

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

April 30, 2025

Τo,

National Stock Exchange of India Ltd.	BSE Limited
Exchange Plaza, Block G, C/1, Bandra Kurla	Phiroze Jeejeebhoy Towers
Complex, Bandra (E), Mumbai – 400 051	Dalal Street, Mumbai – 400 001
Email: cmlist@nse.co.in	Email: corp.relations@bseindia.com
Symbol: VBL	Security Code: 540180

# Subject: <u>Report of the Monitoring Agency on utilization of proceeds raised</u> through Qualified Institutions Placement

Dear Sir/Madam,

Pursuant to Regulation 173A of the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 and Regulation 32 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Report of the Monitoring Agency issued by CARE Ratings Limited on utilization of proceeds raised through Qualified Institutions Placement for the Quarter ended March 31, 2025 is enclosed.

The same is being uploaded on website of the Company at <u>www.varunbeverages.com</u>.

You are requested to take the above on record.

Yours faithfully, For Varun Beverages Limited

Ravi Batra Chief Risk Officer & Group Company Secretary

Encl.: As above



## No. CARE/NRO/GEN/2025-26/1005

# **Monitoring Agency Report**

The Board of Directors Varun Beverages Limited Plot No. 31, Institutional Area, Sector-44, Gurgaon-122002, Haryana, India

Date: April 30,2025

Dear Sir/Ma'am,

# Monitoring Agency Report for the quarter ended March 31<sup>st</sup>,2025 - in relation to the QIP of Varun Beverages Limited ("the Company")

We write in our capacity of Monitoring Agency for the Qualified institutional placement for the amount aggregating to Rs. 7,500.00 crore of the Company and refer to our duties cast under 173A of the Securities & Exchange Board of India (Issue of Capital & Disclosure Requirements) Regulations.

In this connection, we are enclosing the Monitoring Agency Report for the quarter ended March 31,2025 as per aforesaid SEBI Regulations and Monitoring Agency Agreement dated November 04, 2024.

Request you to kindly take the same on records.

Thanking you,

Yours faithfully,

Anant Agarwal

Anant Agarwal Associate Director <u>Anant.agarwal@careedge.in</u>

## CARE Ratings Limited

9th floor, C-001/A2, Berger Towers, Sector 16B, Noida, Gautam Budh Nagar, Uttar Pradesh -201301 Phone: +91-120-4452000

CIN-L67190MH1993PLC071691



## Report of the Monitoring Agency (MA)

Name of the issuer: Varun Beverages Limited For quarter ended: March 31, 2025 Name of the Monitoring Agency: CARE Ratings Limited (a) Deviation from the objects: Nil (b) Range of Deviation: Not applicable

### **Declaration:**

We declare that this report provides an objective view of the utilization of the issue proceeds in relation to the objects of the issue based on the information provided by the Issuer and information obtained from sources believed by it to be accurate and reliable. The MA does not perform an audit and undertakes no independent verification of any information/ certifications/ statements it receives. This Report is not intended to create any legally binding obligations on the MA which accepts no responsibility, whatsoever, for loss or damage from the use of the said information. The views and opinions expressed herein do not constitute the opinion of MA to deal in any security of the Issuer in any manner whatsoever. Nothing mentioned in this report is intended to or should be construed as creating a fiduciary relationship between the MA and any issuer or between the agency and any user of this report. The MA and its affiliates also do not act as an expert as defined under Section 2(38) of the Companies Act, 2013.

The MA or its affiliates may have credit rating or other commercial transactions with the entity to which the report pertains and may receive separate compensation for its ratings and certain credit related analyses. We confirm that there is no conflict of interest in such relationship/interest while monitoring and reporting the utilization of the issue proceeds by the issuer, or while undertaking credit rating or other commercial transactions with the entity.

We have submitted the report herewith in line with the format prescribed by SEBI, capturing our comments, where applicable. There are certain sections of the report under the title "Comments of the Board of Directors", that shall be captured by the Issuer's Management / Audit Committee of the Board of Directors subsequent to the MA submitting their report to the issuer and before dissemination of the report through stock exchanges. These sections have not been reviewed by the MA, and the MA takes no responsibility for such comments of the issuer's Management/Board.

Anont Agorwal

Signature: Anant Agarwal Associate Director

CARE Ratings Limited 9th floor, C-001/A2, Berger Towers, Sector 16B, Noida, Gautam Budh Nagar, Uttar Pradesh -201301 Phone: +91-120-4452000

CIN-L67190MH1993PLC071691



## 1) Issuer Details:

Name of the issuer Name of the promoters

Industry/sector to which it belongs

## 2) Issue Details

Issue Period Type of issue Type of specified securities IPO Grading, if any Issue size (in `crore)

- : Varun Beverages Limited
- : RJ Corp Limited, Mr. Ravi Kant Jaipuria, Mr. Varun Jaipuria
- : Manufacturer and distributor of beverages
- : Date of allotment: 19<sup>th</sup> November 2024 : Qualified Institutional Placement : Equity shares : Not applicable : Rs. 7500.00 crores

# 3) Details of the arrangement made to ensure the monitoring of issue proceeds:

Particulars	Reply	Source of information / certifications considered by Monitoring Agency for preparation of report	Comments of the Monitoring Agency	Comments of the Board of Directors
Whether all utilization is as per the disclosures in the Offer Document?	Yes	Chartered Accountant certificate*, Bank statements, Placement document	Not applicable	No comments
Whether shareholder approval has been obtained in case of material deviations# from expenditures disclosed in the Offer Document?	Not applicable	Chartered Accountant certificate*, Bank statement, Placement document	Not applicable	No comments
Whether the means of finance for the disclosed objects of the issue have changed?	Not applicable	Not applicable	Not applicable	No comments
Is there any major deviation observed over the earlier monitoring agency reports?	No	Not applicable	Not applicable	No comments
Whether all Government/statutory approvals related to the object(s) have been obtained?	Not applicable	Not applicable	Not applicable	No comments
Whether all arrangements pertaining to technical assistance/collaboration are in operation?	Not applicable	Not applicable	Not applicable	No comments
Are there any favorable/unfavorable events affecting the viability of these object(s)?	No	No	Not Applicable	No comments
Is there any other relevant information that may materially affect the decision making of the investors?	No	No	Not Applicable	No comments

\* Chartered Accountant certificate from OP Bagla & CO LLP, Chartered Accountants (Statutory Auditor) dated April 22, 2025

# Where material deviation may be defined to mean:

- a) Deviation in the objects or purposes for which the funds have been raised
- b) Deviation in the amount of funds actually utilized by more than 10% of the amount projected in the offer documents.

CARE Ratings Limited

9th floor, C-001/A2, Berger Towers, Sector 16B, Noida, Gautam Budh Nagar, Uttar Pradesh -201301 Phone: +91-120-4452000 4th Floor, Godrej Coliseum, Somaiya Hospital Road, Off Eastern Express Highway, Sion (East), Mumbai - 400 022 Phone: +91-22-6754 3456 Email: care@careedge.in • www.careedge.in

CIN-L67190MH1993PLC071691

# 4) Details of objects to be monitored:

(i) Cost of objects -

		Source of information /	Original cost	Comments of	Comments of the Board of Directors		
Sr. No	Item Head	certifications considered by Monitoring Agency for preparation of report	(as per the Offer Document) in Rs. Crore	the Monitoring Agency	Reason for cost revision	Proposed financing option	Particulars of -firm arrangements made
1	Repayment/ Prepayment, in part or in full of certain outstanding borrowings availed by the company and /or one of its subsidiaries	Chartered Accountant certificate*, Placement Document	5600.00		No comments		No comments
2	For general corporate purposes and inorganic acquisitions	Chartered Accountant certificate*, Placement Document	1839.00		No comments		No comments
3	QIP Issue Expense	Chartered Accountant certificate*, Placement Document	61.00		No comments		No comments
Total			7500.00				

\* Chartered Accountant certificate from OP Bagla & CO LLP, Chartered Accountants (Statutory Auditor) dated April 22, 2025

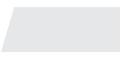
# (ii) Progress in the objects -

Sr. No		Source of information / certifications	Amount as proposed	Amount	utilised in R	s. Crore	Unutilised amount in Rs. crore	Comments of the Monitoring Agency		nts of the Directors
	Item Head	considered by Monitoring Agency for preparation of report	As at beginning of the quarter in Rs. Crore	During the quarter in Rs. Crore	At the end of the quarter in Rs. Crore			Reasons for idle funds	Proposed course of action	
1	Repayment/ Prepayment, in part or in full of certain outstanding							A total of ₹553 crore was transferred from the Axis monitoring account to the Axis current account on January 1,	No comments	No comments

# CARE Ratings Limited

CIN-L67190MH1993PLC071691

9th floor, C-001/A2, Berger Towers, Sector 16B, Noida, Gautam Budh Nagar, Uttar Pradesh -201301 Phone: +91-120-4452000



	borrowings availed by the company and /or one of its subsidiaries	Chartered Accountant certificate*, Bank Statements	5600.00	5047.54	554.99	5602.54	0.00	2025. However, the total repayment amount of ₹554.99 crore was made from the Axis current account on January 2, 2025. The remaining balance of ₹1.99 crore was transferred from the monitoring account on January 7, 2025.		
2	For general corporate purposes and inorganic acquisitions	Chartered Accountant certificate*, Board resolution copy, Bank Statements	1839.00	385.85	1450.07	1835.92	0.00	<ul> <li>During the quarter, a total of ₹1,450.07 crore was utilized for general corporate purposes as per Management &amp; CA certificate. This includes ₹766.53 crore for WCDL payment, ₹165 crore for advance tax payment, ₹103 crore for GST payment, and ₹415.54 crore for vendor payments.</li> <li>For certain expenses totalling to Rs 485 crore, reimbursements were taken during the quarter in the company's bank accounts.</li> <li>We also noted that the aforementioned reimbursements were incidentally converted into fixed deposits, which will not be monitored going forward, since the actual expenses have already been incurred.</li> </ul>	No comments	No comments
3	QIP Issue Expense	Chartered Accountant certificate*, Board						QIP issue expense of Rs 42 lakhs was paid during the quarter, the	No comments	No comments

# CARE Ratings Limited

9th floor, C-001/A2, Berger Towers, Sector 16B, Noida, Gautam Budh Nagar, Uttar Pradesh -201301 Phone: +91-120-4452000 4th Floor, Godrej Coliseum, Somaiya Hospital Road, Off Eastern Express Highway, Sion (East), Mumbai - 400 022 Phone: +91-22-6754 3456 Email: care@careedge.in • www.careedge.in

CIN-L67190MH1993PLC071691

		resolution copy, Bank Statements	61.00	61.11	0.42	61.54	0.00	incremental amount was done through the GCP allotted funds.
Tota	Total		7500.00	5494.50	2005.50	7500.00	0.00	

\* Chartered Accountant certificate from OP Bagla & CO LLP, Chartered Accountants (Statutory Auditor) dated April 22, 2025

# (iii) Delay in implementation of the object(sdi):

	Completi	on Date	Delay (no. of	<b>Comments of the Board of Directors</b>		
Objects	As per the offer document	Actual	days/ months)		Proposed course of action	
Repayment/ Prepayment, in part or in full of certain outstanding borrowings availed by the company and /or one of its subsidiaries	Entire amount by December 2025	Amount has been fully utilized	No delays	No comments	No comments	
For general corporate purposes and inorganic acquisitions	Entire amount by December 2025	Amount has been fully utilized	No delays	No comments	No comments	

### 5) Details of utilization of proceeds stated as General Corporate Purpose (GCP) amount in the offer document:

Sr. No	Item Head	Amount in Rs. Crore	Source of information / certifications considered by Monitoring Agency for preparation of report		Comments of the Board of Directors
1	General Corporate Purpose	1839.00	Chartered Accountant certificate*, Bank Statement	During the quarter, a total of ₹1,450.07 crore was utilized for general corporate purposes as per Management & CA certificate. This includes ₹766.53 crore for WCDL payment, ₹165 crore for advance tax payment, ₹103 crore for GST payment, and ₹415.54 crore for vendor payments.	

## CARE Ratings Limited

CIN-L67190MH1993PLC071691

9th floor, C-001/A2, Berger Towers, Sector 16B, Noida, Gautam Budh Nagar, Uttar Pradesh -201301 Phone: +91-120-4452000



		For certain expenses totalling to Rs 485 cror reimbursements were taken during the quarter in th company's bank accounts.	
		We also noted that the aforementioned reimbursements we incidentally converted into fixed deposits, which will not t monitored going forward, since the actual expenses hav already been incurred.	e
Total	1839.00		

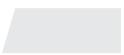
#### \* Chartered Accountant certificate from OP Bagla & CO LLP, Chartered Accountants (Statutory Auditor) dated April 22, 2025

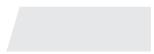
\*However, as per the company's placement document, If the Net Proceeds are not utilized (in full or in part) for the Objects for the period stated above due to any reason, including (i) the timing of completion of the Issue; (ii) market conditions outside the control of our Company; and (iii) any other economic, business and commercial considerations, the remaining Net Proceeds shall be utilized (in part or full) in subsequent periods in such manner as may be determined by Company i.e. VBL, in accordance with applicable laws. If the actual utilisation towards the Objects is lower than the proposed deployment, such balance will be used towards inorganic acquisitions and general corporate purposes shall not exceed 35% of the Gross Proceeds, and towards general corporate purposes or towards inorganic acquisitions individually will not exceed 25% of the Gross Proceeds

### **CARE** Ratings Limited

9th floor, C-001/A2, Berger Towers, Sector 16B, Noida, Gautam Budh Nagar, Uttar Pradesh -201301 Phone: +91-120-4452000

CIN-L67190MH1993PLC071691





#### **Disclaimers to MA report:**

a) This Report is prepared by CARE Ratings Ltd (hereinafter referred to as **"Monitoring Agency/MA"**). The MA has taken utmost care to ensure accuracy and objectivity while developing this Report based on the information provided by the Issuer and information obtained from sources believed by it to be accurate and reliable. The views and opinions expressed herein do not constitute the opinion of MA to deal in any security of the Issuer in any manner whatsoever.

b) This Report has to be seen in its entirety; the selective review of portions of the Report may lead to inaccurate assessments. For the purpose of this Report, MA has relied upon the information provided by the management /officials/ consultants of the Issuer and third-party sources like statutory auditors (or from peer reviewed CA firms) appointed by the Issuer believed by it to be accurate and reliable.

c) Nothing contained in this Report is capable or intended to create any legally binding obligations on the MA which accepts no responsibility, whatsoever, for loss or damage from the use of the said information. The MA is also not responsible for any errors in transmission and specifically states that it, or its directors, employees do not have any financial liabilities whatsoever to the users of this Report.

d) The MA and its affiliates do not act as a fiduciary. The MA and its affiliates also do not act as an expert to the extent defined under Section 2(38) of the Companies Act, 2013. While the MA has obtained information from sources it believes to be reliable, it does not perform an audit and undertakes no independent verification of any information/ certifications/ statements it receives from auditors (or from peer reviewed CA firms), lawyers, chartered engineers or other experts, and relies on in its reports.
e) The MA or its affiliates may have other commercial transactions with the entity to which the report pertains. As an example, the MA may rate the issuer or any debt instruments / facilities issued or proposed to be issued by the issuer that is subject matter of this report. The MA may receive separate compensation for its ratings and certain credit-related analyses, normally from issuers or underwriters of the instruments, facilities, securities or from obligors.

### **CARE** Ratings Limited

9th floor, C-001/A2, Berger Towers, Sector 16B, Noida, Gautam Budh Nagar, Uttar Pradesh -201301 Phone: +91-120-4452000

CIN-L67190MH1993PLC071691