

Compliance Audit: TVS Motor Company

Period: FY 2024-25

OVERALL RISK: MEDIUM

1. Forensic Business Intelligence

LABOUR CODE FINANCIAL IMPACT (Q3FY26):

Rs0.4bn

Exceptional expenses due to the new labor codes

KEY PRODUCTS	MAJOR CUSTOMERS
Not extracted	Not extracted

2. Executive Summary

Overview: TVS Motor Company demonstrates a commitment to responsible business conduct through various policies and initiatives. However, there are areas where improvements are needed, particularly in addressing potential risks in the supply chain and ensuring comprehensive training on human rights.

■ **Key Insight:** While TVS Motor Company has established various policies and procedures to promote responsible business conduct, there is a need for more comprehensive implementation and monitoring of these policies throughout the supply chain, particularly regarding human rights and environmental impacts.

3. Supply Chain & Vendor Intelligence

Key Vendors Identified (Related Parties):

- TVS Holdings Limited
- Sundaram Auto Components Limited
- TVS Credit Services Limited
- TVS Motor Services Limited
- TVS Electric Mobility Limited
- DriveX Mobility Private Limited
- Harita ARC Private Limited
- TVS Housing Finance Private Limited
- Harita Two-wheeler Mall Private Limited
- TVS Motor Company (Europe) B.V.
- TVS Motor (Singapore) Pte Limited
- PT TVS Motor Company

13. TVS Motor Company DMCC
14. The Norton Motorcycle Co Limited
15. The GO Corporation

Principal Employer Liability Analysis: TVS Motor Company could face potential liabilities as a principal employer if its contractors fail to comply with labor laws, ensure workplace safety, or provide adequate social security benefits to their employees. This could result in legal and financial repercussions for the company.

4. Financial Intelligence

Revenue	EBITDA	Net Income	Emp. Cost
3,62,513	44,540	27,105	19,703

5A. Wages & Remuneration

Area	Status	Evidence Snippet
Minimum Wage	COMPLIANT	All employees and workers are paid more than the minimum wage.
Equal Pay	RISK IDENTIFIED	Median remuneration/ salary/ wages of respective category Board of Directors (BoD) Male 7 INR 41,89,589 Female 1 - Key Managerial Personnel Male 2 - Female - - Employees other than BoD and KMP Male 3649 INR 16,00,000 Female 559 INR 13,00,000 Workers Male 1850 INR 8,00,000 Female 1 INR 7,00,000
Profit Sharing	NOT DISCLOSED	No mention of profit sharing.

5B. OSH & Safety

Area	Status	Evidence Snippet
Safety Systems	COMPLIANT	TVS Motor Company (TVS Motor) has implemented a comprehensive Occupational Health and Safety Management System (OHSMS) across all its manufacturing plants, operations and across its value chain.
Accident Records	COMPLIANT	Lost Time Injury Frequency Rate (LTIFR) Employees 0 Workers 0.39
Audit Scores	POSITIVE	MSI score was 81%.

5C. Industrial Relations

Area	Status	Evidence Snippet
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Unionization	COMPLIANT	Total Permanent Workers 1851 100.00
Collective Bargaining	COMPLIANT	consultative collective bargaining process
Disputes Strikes	COMPLIANT	No major disputes or strikes reported.

5D. Social Security

Area	Status	Evidence Snippet
Leave Policy	COMPLIANT	Details of measures for the well-being of employees: % of employees covered by Health insurance 100% % of employees covered by Accident insurance 100% % of employees covered by Maternity Benefits 14.44% % of employees covered by Paternity Benefits 85.56% % of employees covered by Day Care facilities...
Retirement Benefits	COMPLIANT	Details of retirement benefits, for Current FY and Previous Financial Year Benefits No. of employees covered as a % of total employees No. of workers covered as a % of total workers Deducted and deposited with the authority (Y/N/N.A.) PF 100% 100% Yes Gratuity 100% 100% Yes Employees State Insurance...
Healthcare Welfare	COMPLIANT	TVS Motor Company's Occupational Health Centre (OHC) operates 24/7, ensuring accessibility for all employees, including contract workers. The OHC provides medical care and treatment for both work-related and non-work-related injuries and illnesses, promoting overall employee well-being.

6. Workforce Profile

Category	Total	Male	Female	Turnover
Permanent Employees	4129	3579	550	8.26
Other than Permanent Employees	256	221	35	N/A
Permanent Workers	1851	1850	1	2.58
Other than Permanent Workers	N/A	N/A	N/A	N/A

7. Strategic Recommendations

1. Conduct regular and thorough audits of suppliers to ensure compliance with labor laws and human rights standards.
2. Implement comprehensive training programs for employees and workers on human rights, workplace safety, and ethical conduct.
3. Establish clear and accessible grievance mechanisms for employees and workers to report concerns without fear of retaliation.
4. Promote diversity and inclusion throughout the organization, creating a workplace where everyone feels valued and respected.