



VARUN BEVERAGES LIMITED

Corporate identification number: L74899DL1995PLC069839

Registered office: F-2/7, Okhla Industrial Area, Phase-I, New Delhi-110020

Corporate office: RJ Corp House, Plot No-31, Institutional Area, Sector-44, Gurugram-122002 (Haryana)

Tel: +91-124-4643100, Fax: +91-124-4643303, E-mail: complianceofficer@rjcorp.in, Website: www.varunpepsi.com

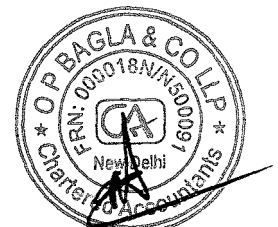
Statement of consolidated financial results for the quarter and year ended on 31 December 2022

₹ in million, except per share data

Particulars	Three months ended on 31 December 2022 (See Note 2)	Three months ended on 30 September 2022 (Unaudited)	Three months ended on 31 December 2021 (See Note 2)	Year ended on 31 December 2022 (Audited)	Year ended on 31 December 2021 (Audited)
1. Income					
(a) Revenue from operations	22,572.01	32,483.05	17,649.36	133,905.58	89,582.91
(b) Other income	92.45	106.19	8.54	388.49	679.25
Total income	22,664.46	32,589.24	17,657.90	134,294.07	90,262.16
2. Expenses					
(a) Cost of materials consumed	11,878.95	14,620.43	7,977.61	64,170.92	39,689.13
(b) Excise duty	429.66	716.85	306.01	2,174.16	1,350.61
(c) Purchases of stock-in-trade	423.61	373.42	426.04	1,885.71	1,654.69
(d) Changes in inventories of finished goods, stock-in-trade and work-in-progress	(2,624.19)	(280.87)	(665.55)	(3,445.07)	(997.22)
(e) Employee benefits expense	3,199.34	3,112.08	2,598.08	12,166.42	10,076.99
(f) Finance costs	474.84	452.85	372.94	1,861.22	1,847.00
(g) Depreciation, amortisation and impairment expense	1,796.58	1,531.39	1,292.73	6,171.89	5,312.62
(h) Other expenses	6,189.59	6,951.28	4,931.49	29,072.39	21,262.26
Total expenses	21,768.38	27,477.43	17,239.35	114,057.64	80,196.08
3. Profit before share of loss of associate and joint venture (1-2)	896.08	5,111.81	418.55	20,236.43	10,066.08
4. Share of loss of associate and joint venture	(0.06)	-	-	(0.06)	-
5. Profit before tax (3+4)	896.02	5,111.81	418.55	20,236.37	10,066.08
6. Tax expense:					
(a) Current tax	86.78	1,071.99	10.32	4,258.66	1,341.98
(b) Adjustment of tax relating to earlier periods/year	14.30	95.33	66.13	226.91	350.06
(c) Deferred tax (credit)/charge	(20.30)	(10.36)	16.20	249.66	913.52
Total tax expense	80.78	1,156.96	92.65	4,735.23	2,605.56
7. Net profit after tax (5-6)	815.24	3,954.85	325.90	15,501.14	7,460.52
8. Other comprehensive income					
A Items that will not be reclassified to profit or loss	(4.76)	5.40	45.54	107.87	85.99
B Income tax relating to items that will not be reclassified to profit or loss	1.37	(1.37)	(9.77)	(27.02)	(18.93)
C Items that will be reclassified to profit or loss	(112.92)	(539.04)	(265.24)	(3,799.27)	(365.92)
Total other comprehensive loss	(116.31)	(535.01)	(229.47)	(3,718.42)	(298.86)
9. Total comprehensive income for the periods/year (including non-controlling interest) (7+8)	698.93	3,419.84	96.43	11,782.72	7,161.66
10. Net profit attributable to:					
A Owners	747.51	3,810.37	164.91	14,974.33	6,940.52
B Non-controlling interest	67.73	144.48	160.99	526.81	520.00
11. Other comprehensive income attributable to:					
A Owners	447.14	(534.97)	(229.58)	(3,154.79)	(298.87)
B Non-controlling interest	(563.45)	(0.04)	0.11	(563.63)	0.01
12. Total comprehensive income attributable to:					
A Owners	1,194.65	3,275.40	(64.67)	11,819.54	6,641.65
B Non-controlling interest	(495.72)	144.44	161.10	(36.82)	520.01
13. Paid-up equity share capital (face value of ₹ 10 each)	6,495.50	6,495.50	4,330.33	6,495.50	4,330.33
14. Other equity				44,528.30	36,468.75
15. Earnings per share (of ₹ 10/- each) (not annualised for quarters) (Refer Note 5)					
(a) Basic	1.15	5.87	0.25	23.05	10.69
(b) Diluted	1.15	5.87	0.25	23.05	10.69

See accompanying notes

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Statement of consolidated assets and liabilities

	₹ in million	
	As at 31 December 2022 (Audited)	As at 31 December 2021 (Audited)
Assets		
Non-current assets		
(a) Property, plant and equipment	54,415.78	51,551.72
(b) Capital work-in-progress	6,066.32	4,966.08
(c) Right of use assets	9,155.01	5,727.99
(d) Goodwill	242.30	242.30
(e) Other intangible assets	5,509.10	5,585.74
(f) Investment in associate and joint venture	0.04	-
(g) Financial assets		
(i) Investments	0.01	0.01
(ii) Other financial assets	486.80	420.63
(h) Deferred tax assets (Net)	-	24.07
(i) Other non-current assets	6,266.77	1,839.23
Total non-current assets (A)	82,142.13	70,357.77
Current assets		
(a) Inventories	19,938.85	14,480.87
(b) Financial assets		
(i) Trade receivables	2,993.38	2,212.49
(ii) Cash and cash equivalents	1,543.32	1,507.50
(iii) Bank balances other than (ii) above	1,309.35	1,858.72
(iv) Others	3,977.06	2,455.55
(c) Current tax assets (Net)	-	11.08
(d) Other current assets	4,278.34	2,934.92
Total current assets (B)	34,040.30	25,461.13
Total assets (A+B)	116,182.43	95,818.90
Equity and liabilities		
Equity		
(a) Equity share capital	6,495.50	4,330.33
(b) Other equity	44,528.30	36,468.75
Equity attributable to owners of the Parent Company	51,023.80	40,799.08
(c) Non-controlling interest	1,131.07	1,167.89
Total equity (C)	52,154.87	41,966.97
Liabilities		
Non-current liabilities		
(a) Financial liabilities		
(i) Borrowings	17,270.22	18,133.27
(iia) Lease liabilities	1,654.25	312.63
(b) Provisions	2,041.13	2,085.43
(c) Deferred tax liabilities (Net)	3,368.48	3,111.41
(d) Other non-current liabilities	5.94	6.73
Total non-current liabilities (D)	24,340.02	23,649.47
Current liabilities		
(a) Financial liabilities		
(i) Borrowings	19,677.90	15,285.68
(iia) Lease liabilities	235.77	136.02
(ii) Trade payables		
(a) Total outstanding dues of micro enterprises and small enterprises	659.11	342.85
(b) Total outstanding dues of creditors other than micro enterprises and small enterprises	7,583.50	6,774.68
(iii) Other financial liabilities	5,593.90	3,929.66
(b) Other current liabilities	4,889.77	3,096.76
(c) Provisions	291.91	497.40
(d) Current tax liabilities (Net)	755.68	139.41
Total current liabilities (E)	39,687.54	30,202.46
Total liabilities (F=D+E)	64,027.56	53,851.93
Total equity and liabilities (C+F)	116,182.43	95,818.90

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Consolidated Cash Flow Statement

(Indirect Method)	(₹ in million)	
Particulars	Year ended 31 December 2022 (Audited)	Year ended 31 December 2021 (Audited)
A. Operating activities		
Profit before tax and share of loss in associate and joint venture	20,236.43	10,066.08
Adjustments to reconcile profit before tax to net cash flows:		
Depreciation and impairment on property, plant and equipment	5,830.99	5,037.54
Amortisation of intangible assets and right of use assets	340.90	275.08
Interest expense at amortised cost	1,854.49	1,850.37
Interest income at amortised cost	(228.29)	(145.16)
Profit on sale of current investments	(3.67)	(0.70)
Excess provisions written back	(9.20)	(58.38)
Share based payment to employees	29.06	-
Loss on disposal/written off of property, plant and equipment (Net)	623.26	258.71
Bad debts and advances written off	25.71	-
Allowance for expected credit loss	73.51	58.92
Unrealised foreign exchange fluctuation	(1,287.68)	(1,098.50)
Operating profit before working capital changes	27,485.51	16,243.96
Working capital adjustments		
Increase in inventories	(5,568.33)	(5,192.83)
(Increase)/decrease in trade receivables	(1,233.80)	146.56
Increase in current and non-current financial assets and other current and non-current assets	(3,257.13)	(921.85)
Increase in current financial liabilities and other current and non-current liabilities and provisions	4,207.33	3,280.66
Total cash from operations	21,633.58	13,556.50
Income tax paid	(3,733.29)	(1,242.28)
Net cash flows from operating activities (A)	17,900.29	12,314.22
B. Investing activities		
Purchase of property, plant and equipment and intangible assets (including adjustment on account of capital work-in-progress, capital advances and capital creditors)	(18,009.92)	(8,348.00)
Proceeds from disposal of property, plant and equipment and intangible assets	510.93	193.51
Change in advance received for capital assets	-	(1,074.43)
Investment in associate and joint venture	(0.10)	-
Interest received	232.42	132.46
Proceeds from sale of current investments (Net)	3.67	0.70
Decrease/(increase) in other bank balances	217.02	(1,010.63)
Net cash used in investing activities (B)	(17,045.98)	(10,106.39)
C. Financing activities		
Proceeds from long term borrowings	14,777.20	8,548.06
Repayments of long term borrowings	(11,373.59)	(6,408.51)
Repayment of lease liabilities	(234.40)	(188.65)
Repayments of short term borrowings (Net)	(7.97)	(853.66)
Interest paid (inclusive of interest paid on lease liabilities ₹ 44.26 (31 December 2021: ₹ 30.50))	(1,716.79)	(1,791.48)
Dividend paid	(1,623.87)	(1,082.58)
Net cash used in financing activities (C)	(179.42)	(1,776.82)
Net change in cash and cash equivalents (D=A+B+C)	674.89	431.01
Cash and cash equivalents at the beginning of year (E)	1,507.50	1,045.58
Unrealised exchange difference on translation of cash and cash equivalent in subsidiaries (F)	(639.07)	30.91
Cash and cash equivalents at the end of year (G= D+E+F)	1,543.32	1,507.50

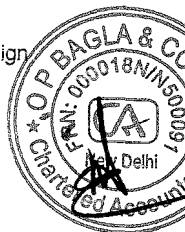
Note:

(a) Non-cash changes in liabilities arising from financing activities pertains to impact of fair value changes and foreign exchange fluctuations which are considered to be insignificant.



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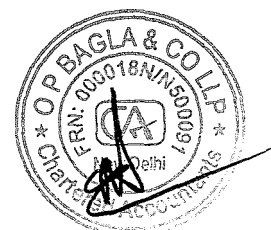
Statement of standalone financial results for the quarter and year ended on 31 December 2022

₹ in million, except per share data

Particulars	Three months ended on 31 December 2022 (See Note 2)	Three months ended on 30 September 2022 (Unaudited)	Three months ended on 31 December 2021 (See Note 2)	Year ended on 31 December 2022 (Audited)	Year ended on 31 December 2021 (Audited)
1. Income					
(a) Revenue from operations	15,439.78	25,016.50	11,007.05	105,958.25	65,957.42
(b) Other income	736.19	258.31	337.67	1,437.57	573.02
Total income	16,175.97	25,274.81	11,344.72	107,395.82	66,530.44
2. Expenses					
(a) Cost of materials consumed	8,924.46	12,594.86	5,583.15	54,593.04	30,858.12
(b) Purchase of stock-in-trade	196.72	213.83	326.14	1,201.84	1,194.30
(c) Changes in inventories of finished goods, stock-in-trade and work-in-progress	(2,226.47)	(471.43)	(769.88)	(3,023.46)	(760.66)
(d) Employee benefits expense	2,354.84	2,357.46	1,842.40	9,204.68	7,411.15
(e) Finance costs	433.95	323.38	337.91	1,542.57	1,551.43
(f) Depreciation, amortisation and impairment expense	1,465.07	1,109.90	979.41	4,831.32	3,998.34
(g) Other expenses	4,433.65	5,315.58	3,375.21	22,200.81	15,462.54
Total expenses	15,582.22	21,443.58	11,674.34	90,550.80	59,715.22
3. Profit/(loss) before tax (1-2)	593.75	3,831.23	(329.62)	16,845.02	6,815.22
4. Tax expense					
(a) Current tax	15.00	977.82	(50.30)	3,953.00	1,168.10
(b) Adjustment of tax relating to earlier periods/year	(0.86)	-	(0.01)	(0.86)	(0.73)
(c) Deferred tax (credit)/charge	(8.87)	(23.21)	(81.80)	190.89	752.98
Total tax expense	5.27	954.61	(132.11)	4,143.03	1,920.35
5. Net profit/(loss) after tax (3 - 4)	588.48	2,876.62	(197.51)	12,701.99	4,894.87
6. Other comprehensive income					
A. Items that will not be reclassified to profit or loss	(5.64)	5.64	38.48	107.70	75.17
B. Income tax relating to items that will not be reclassified to profit or loss	1.42	(1.41)	(9.68)	(27.10)	(18.92)
Total other comprehensive (loss)/income	(4.22)	4.23	28.78	80.60	56.25
7. Total comprehensive income/(loss) for the periods/year (5+6)	584.26	2,880.85	(168.73)	12,782.59	4,951.12
8. Paid-up equity share capital (face value of ₹ 10 each)	6,495.50	6,495.50	4,330.33	6,495.50	4,330.33
9. Other equity				48,678.51	39,655.88
10. Earnings per share (of ₹ 10/- each) (not annualised for quarters) (Refer Note 5)					
(a) Basic	0.91	4.43	(0.30)	19.56	7.54
(b) Diluted	0.91	4.43	(0.30)	19.55	7.54
See accompanying notes					

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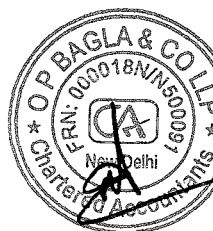
Statement of standalone assets and liabilities

	₹ in million	
	As at 31 December 2022 (Audited)	As at 31 December 2021 (Audited)
Assets		
Non-current assets		
(a) Property, plant and equipment	43,753.65	39,349.11
(b) Capital work-in-progress	5,399.45	4,779.54
(c) Right of use assets	8,267.06	5,204.88
(d) Goodwill	19.40	19.40
(e) Other intangible assets	5,478.55	5,542.68
(f) Financial assets		
(i) Investments	13,543.17	13,522.39
(ii) Loans	5,238.04	2,594.40
(iii) Others financial assets	442.45	385.78
(g) Other non-current assets	4,028.70	1,575.77
Total non-current assets (A)	86,170.47	72,973.95
Current assets		
(a) Inventories	14,261.48	10,662.71
(b) Financial assets		
(i) Trade receivables	1,502.42	1,320.73
(ii) Cash and cash equivalents	473.89	241.47
(iii) Bank balances other than (ii) above	0.98	0.88
(iv) Loans	-	189.86
(v) Others	4,757.52	2,881.73
(c) Other current assets	3,522.67	2,384.84
Total current assets (B)	24,518.96	17,682.22
Total assets (A+B)	110,689.43	90,656.17
Equity and liabilities		
Equity		
(a) Equity share capital	6,495.50	4,330.33
(b) Other equity	48,678.51	39,655.88
Total equity (C)	55,174.01	43,986.21
Liabilities		
Non-current liabilities		
(a) Financial liabilities		
(i) Borrowings	16,532.58	17,124.41
(ia) Lease liabilities	1,117.39	87.52
(b) Provisions	1,976.61	1,994.61
(c) Deferred tax liabilities (Net)	3,199.84	2,981.82
(d) Other non-current liabilities	5.94	6.73
Total non-current liabilities (D)	22,832.36	22,195.09
Current liabilities		
(a) Financial liabilities		
(i) Borrowings	18,185.92	14,568.92
(ia) Lease liabilities	113.67	74.94
(ii) Trade payables		
(a) Total outstanding dues of micro enterprises and small enterprises	653.33	321.56
(b) Total outstanding dues of creditors other than micro enterprises and small enterprises	5,104.60	4,313.08
(iii) Other financial liabilities	4,943.36	3,289.14
(b) Other current liabilities	2,724.71	1,339.71
(c) Provisions	283.10	489.35
(d) Current tax liabilities (Net)	674.37	78.17
Total current liabilities (E)	32,683.06	24,474.87
Total liabilities (F=D+E)	55,515.42	46,669.96
Total equity and liabilities (C+F)	110,689.43	90,656.17

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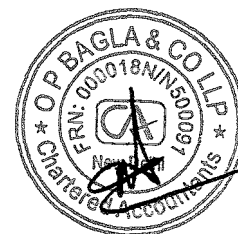
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Standalone Cash Flow Statement

(Indirect Method)		(₹ in million)	
Particulars	Year ended 31 December 2022 (Audited)	Year ended 31 December 2021 (Audited)	
A. Operating activities			
Profit before tax	16,845.02	6,815.22	
Adjustments to reconcile profit before tax to net cash flows:			
Depreciation and impairment on property, plant and equipment	4,625.45	3,795.95	
Amortisation of intangible assets and right of use assets	205.88	202.39	
Interest expense at amortised cost	1,535.83	1,554.80	
Interest income at amortised cost	(238.26)	(160.00)	
Dividend income from non-current investment in subsidiary	(539.49)	(303.46)	
Loss on disposal/written off of property, plant and equipment (Net)	443.70	212.60	
Share based payment to employees	29.06	-	
Bad debts and advances written off	3.87	7.12	
Excess provisions written back	(0.95)	(12.38)	
Profit on sale of current investments	(3.67)	(0.70)	
Guarantee commission income	(17.24)	(17.64)	
Unrealised foreign exchange fluctuation	(333.58)	(57.57)	
Allowance for expected credit loss	34.60	30.62	
Operating profit before working capital changes	22,590.22	12,066.95	
Working capital adjustments:			
Increase in inventories	(3,598.58)	(3,872.10)	
(Increase)/Decrease in trade receivables	(220.15)	346.81	
Increase in current and non-current financial assets and other current and non-current assets	(2,630.38)	(1,351.36)	
Increase in current financial liabilities and other current and non-current liabilities and provisions	2,775.34	2,473.57	
Total cash from operations	18,916.35	9,663.87	
Income tax paid	(3,328.49)	(985.23)	
Net cash flows from operating activities (A)	15,587.86	8,678.64	
B. Investing activities			
Purchase of property, plant and equipment, right of use assets and intangible assets (including adjustment on account of capital work-in-progress, capital advances and capital creditors)	(13,484.85)	(6,304.46)	
Proceeds from disposal of property, plant and equipment and intangible assets	139.75	117.08	
Loan given to subsidiaries	(2,292.05)	(430.98)	
Change in advance received for capital assets	-	(1,074.43)	
Investment in subsidiary, associate and joint venture	(20.78)	(0.74)	
Proceeds from sale of current investments (Net)	3.67	0.70	
Repayment of loan given to a subsidiary	181.93	-	
Change in other bank balances	(1.24)	(6.86)	
Guarantee commission received	-	27.99	
Interest received	92.14	226.20	
Dividend income from non-current investment in subsidiary	288.29	192.19	
Net cash used in investing activities (B)	(15,093.14)	(7,253.31)	
C. Financing activities			
Proceeds from long term borrowings	14,670.82	7,837.61	
Repayments of long term borrowings	(11,346.88)	(5,939.34)	
Repayments of short-term borrowings (Net)	(432.29)	(750.16)	
Repayment of lease liabilities	(88.30)	(131.97)	
Interest paid (inclusive of interest paid on lease liabilities ₹ 10.03 (31 December 2021: ₹ 12.54))	(1,441.78)	(1,481.46)	
Dividend paid	(1,623.87)	(1,082.58)	
Net cash used in financing activities (C)	(262.30)	(1,547.90)	
Net change in cash and cash equivalents (D=A+B+C)	232.42	(122.57)	
Cash and cash equivalents at the beginning of year (E)	241.47	364.04	
Cash and cash equivalents at the end of year (D+E)	473.89	241.47	

Note:

(a) Non-cash changes in liabilities arising from financing activities pertains to impact of fair value changes and foreign exchange fluctuations which are considered to be insignificant.

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Corporate identification number: L74899DL1995PLC069839

Registered office: F-2/7, Okhla Industrial Area, Phase-I, New Delhi-110020

Corporate office: RJ Corp House, Plot No-31, Institutional Area, Sector-44, Gurugram-122002 (Haryana)

Tel: +91-124-4643100, Fax: +91-124-4643303, E-mail: complianceofficer@rjcorp.in, Website: www.varunpepsi.com

(₹ in million, except per share data)

Notes:

1. These standalone and consolidated financial results for the quarter and year ended on 31 December 2022 have been reviewed and recommended for approval by the Audit, Risk Management and Ethics Committee and accordingly approved by the Board of Directors of Varun Beverages Limited ("VBL" or "the Company") at their respective meetings held on 06 February 2023. The Statutory Auditors have audited the annual financial results.

2. These financial results have been prepared in accordance with the recognition and measurement principles of applicable Indian Accounting Standards ('Ind AS') notified under the Companies (Indian Accounting Standards) Rules, 2015 as specified in section 133 of the Companies Act, 2013 (read with SEBI Circular CIR/CFD/FAC/62/2016 dated 05 July 2016 and other recognised accounting practices and policies). The figures for the quarter ended 31 December 2022 and 31 December 2021 are the balancing figures between the audited figures in respect of full financial year and the published year to date figures upto the third quarter of the relevant financial year, which were subject to limited review.

3. VBL follows calendar year as its financial year as approved by the Company Law Board, New Delhi.

4. The business activities of the Company and its subsidiaries (together referred to as the "Group") predominantly fall within a single primary business segment viz. manufacturing and sale of beverages. There is no separate reportable business segment. The Group operates in two principal geographical areas, i.e., in India, its home country, and in other countries. The aforesaid is in line with review of operating results by the chief operating decision maker. The sale of products of the Group is seasonal.

5. During the year ended 31 December 2022, the Company on 09 June 2022 has issued 216,516,540 bonus equity shares of ₹ 10 each as fully paid-up bonus equity shares in the ratio of 1 (One) equity share of ₹ 10/- each for every 2 (Two) existing equity shares of ₹ 10/- each. Accordingly, earnings per share of comparative periods presented has been calculated based on number of shares outstanding in respective periods, as increased for issuance of bonus shares.

6. The Company has written off and impaired some of the property, plant and equipment and others, primarily used in production of beverages, amounting to ₹ 441.47 million and ₹ 911.87 million during the quarter and year ended on 31 December 2022 respectively, based on the detailed evaluation of capacity utilisation during the peak season and considering the future usability.

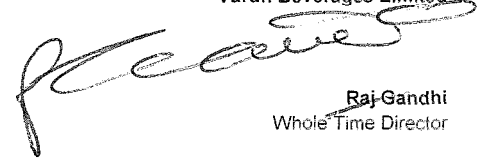
7. The Company has decided to opt for the new tax regime u/s 115 BAA of the Income Tax Act, 1961 w.e.f. Assessment year 2023-24 after utilisation of all unutilised Minimum Alternate Tax credit and other tax benefits/holidays available and hence the tax provision has been done accordingly.

8. During the year, the Company has made the following changes in Group structure:-

- a) Incorporated a new subsidiary i.e. Varun Beverages International DMCC in the United Arab Emirates for a consideration of ₹ 20.68 million, which is engaged in the business of rendering management and technical related services to the Group.
- b) Subscribed 50% equity share capital amounting to ₹ 0.07 million in newly incorporated joint venture company, namely, IDVB Recycling Operations Private Limited (IDVB), which will carry out business of recycling of pet (Polyethylene Terephthalate) bottles.
- c) Subscribed 26% equity share capital amounting to ₹ 0.03 million in associate company, namely, Clean Max Tav Private Limited, which is engaged in the business of generation, operation and maintenance of the renewable energy projects in India.

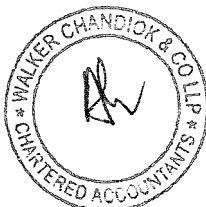
9. During the quarter ended 31 December 2022, the Board of Directors have approved a payment of final dividend of ₹ 1.00 (Rupees One only) per equity share of the face value of ₹ 10 each, subject to the approval of equity shareholders in ensuing annual general meeting of the Company. With this, total dividend declared for year ended 31 December 2022 stands at ₹ 3.50 (Rupees three and paise fifty only) per equity share of the face value of ₹ 10 each.

For and on behalf of Board of Directors of
Varun Beverages Limited


Raj Gandhi
Whole Time Director

Place : Gurugram
Dated : 06 February 2023

SIGNED FOR
IDENTIFICATION
PURPOSE ONLY



Independent Auditor's Report on Consolidated Annual Financial Results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended)

To the Board of Directors of Varun Beverages Limited

Opinion

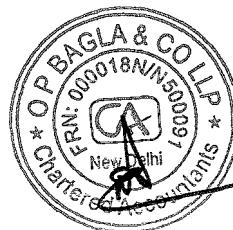
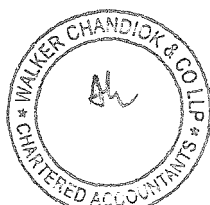
1. We have audited the accompanying consolidated annual financial results ('the Statement') of Varun Beverages Limited ('the Holding Company') and its subsidiaries (the Holding Company and its subsidiaries together referred to as 'the Group'), its associate and joint venture for the year ended 31 December 2022, attached herewith, being submitted by the Holding Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended) ('Listing Regulations').
2. In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the reports of other auditors on separate audited financial results of the subsidiaries, associate and joint venture, as referred to in paragraph 12 below, the Statement:
 - (i) includes the annual financial results of the entities listed in Annexure 1;
 - (ii) presents financial results in accordance with the requirements of Regulation 33 of the Listing Regulations; and
 - (iii) gives a true and fair view in conformity with the applicable Indian Accounting Standards ('Ind AS') prescribed under section 133 of the Companies Act, 2013 ('the Act') read with the Companies (Indian Accounting Standards) Rules, 2015, and other accounting principles generally accepted in India, of the consolidated net profit after tax and other comprehensive income and other financial information of the Group, its associate and joint venture for the year ended 31 December 2022.

Basis for Opinion

3. We conducted our audit in accordance with the Standards on Auditing 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 Statement* section of our report. We are independent of the Group, its associate and joint venture, in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ('the ICAI') together with the ethical requirements that are relevant to our audit of the financial results 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 obtained by us together with the audit evidence obtained by the other auditors in terms of their reports referred to in paragraph 12 of the Other Matter section below, is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Those Charged with Governance for the Statement

4. The Statement, which is the responsibility of the Holding Company's management and has been approved by the Holding Company's Board of Directors, has been prepared on the basis of the consolidated annual financial statements. The Holding Company's Board of Directors is responsible for the preparation and presentation of the Statement that gives a true and fair view of the consolidated net profit or loss and other comprehensive income, and other financial information of the Group including its associate and joint ventures in accordance with the Ind AS prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015 and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. The Holding Company's Board of Directors is also responsible for ensuring accuracy of records including financial information considered necessary for the preparation of the Statement. Further, in terms of the provisions of the Act, the respective Board of Directors of the companies included in the Group and its associate and joint venture, covered under the Act, are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act, for safeguarding of the assets of the Group, and its associate and joint venture, 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 financial results, that give a true and fair view and are free from material misstatement, whether due to fraud or error. These financial results have been used for the purpose of preparation of the Statement by the Directors of the Holding Company, as aforesaid.

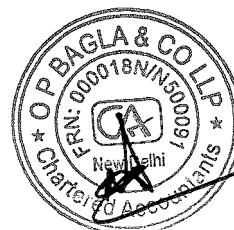


Independent Auditor's Review Report on Consolidated Unaudited Quarterly Financial Results and Year to Date Results of the Company pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended) (Cont'd)

5. In preparing the Statement, the respective Board of Directors of the companies included in the Group and of its associate and joint venture, are responsible for assessing the ability of the Group and of its associate and joint venture, to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting, unless the respective Board of Directors either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.
6. The respective Board of Directors of the companies included in the Group and of its associate and joint venture, are responsible for overseeing the financial reporting process of the companies included in the Group and of its associate and joint venture.

Auditor's Responsibilities for the Audit of the Statement

7. Our objectives are to obtain reasonable assurance about whether the Statement as a whole is 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 Standards on Auditing specified under section 143(10) of the Act 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 this Statement.
8. As part of an audit in accordance with the Standards on Auditing specified under section 143(10) of the Act, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:
 - Identify and assess the risks of material misstatement of the Statement, 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 Holding Company has adequate 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 the 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 ability of the Group and its associate and joint venture, 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 Statement 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 Group and its associate and joint venture to cease to continue as a going concern.
 - Evaluate the overall presentation, structure and content of the Statement, including the disclosures, and whether the Statement represents the underlying transactions and events in a manner that achieves fair presentation.
 - Obtain sufficient appropriate audit evidence regarding the financial information of the entities within the Group, and its associate and joint venture, to express an opinion on the Statement. We are responsible for the direction, supervision and performance of the audit of financial information of such entity included in the Statement, of which we are the independent auditors. For the other entities included in the Statement, which have been audited by the other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.
9. We communicate with those charged with governance of the Holding Company and such other entities included in the Statement, of which we are the independent auditors, 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.
10. 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.



Independent Auditor's Review Report on Consolidated Unaudited Quarterly Financial Results and Year to Date Results of the Company pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended) (Cont'd)

11. We also performed procedures in accordance with SEBI Circular CIR/CFD/CMD1/44/2019 dated 29 March 2019, issued by the SEBI under Regulation 33 (8) of the Listing Regulations, to the extent applicable.

Other Matters

12. We did not audit the annual financial statements of nine subsidiaries included in the Statement, whose financial information reflects total assets of ₹ 26,992.88 million as at 31 December 2022, total revenues of ₹ 32,926.73 million, total net profit after tax of ₹ 3,365.76 million, total comprehensive income of ₹ 3,366.01 million, and cash flows (net) of ₹ (196.58) million for the year ended on that date, as considered in the Statement.

Our opinion is not modified in respect of this matter with respect to our reliance on the work done by and the reports of the other auditors.

The Statement also includes the Group's share of net loss after tax of ₹ (0.06) million, and total comprehensive loss of ₹ (0.06) million for the year ended 31 December 2022, in respect of one associate and one joint venture, based on their annual financial information, which have not been audited by their auditors. These financial information have been furnished to us by the Holding Company's management. Our opinion, in so far as it relates to the amounts and disclosures included in respect of aforesaid associate and joint venture, is based solely on such unaudited financial information. In our opinion, and according to the information and explanations given to us by the management, these financial information are not material to the Group.

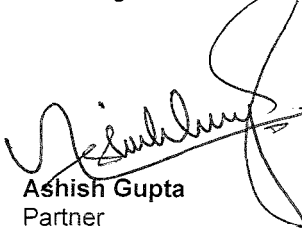
Our opinion is not modified in respect of this matter with respect to our reliance on the financial information certified by the Board of Directors.

13. The Statement includes the consolidated financial results for the quarter ended 31 December 2022, being the balancing figures between the audited consolidated figures in respect of the full financial year and the published unaudited year-to-date consolidated figures up to the third quarter of the current financial year, which were subject to limited review by us.

For Walker Chandiook & Co LLP

Chartered Accountants

Firm Registration No.: 001076N/N500013



Ashish Gupta

Partner

Membership No. 504662

UDIN: 23504662BGWGCH3224



Place: Gurugram

Date: 06 February 2023

L-41, Connaught Place,
New Delhi 110001

For O P Bagla & Co LLP

Chartered Accountants

Firm Registration No.: 000018N/N500091



Neeraj Kumar Agarwal

Partner

Membership No. 094155

UDIN: 23094155BGXOOO3653



Place: Gurugram

Date: 06 February 2023

B-225, 5th Floor, Okhla Industrial Area,
Phase 1, New Delhi 110020

Independent Auditor's Review Report on Consolidated Unaudited Quarterly Financial Results and Year to Date Results of the Company pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended) (Cont'd)

Annexure 1

List of entities included in the Statement

Holding Company

1. Varun Beverages Limited

Subsidiaries

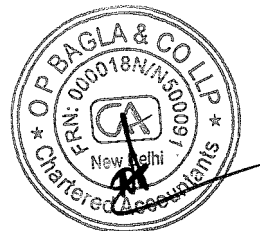
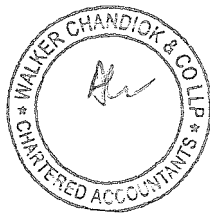
1. Varun Beverages (Nepal) Private Limited
2. Varun Beverages Lanka (Private) Limited
3. Varun Beverages Morocco SA
4. Ole Spring Bottlers (Private) Limited
5. Varun Beverages (Zambia) Limited
6. Varun Beverages (Zimbabwe) (Private) Limited
7. Lunarmech Technologies Private Limited
8. Varun Beverages RDC SAS
9. Varun Beverages International DMCC (with effect from 31 January 2022)

Associate

1. Clean Max Tav Private Limited (with effect from 23 November 2022)

Joint Venture

1. IDVB Recycling Operations Private Limited (with effect from 1 July 2022)



Independent Auditor's Report on Standalone Annual Financial Results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended)

To the Board of Directors of Varun Beverages Limited

Opinion

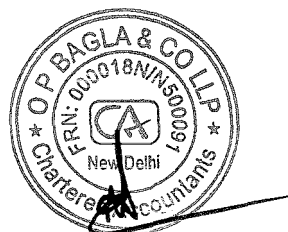
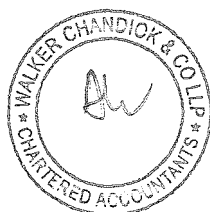
1. We have audited the accompanying standalone annual financial results ('the Statement') of Varun Beverages Limited ('the Company') for the year ended 31 December 2022, attached herewith, being submitted by the Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended) ('Listing Regulations').
2. In our opinion and to the best of our information and according to the explanations given to us, the Statement:
 - (i) presents financial results in accordance with the requirements of Regulation 33 of the Listing Regulations, and
 - (ii) gives a true and fair view in conformity with the applicable Indian Accounting Standards ('Ind AS') specified under section 133 of the Companies Act, 2013 ('the Act'), read with the Companies (Indian Accounting Standards) Rules, 2015, and other accounting principles generally accepted in India, of the standalone net profit after tax and other comprehensive income and other financial information of the Company for the year ended 31 December 2022.

Basis for Opinion

3. We conducted our audit in accordance with the Standards on Auditing 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 Statement* 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 ('the ICAI') together with the ethical requirements that are relevant to our audit of the financial results 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 obtained by us, is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Those Charged with Governance for the Statement

4. This Statement has been prepared on the basis of the standalone annual financial statements and has been approved by the Company's Board of Directors. The Company's Board of Directors is responsible for the preparation and presentation of the Statement that gives a true and fair view of the net profit/loss and other comprehensive income and other financial information of the Company in accordance with the Ind AS specified under section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015 and other accounting principles generally accepted in India, and in compliance with Regulation 33 of the Listing Regulations. 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 Statement that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

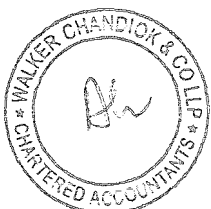


Independent Auditor's Report on Standalone Annual Financial Results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended) (Cont'd)

5. In preparing the Statement, 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.
6. The Board of Directors is also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Statement

7. Our objectives are to obtain reasonable assurance about whether the Statement as a whole is 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 Standards on Auditing, specified under section 143(10) of the Act, 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 this Statement.
8. As part of an audit in accordance with the Standards on Auditing, specified under section 143(10) of the Act, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:
 - Identify and assess the risks of material misstatement of the Statement, 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 in place an adequate internal financial control with reference to financial statements 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 the management.
 - Conclude on the appropriateness of the Board of Directors' 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 Statement 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 Statement, including the disclosures, and whether the Statement represents the underlying transactions and events in a manner that achieves fair presentation.
9. 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.
10. 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.

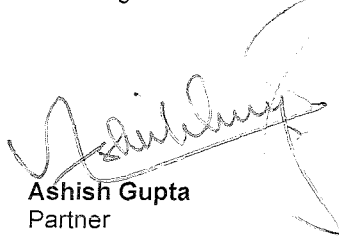


Independent Auditor's Report on Standalone Annual Financial Results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended) (Cont'd)

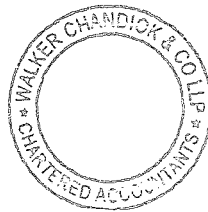
Other Matter

11. The Statement includes the financial results for the quarter ended 31 December 2022, being the balancing figures between the audited figures in respect of the full financial year and the published unaudited year-to-date figures up to the third quarter of the current financial year, which were subject to limited review by us.

For Walker Chandiook & Co LLP
Chartered Accountants
Firm Registration No.: 001076N/N500013



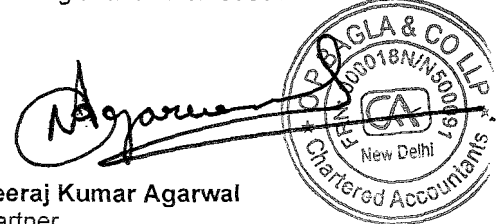
Ashish Gupta
Partner
Membership No. 504662
UDIN: 23504662BGWGCG9392



Place: Gurugram
Date: 06 February 2023

L-41, Connaught Place,
New Delhi 110001

For O P Bagla & Co LLP
Chartered Accountants
Firm Registration No.: 000018N/N500091



Neeraj Kumar Agarwal
Partner
Membership No. 094155
UDIN: 23094155BGXOON5326



Place: Gurugram
Date: 06 February 2023

B-225, 5th Floor, Okhla Industrial Area,
Phase 1, New Delhi 110020



VARUN BEVERAGES LIMITED



Corporate Off : Plot No.31, Institutional Area, Sec.-44, Gurgaon, Haryana-122002 (India)
Ph.: +91-124-4643100-500 • Fax: +91-124-4643303/04 E-mail : info@rjcorp.in • Visit us at : www.varunpepsi.com
CIN No. : L74899DL1995PLC069839

February 6, 2023

To,

National Stock Exchange of India Ltd. Exchange Plaza, Block G, C/1, Bandra Kurla Complex, Bandra (E), Mumbai – 400 051 Email: cmlist@nse.co.in Symbol: VBL	BSE Limited Phiroze Jeejeebhoy Towers , Dalal Street, Mumbai – 400 001 Email: corp.relations@bseindia.com Security Code: 540180
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Subject: Declaration under Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

Dear Sir/Madam,

Pursuant to Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and SEBI Circular No. CIR/CFD/CMD/56/2016 dated May 27, 2016, we hereby confirm that the Audit Report on the Audited Financial Results, both on Standalone and Consolidated basis, for the Financial Year ended December 31, 2022 issued by M/s. Walker Chandiok & Co. LLP, Chartered Accountants and M/s. O P Bagla & Co. LLP, Chartered Accountants, Joint Statutory Auditors of the Company is WITH UNMODIFIED OPINION.

You are requested to take the above on record.

Yours faithfully,

For Varun Beverages Limited


Rayi Batra
Chief Risk Officer & Group Company Secretary

