



## 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](mailto:complianceofficer@rjcorp.in); **Website:** [www.varunpepsi.com](http://www.varunpepsi.com)

**Corporate Identity Number:** L74899DL1995PLC069839

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### POSTAL BALLOT NOTICE

[Pursuant to Section 110 of the Companies Act, 2013 read with Rule 22 of the Companies (Management and Administration) Rules, 2014]

#### NOTICE

Dear Members,

Notice is hereby given that the resolution set out below is proposed to be passed by the members of Varun Beverages Limited ("the Company") by means of Postal Ballot including Electronic Voting (e-voting), pursuant to Section 110 and all other applicable provisions of the Companies Act, 2013 ("the Act") read with Rule 22 of the Companies (Management and Administration) Rules, 2014 ("the Rules") (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force).

The explanatory statement pursuant to Section 102(1) of the Act setting out all material facts relating to the resolution mentioned in this Postal Ballot Notice is attached.

The Company has appointed Mr. Sanjay Grover, Managing Partner (C.P. No. 3850) failing him, Mr. Devesh Kumar Vasisht, Partner of M/s. Sanjay Grover & Associates, Practicing Company Secretaries, New Delhi, as Scrutinizer for conducting the Postal Ballot including e-voting process in a fair and transparent manner and they have communicated their willingness to be appointed and will be available for the said purpose.

Members have the option to vote either by means of physical Postal Ballot or through e-voting. Members desiring to exercise their vote by means of physical Postal Ballot are requested to carefully read the instructions printed in this Postal Ballot Notice and Postal Ballot Form and return the Postal Ballot Form duly completed in all respects in the enclosed self-addressed postage pre-paid Business Reply Envelope so as to reach the Scrutinizer on or before 5:00 p.m. (IST) on Friday, July 19, 2019. Postal Ballot Forms received after that date will be strictly treated as if a reply from such member has not been received.

In compliance with the provisions of Section 108 and 110 of the Act read with Rule 20 and 22 of the Rules and Regulation 44 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), Regulations, 2015, the Company is also offering facility of e-voting to all its members to enable them to cast their vote electronically.

Members desiring to opt for the e-voting facility are requested to read carefully the related notes to this Postal Ballot Notice and instructions given thereunder.

Upon completion of the scrutiny of Postal Ballot Forms and votes cast through e-voting in a fair and transparent manner, the Scrutinizer will submit his report to the Chairman of the Company or any other person authorized by him in writing. The Results of postal ballot will be announced not later than by 5.00 p.m (IST) on Saturday, July 20, 2019 at the Corporate Office of the Company. The said result would be displayed at the Registered and Corporate Office of the Company, intimated to National Stock Exchange of India Limited and BSE Limited where the shares of the Company are presently listed. Additionally, the Results will also be uploaded on the Company's website: [www.varunpepsi.com](http://www.varunpepsi.com) and on the website of Karvy: <https://evoting.karvy.com>.

#### SPECIAL BUSINESS:

##### 1. Issue of Bonus Shares:

To consider and pass the following resolution as an **Ordinary Resolution:**

**"RESOLVED THAT** in accordance with the provisions of Section 63 and all other applicable provisions of the Companies Act, 2013 read with the Companies (Share Capital and Debentures) Rules, 2014, the Securities and Exchange Board of India ("SEBI") (Issue of Capital and Disclosure Requirements) Regulations, 2018 ("the ICDR Regulations"), the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) and other applicable regulations, rules and guidelines issued by SEBI and the Reserve Bank of India ("RBI") from time to time, the enabling provisions of the Articles of Association of the Company and subject to such approvals, consents, permissions, conditions and sanctions as may be necessary from appropriate authorities and subject to such terms and

modifications, if any, as may be specified while according such approvals and subject to acceptance of such conditions or modifications by the Board of Directors of the Company, consent of the members be and is hereby accorded to the Board of Directors of the Company ('the Board', which term shall include any Committee authorized by the Board to exercise its powers including powers conferred on the Board by this resolution) for capitalization of a sum not exceeding ₹91,32,76,130/- (Rupees Ninety One Crores Thirty Two Lakhs Seventy Six Thousand One Hundred and Thirty only) from and out of the securities premium account for the purpose of issue of bonus equity shares of ₹10/- (Rupees Ten) each, credited as fully paid to the eligible members of the Company holding equity shares of ₹10/- (Rupees Ten) each of the Company whose names appear in the Register of Members on a 'Record Date' to be determined by the Board for this purpose, in the proportion of 1 (One) new fully paid-up equity share of ₹10/- (Rupees Ten) each for every 2 (Two) existing fully paid-up equity shares of ₹10/- (Rupees Ten) each held by them and that the new bonus equity shares so issued and allotted shall, for all purposes, be treated as an increase in the paid-up capital of the Company held by each such member.

**RESOLVED FURTHER THAT** the bonus equity shares so allotted shall rank *pari-passu* in all respects with the fully paid-up equity shares of the Company as existing on the Record Date.

**RESOLVED FURTHER THAT** in case of fractional shares, if any, arising out of the issue and allotment of the bonus equity shares, the Board be and is hereby authorized to make suitable arrangements to deal with such fractions for the benefit of the eligible Members, including but not limited to, allotting the total number of new equity shares representing such fractions to a person(s) to be appointed by the Board of Directors who would hold them in trust for such Members and shall, as soon as possible, sell such equity shares at the prevailing market rate and the net sale proceeds of such equity shares, after adjusting the cost and the expense in respect thereof, be distributed among such Members who are entitled to such fractions in the proportion of their respective fractional entitlements.

**RESOLVED FURTHER THAT** the bonus equity shares so allotted shall always be subject to the terms and conditions contained in the Memorandum and Articles of Association of the Company.

**RESOLVED FURTHER THAT** in the case of members who hold shares or opt to receive the shares in dematerialized form, the bonus equity shares shall be credited to the respective beneficiary accounts of the members with their respective Depository Participant(s) and in the case of members who hold equity shares in physical form, the share certificate(s) in respect of the bonus equity shares shall be dispatched, within such time as prescribed by law and the relevant authorities.

**RESOLVED FURTHER THAT** the issue and allotment of the bonus equity shares to the extent they relate to Non-Resident Indians (NRIs), Foreign Institutional Investors (FIIs) and other Foreign Investors, be subject to the approval of RBI or any other regulatory

authority, as may be necessary.

**RESOLVED FURTHER THAT** the Board be and is hereby authorized to take necessary steps for listing of such bonus equity shares on the Stock Exchanges where the shares of the Company are presently listed as per the provisions of the SEBI Listing Regulations and other applicable regulations, rules and guidelines.

**RESOLVED FURTHER THAT** for the purpose of giving effect to this resolution, the Board be and is hereby authorized to do all such acts, deeds, matters and things and to give such directions as may be necessary, proper, expedient or desirable and to settle any question, difficulty or doubt whatsoever that may arise with regard to issue, allotment, distribution and listing of shares as the Board in its absolute discretion may deem necessary or desirable and its decision shall be final and binding."

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

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

Place: Gurugram  
Date: June 17, 2019

**Notes:**

1. An explanatory statement pursuant to Section 102(1) of the Companies Act, 2013 ("the Act") setting out all material facts relating to the proposed resolution is annexed hereto.
2. This Notice along with the Postal Ballot Form is being sent by electronic mode to those Members, whose e-mail addresses are registered with the Company/ Depositories, unless any Member has registered for a physical copy of the same. For Members who have not registered their e-mail addresses, physical copies are being sent to them by the permitted mode along with a self-addressed postage pre-paid Business Reply Envelope.
3. Voting rights shall be reckoned on the paid-up value of shares registered in the name of member / beneficial owner (in case of electronic shareholding) as on Friday, June 14, 2019 (cut-off date). Only those members whose names are recorded in the Register of Members of the Company or in the Register of Beneficial Owner maintained by the depositories as on the cut-off date will be entitled to cast their votes by Postal Ballot or e-voting. A person who is not a member on the cut-off date should treat this notice for information purposes only.
4. Members who have received this Postal Ballot Notice by e-mail and who wish to vote through physical Postal Ballot may download the Postal Ballot Form attached to the e-mail or from the web-link: [www.evoting.karvy.com](http://www.evoting.karvy.com) or from the

“Investor Relations” section on the Company’s website: [www.varunpepsi.com](http://www.varunpepsi.com) where this Postal Ballot Notice is displayed and send the duly completed and signed Postal Ballot Form so as to reach the Scrutinizer on or before 5:00 p.m. (IST) on Friday, July 19, 2019.

5. Pursuant to the provisions of Section 108 and 110 of the Act read with Rules 20 and 22 of Companies (Management and Administration) Rules, 2014, as amended, and Regulation 44 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations”), the Company is pleased to provide e-voting facility to all its members, to enable them to cast their votes electronically has engaged the services of Karvy Fintech Private Limited (formerly known as Karvy Computershare Private Limited) (“Karvy”) as the agency to provide e-voting facility. Instructions for the process to be followed for e-voting are annexed to this Postal Ballot Notice.
6. During the voting period, members can login to Karvy’s e-voting platform any number of times till they have voted on the resolution. Once the vote on resolution is cast by a member, whether partially or otherwise, the member shall not be allowed to change it subsequently or cast the vote again.
7. Members can opt for only one mode of voting, that is, either by physical Postal Ballot or e-voting. In case members cast their votes through both the modes, voting done by e-voting shall prevail and votes cast through physical Postal Ballot will be treated as “INVALID”.
8. The e-voting period commences on Thursday, June 20, 2019 at 9:00 a.m. (IST) and ends at 5:00 p.m. (IST) on Friday, July 19, 2019. During this period members of the Company holding shares either in physical or dematerialized form, as on the cut-off date, i.e. Friday, June 14, 2019, may cast their vote electronically. The e-voting module shall be disabled by Karvy thereafter.
9. The resolution, if approved, shall be deemed to have been passed on the last date of voting i.e. Friday, July 19, 2019.
10. Relevant documents referred to in this Postal Ballot Notice and the explanatory statement are available for inspection by the members at the Company’s Registered Office during business hours on all working days except Saturday and Sunday from the date of dispatch of this Postal Ballot Notice till Friday, July 19, 2019.
11. In case of any query, you may refer the Frequently Asked Questions (FAQs) for members and e-voting User Manual available at the “download” section of <https://evoting.karvy.com> or call M/s Karvy Fintech Private Limited (formerly known as Karvy Computershare Private Limited) on 1800 345 4001 (toll free).

12. Members who have not registered their e-mail addresses are requested to register the same with the Company’s Registrar and Share Transfer Agent / Depository Participant(s) for sending future communication(s) in electronic form.
13. A member need not use all his / her / its votes nor does he / she / it need to cast all his / her / its votes in the same way.
14. The Scrutinizer’s decision on the validity of the Postal Ballot shall be final.

## INSTRUCTIONS FOR E-VOTING

- i. The members should log on to the e-voting website <https://evoting.karvy.com>
- ii. Enter the login credentials i.e., User ID and password mentioned in your email. Your Folio No/DP ID Client ID will be your User ID. However, if you are already registered with Karvy for e-voting, you can use your existing User ID and Password for casting your votes.
  - For CDSL: 16 digits beneficiary ID,
  - For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
  - Members holding shares in Physical Form should enter Folio Number registered with the Company.
- iii. Next enter the Image Verification as displayed and Click on Login.
- iv. You will reach the Password change Menu wherein you are required to mandatorily change your password. The new password shall comprise of minimum 8 characters with at least one upper case (A-Z), one lower case (a-z), one numeric value (0-9) and a special character (@,#,\$,etc.). It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- v. You need to login again with the new credentials.
- vi. On successful login, the system will prompt you to select the EVENT i.e. Varun Beverages Limited.
- vii. On the voting page, the number of shares (which represents the number of votes) as held by the member as on the cut-off date will appear. If you desire to cast all the votes assenting/dissenting to the resolution then enter all shares and click “FOR”/“AGAINST” as the case may be or partially in “FOR” and partially in “AGAINST”, but the total number in “FOR / AGAINST” taken together should not exceed your share holding as on cut-off date. You may also choose the option “ABSTAIN” and the shares held will not be counted under either head.
- viii. Members holding multiple folios / demat accounts should choose the voting process separately for each folio / demat account.
- ix. Cast your votes by selecting an appropriate option and click on “SUBMIT”. A confirmation

box will be displayed. Click "OK" to confirm else "CANCEL" to modify. Once you confirm, you will not be allowed to modify your vote subsequently. During the voting period, you can login multiple times till you have confirmed that you have voted on the resolution.

- x. Corporate/Institutional Members (i.e. other than individuals, HUF, NRI, etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board resolution/authority letter etc. together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the scrutinizer through e-mail to sanjaygrover7@gmail.com. They may also upload the same in the e-voting module in their login. The scanned image of the above documents should be in the naming format "Corporate Name\_EVENT No."
- xi. In case of any query, you may refer the Frequently Asked Questions (FAQs) for members and e-voting User Manual available at the "download" section of [https:// evoting.karvy.com](https://evoting.karvy.com) or call M/s Karvy Fintech Private Limited (formerly known as Karvy Computershare Private Limited) on 1800 345 4001 (toll free).
- xii. This Postal Ballot notice is also placed on the website of the Company at [www.varunpepsi.com](http://www.varunpepsi.com) and on the website of Karvy at <https://evoting.karvy.com>
- xiii. Details of the person who can be contacted for any grievances connected with facility for voting by electronic means:-

Mr. S. V. Raju, Deputy General Manager  
M/s Karvy Fintech Private Limited (formerly known as Karvy Computershare Private Limited)  
Karvy Selenium Tower-  
B, Plot No. 31 & 32 Gachibowli, Financial District, Nanakramguda,  
Hyderabad-500 032,  
Toll Free No. 1800 345 4001  
Email: [einward.ris@karvy.com](mailto:einward.ris@karvy.com)/  
[evoting@karvy.com](mailto:evoting@karvy.com)

**EXPLANATORY STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013 ("the Act")**

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At the start of Silver Jubilee year and in appreciation of continuing support from the shareholders of the Company, the Board of Directors at its meeting held on June 17, 2019, subject to consent of the members of the Company, approved and recommended issue of bonus equity shares of ₹10/- (Rupees Ten) each credited as fully paid-up to eligible members of the Company in the proportion of 1 (One) new fully paid-up equity share of ₹10/- (Rupees Ten) each for every 2 (Two) existing fully paid-up equity shares of ₹10/- (Rupees Ten) each held by them, by capitalizing a sum not exceeding ₹91,32,76,130/- (Rupees Ninety One Crores Thirty Two Lakhs Seventy Six Thousand One Hundred and Thirty only) out of securities premium account of the Company.

Article 42 of the Articles of Association of the Company permits capitalization of any part of the amount for the

time being standing to the credit of any of the Company's reserve accounts (including securities premium account and capital redemption reserve account), or to the credit of the profit and loss account, or otherwise available for distribution by applying the same towards payment of unissued shares to be issued to the members as fully paid bonus shares.

In case of fractional entitlements arising out of the issue of bonus equity shares, the Board will make suitable arrangements to deal with such fractions for the benefit of the eligible Members, including but not limited to allotting the total number of new equity shares representing such fractions to a person(s) to be appointed by the Board who would hold them in trust for such Members and shall, as soon as possible, sell such equity shares at the prevailing market rate and the net sale proceeds of such shares, after adjusting the cost and the expense in respect thereof, shall be distributed among such Members who are entitled to such fractions in the proportion of their respective fractional entitlements.

None of the Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No. 1 of this Postal Ballot Notice except to the extent of their shareholding in the Company.

The Board recommends the Ordinary Resolution set out at Item No. 1 of this Postal Ballot Notice for approval of the members.

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

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

Place: Gurugram  
Date: June 17, 2019