

CODE OF CONDUCT TO REGULATE, MONITOR AND REPORT TRADING BY INSIDERS

1. Introduction

Pursuant to the provisions of SEBI (Prohibition of Insider Trading) Regulations, 2015, the Company has adopted a "Code of Conduct to Regulate, Monitor and Report Trading by Insiders". The objective of the Code is to regulate, monitor and report Trading in securities of the Company by its employees and other connected persons on the basis of unpublished price sensitive information.

2. Applicability

This Code shall apply to all the employees and other connected persons of the Company w.e.f. 15th May, 2015:

3. Definitions

In this Code, unless the context otherwise requires:

- (i) **"SEBI Act"** means the Securities and Exchange Board of India Act, 1992 (15 of 1992).
- (ii) **"Regulations"** means the SEBI (Prohibition of Insider Trading) Regulations, 2015 as amended from time to time.
- (iii) **"the Company"** means Advance Metering Technology Limited.
- (iv) **"Code"** means this Advance Metering Technology Limited Code of Conduct to regulate, monitor and report trading by employees and other connected person.
- (v) **"connected person"** means,-
 - 1) any person who is or has during the six months prior to the concerned act been associated with a company, directly or indirectly, in any capacity including by reason of frequent communication with its officers or by being in any contractual, fiduciary or employment relationship or by being a director, officer or an employee of the company or holds any position including a professional or business relationship between himself and the company whether temporary or permanent, that allows such person, directly or indirectly, access to unpublished price sensitive information or is reasonably expected to allow such access.

2) Without prejudice to the generality of the foregoing, the persons falling within the following categories shall be deemed to be connected persons unless the contrary is established, -

- (a). an immediate relative of connected persons specified in clause (i); or
- (b). a holding company or associate company or subsidiary company; or
- (c). an intermediary as specified in section 12 of the Act or an employee or director thereof; or
- (d). an investment company, trustee company, asset management company or an employee or director thereof; or
- (e). an official of a stock exchange or of clearing house or corporation; or
- (f). a member of board of trustees of a mutual fund or a member of the Board of Directors of the asset management company of a mutual fund or is an employee thereof; or
- (g). a member of the Board of Directors or an employee, of a public financial institution as defined in section 2 (72) of the Companies Act, 2013; or
- (h). an official or an employee of a self-regulatory organization recognised or authorized by the Board; or
- (i). a banker of the company; or
- (j). a concern, firm, trust, Hindu undivided family, company or association of persons wherein a director of a company or his immediate relative or banker of the company, has more than ten per cent. of the holding or interest;

(vi) "**Generally available information**" means information that is accessible to the public on a non-discriminatory basis;

(vii) "**Insider**" means any person who is,

- a) a connected person; or
- b) in possession of or having access to unpublished price sensitive information;
- c)

(viii) "**Trading**" means and includes subscribing, buying, selling, dealing, or agreeing to subscribe, buy, sell, deal in any securities, and "trade" shall be construed accordingly ;

(ix) "**Trading day**" means a day on which the recognized stock exchanges are open for trading; ,

(x) "**Unpublished price sensitive information**" means any information, relating to a company or its securities, directly or indirectly, that is not generally available which upon

- a) becoming generally available, is likely to materially affect the price of the securities and
- b) shall, ordinarily including but not restricted to, information relating to the following:-
 - (i) financial results;

- (ii) dividends;
- (iii) change in capital structure;
- (iv) mergers, de-mergers, acquisitions, delistings, disposals and expansion of business and such other transactions;
- (v) changes in key managerial personnel; and
- (vi) material events in accordance with the listing agreement.

4. Provisions of the code.

4.1 Compliance officer

- (a) Mr. Rakesh Dhdooy, AVP(Corporate Affairs) & Company Secretary, shall act as the Compliance office.
- (b) The compliance officer shall report to the Board of Directors and in particular, shall provide reports to the Chairman of the Audit Committee and to the Chairman of the Board of Directors at such frequency as may be stipulated by the Board of Directors.

4.2 Preservation or communication of unpublished price sensitive information

- (a) No insider shall communicate, provide, or allow access to any unpublished price sensitive information, relating to a company or securities listed or proposed to be listed, to any person including other insiders except where such communication is in furtherance of legitimate purposes, performance of duties or discharge of legal obligations.
- (b) No person shall procure from or cause the communication by any insider of unpublished price sensitive information, relating to a company or securities listed or proposed to be listed, except in furtherance of legitimate purposes, performance of duties or discharge of legal obligations.
- (c) Notwithstanding anything contained in this regulation, an unpublished price sensitive information may be communicated, provided, allowed access to or procured, in connection with a transaction that would:–
 - (i) entail an obligation to make an open offer under the takeover regulations where the Board of Directors of the company is of informed opinion that the proposed transaction is in the best interests of the company;
 - (ii) not attract the obligation to make an open offer under the takeover regulations but where the Board of Directors of the company is of informed opinion that the proposed transaction is in the best interests of the company and the information that constitute unpublished price sensitive information is disseminated to be made generally available at least two trading days prior to the proposed transaction being effected in such form as the Board of Directors may determine.

- (d) All information shall be handled within the organisation on a need-to-know basis and no unpublished price sensitive information shall be communicated to any person except in furtherance of the insider's legitimate purposes, performance of duties or discharge of his legal obligations.

The Company have adopted the Chinese Walls procedure to separate areas that have access to Inside Information ("Insider Areas") from those who do not have such access ("Public Areas"). As such, Chinese Walls are designed to operate as barriers to the passing of Inside Information and Confidential Information.

Chinese Walls procedure prohibit the employees working within an Insider Area from communicating any Confidential or Inside Information to employees in Public Areas without the prior approval of the Compliance Officer.

Employees within a Chinese Wall have a responsibility to ensure that the Chinese Wall is not breached deliberately or inadvertently. Known or suspected breaches of the Chinese Wall must be referred to the Compliance Officer immediately.

If an employee working within an Insider Area want to cross the wall than he has to take the prior approval of the Compliance Officer of the Company.

4.3 Trading when in possession of unpublished price sensitive information.

- (a) Subject to the proviso of regulation 4(1) of the regulation, no insider shall trade in securities that are listed or proposed to be listed on a stock exchange when in possession of unpublished price sensitive information.
- (b) An insider shall be entitled to formulate a trading plan as per the regulation 5(2) of the regulation and present it to the compliance officer for approval and public disclosure pursuant to which trades may be carried out on his behalf in accordance with such plan.
- (c) The compliance officer shall review the trading plan to assess whether the plan would have any potential for violation of these regulations and shall be entitled to seek such express undertakings as may be necessary to enable such assessment and to approve and monitor the implementation of the plan.
- (d) The trading plan once approved shall be irrevocable and the insider shall mandatorily have to implement the plan, without being entitled to either deviate from it or to execute any trade in the securities outside the scope of the trading plan.

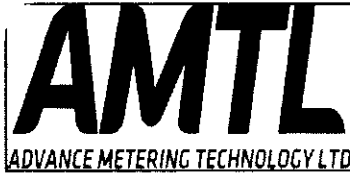
Provided that the implementation of the trading plan shall not be commenced if any unpublished price sensitive information in possession of the insider at the time of formulation of the plan has not become generally available at the time of the

commencement of implementation and in such event the compliance officer shall confirm that the commencement ought to be deferred until such unpublished price sensitive information becomes generally available information so as to avoid a violation of sub-regulation (1) of regulation 4.

- (e) Upon approval of the trading plan, the compliance officer shall notify the plan to the stock exchanges on which the securities are listed.

4.4 Trading Window

- (a) Employees and connected persons designated on the basis of their functional role ("**designated persons**") in the organisation shall be governed by an internal code of conduct governing dealing in securities. The Board of Directors shall in consultation with the compliance officer specify the designated persons to be covered by such code on the basis of their role and function in the organisation. Due regard shall be had to the access that such role and function would provide to unpublished price sensitive information in addition to seniority and professional designation.
- (b) Designated persons may execute trades subject to compliance with the regulation of SEBI (Prohibition of Insider Trading) Regulations, 2015. Towards this end, a notional trading window shall be used as an instrument of monitoring trading by the designated persons. The trading window shall be closed when the compliance officer determines that a designated person or class of designated persons can reasonably be expected to have possession of unpublished price sensitive information. Such closure shall be imposed in relation to such securities to which such unpublished price sensitive information relates. Designated persons and their immediate relatives shall not trade in securities when the trading window is closed.
- (c) The timing for re-opening of the trading window shall be determined by the compliance officer taking into account various factors including the unpublished price sensitive information in question becoming generally available and being capable of assimilation by the market, which in any event shall not be earlier than forty-eight hours after the information becomes generally available. The trading window shall also be applicable to any person having contractual or fiduciary relation with the company, such as auditors, accountancy firms, law firms, analysts, consultants etc., assisting or advising the company.
- (d) When the trading window is open, trading by designated persons shall be subject to preclearance by the compliance officer, if the value of the proposed trades is above such thresholds as the Board of Directors may stipulate. No designated person shall apply for pre-clearance of any proposed trade if such designated person is in possession of unpublished price sensitive information even if the trading window is not closed.



- (e) The compliance officer shall confidentially maintain a list of such securities as a "restricted list" which shall be used as the basis for approving or rejecting applications for preclearance of trades.
- (f) Prior to approving any trades, the compliance officer shall be entitled to seek declarations to the effect that the applicant for pre-clearance is not in possession of any unpublished price sensitive information. He shall also have regard to whether any such declaration is reasonably capable of being rendered inaccurate.
- (g) The trades that have been pre-cleared have to be executed by the designated person within not more than seven trading days, failing which fresh pre-clearance would be needed for the trades to be executed.
- (h) A designated person who is permitted to trade shall not execute a contra trade within six months of the earlier trade. The compliance officer may be empowered to grant relaxation from strict application of such restriction for reasons to be recorded in writing provided that such relaxation does not violate these regulations. Should a contra trade be executed, inadvertently or otherwise, in violation of such a restriction, the profits from such trade shall be liable to be disgorged for remittance to the Board for credit to the Investor Protection and Education Fund administered by the Board under the Act.
- (i) The formats for making applications for pre-clearance, reporting of trades executed, reporting of decisions not to trade after securing pre-clearance, recording of reasons for such decisions and for reporting level of holdings in securities at such intervals as may be determined as being necessary to monitor compliance with these regulations are available with the compliance officer of the Company.
- (j)
 - a) Every designated person shall be responsible for complying with the provisions of the Code.
 - b) Any designated person who trades in securities or communicate any information for trading in securities, in contravention of this code may be penalized and appropriate action may be taken by the Company.
 - c) without prejudice to the power of the Securities and Exchange Board under the Act, Designated person who violate the code shall be subjected to disciplinary action by the Company, which may include wages freeze, suspension, removal from services permanently, ineligibility for future participation in employee stock option plans, etc
- (k) If it is observed by the Compliance Officer of the Company, that there has been a violation of these regulations, he shall inform the Board promptly.