



Varun Beverages Limited

Registered Office: F-2/7, Okhla Industrial Area, Phase I, New Delhi-110 020; Tel: +91 11 41706720

Corporate Office: Plot No. 31, Institutional Area, Sector – 44, Gurugram-122 002

Tel: +91 124 4643100; Fax: +91 124 4643303

E-mail: complianceofficer@rjcorp.in; **Website:** www.varunpepsi.com

Corporate Identity Number: L74899DL1995PLC069839

NOTICE

Notice is hereby given that 25th (Twenty Fifth) Annual General Meeting ('AGM') of Varun Beverages Limited ('the Company') will be held on Friday, June 26, 2020 at 11:00 A.M. IST through Video Conferencing ('VC') / Other Audio Visual Means ('OAVM') facility, to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Standalone Financial Statements of the Company together with the report of Board of Directors and Auditors' thereon and the Audited Consolidated Financial Statements of the Company including Auditors' Report thereon for the Financial Year ended December 31, 2019.
2. To appoint Mr. Kapil Agarwal (DIN: 02079161), who retires by rotation and being eligible, offers himself for re-appointment as a Director.

SPECIAL BUSINESS:

3. To re-appoint Mr. Varun Jaipuria (DIN: 02465412) as a Whole-time Director of the Company and in this regard, to consider and if thought fit, to pass the following resolution as an **Ordinary Resolution**:

"RESOLVED THAT pursuant to the provisions of Sections 196 and 197 read with Schedule V and other applicable provisions of the Companies Act, 2013 ('the Act') read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) and the Articles of Association of the Company, approval of the Members be and is hereby accorded to re-appoint Mr. Varun Jaipuria (DIN: 02465412) as a Whole-time Director of the Company for a further period of up to 5 (Five) years with effect from November 1, 2019, liable to retire by rotation, on such terms and conditions including remuneration as set out in the explanatory statement annexed to this Notice.

RESOLVED FURTHER THAT the Board of Directors of the Company or any Committee of the Board ('the Board') be and is hereby authorized to increase, alter, vary and modify the said terms of remuneration payable as per the provisions of the Act.

RESOLVED FURTHER THAT the Board be and is hereby authorized to do all such acts, deeds and things and to sign all such documents and writings as may be necessary to give effect to this resolution and for matters connected therewith or incidental thereto."

4. To re-appoint Mr. Raj Gandhi (DIN: 00003649) as a Whole-time Director of the Company and in this regard, to consider and if thought fit, to pass the following resolution as an **Ordinary Resolution**:

"RESOLVED THAT pursuant to the provisions of Sections 196 and 197 read with Schedule V and other applicable provisions of the Companies Act, 2013 ('the Act') read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) and the Articles of Association of the Company, approval of the Members be and is hereby accorded to re-appoint Mr. Raj Gandhi (DIN: 00003649) as a Whole-time Director of the Company for a further period of up to 5 (Five) years with effect from November 1, 2019, liable to retire by rotation, on such terms and conditions including remuneration as set out in the explanatory statement annexed to this Notice.

RESOLVED FURTHER THAT the Board of Directors of the Company or any Committee of the Board ('the Board') be and is hereby authorized to increase, alter, vary and modify the said terms of remuneration payable as per the provisions of the Act.

RESOLVED FURTHER THAT the Board be and is hereby authorized to do all such acts, deeds and things and to sign all such documents and writings as may be necessary to give effect to this resolution and for matters connected therewith or incidental thereto."

5. To appoint Mr. Rajinder Jeet Singh Bagga (DIN: 08440479) as a Whole-time Director of the Company and in this regard, to consider and if thought fit, to pass the following resolution as an **Ordinary Resolution**:

“RESOLVED THAT pursuant to the provisions of Sections 152, 161 and other applicable provisions of the Companies Act, 2013 (‘the Act’) and Rules made thereunder (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) and the Articles of Association of the Company, Mr. Rajinder Jeet Singh Bagga (DIN: 08440479) who was appointed as an Additional Director by the Board of Directors with effect from May 2, 2019, and who holds office up to the date of this Annual General Meeting be and is hereby appointed as a Director of the Company, liable to retire by rotation.

RESOLVED FURTHER THAT pursuant to the provisions of Sections 196 and 197 read with Schedule V and other applicable provisions of the Act read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) and the Articles of Association of the Company, approval of the Members be and is hereby accorded to appoint Mr. Rajinder Jeet Singh Bagga (DIN: 08440479) as a Whole-time Director of the Company for a period of up to 5 (Five) years with effect from May 2, 2019, liable to retire by rotation, on such terms and conditions including remuneration as set out in the explanatory statement annexed to this Notice.

RESOLVED FURTHER THAT the Board of Directors of the Company or any Committee of the Board (‘the Board’) be and is hereby authorized to increase, alter, vary and modify the said terms of remuneration payable as per the provisions of the Act.

RESOLVED FURTHER THAT the Board be and is hereby authorized to do all such acts, deeds and things and to sign all such documents and writings as may be necessary to give effect to this resolution and for matters connected therewith or incidental thereto.”

6. To approve payment of profit related commission to Non-executive Directors of the Company and in this regard, to consider and if thought fit, to pass the following resolution as a **Special Resolution**:

“RESOLVED THAT pursuant to the provisions of Sections 197, 198 and other applicable provisions of the Companies Act, 2013 (‘the Act’) and Rules made thereunder and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) and the Articles of Association of the Company, approval of the Members be and is hereby accorded for payment of profit related commission to the Non-executive Directors of the Company (i.e. Directors other than the Managing Director or Whole-time Directors) for the Financial Year ending December 31, 2020, to be determined by the Board of Directors of the Company or any Committee of the Board (‘the Board’) for each of such Non-executive Director and to be distributed among such Non-executive Directors in such a manner as the Board may determine (including payment of profit related commission to any individual Non-executive Director exceeding 50% of the total annual profit related commission payable to Non-executive Directors), up to the limit of 0.5% (taken together for all the Non-executive Directors) of the Net Profit of the Company for the Financial Year ending December 31, 2020, as computed in the manner laid down in Section 198 of the Act.

RESOLVED FURTHER THAT the Board be and is hereby authorized to do all such acts, deeds and things and to sign all such documents and writings as may be necessary to give effect to this resolution and for matters connected therewith or incidental thereto.”

By Order of the Board
For **Varun Beverages Limited**

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

Place: Gurugram
Date: June 1, 2020

Address: F-2/7, Okhla Industrial Area,
Phase – I, New Delhi - 110 020

NOTES:

1. The Register of Members and Share Transfer Books of the Company will remain closed from Friday, June 19, 2020 to Friday, June 26, 2020 (both days inclusive) for the purpose of 25th Annual General Meeting ('AGM').
2. Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 ('the Act'), which sets out details relating to Special Business (being considered unavoidable by the Board of Directors) at the meeting, is attached with this Notice of AGM.
3. In view of the continuing Covid-19 pandemic, the Ministry of Corporate Affairs ('MCA') has vide its General Circular Nos. 14/2020, 17/2020 and 20/2020 dated April 8, 2020, April 13, 2020 and May 5, 2020 respectively ('MCA Circulars') permitted the holding of the AGM through Video Conferencing ('VC') / Other Audio Visual Means ('OAVM') facility without the physical presence of the Members at a common venue. In compliance with the provisions of the Act, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI LODR Regulations') and MCA Circulars, the 25th AGM of the Company is being held through VC/OAVM facility.

The Deemed Venue for the 25th AGM shall be the Registered office of the Company.

4. The AGM is being held pursuant to the MCA Circulars through VC / OAVM facility, therefore physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for the AGM and hence, the Proxy Form and Attendance Slip are not annexed to this Notice.

However, Corporate Members intending to authorize their representatives to attend & vote at the AGM through VC / OAVM facility on its behalf are requested to send duly certified copy of the relevant Board resolution to the Company.

5. Members attending the AGM through VC / OAVM facility shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.
6. In terms of Section 152 of the Act, Mr. Kapil Agarwal, Director (designated as Whole-time Director & Chief Executive Officer), retires by rotation at the AGM and being eligible, offers himself for re-appointment. The Nomination and Remuneration Committee and the Board of Directors of the Company recommend his re-appointment.
7. Details of Directors seeking appointment / re-appointment in AGM pursuant to Secretarial Standard on General Meetings (SS-2) and Regulation 36(3) of the SEBI LODR Regulations are also attached as an Annexure with this Notice of AGM.
8. All documents referred to in the accompanying Notice and the Explanatory Statement are available on website of the Company for inspection by the Members up to the date of AGM.

9. During the AGM, Members may access the scanned copy of Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of the Act, the Register of Contracts or arrangements in which Directors are interested under Section 189 of the Act and Certificate from Statutory Auditors of the Company certifying that Varun Beverages Limited Employee Stock Option Scheme 2016 of the Company is being implemented in accordance with the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 and in accordance with the resolution of the Members of the Company which will be available on website of the Company.
10. Pursuant to Sections 101 and 136 of the Act read with relevant Rules made thereunder, companies can serve Annual Reports and other communications through electronic mode to those Members who have registered their e-mail address either with the Company or with the Depository Participants ('DP'). Members who have not registered their e-mail address with the Company can now register the same by sending an email to Compliance Officer of the Company at complianceofficer@rjcorp.in and/or by sending a request to KFin Technologies Private Limited (formerly Karvy Fintech Private Limited), Registrar and Share Transfer Agent ('RTA') through email at einward.ris@kfintech.com or contact 1800-345-4001. Members holding Shares in demat form are requested to register their e-mail address with their DP only. The registered e-mail address will be used for sending future communications.
11. In compliance with the aforesaid MCA Circulars and SEBI Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated May 12, 2020, the Notice of AGM and Annual Report along with login details for joining the AGM through VC / OAVM facility including e-voting are being sent only through electronic mode to those Members whose e-mail address are registered with the Company or DP or RTA. Members may note that this Notice of AGM and Annual Report will also be available on Company's website (www.varunpepsi.com), Stock Exchange's website (www.bseindia.com and www.nseindia.com) and National Securities Depository Limited ('NSDL') website (www.evoting.nsdl.com).
12. The Notice of AGM and Annual Report will be sent to those Members / beneficial owners whose name will appear in the Register of Members / list of beneficiaries received from the Depositories as on Friday, May 29, 2020.
13. Members desiring any information/clarification on the accounts or any matter to be placed at the AGM are requested to write to the Company at complianceofficer@rjcorp.in at least seven days in advance to enable the management to keep information ready at the AGM. Members desiring to seek information/clarification during the AGM on the accounts or any matter to be placed at the AGM may ask through the chat box facility provided by NSDL.
14. Members are requested to note that KFin Technologies Private Limited, Selenium Tower B, Plot No. 31 & 32, Gachibowli Financial District, Nanakramguda, Hyderabad - 500 032, is the Registrar and Share Transfer Agent to manage the work related to shares held in physical and dematerialized form.

15. To prevent fraudulent transactions, Members are requested to exercise due diligence and immediately notify to the RTA any change in their address and/or bank mandate in respect of shares held in physical form and to their DPs in respect of shares held in the dematerialized form. Members are also advised not to leave their demat account(s) dormant for long. Periodic statement of holdings should be obtained from the concerned DP and holdings should be verified. The Securities and Exchange Board of India ('SEBI') has mandated the submission of Permanent Account Number ('PAN') by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their DPs with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN to the Company/ RTA.
16. SEBI vide its Circular No. SEBI/HO/MIRSD/DOPI/CIR/P/2018/73 dated April 20, 2018 has directed all the listed companies to update Bank Account details and PAN of the Members holding shares in physical form. It has been observed that many of the Members holding physical shares have not updated the said information. Therefore, such Members are requested to send the following documents to the Company's RTA:
 - i. Self-attested copy of PAN card including that of joint Members; and
 - ii. An original cancelled cheque of 1st Member (Name of 1st Member should be printed on cheque leaf). If name of 1st Member is not printed on cheque leaf, photocopy of passbook or bank statement duly attested by the banker along with cancelled cheque (Photocopy of cheque will not be accepted/entertained).
17. SEBI vide its notifications dated June 8, 2018 and November 30, 2018, mandated that securities of listed companies can be transferred only in dematerialized form w.e.f. April 1, 2019. Accordingly, the Company has stopped accepting any fresh lodgment of transfer of shares in physical form. In view of the above and to avail various benefits of dematerialization, Members are requested to dematerialize the shares held by them in physical form.
18. Members holding shares in single name and physical form are advised to make nomination in respect of their shareholding in the Company by submitting Form No. SH-13 in terms of Section 72 of the Act to the RTA. Members holding shares in electronic form may submit the same to their respective DP. The nomination form can be downloaded from the Company's website www.varunpepsi.com under the investor relations section. Members who require communication in physical form in addition to e-communication or have any other queries, may write to the RTA or Company at its Registered Office address.
19. Non-Resident Indian Members are requested to inform RTA, immediately of:
 - a. Change in their residential status on return to India for permanent settlement.
 - b. Particulars of their bank account maintained in India with complete name, branch, account number, account type and address of the Bank with pin code number.
20. In accordance with the provisions of Regulation 39(4) and Schedule VI of the SEBI LODR Regulations, the Company maintains a demat account namely 'Unclaimed Suspense Shares Demat Account - Varun Beverages Limited' with Karvy Stock Broking Limited and currently holds Nil shares in this account.
21. The Company has transferred the unpaid or unclaimed Interim Dividend to the "Unclaimed Dividend Account - Varun Beverages Limited" and uploaded the details of unpaid and unclaimed dividend amount lying in separate Bank Accounts (maintained with HDFC Bank Limited for the interim dividend declared in 2017, Yes Bank Limited for the interim dividend declared in 2018 and IndusInd Bank Limited for the interim dividend declared in 2019) on website of the Company at www.varunpepsi.com.

Members wishing to claim dividend that remain unclaimed are requested to correspond with the Registrar and Share Transfer Agent or to the Company at its registered office. Members are requested to note that dividend which remains unclaimed for a period of seven years from the date of transfer to the Company's unpaid dividend account and shares on which the dividend remains unclaimed for seven consecutive years will be transferred to the Investor Education and Protection Fund as per Section 124 of the Act and the applicable Rules.
22. To comply with the provisions of Section 108 of the Act and the Rules framed thereunder, Regulation 44 of the SEBI LODR Regulations, Secretarial Standard - 2 issued by the Institute of Company Secretaries of India and MCA Circulars, the Members are provided with the facility to cast their vote electronically through remote e-voting (prior to AGM) and e-voting (during the AGM) services provided by NSDL on all resolutions set forth in this Notice.

Only those Members who will be present in the AGM through VC / OAVM facility and have not cast their vote on the resolutions through remote e-voting and are otherwise not barred from doing so, shall be eligible to vote through e-voting system during the AGM.

The instructions for joining the AGM through VC / OAVM, remote e-voting and e-voting during the AGM are provided in the Notice of AGM under Note No. 23.

23. INSTRUCTIONS FOR E-VOTING AND JOINING THE AGM ARE AS FOLLOWS:

A. INSTRUCTIONS FOR REMOTE E-VOTING PRIOR TO THE AGM

- i. The remote e-voting period commences on Tuesday, June 23, 2020 (9:00 a.m. IST) and ends on Thursday, June 25, 2020 (5:00 p.m. IST). During this period, Members holding shares either in physical form or in dematerialized form as on Friday, June 19, 2020 i.e. cut-off date, may cast their vote electronically. A person, whose name appears in the Register of Members or in the Register of Beneficial Owners maintained by the Depositories as on the cut-off date, shall be entitled to avail the facility of remote e-voting.

The remote e-voting module shall be disabled by NSDL for voting thereafter.

- ii. The voting rights of Members shall be in proportion to their shares in the paid-up equity share capital of the Company as on the cut-off date. A person who is not a Member as on the cut-off date should treat this Notice for information purpose only.
- iii. Any person, who acquire shares and become Member of the Company after the date of electronic dispatch of the Notice and holding shares as on the cut-off date i.e. Friday, June 19, 2020, may obtain the login ID and password by sending a request at evoting@nsdl.co.in. However, if he/she is already registered with NSDL for remote e-voting then he/she can use his/her existing User ID and password to cast the vote.

- iv. The details of the process and manner for remote e-voting are explained herein below:

Step 1: Log-in to NSDL e-voting system at <https://www.evoting.nsdl.com/>

Step 2: Cast your vote electronically on NSDL e-voting system

Details on Step 1 are mentioned below:

How to Log-in to NSDL e-voting website?

- Visit the e-voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a personal computer or on a mobile.
- Once the home page of e-voting system is launched, click on the icon "Login" which is available under "Shareholders" section.
- A new screen will open. You will have to enter your User ID, your Password and a Verification Code as shown on the screen. Alternatively, if you are registered for NSDL e-services i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL e-services after using your log-in credentials, click on e-voting and you can proceed to Step 2 i.e. cast your vote electronically.

4. Your User ID details are given below:

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
A) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example, if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****
B) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example, if your Beneficiary ID is 12***** then your user ID is 12*****
C) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company For example, if EVEN is 123456 and folio number is 001*** then user ID is 123456001***

5. Your password details are given below:

- If you are already registered for e-voting, then you can use your existing password to login and cast your vote.
- If you are using NSDL e-voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you by NSDL. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
- How to retrieve your 'initial password'?
 - If your email ID is registered in your demat account or with the Company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL in your mailbox from evoting@nsdl.com. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
 - In case you have not registered your email address with the Company/ Depository, please follow instructions mentioned below in this Notice i.e. "Process for those Shareholders whose email address are not registered".

6. If you are unable to retrieve or have not received the 'initial password' or have forgotten your password:

- Click on "**Forgot User Details/Password?**" (If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.

- b) Click on “**Physical User Reset Password?**” (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.
 - c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/folio number, your PAN, your name and your registered address.
 - d) Members can also use the one-time password (OTP) based login to cast the votes on the e-Voting system of NSDL.
7. After entering your password, click on Agree to “Terms and Conditions” by selecting on the check box.
 8. Now, you will have to click on “Login” button.
 9. After you click on the “Login” button, Home page of e-voting will open.

Details on Step 2 are mentioned below:

How to cast your vote electronically on NSDL e-voting system?

1. After successful login at Step 1, you will be able to see the Home page of e-voting. Click on e-voting. Then, click on Active Voting Cycles.
2. After click on Active Voting Cycles, you will be able to see all the companies “EVEN” in which you are holding shares and whose voting cycle is in active status.
3. Select “EVEN” of the Company.
4. Now you are ready for e-voting as the Voting page opens.
5. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on “Submit” and also “Confirm” when prompted.
6. Upon confirmation, the message “Vote cast successfully” will be displayed.
7. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
8. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

General Guidelines for Shareholders

1. Institutional / Corporate Shareholders (i.e. other than individuals, HUF, NRI, etc.) are required to send a scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc., with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by email to sanjaygrover7@gmail.com with a copy marked to evoting@nsdl.co.in.

2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the “Forgot User Details/Password?” or “Physical User Reset Password?” option available on <https://www.evoting.nsdl.com> to reset the password.
3. In case of any query relating to remote e-voting you may refer the FAQs for Shareholders and e-voting user manual for Shareholders available at the download section of <https://www.evoting.nsdl.com> or call on toll free no. 1800-222-990 or send a request at evoting@nsdl.co.in.

In case of any grievance connected with facility for e-voting, please contact:

Ms. Pallavi Mhatre, Manager, NSDL,
4th Floor, ‘A’ Wing, Trade World, Kamala Mills Compound, Senapati Bapat Marg,
Lower Parel, Mumbai 400 013.
Email: evoting@nsdl.co.in/pallavid@nsdl.co.in
Tel: 91 22 2499 4545/ 1800-222-990

Process for those Shareholders whose email address are not registered with the Company / Depositories, for procuring user id and password and registration of e-mail address for e-voting for the resolutions set out in this Notice:

Physical Holding Send a request to KFin Technologies Private Limited (formerly Karvy Fintech Private Limited), Registrar and Share Transfer Agent at ris@kfintech.com providing your name, folio no., scanned copy of the share certificate (front and back), self-attested scanned copy of PAN card and self-attested scanned copy of Aadhar Card, for registering e-mail address.

Demat Holding Please contact your DP and register your e-mail address in your demat account, as per the process advised by your DP.

B. INSTRUCTIONS FOR E-VOTING DURING THE AGM

1. The procedure for e-voting during the AGM is same as the instructions mentioned above for remote e-voting.
2. Only those Members / Shareholders, who will be present in the AGM through VC/OAVM facility and have not cast their vote on the resolutions through remote e-voting and are otherwise not barred from doing so, shall be eligible to vote through e-voting system during the AGM.
3. The details of the person who may be contacted for any grievances connected with the facility for e-voting during the AGM shall be the same as mentioned above for remote e-voting.

C. INSTRUCTIONS FOR ATTENDING THE AGM THROUGH VC / OAVM

1. Members will be able to attend the AGM through VC / OAVM provided by NSDL at <https://www.evoting.nsdl.com> by using their remote e-voting login credentials and selecting the EVEN for Company's AGM.

Members who do not have the User ID and Password for e-voting or have forgotten the User ID and Password may retrieve the same by following the remote e-voting instructions mentioned in the Notice. Further, Members can also use the OTP based login for logging into the e-voting system of NSDL.

2. Facility of joining the AGM through VC / OAVM shall be available 30 minutes before and after the scheduled time of the commencement of AGM by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available for 3,000 Members on first come first served basis (except Shareholders holding 2% or more shareholding, Promoters, Institutional Investors, Directors, Key Managerial Personnel, Chairpersons of the Audit, Risk Management and Ethics Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis).
3. Members joining through Laptops / Mobile devices are recommended to use stable Wi-Fi or LAN connection for better experience.
4. Members who need assistance before or during the AGM, can contact NSDL on evoting@nsdl.co.in/ 1800-222-990 or contact Ms. Pallavi Mhatre, Manager-NSDL at pallavid@nsdl.co.in/ 022-24994545.

Other Instructions

1. The Board of Directors has appointed Mr. Devesh Kumar Vasisht (CP No. 13700), Partner or failing him Ms. Priyanka (CP No. 16187), Partner of M/s. Sanjay Grover & Associates, Company Secretaries, New Delhi as the Scrutinizer to scrutinize the e-voting during the AGM and remote e-voting process in a fair and transparent manner.
2. The Scrutinizer shall, immediately after the conclusion of e-voting at the AGM, first count the votes cast during the AGM, thereafter unblock the votes cast through remote e-voting and make, not later than 48 hours of conclusion of the AGM, a consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, to the Chairman or a person authorised by him in writing, who shall countersign the same.
3. The results of voting will be declared within 48 hours from the conclusion of the AGM i.e. on or before June 28, 2020 and the result declared along

with the Scrutinizer's Report shall be placed on the Company's website i.e. www.varunpepsi.com and on the website of NSDL <https://www.evoting.nsdl.com> immediately. The Company shall simultaneously forward the results to National Stock Exchange of India Limited and BSE Limited, where the shares of the Company are listed.

4. The resolutions, if passed by requisite majority, shall be deemed to have been passed on the date of the AGM i.e. June 26, 2020.
5. The above-mentioned date & time of 25th AGM to be convened through VC / OAVM facility, book closure and e-voting details be read and substituted at all places appearing in the Annual Report of the Company for the Financial Year ended December 31, 2019.

Explanatory Statement pursuant to Section 102 of the Companies Act, 2013

ITEM NO. 3

The Board of Directors at their meeting held on August 1, 2019 have (subject to the approval of Members) re-appointed Mr. Varun Jaipuria (DIN: 02465412) as a Whole-time Director of the Company for a further period of up to 5 (Five) years with effect from November 1, 2019 on such terms and conditions including remuneration as recommended by the Nomination and Remuneration Committee (the 'NRC') of the Board of Directors.

It is proposed to seek approval of the Members for the re-appointment of and remuneration payable to Mr. Varun Jaipuria, re-appointed as Whole-time Director of the Company, in terms of the applicable provisions of the Companies Act, 2013 ('the Act'). Broad particulars of the terms of re-appointment of and remuneration payable to Mr. Varun Jaipuria are as under:

a. Salary, Perquisites and Allowances:

(₹ per month)

Particulars	Amount (w.e.f 01.01.2020)
Basic Salary	36,00,000
Provident Fund (Employer's Contribution)	1,800
Total CTC	36,01,800*

*₹26,01,800 per month from the date of re-appointment i.e. 01.11.2019 till 31.12.2019.

- b. The Company's contribution to superannuation or annuity fund, gratuity payable and encashment of leave, as per the rules of the Company, shall be in addition to the remuneration under (a) above.
- c. Increment in salary, perquisites and allowances and remuneration based on net profit or by way of bonus / performance linked incentive payable to Mr. Varun Jaipuria, as recommended by NRC and approved by the Board, shall be in addition to the remuneration under (a) above. The said perquisites shall be evaluated, wherever applicable, as per the provisions of Income Tax Act, 1961 or any rules or any statutory modification(s) or re-enactment(s) thereof.

d. **Reimbursement of Expenses:**

Expenses incurred for travelling, boarding and lodging during business trips and provision of car(s) for use on Company's business and communication expenses shall be reimbursed at actuals and not considered as perquisites.

e. **General:**

- i. The Whole-time Director shall perform his duties in the interest of the Company.
- ii. The Whole-time Director shall act in accordance with the Articles of Association of the Company and shall abide by the provisions contained in the Act including related Rules and the provisions contained in the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ['SEBI (LODR) Regulations'].
- iii. The Whole-time Director shall adhere to the Code of Conduct of the Company and shall also comply with the other policies and laws applicable on the Company.

The above may be treated as a written memorandum setting out the terms of re-appointment of Mr. Varun Jaipuria pursuant to the provisions of Section 190 of the Act.

Mr. Varun Jaipuria satisfies all the conditions set out in Part-I of Schedule V to the Act and also conditions set out under sub-section (3) of Section 196 of the Act for being eligible for his re-appointment. He is not disqualified to act as Director in terms of Section 164 of the Act. He is not debarred from holding the office of Director by virtue of any SEBI order or any other such authority.

Details of Mr. Varun Jaipuria pursuant to the provisions of (i) SEBI (LODR) Regulations and (ii) Secretarial Standard on General Meetings ('SS-2') issued by the Institute of Company Secretaries of India are provided in the 'Annexure' to the Notice.

Mr. Varun Jaipuria is interested in resolution set out at Item No. 3 of the Notice with regard to his re-appointment. The relatives of Mr. Varun Jaipuria may be deemed to be interested in the resolution to the extent of their shareholding, if any, in the Company. Mr. Varun Jaipuria is son of Mr. Ravi Jaipuria, Non-executive Director and Chairman of the Company.

Save and except the above, none of the other Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution.

The Board of Directors of the Company recommends the resolution set out at Item No. 3 for approval of the Members as an Ordinary Resolution.

ITEM NO. 4

The Board of Directors at their meeting held on August 1, 2019 have (subject to the approval of Members) re-appointed Mr. Raj Gandhi (DIN: 00003649) as a Whole-time Director of the Company for a further period of up to 5 (Five) years with effect from November 1, 2019 on such terms and conditions including remuneration as recommended by the Nomination and Remuneration Committee (the 'NRC') of the Board of Directors.

It is proposed to seek approval of the Members for the re-appointment of and remuneration payable to Mr. Raj Gandhi, re-appointed as Whole-time Director of the Company, in terms of the applicable provisions of the Companies Act, 2013 ('the Act'). Broad particulars of the terms of re-appointment of and remuneration payable to Mr. Raj Gandhi are as under:

a. **Salary, Perquisites and Allowances:**

(₹ per month)

Particulars	Amount
Basic Salary	20,00,000
HRA	10,50,000
Provident Fund (Employer's Contribution)	2,40,000
Total CTC	32,90,000

- b. The Company's contribution to superannuation or annuity fund, gratuity payable and encashment of leave, as per the rules of the Company, shall be in addition to the remuneration under (a) above.
- c. Increment in salary, perquisites and allowances and remuneration based on net profit or by way of bonus / performance linked incentive payable to Mr. Raj Gandhi, as recommended by NRC and approved by the Board, shall be in addition to the remuneration under (a) above. The said perquisites shall be evaluated, wherever applicable, as per the provisions of Income Tax Act, 1961 or any rules or any statutory modification(s) or re-enactment(s) thereof.
- d. Employee stock options granted / to be granted to Mr. Raj Gandhi, from time to time, shall not be considered as a part of perquisites under (a) above and that the perquisite value of stock options exercised/ to be exercised shall be in addition to the remuneration under (a) above.
- e. **Reimbursement of Expenses:**

Expenses incurred for travelling, boarding and lodging during business trips and provision of car(s) for use on Company's business and communication expenses shall be reimbursed at actuals and not considered as perquisites.
- f. **General:**
 - i. The Whole-time Director shall perform his duties in the interest of the Company.
 - ii. The Whole-time Director shall act in accordance with the Articles of Association of the Company and

shall abide by the provisions contained in the Act including related Rules and the provisions contained in the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ['SEBI (LODR) Regulations'].

- iii. The Whole-time Director shall adhere to the Code of Conduct of the Company and shall also comply with the other policies and laws applicable on the Company.

The above may be treated as a written memorandum setting out the terms of re-appointment of Mr. Raj Gandhi pursuant to the provisions of Section 190 of the Act.

Mr. Raj Gandhi satisfies all the conditions set out in Part-I of Schedule V to the Act and also conditions set out under sub-section (3) of Section 196 of the Act for being eligible for his re-appointment. He is not disqualified to act as Director in terms of Section 164 of the Act. He is not debarred from holding the office of Director by virtue of any SEBI order or any other such authority.

Details of Mr. Raj Gandhi pursuant to the provisions of (i) SEBI (LODR) Regulations and (ii) Secretarial Standard on General Meetings ('SS-2') issued by the Institute of Company Secretaries of India are provided in the 'Annexure' to the Notice.

Mr. Raj Gandhi is interested in resolution set out at Item No. 4 of the Notice with regard to his re-appointment. The relatives of Mr. Raj Gandhi may be deemed to be interested in the resolution to the extent of their shareholding, if any, in the Company. Mr. Raj Gandhi is not related to any Director of the Company.

Save and except the above, none of the other Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution.

The Board of Directors of the Company recommends the resolution set out at Item No. 4 for approval of the Members as an Ordinary Resolution.

ITEM NO. 5

The Board of Directors at their meeting held on May 2, 2019 have appointed Mr. Rajinder Jeet Singh Bagga (DIN: 08440479) as an Additional Director (designated as Whole-time Director) of the Company, pursuant to the provisions of the Companies Act, 2013 ('the Act'), who shall hold office up to the date of this Annual General Meeting as recommended by the Nomination and Remuneration Committee (the 'NRC') of the Board of Directors.

Further, the Board of Directors at their meeting held on May 2, 2019 appointed Mr. Rajinder Jeet Singh Bagga (DIN: 08440479) as a Whole-time Director of the Company for a period of up to 5 (Five) years with effect from May 2, 2019, subject to the approval of Members at the Annual General

Meeting, on such terms and conditions including remuneration as recommended by the NRC.

It is proposed to seek approval of the Members for the appointment of and remuneration payable to Mr. Rajinder Jeet Singh Bagga, appointed as Whole-time Director of the Company for a period of up to 5 years, in terms of the applicable provisions of the Act. Broad particulars of the terms of appointment of and remuneration payable to Mr. Rajinder Jeet Singh Bagga are as under:

a. Salary, Perquisites and Allowances:

(₹ per month)	
Particulars	Amount (w.e.f. 01.01.2020)
Basic Salary	15,35,300
HRA	7,67,650
Education Allowance	200
Special Allowance	2,55,739
Provident Fund (Employer's Contribution)	1,84,236
Total CTC	27,43,125*

*₹ 23,14,325 per month from the date of appointment i.e. 02.05.2019 till 31.12.2019.

- b. The Company's contribution to superannuation or annuity fund, gratuity payable and encashment of leave, as per the rules of the Company, shall be in addition to the remuneration under (a) above.
- c. Increment in salary, perquisites and allowances and remuneration based on net profit or by way of bonus / performance linked incentive payable to Mr. Rajinder Jeet Singh Bagga, as recommended by NRC and approved by the Board, shall be in addition to the remuneration under (a) above. The said perquisites shall be evaluated, wherever applicable, as per the provisions of Income Tax Act, 1961 or any rules or any statutory modification(s) or re-enactment(s) thereof.
- d. Employee stock options granted / to be granted to Mr. Rajinder Jeet Singh Bagga, from time to time, shall not be considered as a part of perquisites under (a) above and that the perquisite value of stock options exercised/ to be exercised shall be in addition to the remuneration under (a) above.
- e. **Reimbursement of Expenses:**
Expenses incurred for travelling, boarding and lodging during business trips and provision of car(s) for use on Company's business and communication expenses shall be reimbursed at actuals and not considered as perquisites.
- f. **General:**
 - i. The Whole-time Director shall perform his duties in the interest of the Company.
 - ii. The Whole-time Director shall act in accordance with the Articles of Association of the Company and

shall abide by the provisions contained in the Act including related Rules and the provisions contained in the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ['SEBI (LODR) Regulations'].

- iii. The Whole-time Director shall adhere to the Code of Conduct of the Company and shall also comply with the other policies and laws applicable on the Company.

The above may be treated as a written memorandum setting out the terms of appointment of Mr. Rajinder Jeet Singh Bagga pursuant to the provisions of Section 190 of the Act.

Mr. Rajinder Jeet Singh Bagga satisfies all the conditions set out in Part-I of Schedule V to the Act and also conditions set out under sub-section (3) of Section 196 of the Act for being eligible for his appointment. He is not disqualified to act as a Director in terms of Section 164 of the Act. He is not debarred from holding the office of Director by virtue of any SEBI order or any other such authority.

The Company has received a notice in writing from a Member proposing the candidature of Mr. Rajinder Jeet Singh Bagga for the office of Director of the Company.

Details of Mr. Rajinder Jeet Singh Bagga pursuant to the provisions of (i) SEBI (LODR) Regulations and (ii) Secretarial Standard on General Meetings ('SS-2') issued by the Institute of Company Secretaries of India are provided in the 'Annexure' to the Notice.

Mr. Rajinder Jeet Singh Bagga is interested in resolution set out at Item No. 5 of the Notice with regard to his appointment. The relatives of Mr. Rajinder Jeet Singh Bagga may be deemed to be interested in the resolution to the extent of their shareholding, if any, in the Company. Mr. Rajinder Jeet Singh Bagga is not related to any Director of the Company.

Save and except the above, none of the other Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution.

The Board of Directors of the Company recommends the resolution set out at Item No. 5 for approval of the Members as an Ordinary Resolution.

ITEM NO. 6

Considering the rich experience and enhanced level of participation brought in by the Non-executive Directors and in appreciation of the services and contribution made by them, the Board of Directors at their meeting held on February 7, 2020, on the recommendation of the Nomination and Remuneration Committee of the Board of Directors, recommended the payment of profit related commission to the Non-executive Directors (i.e. Directors other than the Managing Director or Whole-time Directors), subject to approval of Members of the Company for the Financial Year ending December 31, 2020, to be determined by the Board of Directors of the Company or any Committee of the Board ('the Board') for each of such Non-executive Director and to be distributed among such Non-executive Directors in such a manner as the Board may determine (including payment of profit related commission to any individual Non-executive Director exceeding 50% of the total annual profit related commission payable to Non-executive Directors), up to the limit of 0.5% (taken together for all the Non-executive Directors) of the Net Profit of the Company for the Financial Year ending December 31, 2020, as computed in the manner laid down in Section 198 of the Companies Act, 2013. Accordingly, to comply with the provisions of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, approval of Members by way of Special Resolution is sought for payment of above-mentioned profit related commission.

The Non-executive Director(s) are interested in resolution set out at Item No. 6 of the Notice. The relatives of the Non-executive Director(s) may be deemed to be interested in the resolution to the extent of their shareholding, if any, in the Company.

Save and except the above, none of the other Director(s) / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution.

The Board of Directors of the Company recommends the resolution set out at Item No. 6 for approval of the Members as a Special Resolution.

By Order of the Board
For **Varun Beverages Limited**

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

Address: F-2/7, Okhla Industrial Area,
Phase - I, New Delhi - 110 020

Place: Gurugram
Date: June 1, 2020