

DIRECTORS' REPORT

To,

The Members,
Popular Vehicles and Services Limited

Your Directors are pleased to present the Company's 36th Annual Report together with the report of the statutory auditors and the audited financial statements of the Company for the financial year ended 31st March, 2020.

Presumably this year, the Annual Report of every Company the world over is going to discuss one thing in common – the mother of all disruptions – Covid 19. Having originated towards the fag end of 2019 in Wuhan – China, the virus has devastatingly taken the entire world by storm. Though shaken up, businesses are grappling as hard as they can with a “new normal”. Though time would reveal the exact impact of the pandemic on the global economy, the show must certainly go on. Governments, law enforcers, healthcare professionals and the civic community at large are forefront warriors in this unique battle. Businesses pitch in by being bullish about their ability to bounce back and restore the economy to normalcy as early as possible.

Amidst a broader slowdown of the Indian economy and a credit crisis in the NBFC sector, the automotive industry was already enduring tough times for about six quarters preceding the pandemic. The subdued demand for vehicles, an increased upfront insurance cost and the disruption caused by BS –VI emission norms saw vehicle sales tumbling down year on year. The decline in passenger vehicle sales just for the month of March 2020 was 51% compared to same month the year before. Rubbing salt into the wound came the pandemic which forced a stand-still lockdown for a month. Interrupted supply chains and truncated consumer demand affect the retailers as much as the OEMs in terms of revenues and cash flows.

Though a one-pill solution will never be at hand for this crisis, opportunities will definitely re-emerge and companies which survive will arise stronger. Our industry too has its silver linings. Personal mobility will gain precedence over shared and public transport. End-to-end digitization of the customer journey, both in sales and service enables customers to connect from anywhere at any time. In the long run, this implies a redesign process for the Dealership to become leaner in fixed costs and more responsive through better analytics. Consolidation of operations, exploring alternate revenue options and adopting hygiene-centric processes will definitely augur well for our business in the long run.

Key highlights of financial performance of your Company on standalone and consolidated basis for the financial year 2019-20 are provided below:

1. Standalone Performance

On a standalone basis, our sales were at Rs. 18,392.37 million for the current year as against Rs. 22,525.15 million in the previous year, recording a decline of 18.35%. There is a profit before tax of Rs. 97.77 million in the current year as against a Profit before tax of Rs. 189.58 million in the previous year recording a decline of 48.43%.

(In INR millions, except earnings per share data)

Particulars	For the financial year ended March 31, 2020	For the financial year ended March 31, 2019
Revenue from Operations	18,392.37	22,525.15
Other Income	54.74	128.80
Total Revenue	18,447.11	22,653.95
Employee Benefits expense	1591.28	1584.73
Finance costs	405.62	210.19
Depreciation and amortization expense	357.80	158.45
All other expenses	16255.92	20511
Total Expenses	18610.62	22,464.37
Profit / (Loss) Before Tax and exceptional item	(163.51)	189.58
Exceptional item	261.28	-
Profit / (Loss) Before Tax	97.77	189.58
Tax Expense:		
Current Tax (including MAT for current year)	17.67	82.17
Current Tax for earlier years	-	1.88
Deferred Tax (including MAT credit entitlement)	(54.41)	(17.23)
Total Tax Expense/(income)	(36.74)	66.82
Profit for the year	134.51	122.76
Earnings per equity share(in Rs)		
Basic	10.73	10.00
Diluted	10.73	10.00

2. Consolidated Performance

On a consolidated basis, our sales decreased to Rs. 31,767.01 million for the current year as against Rs. 39,055.58 million in the previous year, recording a decrease of around 18.67%. Our Profit Before Tax decreased to Rs. 79.95 million for the current year as against Rs. 401.30 million in the previous year, recording a decrease of around 80%.

(In INR millions, except earnings per share data)

Particulars	For the financial year ended March 31, 2020	For the financial year ended March 31, 2019
Revenue from Operations	31,767.01	39,055.58
Other Income	88.34	143.73
Total Revenue	31,855.35	39,199.31
Employee Benefits expense	2385.71	2340.70
Finance costs	696.07	424.56
Depreciation and amortization expense	610.93	250.82
All other expenses	28343.97	35781.93
Total Expenses	32,036.68	38,798.01
Exceptional item	261.28	-

Profit / (Loss) Before Tax	79.95	401.30
Income Tax Expense:		
Current Tax (including MAT for current year)	33.11	153.40
Income Tax for expense- earlier year	-	1.88
Deferred Tax credit (including MAT credit entitlement)	(78.06)	(25.08)
Total Tax Expense	(44.95)	130.20
Profit for the year	124.90	271.10
Earnings per equity share(in Rs)		
Basic	9.96	22.09
Diluted	9.96	22.09

The standalone and consolidated financial statements for the financial year ended 31st March, 2020, forming part of this Annual Report, have been prepared in accordance with the Indian Accounting Standards (Ind AS) as notified by the Ministry of Corporate Affairs.

3. Share Capital

During the year under report, there is no change in the Authorized and Paid up Equity Share Capital of the Company.

As on 31st March, 2020, the Authorised Share Capital of your Company stood at Rs.15,00,00,000/- comprising of 1,50,00,000 Equity Shares of face value of Rs.10/- each and the paid-up equity share capital of your Company stood at Rs. 12,54,42,890 /- consisting of 12,544,289 equity shares of Rs. 10/- each fully paid-up.

4. Dividend & Reserves

During the financial year ended 31st March, 2020, your directors does not recommend any amount to be paid as dividend.

No amount is proposed to be transferred to general reserves for the financial year ended 31st March, 2020.

5. Material changes and commitments after the end of the financial year.

No material changes and commitments affecting the financial position of the company which have occurred between the end of the financial year to which this financial statements relate and the date of the Report.

6. Change in the nature of business, if any.

There was no change in the nature of business of the Company during the financial year ending on 31st March 2020.

7. Significant and Material Orders

During the year under review, there were no significant or material Orders passed by the regulators or courts or tribunals impacting the going concern status and company's operations in future.

8. Details of Subsidiary/Joint Ventures/Associate Companies

Your Company does not have any Joint Ventures or Associate Companies to be reported. The Subsidiaries of the Company as on 31st March, 2020 are listed below:

Sl. No.	Name of Subsidiary
1	Popular Mega Motors India Private Limited
2	Popular Autoworks Private Limited
3	Vision Motors Private Limited
4	Popular Auto Dealers Private limited
5	Kuttukaran Cars Private Limited (Erstwhile Prabal Motors Private Limited)
6.	Kuttukaran Pre Owned Cars Private Limited
7.	Avita Insurance Broking LLP

There has been no material change in the nature of business of the subsidiaries during the financial year.

Pursuant to provisions of Section 129(3) of the Act, a statement containing salient features of the financial statements of the Company's subsidiaries in Form AOC-1 is appended as Annexure A to the report.

9. Board of Directors, Key Managerial Personnel, Board Committees and its Meetings

a) Composition of the Board

The Board of Directors of your Company comprises of six Directors i.e. Mr. John K. Paul, Managing Director, Mr. Francis K Paul, Whole time Director, Mr. Naveen Philip, Director, Mr. Rahul G. Kurup, Nominee Director, Mr. Jacob Kurian, Independent Director and Ms. Preeti Reddy, Independent Director. The Company has received necessary declaration from each independent director under Section 149(7) of the Companies Act, 2013, that he / she meets the criteria of independence laid down in Section 149(6) of the Companies Act, 2013.

In accordance with the Articles of Association Mr. Francis K Paul, Whole Time Director retire by rotation at the ensuing Annual General Meeting. Mr. Francis K Paul being eligible seek re-appointment at the Annual General Meeting.

b) Board Meetings

During the Financial Year 2019-20 the Company has held five (5) meetings of the Board of Directors on 26th July 2019, 03rd October, 2019, 06th November, 2019, 15th January, 2020 and 27th February, 2020. The intervening gap between the Meetings is within the period as prescribed under Section 173 (1) of the Companies Act, 2013.

c) Board Committees

The Board of Directors have constituted Audit Committee and Nomination Committee and re-constituted CSR committee as per the requirement of Section 135 of the Companies Act, 2013.

Audit Committee is constituted with Mr. Jacob Kurian, Ms. Preeti Reddy and Mr. Naveen Philip as members.

Nomination and Remuneration Committee has been constituted with Ms. Preeti Reddy, Mr. Jacob Kurian, Mr. Naveen Philip and Mr. Rahul G. Kurup as members.

Corporate Social Responsibility Committee is constituted with Mr. Francis K. Paul, Mr. John K. Paul, Mr. Rahul G Kurup and Mr. Jacob Kurian as members.

d) Managing Director and Whole Time Director.

Mr. John K. Paul has been appointed as the Managing Director of the Company till 31st March, 2022.

Mr. Francis K. Paul have been appointed Whole Time Director of the Company till 31st March, 2022.

e) Key Managerial Personnel (KMPs)

Pursuant to the provisions of Section 203 of the Companies Act, 2013, your Company has appointed the following Key Managerial Personnel:

- (i) Mr. Philip Chacko M as Chief Executive Officer
- (ii) Mr. John Verghese as Chief Financial Officer
- (iii) Mr. Varun TV as Company Secretary

10. Directors' Responsibility Statement

In terms of clause (c) of sub-section (3) of Section 134 read with sub section (5) of Section 134 of the Companies Act, 2013, the Directors hereby state and confirm that—

- (a) in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- (b) the directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit and loss of the company for that period;
- (c) the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- (d) the directors had prepared the annual accounts on a going concern basis; and
- (e) The directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

11. Public Deposits

Your Company has not accepted any public deposits and, as such no amount on account of principal or interest on public deposits was outstanding as on the date of the Balance Sheet. Thus no particulars are reported as required under Rule 8(5) (v) of Companies (Accounts) Rules, 2014.

12. Statutory Auditors

M/s B.S.R Associates LLP, 3rd Floor, Syama Business Centre, N.H Bye pass Road, Vytilla, Kochi- 682019, Firm Registration No 116231W/W-100024 had been appointed as Statutory Auditors of the company by the members for a term of five consecutive years, from the conclusion of 32nd Annual General Meeting until the conclusion of the 37th Annual General Meeting of the company to be held in the year 2021, subject to ratification at every Annual General Meeting as per section 139(1) of the companies Act, 2013.

However the requirement to place the matter relating to appointment of Auditors for ratification by members at every Annual General Meeting is done away with vide notification dated 7th May, 2018 issued by the Ministry of Corporate Affairs, New Delhi. Accordingly, no resolution is proposed for ratification of appointment of Auditors, who were appointed in the 32nd Annual General Meeting of the company.

13. Statutory Auditor's Report

The Statutory Auditors' Report for the financial year ending 31st March, 2020 does not contain any qualification, reservation or adverse remarks.

14. Particulars of loans, guarantees or investments

During the year, Company has provided inter corporate loan amounting to Rs. 8,00,00,000/- to its wholly owned subsidiary Popular Autoworks Private Limited and is outstanding as on 31st March, 2020.

Company has also given Corporate Guarantee of Rs.930 million to its Subsidiary Companies and is outstanding as on 31st March, 2020 for availing credit facilities from Banks/NBFCs by the Subsidiary Companies.

The details of the investments made and loans given by the company in the Subsidiary Companies are given in the notes to the financial statements and are in compliance with the relevant provisions of section 186 of the Companies Act 2013 read with the rules thereon.

15. Particulars of contracts or arrangements with related parties

The transactions with related parties are in compliance with the provisions contained in Section 188(1) of the Act read with Rule 15 of the Companies (Meetings of Board and its Powers) Rules 2014. Information on transactions with related parties pursuant to Section 134(3)(h) of the Act read with rule 8(2) of the Companies (Accounts) Rules, 2014 are given in Annexure B in Form AOC-2 and the same forms part of this report.

16. Managerial remuneration

In terms of the provisions of Section 197(12) of the Act read with Rule 5(2) & 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, as amended, the particulars of the employees drawing remuneration in excess of the limits set out in the said Rules are as follows:

Name	Designation	Educational Qualification	Age	Experience (in years)	Date of Joining	Remuneration for the FY (in millions)	Nature of Employment	Previous Employment and Designation	% of Share Holding in the Company	whether any such employee is a relative of any director or manager of the company
Mr. Philip Chacko M	CEO	PGDBM IIM B.Tech IIT	50	21	01.08.2016	14.33	In the rolls of the Company	Talwandi Sabo Power Ltd, COO	Nil	No

17. Disclosure under The Sexual Harassment Of Women At Workplace (Prevention, Prohibition And Redressal) Act, 2013.

The Company has constituted an Internal Committee as required under the said Act to take necessary preventive actions as may be possible and also to carry out redressal of complaints, if any, on sexual harassment and for matters connected therewith or incidental thereto. Summary of sexual harassment complaints received and disposed of during the financial year 2019-20 are as follows:

No of complaints received : 03
No of complaints disposed of : 03

One Complaint received during the FY 2018-19 pending disposal was disposed of during 2019-20.

18. Conservation of Energy/ Technology Absorption and Foreign Exchange Earnings and outgo

The company uses power saving lighting equipment's for its office and workshop and saves power wherever there is scope for energy saving.

No technology absorption has taken place during the year under consideration.

There was no foreign exchange inflow or outflow during the year.

19. Corporate Social Responsibility.

The company since its inception has seen responsible to the society and has pioneered in undertaking activities which promote various social and charitable objectives. Company has also, over the years, undertaken various social and charitable activities directly and through NGOs.

As on 31st March, 2020 the CSR committee consist of:

- (i) Mr. John K Paul, Managing Director
- (ii) Mr. Francis K Paul, Whole Time Director
- (iii) Mr. Jacob Kurian, Independent Director
- (iv) Mr. Rahul G Kurup, Nominee Director

Committee has extended its support to the society by facilitating and promoting the inborn entrepreneurial ability and skills among the under privileged in the society, especially focusing on women. Provided financial assistance to enhance the current social status of women, increase women's family household income and improve quality of life. This was executed through "K.P. Paul Foundation" in association with "Rajagiri Out-reach" an NGO well recognized for its CSR activities by various local and international bodies.

Annual report on CSR Activities as per companies (Corporate Social Responsibility Policy) Rules, 2014 is given in Annexure C.

20. Secretarial Audit

Pursuant to Section 204 of the Companies Act, 2013 the Company has appointed Mr. M.C. Sajumon, Practising Company Secretary, Kochi as Secretarial Auditor to conduct Secretarial Audit of the Company for the financial year ending 31st March, 2020. The report of Secretarial Auditor for the financial year 2019-20 is annexed to this report.

21. Extract of Annual Return

The extract of Annual Return of the company in Form MGT-9 is available at the website of the Company www.popularmaruti.com.

22. Vigil mechanism

In accordance with Section 177 of the Companies Act, 2013, the Company has formulated a Vigil Mechanism to address the genuine concerns, if any, of the Directors and employees, the policy has been overseen by Audit Committee. The details of the policy can also be accessed on the Company's website <https://www.popularmaruti.com/vigil-mechanism/>.

23. Risk Management and Adequacy of Internal Financial Controls.

The Company has in place a mechanism to identify, access, monitor and mitigate various risks to key business objectives. Major risks identified by the business and functions are systematically addressed through mitigating actions on a continuous basis.

The Company's Internal Control Systems are commensurate with the nature of its business and the size and complexity of its operations. These are routinely tested and certified by Statutory as well as Internal Auditors. Significant audit observations and follow up actions thereon are reported to the Board.

24. Credit Rating

During the year under review, CRISIL Ratings have reaffirmed CRISIL BBB/ Stable rating for Long term facilities. The stable outlook on the rating has been reaffirmed.

25. Internal Audit

Company has established a full-fledged internal audit team headed by a qualified Chartered Accountant. Audit team conducts regular reviews of the business process, operations and financial transactions to ensure adequacy and existence of effective control systems; investigate probable risks, deviations, fraud or misappropriations.

26. Reporting of Fraud by Auditors

During the year under review, the Statutory Auditors has not reported to the Board under Section 143(12) of the Companies Act, 2013 any instances of fraud committed against the Company by its Officers or employees.

27. Human Resources Management

Human Resource Department plays a pivotal role in achieving organizational excellence. Your Company constantly strives to develop quality human resources, to meet the challenges of competitive business environment and to build critical capabilities in achieving the Company's objectives and goals. The Company is continuously renewing and updating the knowledge and skill of its employees at all levels through training and development.

As on 31st March, 2020, the Company had a total head count of 6,252 employees, a decrease of 40 employees over the previous year. Your Company takes significant efforts on employee development by imparting training to employees at the various levels.

Your Company wishes to put on record its deep appreciation for the co-operation and efforts of its employees for the betterment of the organization.

28. Industrial Relations

During the year under review, the company enjoyed cordial relationship with workers and employees at all levels and the Directors thank all the employees for their continued support, co-operation and valuable contributions.

29. Policy on Appointment and Remuneration for Directors, Key Managerial Personnel and Senior Management Employees

The NRC of the Board has devised a policy for selection, appointment and remuneration of Directors, Key Managerial Personnel and Senior Management Employees. The Committee has formulated the criteria for determining the qualifications, positive attributes and independence of Directors, which has been put up on the Company's website <https://www.popularmaruti.com/wp-content/uploads/2019/12/Remuneration-Policy-for-Directors-and-Senior-Management.pdf>.

30. Secretarial Standards

The relevant secretarial standards issued by the Institute of Company Secretaries of India (ICSI) related to the Board Meetings and General Meetings have been complied with by the Board.

31. Acknowledgements

Your Directors wish to express their appreciation to the shareholders and other stakeholders for their continued faith in the company and also for their valuable support.

**For and on Behalf of Board of Directors of
Popular Vehicles and Services Limited**

Sd/-

**John K Paul
(Managing Director)
DIN:00016513**

Sd/-

**Francis K Paul
(Whole Time Director)
DIN:00018825**

Place: Kochi-25
Date: 22.09.2020

Annexure A
FORM AOC-1

STATEMENT CONTAINING SALIENT FEATURES OF THE FINANCIAL STATEMENT OF SUBSIDIARIES OR ASSOCIATE COMPANIES OR JOINT VENTURES

(PURSUANT TO FIRST PROVISIO TO SUB-SECTION (3) OF SECTION 129 READ WITH RULE 5 OF COMPANIES (ACCOUNTS) RULES, 2014)

(In millions)

Sl. No	Name of Subsidiary	Financial period ended	Date since when subsidiary was acquired	Reporting Currency	Capital	Reserves & Surplus	Total Assets	Total Liabilities	Investments	Turnover	PBT	Provision for Tax	Profit After tax	Proposed Dividend	% of shareholding
1	Popular Mega Motors India Private Limited	March 31, 2020	21.06.2004	INR	69.44	627.92	1726.84	1726.84	261.99	7961.51	27.58	(12.85)	40.43	-	100%
2	Popular Autoworks Private Limited	March 31, 2020	09.01.2014	INR	251.12	(69.52)	1416.94	1416.94	-	1813.34	(47.82)	(31.86)	(15.96)	-	100%
3	Vision Motors Private Limited	March 31, 2020	20.06.2012	INR	146.77	(14.13)	824.17	824.17	-	2935.02	(18.42)	(21.14)	2.72	-	100%
4	Popular Auto Dealers Private limited	March 31, 2020	01.10.2015	INR	5.10	147.74	560.22	560.22	1.24	1476.56	21.42	5.09	16.33	-	75.51%
5	Kuttakaran Cars Private Limited	March 31, 2020	06.01.2014	INR	20.00	(20.25)	-	-	-	-	(0.09)	-	(0.09)	-	100%
6	Kuttakaran Pre Owned Cars Private Limited	March 31, 2020	13.06.2017	INR	0.10	(0.24)	0.38	0.38	-	-	(0.11)	-	(0.11)	-	100%

Company does not have any associate companies or joint ventures as on March, 31, 2020.

For and on Behalf of Board of Directors of
Popular Vehicles and Services Limited
Sd/-
John K Paul
(Managing Director)
DIN:00016513

Francis K Paul
(Whole Time Director)
DIN:00018825

Place: Kochi-25
Date: 22.09.2020

FORM NO. AOC -2
ANNEXURE B TO THE DIRECTORS' REPORT

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014.

Form for Disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub section (1) of section 188 of the Companies Act, 2013 including certain arms length transaction under third proviso thereto.

1. Details of contracts or arrangements or transactions not at Arm's length basis –

SL. No.	Particulars	Details
A	Name (s) of the related party & nature of relationship	
B	Nature of contracts/arrangements/transaction	
C	Duration of the contracts/arrangements/transaction	
D	Salient terms of the contracts or arrangements or transaction including the value, if any	
E	Justification for entering into such contracts or arrangements or transactions'	
F	Date (s) of approval by the Board	
G	Amount paid as advances, if any	
H	Date on which the special resolution was passed in General meeting as required under first proviso to section 188	
		NOT APPLICABLE

SL. No.	Particulars	16	17	18	19	20	21	22	23
a) 1.	Name (s) of the related party & nature of relationship	Vision Motors Private Limited	Kuttukaran Homes LLP	Vision Motors Private Limited	Popular Mega Motors (India) Private Limited	Popular Auto Dealers Private Ltd	Popular Mega Motors (India) Private Limited	Kuttukaran Homes LLP	Vision Motors Private Limited
2	Nature of contracts/ arrangements/ transaction	Expenses met on behalf of the Company	Expenses met on behalf of the Company	Repairs & Maintenance	Repairs & Maintenance	Sale of assets	Purchase of assets	Sale of assets	Purchase of assets
3	Duration of the contracts /arrangements/ transaction	Multiple transactions	Multiple transactions	Multiple transactions	Multiple transactions	Single transaction	Single transaction	Single transaction	Single transaction
4	Salient terms of the contracts or arrangements or transaction including the value, if any	Expenses met on behalf of the Company in the ordinary course of business amounting to Rs 1.21 Millions	Expenses met on behalf of the Company in the ordinary course of business amounting to Rs 0.08 Millions	Repair and maintenance of vehicles in the ordinary course of business amounting to Rs.0.03 Millions	Repair and maintenance of vehicles in the ordinary course of business amounting to Rs.0.39 Millions	Sale of fixed asset amounting to Rs.0.43 Millions	Purchase of fixed asset amounting to Rs. 0.09 Millions	Sale of fixed asset amounting to Rs.300.50 Millions	Purchase of fixed asset amounting to Rs. 0.38 Millions.
5	Dates of approval by the Board or General Meeting, if any	Board meeting dated 26/07/2019 ,sanctioned an overall limit of Rs.100 millions	Board meeting dated 26/07/2019 ,sanctioned an overall limit of Rs.100 millions	Board meeting dated 26/07/2019 ,sanctioned an overall limit of Rs.100 millions	Board meeting dated 26/07/2019 ,sanctioned an overall limit of Rs.100 millions	Board meeting dated 15/01/2020 ,sanctioned an overall limit of Rs.10 millions	Board meeting dated 26/07/2019 ,sanctioned an overall limit of Rs.10 millions	Extra ordinary General Meeting dated 03/06/2019	Board meeting dated 26/07/2019 ,sanctioned an overall limit of Rs.10 millions
6	Amount paid as advance, if any	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil

For and on Behalf of Board of Directors of
Popular Vehicles and Services Limited
Sd/-

Place: Kochi-25
Date: 22.09.2020

John K Paul
(Managing Director)
DIN:00016513

Francis K Paul
(Whole Time Director)
DIN:00018825

ANNEXURE C TO THE DIRECTORS' REPORT

Annual Report on Corporate Social Responsibility (CSR) **(Pursuant to Companies (Corporate Social Responsibility Policy) Rules, 2014)**

1. A Brief outline of the Company's CSR Policy, including overview of projects/ programmes undertaken and a reference to the web-link to the CSR policy and projects or programmes

CSR policy encompasses the company's philosophy for delineating its responsibility as a corporate Citizen and lays down the guidelines and mechanism for carrying out socially useful activities/ projects and programs for welfare and sustainability, development of community at large. The Company since its inception has seen responsible to the society and has pioneered in undertaking activities which promote various social and charitable objectives. The Company has also, over the years, undertaken various social and charitable activities directly and through NGOs. The Company has already spent amounts for social and charitable activities over the past several years.

The Corporate Social Responsibility (CSR) Policy of the Company, as approved by the Board of Directors, is available on the Company's website at <https://www.popularmaruti.com/wp-content/uploads/2019/12/Policy-on-CSR.pdf>.

Areas of activities to be undertaken

The activities will be executed directly or through registered and accredited trust, society or NGO or in collaboration with other companies. The Company shall be undertaking activities in the following areas.

- i. Eradicating hunger, poverty and malnutrition, promoting health care including preventive health care and sanitation and making available safe drinking water.
- ii. Promoting education, including special education and employment enhancing vocation skills especially among children, women, youth, and elderly and the differently abled persons and livelihood enhancement projects.
- iii. Promoting gender equality, empowering women, setting up homes and hostels for women and orphans; setting up old age homes, day care centers and such other facilities for senior citizens and measures for reducing inequalities faced by socially and economically backward groups.
- iv. Ensuring environmental sustainability, ecological balance, protection of flora and fauna, animal welfare, agro forestry, conservation of natural resources and maintaining quality of soil, air and water.
- v. Protection of national heritage, art and culture including restoration of building and sites of historical importance and works of art and setting up of public libraries.

- vi. Measures for the benefit of armed forces veterans, war widows and their dependents.
- vii. training to promote rural sports, nationally recognized sports, Paralympics sports and Olympicsports.
- viii. Contribution to the Prime Minister's National Relief Fund or any other fund set up by the Central Government for socio-economic development and relief and welfare of the Schedules Castes, the Scheduled Tribes, other backward classes, minorities and women.
- ix. Contributions or funds provided to technology incubators located within academic institutions which are approved by the Central Government.
- x. Rural Development Projects

2. The Composition of the CSR committee

- 1. Mr. Francis K Paul, Chairman
- 2. Mr. John K Paul, Member
- 3. Mr. Jacob Kurian Member
- 4. Mr. Rahul G Kurup Member

3. Average net profit of the company for last three financial years :Rs 260.01 millions

4. Prescribed CSRExpenditure (two per cent of the amount as in item 3 above) :Rs 5.20 millions

5. Details of CSR spent during the financial year 2019-20:

(a) Total amount to be spent for the financial year :Rs 5.20 millions

(b) Total amount spent during the financial year :Rs 5.20 millions

(c) Amount unspent, if any :NIL

(d) Manner in which the amount spent during the financial year:

Sl.No	CSR Project or activity identified	Sector in which the project is covered	Project or Programs (1) Local area or other (2) Specify the State and district where the projects or programs was undertaken	Amount outlay (budget) Project or programs wise (in Rs in millions)	Amount spent on the projects or programs Sub- heads: (1) Direct expenditure on projects or programs (2) Overheads:	Cumulative expenditure up to the reporting period (in Rs in millions)	Amount spent direct or through implementing agency*.
1.	Promotion of inborn entrepreneurial skills of underprivileged women in the society.	Empowering women - Education	Local limit of Thrissur.	5.20	-	5.20	Through The Agency- K.P. Paul Foundation in association with Rajagiri Out-reach.
	TOTAL			5.20	-	5.20	

* Details of implementing agency:

K.P. Paul Foundation- K.P Paul foundation is a registered trust started in the memory of Late Shri. K.P Paul, founder of M/s popular Vehicles & Services Private Limited. K.P. Paul Foundation began its association with Rajagiri OUT-REACH in the year 2008 in undertaking similar programmes or projects as listed above. The programme is being implemented at Thrissur intending to make women self reliant and sustainable through entrepreneurship programmes.

Rajagiri out- reach is the professional service wing of Rajagiri College of Social Sciences and the major live lab reaching out the communities and the society at large through various field offices established across the state of Kerala.

6. Reason for the balance amount being not spent during the year: NA

7. CSR Responsibility Statement:

The CSR Committee affirms that the implementation and monitoring of the CSR activities of the Company are in compliance with the CSR objectives and CSR Policy of the Company.

**For and on Behalf of Board of Directors of
Popular Vehicles and Services Limited**

Sd/-

Sd/-

Place: Kochi-25
Date: 22.09.2020

**John K Paul
(Managing Director)
DIN:00016513**

**Francis K Paul
(Whole Time Director)
DIN:00018825**