



As featured in  
*The CEO Magazine*  
For more info visit  
[theceomagazine.com](http://theceomagazine.com)



# Thirst *for success*

VARUN BEVERAGES DIRECTOR **VARUN JAIPURIA**  
HAS SEEN THE GROWTH OF THE FAMILY BUSINESS;  
NOW HE'S LEADING ITS EVOLUTION.

WORDS **OLIVER FEATHERSTON** • IMAGES **VARUN BEVERAGES**

**V**arun Beverages (VBL) goes back to a humble origin as the brainchild of Ravi Jaipuria, who is today worth US\$2.1 billion. Ravi, the youngest of three brothers, joined the family business as a franchisee for PepsiCo in 1991. Ravi's fledgling company was named after his son Varun Jaipuria, who currently serves as VBL's Director. Like his father, Varun preceded his career with study overseas, before returning home to take his place in the family business. "I decided to do a stint in Sri Lanka, because VBL had acquired a new company there," he explains. "I returned home after completing my studies and my father said, 'Why don't you go to Sri Lanka and figure things out for a year?' That's how I learned business as well. It's the best way you can learn. I did that for about a year and a half."

Varun has been a Director of VBL for a few years now, having started there at age 22. Varun took quickly to the business, having been exposed to it from an early age. He was also inspired by the culture within VBL, and he considers it a privilege to now be a part of it. »

“I was brought into a family business that has been around for three generations now,” he says. “The relationships we share with our distributors and retailers have stayed with us on this journey for the entire period we’ve been in the business. Our partners have remained with us, and grown with us at the same time. Whether it’s the distributors or retailers, or even our own management, they have a hunger for growth and excellence, and I was very fortunate to join that.”

It goes without saying that VBL’s biggest partner is PepsiCo with whom it enjoys a strong, symbiotic and longstanding relationship spanning more than 25 years, since its entry into India. Other than the concentrate and the consumer marketing provided by PepsiCo and its brands, VBL charts its own success with complete control over the manufacturing, sales and supply-chain process, creating and developing markets, and driving market share gains and cost efficiencies in its licensed territories.

Varun believes PepsiCo’s faith in VBL is not unfounded. “They’ve trusted us with their brand,” he says. “They obviously expect us to execute well

and gain market share. Our relationship has grown stronger on the back of our proven execution track record, which has led to PepsiCo passing on their territories to us.”

VBL is now a franchisee for PepsiCo products across 21 states and two union territories in India. It accounts for around 51 per cent of PepsiCo’s beverage sales volumes in India, up from around 20 per cent five years ago. Further, VBL also has an international presence in Nepal, Sri Lanka, Morocco, Zambia and Zimbabwe.

In an extraordinary feat of growth, VBL has gone from 1.1 million cases a year when it started out to 279 million last year, thanks to its 26 facilities and more than 1,000 primary distributors across India and international geographies.

Varun is therefore confident of the company’s market position, and the advantages it has over its competitors. “We service a retailer base of over 1.1 million outlets, and have half a million visi-coolers,” he points out. “None of our peers have that kind of capacity, in terms of cooling equipment or the infrastructure. We want to leverage our go-to-market strategy and our facilities across India. When we



“I’m tasked with leading the company into the future.”

VBL remains agile by keeping on top of new trends and changes in consumer preferences. New product innovations like the zero-calorie Pepsi Black, the energy drink Sting, ethnic flavours in the fast-growing juice segment, and the Tropicana juice portfolio augur well for its long-term prospects. This evolution demonstrates the kind of innovation and forward-thinking that forms a necessary part of Varun’s role as Director.

“I’m tasked with leading the company into the future,” he says. “I’m fortunate that the board has entrusted me with delivering the two things that I think are essential for the future of VBL – the introduction of world-class talent, and making the company tech savvy and data driven.”

Varun acknowledges the role of PepsiCo in VBL’s success. Without Pepsi giving VBL room to grow, the bottler wouldn’t have the resources to improve its efficiency. In addition, Varun equally values VBL’s distributors who play a key role in creating demand for its products in the last mile.

Alongside VBL’s partners, Varun genuinely recognises the contribution by the employees. “It’s not my achievement alone,” he acknowledges. “It’s the entire VBL team – the people who produce high-quality products every day, who actually go out and sell to millions of customers in 40 degree Celsius-plus temperatures. When it comes to achievement, it would have to go to the whole VBL team, the people who struggle day in, day out to make the product available.

“We’re focused on delivering consumer value, and we believe it should be delivered with integrity and passion. That’s what we stand for, and that’s what we’ve demonstrated over time.” ■

launch a new product, with the aim of making it available across our 51 per cent markets in India, it’s not hard. Once we’re selling it under the PepsiCo brand name, it’s not difficult because the manufacturing and the distribution are already set up. Further, expansion into contiguous territories helps the company drive better operating leverage and asset utilisation through economies of scale.”

VBL’s capabilities are ever-expanding; the company recently entered into a strategic partnership for the larger Tropicana portfolio under PepsiCo’s nutritional wing, for territories across North and East India. Varun wants to build up the category over the next few years.

*“We have been working with Varun Beverages Ltd for over 17 years, having established an excellent partnership. Through transparent and continuous dialogue, we tailor our solutions to perfectly fit their requirements. This is what we call ‘Performance through Understanding’.” – Anurag Sharma, Sales Manager Greater Middle East and India, Sidel*

## ASEPTIC PET PACKAGING PROVEN PERFORMANCE



Over 46 billion bottles have been sterilised using Sidel Aseptic Combi with dry preform sterilisation saving our customers 7 billion liters of water and over 57,000 tons of PET.

Sidel, when aseptic matters.

sidel.com

Performance  
through  
Understanding

