



VARUN BEVERAGES LIMITED



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.rjcorp.in
CIN No. : L74899DL1995PLC069839

August 9, 2017

To,

BSE Limited Corporate Relationship Department, 1 st Floor, New Trading Ring, Rotunda Building, P J Towers, Dalal Street, Fort, Mumbai - 400 001 022-2272 3121, 2037, 2061 corp.relations@bseindia.com	National Stock Exchange of India Ltd. Exchange Plaza, 5 th floor, Plot No. C/1, G Block, Bandra Kurla Complex, Bandra (E), Mumbai - 400 051 # 022-2659 8237, 8238, 8347, 8348 cmlist@nse.co.in
Security Code No. 540180	Symbol : VBL Series : EQ

- Subject :**
- 1. Regulations 33 and 52 : Unaudited Financial Results for the quarter and six months ended June 30, 2017;**
 - 2. Regulation 30 : Declaration of Interim Dividend of Rs. 2.50/- per equity share for the year 2017; and**
 - 3. Regulation 30 : Intimation of intent to enter into a binding agreement to acquire PepsiCo India's previously franchised territories of the State of Odisha and parts of Madhya Pradesh along with three manufacturing units at Cuttack, Bargarh and Bhopal.**

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Dear Sir/Madam,

The Board of Directors at their meeting held today (started at 2.30 P.M. and concluded at 3.45 P.M.) considered and approved:

1. The Unaudited Standalone and Consolidated Financial Results of the Company for the quarter and six months ended June 30, 2017 (Copy of the same along-with Limited Review Report issued by M/s. APAS & Co., Chartered Accountants and M/s. Walker Chandiok & Associates, Chartered Accountants, Joint Statutory Auditors of the Company, with unmodified opinion are attached).

Copies of the above mentioned results are also being uploaded on the website of the Company at www.varunpepsi.com

2. The payment of interim dividend of Rs. 2.50/- (Two Rupees and Fifty Paise only) per equity share for the year 2017 on entire issued, subscribed and paid up 18,25,10,125 equity shares of the nominal value of Rs. 10/- each.

The interim dividend for the year 2017 will be paid on and from August 28, 2017 to those members whose names appear on the Register of Members of the Company and as beneficial owners in the Depositories, determined with reference to the Record Date of August 18, 2017 fixed and already announced for the purpose.



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3. Its intent to enter into a binding agreement to acquire PepsiCo India's previously franchised territories of the State of Odisha and parts of Madhya Pradesh along with three manufacturing units at Cuttack, Bargarh and Bhopal (Mandideep), subject to the satisfactory completion of due diligence and final approval of PepsiCo. Upon completion of this acquisition, Company will be a franchisee for PepsiCo products across 18 States and 2 Union Territories of India.

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



VARUN BEVERAGES LIMITED

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Consolidated Balance Sheet as at 30 June 2017

₹ in million, except as stated otherwise

S.No	Particulars	As at 30 June 2017
	Assets	
1)	Non-current assets	
	(a) Property, plant and equipment	35,777.24
	(b) Capital work in progress	1,080.61
	(c) Intangible assets	3,584.87
	(d) Investment in associates	76.65
	(e) Financial assets	
	(i) Investments	0.03
	(ii) Loans	113.06
	(iii) Others	8.87
	(f) Deferred tax assets	72.11
	(g) Income tax assets	0.11
	(h) Other non-current assets	1,054.75
	Total non-current assets	41,768.30
2)	Current assets	
	(a) Inventories	4,966.96
	(b) Financial assets	
	(i) Investments	0.01
	(ii) Trade receivables	2,379.62
	(iii) Cash and cash equivalents	845.32
	(iv) Bank balances other than (iii) above	331.35
	(v) Loans	0.55
	(vi) Others	446.50
	(c) Current tax assets (net)	0.77
	(d) Other current assets	2,578.43
	Total current assets	11,549.51
3)	Assets held for sale	359.32
	Total assets	53,677.13
	Equity and liabilities	
4)	Equity	
	(a) Equity share capital	1,825.10
	(b) Other equity	16,717.39
	(c) Non-controlling interest	(12.95)
	Total equity	18,529.54
5)	Liabilities	
A)	Non-current liabilities	
	(a) Financial liabilities	
	(i) Borrowings	13,951.64
	(ii) Other financial liabilities	555.53
	(b) Provisions	732.70
	(c) Deferred tax liabilities (net)	1,316.30
	(c) Government grants	241.35
	Total non-current liabilities	16,797.52
B)	Current liabilities	
	(a) Financial liabilities	
	(i) Borrowings	3,712.56
	(ii) Trade payables	3,040.58
	(iii) Other financial liabilities	8,922.15
	(b) Other current liabilities	1,822.24
	(c) Provisions	147.45
	(d) Current tax liability	705.09
	Total current liabilities	18,350.07
	Total liabilities	35,147.59
	Total Equity and Liabilities	53,677.13



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Standalone Balance Sheet as at 30 June 2017

₹ in million, except as stated otherwise

S.No	Particulars	As at 30 June 2017
	Assets	
1)	Non-current assets	
	(a) Property, plant and equipment	28,632.21
	(b) Capital work in progress	482.49
	(c) Intangible assets	3,556.49
	(d) Investment in subsidiaries and associates	6,271.89
	(e) Financial assets	
	(i) Investments	0.03
	(ii) Loans	5,235.60
	(iii) Others	8.87
	(f) Other non-current assets	323.97
	Total non-current assets	44,511.55
2)	Current assets	
	(a) Inventories	3,585.44
	(b) Financial assets	
	(i) Investments	0.01
	(ii) Trade receivables	1,586.75
	(iii) Cash and cash equivalents	641.09
	(iv) Bank balances other than (iii) above	0.06
	(v) Others	639.83
	(c) Other current assets	1,973.53
	Total current assets	8,426.71
3)	Assets held for sale	359.32
	Total assets	53,297.58
	Equity and liabilities	
4)	Equity	
	(a) Equity share capital	1,825.10
	(b) Other equity	21,911.11
	Total equity	23,736.21
5)	Liabilities	
A)	Non-current liabilities	
	(a) Financial liabilities	
	(i) Borrowings	13,441.98
	(ii) Other financial liabilities	422.50
	(b) Provisions	659.25
	(c) Deferred tax liabilities (net)	1,316.30
	(d) Government grants	241.35
	Total non-current liabilities	16,081.38
B)	Current liabilities	
	(a) Financial liabilities	
	(i) Borrowings	2,052.08
	(ii) Trade payables	1,639.83
	(iii) Other financial liabilities	7,466.06
	(b) Other current liabilities	1,487.68
	(c) Provisions	139.90
	(d) Current tax liability	694.44
	Total current liabilities	13,479.99
	Total liabilities	29,561.37
	Total Equity and liabilities	53,297.58



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Statement of consolidated unaudited financial results for the quarter and half year ended on 30 June 2017

₹ in million, except as stated otherwise

Particulars	Three months ended on	Three months ended on	Three months ended on	Year to date	Year to date
	30 June 2017	31 March 2017	30 June 2016	30 June 2017	30 June 2016
	(Unaudited)	(Unaudited)	(See note 4)	(Unaudited)	(See note 4)
1. Income from operations					
(a) Gross sales/income from operations	19,269.17	10,462.43	19,701.46	29,731.60	29,972.06
(b) Other operating income	70.90	46.44	79.88	117.34	136.17
(c) Other income	46.71	135.32	62.59	182.03	110.74
Total income from operations	19,386.78	10,644.19	19,843.93	30,030.97	30,218.97
2. Expenses					
(a) Cost of materials consumed	7,302.34	4,763.89	7,007.62	12,066.23	12,041.15
(b) Purchases of stock-in-trade	110.68	70.19	344.78	180.87	683.68
(c) Changes in inventories of finished goods, stock-in-trade and work-in-progress	416.51	(833.02)	406.18	(416.51)	(746.11)
(d) Excise duty	3,006.12	1,716.90	3,176.68	4,723.02	4,813.37
(e) Employee benefits expense	1,171.18	1,099.98	1,120.46	2,271.16	2,092.74
(f) Finance costs	513.37	566.11	1,113.59	1,079.48	2,204.08
(g) Depreciation and amortisation expense	907.04	800.81	768.66	1,707.85	1,543.16
(h) Other expenses	2,528.24	2,318.57	3,069.18	4,846.81	5,372.33
Total expenses	15,955.48	10,503.43	17,007.15	26,458.91	28,004.40
3. Profit before tax and share of profit in associate (1-2)	3,431.30	140.76	2,836.78	3,572.06	2,214.57
4. Share of profit in associate	5.78	2.15	11.73	7.93	15.63
5. Profit before tax (3+4)	3,437.08	142.91	2,848.51	3,579.99	2,230.20
6. Tax expense:					
(a) Current tax	743.91	95.18	714.67	839.09	733.70
(b) Deferred tax	237.33	(21.21)	109.51	216.12	29.26
Total tax expense	981.24	73.97	824.18	1,055.21	762.96
7. Net profit for the period (5-6)	2,455.84	68.94	2,024.33	2,524.78	1,467.24
8. Other comprehensive income					
A Items that will not be reclassified to profit or loss	(7.96)	(23.43)	20.93	(31.39)	(14.45)
B Income tax relating to items that will not be reclassified to profit or loss	3.55	8.11	(5.41)	11.66	6.84
C Items that will be reclassified to profit or loss	-	-	-	-	-
D Income tax relating to items that will be reclassified to profit or loss	-	-	-	-	-
Total other comprehensive income	(4.41)	(15.32)	15.52	(19.73)	(7.61)
9. Total comprehensive income for the period (including non-controlling interest) (7+8)	2,451.43	53.62	2,039.85	2,505.05	1,459.63
10. Net profit attributable to:					
A Owners	2,456.09	45.08	2,030.79	2,501.17	1,512.93
B Non-controlling interest	(0.25)	23.86	(6.46)	23.61	(45.69)
11. Other comprehensive income attributable to:					
A Owners	(4.41)	(15.32)	15.52	(19.73)	(7.61)
B Non-controlling interest	-	-	-	-	-
12. Total comprehensive income attributable to:					
A Owners	2,451.68	29.76	2,046.31	2,481.44	1,505.32
B Non-controlling interest	(0.25)	23.86	(6.46)	23.61	(45.69)
13. Paid-up equity share capital (face value of ₹ 10 each)	1,825.10	1,824.12	1,356.70	1,825.10	1,356.70
14. Earnings per share (of ₹ 10/- each) (not annualised):					
(a) Basic	13.46	0.25	14.97	13.71	11.23
(b) Diluted	13.45	0.25	14.92	13.70	11.21
See accompanying notes					



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Statement of standalone unaudited financial results for the quarter and half year ended on 30 June 2017

₹ in million, except as stated otherwise

Particulars	Three months ended on 30 June 2017 (Unaudited)	Three months ended on 31 March 2017 (Unaudited)	Three months ended on 30 June 2016 (See note 4)	Year to date 30 June 2017 (Unaudited)	Year to date 30 June 2016 (See note 4)
1. Income from operations					
(a) Gross sales/income from operations	16,229.10	8,426.70	17,000.03	24,655.80	25,290.59
(b) Other operating income	172.59	91.37	155.48	263.96	251.72
(c) Other income	63.48	94.13	91.07	157.61	155.71
Total income from operations	16,465.17	8,612.20	17,246.58	25,077.37	25,698.02
2. Expenses					
(a) Cost of materials consumed	6,101.90	3,935.11	6,013.16	10,037.01	10,235.62
(b) Purchases of stock-in-trade	73.03	64.50	353.95	137.53	660.86
(c) Changes in inventories of finished goods, stock-in-trade and work-in-progress	520.59	(830.71)	428.67	(310.12)	(663.73)
(d) Excise duty	2,741.39	1,539.68	2,948.47	4,281.07	4,429.36
(e) Employee benefits expense	832.46	750.60	760.88	1,583.06	1,422.03
(f) Finance costs	452.26	463.51	986.39	915.77	1,990.06
(g) Depreciation and amortisation expense	729.72	617.16	673.05	1,346.88	1,264.19
(h) Other expenses	1,805.83	1,741.81	2,276.57	3,547.64	3,915.53
Total expenses	13,257.18	8,281.66	14,441.14	21,538.84	23,253.92
3. Profit before tax (1-2)	3,207.99	330.54	2,805.44	3,538.53	2,444.10
4. Tax expense:					
(a) Current tax	704.22	83.90	689.84	788.12	689.84
(b) Deferred tax	226.65	(21.58)	63.76	205.07	(16.43)
Total tax expense	930.87	62.32	753.60	993.19	673.41
5. Net profit for the period (3-4)	2,277.12	268.22	2,051.84	2,545.34	1,770.69
6. Other comprehensive income					
A Items that will not be reclassified to profit or loss	(10.26)	(23.43)	15.62	(33.69)	(19.76)
B Income tax relating to items that will not be reclassified to profit or loss	3.55	8.11	(5.41)	11.66	6.84
C Items that will be reclassified to profit or loss	-	-	-	-	-
D Income tax relating to items that will be reclassified to profit or loss	-	-	-	-	-
Total other comprehensive loss	(6.71)	(15.32)	10.21	(22.03)	(12.92)
7. Total comprehensive income for the period (5+6)	2,270.41	252.90	2,062.05	2,523.31	1,757.77
8. Paid-up equity share capital (face value of ₹ 10 each)	1,825.10	1,824.12	1,356.70	1,825.10	1,356.70
9. Earnings per share (of ₹ 10/- each) (not annualised):					
(a) Basic	12.48	1.47	15.12	13.95	13.14
(b) Diluted	12.47	1.47	15.07	13.94	13.12
See accompanying notes					



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Notes:

1. These standalone and consolidated unaudited financial results for the quarter and half year ended 30 June 2017, have been reviewed by the Audit Committee and approved by the Board of Directors at their respective meetings held on 09 August 2017.

2. The business activities of Varun Beverages Limited ("the Company") and its subsidiaries and associates (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. As part of secondary reporting for geographical segments, the Group operates in two principal geographical areas of the world, 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.

3. This statement of unaudited standalone and consolidated financial results for the quarter and half year ended 30 June 2017 is in compliance with Indian Accounting Standards ("Ind AS") as notified under the Companies (Indian Accounting Standards) Rules, 2015 and specified in Section 133 of the Companies Act, 2013 read with SEBI Circulars 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. Pursuant to exemption available as per aforesaid circulars, results and Balance Sheet for the year ended 31 December 2016 have not been furnished. However the results for the comparative periods presented have been restated to comply with Ind AS to make them comparable.

4. The statutory auditors have carried out limited review of the unaudited standalone and consolidated financial results for the quarter and half year ended 30 June 2017. The equity shares of the Company were listed on Bombay Stock Exchange and National Stock Exchange with effect from 08 November 2016. Accordingly, the Ind AS compliant standalone and consolidated financial results, pertaining to the quarter and half year ended 30 June 2016 presented have not been subjected to limited review or audit. However, the management has exercised necessary due diligence to ensure that these standalone and consolidated financial results provide a true and fair view of its affairs.

5. The reconciliation of net profit as per erstwhile Indian GAAP (referred to as 'Previous GAAP') and the total comprehensive income as per Ind AS is as per the table below:

Particulars	₹ in million, except as stated otherwise			
	Profit reconciliation			
	Consolidated		Standalone	
	Year to date	Three months ended on	Year to date	Three months ended on
	30 June 2016	30 June 2016	30 June 2016	30 June 2016
Net profit after tax as per Previous GAAP	2,101.61	2,275.83	2,276.43	2,272.11
Effects of transition to Ind AS:				
Effects of measuring financial instruments at fair value through profit and loss	(718.50)	(360.08)	(718.50)	(360.08)
Effects of change in method of recognising grants	(67.69)	(59.01)	(35.91)	(30.44)
Effects of measurement of financial assets at fair value through profit and loss and at amortised cost	-	0.12	10.97	5.84
Actuarial loss/(gain) on employee defined benefit plan recognised in other comprehensive income	14.82	(20.56)	19.77	(15.61)
Fair valuation of employee stock options	(0.05)	-	(0.05)	-
Fair valuation impact of deferred payments for business acquisition	(259.62)	(113.31)	(259.62)	(113.31)
Effect of accounting of transaction costs on borrowings as per effective interest rate	(3.40)	(1.86)	(1.38)	(0.83)
Expected credit losses on financial assets	(19.06)	(6.74)	(10.64)	(3.23)
Other impacts	136.55	110.19	221.97	111.39
Deferred tax impact	282.58	199.75	267.65	186.00
Net profit after tax under Ind AS	1,467.24	2,024.33	1,770.69	2,051.84
Other Comprehensive Income/(expense) (net of taxes)	(7.61)	15.52	(12.92)	10.21
Total Comprehensive Income under Ind AS as reported	1,459.63	2,039.85	1,757.77	2,062.05

6. The paid up capital of the Company has been increased by ₹ 0.98 million (quarter ended 31 March 2017 ₹ 0.99 million) by way of allotment of 98,200 (previous quarter 99,400) equity shares of ₹ 10 each, pursuant to exercise of stock options by employees.

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

8. During the previous quarter ended 31 March 2017, the Company issued 3,000 Secured, Rated, Listed, Redeemable, Non-Convertible Debentures ("NCDs") of face value of ₹ 1 million each equally to Kotak Mahindra Bank Limited and RBL Bank Limited. The proceeds of these securities have been fully utilised in accordance with the terms of the respective agreement.

9. During the previous quarter ended 31 March 2017, the Company acquired thirty percent additional equity from minority shareholders in Varun Beverages (Zambia) Limited for a consideration of ₹ 719.16 million, thereby increasing its controlling stake to 90%.

10. During the previous quarter ended 31 March 2017, the Company sold forty one percent quota capital of Varun Beverages Mozambique Limitada ("VBML") for a consideration of ₹ 0.11 million thereby decreasing the stake to 10%.

11. During the quarter ended 30 June 2017, the Company started commercial production at its newly commissioned manufacturing facility at Sandila, District Hardoi, Uttar Pradesh on 03 May 2017.

12. The Board of Directors of the Company approved the interim dividend of ₹ 2.50 per share in their meeting held on 09 August 2017.

13. Comparative amounts of the previous period have been regrouped and / or reclassified to make them comparable wherever necessary.

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

Raj P. Gandhi
Whole Time Director

Place : Gurugram
Dated : 09 August 2017



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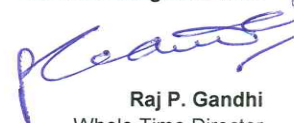
Information pursuant to requirement of Regulation 52(4) and Regulation 54(2) of the Securities exchange Board of India (Listing Obligations and Disclosure Requirements Regulation 2015) for period ended 30 June 2017:

₹ in million, except as stated otherwise

Particulars	3,000 Secured Rated, Listed, Redeemable NCDs of ₹ 1,000,000 each
a) Credit rating	Crisil AA-/Stable from Crisil A+ (positive)
b) Assets cover	Not less than 1.30 times
c) Debt-equity ratio	0.76
d) Previous due date for the payment of interest/ repayment of principal of non-convertible debt securities and whether the same has been paid or not;	31 July 2017, no repayment of principal due and the interest is duly paid
e) Next due date for the payment of interest/ principal along with the amount of interest payable and the redemption amount;	Interest is payable monthly and next due date on 31 August 2017. The amount of interest payable is ₹ 9.81 million. First redemption/repayment of principal (10%) i.e. ₹ 150 million on 30 June 2019.
f) Debt service coverage ratio (DSCR) (No of times)	1.40
g) Interest service coverage ratio (ISCR) (No of times)	6.33
h) Debenture redemption reserve	63.77
i) Net worth	23,736.21
j) Net profit after tax	2,545.34
k) Earnings per share (EPS) (annualized) ₹	
Basic	13.95
Diluted	13.94
l) Security on outstanding debenture of ₹ 3,000 million (face value of NCDs)	Pari passu charge on the fixed asset providing a security cover of 1.3 x

Note: Debt service coverage ratio has been calculated as (Profit after tax but before interest and depreciation) / (Interest + current maturities of long-term debts), Interest service coverage ratio has been calculated as (Profit before interest, depreciation and tax) / (interest) and Debt equity ratio has been calculated for 30 June 2017 as (Total borrowings excluding deferred consideration for business acquisition) / (Equity) and for 30 June 2016 as (Total borrowings excluding deferred consideration for business acquisition and compulsorily convertible debentures) / (Equity includes compulsorily convertible debentures). The ratios have been calculated on the basis of Ind AS financials of the Company and are therefore recomputed for the half year ended 30 June 2016.

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


Raj P. Gandhi
Whole Time Director

Place : Gurugram
Dated : 09 August 2017

Independent Auditors' Review Report on Consolidated Quarterly Financial Results and Year to Date Results of the Company Pursuant to the Regulation 33 and Regulation 52 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 June 2017 and the consolidated year to date results for the period 1 January 2017 to 30 June 2017, being submitted by the Company pursuant to the requirements of Regulation 33 and Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Attention is drawn to the fact that the figures for the corresponding quarter ended 30 June 2016 and the corresponding year to date period from 1 January 2016 to 30 June 2016, including the reconciliation of net profit under Ind AS of the said periods with net profit reported under previous GAAP, as included in the Statement, have been approved by the Company's Board of Directors but have not been subject to limited review or audit. 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 and Regulation 52 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.

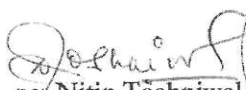



Independent Auditor's Review Report on Consolidated Quarterly Financial Results and Year to Date Results of the Company Pursuant to the Regulation 33 and Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Cont'd)

4. We did not review the financial results of seven subsidiaries included in the Statement whose financial results reflect total revenues of ₹ 3,231.42 million and ₹ 5,581.28 million for the quarter and period ended 30 June 2017 respectively, net profit (including other comprehensive income) of ₹ 158.49 million and ₹ 29.40 million for the quarter and period ended 30 June 2017 respectively, total assets of ₹ 12,090.10 million and net assets of ₹ 869.04 million as at period ended 30 June 2017. The Statement also includes the Group's share of net profit (including other comprehensive income) of ₹ 5.78 million and ₹ 7.93 million for the quarter and period ended 30 June 2017 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.

Walker Chandniok & Associates

For Walker Chandniok & Associates
Chartered Accountants
Firm Registration No: 001329N

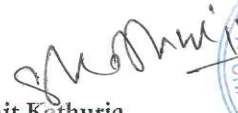

per Nitin Toshniwal
Partner
Membership No. 507568




Place: Gurugram
Date: 9 August 2017

L-41 Connaught Place,
New Delhi 110 001

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


per Sumit Kathuria
Partner
Membership No. 520078



Place: Gurugram
Date: 9 August 2017

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 and Regulation 52 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 (w.e.f. 01 January 2016)
6. Varun Beverages (Mozambique) Limitada (w.e.f. 01 January 2016 till 2 March 2017)
7. Varun Beverages (Zimbabwe) (Private) Limited (w.e.f. 05 April 2016)

Associates

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



Independent Auditors' Review Report on Standalone Quarterly Financial Results and Year to Date Results of the Company Pursuant to the Regulation 33 and Regulation 52 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 June 2017 and the year to date results for the period 1 January 2017 to 30 June 2017, being submitted by the Company pursuant to the requirements of Regulation 33 and Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Attention is drawn to the fact that the figures for the corresponding quarter ended 30 June 2016 and the corresponding year to date period from 1 January 2016 to 30 June 2016, including the reconciliation of net profit under Ind AS of the said periods with net profit reported under the previous GAAP, as included in the Statement, have been approved by the Company's Board of Directors but have not been subject to limited review or audit. 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 and Regulation 52 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.

Walker Chandniok & Associates
For Walker Chandniok & Associates
Chartered Accountants
Firm Registration No: 001329N

Nitin Toshniwal
per Nitin Toshniwal
Partner
Membership No. 507568



Place: Gurugram
Date: 9 August 2017

L-41 Connaught Place,
New Delhi 110 001

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

Sumit Kathuria
per Sumit Kathuria
Partner
Membership No. 520078



Place: Gurugram
Date: 9 August 2017

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



ATSL/DEL/2017-18/732
August 09, 2017

Varun Beverages Limited
Plot No. 31, Institutional Area,
Sector-44, Gurgaon- 122002

Sub: Letter of Debenture Trustee pursuant to Regulation 52 (5) of the SEBI (Listing Obligations and Disclosure Requirements) 2015)

Dear Sir/Madam,

This has reference to the Privately Placed, Secured, Redeemable, Non- Convertible Debentures issued by Varun Beverages Limited ("Company") and listed on the National Stock Exchange of India Limited ("Listed Debt Securities").

Pursuant to Regulation 52(4) read with Regulation 52 (5) of the SEBI (Listing Obligations and Disclosure Requirements) 2015, the Company is required to submit its half yearly/annual financial results to the Stock Exchange, with a letter of the Debenture Trustee (Axis Trustee Services Limited) that the Debenture Trustee has noted the contents furnished by the Company as per Regulation 52(4).

In pursuance thereof, we hereby confirm that we have received the said aforesaid information vide your letter dated August 09, 2017 (enclosed herewith), along with the relevant/necessary supporting and we have noted the contents in respect of the Listed Debt Securities issued by the Company.

Further please note that we have not independently verified the contents submitted vide your above letter and the aforesaid noting is subject to the following:

1. The Debenture Trustee is relying on the information/ status as submitted by the Company for the purpose of submission to the Stock Exchange; without reconfirming; &
2. Any commitment pertaining to the Interest/ Principal payable on the future due dates are sole commitment on the Company's part and Trustee is not liable in any manner if Company fails to fulfil/ does not fulfil its commitment.

Thanking You,

Yours Faithfully
For **Axis Trustee Services Limited**
(Debenture Trustee)


Naveen Kumar
Assistant General Manager
PE
Encl: As Stated



VARUN BEVERAGES LIMITED



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.rjcorp.in
 CIN No. : L74899DL1995PLC069839

To,

August 9, 2017

**Axis Trustee Services Limited/
National Stock Exchange of India Ltd.**

Subject: Furnishing of Information for the Half Year ended June 30, 2017 in terms of Regulation 52 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

Dear Sir/ Madam,

Pursuant to the applicable Regulations of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, we do hereby furnish the information for the half year ended June 30, 2017, in the below format:-

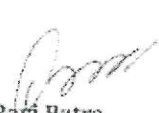
₹ in Millions, except as stated otherwise

Particulars	3000 Secured, Rated, Listed, Redeemable NCD's of Rs. 1000,000/- each having ISIN INE200M07044
(a) Credit rating and change in credit rating (if any);	CRISIL AA-/Stable from Crisil A+ (positive)
(b) Asset cover available, in case of non-convertible debt securities;	Not less than 1.30 times
(c) Debt-equity ratio (No. of times);	0.76
(d) Previous due date for the payment of interest/repayment of principal of non-convertible debt securities and whether the same has been paid or not;	31 st July 2017, no repayment of principal due and the interest is duly paid
(e) Next due date for the payment of interest/principal along with the amount of interest payable and the redemption amount;	Interest is payable monthly and next due date on 31 August 2017. The amount of interest payable is ₹9.81 million. First redemption/repayment of principal (10%) i.e. ₹150 million on 30 June 2019.
(f) Debt service coverage ratio (DSCR) (No of times)	1.40
(g) Interest service coverage ratio (ISCR) (No of times);	6.33
(h) Capital redemption reserve/Debenture redemption reserve;	63.77
(i) Net worth;	23,736.21
(j) Net profit after tax;	2,545.34
(k) Earnings per share (EPS) (annualized)	Basic: 13.95 Diluted: 13.94

Please take the same on your records and acknowledge the receipt.


Yours faithfully,

For Varun Beverages Ltd.


Ravi Batra
 Chief Risk Officer &
 Group Company Secretary



Countersigned by
For Axis Trustee Services Limited


 (Authorized Signatory)



Regd. Office : F-2/7, Okhla Industrial Area Phase-1, New Delhi - 110 020
 Tel. : 011-41706720-25 Fax. 26813665



VARUN BEVERAGES LIMITED



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.rjcorp.in
CIN No. : L74899DL1995PLC069839

August 9, 2017

To,

<p>BSE Limited Corporate Relationship Department, 1st Floor, New Trading Ring, Rotunda Building, P J Towers, Dalal Street, Fort, Mumbai – 400 001 022-2272 3121, 2037, 2061 corp.relations@bseindia.com</p> <p>Security Code No. 540180</p>	<p>National Stock Exchange of India Ltd. Exchange Plaza, 5th floor, Plot No. C/1, G Block, Bandra Kurla Complex, Bandra (E), Mumbai – 400 051 # 022-2659 8237, 8238, 8347, 8348 cmllist@nse.co.in</p> <p>Symbol : VBL Series : EQ</p>
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Sub: Declaration under Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

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Dear Sir/Madam,

Pursuant to Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and SEBI Circular no. CIR/CFD/CMD/56/2016 dated May 27, 2016, we hereby declare that Limited Review Report on the Unaudited Financial Results for the period ended June 30, 2017 issued by M/s. APAS & Co., Chartered Accountants and M/s. Walker Chandiok & Associates, Chartered Accountants, Joint Statutory Auditors of the Company, is WITH UNMODIFIED OPINION.

You are requested to take the above on record.

Yours faithfully,

For Varun Beverages Limited


Ravi Batra
Chief Risk Officer &
Group Company Secretary

