

Zydus Foundation

Registered Office:

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

CIN: U85300GJ2019NPL105919

Phone: 079-48040000

Website: www.zydusfoundation.com

February 10, 2023

Listing Department

NATIONAL STOCK EXCHANGE OF INDIA LIMITED

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

Sub: **Outcome of Board Meeting**

Dear Sir / Madam,

The Board of Directors at their meeting held today i.e. February 10, 2023, approved the unaudited financial results for the quarter / nine months ended on December 31, 2022.

In this regard, please find enclosed the following:

1. the unaudited financial results for the quarter / nine months ended on December 31, 2022, approved by the Board of Directors pursuant to regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“the **Listing Regulations**”).
 2. the Limited Review Report of M/s. Mukesh M. Shah & Co., Chartered Accountants and the Statutory Auditors of the Company certifying the limited review of the unaudited financial results of the Company for the quarter / nine months ended on December 31, 2022 pursuant to regulation 52 of the Listing Regulations. Please note that the said limited review report is with unmodified opinion.
 3. the asset cover certificate certified by the Statutory Auditors of the Company.
- Further, pursuant to regulation 52(7) of the Listing Regulations, we hereby declare that the funds raised from the issue proceeds have been fully utilized, as per the purpose mentioned in the Information Memorandum.
 - The Board Meeting commenced at 4:00 p.m. and concluded at 4:25 p.m.

Please receive the information and disclosures in order.

Thanking you,

Yours faithfully,

For, **ZYDUS FOUNDATION**

DHWANI TRIVEDI
COMPANY SECRETARY

Encl.: As above

Zydus Foundation

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Statement of Income and Expenditure for the quarter and Nine Months ended 31/12/2022

Particulars	Rupees in Lakh					
	3 Months ended 31/12/2022	Preceding 3 Months ended 30/09/2022	Corresponding 3 Months ended 31/12/2021 in the previous year	Year to date figures for current period ended 31/12/2022	Year to date figures for previous period ended 31/12/2021	Previous Year ended 31/03/2022
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
Income:						
Revenue from operations	3,196	2,300	1,291	7,768	3,643	6,275
Other Income	314	332	528	1,001	1,699	1,297
Total Income	3,510	2,632	1,819	8,769	5,342	7,572
Expenses:						
Employee Benefits Expense	1,035	1,010	871	2,981	2,519	3,384
Finance Costs	270	272	280	844	839	1,119
Depreciation, Amortisation and Impairment expense	423	411	390	1,236	726	1,115
Administration and other expenses	896	981	848	2,607	1,805	2,435
Total Expenses	2,624	2,674	2,389	7,668	5,889	8,053
Surplus/[Deficit] before tax	886	(42)	(570)	1,101	(547)	(481)
Tax Expense	-	-	-	-	-	-
Surplus/[Deficit] after tax	886	(42)	(570)	1,101	(547)	(481)
Other Comprehensive [loss]/Income for the year						
Items that will not be reclassified to profit or loss:						
Re-measurement losses on post employment defined benefit	0.26	3	(3)	2	(9)	(4)
Total Comprehensive Income/[Loss] for the year	886	(39)	(573)	1,103	(556)	(485)
Paid-up equity share capital (Face value Re. 10/-)	5	5	5	5	5	5
Reserves excluding Revaluation Reserve (i.e. Other Equity)						19,146
Debt Equity Ratio	0.79	0.83	1.11	0.79	1.11	0.97
Debt Service Coverage Ratio	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
Interest Service Coverage Ratio	4.69	1.14	(1.53)	2.58	(0.81)	0.41
Current Ratio	1.81	1.01	0.48	1.81	0.48	1.60
Long term debt to working capital	5.85	325.01	(9.97)	5.85	(9.97)	9.64
Bad debts to Account receivable ratio	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
Current liability ratio	0.13	0.17	0.14	0.13	0.14	0.12
Total debts to total assets	0.35	0.36	0.44	0.35	0.44	0.41
Debtors turnover *	8.89	9.02	8.04	7.20	7.56	6.36
Inventory turnover *	146.10	96.84	49.42	118.37	46.48	68.50
Operating margin (%)	39.58%	13.43%	-33.15%	28.06%	-18.7%	7.3%
Net profit margin (%)	27.72%	-1.83%	-44.2%	14.17%	-15.0%	-7.7%

* Ratios for the quarter/Nine Months have been annualised

Notes:

- The above financial results were approved by the Board of Directors at their meeting held on February 10, 2023.
- The above financial results have been prepared in accordance with the Companies [Indian Accounting Standards] Rules, 2015 [Ind AS] prescribed under Section 133 of the Companies Act, 2013 and other recognised accounting practices and policies to the extent applicable.
- The Company had issued and allotted Unsecured Redeemable Non-convertible Debentures [NCD] which are due for its repayment as shown below. The total NCDs outstanding as on December 31, 2022 amount to INR 16,000 [as at March 31, 2022 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 16.63 Lakh]

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

The cumulative amount of outstanding NCDs as on December 31, 2022 of INR 16,000 [as at March 31, 2022 INR 18,500] Lakh is disclosed as under:

INR 13,348 Lakh [as at March 31, 2022 INR 14,658] under the head of "Borrowings";

INR 1,533 Lakh [as at March 31, 2022 INR 2,651] under the head of "Other Non Current Financial Liabilities"; and

INR 1,119 Lakh [as at March 31, 2022 INR 1,191] under the head of "Other current financial Liabilities"

Value of Debenture Redemption Reserve as on December 31, 2022 is INR NIL. The Company is a Section 8 Company, hence disclosure for EPS is not applicable.

- Debt Equity Ratio = Total Borrowings / Total Equity

Total Borrowings = Long Term Borrowings + Short Term Borrowings

Total Equity = Equity Share Capital + Other Equity

Debt Service Coverage Ratio = Earnings before Finance cost, Depreciation & Amortisation and Tax / Current Maturities of Long Term Debt

[No current maturity in the reporting period, hence this ratio is not applicable]

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

Current Ratio = Current Assets / Current Liabilities

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

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

Current liability ratio = Total Current Liabilities / Total Assets

Total debts to total assets = Total Borrowings / Total Assets

Debtors turnover = Gross Revenue / Average Account receivable

Inventory turnover = Gross Revenue/ Average Inventory

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

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

- The security cover certificate as per Regulation 54(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 is attached as Annexure 1 to this financial results.

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

By order of the Board,
For Zydus Foundation



Jyotindra B. Gor
Director
DIN : 06439935

Date: February 10, 2023
Place: Ahmedabad

MUKESH M. SHAH & CO.

CHARTERED ACCOUNTANTS

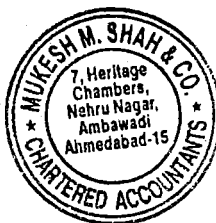
INDEPENDENT AUDITOR'S REVIEW REPORT ON REVIEW OF INTERIM FINANCIAL RESULTS

To,

The Board of Directors of Zydus Foundation

1. We have reviewed the accompanying statement of Unaudited Financial Results of Zydus Foundation ['the Company'], for the quarter and nine months ended on December 31, 2022 ['the Statement']. This statement is the responsibility of the Company's Management and approved by the Company's Board of Directors. Our responsibility is to express a conclusion on the statement based on our review.
2. We conducted our review in accordance with the Standard on Review Engagement (SRE) 2410, 'Review of Interim Financial Information Performed by the Independent Auditor of the Entity' issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the statements are free of material misstatement. A review of interim financial information consists of making inquiries, primarily of the Company's personnel responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing specified under section 143(10) of the Companies Act, 2013 and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.
3. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with recognition and measurement principles laid down in the aforesaid Indian Accounting Standard (Ind AS) and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, including the manner in which it is to be disclosed, or that it contains any material misstatement.

Place: Ahmedabad
Date: February 10, 2023
UDIN: 23129675BGXDSE1810



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

Karnik K. Shah

Karnik K. Shah
Partner
Membership No. 129675

MUKESH M. SHAH & CO.

CHARTERED ACCOUNTANTS

To,
The Board of Directors
Zydus Foundation
Ahmedabad

Independent Auditor's Certificate on the Statement of maintenance of security cover in respect of unsecured, listed, rated, redeemable, non-convertible debentures as at 31 December 2022.

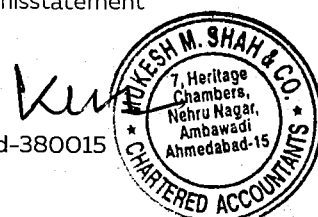
1. This Certificate is issued in accordance with the terms of our engagement letter with Zydus Foundation ("Company"), a Company registered under Section 8 of the Companies Act, 2013 ("the Act") and pursuant to Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and SEBI Circular No. SEBI/HO/MIRSD/MIRSD_CRADT/CIR/P/2022/67 dated 19 May 2022 (Collectively referred to as "Regulations").
2. We have examined the details given in the attached statement (referred as the "Statement") prepared by the management, stamped by us for identification purpose, containing:
 - a. Computation of Security cover as on 31 December 2022;
 - b. Details of book value of assets and liabilities of the Company as on 31 December 2022 as per the Regulations; and
 - c. Statement of compliance with the covenants for the period ended 31 December 2022.

Management's Responsibility

3. The Compliance with the Regulations & other applicable circular, the terms & covenants of the Non-Convertible Debentures ("NCDs") as per the Offer Document/Information Memorandum and Debenture Trust Deed and calculation of security cover as given in the attached Statement is the responsibility of the Company's management. This responsibility includes the design, implementation and maintenance of internal controls relevant to the preparation and presentation of the Statement. The management is also responsible for ensuring that the Company complies with the requirements, including those given in the Regulations and provides all relevant information to the Debenture Trustee and National Stock Exchange of India Limited.

Auditor's Responsibility

4. Our responsibility for the purpose of this certificate is to express limited assurance as to whether anything has come to our attention that causes us to believe that the details included in the accompanying Statement regarding listed debt securities of the Company outstanding as at 31st December, 2022 are, in all material respects, not in agreement with the unaudited standalone financial information of the company, underlying books of account and other relevant records and documents maintained by the Company for the quarter ended 31st December, 2022.
5. The unaudited standalone financial information, referred to in paragraph 4 above, have been reviewed by us, on which we have expressed an unmodified conclusion vide our report dated 10th February, 2023. Our review of unaudited standalone financial information was conducted in accordance with the Standard on Review Engagements (SRE) 2410, Review of Interim Financial Information performed by the Independent Auditor of the Entity, issued by the Institute of Chartered Accountants of India ("the ICAI"). This Standard requires that we plan and perform the review to obtain moderate assurance as to whether the financial information is free of material misstatement. A review is limited primarily to inquiries of the company personnel and analytical procedures applied to the financial data and thus, provides less assurance than an audit. We have not performed an audit and accordingly, we did not express an audit opinion.
6. The procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement; and consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained, had a reasonable assurance engagement been performed. The procedures selected depend on the auditor's judgement, including the assessment of the areas where a material misstatement



MUKESH M. SHAH & CO.

CHARTERED ACCOUNTANTS

of the subject matter information is likely to arise. We have performed the following procedures in relation to the accompanying statement:

- 6.1 Obtained the unaudited standalone financial information, underlying books of account and other relevant records and documents of the Company as at and for the period ended 31st December 2022;
- 6.2 Traced the amounts in the Statement, in relation to the computation of Security cover, to the unaudited standalone financial information of the Company as at and for the period ended 31st December 2022;
- 6.3 Ensured arithmetical accuracy of the computation of security cover in the Statement;
7. We have performed verification procedures, in accordance with the Guidance Note on Audit Reports and Certificates for Special Purposes issued by the Institute of Chartered Accountants of India ("ICAI"). We have complied with the relevant applicable requirements of the Standard on Quality Control ("SQC") 1, on Quality Control for Firms that perform Audits and Reviews of Historical Financial Information, and other Assurance and Related Service Engagements.

Conclusion

8. Based on the procedures performed mentioned in paragraph 6, evidence obtained, and the information and explanations given to us, along with the representations provided by the management, nothing has come to our attention that causes us to believe that the details included in the accompanying statement regarding listed debt securities of the company outstanding as at 31st December 2022 are, in all material respects, not in agreement with the unaudited standalone financial information of the company, underlying books of account and other relevant records and documents maintained by the company for the quarter ended 31st December 2022.

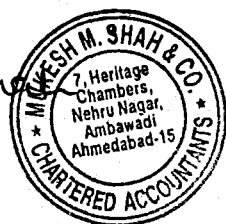
Restriction on Use

9. This certificate is issued for the purpose of submission by the Company to the National stock exchange of India Limited and its Debenture Trustees pursuant to the Regulations and should not be used, referred to or distributed for any other purpose or by any person other than the addressees of this report. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this certificate is shown or into whose hands it may come without our prior consent in writing.

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

Karnik K. Shah

Karnik K. Shah
Partner
Membership Number.: 129675



UDIN: 23129675BGXDSF9023
Place: Ahmedabad
Date: 10th February 2023

Annexure I - security cover certificate as per Regulation 54(3) of the Securities and Exchange Board of India (Listing Obligation and Disclosure Requirement) Regulation, 2015 as on 31/12/2022.

A	B	C	D	E	F	G	H	I	J	K	L	M	N	O
Particulars	Description of asset for which this certificate relate	Exclusi	Exclusi	Pari-	Pari-Passu	Pari-Passu	Assets not offered	Elimination	(Total C to H)	Related to only those items covered by this certificate				
		ve Charge	ve Charge	Passu Charge	Charge	Charge	as Security	(amount in negative)		Market	Carrying / book value for	Market	Carrying value/book value	Total
		Debt for which this certificate being issued	Other Secured Debt	Debt for which this certificate being issued	Assets shared by pari passu debt holder (includes debt for which this certificate is issued & other debt with paripassu charge)	Other assets on which there is pari-Passu charge (excluding items covered in column F)		debt amount considered more than once (due to exclusive plus pari passu charge)		Value for Assets charged on Exclusive basis	exclusive charge assets where market value is not ascertainable or applicable (For Eg. Bank Balance, DSRA market value is not applicable)	Value for Pari passu charge Assets	for pari passu charge assets where market value is not ascertainable or applicable (For Eg. Bank Balance, DSRA market value is not applicable)	Value (=K+L+M+N)
		Book Value	Book Value	Book Value	Book Value	Book Value						Relating to Column F		
ASSETS														
	Property, Plant and Equipment						39,002		39,002					
	Capital Work-in- Progress						116		116					
	Right of Use Assets						-		-					
	Goodwill						-		-					
	Intangible Assets						32		32					
	Intangible Assets under Development								-					
	Investments								-					
	Loans								-					
	Inventories						83		83					
	Trade Receivables						1,604		1,604					
	Cash and Cash Equivalents						1,122		1,122					
	Bank Balances other than Cash and Cash Equivalents								-					
	Others						4,038		4,038					
	Total	-	-	-	-	-	45,997	-	45,997	-	-	-	-	-
LIABILITIES														
	Debt securities to which this certificate pertains								-					
	Other debt sharing pari-passu charge with above debt								-					
	Other Debt								-					
	Subordinated debt								-					
	Borrowings						13,348		13,348					
	Bank								-					
	Debt Securities								-					
	Others								-					
	Trade payables						40		40					
	Lease Liabilities								-					
	Provisions						352		352					
	Others						11,946		11,946					
	Total	-	-	-	-	-	25,686	-	25,686	-	-	-	-	-
	Cover on Book Value						0.35							
	Cover on Market Value ix													
		Exclusi				Pari-Passu Security								
		ve Secur				Cover Ratio								
		ity Cover												
		Ratio												

