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## Vendor Management Policy

### Popular Vehicles & Services Limited

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#### 1. Purpose

The purpose of this Vendor Management Policy is to establish a sustainable, ethical, and compliant framework for managing vendor relationships at **Popular Vehicles & Services Limited (PVSL)**. This policy ensures that all vendors align with the company's core values and the ESG (Environmental, Social, Governance) principles outlined under the **Business Responsibility and Sustainability Reporting (BRSR)** framework mandated by SEBI.

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#### 2. Scope

This policy applies to all external vendors and suppliers associated with Popular Vehicles & Services Limited and its group companies across:

- Automobile sales and service operations
  - Spare parts and accessories supply
  - IT infrastructure and digital services
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#### 3. Policy Objectives

- Promote sustainability and ESG compliance across the value chain
  - Ensure transparency, fairness, and due diligence in vendor selection and evaluation
  - Reduce ESG and operational risks from third-party engagements
  - Foster long-term, ethical, and mutually beneficial partnerships with vendors
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#### 4. Governance & Responsibilities

The **Vendor Management Committee (VMC)** at PVSL shall oversee policy implementation. It comprises representatives from:

- Procurement and Supply Chain
  - ESG & Sustainability Office
  - Internal Audit & Compliance
  - Legal Department
  - Respective Business Unit Heads
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#### 5. Vendor Selection & Onboarding

## 5.1 Evaluation Criteria – Only for A Class Vendors

Vendors shall be assessed based on:

- Financial stability and industry reputation
- Legal and regulatory compliance (PAN, GST, PF/ESI registrations, etc.)
- Adherence to ESG principles:
  - Environmental: Energy use, emissions, waste handling
  - Social: Fair wages, working conditions, no child/forced labor
  - Governance: Ethical practices, anti-bribery, data protection

## 5.2 Due Diligence

Vendors must complete an **ESG Due Diligence Form** before onboarding. High-risk vendors (based on volume or criticality) may be subject to site audits or third-party assessments.

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## 6. Vendor Code of Conduct

All vendors must sign the **Popular Vehicles Vendor Code of Conduct**, which includes:

- **Legal and Ethical Business Practices**
  - **Respect for Human Rights**
  - **Environmental Responsibility**
  - **Health, Safety, and Well-being of Workers**
  - **Prohibition of Discrimination and Harassment**
  - **Data Security and Confidentiality**
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## 7. Performance Monitoring

Vendor performance is reviewed at least **annually** or **quarterly** (for critical vendors), based on:

- Quality and timeliness of deliveries/services
- Responsiveness and issue resolution
- ESG compliance and audit findings
- Innovation and cost-effectiveness

A **Vendor Scorecard** will be maintained to document evaluations.

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## 8. ESG Compliance & Risk Mitigation

Vendors failing to meet ESG standards will be:

- Notified with a **Corrective Action Plan (CAP)**

- Subject to monitoring within a defined timeline
- Suspended or blacklisted if non-compliance persists

Priority will be given to vendors with strong ESG credentials and certifications (e.g., ISO 14001, SA 8000, etc.)

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## 9. Training & Capacity Building

PVSL will conduct **awareness programs** and share ESG best practices with key vendors, especially in the areas of:

- Waste management and recycling
  - Safe and inclusive workplaces
  - Energy-efficient processes
  - Anti-corruption awareness
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## 10. Grievance Redressal Mechanism

Vendors may report unethical practices, harassment, or policy violations through a dedicated channel:

✉ [vendor.grievance@popularv.com](mailto:vendor.grievance@popularv.com)

☎ [Insert helpline if applicable]

Reports are handled confidentially by the ESG & Compliance team.

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## 11. Documentation & BRSR Reporting

All relevant documentation — including vendor declarations, audits, performance reviews, and grievances — shall be maintained digitally and integrated with PVSL's **annual BRSR disclosures**.

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## 12. Policy Review

This policy shall be reviewed **annually** or earlier, based on:

- Updates to SEBI BRSR regulations
  - Business expansion into new regions or verticals
  - Material risk events or ESG incidents
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## 13. Approval

This policy was approved by the **Board of Directors of Popular Vehicles & Services Limited** on **[Insert Date]**, and is effective from **[Insert Effective Date]**.

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**Annexures:**

- **Annexure A** – Vendor ESG Self-Declaration Form
- **Annexure B** – Popular Vendor Code of Conduct
- **Annexure C** – Vendor Performance Scorecard Template
- **Annexure D** – Grievance Redressal SOP

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**Annexure A****Vendor ESG Self-Declaration Form****Popular Vehicles & Services Limited**

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**Section 1: Vendor Information**

Field	Details
Vendor Name	
Registered Address	
Contact Person Name	
Contact Email & Phone	
Type of Business	Manufacturer / Distributor / Service Provider / Other (Specify)
GST Number	
PAN Number	
Date of Establishment	
Total Number of Employees	

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**Section 2: Environmental Responsibility**

Please tick (✓) the appropriate boxes and provide supporting documents wherever applicable.

Statement	Yes	No	Remarks
We have an Environmental Policy in place.	<input type="checkbox"/>	<input type="checkbox"/>	
We measure and manage our energy consumption.	<input type="checkbox"/>	<input type="checkbox"/>	
We monitor and reduce water consumption.	<input type="checkbox"/>	<input type="checkbox"/>	
We manage and segregate waste responsibly.	<input type="checkbox"/>	<input type="checkbox"/>	

**Statement****Yes No Remarks**

We comply with all applicable environmental laws.

☐ ☐

We use recyclable or eco-friendly materials in our operations.

☐ ☐

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**Section 3: Social Responsibility****Statement****Yes No Remarks**

We do not employ child labor or forced labor.

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We pay all statutory wages and benefits to employees.

☐ ☐

We provide safe and hygienic working conditions.

☐ ☐

We have a grievance redressal system for employees.

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We do not discriminate based on gender, caste, religion, or disability.

☐ ☐

We comply with applicable labor laws and regulations.

☐ ☐

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**Section 4: Governance and Ethics****Statement****Yes No Remarks**

We have a Code of Conduct or Ethics Policy.

☐ ☐

We have measures to prevent bribery and corruption.

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We maintain transparent financial and operational records.

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We have data privacy and cybersecurity safeguards.

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We comply with applicable legal and regulatory requirements.

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**Section 5: Declarations**

- I/We certify that the information provided above is true and correct to the best of our knowledge.
  - We understand that any false information may result in disqualification or termination of the vendor relationship.
  - We agree to comply with Popular Vehicles & Services Limited's Vendor Code of Conduct and ESG expectations.
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**Authorized Signatory**

Name: \_\_\_\_\_

Designation: \_\_\_\_\_

Signature: \_\_\_\_\_  
Date: \_\_\_\_\_  
Company Seal: \_\_\_\_\_

## **Annexure B – Vendor Code of Conduct**

### **Popular Vehicles & Services Limited**

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#### **1. Purpose**

This Vendor Code of Conduct sets out the minimum standards expected of all vendors, suppliers, service providers, and subcontractors working with **Popular Vehicles & Services Limited (PVSL)**. It reflects our commitment to ethical business, environmental responsibility, and respect for human rights.

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#### **2. Scope**

This Code applies to all third-party entities involved in supplying goods or services to PVSL, including sub-contractors and affiliates.

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### **3. Code of Conduct Requirements**

#### **3.1 Compliance with Laws**

Vendors must comply with all applicable local, state, national, and international laws and regulations.

#### **3.2 Human Rights and Labor Standards**

- No child labor (below 18 years)
- No forced, bonded, or involuntary labor
- Fair wages and statutory benefits
- Non-discrimination in hiring, promotion, and compensation
- Safe and healthy working conditions

#### **3.3 Environmental Responsibility**

- Minimize emissions, energy, and water usage
- Manage waste safely and responsibly
- Comply with environmental regulations
- Use of sustainable raw materials, where feasible

#### **3.4 Business Integrity**

- Zero tolerance for corruption, bribery, or unethical practices
- Maintain accurate financial records
- Avoid conflicts of interest
- Do not offer or accept gifts or favors that could influence business decisions

#### **3.5 Data Privacy & Confidentiality**

- Vendors must safeguard PVSL's proprietary data
  - Comply with data protection laws (e.g., IT Act, GDPR if applicable)
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### **4. Monitoring and Enforcement**

PVSL reserves the right to audit vendor practices and terminate contracts for non-compliance. Vendors are encouraged to report violations to the **Vendor Grievance Mechanism**.

#### **Vendor Acknowledgment**

By signing below, the vendor agrees to abide by this Code.

Signature: \_\_\_\_\_  
Name: \_\_\_\_\_  
Designation: \_\_\_\_\_  
Company: \_\_\_\_\_  
Date: \_\_\_\_\_

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☒ **Annexure C – Vendor Performance Scorecard Template**

**Popular Vehicles & Services Limited**

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Category	Evaluation Parameter	Score (1-5)	Remarks
1. Quality	Product/service quality, compliance with specs		
2. Delivery	On-time delivery, adherence to timelines		



Category	Evaluation Parameter	Score (1-5)	Remarks
<b>3. Pricing &amp; Cost Efficiency</b>	Cost competitiveness, value-for-money		
<b>4. Communication</b>	Responsiveness, issue resolution		
<b>5. ESG Compliance</b>	Adherence to environmental and labor standards		
<b>6. Documentation &amp; Audit</b>	Accuracy and availability of reports/invoices		
<b>7. Innovation/Improvement</b>	Suggestions or improvements offered		

#### Scoring Guide:

1 = Poor | 2 = Fair | 3 = Average | 4 = Good | 5 = Excellent

Evaluator Name: \_\_\_\_\_

Department: \_\_\_\_\_

Date: \_\_\_\_\_

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### ☒ Annexure D – Vendor Grievance Redressal SOP

#### Popular Vehicles & Services Limited

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#### 1. Purpose

This Standard Operating Procedure (SOP) ensures that vendors can raise concerns or grievances in a safe, confidential, and effective manner.

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#### 2. Types of Grievances Covered

- Unethical behaviour or harassment
  - Delays in payment
  - Disputes regarding contract terms
  - Discrimination or misconduct by PVSL staff
  - ESG-related violations
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#### 3. Grievance Channels

Vendors may report grievances via:

-  Email: [vendor.grievance@popularv.com](mailto:vendor.grievance@popularv.com)

- 📞 Helpline: **[Insert Number if applicable]**
- 📧 Physical Mail: Compliance Department, Popular Vehicles & Services Ltd., [Office Address]

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#### 4. Investigation Process

Step	Timeline	Responsible
Acknowledge complaint	Within 2 working days	Vendor Compliance Officer
Investigate issue	Within 10 working days	Cross-functional committee
Resolution/Closure	Within 15 working days	ESG/Legal Team

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#### 5. Confidentiality & Protection

- All grievances will be handled confidentially
- Whistleblowers and complainants will be protected from retaliation

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#### 6. Escalation

If not satisfied, vendors may escalate to the **ESG Steering Committee** at:  
✉️ **esg.committee@popularv.com**

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