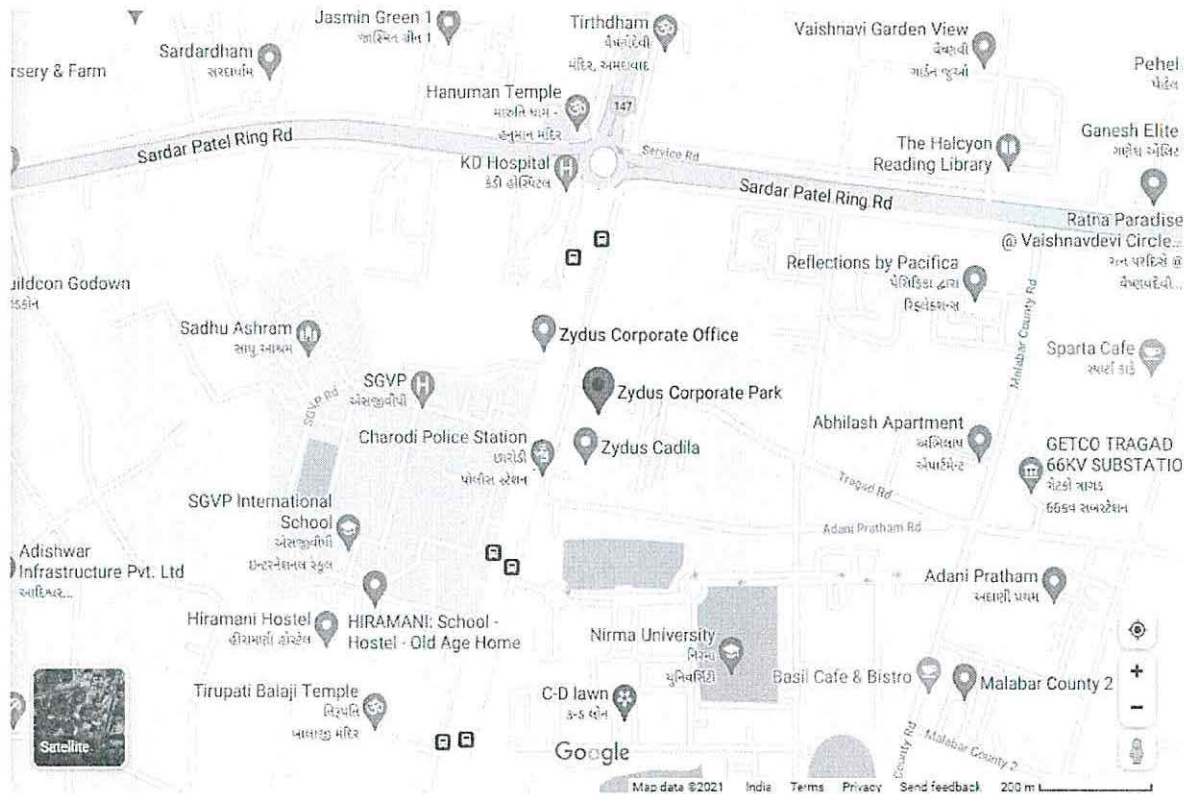
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Route Map of AGM Venue



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Board’s Report

Your Directors are pleased to present the Fourth Annual Report and the Audited Financial Statements for the Financial Year ended on March 31, 2022.

Financial Results:

(Rs. in Lacs)		
Particulars	2021-22	2020-21
Total Income	7572	5472
Less: Total Expenditure	(8053)	(6436)
Surplus/(Deficit) before Tax	(481)	(964)
Tax Expenses	-	-
Surplus/(Deficit) for the year	(481)	(964)

Operations of the Company:

To serve the needs of the patients and bring the best of the best medical education to the rural population of India, the Company has set up a Medical College and a multi-speciality 750 bedded Hospital at Dahod, namely “Zydus Medical College and Hospital”, under the Brown-field policy of the Government of Gujarat.

The hospital provides free treatment & medical services to all types of outdoor and indoor patients. The newly constructed hospital is nearing completion. Located in a sprawling 20-acre campus, the Zydus Medical College and Hospital Dahod, is a self-financed brownfield medical college project, set up in a Public Private Partnership (“PPP”) model of Government of Gujarat.

The Zydus Medical College is the first Medical College to be set up in Dahod and the first batch of the MBBS programme commenced in August 2018. At present, there are 750 students enrolled for the MBBS programme. The college will also start the postgraduate courses in due course of time. In the ongoing fight against Coronavirus, 300 bed quarantine facility was created at the Zydus Medical Hospital, Dahod.

The hospital has been serving as a healthcare hub for needy and underprivileged patients of nearby three states of India.

Holding Company:

The Company is a wholly owned subsidiary of Zydus Lifesciences Limited (formerly known as Cadila Healthcare Limited), a flagship company of Zydus Group of companies.

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Debenture Trustee:

Details of Debenture Trustee for the NCDs of Rs. 185 crores, which were issued during March, 2020 are as under:

IDBI Trusteeship Services Limited

Address: Asian Building, Ground Floor, 17, R. Kamani Marg, Ballard Estate, Mumbai – 400 001,
Phone No. +91-22-40807000 | Fax: +91-22-66311776,

Email id: itsl@idbitrustee.com, Website: idbitrustee.com.

Directors:

Mr. Pankaj R. Patel (DIN-00131852), Dr. Sharvil P. Patel (DIN-00131995), Mr. Jyotindra B. Gor (DIN-06439935) and Mrs. Sujatha Rajesh (DIN-08071096) are the Directors of the Company.

In accordance with the provisions of section 152 of the Companies Act, 2013 ("the Act") read with the Articles of Association of the Company, Dr. Sharvil P. Patel (DIN-00131995), Director of the Company retires by rotation at the ensuing Annual General Meeting and being eligible, has expressed his willingness to be re-appointed.

The Board recommends the re-appointment of Dr. Sharvil P. Patel as a Director of the Company liable to retire by rotation.

Key Managerial Personnel ("KMP"):

As at March 31, 2022, Mrs. Dhvani Trivedi, Company Secretary was the KMP of the Company.

Deposits:

During the year under review, the Company has not accepted any fixed deposit from the public.

Related Party Transactions:

All contracts / arrangements / transactions entered by the Company during the financial year ended on March 31, 2022 with Related Parties were in the ordinary course of business and on an arm's length basis. There is no material transaction with related parties entered into by the Company during the year, which requires disclosure of particulars thereof as provided under section 134(3)(h) of the Act and Rules made thereunder.

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Directors' Responsibility Statement:

In terms of section 134(3)(c) of the Act and to the best of their knowledge and belief, and according to the information and explanations provided to them, your Directors hereby make the following statements that:

- (a) in the preparation of the Annual Accounts, the applicable accounting standards have been followed along with proper explanations relating to material departures;
- (b) such accounting policies have been selected and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as on March 31, 2022 and of the expenditure of the Company for that period;
- (c) proper and sufficient care has been taken for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for prevention and detection of fraud and other irregularities,
- (d) the annual financial statements have been prepared on going concern basis,
- (e) proper internal financial controls are in place and that the financial controls are adequate and operating effectively and
- (f) the systems to ensure compliance with the provisions of all applicable laws were in place and are adequate and operating effectively.

Board Meetings:

During the year, 4 (four) Board Meetings were held on June 30, 2021, August 10, 2021, November 13, 2021 and February 12, 2022. The intervening gap between the meetings was within the period prescribed under the Act. All the Directors were present in the meetings.

Statutory Auditors and their Report:

M/s. Mukesh M. Shah & Co. Chartered Accountants, Ahmedabad (Firm Registration No. 106625W) was appointed as the Statutory Auditors of the Company for a period of five years from the conclusion of the First Annual General Meeting till the conclusion of Sixth Annual General Meeting.

The Company has received a certificate from the Statutory Auditors to the effect that their appointment continue to be within the limits defined under section 139 of the Act and they are qualified to continue to act as Statutory Auditors.

The Board has duly reviewed the Statutory Auditor's Report furnished by M/s. Mukesh M.

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Shah & Co., Chartered Accountants for the period ended on March 31, 2022. The observations & comments, appearing in the said report are self-explanatory and do not call for any further explanation/clarification by the Board in its Report as provided under section 134 of the Act.

Secretarial Auditor and Secretarial Audit Report:

Pursuant to the provisions of the Act, the Company will not be considered as a listed company, because only the NCDs of the Company are listed on the whole sale debt segment of the National Stock Exchange of India Limited. However, the equity shares are not listed on any stock exchanges.

As the Company is not a listed company as per the provisions of the Act, Secretarial Audit shall not be mandatory and in view of the same, appointment of Secretarial Auditor shall not be applicable to the Company.

Corporate Social Responsibility (CSR):

The Company does not fall in any of the criteria laid down in section 135(1) of the Act and Rules made thereunder and therefore is not required to comply with the relevant provisions of the said section during the year under review.

The Company is an implementing agency for carrying out CSR activities and have registered itself on MCA portal. The unique registration number is CSR00000974.

Reporting of Frauds:

There have been no instances of fraud reported by the Statutory Auditors under section 143(12) of the Act and the Rules framed thereunder either to the Company or to the Central Government.

Particulars of Loans, Guarantees or Investments:

The Company has not granted any loan and/or guarantee to any party, nor has made any investments. Hence, disclosure of the particulars thereof as required under section 186 of the Act are not required to be disclosed.

Internal control systems and its adequacy:

As the Company is now not considered as a listed company (as only NCDs are listed and not the equity shares), the provisions of section 134(5)(e) of the Act pertaining to internal control system and its adequacy are not applicable to the Company and hence details thereof are not furnished in this report.

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Annual Return:

As per the provisions of section 92(3) read with Section 134(3)(a) of the Act, the Annual Return as on March 31, 2022 in the prescribed Form No. MGT-7 is available on the website of the Company www.zydusfoundation.com.

Secretarial Standards:

The Company has complied with the Secretarial Standards issued by the Institute of Company Secretaries of India for the meetings of the Board of Directors and the General Meetings.

Energy Conservation, Technology Absorption and Foreign Exchange Earnings and Outgo:

Information on conservation of energy, technology absorption, foreign exchange earnings and outgo, as required to be disclosed under section 134(3)(m) of the Act read with the Companies (Accounts) Rules, 2014, are not required to be disclosed separately, as the same is not applicable to the Company.

General Disclosures:

Your Directors state that the Company has made disclosures in this report, the items prescribed in section 134(3) of the Act and Rule 8 of The Companies (Accounts) Rules, 2014 to the extent the transactions took place on those items during the year.

There are no material changes and commitments affecting the financial position of the Company between the end of the financial year and the date of this report.

Particulars of Employees:

No employee of the Company was in receipt of remuneration in excess of the amount specified in section 197 of the Act read with rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, during the year under review.

As the Company is now not considered as a listed company (as only NCDs are listed and not the equity shares), the provisions of section 197 of the Act read with rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 pertaining to disclosure of remuneration related details of the employees are not applicable to the Company and hence details thereof are not furnished in this report.

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Disclosure as per The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:

The Company has zero tolerance towards sexual harassment at the workplace and has adopted a policy on prevention, prohibition and redressal of sexual harassment at workplace in line with the provisions of The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules thereunder.

The Company always endeavors to create and provide an environment that is free from discrimination and harassment including sexual harassment. The Company has in place a robust policy on prevention of sexual harassment at workplace. The policy aims at prevention of harassment of employees as well as contractors and lays down the guidelines for identification, reporting and prevention of sexual harassment.

During the Financial Year 2021-2022, the Company has not received any complaint of sexual harassment.

Vigil Mechanism / Whistle Blower Policy:

As the Company is now not considered as a listed company (as only NCDs are listed and not the equity shares), the provisions of section 177(9) of the Act pertaining to vigil mechanism for directors and employees are not applicable to the Company and hence details thereof are not furnished in this report.

Board Evaluation:

As the Company is now not considered as a listed company (as only NCDs are listed and not the equity shares), the provisions of section 134(3)(p) of the Act pertaining to evaluation of Board are not applicable to the Company and hence details thereof are not furnished in this report.

Acknowledgment:

Your Directors take this opportunity to place on record the valuable cooperation and support extended by Banks and its shareholders for their continued confidence reposed in the Company and look forward to having the same support in all its future endeavors.

On behalf of the Board of Directors


Jyotindra B. Gor
Director
DIN: 06439935


Sujatha Rajesh
Director
DIN: 08071096

Date : May 28, 2022

Place : Ahmedabad

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF ZYDUS FOUNDATION

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Zydus Foundation ("the Company"), which comprise the balance sheet as at 31st March 2022, the statement of income and expenditure (including other comprehensive income), the statement of changes in Equity and the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2022, and its deficit and other comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the financial statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements 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 together with the ethical requirements that are relevant to our audit of the financial statements 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 opinion on the financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current year. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, we do not provide a separate opinion on these matters.

We have determined that there are no key audit matters to communicate in our report.

Information Other than the Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the preparation of other information. The other information comprises the information included in the Board's Report including Annexures to Board's Report, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.



In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the Company in accordance with the Ind AS and other accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act. 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 implementation and maintenance of 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 financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is 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 management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are 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 these financial statements.

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

- a) Identify and assess the risks of material misstatement of the financial statements, 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.



- b) Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- c) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- d) Conclude on the appropriateness of management's 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 statements 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.
- e) Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

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.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current year and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

This report does not contain a statement on the matters specified in paragraphs 3 and 4 of the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act as, in our opinion, and according to the information and explanations given to us, Order is not applicable in the case of the company.



- A. As required by Section 143(3) of the Act, we report that:
- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c) The Balance Sheet, the Statement of income and expenditure (including other comprehensive income), the statement of changes in equity and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended.
 - e) On the basis of the written representations received from the directors as on 31st March, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2022 from being appointed as a director in terms of Section 164 (2) of the Act.
 - f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A".
 - g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us, no remuneration paid by the Company to its directors during the year.
 - h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i) The Company has disclosed the impact of pending litigations on its financial statements in its financial statements;
 - ii) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
 - iv)
 - (a) The management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
 - (b) The management has represented that, to the best of its knowledge and belief, no funds have been received by the company from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries")



MUKESH M. SHAH & CO.

CHARTERED ACCOUNTANTS

- or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
- (c) Based on such audit procedures that we have considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations given under (a) and (b) above, contain any material misstatement.
- v) During the year, the company has not declared any dividends. Hence, reporting of compliance under section 123 of the Companies Act, 2013 is not applicable.

Place: Ahmedabad
Date: 28th May, 2022
UDIN: 22030190AJTZWB6865



For MUKESH M. SHAH & CO.,
Chartered Accountants
Firm Registration No.: 106625W

Mukesh M. Shah
Partner
Membership No.: 030190

"Annexure A" referred to in the Independent Auditors' Report of even date to the members of "Zydus Foundation" on the Financial Statements for the year ended 31st March, 2022.

Report on the Internal Financial Control clause (i) of sub-section 3 of section 143 of the Companies Act, 2013 ("the act")

We have audited the internal financial controls over financial reporting of Zydus Foundation ("the company") as of March 31, 2022 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management Responsibility for Internal Financial Controls

The company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the company considering the essential components of internal control stated in the Guidance Note on audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India [ICAI]. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditors' Responsibility

Our responsibility is to express an opinion on the company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Controls and, both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial control system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's Judgement, including the assessment of the material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that:



1. pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
2. provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and
3. provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has adequate Internal Financial Controls system over financial reporting and such Internal Financial Controls over financial reporting were operating effectively as at 31st March 2022 in all material respect based on the internal control over financial reporting criteria by the Company considering the essential components of control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

Place: Ahmedabad
Date: 28th May, 2022
UDIN: 22030190AJTZWB6865



For MUKESH M. SHAH & CO.,
Chartered Accountants
Firm Registration No.: 106625W

Mukesh M. Shah
Partner
Membership No.: 030190

Zydus Foundation
Balance Sheet as at March 31, 2022

Particulars	Note No.	INR- Lakh	
		As at March 31	
		2022	2021
ASSETS:			
Non-Current Assets:			
Property, Plant and Equipment	3 [A]	39,338	9,868
Capital work-in-progress	3[C]	424	28,204
Other Intangible asset	3 [B]	24	6
Financial Assets:			
Other Financial Assets	4	98	105
Other Non-Current Assets	5	582	586
		40,466	38,769
Current Assets:			
Inventories	6	92	92
Financial Assets:			
Trade receivable	7	200	102
Cash and Cash Equivalents	8	2,168	470
Other Current Financial Assets	9	2,592	916
		4,960	1,488
Other Current Assets	10	79	44
Current tax assets	11	9	3
		5,140	1,627
Total		45,606	40,396
EQUITY AND LIABILITIES:			
Equity:			
Equity Share Capital	12	5	5
Other Equity	13	19,146	16,892
		19,151	16,897
Non-Current Liabilities:			
Financial Liabilities:			
Borrowings	14	14,658	13,558
Provisions	15	253	193
		14,911	13,751
Other Non-Current Liabilities	16	8,323	8,020
		23,234	21,771
Current Liabilities:			
Financial Liabilities:			
Trade Payables:			
Dues to Micro and Small Enterprises	17	-	-
Dues to other than Micro and Small Enterprises	17	106	176
Other current financial liabilities	18	2,788	1,411
		2,894	1,587
Provisions	19	50	50
Other current Liabilities	20	277	91
		3,221	1,728
Total		45,606	40,396
Significant Accounting Policies	2		
Notes to the Financial Statements	1 to 34		

As per our report of even date
Mukesh M. Shah & Co.
Chartered Accountants
Firm Registration Number: 106625W

Mukesh M. Shah
Partner
Membership Number: 030190
Ahmedabad, Dated: May 28, 2022



[Signature]
Dhwani Trivedi
Company Secretary

For and on behalf of the Board

[Signature]
Sujatha Rajesh
Director
DIN- 08071096

[Signature]
Jyotindra B. Gor
Director
DIN- 06439935

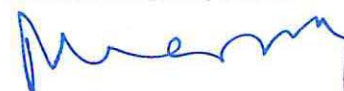
Ahmedabad, Dated: May 28, 2022

[Signature]

Zydus Foundation
Statement of Income and Expenditure for the year ended March 31, 2022

Particulars	Note No.	INR- Lakh	
		Year ended March 31	
		2022	2021
Revenue	22	5,300	3,343
Other Income	23	2,272	2,129
Total Income		7,572	5,472
Expenses:			
Employee Benefits Expense	24	3,384	2,794
Finance Costs	25	1,119	1,066
Depreciation, Amortisation and Impairment expense	3	1,115	711
Administration and other expenses	26	2,435	1,865
Total Expenses		8,053	6,436
Excess of Expenditure over income before tax		(481)	(964)
Tax Expense		-	-
Excess of Expenditure over income		(481)	(964)
Remeasurement of defined benefit obligation		(4)	3
Other Comprehensive Income for the year		(4)	3
Total Comprehensive Income for the year [Net of Tax]		(485)	(961)
Significant Accounting Policies	2		
Notes to the Financial Statements	1 to 34		

As per our report of even date
Mukesh M. Shah & Co.
Chartered Accountants
Firm Registration Number: 106625W



Mukesh M. Shah
Partner
Membership Number: 030190
Ahmedabad, Dated: May 28, 2022




Dhwani Trivedi
Company Secretary

For and on behalf of the Board


Sujatha Rajesh
Director
DIN- 08071096


Jyotindra B. Gor
Director
DIN- 06439935

Ahmedabad, Dated: May 28, 2022



Zydu Foundation

Cash Flow Statement for the year ended March 31, 2022

Particulars	INR- Lakh	
	Year ended March 31	
	2022	2021
A Cash flows from operating activities:		
[Deficit] before tax	(481)	(964)
Adjustments for:		
Depreciation and amortisation expense	1,115	711
Provision for employee benefit	56	117
Interest [Net] [Rs. 4,548 for year ended March 31, 2022]	-	48
Total	1,171	876
Operating Surplus/[Deficit]before working capital changes	690	(88)
Adjustments for:		
Decrease/[Increase] in Inventories [Rs. 19,863 for year ended March 31, 2022]	-	(62)
[Increase]/Decrease in Trade receivable	(98)	40
Decrease in other Non current assets	1,178	4,193
[Increase] in Other Current assets	(1,712)	(611)
[Decrease]/Increase in Trade Payables	(69)	119
Increase in Other Non Current Liabilities	1,494	1,395
[Decrease] in Other Current Liabilities	(435)	(2,123)
Total	358	2,951
Cash generated from operations	1,048	2,863
Direct taxes paid [Net of refunds]	(6)	(3)
Net cash from operating activities	1,042	2,860
B Cash flows from investing activities:		
Purchase of property, plant and equipment and CWIP	(2,083)	(17,270)
Contribution received for specific purpose	2,737	14,069
Interest [Net] [Rs. 4,548 for year ended March 31, 2022]	-	(48)
Net cash from/[used in] investing activities	654	(3,249)
C Cash flows from financing activities:		
Net cash from financing activities	-	-
Net Increase/[decrease] in cash and cash equivalents	1,696	(389)
Cash and cash equivalents at the beginning of the year	472	861
Cash and cash equivalents at the end of the year	2,168	472

Notes to the Cash Flow Statement

- The above cash flow statement has been prepared under the "Indirect method" as set out in Ind AS-7 "Statement of Cash Flows".
- All figures in brackets are outflows.
- Previous year's figures have been regrouped wherever necessary.
- Cash and cash equivalents comprise of:

	As at March 31		
	2022	2021	2020
a Cash on Hand	1	-	1
b Balances with Banks	2,167	472	860
c Total	2,168	472	861

As per our report of even date

Mukesh M. Shah & Co.

Chartered Accountants

Firm Registration Number: 106625W


Mukesh M. Shah

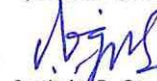
Partner
Membership Number: 030190
Ahmedabad, May 28, 2022




Dhwani Trivedi
Company Secretary

For and on behalf of the Board


Sujatha Rajesh
Director
DIN- 08071096


Jyotindra B. Gor
Director
DIN- 06439935
Ahmedabad, May 28, 2022



Zydus Foundation
Statement of Changes in Equity for the year ended March 31, 2022

a Equity Share Capital:

	No. of Shares	INR- Lakh
Equity Shares of INR 10/- each, Issued, Subscribed and Fully Paid-up:		
As at March 31, 2020	50,000	5
As at March 31, 2021	50,000	5
As at March 31, 2022	50,000	5
	50,000	5

b Other Equity:

	INR- Lakh		
	Reserves and Surplus		Total
	Building Development Reserve	Retained Earnings	
As at March 31, 2020	6,015	(2,231)	3,784
Less: Excess of Expenditure over income	-	(964)	(964)
Add: Other comprehensive Income	-	3	3
Total Comprehensive Income	-	(961)	(961)
Add: Contribution received during the year for specific purpose	14,069	-	14,069
As at March 31, 2021	20,084	(3,192)	16,892
Less: Excess of Expenditure over income	-	(481)	(481)
Add: Other comprehensive Income	-	(4)	(4)
Total Comprehensive Income	-	(485)	(485)
Add: Contribution received during the year for specific purpose	2,739	-	2,739
As at March 31, 2022	22,823	(3,677)	19,146

As per our report of even date

Mukesh M. Shah & Co.
Chartered Accountants
Firm Registration Number: 106625W

Mukesh M. Shah
Partner
Membership Number: 030190
Ahmedabad, Dated: May 28, 2022



[Signature]
Dhwani Trivedi
Company Secretary

For and on behalf of the Board

[Signature]
Sujatha Rajesh
Director
DIN- 08071096

[Signature]
Jyotindra B. Gor
Director
DIN- 06439935

Ahmedabad, Dated: May 28, 2022

[Signature]

Zydus Foundation
Notes to the Financial Statements

Note: 1-Company overview:

Zydus foundation ["the Company"] was incorporated on January 7, 2019 under section 8 of the Companies Act, 2013 as a company limited by shares. The main activity of the Company is to run, operate and maintain medical college and hospital in rural areas and to carryout other charitable activities and to apply its profits, if any, or other income in promoting the charitable objects. Under the Health Policy 2016 of the Government of Gujarat using the Brownfield Public Private Partnership Model, the Company is awarded rights to operate and maintain hospital in the rural area of Dahod. The financial statements are presented in Indian Rupee [INR] which is also the functional currency of the company. The registered office of the Company is situated at at "Zydus Corporate Park", Scheme No. 63, Survey No. 536 Khoraj (Gandhinagar), Nr. Vaishnodevi Circle, S. G. Highway, Ahmedabad 382 481. These financial statements were authorized for issue in accordance with a resolution passed by the Board of Directors at their meeting held on May 28, 2022.

Note: 2-Significant Accounting Policies:

A The following note provides list of the significant accounting policies adopted in the preparation of these financial statements.

1 Basis of preparation:

- A** The financial statements have been prepared in accordance with Ind ASs notified under the Companies (Indian Accounting Standard) Rules, 2015
- B** The financial statements of the Company are prepared on accrual basis under the historical cost convention except for certain financial instruments that are measured at fair value at end of each reporting period. Historical cost is generally based on fair value of the consideration given in exchange for goods and services.

2 Use of Estimates:

The preparation of the financial statements in conformity with Ind AS requires management to make estimates, judgments and assumptions. These estimates, judgments and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of the financial statements and reported amounts of income and expenses during the period. Application of accounting policies that require critical accounting estimates involving complex and subjective judgments are provided below. Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as management becomes aware of changes in circumstances surrounding the estimates. Changes in estimates are reflected in the financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the financial statements.

3 Revenue Recognition:

A Grant/contribution:

Revenue from Grants/ contributions are recognised upon compliance with the significant condition, if any, and where it is reasonable to expect ultimate collection. Amounts received with a specific direction from donors that such amounts shall form part of the Corpus of the Foundation are recognised accordingly.

B Sale of Services:

Income from services rendered to patients in Hospital is recognised during the period in which the hospital service is provided. Revenue primarily comprises fees charged for in-patient and out-patient hospital services. Services include charges for accommodation, operatoin theatre, medical professional services, equipment, radiology, laboratory and pharmaceutical goods used. Hospital provides free services to the patients in terms of the conditions stipulated in the Concession agreement as directed by the Government. However, the revenues in respect of the healthcare services provided to eligible in-patients, qualifying for Government Sponsored Healthcare schemes, is recorded at the rates and in accordance with with the terms of the respective applicable scheme of the Government.

C Fees Income:

Fee income is credited to the Statement of Income and Expenditure over the period in which it accrues.

D Interest Income:

For all debt instruments measured at amortised cost, interest income is recorded using the effective interest rate [EIR]. EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset or to the amortised cost of a financial liability. When calculating the effective interest rate, the expected cash flows by considering all the contractual terms of the financial instrument but does not consider the expected credit losses.

4 Government Grants:

- A** Government grants are recognised in accordance with the terms of the respective grant on accrual basis considering the status of compliance of prescribed conditions and ascertainment that the grant will be received.
- B** Government grants related to revenue are recognised on a systematic and gross basis in the Statement of Income and expenditure over the period during which the related costs intended to be compensated are incurred.
- C** Government grants related to assets are recognised as income in equal amounts over the expected useful life of the related asset.

5 Taxes on Income:

Tax expenses comprise of current and deferred tax.

Current Tax:

Provision for current tax has not been made in the books of accounts in view of the exemption of income of the Company under Section-11 read with Section 2 (15) of the provisions of the Income Tax Act, 1961.

6 Property, Plant and Equipment:

- A** All items of Property, Plant and Equipment are stated at historical cost of acquisition/ construction less accumulated depreciation and impairment loss. Historical cost [Net of Input tax credit received/ receivable] includes related expenditure and pre-operative & project expenses for the period up to completion of construction/ assets are ready for its intended use, if the recognition criteria are met and the present value of the expected cost for the decommissioning of an asset after its use is included in the cost of the respective asset, if the recognition criteria for a provision are met. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance costs are charged to the statement of profit and loss during the reporting period in which they are incurred, unless they meet the recognition criteria for capitalisation under Property, Plant and Equipment.
- B** Depreciation on tangible assets is provided on "straight line method" based on the useful lives as prescribed under Schedule II of the Companies Act, 2013. The management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used. However, management reviews the residual values, useful lives and methods of depreciation of Property, Plant and Equipment at each reporting period end and any revision to these is recognised prospectively in current and future periods.
- C** Depreciation on additions/ disposals of the fixed assets during the year is provided on pro-rata basis according to the period during which assets are used.
- D** Where the actual cost of purchase of an asset is below INR 10,000/-, the depreciation is provided @ 100%.
- E** Capital work in progress is stated at cost less accumulated impairment loss, if any.
- F** An item of Property, Plant and Equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset [calculated as the difference between the net disposal proceeds and the carrying amount of the asset] is included in the Statement of Income and expenditure when the asset is derecognised.



Note: 2-Significant Accounting Policies-Continued:**7 Inventories:**

Inventories are valued at the lower of cost and net realisable value. Cost of inventories is based on first-in, first out (FIFO) principle.

8 Cash and Cash Equivalents:

Cash and Cash equivalents for the purpose of Cash Flow Statement comprise cash and cheques in hand, bank balances, demand deposits with banks where the original maturity is three months or less and other short term highly liquid investments.

9 Leases:

At lease commencement date, the Company recognises a right-of-use asset and a lease liability on the balance sheet. The right-of-use asset is measured at cost, which is made up of the initial measurement of the lease liability, any initial direct costs incurred by the Company, an estimate of any costs to dismantle and remove the asset at the end of the lease, and any lease payments made in advance of the lease commencement date [net of any incentives received]. The Company depreciates the right-of-use assets on a straight-line basis from the lease commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The Company also assesses the right-of-use asset for impairment when such indicators exist. At the commencement date, the Company measures the lease liability at the present value of the lease payments unpaid at that date, discounted using the interest rate implicit in the lease if that rate is readily available or the Company's incremental borrowing rate. Lease payments included in the measurement of the lease liability are made up of fixed payments [including in substance fixed], variable payments based on an index or rate, amounts expected to be payable under a residual value guarantee and payments arising from options reasonably certain to be exercised. Subsequent to initial measurement, the liability will be reduced for payments made and increased for interest. It is remeasured to reflect any reassessment or modification, or if there are changes to the in-substance fixed payments. When the lease liability is remeasured, the corresponding adjustment is reflected in the right-of-use asset, or profit and loss if the right-of-use asset is already reduced to zero. The Company has elected to account for short-term leases and leases of low-value assets using the practical expedients. Instead of recognising a right-of-use asset and lease liability, the payments in relation to these are recognised as an expense in profit or loss on a straight-line basis over the lease term.

10 Provisions, Contingent Liabilities and Contingent Assets:

A Provisions are recognised when the Company has a present obligation as a result of past events and it is probable that the outflow of resources will be required to settle the obligation and in respect of which reliable estimates can be made. A disclosure of contingent liability is made when there is a possible obligation, that may, but probably will not require an outflow of resources. When there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision/ disclosure is made. Provisions and contingencies are reviewed at each balance sheet date and adjusted to reflect the correct management estimates. Contingent assets are not recognised but are disclosed separately in financial statements.

B If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability.

11 Financial Instruments:

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

A Financial Assets:**a Initial recognition and measurement:**

All financial assets are recognised initially at fair value plus transaction costs, in the case of financial assets not recorded at fair value through profit or loss, that are attributable to the acquisition of the financial asset. All recognised financial assets are subsequently measured at either amortised cost or fair value depending upon the classification of the financial asset.

b Derecognition:

A financial asset [or, where applicable, a part of a financial asset] is primarily derecognised [i.e. removed from the Company's balance sheet] when:

- The rights to receive cash flows from the asset have expired, or
- The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either [a] the Company has transferred substantially all the risks and rewards of the asset, or [b] the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognises an associated liability.

The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

When the Company has transferred the risks and rewards of ownership of the financial asset, the same is derecognised.

c Impairment of financial assets:

In accordance with Ind AS 109, the Company applies expected credit loss [ECL] model for measurement and recognition of impairment loss on the financial assets carried at amortised cost and FVTOCI debt instruments. The impairment methodology applies depends on whether there has been a significant increase in credit risk.

B Financial Liabilities:**a Initial recognition and measurement:**

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate. All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

b Subsequent measurement:

Subsequently all financial liabilities are measured as amortised cost, using EIR method. Gains and losses are recognised in Statement of Income and expenditure when the liabilities are derecognised as well as through the EIR amortisation process. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the Statement of profit and loss.

c Derecognition:

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. The difference in the respective carrying amounts is recognised in the Statement of profit and loss.

C Offsetting of financial instruments:

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

B Recent Accounting Pronouncements:

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On March 23, 2022, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2022, applicable from April 1, 2022, as below: which would have been applicable effective from April 1, 2022.

a Ind AS 103 – Business Combination:

The amendment clarifies that to qualify for recognition as part of applying the acquisition method, the identifiable assets acquired and liabilities assumed must meet the definitions of assets and liabilities in the Conceptual Framework for Financial Reporting under Indian Accounting Standards (Conceptual Framework) issued by the Institute of Chartered Accountants of India at the acquisition date. These changes do not significantly change the requirements of Ind AS 103. The Company does not expect the amendment to have any impact on its financial statements.



Zydus Foundation

Note: 2-Significant Accounting Policies-Continued:

b Ind AS 109 – Financial Instruments:

The amendment clarifies the nature of fees which can be included by the entity for the purpose of assessing the '10 percent' test for derecognition of financial liabilities. The amendment is not expected to have any material impact on the Company's financial statement.

c Ind AS 16 – Property, Plant and Equipments:

The amendments clarify, the excess of net sale proceeds of items produced over the cost of testing, if any, should not be recognised in the statement of profit or loss but deducted from the directly attributable costs considered as part of cost of an item of PPE. The Company does not expect the amendment to have any material impact on its financial statements.

d Ind AS 37 – Provisions, Contingent Liabilities and Contingent Assets:

The amendments clarify the nature of costs that can be directly related to the contract for the purpose of assessing the contract is onerous. The Company does not expect the amendment to have any material impact in its financial statements

Note: 3-Property, Plant and Equipment, Intangible Assets & Capital work-in-progress:

[A] Property, Plant and Equipment:

	Buildings	Computer and data processing	Furniture and fittings	Office equipments	Plant & Machinery	Vehicles	INR- Lakh Total
Gross Block:							
As at March 31, 2020	-	61	521	79	973	72	1,706
Addition	8,448	7	248	37	245	21	9,006
As at March 31, 2021	8,448	68	769	116	1,218	93	10,712
Addition	29,624	61	461	63	286	88	30,583
As at March 31, 2022	38,072	129	1,230	179	1,504	181	41,295
Depreciation and Impairment:							
As at March 31, 2020	-	19	50	17	43	5	134
Depreciation for the year	531	19	67	24	60	9	710
As at March 31, 2021	531	38	117	41	103	14	844
Depreciation for the year	836	38	115	32	78	14	1,113
As at March 31, 2022	1,367	76	232	73	181	28	1,957
Net Block:							
As at March 31, 2022	36,705	53	998	106	1,323	153	39,338
As at March 31, 2021	7,917	30	652	75	1,115	79	9,868

[B] Intangible assets:

	Software	Total
Gross Block:		
As at March 31, 2020	5	5
Addition	3	3
As at March 31, 2021	8	8
Addition	20	20
As at March 31, 2022	28	28
Amortisation and Impairment:		
As at March 31, 2020	1	1
Amortisation for the year	1	1
As at March 31, 2021	2	2
Amortisation for the year	2	2
As at March 31, 2022	4	4
Net Block:		
As at March 31, 2022	24	24
As at March 31, 2021	6	6

[C] Ageing of Capital-work-in progress:

A Projects in progress:

- 1 Less than 1 year
- 2 1 - 2 years
- 3 2 - 3 years
- 4 More than 3 years
- 5 Total Capital Work-in-Progress

Project execution plans are modulated on the basis of capacity requirement assessment annually and all the projects are executed based on rolling annual plan.

INR- Lakh	
As at March 31	
2022	2021
347	8,261
77	17,443
-	2,500
-	-
424	28,204

Note: 4-Other Financial Assets:

[Unsecured, Considered Good unless otherwise stated]

Security Deposits	82	82
Deposits with maturity more than 12 months	2	2
Others	14	21
Total	98	105

Note: 5-Other Non-Current Assets:

Capital advances	582	586
Total	582	586

Note: 6-Inventories:

[The Inventory is valued at lower of cost and net realisable value]

Medicines and others	92	92
Total	92	92



Zydus Foundation							
Notes to the Financial Statements							
						INR- Lakh	
						As at	
						2022	2021
Note: 7 -Trade receivable:							
[Unsecured, Considered Good]							
Trade receivables						200	102
Total						200	102
Ageing of Trade Receivables :							
[A] As at March 31, 2022						Overdue from due date of payment	
Particulars	Not due	Less than 6 Months	6 Months to 1 year	1 to 2 years	2 to 3 years	More than 3 years	Total
Undisputed – considered good		175	25				200
Total	-	175	25	-	-	-	200
[B] As at March 31, 2021						Overdue from due date of payment	
Particulars	Not due	Less than 6 Months	6 Months to 1 year	1 to 2 years	2 to 3 years	More than 3 years	Total
Undisputed – considered good		73	6	23			102
Total	-	73	6	23	-	-	102
Note: 8-Cash and Bank Balances:							
Cash and Cash Equivalents:							
Balances with Banks						2,167	470
Cash on Hand [Previous year: INR 20,591]						1	-
Total						2,168	470
Note: 9-Other Current Financial Assets:							
Grant receivable						1,500	-
Fees receivable						1,072	700
Claims receivable						13	209
Others						7	7
Total						2,592	916
Note: 10-Other Current Assets:							
[Unsecured, Considered Good]							
Prepaid Expenses						47	33
Others						32	11
Total						79	44
Note: 11-Current Tax Assets:							
Advance payment of Tax [Net of provision for taxation Current year and Previous year - Rs. Nil]						9	3
Total						9	3
Note: 12-Equity Share Capital:							
Authorised:							
50,000 Equity shares of Rs. 10 each						5	5
Issued, Subscribed and Paid-up:							
50,000 Equity shares of Rs. 10 each, fully paid up						5	5
Total						5	5
A Number of shares at the beginning and at the end of the year							
Opening balance						50,000	50,000
Issued during the year						-	-
Closing balance						50,000	50,000
B The Company has only one class of equity shares having a par value of INR 10/- per share. Each holder of equity share is entitled to one vote per share. In the event of winding up or dissolution of the company, there remains, after the satisfaction of all the debts and liabilities, any property whatsoever, the same shall not be distributed amongst the members of the company.							
C Details of Shareholder holding more than 5% of aggregate Equity Shares of INR 10/- each							
Zydus Lifesciences Limited [Formerly known as Cadila Healthcare Limited]						50,000	50,000
Number of Shares						100%	100%
% to total share holding							
D Equity Shares held by the promoters of the Company as at the end of the year March 31, 2022 and 2021:							
	Promoter's Name	No. of Shares	% of total shares	% change during the year			
1	Zydus Lifesciences Limited [Formerly known as Cadila Healthcare Limited]	50,000	100.00	-			
Note: 13-Other Equity:							
Other Reserves:							
Building and Infrastructure Development Fund: [*]							
Balance as per last Balance Sheet						20,084	6,015
Add: Contribution received during the year for specific purpose						2,739	14,069
Balance as at the end of the year						22,823	20,084
Retained Earnings:							
Balance as per last Balance Sheet						(3,192)	(2,231)
Add: Excess of Expenditure over income						(481)	(964)
Add: Other comprehensive Income						(4)	3
Balance as at the end of the year						(3,677)	(3,192)
Total						19,146	16,892
[*] Building and Infrastructure development fund has been set up specifically for the purpose of construction of Property, Plant and Equipment.							



Zydus Foundation Notes to the Financial Statements						
			INR- Lakh			
			As at March 31			
			2022	2021		
Note: 14-Borrowings:						
1850; 0.10% Listed Unsecured Redeemable Non-convertible debentures of face value of Rs.10,00,000 each			14,658	13,558		
Total			14,658	13,558		
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 March 31, 2022 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, 2023 [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 March 31, 2022 of INR 18,500 [as at March 31, 2021 INR 18,500] Lakh is disclosed as under:						
INR 14,658 Lakh [as at March 31, 2021 INR 13,558] under the head of "Borrowings";						
INR 2,651 Lakh [as at March 31, 2021 INR 3,842] under the head of "Other Non Current Financial Liabilities"; and						
INR 1,191 Lakh [as at March 31, 2021 INR 1,100] under the head of "Other current financial Liabilities"						
Note: 15-Provisions						
Provision for employee benefit			253	193		
Total			253	193		
Defined benefit plan and long term employment benefit						
A General description:						
Leave wages [Long term employment benefit]:						
The employees of the company are entitled to leave as per the leave policy of the company. The liability on account of accumulated leave as on last day of the accounting year is recognised [net of the fair value of plan assets as at the balance sheet date] at present value of the defined obligation at the balance sheet date based on the actuarial valuation carried out by an independent actuary using projected unit credit method.						
Gratuity [Defined benefit plan]:						
The Company has a defined benefit gratuity plan. Every employee who has completed continuous services of five years or more gets a gratuity on death or resignation or retirement at 15 days salary [last drawn salary] for each completed year of service.						
B Change in the present value of the defined benefit obligation:						
	As at March 31, 2022			As at March 31, 2021		
	Medical Leave	Leave Wages	Gratuity	Medical Leave	Leave Wages	Gratuity
Opening obligation	6	176	60	5	90	33
Interest cost	0.4	10	4	0.3	5	2
Current service cost	2	34	33	2	33	29
Past service cost	-	-	-	-	-	-
Benefits paid	-	(6)	-	-	(2)	-
Actuarial [gains]/ losses on obligation due	-	-	-	-	-	-
Experience adjustments	(3)	(13)	(3)	(1)	50	(0)
Change in financial assumptions	(0.2)	(4)	7	(0.0)	(1)	(3)
Closing obligation	5	196	101	6	176	60
C Change in the fair value of plan assets:						
Opening fair value of plan assets	-	-	-	-	-	-
Expected return on plan assets	-	-	-	-	-	-
Return on plan assets excluding	-	-	-	-	-	-
Interest cost	-	-	-	-	-	-
Contributions by employer	-	-	-	-	-	-
Benefits paid	-	-	-	-	-	-
Actuarial [losses]/ gains	-	-	-	-	-	-
Closing fair value of plan assets	-	-	-	-	-	-
Total actuarial [losses]/ gains to be recognised	3	17	(4)	1	(49)	4
D Actual return on plan assets:						
Expected return on plan assets	-	-	-	-	-	-
Actuarial [losses]/ gains on plan assets	-	-	-	-	-	-
Actual return on plan assets	-	-	-	-	-	-
E Amount recognised in the balance sheet:						
Liabilities/ [Assets] at the end of the year	5	196	101	6	176	60
Fair value of plan assets at the end of the year	-	-	-	-	-	-
Difference	5	196	101	6	176	60
Liabilities/ [Assets] recognised in the Balance Sheet	5	196	101	6	176	60



Zydus Foundation
Notes to the Financial Statements

Note: 15-Provisions- continued:

F Expenses/ [Incomes] recognised in the Statement of Profit and Loss:

Current service cost	2	34	33	2	33	29
Past service cost	-	-	-	-	-	-
Interest cost on benefit obligation	0.4	10	4	0.3	5	2
Expected return on plan assets	-	-	-	-	-	-
Return on plan assets excluding	-	-	-	-	-	-
Interest income	-	-	-	-	-	-
Net actuarial [gains]/ losses in the year	(3)	(17)	-	(1)	49	-
Amount included in "Employee Benefit Expense"	(1)	26	37	1	87	31
Return of plan assets excluding amounts included in interest income	-	-	-	-	-	-
Net actuarial [gains]/ losses in the year	-	-	4	-	-	(3)
Amounts recognized in OCI	-	-	4	-	-	(3)

G Movement in net liabilities recognised in Balance sheet:

Opening net liabilities	6	176	60	5	90	33
Expenses as above [P & L Charge]	(1)	26	37	1	87	31
Employer's contribution	-	-	-	-	-	-
Benefits Paid	-	(6)	-	-	(2)	-
Amount recognised in OCI	-	-	4	-	-	-
Liabilities/ [Assets] recognised in the Balance sheet	5	196	101	6	176	60

H Principal actuarial assumptions for defined benefit plan and long term employment benefit plan:

Discount rate	6.85%	6.50%
[The rate of discount is considered based on market yield on Government Bonds having currency and terms in consistence with the]		
Annual increase in salary cost	9.00%	9.00%
[The estimates of future salary increases are considered in actuarial valuation, taking into account inflation, seniority, promotion and other]		

I Amount recognised in current and previous four years:

	As at March 31		
	2022	2021	2020
Gratuity:			
Defined benefit obligation	101	60	33
Fair value of Plan Assets	-	-	-
Deficit/ [Surplus] in the plan	101	60	33
Actuarial Loss/ [Gain] on Plan Obligation	4	(3)	-
Actuarial Loss/ [Gain] on Plan Assets	-	-	-

Sensitivity analysis:

A quantitative sensitivity analysis for significant assumption is shown below:

Assumptions	Medical Leave		Leave Wages		Gratuity	
	2022	2021	2022	2021	2022	2021
Impact on obligation:						
Discount rate increase by 0.5%	(0.2)	(1)	(6)	(5)	(4)	(4)
Discount rate decrease by 0.5%	0.2	-	6	6	5	3
Annual salary cost increase by 0.5%	0.2	-	6	6	5	3
Annual salary cost decrease by 0.5%	(0.2)	(1)	(6)	(5)	(4)	(4)

The following payments are expected contributions to the defined benefit plan in future years:

	INR-Lakh	
	2022	2021
Within the next 12 months [next annual reporting period]	50	49
Between 2 - 4 years	115	82
Between 5 - 10 years	113	85
	277	216

Note: 16-Other Non-current liabilities

Deferred Government Grant	5,192	3,865
Caution Money Deposit	248	247
Unamortised premium on 0.10% Non-convertible debentures	2,651	3,842
Others	232	66
Total	8,323	8,020



Zydus Foundation Notes to the Financial Statements							
						INR- Lakh	
						As at March 31	
						2022	2021
Note: 17-Trade Payables:							
Dues to Micro and Small Enterprises [*]						-	-
Dues to other than Micro and Small Enterprises						106	176
Total						106	176
[*] Disclosure in respect of Micro and Small Enterprises:							
A Principal amount remaining unpaid to any supplier as at year end						-	-
B Interest due thereon						-	-
C Amount of interest paid by the Company in terms of section 16 of the MSMED Act, along with the amount of the payment made to the supplier beyond the appointed day during the year						-	-
D Amount of interest due and payable for the year of delay in making payment [which have been paid but beyond the appointed day during the year] but without adding the interest specified under the MSMED Act						-	-
E Amount of interest accrued and remaining unpaid at the end of the accounting year						-	-
F Amount of further interest remaining due and payable in succeeding years						-	-
The above information has been compiled in respect of parties to the extent to which they could be identified as Micro and Small Enterprises on the basis of information available with the Company.							
Ageing of Trade Payables :							
[A] As at March 31, 2022							
Overdue from due date of payment							
Particulars	Not Due	Less than 1 year	1 to 2 years	2 to 3 years	More than 3 years	Total	
Undisputed Micro and Small Enterprises [MSME]	-	-	-	-	-	-	
Undisputed Others	63	43	-	-	-	106	
Total	63	43	-	-	-	106	
[B] As at March 31, 2021							
Overdue from due date of payment							
Particulars	Not Due	Less than 1 year	1 to 2 years	2 to 3 years	More than 3 years	Total	
Undisputed MSME	-	-	-	-	-	-	
Undisputed Others	104	72	-	-	-	176	
Total	104	72	-	-	-	176	
Note: 18-Other current financial Liabilities:							
Unamortised premium on 0.10% Non-convertible debentures						1,191	1,100
Creditors for Capital Goods						1,597	311
Total						2,788	1,411
Note: 19-Provisions							
Provision for employee benefit						50	50
Total						50	50
Note: 20-Other current Liabilities:							
Payable to Statutory Authorities						56	79
Students fees received in advance						221	12
Total						277	91
Note: 21-Commitments [to the extent not provided for]:							
Commitments:							
Estimated amount of contracts remaining to be executed on capital account and not provided for						311	6,686



Zydus Foundation Notes to the Financial Statements		
	INR-Lakh	
	Year ended March 31	
	2022	2021
Note: 22-Revenue:		
Sale of services	486	175
Fees income	4,814	3,168
Total	5,300	3,343
Note: 23-Other Income:		
Government Grant	850	850
Apportioned Income from Government Grant	173	259
Interest	1,119	1,018
Donation	125	-
Other Non-operating Income	5	2
Total	2,272	2,129
Note: 24-Employee Benefits Expense:		
Salaries and wages	3,278	2,714
Contribution to provident and other funds	95	79
Staff welfare expenses	11	1
Total	3,384	2,794
Note: 25-Finance Cost:		
Interest expense on 0.10% Non-convertible debentures	1,119	1,066
Bank commission & charges (Current year: INR 11,337, Previous year: INR 34,931)	-	-
Total	1,119	1,066
Note: 26-Administration and other expenses:		
Fees paid to Professionals	18	26
Housekeeping Expenses	539	369
Security Expenses	220	198
Power and fuel expenses	180	122
Medical disposable and consumable expenses	822	463
Advertisement Expenses	1	-
Canteen Expenses	111	56
Computer and Internet Expenses	18	13
Effluent Treatment Expenses	17	24
Fuel Expenses	27	16
Legal & professional Expenses	1	1
Misc. & Other Expenses	286	411
Printing & Stationary Expenses	31	17
Rent Expenses	37	42
Repairs and Maintenance-Building	52	34
Repairs and Maintenance Expense- Others	37	26
Travelling Expenses	5	13
University Affiliation Fees	19	25
Books and periodicals	14	9
Total	2,435	1,865
Misc. & other expenses include:		
Payment to the Statutory Auditors [excluding GST]:		
- As Auditor	2	2
- For Other Services	1	1
- Total	3	3
Note 27: -Related Party Transactions:		
A Name of the Related Parties and nature of the related party relationship with whom transactions have taken place:		
a Holding company : Zydus Lifesciences Limited [formerly known as Cadila Healthcare Limited]		
b Fellow subsidiaries/ entities :		
Zydus Healthcare Limited	Zydus Healthcare (USA) LLC [USA]	
German Remedies Pharmaceuticals Private Limited	ZyVet Animal Health Inc. [USA]	
Zydus Wellness Limited	Sentynl Therapeutics Inc. [USA]	
Zydus Wellness Products Limited	Zydus Noveltex Inc. [USA]	
Liva Nutritions Limited	Hercon Pharmaceuticals LLC [USA]	
Liva Investment Limited	Viona Pharmaceuticals Inc. [USA]	
Zydus Animal Health and Investments Limited	Zydus Therapeutics Inc. [USA] [ZTI]	
Dialforhealth Unity Limited	Zydus Healthcare S.A. (Pty) Ltd [South Africa]	
Dialforhealth Greencross Limited	Simayla Pharmaceuticals (Pty) Ltd [South Africa]	
Violio Healthcare Limited	Script Management Services (Pty) Ltd [South Africa]	
Zydus Pharmaceuticals Limited	Zydus France, SAS [France]	
Biochem Pharmaceutical Private Limited	Laboratorios Comib S.L. [Spain]	
Zydus Strategic Investments Limited	Etna Biotech S.R.L. [Italy]	
Zydus VTEC Limited	Zydus Nikkho Farmaceutica Ltda. [Brazil]	
M/s. Recon Pharmaceuticals and Investments, a partnership firm	Zydus Pharmaceuticals Mexico SA De CV [Mexico]	
Alidac Healthcare (Myanmar) Limited [Myanmar]	Zydus Pharmaceuticals Mexico Services Company SA De C.V.[Mexico]	
Zydus Healthcare Philippines Inc. [Philippines]	Zydus Worldwide DMCC [Dubai]	
Zydus Lanka (Private) Limited [Sri Lanka]	Zydus Discovery DMCC [Dubai] [Merged with ZTI w.e.f. July 1, 2021]	
Zydus International Private Limited [Ireland]	Zydus Wellness International DMCC [Dubai]	
Zydus Netherlands B.V. [the Netherlands]	Zydus Wellness (BD) Pvt Ltd [Bangladesh]	
Nesher Pharmaceuticals (USA) LLC [USA]	Zydus Pharmaceuticals (USA) Inc. [USA]	



Note 27: -Related Party Transactions-continued:

Zydus Takeda Healthcare Private Limited

Director
Director

a Details relating to parties referred to in Note 27-A [a, b, c & d]

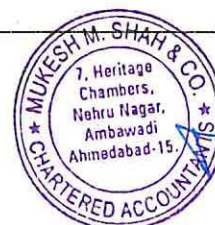
Year ended March 31.

2022	2021	2022	2021
1,700	7,854	-	-
396	2,447	-	-
-	148	-	-
57	285	-	-
-	-	16	16
-	-	102	79
276	201	-	-
2,429	10,935	118	95
1,105	1,018	-	-
-	-	-	5
19	46	-	-
1,100	1,016	-	-
-	-	-	4,850
-	-	-	4,850
18,500	18,500	-	-

Fair values of other financial liabilities and trade payables are considered to be approximately equal to the carrying values.

	INR- Lakh			
	As at March 31, 2022		As at March 31, 2021	
	Amortised Cost	Total	Amortised Cost	Total
Financial assets:				
Non Current Other Financial Assets	98	98	105	105
Trade receivable	200	200	102	102
Cash and Cash Equivalents	2,168	2,168	470	470
Other Current Financial Assets	2,592	2,592	916	916
Total	5,058	5,058	1,593	1,593
Financial liabilities:				
Borrowings	14,658	14,658	13,558	13,558
Other Non-Current Liabilities	8,323	8,323	8,020	8,020
Trade payables	106	106	176	176
Other Current Financial Liabilities	2,788	2,788	1,411	1,411
Total	25,875	25,875	23,165	23,165

Credit risk arises from the possibility that counter party may not be able to settle its obligations as agreed. The Company is exposed to credit risk from trade receivables. The Company deals with recognized and credit worthy third parties and Government authorities. Receivable balances are monitored on an on-going basis with the result that the Company's exposure to bad debts is not significant.



Zydus Foundation
Notes to the Financial Statements

Note: 29-Financial Risk Management continued:

b Liquidity risk:

- a Prudent liquidity risk management implies maintaining sufficient cash and marketable securities to meet obligations when due.
- b Management monitors rolling forecasts of the Company's liquidity position and cash and cash equivalents on the basis of expected cash flows. The company takes into account the liquidity of the market in which it operates. In addition, the Company's liquidity management policy involves projecting cash flows and considering the level of liquid assets necessary to meet its obligations. The tables below analyse the Company's financial liabilities into relevant maturity groupings based on their contractual maturities for all non-derivative financial liabilities. The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

	As at March 31, 2022			As at March 31, 2021		
	< 1 year	1- 5 years	Total	< 1 year	1- 5 years	Total
Non-derivative Financial Liabilities:						
Borrowings	-	14,658	14,658	-	13,558	13,558
Other non current financial liabilities	-	8,323	8,323	-	8,020	8,020
Trade payable	106	-	106	176	-	176
Other Current Financial Liabilities	2,788	-	2,788	1,411	-	1,411
Total	2,894	22,981	25,875	1,587	21,578	23,165

c Interest rate risk:

The sensitivity analysis have been determined based on the exposure to interest rates for financial assets and liabilities at the end of the reporting period. The Company does not have variable rate instruments as at the balance sheet date. The Company's investments in Fixed Deposits are at fixed interest rates.

Note: 30-Analytical Ratios:

Sr. No	Ratio	Numerator	Denominator	FY 21-22	FY 20-21	% Change
1	Current Ratio [*]	Current Assets	Current Liabilities	1.60	0.94	69.5%
2	Debt-Equity Ratio	Total Debt	Shareholder's Equity	0.97	1.09	-11.8%
3	Debt Service Coverage Ratio [\$]	Earnings available for debt service	Finance cost + Repayment of debt	-0.46	-1.23	-62.4%
4	Return on Equity Ratio [\$]	Net Profits after taxes	Average Shareholder's Equity	-2.7%	-9.3%	-71.4%
5	Inventory turnover ratio	Net Sales	Average Inventory	57.86	54.80	5.6%
6	Trade Receivables turnover ratio [^]	Net Sales	Average Trade Receivables	35.01	27.40	27.8%
7	Trade payables turnover ratio	Net Purchases and Other Expenses	Average Trade Payables	17.92	16.80	6.7%
8	Net capital turnover ratio [#]	Net Sales	Average Working Capital	5.83	-2.86	-303.9%
9	Net profit ratio [\$]	Net Profits after taxes	Net Sales	-9.1%	-28.8%	-68.5%
10	Return on Capital employed [\$]	Earnings before interest and taxes	Average Capital Employed	1.7%	0.4%	393.9%
11	Return on investment [\$\$]	Income from investments during the year	Time weighted average of investments	3%	0.0%	100%

[*] Mainly due to increase in Cash and Cash Equivalents

[\$] Increase is due to increase in earnings

[^] Driven by an increase in accounts receivable

[#] Driven by increase in sales and net current assets

[\$\$] There was no Investment in the previous year

Note: 31- Earning Per Share:

The Company is incorporated as a Section 8 Company in terms of provisions of the Companies Act, 2013 to promote the objects to establish, run, manage, maintain hospitals etc., establishing educational institutions including for medical science and to carry on research and development activities in the areas of education and carry out other charitable activities and to apply its profits, if any, or other income in promoting the said charitable objects. In terms of the provisions of the Companies Act and its Memorandum of Association (MoA), the Company is prohibited from the payment of any dividend to its members. In terms of the provisions of the said section, the income and properties of the company whensoever derived, is required to be applied solely for the promotion of the charitable objects as set forth in its MOA and that no portion thereof is allowed to be paid or transferred, directly or indirectly by way of dividend, bonus or otherwise by way of profit, to persons who at any time are or have been members of the company.

Even, in the event of winding up or dissolution of the Company, if there remains, after the satisfaction of all debts and liabilities, any property whatsoever, the same is not allowed to be distributed amongst the members of the Company but is mandatorily to be given or transferred to such other company having object similar to the objects of the Company subject to such conditions as the Tribunal may import or may be sold and proceeds thereof credited to Rehabilitation and Insolvency Fund formed under Section 269 of the Companies Act, 2013.

As there is no earnings attributable to the shareholders, the Company, therefore, has not disclosed earnings/ losses per share.

Note: 32- Covid 19 Impact:

The World Health Organisation [WHO] declared Covid-19 to be a global pandemic in March 2020. Majority of the countries across the globe were into partial or full lockdown situation, impacting business operations across various sectors with severe restrictions on movement of people and goods. The Company has implemented several initiatives across its business locations including social distancing at work places and proper sanitization of work places etc. for ensuring safety of its employees and continuity of its business operations with minimal disruption. As per the current assessment of the situation based on the internal and external information available up to the date of approval of these financial results by the Board of Directors, the Company believes that the impact of Covid-19 on its business, assets, internal financial controls, profitability and liquidity, both present and future, would be limited and there is no indication of any material impact on the carrying amounts of inventories, goodwill, intangible assets, trade receivables, investments and other financial assets. The eventual outcome of the impact of the global health pandemic may be different from those estimated as on the date of approval of these financial results and the Company will closely monitor any material changes to the economic environment and their impact on its business in the times to come.

Note: 33-Disclosure of transactions with Struck off Companies:

The Company did not have any material transaction with companies struck off under Section 248 of the Companies Act, 2013 or Section 560 of Companies Act, 1956 during the current and previous financial year.



Zydus Foundation
Notes to the Financial Statements


Note 34:

Amounts have been rounded off to the nearest rupees lakh and previous year's figures have been regrouped, rearranged and reclassified wherever considered necessary to confirm to the current presentation.

Signatures to Significant Accounting Policies and Notes 1 to 34 to the Financial Statements

As per our report of even date

Mukesh M. Shah & Co.
Chartered Accountants
Firm Registration Number: 106625W


Mukesh M. Shah
Partner
Membership Number: 030190
Ahmedabad, Dated: May 28, 2022




Dhwani Trivedi
Company Secretary

For and on behalf of the Board


Sujatha Rajesh
Director
DIN- 08071096


Jyotindra B. Gor
Director
DIN- 06439935
Ahmedabad, Dated: May 28, 2022

