

GATI Limited

CODE OF BUSINESS CONDUCT AND ETHICS

1. Authority and Applicability :

The Board of Directors (the “Board”) of GATI Limited (the “Company”) have adopted the following Code of Business Conduct and Ethics (the “Code”) for Directors of the Company (“Directors”) and all Chiefs of Functions (“Covered Employees”). The Board of Directors reserve their right to alter / amend / modify / enlarge the scope, extent and applicability of this Code to the employees of the Company.

2.Objectivity :

The main object of the Code is to set a benchmark for the Company’s commitment to values and ethical business conduct and practices. Its purpose is to conduct the business of the Company in accordance with its value systems, fair and ethical practices, applicable laws, rules & regulations.

Further, the Code provides for the highest standard of professional integrity while discharging the duties and to promote and demonstrate professionalism in the Company.

The Company is committed towards ethical and lawful business conduct and acknowledges it as critical to its success. The Company undertakes to uphold the ethical practices and legal standards while pursuing its objectives. Consistent with these principles, the Code has been adopted both in letter and spirit by all the Directors and Covered Employees of the company. While it is not possible to anticipate every situation or circumstance that may arise, the Code is intended to serve as a board guideline.

3. Non-Compliance :

While performing their respective functions, all the Directors and Covered Employees shall always ensure non-violation of the Code herein and to :

- * act with integrity, probity, honesty, transparency and with utmost good faith;
- * assist in achieving the Company's Objectives by adopting fair and ethical practices and create an organization that is responsive, positive, driven by business and social needs.

All Directors / Covered Employees who violates / deviate from the requirements of the Code herein shall attract prosecution including but not limited to disciplinary action, which may also include termination of office / employment.

4.Compliance with Laws, Rules and Regulations :

All Directors and Covered Employees shall understand that the compliance with the laws of the land, ethical practices, fair conduct and integrity are the essence of the Code and they shall comply with all the applicable laws of the land, in which the Company operates, apply ethical practices, conduct themselves in a fair manner and ensure their integrity towards the Company. Any violation of any provision of laws, rules or regulations may render such Director / Covered Employee liable for criminal and / or civil liability, in addition to disciplinary action by the Company.

5.Conflicts of Interest :

a. When any Director / Covered Employee has a personal interest of whatsoever nature, in any transaction of the Company, in whatsoever manner, then "Conflict of Interest" arises. As a general rule, all Directors and Covered Employees shall avoid actual and / or apparent Conflict of Interest and shall always uphold the interests of the Company as a professional in letter and spirit.

b. Also, a situation of Conflict of Interest arises when a Director and / or a Covered Employee has interest in any transaction of the

Company that may render / make it difficult for such Director and / or Covered Employee to perform / discharge his or her duties to the Company objectively and / or effectively. An example of a situation of Conflict of Interest is when a Director and / or a Covered Employee or member of his or her family, receives personal benefits in any form, in whatever manner / nature as a result of his or her position in the Company.

c. It is deemed to be a Conflict of Interest and / or compromising the integrity of a Director and /or a Covered Employee, if they work simultaneously for a competitor, customer, supplier or a third party in violation of the terms of their appointment. No Director and / or a Covered Employee is entitled to work for a competitor, customer, supplier or a third party involved in similar or identical business that is being carried on by the Company in any capacity viz., as a consultant or as board member, etc unless approved by the Board. Conflict of Interest is strictly prohibited as a matter of Company's policy, except under certain circumstances with the prior written approval of the Board and subject to limitations imposed under law. As it is not possible to describe all situations of Conflicts of Interest that may arise. Conflicts of Interest may not always be clear-cut or specific and hence, if a Director and / or a Covered Employee is not clear, he / she should seek guidance of his / her immediate superior and / or the Chairman of the Audit Committee.

d. The purpose of business entertainment and gifts in a commercial setup is to create goodwill and sound working relationships, not to gain any unfair advantage with customers or suppliers or third parties. No costly / unusual gift or entertainment should be offered, given, provided or accepted by any Director / Covered Employee or his / her relatives.

e. Directors / Covered Employees shall not use the Company's assets, labour or information for personal use except as outlined in Section 10, "Protection and Proper Use of Company Assets and Proprietary Information", or unless approved by the Chairman of the Audit Committee or as part of a compensation or expense reimbursement program available to all Directors / Covered Employees.

f. A Director's disclosure of interest under Section 299 of the Companies Act, 1956 shall be treated as sufficient compliance under this clause regarding situations of potential Conflict of Interest.

6. Insider Trading :

In order to assist in compliance with the applicable laws / regulations against insider trading, the Company has adopted the "Code of Conduct for Prevention of Insider Trading" governing trading in securities of the Company and Group Companies by each Director and / or designated employee. Hence, strict adherence of the Company's "Code of Conduct for Prevention of Insider Trading" shall be mandatory and form part of this Code.

7. Competition and Fair Dealing :

The Company strives to outperform its competition by adopting fair and ethical practices. Each Director / Covered Employee shall deal diligently and fairly with the Company's customers, suppliers, competitors and employees and should not take any unfair or undue advantage of anyone through any intentional or unfair-dealings, unethical practices. Pilfering proprietary information, possessing trade secrets and confidential information obtained without the owner's consent, or inducing such disclosures by / through past or present employees of competitor is prohibited.

8. Discrimination and Harassment :

The Company is firmly committed to providing equal opportunity to all in all aspects of employment without any discrimination and harassment of any type .

9. Health and Safety :

The Company strives to provide each employee with a safe and healthy work environment. Every Director / Covered Employee has a responsibility towards maintaining a safe and healthy workplace by following all safety and health rules and practices and reporting accidents, injuries and unsafe equipment, practices or conditions. Being under the influence of illegal drugs and/or alcohol on the job is absolutely prohibited.

10. Confidentiality :

Directors / Covered Employees shall maintain confidentiality of information entrusted to them by the Company and any other confidential information about the Company that comes to their knowledge, from whatever source, in their capacity as Directors / Covered Employees, except when disclosure is duly authorized by the Chief Executive Officer or Chief Financial Officer or the Audit Committee or the Board of Directors or is required by laws or regulations. Confidentiality extends to information that suppliers and customers have entrusted to the Company. Use of confidential information for personal gain is strictly prohibited

11. Protection and Proper Use of Company Assets and Proprietary Information :

All Directors / Covered Employees must endeavor to protect the Company's assets and ensure their efficient use. Any suspected incident of fraud or theft should be immediately reported to the Head of Human Resource Department and in appropriate cases, the Chairman of the Audit Committee for investigation. Company assets should not be used for personal use or for personal gain, though incidental personal use may be permitted when properly authorized.

The obligation of Directors / Covered Employees to protect the Company's assets includes protecting its proprietary information. Proprietary information includes intellectual property such as trade secrets, patents, trademarks, designs and copyrights, as well as business, marketing and service plans, engineering and manufacturing ideas, designs, databases, records and unpublished financial data. Unauthorized use or distribution of such information shall not only be a violation of this Code and the terms of employment with the Company, but could also be illegal and result in civil and/or criminal prosecution.

12. Reporting any Illegal or Unethical Behavior :

If any Director / Covered Employee believes that a violation of or significant deviation from the Code has occurred or has become unavoidable, he/she must inform in writing to the head of the Human Resources Department and in appropriate cases, the Chairman of the Audit Committee.

Use of the above reporting procedures in bad faith or in a false or frivolous manner shall be treated as gross violation of the Code.

13. Waiver of the Codes :

Any waiver of the applicability of the Code or waiver of application of any provision of the Code to any Director / Covered Employee shall be approved by the Board of Directors and disclosed as required by law or SEBI / Stock Exchange regulations.

14. Compliance Procedures:

Each Director and Covered Employee shall report on or before of April 15th of each year, compliance of the Code in the prescribed form as per the Annexure to the Code.

ANNEXURE

GATI LIMITED

DATE:

To,

The Board of Directors

Gati Limited

1-7-293, M.G.Road

Secunderabad-5000 03

Dear Sirs,

I, _____, S/o _____,
Director / Covered Employee under the Code of Business Conduct and Ethics of
the Company adopted by the Board of Directors on 18.01.2005 .I hereby affirm
compliance with the said Code for the financial year _____. *(In case any
section of the Code has not been complied with, please state exact section and
circumstances for non compliance in detail together with details of waiver
granted by the Board, if any).*

Thanking You,

Yours truly,