

INDEPENDENT AUDITOR'S REPORT

To the Members of Coca-Cola India Foundation

Report on the Audit of the Ind AS Financial Statements**Opinion**

We have audited the accompanying Ind AS financial statements of Coca-Cola India Foundation ("the Company"), which comprise the Balance Sheet as at 31 March 2019, and the Statement of Income and Expenditure (including other Comprehensive Income), Statement of Changes in Equity and Statement of Cash Flow 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 Ind AS 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 Indian Accounting Standards (Ind AS) prescribed under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 and the Companies (Indian Accounting Standard) Rules, 2015, as amended and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2019, and its profit (including other comprehensive income), 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 Ind AS 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 (ICAI) together with the ethical requirements that are relevant to our audit of the Ind As 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 Ind AS Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the other information. The other information comprises the Director's report but does not include the Ind AS Financial Statements and our auditor's report thereon.

Our opinion on the Ind AS Financial Statements does not cover the other information and we will not express any form of assurance conclusion thereon.



In connection with our audit of the Ind AS Financial Statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the Ind AS Financial Statements or our knowledge obtained in the 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.

Responsibilities of Management and Those Charged with Governance for the Ind AS 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 Ind AS 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 read with the Companies (Indian Accounting Standard) Rules, 2015. 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 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 Ind AS financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Ind AS financial statements, the Board of Directors 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 the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibilities for the Audit of the Ind AS Financial Statements

Our objectives are to obtain reasonable assurance about whether the Ind AS 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 Ind AS financial statements.

We give in "Annexure A" a detailed description of Auditor's responsibilities for Audit of the Ind AS financial statements.



Report on Other Legal and Regulatory Requirements

1. This Report does not include 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, since in our opinion and according to the information and explanations given to us, the said Order is not applicable to the Company.
2. 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, 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 Ind AS 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 31 March 2019 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2019 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 with reference to Ind AS financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
 - (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.



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3. In our opinion, according to information, explanations given to us, the provisions of Section 197 of the Act and the rules thereunder are not applicable to the Company as it is a private Company.

For **MSKA & Associates**
Chartered Accountants
ICAI Firm Registration No.: 105047W



Amit Mitra
Partner
Membership No.: 094518
UDIN: 19094518AAAABQ3443



Place: Gurugram
Date: 26 August 2019

ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT ON EVEN DATE ON THE IND AS FINANCIAL STATEMENTS OF COCA-COLA INDIA FOUNDATION

Auditor's Responsibilities for the Audit of the Ind AS Financial Statements

As part of an audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India ("SAs"), we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- 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.
- 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 Act, we are also responsible for expressing our opinion on whether the Company has internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- 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.
- 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.




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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.

For **MSKA & Associates**
Chartered Accountants
ICAI Firm Registration No.: 105047W


Amit Mitra
Partner
Membership No.: 094518
UDIN: 19094518AAAABQ3443



Place: Gurugram
Date: 26 August 2019

ANNEXURE B TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE IND AS FINANCIAL STATEMENTS OF COCA-COLA INDIA FOUNDATION

[Referred to in paragraph 2(f) under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditor's Report]

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls with reference to the Ind AS financial statements of Coca-Cola India Foundation ("the Company") as of 31 March 2019 in conjunction with our audit of the Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's Management is responsible for establishing and maintaining internal financial controls based on the internal control with reference to financial statements 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) (the "Guidance Note"). 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.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with 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. 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 internal financial controls with reference to financial statements 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 internal financial controls with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, 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 risks of 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 with reference to Ind AS financial statements.



Meaning of Internal Financial Controls with reference to Financial Statements

A Company's internal financial control with reference to financial statements 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 with reference to financial statements 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 with reference to financial statements

Because of the inherent limitations of internal financial controls with reference to financial statements, 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 with reference to financial statements to future periods are subject to the risk that the internal financial control with reference to financial statements 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, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2019, 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.

For **MSKA & Associates**
Chartered Accountants
ICAI Firm Registration No. 105047W


Amit Mitra
Partner
Membership No.: 094518
UDIN: 19094518AAAABQ3443



Place: Gurugram
Date: 26 August 2019

Coca-Cola India Foundation
Balance Sheet as at 31 March 2019

(₹ in '000)

	Notes	As at 31 March 2019	As at 31 March 2018
Assets			
Current assets			
Financial assets			
- Cash and cash equivalent	3	9,905	4,234
- Loans	4	47	22
Other current assets	5	66	153
		10,018	4,409
Total		10,018	4,409
Equity and liabilities			
Equity			
Equity share capital	6	500	500
Other equity	7	2,191	(1,902)
		2,691	(1,402)
Liabilities			
Non-current liabilities			
Long term provisions	8	3,082	3,058
		3,082	3,058
Current liabilities			
Financial liabilities			
Trade payables	9		
(A) total outstanding dues of micro enterprises and small enterprises;		94	-
(B) total outstanding dues of creditors other than micro enterprises and small enterprises		2,574	1,695
Short term provisions	8	861	520
Other current liabilities	10	716	538
		4,245	2,753
Total		10,018	4,409
Summary of significant accounting policies	2.1		

The accompanying notes are an integral part of the financial statements.

As per our report of even date

For **MSKA & Associates**
Chartered Accountants
ICAI Firm Registration No. : 105047W



Amit Mitra
Partner
Membership No.: 094518



Place: Gurugram
Date: 26 August 2019

For and on behalf of the Board of Directors of
Coca-Cola India Foundation


Ishteyaque Amjad
Director
DIN: 02828738


Reetima Rakyan
Director
DIN: 08464868

Place: Gurugram
Date: 26 August 2019



Coca-Cola India Foundation

Statement of Income and Expenditure for the year ended 31 March 2019


(₹ in '000)

	Notes	For the year ended 31 March 2019	For the year ended 31 March 2018
Income			
Donation received	11	87,500	52,000
Total income		87,500	52,000
Expenditure			
Donation given for projects execution expenses		69,121	41,595
Employee benefits expense	12	9,465	6,743
Other expenses	13	5,197	2,259
Total expenditure		83,783	50,597
Surplus before tax		3,717	1,403
Tax expenses			
Current tax		-	-
Total tax expense		-	-
Surplus for the year		3,717	1,403
Other comprehensive income			
Other comprehensive income not to be reclassified to statement of income and expenditure:			
Re- measurement (gains/losses) on defined benefit plans	14	376	(848)
Other comprehensive (income/deficit) for the year (net of tax)		376	(848)
Total comprehensive income for the year		4,093	555
Earnings per equity share [nominal value of share ₹10 (31 March 2018: ₹10)]			
Basic and diluted	15	81.86	11.10
Summary of significant accounting policies	2.1		

The accompanying notes are an integral part of the financial statements.

As per our report of even date

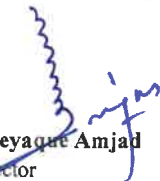
For MSKA & Associates
Chartered Accountants
ICAI Firm Registration No. : 105047W


Amit Mitra
Partner
Membership No.: 094518



Place: Gurugram
Date: 26 August 2019

For and on behalf of the Board of Directors of
Coca-Cola India Foundation


Ishteyaq Amjad
Director
DIN: 02828738


Reetima Rakan
Director
DIN: 08464868

Place: Gurugram
Date: 26 August 2019

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Coca-Cola India Foundation
Statement of Changes in Equity for the year ended 31 March 2019

A. Equity share capital

Equity Shares of ₹10 each issued, subscribed and fully paid up

	Number of shares	₹ in '000
Balance as at 1 April 2017	50,000	500
Changes in share capital during the year	-	-
Balance as at 31 March 2018	50,000	500
Changes in share capital during the year	-	-
Balance as at 31 March 2019	50,000	500

B. Other equity

	₹ in '000
Surplus/ (deficit) in statement of income and expenditure	
At 31 March 2017	(2,457)
Surplus for the year	1,403
Items of other comprehensive income not to be reclassified to statement of income and expenditure	
- Remeasurement (losses) of post- employment benefit obligations	(848)
At 31 March 2018	(1,902)
Surplus for the year	3,717
Items of other comprehensive income not to be reclassified to statement of income and expenditure	
- Remeasurement (gain) of post- employment benefit obligations	376
At 31 March 2019	2,191

The accompanying notes are an integral part of the financial statements.

As per our report of even date

For **MSKA & Associates**
Chartered Accountants
ICAI Firm Registration No. : 105047W


Amit Mitra
Partner
Membership No.: 094518



Place: Gurugram
Date: 26 August 2019

For and on behalf of the Board of Directors of
Coca-Cola India Foundation


Ishteyaque Amjad
Director
DIN: 02828738

Place: Gurugram
Date: 26 August 2019


Reetima Rakyan
Director
DIN: 08464868



Coca-Cola India Foundation
Statement of Cash Flows for the year ended 31 March 2019

(₹ in '000)

	For the year ended 31 March 2019	For the year ended 31 March 2018
Cash flow from operating activities		
Surplus before tax	3,717	1,403
Operating surplus before working capital changes	3,717	1,403
Movements in working capital:		
Increase in financial liabilities - trade payables	973	593
Increase / (Decrease) in other current liabilities	178	(70)
Increase / (Decrease) in short term provisions	717	(1,985)
Increase in long term provisions	24	829
(Increase) / Decrease in financial assets - loans	(25)	32
(Increase) / Decrease in other current assets	87	(84)
Cash generated from operations	5,671	718
Income Tax paid	-	-
Net cash from operating activities	(A) 5,671	718
Cash flows from investing activities	(B) -	-
Cash flows from financing activities	(C) -	-
Net increase in cash and cash equivalents (A+B+C)	5,671	718
Cash and cash equivalents at the beginning of the year	4,234	3,516
Cash and cash equivalents at the end of the year	9,905	4,234
Components of cash and cash equivalents		
Balances with banks:		
- On current accounts	9,905	4,234
Total cash and cash equivalents (note 3)	9,905	4,234

The accompanying notes are an integral part of the financial statements.

As per our report of even date

For **MSKA & Associates**
Chartered Accountants
ICAI Firm Registration No. : 105047W


Amit Mitra
Partner
Membership No.: 094518



Place: Gurugram
Date: 26 August 2019

For and on behalf of the Board of Directors of
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Ishteyaque Anjad
Director
DIN: 02828738

Place: Gurugram
Date: 26 August 2019


Reetima Rakyan
Director
DIN: 08464868



Coca-Cola India Foundation

Notes to financial statements for the year ended 31 March 2019

1. Corporate information

Coca-Cola India Foundation (“the Company”) was incorporated under section 25 of the Companies Act 1956 (Section 8 of the Companies Act, 2013) in India on 17 September 2008 as a non-profit organisation. It aims to promote charitable activities in the field of water sustainability, climate change, waste management, energy management, social development/empowerment, healthy living, and education and to preserve the cultural and national heritage of India, without any profit motive. The registered office of the Company is located at 13, Abul Fazal Road, Bengali Market, New Delhi, India - 110001.

The financial statements were authorised for issue in accordance with a resolution of the board of directors on August 26, 2019.

2. Basis of preparation:

The financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 as amended.

The financial statements have been prepared on a historical cost basis.

The financial statements are presented in Indian Rupees (‘₹’) and all values are rounded to the nearest thousands (₹ in '000), except otherwise indicated.

2.1 Summary of significant accounting policies

A summary of significant accounting policies, which have been applied, are set out below. The Company does not carry on business for profit and accordingly, a Statement of Income and Expenditure has been prepared.

a. Current versus non-current classification

The Company presents assets and liabilities in the Balance Sheet based on current/ non-current classification. An asset is treated as current when it is:

- i. expected to be realised or intended to be sold or consumed in normal operating cycle;
- ii. held primarily for the purpose of trading;
- iii. expected to be realised within twelve months after the reporting period; or
- iv. cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is current when:

- i. it is expected to be settled in normal operating cycle;
- ii. it is held primarily for the purpose of trading;
- iii. it is due to be settled within twelve months after the reporting period; or
- iv. there is no unconditional right to defer the settlement of the liability for at least twelve months after the end of the reporting period

The Company classifies all other liabilities as non-current.

The Company has identified twelve months as its operating cycle.

b. Foreign currencies

Items included in the financial statements of the Company are measured using the currency of the economic environment in which the Company operates (“the functional currency”). The financial statements are presented in Indian Rupee (‘₹’), which is the Company’s functional and presentation currency.



Coca-Cola India Foundation

Notes to financial statements for the year ended 31 March 2019

c. Fair value measurement

The Company measures financial instruments at fair value at each Balance Sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

This note summarises accounting policy for fair value. Other fair value related disclosures are given in the relevant notes.

- Disclosures for valuation methods, significant estimates and assumptions (refer note 18 and 19)
- Financial instruments (including those carried at amortised cost) (refer note 18 and 19)

d. Recognition of income from donations

Income from unconditional grants and donations are recognized when there is reasonable assurance of receiving the same and the amount can be reliably measured.

e. Donation given for project execution expenses

Donations given for project execution expenses are recognized as an expense in the period it is made. The expenses are incurred for various activities and projects which are undertaken by the various not for profit organizations to which the Company donates. The donation for the projects is paid by the Company in tranches based on the extent of completion of the projects and / or work done for the project.

f. Income taxes

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.



Coca-Cola India Foundation

Notes to financial statements for the year ended 31 March 2019

The Company's income is entitled to exemption under Section 11 read with Section 2(15) of the Income Tax Act, 1961 and accordingly current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the aforesaid provisions.

g. Retirement and other employee benefits

Retirement benefit is in the form of provident fund in which both the employee and the Company make monthly contributions to the provident fund equal to a specified percentage of employee's salary. The Company has no obligation, other than the contribution payable to the provident fund. The Company recognizes contribution payable to the provident fund scheme as an expense, when an employee renders the related service. If the contribution payable to the scheme for service received before the balance sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognized as a liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the Balance Sheet date, then excess is recognized as an asset to the extent that the pre-payment will lead to, for example, a reduction in future payment or a cash refund. The Company contributes a part of the contributions to the Coca-Cola India Inc., Provident Fund "the trust".

The rate at which the annual interest is payable to the beneficiaries by the Trust is being administered by the Trustees, which shall not be less than the rates notified by the government. The Company has an obligation to make good the shortfall, if any, between the return from the investments of the Trust and the notified interest rate.

The Company operates another defined benefit plan for its employees viz., gratuity. The cost of providing benefits under the defined benefit plan is determined using the projected unit credit method.

Remeasurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the Balance Sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Remeasurements are not reclassified to the Statement of Income and Expenditure in subsequent periods.

Past service costs are recognised in the Statement of Income and Expenditure on the date of the plan amendment or curtailment.

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Company recognises the following changes in the net defined benefit obligation as an expense in the Statement of Income and Expenditure:

- i. Service costs comprising current service costs, past-service costs, gains and deficits on curtailments and non-routine settlements; and
- ii. Net interest expense or income

h. 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.

Financial assets

Initial recognition and measurement:

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through Statement of Income and Expenditure, transaction costs that are attributable to the acquisition of the financial asset.

Subsequent measurement:

For purposes of subsequent measurement, financial assets are classified as debt instruments at amortised cost.



Coca-Cola India Foundation

Notes to financial statements for the year ended 31 March 2019

Debt instruments at amortised cost

A 'debt instrument' is measured at the amortised cost if both the following conditions are met:

- a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

This category is the most relevant to the Company. After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. 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 in finance income in the surplus or deficit. The deficit arising from impairment are recognised in the Statement of Income and Expenditure. This category generally applies to trade and other receivables.

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a Company of similar financial assets) 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.

Financial liabilities

Initial recognition and measurement

The Company's financial liabilities include trade payables. These are recognised initially at fair value net of directly attributable transaction costs.

Subsequent measurement

After initial recognition, financial liabilities are subsequently measured at amortised cost using the EIR method. Gains and deficits are recognised in the Statement of Income and Expenditure when the liabilities are derecognised as well as through the EIR amortisation process.

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the Statement of Income and Expenditure.

i. Cash and cash equivalents

Cash and cash equivalents in the cash flow statement comprise of cash at bank.

j. Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Company expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the Statement of Income and Expenditure net of any reimbursement.

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. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.



k. Contingent liabilities

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Company does not recognize a contingent liability but discloses its existence in the financial statements.

2.3 Significant accounting judgements, estimates and assumptions

The preparation of the Company's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of incomes, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

The areas involving critical estimates or judgements are as below:

Defined benefit plans (gratuity benefits)

The cost of the defined benefit gratuity plan and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

The parameter most subject to change is the discount rate. In determining the appropriate discount rate for plans operated in India, the management considers the interest rates of government bonds in currencies consistent with the currencies of the post-employment benefit obligation.

The mortality rate is based on mortality rates from Indian Assures Lives Mortality 2006-08. Those mortality tables tend to change only at interval in response to demographic changes. Future salary increases and gratuity increases are based on expected future inflation rates for the respective countries.

Further details about gratuity obligations are given in Note 16.

Fair value measurement of financial instruments

When the fair values of financial assets and financial liabilities recorded in the Balance Sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the DCF model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments. See Note 18 and 19 for further disclosures.

Impairment of financial assets

The impairment allowance for financial assets, other than trade receivable, are based on assumptions about risk of default and expected loss rates. The Company uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on Company's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.



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Coca-Cola India Foundation
Notes to financial statements for the year ended 31 March 2019

3. Cash and cash equivalents (₹ in '000)

	As at 31 March 2019	As at 31 March 2018
Balances with bank:		
- On current accounts	9,905	4,234

4. Loans (₹ in '000)

	As at 31 March 2019	As at 31 March 2018
Loan Receivables considered good - secured	-	-
Loan Receivables considered good - unsecured	47	22
Loan Receivables which have significant increase in credit risk	-	-
Loan Receivables - credit impaired	-	-
	47	22

5. Other current assets (₹ in '000)

	As at 31 March 2019	As at 31 March 2018
Prepayment to vendor	66	153

6. Equity share capital (₹ in '000)

	As at 31 March 2019	As at 31 March 2018
Authorized share capital		
50,000 (31 March 2018: 50,000) equity shares of ₹10 (31 March 2018: ₹10) each	500	500
Issued, subscribed and fully paid-up share capital		
50,000 (31 March 2018: 50,000) equity shares of ₹10 (31 March 2018: ₹10) each fully subscribed and paid-up	500	500
Total issued, subscribed and fully paid-up share capital	500	500

(a) Reconciliation of the shares outstanding at the beginning and at the end of the reporting period

	As at 31 March 2019		As at 31 March 2018	
	Number of shares	₹ in '000	Number of shares	₹ in '000
Beginning of the year	50,000	500	50,000	500
Issued during the year	-	-	-	-
Outstanding at the end of year	50,000	500	50,000	500

(b) Term / rights attached to equity shares

The Company has only one class of equity shares having a par value of ₹10 per share. Each holder of equity share is entitled to one vote per share. In the event of liquidation of the Company, if there remains, after the satisfaction of all its debts and liabilities, any property whatsoever, the same shall not be distributed amongst the members of the Company, but shall be given or transferred to some other Company registered under Section 25 of the Companies Act, 1956 (Section 8 of the Companies Act, 2013), having objects similar to the object of the Company, to be determined by the members of the Company at or before the time of dissolution.

(c) Shares held by holding company

Out of equity shares issued by the Company, shares held by holding company are as below:

	(₹ in '000)	
Name of shareholder	As at 31 March 2019	As at 31 March 2018
Coca-Cola India Private Limited, holding company		
49,999 (31 March 2018: 49,999) equity shares of ₹10 each fully paid	500	500



Coca-Cola India Foundation
Notes to financial statements for the year ended 31 March 2019

(d) Details of shareholders holding more than 5% shares in the Company

Name of shareholder	As at 31 March 2019		As at 31 March 2018	
	Number	% holding	Number	% holding
Equity shares of ₹10 each fully paid Coca-Cola India Private Limited, the holding company	49,999	99.99%	49,999	99.99%

As per records of the Company, including its register of shareholders / members and other declarations received from shareholders regarding the beneficial interest, the above shareholding represents both legal and beneficial ownerships of shares.

7. Other equity *

(₹ in '000)

As at 31 March 2019

Surplus/ (deficit) in statement of income and expenditure	
At 1 April 2017	(2,457)
Surplus for the year	1,403
Items of other comprehensive income not to be reclassified to statement of income and expenditure	
- Remeasurement (losses) of post- employment benefit obligations, net of tax	(848)
At 31 March 2018	(1,902)
Surplus for the year	3,717
Items of other comprehensive income not to be reclassified to statement of income and expenditure	
- Remeasurement (losses) of post- employment benefit obligations, net of tax	376
At 31 March 2019	2,191

* The other equity can be applied only for charitable activities. In the event of liquidation of the Company, if there remains, after the satisfaction of all its debts and liabilities, any property whatsoever, the same shall not be distributed amongst the members of the Company, but shall be given or transferred to some other Company registered under Section 25 of the Companies Act, 1956 (Section 8 of the Companies Act, 2013), having objects similar to the object of the Company, to be determined by the members of the Company at or before the time of dissolution.

8. Provisions

(₹ in '000)

As at 31 March 2019 As at 31 March 2018

Provision for employee benefits	
Provision for gratuity (Refer note 16)	3,516
Provision for compensated absences	427
	3,943
Current	861
Non-current	3,082



9. Trade payable**(₹ in '000)**

	As at 31 March 2019	As at 31 March 2018
(A) total outstanding dues of micro enterprises and small enterprises;	94	-
(B) total outstanding dues of creditors other than micro enterprises and small enterprises	2,574	1,695
	2,668	1,695

- Trade payables are non-interest bearing and are normally settled within a period of 30-60 days.

#Based on the information available with the Company about the suppliers who have intimated their status as Micro and small enterprises as per the provision of Micro, Small and Medium Enterprise Development Act 2006:

(a) The principal amount and the interest due thereon remaining unpaid to the supplier at the end March 31, 2019 is ₹ 94 thousand and ₹ 1 thousand respectively (March 31, 2018 : Nil)

(b) The amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006 is ₹ Nil and the amount of the payment made to the supplier beyond the appointed day during the current year is ₹ 115 thousand (March 31, 2018 : Nil).

(c) The amount of interest due and payable for the period 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 Micro, Small and Medium Enterprises Development Act, 2006 is ₹ 7.6 thousand (March 31, 2018 : Nil).

(d) The amount of interest accrued and remaining unpaid at the end of March 31, 2019 is ₹ 8.6 thousands (March 31, 2018 : Nil).

(e) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006 is ₹ 8.6 thousand (March 31, 2018 : Nil).

10. Other current liabilities**(₹ in '000)**

	As at 31 March 2019	As at 31 March 2018
Statutory dues payable	716	538
	716	538



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Coca-Cola India Foundation**Notes to financial statements for the year ended 31 March 2019****11. Donations received****(₹ in '000)**

	For the year ended 31 March 2019	For the year ended 31 March 2018
Donations received from the holding company	87,500	52,000

12. Employee benefits expense**(₹ in '000)**

	For the year ended 31 March 2019	For the year ended 31 March 2018
Salaries, wages and incentives	7,971	5,533
Contribution to provident fund and other fund*	260	256
Gratuity expense (Refer note 16)	411	338
Staff welfare expenses	823	616
	9,465	6,743

* Contribution to provident fund and other fund includes employer's contribution towards provident fund amounting to ₹ 260 thousand (31 March 2018: ₹ 256 thousand).

13. Other expenses**(₹ in '000)**

	For the year ended 31 March 2019	For the year ended 31 March 2018
Travelling and conveyance	589	535
Communication costs	24	76
Legal and professional fees	4,259	1,264
Meetings and conferences	57	143
Payment to auditor (refer details below)	266	233
Miscellaneous expenses	2	8
	5,197	2,259

Payment to auditor**(₹ in '000)**

	For the year ended 31 March 2019	For the year ended 31 March 2018
As Auditor		
- Statutory audit fee	125	100
- Certification fee	100	75
- Applicable taxes	41	32
- Out of pocket expenses	-	26
	266	233

14. Other comprehensive income

During the year ended 31 March 2019

(₹ in '000)

	Surplus / (Deficit)	Total
Re-measurement (gain) on post employment benefit obligation	376	376

During the year ended 31 March 2018

	Surplus / (Deficit)	Total
Re-measurement (losses) on post employment benefit obligation	(848)	(848)



Coca-Cola India Foundation
Notes to financial statements for the year ended 31 March 2019

15. Earnings per share (EPS)

Basic EPS amounts are calculated by dividing the surplus for the year attributable to equity holders by the weighted average number of equity shares outstanding during the year.

Diluted EPS amounts are calculated by dividing the surplus for the year attributable to equity holders by the weighted average number of equity shares outstanding during the year plus the weighted average number of equity shares that would be issued on conversion of all dilutive potential equity shares into equity shares.

The following reflects the surplus and share data used in the basic and diluted EPS computations:

	For the year ended 31 March 2019	For the year ended 31 March 2018
Net surplus for calculation of basic and diluted EPS (₹ in '000)	4,093	555
Weighted average number of equity shares in calculating basic and diluted EPS	50,000	50,000
Basic and diluted EPS (₹ in per share)	81.86	11.10

16. Employee benefits

(i) Gratuity

	(₹ in '000)	
	As at 31 March 2019	As at 31 March 2018
Provision for gratuity	3,516	3,481
Current	434	423
Non-Current	3,082	3,058

The Company has a defined benefit gratuity plan. In accordance with the policy of the Company, every employee who has completed five years or more of service gets a gratuity on separation at 15-30 days salary (last drawn salary) for each completed year of service.

The Company's gratuity plan is unfunded, hence, the contribution expected to be paid to the plan assets during the annual period beginning after the balance sheet date will be paid as and when it is accrued.

The following tables summarise the components of net benefit expense recognized in the Statement of Income and Expenditure / Other Comprehensive Income and amounts recognized in the Balance Sheet for the defined benefit obligations (DBO).

Statement of income and expenditure

	(₹ in '000)	
Net employee benefit expense recognized in employee benefits expense-	For the year ended 31 March 2019	For the year ended 31 March 2018
Current service cost	153	169
Interest cost on defined benefit obligation	258	169
Net benefit expense	411	338

Other comprehensive income

	(₹ in '000)	
Net employee benefit expense recognized in Other Comprehensive Income (OCI)	For the year ended 31 March 2019	For the year ended 31 March 2018
Remeasurement (gain)/loss due to DBO experience	(438)	267
Remeasurement loss due to DBO assumption changes		
- Demographic assumption	62	25
- Financial assumption	-	556
Remeasurement (gain)/loss for the year on present benefit obligation	(376)	848



Coca-Cola India Foundation
Notes to financial statements for the year ended 31 March 2019

Balance sheet	(₹ in '000)	
	As at 31 March 2019	As at 31 March 2018
Defined benefit obligation	3,516	3,481
Fair value of plan assets	-	-
Net plan liability	3,516	3,481

Changes in the present value of the defined benefit obligation are as follows:	(₹ in '000)	
	As at 31 March 2019	As at 31 March 2018
Opening defined benefit obligation	3,481	2,295
Current service cost	153	169
Interest cost	258	169
Benefits paid	-	-
Actuarial loss on obligation	(376)	848
Closing defined benefit obligation	3,516	3,481

The principal assumptions used in determining gratuity obligations for the current year with respect to the Company's plans are shown below:

	For the year ended 31 March 2019	For the year ended 31 March 2018
Discount rate	7.10%	7.40%
Future salary increment #	9.00%	9.00%
Mortality rates	IALM (2006 - 08)	IALM (2006 - 08)
Employee turnover	13.00%	13.00%

The estimates of future salary increases considered in actuarial valuation take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

Sensitivity analysis of the defined benefit obligation	(₹ in '000)	
	For the year ended 31 March 2019	For the year ended 31 March 2018
a) Impact of the change in discount rate		
Present value of obligation at the end of the period	3,516	3,481
Impact due to increase of 0.50 %	(103)	(105)
Impact due to decrease of 0.50 %	108	110
b) Impact of the change in salary increase		
Present value of obligation at the end of the period	3,516	3,481
Impact due to increase of 0.50 %	105	108
Impact due to decrease of 0.50 %	(102)	(104)
c) Withdrawal rate		
Present value of obligation at the end of the period	3,516	3,481
Impact due to increase of 0.50 %	(86)	108
Impact due to decrease of 0.50 %	127	134

Sensitivities as to rate of inflation, rate of increase of pensions in payment, rate of increase of pensions before retirement and life expectancy are not applicable being a lump sum benefit on retirement.



Coca-Cola India Foundation
Notes to financial statements for the year ended 31 March 2019

Maturity profile of defined benefit obligation

(₹ in '000)

Year	As at 31 March 2019	As at 31 March 2018
Within 1 year	449	439
Between 1 and 2 year	435	453
Between 2 and 3 year	422	453
Between 3 and 4 year	409	452
Between 4 and 5 year	396	450
Beyond 5 years	1,793	2,184

The weighted average duration of the defined benefit obligation at the end of reporting period is 6 years (31 March 2018: 6 years)

The Gratuity scheme is a final salary Defined benefit plan that provides for a lump sum payment made on exit either by way of retirement, death, disability or voluntary withdrawal. The benefits are defined on the basis of final salary and the period of service and paid as lump sum at exit. The plan design means the risks commonly affecting the liabilities and the financial results are expected to be:

1. Interest risk : The defined benefit obligation calculated uses a discount rate based on government bonds. If bond yields fall, the defined benefit obligation will tend to increase.
2. Salary inflation risk: Higher than expected increase in salary will increase the defined benefit obligation.
3. Demographic risk: This is the risk of variability of results due to unsystematic nature of decrements that include mortality, withdrawal, disability and retirement. The effect of these decrements on the defined benefit obligation is not straight forward and depends upon the combination of salary increase, discount rate and vesting criteria. It is important not to overstate withdrawals because in the financial analysis the retirement benefit of a short career employee typically costs less per year as compared to long service employee.

ii) Interest rate guarantee with respect to contribution to provident fund

(₹ in '000)

	As at 31 March 2019	As at 31 March 2018
Provision for interest rate guarantee	-	-

Eligible employees of the Company receive benefits from provident fund scheme, which is a defined contribution plan, wherein the Company has an obligation to make good the shortfall, if any, between the return from the investment of the Trust and the notified interest rate.

The Institute of Actuaries of India has issued a guidance note on valuation of interest rate guarantees on exempt provident funds under Ind AS 19. The actuary has accordingly valued the same and there is shortfall of Nil (31 March 2018: Nil) in the fund balance as at 31 March 2019. The actuary has followed deterministic approach as prescribed by the guidance note.

Statement of Income and Expenditure

The Company has contributed ₹260 thousand (31 March 2018: ₹256 thousand) towards provident fund during the year ended 31 March 2019 and recognised the same in employee benefits expense.

Assets / Liabilities

(₹ in '000)

	As at 31 March 2019	As at 31 March 2018
Present value of obligation	(78)	(80)
Fund reserves	251	381
Net liability	-	-

The principal assumptions used in determining obligation for the current year with respect to the Company's plan are shown below:

(₹ in '000)

	For the year ended 31 March 2019	For the year ended 31 March 2018
Discount rate	7.10%	7.40%
Expected statutory interest rate	8.55%	8.55%
Retirement age (Years)	60	60
Mortality rates	IALM (2006 - 08)	IALM (2006 - 08)
Employee turnover	13.00%	13.00%
Weighted average duration of Present benefit obligation	6.00	6.00



Coca-Cola India Foundation
Notes to financial statements for the year ended 31 March 2019

	(₹ in '000)	
	As at 31 March 2019	As at 31 March 2018
Government of India securities	12.12%	15.27%
State Government securities	40.44%	37.21%
Bonds / Securities of public financial institutions	36.27%	35.65%
Special deposit scheme	0.47%	0.57%
Private sector	5.07%	6.29%
Mutual fund	5.63%	5.01%
Total	100.00%	100.00%

17. Related party disclosure

i. Names of related parties and related party relationship

Related parties where control exists

Holding company Coca-Cola India Private Limited

Related parties with whom transactions have taken place during the year

Employee Benefit Trust Coca-Cola India Inc. Provident Fund

ii. Transactions with related Parties

	(₹ in '000)	
	For the year ended 31 March 2019	For the year ended 31 March 2018
Coca-Cola India Private Limited		
Donations received	87,500	52,000

Coca-Cola India Inc. Provident Fund*

* Refer note 16 (ii) for transactions with Coca-Cola India Inc. Provident Fund.

The transactions with related parties are made on terms equivalent to those that prevail in arms length transactions. There have been no guarantees provided or received for any related party.



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Coca-Cola India Foundation**Notes to financial statements for the year ended 31 March 2019****18. Fair values**

Set out below, is a comparison by class of the carrying amounts and fair value of the Company's financial instruments, other than those with carrying amounts that are reasonable approximations of fair values.

	(₹ in '000)			
	Carrying value		Fair value	
	As at 31 March 2019	As at 31 March 2018	As at 31 March 2019	As at 31 March 2018
Financial assets				
- Loans	47	22	47	22

The management assessed that cash and cash equivalents and trade payables approximate their carrying amount largely due to short-term maturities of these instruments. The fair value of the financial assets is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

Following methods and assumptions were used to estimate the fair values:

The loans are evaluated by the Company based on parameters such as interest rate, risk factors, risk characteristics, and individual credit worthiness of the employee. Based on this evaluation, no allowances have been taken into account for the expected losses of the loans.

19. Fair value hierarchy

The following table provides the quantitative disclosures of fair value measurement hierarchy of the Company's financial assets and liabilities as on 31 March 2019.

Date of Valuation	Total	Fair value measurement using		
		Quoted Prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
		(₹ in '000)		
Assets for which fair values are disclosed				
Financial Assets				
- Loans 31 March 2019	47	-	47	-
- Loans 31 March 2018	22	-	22	-

20. Financial risk management objectives and policies

The Company's principal financial liabilities comprise trade payables. The Company's principal financial assets include loans and cash and cash equivalents that derive directly from its operations. Since the Company's operations are driven primarily by the donations received from the holding company, as such, there is no risk attributable to the Company's operations.

Maturity profile of financial liabilities

The table below summarizes the maturity profile of the Company's financial liabilities based on contractual undiscounted payments.

	(₹ in '000)			
	Less than 1 year	1 to 5 years	More than 5 years	Total
31 March 2019				
Trade payables	2,574	-	-	2,574
31 March 2018				
Trade payables	1,695	-	-	1,695

21. Standards issued but not yet effective upto the date of financial statements

The amendments to standards that are issued, but not yet effective, up to the date of issuance of the Company's financial statements are disclosed below. The Company intends to adopt these standards, if applicable, when they become effective. The Ministry of Corporate Affairs (MCA), issued certain amendments to Ind AS which is effective from 1 April 2019 as below:

(i) Introduction of Ind AS 116, Leases

The Ministry of Corporate Affairs (MCA) has notified Ind AS 116 – Leases, which is effective for annual period beginning on or after 1 April 2019.

Ind AS 116 will supersede the current standard on leases i.e. Ind AS 17- Leases.

The management of the company is in the process of evaluating the impact on the Company's financial statement.



Coca-Cola India Foundation
Notes to financial statements for the year ended 31 March 2019

(ii) Amendment to Ind AS 12, Income Taxes

The Ministry of Corporate Affairs issued amendments to the guidance in Ind AS 12, Income Taxes, in connection with accounting for dividend distribution taxes.

The amendment clarifies that an entity shall recognise the income tax consequences in profit or loss, other comprehensive income or equity according to where the entity originally recognised those past transactions or events.

(iii) Appendix C, 'Uncertainty over Income Tax Treatments', to Ind AS 12 – "Income Taxes"

This Appendix clarifies how the recognition and measurement requirements of Ind AS 12 'Income Taxes', are applied while performing the determination of taxable profit or loss, tax bases, unused tax losses, unused tax credits and tax rates, when there is uncertainty over income tax treatments under Ind AS 12. According to the Appendix, companies need to determine the probability of the relevant tax authority accepting each tax treatment, or group of tax treatments, that the companies have used or plan to use in their income tax filing which has to be considered to compute the most likely amount or the expected value of the tax treatment when determining taxable profit or loss, tax bases, unused tax losses, unused tax credits and tax rates.

The Company is in the process of evaluating the impact of adoption of this pronouncement on its financial statements.

(iv) Amendment in Ind AS 19 – "Employee Benefits"

The Ministry of Corporate Affairs issued amendments in respect of Plan amendment curtailment or settlement.

The amendment require an entity:

- To use updated assumptions to determine current service cost and net interest for remainder of the period after plan amendment, curtailment or settlement and
- To recognise in profit and loss as part of past service cost, or a gain or loss on settlement, any reduction in a surplus, even if that surplus was not previously recognised because of the impact of the asset ceiling.

The Company does not have any impact on account of this amendment.

22. During the year, the Company earned total income of ₹87,500 thousand (31 March 2018: ₹52,000 thousand) and spent ₹83,407 thousand (31 March 2018: ₹51,445 thousand) on charitable activities.

The total expenditure incurred during the current year, constitute more than 85% of the total income of the Company. Accordingly, the Company's entire income for the financial year is exempt from income tax under Section 11 of the Income Tax Act, 1961("The Act"). The Company was granted registration by the DIT (Exemption), New Delhi under Section 12A read with Section 12AA of the Act vide order no. DIT (E)/12A/ 2008-09/C-1104/555 of 6 March 2009. The Company has also received approval of the DIT (Exemption), New Delhi under Section 80G in respect of donations made to it vide order no. DIT (E) 2008-09/C-1104/3183 of 6 March 2009.

23. The Company was incorporated on 17 September 2008, as a not for profit company under section 25 of the Companies Act, 1956 (Section 8 of The Companies Act 2013). It is a wholly owned subsidiary of Coca-Cola India Private Limited (hereinafter referred to as "CC IPL"). The Company is receiving donations and the same are utilized for implementation of various projects. The donations are received from a single source, i.e. CC IPL. The Company has been registered under Foreign Contribution (Regulation) Act, 2010 vide notification No. II/21022/77(0033)/2013-FCRA-II dated 12 March 2014 and Registration number is 172270080. The certificate was valid for a period of 5 years ending on March 11, 2019 from the date of registration under the Act.

As per our report of even date

For **MSKA & Associates**

Chartered Accountants

ICAI Firm Registration No. : 105047W


Amit Mitra

Partner

Membership No.: 094518



Place: Gurugram

Date: 26 August 2019

For and on behalf of the Board of Directors of
Coca-Cola India Foundation


Ishteyaque Amjad

Director

DIN: 02828738

Place: Gurugram

Date: 26 August 2019



Reetima Rakyan

Director

DIN: 08464868