

**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)

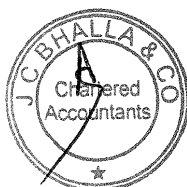
Tel: +91-124-4643100, Fax: +91-124-4643303, E-mail: complianceofficer@rjcorp.in, Website: www.varunbeverages.com

Statement of consolidated assets and liabilities

₹ in million

	As at 30 June 2023 (Unaudited)	As at 31 December 2022 (Audited)
Assets		
Non-current assets		
(a) Property, plant and equipment	69,858.39	54,415.78
(b) Capital work-in-progress	5,312.38	6,066.32
(c) Right of use assets	10,147.90	9,155.01
(d) Investment property	20.08	-
(e) Goodwill	242.30	242.30
(f) Other intangible assets	5,488.33	5,509.10
(g) Investment in associates and joint venture	51.44	0.04
(h) Financial assets		
(i) Investments	31.51	0.01
(ii) Other financial assets	579.83	486.80
(i) Other non-current assets	3,883.57	6,266.77
Total non-current assets (A)	95,615.73	82,142.13
Current assets		
(a) Inventories	20,907.24	19,938.85
(b) Financial assets		
(i) Trade receivables	6,035.76	2,993.38
(ii) Cash and cash equivalents	2,065.62	1,543.32
(iii) Bank balances other than (ii) above	1,056.66	1,309.35
(iv) Loans	10.00	-
(v) Other financial assets	5,448.18	3,977.06
(c) Current tax assets (Net)	2.95	-
(d) Other current assets	3,044.07	4,278.34
Total current assets (B)	38,570.48	34,040.30
Total assets (A+B)	134,186.21	116,182.43
Equity and liabilities		
Equity		
(a) Equity share capital	6,495.68	6,495.50
(b) Other equity	58,389.81	44,528.30
Equity attributable to owners of the Parent Company	64,885.49	51,023.80
(c) Non-controlling interest	1,340.74	1,131.07
Total equity (C)	66,226.23	52,154.87
Liabilities		
Non-current liabilities		
(a) Financial liabilities		
(i) Borrowings	17,871.78	17,270.22
(ii) Lease liabilities	2,032.75	1,654.25
(b) Provisions	2,008.61	2,041.13
(c) Deferred tax liabilities (Net)	3,401.33	3,368.48
(d) Other non-current liabilities	5.55	5.94
Total non-current liabilities (D)	25,320.02	24,340.02
Current liabilities		
(a) Financial liabilities		
(i) Borrowings	16,966.77	19,677.90
(ii) Lease liabilities	392.82	235.77
(iii) Trade payables		
(a) Total outstanding dues of micro enterprises and small enterprises	630.12	659.11
(b) Total outstanding dues of creditors other than micro enterprises and small enterprises	10,392.10	7,583.50
(iv) Other financial liabilities	4,416.62	5,593.90
(b) Other current liabilities	7,166.48	4,889.77
(c) Provisions	301.35	291.91
(d) Current tax liabilities (Net)	2,373.70	755.68
Total current liabilities (E)	42,639.96	39,687.54
Total liabilities (F=D+E)	67,959.98	64,027.56
Total equity and liabilities (C+F)	134,186.21	116,182.43

See accompanying notes

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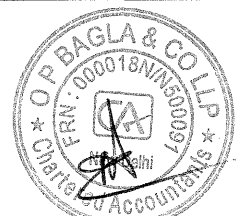
Statement of consolidated financial results for the quarter and half year ended on 30 June 2023

₹ in million, except as stated otherwise

Particulars	Three months ended on 30 June 2023 (Unaudited)	Three months ended on 31 March 2023 (Unaudited)	Three months ended on 30 June 2022 (Unaudited)	Six months ended on 30 June 2023 (Unaudited)	Six months ended on 30 June 2022 (Unaudited)	Year ended on 31 December 2022 (Audited)
1. Income						
(a) Revenue from operations	56,997.34	39,525.91	50,175.75	96,523.25	78,850.52	133,905.58
(b) Other income	416.01	101.36	104.77	517.37	189.85	388.49
Total income	57,413.35	39,627.27	50,280.52	97,040.62	79,040.37	134,294.07
2. Expenses						
(a) Cost of materials consumed	22,187.25	19,643.11	23,127.61	41,830.36	37,671.54	64,170.92
(b) Excise duty	883.32	596.16	627.60	1,479.48	1,027.65	2,174.16
(c) Purchases of stock-in-trade	1,289.66	1,217.30	494.73	2,506.96	1,088.68	1,885.71
(d) Changes in inventories of finished goods, intermediate goods, stock-in-trade and work-in-progress	3,188.82	(2,343.25)	896.05	845.57	(540.01)	(3,445.07)
(e) Employee benefits expense	3,646.04	3,391.22	3,104.37	7,037.26	5,855.00	12,166.42
(f) Finance costs	693.68	625.72	463.98	1,319.40	933.53	1,861.22
(g) Depreciation, amortisation and impairment expense	1,719.27	1,721.99	1,530.73	3,441.26	2,843.92	6,171.89
(h) Other expenses	10,692.05	9,040.99	9,419.22	19,733.04	15,931.52	29,072.39
Total expenses	44,300.09	33,893.24	39,664.29	78,193.33	64,811.83	114,057.64
3. Profit before share of loss of associates and joint venture (1-2)	13,113.26	5,734.03	10,616.23	18,847.29	14,228.54	20,236.43
4. Share of loss of associates and joint venture	(2.39)	(0.27)	-	(2.66)	-	(0.06)
5. Profit before tax (3+4)	13,110.87	5,733.76	10,616.23	18,844.63	14,228.54	20,236.37
6. Tax expense:						
(a) Current tax	2,879.24	1,500.94	2,474.76	4,380.18	3,099.89	4,258.66
(b) Adjustment of tax relating to earlier periods/year	-	-	111.63	-	117.28	226.91
(c) Deferred tax charge/(credit)	177.41	(152.90)	9.73	24.51	280.32	249.66
Total tax expense	3,056.65	1,348.04	2,596.12	4,404.69	3,497.49	4,735.23
7. Net profit after tax (5-6)	10,054.22	4,385.72	8,020.11	14,439.94	10,731.05	15,501.14
8. Other comprehensive income						
A Items that will not be reclassified to profit or loss	(34.98)	30.71	32.70	(4.27)	107.23	107.87
B Income tax relating to items that will not be reclassified to profit or loss	7.35	(7.36)	(8.50)	(0.01)	(27.02)	(27.02)
C Items that will be reclassified to profit or loss	76.32	160.01	(1,756.58)	236.33	(3,147.31)	(3,799.27)
Total other comprehensive income/(loss)	48.69	183.36	(1,732.38)	232.05	(3,067.10)	(3,718.42)
9. Total comprehensive income for the periods/year (7+8)	10,102.91	4,569.08	6,287.73	14,671.99	7,663.95	11,782.72
10. Net profit attributable to:						
A Owners of the Company	9,938.11	4,290.72	7,874.38	14,228.83	10,416.45	14,974.33
B Non-controlling interest	116.11	95.00	145.73	211.11	314.60	526.81
11. Other comprehensive income/(loss) attributable to:						
A Owners of the Company	42.97	190.52	(1,732.23)	233.49	(3,066.96)	(3,154.79)
B Non-controlling interest	5.72	(7.16)	(0.15)	(1.44)	(0.14)	(563.63)
12. Total comprehensive income attributable to:						
A Owners of the Company	9,981.08	4,481.24	6,142.15	14,462.32	7,349.49	11,819.54
B Non-controlling interest	121.83	87.84	145.58	209.67	314.46	(36.82)
13. Paid-up equity share capital (face value of ₹ 5 each)	6,495.68	6,495.58	6,495.50	6,495.68	6,495.50	6,495.50
14. Other equity				58,389.81	41,653.06	44,528.30
15. Earnings per share (of ₹ 5/- each) (not annualised for quarters and half years) (Refer note 6):						
(a) Basic	7.65	3.30	6.06	10.95	8.02	11.53
(b) Diluted	7.65	3.30	6.06	10.95	8.02	11.52
See accompanying notes						



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Consolidated Cash Flow Statement

(Indirect Method)

(₹ in million)

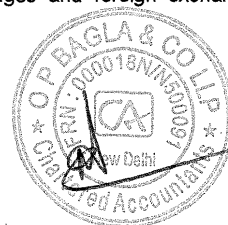
Particulars	Six months period ended on 30 June 2023 (Unaudited)	Six months period ended on 30 June 2022 (Unaudited)
A. Operating activities		
Profit before tax	18,847.29	14,228.54
Adjustments to reconcile profit before tax to net cash flows:		
Depreciation and amortisation expense	3,441.26	2,843.92
Interest expense at amortised cost	1,319.40	926.80
Interest income at amortised cost	(94.72)	(88.68)
Profit on sale of current investments	(2.57)	(2.48)
Excess provisions/liabilities written back	(302.24)	(8.89)
Share based payment to employees	37.69	-
Loss on disposal/written off of property, plant and equipment (Net)	657.42	562.39
Bad debts written off	2.54	17.27
Allowance for expected credit loss	38.12	49.17
Unrealised foreign exchange fluctuation	(141.51)	201.26
Operating profit before working capital changes	23,802.68	18,729.30
Working capital adjustments		
Increase in inventories	(849.53)	(4,234.34)
Increase in trade receivables	(3,020.61)	(1,395.81)
Increase in current and non-current financial assets and other current and non-current assets	(326.98)	(1,309.32)
Increase in current financial liabilities and other current and non-current liabilities and provisions	5,286.62	6,685.38
Total cash from operations	24,892.18	18,475.21
Income tax paid	(2,761.55)	(897.73)
Net cash flows from operating activities (A)	22,130.63	17,577.48
B. Investing activities		
Purchase of property, plant and equipment and intangible assets (including adjustment on account of capital work-in-progress, capital advance paid and capital creditors)	(17,871.23)	(6,621.33)
Proceeds from disposal of property, plant and equipment	227.96	331.98
Loan given to joint venture	(10.00)	-
Investment made in associates and other	(85.56)	-
Interest received	88.33	87.78
Net proceeds from sale of current investments	2.57	2.48
Decrease in other bank balances	252.57	208.91
Net cash used in investing activities (B)	(17,395.36)	(5,990.18)
C. Financing activities		
Proceeds from long term borrowings	8,105.88	4,479.75
Repayment of long term borrowings	(12,103.99)	(11,285.55)
Repayment of lease liabilities	(113.64)	(91.70)
Proceeds/(repayment) of short term borrowings (Net)	1,865.92	(3,289.68)
Proceeds from issue of share capital (including share premium thereon)	11.26	-
Interest paid (inclusive of interest paid on lease liabilities ₹ 63.27 (30 June 2022: ₹ 23.21))	(1,365.87)	(694.24)
Dividends paid	(649.56)	-
Net cash used in financing activities (C)	(4,250.00)	(10,881.42)
Net change in cash and cash equivalents (D=A+B+C)	485.27	705.88
Cash and cash equivalents at the beginning of period (E)	1,543.32	1,507.50
Unrealised exchange differences on translation of cash and cash equivalent in subsidiaries (F)	37.03	(566.58)
Cash and cash equivalents at the end of period (G= D+E+F)	2,065.62	1,646.80

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 assets and liabilities

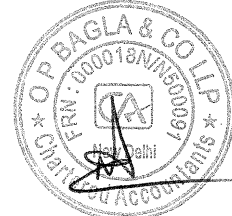
₹ in million

	As at 30 June 2023 (Unaudited)	As at 31 December 2022 (Audited)
Assets		
Non-current assets		
(a) Property, plant and equipment	56,420.48	43,753.65
(b) Capital work-in-progress	3,991.68	5,399.45
(c) Right of use assets	8,600.15	8,267.06
(d) Investment property	20.08	-
(e) Goodwill	19.41	19.40
(f) Other intangible assets	5,461.98	5,478.55
(g) Financial assets		
(i) Investments	14,253.78	13,543.17
(ii) Loans	4,865.56	5,238.04
(iii) Other financial assets	524.14	442.45
(h) Other non-current assets	3,001.71	4,028.70
Total non-current assets (A)	97,158.97	86,170.47
Current assets		
(a) Inventories	14,363.13	14,261.48
(b) Financial assets		
(i) Trade receivables	3,438.43	1,502.42
(ii) Cash and cash equivalents	285.63	473.89
(iii) Bank balances other than (ii) above	6.32	0.98
(iv) Loans	1,073.82	-
(v) Other financial assets	5,643.46	4,757.52
(c) Other current assets	2,326.51	3,522.67
Total current assets (B)	27,137.30	24,518.96
Total assets (A+B)	124,296.27	110,689.43
Equity and liabilities		
Equity		
(a) Equity share capital	6,495.68	6,495.50
(b) Other equity	60,494.55	48,678.51
Total equity (C)	66,990.23	55,174.01
Liabilities		
Non-current liabilities		
(a) Financial liabilities		
(i) Borrowings	17,276.64	16,532.58
(ii) Lease liabilities	1,098.90	1,117.39
(b) Provisions	1,920.50	1,976.61
(c) Deferred tax liabilities (Net)	3,136.64	3,199.84
(d) Other non-current liabilities	5.55	5.94
Total non-current liabilities (D)	23,438.23	22,832.36
Current liabilities		
(a) Financial liabilities		
(i) Borrowings	15,099.98	18,185.92
(ii) Lease liabilities	191.89	113.67
(iii) Trade payables		
(a) Total outstanding dues of micro enterprises and small enterprises	626.21	653.33
(b) Total outstanding dues of creditors other than micro enterprises and small enterprises	6,880.79	5,104.60
(iv) Other financial liabilities	3,700.59	4,943.36
(b) Other current liabilities	4,729.89	2,724.71
(c) Provisions	291.59	283.10
(d) Current tax liabilities (Net)	2,346.87	674.37
Total current liabilities (E)	33,867.81	32,683.06
Total liabilities (F=D+E)	57,306.04	55,515.42
Total equity and liabilities (C+F)	124,296.27	110,689.43

See accompanying notes



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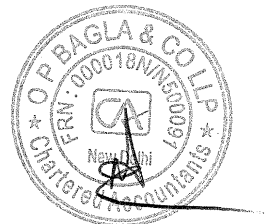
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Statement of standalone financial results for the quarter and half year ended on 30 June 2023

₹ in million, except per share data

Particulars	Three months ended on 30 June 2023 (Unaudited)	Three months ended on 31 March 2023 (Unaudited)	Three months ended on 30 June 2022 (Unaudited)	Six months ended on 30 June 2023 (Unaudited)	Six months ended on 30 June 2022 (Unaudited)	Year ended on 31 December 2022 (Audited)
1. Income						
(a) Revenue from operations	46,722.86	32,218.53	43,658.26	78,941.39	65,501.97	105,958.25
(b) Other income	455.21	185.05	242.52	640.26	443.07	1,437.57
Total income	47,178.07	32,403.58	43,900.78	79,581.65	65,945.04	107,395.82
2. Expenses						
(a) Cost of materials consumed	19,423.65	17,027.45	21,257.96	36,451.10	33,073.72	54,593.04
(b) Purchase of stock-in-trade	508.97	545.74	370.49	1,054.71	791.29	1,201.84
(c) Changes in inventories of finished goods, intermediate goods, stock-in-trade and work-in-progress	2,749.72	(1,678.58)	900.49	1,071.14	(325.56)	(3,023.46)
(d) Employee benefits expense	2,690.50	2,527.15	2,462.49	5,217.65	4,492.38	9,204.68
(e) Finance costs	623.04	565.52	353.67	1,188.56	785.24	1,542.57
(f) Depreciation, amortisation and impairment expense	1,294.94	1,356.22	1,249.49	2,651.16	2,256.35	4,831.32
(g) Other expenses	8,271.41	7,075.50	7,638.73	15,346.91	12,451.58	22,200.81
Total expenses	35,562.23	27,419.00	34,233.32	62,981.23	53,525.00	90,550.80
3. Profit before tax (1-2)	11,615.84	4,984.58	9,667.46	16,600.42	12,420.04	16,845.02
4. Tax expense						
(a) Current tax	2,794.30	1,463.07	2,389.88	4,257.37	2,960.18	3,953.00
(b) Adjustment of tax relating to earlier periods/year	-	-	-	-	-	(0.86)
(c) Deferred tax charge/(credit)	141.82	(207.69)	(5.76)	(65.87)	222.97	190.89
Total tax expense	2,936.12	1,255.38	2,384.12	4,191.50	3,183.15	4,143.03
5. Net profit after tax (3 - 4)	8,679.72	3,729.20	7,283.34	12,408.92	9,236.89	12,701.99
6. Other comprehensive income						
A. Items that will not be reclassified to profit or loss	(19.00)	29.67	34.12	10.67	107.70	107.70
B. Income tax relating to items that will not be reclassified to profit or loss	4.79	(7.47)	(8.59)	(2.68)	(27.11)	(27.10)
Total other comprehensive income/ (loss)	(14.21)	22.20	25.53	7.99	80.59	80.60
7. Total comprehensive income for the periods/year (5+6)	8,665.51	3,751.40	7,308.87	12,416.91	9,317.48	12,782.59
8. Paid-up equity share capital (face value of ₹ 5/- each)	6,495.68	6,495.58	6,495.50	6,495.68	6,495.50	6,495.50
9. Other equity				60,494.55	46,808.18	48,678.51
10. Earnings per share(of ₹ 5/- each) (Not annualised for quarters and half years) (Refer note 6)						
(a) Basic	6.68	2.87	5.61	9.55	7.11	9.78
(b) Diluted	6.68	2.87	5.61	9.55	7.11	9.77
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Standalone Cash Flow Statement

(Indirect Method)

(₹ in million)

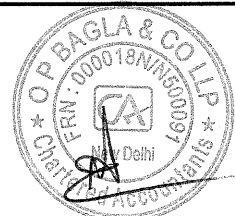
Particulars	Six months period ended on 30 June 2023 (Unaudited)	Six months period ended on 30 June 2022 (Unaudited)
A. Operating activities		
Profit before tax	16,600.42	12,420.04
Adjustments to reconcile profit before tax to net cash flows:		
Depreciation and amortisation expense	2,651.16	2,256.35
Interest expense at amortised cost	1,188.56	778.51
Interest income at amortised cost	(262.55)	(85.22)
Loss on disposal/written off of property, plant and equipment (Net)	642.50	416.84
Bad debts written off	1.64	2.34
Excess provisions/liabilities written back	(297.16)	(1.24)
Profit on sale of current investments	(2.57)	(2.48)
Guarantee commission received	(9.11)	(5.47)
Unrealised foreign exchange fluctuation	53.57	(265.79)
Share based payments	27.41	-
(Reversal)/allowance for expected credit loss	(1.95)	31.92
Operating profit before working capital changes	20,591.92	15,545.80
Working capital adjustments:		
Increase in inventories	(101.73)	(2,254.03)
Increase in trade receivables	(1,935.70)	(988.70)
Increase in current and non-current financial assets and other current and non-current assets	(85.40)	(510.92)
Increase in current financial liabilities and other current and non-current liabilities and provisions	4,211.04	5,080.61
Total cash from operations	22,680.13	16,872.76
Income tax paid	(2,584.81)	(740.22)
Net cash flows from operating activities (A)	20,095.32	16,132.54
B. Investing activities		
Purchase of property, plant and equipment and intangible assets (including adjustment on account of capital work-in-progress, capital advance paid and capital creditors)	(15,283.70)	(5,042.89)
Proceeds from disposal of property, plant and equipment	55.85	43.22
Loan given to a subsidiary and joint venture	(751.29)	(187.11)
Investment made in subsidiaries, associates and other	(710.61)	(20.68)
Net proceeds from sale of current investments	2.57	2.48
Increase in other bank balances	(6.49)	(1.20)
Guarantee commission received	4.84	-
Interest received	70.16	64.71
Dividend income from non-current investment in subsidiary	512.52	288.29
Net cash used in investing activities (B)	(16,106.15)	(4,853.18)
C. Financing activities		
Proceeds from long term borrowings	8,065.67	4,479.22
Repayment of long term borrowings	(11,898.78)	(11,276.78)
Repayment of lease liabilities	(23.50)	(39.05)
Proceeds/(repayment) of short term borrowings (Net)	1,471.97	(3,985.14)
Interest paid (inclusive of interest paid on lease liabilities ₹ 34.89 (30 June 2022: ₹ 5.33))	(1,154.49)	(553.89)
Proceeds from issue of share capital (including share premium thereon)	11.26	-
Dividends paid	(649.56)	-
Net cash used in financing activities (C)	(4,177.43)	(11,375.64)
Net change in cash and cash equivalents (D=A+B+C)	(188.26)	(96.28)
Cash and cash equivalents at the beginning of period (E)	473.89	241.47
Cash and cash equivalents at the end of period (D+E)	285.63	145.19

Notes:

(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.



SIGNED FOR
IDENTIFICATION
PURPOSE ONLY





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.varunbeverages.com

(₹ in million, except per share data)

Notes:

1. These standalone and consolidated financial results for the quarter and half year ended on 30 June 2023 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 03 August 2023. The Statutory Auditors have conducted a limited review of these 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).
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 six months period ended on 30 June 2023, the Company has started commercial production from a greenfield production facility for beverages and backward integration at Bundi (Rajasthan, India) and at Jabalpur (Madhya Pradesh, India).
6. During the quarter ended 30 June 2023, the Company on 15 June 2023 ("Record Date"), sub-divided/split of existing Equity Shares of the Company from 1 (One) Equity Share having face value of ₹ 10/- (Rupees Ten only) each fully paid-up, into 2 (Two) Equity Shares having face value of ₹ 5/- (Rupees Five only) each fully paid-up. Accordingly, earnings per share of comparative periods presented has been calculated based on number of shares outstanding in respective periods, as increased by sub-divided/split of shares.
7. During the six months period ended on 30 June 2023, the Company has incorporated a new wholly-owned subsidiary company i.e. Varun Beverages South Africa (Pty) Ltd in Johannesburg, South Africa by subscription of its 100% share capital for a consideration of ₹ 0.05 million to explore the business of manufacturing and distribution of beverages.
8. The Board of Directors have approved a payment of interim dividend of ₹ 1.25/- (Rupee one and paise twenty five only) per equity share of the face value of ₹ 5/- each.

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


Raj Gandhi
Whole Time Director

Place : Gurugram
Dated : 03 August 2023

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PURPOSE ONLY**



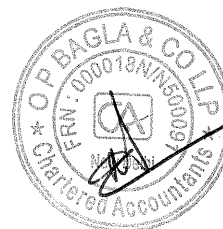
Independent Auditor's Review Report on Consolidated Unaudited Quarterly and Year to Date Financial Results of the Company pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended)

To the Board of Directors of Varun Beverages Limited

1. We have reviewed the accompanying statement of consolidated unaudited 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') and its joint venture and associate (refer Annexure 1 for the list of subsidiaries, joint venture and associate included in the Statement) for the quarter ended 30 June 2023 and the consolidated year to date results for the period from 01 January 2023 to 30 June 2023 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. This Statement, which is the responsibility of the Holding Company's management and approved by the Holding Company's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34, Interim Financial Reporting ('Ind AS 34'), prescribed under section 133 of the Companies Act, 2013 ('the Act') read with relevant rules issued thereunder, and other accounting principles generally accepted in India and is in compliance with the presentation and disclosure requirements of Regulation 33 of the Listing Regulations. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410 - "Review of Interim Financial Information Performed by the Independent Auditor of the Entity", issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statements are free of material misstatement. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with the Standards on Auditing specified under section 143(10) of the Act, and consequently, does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

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

4. Based on our review conducted and procedures performed as stated in paragraph 3 above and upon consideration of the review reports of the other auditors referred to in paragraph 5 below, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in Ind AS 34, prescribed under section 133 of the Act read with relevant rules issued thereunder, and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in accordance with the requirements of Regulation 33 of the Listing Regulations, including the manner in which it is to be disclosed, or that it contains any material misstatement.





5. We did not review the interim financial results of nine subsidiaries included in the Statement, whose financial information reflects total assets ₹ 32,222.75 million as at 30 June 2023, and total revenues of ₹ 12,381.83 million and ₹ 20,800.63 million, total net profit after tax of ₹ 1,495.65 million and ₹ 2,163.78 million, total comprehensive income of ₹ 1,482.24 million and ₹ 2,151.51 million for the quarter and year-to-date period ended on 30 June 2023, respectively, and cash flows of ₹ 710.49 million for the period ended 30 June 2023, as considered in the Statement. These interim financial results have been reviewed by other auditors whose review reports have been furnished to us by the management, and our conclusion in so far as it relates to the amounts and disclosures included in respect of these subsidiaries is based solely on the review reports of such other auditors and the procedures performed by us as stated in paragraph 3 above.

Our conclusion 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.

6. The review of consolidated unaudited quarterly and year to date financial results for the period ended 30 June 2022 and audit of consolidated financial results for the year ended 31 December 2022, included in the Statement, was carried out and reported jointly by then joint auditors Walker Chandio & Co. LLP and O P Bagla & Co. LLP who has expressed unmodified conclusion vide their review report dated 01 August 2022 and unmodified opinion vide their audit report dated 06 February 2023, respectively, whose reports have been furnished to us and which have been relied upon by us for the purpose of our review of the Statement. Our conclusion is not modified in respect of this matter.

For J. C. Bhalla & Co.
Chartered Accountants
Firm Registration No. 001111N

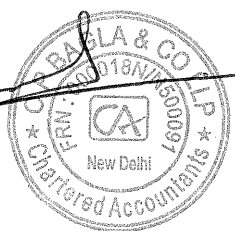



Akhil Bhalla
Partner
Membership No: 505002
UDIN: 23505002BGTITA2445

Place: Gurugram
Date: 03 August 2023

B-5, Sector-6, Noida
Uttar Pradesh 201301

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



Neeraj Kumar Agarwal
Partner
Membership No. 094155
UDIN: 23094155BGXORQ6690

Place: Gurugram
Date: 03 August 2023

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

Annexure 1

List of entities included in the Statement

Holding Company

1. Varun Beverages Limited

Subsidiaries

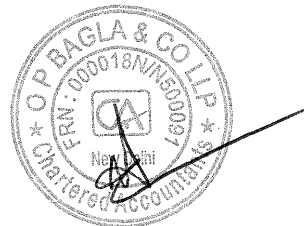
1. Varun Beverages (Nepal) Private Limited
2. Varun Beverages (Lanka) Private Limited
3. Ole Spring Bottlers (Private) Limited
4. Varun Beverages Morocco SA
5. Varun Beverages (Zambia) Limited
6. Varun Beverages (Zimbabwe) (Private) Limited
7. Lunarmech Technologies Private Limited
8. Varun Beverages RDC SAS
9. Varun Beverages International DMCC
10. Varun Beverages South Africa (Pty) Ltd

Associate

1. Clean Max Tav Private Limited
2. Huoban Energy 7 Private Limited

Joint Venture

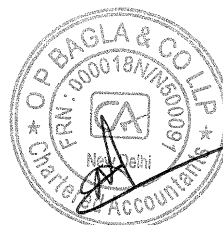
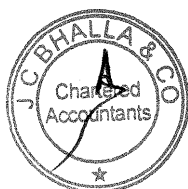
1. IDVB Recycling Operations Private Limited



Independent Auditor's Review Report on the Standalone Unaudited Quarterly and Year to Date 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

1. We have reviewed the accompanying statement of standalone unaudited financial results of Varun Beverages Limited ('the Company') for the quarter ended 30 June 2023 and year to date results for the period from 01 January 2023 to 30 June 2023 ('the Statement') 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. The Statement, which is the responsibility of the Company's management and approved by the Company's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34, Interim Financial Reporting ('Ind AS 34'), prescribed under section 133 of the Companies Act, 2013 ('the Act') read with relevant rules issued thereunder, and other accounting principles generally accepted in India and is in compliance with the presentation and disclosure requirements of Regulation 33 of the Listing Regulations. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410 - "Review of Interim Financial Information Performed by the Independent Auditor of the Entity", issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statements are free of material misstatement. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with the Standards on Auditing specified under section 143(10) of the Act, and consequently, does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.
4. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in Ind AS 34, prescribed under section 133 of the Act read with relevant rules issued thereunder, and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in accordance with the requirements of Regulation 33 of the Listing Regulations, including the manner in which it is to be disclosed, or that it contains any material misstatement.



5. The review of standalone unaudited quarterly and year to date financial results for the period ended 30 June 2022 and audit of standalone financial results for the year ended 31 December 2022, included in the Statement, was carried out and reported jointly by then joint auditors Walker Chandiook & Co. LLP and O P Bagla & Co LLP who has expressed unmodified conclusion vide their review report dated 01 August 2022 and unmodified opinion vide their audit report dated 06 February 2023, respectively, whose reports have been furnished to us and which have been relied upon by us for the purpose of our review of the Statement. Our conclusion is not modified in respect of this matter.

For J. C. Bhalla & Co.
Chartered Accountants
Firm Registration No. 001111N



Akhil Bhalla
Partner
Membership No: 505002
UDIN: 23505002BGTISZ4513

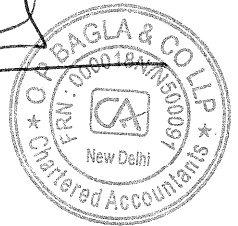


Place: Gurugram
Date: 03 August 2023

B-5, Sector-6, Noida
Uttar Pradesh 201301

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


Neeraj Kumar Agarwal
Partner
Membership No. 094155
UDIN: 23094155BGXORP8466



Place: Gurugram
Date: 03 August 2023

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