



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.varunpepsi.com
 CIN No. : L74899DL1995PLC069839

August 04, 2020

To,

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

Sub: Disclosure under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

Dear Sir / Madam,

Pursuant to Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with SEBI Circular No. SEBI/HO/ CFD/CMD1/CIR/P/2020/84 dated May 20, 2020, we would like to submit as follows:

S. No.	Particulars	Disclosure
1.	Impact of the CoVID-19 pandemic on the business	The spread of the COVID-19 pandemic, leading to multiple lockdowns, resulted in significant disruption across domestic and international markets. With this period being a key season for our product portfolio, the disruptions in production levels, supply chain and distribution operations, particularly in the months of April and May had a negative impact on overall demand and volumes performance. With the relaxations provided by the Govt. of India for essential services and particularly packaged food and beverages, VBL got the requisite permissions from respective State Governments to operate most of its production facilities during the quarter; however, the manufacturing operations were at a significantly scaled-down utilization levels. Against this backdrop, sales volumes for the quarter declined by 48.2% in India and 33.3% in International territories. Company continues to evaluate the situation.
2.	Ability to maintain operations including the factories / units / office spaces functioning and closed down	The Company continues with "Work from Home" advisory for its employees at its head office and regional offices to minimize the risk and contain the spread of COVID-19. The Company has resumed operations at all of its manufacturing locations and distribution centres/ warehouses and scaling up continues in all area of





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.varunpepsi.com
CIN No. : L74899DL1995PLC069839

3.	Schedule, if any, for restarting the operations	operations while adopting stringent safety practices and following standard operating procedures for social distancing to ensure the well-being of its employees and other staff in accordance with the directions of the Central and State Governments and authorities.
4.	Steps taken to ensure smooth functioning of operations	
5.	Estimation of the future impact of CoVID-19 on its operations	<p>As the country moved to the unlock phase towards the end of May, we witnessed a steady revival in demand on a month-on-month basis, which continued in the months of June and July. To address this steady revival in consumption, we steadily ramped-up operations across manufacturing units to increase production levels and ensure continuity in deliveries and supplies.</p> <p>With overall macro-economic environment expected to normalize by the end of this calendar year, we remain confident of a strong demand revival in our product category in the coming quarters.</p>
6.	Details of impact of CoVID-19 on listed entity's –	
	Capital and financial resources	The Company does not foresee any specific challenge in terms of its capital or financial resources.
	Profitability	On the profitability front, EBITDA declined by 52.1% to Rs. 3,777.0 million in Q2 2020 from Rs. 7,878.8 million in Q2 last year.
	Liquidity position	The Company has a healthy balance sheet & strong financial status and is in a comfortable liquidity position to meet its financial commitments.
	Ability to service debt and other financing arrangements	The Company has not availed moratorium for its debt repayments and has been timely servicing all its debt obligations.
	Assets	The Company does not foresee any challenge in realizing/recovering its assets and thus there shall not be any material impairment to the carrying value of its assets.
	Internal financial reporting and control	There has been no impact on the internal financial reporting and controls of the Company with all controls applied digitally in a Work from Home situation.
	Supply chain	There has been no material impact on the supply chain of the Company as our products are classified as essential commodities, with the exception of partial impact on supply chain during the month of April & May.





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.varunpepsi.com
CIN No. : L74899DL1995PLC069839

	Demand for its products / services	Sales volumes for the quarter declined by 48.2% in India and 33.3% in International territories.
7.	Existing contracts/ agreements where non-fulfilment of the obligations by any party will have significant impact on the listed entity's business	Company is in position to fulfill its legal obligations and do not foresee any significant impact on the Company's business due to non-fulfillment of any obligation(s) by any party.
8.	Other relevant material updates about the listed entity's business	There are no other material updates on Company's business to report, however, the Company will continue to submit material updates, if any.

You are requested to take the above on record.

Yours faithfully,
For Varun Beverages Limited


Ravi Batra
Chief Risk Officer & Group Company Secretary

