

Compliance Audit: Ashok Leyland Ltd

Period: FY 2024-25

OVERALL RISK: MEDIUM

1. Forensic Business Intelligence

LABOUR CODE FINANCIAL IMPACT (quarter and nine months ended December 31,2025):

308.48 Crores

the Incremental effect comprising gratuity and compensated absences aggregating

KEY PRODUCTS	MAJOR CUSTOMERS
BOSS Electric, AVTR 55T Electric, Hydrogen ICE, Fuel Cell buses and trucks, LNG, CNG	Indian Army, Amazon, Biocon, DB Schenker, Reliance, NTPC, Adani, Mahanagar Gas Limited

2. Executive Summary

Overview: Ashok Leyland demonstrates a commitment to ethical business practices and sustainability, with a strong focus on employee well-being and community engagement. The company has robust policies and governance structures in place, but there are areas for improvement in supply chain due diligence and ensuring equitable pay across all levels.

■ **Key Insight:** While Ashok Leyland has a strong commitment to ethical business practices and employee well-being, there is a need to improve the ratio of basic salary and remuneration of women to men in senior, middle and junior management.

3. Supply Chain & Vendor Intelligence

Key Vendors Identified (Related Parties):

- TVS Vehicle Mobility Solution Private Limited
- TVS Trucks and Buses Private Limited
- Hinduja Renewables
- Nidec
- CALB
- Hindalco

Principal Employer Liability Analysis: The document does not explicitly discuss the liability risks associated with contract labor. Further investigation is needed to determine the extent of Ashok Leyland's responsibility as a principal employer.

4. Financial Intelligence

Revenue	EBITDA	Net Income	Emp. Cost
INR 38,753 Crore	INR 4,931 Crore	INR 3,303 Crore	INR 2,406 Crore

5A. Wages & Remuneration

Area	Status	Evidence Snippet
Minimum Wage	COMPLIANT	Establishing appropriate wages is crucial for providing both women and men employees and their families with a decent standard of living and income.
Equal Pay	RISK IDENTIFIED	Ratio of basic salary and remuneration of women to men for FY 2024-25
Profit Sharing	N/A	No mention of profit sharing

5B. OSH & Safety

Area	Status	Evidence Snippet
Safety Systems	COMPLIANT	We are certified under ISO 45001:2018, ensuring our Health and Safety management system aligns with global best practices.
Accident Records	POSITIVE	We are pleased to report significant progress, with a 46 percent reduction in occupational injuries in FY 2024-25 compared to FY 2023-24.
Audit Scores	POSITIVE	Additionally, all manufacturing plants underwent assessments by the Confederation of Indian Industry (CII) regarding EHS process maturity, resulting in the achievement of 9 CII EHS awards (Gold - 5, Silver - 1 and Special Category - 3).

5C. Industrial Relations

Area	Status	Evidence Snippet
Unionization	COMPLIANT	We uphold the right to freedom of association and collective bargaining with the utmost respect, ensuring that 100 percent of our workforce is represented under collective bargaining agreements.
Collective Bargaining	COMPLIANT	We uphold the right to freedom of association and collective bargaining with the utmost respect, ensuring that 100 percent of our workforce is represented under collective bargaining agreements.

Disputes Strikes	COMPLIANT	We focus on maintaining a fair workplace, successfully resolving all 45 working condition complaints and 28 health and safety complaints in FY 2024-25.
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5D. Social Security

Area	Status	Evidence Snippet
Leave Policy	COMPLIANT	Our parental leave policy provides 24 weeks of maternity leave for mothers and up to two weeks of paternity leave for fathers. Additionally, adoption leave is provided to women employees for a period of 12 weeks.
Retirement Benefits	COMPLIANT	Every employee is supported with essential retirement plans, including a provident fund, gratuity, and the Employees' State Insurance Scheme of India.
Healthcare Welfare	COMPLIANT	Our permanent staff enjoy extensive insurance coverage—covering health, life, and disability—as well as parental leave provisions

6. Workforce Profile

Category	Total	Male	Female	Turnover
Total Workers (Permanent, Non-Permanent)	29,588	N/A	N/A	N/A
Total Executives	1,802	N/A	N/A	N/A
New Joiners (Employees)	393	N/A	N/A	N/A
Permanent Workers	N/A	N/A	N/A	5.52%
Permanent Employees	N/A	N/A	N/A	7.86%
Trainees	536	374	N/A	162
Revenue Generating Positions	5,278	4,886	N/A	392

7. Strategic Recommendations

1. Develop and implement a plan to address the pay gap between men and women, ensuring equitable compensation across all levels.
2. Enhance due diligence processes for supply chain partners to ensure compliance with human rights and labor standards.
3. Continue to invest in renewable energy and energy efficiency measures to reduce greenhouse gas emissions and achieve carbon neutrality goals.
4. Strengthen community engagement programs to address local needs and improve the company's social impact.