Independent Auditor's Report

To the Members of Varun Beverages Limited

Report on the Audit of the Standalone Financial Statements

Opinion

1. We have audited the accompanying standalone financial statements of Varun Beverages Limited ('the Company'), which comprise the Balance Sheet as at 31 December 2023, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Cash Flow and the Statement of Changes in Equity for the year then ended, and notes to the standalone financial statements, including a summary of the significant accounting policies and other explanatory information (hereinafter referred to as the "standalone financial statements").

2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ('the Act') in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards ('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, of the state of affairs of the Company as at 31 December 2023, and its profit (including other comprehensive income), its cash flows and the changes in equity for the year ended on that date.

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 Standalone 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 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.

Key Audit Matters

4. Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

5. We have determined the matters described below to be the key audit matters to be communicated in our report.

Key audit matter	How our audit addressed the key audit matter
Impairment assessment of intangible assets including goodwill Refer note 3.5 and 3.11 for accounting policies on Intangibles assets and Business combinations and Goodwill respectively. Further refer note 5A and 5B to the standalone financial statements The Company carries Goodwill and franchise rights/ trademarks as intangible assets having indefinite life amounting to INR 19.40 million and INR 5,385.99 million respectively, that are required to be tested for impairment by the management on an annual basis in accordance with Ind AS 36, Impairment of Assets.	Our audit procedures included, but were not limited, to the following: • Obtained an understanding of the management's process for identification of cash generating unit and processes performed by the management for their impairment testing; • Assessed the process by which management prepared its cash flow forecasts and held discussions with management to understand the assumptions used and estimates made by them for determining such projections;

Key audit matter	How our audit addressed the key audit matter
The aforesaid assessment of the impairment testing involves significant judgement around the determination of the recoverable amounts, being the higher of value in use and fair value less costs of disposal. Recoverable amounts are based on management's view of the future cash flows and prospects of the business, the appropriate discount rates and other industry specific risk factors. The key judgements in determining the recoverable amounts relates to the forecast of future cash flows based on strategy using macroeconomic assumptions such as industry growth, inflation and expected growth in market share, capital expenditure and working capital requirements, among others. Changes in the management forecasts or assumptions can impact the assessment of the discounted cash flows. Considering the materiality of the amounts involved and significant degree of judgement and subjectivity involved in the estimates and key assumptions used in determining the forecasted cash flows used in the impairment evaluation, which are dependent on current and future economic factors and trading conditions varying for different economic and geographical territories, impairment assessment of Goodwill and the Franchise rights/ trademarks was determined as a key audit matter.	• Tested the design and operating effectiveness of internal controls over such identification and impairment test procedures; • Assessed the appropriateness of the Company's accounting policies, including those relating to recognition, measurement and impairment of intangibles by comparing with the applicable Ind AS; • Reviewed the valuation report obtained by the management from an independent valuer for Franchise rights and assessed the professional competence, skills and objectivity for performing the required valuations; • Assessed the appropriateness of the significant assumptions as well as the Company's valuation model with the support of auditor's valuation specialists, who assess the reasonableness of assumptions used and valuation methodology applied relating to discount rate, risk premium, industry growth rate etc. This included a discussion of the expected development of the business and results as well as of the underlying assumptions used with those responsible for the planning process. • Assessed the robustness of financial projections prepared by the management by comparing projections for previous financial years with actual results realised and discussed significant deviations, if any, with the management; • Tested mathematical accuracy of the projections and performed a sensitivity analysis for reasonably possible changes in the sales growth, discount rate applied and the long-term growth rate; and • Evaluated the adequacy and appropriateness of disclosures made by the Company in the standalone financial statements, as required by the applicable provisions of the Act and Ind AS.
Claims, Appeals and Litigations – provisions and contingent liabilities (Refer note 39 to the standalone financial statements for the amounts of contingent liabilities) The Company is involved in various direct, indirect tax and other claims, appeals and litigations (hereafter, referred to as "Matters") that are pending with different statutory authorities and judicial courts. The management exercises significant judgement for determining the need for and the amount of provisions, for any liabilities, arising from these matters.	Our audit procedures included, but were not limited to, the following: • Assessed the appropriateness of the Company's accounting policies relating to provisions and contingent liabilities with the applicable accounting standards; • Assessed the Company's process and the underlying controls for identification of the pending matters and completeness for financial reporting and also for monitoring of significant developments in relation to such pending matters;

Key audit matter	How our audit addressed the key audit matter
This judgement is dependent on a number of significant assumptions and evaluations which involves interpreting the various applicable rules, regulations, practices and considering precedents in the various jurisdictions including the opinions received from various legal counsels. This matter is considered as a key audit matter, in view of the uncertainty regarding the outcome of these matters, the significance of the amounts involved and the subjectivity involved in management's judgement as to whether any amount should be recognised as a provision or be disclosed or not as a contingent liability in the standalone financial statements.	• Assessed the management's assumptions and estimates in respect of matters, including the liabilities or provisions recognised or contingent liabilities disclosed in the standalone financial statements. This involved assessing the probability of an unfavorable outcome of a given proceeding and the reliability of estimates of related amounts based on the various legal counsels opinions received by the Company; • Recomputed the arithmetical accuracy of the underlying calculations supporting the provisions recorded from the supporting evidences including the correspondence with various authorities; • Assessed the management's conclusions through understanding relevant judicial precedents in similar cases and the applicable rules and regulations and through a discussion with Company's legal department and legal counsels appointed by the Company; • Obtained legal opinions and confirmation on completeness from the Company's external legal counsels, where appropriate; • Engaged auditor's experts to gain an understanding of the current status of matters and changes in the disputes, if any, through discussions with the management and by reading external advice received by the Company, where relevant, to validate management's conclusions; and • Assessed the appropriateness of the Company's description of the accounting policy, disclosures related to matters and whether these are adequately presented in the standalone financial statements.

Information other than the Financial Statements and Auditor's Report thereon

6. The Company's Board of Directors are responsible for the other information. The other information comprises the information included in the Management Discussion and Analysis, Report on Corporate Governance and Director's Report, but does not include the standalone financial statements and our auditor's report thereon.

   Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

   In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone 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 Standalone Financial Statements

7. The accompanying standalone financial statements have been approved by the Company's Board of Directors. The Company's Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to the preparation and presentation of these standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, changes in equity and cash flows of the Company in accordance with the

Ind AS specified under section 133 of the Act and other accounting principles generally accepted in India. 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 financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

8. In preparing the financial statements, the Board of Directors are 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 intend to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibilities for the Audit of the Standalone Financial Statements

10. Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

11. As part of an audit in accordance with 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 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 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 management;

    - Conclude on the appropriateness of 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 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;

12. 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.

13. 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.

14. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matter

15. The standalone financial statements of the Company for the year ended 31 December 2022 were audited and reported jointly by then joint auditors Walker Chandiok & Co. LLP and O P Bagla & Co LLP who have expressed an unmodified opinion on those standalone financial statements vide their audit report dated 06 February 2023.

Report on Other Legal and Regulatory Requirements

16. As required by section 197(16) of the Act based on our audit, we report that the Company has paid remuneration to its directors during the year in accordance with the provisions of and limits laid down under section 197 read with Schedule V to the Act.

17. As required by the Companies (Auditor's Report) Order, 2020 ('the Order') issued by the Central Government of India in terms of section 143(11) of the Act, we give in the Annexure I, a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

18. Further to our comments in Annexure I, as required by section 143(3) of the Act based on our audit, we report, to the extent applicable, 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 purpose of our audit of the accompanying standalone financial statements;

    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 standalone financial statements dealt with by this report are in agreement with the books of account;

    d) in our opinion, the aforesaid standalone financial statements comply with Ind AS specified under section 133 of the Act;

    e) On the basis of the written representations received from the directors and taken on record by the Board of Directors, none of the directors is disqualified as on 31 December 2023 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 financial statements of the Company as on 31 December 2023 and the operating effectiveness of such controls, refer to our separate Report in Annexure II wherein we have expressed an unmodified opinion; and

    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 (as amended), in our opinion and to the best of our information and according to the explanations given to us:

        i. the Company, as detailed in note 39 to the standalone financial statements, has disclosed the impact of pending litigations on its financial position as at 31 December 2023;

        ii. the Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses as at 31 December 2023.

        iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company during the year ended 31 December 2023; and

        iv. a. The management has represented that, to the best of its knowledge and belief, as disclosed in note 55B(e) to the standalone financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or securities premium or any other sources or kind offunds) by the Company to or in any person(s) or entity(ies), including foreign entities ('the intermediaries'), with the understanding, whether recorded in writing or otherwise, that the intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ('the Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf the Ultimate Beneficiaries;

b. The management has represented that, to the best of its knowledge and belief, as disclosed in note 55B(f) to the standalone financial statements, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ('the Funding Parties'), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ('Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

c. Based on such audit procedures performed as considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the management representations under sub-clauses (a) and (b) above contain any material misstatement.

v. The final dividend paid by the Company during the year ended 31 December 2023 in respect of the such declared for the previous year is in accordance with section 123 of the Act to the extent it applies to payment of dividend. The interim dividend declared and paid by the Company during the year ended 31 December 2023 and until the date of this audit report is in accordance with section 123 of the Act.

As stated in note 57 to the accompanying standalone financial statements, the Board of Directors of the Company have proposed final dividend for the year ended 31 December 2023 which is subject to the approval of the members at the ensuing Annual General Meeting. The dividend declared is in accordance with section 123 of the Act to the extent it applies to declaration of dividend.

vi. Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 requires all companies which use accounting software for maintaining their books of account, to use such an accounting software which has a feature of audit trail, with effect from the financial year beginning on 1 April 2023 and accordingly, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 (as amended) is not applicable for the current financial year ended 31 December 2023.

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

Akhil Bhalla
Partner
Membership No: 505002
UDIN: 24505002BKBXPA4908

Place: Gurugram
Date: 05 February 2024

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

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

Neeraj Kumar Agarwal
Partner
Membership No. 094155
UDIN: 24094155BKEOZD8423

Place: Gurugram
Date: 05 February 2024

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

Annexure I referred to in Paragraph 17 of the Independent Auditor's Report of even date to the members of Varun Beverages Limited on the standalone financial statements for the year ended 31 December 2023

In terms of the information and explanations sought by us and given by the Company and the books of account and records examined by us in the normal course of audit, and to the best of our knowledge and belief, we report that:

(i) (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment and relevant details of right of use assets.

(B) The Company has maintained proper records showing full particulars of intangible assets.

(b) The property, plant and equipment (other than refrigerators (Visi coolers) and containers lying with third parties) and right of use assets have been physically verified by the management during the year and no material discrepancies were noticed on such verification. The Company has a regular programme of physical verification of refrigerators (Visi coolers) under which such assets are verified in a phased manner over a period of three years and no material discrepancies were noticed on such verification. According to the information and explanations given to us, the existence of containers lying with third parties is considered on the basis of the confirmations obtained from such third parties. In our opinion, the frequency of physical verification programme adopted by the Company, is reasonable having regard to the size of the Company and the nature of its assets.

(c) The title deeds of all the immovable properties held by the Company (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) disclosed in note 4A to the standalone financial statements are held in the name of the Company.

For properties where the Company is a lessee, the lease arrangement has been duly executed in favour of the Company except in following case:

Description of property	Gross carrying value (₹ million)	Net carrying value (₹ million)	Whether title deed holder is a Promoter, director or relative of promoter/ director or employee	Date since the property is held	Reasons
Land situated at Buxar, Bihar	327.30	327.30	No	21 December 2023	The Company has received the possession letter dated 21 December 2023 of land situated at Buxar, Bihar and is in the process of getting lease deed in its name.
Land situated at Sonarpur, Kolkata	1.50	1.42	No	01 October 2018	The Company has executed the lease agreement for Sonarpur, Kolkata land, which is yet to be registered.

We have directly obtained the confirmation from the trust for title deeds of immovable properties, which are in the nature of land, having gross carrying value of ₹ 12,971.44 million as at 31 December 2023. The title deeds of such immovable properties have been mortgaged as security for loans or borrowings taken by the Company.

(d) The Company has not revalued its Property, Plant and Equipment including Right of Use assets or intangible assets during the year.

(e) No proceedings have been initiated or are pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 (as amended) and rules made thereunder.

(ii) (a) The management has conducted physical verification of inventory (except goods in transit) at reasonable intervals during the year. In our opinion, the coverage and procedure of such verification by the management is appropriate and no discrepancies of 10% or more in the aggregate for each class of inventory were noticed as compared to book records.

(b) As disclosed in note 18 to the standalone financial statements, the Company has been sanctioned a working capital limit in excess of ₹ 50 million by banks based on the security of current assets. The quarterly statements, in respect of the working capital limits have been filed by the Company with such banks and such statements are in agreement with the books of account of the Company for the respective quarters.

(iii) (a) The Company has made investments in and provided loans or guarantee, to Subsidiaries and Joint Venture during the year as per details given below:

Particulars	Guarantees (₹ million)	Security (₹ million)	Loans (₹ million)	Advances in nature of loans (₹ million)
Aggregate amount provided/granted during the year:				
- Subsidiaries	1246.75	-	1,983.40	-
- Joint Ventures	-	-	10.00	-
- Associates	-	-	-	-
- Others	-	-	-	-
Balance outstanding as at balance sheet date in respect of above cases:				
- Subsidiaries	1,246.75	-	1990.64*	-
- Joint Ventures	-	-	-	-
- Associates	-	-	-	-
- Others	-	-	-	-

* includes foreign exchange fluctuation

(b) In our opinion, and according to the information and explanations given to us, the investments made, guarantees provided and terms and conditions of the grant of all loans and guarantees provided are, prima facie, not prejudicial to the interest of the Company. Further the Company has not provided any advances in the nature of loans or given any security.

(c) In respect of loans granted by the Company, the schedule of repayment of principal and payment of interest has been stipulated and the repayments/receipts of principal and interest are regular.

(d) There is no overdue amount in respect of loans granted to such companies, firms, LLPs or other parties.

(e) The Company has not granted any loan or advance in the nature of loan which has fallen due during the year. Further, no fresh loans were granted to any party to settle the overdue loans/advances in nature of loan that existed as at the beginning of the year.

(f) The Company has not granted any loans or advances in the nature of loans, which are repayable on demand or without specifying any terms or period of repayment.

(iv) In our opinion, and according to the information and explanations given to us, the Company has complied with the provisions of section 186 of the Act in respect of loans and investments made and guarantees provided by it, as applicable. Further, the Company has not entered into any transaction covered under section 185 and section 186 of the Act in respect of security provided by it.

(v) In our opinion, and according to the information and explanations given to us, the Company has not accepted any deposits or there are no amounts which have been deemed to be deposits within the meaning of sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, reporting under clause 3(v) of the Order is not applicable to the Company.

(vi) The Central Government has specified maintenance of cost records under sub-section (1) of section 148 of the Act in respect of the products of the Company. We have broadly reviewed the books of account maintained by the Company pursuant to the Rules made by the Central Government for the maintenance of cost records and are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained. However, we have not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.

(vii) (a) In our opinion, and according to the information and explanations given to us, undisputed statutory dues including goods and services tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues, as applicable, have generally been regularly deposited with the appropriate authorities by the Company, though there have been slight delays in a few cases. Further, no undisputed amounts payable in respect thereof were outstanding at the year-end for a period of more than six months from the date they became payable.

(b) According to the information and explanations given to us, there are no statutory dues referred in sub-clause (a) which have not been deposited with the appropriate authorities on account of any dispute except for the following:

Name of the statute	Nature of dues	Gross Amount (₹ million)	Amount paid under protest (₹ million)	Period to which the amount relates	Forum where dispute is pending
Central Excise Act, 1944	Central excise	11.89	0.89	April 2012 to December 2015	CESTAT, New Delhi
Central Excise Act, 1944	Central excise	11.39	-	March 2011 to March 2013	Honourable Rajasthan High Court, Jaipur
Central Excise Act, 1944	Central Excise	0.20	0.03	September 2014 to June 2015	Commissioner (Appeal), Meerut
Central Excise Act, 1944	Central excise	3.51	-	July 2014 to August 2014	CESTAT, Kolkata
Central Excise Act, 1944	Central excise	0.16	-	March 2015 to October 2015	Joint Commissioner, Panchkula
Central Excise Act, 1944	Central excise	0.58	-	March 2015 to January 2016	CESTAT, Chandigarh
Central Excise Act, 1944	Central excise	13.69	0.68	April 2014 to February 2015	Office of the Commissioner of Central Tax, Panchkula
Central Excise Act, 1944	Central excise	0.12	-	February 2016 to March 2017	Office of the Commissioner of Central Excise, Sonipat
Central Excise Act, 1944	Central excise	0.26	-	April 2017 to June 2018	Office of the Commissioner of Central Excise, Sonipat
The Custom Act, 1962	Custom Act	90.75	3.41	January 2017 to December 2018	CESTAT Mumbai
The Rajasthan Goods and Services Tax Act, 2017	GST	0.10	0.10	December 2020	Assistant Commissioner, Jaipur
The Rajasthan Goods and Services Tax Act, 2017	GST	18.02	0.87	July 2017 to March 2018	Joint Commissioner, Rajasthan
The Madhya Pradesh Goods & Services Tax Act, 2017	GST	0.10	0.10	2019-2020	Additional Commissioner, Indore
The Bihar Goods & Services Tax Act, 2017	GST	0.16	0.02	2022-2023	Additional Commissioner, Patna
The Bihar Goods & Services Tax Act, 2017	GST	0.31	0.31	2021-2022	Additional Commissioner, Patna
The Chhattisgarh Goods & Services Tax Act, 2017	GST	8.89	-	2017-2018	Assistant Commissioner of State Tax, Raipur
The Chhattisgarh Goods & Services Tax Act, 2017	GST	1.50	0.08	2018-2019	Additional Appeal Commissioner, Raipur

Name of the statute	Nature of dues	Gross Amount (₹ million)	Amount paid under protest (₹ million)	Period to which the amount relates	Forum where dispute is pending
The Delhi Goods and Services Tax Act, 2017	GST	0.40	0.40	March 2020	Additional Commissioner, Noida
The Delhi Goods and Services Tax Act, 2017	GST	10.63	-	2018-2019	Deputy Commissioner, Okhla, Delhi
The Uttar Pradesh Goods and Services Tax Act, 2017	GST	1.58	1.58	2017-2023	Additional Commissioner, Ghaziabad
The Gujarat Goods and Services Tax Act, 2017	GST	0.48	0.48	March 2020 to April 2021	Assistant Commissioner, Gujrat
The Jharkhand Goods & Services Tax Act, 2017	GST	0.11	0.11	2021-2022	Additional Commissioner, Ranchi
The Rajasthan Goods and Services Tax Act, 2017	GST	0.30	0.30	2019-2020	Appellate Authority-I Commercial Taxes Jaipur
The Kerala Goods and Services Tax Act, 2017	GST	0.38	0.38	2019-2022	Additional and Joint Commissioner, Palakkad
The Karnataka Goods & Services Tax Act, 2017	GST	0.11	0.11	2020-2021	Additional Commissioner, Bengaluru
The Haryana Goods and Services Tax Act, 2017	GST	0.20	0.20	2019-2020	Assistant Commissioner, GST Faridabad
The Haryana Goods and Services Tax Act, 2017	GST	0.21	0.21	2023-2024	Assistant Excise & Taxation Officer Sonipat
The Haryana Goods and Services Tax Act, 2017	GST	5.38	0.26	2017-2018	Deputy Commissioner- Palwal
The Odisha Goods and Services Tax Act, 2017	GST	0.18	0.18	March 2020	Assistant Commissioner, Odisha
The Haryana Goods and Services Tax Act, 2017	GST	0.64	0.64	September 2019 and June 2020	Additional Commissioner, Panchkula
The Punjab Goods and Services Tax Act, 2017	GST	0.04	0.04	November 2022	Assistant Commissioner, GST Jalandhar
The Uttar Pradesh Goods and Services Tax Act, 2017	GST	1.14	1.14	2022-2024	Assistant Commissioner
The Telangana Goods and Services Tax Act, 2017	GST	10.63	-	2020-2021 and 2021-2022	Commissioner of Central Tax, Madhapur, Hyderabad
The Telangana Goods and Services Tax Act, 2017	GST	0.04	0.04	December 2019	Assistant Commissioner, GST Sangareddy
The Tamil Nadu Goods and Services Tax Act, 2017	GST	5.29	0.93	2019-2023	Joint Commissioner and Additional Commissioner
The Assam Goods and Services Tax Act, 2017	GST	1.67	-	April 2018 to March 2019	Assistant commissioner
The Assam Goods and Services Tax Act, 2017	GST	10.89	-	April 2018 to March 2019	Assistant commissioner
The Odisha Goods and Services Tax. Act, 2017	GST	1.18	1.18	2023-2024	Additional Commissioner Kanpur
The Uttarakhand Goods & Service Tax Act 2017.	GST	0.22	0.22	June 2023 and December 2023	Additional Commissioner, Haldwani
Income-Tax Act, 1961	Income tax	43.32	-	AY 2008-2009	Honourable Supreme court of India
Income-Tax Act, 1961	Income tax	39.00	-	AY 2012-2013	Honourable High Court, New Delhi
Income-Tax Act, 1961	Income tax	1.03	0.21	AY 2020-2021	Commissioner Income Tax (Appeals), New Delhi
Income-Tax Act, 1961	Income tax	24.20	-	AY 2016-2017	Commissioner Income Tax (Appeals), New Delhi

Name of the statute	Nature of dues	Gross Amount (₹ million)	Amount paid under protest (₹ million)	Period to which the amount relates	Forum where dispute is pending
Income-Tax Act, 1961	Income tax	11.85	-	AY 2017-2018	Commissioner Income Tax (Appeals), New Delhi
Income-Tax Act, 1961	Income tax	24.97	-	AY 2018-2019	Commissioner Income Tax (Appeals), New Delhi
Goa Non-Biodegradable Garbage (Control) Act, 1996 (Act 5 of 1997)	Cess	105.75	-	April 2014 to December 2023	Honourable High Court of Bombay at Panaji, Goa
The Goa Tax on Entry of Goods Act, 2000	Entry Tax	2.39	-	2017-2018	Assistant Commissioner of Commercial Taxes, Margoa
The Punjab Tax on Entry of Goods into Local Areas Act, 2000	Entry Tax	28.77	-	2016-2017	Honourable high Court of Punjab and Haryana -Chandigarh.
The Uttarakhand Value Added Tax Act, 2005	Value added tax	0.14	0.23	April 2012	Commissioner (Appeals) Roorkee
The Uttarakhand Value Added Tax Act, 2005	Value added tax	3.86	0.50	2015-2016	Honourable High court of Uttarakhand
The Uttarakhand Value Added Tax Act, 2005	Value added tax	11.16	0.50	2016-2017	Honourable High court of Uttarakhand
The Uttarakhand Value Added Tax Act, 2005	Value added tax	5.75	-	2017-2018	Deputy Commissioner of Sale Tax, Roorkee
The Rajasthan Value Added Tax Act, 2003	Value added tax	582.46	16.75	2010-2015	Honourable Rajasthan High Court - Jaipur
The Rajasthan Value Added Tax Act, 2003	Value added tax	0.04	-	2009-2010, May 2015 and June 2016	Deputy Commissioner (Appeal), Jaipur
The Uttar Pradesh Value Added Tax Act, 2008	Value added tax	0.10	0.10	2010-2011	Joint Commissioner, Kanpur
The West Bengal Value Added Tax Act, 2003	Value added tax	0.96	0.47	April 2016 to September 2016	West Bengal, Tribunal
The West Bengal Value Added Tax Act, 2003	Value added tax	1.21	0.51	July 2012 and September 2013, January 2015 and September 2015	West Bengal, Tribunal
The Punjab Value Added Tax Act, 2005	Value added tax	0.36	-	2015-2016	The Deputy Excise and Taxation Commissioner (Appeals) cum Joint Director (Investigation), Mohali
The Punjab Value Added Tax Act, 2005	Value added tax	0.37	0.14	2016-2017	The Deputy Excise and Taxation Commissioner (Appeals) cum Joint Director (Investigation), HQ Bathinda
The Punjab Value Added Tax Act, 2005	Value added tax	0.25	0.03	2016-2017	The Deputy Excise and Taxation Commissioner (Appeals) cum Joint Director (Enforcement), Jalandhar
The Uttar Pradesh Value Added Tax Act, 2008	Value added tax	1.52	0.11	2001-2002	Additional Commissioner (Appeals), Ghaziabad
The Uttar Pradesh Value Added Tax Act, 2008	Value added tax	14.17	-	2007-2011	Additional Commissioner, Ghaziabad
The Uttar Pradesh Value Added Tax Act, 2008	Value added tax	4.48	4.48	2011-2012	Tribunal Bench-1, Ghaziabad
The Goa Value Added Tax Act 2005	Value added tax	5.61	-	2017-2018	Additional Commissioner of Commercial taxes, Margao

(viii) According to the information and explanations given to us, no transactions were surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961) which have not been previously recorded in the books of accounts.

(ix) (a) According to the information and explanations given to us, the Company has not defaulted in repayment of its loans or borrowings or in the payment of interest thereon to any lender.

(b) According to the information and explanations given to us and representation received from the management of the Company, and on the basis of our audit procedures, we report that the Company has not been declared a willful defaulter by any bank or financial institution or government or any government authority.

(c) In our opinion and according to the information and explanations given to us, money raised by way of term loans were applied for the purposes for which these were obtained.

(d) In our opinion and according to the information and explanations given to us, and on an overall examination of the financial statements of the Company, funds raised by the Company on short term basis have, prima facie, not been utilised for long term purposes.

(e) According to the information and explanations given to us and on an overall examination of the financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint venture.

(f) According to the information and explanations given to us, the Company has not raised any loans during the year on the pledge of securities held in its subsidiaries, joint venture or associates companies.

(x) (a) The Company has not raised any money by way of initial public offer or further public offer (including debt instruments), during the year. Accordingly, reporting under clause 3(x)(a) of the Order is not applicable to the Company.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or (fully, partially or optionally) convertible debentures during the year. Accordingly, reporting under clause 3(x)(b) of the Order is not applicable to the Company.

(xi) (a) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company or no fraud on the Company has been noticed or reported during the period covered by our audit.

(b) According to the information and explanations given to us including the representation made to us by the management of the Company, no report under sub-section 12 of section 143 of the Act has been filed by the auditors in Form ADT-4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014, with the Central Government for the period covered by our audit.

(c) According to the information and explanations given to us including the representation made to us by the management of the Company, there are no whistle-blower complaints received by the Company during the year.

(xii) The Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it. Accordingly, reporting under clause 3(xii) of the Order is not applicable to the Company.

(xiii) In our opinion and according to the information and explanations given to us, all transactions entered into by the Company with the related parties are in compliance with sections 177 and 188 of the Act, where applicable. Further, the details of such related party transactions have been disclosed in the standalone financial statements, as required under Indian Accounting Standard (Ind AS) 24, Related Party Disclosures specified in Companies (Indian Accounting Standards) Rules 2015 as prescribed under section 133 of the Act.

(xiv) (a) In our opinion and according to the information and explanations given to us, the Company has an internal audit system as per the provisions of section 138 of the Act which is commensurate with the size and nature of its business.

(b) We have considered the reports issued by the Internal Auditors of the Company till date for the period under audit.

(xv) According to the information and explanation given to us, the Company has not entered into any non-cash transactions with its directors or persons connected with its directors and accordingly, reporting under clause 3(xv) of the Order with respect to compliance with the provisions of section 192 of the Act are not applicable to the Company.

(xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, reporting under clauses 3(xvi) (a),(b) and (c) of the Order are not applicable to the Company.

(d) Based on the information and explanations given to us and as represented by the management of the Company, the Group (as defined in Core Investment Companies (Reserve Bank) Directions, 2016) has only one Core Investment Company (CIC) as part of the Group.

(xvii) The Company has not incurred any cash losses in the current financial year as well as the immediately preceding financial year.

(xviii) There has been no resignation of the statutory auditors during the year. Accordingly, reporting under clause 3(xviii) of the Order is not applicable to the Company.

(xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the standalone financial statements, our knowledge of the plans of the Board of Directors and management and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the company as and when they fall due.

(xx) According to the information and explanations given to us, the Company does not have any unspent amounts towards Corporate Social Responsibility in respect of any ongoing or other than ongoing project as at the end of the financial year. Accordingly, reporting under clause 3(xx) of the Order is not applicable to the Company.

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

Akhil Bhalla
Partner
Membership No: 505002
UDIN: 24505002BKBXPA4908

Place: Gurugram
Date: 05 February 2024

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

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

Neeraj Kumar Agarwal
Partner
Membership No. 094155
UDIN: 24094155BKEOZD8423

Place: Gurugram
Date: 05 February 2024

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

Annexure II

Independent Auditor's Report on the internal financial controls with reference to the standalone financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ('the Act')

1. In conjunction with our audit of the standalone financial statements of Varun Beverages Limited ('the Company') as at and for the year ended 31 December 2023, we have audited the internal financial controls with reference to financial statements of the Company as at that date.

Responsibilities of Management and Those Charged with Governance for Internal Financial Controls

2. The Company's Board of Directors is responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to standalone 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 ('the Guidance Note') issued by the Institute of Chartered Accountants of India ('ICAI'). 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 the Company's business, including adherence to the 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 for the Audit of the Internal Financial Controls with Reference to Financial Statements

3. 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 Standards on Auditing issued by the Institute of Chartered Accountants of India ('ICAI') prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements, and the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting ('the Guidance Note') issued by the ICAI. 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 adequate internal financial controls with reference to financial statements were established and maintained and if such controls operated effectively in all material respects.

4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements includes obtaining an understanding of such internal financial controls, 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.

5. 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 financial statements.

Meaning of Internal Financial Controls with Reference to Financial Statements

6. A company's internal financial controls 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 controls with reference to financial statements include 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 authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised 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

7. 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 controls 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

8. In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to financial statements and such controls were operating effectively as at 31 December 2023, based on the internal financial controls with reference to standalone financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

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

Akhil Bhalla
Partner
Membership No: 505002
UDIN: 24505002BKBXPA4908

Place: Gurugram
Date: 05 February 2024

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

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

Neeraj Kumar Agarwal
Partner
Membership No. 094155
UDIN: 24094155BKEOZD8423

Place: Gurugram
Date: 05 February 2024

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

Standalone Balance Sheet
As at 31 December 2023

(₹ in million)

	Notes	As at 31 December 2023	As at 31 December 2022
Assets			
Non-current assets			
(a) Property, plant and equipment	4A	55,036.05	43,753.65
(b) Capital work-in-progress	4B	15,759.99	5,399.45
(c) Right of use assets	4C	8,875.89	8,267.06
(d) Goodwill	5A	19.40	19.40
(e) Other intangible assets	5B	5,450.74	5,478.55
(f) Financial assets			
(i) Investments	6	14,499.54	13,543.17
(ii) Loans	7	6,999.39	5,238.04
(iii) Other financial assets	8	564.85	442.45
(g) Other non-current assets	9	3,537.46	4,028.70
Total non-current assets		**110,743.31**	**86,170.47**
Current assets			
(a) Inventories	10	15,358.74	14,261.48
(b) Financial assets			
(i) Trade receivables	11	2,129.42	1,502.42
(ii) Cash and cash equivalents	12	494.80	473.89
(iii) Bank balances other than (ii) above	13	28.29	0.98
(iv) Other financial assets	14	7,695.02	4,757.52
(c) Other current assets	15	3,645.00	3,522.67
Total current assets		**29,351.27**	**24,518.96**
Total assets		**140,094.58**	**110,689.43**
Equity and liabilities			
Equity			
(a) Equity share capital	16	6,496.07	6,495.50
(b) Other equity	17	64,261.97	48,678.51
Total equity		**70,758.04**	**55,174.01**
Liabilities			
Non-current liabilities			
(a) Financial liabilities			
(i) Borrowings	18A	30,105.49	16,532.58
(ia) Lease liabilities	18C	1,043.65	1,117.39
(b) Provisions	19	2,056.26	1,976.61
(c) Deferred tax liabilities (Net)	20	3,133.33	3,199.84
(d) Other non-current liabilities	21	68.40	5.94
Total non-current liabilities		**36,407.13**	**22,832.36**
Current liabilities			
(a) Financial liabilities			
(i) Borrowings	18B	17,495.56	18,185.92
(ia) Lease liabilities	18D	176.29	113.67
(ii) Trade payables			
(a) Total outstanding dues of micro enterprises and small enterprises	22	767.25	653.33
(b) Total outstanding dues of creditors other than micro enterprises and small enterprises	22	4,151.36	5,104.60
(iii) Other financial liabilities	23	6,678.70	4,943.36
(b) Other current liabilities	24	2,508.88	2,724.71
(c) Provisions	19	815.70	283.10
(d) Current tax liabilities (Net)	25	335.67	674.37
Total current liabilities		**32,929.41**	**32,683.06**
Total liabilities		**69,336.54**	**55,515.42**
Total equity and liabilities		**140,094.58**	**110,689.43**
Significant accounting policies	3		

The accompanying notes 1 to 58 are an integral part of the standalone financial statements.
As per our report of even date attached

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

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

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

Akhil Bhalla
Partner
Membership No.: 505002

Neeraj Kumar Agarwal
Partner
Membership No.: 094155

Varun Jaipuria
Whole Time Director
DIN 02465412

Raj Pal Gandhi
Whole Time Director
DIN 00003649

Lalit Malik
Chief Financial Officer

Ravi Batra
Chief Risk Officer and
Group Company Secretary
Membership No. F- 5746

Place : Gurugram
Dated : 05 February 2024

Standalone Statement of Profit and Loss

For the year ended 31 December 2023

(₹ in million)

	Notes	Year ended 31 December 2023	Year ended 31 December 2022
Income			
Revenue from operations	26	126,328.26	105,958.25
Other income	27	1,461.42	1,437.57
Total income		**127,789.68**	**107,395.82**
Expenses			
Cost of materials consumed	28	59,027.80	54,593.04
Purchases of stock-in-trade	29	1,494.34	1,201.84
Changes in inventories of finished goods, intermediate goods, stock-in-trade and work-in-progress	30	(618.15)	(3,023.46)
Employee benefits expense	31	10,367.96	9,204.68
Finance costs	32	2,410.95	1,542.57
Depreciation, amortisation and impairment expense	33	5,183.28	4,831.32
Other expenses	34	26,241.87	22,200.81
Total expenses		**104,108.05**	**90,550.80**
Profit before tax		**23,681.63**	**16,845.02**
Tax expense			
(a) Current tax	25	6,018.71	3,953.00
(b) Adjustment of tax relating to earlier years	25	(28.82)	(0.86)
(c) Deferred tax (credit)/charge	20	(59.52)	190.89
Total tax expense		**5,930.37**	**4,143.03**
Net profit for the year		**17,751.26**	**12,701.99**
Other comprehensive income	35		
(a) Items that will not to be reclassified to Profit or Loss:			
(i) Re-measurement (loss)/gain on defined benefit plans		(27.76)	107.70
(ii) Income tax relating to items that will not be reclassified to Profit or Loss		6.99	(27.10)
Total other comprehensive income		**(20.77)**	**80.60**
Total comprehensive income for the year		**17,730.49**	**12,782.59**
Earnings per equity share of face value of ₹ 5 each			
Basic (₹)	37	13.66	9.78
Diluted (₹)	37	13.66	9.77
Significant accounting policies	3		

The accompanying notes 1 to 58 are an integral part of the standalone financial statements.
As per our report of even date attached

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

Akhil Bhalla
Partner
Membership No.: 505002

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

Neeraj Kumar Agarwal
Partner
Membership No.: 094155

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

Varun Jaipuria
Whole Time Director
DIN 02465412

Raj Pal Gandhi
Whole Time Director
DIN 00003649

Lalit Malik
Chief Financial Officer

Ravi Batra
Chief Risk Officer and
Group Company Secretary
Membership No. F- 5746

Place : Gurugram
Dated : 05 February 2024

Standalone Statement of Cash Flow
For the year ended 31 December 2023

(Indirect Method) (₹ in million)

		Year ended 31 December 2023	Year ended 31 December 2022
A.	**Operating activities**		
	Profit before tax	23,681.63	16,845.02
	Adjustments to reconcile profit before tax to net cash flows:		
	Depreciation and impairment on property, plant and equipment	5,007.16	4,625.45
	Amortisation of intangible assets and Right of use assets	176.12	205.88
	Interest expense at amortised cost	2,410.95	1,535.83
	Interest income at amortised cost	(512.24)	(238.26)
	Dividend income from non-current investment in subsidiary	(407.53)	(539.49)
	Loss on disposal/written off of property, plant and equipment (Net)	764.10	443.70
	Share based payments (Net)	63.35	29.06
	Bad debts and advances written off	2.13	3.87
	Excess provisions and liabilities written back	(291.84)	(0.95)
	Gain on sale of current investments	(3.51)	(3.67)
	Guarantee commission income	(28.87)	(17.24)
	Unrealised foreign exchange fluctuation	(111.87)	(333.58)
	Allowance for expected credit loss	-	34.60
	Operating profit before working capital changes	**30,749.58**	**22,590.22**
	Working capital adjustments:		
	Increase in inventories	(1,097.26)	(3,598.68)
	Increase in trade receivables	(625.21)	(220.15)
	Increase in current and non-current financial assets and other current and non-current assets	(3,165.89)	(2,630.38)
	(Decrease)/Increase in current financial liabilities and other current and non-current liabilities and provisions	(24.23)	2,775.34
	Total cash from operations	**25,836.99**	**18,916.35**
	Income tax paid	(6,308.22)	(3,328.49)
	Net cash flows from operating activities (A)	**19,528.77**	**15,587.86**
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)	(26,464.52)	(13,484.85)
	Proceeds from disposal of property, plant and equipment	563.20	139.75
	Loan given to subsidiaries and joint venture	(1,993.40)	(2,292.05)
	Investment made in subsidiaries, associates, joint venture and other	(930.61)	(20.78)
	Proceeds from sale of current investments (Net)	3.51	3.67
	Receipt of loan given to a subsidiary	250.07	181.93
	Change in other bank balances	(28.39)	(1.24)
	Guarantee commission received	25.72	-
	Interest received	366.23	92.14
	Dividend income from non-current investment in subsidiary	512.52	288.29
	Net cash used in investing activities (B)	**(27,695.67)**	**(15,093.14)**

Standalone Statement of Cash Flow

For the year ended 31 December 2023

(Indirect Method) (₹ in million)

	Year ended 31 December 2023	Year ended 31 December 2022
C. Financing activities		
Proceeds from long term borrowings	22,689.10	14,670.82
Repayment of long term borrowings	(12,377.86)	(11,346.88)
Proceeds/(Repayments) of short-term borrowings (Net)	2,582.05	(432.29)
Repayments of lease liabilities	(98.25)	(88.30)
Interest paid (inclusive of interest paid on lease liabilities ₹ 106.23 (31 December 2022: ₹ 10.03))	(2,381.67)	(1,441.78)
Proceeds from issue of share capital (including share premium thereon)	44.41	-
Proceeds from share application money pending allotment	3.51	-
Dividend paid	(2,273.48)	(1,623.87)
Net cash generated from/(used in) financing activities (C)	**8,187.81**	**(262.30)**
Net change in cash and cash equivalents (D=A+B+C)	**20.91**	**232.42**
Cash and cash equivalents at the beginning of year (E)	473.89	241.47
Cash and cash equivalents at the end of year (D+E) (Refer note 12)	**494.80**	**473.89**

Notes:

(a) Reconciliation between the opening and closing balances in the balance sheet for liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes pursuant to Ind AS 7:

(₹ in million)

	Non-current borrowings*	Current borrowings	Lease Liabilities (Non-current and current)
Balance as at 01 January 2023	29,545.55	5,172.95	1,231.06
Cash flows (Net)	10,311.24	2,582.05	(98.25)
Non-cash changes:			
Recognition of lease liabilities	-	-	87.13
Impact of fair value changes	(10.74)	-	-
Balance as at 31 December 2023	**39,846.05**	**7,755.00**	**1,219.94**

(₹ in million)

	Non-current borrowings*	Current borrowings	Lease Liabilities (Non-current and current)
Balance as at 01 January 2022	26,088.09	5,605.24	162.46
Cash flows (Net)	3,323.94	(432.29)	(88.30)
Non-cash changes:			
Recognition of lease liabilities	-	-	1,156.90
Impact of fair value changes	74.18	-	-
Impact of exchange fluctuation	59.34	-	-
Balance as at 31 December 2022	**29,545.55**	**5,172.95**	**1,231.06**

*includes current maturities of long-term debts amounting to ₹9,740.56 million (31 December 2022: ₹ 13,012.97 million). (Refer note 18A and 18B)

Refer Note 46 for amount spent during the financial year 31 December 2023 and 31 December 2022 relating to Corporate Social Responsibilities activities

The accompanying notes 1 to 58 are an integral part of the standalone financial statements.
As per our report of even date attached

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

Akhil Bhalla
Partner
Membership No.: 505002

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

Neeraj Kumar Agarwal
Partner
Membership No.: 094155

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

Varun Jaipuria
Whole Time Director
DIN 02465412

Raj Pal Gandhi
Whole Time Director
DIN 00003649

Lalit Malik
Chief Financial Officer

Ravi Batra
Chief Risk Officer and
Group Company Secretary
Membership No. F- 5746

Place : Gurugram
Dated : 05 February 2024

Standalone Statement of Changes in Equity

For the year ended 31 December 2023

A. Equity share capital

(₹ in million)

Particulars	Notes	Number of shares	Amount
Balance as at 01 January 2022		433,033,080	4,330.33
Changes in equity share capital during the year 2022		216,516,540	2,165.17
Balance as at 31 December 2022	16	**649,549,620**	**6,495.50**
Changes in equity share capital during the year 2023		649,665,356	0.57
Balance as at 31 December 2023	16	**1,299,214,976**	**6,496.07**

B. Other Equity

(₹ in million)

Particulars	Notes	Reserve and surplus					Share application money pending allotment	Total
		Capital reserve	Share option outstanding account	Securities premium	General reserve	Retained earnings		
Balance as at 01 January 2022		**533.93**	**-**	**24,734.73**	**444.26**	**13,942.96**	**-**	**39,655.88**
Profit for the year		-	-	-	-	12,701.99	-	**12,701.99**
Other comprehensive income for the year								
Re-measurement gain on defined benefit plans (Net of taxes)#		-	-	-	-	80.60	-	**80.60**
Dividend paid* (Refer note 38)		-	-	-	-	(1,623.87)	-	**(1,623.87)**
Recognition of share based payment expenses (Refer note 31)		-	29.08	-	-	-	-	**29.08**
Amount utilised for bonus issue		-	-	(2,165.17)	-	-	-	**(2,165.17)**
Balance as at 31 December 2022	**17**	**533.93**	**29.08**	**22,569.56**	**444.26**	**25,101.68**	**-**	**48,678.51**

Standalone Statement of Changes in Equity

For the year ended 31 December 2023

(₹ in million)

Particulars	Notes	Reserve and surplus					Share application money pending allotment	Total
		Capital reserve	Share option outstanding account	Securities premium	General reserve	Retained earnings		
Profit for the year		-	-	-	-	17,751.26	-	**17,751.26**
Other comprehensive income for the year								
Re-measurement loss on defined benefit plans (Net of taxes)#		-	-	-	-	(20.77)	-	**(20.77)**
Dividend paid* (Refer note 38)		-	-	-	-	(2,273.48)	-	**(2,273.48)**
Share application money pending allotment							3.51	**3.51**
Recognition of share based payment expenses (Refer note 31)		-	79.10	-	-	-	-	**79.10**
Pursuant to exercise of employee stock options		-	(23.19)	67.03	-	-	-	**43.84**
Balance as at 31 December 2023	**17**	**533.93**	**84.99**	**22,636.59**	**444.26**	**40,558.69**	**3.51**	**64,261.97**

The disaggregation of changes in OCI by each type of reserves in equity is disclosed in Note 35.

*Transaction with owners in their capacity as owners.

The accompanying notes 1 to 58 are an integral part of the standalone financial statements.
As per our report of even date attached

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

Akhil Bhalla
Partner
Membership No.: 505002

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

Neeraj Kumar Agarwal
Partner
Membership No.: 094155

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

Varun Jaipuria
Whole Time Director
DIN 02465412

Raj Pal Gandhi
Whole Time Director
DIN 00003649

Lalit Malik
Chief Financial Officer

Ravi Batra
Chief Risk Officer and
Group Company Secretary
Membership No. F- 5746

Place : Gurugram
Dated : 05 February 2024

Summary of significant accounting policies and other explanatory information on the Standalone Financial Statements for the year ended 31 December 2023

1 Corporate information

Varun Beverages Limited (the "Company") is a public limited Company domiciled in India. Its registered office is at F-2/7, Okhla Industrial Area, Phase-I, New Delhi- 110 020. The Company's equity shares are listed on Bombay Stock Exchange Limited ("BSE") and National Stock Exchange of India ("NSE"). The Company was incorporated on 16 June 1995 with Corporate Identification Number L74899DL1995PLC069839 under the provision of the Companies Act, 1956. The Company is primarily engaged in manufacturing, selling, bottling and distribution of beverages of PepsiCo's brand in geographically pre-defined territories as per franchisee agreement with PepsiCo India Holdings Private Limited.

2 Basis for preparation

These standalone financial statements ("financial statements") of the Company have been prepared in accordance with Indian Accounting Standard ("Ind AS") and comply with requirements of Ind AS notified under section 133 of the Companies Act, 2013 ("the Act"), read together with the Companies (Indian Accounting Standards) Rules, 2015 as amended, and other relevant provisions of the Act and guidelines issued by the Securities and Exchange Board of India (SEBI) from time to time, stipulation contained in Schedule III (Revised) and other pronouncements/ provisions of applicable laws. These financial statements are authorised for issue on 05 February 2024 in accordance with a resolution of the Board of Directors. The Board of Directors can permit the revision to the standalone financial statements after obtaining necessary approvals or at the instance of regulatory authorities as per provisions of the Act.

These standalone financial statements have been prepared using the significant accounting policies and measurement basis summarised below. These accounting policies have been used consistently throughout all periods presented in these standalone financial statements except as mentioned in note 3.2 below.

The financial statements have been prepared on a historical cost basis, except for the following assets and liabilities which have been measured at fair value:

i. Derivative financial instruments;

ii. Certain financial assets and liabilities measured at fair value (refer accounting policy regarding financial instruments);

iii. Defined benefit plans- plan assets measured at fair value; and

iv. Share based payments.

The Company presents assets and liabilities in the balance sheet based on current/non-current classification. An asset is treated as current if it satisfies any of the following conditions:

i. Expected to be realised or intended to 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 if it satisfies any of the following conditions:

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 reporting period.

All other liabilities are classified as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

The operating cycle is the time between the acquisition of assets for processing and its realisation in cash and cash equivalents. The Company has identified twelve months as its operating cycle.

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

Summary of significant accounting policies and other explanatory information on the Standalone Financial Statements for the year ended 31 December 2023

The financial statements of the Company are presented in Indian Rupees (₹), which is also its functional currency and all amounts disclosed in the financial statements and notes have been rounded off to the nearest million as per the requirement of Schedule III to the Act, unless otherwise stated.

3 Significant accounting policies

3.1 Fair value measurements

The Company measures financial instruments at fair value which is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between independent 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.

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; and

Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

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. For assets and liabilities that are recognised in the balance sheet at fair value 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.

3.2 Revenue recognition

Revenue is recognized upon transfer of control of promised goods or services to customers at an amount that reflects the consideration to which the Company is expected to be entitled to in exchange for those goods or services. Revenue towards satisfaction of a performance obligation is measured at the amount of transaction price (net of variable considerations) allocated to that performance obligation as per contractually agreed terms with the customers. The transaction price of goods sold and services rendered is net of variable considerations on account of various discounts and schemes offered by the Company as part of the contract. Revenue is recorded provided the recovery of consideration is probable and determinable. Revenue from sale of goods and services transferred to distributors/intermediaries are recognised at a point in time.

a) ***Sale of goods:***

Revenue from the sale of manufactured and traded goods products is recognised upon transfer of control of products to the customers which coincides with their delivery to customer and is measured at fair value of consideration received/receivable, net of discounts, amount collected on behalf of third parties and applicable taxes.

b) ***Interest:***

Interest income is recognised on time proportion basis taking into account the amount outstanding and rate applicable. For all debt instruments measured at amortised cost, interest income is recorded using the effective interest rate ("EIR"). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial assets. Interest income is included in other income in the Statement of Profit and Loss.

Summary of significant accounting policies and other explanatory information on the Standalone Financial Statements for the year ended 31 December 2023

c) *Dividends:*

Dividend is recognised when the Company's right to receive the payment is established, which is generally when shareholders approve the dividend.

d) *Commission:*

Commission income is recognised rateably over the contract period as per the agreed contractual terms.

e) *Services rendered:*

Revenue from service related activities including management and technical know-how service, job work are recognised as and when services are rendered and on the basis of contractual terms with the parties.

3.3 Inventories

Inventories are valued as follows:

a) **Raw materials, components, stores and spares:** At lower of cost and net realisable value. Cost of inventory comprises all costs of purchases, duties, taxes (other than those subsequently recoverable from tax authorities) and all other costs incurred in bringing the inventory to their present location and condition and is determined on a moving weighted average cost basis.

However, materials and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost.

b) **Work-in-progress:** At lower of cost and net realisable value. Cost for this purpose includes material, labour and appropriate allocation of overheads including depreciation. Cost is determined on a weighted average basis.

c) **Intermediate goods/ Finished goods:**

i. **Self manufactured -** At lower of cost and net realisable value. Cost for this purpose includes material, labour and appropriate allocation of overheads. Cost is determined on a weighted average basis.

ii. **Traded -** At lower of cost and net realisable value. Cost of inventory comprises all costs of purchases, duties, taxes (other than those subsequently recoverable from tax authorities) and all other costs incurred in bringing the inventory to their present location and condition and is determined on a weighted average cost basis.

Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale. Provision for obsolescence is determined based on management's assessment and is charged to the Statement of Profit and Loss.

3.4 Property, plant and equipment

Measurement at recognition:

Property, plant and equipment and capital work-in progress are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any.

Cost comprises the purchase price, borrowing costs if capitalisation criteria are met and any directly attributable cost of bringing the asset to its working condition for the intended use. Any trade discounts and rebates are deducted in arriving at the purchase price. The cost of an item of property, plant and equipment shall be recognised as an asset if, and only if:

a) it is probable that future economic benefits associated with the item will flow to the entity; and

b) the cost of the item can be measured reliably.

Subsequent expenditure related to an item of property, plant and equipment is added to its book value only if it increased the future benefits from the existing asset beyond its previously assessed standard of performance. All other expenses on existing assets, including day-to-day repair and maintenance expenditure and cost of replacing parts, are charged to the Statement of Profit and Loss for the period during which such expenses are incurred. Expenditure directly relating to construction activity is capitalised. Indirect expenditure incurred during construction period is capitalised as a part of indirect construction cost to the extent the expenditure is related to construction or is incidental thereto.

Summary of significant accounting policies and other explanatory information on the Standalone Financial Statements for the year ended 31 December 2023

Other indirect costs incurred during the construction periods which are not related to construction activity nor are incidental thereto are charged to the Statement of Profit and Loss.

Value for individual assets acquired for a consolidated price, the cost is apportioned to the various assets on their relative fair values basis as determined by competent valuers.

Depreciation:

The management has estimated, supported by technical assessment, the useful lives of property, plant and equipment. The management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used. Depreciation is calculated on a straight-line basis over the estimated useful lives of the assets as follows:

Description	Useful lives (upto)
Leasehold land	Over lease period
Buildings-factory	30 years
Buildings-others	60 years
Plant and equipment	20 years
Furniture and fixtures	10 years
Delivery vehicles	10 years
Vehicles (other than delivery vehicles)	7 years
Office equipment	4 years
Computer equipment	4 years
Containers	6 years
Post-mix vending machines and refrigerators (Visi - Cooler)	8 years
Power generating assets	22 years

Freehold land is not depreciated.

Depreciation on property, plant and equipment is provided over the useful lives of assets as specified in Schedule II to the Act except where the management, based on independent technical assessment, depreciates certain assets are over estimated useful lives which are different from the useful lives prescribed in the Schedule II to the Act. The Company has used the remaining useful lives to compute depreciation on its property, plant and equipment, acquired under the business transfer agreement based on external technical evaluation.

Depreciation on property, plant and equipment which are added/disposed off during the year is provided on pro-rata basis with reference to the month of addition/deletion.

The Company has technically evaluated all the property, plant and equipment for determining the separate identifiable assets having different useful lives under the component approach. On technical evaluation of all separate identifiable components, the management is of the opinion that they do not have any different useful life from that of the principal asset.

In case of revaluation of leasehold land, the resulting amortisation of the total revalued amount is expensed off to the Statement of Profit and Loss.

Derecognition:

An item of property, plant and equipment and any significant part initially recognised is de-recognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds or amount of security deposit adjusted and the carrying amount of the asset) is included in the Statement of Profit and Loss when the asset is de-recognised.

Breakages of containers are adjusted on 'first bought first broken' basis, since it is not feasible to specifically identify the broken containers in the fixed assets records.

3.5 Intangible assets

Intangible assets are initially recognised at:

a) In case the assets are acquired separately, then at cost,

b) In case the assets are acquired in a business combination or under any asset purchase agreement, at fair value.

Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment loss. Intangible assets with finite useful life are assessed for impairment whenever there is an indication that the intangible assets may be impaired. Amortisation of intangible assets such as softwares and distribution network is computed on a straight-line basis, at the rates representing estimated useful life of 4 years and 8 years respectively.

The franchise rights and trademarks acquired as part of business combinations normally have a remaining legal life of not exceeding twenty years but is renewable every twenty years and is well established. The Company intends to renew these rights continuously and evidence supports its ability to do so. An analysis of product life cycle studies, market and competitive trends provides evidence that the product will generate net cash inflows for the Company for an indefinite period. Therefore, these rights have been carried at cost without amortisation, but is tested for impairment annually, at the cash-generating unit level. The assessment of indefinite life is reviewed annually to determine whether the indefinite life continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis.

3.6 Borrowing costs

Borrowing costs include interest, amortisation of ancillary costs incurred in connection with the arrangement of borrowings and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost. Borrowing costs, if any, directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized, if any. All other borrowing costs are expensed to the Statement of Profit and Loss in the period in which they occur.

3.7 Leases

The Company as a lessee

The Company enters into an arrangement for lease of buildings and equipments. Such arrangements are generally for a fixed period but may have extension or termination options. In accordance with Ind AS 116 – Leases, at inception of the contract, the Company assesses whether a contract is, or contains a lease. A lease is defined as 'a contract, or part of a contract, that conveys the right to control the use an asset (the underlying asset) for a period of time in exchange for consideration'.

To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether:

a) The contract involves the use of an identified asset – this may be specified explicitly or implicitly, and should be physically distinct or represent substantially all of the capacity of a physically distinct asset. If the supplier has a substantive substitution right, then the asset is not identified;

b) The Company has the right to obtain substantially all of the economic benefits from use of the asset throughout the period of use; and

c) The Company assesses whether it has the right to direct 'how and for what purpose' the asset is used throughout the period of use. At inception or on reassessment of a contract that contains a lease component, the Company allocates the consideration in the contract to each lease component on the basis of their relative stand-alone prices. However, for the leases of land and buildings in which it is a lessee, the Company has elected not to separate non-lease components and account for the lease and non-lease components as a single lease component.

Measurement and recognition of leases as a lessee

The Company recognizes a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently measured at cost less any accumulated depreciation, accumulated impairment losses (unless such right of use assets fulfills the requirements of Ind AS 40 - Investment Property and is accounted for as there under), if any and adjusted for any re-measurement of the lease liability. The right-of-use asset is depreciated using the straight-line method from the commencement date over the shorter of lease term or useful life of right-of-use asset. Right-of-use asset are tested for impairment whenever there is any indication that their carrying amounts may not be recoverable. Impairment loss, if any, is recognised in the Statement of Profit and Loss.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be

Summary of significant accounting policies and other explanatory information on the Standalone Financial Statements for the year ended 31 December 2023

readily determined, the Company's incremental borrowing rate. Generally, the Company uses its incremental borrowing rate as the discount rate.

Lease payments included in the measurement of the lease liability comprise the following:

a) Fixed payments, including in-substance fixed payments;

b) Variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;

c) Amounts expected to be payable under a residual value guarantee; and

d) The exercise price under a purchase option that the Company is reasonably certain to exercise, lease payments in an optional renewal period if the Company is reasonably certain to exercise an extension option, and penalties for early termination of a lease unless the Company is reasonably certain not to terminate early.

The lease liability is measured at amortized cost using the effective interest rate method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Company's estimate of the amount expected to be payable under a residual value guarantee, or if the Company changes its assessment of whether it will exercise a purchase, extension or termination option. When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero, as the case may be.

The Company presents right-of-use assets that do not meet the definition of investment property and lease liabilities as a separate line item in the standalone financial statements of the Company.

The Company has elected not to apply the requirements of Ind AS 116 - Leases to short-term leases of all assets that have a lease term of 12 months or less and leases for which the underlying asset is of low value. The lease payments associated with these leases are recognized as an expense on a straight-line basis over the lease term.

The Company as a lessor

When the Company acts as a lessor, it determines at lease inception whether each lease is a finance lease or an operating lease. To classify each lease, the Company makes an overall assessment of whether the lease transfers substantially all of the risks and rewards incidental to ownership of the underlying asset. If this is the case, then the lease is a finance lease; if not, then it is an operating lease. As part of this assessment, the Company considers certain indicators such as whether the lease is for the major part of the economic life of the asset.

When the Company is an intermediate lessor, it accounts for its interests in the head lease and the sub-lease separately. It assesses the lease classification of a sub-lease with reference to the right-of-use asset arising from the head lease, not with reference to the underlying asset. If a head lease is a short-term lease to which the Company applies the exemption described above, then it classifies the sub-lease as an operating lease.

The Company recognizes lease payments received under operating leases as income on a straight-line basis over the lease term as part of 'other income'.

The accounting policies applicable to the Company as a lessor in the comparative period were not different from Ind AS 116 - Leases. However, when the Company was an intermediate lessor the sub-leases were classified with reference to the underlying asset.

The Company recognizes lease payments received under operating leases as income on a straight-line basis over the lease term. In case of a finance lease, finance income is recognised over the lease term based on a pattern reflecting a constant periodic rate of return on the lessor's net investment in the lease. When the Company is an intermediate lessor it accounts for its interests in the head lease and the sub-lease separately. It assesses the lease classification of a sub-lease with reference to the right-of-use asset arising from the head lease, not with reference to the underlying asset. If a head lease is a short term lease to which the Company applies the exemption described above, then it classifies the sub-lease as an operating lease.

Summary of significant accounting policies and other explanatory information on the Standalone Financial Statements for the year ended 31 December 2023

3.8 Employee benefits

Contribution to provident and other funds

Retirement benefit in the form of provident fund is a defined contribution scheme. The Company has no obligation, other than the contribution payable to the provident fund. The Company recognises 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 recognised 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 recognised as an asset to the extent that the pre-payment will lead to, for example, a reduction in future payment or a cash refund.

Gratuity

Gratuity is a defined benefit scheme. The cost of providing benefits under the defined benefit plan is determined using the projected unit credit method. The Company recognises termination benefit as a liability and an expense when the Company has a present obligation as a result of 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. If the termination benefits fall due more than twelve months after the balance sheet date, they are measured at present value of future cash flows using the discount rate determined by reference to market yields at the balance sheet date on government bonds.

Re-measurements, comprising 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 Other Comprehensive Income ("OCI") in the period in which they occur. Re-measurements are not reclassified to profit or loss in subsequent periods.

Past service costs are recognised in Statement of Profit and Loss on the earlier of:

- The date of the plan amendment or curtailment, and
- The date that the Company recognises related restructuring cost

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 Profit and Loss:

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

Compensated absences

The Company treats accumulated leave expected to be carried forward beyond twelve months, as long-term employee benefit which are computed based on the actuarial valuation using the projected unit credit method at the period end. Actuarial gains/ losses are immediately taken to the Statement of Profit and Loss and are not deferred. The Company presents the leave as a current liability in the balance sheet to the extent it does not have an unconditional right to defer its settlement for twelve months after the reporting date. Where Company has the unconditional legal and contractual right to defer the settlement for a period beyond twelve months, the balance is presented as a non-current liability.

Accumulated leave, which is expected to be utilized within the next twelve months, is treated as short term employee benefit. The Company measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date.

All other employee benefits payable/available within twelve months of rendering the service are classified as short-term employee benefits. Benefits such as salaries, wages, bonus, etc. are recognised in the Statement of Profit and Loss in the period in which the employee renders the related service.

Summary of significant accounting policies and other explanatory information on the Standalone Financial Statements for the year ended 31 December 2023

3.9 Share-based payments

Employees (including senior executives) of the Group receive remuneration in the form of share-based payments, whereby employees render services as consideration for equity instruments which are classified as equity-settled transactions.

The cost of equity-settled transactions is determined by the fair value at the date of grant using an appropriate valuation model. That cost is recognised as an employee benefit expense with a corresponding increase in 'Share option outstanding account' in other equity, over the period in which the service conditions are fulfilled in relation to options granted to employees of the Company. Further, in relation to options granted to employees of subsidiaries, the amount is disclosed under non-current investments with a corresponding increase in 'Share option outstanding account' and disclosed as equity contribution in subsidiaries.

The cumulative expense recognised for equity-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the Company's best estimate of the number of equity instruments that will ultimately vest.

Service and non-market performance conditions are not taken into account when determining the grant date fair value of awards, but the likelihood of the conditions being met is assessed as part of the Company's best estimate of the number of equity instruments that will ultimately vest. Market performance conditions are reflected within the grant date fair value. Any other conditions attached to an award, but without an associated service requirement, are considered to be non-vesting conditions.

Non-vesting conditions are reflected in the fair value of an award and lead to an immediate expensing of an award unless there are also service and/or performance conditions.

No expense is recognised for awards that do not ultimately vest because non-market performance and/or service conditions have not been met. Where awards include a market or non-vesting condition, the transactions are treated as vested irrespective of whether the market or non-vesting condition is satisfied, provided that all other performance and/or service conditions are satisfied.

When the terms of an equity-settled award are modified, the minimum expense recognised is the expense had the terms had not been modified, if the original terms of the award are met. An additional expense is recognised for any modification that increases the total fair value of the share-based payment transaction, or is otherwise beneficial to the employee as measured at the date of modification. Where an award is cancelled by the Company or by the counterparty, any remaining element of the fair value of the award is expensed immediately through the Statement of Profit and Loss.

The dilutive effect of outstanding options is reflected as additional share dilution in the computation of diluted earnings per share.

3.10 Foreign currency transactions and translations

Transactions in foreign currencies are initially recorded in the functional currency, by applying to the foreign currency amount the exchange rate between the functional currency and the foreign currency at the date of the transaction.

Foreign currency monetary items are reported using the closing rate. Non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction.

Exchange differences arising on the settlement of monetary items or on restatement of the Company's monetary items at rates different from those at which they were initially recorded during the year, or reported in previous financial statements, are recognised as income or as expenses in the year in which they arise.

Exchange differences pertaining to long-term foreign currency monetary items obtained or given on or before 31 December 2016: Exchange differences arising on conversion of long term foreign currency monetary items used for acquisition of depreciable fixed assets are added to the cost of fixed assets and is depreciated over the remaining life of the respective fixed asset and in other cases, is recorded under the head 'Foreign Currency Monetary Item Translation Difference Account' and is amortised over the period of maturity of underlying long term foreign currency monetary items, in accordance with the option available under Ind AS 101.

Exchange differences pertaining to long-term foreign currency monetary items obtained or given on or after 01 January 2017: Exchange differences arising on restatement of long term foreign currency monetary items obtained or given is recorded in the Statement of Profit and Loss.

3.11 Business combination and goodwill

Business combinations are accounted for using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred measured at acquisition date fair value and the amount of any non-controlling interests in the acquiree.

At the acquisition date, the identifiable assets acquired and the liabilities assumed are recognised at their acquisition date fair values. For this purpose, the liabilities assumed include contingent liabilities representing present obligation and they are measured at their acquisition fair values irrespective of the fact that outflow of resources embodying economic benefits is not probable. However, deferred tax assets or liabilities, and the assets or liabilities related to employee benefit arrangements are recognised and measured in accordance with Ind AS 12 'Income Taxes' and Ind AS 19 'Employee Benefits' respectively.

When the Company acquires a business, it assesses the financial assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions as at the acquisition date.

Any contingent consideration to be transferred by the Company is recognised at fair value at the acquisition date. Contingent consideration classified as an asset or liability that is a financial instrument and within the scope of Ind AS 109 'Financial Instruments' ('Ind AS 109'), is measured at fair value with changes in fair value recognised in the Statement of Profit and Loss. If the contingent consideration is not within the scope of Ind AS 109, it is measured in accordance with the appropriate Ind AS.

Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred over the net identifiable assets acquired and liabilities assumed. If the fair value of the net assets acquired is in excess of the aggregate consideration transferred, the Company re-assesses whether it has correctly identified all of the assets acquired and all of the liabilities assumed and reviews the procedures used to measure the amounts to be recognised at the acquisition date. If the reassessment still results in an excess of the fair value of net assets acquired over the aggregate consideration transferred, then the gain is recognised in OCI and accumulated in equity as capital reserve. However, if there is no clear evidence of bargain purchase, the entity recognises the gain directly in equity as capital reserve, without routing the same through OCI.

After initial recognition, goodwill is measured at cost less any accumulated impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Company's cash-generating units that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units.

A cash generating unit to which goodwill has been allocated is tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro rata based on the carrying amount of each asset in the unit.

Any impairment loss for goodwill is recognised in the Statement of Profit and Loss. An impairment loss recognised for goodwill is not reversed in subsequent periods.

Where goodwill has been allocated to a cash-generating unit and part of the operation within that unit is disposed of, the goodwill associated with the disposed operation is included in the carrying amount of the operation when determining the gain or loss on disposal. Goodwill disposed in these circumstances is measured based on the relative values of the disposed operation and the portion of the cash-generating unit retained.

Summary of significant accounting policies and other explanatory information on the Standalone Financial Statements for the year ended 31 December 2023

If the initial accounting for a business combination is incomplete by the end of the reporting period in which the combination occurs, the Company reports provisional amounts for the items for which the accounting is incomplete. Those provisional amounts are adjusted through goodwill during the measurement period, or additional assets or liabilities are recognised, to reflect new information obtained about facts and circumstances that existed at the acquisition date that, if known, would have affected the amounts recognised at that date. These adjustments are called as measurement period adjustments. The measurement period does not exceed one year from the acquisition date.

3.12 Government grants

Grants from the Government are recognised when there is reasonable assurance that all underlying conditions will be complied with and that the grant will be received.

Grants related to income are recognised as income on a systematic basis in the Statement of Profit and Loss over the periods necessary to match them with the related costs, which they are intended to compensate and are presented as 'other operating revenues' Further, where loans or similar assistance are provided by Government or related institutions, with an interest rate below the current applicable market rate, the effect of this favorable interest is regarded as a government grant. The loan or assistance is initially recognised and measured at fair value and the government grant is measured as the difference between the initial carrying value of the loan and the proceeds received. That grant is recognised in the Statement of Profit and Loss under 'other operating revenue'. The loan is subsequently measured in the year of disbursement as per the accounting policy applicable to financial liabilities.

Government grants related to assets are presented in the balance sheet by deducting the grant from the carrying value of the asset and non-monetary grant is recognised at a nominal value.

3.13 Income taxes

Tax expense is the aggregate amount included in the determination of profit or loss for the period in respect of current tax and deferred tax.

Current income tax

Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income-tax Act, 1961 and rules thereunder. 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. Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in OCI or in equity).

Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate including amount expected to be paid/ recovered for uncertain tax position.

Deferred tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their book bases. Deferred tax liabilities are recognised for all temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised. Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss. Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

Minimum Alternate Tax ("MAT") credit is recognised as an asset only when and to the extent there is convincing evidence that the relevant members of the Company will pay normal income tax during the specified period. Such asset is reviewed at each reporting period end and the adjusted based on circumstances then prevailing.

Deferred tax on business combination

When a liability assumed is recognized at the acquisition date but the related costs are not deducted in determining taxable profits until a later period, a deductible temporary difference arises which results in a deferred tax asset. A deferred tax asset also arises when the fair value of an identifiable asset acquired is less than its tax base. In both cases, the resulting deferred tax asset affects goodwill.

3.14 Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker, who is responsible for allocating resources and assessing performance of the operating segments. The business activities of the Company predominantly fall within a single operating segment, i.e., manufacturing and sale of beverages within India.

3.15 Impairment of non-financial assets

The Company assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's ("CGU") fair value less costs of disposal and its value in use.

Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets.

When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded Company's or other available fair value indicators.

The Company bases its impairment calculation on detailed budgets and forecast calculations, which are prepared separately for each of the Company's CGUs to which the individual assets are allocated. These budgets and forecast calculations generally cover a period of five years. For longer periods, a long-term growth rate is calculated and applied to project future cash flows after the fifth year. To estimate cash flow projections beyond periods covered by the most recent budgets/forecasts, the Company extrapolates cash flow projections in the budget using a steady or declining growth rate for subsequent years, unless an increasing rate can be justified. In any case, this growth rate does not exceed the long-term average growth rate for the products, industries, or country or countries in which the entity operates, or for the market in which the asset is used.

Impairment losses of continuing operations, including impairment on inventories, are recognised in the Statement of Profit and Loss.

An assessment is made at each reporting date to determine whether there is an indication that previously recognised impairment losses no longer exist or have decreased. If such indication exists, the

Summary of significant accounting policies and other explanatory information on the Standalone Financial Statements for the year ended 31 December 2023

Company estimates the asset's or CGU's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the Statement of Profit and Loss unless the asset is carried at a revalued amount, in which case, the reversal is treated as a revaluation increase.

3.16 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 profit or loss ("FVTPL"), transaction costs that are attributable to the acquisition of the financial asset. However, trade receivables that do not contain a significant financing component are measured at transaction price.

For purposes of subsequent measurement, financial assets are classified as follows:

a) Debt instruments at amortised cost

A 'debt instrument' is measured at the amortised cost where the asset is held within a business model whose objective is to hold assets for collecting contractual cash flows; and contractual terms of the asset give rise to cash flows on specified dates that are solely payments of principal and interest.

After initial measurement, such financial assets are subsequently measured at amortised cost using the 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 interest income from these financial assets is included in finance income in the Statement of Profit and Loss. The losses arising from impairment are recognised in the Statement of Profit and Loss. This category generally applies to trade and other receivables.

b) Debt instruments at fair value through other comprehensive income

Assets that are held for collection of contractual cashflows and for selling the financial assets, where the cash flow represent solely payments of principal and interest, are measured at fair value through other comprehensive income ("FVOCI"). The Company has not designated any debt instrument in this category.

c) Debt instruments at fair value through profit or loss

Fair Value Through Profit or Loss ("FVTPL") is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorisation as at amortized cost or as FVTOCI, is classified as at FVTPL.

In addition, the Company may elect to designate a debt instrument which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch').

Debt instruments included within the FVTPL category are measured at fair value with all changes recognised in the Statement of Profit and Loss. The Company has not designated any debt instrument in this category.

d) Equity instruments

All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading and contingent consideration recognised by an acquirer in a business combination to which Ind AS 103 'Business Combinations' applies are Ind AS classified as at FVTPL. Equity instruments included within the FVTPL category are measured at fair value with all changes recognised in the Statement of Profit and Loss.

For all other equity instruments, the Company may make an irrevocable election to present in other comprehensive income subsequent changes in the fair values. The Company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the Company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognised in the OCI. There is no recycling of the amounts from OCI to profit or loss, even on sale of investment. However, the Company may transfer the cumulative gain or loss within equity.

De-recognition

A financial asset is de-recognised when the contractual rights to receive cash flows from the asset have expired or the Company has transferred its rights to receive the contractual cash flows from the asset in a transaction in which substantially all the risks and rewards of ownership of the asset are transferred.

Impairment of financial assets

The Company measures the Expected Credit Loss ("ECL") associated with its assets based on historical trends, industry practices and the general business environment in which it operates. The impairment methodology applied depends on whether there has been a significant increase in credit risk. ECL impairment loss allowance (or reversal) recognised during the period is recognised as income/ expense in the Statement of Profit and Loss under the head 'other expenses'.

Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts and derivative financial instruments.

Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

a) *Financial liabilities at FVTPL*

Financial liabilities at FVTPL include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term.

This category includes derivative financial instruments entered into by the Company that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses are recognised in the Statement of Profit and Loss, except for those attributable to changes in own credit risk, which are recognised in OCI. These gains/ loss are not subsequently transferred to the Statement of Profit and Loss.

b) *Financial liabilities at amortised cost*

After initial recognition, financial liabilities designated at amortised costs are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in Statement of Profit and Loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The amortisation is included as finance costs in the Statement of Profit and Loss.

Summary of significant accounting policies and other explanatory information on the Standalone Financial Statements for the year ended 31 December 2023

De-recognition

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 de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the Statement of Profit and Loss.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

Derivative financial instruments

Derivatives are initially recognised at fair value on the date of executing a derivative contract and are subsequently remeasured to their fair value at the end of each reporting period. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative. Changes in the fair value of derivatives that are designated and qualify as fair value hedges are recognised in the Statement of Profit and Loss immediately, together with any changes in the fair value of the hedged asset or liability that are attributable to the hedged risk.

3.17 Investment in subsidiaries and associates

An investor, regardless of the nature of its involvement with an entity (the investee), shall determine whether it is a parent by assessing whether it controls the investee. An investor controls an investee when it is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee.

Thus, an investor controls an investee if and only if the investor has all the following:

a) power over the investee;

b) exposure, or rights, to variable returns from its involvement with the investee; and

c) the ability to use its power over the investee to affect the amount of the investor's returns.

An associate is an entity over which the Company has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee, but not control or joint control over those policies. The considerations made in determining significant influence are similar to those necessary to determine control over subsidiaries.

The Company has elected to recognise its investments in subsidiary and associate companies at cost in accordance with the option available in Ind AS 27, 'Separate Financial Statements'.

Investment carried at cost is tested for impairment as per Ind-AS 36.

3.18 Non-current assets classified as held for sale

Non-current assets classified as held for sale are presented separately in the Balance Sheet and measured at the lower of their carrying amounts immediately prior to their classification as held for sale and their fair value less costs to sell. Once classified as held for sale, the assets are not subject to depreciation or amortisation. Any gain or loss arises on remeasurement or sale is included in the Statement of Profit and Loss.

If an entity has classified an asset (or disposal group) as held for sale, but the held-for-sale criteria as specified in standard are no longer met, the entity shall cease to classify the asset (or disposal group) as held for sale.The Company measures a non-current asset that ceases to be classified as held for sale (or ceases to be included in a disposal group classified as held for sale) at the lower of:

a) its carrying amount before the asset (or disposal group) was classified as held for sale, adjusted for any depreciation, amortisation or revaluations that would have been recognised had the asset (or disposal group) not been classified as held for sale; and

b) its recoverable amount at the date of the subsequent decision not to sell.

Summary of significant accounting policies and other explanatory information on the Standalone Financial Statements for the year ended 31 December 2023

3.19 Cash and cash equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand, cheques on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value. For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above.

3.20 Dividend distribution to equity holders

The Company recognises a liability to make cash or non-cash distributions to equity holders when the distribution is authorised and the distribution is no longer at the discretion of the Company. As per the corporate laws in India, a distribution is authorised when it is approved by the shareholders. A corresponding amount is recognised directly in equity.

3.21 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 Profit and Loss, 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.

3.22 Contract liabilities

A contract liability is the obligation to transfer goods or services to a customer for which the Company has received consideration or is due from the customer. If a customer pays consideration before the Company transfers goods or services to the customer, a contract liability is recognised when the payment is made or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when the Company performs under the contract

3.23 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 recognised 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 recognised because it cannot be measured reliably. The Company does not recognize a contingent liability but discloses its existence in the financial statements. Contingent assets are only disclosed when it is probable that the economic benefits will flow to the entity.

3.24 Earnings per share

Basic earnings/ (loss) per share are calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. The weighted average number of equity shares outstanding during the year is adjusted for events, other than conversion of potential equity shares, that have changed the number of equity shares outstanding without a corresponding change in resources.

In case of a bonus issue and sub-divison/split, the number of ordinary shares outstanding is increased by number of shares issued as bonus shares and sub-divison/split respectively in current year and comparative period presented as if the event had occurred at the beginning of the earliest year presented.

For the purpose of calculating diluted earnings/ (loss) per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

3.25 Significant management judgement in applying accounting policies and estimation uncertainty

The preparation of the Company's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets

Summary of significant accounting policies and other explanatory information on the Standalone Financial Statements for the year ended 31 December 2023

and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities at the date of the financial statements. Estimates and assumptions are continuously evaluated and are based on management's experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

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.

In particular, the Company has identified the following areas where significant judgements, estimates and assumptions are required. Further information on each of these areas and how they impact the various accounting policies are described below and also in the relevant notes to the financial statements. Changes in estimates are accounted for prospectively.

i) Judgements

In the process of applying the Company's accounting policies, management has made the following judgements, which have the most significant effect on the amounts recognised in the financial statements:

a) Contingencies

Contingent liabilities may arise from the ordinary course of business in relation to claims against the Company, including legal, contractor, land access and other claims. By their nature, contingencies will be resolved only when one or more uncertain future events occur or fail to occur. The assessment of the existence, and potential quantum, of contingencies inherently involves the exercise of significant judgments and the use of estimates regarding the outcome of future events.

b) Recognition of deferred tax assets

The extent to which deferred tax assets can be recognised is based on an assessment of the probability that future taxable income will be available against which the deductible temporary differences and tax loss carry-forward can be utilised. In addition, significant judgement is required in assessing the impact of any legal or economic limits or uncertainties in various tax jurisdictions.

ii) Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market change or circumstances arising beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

a) Useful lives of tangible/intangible assets

The Company reviews its estimate of the useful lives of tangible/intangible assets at each reporting date, based on the expected utility of the assets.

b) Defined benefit obligation

The cost of the defined benefit plan and other post-employment benefits and the present value of such 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, mortality rates and future pension increases. In view of 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.

c) Inventories

The Company estimates the net realisable values of inventories, taking into account the most reliable evidence available at each reporting date. The future realisation of these inventories may be affected by future technology or other market-driven changes that may reduce future selling prices.

Summary of significant accounting policies and other explanatory information on the Standalone Financial Statements for the year ended 31 December 2023

d) *Business combinations*

The Company uses valuation techniques when determining the fair values of certain assets and liabilities acquired in a business combination.

e) *Impairment of non-financial assets and goodwill*

In assessing impairment, Company estimates the recoverable amount of each asset or cash-generating units based on expected future cash flows and uses an interest rate to discount them. Estimation uncertainty relates to assumptions about future operating results and the determination of a suitable discount rate.

f) *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 judgment 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.

Summary of significant accounting policies and other explanatory information on the Standalone Financial Statements for the year ended 31 December 2023

4A. Property, plant and equipment

(₹ in million)

	Land freehold	Buildings	Plant and equipment	Furniture and fixtures	Vehicles	Office equipment	Computer equipment	Containers	Post-mix vending machines and refrigerators (Visi Cooler)	Total
Gross carrying amount										
Balance as at 01 January 2023	6,758.49	12,761.74	35,030.44	207.37	1,157.84	321.54	253.20	4,121.81	9,523.92	70,136.35
Additions for the year	541.92	3,572.67	11,644.35	63.15	156.36	91.43	70.28	1,367.28	65.81	17,573.25
Disposals/adjustments for the year	(12.49)	(268.00)	(1,356.98)	(0.19)	(66.64)	(5.26)	(10.81)	(694.12)	(126.58)	(2,541.07)
Balance as at 31 December 2023	**7,287.92**	**16,066.41**	**45,317.81**	**270.33**	**1,247.56**	**407.71**	**312.67**	**4,794.97**	**9,463.15**	**85,168.53**
Accumulated depreciation										
Balance as at 01 January 2023	-	2,890.12	12,398.66	134.95	871.31	211.02	178.07	1,722.70	7,975.87	26,382.70
Depreciation charge for the year	-	516.94	2,959.45	17.19	71.37	44.32	33.41	679.08	685.40	5,007.16
Reversal on disposals/adjustments for the year	-	(51.80)	(506.69)	(0.18)	(62.90)	(4.55)	(10.17)	(547.70)	(73.39)	(1,257.38)
Balance as at 31 December 2023	**-**	**3,355.26**	**14,851.42**	**151.96**	**879.78**	**250.79**	**201.31**	**1,854.08**	**8,587.88**	**30,132.48**
Carrying amount as at 31 December 2023	**7,287.92**	**12,711.15**	**30,466.39**	**118.37**	**367.78**	**156.92**	**111.36**	**2,940.89**	**875.27**	**55,036.05**

(₹ in million)

	Land freehold	Buildings	Plant and equipment	Furniture and fixtures	Vehicles	Office equipment	Computer equipment	Containers	Post-mix vending machines and refrigerators (Visi Cooler)	Total
Gross carrying amount										
Balance as at 01 January 2022	5,998.42	11,164.96	30,325.55	191.78	1,178.53	252.88	207.71	2,940.75	9,571.53	61,832.11
Additions for the year	767.20	1,596.89	5,730.12	16.13	17.83	74.62	50.85	1,366.21	14.05	9,633.90
Disposals/adjustments for the year	(7.13)	(0.11)	(1,025.23)	(0.54)	(38.52)	(5.96)	(5.36)	(185.15)	(61.66)	(1,329.66)
Balance as at 31 December 2022	**6,758.49**	**12,761.74**	**35,030.44**	**207.37**	**1,157.84**	**321.54**	**253.20**	**4,121.81**	**9,523.92**	**70,136.35**
Accumulated depreciation and impairment										
Balance as at 01 January 2022	-	2,370.49	10,131.12	122.30	832.47	176.86	156.58	1,287.51	7,405.67	22,483.00
Depreciation charge for the year	-	435.47	2,384.35	12.85	65.40	38.53	26.30	563.31	624.99	4,151.20
Impairment loss for the year (Refer footnote iv)	-	84.24	386.38	-	-	-	-	-	-	470.62
Reversal on disposals/adjustments for the year	-	(0.08)	(503.19)	(0.20)	(26.56)	(4.37)	(4.81)	(128.12)	(54.79)	(722.12)
Balance as at 31 December 2022	**-**	**2,890.12**	**12,398.66**	**134.95**	**871.31**	**211.02**	**178.07**	**1,722.70**	**7,975.87**	**26,382.70**
Carrying amount as at 31 December 2022	**6,758.49**	**9,871.62**	**22,631.78**	**72.42**	**286.53**	**110.52**	**75.13**	**2,399.11**	**1,548.05**	**43,753.65**

Summary of significant accounting policies and other explanatory information on the Standalone Financial Statements for the year ended 31 December 2023

Property, plant and equipment [Cont'd]

Footnotes to Note 4A:

i. Refer Note 49 for information on property, plant and equipment pledged as security by the Company.

ii. Pre-operative expenses incurred and capitalised during the year are as under:

(₹ in million)

Net Book Value	31 December 2023	31 December 2022
Balance at the beginning of the year	212.43	129.78
Add: Incurred during the year		
Finance costs	619.36	171.76
Employee benefits expense and other expenses	320.99	274.37
Less: Capitalised during the year	(411.44)	(363.48)
Amount carried over included in CWIP	**741.34**	**212.43**

iii. The amount of contractual commitments for the acquisitions of property, plant and equipment are disclosed in Note 40.

iv. During the year ended on 31 December 2022, the Company has impaired some of the property, plant and equipment, primarily used in production of beverages, amounting to ₹ 470.62 million, based on the detailed evaluation of capacity utilisation during the peak season and considering the future usability.

v. All title deeds of immovable properties are held in the name of the Company.

4B. Capital work-in-progress (CWIP)

The changes in the carrying value of capital work-in-progress for the year ended 31 December 2023 and 31 December 2022 are as follows :

(₹ in million)

	Amount
Gross carrying amount	
Balance as at 01 January 2023	5,399.45
Additions for the year*	17,376.80
Transfer to property, plant and equipment	(7,016.26)
Balance as at 31 December 2023	**15,759.99**

(₹ in million)

	Amount
Gross carrying amount	
Balance as at 01 January 2022	4,779.54
Additions for the year*	6,503.64
Transfer to property, plant and equipment	(5,880.11)
Impairment loss for the year#	(3.62)
Balance as at 31 December 2022	**5,399.45**

*includes finance cost, employee benefits expense and other expenses amounting to ₹ 619.36 million (31 December 2022: ₹ 171.76 million) and ₹ 320.99 million (31 December 2022: ₹ 274.37 million) respectively.

During the year ended on 31 December 2022, the Company has impaired some of the plant and equipment amounting to ₹ 3.62 million which indicates the cost incurred on Capital work-in-progress related to plant impaired, based on the detailed evaluation of capacity utilisation during the peak season and considering the future usability.

Summary of significant accounting policies and other explanatory information on the Standalone Financial Statements for the year ended 31 December 2023

Footnotes to Note 4B:

(i) CWIP ageing schedule

(₹ in million)

Particular	Amount in CWIP for a period of				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress					
As at 31 December 2023	15,112.82	642.55	1.15	3.47	**15,759.99**
As at 31 December 2022	5,392.55	3.43	3.25	0.22	**5,399.45**

There are no projects as on each reporting period where activity has been suspended. Also, there are no projects as on each reporting period which has exceeded cost as compared to its original plan or where completion is overdue.

4C. Right of use assets (ROU)

(₹ in million)

	Land leasehold	Leased buildings	Leased plant and equipment	Total
Gross carrying amount				
Balance as at 01 January 2023	8,653.46	295.55	13.60	8,962.61
Additions for the year	694.72	78.41	-	773.13
Rebate (Refer footnote i)	(16.61)	-	-	(16.61)
Balance as at 31 December 2023	**9,331.57**	**373.96**	**13.60**	**9,719.13**
Accumulated amortisation				
Balance as at 01 January 2023	460.33	229.16	6.06	695.55
Amortisation for the year	111.90	34.14	1.65	147.69
Balance as at 31 December 2023	572.23	263.30	7.71	843.24
Carrying amount as at 31 December 2023	**8,759.34**	**110.66**	**5.89**	**8,875.89**

(₹ in million)

	Land leasehold	Leased buildings	Leased plant and equipment	Total
Gross carrying amount				
Balance as at 01 January 2022	5,431.60	295.46	13.60	5,740.66
Addition during the year	3,300.45	0.09	-	3,300.54
Grant received (Refer footnote ii)	(68.24)	-	-	(68.24)
Refund received (Refer footnote iii)	(10.35)	-	-	(10.35)
Balance as at 31 December 2022	**8,653.46**	**295.55**	**13.60**	**8,962.61**
Accumulated amortisation				
Balance as at 01 January 2022	374.44	156.93	4.41	535.78
Amortisation for the year	85.89	72.23	1.65	159.77
Balance as at 31 December 2022	460.33	229.16	6.06	695.55
Carrying amount as at 31 December 2022	**8,193.13**	**66.39**	**7.54**	**8,267.06**

Footnotes to Note 4C:

(i) During the year ended on 31 December 2023, the Company has received rebate on leasehold land acquired in Gorakhpur amounting to ₹ 16.60 million on account of full premium payment as per prescribed timeline. The rebate received is adjusted against the carrying value of the respective asset.

(ii) During the year ended on 31 December 2022, the Company had received government grant related to leasehold land acquired in Bihar amounting to ₹ 68.24 million. The grant received is adjusted against the carrying value of the respective asset.

Summary of significant accounting policies and other explanatory information on the Standalone Financial Statements for the year ended 31 December 2023

Right of use assets (ROU) [Cont'd]

Footnotes to Note 4C:

(iii) During the year ended on 31 December 2022, the Company had received refund amounting to ₹ 10.35 million due to revision in rates of leasehold land acquired during the previous year at Kathua (Jammu and Kashmir). The refund received is adjusted against the carrying value of the respective asset.

(iv) All lease deeds of immovable properties are held in the name of the Company except as disclosed below:

(₹ in million)

Description of property	Gross carrying value	Net carrying value	Whether title deed holder is a Promoter, director or relative of promoter/ director or employee	Date since the property is held	Reason for not being held in name of Company
Land situated at Buxar, Bihar	327.30	327.30	No	21 December 2023	The Company has received the possession letter dated 21 December 2023 of land situated at Buxar, Bihar and is in the process of getting lease deed registered in its name.
Land situated at Sonarpur, Kolkata	1.50	1.42	No	01 October 2018	The Company has executed the lease agreement for Sonarpur (Kolkata) land, which is yet to be registered.

5A. Goodwill (Refer note i)

(₹ in million)

	Amount
Gross carrying amount	
Balance as at 01 January 2023	19.40
Acquired during the year	-
Balance as at 31 December 2023	**19.40**
Amortisation	
Balance as at 01 January 2023	-
Amortisation charge for the year	-
Balance as at 31 December 2023	-
Carrying amount as at 31 December 2023	**19.40**

(₹ in million)

	Amount
Gross carrying amount	
Balance as at 01 January 2022	19.40
Acquired during the year	-
Balance as at 31 December 2022	**19.40**
Amortisation	
Balance as at 01 January 2022	-
Amortisation charge for the year	-
Balance as at 31 December 2022	-
Carrying amount as at 31 December 2022	**19.40**

Summary of significant accounting policies and other explanatory information on the Standalone Financial Statements for the year ended 31 December 2023

5B. Other intangible assets

(₹ in million)

	Franchise rights/ trademarks (Refer note i)	Distribution network	Computer software	Total
Gross carrying amount				
Balance as at 01 January 2023	6,042.96	157.64	279.89	6,480.49
Additions for the year	-	-	0.62	0.62
Disposals for the year	-	-	-	-
Balance as at 31 December 2023	**6,042.96**	**157.64**	**280.51**	**6,481.11**
Amortisation				
Balance as at 01 January 2023	656.97	79.87	265.10	1,001.94
Amortisation charge for the year	-	19.71	8.72	28.43
Reversal on disposals for the year	-	-	-	-
Balance as at 31 December 2023	**656.97**	**99.58**	**273.82**	**1,030.37**
Carrying amount as at 31 December 2023	**5,385.99**	**58.06**	**6.69**	**5,450.74**

(₹ in million)

	Franchise rights/ trademarks (Refer note i)	Distribution network	Computer software	Total
Gross carrying amount				
Balance as at 01 January 2022	6,042.96	157.64	313.09	6,513.69
Additions for the year	-	-	1.48	1.48
Disposals for the year	-	-	(34.68)	(34.68)
Balance as at 31 December 2022	**6,042.96**	**157.64**	**279.89**	**6,480.49**
Amortisation				
Balance as at 01 January 2022	656.97	60.17	253.87	971.01
Amortisation charge for the year	-	19.70	26.41	46.11
Reversal on disposals for the year	-	-	(15.18)	(15.18)
Balance as at 31 December 2022	**656.97**	**79.87**	**265.10**	**1,001.94**
Carrying amount as at 31 December 2022	**5,385.99**	**77.77**	**14.79**	**5,478.55**

i. Goodwill and franchise rights with indefinite useful lives are tested for impairment annually, or more frequently if the events and circumstances indicate that the carrying value may be impaired. The useful life of an intangible asset with an indefinite useful life is reviewed annually to determine whether the useful life assessment continues to be supportable.

The Company has considered the related provisions of Ind AS 38 on 'Intangibles Assets' which permit certain intangible assets to have an indefinite life and accordingly the carrying value of franchisee rights have been considered to have an indefinite life. These franchisee rights meet the prescribed criteria of renewal at nominal cost, renewal with no specific conditions attached, are sustainable and the same is supported by evidences of being renewed. Management is of the opinion that, based on an analysis of all the relevant factors, there is no foreseeable limit to the period over which the franchise rights are expected to generate net cash inflows for the Company.

The assumptions used in this impairment assessment are most sensitive to following:

a) Weighted average cost of capital ''WACC'' of 13.33% (Previous year - 13.52%) for the explicit period and 13.33% (Previous year - 13.52%) for the terminal year.

b) For arriving at the terminal value, approximate growth rate of 5% (Previous year - 5%) is considered.

Summary of significant accounting policies and other explanatory information on the Standalone Financial Statements for the year ended 31 December 2023

5B. Other intangible assets [Cont'd]

c) Number of years for which cash flows were considered are 5 years.

d) The approximate rate of growth in sales is estimated at 8%-10% (Previous year - 8%-10%) in the discrete period.

No impairment loss was identified on the above assessment.

ii. The amount of contractual commitments for the acquisitions of intangible assets are disclosed in Note 40.

iii. Refer Note 49 for information on other intangible assets pledged as security by the Company.

6. Investments

(₹ in million)

	As at 31 December 2023	As at 31 December 2022
Investment in equity shares of subsidiaries (at cost) (unquoted)		
17,392,760 (31 December 2022: 17,392,760) fully paid equity shares of MAD 50 each in Varun Beverages Morocco SA^	6,179.18	6,179.18
643,853,670 (31 December 2022: 643,853,670) fully paid equity shares of LKR 10 each in Varun Beverages Lanka (Private) Limited^	3,149.55	3,149.55
2,001,500 (31 December 2022: 1,080,000) fully paid equity shares of NPR 1,000 each in Varun Beverages (Nepal) Private Limited*	1,423.91	798.91
18,710,100 (31 December 2022: 18,710,100) fully paid equity shares of ZMW 10 each in Varun Beverages (Zambia) Limited^	3,231.01	3,231.01
935 (31 December 2022: 935) fully paid equity shares of USD 1 each in Varun Beverages (Zimbabwe) (Private) Limited	0.06	0.06
597,645 (31 December 2022: 547,645) fully paid equity shares of ₹ 10 each in Lunarmech Technologies Private Limited#	262.94	162.93
999 (31 December 2022: 999) fully paid equity shares of USD 10 each in Varun Beverages RDC SAS	0.74	0.74
1,000 (31 December 2022: 1,000) fully paid equity shares of AED 1,000 each in Varun Beverages International DMCC	20.68	20.68
1,000 (31 December 2022: Nil) fully paid equity shares of ZAR 10 each in Varun Beverages South Africa (PTY) Ltd.$	0.05	-
Deemed investment (Refer note 42B)	15.75	-
Investment in equity shares of associates (at cost) (unquoted)		
21,030 (31 December 2022: 2,600) fully paid equity shares of ₹ 10 each in Clean Max Tav Private Limited@	32.85	0.03
1,247,943 (31 December 2022: Nil) fully paid equity shares of ₹ 10 each in Huoban Energy 7 Private Limited^^	21.24	-
Investment in equity shares of joint ventures (at cost) (unquoted)		
13,007,000 (31 December 2022: 7,000) fully paid equity shares of ₹ 10 each in IDVB Recycling Operations Private Limited~	130.07	0.07
Investment in others in fully paid equity shares (FVTPL, unquoted)		
200 (31 December 2022: 200) shares of ₹ 50 each in The Margao Urban Co-operative Bank Limited	0.01	0.01
250 (31 December 2022: 250) shares of ₹ 10 each in The Goa Urban Co-operative Bank Limited**	0.00	0.00
3,150,000 (31 December 2022: Nil) fully paid equity shares of ₹ 10 each in Lone Cypress Ventures Private Limited@@	31.50	-
	14,499.54	**13,543.17**
Aggregate amount of unquoted investments	**14,499.54**	**13,543.17**

Summary of significant accounting policies and other explanatory information on the Standalone Financial Statements for the year ended 31 December 2023

6. Investments [Cont'd]

**Rounded off to Nil.

* The Company has subscribed 370,370 equity shares of Varun Beverages (Nepal) Private Limited amounting to ₹ 625.00 million on 18 May 2023 and Varun Beverages (Nepal) Private Limited on 24 December 2023 allotted 551,130 equity shares as bonus shares of NPR 1,000 each to its existing shareholder.

#The Company has acquired 50,000 equity shares of Lunarmech Technologies Private Limited amounting to ₹ 100.00 million on 16 October 2023.

$ The Company has made equity investment in Varun Beverages South Africa (PTY) Ltd. amounting to ₹ 0.05 million on 23 May 2023.

~ The Company has subscribed the equity investment of IDVB Recycling Operations Private Limited amounting to ₹ 120.00 million and loan given amounting to ₹ 10.00 million were converted into equity investment on 25 September 2023.

@ The Company has made investment in Clean Max Tav Private Limited amounting to ₹ 3.28 million and ₹ 29.54 million on 27 January 2023 and 13 March 2023 respectively.

^^ The Company has made equity investment in Huoban Energy 7 Private Limited amounting to ₹ 21.24 million on 09 May 2023.

@@ The Company has made equity investment in Lone Cypress Ventures Private Limited amounting to ₹ 31.50 million on 13 March 2023.

^ These investments were tested for impairment in accordance with Ind AS 36 "Impairment of Assets" concluding no impairment to the carrying values.

Refer note 50 for information required under Section 186 (4) of the Companies Act, 2013.

Information about investments along with proportion of ownership interest held and country of incorporation are as follows:

Name of the company/entity	Country of incorporation and principal place of business	Proportion of ownership interests held by the Company at year end	
		As at 31 December 2023	As at 31 December 2022
Varun Beverages (Nepal) Private Limited ('VBL Nepal')	Nepal	100.00%	100.00%
Varun Beverages Lanka (Private) Limited ('VBL Lanka')	Sri Lanka	100.00%	100.00%
Varun Beverages Morocco SA ('VBL Morocco')	Morocco	100.00%	100.00%
Ole Spring Bottlers (Private) Limited ('Ole')*	Sri Lanka	100.00%	100.00%
Varun Beverages (Zambia) Limited ('VBL Zambia')	Zambia	90.00%	90.00%
Varun Beverages (Zimbabwe) (Private) Limited ('VBL Zimbabwe')	Zimbabwe	85.00%	85.00%
Varun Beverages RDC SAS	Congo	99.90%	99.90%
Lunarmech Technologies Private Limited	India	60.07%	55.04%
Varun Beverages International DMCC**	Dubai	100.00%	100.00%
IDVB Recycling Operations Private Limited~	India	50.00%	50.00%
Clean Max Tav Private Limited^	India	26.00%	26.00%
Huoban Energy 7 Private Limited@	India	26.34%	-
Varun Beverages South Africa (PTY) Ltd.#	South Africa	100.00%	-
VBL Mozambique, SA^^	Mozambique	99.00%	-

*subsidiary of VBL Lanka

**w.e.f. 31 January 2022

~w.e.f. 01 July 2022

^w.e.f. 23 November 2022

@w.e.f. 09 May 2023

#w.e.f. 23 May 2023

^^Subsidiary incorporated on 21 November 2023, 99% share capital subscribed subsequent to year end 31 December 2023

Summary of significant accounting policies and other explanatory information on the Standalone Financial Statements for the year ended 31 December 2023

7. Loans

(₹ in million)

	As at 31 December 2023	As at 31 December 2022
Loans carried at amortised cost		
Loans to related parties, considered good - Unsecured	6,999.39	5,238.04
	6,999.39	**5,238.04**
Loans to subsidiaries:-		
Varun Beverages (Zimbabwe) (Private) Limited	984.10	1,229.38
Varun Beverages (Zambia) Limited#	802.51	799.31
Varun Beverages Morocco SA#	1,077.74	1,073.47
Varun Beverages RDC SAS	2,123.62	215.24
Varun Beverages International DMCC	2,011.42	1,920.64

#The loans granted were tested for impairment in accordance with Ind AS 109 concluding no impairment to the carrying values.

Refer note 50 for information required under Section 186 (4) of the Companies Act, 2013.

There are no loans and advances in the nature of loans granted to promoters, directors, key managerial personnel and related parties (as defined under Companies Act, 2013) that are either repayable on demand or without specifying any terms or period of repayment.

8. Other non-current financial asset

(₹ in million)

	As at 31 December 2023	As at 31 December 2022
Financial asset at amortised cost		
Security deposits	519.83	433.18
Balance in deposit accounts with remaining maturity of more than 12 months#	10.49	9.27
Others	34.53	-
	564.85	**442.45**

#Includes deposits pledged as security with electricity department/banks.

9. Other non-current assets

(₹ in million)

	As at 31 December 2023	As at 31 December 2022
(Unsecured, considered good)		
Capital advances	3,375.94	3,879.81
Advances other than capital advances		
- Income tax paid (includes amount paid under protest)	10.42	10.29
- Balance with statutory authorities (paid under protest)	117.21	111.69
- Prepaid expenses	33.89	26.91
	3,537.46	**4,028.70**

Summary of significant accounting policies and other explanatory information on the Standalone Financial Statements for the year ended 31 December 2023

10. Inventories

(₹ in million)

	As at 31 December 2023	As at 31 December 2022
(Valued at lower of cost or net realisable value)		
Raw and packing material (including goods in transit of ₹ 231.47 (31 December 2022: ₹ 351.97)	5,905.76	5,799.87
Work in progress	24.55	55.50
Intermediate goods (including goods in transit of ₹ 232.21 (31 December 2022: ₹ 53.09))	4,153.40	3,361.97
Finished goods (including goods in transit of ₹ 0.92 (31 December 2022: ₹ 8.18))*	2,985.94	3,180.12
Stores and spares	2,289.09	1,864.02
	15,358.74	**14,261.48**

*The Company manufactures as well as purchases the same product from market for sale. In the absence of demarcation between manufactured and purchased goods and the value of stock in trade being insignificant, it is not separately ascertainable and disclosed.

The cost of inventories recognised as an expense during the year is disclosed in Note 28, Note 29, Note 30 and Note 34.

11. Trade receivables

(₹ in million)

	As at 31 December 2023	As at 31 December 2022
Trade receivables, considered good - Unsecured	2,106.55	1,484.52
Trade receivables, considered good - Secured	22.87	17.90
Trade receivables - Credit impaired	286.72	289.03
	2,416.14	**1,791.45**
Less : Allowance for expected credit loss (Refer note 51.2)	(286.72)	(289.03)
	2,129.42	**1,502.42**
Includes amounts due, in the ordinary course of business, from subsidiaries:		
Varun Beverages Morocco SA	-	1.42
Ole Springs Bottlers (Private) Limited	-	5.72
Varun Beverages (Zambia) Limited	51.21	62.75
Varun Beverages Zimbabwe (Private) Limited	567.08	99.70
Varun Beverages (Nepal) Private Limited	11.19	398.82
Lunarmech Technologies Private Limited	9.64	28.32
Varun Beverages Lanka (Private) Limited	50.79	12.94
Varun Beverages RDC SAS	60.34	-
Includes amounts due, in the ordinary course of business, from companies in which directors of the Company are also directors:		
Alisha Torrent Closures Private Limited	0.00*	5.41
Devyani Airport Services (Mumbai) Private Limited#	-	0.13

*Rounded off to Nil.

#Amalgamated with Devyani International Limited w.e.f. 01 April 2022 vide Hon'ble National Company Law Tribunal order dated 13 July 2023.

Trade receivables are non-interest bearing and credit period generally falls in the range of 0 to 120 days.

No trade or other receivable are due from directors or other officers of the Company either severally or jointly with any other person. Nor any trade or other receivable are due from firms or private companies respectively in which any director is a partner, a director or a member, except as disclosed above.

Trade receivables ageing schedule

31 December 2023

(₹ in million)

Particulars	Outstanding from date of transactions					Total
	Less than 6 months	6 Months-1 Year	1-2 Years	2-3 Years	More than 3 years	
Undisputed Trade Receivables – considered good	2,129.42	-	-	-	-	2,129.42
Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
Undisputed Trade receivables – credit impaired	15.40	3.20	8.24	3.00	80.31	110.15
Disputed Trade receivables - considered good	-	-	-	-	-	-
Disputed Trade receivables – which have significant increase in credit risk	-	-	-	-	-	-
Disputed Trade receivables – credit impaired	-	3.10	3.03	24.51	145.93	176.57
Total	**2,144.82**	**6.30**	**11.27**	**27.51**	**226.24**	**2,416.14**

31 December 2022

(₹ in million)

Particulars	Outstanding from date of transactions					Total
	Less than 6 months	6 Months-1 Year	1-2 Years	2-3 Years	More than 3 years	
Undisputed Trade Receivables – considered good	1,490.23	12.19	-	-	-	1,502.42
Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
Undisputed Trade receivables – credit impaired	-	25.99	4.35	52.99	27.48	110.81
Disputed Trade receivables - considered good	-	-	-	-	-	-
Disputed Trade receivables – which have significant increase in credit risk	-	-	-	-	-	-
Disputed Trade receivables – credit impaired	-	0.59	2.82	30.42	144.39	178.22
Total	**1,490.23**	**38.77**	**7.17**	**83.41**	**171.87**	**1,791.45**

12. Cash and cash equivalents

(also for the purpose of Standalone Statement of Cash Flow)

(₹ in million)

	As at 31 December 2023	As at 31 December 2022
Balance with banks in current accounts*	472.76	455.57
Balance in deposits with original maturity of less than three months	19.68	16.28
Cash on hand	2.36	2.04
	494.80	**473.89**

* Includes inward remittance not yet cleared amounting to ₹ 3.80 million (31 December 2022: ₹ 163.11 million)

Summary of significant accounting policies and other explanatory information on the Standalone Financial Statements for the year ended 31 December 2023

13. Bank balances other than cash and cash equivalents

(₹ in million)

	As at 31 December 2023	As at 31 December 2022
Deposits with original maturity more than 3 months but less than 12 months*	2.04	0.15
Unpaid dividend account**	0.97	0.83
Deposits with bank held as margin money	25.28	-
	28.29	**0.98**

*Includes deposits pledged as security with statutory authorities/banks

**These balances are not available for use by the Company and corresponding balance is disclosed as unclaimed dividend in note 23.

14. Other current financial assets

(₹ in million)

	As at 31 December 2023	As at 31 December 2022
(Unsecured, considered good)		
Interest accrued on:		
- Loan to subsidiaries*	500.00	352.40
- Term deposits	0.13	0.04
- Others	18.47	16.25
Security deposits	136.18	106.23
Dividend receivable**	387.15	512.52
Guarantee commission receivable#	20.58	17.34
Advances to employees~	106.25	56.50
Government grant receivable	6,002.38	3,018.19
Claims receivables	481.63	459.64
Other receivables^	42.25	218.41
	7,695.02	**4,757.52**
*Amounts due from subsidiaries		
Varun Beverages (Zambia) Limited	76.02	48.06
Varun Beverages (Zimbabwe) (Private) Limited	104.99	226.24
Varun Beverages Morocco SA	110.24	54.59
Varun Beverages RDC SAS	25.91	3.76
Varun Beverages International DMCC	182.84	19.75
	500.00	**352.40**
**Amount due from a subsidiary, namely, Varun Beverages (Nepal) Private Limited	387.15	512.52
#Amounts due from subsidiaries:		
Varun Beverages Morocco SA	0.04	0.04
Varun Beverages (Zimbabwe) (Private) Limited	12.36	8.95
Varun Beverages International DMCC	4.05	3.92
Varun Beverages RDC SAS	3.08	-
Varun Beverages Lanka (Private) Limited	0.52	-
Varun Beverages (Zambia) Limited	0.53	4.43
	20.58	**17.34**

Summary of significant accounting policies and other explanatory information on the Standalone Financial Statements for the year ended 31 December 2023

(₹ in million)

	As at 31 December 2023	As at 31 December 2022
^Includes amounts due from subsidiaries:		
Varun Beverages Morocco SA	0.73	4.33
Varun Beverages (Zambia) Limited	1.06	8.17
Varun Beverages Lanka (Private) Limited	1.29	0.51
Varun Beverages (Zimbabwe) (Private) Limited	1.21	5.55
Varun Beverages (Nepal) Private Limited	0.79	177.42
Varun Beverages International DMCC	0.09	3.70
Varun Beverages RDC SAS	0.03	0.11
	5.20	**199.79**
~Amount given to key management personnel: (Refer Note 42A)	38.50	-
	38.50	**-**

15. Other current assets

(₹ in million)

	As at 31 December 2023	As at 31 December 2022
(Unsecured, considered good)		
Security deposits	10.36	2.57
Advance to related party*	66.75	104.47
Other advances :		
- Contractors and suppliers	664.52	1,904.28
- Prepaid expenses	229.91	202.46
- Balance with statutory/government authorities	2,595.59	1,272.91
- Other advances	77.87	35.98
	3,645.00	**3,522.67**

*Amounts due, in the ordinary course of business, from related party:		
SMV Beverages Private Limited	66.75	104.47

16. Equity share capital

(₹ in million)

	As at 31 December 2023	As at 31 December 2022
Authorised share capital:		
2000,000,000 equity shares of ₹ 5 each (31 December 2022: 1000,000,000 equity shares of ₹ 10 each)	10,000.00	10,000.00
	10,000.00	**10,000.00**
Issued, subscribed and fully paid up:		
1,299,214,976 equity shares of ₹ 5 each (31 December 2022: 649,549,620 equity shares of ₹ 10 each)	6,496.07	6,495.50
	6,496.07	**6,495.50**

Summary of significant accounting policies and other explanatory information on the Standalone Financial Statements for the year ended 31 December 2023

a) Reconciliation of share capital

(₹ in million)

Particular	No. of shares	Amount
Balance as at 01 January 2023	649,549,620	6,495.50
Add: Shares issued of ₹ 10 each pursuant to exercise of employee stock options	8,412	0.08
Add: Sub-division/split of 1 share of face value ₹ 10/- each into 2 share of face value ₹ 5/- each effective 15 June 2023 (Increase in shares on account of sub-division/split) (Refer note (h) below)	649,558,032	-
Add: Shares issued of ₹ 5 each pursuant to exercise of employee stock	98,912	0.49
Balance as at 31 December 2023	**1,299,214,976**	**6,496.07**

(₹ in million)

Particular	No. of shares	Amount
Balance as at 01 January 2022	433,033,080	4,330.33
Add: Bonus shares issued during the year (Refer note (d) below)	216,516,540	2,165.17
Balance as at 31 December 2022	**649,549,620**	**6,495.50**

b) Terms/rights attached to shares

The Company has only one class of equity shares having a par value of ₹ 5 each. Each holder of equity share is entitled to one vote per share. In the event of liquidation of the Company, holders of equity shares will be entitled to receive any of the remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders. The dividend, if any, proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

c) List of shareholders holding more than 5% of the equity share capital of the Company at the beginning and at the end of the year:

Shareholders as at 31 December 2023	No. of shares (face value of ₹ 5 each)	% of shareholding
RJ Corp Limited	349,750,824	26.92%
Mr. Ravi Kant Jaipuria	229,104,059	17.63%
Mr. Varun Jaipuria	208,343,948	16.04%

Shareholders as at 31 December 2022	No. of shares (face value of ₹ 10 each)	% of shareholding
RJ Corp Limited	177,900,412	27.39%
Mr. Ravi Kant Jaipuria	116,734,060	17.97%
Mr. Varun Jaipuria	104,171,974	16.04%

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

Summary of significant accounting policies and other explanatory information on the Standalone Financial Statements for the year ended 31 December 2023

d) Aggregate number of equity shares issued as bonus during the period of five years immediately preceding the reporting date:

(i) During the year ended 31 December 2019, the Company has issued 91,327,613 equity shares of ₹ 10 each as fully paid-up bonus shares in the ratio of 1 (One) equity share for every 2 (Two) equity share outstanding on record date.

(ii) During the year ended 31 December 2021, the Company has issued 144,344,360 equity shares of ₹10 each as fully paid-up bonus shares in the ratio of 1 (One) equity share for every 2 (Two) equity share outstanding on record date.

(iii) During the year ended 31 December 2022, the Company has issued 216,516,540 equity shares of ₹10 each as fully paid-up bonus shares in the ratio of 1 (One) equity share for every 2 (Two) equity share outstanding on record date.

For the period of five years of the date of the immediately preceding the reporting date, there was no share allotment made for consideration other than cash. Further, there has been no buy back of shares during the period of five years immediately preceding 31 December 2023 and 31 December 2022.

e) Shares held by holding and ultimate holding company

(₹ in million)

	As at 31 December 2023	As at 31 December 2022
RJ Corp Limited, Parent company*	1,748.75	1,779.00
349,750,824 fully paid-up equity shares of ₹ 5 each (31 December 2022: 177,900,412 fully paid-up equity shares of ₹ 10 each)		
	1,748.75	**1,779.00**

*as defined under Ind AS 110 - Consolidated Financial Statements.

f) Details of shares held by promoters:

Shareholders as at 31 December 2023	No. of shares (face value of ₹ 5 each)	% of shareholding	% change during the year
RJ Corp Limited	349,750,824	26.92%	-0.47%
Mr. Ravi Kant Jaipuria	229,104,059	17.63%	-0.34%
Mr. Varun Jaipuria	208,343,948	16.04%	0.00%

Shareholders as at 31 December 2022	No. of shares (face value of ₹ 10 each)	% of shareholding	% change during the year
RJ Corp Limited	177,900,412	27.39%	-0.30%
Mr. Ravi Kant Jaipuria	116,734,060	17.97%	-0.69%
Mr. Varun Jaipuria	104,171,974	16.04%	0.00%

g) Conversion of authorised Preference share capital into authorised Equity share capital

On 07 April 2022, the Company had converted the authorised preference share capital of 50,000,000 preference shares of ₹ 100 each into authorised equity share capital of 500,000,000 equity shares of ₹ 10 each.

Summary of significant accounting policies and other explanatory information on the Standalone Financial Statements for the year ended 31 December 2023

16. Equity share capital [Cont'd]

h) Sub-division/split of equity shares

The Board of Directors of the Company in their meeting held on 02 May 2023 recommended the sub-division/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. The above sub-division/split has been approved by the equity shareholders of the Company dated 02 June 2023 through postal ballot. Pursuant to sub-division/split of shares effective 15 June 2023 ("Record Date"), the paid up equity share capital of the Company is ₹ 6,495.58 consisting of 1,299,116,064 equity shares having face value of ₹ 5/- (Rupees Five only) each fully paid-up.

17. Other equity

Refer Standalone Statement of Changes in Equity for detailed movement in Other Equity balance.

(₹ in million)

	As at 31 December 2023	As at 31 December 2022
Capital reserve	533.93	533.93
General reserve	444.26	444.26
Securities premium	22,636.59	22,569.56
Retained earnings	40,558.69	25,101.68
Share option outstanding account	84.99	29.08
Share application money pending allotment	3.51	-
	64,261.97	**48,678.51**

Description of nature and purpose of each reserve:

Capital reserve - Created on merger of Varun Beverages (International) Limited with the Company pursuant to and in accordance with the Court approved scheme of amalgamation. Includes gain from bargain purchases.

General reserve - Created by way of transfer from debenture redemption reserve on redemption of debentures.

Securities premium - Created to record the premium on issue of shares. The reserve is utilised in accordance with the provisions of the Act.

Retained earnings - Created from the profit of the Company, as adjusted for distributions to owners, transfers to other reserves, etc.

Share option outstanding account - Created to recognise the grant date fair value of options issued to employees under the employee stock option schemes and is adjusted on exercise / forfeiture of options.

Share application money pending allotment - Created to record the amount of money received for the purpose of allotment of equity share of the company pending at the reporting date. It will be utilised in accordance with the provisions of the Companies Act, 2013 upon issuance of equity shares.

18. Borrowings

A. Non-current borrowings:

(₹ in million)

	As at 31 December 2023	As at 31 December 2022
Term loans (secured) (Refer note 18E)		
- Indian rupee loans from banks	29,658.63	15,952.17
- Indian rupee loan from others	446.86	580.41
	30,105.49	**16,532.58**

Loans and borrowing above are recognised at amortised cost/fair value taking into account any discount or premium on acquisition and fee or costs that are part of effective interest rate, accordingly the outstanding balances above may not necessarily reconcile with repayment amounts.

Summary of significant accounting policies and other explanatory information on the Standalone Financial Statements for the year ended 31 December 2023

B. Current borrowings:

(₹ in million)

	As at 31 December 2023	As at 31 December 2022
Loans repayable on demand		
- Working capital facilities from banks (secured) (Refer footnote (a))	4,805.00	4,330.28
- Working capital facilities from banks (unsecured) (Refer footnote (b))	2,450.00	300.00
Working capital facility from banks (unsecured) (Refer footnote (c))	500.00	542.67
Current maturities of long-term debts	9,740.56	13,012.97
	17,495.56	**18,185.92**

(a) Working capital facilities from banks are secured by first charge on entire current assets of the Company ranking pari-passu amongst the banks and second charge on the movable and immovable assets of the Company pertaining to specific manufacturing units (wherever applicable). One short term loan facility from a bank were secured by subservient charge over entire current assets and movable fixed assets (both present and future) of the Company and during the previous year two facilities were secured by subservient charge over entire current assets and movable fixed assets (both present and future) of the Company. These facilities carry interest rates ranging between 7.45% to 7.76% (31 December 2022: 7.05% to 7.45%).

(b) Working capital facilities from banks carrying interest rates ranging between 7.70% to 7.72% per annum (31 December 2022: 7.10% per annum).

(c) Working capital facility from a bank carrying interest rate 7.76% per annum is repayable in three equal installments from the date of disbursement. During the previous year, buyers credit carrying interest rate ranging between 3.70% to 3.86% per annum was repaid during the year.

There are no defaults in repayment of principal borrowings or interest there on.

C. Other non-current financial liabilities:

(₹ in million)

	As at 31 December 2023	As at 31 December 2022
Lease liabilities (Refer note 43)	1,043.65	1,117.39
	1,043.65	**1,117.39**

D. Current financial liabilities:

(₹ in million)

	As at 31 December 2023	As at 31 December 2022
Lease liabilities (Refer note 43)	176.29	113.67
	176.29	**113.67**

Summary of significant accounting policies and other explanatory information on the Standalone Financial Statements for the year ended 31 December 2023

E. Terms and conditions/details of securities for loans:

(₹ in million)

Name of the bank/instrument	Loan outstanding			
	31 December 2023		31 December 2022	
	Non-current	Current	Non-current	Current
Term loans				
i) Indian rupee loan from banks (secured)				
Loans carrying weighted average rate of interest 8.01% (31 December 2022: 7.50%) depending upon tenure of the loans. For repayment terms refer note 18F.	29,283.63	8,068.46	14,233.50	9,973.11
These loans are secured on first pari-passu charge on the entire movable and immovable property, plant and equipment of the Company including the territory /franchisee rights acquired under the business acquisition except vehicles and lands for which no mortgages have been created till date.				
ii) Indian rupee loan from banks (secured)				
Loans carrying weighted average rate of interest 7.40% (31 December 2022: 7.34%) depending upon tenure of the loans. For repayment terms refer note 18F.	-	800.00	800.00	1,900.00
These loans are secured with subservient charge on movable fixed assets of the Company and one facility during the previous year was further secured with first pari passu charge on the inventories and receivables of the Company.				
iii) Indian rupee loan from banks (secured)				
Loans carrying rate of interest 7.95% (31 December 2022: 7.35%) depending upon tenure of the loans. For repayment terms refer note 18F.	375.00	541.67	916.67	541.67
These loans are secured on first pari-passu charge on the entire movable assets of the Company including the territory /franchisee rights acquired under the business acquisition except vehicles.				
iv) Vehicle rupee term loan (secured)				
Loans carrying rate of interest in range of Nil (31 December 2022: 8.02% to 9.25 %). These loans were repaid during the year.	-	-	2.00	37.92
	29,658.63	**9,410.13**	**15,952.17**	**12,452.70**

Summary of significant accounting policies and other explanatory information on the Standalone Financial Statements for the year ended 31 December 2023

E. Terms and conditions/details of securities for loans: [Cont'd]

(₹ in million)

Name of the bank/instrument	Loan outstanding			
	31 December 2023		31 December 2022	
	Non-current	Current	Non-current	Current
v) Indian rupee loan from others (secured)				
Interest free loans from The Pradeshiya Industrial & Investment Corporation of U.P. Limited are repayable in one instalment after expiry of seven years from the date of disbursement. Loans are secured against bank guarantee equivalent to 100% of loan amount valid up to the repayment date of loan plus six months grace period. The loans are recognised at amortised cost basis using weighted average rate of borrowing on date of receipt, i.e., 8.52%-9.72% (31 December 2022: 8.52%-9.72%) The repayment schedule is as under: **Date of repayment — Amount** 30 November 2024 — 177.83 01 November 2025 — 211.98 31 March 2030 — 65.90 07 July 2030 — 139.92	308.20	166.87	323.34	141.42
Interest free loan from The Director of Industries and Commerce, Haryana are repayable in one instalment after expiry of five years from the date of disbursement. Loans are secured against bank guarantee equivalent to 100% of loan amount valid up to the repayment date of loan plus six months grace period. The loans are recognised at amortised cost basis using weighted average rate of borrowing on date of receipt, i.e., 8.33% (31 December 2022: 8.33%) The repayment schedule is as under: **Date of repayment — Amount** 20 February 2024 — 91.36 27 May 2024 — 36.85 29 August 2024 — 39.10 17 February 2025 — 43.98 13 October 2025 — 23.96 21 February 2027 — 70.83 18 July 2028 — 33.30	138.66	163.56	257.07	418.85
	446.86	**330.43**	**580.41**	**560.27**
Total	**30,105.49**	**9,740.56**	**16,532.58**	**13,012.97**

Summary of significant accounting policies and other explanatory information on the Standalone Financial Statements for the year ended 31 December 2023

F. Repayment terms:

(₹ in million)

S.No	Description	31 December 2023		31 December 2022		Repayment terms
		Non-current	Current	Non-current	Current	
1	Term loan - 1	-	-	-	150.00	Loan was repaid during the year
2	Term loan - 2	-	-	-	250.00	Loan was repaid during the year
3	Term loan - 3	-	240.00	240.00	90.00	One instalment of ₹ 90.00 due in May 2024 and one instalment of ₹ 150.00 due in June 2024.
4	Term loan - 4	-	-	-	85.00	Loan was repaid during the year
5	Term loan - 5	-	-	-	241.60	Loan was repaid during the year
6	Term loan - 6	-	-	-	222.40	Loan was repaid during the year
7	Term loan - 7	291.49	291.80	583.18	291.60	Two instalments of ₹ 145.90 each due in June 2024 and July 2024 and two instalments of ₹ 145.90 each due in June 2025 and July 2025.
8	Term loan - 8	-	-	-	749.79	Loan was repaid during the year
9	Term loan - 9	499.32	500.00	998.51	500.00	Two instalments of ₹ 250.00 each due in May 2024 and June 2024 and two instalments of ₹ 250.00 each due in May 2025 and June 2025.
10	Term loan - 10	-	-	-	599.59	Loan was repaid during the year
11	Term loan - 11	200.00	200.00	400.00	150.00	Two instalments of ₹ 100.00 each due in May 2024 and June 2024 and two instalments of ₹ 100.00 each due in May 2025 and June 2025.
12	Term loan - 12	199.73	200.00	398.56	200.00	Two instalments of ₹ 100.00 each due in May 2024 and June 2024 and two instalments of ₹ 100.00 each due in May 2025 and June 2025.
13	Term loan - 13	-	-	-	500.00	Loan was repaid during the year
14	Term loan - 14	-	-	-	676.47	Loan was repaid during the year
15	Term loan - 15	-	-	-	1,300.00	Loan was repaid during the year
16	Term loan - 16	699.75	400.00	1,100.00	200.00	Two instalments of ₹ 200.00 each due in May 2024 and June 2024, two instalments of ₹ 200.00 each due in May 2025 and June 2025, one instalment of ₹ 200.00 due in May 2026 and one instalment of ₹ 100.00 due in June 2026.
17	Term loan - 17	-	-	-	2,000.00	Loan was repaid during the year
18	Term loan - 18	1,050.00	380.00	1,430.00	300.00	Two instalments of ₹ 190.00 each due in May 2024 and June 2024, two instalments of ₹ 190.00 each due in May 2025 and June 2025, two instalments of ₹ 185.00 each due in May 2026 and June 2026 and two instalments of ₹ 150.00 each due in May 2027 and June 2027.

Summary of significant accounting policies and other explanatory information on the Standalone Financial Statements for the year ended 31 December 2023

F. Repayment terms: [Cont'd]

(₹ in million)

S.No	Description	31 December 2023		31 December 2022		Repayment terms
		Non-current	Current	Non-current	Current	
19	Term loan - 19	-	800.00	800.00	600.00	Two instalments of ₹ 400.00 each due in May 2024 and June 2024.
20	Term loan - 20	1,600.00	500.00	2,100.00	200.00	Two instalments of ₹ 250.00 each due in May 2024 and June 2024, two instalments of ₹ 250.00 each due in May 2025 and June 2025, two instalments of ₹ 250.00 each due in May 2026 and June 2026 and two instalments of ₹ 300.00 each due in May 2027 and June 2027
21	Term loan - 21	1,350.00	300.00	1,650.00	100.00	Two instalments of ₹ 150.00 each due in May 2024 and June 2024, one instalment of ₹ 150.00 due in May 2025, one instalment of ₹ 180.00 due in June 2025, two instalments of ₹ 180.00 each due in May 2026 and June 2026 and three instalments of ₹ 220.00 each due in May 2027, June 2027 and July 2027.
22	Term loan - 22	1,333.34	666.66	1,333.26	666.66	Two instalments of ₹ 333.33 each due in May 2024 and June 2024, two instalments of ₹ 333.33 each due in May 2025 and June 2025 and two instalments of ₹ 333.34 each due in May 2026 and June 2026.
23	Term loan - 23	3,750.00	1,250.00	1,000.00	-	.Two instalments of ₹ 625.00 each due in May 2024 and June 2024, two instalments of ₹ 625.00 each due in May 2025 and June 2025, two instalments of ₹ 625.00 each due in May 2026 and June 2026 and two instalments of ₹ 625.00 each due in May 2027 and June 2027.
24	Term loan - 24	-	-	-	1,800.00	Loan was repaid during the year
25	Term loan - 25	375.00	375.00	750.00	375.00	Two instalments of ₹ 187.50 each due in May 2024 and June 2024 and two instalments of ₹ 187.50 each due in May 2025 and June 2025
26	Term loan - 26	-	166.67	166.67	166.67	Two instalments of ₹ 83.33 each due in May 2024 and June 2024
27	Term loan - 27	2,000.00	1,000.00	2,999.99	-	Two instalments of ₹ 500.00 each due in May 2024 and June 2024, two instalments of ₹ 500.00 each due in May 2025 and June 2025 and two instalments of ₹ 500.00 each due in May 2026 and June 2026.

Summary of significant accounting policies and other explanatory information on the Standalone Financial Statements for the year ended 31 December 2023

F. Repayment terms: [Cont'd]

(₹ in million)

S.No	Description	31 December 2023		31 December 2022		Repayment terms
		Non-current	Current	Non-current	Current	
28	Term loan - 28	2,350.00	100.00	-	-	Two instalments of ₹ 50.00 each due in May 2024 and June 2024, two instalments of ₹ 250.00 each due in May 2025 and June 2025, two instalments of ₹ 250.00 each due in May 2026 and June 2026, two instalments of ₹ 350.00 each due in May 2027 and June 2027,one instalment of ₹ 350.00 due in May 2028 and one instalment of ₹ 300.00 due in June 2028.
29	Term loan - 29	2,400.00	600.00	-	-	Two instalments of ₹ 300.00 each due in May 2024 and June 2024, two instalments of ₹ 300.00 each due in May 2025 and June 2025, two instalments of ₹ 300.00 each due in May 2026 and June 2026, two instalments of ₹ 300.00 each due in May 2027 and June 2027 and two instalments of ₹ 300.00 each due in May 2028 and June 2028.
30	Term loan - 30	1,900.00	100.00	-	-	Two instalments of ₹ 50.00 each due in May 2024 and June 2024, two instalments of ₹ 200.00 each due in May 2025 and June 2025, two instalments of ₹ 250.00 each due in May 2026 and June 2026, two instalments of ₹ 250.00 each due in May 2027 and June 2027 and two instalments of ₹ 250.00 each due in May 2028 and June 2028.
31	Term loan - 31	750.00	250.00			Two instalments of ₹ 125.00 each due in May 2024 and June 2024, two instalments of ₹ 125.00 each due in May 2025 and June 2025, two instalments of ₹ 125.00 each due in May 2026 and June 2026 and two instalments of ₹ 125.00 each due in May 2027 and June 2027.
32	Term loan - 32	3,150.00	350.00	-	-	Two instalments of ₹ 175.00 each due in May 2024 and June 2024, two instalments of ₹ 525.00 each due in May 2025 and June 2025, two instalments of ₹ 525.00 each due in May 2026 and June 2026 and two instalments of ₹ 525.00 each due in May 2027 and June 2027.

F. Repayment terms: [Cont'd]

(₹ in million)

S.No	Description	31 December 2023		31 December 2022		Repayment terms
		Non-current	Current	Non-current	Current	
33	Term loan - 33	2,760.00	240.00	-	-	Two instalments of ₹ 120.00 each due in May 2024 and June 2024, two instalments of ₹ 240.00 each due in May 2025 and June 2025, two instalments of ₹ 360.00 each due in May 2026 and June 2026, two instalments of ₹ 360.00 each due in May 2027 and June 2027and two instalments of ₹ 420.00 each due in May 2028 and June 2028
34	Term loan - 34	1,500.00	-	-	-	Two instalments of ₹ 75.00 each due in May 2025 and June 2025, two instalments of ₹ 131.25 each due in May 2026 and June 2026, two instalments of ₹ 168.75 each due in May 2027 and June 2027, two instalments of ₹ 187.50 each due in May 2028 and June 2028 and two instalments of ₹ 187.50 each due in May 2029 and June 2029
35	Term loan - 35	1,500.00	500.00	-	-	Two instalments of ₹ 250.00 each due in May 2024 and June 2024, two instalments of ₹ 250.00 each due in May 2025 and June 2025, two instalments of ₹ 250.00 each due in May 2026 and June 2026 and two instalments of ₹ 250.00 each due in May 2027 and June 2027.
		29,658.63	**9,410.13**	**15,950.17**	**12,414.78**	

19. Provisions

(₹ in million)

	As at 31 December 2023	As at 31 December 2022
Non-current		
Provision for employee benefits (Refer note 36)		
Defined benefit liability (net)	1,417.19	1,382.99
Other long term employee obligations	639.07	593.62
	2,056.26	**1,976.61**
Current		
Provision for employee benefits (Refer note 36)		
Other short term employee obligations	311.98	283.10
Others (Refer note 55)	503.72	-
	815.70	**283.10**

Summary of significant accounting policies and other explanatory information on the Standalone Financial Statements for the year ended 31 December 2023

20. Deferred tax assets and liabilities

Deferred taxes arising from temporary differences and unused tax losses are summarised as follows:

(₹ in million)

Deferred tax liabilities/(assets)	As at 01 January 2023	Recognised in other comprehensive income**	Recognised in Statement of Profit and Loss	As at 31 December 2023
Accelerated depreciation for tax purposes	3,701.97	-	142.84	3,844.81
Allowance for doubtful debts	(72.74)	-	0.58	(72.16)
Accrued bonus	(47.50)	-	2.99	(44.51)
Fair valuation of financial instruments	(15.22)	-	(10.65)	(25.87)
Provision for retirement benefits	(474.70)	(6.99)	(20.27)	(501.96)
Borrowings	(1.00)	-	0.35	(0.65)
Benefit accrued on government grants	96.59	-	(22.14)	74.45
Others	12.44	-	(153.22)	(140.78)
	3,199.84	**(6.99)**	**(59.52)**	**3,133.33**

(₹ in million)

Deferred tax liabilities/(assets)	As at 01 January 2022	Recognised in other comprehensive income**	Recognised in Statement of Profit and Loss	As at 31 December 2022
Accelerated depreciation for tax purposes	3,699.23	-	2.74	3,701.97
Minimum alternate tax (MAT) credit*	(168.12)	-	168.12	-
Allowance for doubtful debts	(64.04)	-	(8.70)	(72.74)
Accrued bonus	(19.73)	-	(27.77)	(47.50)
Fair valuation of financial instruments	(35.50)	-	20.28	(15.22)
Provision for retirement benefits	(531.14)	27.10	29.34	(474.70)
Borrowings	(1.24)	-	0.24	(1.00)
Benefit accrued on government grants	136.58	-	(39.99)	96.59
Others	(34.22)	-	46.63	12.44
	2,981.82	**27.10**	**190.89**	**3,199.84**

*MAT credit: (₹ in million)

	Recognised in profit and loss	Utilised from profit and loss
31 December 2023	-	-
31 December 2022	-	(168.12)

**The amounts recognised in other comprehensive income relate to the re-measurement of net defined retirement benefit liability. Refer note 35 for the amount of the income tax relating to these components of other comprehensive income.

All significant deferred tax assets have been recognised in the balance sheet.

21. Other non-current liabilities

(₹ in million)

	As at 31 December 2023	As at 31 December 2022
Deferred revenue on government grant	5.16	5.94
Deferred income	63.24	-
	68.40	**5.94**

Summary of significant accounting policies and other explanatory information on the Standalone Financial Statements for the year ended 31 December 2023

22. Trade payables

(₹ in million)

	As at 31 December 2023	As at 31 December 2022
Total outstanding dues of-		
Micro enterprises and small enterprises (Refer note 45)	767.25	653.33
Creditors other than micro enterprises and small enterprises	4,151.36	5,104.60
	4,918.61	**5,757.93**

Trade payables ageing schedule

31 December 2023

(₹ in million)

Particulars	Outstanding from date of transactions					Total
	Unbilled	Less than 1 year	1-2 Years	2-3 Years	More than 3 years	
Undisputed trade payable						
Micro enterprises and small enterprises	68.73	692.13	5.34	0.36	0.50	767.06
Others	1,519.74	2,470.47	65.62	10.19	6.00	4,072.02
Disputed trade payable						
Micro enterprises and small enterprises	-	0.19	-			0.19
Others	-	52.46	13.18	6.95	6.75	79.34
Total	**1,588.47**	**3,215.25**	**84.14**	**17.50**	**13.25**	**4,918.61**

31 December 2022

(₹ in million)

Particulars	Outstanding from date of transactions					Total
	Unbilled	Less than 1 year	1-2 Years	2-3 Years	More than 3 years	
Undisputed trade payable						
Micro enterprises and small enterprises	-	652.02	0.28	0.37	0.50	653.17
Others	1,303.39	3,652.12	23.05	30.99	11.85	5,021.40
Disputed trade payable						
Micro enterprises and small enterprises	-	-	0.01	0.15	-	0.16
Others	-	48.49	11.48	11.97	11.26	83.20
Total	**1,303.39**	**4,352.63**	**34.82**	**43.48**	**23.61**	**5,757.93**

23. Other current financial liabilities

(₹ in million)

	As at 31 December 2023	As at 31 December 2022
Interest accrued but not due on borrowings	80.40	62.90
Interest payable	27.21	13.71
Payable for capital expenditure	4,064.96	2,376.97
Employee related payables	705.62	666.48
Unclaimed dividends#	0.97	0.83
Security deposits	1,799.54	1,822.47
	6,678.70	**4,943.36**

#Not due for deposit to the Investor Education and Protection Fund.

Summary of significant accounting policies and other explanatory information on the Standalone Financial Statements for the year ended 31 December 2023

24. Other current liabilities

(₹ in million)

	As at 31 December 2023	As at 31 December 2022
Advance from customers	1,725.58	1,933.09
Statutory dues payable	743.39	789.35
Deferred income	39.91	2.27
	2,508.88	**2,724.71**

25. Current tax liabilities (Net)

(₹ in million)

	As at 31 December 2023	As at 31 December 2022
Provision for tax	335.67	674.37
	335.67	**674.37**

The key components of income tax expense for the year ended 31 December 2023 and 31 December 2022 are:

A. Statement of Profit and Loss:

(₹ in million)

	As at 31 December 2023	As at 31 December 2022
(i) Profit and Loss section		
(a) Current tax	6,018.71	3,953.00
(b) Adjustment of tax relating to earlier years	(28.82)	(0.86)
(c) Deferred tax (credit)/charge	(59.52)	190.89
Income tax expense reported in the Statement of Profit and Loss	**5,930.37**	**4,143.03**
(ii) OCI section		
Deferred tax related to items recognised in OCI during the year:		
(a) Net gain on remeasurements of defined benefit plans	6.99	(27.10)
Income tax charged to OCI	**6.99**	**(27.10)**

B. Reconciliation of tax expense between accounting profit at applicable tax rate and effective tax rate:

(₹ in million)

	As at 31 December 2023	As at 31 December 2022
Accounting profit before tax	**23,681.63**	**16,845.02**
Tax expense at statutory income tax rate of 25.167% (31 December 2022: 25.167%)	5,959.96	4,239.39
Adjustments in respect of current income tax of previous years	(28.82)	(0.86)
Non deductible expenses	73.73	29.78
Deduction claimed u/s Chapter-VI A of Income-tax Act, 1961	(109.46)	(271.45)
Impact due to change in tax rate*	-	110.48
Others	34.96	35.69
Income tax expense at effective tax rate reported in the Statement of Profit and Loss	**5,930.37**	**4,143.03**

*The Company had made an assessment of the impact of Ordinance and decided to continue with the existing tax structure until utilisation of accumulated minimum alternative tax (MAT) credit and expiry of other tax benefits/holidays available. The Company had decided to opt for the new tax regime u/s 115BAA 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.

Summary of significant accounting policies and other explanatory information on the Standalone Financial Statements for the year ended 31 December 2023

26. Revenue from operations

(₹ in million)

	Year ended 31 December 2023	Year ended 31 December 2022
Sale of products	122,098.90	103,023.22
Rendering of services	67.21	449.25
Other operating revenue	4,162.15	2,485.78
	126,328.26	**105,958.25**

Disclosure on revenue pursuant to Ind AS 115- Revenue from contract with customers:

A. Reconciliation of revenue recognised with the contracted price:

(₹ in million)

Particulars	Year ended 31 December 2023	Year ended 31 December 2022
Gross revenue/Contracted price	123,554.82	106,141.13
Less: Discounts and rebates	(1,388.71)	(2,668.66)
Revenue from contracts with customers	**122,166.11**	**103,472.47**

B. Disaggregation of revenue

a) Information about geographical area

(₹ in million)

Particulars	Year ended 31 December 2023	Year ended 31 December 2022
i. Sale of products and rendering of services		
(i) Within India	121,606.68	102,360.71
(ii) Outside India	559.43	1,111.76
Total sale of products and rendering of services	**122,166.11**	**103,472.47**

b) Revenue from sale of goods and services are recognised at a point in time. There are no disaggregation of revenue with respect to this information.

c) No single external customer amounts to 10% or more of the Company's revenue from operations.

d) The Company manufactures as well as purchases the same product from market for sale. In the absence of demarcation between manufactured and purchased goods and the value of stock in trade being insignificant, it is not separately ascertainable and disclosed.

C. Contract balances:

The following table provides information about trade receivables and contract liabilities from contract with customers:

Receivables

(₹ in million)

Particulars	As at 31 December 2023	As at 31 December 2022
Trade receivables	2,416.14	1,791.45
Less: Allowances for expected credit loss	(286.72)	(289.03)
Net receivables	**2,129.42**	**1,502.42**

Summary of significant accounting policies and other explanatory information on the Standalone Financial Statements for the year ended 31 December 2023

Contract liabilities

(₹ in million)

Particulars	As at 31 December 2023	As at 31 December 2022
Advance from customers (Refer note 24)	1,725.58	1,933.09
	1,725.58	**1,933.09**

D. Contract asset is the right to consideration in exchange for goods or services transferred to the customer. Contract liabilities are on account of the advance payment received from customer for which performance obligation has not yet been completed.

The performance obligation is satisfied when control of the goods or services are transferred to the customers based on the contractual terms. The Company does not have any remaining performance obligation as contracts entered for sale of goods are for a shorter duration. Further, there are no contracts for sale of services wherein, performance obligation is unsatisfied to which transaction price has been allocated.

Payment terms with customers vary depending upon the contractual terms of each contract and generally falls in the range of 0 to 120 days from the completion of performance obligation. There is no significant financing component in any transaction with the customers.

E. Government grant recognised under the head 'Other operating revenue' amounts to ₹ 3,462.98 million (31 December 2022: ₹ 1,853.06 million) under different industrial promotion tax exemption schemes.

F. **Changes in the contract liabilities balances during the year are as follows:**

(₹ in million)

Particulars	Year ended 31 December 2023	Year ended 31 December 2022
Balance at the beginning of the year	1,933.09	613.86
Addition during the year	1,725.58	1,933.09
Revenue recognised during the year	(1,933.09)	(613.86)
Balance at the closing of the year	**1,725.58**	**1,933.09**

27. Other income

(₹ in million)

	Year ended 31 December 2023	Year ended 31 December 2022
Interest income on items at amortised cost:		
- term deposits	11.12	7.71
- loan to subsidiaries (Refer note 42B)	483.49	215.56
- others	17.63	14.99
Net gain on foreign currency transactions and translations	76.38	463.36
Gain on sale of current investments	3.51	3.67
Excess provisions and liabilities written back	291.84	0.95
Guarantee commission income from subsidiaries (Refer note 42B)	28.87	17.24
Dividend income from non-current investment in subsidiary (Refer note 42B)	407.53	539.49
Miscellaneous income	141.05	174.60
	1,461.42	**1,437.57**

Summary of significant accounting policies and other explanatory information on the Standalone Financial Statements for the year ended 31 December 2023

28. Cost of materials consumed

(₹ in million)

	Year ended 31 December 2023	Year ended 31 December 2022
Raw material and packing material consumed		
Inventories at beginning of the year	5,799.79	5,581.90
Purchases during the year (net)	61,045.06	61,156.63
	66,844.85	**66,738.53**
Less: Sold during the year	1,911.29	6,345.70
Less: Inventories at end of the year	5,905.76	5,799.79
	59,027.80	**54,593.04**

29. Purchases of stock-in-trade

(₹ in million)

	Year ended 31 December 2023	Year ended 31 December 2022
Beverages	960.33	982.42
Others	534.01	219.42
	1,494.34	**1,201.84**

30. Changes in inventories of finished goods, intermediate goods, stock-in-trade and work -in-progress

(₹ in million)

	Year ended 31 December 2023	Year ended 31 December 2022
As at the beginning of the year		
- Finished goods	3,180.12	1,798.97
- Intermediate goods	3,361.97	1,784.11
- Work in progress	55.50	63.57
	6,597.59	**3,646.65**
As at the closing of the year		
- Finished goods	2,985.94	3,180.12
- Intermediate goods	4,153.40	3,361.97
- Work in progress	24.55	55.50
	7,163.89	**6,597.59**
Finished goods used as property, plant and equipment*	(51.85)	(72.52)
	(618.15)	**(3,023.46)**

*The Company manufactures plastic shells at one of its manufacturing facilities at Alwar. The shells manufactured are used for beverages operations of the Company as property, plant and equipment (under the head “Containers”). These containers are also sold to third parties. The cost of manufacturing of plastic shells is being shown here separately with a corresponding debit to property, plant and equipment.

Summary of significant accounting policies and other explanatory information on the Standalone Financial Statements for the year ended 31 December 2023

31. Employee benefits expense

(₹ in million)

	Year ended 31 December 2023	Year ended 31 December 2022
Salaries, wages and bonus*	9,423.00	8,423.71
Contribution to provident fund and other funds*	498.45	397.98
Staff welfare expenses*	383.16	353.91
Share based payments (Net)** (Refer note 47)	63.35	29.08
	10,367.96	**9,204.68**

*Refer note 4A for capitalisation of employee benefits expense in setting-up of new manufacturing facilities.

**Net of share based payments in relation to employees of subsidiaries amounting to ₹ 15.75 (31 December 2022: Nil)

32. Finance costs

(₹ in million)

	Year ended 31 December 2023	Year ended 31 December 2022
Interest on items at amortised cost:		
- Term loans*	2,022.66	1,226.40
- Working capital facilities*	57.92	167.42
- Financial liabilities (inclusive of interest on lease liabilities ₹ 115.23 (31 December 2022: ₹ 10.03))	201.82	102.92
- Others (inclusive of interest on income tax ₹ 82.28 (31 December 2022: ₹ 10.51))	118.65	25.79
Exchange differences regarded as an adjustment to borrowings	-	6.73
Other ancillary borrowing costs	9.90	13.31
	2,410.95	**1,542.57**

*Refer note 4A for capitalisation of finance costs in setting-up of new manufacturing facilities.

33. Depreciation, amortisation and impairment expense

(₹ in million)

	Year ended 31 December 2023	Year ended 31 December 2022
Depreciation on property, plant and equipment	5,007.16	4,151.20
Amortisation of intangible assets	28.43	46.11
Amortisation of ROU	147.69	159.77
Impairment of property, plant and equipment and others (Refer Note 4A and 4B)	-	474.24
	5,183.28	**4,831.32**

Summary of significant accounting policies and other explanatory information on the Standalone Financial Statements for the year ended 31 December 2023

34. Other expenses*

(₹ in million)

	Year ended 31 December 2023	Year ended 31 December 2022
Power and fuel	4,369.42	3,889.70
Repairs to plant and equipment	2,107.72	2,009.42
Repairs to buildings	124.39	95.51
Other repairs	841.81	739.76
Consumption of stores and spares	1,058.54	1,036.08
Rent (Refer note 43)	517.90	372.24
Rates and taxes	717.54	87.87
Insurance	115.17	114.48
Printing and stationery	56.79	44.14
Communication	62.55	56.79
Travelling and conveyance	881.40	861.62
Sitting fees/commission paid to non-executive directors (Refer note 42A)	5.10	185.55
Payment to auditors**	15.66	17.19
Vehicle running and maintenance	128.67	101.57
Lease and hire (Refer note 43)	193.61	197.66
Security and service charges	444.23	360.77
Legal, professional and consultancy	357.75	253.59
Bank charges	33.59	18.66
Advertisement and sales promotion	1,003.41	725.46
Meetings and conferences	63.94	35.57
Royalty	165.93	159.68
Freight, octroi and insurance paid (net)	8,369.15	6,832.26
Delivery vehicle running and maintenance	508.58	557.50
Distribution expenses	2,061.83	1,986.53
Loading and unloading charges	698.03	569.56
Donations	0.80	0.52
Loss on disposal of property, plant and equipment (net)	764.10	443.70
Bad debts and advances written off	2.13	3.87
Allowance for expected credit loss	-	34.59
Corporate social responsibility expenditure (Refer note 46)	158.50	85.04
General office and other miscellaneous	413.63	323.93
	26,241.87	**22,200.81**

*Refer note 4B for capitalisation of other expenses in setting-up of new manufacturing facilities.

****Payment to auditors**

(₹ in million)

	Year ended 31 December 2023	Year ended 31 December 2022
Services rendered for:		
- Audit and reviews	11.46	13.33
- taxation matters	2.11	2.30
- other matters#	1.86	0.64
- reimbursement of expenses	0.23	0.92
	15.66	**17.19**

#Excludes expense of ₹ 0.23 (31 December 2022: ₹ nil) towards fee related to other matters, which has been capitalised in new projects.

Summary of significant accounting policies and other explanatory information on the Standalone Financial Statements for the year ended 31 December 2023

35. Other comprehensive income (OCI)

The disaggregation of changes to OCI by each type of reserves in equity is shown below:

(₹ in million)

	Year ended 31 December 2023	Year ended 31 December 2022
Retained earnings		
Re-measurement (loss)/gain on defined benefit plans	(27.76)	107.70
Tax impact on re-measurement gains on defined benefit plans (Refer note 20)	6.99	(27.10)
	(20.77)	**80.60**

36. Gratuity and other post-employment benefit plans

Gratuity:

The Company has a defined benefit gratuity plan governed by the Payments of Gratuity Act, 1972. Every employee who has completed five years or more of services is eligible for gratuity on separation at 15 days salary (last drawn salary) for each completed year of service. The Company has formed a Gratuity Trust to which contribution is made and an insurance policy is taken by the trust, which is a year-on-year cash accumulation plan in which the interest rate is declared on yearly basis and is guaranteed for a period of one year. The insurance company, as part of the policy rules, makes payment of all gratuity outflow during the year (subject to sufficiency of funds under the policy). The policy, thus, mitigates the liquidity risk. However, being a cash accumulation plan, the duration of assets is shorter compared to the duration of liabilities. Thus, the Company is exposed to movement in interest rate (particularly, the significant fall in interest rates, which should result in a increase in liability without corresponding increase in the asset. The Company makes a provision of unfunded liability based on actuarial valuation in the Balance Sheet as part of employee cost.

Compensated absences:

The Company recognises the compensated absences expenses in the Statement of Profit and Loss based on actuarial valuation.

The following tables summaries the components of net benefit expense recognised in the Statement of Profit and Loss and the funded status and amounts recognised in the balance sheet:

(₹ in million)

	Gratuity		Compensated Absences	
	31 December 2023	31 December 2022	31 December 2023	31 December 2022
Changes in present value are as follows:				
Balance at the beginning of the year	1,801.42	1,739.26	876.72	810.31
Current service cost	208.99	182.57	163.15	137.53
Interest cost	133.22	116.03	63.89	55.92
Benefits settled	(78.80)	(128.41)	(53.45)	(72.13)
Actuarial loss/(gain)	25.25	(108.03)	(99.26)	(54.91)
Balance at the end of the year	**2,090.08**	**1,801.42**	**951.05**	**876.72**

(₹ in million)

	Gratuity		Compensated Absences	
	31 December 2023	31 December 2022	31 December 2023	31 December 2022
Change in fair value of plan assets are as follows:				
Plan assets at the beginning of the year, at fair value	418.43	65.61	-	-
Expected income on plan assets	36.31	13.75	-	-
Actuarial loss	(2.51)	(0.34)	-	-
Contributions by employer	250.00	350.00	-	-
Benefits settled	(29.34)	(10.59)	-	-
Plan assets at the end of the year, at fair value	**672.89**	**418.43**	**-**	**-**

Summary of significant accounting policies and other explanatory information on the Standalone Financial Statements for the year ended 31 December 2023

The Company has taken an insurance policy against its liability towards gratuity, the same has been disclosed as plan assets above.

(₹ in million)

	Gratuity		Compensated Absences	
	31 December 2023	31 December 2022	31 December 2023	31 December 2022
Reconciliation of present value of the obligation and the fair value of the plan assets:				
Present value of obligation	2,090.08	1,801.42	951.05	876.72
Fair value of plan assets	(672.89)	(418.43)	-	-
Net liability recognised in the Balance Sheet	**1,417.19**	**1,382.99**	**951.05**	**876.72**

(₹ in million)

	Gratuity		Compensated Absences	
	31 December 2023	31 December 2022	31 December 2023	31 December 2022
Amount recognised in Statement of Profit and Loss:				
Current service cost	208.99	182.57	163.15	137.53
Interest expense	133.22	116.03	63.89	55.92
Expected return on plan assets	(36.31)	(13.75)	-	-
Actuarial gain	-	-	(99.26)	(54.91)
Net cost recognised	**305.90**	**284.85**	**127.78**	**138.54**

(₹ in million)

	Gratuity		Compensated Absences	
	31 December 2023	31 December 2022	31 December 2023	31 December 2022
Amount recognised in Other Comprehensive Income:				
Actuarial changes arising from changes in financial assumptions	21.27	(114.75)	-	-
Experience adjustments	3.98	6.71	-	-
Return on plan assets	2.51	0.34	-	-
Amount recognised	**27.76**	**(107.70)**	**-**	**-**

	Gratuity		Compensated Absences	
	31 December 2023	31 December 2022	31 December 2023	31 December 2022
Assumptions used:				
Mortality	IALM 2012-2014	IALM 2012-2014	IALM 2012-2014	IALM 2012-2014
Discount rate	7.23%	7.40%	7.23%	7.40%
Withdrawal rate	12.00%	12.00%	12.00%	12.00%
Salary increase	12.00%	12.00%	12.00%	12.00%
Rate of leave availment	-	-	20.00%	20.00%
Retirement age (Years)	58-70	58-70	58-70	58-70
Rate of return on plan assets	6.79-7.65%	6.69-7.40%	-	-

Summary of significant accounting policies and other explanatory information on the Standalone Financial Statements for the year ended 31 December 2023

A quantitative sensitivity analysis for significant assumption is shown below:

(₹ in million)

	Sensitivity level		Gratuity		Compensated Absences	
	31 December 2023	31 December 2022	31 December 2023	31 December 2022	31 December 2023	31 December 2022
Discount rate	+1%	+1%	(126.51)	(110.80)	(28.55)	(26.56)
	-1%	-1%	142.05	124.50	30.36	28.26
Salary increase	+1%	+1%	134.38	117.97	28.76	26.81
	-1%	-1%	(122.44)	(107.40)	(27.61)	(25.73)
Withdrawal rate	+1%	+1%	(30.63)	(26.25)	(9.60)	(9.00)
	-1%	-1%	33.85	29.02	10.10	9.47

The sensitivity analysis above has been determined based on reasonably possible changes of the assumptions occurring at the end of the reporting period, while holding all other assumptions constant.

Risk associated:	
Investment risk	The present value of the defined benefit plan liability is calculated using a discount rate determined by reference to Government Bonds Yield. If plan liability is funded and return on plan assets is below this rate, it will create a plan deficit.
Interest risk (discount rate risk)	A decrease in the bond interest rate (discount rate) will increase the plan liability.
Mortality risk	The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants. For this report we have used Indian Assured Lives Mortality (2012-2014) (31 December 2022: (2012-14)). A change in mortality rate will have a bearing on the plan's liability.
Salary risk	The present value of the defined benefit plan liability is calculated with the assumption of salary increase rate of plan participants in future. Deviation in the rate of increase of salary in future for plan participants from the rate of increase in salary used to determine the present value of obligation will have a bearing on the plan's liability.

Effect of the defined benefit plan on the Company's future cash flows:

Funding arrangements and funding policy:

The Company has purchased an insurance policy to provide for payment of gratuity to the employees. Every year, the insurance company carries out a funding valuation based on the latest employee data provided by the Company. Any deficit in the assets arising as a result of such valuation is funded by the Company.

Expected contribution during the next annual reporting period:

The Company's best estimate of contribution during the next financial year approximates to ₹1,637.97 million (31 December 2022: ₹ 1,566.9 million).

Summary of significant accounting policies and other explanatory information on the Standalone Financial Statements for the year ended 31 December 2023

The following are maturity profile of Defined Benefit Obligations in future years (before adjusting fair value of plan assets):

(₹ in million)

	Gratuity		Compensated Absences	
	31 December 2023	31 December 2022	31 December 2023	31 December 2022
i) Weighted average duration of the defined benefit obligation	6 years	7 years	3 years	3 years
ii) Expected cash flows over the years (valued on undiscounted basis):				
Duration (years)				
1	324.25	263.61	311.98	283.10
2 to 5	953.48	835.00	616.72	574.59
Above 5	2,406.44	2,158.95	292.42	278.93
	3,684.17	**3,257.56**	**1,221.12**	**1,136.62**

Defined contribution plan:

Contribution to defined contribution plans, recognised as expense for the year is as under:

Employer's contribution to provident and other funds ₹498.45 million (31 December 2022 ₹ 397.98 million) (Refer note 31)

37. Earnings per share (EPS)

(₹ in million, unless otherwise stated)

	31 December 2023	31 December 2022
Profit attributable to the equity shareholders	17,751.26	12,701.99
Weighted average number of equity shares outstanding during the year for calculating basic earning per share (nos.)*	1,299,140,257	1,299,099,240
Add: Weighted average number of potential equity shares on account of employee stock options*	5,59,133	3,42,466
Weighted average number of equity shares outstanding during the year for calculating diluted earnings per share (nos.)*	1,299,699,390	1,299,441,706
Nominal value per equity shares (₹)*	5.00	5.00
Basic earnings per share (₹)	13.66	9.78
Diluted earnings per share (₹)	13.66	9.77

*Previous year numbers are adjusted for shares splits during the current year. (Refer note 16h)

38. Dividend

(₹ in million)

	31 December 2023	31 December 2022
Dividend on equity shares declared and paid during the year:		
Final dividend of ₹ 0.50 per share for financial year ended 31 December 2022*	649.55	-
Interim dividend ₹ 1.25 per share (31 December 2022: ₹ 1.25 per share)*	1,623.93	1,623.87

*During the year ended 31 December 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, final dividend per share of current year and interim dividend per share of previous year presented has been recalculated based on number of shares outstanding in respective periods, as increased by sub-divided/split of shares.

Summary of significant accounting policies and other explanatory information on the Standalone Financial Statements for the year ended 31 December 2023

39. Contingent liabilities

(₹ in million)

	31 December 2023	31 December 2022
Claims against the Company not acknowledged as debts (being contested):-		
(i) Goods and service tax	140.90	26.70
(ii) For excise and service tax	41.79	67.47
(iii) For customs	90.75	90.75
(iv) For sales tax / entry tax	663.59	629.06
(v) For income tax	144.36	144.36
(vi) For mandi tax and others*	388.60	400.04

*excludes pending matters where amount of liability is not ascertainable.

40. Commitments

(₹ in million)

		31 December 2023	31 December 2022
a.	Guarantees issued on behalf of subsidiaries for business purposes	3,595.76	3,221.21
b.	Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances of ₹ 3,375.94 (31 December 2022: ₹ 3,879.81))*	27,554.41	15,932.53

*Inclusive of commitment as mentioned in note 56."

41. Pursuant to transfer pricing legislations under the Income-tax Act, 1961, the Company is required to use specified methods for computing arm's length price in relation to specified international and domestic transactions with its associated enterprises. Further, the Company is required to maintain prescribed information and documents in relation to such transactions. The appropriate method to be adopted will depend on the nature of transactions/ class of transactions, class of associated persons, functions performed and other factors, which have been prescribed. The Company is in the process of updating its transfer pricing documentation for the current financial year. Based on the preliminary assessment, the management is of the view that the update would not have a material impact on the tax expense recorded in these financial statements. Accordingly, these financial statements do not include any adjustments for the transfer pricing implications, if any.

42. Related party disclosures (as per Ind AS-24)

Following are the related parties and transactions entered with related parties for the relevant reporting period as at 31 December 2023

(i) List of related parties and relationships:-

I. Key managerial personnel (KMPs)

Mr. Ravi Kant Jaipuria	Non-executive chairman
Mr. Varun Jaipuria	Executive vice-chairman (w.e.f. 03 March 2022) and Whole time Director
Mr. Raj Pal Gandhi	Whole Time Director
Mr. Rajinder Jeet Singh Bagga	Whole Time Director
Mr. Kapil Agarwal	Chief Executive Officer (till 03 March 2022) and Whole Time Director (till 01 November 2022)
Mr. Pradeep Khushalchand Sardana	Non-Executive Independent Director (till 27 March 2023)
Dr. Naresh Kumar Trehan	Non-Executive Independent Director (till 30 November 2023)
Mrs. Sita Khosla	Non-Executive Independent Director

Dr. Ravi Gupta	Non-Executive Independent Director
Mrs. Rashmi Dhariwal	Non-Executive Independent Director
Mr. Abhiram Seth	Non-Executive Independent Director (appointed w.e.f. 02 May 2023)
Mr. Anil Kumar Sondhi	Non-Executive Independent Director (appointed w.e.f. 02 May 2023)
Mr. Ravi Batra	Company Secretary
Mr. Rajesh Chawla	Chief Financial Officer (till 03 August 2023)
Mr. Mahavir Prasad Garg	Company Secretary of the parent, namely RJ Corp Limited
Mr. Lalit Malik	Chief Financial Officer (appointed w.e.f. 04 August 2023)

II. Parent and ultimate parent

RJ Corp Limited	Parent

III. Subsidiaries/step down subsidiaries

Varun Beverages Morocco SA	Subsidiary
Varun Beverages (Nepal) Private Limited	Subsidiary
Varun Beverages Lanka (Private) Limited	Subsidiary
Varun Beverages (Zambia) Limited	Subsidiary
Varun Beverages (Zimbabwe) (Private) Limited	Subsidiary
Lunarmech Technologies Private Limited	Subsidiary
Ole Spring Bottlers (Private) Limited	Step down Subsidiary
Varun Beverages RDC SAS	Subsidiary
Varun Beverages International DMCC	Subsidiary (w.e.f. 31 January 2022)
VBL Mozambique, SA	Subsidiary (w.e.f. 21 November 2023)
Varun Beverages South Africa (PTY) Limited	Subsidiary (w.e.f. 23 May 2023)

IV. Fellow subsidiaries and entities controlled by parent/ultimate parent*

Devyani International Limited
Devyani Food Industries Limited
Devyani Food Industries (Kenya) Limited
SVS India Private Limited
Devyani Airport Services (Mumbai) Private Limited#
Cryoviva Biotech Private Limited

V. Joint Venture/Associates (or an associate of any member of the company)

IDVB Recycling Operations Private Limited	Joint Venture (w.e.f. 01 July 2022)
Clean Max Tav Private Limited	Associate (w.e.f 23 November 2022)
Huoban Energy 7 Private Limited	Associate (w.e.f. 09 May 2023)

VI. Relatives of KMPs*

Mrs. Dhara Jaipuria
Mrs. Devyani Jaipuria
Mr. Ravindra Dhariwal
Mrs. Aastha Agarwal (till 01 November 2022)
Mr. Kaustubh Agarwal (till 01 November 2022)

VII. Entities in which a director or his/her relative is a member/director/Trustee*

SMV Beverages Private Limited
Alisha Torrent Closures (India) Private Limited
Jai Beverages Private Limited
Lineage Healthcare Limited
Diagno Labs Private Limited (till 29th March 2022)
RJ Foundation
Global Health Limited

Summary of significant accounting policies and other explanatory information on the Standalone Financial Statements for the year ended 31 December 2023

VIII. Entities which are post employment benefits plans

VBL Employees Gratuity Trust

*With whom the Company had transactions during the current year and previous year.

#Amalgamated with Devyani International Limited w.e.f. 01 April 2022 vide Hon'ble National Company Law Tribunal order dated 13 July 2023.

(ii) Terms and conditions of transactions with related parties

The transactions with related parties are made in the ordinary course of business and on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the year-end are unsecured and settlement occurs in cash. This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

(iii) Transactions with KMPs (Refer note 42A)

(iv) Transactions with related parties (Refer note 42B)

42A. Transactions with KMPs

(₹ in million)

		For year ended 2023	For year ended 2022
I.	**Remuneration paid**		
	Mr. Varun Jaipuria	54.02	54.69
	Mr. Raj Pal Gandhi	62.45	56.60
	Mr. Kapil Agarwal	-	237.21
	Mr. Rajesh Chawla	6.35	9.61
	Mr. Ravi Batra	14.85	13.30
	Mr. Rajinder Jeet Singh Bagga	57.66	52.45
	Mr. Mahavir Prasad Garg	2.99	2.74
	Mr. Lalit Malik	20.63	-
II.	**Director sitting fees paid**		
	Mr. Pradeep Khushalchand Sardana	0.10	0.60
	Mrs. Sita Khosla	1.00	1.00
	Dr. Ravi Gupta	1.40	1.70
	Mrs. Rashmi Dhariwal	1.80	1.80
	Mr. Abhiram Seth	0.40	-
	Mr. Anil Kumar Sondhi	0.40	-
III.	**Dividend paid**		
	Mr. Varun Jaipuria	364.60	260.43
	Mr. Raj Pal Gandhi	4.66	3.36
	Mr. Kapil Agarwal	-	2.12
	Mr. Ravi kant Jaipuria	403.11	291.84
	Mr. Rajinder Jeet Singh Bagga	1.02	0.73
	Mr. Pradeep Khushalchand Sardana	0.00*	0.01
IV.	**Commission paid to non-executive director**		
	Mr. Ravi Kant Jaipuria	-	180.45

Summary of significant accounting policies and other explanatory information on the Standalone Financial Statements for the year ended 31 December 2023

(₹ in million)

		For year ended 2023	For year ended 2022
V.	**Defined benefit obligation for KMP**		
i.	**Gratuity**		
	Mr. Varun Jaipuria	56.52	52.21
	Mr. Raj Pal Gandhi	53.21	48.83
	Mr. Ravi Batra	3.41	2.64
	Mr. Mahavir Prasad Garg	0.97	0.76
	Mr. Rajinder Jeet Singh Bagga	45.13	39.50
	Mr. Rajesh Chawla	-	0.42
	Mr. Lalit Malik	0.01	-
ii.	**Compensated absences**		
	Mr. Varun Jaipuria	21.01	20.89
	Mr. Raj Pal Gandhi	15.19	14.48
	Mr. Ravi Batra	2.29	2.07
	Mr. Mahavir Prasad Garg	0.68	0.68
	Mr. Rajinder Jeet Singh Bagga	12.93	11.74
	Mr. Rajesh Chawla	-	0.88
	Mr. Lalit Malik	0.79	-
VI.	**Bonus Share issued**		
	Mr. Varun Jaipuria	-	347.24
	Mr. Raj Pal Gandhi	-	4.58
	Mr. Kapil Agarwal	-	2.83
	Mr. Ravi kant Jaipuria	-	389.11
	Mr. Pradeep Khushalchand Sardana	-	0.01
	Mr. Rajinder Jeet Singh Bagga	-	0.97
VII.	**Advance given**		
	Mr. Lalit Malik	38.50	-
VIII.	**Balances (payable)/receivable outstanding at the end of the year, net**		
	Mr. Varun Jaipuria	(2.78)	(2.60)
	Mr. Raj Pal Gandhi	(1.96)	(1.75)
	Mr. Rajinder Jeet Singh Bagga	(2.22)	0.36
	Mr. Ravi Batra	(0.73)	(0.72)
	Mr. Mahavir Prasad Garg	0.46	0.11
	Mr. Rajesh Chawla	(0.49)	(0.45)
	Mr. Lalit Malik	37.02	-
	Dr. Ravi Gupta	(0.09)	-
	Mrs. Rashmi Dhariwal	(0.09)	-
	Mr. Abhiram Seth	(0.09)	-
	Mr. Anil Kumar Sondhi	(0.09)	-
	Mrs. Sita Khosla	(0.09)	-

*Rounded off to Nil.

Note:

(i) Stock options have been granted to KMPs of the Company. The number of stock options granted to such KMPs outstanding as at 31 December 2023: 58,000 (31 December 2022: 28,000). However, as the liability has not been determined for individual employees, the charge thereof for the individual employees is not disclosed above.

Summary of significant accounting policies and other explanatory information on the Standalone Financial Statements for the year ended 31 December 2023

42B. Transactions with related parties

(₹ in million)

Description	Parent and ultimate parent		Subsidiaries/ step down subsidiary		Fellow subsidiaries and entities controlled by parent		Joint Venture and Associates (or an associate of any member of the company)		Relatives of KMPs		Entities in which a director or his/her relative is a member/ director/trustee		Entities which are post employment benefits plans		Total	
	For year ended		For year ended		For year ended		For year ended		For year ended		For year ended		For year ended		For year ended	
	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022
Sale of goods																
- Varun Beverages (Nepal) Private Limited	-	-	90.78	98.58	-	-	-	-	-	-	-	-	-	-	**90.78**	**98.58**
- Ole Spring Bottlers (Private) Limited	-	-	6.34	19.25	-	-	-	-	-	-	-	-	-	-	**6.34**	**19.25**
- Varun Beverages Morocco SA	-	-	2.99	16.41	-	-	-	-	-	-	-	-	-	-	**2.99**	**16.41**
- Varun Beverages Lanka (Private) Limited	-	-	12.83	0.00	-	-	-	-	-	-	-	-	-	-	**12.83**	**0.00**
- Varun Beverages (Zambia) Limited	-	-	40.28	76.64	-	-	-	-	-	-	-	-	-	-	**40.28**	**76.64**
- Varun Beverages (Zimbabwe) (Private) Limited	-	-	448.14	252.60	-	-	-	-	-	-	-	-	-	-	**448.14**	**252.60**
- SMV Beverages Private Limited	-	-	-	-	-	-	-	-	-	-	105.41	148.32	-	-	**105.41**	**148.32**
- Lunarmech Technologies Private Limited	-	-	60.93	126.88	-	-	-	-	-	-	-	-	-	-	**60.93**	**126.88**
- Alisha Torrent Closures (India) Private Limited	-	-	-	-	-	-	-	-	-	-	11.35	21.28	-	-	**11.35**	**21.28**
- Jai Beverages Private Limited	-	-	-	-	-	-	-	-	-	-	170.49	197.12	-	-	**170.49**	**197.12**
- Devyani International Limited	-	-	-	-	59.15	89.37	-	-	-	-	-	-	-	-	**59.15**	**89.37**
- Devyani Food Industries Limited	-	-	-	-	30.19	45.23	-	-	-	-	-	-	-	-	**30.19**	**45.23**
- Devyani Airport Services (Mumbai) Private Limited	-	-	-	-	2.02	2.36	-	-	-	-	-	-	-	-	**2.02**	**2.36**
- Lineage Healthcare Limited	-	-	-	-	-	-	-	-	-	-	0.11	0.11	-	-	**0.11**	**0.11**
- Devyani Food Industries (Kenya) Limited	-	-	-	-	20.82	18.97	-	-	-	-	-	-	-	-	**20.82**	**18.97**
Sale of raw materials and stores																
- Varun Beverages (Nepal) Private Limited	-	-	17.54	126.06	-	-	-	-	-	-	-	-	-	-	**17.54**	**126.06**
- Ole Spring Bottlers (Private) Limited	-	-	85.02	24.07	-	-	-	-	-	-	-	-	-	-	**85.02**	**24.07**
- Varun Beverages Lanka (Private) Limited	-	-	101.08	288.27	-	-	-	-	-	-	-	-	-	-	**101.08**	**288.27**
- Varun Beverages (Zimbabwe) (Private) Limited	-	-	24.09	296.89	-	-	-	-	-	-	-	-	-	-	**24.09**	**296.89**

Summary of significant accounting policies and other explanatory information on the Standalone Financial Statements for the year ended 31 December 2023

(₹ in million)

Description	Parent and ultimate parent		Subsidiaries/ step down subsidiary		Fellow subsidiaries and entities controlled by parent		Joint Venture and Associates (or an associate of any member of the company)		Relatives of KMPs		Entities in which a director or his/her relative is a member/ director/trustee		Entities which are post employment benefits plans		Total	
	For year ended		For year ended		For year ended		For year ended		For year ended		For year ended		For year ended		For year ended	
	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022
- Varun Beverages (Zambia) Limited	-	-	2.98	42.79	-	-	-	-	-	-	-	-	-	-	**2.98**	**42.79**
- Varun Beverages Morocco SA	-	-	0.00*	2.01	-	-	-	-	-	-	-	-	-	-	**0.00**	**2.01**
- Lunarmech Technologies Private Limited	-	-	0.00*	0.53	-	-	-	-	-	-	-	-	-	-	**0.00**	**0.53**
- Jai Beverages Private Limited	-	-	-	-	-	-	-	-	-	-	-	2.17	-	-	**-**	**2.17**
- Devyani Food Industries Limited	-	-	-	-	45.91	36.26	-	-	-	-	-	-	-	-	**45.91**	**36.26**
- SMV Beverages Private Limited	-	-	-	-	-	-	-	-	-	-	172.40	219.28	-	-	**172.40**	**219.28**
- Devyani Food Industries (Kenya) Limited	-	-	-	-	8.50	-	-	-	-	-	-	-	-	-	**8.50**	**-**
Purchase of goods																
- SMV Beverages Private Limited	-	-	-	-	-	-	-	-	-	-	575.53	525.89	-	-	**575.53**	**525.89**
- Devyani Food Industries Limited	-	-	-	-	384.89	464.64	-	-	-	-	-	-	-	-	**384.89**	**464.64**
Purchase of raw materials and stores																
- Lunarmech Technologies Private Limited	-	-	1,743.36	1,651.06	-	-	-	-	-	-	-	-	-	-	**1,743.36**	**1,651.06**
- SMV Beverages Private Limited	-	-	-	-	-	-	-	-	-	-	16.65	14.37	-	-	**16.65**	**14.37**
- Devyani Food Industries Limited	-	-	-	-	60.45	79.13	-	-	-	-	-	-	-	-	**60.45**	**79.13**
- Varun Beverages (Nepal) Private Limited	-	-	43.30	84.14	-	-	-	-	-	-	-	-	-	-	**43.30**	**84.14**
Loan given																
- Varun Beverages RDC SAS	-	-	1,900.11	202.79	-	-	-	-	-	-	-	-	-	-	**1,900.11**	**202.79**
- Varun Beverages International DMCC	-	-	83.29	1,907.33	-	-	-	-	-	-	-	-	-	-	**83.29**	**1,907.33**
- 'IDVB Recycling Operations Private Limited	-	-	-	-	-	-	10.00	-	-	-	-	-	-	-	**10.00**	**-**

*Rounded off to Nil.

Summary of significant accounting policies and other explanatory information on the Standalone Financial Statements for the year ended 31 December 2023

(₹ in million)

Description	Parent and ultimate parent		Subsidiaries/ step down subsidiary		Fellow subsidiaries and entities controlled by parent		Joint Venture and Associates (or an associate of any member of the company)		Relatives of KMPs		Entities in which a director or his/her relative is a member/ director/trustee		Entities which are post employment benefits plans		Total	
	For year ended		For year ended		For year ended		For year ended		For year ended		For year ended		For year ended		For year ended	
	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022
Interest received/(paid)																
- Varun Beverages Morocco SA	-	-	83.99	58.40	-	-	-	-	-	-	-	-	-	-	**83.99**	**58.40**
- Varun Beverages (Zimbabwe) (Private) Limited	-	-	98.59	90.28	-	-	-	-	-	-	-	-	-	-	**98.59**	**90.28**
- Varun Beverages (Zambia) Limited	-	-	58.72	37.57	-	-	-	-	-	-	-	-	-	-	**58.72**	**37.57**
- SMV Beverages Private Limited	-	-	-	-	-	-	-	-	-	-	(7.00)	(2.00)	-	-	**(7.00)**	**(2.00)**
- Varun Beverages RDC SAS	-	-	80.36	9.87	-	-	-	-	-	-	-	-	-	-	**80.36**	**9.87**
- Varun Beverages International DMCC	-	-	161.82	19.45	-	-	-	-	-	-	-	-	-	-	**161.82**	**19.45**
- IDVB Recycling Operations Private Limited	-	-	-	-	-	-	0.68	-	-	-	-	-	-	-	**0.68**	**-**
Contribution to corporate social responsibility activities																
- RJ Foundation	-	-	-	-	-	-	-	-	-	-	158.50	85.04	-	-	**158.50**	**85.04**
Guarantee commission income																
- Varun Beverages (Zimbabwe) (Private) Limited	-	-	3.36	8.60	-	-	-	-	-	-	-	-	-	-	**3.36**	**8.60**
- Varun Beverages (Zambia) Limited	-	-	1.29	4.77	-	-	-	-	-	-	-	-	-	-	**1.29**	**4.77**
- Varun Beverages International DMCC	-	-	14.58	3.86	-	-	-	-	-	-	-	-	-	-	**14.58**	**3.86**
- Varun Beverages Lanka (Private) Limited	-	-	1.76	-	-	-	-	-	-	-	-	-	-	-	**1.76**	**-**
- Varun Beverages RDC SAS	-	-	7.87	-	-	-	-	-	-	-	-	-	-	-	**7.87**	**-**
Dividend income																
- Varun Beverages (Nepal) Private Limited	-	-	407.53	539.49	-	-	-	-	-	-	-	-	-	-	**407.53**	**539.49**
Equity investment																
- Varun Beverages International DMCC	-	-	-	20.68	-	-	-	-	-	-	-	-	-	-	**-**	**20.68**
- IDVB Recycling Operations Private Limited	-	-	-	-	-	-	120.00	0.07	-	-	-	-	-	-	**120.00**	**0.07**

(₹ in million)

Description	Parent and ultimate parent		Subsidiaries/ step down subsidiary		Fellow subsidiaries and entities controlled by parent		Joint Venture and Associates (or an associate of any member of the company)		Relatives of KMPs		Entities in which a director or his/her relative is a member/ director/trustee		Entities which are post employment benefits plans		Total	
	For year ended		For year ended		For year ended		For year ended		For year ended		For year ended		For year ended		For year ended	
	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022
- Clean Max Tav Private Limited	-	-	-	-	-	-	32.82	0.03	-	-	-	-	-	-	**32.82**	**0.03**
- Varun Beverages (Nepal) Private Limited	-	-	625.00	-	-	-	-	-	-	-	-	-	-	-	**625.00**	**-**
- Varun Beverages South Africa (PTY) Limited	-	-	0.05	-	-	-	-	-	-	-	-	-	-	-	**0.05**	**-**
- Huoban Energy 7 Private Limited	-	-	-	-	-	-	21.24	-	-	-	-	-	-	-	**21.24**	**-**
- Lunarmech Technologies Private Limited	-	-	100.00	-	-	-	-	-	-	-	-	-	-	-	**100.00**	**-**
Conversion of loan into investment																
- IDVB Recycling Operations Private Limited	-	-	-	-	-	-	10.00	-	-	-	-	-	-	-	**10.00**	**-**
Professional charges paid																
- Mr. Ravindra Dhariwal	-	-	-	-	-	-	-	-	1.25	4.88	-	-	-	-	**1.25**	**4.88**
Service rendered: management fees																
- Varun Beverages (Nepal) Private Limited	-	-	-	199.32	-	-	-	-	-	-	-	-	-	-	**-**	**199.32**
Travelling expenses paid																
- Wellness Holdings Limited	-	-	-	-	-	146.40	-	-	-	-	-	-	-	-	**-**	**146.40**
Licence Fee Paid																
- Devyani Food Industries Ltd	-	-	-	-	0.90	1.27	-	-	-	-	-	-	-	-	**0.90**	**1.27**
Dividend paid																
- RJ Corp Limited	615.09	444.75	-	-	-	-	-	-	-	-	-	-	-	-	**615.09**	**444.75**
- Mrs. Aastha Agarwal	-	-	-	-	-	-	-	-	-	0.75	-	-	-	-	**-**	**0.75**
- Mr. Kaustubh Agarwal	-	-	-	-	-	-	-	-	-	0.56	-	-	-	-	**-**	**0.56**
- Mrs. Dhara Jaipuria	-	-	-	-	-	-	-	-	0.02	0.02	-	-	-	-	**0.02**	**0.02**
- Mrs. Devyani Jaipuria	-	-	-	-	-	-	-	-	55.15	39.39	-	-	-	-	**55.15**	**39.39**
Service rendered: Technical know-how fees																
- Varun Beverages (Nepal) Private Limited	-	-	-	249.15	-	-	-	-	-	-	-	-	-	-	**-**	**249.15**

Summary of significant accounting policies and other explanatory information on the Standalone Financial Statements for the year ended 31 December 2023

(₹ in million)

Description	Parent and ultimate parent		Subsidiaries/ step down subsidiary		Fellow subsidiaries and entities controlled by parent		Joint Venture and Associates (or an associate of any member of the company)		Relatives of KMPs		Entities in which a director or his/her relative is a member/ director/trustee		Entities which are post employment benefits plans		Total	
	For year ended		For year ended		For year ended		For year ended		For year ended		For year ended		For year ended		For year ended	
	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022
(Recovery of Expenses incurred by the Company on behalf of others)/expenses incurred by others on behalf of the Company																
- Devyani International Limited	-	-	-	-	3.37	0.79	-	-	-	-	-	-	-	-	**3.37**	**0.79**
- Lunarmech Technologies Private Limited	-	-	0.12	-	-	-	-	-	-	-	-	-	-	-	**0.12**	**-**
- RJ Corp Limited	(2.43)	(1.81)	-	-	-	-	-	-	-	-	-	-	-	-	**(2.43)**	**(1.81)**
- Devyani Food Industries Limited	-	-	-	-	(21.36)	(19.70)	-	-	-	-	-	-	-	-	**(21.36)**	**(19.70)**
- Devyani Food Industries (Kenya) Limited	-	-	-	-	(0.13)	(1.34)	-	-	-	-	-	-	-	-	**(0.13)**	**(1.34)**
- SMV Beverages Pvt. Ltd.	-	-	-	-	-	-	-	-	-	-	0.00	-	-	-	**0.00**	**-**
- Varun Beverages International DMCC	-	-	-	3.70	-	-	-	-	-	-	-	-	-	-	**-**	**3.70**
Rent/ lease charges paid/ (received)																
- RJ Corp Limited	112.80	112.80	-	-	-	-	-	-	-	-	-	-	-	-	**112.80**	**112.80**
- SVS India Private Limited	-	-	-	-	2.97	2.73	-	-	-	-	-	-	-	-	**2.97**	**2.73**
- SMV Beverages Private Limited	-	-	-	-	-	-	-	-	-	-	27.00	27.00	-	-	**27.00**	**27.00**
- Devyani Food Industries Limited	-	-	-	-	(8.82)	(8.82)	-	-	-	-	-	-	-	-	**(8.82)**	**(8.82)**
- Alisha Torrent Closures (India) Private Limited	-	-	-	-	-	-	-	-	-	-	-	(1.23)	-	-	**-**	**(1.23)**
Medical expenditure																
Global Health Limited	-	-	-	-	-	-	-	-	-	-	0.11	-	-	-	**0.11**	**-**
Financial guarantees given																
- Varun Beverages (Zimbabwe) (Private) Limited	-	-	-	372.54	-	-	-	-	-	-	-	-	-	-	**-**	**372.54**
- Varun Beverages (Zambia) Limited	-	-	-	331.14	-	-	-	-	-	-	-	-	-	-	**-**	**331.14**
- Varun Beverages International DMCC	-	-	-	1,241.79	-	-	-	-	-	-	-	-	-	-	**-**	**1,241.79**
- Varun Beverages Lanka (Private) Limited	-	-	-	100.65	-	-	-	-	-	-	-	-	-	-	**-**	**100.65**
- Varun Beverages RDC SAS	-	-	1,246.75	-	-	-	-	-	-	-	-	-	-	-	**1,246.75**	**-**

*Rounded off to Nil.

Summary of significant accounting policies and other explanatory information on the Standalone Financial Statements for the year ended 31 December 2023

(₹ in million)

Description	Parent and ultimate parent		Subsidiaries/ step down subsidiary		Fellow subsidiaries and entities controlled by parent		Joint Venture and Associates (or an associate of any member of the company)		Relatives of KMPs		Entities in which a director or his/her relative is a member/ director/trustee		Entities which are post employment benefits plans		Total	
	For year ended		For year ended		For year ended		For year ended		For year ended		For year ended		For year ended		For year ended	
	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022
Financial guarantees closed																
- Varun Beverages (Zimbabwe) (Private) Limited	-	-	897.66	-	-	-	-	-	-	-	-	-	-	-	**897.66**	**-**
Purchase of property, plant and equipment																
- Cryoviva Biotech Private Limited	-	-	-	-	-	3.62	-	-	-	-	-	-	-	-	**-**	**3.62**
Sale of property, plant and equipment																
- Varun Beverages (Nepal) Private Limited	-	-	12.33	-	-	-	-	-	-	-	-	-	-	-	**12.33**	**-**
- Varun Beverages (Zimbabwe) (Private) Limited	-	-	342.62	279.43	-	-	-	-	-	-	-	-	-	-	**342.62**	**279.43**
- Varun Beverages (Zambia) Limited	-	-	21.93	6.64	-	-	-	-	-	-	-	-	-	-	**21.93**	**6.64**
- Varun Beverages Lanka (Private) Limited	-	-	50.28	4.59	-	-	-	-	-	-	-	-	-	-	**50.28**	**4.59**
- Lunarmech Technologies Private Limited	-	-	-	0.01	-	-	-	-	-	-	-	-	-	-	**-**	**0.01**
- Varun Beverages RDC SAS	-	-	75.07	-	-	-	-	-	-	-	-	-	-	-	**75.07**	**-**
Contribution to gratuity trust																
- VBL Employees Gratuity Trust	-	-	-	-	-	-	-	-	-	-	-	-	250.00	350.00	**250.00**	**350.00**
IT infrastructure support fee received																
- Varun Beverages (Nepal) Private Limited	-	-	2.73	2.21	-	-	-	-	-	-	-	-	-	-	**2.73**	**2.21**
- Varun Beverages Lanka (Private) Limited	-	-	4.96	4.57	-	-	-	-	-	-	-	-	-	-	**4.96**	**4.57**
- Varun Beverages (Zimbabwe) (Private) Limited	-	-	5.49	8.07	-	-	-	-	-	-	-	-	-	-	**5.49**	**8.07**
- Devyani International Limited	-	-	-	-	4.41	1.53	-	-	-	-	-	-	-	-	**4.41**	**1.53**
- Varun Beverages (Zambia) Limited	-	-	4.95	7.64	-	-	-	-	-	-	-	-	-	-	**4.95**	**7.64**

Summary of significant accounting policies and other explanatory information on the Standalone Financial Statements for the year ended 31 December 2023

(₹ in million)

Description	Parent and ultimate parent		Subsidiaries/ step down subsidiary		Fellow subsidiaries and entities controlled by parent		Joint Venture and Associates (or an associate of any member of the company)		Relatives of KMPs		Entities in which a director or his/her relative is a member/ director/trustee		Entities which are post employment benefits plans		Total	
	For year ended		For year ended		For year ended		For year ended		For year ended		For year ended		For year ended		For year ended	
	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022
- Varun Beverages Morocco SA	-	-	4.99	4.64	-	-	-	-	-	-	-	-	-	-	**4.99**	**4.64**
- Rj Corp Limited	0.84	1.03	-	-	-	-	-	-	-	-	-	-	-	-	**0.84**	**1.03**
- Diagno Labs Private Limited	-	-	-	-	-	-	-	-	-	-	-	0.03	-	-	**-**	**0.03**
- Devyani Food Industries (Kenya) Limited	-	-	-	-	2.06	1.77	-	-	-	-	-	-	-	-	**2.06**	**1.77**
- Varun Beverages RDC SAS	-	-	0.30	0.18	-	-	-	-	-	-	-	-	-	-	**0.30**	**0.18**
- Devyani Food Industries Limited	-	-	-	-	11.96	8.86	-	-	-	-	-	-	-	-	**11.96**	**8.86**
- Cryoviva Biotech Private Limited	-	-	-	-	3.16	0.89	-	-	-	-	-	-	-	-	**3.16**	**0.89**
- Lineage Healthcare Limited	-	-	-	-	-	-	-	-	-	-	0.57	-	-	-	**0.57**	**-**
Varun Beverages International DMCC	-	-	0.09	-	-	-	-	-	-	-	-	-	-	-	**0.09**	**-**
Capital commitments																
- SMV Beverages Private Limited	-	-	-	-	-	-	-	-	-	-	201.60	201.60	-	-	**201.60**	**201.60**
Bonus share issued																
- RJ Corp Limited	-	593.00	-	-	-	-	-	-	-	-	-	-	-	-	**-**	**593.00**
- Mrs. Aastha Agarwal	-	-	-	-	-	-	-	-	-	1.00	-	-	-	-	**-**	**1.00**
- Mr. Kaustubh Agarwal	-	-	-	-	-	-	-	-	-	0.75	-	-	-	-	**-**	**0.75**
- Mrs. Dhara Jaipuria	-	-	-	-	-	-	-	-	-	0.02	-	-	-	-	**-**	**0.02**
- Mrs. Devyani Jaipuria	-	-	-	-	-	-	-	-	-	52.52	-	-	-	-	**-**	**52.52**
Deemed investment (Cross charge of share based payments)																
- Varun Beverages (Zambia) Limited	-	-	0.12	-	-	-	-	-	-	-	-	-	-	-	**0.12**	**-**
- Varun Beverages RDC SAS	-	-	0.20	-	-	-	-	-	-	-	-	-	-	-	**0.20**	**-**
- Varun Beverages (Zimbabwe) (Private) Limited	-	-	2.93	-	-	-	-	-	-	-	-	-	-	-	**2.93**	**-**
- Varun Beverages Morocco SA	-	-	6.53	-	-	-	-	-	-	-	-	-	-	-	**6.53**	**-**
- Varun Beverages International DMCC	-	-	2.45	-	-	-	-	-	-	-	-	-	-	-	**2.45**	**-**
- Varun Beverages (Nepal) Private Limited	-	-	1.24	-	-	-	-	-	-	-	-	-	-	-	**1.24**	**-**
- Varun Beverages Lanka (Private) Limited	-	-	2.28	-	-	-	-	-	-	-	-	-	-	-	**2.28**	**-**

(₹ in million)

Description	Parent and ultimate parent		Subsidiaries/ step down subsidiary		Fellow subsidiaries and entities controlled by parent		Joint Venture and Associates (or an associate of any member of the company)		Relatives of KMPs		Entities in which a director or his/her relative is a member/ director/trustee		Entities which are post employment benefits plans		Total	
	For year ended		For year ended		For year ended		For year ended		For year ended		For year ended		For year ended		For year ended	
	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022
Utility charges																
- Clean Max Tav Private Limited	-	-	-	-	-	-	28.24	-	-	-	-	-	-	-	**28.24**	-
- Lunarmech Technologies Private Limited	-	-	26.53	-	-	-	-	-	-	-	-	-	-	-	**26.53**	-
- Huoban Energy 7 Private Limited	-	-	-	-	-	-	13.34	-	-	-	-	-	-	-	**13.34**	-
Balances outstanding at the end of the year, net including loan outstanding																
A. Receivable/(payable),net																
- Varun Beverages Morocco SA	-	-	1,188.75	1,133.84	-	-	-	-	-	-	-	-	-	-	**1,188.75**	**1,133.84**
- Varun Beverages (Nepal) Private Limited	-	-	399.13	1,078.53	-	-	-	-	-	-	-	-	-	-	**399.13**	**1,078.53**
- Ole Spring Bottlers (Private) Limited	-	-	(0.00)	5.72	-	-	-	-	-	-	-	-	-	-	**(0.00)**	**5.72**
- Varun Beverages Lanka (Private) Limited	-	-	52.61	13.45	-	-	-	-	-	-	-	-	-	-	**52.61**	**13.45**
- Varun Beverages (Zambia) Limited	-	-	931.32	922.72	-	-	-	-	-	-	-	-	-	-	**931.32**	**922.72**
- Varun Beverages (Zimbabwe) (Private) Limited	-	-	1,669.74	1,569.81	-	-	-	-	-	-	-	-	-	-	**1,669.74**	**1,569.81**
- Devyani International Limited	-	-	-	-	11.90	3.75	-	-	-	-	-	-	-	-	**11.90**	**3.75**
- RJ Corp Limited	36.24	35.60	-	-	-	-	-	-	-	-	-	-	-	-	**36.24**	**35.60**
- Wellness Holdings Limited	-	-	-	-	-	0.02	-	-	-	-	-	-	-	-	**-**	**0.02**
- Lunarmech Technologies Private Limited	-	-	(78.19)	(302.61)	-	-	-	-	-	-	-	-	-	-	**(78.19)**	**(302.61)**
- SMV Beverages Private Limited	-	-	-	-	-	-	-	-	-	-	100.23	161.91	-	-	**100.23**	**161.91**
- Alisha Torrent Closures (India) Private Limited	-	-	-	-	-	-	-	-	-	-	0.00	5.41	-	-	**0.00**	**5.41**
- Jai Beverages Private Limited	-	-	-	-	-	-	-	-	-	-	1.05	0.70	-	-	**1.05**	**0.70**
- Devyani Airport Services (Mumbai) Private Limited	-	-	-	-	-	0.13	-	-	-	-	-	-	-	-	**-**	**0.13**
- Devyani Food Industries Limited	-	-	-	-	4.95	(56.21)	-	-	-	-	-	-	-	-	**4.95**	**(56.21)**

Summary of significant accounting policies and other explanatory information on the Standalone Financial Statements for the year ended 31 December 2023

(₹ in million)

Description	Parent and ultimate parent		Subsidiaries/ step down subsidiary		Fellow subsidiaries and entities controlled by parent		Joint Venture and Associates (or an associate of any member of the company)		Relatives of KMPs		Entities in which a director or his/her relative is a member/ director/trustee		Entities which are post employment benefits plans		Total	
	For year ended		For year ended		For year ended		For year ended		For year ended		For year ended		For year ended		For year ended	
	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022
- Lineage Healthcare Limited	-	-	-	-	-	-	-	-	-	-	0.39	(0.00)	-	-	**0.39**	**(0.00)**
- Devyani Food Industries (Kenya) Ltd	-	-	-	-	15.27	21.97	-	-	-	-	-	-	-	-	**15.27**	**21.97**
- Diagno Labs Private Limited	-	-	-	-	-	-	-	-	-	-	-	0.12	-	-	**-**	**0.12**
- Varun Beverages RDC SAS	-	-	2,212.98	219.12	-	-	-	-	-	-	-	-	-	-	**2,212.98**	**219.12**
- Varun Beverages International DMCC	-	-	2,198.40	1,948.02	-	-	-	-	-	-	-	-	-	-	**2,198.40**	**1,948.02**
- Mr. Ravindra Dhariwal	-	-	-	-	-	-	-	-	-	(0.40)	-	-	-	-	**-**	**(0.40)**
- SVS India Private Limited	-	-	-	-	(0.58)	(1.17)	-	-	-	-	-	-	-	-	**(0.58)**	**(1.17)**
- Cryoviva Biotech Private Limited	-	-	-	-	4.78	1.05	-	-	-	-	-	-	-	-	**4.78**	**1.05**
- IDVB Recycling Operations Private Limited	-	-	-	-	-	-	(0.00)*	-	-	-	-	-	-	-	**(0.00)**	**-**
- Clean Max Tav Private Limited	-	-	-	-	-	-	(1.88)	-	-	-	-	-	-	-	**(1.88)**	**-**
- Huoban Energy 7 Private Limited	-	-	-	-	-	-	(1.70)	-	-	-	-	-	-	-	**(1.70)**	**-**
B. Financial guarantees																
- Varun Beverages (Zimbabwe) (Private) Limited	-	-	374.02	1,266.63	-	-	-	-	-	-	-	-	-	-	**374.02**	1,266.63
- Varun Beverages (Nepal) Private Limited	-	-	280.98	280.98	-	-	-	-	-	-	-	-	-	-	**280.98**	280.98
- Varun Beverages (Zambia) Limited	-	-	332.47	331.14	-	-	-	-	-	-	-	-	-	-	**332.47**	331.14
- Varun Beverages International DMCC	-	-	1,246.75	1,241.79	-	-	-	-	-	-	-	-	-	-	**1,246.75**	1,241.79
- Varun Beverages Lanka (Private) Limited	-	-	114.79	100.65	-	-	-	-	-	-	-	-	-	-	**114.79**	100.65
- Varun Beverages RDC SAS	-	-	1,246.75	-	-	-	-	-	-	-	-	-	-	-	**1,246.75**	-

*Rounded off to Nil.

Summary of significant accounting policies and other explanatory information on the Standalone Financial Statements for the year ended 31 December 2023

43. Disclosure on lease transactions pursuant to Ind AS 116 - Leases

The Company's lease asset class primarily consists of leases for land, buildings and plant and equipment. With the exception of short-term leases, leases of low-value and cancellable long-term leases underlying assets, each lease is reflected on the balance sheet as a right of use asset and a lease liability.

Lease liabilities are measured at the present value of the remaining lease payments, discounted using the weighted average borrowing rate ranging 5.44-8.22% (31 December 2022: 5.44-8.22%).

Each lease generally imposes a restriction that, unless there is a contractual right for the Company to sublet the asset to another party, the right of use asset can only be used by the Company. Leases are either non-cancellable or may only be cancelled by incurring a substantive termination fee. Some leases contain an option to extend the lease for a further term. The Company is prohibited from selling or pledging the underlying leased assets otherthan leasehold lands as security against the Company's other debts and liabilities.

i. Lease liabilities are presented in the balance sheet is as follows-

(₹ in million)

	As at 31 December 2023	As at 31 December 2022
Current maturities of lease liabilities (Refer note 18D)	176.29	113.67
Non-current lease liabilities (Refer note 18C)	1,043.65	1,117.39
Total	**1,219.94**	**1,231.06**

ii. The recognised right of use assets relate to land, buildings and plant and equipments as at 31 December 2023 and 31 December 2022:

(₹ in million)

	As at 31 December 2023	As at 31 December 2022
Right of use assets - land, buildings and plant and equipments		
Balance at the beginning of the year	8,267.06	5,204.88
Additions for the year	773.13	3,300.54
Rebate/grant related to asset received	(16.61)	(68.24)
Refund received for the year	-	(10.35)
Amortisation charge for the year	(147.69)	(159.77)
Balance at the end of the year	**8,875.89**	**8,267.06**

iii. The following are amounts recognised in Standalone Statement of Profit and Loss:

(₹ in million)

	As at 31 December 2023	As at 31 December 2022
Amortisation charge on right of use assets	147.69	159.77
Interest expense on lease liabilities	115.23	10.03
Total	**262.92**	**169.80**

*During the previous year ended on 31 December 2022, interest expense on leasehold lands acquired were capitalised as pre-operative expense amounting to ₹ 24.70 million.

iv. Lease payments not recognised as a liability

The Company has elected not to recognise a lease liability for short-term leases (leases with an expected term of 12 months or less), cancellable long-term leases and for leases of low value assets. Payments made under such leases are expensed on a straight-line basis. The expense relating to payments not included in the measurement of the lease liability for short term leases is ₹ 711.51 million (31 December 2022 ₹ 569.90 millon).

Summary of significant accounting policies and other explanatory information on the Standalone Financial Statements for the year ended 31 December 2023

v. Refer Standalone Cash Flow Statement for total cash outflow for leases.

vi. Maturity of lease liabilities

Future minimum lease payments were as follows for 31 December 2023:

(₹ in million)

	Lease payments	Interest expense	Net Present value
Not later than 1 year	282.21	105.92	176.29
Later than 1 year not later than 5 years	1,026.78	235.34	791.44
Later than 5 years	829.45	577.24	252.21
Total	**2,138.44**	**918.50**	**1,219.94**

Future minimum lease payments were as follows for 31 December 2022:

(₹ in million)

	Lease payments	Interest expense	Net Present value
Not later than 1 year	216.89	103.22	113.67
Later than 1 year not later than 5 years	950.26	271.77	678.49
Later than 5 years	997.69	558.79	438.90
Total	**2,164.84**	**933.78**	**1,231.06**

44. The business activities of the Company predominantly fall within a single reportable business segment, i.e., manufacturing and sale of beverages within India. There are no separately reportable business or geographical segments that meet the criteria prescribed in Ind AS 108 on Operating Segments. The aforesaid is in line with review of operating results by the chief operating decision maker. The sale of products of the Company is seasonal.

45. Dues to Micro and Small Enterprises

The dues to Micro and Small Enterprises as required under the Micro, Small and Medium Enterprises Development ("MSMED") Act, 2006 to the extent information available with the Company is given below:

(₹ in million)

Particulars	31 December 2023	31 December 2022
The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year		
Principal amount due to micro and small enterprises	767.25	653.33
Interest due on above	4.83	1.07
The amount of interest paid by the buyer in terms of section 16 of the MSMED Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year*	522.67	116.95
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 MSMED Act 2006.	8.67	2.91
The amount of interest accrued and remaining unpaid at the end of each accounting year	27.21	13.71
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the MSMED Act 2006	27.21	13.71

*includes principal amounting to ₹ 522.67 million (31 December 2022: ₹ 116.95 million).

Summary of significant accounting policies and other explanatory information on the Standalone Financial Statements for the year ended 31 December 2023

46. Details of Corporate Social Responsibility (CSR) expenditure

In accordance with the provisions of section 135 of the Companies Act, 2013, the Board of Directors of the Company had constituted CSR Committee. The detail for CSR activities is as follows.

(₹ in million)

Particulars			For the year ended 31 December 2023	For the year ended 31 December 2022
a)	Gross amount required to be spent by the Company during the year		158.50	85.04
b)	Amount approved by Board to be spent during the year		158.50	85.04
c)	Amount spent during the year on the following			
	1.	Construction / Acquisition of any asset	14.59	13.00
	2.	On purpose other than 1 above	143.91	72.04
d)	Excess amount spent on CSR as per Section 135(5) of Companies Act, 2013:			
	1.	Opening balance	-	-
	2.	Amount required to be spent during the year	158.50	85.04
	3.	Amount spent during the year	158.50	85.04
	4.	Closing balance	-	-
e)	Total of previous year shortfall		-	-
f)	Reason for shortfall		Not Applicable	Not Applicable
g)	Nature of CSR activities		Promoting Healthcare, Education, environmental sustainability, gender equality, animal welfare etc.	Promoting Healthcare, Education, environmental sustainability, rural development, animal welfare etc.

1. Refer note 42B for amounts paid to RJ Foundation (CSR implementing agency registered with Ministry of Corporate Affairs, Office of the Registrar of Companies, New Delhi) having objects to carry on CSR activities as per requirements laid down under Section 135 of the Companies Act, 2013.
2. The Company does not carry any provisions for Corporate social responsibility expenses for current year and previous year.

47. Share-based payments

a. Description of share based payment arrangements

i) Share Options Schemes (equity settled)

Employees Stock Option Scheme 2016 ("ESOS 2016 or scheme")

The ESOS 2016 was approved by the Board of Directors and the shareholders on 27 April 2016 and further ratified and amended by the shareholders in their meetings held on 17 April 2017 and 07 April 2022 respectively. Further, National Stock Exchange of India Limited and BSE Limited have accorded their in principle approvals for issue and allotment of upto 16,695,152 equity shares ("Ceiling Limit"). The scheme was formulated with the objective to enable the Company to grant Options for equity shares of the Company to certain eligible employees as defined in the Scheme at a pre-determined price.

Summary of significant accounting policies and other explanatory information on the Standalone Financial Statements for the year ended 31 December 2023

The Options were granted on the dates as mentioned in the table below:

31 December 2023

Scheme	Grant Date	Number of Options Granted	Exercise Price	Vesting Conditions	Vesting Period	Contractual period
ESOS 2016	06-Feb-23	54,000	628	Graded vesting over 4 years	06 Feb 2023 to 01 Jan 2027	0-3.92 Years
ESOS 2016	02-May-23	12,000	643	Graded vesting over 4 years	02 May 2023 to 01 Jan 2027	0-3.67 Years
ESOS 2016	03-Aug-23	50,000	801	Graded vesting over 4 years	03 Aug 2023 to 01 Jan 2027	0-3.42 Years
ESOS 2016	06-Nov-23	26,000	899	Graded vesting over 4 years	06 Nov 2023 to 01 Jan 2027	0-3.17 Years
ESOS 2016	23-Nov-23	30,000	899	Graded vesting over 4 years	23 Nov 2023 to 01 Jan 2027	0-3.09 Years

31 December 2022

Scheme	Grant Date	Number of Options Granted	Exercise Price	Vesting Conditions	Vesting Period	Contractual period
ESOS 2016	04-Jan-22	280,950	303	Graded vesting over 4 years	04 Jan 2023 to 01 Jan 2026	0-4 Years
ESOS 2016	03-Feb-22	9,000	299	Graded vesting over 4 years	03 Feb 2023 to 01 Jan 2026	0-3.92 Years
ESOS 2016	03-Mar-22	18,000	298	Graded vesting over 4 years	03 Mar 2023 to 01 Jan 2026	0-3.83 Years
ESOS 2016	13-Apr-22	9,000	303	Graded vesting over 4 years	13 Apr 2023 to 01 Jan 2026	0-3.75 Years
ESOS 2016	28-Apr-22	18,000	306	Graded vesting over 4 years	28 Apr 2023 to 01 Jan 2026	0-3.75 Years
ESOS 2016	24-Sep-22	902,000	435	Graded vesting over 4 years	24 Sep 2023 to 01 Jan 2026	0-3.33 Years

Summary of significant accounting policies and other explanatory information on the Standalone Financial Statements for the year ended 31 December 2023

b. Measurement of fair values

The fair values are measured based on the Black-Scholes-Merton model. The fair value of the options and inputs used in the measurement of the grant date fair values of the equity-settled share based payments are as follows:

31 December 2023

Particulars	Options granted on 06 February 2023	Options granted on 02 May 2023	Options granted on 03 August 2023	Options granted on 06 November 2023	Options granted on 23 November 2023
Fair value per Option at grant date (in ₹)	172.00	263.87	243.57	290.42	347.52
Share price at grant date (in ₹)	577.45	722.60	808.10	951.85	1,031.35
Exercise price (in ₹)	627.50	643.00	801.00	899.00	899.00
Expected volatility	38.03%-40.07%	37.33%-39.95%	36.65%-39.12%	35.77%-37.09%	35.71%-36.46%
Expected life (in years)	1.6-4.5	1.6-4.2	1.6-4.0	1.57-3.72	1.57-3.68
Expected dividends	0.22%	0.24%	0.43%	0.37%	0.34%
Risk-free interest rate	6.57%-6.91%	6.60%-6.69%	6.67%-6.80%	6.82%-6.96%	6.75%-6.89%

31 December 2022

Particulars	Options granted on 04 January 2022	Options granted on 03 February 2022	Options granted on 03 March 2022	Options granted on 13 April 2022	Options granted on 28 April 2022	Options granted on 24 September 2022
Fair value per Option at grant date (in ₹)	130.82	154.17	166.75	167.58	184.29	244.41
Share price at grant date (in ₹)	439.90	470.33	487.93	491.95	518.23	579.48
Exercise price (in ₹)	453.50	448.50	447.00	453.50	459.00	435.00
Expected volatility	37.45%-39.59%	37.59%-39.90%	37.56%-39.94%	37.83%-40.09%	37.64%-40.26%	37.45%-40.70%
Expected life (in years)	1.6-4.6	1.6-4.5	1.6-4.4	1.6-4.3	1.6-4.3	1.6-3.8
Expected dividends	0.28%	0.27%	0.26%	0.25%	0.24%	0.22%
Risk-free interest rate	4.28%-5.59%	4.41%-5.83%	4.52%-5.79%	4.82%-6.27%	4.9%-6.22%	6.44%-6.92%

The risk-free interest rate (continuous compounding) being considered for the calculation is the interest rate applicable for maturity equal to the expected life of the options on the date of grant of options based on the zero-coupon yield curve for Government Securities available as on Valuation date taken from www.ccilindia.com.

The measure of volatility used in the Option-Pricing Model is the annualised standard deviation of the continuous rates of return on the stock over a period of time.

Summary of significant accounting policies and other explanatory information on the Standalone Financial Statements for the year ended 31 December 2023

c. Effect of employee stock option schemes on the standalone statement of profit and loss

(₹ in million, unless otherwise stated)

Particulars	31 December 2023	31 December 2022
Share based payment to employees*	63.35	29.08

*included in employee benefits expense (net of Share based payments in relation to employees of subsidiaries amounting to ₹ 15.75 (31 December 2022 ₹ Nil) (Refer note 31)

d. Reconciliation of outstanding share options

The number and weighted-average exercise prices of share options under the schemes is as follows:

	As at 31 December 2023		As at 31 December 2022	
	Number of options	Weighted average exercise price (₹)	Number of options	Weighted average exercise price (₹)
Number of options granted, exercised and forfeited				
Options outstanding as at the beginning of the year	1,221,950	399.55	-	-
Add: Options granted during the year	172,000	767.41	1,236,950	399.55
Less: Options exercised during the year	115,736	399.55	-	-
Less: Options forfeited/lapsed during the year	45,000	399.55	15,000	399.55
Options outstanding as at the end of the year	1,233,214	450.86	1,221,950	399.55
Options exercisable at the end of the year	180,750	399.55	-	-

(₹ in million)

Particulars	As at 31 December 2023	As at 31 December 2022
Weighted average remaining life of options outstanding at the end of year (in years)	2.70	3.56

Also refer note 16(h) on sub-division/split of equity shares of the Company during the year. The outstanding stock options (whether vested or unvested as on the Record Date) and exercise prices as above has been adjusted to ensure fair and reasonable adjustment to the entitlement of the Eligible Employees under the Schemes due to the sub-division/split of equity shares.

48. Capital management

For the purpose of the Company's capital management, capital includes issued equity share capital, securities premium and all other equity reserves attributable to the equity shareholders of the Company. The Company's capital management objectives are:

- to ensure the Company's ability to continue as a going concern
- to provide an adequate return to shareholders by pricing products and services commensurately with the level of risk.

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Company monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The Company includes within net debt, non-current and current borrowings,current maturity of long-term debts and lease liabilities, less cash and cash equivalents, excluding discontinued operations, if any.

Summary of significant accounting policies and other explanatory information on the Standalone Financial Statements for the year ended 31 December 2023

The amounts managed as capital by the Company for the reporting periods are summarised as follows:

(₹ in million)

Particulars	As at 31 December 2023	As at 31 December 2022
Non-current borrowings (Refer note 18A)	30,105.49	16,532.58
Current borrowings (Refer note 18B)	17,495.56	18,185.92
Lease liabilities (Refer note 18C)	1,043.65	1,117.39
Current portion of lease liabilities (Refer note 18D)	176.29	113.67
	48,820.99	**35,949.56**
Less: Cash and cash equivalents (Refer note 12)	(494.80)	(473.89)
Net debt (A)	**48,326.19**	**35,475.67**
Equity share capital (Refer note 16)	6,496.07	6,495.50
Other equity (Refer note 17)	64,261.97	48,678.51
Total capital (B)	**70,758.04**	**55,174.01**
Capital and net debt (C=A+B)	**119,084.23**	**90,649.68**
Gearing ratio (A/C)	**40.58%**	**39.13%**

In order to achieve this overall objective, the Company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements.

No changes were made in the objectives, policies or processes for managing capital during the years ended 31 December 2023 and 31 December 2022.

There's no breaches in the financial covenants of the borrowing that would permit the banks to immediately call loans and borrowings in the reporting periods.

49. Assets pledged as security

The carrying amount of assets pledged as security are:

(₹ in million)

Particulars	As at 31 December 2023	As at 31 December 2022
Inventories and trade receivable (Refer note 10 and 11)	17,488.16	15,763.90
Other bank deposits (Refer note 13)	28.29	0.98
Other current financial assets (Refer note 14)	7,695.02	4,757.52
Other current assets (Refer note 15)	3,645.00	3,522.67
Other intangible assets (Refer note 5B)	5,450.74	5,478.55
Property, plant and equipment (Refer note 4A)*	53,955.78	43,215.30
Capital work-in-progress (Refer note 4B)	15,759.99	5,399.45
Right of use assets (Refer note 4C)*	6,223.14	6,324.29

*Exclusive of land for which no mortgages has been created.

Summary of significant accounting policies and other explanatory information on the Standalone Financial Statements for the year ended 31 December 2023

50. Information under Section 186 (4) of the Companies Act, 2013 and Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements), 2015

(₹ in million)

(i)

Name of the Loanee	Rate of Interest	Secured/ Unsecured	Maximum balance outstanding during the year 2023	As at 31 December 2023	Maximum balance outstanding during the year 2022	As at 31 December 2022
Varun Beverages Morocco SA	2% +3 month SOFR (31 December 2022: 3.50% + Libor)*	Unsecured	1,077.74	1,077.74	1,073.46	1,073.46
Varun Beverages (Zambia) Limited	2% +3 month SOFR (31 December 2022: 2.25% + Libor)*	Unsecured	802.51	802.51	799.32	799.32
Varun Beverages (Zimbabwe) (Private) Limited	2% +3 month SOFR (31 December 2022: 4% + Libor)*	Unsecured	1,229.38	984.10	1,229.38	1,229.38
Varun Beverages RDC SAS	2% +3 month SOFR (31 December 2022: 4% + Libor)*	Unsecured	2,124.71	2,123.62	215.24	215.24
Varun Beverages International DMCC	2% +3 month SOFR (31 December 2022: 4% + Libor)*	Unsecured	2,011.42	2,011.42	2,099.32	1,920.64
IDVB Recycling Operations Private Limited	10% (31 December 2022: Nil)	Unsecured	10.00	-	-	-

*Rate of interest revised w.e.f. 01 July 2023

The above loans are given for business purposes.

(₹ in million)

(ii)

Name of the Investee	As at 31 December 2023 #	As at 31 December 2022
Varun Beverages Morocco SA	6,179.18	6,179.18
Varun Beverages (Nepal) Private Limited	1,423.91	798.91
Varun Beverages Lanka (Private) Limited	3,149.55	3,149.55
Varun Beverages (Zambia) Limited	3,231.01	3,231.01
Varun Beverages (Zimbabwe) (Private) Limited	0.06	0.06
Lunarmech Technologies Private Limited	262.94	162.93
Varun Beverages RDC SAS	0.74	0.74
Varun Beverages International DMCC	20.68	20.68
Varun Beverages South Africa (PTY) Ltd.	0.05	-
Clean Max Tav Private Limited	32.85	0.03
Huoban Energy 7 Private Limited	21.24	-
IDVB Recycling Operations Private Limited	130.07	0.07
Lone Cypress Ventures Private Limited	31.50	-
The Margao Urban Co-operative Bank Limited	0.01	0.01
The Goa Urban Co-operative Bank Limited*	0.00	0.00

*Rounded off to nil

#Exclusive of deemed investment

The above investments are made for business purposes.

Summary of significant accounting policies and other explanatory information on the Standalone Financial Statements for the year ended 31 December 2023

(₹ in million)

(iii) Guarantees outstanding, given on behalf of	As at 31 December 2023	As at 31 December 2022
Varun Beverages (Nepal) Private Limited	280.98	280.99
Varun Beverages (Zimbabwe) (Private) Limited	374.02	1,266.63
Varun Beverages (Zambia) Limited	332.47	331.14
Varun Beverages International DMCC	1,246.75	1,241.79
Varun Beverages RDC SAS	1,246.75	-
Varun Beverages Lanka (Private) Limited	114.79	100.65

The above financial guarantees are given on behalf of subsidiaries for business purposes and are in ordinary course of business.

51. Financial instruments risk

Financials risk management objectives and policies

The Company is exposed to various risks in relation to financial instruments. The main types of financial risks are market risk, credit risk and liquidity risk.

The management of the Company monitors and manages the financial risks relating to the operations of the Company on a continuous basis. The Company's risk management is coordinated at its head office, in close cooperation with the management, and focuses on actively securing the Company's short to medium-term cash flows and simultaneously minimising the exposure to volatile financial markets. Long-term financial investments are managed to generate lasting returns.

The Company does not engage in the trading of financial assets for speculative purposes. The most significant financial risks to which the Company is exposed are described below.

51.1 Market risk analysis

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. The Company is exposed to market risk through its use of financial instruments and specifically to foreign currency risk, interest rate risk and commodity price risk which result from its operating, investing and financing activities. Contracts to hedge exposures in foreign currencies, interest rates etc. are entered into wherever considered necessary by the management.

Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The functional currency of the Company is Indian Rupees ('INR' or '₹'). Most of the Company's transactions are carried out in Indian Rupees. Exposures to currency exchange rates mainly arise from the Company's overseas sales and purchases, lending to overseas subsidiary companies, external commercial borrowings etc. which are primarily denominated in US Dollars ('USD'), Australian Dollars (AUD), Euro ('EUR') and Emirati Dirham ('AED').

The Company has limited exposure to foreign currency risk and thereby it mainly relies on natural hedge. To further mitigate the Company's exposure to foreign currency risk, non-INR cash flows are continuously monitored and derivative contracts are entered into wherever considered necessary.

Summary of significant accounting policies and other explanatory information on the Standalone Financial Statements for the year ended 31 December 2023

The carrying amounts of the Company's foreign currency denominated monetary items are restated at the end of each reporting period. Foreign currency denominated financial assets and liabilities which expose the Company to currency risk are as follows:

(Amount in million)

31 December 2023	USD	AUD	EUR	AED
Financial assets				
(i) Loans (non-current and current)				
(a) Loans to related parties	84.21	-	-	-
(ii) Trade receivables (current)	9.04	-	-	-
(iii) Other financial assets (current)				
(a) Interest accrued on loan to related parties	6.02	-	-	-
(b) Guarantee commission receivable	0.25	-	-	-
(c) Other receivables	0.06	-	-	-
Total financial assets	**99.58**	**-**	**-**	**-**
Financial liabilities				
(i) Trade payables	5.57	-	0.00*	0.00*
(ii) Other current financial liabilities				
(a) Payable for capital expenditure	3.46	-	9.63	-
Total financial liabilities	**9.03**	**-**	**9.63**	**0.00***

*Rounded off to Nil

31 December 2022	USD	AUD	EUR	AED
Financial assets				
(i) Loans (non-current and current)				
(a) Loans to related parties	63.27	-	-	-
(ii) Trade receivables (current)	3.50	-	-	-
(iii) Other financial assets (current)				
(a) Interest accrued on loan to related parties	4.26	-	-	-
(b) Guarantee commission receivable	0.21	-	-	-
(c) Other receivables	0.29	-	-	-
Total financial assets	**71.53**	-	-	-
Financial liabilities				
(i) Trade payables	8.26	0.03	0.06	0.02
(ii) Other current financial liabilities				
(a) Current maturity of long-term debts	-	-	-	-
(b) Interest accrued but not due on borrowings	-	-	-	-
(c) Payable for capital expenditure	3.15	-	6.32	-
Total financial liabilities	**11.41**	**0.03**	**6.38**	**0.02**

*Rounded off to Nil

The following table illustrates the foreign currency sensitivity of profit and equity with regards to the Company's financial assets and financial liabilities considering 'all other things being equal' and ignoring the impact of taxation. It assumes a +/- 1% change of the INR/USD, INR/AUD, INR/EUR and INR/AED exchange rate for the year ended at 31 December 2023 (31 December 2022: 1%). These are the sensitivity rates used when reporting foreign currency exposures internally to the key management personnel and represents management's assessment of the reasonably possible changes in the foreign exchange rates. The sensitivity analysis includes only outstanding foreign currency denominated monetary items at end of each period reported upon. A positive number indicates an increase in profit or equity and vice-versa.

If the INR had strengthened against the USD by 1% (31 December 2022: 1%), AUD by 1% (31 December 2022: 1%), EUR by 1% (31 December 2022: 1%) and AED by 1% (31 December 2022: 1%), the following would have been the impact:

(₹ in million)

Particulars	Profit/(Loss) for the year		Equity	
	31 December 2023	31 December 2022	31 December 2023	31 December 2022
USD	(75.26)	(49.77)	(75.26)	(49.77)
EUR	8.86	5.62	8.86	5.62
AED	-	0.00*	-	0.00*
AUD	-	0.02	-	0.02

*Rounded off to Nil

If the INR had weakened against the USD by 1% (31 December 2022 1%), AUD by 1% (31 December 2022: 1%), EUR by 1% (31 December 2022: 1%) and AED by 1% (31 December 2022: 1%), the following would have been the impact:

(₹ in million)

Particulars	Profit/(Loss) for the year		Equity	
	31 December 2023	31 December 2022	31 December 2023	31 December 2022
USD	75.26	49.77	75.26	49.77
EUR	(8.86)	(5.62)	(8.86)	(5.62)
AED	-	0.00*	-	0.00*
AUD	-	(0.02)	-	(0.02)

*Rounded off to Nil

Exposures to foreign exchange rates vary during the year depending on the volume of the overseas transactions. Nonetheless, the analysis above is considered to be representative of the Company's exposure to currency risk.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's policy is to minimise interest rate cash flow risk exposures on long-term financing. The Company is exposed to changes in market interest rates as some of the bank and other borrowings are at variable interest rates and also loans have been advanced to subsidiary companies at variable interest rates. All the Company's term deposits are at fixed interest rates.

The following table illustrates the sensitivity of profit and equity to a reasonably possible change in interest rates of +/- 1% (31 December 2022: +/- 1%). These changes are considered to be reasonably possible based on management's assessment. The calculations are based on a change in the average market interest rate for each period, and the financial instruments held at each reporting date that are sensitive to changes in interest rates. All other variables are held constant.

(₹ in million)

Particulars	Profit/(Loss) for the year		Equity	
	+1%	-1%	+1%	-1%
31 December 2023	(320.71)	320.71	(320.71)	320.71
31 December 2022	(231.31)	231.31	(231.31)	231.31

Commodity price risk

The Company is affected by the price volatility of certain commodities. Its operating activities require the ongoing purchase of pet chips and sugar and therefore require a continuous supply. In view of volatility of pet chips and sugar prices, the Company also executes into various advance purchase contracts.

Summary of significant accounting policies and other explanatory information on the Standalone Financial Statements for the year ended 31 December 2023

Commodity price sensitivity

The following tables shows the effect of price change in sugar and pet chips

(₹ in million)

Particulars	Change in yearly average price		Effect on profit before tax		Effect on equity	
31 December 2023						
Sugar	+1%	-1%	(127.44)	127.44	(127.44)	127.44
Pet chips	+1%	-1%	(112.53)	112.53	(112.53)	112.53

(₹ in million)

Particulars	Change in yearly average price		Effect on profit before tax		Effect on equity	
31 December 2022						
Sugar	+1%	-1%	(113.84)	113.84	(113.84)	113.84
Pet chips	+1%	-1%	(90.01)	90.01	(90.01)	90.01

Other price sensitivity

The Company is not exposed to any listed equity or listed debt price risk as it does not hold any investments in listed entities.

51.2 Credit risk analysis

Credit risk is the risk that a counterparty fails to discharge an obligation to the Company. The Company is operating through a network of distributors and other distribution partners based at different locations. The Company is exposed to this risk for various financial instruments, for example loans granted, receivables from customers, deposits placed etc. The Company's maximum exposure to credit risk is limited to the carrying amount of financial assets recognised at end of each reporting period, as summarised below:

(₹ in million)

Particulars	As at 31 December 2023	As at 31 December 2022
Classes of financial assets-carrying amounts:		
Investments (non-current)	14,499.54	13,543.17
Loans (current and non-current)	6,999.39	5,238.04
Trade receivables	2,129.42	1,502.42
Cash and cash equivalents	494.80	473.89
Bank balances other than mention above	28.29	0.98
Other financial assets (current and non-current)	8,259.87	5,199.97
	32,411.31	**25,958.47**

The Company continuously monitors receivables and defaults of customers and other counterparties, and incorporates this information into its credit risk controls. Appropriate security deposits are kept against the supplies to customers and balances are reconciled at regular intervals. The Company's policy is to deal only with creditworthy counterparties.

In respect of trade and other receivables, the Company is not exposed to any significant credit risk exposure to any single counterparty. Trade receivables consist of a large number of customers of various scales and in different geographical areas. Based on historical information about customer default rates, management considers the credit quality of trade receivables. In case the receivables are not recovered even after regular follow up, measures are taken to stop further supplies to the concerned customer. The expected credit loss is based on the five years historically observed default rates over the expected life of the trade receivables and is adjusted for forward looking estimates.

Movement in expected credit loss allowance on trade receivables

(₹ in million)

Particulars	As at 31 December 2023	As at 31 December 2022
Balance at the beginning of the year	289.03	254.44
(Reversal)/Loss allowance measured at lifetime expected credit loss	(2.31)	34.59
Balance at the end of the year	**286.72**	**289.03**

The credit risk for cash and cash equivalents, bank deposits including interest accrued thereon and Government grant receivables is considered negligible, since the counterparties are reputable banks with high quality external credit ratings and State Government bodies. The credit risk for loans advanced to subsidiary companies including interest accrued thereon is also considered negligible since operations of these entities are regularly monitored by the Company and these companies have shown considerable growth.

In respect of financial guarantees provided by the Company, the maximum exposure which the Company is exposed to is the maximum amount which the Company would have to pay if the guarantee is called upon. Based on the expectation at the end of each reporting period, the Company considers that it is more likely than not that such an amount will not be payable under the guarantees provided.

51.3 Liquidity risk analysis

Liquidity risk is that the Company might be unable to meet its obligations. The Company manages its liquidity needs by monitoring scheduled debt servicing payments for long-term financial liabilities and considering the maturity profiles of financial assets and other financial liabilities as well as forecast of operational cash inflows and outflows. Liquidity needs are monitored in various time bands, on a day-to-day basis, a week-to-week basis and a month-to-month basis. Long-term liquidity needs for a 180-day and a 360-day lookout period are identified monthly. Net cash requirements are compared to available borrowing facilities in order to determine headroom or any shortfalls.

Funding for long-term liquidity needs is additionally secured by an adequate amount of committed credit facilities and the Company's ability to avail further credit facilities subject to creation of requisite charge on its assets. The Company assessed the concentration of risk with respect to refinancing its debt and concluded it to be low.

As at 31 December 2023, the Company's non-derivative financial liabilities have contractual undiscounted maturities as summarised below:

(₹ in million)

31 December 2023	Carrying value	1 to 12 months	1 to 5 years	Later than 5 years	Total contractual cash flow
Borrowings (current and non-current)	47,601.05	17,510.27	29,669.00	580.82	47,760.09
Lease liabilities (current and non-current)	1,219.94	282.21	1,026.78	829.45	2,138.44
Trade payables	4,918.61	4,918.61	-	-	4,918.61
Other financial liabilities (current)	6,678.70	6,678.70	-	-	6,678.70
Total	**60,418.30**	**29,389.79**	**30,695.78**	**1,410.27**	**61,495.84**

(₹ in million)

31 December 2022	Carrying value	1 to 12 months	1 to 5 years	Later than 5 years	Total contractual cash flow
Borrowings (current and non-current)	34,718.50	18,214.84	16,651.22		34,866.06
Lease liabilities (current and non-current)	1,231.06	216.89	950.26	997.69	2,164.84
Trade payables	5,757.93	5,757.93	-	-	5,757.93
Other financial liabilities (current)	4,943.36	4,943.36	-	-	4,943.36
Total	**46,650.85**	**29,133.02**	**17,601.48**	**997.69**	**47,732.19**

Summary of significant accounting policies and other explanatory information on the Standalone Financial Statements for the year ended 31 December 2023

52. Fair value measurements

Financial instruments by categories

The carrying values and fair values of financial instruments by categories are as follows:

(₹ in million)

Particulars	Notes	31 December 2023		31 December 2022	
		FVTPL	Amortised cost	FVTPL	Amortised cost
Financial assets					
(i) Non-current financial assets					
(a) Investment (non-current)	6	31.51	14,468.03	0.01	13,543.17
(b) Loans	7	-	6,999.39	-	5,238.04
(c) Other financial assets	8	-	564.85	-	442.45
(ii) Current financial assets					
(a) Trade receivables	11	-	2,129.42	-	1,502.42
(b) Cash and cash equivalents	12	-	494.80	-	473.89
(c) Bank balances other than (b) above	13	-	28.29	-	0.98
(d) Other financial assets	14	-	7,695.02	-	4,757.52
Total		**31.51**	**32,379.80**	**0.01**	**25,958.47**
Financial liabilities					
(i) Non-current borrowings (excluding those disclosed under FVTPL category above)	18A	-	30,105.49	-	16,532.58
(ii) Non-current lease liabilities	18C	-	1,043.65	-	1,117.39
(iii) Current financial liabilities				-	
(a) Borrowings	18B	-	17,495.56	-	18,185.92
(b) Lease liabilities	18D	-	176.29	-	113.67
(c) Trade payables	22	-	4,918.61	-	5,757.93
(d) Other	23	-	6,678.70	-	4,943.36
Total		**-**	**60,418.30**	**-**	**46,650.85**

Valuation technique to determine fair value

Cash and cash equivalents, other bank balances, trade receivables, loans, other current financial assets, trade payables, current borrowings and other current financial liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments. The fair value of the financial assets and liabilities is the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

The following methods and assumptions were used to estimate the fair values:”

- The fair values of the long term borrowings, loans and other deferred payments are determined by using discounted cash flow method using the appropriate discount rate. The discount rate is determined using other similar instruments incorporating the risk associated.
- The Company executed derivative financial instruments such as cross currency interest rate swap being valued using valuation techniques, which employs use of market observable inputs. The Company uses mark to market valuation provided by bank for its valuation.

Summary of significant accounting policies and other explanatory information on the Standalone Financial Statements for the year ended 31 December 2023

Fair value hierarchy

The financial assets measured at fair value are grouped into the fair value hierarchy as on 31 December 2023 and 31 December 2022 as follows: (also refer note 3.1)

(₹ in million)

31 December 2023	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)
Assets measured at fair value:					
Investment (non-current)	31 December 2023	31.51	-	-	31.51

There have been no transfers of financial assets and financial liabilities between the levels during the year 2022

(₹ in million)

31 December 2022	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)
Assets measured at fair value:					
Investment (non-current)	31 December 2022	0.01	-	-	0.01

53. Details of unhedged exposure in foreign currency denominated monetary items

Exposure in foreign currency - unhedged

Outstanding foreign currency exposure not being hedged against adverse currency fluctuation:

Particulars	Period	Foreign currency		Local currency	
Trade receivable	31 December 2023	USD	9.04	INR	751.19
	31 December 2022	USD	3.50	INR	290.07
Loan given	31 December 2023	USD	84.21	INR	6,999.39
	31 December 2022	USD	63.27	INR	5,238.04
Other receivables	31 December 2023	USD	6.32	INR	525.45
	31 December 2022	USD	4.76	INR	393.75
Trade payables	31 December 2023	USD	5.57	INR	462.62
	31 December 2022	USD	8.26	INR	683.91
	31 December 2023	EUR	0.00*	INR	0.12
	31 December 2022	EUR	0.06	INR	5.41
	31 December 2023	AUD	0.00*	INR	0.16
	31 December 2022	AUD	0.03	INR	1.66
	31 December 2023	AED	-	INR	-
	31 December 2022	AED	0.02	INR	0.46
Payable for capital expenditure	31 December 2023	USD	3.46	INR	288.67
	31 December 2022	USD	3.15	INR	260.38
	31 December 2023	EUR	9.63	INR	886.46
	31 December 2022	EUR	6.32	INR	556.95

*Rounded off nil.

Summary of significant accounting policies and other explanatory information on the Standalone Financial Statements for the year ended 31 December 2023

54. Financial ratios

(₹ in million)

Ratio	Measurement unit	Numerator	Denominator	As at 31 December 2023	As at 31 December 2022	Change	Reason for variance if more than 25%
				Ratio	Ratio		
Current ratio	Times	Current assets	Current liabilities (inclusive of current maturities of long-term debts)	0.89	0.75	18.81%	Not applicable
Debt-equity ratio	Times	Total debt [Non-current borrowings + Current borrowings+Lease liabilities]	Total equity	0.69	0.65	5.89%	Not applicable
Debt service coverage ratio	Times	Earnings available for debt service [Profit/(loss) after tax + Depreciation and amortisation + impairment + finance cost + profit on sale of property, plant and equipment, investment + other non cash adjustments]	Debt service (interest and lease payments + principal repayments)	1.28	0.97	32.14%	Refer note below i
Return on equity ratio	Percentage	Net profit after tax	Average shareholder's equity [(opening shareholder's equity + closing shareholder's equity)/2]	28.19%	25.62%	10.04%	Not applicable
Inventory turnover ratio	Times	Costs of materials consumed + Purchases of stock-in-trade + Changes in inventories of traded goods	Average inventories [(opening inventories + closing inventories) /2]	4.70	4.88	-3.54%	Not applicable
Trade receivables turnover ratio	Times	Revenue from operations	Average trade receivables [(opening trade receivables +closing trade receivables)/2]	69.57	75.06	-7.32%	Not applicable
Trade payables turnover ratio	Times	Net purchases	Average trade payables [(opening trade payables + closing trade payables)/2]	11.72	12.00	-2.38%	Not applicable

(₹ in million)

Ratio	Measurement unit	Numerator	Denominator	As at 31 December 2023 Ratio	As at 31 December 2022 Ratio	Change	Reason for variance if more than 25%
Net capital turnover ratio	Times	Revenue from operations	Working capital [current assets - current liabilities inclusive of current maturities of long-term debts]	(35.31)	(12.98)	172.03%	Refer note below ii and iii
Net profit ratio	Percentage	Net profit after tax	Revenue from operations	14.05%	11.99%	17.22%	Not applicable
Return on capital employed	Percentage	Earnings before interest and taxes	Capital employed = Tangible net worth* + total debt** + deferred tax liabilities	21.26%	19.49%	9.07%	Not applicable
Return on investment (ROI)	Percentage	Earnings before interest and tax	Total assets	18.62%	16.61%	12.12%	Not applicable

Note:

i. Increased in earnings during the current year compared to previous year due to growth in revenue.

ii. Increased in revenue from operations during the current year compared to previous year due to growth in revenue.

iii. Decreased primarily due to increase in inventory, trade receivables and other assets.

*Tangible net worth- equity share capital + other equity

**Total debt- non-current and current borrowings + non-current and current lease liabilities

55A. Disclosure relating to provision:

(₹ in million)

Particulars	As at 31 December 2023	As at 31 December 2022
Opening balance	-	-
Addition	503.72	-
Utilisation	-	-
Closing balance	**503.72**	**-**

The Company has made GST provision towards tax rate difference based on the demand order amounting to ₹ 120.08 million issued by Central GST Commissionerate, Jalandhar for the period 01 July 2017 to 30 September 2021 in the State of Punjab. Considering the demand order, Company has conservatively provided for GST liability on entrire sales of a product for the said period. The Company has not recovered the additional GST liability from its customers.

Notes:

i. This provision represent estimates made mainly for probable claim arising out of dispute pending with authority. The probability and the timing of the outflow with regard to the matter depend on the final outcome of the dispute. Hence, the Company is not able to reasonably ascertain the timing of the outflow.

ii. Discounting obligation has not been considered as the dispute relates to Government Authority.

Summary of significant accounting policies and other explanatory information on the Standalone Financial Statements for the year ended 31 December 2023

55.B Additional regulatory information not disclosed elsewhere in the financial information

a) The Company does not have any Benami property and no proceedings have been initiated or pending against the Company for holding any Benami property, under the Benami Transactions (Prohibitions) Act, 1988 (45 of 1988) and the rules made thereunder.

b) The Company does not have any transactions with struck off companies under section 248 of the Companies Act, 2013 or section 560 of the Companies Act, 1956, except for the parties mentioned below:

Name of the struck off company	Nature of transactions with struck off company	Balance outstanding as at 31 December 2023	Relationship with the struck off company	Balance outstanding as at 31 December 2022	Relationship with the struck off company
Ace Polypet Private Limited	Sale of goods	(0.00)*	No relationship	(0.00)*	No relationship
C A Trade Links Private Limited	Security deposit received	(0.09)	No relationship	(0.09)	No relationship
Ngen Auto Private Limited	Purchases	0.00*	No relationship	0.00*	No relationship
J K Cement Private Limited	Purchases	-	No relationship	0.00*	No relationship
Nts Engineering Private Limited	Purchases	-	No relationship	-	No relationship

*Rounded off to Nil

c) The Company does not have any charges which is yet to be registered with ROC beyond the statutory period. The Company had obtained loans from banks in earlier years which have been fully repaid. However pending NOCs from banks, the satisfaction of charges is yet to be registered with ROC in some of the cases.

d) The Company has not traded or invested in Crypto currency or Virtual Currency during the current and previous financial year.

e) The Company has not advanced or provided loan to or invested funds in any entity(ies) including foreign entities (Intermediaries) or to any other person(s), with the understanding that the Intermediary shall:

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or

(b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries

f) The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or

(b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries,

g) The Company has not undertaken any transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).

h) The Company has not been declared a 'Wilful Defaulter' by any bank or financial institution (as defined under the Companies Act, 2013) or consortium thereof, in accordance with the guidelines on wilful defaulters issued by the Reserve Bank of India.

i) The Company has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with Companies (Restriction on number of Layers) Rules, 2017.

Summary of significant accounting policies and other explanatory information on the Standalone Financial Statements for the year ended 31 December 2023

j) The borrowings obtained by the company from banks have been applied for the purposes for which such loans were taken.

k) The Company has not revalued its property, plant and equipment (including right-of-use assets) or intangible assets or both during the current or previous year.

l) The Company has borrowings from banks on the basis of security of current assets. The quarterly returns or statements of current assets filed by the Company with banks are in agreement with the books of accounts.

56. On 19 December 2023, the Company has entered into a binding agreement to acquire 100% stake in the business conducted by The Beverage Company (Proprietary) Limited, South Africa along with its wholly owned subsidiaries (hereinafter referred as "Bevco") with an option to accept minority co-investment from large equity fund, subject to approvals from PepsiCo Inc., Competition Commissions and other regulatory approvals (if any) for a proposed purchase consideration amounting to ZAR 3 Billion (₹ 13.2 Billion; 1 ZAR= ₹4.4). The indicative time period for completion of the acquisition is on or before 31 July 2024. Bevco is engaged in the business of manufacturing and distribution of licensed (PepsiCo Inc.) and own-branded non-alcholic beverages in South Africa. Bevco has franchise bottling rights from PepsiCo Inc. for South Africa, Lesotho and Eswatini and distribution rights for Namibia and Botswana.

57. Subsequent events occurred after the balance sheet date:

i) On 25 January 2024, the Company has started commercial production of products of the Company including backward integeration at its new greenfiled production facilitiy at Supa, Maharashtra.

ii) On 02 January 2024, the Company has subscribed its 99% share capital for a consideration of ₹ 1.32 million in newly incorporated subsidiary company i.e. VBL Mozambique, SA in Mozambique for selling and distribution of beverages.

iii) The Board of Directors in their meeting held on 05 February 2024 have approved a payment of final dividend of ₹ 1.25 (Rupees one and paise twenty five only) per equity share of the face value of ₹ 5 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 2023 stands at ₹ 2.50 (Rupees two and paise fifty only) per equity share of the face value of ₹ 5 each.

58. The amounts of previous reported period have been regrouped/reclassified wherever considered necessary in order to comply with financial reporting requirements.

The accompanying notes 1 to 58 are an integral part of the standalone financial statements.
As per our report of even date attached

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

Akhil Bhalla
Partner
Membership No.: 505002

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

Neeraj Kumar Agarwal
Partner
Membership No.: 094155

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

Varun Jaipuria
Whole Time Director
DIN 02465412

Raj Pal Gandhi
Whole Time Director
DIN 00003649

Lalit Malik
Chief Financial Officer

Ravi Batra
Chief Risk Officer and
Group Company Secretary
Membership No. F- 5746

Place : Gurugram
Dated : 05 February 2024