

ZYDUS FOUNDATION

Regd. Office: "Zydus Corporate Park", Scheme No. 63, Survey No. 536
Khoraj (Gandhinagar), Nr. Vaishnodevi Circle, Ahmedabad-382481
Phone: +91-79-48040101
CIN: U85300GJ2019NPL105919

NOTICE

NOTICE is hereby given that the **FIRST** Annual General Meeting of the Company will be held on Thursday, October 31, 2019 at 10.00 a.m. at the Registered Office of the Company to transact the following business:

Ordinary Business:

1. To receive, consider and adopt the Audited Financial Statements for the year ended on March 31, 2019 along with the report of the Board of Directors and Auditors thereon.
2. To appoint a Director in place of Mr. Pankaj R. Patel (DIN: 00131852), Director of the Company who retires by rotation and being eligible offers himself for reappointment.
3. To appoint Mukesh M. Shah & Co., Chartered Accountants, Ahmedabad (Firm Registration No. 106625W) as the Statutory Auditors of the Company for a period of five years to hold office from the conclusion of this Annual General Meeting till the conclusion of sixth Annual General Meeting and to fix their remuneration.

By order of the Board of Directors



Pankaj R. Patel
Chairman

Place: Ahmedabad

Date: October 7, 2019

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

However, the proxy forms duly stamped, completed and signed should be deposited at the Registered Office of the Company not less than forty-eight hours before the commencement of the meeting.

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CIN: U85300GJ2019NPL105919

Boards' Report

Your Directors are pleased to present the First Annual Report and the Audited Financial Statements for the Financial Year ended on March 31, 2019.

Brief on the Company:

The Company was incorporated on 7th January, 2019 as a section 8 Company under the provisions of the Companies Act, 2013 ("the **Act**"), amongst other main object, to establish, run, manage and maintain hospitals and educational institutions in rural areas.

Pursuant to a tripartite agreement entered into between the Company, Cadila Healthcare Limited and Ramanbhai Foundation, the Company had taken over operations of the Zydus Medical College and Hospital at Dahod ("the **Project**") for the financial year 2018-19. In compliance of terms of the said agreement, the Company had recorded in its books, the book value of assets and liabilities pertaining to the Project and its corresponding income and expenditure.

Directors:

Mr. Pankaj R. Patel, Dr. Sharvil P. Patel, Mr. Jyotindra B. Gor and Mrs. Sujatha Rajesh were appointed as the first Directors of the Company.

Deposits:

Your Company has not accepted any fixed deposit from the public.

Related Party Transactions:

During the year under report, there has been no transaction with any related party, and therefore there is no information required to be provided under section 134[3][h] of the Act and Rules made thereunder with respect to disclosure of particulars of material transactions with the related parties.

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, 2019 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, two Board Meetings were held on January 12, 2019 and March 15, 2019. The gap between two consecutive meetings was less than one hundred and twenty days as provided in section 173 of the Act.

Statutory Auditors and their Report:

Mukesh M. Shah & Co., Chartered Accountants, Ahmedabad [Firm Registration No. 106625W] were appointed as the first Statutory Auditors of the Company, who hold office until the conclusion of the ensuing first Annual General Meeting. Pursuant to provisions of section 139 of the Act and the Rules made thereunder, the Board proposed to appoint Mukesh M. Shah & Co., Chartered Accountants as Statutory Auditors of the Company for a period of five years from the conclusion of ensuing First Annual General Meeting till the conclusion of Sixth Annual General Meeting subject to approval of the members at the ensuing Annual General Meeting. They have furnished a certificate confirming the eligibility under section 141 of the Act and Rules made thereunder.

The Board has duly reviewed the Statutory Auditor's Report on the Financial Statements. The observations and comments, appearing in the Auditor's Report are self-explanatory and do not call for any further explanation / clarification by the Board of Directors as provided under section 134 of the Act.

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.

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. The particulars of investment covered under section 186 of the Act are given in the notes to the financial statements.

Internal control systems and its adequacy:

The Company has designed and implemented a process driven framework for Internal Financial Controls (IFC) within the meaning of the explanation to section 134(5)(e) of the Act. For the year ended on March 31, 2019, the Board is of the opinion that the Company has sound IFC commensurate with the size, scale and complexity of its business operations. The IFC operates effectively and no material weakness exists. The Company has a process in place to continuously monitor the same and identify gaps, if any, and implement new and / or improved controls whenever the effect of such gaps would have a material effect on the Company's operations.

Extract of annual return:

The relevant information in the prescribed form MGT-9 pertaining to abstract of annual return is attached to this report as **Annexure–“A”**.

Secretarial Standards:

The Company has complied with the provisions of the applicable Secretarial Standards.

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 Companies Act, 2013 read with rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, during the year under review.

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 2018–2019, the Company has not received any complaint of sexual harassment.

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



Pankaj R. Patel
Chairman

Date : October 7, 2019

Place: Ahmedabad

**Form No. MGT-9
EXTRACT OF ANNUAL RETURN**

as on the financial year ended on March 31, 2019

(Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014)

I. Registration and other details	
CIN	U85300GJ2019NPL105919
Registration Date	January 7, 2019
Name of the Company	Zydus Foundation
Category / Sub-Category of the Company	Public Limited Company Limited by shares
Address of the Registered Office and Contact details	"Zydus Corporate Park", Scheme No. 63, Survey No. 536, Khoraj (Gandhinagar), Nr. Vaishnodevi Circle, Ahmedabad-382481 Phone: +91-79-48040101 CIN: U85300GJ2019NPL105919
Whether listed company	No
Name, address and contact details of Registrar and Transfer Agent, if any	Link Intime India Private Limited 506-508, Amarnath Business Centre, Nr. St. Xavier's College Corner, Navrangpura, Ahmedabad-380009

II. Principal Business Activities of the Company

All the Business Activities contributing 10% or more of the total turnover of the Company shall be stated:

Name and Description of main Products / Services	NIC Code of the Product / Service	% to total turnover of the Company

III. Particulars of holding, subsidiary and Associate Companies

Sr. No.	Name and Address of the Company	CIN	Holding/ Subsidiary/ Associate	% of Shares held	Applicable Section
1.	Cadila Healthcare Limited "Zydus Corporate Park", Scheme No. 63, Survey No. 536, Khoraj (Gandhinagar), Nr. Vaishnodevi Circle, Ahmedabad-382481	L24230GJ1995PLC025878	Holding	100	2(46)

IV. SHAREHOLDING PATTERN (Equity share Capital Breakup as percentage of Total Equity)

i) Category-wise Shareholding:

[illegible]

Category of Shareholders	No. of shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total shares	Demat	Physical	Total	% of Total Shares	
ii) Individual shareholders holding nominal share capital in excess of 2 Lakh	-	-	-	-	-	-	-	-	-
c) Others (specify)									
i) Shares held by Pakistani citizens vested with the Custodian of Enemy Property	-	-	-	-	-	-	-	-	-
ii) Other Foreign Nations	-	-	-	-	-	-	-	-	-
iii) Foreign Bodies	-	-	-	-	-	-	-	-	-
iv) NRI / OCBs	-	-	-	-	-	-	-	-	-
v) Clearing Members/ Clearing House	-	-	-	-	-	-	-	-	-
vi) Trusts	-	-	-	-	-	-	-	-	-
vii) Limited Liability Partnership	-	-	-	-	-	-	-	-	-
viii) Foreign Portfolio Investor (Corporate)	-	-	-	-	-	-	-	-	-
ix) Qualified Foreign Investors	-	-	-	-	-	-	-	-	-
Sub-Total (B)(2):	-	-	-	-	-	-	-	-	-
Total Public Shareholding (B)=(B)(1)+(B)(2)	-	-	-	-	-	-	-	-	-
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	50,000	-	50,000	100%	50,000	-	50,000	100%	-

ii) Shareholding of Promoters:

Shareholders Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in share-holding during the year
	No. of shares	% of total shares of the Company	% of shares Pledged / Encumbered to total shares	No. of shares	% of total shares of the Company	% of shares Pledged / Encumbered to total shares	
Cadila Healthcare Limited	49,994	100%	Nil	49,994	100%	Nil	-
Mr. Pankaj Ramanbhai Patel	*1	-	Nil	*1	-	Nil	-
Dr. Sharvil Pankajbhai Patel	*1	-	Nil	*1	-	Nil	-
Mr. Nitinkumar Dalsukhray Parekh	*1	-	Nil	*1	-	Nil	-
Dr. Mukesh Raojibhai Patel	*1	-	Nil	*1	-	Nil	-
Mr. Jyotindra B. Gor	*1	-	Nil	*1	-	Nil	-
Mr. Vishal Jyotindra Gor	*1	-	Nil	*1	-	Nil	-
Total	50,000	100.00%	-	50,000	100.00%	-	-

* Shares held as nominees of Cadila Healthcare Limited

iii) Change in Promoters' Shareholding (Please specify, if there is no change):

Shareholding at the beginning of the year			Cumulative Shareholding during the year	
	No. of Shares	% of total shares of the Company	No. of shares	% of total shares of the Company
At the beginning of the year	No change during the year			
Date wise Increase/ Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc.):				
At the end of the year				

iv) Shareholding Pattern of top Ten Shareholders (Other than Directors, Promoters and Holders of GDRs and ADRs):

For each of the top 10 shareholders	Shareholding at the beginning of the year		Shareholding at the end of the year	
	No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
NIL				

v) Shareholding of Directors and Key Managerial Personnel (KMP):

A. Directors (Other than KMP)

Particulars	Pankaj Patel	Sharvil Patel	Jyotindra Gor	Sujatha Rajesh
At the beginning of the year:				
Number of Shares	*1	*1	*1	Nil
% of total shares held	-	-	-	-
Date wise increase / decrease in shareholding:	Nil	Nil	Nil	Nil
At the end of the year:				
Number of Shares	*1	*1	*1	Nil
% of total shares held	-	-	-	-

*Shares held as nominee of Cadila Healthcare Limited

B. Key Managerial Personnel: N.A.**V. INDEBTEDNESS**

Indebtedness of the Company including interest outstanding / accrued but not due for payment:

Rs. in Lakh

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	-	-	-	-
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	-	-	-	-
Change in Indebtedness during the financial year				
Addition	-	-	-	-
Reduction	-	-	-	-
Net Change	-	-	-	-
Indebtedness at the end of the financial year				
i) Principal Amount	-	-	-	-
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	-	-	-	-

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL**A. Remuneration to Managing Director, Whole-time Directors and / or Manager: N.A.****B. Remuneration to other Director:****1. Independent Directors: N.A.**

2. Other Non-Executive Directors: N.A.

C. Remuneration to Key Managerial Personnel other than MD / Manager / WTD: N.A.

VII. PENALTIES / PUNISHMENT / COMPOUNDING OF OFFENCES:

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment / Compounding fees imposed	Authority (RD / NCLT / COURT)	Appeal made, if any (give details)
A. COMPANY					
Penalty	None				
Punishment					
compounding					
B. DIRECTORS					
Penalty	None				
Punishment					
Compounding					
C. OTHER OFFICERS IN DEFAULT					
Penalty	None				

On behalf of the Board of Directors

Pankaj R. Patel
Chairman

Date : October 7, 2019

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 2019 and the statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Standalone 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 accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2019, and loss, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit 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.

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

The Company's Board of Directors is responsible for the 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 Standalone 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 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 Standalone 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.

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 period 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

As the paid-up capital and reserves of the company are not more than rupees one crore, there is no outstanding loan exceeding rupees one crore from any bank or financial institution and it does not have turnover exceeding rupees ten crore at any point of time during the year, the Companies (Auditors' Report) Order, 2016 issued by the Central Government in terms of the provisions of sec. 143 (11) of the Companies Act, 2013 is not applicable.

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 Profit and Loss (including other comprehensive income), the Cash Flow Statement and statement of Changes in Equity 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 Rule 7 of the Companies (Accounts) Rules, 2014.
- e) On the basis of the written representations received from the directors as on 31st March, 2019 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2019 from being appointed as a director in terms of Section 164 (2) of the Act.
- f) Since turnover of the company is less than Rs. 50 Crores and Borrowing from banks or financial institution or any body corporate at any point of time during financial year is less than Rs. 25 Crores, the Internal Financial Control reporting not required.
- g) 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 does not have any pending litigations which would impact its financial position.
 - 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.

Place: Ahmedabad

Date: 7th October, 2019

UDIN: 19042132AAABME5465






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

C S Shah




Chandresh S. Shah

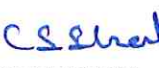

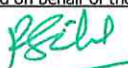
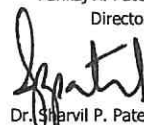
Partner

Membership No.: 042132

Zydus Foundation		
Balance Sheet as at March 31, 2019		
Particulars	Note No.	INR-lacs
		As at March 31 2019
ASSETS:		
Non-Current Assets:		
Property, Plant and Equipment	3	1,006
Intangible asset	3 [B]	4
Capital work-in-progress		2,500
Financial Assets:		
Other Financial Assets	4	67
Other Non-Current Assets	5	18
		3,595
Current Assets:		
Inventories	6	20
Financial Assets:		
Trade receivable	7	45
Cash and Cash Equivalents	8	544
Other Current Financial Assets	9	1,203
		1,792
Other Current Assets	10	9
		1,801
Total		5,416
EQUITY AND LIABILITIES:		
Equity:		
Equity Share Capital	11	5
Other Equity	12	791
		796
Non-Current Liabilities:		
Financial Liabilities:		
Other Non-Current Liabilities	13	1,125
		1,125
Current Liabilities:		
Financial Liabilities:		
Trade Payables:		
Due to Micro, Small and Medium Enterprise	14	-
Due to other than Micro, Small and Medium Enterprise	14	359
Other Financial Liabilities	15	3,137
		3,496
Total		5,416
Significant Accounting Policies	2	
Notes to the Financial Statements	1 to 26	
<u>As per our report of even date</u> Mukesh M. Shah & Co. Chartered Accountants Firm Registration Number: 106625W  Chandresh S. Shah Partner Membership Number: 042132 Ahmedabad, Dated: 07-10-2019		For and on behalf of the Board  Pankaj R. Patel Director  Dr. Sharvil P. Patel Director



Zydus Foundation		
Statement of Income and Expenditure for the year ended March 31, 2019		
Particulars	Note No.	INR-lacs
		For the period ended on March 31 2019
Revenue	17	378
Total Income		378
EXPENSES:		
Employee Benefits Expense	18	45
Finance Costs	19	6
Depreciation, Amortisation and Impairment expense		1
Project Hospital and Medical College Related expenses		2,054
Administration and other expenses	20	217
Total Expenses		2,323
Excess of Expenditure over income (before tax)		(1,945)
Tax Expense		-
Excess of Expenditure over income		(1,945)
Other Comprehensive Income for the year [Net of Tax]		-
Total Comprehensive Income for the year [Net of Tax]		(1,945)
Significant Accounting Policies	2	
Notes to the Financial Statements	1 to 26	
<u>As per our report of even date</u> Mukesh M. Shah & Co. Chartered Accountants Firm Registration Number: 106625W  CS Shah Chandresh S. Shah Partner Membership Number: 042132 Ahmedabad, Dated: 07-10-2019		For and on behalf of the Board  Pankaj R. Patel Director  Dr. Sharvil P. Patel Director

Zydus Foundation			
Statement of Changes in Equity for the year ended March 31, 2019			
a Equity Share Capital:			
	No. of Shares	INR-lacs	
Equity Shares of INR 10/- each, Issued, Subscribed and Fully Paid-up:			
As at March 31, 2019	50,000		5
	50,000		5
b Other Equity:			
	INR-lacs		
	Reserves and Surplus		Total
	Building Development Reserve [*]	Retained Earnings	
Opening balance			
Add: Excess of Expenditure over income		(1,945)	(1,945)
Add: Contribution received during the year for specific purpose	2,736	-	2,736
Total Comprehensive Income	2,736	(1,945)	791
As at March 31, 2019	2,736	(1,945)	791
			-
As per our report of even date		For and on behalf of the Board	
Mukesh M. Shah & Co. Chartered Accountants Firm Registration Number: 106625W  Chandresh S. Shah Partner Membership Number: 042132 Ahmedabad, Dated: 07.10.2019		  Pankaj R. Patel Director  Dr. Sharvil P. Patel Director	

Zydus Foundation

Note: 1-Company overview:

Zydus foundation ["the Company"] has been 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. The financial statements are presented in Indian Rupee [INR] which is also the functional currency of the company.

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 Donations/ Grants 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 recorded and recognised during the period in which the hospital service is provided. Revenue primarily comprises fees charged for inpatient and outpatient hospital services. Services include charges for accommodation, theatre, medical professional services, equipment, radiology, laboratory and pharmaceutical goods used.
- C Fees Income:**
- Fee income is stated gross of any expenditure and 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.



Note: 2-Significant Accounting Policies-Continued:**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.

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:

The determination of whether an arrangement is [or contains] a lease is based on the substance of the arrangement at the inception of the lease. Lease under which the Company assumes potentially all the risk and rewards of ownership are classified as finance lease. When acquired, such assets are capitalised at fair value or present value of the minimum lease payment at the inception of the lease, whichever is lower. Lease payments under operating leases are recognised as an expense on straight line basis in the Statement of Income and expenditure over the lease term, unless the payments are structured to increase in line with expected general inflation to compensate lessor's expected inflationary cost increases.

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:

- i The rights to receive cash flows from the asset have expired, or
- ii 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.



Note: 2-Significant Accounting Policies-Continued:**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 Standards issued but not yet effective:

The Ministry of Corporate Affairs has notified Companies [Indian Accounting Standards] Amendment Rules, 2019 and Companies [Indian Accounting Standards], Second Amendment Rules on March 30, 2019, containing the following new amendments to Ind AS which the Company has not applied as they are effective from April 1, 2019;

Ind AS 116 – Leases:

Ind AS 116 will replace the existing leases standard, Ind AS 17 Leases. Ind AS 116 sets out the principles for the recognition, measurement, presentation and disclosure of leases for both lessees and lessors. The standard introduces a single lease accounting model, requiring lessees to recognize right-of-use assets for granted rights of use and corresponding lease liabilities. However, Ind AS 116 contains the option of exercising exemptions for the recognition of short-term leases and those pertaining to low-value assets.

The Company will adopt Ind AS 116 effective from April 1, 2019, the Company will apply the standard to its leases, retrospectively, without restating the comparative figures. On the date of transition, the Company will be using the practical expedient provided by the standard and therefore, will not reassess whether a contract, is or contains a lease, at the date of initial application. On the date of initial application, the Company will recognise a lease liability measured at the present value of the remaining lease payments, using the incremental borrowing rate as of that date and right-of-use asset will be measured at the amount equal to lease liability adjusted for accrual and prepayment.

Initial direct costs will not be taken into account in the measurement of the right-of-use asset as of the date of first-time application.

In accordance with the standard, the Company will elect not to apply the requirements of Ind AS 116 to short-term leases and leases for which the underlying asset is of low value.

The Company is in the process of evaluating the impact of adoption of Ind AS 116 on its financial statements.



Zydus Foundation					
Notes to the Financial Statements					
Note: 3-Property, Plant & Equipment and Intangible Assets:					
[A] Property, Plant and Equipment:				INR-Lacs	
	<u>Computer and data processing</u>	<u>Furniture and fittings</u>	<u>Office equipments</u>	<u>Plant & Machinery</u>	<u>Total</u>
Gross Block:					
As at March 31, 2018	-	-	-	-	-
Addition			8		8
Transferred Assets	55	373	47	523	998
As at March 31, 2019	55	373	55	523	1,006
Depreciation and Impairment:					
As at March 31, 2018	-	-	-	-	-
Depreciation for the year [INR 30,910]	0	0	0	0	0
As at March 31, 2019	0	0	0	0	0
Net Block:					
As at March 31, 2019	55	373	55	523	1,006
[B] Intangible assets:					
	<u>Software</u>				<u>Total</u>
Gross Block:					
As at March 31, 2018	-				-
Transferred Assets	5				5
As at March 31, 2019	5				5
Depreciation and Impairment:					
As at March 31, 2018	-				-
Impairment for the year	1				1
As at March 31, 2019	1				1
Net Block:					
As at March 31, 2019	4				4
Note: 4-Other Financial Assets:					
[Unsecured, Considered Good unless otherwise stated]					
Security Deposits					12
Others					55
Total					67
Note: 5-Other Non-Current Assets:					
Others					18
Total					18
Note: 6-Inventories:					
Medicines and others					20
Total					20
Note: 7 -Trade receivable:					
Claims receivable					45
Total					45
Note: 8-Cash and Bank Balances:					
Cash and Cash Equivalents:					
Balances with Banks					544
Cash on Hand [INR 10,603]					0
Total					544
Note: 9-Other Current Financial Assets:					
Grant Receivable					1,125
Fees receivable					78
Total					1,203
Note: 10-Other Current Assets:					
[Unsecured, Considered Good]					
Advances [INR 34,000]					0
Prepaid Expenses					9
Total					9



Zydus Foundation Notes to the Financial Statements	
	INR-lacs
	As at March 31
	2019
Note: 11-Equity Share Capital:	
Authorised: 50,000 Equity shares of Rs. 10 each	5
Issued, Subscribed and Paid-up: 50,000 Equity shares of Rs. 10 each	5
Total	5
A Number of shares at the time of incorporation and at the end of the year	
Opening balance	-
Issued during the year	50,000
As at March 31, 2019	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	
Cadila Healthcare Limited and its nominees	
Number of Shares	50,000
% to total share holding	100%
Note: 12-Other Equity:	
Other Reserves:	
Building and Infrastructure Development Fund: [*]	
Balance as per last Balance Sheet	0
Add: Contribution received during the year for specific purpose	2,736
Balance as at the end of the year	2,736
Retained Earnings:	
Balance as per last Balance Sheet	-
Add: Excess of Expenditure over income	(1,945)
Balance as at the end of the year	(1,945)
Total	791
[*] Building and Infrastructure development fund has been set up specifically for the purpose of construction of Property, Plant and Equipment.	
Note: 13-Other Non Current Financial Liabilities:	
Government Grant	1,125
Total	1,125
Note: 14-Trade Payables:	
Due to Micro, Small and Medium Enterprise	-
Due to other than Micro, Small and Medium Enterprise	359
Total	359
Note: 15-Other Financial Liabilities:	
Payable to related party	2,991
Payable to Statutory Authorities	76
Caution Money Deposit	70
Total	3,137
Note: 16-Commitments [to the extent not provided for]:	
Commitments:	
a Estimated amount of contracts remaining to be executed on capital account and not provided for	30,948



Zydus Foundation	
Notes to the Financial Statements	
	INR-lacs
	Year ended March 31
Note: 17-Revenue:	
Sale of services	45
Fees income	333
Total	378
Note: 18-Employee Benefits Expense:	
Salaries and wages	45
Total	45
Note: 19-Finance Cost:	
Interest expense	6
Bank commission & charges [INR 19,500]	0
Total	6
Note: 20-Administration and other expenses:	
Fees paid to Professionals	127
Housekeeping Expenses	25
Security Expenses	13
Electricity Expenses	1
Medical Disposable and Consumable Expenses	29
Canteen Expenses	4
Computer and Internet Ex [INR 41,000]	0
Effluent Treatment Expenses	1
Fuel Expenses	1
Legal & professional Expenses	1
Misc. & Other Expenses	5
Printing & Stationary Expenses	2
Rent Expenses	2
Repairs and Maintenance-Building	4
Repairs and Maintenance Expense- Others	2
Travelling Expe [INR 9,000]	0
Total	217
Legal and Professional Fees include:	
Payment to the Statutory Auditors [excluding GST]:	
i - As Auditor	1
- For Other Services	-
- Total	1



Zydus Foundation
Notes to the Financial Statements

Note 21: -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

Cadila Healthcare Limited

b Fellow subsidiaries

Dialforhealth India Limited

Dialforhealth Unity Limited

Dialforhealth Greencross Limited

Zydus Healthcare Limited

Zydus Wellness Limited

M/s. Zydus Wellness-Sikkim, a Partnership Firm [#]

Zydus Nutritions Limited [#]

Liva Pharmaceuticals Limited

Liva Nutritions Limited

Liva Investment Limited

Heinz India Private Limited

Zydus Technologies Limited

Acme Pharmaceuticals Private Limited

Alidac Pharmaceuticals Limited

Violio Healthcare Limited

Violio Pharmaceuticals Limited

Windlas Healthcare Private Limited

Zydus Lanka (Private) Limited [Sri Lanka]

Zydus Healthcare Philippines Inc. [Philippines]

Zydus International Private Limited [Ireland]

Zydus Netherlands B.V. [the Netherlands]

Etna Biotech S.R.L. [Italy]

[#] M/s. Zydus Wellness- Sikkim, a partnership firm, was converted into a public limited company, in the name of Zydus Nutritions Limited, w.e.f. February 28, 2019.

Zydus Pharmaceuticals (USA) Inc. [USA]

Nesher Pharmaceuticals (USA) LLC [USA]

Zydus Healthcare (USA) LLC [USA]

Sentynl Therapeutics Inc. [USA]

Zydus Noveltex Inc. [USA]

Hercon Pharmaceuticals LLC [USA]

Viona Pharmaceuticals Inc. [USA]

ZAHL B.V. [the Netherlands]

ZAHL Europe B.V. [the Netherlands]

Bremer Pharma GmbH [Germany]

Windlas Inc [USA]

Zydus Healthcare S.A. (Pty) Ltd [South Africa]

Simayla Pharmaceuticals (Pty) Ltd [South Africa]

Script Management Services (Pty) Ltd [South Africa]

Zydus France, SAS [France]

Laboratorios Comibix S.L. [Spain]

Zydus Nikkho Farmaceutica Ltda. [Brazil]

Zydus Pharmaceuticals Mexico SA De CV [Mexico]

Zydus Pharmaceuticals Mexico Services Company SA De C.V.[Mexico]

Zydus Worldwide DMCC [Dubai]

Zydus Discovery DMCC [Dubai]

Alidac Healthcare (Myanmar) Limited [Myanmar]

c Enterprises significantly influenced by Directors and their relatives of company and its Holding Company

Zydus Infrastructure Private Limited

Cadmach Machinery Company Private Limited

Ramanbhai Foundation

d Key managerial personnel

Pankaj R. Patel

Director

Jyotindra B. Gor

Director

Dr. Sharvil P. Patel

Director

Sujatha Rajesh

Director

B Transactions with Related Parties:

The following transactions were carried out with the related parties in the ordinary course of business and at arm's length terms:

a Details relating to parties referred to in Note 21-A [a, b]

Value of the Transactions [INR-lacs]		
Year ended March 31, 2019		
Nature of Transactions	Subsidiary Companies	Enterprises significantly influenced by Directors and/ or their relatives
Equity share capital:		
Subscription to equity shares by holding company	5	
Outstanding:		
Payable:		
Ramanbhai Foundation		2,991
Reimbursement of Expenditure [Project Hospital and Medical College Related expenses]:		
Ramanbhai Foundation		2,054
Reimbursement of Capital Expenditure [Project Hospital and Medical College Related expenses]:		
Ramanbhai Foundation		937
CSR contribution:		
Cadila Healthcare Limited	2,155	
Zydus Healthcare Limited	269	
Zydus Wellness Limited	231	
others	81	
	<u>2,736</u>	
Interest:		
Zydus Healthcare Limited	7	



Zydus Foundation		
Notes to the Financial Statements		
Note 22:		
Pursuant to tripartite agreement between the Company, Cadila Healthcare Limited and Ramanbhai Foundation, the Company had taken over operations of the Zydus Medical College and Hospital at Dahod [the Project] for the financial year 2018-19. In compliance of terms of the agreement the Company had recorded in its books the book value of assets and liabilities pertaining to the Project and its corresponding income and expenditure.		
Note: 23-Financial Instruments:		
A Fair values Financial Assets: The carrying amounts of trade receivables, loans and advances to related parties and other financial assets cash and cash equivalents are considered to be the approximately equal to the fair values. Financial Liabilities: Fair values of other financial liabilities and trade payables are considered to be approximately equal to the carrying values.		
Note: 24-Financial Risk Management:		
A Financial instruments by category:		
	INR-lacs	
	As at March 31, 2019	
	Amortised Cost	Total
Financial assets:		
Non Current Other Financial Assets	67	67
Cash and Cash Equivalents	544	544
Other Current Financial Assets	1,203	1,203
Total	1,814	1,814
Financial liabilities:		
Trade payables	359	359
Other Current Financial Liabilities	3,137	3,137
Total	3,496	3,496
B Risk Management:		
The Company's activities expose it to market risk, liquidity risk and credit risk. This note explains the sources of risk which the entity is exposed to and how the entity manages the risk and the related impact in the financial statements.		
The Company's risk management is done in close co-ordination with the board of directors and focuses on actively securing the Company's short, medium and long term cash flows by minimizing the exposure to volatile financial markets. The company's capital management is intended to create value for shareholders by facilitating meeting of long term and short term goals of the Company. The most significant financial risks to which the Company is exposed are described below:		
a Credit risk:		
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.		
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.		
Maturities of financial liabilities:		
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.		
	INR-lacs	
	As at March 31, 2019	
	< 1 year	Total
Non-derivative Financial Liabilities:		
Trade payable	359	359
Other Current Financial Liabilities	3,137	3,137
Total	3,496	3,496
e Interest rate risk:		
The sensitivity analysis have been determined based on the exposure to interest rates for financials assets and liabilities at the end of the reporting period. The Company does not have variable rate instruments as at the balance sheet date.		
This mitigates the company interest rate risk.		



Zydus Foundation	
Notes to the Financial Statements	
Note 25:	
The Company does not have suppliers who are registered as micro, small or medium enterprise under the Micro, Small and Medium Enterprises Development Act, 2006 as at 31st March, 2019. The information regarding micro, small and medium enterprises has been determined on the basis of information available with the management.	
Note 26:	
This being the first year of operation of the company comparative figures are not provided.	
Signatures to Significant Accounting Policies and Notes 1 to 26 to the Financial Statements	
<p><u>As per our report of even date</u></p> <p>Mukesh M. Shah & Co. Chartered Accountants Firm Registration Number: 106625W</p> <p><i>CSShad</i></p> <p>Chandresh S. Shah Partner Membership Number: 042132 Ahmedabad, Dated: 07.10.2019</p>	<p style="text-align: right;"><u>For and on behalf of the Board</u></p> <p style="text-align: right;"><i>Pankaj R. Patel</i></p> <p style="text-align: right;">Pankaj R. Patel Director</p> <p style="text-align: right;"><i>Dr. Sharvil P. Patel</i></p> <p style="text-align: right;">Dr. Sharvil P. Patel Director</p>



Zydus Foundation	
Cash Flow Statement for the year ended March 31, 2019	
Particulars	INR-Lacs
	the period ended on March 2019
A Cash flows from operating activities:	
Profit before tax	(1,945)
Adjustments for:	
Depreciation and amortisation expense	1
Interest income	-
Total	1
Operating profit before working capital changes	(1,945)
Adjustments for:	
[Increase] in inventories	(20)
[Increase] in trade receivable	(45)
[Increase] in other Non current assets	(85)
[Increase] in other current assets	(87)
Increase in trade payables	359
Increase in other non current liabilities	(1,125)
Increase in other current liabilities	3,137
Total	2,134
Cash generated from operations	189
Direct taxes paid [Net of refunds]	-
Net cash from operating activities	189
B Cash flows from investing activities:	
Purchase of property, plant and equipment	(3,511)
Contribution received for specific purpose	2,736
Grant received	1,125
Interest received	-
Net cash [used in]/ from investing activities	350
C Cash flows from financing activities:	
Issue of equity shares	5
Net cash [used in] financing activities	5
Net [Decrease]/ Increase in cash and cash equivalents	544
Cash and cash equivalents at the beginning of the year	-
Cash and cash equivalents at the end of the year	544
Notes to the Cash Flow Statement	
1 The above cash flow statement has been prepared under the "Indirect method" as set out in Ind AS-7 "Statement of Cash Flows".	
2 All figures in brackets are outflows.	
3 Cash and cash equivalents comprise of:	
	As at March 31, 2019
a Cash on Hand	0
b Balances with Banks	544
c Total	544
<p><u>As per our report of even date</u></p> <p>Mukesh M. Shah & Co.</p> <p>Chartered Accountants</p> <p>Firm Registration Number: 106625W</p> <p><i>C S Shah</i></p> <p>Chandresh S. Shah</p> <p>Partner</p> <p>Membership Number: 042132</p> <p>Ahmedabad, Dated: 07-10-2019</p>	
<p><i>[Stamp: MUKESH M. SHAH & CO., 7, Heritage Chambers, Nehru Nagar, Ambawadi, Ahmedabad-15, CHARTERED ACCOUNTANTS]</i></p> <p><u>For and on behalf of the Board</u></p> <p><i>[Signature]</i></p> <p>Pankaj R. Patel</p> <p>Director</p> <p><i>[Signature]</i></p> <p>Dr. Sharvil P. Patel</p> <p>Director</p>	