



VARUN BEVERAGES LIMITED

Corporate identification number: L74899DL1995PLC069839

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

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

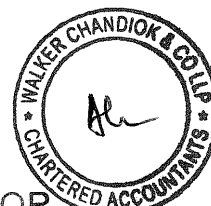
Tel: +91-124-4643100, Fax: +91-124-4643303, E-mail: complianceofficer@rjcorp.in, Website: www.varunpepsi.com

Statement of consolidated financial results for the quarter ended on 30 September 2021

₹ in million, except per share data

Particulars	Three months ended on	Three months ended on	Three months ended on	Nine months ended on	Nine months ended on	Year ended on
	30 September 2021	30 June 2021	30 September 2020	30 September 2021	30 September 2020	31 December 2020
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
1. Income						
(a) Revenue from operations	24,404.34	24,830.44	18,395.14	71,933.55	52,044.52	65,557.91
(b) Other income	369.34	244.08	34.77	670.71	314.03	369.72
Total income	24,773.68	25,074.52	18,429.91	72,604.26	52,358.55	65,927.63
2. Expenses						
(a) Cost of materials consumed	10,813.98	9,967.60	7,618.93	31,711.52	21,394.85	26,885.09
(b) Excise duty	422.76	331.99	368.80	1,044.60	852.01	1,056.49
(c) Purchases of stock-in-trade	362.74	287.02	163.51	1,228.65	762.48	925.87
(d) Changes in inventories of finished goods, work-in-progress and stock-in-trade	146.79	1,128.75	227.49	(331.67)	178.15	(171.59)
(e) Employee benefits expense	2,662.08	2,432.48	2,295.67	7,478.91	6,580.03	8,897.36
(f) Finance costs	426.88	467.77	579.63	1,474.06	2,191.19	2,811.04
(g) Depreciation and amortisation expense	1,384.92	1,287.76	1,345.94	4,019.89	3,940.28	5,287.02
(h) Other expenses	5,049.44	4,974.60	3,912.84	16,330.77	11,980.57	15,946.01
Total expenses	21,269.59	20,877.97	16,512.81	62,956.73	47,879.56	61,637.29
3. Profit before exceptional items and tax (1-2)	3,504.09	4,196.55	1,917.10	9,647.53	4,478.99	4,290.34
4. Exceptional items	-	-	-	-	665.29	665.29
5. Profit before tax (3-4)	3,504.09	4,196.55	1,917.10	9,647.53	3,813.70	3,625.05
6. Tax expense:						
(a) Current tax	381.98	629.62	150.97	1,331.66	381.96	423.85
(b) Adjustment of tax relating to earlier periods	281.88	2.49	6.79	283.93	129.85	153.69
(c) Deferred tax charge/(credit)	261.23	376.41	144.61	897.32	(343.24)	(525.20)
Total tax expense	925.09	1,008.52	302.37	2,512.91	168.57	52.34
7. Net profit for the period (5-6)	2,579.00	3,188.03	1,614.73	7,134.62	3,645.13	3,572.71
8. Other comprehensive income						
A Items that will not be reclassified to profit or loss	(49.44)	(2.65)	32.89	40.45	(55.60)	(115.38)
B Income tax relating to items that will not be reclassified to profit or loss	13.52	0.69	(8.36)	(9.16)	14.69	29.53
C Items that will be reclassified to profit or loss	(35.14)	103.07	59.84	(100.68)	(735.30)	(531.02)
D Income tax relating to items that will be reclassified to profit or loss	-	-	(13.94)	-	171.30	(7.64)
Total other comprehensive income	(71.06)	101.11	70.43	(69.39)	(604.91)	(624.51)
9. Total comprehensive income for the period (including non-controlling interest) (7+8)	2,507.94	3,289.14	1,685.16	7,065.23	3,040.22	2,948.20
10. Net profit attributable to:						
A Owners	2,401.41	3,081.65	1,530.31	6,775.61	3,487.28	3,289.95
B Non-controlling interest	177.59	106.38	84.42	359.01	157.85	282.76
11. Other comprehensive income attributable to:						
A Owners	(70.90)	101.18	70.39	(69.29)	(604.98)	(624.57)
B Non-controlling interest	(0.16)	(0.07)	0.04	(0.10)	0.07	0.06
12. Total comprehensive income attributable to:						
A Owners	2,330.51	3,182.83	1,600.70	6,706.32	2,882.30	2,665.38
B Non-controlling interest	177.43	106.31	84.46	358.91	157.92	282.82
13. Paid-up equity share capital (face value of ₹ 10 each)	4,330.33	4,330.33	2,886.89	4,330.33	2,886.89	2,886.89
14. Other equity						32,353.12
15. Earnings per share (of ₹ 10/- each) (not annualised for quarters and nine months):						
(a) Basic	5.55	7.12	3.53	15.65	8.05	7.60
(b) Diluted	5.55	7.12	3.53	15.65	8.05	7.60

See accompanying notes



SIGNED FOR
IDENTIFICATION
PURPOSE ONLY



VARUN BEVERAGES LIMITED

Corporate identification number: L74899DL1995PLC069839

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

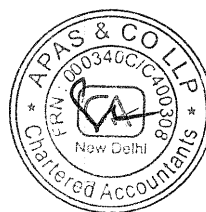
Corporate office: RJ Corp House, Plot No-31, Institutional Area, Sector-44, Gurugram-122002 (Haryana)

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

Statement of standalone financial results for the quarter ended on 30 September 2021

₹ in million, except per share data

Particulars	Three months ended on	Three months ended on	Three months ended on	Nine months ended on	Nine months ended on	Year ended on
	30 September 2021 (Unaudited)	30 June 2021 (Unaudited)	30 September 2020 (Unaudited)	30 September 2021 (Unaudited)	30 September 2020 (Unaudited)	31 December 2020 (Audited)
1. Income						
(a) Revenue from operations	17,105.62	19,853.23	13,145.55	54,950.37	40,388.11	48,764.51
(b) Other income	83.54	91.30	7.82	235.35	420.35	719.92
Total income	17,189.16	19,944.53	13,153.37	55,185.72	40,808.46	49,484.43
2. Expenses						
(a) Cost of materials consumed	8,123.03	7,917.98	5,981.66	25,274.97	17,746.83	21,313.31
(b) Purchase of stock-in-trade	193.68	223.08	123.35	868.16	675.18	874.83
(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	13.36	1,446.40	43.45	9.22	358.67	(31.37)
(d) Employee benefits expense	1,940.87	1,815.16	1,773.32	5,568.75	5,245.48	6,950.64
(e) Finance costs	325.29	439.77	515.30	1,213.52	1,932.53	2,490.15
(f) Depreciation and amortisation expense	997.78	970.32	1,044.78	3,018.93	3,097.95	4,128.17
(g) Other expenses	3,543.03	3,791.93	2,628.55	12,087.33	8,398.48	11,066.61
Total expenses	15,137.04	16,604.64	12,110.41	48,040.88	37,455.12	46,792.34
3. Profit before exceptional items and tax (1-2)	2,052.12	3,339.89	1,042.96	7,144.84	3,353.34	2,692.09
4. Exceptional items	-	-	-	-	665.29	665.29
5. Profit before tax (3-4)	2,052.12	3,339.89	1,042.96	7,144.84	2,688.05	2,026.80
6. Tax expense						
(a) Current tax	345.76	588.22	118.71	1,218.40	265.70	269.80
(b) Adjustment of tax relating to earlier periods	(0.72)	-	-	(0.72)	-	14.50
(c) Deferred tax/(credit)	247.90	370.89	129.35	834.78	(360.78)	(521.79)
Total tax expense	592.94	959.11	248.06	2,052.46	(95.08)	(237.49)
7. Net profit after tax (5 - 6)	1,459.18	2,380.78	794.90	5,092.38	2,783.13	2,264.29
8. Other comprehensive income						
A. Items that will not be reclassified to profit or loss	(53.20)	(2.58)	32.52	36.71	(57.51)	(117.51)
B. Income tax relating to items that will not be reclassified to profit or loss	13.39	0.65	(8.33)	(9.24)	14.74	29.58
Total other comprehensive income	(39.81)	(1.93)	24.19	27.47	(42.77)	(87.93)
9. Total comprehensive income for the period (7+8)	1,419.37	2,378.85	819.09	5,119.85	2,740.36	2,176.36
10. Paid-up equity share capital (face value of ₹ 10 each)	4,330.33	4,330.33	2,886.89	4,330.33	2,886.89	2,886.89
11. Other equity						37,230.78
12. Earnings per share (of ₹ 10/- each) (not annualised for quarters and nine months)						
(a) Basic	3.37	5.50	1.84	11.76	6.43	5.23
(b) Diluted	3.37	5.50	1.84	11.76	6.43	5.23
See accompanying notes						



SIGNED FOR
IDENTIFICATION
PURPOSE ONLY



VARUN BEVERAGES LIMITED

Corporate identification number: L74899DL1995PLC069839

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

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

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

Notes:

1. These standalone and consolidated financial results for the quarter and nine months period ended on 30 September 2021 have been reviewed and recommended for approval by the Audit, Risk Management and Ethics Committee and accordingly approved by the Board of Directors of Varun Beverages Limited ("VBL" or "the Company") at their respective meetings held on 29 October 2021. The Statutory Auditors have conducted a limited review of these financial results.
2. These financial results have been prepared in accordance with the recognition and measurement principles of applicable Indian Accounting Standards ('Ind AS') notified under the Companies (Indian Accounting Standards) Rules, 2015 as specified in section 133 of the Companies Act, 2013 (read with SEBI Circular CIR/CFD/FAC/62/2016 dated 05 July 2016 and other recognised accounting practices and policies).
3. VBL follows calendar year as its financial year as approved by the Company Law Board, New Delhi.
4. The business activities of the Company and its subsidiaries (together referred to as the "Group") predominantly fall within a single primary business segment viz. manufacturing and sale of beverages. There is no separate reportable business segment. The Group operates in two principal geographical areas, i.e., in India, its home country, and in other countries. The aforesaid is in line with review of operating results by the chief operating decision maker. The sale of products of the Group is seasonal.
5. The exceptional items for the nine months period ended on 30 September 2020 and year ended on 31 December 2020, represents write off of certain plant and equipment, glass bottles and plastic shells which were not in use.
6. The resurgence of COVID-19 pandemic had caused a significant disturbances and slowdown of economic activity and business operations of the Company during the second quarter in the month of May. The business operations of the Company have shown significant growth from the month of June after relaxation of nationwide lockdowns. The impact assessment of COVID-19 is a continuous process given the uncertainties associated with its nature and duration. Hence, the management will continue to monitor changes to the future economic conditions which may have an impact on the operations of the Company.
7. During the nine months period ended 30 September 2021, the Company has issued 144,344,360 bonus equity shares of ₹ 10/- each as fully paid-up bonus equity shares in the ratio of 1 (One) equity share of ₹ 10/- each for every 2 (Two) existing equity shares of ₹ 10/- each. Accordingly, earnings per share of comparative periods presented has been calculated based on number of shares outstanding in respective periods, as increased for issuance of bonus shares.
8. The Directorate General of Goods and Services Tax Intelligence ("DGGI"), Ahmedabad, has concluded their review and determined liability of GST on some of the trade discounts treating them as reimbursements resulting in an incremental impact for the quarter of ₹ 408.00 million plus interest etc. Company has decided not to contest this interpretational matter and settle the same.

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

Raj Gandhi
Whole Time Director

Place : Gurugram
Dated : 29 October 2021



SIGNED FOR
IDENTIFICATION
PURPOSE ONLY

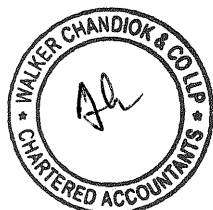
Independent Auditor's Review Report on Consolidated Unaudited Quarterly Financial Results and Year to Date Results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended)

To the Board of Directors of Varun Beverages Limited

1. We have reviewed the accompanying statement of unaudited consolidated financial results ('the Statement') of Varun Beverages Limited ('the Holding Company') and its subsidiaries (the Holding Company and its subsidiaries together referred to as 'the Group') (refer Annexure 1 for the list of subsidiaries included in the Statement) for the quarter ended 30 September 2021 and the consolidated year to date results for the period 01 January 2021 to 30 September 2021, being submitted by the Holding Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended), including relevant circulars issued by the SEBI from time to time.
2. This Statement, which is the responsibility of the Holding Company's management and approved by the Holding Company's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34, Interim Financial Reporting ('Ind AS 34'), prescribed under section 133 of the Companies Act, 2013 ('the Act'), and other accounting principles generally accepted in India and is in compliance with the presentation and disclosure requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended), including relevant circulars issued by the SEBI from time to time. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410, Review of Interim Financial Information Performed by the Independent Auditor of the Entity, issued by the Institute of Chartered Accountants of India. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with the Standards on Auditing specified under section 143(10) of the Act, and consequently, does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

We also performed procedures in accordance with the SEBI Circular CIR/CFD/CMD1/44/2019 dated 29 March 2019 issued by the SEBI under Regulation 33 (8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended), to the extent applicable.

4. Based on our review conducted and procedures performed as stated in paragraph 3 above and upon consideration of the review reports of one of the joint auditors, APAS & Co LLP and the other auditors referred to in paragraph 5 below, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in Ind AS 34, prescribed under Section 133 of the Act, and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended), including the manner in which it is to be disclosed, or that it contains any material misstatement.



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

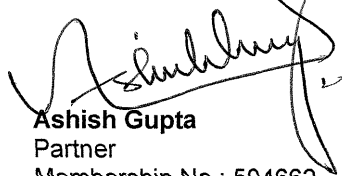
5. We did not review the interim financial results of 7 subsidiaries included in the Statement, whose financial information reflects total revenues of ₹ 8,220.60 million and ₹ 19,477.12 million, total net profit after tax of ₹ 1,121.98 million and ₹ 2,024.00 million, total comprehensive income of ₹ 1,125.86 million and ₹ 2,027.81 million, for the quarter and year-to-date period ended on 30 September 2021, respectively, as considered in the Statement. Out of the above, financial results of one subsidiary included in the Statement whose financial information reflects total revenues of ₹ 399.03 million and ₹ 1,110.40 million, total net profit after tax of ₹ 65.57 million and ₹ 166.29 million, total comprehensive income of ₹ 65.20 million and ₹ 166.06 million, for the quarter and year-to-date period ended on 30 September 2021, respectively, as considered in the Statement have been reviewed by one of the joint auditors, APAS & Co LLP. These interim financial results have been reviewed by APAS & Co LLP and other auditors whose review reports have been furnished to us by the management, and our conclusion in so far as it relates to the amounts and disclosures included in respect of these subsidiaries is based solely on the review reports of APAS & Co LLP and such other auditors, and the procedures performed by us as stated in paragraph 3 above.

Our conclusion is not modified in respect of these matters with respect to our reliance on the work done by and the reports of the other auditors.

For Walker Chandiook & Co LLP

Chartered Accountants

Firm Registration No: 001076N/N50001810


Ashish Gupta
Partner

Membership No.: 504662

UDIN: 21504662AAAAIM8732



Place: Gurugram

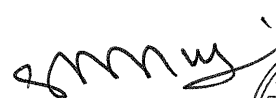
Date: 29 October 2021

L-41 Connaught Place,
New Delhi 110001

For APAS & Co LLP

Chartered Accountants

Firm Registration No: 000340C/C400308

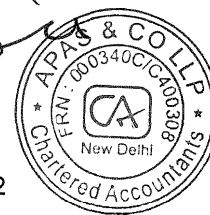


Sumit Kathuria

Partner

Membership No.: 520078

UDIN: 21520078AAAAALF2592



Place: Gurugram

Date: 29 October 2021

606, 6th Floor, PP City Centre, Road No.44,
Pitampura, New Delhi 110034

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

Annexure 1

List of entities included in the Statement

Holding Company

1. Varun Beverages Limited

Subsidiaries

1. Varun Beverages (Nepal) Private Limited
2. Varun Beverages Lanka (Private) Limited
3. Varun Beverages Morocco SA
4. Ole Spring Bottlers (Private) Limited
5. Varun Beverages (Zambia) Limited
6. Varun Beverages (Zimbabwe) (Private) Limited
7. Lunarmech Technologies Private Limited



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

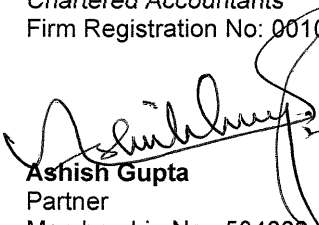
To the Board of Directors of Varun Beverages Limited

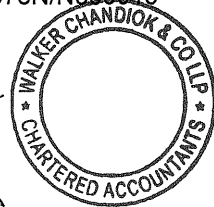
1. We have reviewed the accompanying statement of standalone unaudited financial results ('the Statement') of Varun Beverages Limited ('the Company') for the quarter ended 30 September 2021 and the year to date results for the period 01 January 2021 to 30 September 2021, being submitted by the Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended), including relevant circulars issued by the SEBI from time to time.
2. The Statement, which is the responsibility of the Company's management and approved by the Company's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34, Interim Financial Reporting ('Ind AS 34'), prescribed under Section 133 of the Companies Act, 2013 ('the Act'), and other accounting principles generally accepted in India and is in compliance with the presentation and disclosure requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended), including relevant circulars issued by the SEBI from time to time. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410, Review of Interim Financial Information Performed by the Independent Auditor of the Entity, issued by the Institute of Chartered Accountants of India. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with the Standards on Auditing specified under section 143(10) of the Act, and consequently, does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.
4. Based on our review conducted as above nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in Ind AS 34, prescribed under Section 133 of the Act, and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended), including the manner in which it is to be disclosed, or that it contains any material misstatement.

For Walker Chandiook & Co LLP

Chartered Accountants

Firm Registration No: 001076N/N500013


Ashish Gupta
Partner
Membership No.: 504662
UDIN: 21504662AAAAAIL5652



Place: Gurugram

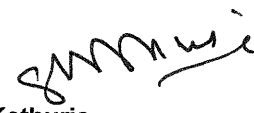
Date: 29 October 2021

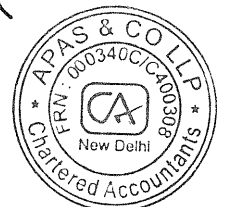
L-41 Connaught Place,
New Delhi 110001

For APAS & Co LLP

Chartered Accountants

Firm Registration No: 000340C/C400308


Sumit Kathuria
Partner
Membership No.: 520078
UDIN: 21520078AAAAALE5585



Place: Gurugram

Date: 29 October 2021

606, 6th Floor, PP City Centre, Road No.44,
Pitampura, New Delhi 110034