



## **TRANSFORMERS AND RECTIFIERS (INDIA) LIMITED**

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### **CODE OF CONDUCT FOR BOARD MEMBERS AND FOR SENIOR MANAGEMENT PERSONNEL OF THE COMPANY**



*(As per Clause 49(1)(D) of the Listing Agreement of The Bombay Stock Exchange)*

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*AN ISO 9001:2000 COMPLIANT COMPANY*





## (I) INTRODUCTION

This Code for the members of the Board of Directors and for the Senior Management Personnel of **Transformers and Rectifiers (India) Limited** (the Company) helps the Company to maintain the Standard of the Business Ethics and ensure compliance with the legal requirements, specifically under Clause 49 of the Standard Listing Agreements of the Company with the National and Bombay Stock Exchanges. The Code is aimed to prevent any wrongdoing and to promote ethical conduct at the Board and Senior Management level.

## (II) APPLICABILITY

The code is applicable to the following persons (the Officers):

- (a) Members of the Board of Directors of the Company And
- (b) Senior Management Personnel i.e. all members of management i.e. AGM Level and above including all functional heads.

All the concerned are expected to read and understand this Code and to uphold standards set out under this, in his/her day-to-day activities.

As the principles set out under this are general in character, Officers should also review the Company's other applicable Policies and Procedures for more specific instructions. In case of any difficulty in interpretation or allied matters they may contact the Company Secretary. This Code is in addition to and not in derogation with any Act, law, rules and regulations, and all other applicable Policies and Procedures adopted by the Company that governs the conduct of its officers.

It is obligatory on the part of every Officer to make an annual disclosure under this Code affirming their adherence to the Code on annual basis. This disclosure shall be made to the Company Secretary on or before 30th April, for the financial year preceding the date. In addition to above said disclosure, every Officer is to make an acknowledgement as given in **Annexure - A** to the Code, on receipt of this Code, indicating that they have received, read and understood, and agree to comply with the Code.

## (III) DEFINITION

**Material Transaction:** Every transaction the value of which exceeds Rs. 50,000 per annum shall be considered as transaction of the material nature.

**Interest in Transaction:** Interest in any transaction (be a contract or arrangement) either through himself or through any of the following shall be regarded as interest in the transaction:

- i) Interest through spouse;
- ii) Interest through son/daughter;
- iii) Interest through parents or
- iv) Interest through Son's wife or Daughter's husband.

**Corporate Opportunity:** Corporate Opportunity is an opportunity in which the Company has a right / property / interest or expectancy or opportunity is the one, which in justice should belong to the Company.



#### **(IV) HONEST AND ETHICAL CONDUCT**

It is Policy of the Company to conduct its business in accordance with all applicable laws and regulations of the jurisdiction in which such business is conducted and to do so with complete honesty and integrity in accordance with highest moral and ethical standard. The Company expects all Officers to accomplish all tasks in the capacity of Officer, whether in the premises of the Company or outside, with highest degree of honesty, integrity and professional ethics.

Honesty means every act of the Officers should be free from any fraud or deception. Ethical behavior is the behavior in conformity with accepted professional standards. In case you find any difficulty regarding appropriateness of any action or inaction you can seek assistance for its interpretation from the Company Secretary.

#### **(V) DISCLOSURE OF INTEREST**

It is an obligation of every Officer of the Company to disclose nature of his / her interest or concern in any material transaction made or proposed to be made on behalf of the Company. Disclosure under this clause shall be made by the Officer to the Company Secretary as soon as it comes to his / her knowledge. General notice given to the Company Secretary to the effect that he / she is related to such & such persons and is to be regarded as concerned or interested in any transaction, which may, after date of the notice, be entered into with that person(s), shall be deemed to be sufficient disclosure of his / her concern or interest in relation to any transaction. Such notice shall be made annually and shall be submitted to the Company Secretary before the expiry of the first month of the Financial Year to which it relates. Any change to the Notice shall be intimated to the Company within fourteen days of the occurrence of such change.

#### **(VI) USE OF COMPANY'S FUNDS & ASSETS**

The Company expects all Officers to use Company's funds diligently. The Officers are prohibited from using Company assets, Confidential or proprietary information or position for personal gain.

#### **(VII) CONFLICTS OF INTEREST**

Officers are expected to disclose any of their transaction, which has or may have any conflicting interest with the business of the Company. They must ensure that these transactions do not compromise on their responsibility towards the Company. Transaction here includes investment in supplier, competitor or customer of the Company, Directorship in any competitor Companies, acceptance of any simultaneous employment in suppliers or customers or competitor firm(s) Company(ies).

#### **(VIII) CORPORATE OPPORTUNITIES**

An Officer should not exploit any Corporate Opportunity for their personal use, which comes to their knowledge, because of such position, without obtaining prior consent of the Board of Directors.

#### **(IX) PROTECTING THE COMPANY'S CONFIDENTIAL INFORMATION**

Officers are under obligation to maintain the confidentiality of the insider information coming to their way, which if disclosed to an outsider may have any adverse impact on the Company and will not disclose it except in the course of discharge of their duties.



**(X) PAYMENTS OR GIFTS FROM OTHERS**

No Member of the Board & Senior Management of the Company or member of his or her immediate family, shall (directly or indirectly) solicit, accept or retain any gift, entertainment, trip, discount, service, or other benefit from any organization or person doing business or competing with the Company, other than (i) modest gifts or entertainment as part of normal business courtesy and hospitality that would not influence, and would not reasonably appear to be capable of influencing, such person to act in any manner not in the best interest of the Company or (ii) acceptance of a nominally benefit that has been disclosed to the Company.

**XI) EMPLOYEE RELATIONSHIPS**

The Company continually strives to promote positive and productive working relationships among its Officers to fully comply with the letter and spirit of all laws prohibiting discrimination and sexual harassment. While the Company does not wish to unduly interfere with the private lives of its employees, some limitations on personal relationships in the workplace are necessary in order to prevent actual or perceived favoritism, problems with Seniors and possible claims of discrimination or harassment. For these reasons, an Officer shall not engage in romantic or sexual encounters or relationships with any other employee with whom he or she is in a supervisory or reporting relationship.

The Company recognizes the importance of developing close working relationships among employees and this policy is not intended to prohibit friendships that naturally develop in a work setting or social interaction among employees.

**(XI) COMPLIANCE WITH LAWS, RULES & REGULATIONS**

Officer must comply with all applicable laws, rules and regulation. Officers are expected to have knowledge of legal obligations relating to their duty and to accomplish their tasks in conformity with such obligations.

**(XII) INCLUSIONARY CLAUSE**

Transactions given above are only exemplary ones and it would not be possible to quote here, all situations in which conflict of the interest may arise. So, if a situation raises any doubt or question, the Officer may consult the Company Secretary.

**(XIII) COMPLIANCE WITH CODE OF CONDUCT**

It is part of the Officer's duty to help in the enforcement of the Code. They are under an obligation to bring any violation of the Code to the knowledge of the Company Secretary. All the Officers are expected to co-operate in any investigation made in pursuance of the Code. Reprisal, threat, retribution or retaliation against any person, who has, in good faith, reported a violation or suspected violation of the law under this Code or under other Company Policy (ies) or against any person who is assisting in any investigation or process with respect to such a violation, is prohibited. The Company will take appropriate action against any Officer whose actions are found to violate the Code or any other Policy of the Company. Disciplinary action may include immediate termination of employment or cessation of the office at the Company's sole discretion. Where the Company has suffered a loss, it may pursue its remedies against the person(s) responsible.

**(XIV) WAIVER AND AMENDMENTS TO THE CODE**

This Code is subject to the modifications and no amendment / waiver of any provision of the Code is possible unless approved in writing by the Board of Directors of the Company.



ANNEXURE - A  
CODE OF CONDUCT  
FOR

BORAD MEMBERS AND SENIOR MANAGEMENT PERSONNEL

To,  
The Company Secretary  
**TRANSFORMERS AND RECTIFIERS (INDIA) LIMITED**  
Survey No. 344-350,  
Opp. PWD Stores,  
Sarkhej -Bavla Highway,  
Changodar  
Ahmedabad

**ACKNOWLEDGEMENT FORM**

Dear Sir,

I, \_\_\_\_\_ have received and read the Company's 'CODE OF CONDUCT FOR BOARD MEMBERS AND SENIOR MANAGEMENT PERSONNEL' of the Company. I have understood the provisions and policies contained in this Code and I agree to comply with this Code.

Signature :

Name :

Designation :

Date :

Place :