



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

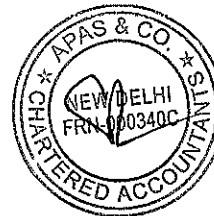
Statement of standalone unaudited financial results for the quarter and nine months period ended on 30 September 2018

₹ in million, except as stated otherwise

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 2018	30 June 2018	30 September 2017	30 September 2018	30 September 2017	31 December 2017
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
1. Income						
(a) Revenue from operations	8,092.76	17,386.11	6,686.60	34,454.09	31,606.36	34,905.58
(b) Other income	277.73	170.34	314.99	536.04	472.60	475.32
Total income	8,370.49	17,556.45	7,001.59	34,990.13	32,078.96	35,380.90
2. Expenses						
(a) Cost of materials consumed	3,090.96	6,903.79	2,749.09	14,874.59	12,786.10	14,546.23
(b) Excise duty	-	-	-	-	4,281.07	4,281.07
(c) Purchase of stock-in-trade	580.16	566.71	8.60	1,508.23	146.13	158.91
(d) Changes in inventories of finished goods, work-in-progress and stock-in-trade	(28.57)	936.72	209.76	(283.11)	(100.36)	(662.04)
(e) Employee benefits expense	1,019.79	1,106.51	827.04	3,151.38	2,410.10	3,191.26
(f) Finance costs	419.92	464.28	470.00	1,433.99	1,385.77	1,917.14
(g) Depreciation and amortisation expense	750.60	779.45	691.91	2,258.68	2,038.79	2,736.42
(h) Other expenses	1,709.26	2,759.60	1,385.62	6,727.51	4,933.26	6,169.98
Total expenses	7,542.12	13,517.06	6,342.02	29,671.27	27,880.86	32,338.97
3. Profit before tax (1-2)	828.37	4,039.39	659.57	5,318.86	4,198.10	3,041.93
4. Tax expense						
(a) Current tax	138.29	1,215.49	206.94	1,385.99	995.06	451.10
(b) Adjustment of tax relating to earlier periods	-	-	-	-	-	1.37
(c) Deferred tax	54.06	(66.94)	(48.80)	71.04	156.27	233.48
Total tax expense	192.35	1,148.55	158.14	1,457.03	1,151.33	685.95
5. Net profit after tax (3 - 4)	636.02	2,890.84	501.43	3,861.83	3,046.77	2,355.98
6. Other comprehensive income						
A. Items that will not be reclassified to profit or loss	36.21	8.60	51.43	8.19	17.74	9.78
B. Income tax relating to items that will not be reclassified to profit or loss	(13.35)	(2.98)	(17.80)	(2.96)	(6.14)	(3.39)
Total other comprehensive income	24.86	5.62	33.63	5.23	11.60	6.39
7. Total comprehensive income for the period (5+6)	660.88	2,896.46	535.06	3,867.06	3,058.37	2,362.37
8. Paid-up equity share capital (face value of ₹ 10 each)	1,826.34	1,826.15	1,825.84	1,826.34	1,825.84	1,825.87
9. Reserves excluding revaluation reserves	-	-	-	-	-	21,142.14
10. Earnings per share (of ₹ 10 each) (not annualised):						
(a) Basic	3.48	15.84	2.75	21.15	16.70	12.91
(b) Diluted	3.48	15.83	2.75	21.14	16.69	12.91
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

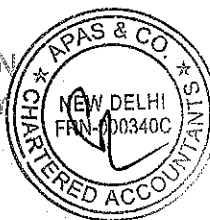
Statement of consolidated unaudited financial results for the quarter and nine months period ended on 30 September 2018

₹ in million, except as stated otherwise

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 2018	30 June 2018	30 September 2017	30 September 2018	30 September 2017	31 December 2017
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
1. Income						
(a) Revenue from operations	12,044.71	20,971.46	9,880.20	44,239.90	39,729.14	45,162.36
(b) Other income	5.73	3.47	28.92	90.84	210.95	126.53
Total income	12,050.44	20,974.93	9,909.12	44,330.74	39,940.09	45,288.89
2. Expenses						
(a) Cost of materials consumed	4,525.25	8,163.95	4,003.81	18,477.44	16,070.04	18,555.09
(b) Excise duty	387.34	380.15	245.72	1,043.52	4,968.74	5,128.37
(c) Purchases of stock-in-trade	619.02	563.22	34.64	1,582.09	215.51	277.69
(d) Changes in inventories of finished goods, stock-in-trade and work-in-progress	122.67	861.28	313.79	(288.18)	(102.72)	(732.22)
(e) Employee benefits expense	1,486.14	1,510.65	1,199.60	4,383.00	3,470.76	4,628.44
(f) Finance costs	471.59	517.64	516.11	1,588.40	1,595.59	2,121.75
(g) Depreciation and amortisation expense	999.03	1,000.43	878.51	2,910.06	2,586.36	3,466.41
(h) Other expenses	2,791.88	3,743.63	2,228.33	9,454.10	7,075.14	8,947.32
Total expenses	11,402.92	16,740.95	9,420.51	39,150.43	35,879.42	42,392.85
3. Profit before tax (1-2)	647.52	4,233.98	488.61	5,180.31	4,060.67	2,896.04
4. Share of profit in associate	6.01	6.65	0.97	23.60	8.90	13.50
5. Profit before tax (3+4)	653.53	4,240.63	489.58	5,203.91	4,069.57	2,909.54
6. Tax expense:						
(a) Current tax	152.70	1,295.40	234.03	1,502.99	1,073.12	547.85
(b) Adjustment of tax relating to earlier periods	-	-	-	-	-	1.60
(c) Deferred tax	59.25	(122.66)	(81.55)	(5.93)	134.57	210.50
Total tax expense	211.95	1,172.74	152.48	1,497.06	1,207.69	768.95
7. Net profit for the period (5-6)	441.58	3,067.89	337.10	3,706.85	2,861.88	2,140.59
8. Other comprehensive income						
A Items that will not be reclassified to profit or loss	35.72	11.78	47.41	9.64	16.02	10.83
B Income tax relating to items that will not be reclassified to profit or loss	(13.35)	(2.98)	(17.80)	(2.96)	(6.14)	(3.39)
C Items that will be reclassified to profit or loss	48.10	59.43	(41.53)	71.42	(131.53)	(94.27)
D Income tax relating to items that will be reclassified to profit or loss	(11.26)	(13.71)	9.58	(16.64)	30.35	21.75
Total other comprehensive income	59.21	54.52	(2.34)	61.46	(91.30)	(65.08)
9. Total comprehensive income for the period (including non-controlling interest) (7+8)	500.79	3,122.41	334.76	3,768.31	2,770.58	2,075.51
10. Net profit attributable to:						
A Owners	422.75	3,034.43	328.81	3,643.50	2,829.98	2,101.54
B Non-controlling interest	18.83	33.46	8.29	63.35	31.90	39.05
11. Other comprehensive income attributable to:						
A Owners	59.21	54.52	(2.34)	61.46	(91.30)	(65.08)
B Non-controlling interest	-	-	-	-	-	-
12. Total comprehensive income attributable to:						
A Owners	481.96	3,088.95	326.47	3,704.96	2,738.68	2,036.46
B Non-controlling interest	18.83	33.46	8.29	63.35	31.90	39.05
13. Paid-up equity share capital (face value of ₹ 10 each)	1,826.34	1,826.15	1,825.84	1,826.34	1,825.84	1,825.87
14. Reserves excluding revaluation reserves	-	-	-	-	-	15,868.41
15. Earnings per share (of ₹ 10 each) (not annualised):						
(a) Basic	2.31	16.62	1.80	19.95	15.51	11.52
(b) Diluted	2.31	16.61	1.80	19.95	15.51	11.51
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

(₹ in million, except otherwise stated)

Notes:

1. These standalone and consolidated unaudited financial results for the quarter and nine months period ended on 30 September 2018, have been reviewed by the Audit Committee and approved by the Board of Directors of Varun Beverages Limited ("VBL" or "the Company") at their respective meetings held on 25 October 2018. As required under Regulation 33 of SEBI (Listing Obligations and other Disclosure Requirements) Regulations, 2015, 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 CIR/CFD/CMD/15/2015 dated 30 November 2015 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, its subsidiaries and associates (together referred to as the "Group") predominantly fall within a single primary business segment viz manufacturing and sale of beverages. The Group operates in two principal geographical areas, i.e., in India, its home country, and other countries. The aforesaid is in line with review of operating results by the chief operating decision maker. The sale of products of the Group is seasonal.

5. During the quarter ended on 30 September 2018, the paid-up capital of the Company has increased by ₹ 0.19 million on allotment of 19,500 equity shares of ₹ 10 each, pursuant to exercise of stock option by employees.

6. Consequent to the introduction of the Goods and Service Tax Act ("GST") in India with effect from 01 July 2017, Central Excise, Value Added Tax (VAT), and some other indirect taxes have been subsumed into GST. In accordance with Ind AS 18 on Revenue and Schedule III of the Companies Act, 2013, unlike excise duty, levies such as GST are collected on behalf of Government authorities and do not form part of revenue. Accordingly, the figures for the nine months period ended on 30 September 2018 are not strictly comparable to other periods presented which were gross of excise duty. The following additional information is being provided to facilitate such understanding:

A. Group:

Particulars	Nine months ended 30 September 2018 (Unaudited)	Nine months ended 30 September 2017 (Unaudited)	Change (%)
Gross revenue from operations (A)	44,239.90	39,729.14	11.35%
Less: Excise duty (B)	1043.52*	4,968.74	-79.00%
Net revenue from operations (A-B)	43,196.38	34,760.40	24.27%

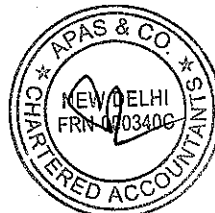
*Excise duty and other similar taxes in jurisdiction other than India.

B. Company:

Particulars	Nine months ended 30 September 2018 (Unaudited)	Nine months ended 30 September 2017 (Unaudited)	Change (%)
Gross revenue from operations (A)	34,454.09	31,606.36	9.01%
Less: Excise duty (B)	-	4,281.07	-100.00%
Net revenue from operations (A-B)	34,454.09	27,325.29	26.09%



SIGNED FOR
IDENTIFICATION
PURPOSE ONLY



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

Raj P. Gandhi
Whole Time Director


Place : Gurugram
Dated : 25 October 2018

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

To the Board of Directors of Varun Beverages Limited

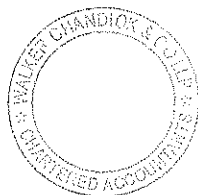
1. We have reviewed the accompanying statement of unaudited standalone financial results ("Statement") of Varun Beverages Limited ("the Company") for the quarter ended 30 September 2018 and the year to date results for the period 01 January 2018 to 30 September 2018, being submitted by the Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. This Statement is the responsibility of the Company's Management and has been approved by the Board of Directors. Our responsibility is to issue a report on the Statement based on our review.
2. We conducted our review in accordance with the Standard on Review Engagement (SRE) 2410, Review of Interim Financial Information Performed by the Independent Auditor of the Entity, issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures, applied to financial data and thus provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.
3. 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 applicable Indian Accounting Standards specified under Section 133 of the Companies Act, 2013 and SEBI Circulars CIR/CFD/CMD/15/2015 dated 30 November 2015 and CIR/CFD/FAC/62/2016 dated 5 July 2016, and other recognised accounting practices and policies 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, including the manner in which it is to be disclosed, or that it contains any material misstatement.
4. The review of unaudited standalone financial results for the quarter ended 30 September 2017 and year to date results for the period 01 January 2017 to 30 September 2017 and audit of standalone financial results for the year ended 31 December 2017, included in the Statement was jointly carried out and reported by Walker Chandiook & Associates, Chartered Accountants and APAS & Co., Chartered Accountants vide their unmodified review report dated 06 November 2017 and unmodified audit report dated 16 February 2018 respectively, whose review and audit reports have been furnished to us by the management and which have been relied upon by us for the purpose of our review of the Statement. Our review report is not modified in respect of this matter.

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



Neeraj Sharma
Partner
Membership No. 502103

Place: Gurugram
Date: 25 October 2018

L-41 Connaught Place,
New Delhi 110 001



For **APAS & Co.**
Chartered Accountants
Firm Registration No: 000340C


Sumit Kathuria
Partner
Membership No. 520078

Place: Gurugram
Date: 25 October 2018

8/14 Basement, Kalkaji Extension,
New Delhi 110 019



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

To the Board of Directors of Varun Beverages Limited

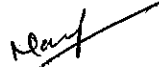
1. We have reviewed the accompanying statement of unaudited consolidated financial results ('Statement') of Varun Beverages Limited ('the Company') and its subsidiaries (the Company and its subsidiaries together referred to as 'the Group') and its associates (Refer Annexure 1 for the list of subsidiaries and associates included in the Statement) for the quarter ended 30 September 2018 and the consolidated year to date results for the period 01 January 2018 to 30 September 2018, being submitted by the Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. This Statement is the responsibility of the Company's management and has been approved by the Board of Directors. Our responsibility is to issue a report on the Statement based on our review.
2. We conducted our review in accordance with the Standard on Review Engagement (SRE) 2410, Review of Interim Financial Information Performed by the Independent Auditor of the Entity, issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures, applied to financial data and thus provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.
3. Based on our review conducted as above and upon consideration of the review reports of the other auditors, nothing has come to our attention that causes us to believe that the accompanying Statement prepared in accordance with applicable Indian Accounting Standards specified under Section 133 of the Companies Act, 2013 and SEBI Circulars CIR/CFD/CMD/15/2015 dated 30 November 2015 and CIR/CFD/FAC/62/2016 dated 5 July 2016, and other recognised accounting practices and policies 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, including the manner in which it is to be disclosed, or that it contains any material misstatement.
4. We did not review the financial results of six subsidiaries included in the Statement whose financial results reflect total revenues of ₹ 4,777.57 million and ₹ 11,535.83 million for the quarter and period ended 30 September 2018 respectively and net loss (including other comprehensive income) of ₹ 126.39 million and ₹ 0.64 million for the quarter and period ended 30 September 2018 respectively. The Statement also includes the Group's share of net profit (including other comprehensive income) of ₹ 6.01 million and ₹ 23.60 million for the quarter and period ended 30 September 2018 respectively, as considered in the Statement, in respect of two associates, whose financial results have not been reviewed by us. These financial results have been reviewed by other auditors whose review reports have been furnished to us by the management and our report in respect thereof is based solely on the review reports of such other auditors. Our review report is not modified in respect of this matter.
5. The review of unaudited consolidated financial results for the quarter ended 30 September 2017 and year to date results for the period 01 January 2017 to 30 September 2017 and audit of consolidated financial results for the year ended 31 December 2017, included in the Statement was jointly carried out and reported by Walker Chandiook & Associates, Chartered Accountants and APAS & Co., Chartered Accountants vide their unmodified review report dated



Independent Auditor's Review Report on Consolidated 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 (Cont'd)

06 November 2017 and unmodified audit report dated 16 February 2018 respectively, whose review reports have been furnished to us by the management and which have been relied upon by us for the purpose of our review of the Statement. Our review report is not modified in respect of this matter.

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

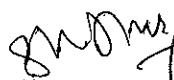

Neeraj Sharma
Partner
Membership No. 502103

Place: Gurugram
Date: 25 October 2018

L-41 Connaught Place,
New Delhi 110 001



For **APAS & Co.**
Chartered Accountants
Firm Registration No: 000340C


Sumit Kathuria
Partner
Membership No. 520078

Place: Gurugram
Date: 25 October 2018

8/14 Basement, Kalkaji Extension,
New Delhi 110 019



Independent Auditor's Review Report on Consolidated 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 (Cont'd)

Annexure 1

List of entities included in the Statement

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) Private Limited
6. Varun Beverages (Zimbabwe) (Private) Limited

Associates

1. Angelica Technologies Private Limited
2. Lunarmech Technologies Private Limited

