

CODE OF CONDUCT FOR DIRECTORS AND SENIOR MANAGEMENT

ARUNA HOTELS LIMITED

[CIN: L15421TN1960PLC004255]

Registered Office: # 145, Sterling Road, Nungambakkam,
Chennai - 600034

Preface:

This Code of Conduct for the Board of Directors and Senior Management Personnel (hereinafter referred to as “the Code”) has been framed and adopted by Aruna Hotels Limited (hereinafter referred to as the “Company or Aruna Hotels or AHL”) is hereby amended as per the requirements of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Aruna Hotels Limited (AHL) believes in independence, responsibility, transparency, professionalism, accountability and code of ethics, which are the basic tenets of corporate governance. AHL always seeks to achieve optimum performance at all levels in adopting and adhering to the best Corporate Governance practices.

Code:

This code of conduct helps to ensure compliance with legal requirements and standards of business conduct. Every Board member and senior management personnel is expected to read and understand this Code and its application to the performance of his or her duties, functions and responsibilities. This Code shall be applicable to all the members of the Board and Senior Management Personnel of the Company and are expected to familiarize them with this Code, understand, adhere to, comply with and uphold the provisions of this Code in their day-to-day functioning. Any issue relating to the interpretation of the Code will be handled by the Board.

Regulation 17 (5) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“**Listing Regulations**”) requires a listed company to frame a Code of Conduct for all members of the Board of Directors and Senior Management, which shall be hosted on the website of the Company.

Compliance Officer:

Company Secretary is the Compliance Officer for the purpose of this code. The Compliance Officer shall refer to the Chairperson of the Board for any complaint received for necessary action.

Definitions:

- a. “**Board**” or “**Board of Directors**” shall mean the Board of Directors of the Company
- b. “**Company**” or “**AHL**” or “**Aruna Hotels**” shall mean Aruna Hotels Limited
- c. “**Compliance Officer**” shall mean the Company Secretary of the Company and in his/her absence any senior officer, so designated by the Board for the purpose of compliance with the Code.
- d. “**Director**” shall mean a member of the Board
- e. “**Listing Regulations**” shall mean Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015
- f. “**Senior Management**” mean officers/personnel of the Company who are members of its core management team excluding board of directors and normally this shall comprise of all members of management one level below the “chief executive officer/managing director/whole time director/manager (including chief executive officer/manager, in case they are not part of the board) including all functional heads, company secretary and chief financial officer.

Honesty, Integrity & Professional Conduct:

All Board members and senior management personnel shall

- Act in good faith, responsibility, with due care, competence and diligence, without allowing their independent judgement to be subordinated and objectively and constructively, while exercising his / her duties;
- Act in the best interest of the company and fulfil the fiduciary obligations;
- Devote sufficient time and attention to his / her professional obligations for informed and balanced decision making;
- Not to engage in business, relationship or activity which may be in conflict of interest of the Company
- Provide full, fair, accurate and timely disclosure of relevant facts in all reports and documents dealing with matters of governance and the management of business;
- Respect and protect confidential and / or privileged information which the employee has access to, in the course of his/ her duties;
- Prompt internal reporting or ethical violations or perceived corruption within the organisation;
- Treat all persons with respect, equity and fairness regardless of race, religion, caste, gender, ability, age or national origin;
- Comply with all applicable governmental laws, rules and regulations in force;

- To serve at all times in the best interests of its customers, employees, shareholders and the community at large
- Comply with every provision of this Code and assist AHL in implementing the best corporate governance practices.

Duties:

All Directors and senior management personnel shall -

- undertake appropriate induction and regularly update and refresh their skills, knowledge and familiarity with the activities;
- seek appropriate clarification or amplification of information and whenever necessary take and follow appropriate professional advice and opinion of outside experts;
- strive to attend all meetings of the Board and of the Board Committees of which he / she is a member;
- participate constructively and actively in all the meetings of the Committees of the Board in which they are Chairpersons or Members;
- strive to attend all general meetings of Aruna Hotels as a Member of the Board;
- where they have any concerns of any action or a proposed action, ensure that these are addressed by the Board and, to the extent that they are not resolved, insist that their concerns are recorded in the minutes of the Board meeting;
- keep themselves well informed about AHL and the external environment in which it operates;
- not to unfairly obstruct the functioning of an otherwise proper Board or Committee of the Board;
- pay sufficient attention and ensure that adequate deliberations are held before approving any related party transactions and assure themselves that the same are in the interest of Aruna Hotels;
- report concerns about unethical behaviour, actual or suspected fraud or violation of this Policy;
- not disclose confidential information, including commercial secrets, technologies, advertising and sales promotion plans, unpublished price sensitive information, unless such disclosure is expressly approved by the Board or required by law.

Conflict of Interest:

All Board members and senior management personnel shall not engage in any business, relationship or activity, which may be in conflict of interest of Aruna Hotels or the group companies.

Any question therefore about a Board member's or senior management personnel's actual or potential conflict of interest with the Company should be brought promptly to the attention of the Chairperson of the Board who will review the question and determine a proper course of action including whether consideration or action by the full Board is necessary.

Directors or senior management personnel involved in any conflict or potential conflict situations shall exclude themselves from any discussion or decision relating thereto.

Fair Dealing:

- All Board members and senior management personnel should deal fairly with Aruna Hotels's customers, suppliers, competitors, officers and employees.
- No Board member or senior management personnel may take unfair advantage of Aruna Hotels's customers, suppliers, competitors or employees through manipulating, concealment, abuse of privileged information, misrepresentation of material facts or any other unfair dealing practice.
- Gift or entertainment in any form that is likely to result in a feeling of expectation of personal obligation should not be accepted or extended.

Corporate Opportunities:

All Board members and senior management personnel shall not exploit for their own personal gain opportunities that are discovered through the use of Aruna Hotels property, information or position unless the opportunity is disclosed fully in writing to the Board and the Board gives its approval to pursue such opportunity.

Confidential Information:

All Board members and senior management personnel shall maintain confidentiality of information (price sensitive or otherwise) they receive while being in office of Aruna Hotels and they may also ensure security of information of Aruna Hotels.

They will also ensure that the interests of any employee, who uses the vigil mechanism to report genuine concerns about unethical behaviour, are not prejudicially affected on account of such use and shall maintain confidentiality of all matters under this Policy.

Confidential Information of Others:

Aruna Hotels is required to abide by the terms of the relevant non-disclosure agreement and limit its use to the specific purposes for which it was disclosed and to disseminate it only to others with a need to know the information.

All Board members and senior management personnel shall not attempt to obtain a competitor's confidential information by improper means.

Protection of Assets:

The Board and senior management personnel shall endeavour their best to protect the Company's assets and shall not use the same for personal benefit, unless approved by the Board.

Sexual Harassment:

The Board and senior management personnel shall not indulge in sexual harassment whether directly or by implication which includes such unwelcome behaviour or physical contact and advances, or a demand or request for sexual favours, sexually coloured remarks, display of pornographic material or any other verbal or non-verbal communication of sexual nature is strictly prohibited.

Regulations:

All Board members and senior management personnel shall comply with all applicable laws, rules, regulations and guidelines, including obligations under SEBI Take-Over and Insider Trading Regulations and shall report actual non-compliances, if any, of law, this code, or other Company's policies or procedures to the Board.

As a public company, it is of critical importance that Company's filings with the Securities and Exchange Board of India, the Reserve Bank of India, Registrars of Companies/ or concerned stock exchange(s) on which the securities of Aruna Hotels are or may be listed be full, fair, accurate, timely and understandable.

Aruna Hotels expects all Board members and senior management personnel to provide prompt and accurate answer to enquiries relating to its public disclosure requirements.

Affirm Compliance:

All Board members and senior management personnel shall affirm compliance with the code on an annual basis as per the annexure.

Amendments and Waivers:

The Board of Directors of the Company shall make any amendment or waiver of any of the provisions of this code from time to time.

FORM OF ANNUAL DECLARATION BY SENIOR MANAGEMENT PERSONNEL ON COMPLIANCE WITH CODE OF CONDUCT THE COMPANY

To
The Compliance Officer,
Aruna Hotels Limited,
145, Sterling Road,
Nungambakkam,
Chennai 600 034

I, (here mention the name and designation) of Aruna Hotels Limited, solemnly and sincerely affirm that I have adhered to the provisions of Code of Conduct of the Company for the financial year ended

Thank you

Signature :

Name :

Designation :

Date :