

The Code of Conduct for Independent Directors & Senior Management

The Code of Conduct for Directors & Senior Management of M/s Mulamoottil financiers Limited, also known as "the Code," serves as a cornerstone for upholding the highest standards of business conduct within Mulamoottil financiers limited ("the Company"). It acts as a guiding beacon, ensuring adherence to diverse legal requirements that regulate the Company's operations. Embracing ethical behaviour and discouraging malpractice, the code safeguards the best interests of the company and its stakeholders. Its provisions address critical matters crucial not only to the Company but also to our shareholders, business associates, and partners. These guidelines are indispensable, enabling us to conduct business in alignment with our core values.

Role and functions

The role and functions of independent directors as per the Companies Act 2013 are pivotal in fostering corporate governance and enhancing board effectiveness. Independent directors are tasked with bringing an unbiased perspective to the boardroom, free from any conflicts of interest with the company or its management. Their primary responsibilities include:

Objective Oversight: Independent directors are entrusted with overseeing the performance of the company's management, ensuring that strategic decisions are made in the best interests of shareholders and stakeholders.

Guidance and Advice: They provide valuable guidance and advice to the board and management, drawing on their diverse expertise and experience to support informed decision-making.

Risk Management: Independent directors play a critical role in identifying and mitigating risks that could potentially impact the company's operations or reputation. Their independent assessment helps in maintaining effective risk management practices.

Compliance and Ethics: They ensure compliance with applicable laws, regulations, and ethical standards, promoting a culture of integrity and transparency within the organization.

Board Committees: Independent directors often serve on key board committees, such as audit, remuneration, and nomination committees, where they contribute their expertise to specific areas of governance.

Stakeholder Engagement: They act as a bridge between the company and its various stakeholders, representing their interests and concerns in board discussions and decision-making processes.

Performance Evaluation: Independent directors participate in the evaluation of the board's performance, as well as their own, contributing to continuous improvement in governance practices.

Overall, independent directors play a crucial role in upholding corporate governance standards, safeguarding shareholder interests, and ensuring the long-term sustainability of the company.

The Code of Conduct

I. In carrying out their duties, independent directors shall adhere to the following principles:

1. Continuous Learning and Development: Independent directors shall undergo appropriate induction and regularly update their skills, knowledge, and understanding of the Company to fulfill their responsibilities effectively.
2. Seeking Clarity and Expert Advice: They shall seek clarification or further information when necessary and may seek professional advice from external experts at the Company's expense.
3. Commitment to Meetings: Independent directors shall endeavor to attend all Board and committee meetings they are part of, actively contributing to discussions and decision-making processes.
4. Active Participation in Committees: When serving as chairpersons or members of Board committees, they shall actively participate and contribute constructively to the committee's objectives.
5. Attendance at General Meetings: They shall make an effort to attend general meetings of the Company, recognizing the importance of shareholder engagement.
6. Raising Concerns and Ensuring Resolution: Independent directors shall raise concerns about the Company's operations or proposed actions at Board meetings and ensure that unresolved issues are recorded in the meeting minutes.

7. Staying Informed: They shall stay well-informed about the Company and its operating environment, remaining abreast of developments that may affect its performance.
8. Facilitating Proper Board Functioning: They shall not unfairly obstruct the functioning of the Board or its committees.
9. Scrutiny of Related Party Transactions: Independent directors shall ensure thorough deliberation and scrutiny before approving related party transactions, ensuring they are in the Company's best interests.
10. Vigil Mechanism Oversight: They shall ascertain the existence of an effective vigil mechanism within the Company and ensure protection for individuals utilizing such mechanisms.
11. Reporting Ethical Concerns: Independent directors shall promptly report any unethical behavior, suspected fraud, or violations of the Company's code of conduct or ethics policy.
12. Protection of Company's Interests: Within their authority, they shall assist in safeguarding the legitimate interests of the Company, its shareholders, and employees.
13. Confidentiality: They shall maintain confidentiality regarding sensitive information, including commercial secrets and unpublished price-sensitive information, unless disclosure is approved by the Board or required by law.

II. Board Members and Senior Managers will:

1. Act in the best interests of, and fulfill their fiduciary obligations to the Company;
2. Act honestly, fairly, ethically and with integrity;
3. Conduct themselves in a professional, courteous and respectful manner and not take improper advantage of their position;
4. Will deal fairly with all stakeholders;
5. Comply with all applicable laws, rules and regulations;
6. Act in good faith, responsibly, with due care, competence and diligence, without allowing their independent judgment to be subordinated;
7. Not use the Company's property or position for personal gain;
8. Not use any information or opportunity received by them in their capacity as Directors or senior management in a manner that would be detrimental to the Company's interests;

9. Act in a manner to enhance and maintain the reputation of the Company;
10. Disclose any personal interest that they may have regarding any matters that may come before the Board and abstain from discussion, voting or otherwise influencing a decision on any matter in which the concerned Director has or may have such an interest;
11. Abstain from discussion, voting or otherwise influencing a decision on any matters that may come before the board in which they may have a conflict or potential conflict of interest;
12. Not to serve as a Director or otherwise be in employment or engage in providing services to a Company that competes with the Company.
13. Respect the confidentiality of information relating to the affairs of the Company acquired in the course of their service as Directors or senior management, except when authorized or legally required to disclose such information;
14. Not use confidential information acquired in the course of their service as Directors or senior management for their personal advantage or for the advantage of any other entity;
15. Help create and maintain a culture of high ethical standards and commitment to Compliance;

Adopted by the Board of Directors of M/s Mulamoottil Financiers Limited at their meeting held on 04th April 2024.