



Business Finance Limited

FIVE-STAR BUSINESS FINANCE LIMITED

CIN: U65991TN1984PLC010844

Regd. Office: New No.27, Old No.4, Taylor's Road, Kilpauk, Chennai - 600010

Website: www.fivestargroup.in **Email ID:** secretary@fivestargroup.in

Phone No.: 044-46106200

NOTICE TO MEMBERS - ANNUAL GENERAL MEETING

NOTICE is hereby given that the 38th Annual General Meeting ("AGM") of the Members of Five-Star Business Finance Limited ("the Company") will be held on Friday, September 02, 2022 at 10:30 AM at the registered office of the Company situated at New No.27, Old No.4, Taylor's Road, Kilpauk, Chennai 600010, to transact the following businesses:

ORDINARY BUSINESS

1. To receive, consider and adopt the audited financial statements of the Company for the financial year ended March 31, 2022, including the Audited Balance Sheet as at March 31, 2022, the Audited Profit and Loss Account, Audited Cash Flow Statement and Statement of changes in equity for the financial year ended on that date together with the reports of the Directors' and Auditor's thereon.
2. To re-appoint Mr Vikram Vaidyanathan (holding DIN: 06764019) who retires by rotation and being eligible, has offered himself for re-appointment.

SPECIAL BUSINESS

3. **Re-appointment and revision in remuneration of Mr Lakshmipathy Deenadayalan (holding DIN: 01723269), Chairman & Managing Director**

To consider and if thought fit, to pass with or without modification(s) the following resolution as Special Resolution:

"RESOLVED THAT pursuant to the approval of the Nomination & Remuneration Committee and the Board of Directors at their meetings held on April 25, 2022 and April 27, 2022 respectively, subject to the provisions of Section 196, 197, 203 and the provisions of Schedule V to the Companies Act, 2013, ("the Act") read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, and other applicable provisions, if any (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), and pursuant to the Articles of Association of the Company, Mr Lakshmipathy Deenadayalan (holding DIN: 01723269), be and is hereby re-appointed as Managing Director of the Company for a period of 5 consecutive years with effect from June 01, 2022.

RESOLVED FURTHER THAT Mr Lakshmipathy Deenadayalan (holding DIN: 01723269) be and is hereby re-designated as Chairman of the Board / Company with effect from June 01, 2022.

RESOLVED FURTHER THAT pursuant to the approval of the Nomination & Remuneration Committee and the Board of Directors at their meetings held on April 25, 2022 and April 27, 2022 respectively, in accordance with the provisions of Section 197, 198 and the provisions of Schedule V to the Companies Act, 2013, ("the Act") read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, and other applicable provisions, if any (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), and pursuant to the Articles of Association of the Company, consent be and is hereby given to revise the terms of remuneration of Mr Lakshmipathy Deenadayalan (holding DIN: 01723269), Chairman & Managing Director (CMD) with effect from April 01, 2022 as follows:

- (a) Salary: INR 42.19 lakhs per month
- (b) Commission: Commission & Perquisites not exceeding 1.5 times of the annual salary
- (c) (a) and (b) together not exceeding 5% of the net profits of the Company, calculated as per the provisions of Section 198 of the Companies Act, 2013

RESOLVED FURTHER THAT the commission payable to Mr Lakshmipathy Deenadayalan (holding DIN: 01723269), in his capacity as CMD shall be linked to the levels of performance of the Company as may be determined by the Board of Directors / Nomination & Remuneration Committee, from time to time.

RESOLVED FURTHER THAT in any financial year, during the currency of his tenure, if the Company has no profits or its profits are inadequate, it may pay remuneration to Mr Lakshmipathy Deenadayalan (holding DIN: 01723269), CMD by way of salary, allowances, commissions and perquisites not exceeding the limits specified in Part II of Section II of Schedule V to the Companies Act, 2013 or such other limits as may be prescribed by the Central Government from time to time as minimum remuneration.

RESOLVED FURTHER THAT the Board of Directors of the Company including Nomination & Remuneration Committee, be and is hereby authorized to do all such acts, deeds and things as may be deemed necessary, proper, desirable, or expedient to give effect to this resolution.

RESOLVED FURTHER THAT any of the Directors and/or the Company Secretary of the Company is authorised to certify the true copy of the aforesaid resolutions and the same may be forwarded to any concerned authorities for necessary action."

4. Offer / invitation to subscribe to Non-Convertible Debentures (NCDs) on private placement basis

To consider and if thought fit, to pass, with or without modification(s), the following resolution as Special Resolution:

"RESOLVED THAT pursuant to sections 42, 71, 179, 180 and all other applicable provisions of the Companies Act, 2013 read with the Companies (Prospectus and Allotment of Securities) Rules, 2014, Companies (Share Capital and Debentures) Rules, 2014 and other applicable rules under the Companies Act, 2013 (including any statutory modification(s) or re-enactment thereof, for the time being in force) and the provisions of the Master Direction - Non-Banking Financial Company - Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016 (as amended from time to time), the Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 (as amended from time to time), and in accordance with the Memorandum of Association and Articles of Association of the Company, and listing agreements to be entered into with BSE Limited and / or National Stock Exchange of India Limited ("Stock Exchanges"), where the non-convertible debentures of the Company are proposed to be listed, and subject to approvals, consents, sanctions, permissions as may be necessary from the Securities and Exchange Board of India (SEBI), Stock Exchanges, all other appropriate statutory and regulatory authorities, approval of the members be and is hereby accorded to authorize the Board of Directors of the Company (which term shall be deemed to include the Business & Resource Committee and any such Committee which the Board may constitute/authorize for this purpose) to issue, offer or invite subscriptions for all kinds and types of Non-Convertible Debentures (NCDs), in one or more series / tranches, aggregating up to INR 4,000 Crores (Rupees Four Thousand Crores only), on private placement basis, on such terms and conditions as the Board of Directors of the Company may, from time to time, determine and consider proper and most beneficial to the Company including as to when the said NCDs are to be issued, the consideration for the issue, utilization of the issue proceeds and all matters connected with or incidental thereto.

RESOLVED FURTHER THAT the Board of Directors (which term shall be deemed to include the Business & Resource Committee and any such Committee which the Board may constitute/authorize for this purpose) be and is hereby instructed to act upon the resolution within a period of 12 months from the date of passing this resolution.

RESOLVED FURTHER THAT for the purpose of giving effect to any offer or allotment of NCDs, the Board (which term shall be deemed to include the Business & Resource Committee and any such Committee which the Board may constitute/authorize for this purpose) be and is hereby authorized on behalf of the Company to take all such actions and do all such deeds, matters, and things as it may, in its absolute discretion, deem necessary, desirable or expedient and to settle any question, difficulties or doubts that may arise in this regard including but not limited to the offering and allotment of NCDs as it may in its absolute discretion deem fit and proper.

RESOLVED FURTHER THAT the Board be and is hereby authorized to delegate all or any of the powers herein conferred by this resolution to the Business & Resource Committee or any Committee of Directors or any Director or Directors or to any officer or officers of the Company to give effect to this resolution.

RESOLVED FURTHER THAT any of the Directors and/or the Company Secretary of the Company is authorised to certify the true copy of the aforesaid resolutions and the same may be forwarded to any concerned authorities for necessary action."

5. Appointment of Mr Ramkumar Ramamoorthy (holding DIN: 07936844) as an Independent Director

To consider and if thought fit, to pass with or without modification(s) the following resolution as Special Resolution:

"RESOLVED THAT pursuant to approval / recommendation of the Board and the Nomination and Remuneration Committee of the Board and in compliance with the provisions of Sections 149, 152, 160 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 and the rules made thereunder, each as amended, (the "Companies Act"), Regulation 17 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and pursuant to the provisions of the Articles of Association of the Company, Mr Ramkumar Ramamoorthy (holding DIN: 07936844), who possesses relevant expertise and experience and is not being disqualified under Section 164 of the Companies Act, 2013 (including the rules framed thereunder) and who has signified his consent to act as an Independent Director of the Company, if so appointed and has submitted a declaration that he meets the criteria for independence provided in Section 149(6) of the Companies Act and who is eligible for appointment, and who was appointed as an Additional Director (Independent Director) of the Company by the Board of Directors with effect from June 08, 2022, in terms of Section 161 of the Companies Act, 2013 and in respect of whom the Company has received a notice in writing under Section 160 of the Act from a member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company for a period of 5 consecutive years from June 08, 2022 to June 07, 2027 and he shall not be liable to retire by rotation and Mr Ramkumar Ramamoorthy (holding DIN: 07936844), may receive remuneration by way of sitting fees, reimbursement of expenses for participation in the meetings of the Board and / or committees thereof and profit related commission, if any, as detailed in the letter of appointment dated June 08, 2022, issued to Mr Ramkumar Ramamoorthy (holding DIN: 07936844), in terms of applicable provisions of the Companies Act, 2013 and as may be determined by the Board from time to time.

RESOLVED FURTHER THAT the Company takes note of the consent letter received from Mr Ramkumar Ramamoorthy (holding DIN: 07936844), providing his consent to act as an Independent Director of the Company.

RESOLVED FURTHER THAT the Board, Mr Lakshmiipathy Deenadayalan, Chairman & Managing Director (DIN: 01723269), Mr Rangarajan Krishnan, Chief Executive Officer, Mr Srikanth Gopalakrishnan, Chief Financial Officer and Ms Shalini Baskaran, Company Secretary, be and are hereby severally authorised to file necessary forms with the Registrar of Companies, Tamil Nadu at Chennai and do all such acts, deeds, matters and things as may be required to be done to give effect to the above resolution.

RESOLVED FURTHER THAT any of the Directors and/or the Company Secretary of the Company is authorised to certify the true copy of the aforesaid resolutions and the same may be forwarded to any concerned authorities for necessary action."

By Order of the Board of Directors

Place: Chennai
Date: August 08, 2022

Shalini Baskaran
Company Secretary

Notes:

1. A member entitled to attend and vote is entitled to appoint a proxy to attend and vote on a poll instead of himself and the proxy need not be a member of the Company. The instrument appointing the proxy should, however, be deposited at the registered office of the Company not less than forty-eight hours before the commencement of the Meeting. A person can act as proxy on behalf of members not exceeding fifty (50) and holding in the aggregate not more than 10% of the total share capital of the Company. Provided that a member holding more than 10% of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as proxy for any other person or shareholder. A blank proxy form is enclosed to this notice as Annexure B.

2. A statement pursuant to Section 102(1) of the Companies Act, 2013, relating to the Special Businesses to be transacted at the AGM is annexed hereto.
3. Corporate members intending to send their authorized representatives to attend the AGM are requested to send to the Company, a certified copy of the Board Resolution with attested specimen signature of the duly authorized signatory(ies) authorizing their representative to attend and vote on their behalf at the AGM or alternatively e-mail to the scrutinizer at evoting.fivestar@sandeep-cs.in with a copy marked to einward.ris@kfintech.com / evoting@kfintech.com.
4. In case of joint holders attending the AGM, only such joint holder who is first holder in the order of names as per Register of members of the Company will be entitled to vote.
5. Quorum of the AGM shall be in accordance with Section 103 of the Companies Act, 2013.
6. Mr Vikram Vaidyanathan, Non-Executive Director nominated by Matrix Partners India Investment Holdings II, LLC is liable to retire by rotation at the 38th AGM pursuant to Section 152(6) of the Companies Act 2013 and being eligible has offered himself for re-appointment at the 38th AGM.
7. In terms of the Secretarial Standards -2 on "General Meetings" issued by the Institute of the Company Secretaries of India and approved & notified by the Central Government, the necessary disclosures are enclosed as **Annexure A**.
8. The Member/Proxies should bring their attendance slip, sent herewith, duly filled in, for attending the meeting as mentioned in **Annexure C** of this notice.
9. Route Map for the location of the aforesaid meeting is enclosed as **Annexure D**.
10. In accordance with Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management & Administration) Rules, 2014 & in compliance with the MCA Circulars and the Securities and Exchange Board of India ("SEBI") Circulars, Notice of the AGM along with the Annual Report 2021-22 is being sent through electronic mode to those members whose email address is registered with the Company / Depository Participant(s). Members may note that the Notice and Annual Report 2021-22 will also be available on the website of the Company at www.fivestargroup.in, website of stock exchange i.e BSE Limited and on the website of KFin Technologies Limited at <https://evoting.kfintech.com>.
11. As per Rule 9A of Companies (Prospectus and Allotment of Securities) Rules, 2014 as amended from time to time, every holder of securities, who intends to transfer or subscribe to the securities of the Company, shall get their existing securities dematerialized. Members can contact KFin Technologies Limited, the registrar & share transfer agent (RTA) at the contact details provided in instruction for E-Voting, provided in this notice.
12. All correspondence relating to change of address, change of e-mail ID, transfer / transmission of shares, issue of duplicate share certificates, bank mandates and all other matters relating to the shareholding in the Company may be made to KFin Technologies Limited, the registrar and share transfer agent (RTA). The members holding shares in dematerialised form may send such communication to their respective depository participant/s (DPs).
13. Pursuant to Section 20(2) of the Companies Act, 2013 read with Rule 35 of the Companies (Incorporation) Rules, 2014, as amended, companies are permitted to send official documents to their shareholders electronically. Members who have not registered their e-mail addresses are requested to register their e-mail address for receiving all communication from the Company electronically.
14. The Registers as required to be maintained under Section 170 and Section 189 of the Companies Act, 2013 and other requisite documents mandated under applicable statutory regulations, will be available for inspection by the members during the AGM. The documents referred to in the Resolutions can be inspected at the Registered Office of the Company in Tamil Nadu at Chennai during 10 am to 5 pm on all working days of the Company.
15. The Board has appointed Mr S Sandeep (FCS 5853 /COP 5987), Managing Partner of M/s. S Sandeep and Associates, Company Secretaries, as Scrutinizer to scrutinize the remote e-voting and e-voting process during the AGM in a fair and transparent manner in terms of the requirements of the Act and the rules made there under, and he has communicated his eligibility and willingness to be appointed as Scrutinizer and given his consent for the same and will be available for the said purpose.

E-VOTING INSTRUCTIONS:

A. VOTING THROUGH ELECTRONIC MEANS

1. In compliance with the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended, the Company is pleased to provide its Members the facility to exercise their votes by electronic means for all the resolutions detailed in Notice of the AGM scheduled to be held on September 02, 2022 at 10:30 A.M (IST). The Board of Directors have appointed M/s S Sandeep & Associates, Practicing Company Secretaries, Chennai as the scrutinizer for conducting the remote e-voting and e-voting process in the AGM in a fair and transparent manner. In terms of the requirements of the Act and the rules made there under, the Company has fixed **August 26, 2022**, as the cut-off date for determining the eligibility to vote by electronic means or in the AGM. The remote e-voting / voting rights of the members / beneficial owners shall be reckoned on the equity shares held by them as on cut-off date, i.e., August 26, 2022. The Company has engaged the services of KFin Technologies Limited (KFin) to facilitate voting through remote e-voting in a secure manner.
2. Shareholders holding multiple folios/demat account shall choose the voting process separately for each of the folios/demat account.
3. A member even after exercising his right to vote through Remote e-voting may attend the AGM at the Registered Office of the Company but shall not be allowed to vote again.
4. Instructions to Members for e-voting are as under:
 - a. Date and time of commencement of voting through electronic means: **August 30, 2022**, at 10:00 A.M (IST)
 - b. Date and time of end of voting through electronic means: **September 01, 2022**, at 05:00 PM (IST)
 - c. Details of Website: <https://evoting.kfintech.com/>

The Remote e-voting module shall be disabled for voting on September 01, 2022, at 5.00 PM (IST). Once the vote on a resolution is cast by the Member, the Member shall not be allowed to change it subsequently. The voting right of Members shall be in proportion to their share in the paid-up Equity Share Capital of the Company as on **August 26, 2022** (cut-off date).

5. The process and manner for Remote e-voting are as under:
 - a. **Login method for e-Voting for individual shareholders holding securities in demat mode:**

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL	<ol style="list-style-type: none">1. User already registered for Internet-based Demat Account Statement (IDeAS) facility:<ol style="list-style-type: none">a. Visit URL: https://www.evoting.nsdl.com/b. Click on the "Beneficial Owner" icon under "Login" under 'IDeAS' section.c. On the new page, enter User ID and Password. Post successful authentication, click on "Access to e-Voting".d. Click on Company name or e-Voting service provider and you will be re-directed to e-Voting service provider website for casting the vote during the remote e-Voting period.2. User not registered for IDeAS e-Services<ol style="list-style-type: none">a. To register click on link: https://www.evoting.nsdl.com/b. Select "Register Online for IDeAS" or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jspc. Proceed with completing the required fields and follow steps given in point 1 above.3. Alternatively, by directly accessing the e-Voting website of NSDL<ol style="list-style-type: none">a. Open URL: https://www.evoting.nsdl.com/b. Click on the icon "Login" which is available under 'Shareholder/Member' section.c. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number held with NSDL), password / OTP and a verification code as shown on the screen.d. Post successful authentication, you will enter the e-voting module of NSDL. Click on "Active E-Voting Cycles" option under e-voting. You will see Company name on the next screen. Click on the e-voting link available or select e-voting service provider "KFin" and you will be re- directed to the evoting page of KFin to cast your vote without any further authentication.

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with CDSL	<ol style="list-style-type: none"> 1. Existing users who have opted for Easi/Easiest <ol style="list-style-type: none"> a. Visit URL: https://web.cdslindia.com/myeasi/home/login or URL: www.cdslindia.com b. Click on New System Myeasi. c. Login with your registered user id and password. d. The user will see the e-Voting Menu. The menu will have links of ESP i.e. KFin e-Voting portal. e. Click on e-Voting service provider name to cast your vote. 2. User not registered for Easi/Easiest <ol style="list-style-type: none"> a. Option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration b. Proceed with completing the required fields and follow the steps given in point 1 above. 3. Alternatively, by directly accessing the e-Voting website of CDSL <ol style="list-style-type: none"> a. Visit URL: www.cdslindia.com b. Provide your demat account number and PAN. c. System will authenticate user by sending OTP on registered Mobile & Email as recorded in the demat account. d. On successful authentication, you will enter the e-voting module of CDSL. Click on the e-voting link available or select EVoting Service Provider "KFin" and you will be re-directed to the e-voting page of KFin to cast your vote without any further authentication.
Individual Shareholder login through their demat accounts / Website of Depository Participant	<ol style="list-style-type: none"> 1. You can also login using the login credentials of your demat account through your DP registered with NSDL /CDSL for e-Voting facility. 2. Once logged-in, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL / CDSL Depository site after successful authentication, wherein you can see e-Voting feature. 3. Click on options available against Company name or e-Voting service provider – KFin and you will be redirected to e-Voting website of KFin for casting your vote during the remote e-Voting period without any further authentication.

Important note: Members who are unable to retrieve User ID / Password are advised to use Forgot user ID and Forgot Password option available at respective websites.

For technical assistance: Members facing any technical issue related to login can contact the respective depository's helpdesk by sending a request on the e-mail id's or contact on the phone nos. provided below:

Login type	Helpdesk details
Securities held with NSDL	Please contact NSDL helpdesk at evoting@nsdl.co.in or call at toll free no.: 1800 1020 990 and 1800 22 44 30
Securities held with CDSL	Please contact CDSL helpdesk at helpdesk.evoting@cdslindia.com or contact at 022- 23058738 or 022-23058542-43

b. Login method for e-Voting for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode:

i) In case a member receives an email from KFIN [for members whose email IDs are registered with the Company/Depository Participant(s)]:

- a. Launch internet browser by typing the following URL: <https://evoting.kfintech.com/>
- b. Click on Shareholder/Member – Login
- c. Enter the login credentials provided in the email and click on Login
- d. Password change menu appears. Change the password / PIN with new password of your choice with minimum 8 digits / characters or combination thereof. Note new password. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential
- e. Home page of Remote e-voting opens. Click on Remote e-voting: Active Voting Cycles
- f. Select "EVEN" i.e. "Five-Star Business Finance Limited"
- g. Now you are ready for Remote e-voting as Cast Vote page opens

- h. Cast your vote by selecting appropriate option and click on "Submit" and also "Confirm" when prompted
- i. Upon confirmation, the message "Vote cast successfully" will be displayed
- j. Once you have voted on the resolution, you will not be allowed to modify your vote
- k. Institutional/Corporate Shareholders are required to send scanned copy of the Board Resolution/Authority letter with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to evoting.fivestar@sandeep-cs.in with a copy marked to einward.ris@kfintech.com / evoting@kfintech.com

ii) In case of a member whose email IDs are not registered with the Company/Depository Participant(s), process for procuring User ID and password and to register the e-mail ids for e-voting:

- a. In case shares are held in physical mode, please provide Folio No., Name of shareholder, scanned copy of the Share Certificate (front and back), PAN (self-attested), Aadhaar (self-attested) by email to einward.ris@kfintech.com / evoting@kfintech.com with copy to secretary@fivestargroup.in.
 - b. In case shares are held in demat mode, please provide DPID-CLID (16-digit DPID + CLID or 16-digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self-attested), Aadhaar (self-attested) to einward.ris@kfintech.com / evoting@kfintech.com.
 - c. Please follow all steps from Sl. No. (i) above, to cast vote.
6. In case of any queries, you may refer the Help & Frequently Asked Questions (FAQs) section of <https://evoting.kfintech.com/public/Faq.aspx> or write to them at evoting@kfintech.com or call KFin on Toll-free No. 1800-309-4001 [from 9:00 A.M. (IST) to 6:00 P.M. (IST) on all working days] for any technical assistance or support before or during the AGM.
 7. Any person, who acquires shares of the Company and becomes Member of the Company after dispatch of the Notice and holding shares as of the cut-off date i.e. August 26, 2022, may obtain the login ID and password by sending a request at einward.ris@kfintech.com or secretary@fivestargroup.in.
 8. A person, whose name is recorded in the Register of Members or in the Register of Beneficial owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of Remote e-voting.
 9. The Scrutinizer shall after the conclusion of the AGM, first count the votes cast at the meeting, thereafter, unblock the votes cast through Remote e-voting in the presence of at least two witnesses not in the employment of the Company and make a Scrutinizer's Report of the votes cast in favour or against, if any, within 2 days of conclusion of the meeting to the Chairman of the Company who shall countersign the same and declare the results of the voting forthwith.
 10. The results declared along with the Scrutinizer's Report shall be available on the Company's website and on the website of KFin after the declaration of the result by the Chairman or the person authorized in this regard.

B. INSTRUCTIONS FOR MEMBERS FOR E-VOTING ON THE DAY OF THE AGM ARE AS UNDER:

1. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for remote e-voting.
2. Only those Members, who are present at the venue of and have not casted their vote on the Resolutions through Remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the AGM.
3. Members who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.
4. For any grievances connected with the facility for e-Voting on the day of the AGM, members can contact KFin on toll free No.: 1800-309-4001.

Statement pursuant to section 102(1) of the Companies Act, 2013 (“the Act”) setting out all material facts relating to the special businesses to be transacted at the AGM is detailed hereunder:

Item No 3: Re-appointment and revision in remuneration of Mr Lakshmipathy Deenadayalan (holding DIN: 01723269), Chairman & Managing Director

In accordance with the provisions of Section 196 of the Act, the Managing Director of the Company can be appointed only for a period of a term not exceeding 5 years at a time. Accordingly, Mr Lakshmipathy Deenadayalan (holding DIN: 01723269) has been appointed as the Chairman & Managing Director by the shareholders of the Company in its 33rd Annual General Meeting held on September 28, 2017.

Considering that his term is expiring, Nomination & Remuneration Committee and the Board of Directors at their meetings held on April 25, 2022 and April 27, 2022 respectively have recommended and approved, as the case may be, his re-appointment as Chairman & Managing Director of the Company for another term of 5 years with effect from June 01, 2022.

Further, the Board had approved the payment of remuneration to Mr Lakshmipathy Deenadayalan (holding DIN: 01723269), Chairman & Managing Director with effect from April 01, 2021, consisting of the following components, namely,

- (a) Salary: INR 33.75 lakhs per month
- (b) Commission: Commission & Perquisites not exceeding 1.5 times of the annual salary
- (c) (a) and (b) together not exceeding 5% of the net profits of the Company, calculated as per the provisions of Section 198 of the Companies Act, 2013

Pursuant to the approvals and recommendations of the Nomination & Remuneration Committee and the Board of Directors at their meetings held on April 25, 2022 and April 27, 2022 respectively and pursuant to Section 197 read with Schedule V of the Companies Act, it is proposed to revise the remuneration payable to Mr Lakshmipathy Deenadayalan (holding DIN: 01723269), Chairman & Managing Director (CMD) with effect from April 01, 2022 as set out in the special resolution appearing under item no. 3 of this notice.

The remuneration payable to Mr Lakshmipathy Deenadayalan (holding DIN: 01723269), is within the conditions and limits as prescribed in Part I and Section 1 of Part II of Schedule V of the Companies Act, 2013 read with Section 197 of the Companies Act, 2013. Furthermore, brief details of Mr Lakshmipathy Deenadayalan (holding DIN: 01723269), Chairman & Managing Director, as required by paragraph no. 1.2.5 of SS2 – Secretarial Standards on General Meetings is provided in Annexure A.

Mr Lakshmipathy Deenadayalan (holding DIN: 01723269), Chairman & Managing Director is directly interested in the said resolution and his relatives are interested to the extent of their shareholding in the Company. None of the other Directors or Key Managerial Personnel or their relatives are concerned or interested financially or otherwise in this resolution.

Accordingly, your directors recommend the Special Resolution in item no. 3 for your approval pursuant to Sections 196, 197 read with Schedule V to the Companies Act, 2013.

Item No 4: Offer / invitation to subscribe to Non-Convertible Debentures (NCDs) on private placement basis

As part of its fundraising plans, the Company proposes to issue NCDs aggregating upto INR 4,000 crores, on private placement basis as per the recommendation of the Board of Directors at their meeting held on May 12, 2022, to persons including but not limited to individuals, institutions, and bodies corporate, both domestic and non-domestic as may be identified by the Board of Directors or any Committee of the Board authorised in this behalf from time to time. The Company may offer or invite subscription for all kinds and types of NCDs including secured redeemable NCDs, in one or more series / tranches on private placement basis.

Pursuant to Section 42 of the Companies Act, 2013 read with Rule 14 of the Companies (Prospectus and Allotment of Securities) Rules, 2014, in case of an offer or invitation to subscribe for Non – Convertible Debentures (“NCDs”) on private placement basis, the Company has an option to obtain omnibus approval from its shareholders by means of a special resolution only once in a year for all the offers or invitations for such debentures during the year.

Accordingly, Omnibus approval of the members is sought for passing a Special Resolution as set out at item no. 4 of the Notice.

This resolution enables the Board of Directors of the Company to offer or invite subscription for NCDs, as may be required by the Company, from time to time for one year from the conclusion of this General Meeting.

None of the Directors, Key Managerial Persons of the Company and their relatives are concerned or interested financially or otherwise in the above resolution.

Accordingly, your directors recommend the Special Resolution in item no. 4 for your approval.

Item No 5: Appointment of Mr Ramkumar Ramamoorthy (holding DIN: 07936844) as an Independent Director

Mr Ramkumar Ramamoorthy (holding DIN: 07936844) was appointed as an Additional Director (Independent Director) with effect from June 08, 2022. His position as Director needs to be regularized by appointing him as an Independent Director.

Mr Ramkumar Ramamoorthy (holding DIN: 07936844), being eligible, has offered himself for appointment as an Independent Director. The Company has received a notice in writing from a member proposing his candidature for the office of Director in accordance with the provisions of Section 160 of the Companies Act, 2013. In the opinion of the Board and the Nomination & Remuneration Committee, Mr Ramkumar Ramamoorthy (holding DIN: 07936844), fulfils the conditions specified in the Companies Act, 2013 and rules made thereunder for his appointment as an Independent Director of the Company and is independent of the management. The Company has also received declaration from him to the effect that he meets the criteria of independence as provided in sub-section (6) of Section 149 of the Companies Act, 2013 and Regulation 25(8) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The notice of candidature and other consents / declarations received from Mr Ramkumar Ramamoorthy (holding DIN: 07936844) and copy of his appointment letter are available for inspection at the registered office of the Company during the working hours of the Company on any working day up to the date of the AGM.

Further details of Mr Ramkumar Ramamoorthy (holding DIN: 07936844), as required by paragraph no. 1.2.5 of SS2 – Secretarial Standards on General Meetings are provided in Annexure A to this notice.

Except Mr Ramkumar Ramamoorthy (holding DIN: 07936844), none of the other Directors or Key Managerial Personnel or their relatives are concerned or interested financially or otherwise in this resolution.

Accordingly, your directors recommend the Special Resolution in item no. 5 for your approval.

By Order of the Board of Directors

Place: Chennai
Date: August 08, 2022

Shalini Baskaran
Company Secretary

Statement as required by paragraph no. 1.2.5 of SS2 - Secretarial Standards on General Meetings:

Name of Director	Mr Lakshmipathy Deenadayalan	Mr Ramkumar Ramamoorthy
DIN	01723269	07936844
Date of Birth/ (Age)	09-Feb-1974 / 48	22/11/1967 / 55
Qualifications	Bachelor of Engineering	M.Phil (English)
Brief resume & Experience	Mr Lakshmipathy Deenadayalan hails from a business family, he joined the Company as a Director in 2002 and went on to become its Managing Director in 2012. He was a Managing Director of RKV Finance Limited, a NBFC registered with RBI. He has wide exposure in lending to Small Business Customers (SBL) which has helped him to develop similar advance portfolio at the Company with great success.	Mr Ramkumar Ramamoorthy spent over 22 years at Cognizant, a NASDAQ 100, S&P 500 and Fortune 200 company. He incubated and built about half a dozen portfolios at Cognizant and retired as Chairman and MD of Cognizant India, responsible for the Company's India operations with over 200,000 employees across 13 cities. He is now a Partner at Catalincs, a strategic advisory firm that helps small tech companies scale and grow, and the Pro Vice-Chancellor of Professional Learning at Krea University.
Expertise in specific Functional areas	Financial Services, Strategy & Planning, Risk Management, Corporate Governance and Management & Leadership	Technology, Strategy & Planning, Risk Management, Corporate Governance and Management & Leadership
Terms and conditions of appointment	Chairman & Managing Director	Appointment as an Independent Director for a term of 5 years
Remuneration sought to be paid	As set out in the special resolution under Item no. 3 of this Notice	Sitting fees, Profit related commission
Remuneration last drawn (for financial year 2021-22)	Please refer explanatory statement for Item no. 3 of this Notice	Nil
Date of first appointment on the Board	June 21, 2002	June 08, 2022
Shareholding in the Company as of March 31, 2022	12.37%	Nil
Relationship with other Directors, Manager and KMP of the Company	None	None
Number of Board Meetings attended during FY 2021-22	Ten (10) out of Ten (10) meetings held	Not Applicable (since appointed on June 08, 2022)
Other Directorships, Membership/ Chairmanship of Committees of other Boards	Nil	Nil
In the case of independent directors, the skills and capabilities required for the role and the manner in which the proposed person meets such requirements	NA	The role and capabilities as required in the case of an independent director are set out in the Directors Appointment, Remuneration & Evaluation Policy. Mr Ramkumar Ramamoorthy possesses the relevant skills, experience, expertise and capabilities to discharge the role of Independent Director effectively. His profile has been evaluated by the Nomination & Remuneration Committee and based on the recommendation of the Committee, the Board of Directors have approved his appointment.

FIVE-STAR BUSINESS FINANCE LIMITED

Form No. MGT-11

Proxy Form

(Pursuant to Section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies (Management and Administration) Rules, 2014)

CIN : U65991TN1984PLC010844
Name of the Company : FIVE-STAR BUSINESS FINANCE LIMITED
Registered Office : New No.27, Old No.4, Taylor's Road, Kilpauk, Chennai 600010
Website : www.fivestargroup.in

Name of the Member (s) :
Registered address :
E-mail id :
Folio No. / Client Id :
DP ID :

I / We, being the member(s) of FIVE-STAR BUSINESS FINANCE LIMITED, hereby appoint:

1. Name :
Address:

E-mail id:

Signature: , or failing him / her

2. Name :
Address:

E-mail id:

Signature: , or failing him / her

3. Name :
Address:

E-mail id:

Signature: , or failing him / her

as my / our proxy to attend and vote (on a poll) for me / us and on my / our behalf at the Annual General Meeting of the Company, to be held on Friday, September 02, 2022 at 10:30 AM at the Registered Office of the Company situated at New No. 27, Old No. 4, Taylors Road, Kilpauk, Chennai 600 010 and at any adjournment thereof, in respect of such resolutions set out in the notice convening the meeting, as are indicated below:

S. No	Resolutions	For	Against
1	Adoption of the audited financial statements of the Company for the financial year ended March 31, 2022, including the Audited Balance Sheet as at March 31, 2022, the Audited Profit and Loss Account, Audited Cash Flow Statement and Statement of changes in equity for the year ended on that date together with the reports of the Directors' and Auditor's thereon.		
2	Appointment of a director in place of Mr Vikram Vaidyanathan (holding DIN: 06764019) who retires by rotation and being eligible, offers himself for re-appointment.		
3	Re-appointment and revision in remuneration of Mr Lakshmiopathy Deenadayalan (holding DIN: 01723269), Chairman & Managing Director		
4	Offer / invitation to subscribe to Non-Convertible Debentures (NCDs) on private placement basis		
5	Appointment of Mr Ramkumar Ramamoorthy (holding DIN: 07936844) as an Independent Director		

Signed this day of, 2022

Signature of Shareholder

Affix Revenue
Stamp here

Signature of Proxy Holder (s)

Note:

- This form of proxy in order to be effective should be duly completed and deposited at the registered office of the Company, not less than 48 hours before the commencement of the Meeting.**
- A Proxy need not be a member of the Company.
- A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than 10% of the total share capital of the Company carrying voting rights. A member holding more than 10% of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.
- This is only optional. Please put a 'X' in the appropriate column against the resolutions indicated in the Box. If you leave the 'For' or 'Against' column blank against any or all the resolutions, your Proxy will be entitled to vote in the manner as he/she thinks appropriate.
- Appointing a proxy does not prevent a member from attending the meeting in person if he so wishes.
- In the case of joint holders, the signature of any one holder will be sufficient, but names of all the joint holders should be stated.

