

**EXTRACT OF THE SPECIAL RESOLUTION PASSED AT THE EXTRA-ORDINARY GENERAL MEETING OF THE SHAREHOLDERS OF FIVE-STAR BUSINESS FINANCE LIMITED HELD ON FRIDAY, 8<sup>TH</sup> OCTOBER 2021 AT THE REGISTERED OFFICE SITUATED AT NEW NO.27, OLD NO.4, TAYLOR'S ROAD, KILPAUK, CHENNAI - 600010.**

### **Initial Public Offer**

**RESOLVED THAT**, pursuant to the provisions of Sections 23, 62(1)(c) and any other applicable provisions, if any, of the Companies Act, 2013, as amended, and the rules and regulations made thereunder, as amended, Companies (Prospectus and Debentures) Rules, 2014, as amended, the Companies (Share Capital and Debentures) Rules, 2014, as amended (including any statutory modifications or re-enactment thereof, for the time being in force) (the "Companies Act"), and in accordance with and subject to the provisions of the Securities Contracts (Regulation) Act, 1956, and the rules and regulations made thereunder, as amended, the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended (the "SEBI ICDR Regulations"), the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("SEBI Listing Regulations"), the Foreign Exchange Management Act, 1999, as amended, and the rules and regulations made thereunder, as amended, including the Foreign Exchange Management (Non-debt Instruments) Rules, 2019, and any other applicable rules, regulations, guidelines, clarifications, circulars and notifications issued by the Government of India ("GoI"), including the Department for Promotion of Industry and Internal Trade, the Department of Economic Affairs, the Securities and Exchange Board of India ("SEBI"), the Reserve Bank of India ("RBI"), and any other applicable laws, rules and regulations, in India or outside India (including any amendment thereto or re-enactment thereof for the time being in force) (collectively, the "Applicable Laws"), and in accordance with the enabling provisions of the Memorandum of Association and the Articles of Association of the Company and the uniform listing agreement(s) to be entered into between the Company and the respective recognised stock exchanges in India where the equity shares of the Company ("Equity Shares") are proposed to be listed (the "Stock Exchanges"), and subject to any approvals, consents, permissions and sanctions, as may be required from the GoI, the Registrar of Companies, Tamil Nadu at Chennai ("RoC"), SEBI, Stock Exchanges, RBI, and all other appropriate governmental, statutory, supervisory and/or regulatory authorities in India (the "Regulatory Authorities") and any third parties including but not limited to lender(s) of the Company and subject to such conditions and modifications as may be prescribed, stipulated or imposed by any of them while granting such approvals, consents, permissions and sanctions, and which may be agreed to by the Board of Directors of the Company (hereinafter referred to as the "Board" which term shall include a duly authorized committee thereof for the time being exercising the powers conferred by the Board including the powers conferred by this resolution), the consent and approval of the Board be and is hereby accorded to create, issue, offer and allot transfer of Equity Shares, of the Company ("Equity Shares") which may include a fresh issue of Equity Shares (the "Fresh Issue") and an offer for sale of Equity Shares ("Offer for Sale") by certain existing shareholders of the Company ("Selling Shareholders") (the "Offer for Sale" and together with the Fresh Issue, the "Offer") in the Offer, for cash either at par or premium such that the amount being raised pursuant to the Fresh Issue aggregates up to ₹ 500 Crores (Rupees Five Hundred Crores only) (with an option to the Company to retain an over-subscription to the extent of 1% of the net Offer size, or such other extent as may be permitted under the Applicable Laws, for the purpose of rounding off to the nearest integer while finalising the basis of allotment in consultation with the designated stock exchange), including the issue and allotment/transfer of Equity Shares to the stabilising agent pursuant to a green shoe option, if any, in terms of the SEBI ICDR Regulations at a price to be determined, by the Company in consultation with the book running lead managers ("BRLMs"), through the book building process in terms of the SEBI ICDR Regulations or otherwise in accordance with Applicable Laws, at such premium or discount per Equity Share as permitted under Applicable Laws and as may be fixed and determined by the Company in consultation with the BRLMs in accordance with the SEBI ICDR Regulations, out of the authorised capital of the Company to any category of person or persons as permitted under Applicable Laws, who may or may not be the shareholder(s) of the Company as the Board may decide, including anchor investors, if any, and qualified institutional buyers as defined under Regulations 2(1)(c) and 2(1)(ss), respectively of the SEBI ICDR Regulations, foreign/resident investors (whether institutions, incorporated bodies, mutual funds and/ or individuals or otherwise), one or more of the members of the Company, eligible employees (through a reservation or otherwise), Hindu undivided families, foreign portfolio investors other than individuals, corporate bodies and family offices, alternative investment funds, foreign venture capital investors registered with SEBI, multilateral and bilateral development financial institutions, non-resident Indians, state industrial development corporations, insurance

## **Five-Star Business Finance Limited**

Registered Office : New No. 27, Old No. 4, Taylor's Road, Kilpauk, Chennai - 600 010.  
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companies registered with the Insurance Regulatory and Development Authority of India, provident funds, pension funds, insurance funds set up by army, navy, or air force of the Union of India, insurance funds set up and managed by the Department of Posts, India, Indian mutual funds, systemically important non-banking finance companies, members of group companies, Indian public, bodies corporate, companies (private or public) or other entities, authorities, and to such other persons, including retail individual bidders, in one or more combinations thereof, whether through the Offer or otherwise in one or more modes or combinations thereof and/or any other category of investors as may be permitted to invest under Applicable Laws by way of the Offer in one or more tranches in consultation with the BRLMs and/or underwriters and/or the stabilizing agent and/or other advisors or such persons appointed for the Offer and on such terms and conditions as may be finalised by the Board in consultation with the BRLMs through an offer document, prospectus and/or an offering memorandum, as required, and that the Board in consultation with the BRLMs may finalise all matters incidental thereto as it may in its absolute discretion think fit.

**RESOLVED FURTHER THAT**, the Board may invite the existing shareholders of the Company to participate in the Offer by undertaking an offer for sale in relation to such number of Equity Shares held by them, and which are eligible for the Offer in accordance with the SEBI ICDR Regulations, as the Board may determine in consultation with the BRLMs, subject to the receipt of consent of SEBI, GoI, RBI, RoC and/or such other approvals, permissions and sanctions of all other concerned Regulatory Authorities, if and to the extent necessary, and subject to such conditions and modifications as may be prescribed in granting such approvals, permissions and sanctions, which may be agreed to by the Board, at a price to be determined by the book building process in terms of the SEBI ICDR Regulations, for cash at such premium or discount per Equity Share as allowed under the Applicable Laws and as may be fixed and determined by the Company in consultation with the BRLMs, to such category of persons as may be permitted or in accordance with the SEBI ICDR Regulations or other Applicable Laws, if any, as may be prevailing at that time and in such manner as may be determined by the Board in consultation with the BRLMs and/or underwriters and/or the stabilizing agent and/or other advisors or such persons appointed for the Offer.

**RESOLVED FURTHER THAT**, the Board be and is hereby authorized on behalf of the Company to make available for allocation a portion of the Offer to any category(ies) of persons permitted under Applicable Laws, including without limitation, eligible employees (the "Reservation") or to provide a discount to the offer price to retail individual bidders or eligible employees (the "Discount"); and to take any and all actions in connection with any Reservation or Discount as the Board may think fit or proper in its absolute discretion, including, without limitation, to negotiate, finalize and execute any document or agreement, and any amendments, supplements, notices or corrigenda thereto; seek any consent or approval required or necessary; give directions or instructions and do all such acts, deeds, matters and things as the Board may, from time to time, in its absolute discretion, think necessary, appropriate, or desirable; and settle any question, difficulty, or doubt that may arise with regard to or in relation to the foregoing.

**RESOLVED FURTHER THAT**, the Equity Shares allotted/transferred pursuant to the Offer shall be listed on one or more recognized stock exchanges in India.

**RESOLVED FURTHER THAT**, the Equity Shares so allotted and/or transferred under the Offer (including any reservation or green shoe option) shall be subject to the Memorandum of Association and the Articles of Association of the Company and shall rank pari passu in all respects with the existing Equity Shares of the Company including rights in respect of dividend.

**RESOLVED FURTHER THAT**, for the purpose of giving effect to the above resolutions and any issue, transfer and allotment of Equity Shares pursuant to the Offer, the Board either by itself or a committee constituted by the Board, including the IPO Committee, in consultation with the BRLMs, be and is hereby authorized to determine the terms of the Offer including the class of investors to whom the Equity Shares are to be allotted or transferred, the number of Equity Shares to be transferred in each tranche, offer price, premium amount, Reservation, Discount (as allowed under Applicable Laws), listing on Stock Exchanges as the Board or such sub-committee in its absolute discretion deems fit and do all such acts, deeds, matters and things in relation to the Offer, including appointment of the intermediaries, opening escrow account, finalising the basis of allotment of the Equity Shares and to negotiate, finalize and execute such deeds, documents, agreements and any amendment thereto, as it may, in its absolute discretion, deem necessary, proper or desirable including arrangements with BRLMs, underwriters, escrow agents, legal advisors, sponsor bank, etc., to

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approve incurring of expenditure and payment of fees, commissions, brokerage, remuneration and reimbursement of expenses in connection with the Offer and to settle or give instructions or directions for settling any questions, difficulties or doubts that may arise, in regard to the Offer, transfer and allotment of the Equity Shares, and utilization of the Fresh Issue proceeds, if applicable and such other activities as may be necessary in relation to the Offer and to accept and to give effect to such modifications, changes, variations, alterations, deletions and/or additions as regards the terms and conditions as it may, in its discretion, deem fit and proper in the best interest of the Company and the Offer, without requiring any further approval of the members and that all or any of the powers conferred on the Company and the Board pursuant to these resolutions may be exercised by the Board or such committee thereof as the Board may constitute on its behalf.

**RESOLVED FURTHER THAT**, subject to compliance with Applicable Laws such Equity Shares as are not subscribed may be disposed of by the Board in consultation with the BRLMs to such persons and in such manner and on such terms as the Board in its discretion thinks most beneficial to the Company including offering or placing them with banks/financial institutions/investment institutions/mutual funds /bodies corporate/such other persons or otherwise.

**RESOLVED FURTHER THAT**, in connection with any of the foregoing resolutions, the members of the Board and such other persons as may be authorized by the Board, on behalf of the Company, be and are hereby severally or jointly authorized to execute and deliver any and all other documents, papers or instruments, issue and provide certificates and to do or cause to be done any and all acts or things as may be necessary, appropriate or advisable in order to carry out the purposes and intent of the foregoing resolutions for the Offer; and any such documents so executed and delivered or acts and things done or caused to be done shall be conclusive evidence of the authority of the Company in so doing and any document so executed and delivered or acts and things done or caused to be done prior to the date hereof are hereby ratified, confirmed and approved as the acts and deeds of the Company, as the case may be.

**RESOLVED FURTHER THAT** in relation to the Offer, the Board either by itself or a sub-committee constituted by the Board be and is hereby authorized to do such acts, deeds and things as the Board or such sub-committee in its absolute discretion deems necessary or desirable in connection with the Offer, including, without limitation, the following:

- a. To make applications, seek clarifications, obtain approvals and seek exemptions from, where necessary, the SEBI, the Registrar of Companies, Tamil Nadu at Chennai, the RBI, and any other governmental or statutory authorities as may be required in connection with the Offer and accept on behalf of the Board such conditions and modifications as may be prescribed or imposed by any of them while granting such approvals, permissions and sanctions as may be required and wherever necessary, incorporate such modifications / amendments as may be required in the draft red herring prospectus, the red herring prospectus and the prospectus as applicable;
- b. To finalize, settle, approve, adopt and file in consultation with the book running lead managers appointed for the Offer (the "BRLMs") where applicable, the draft red herring prospectus, the red herring prospectus and the prospectus in connection with the Offer, the preliminary and final international wrap and any amendments, supplements, notices, addenda or corrigenda thereto, the bid cum application forms, abridged prospectus, confirmation of allocation notes and any other document in relation to the Offer, and take all such actions as may be necessary for the submission and filing of these documents including incorporating such alterations/corrections/ modifications as may be required by SEBI, the Registrar of Companies, Tamil Nadu at Chennai or any other relevant governmental and statutory authorities or in accordance with applicable laws;
- c. To decide [along with the Selling Shareholders] in consultation with the BRLMs on the actual Offer size, timing, pricing, discount, reservation and all the terms and conditions of the Offer, including the price band (including offer price for anchor investors), bid period, Offer price, and to do all such acts and things as may be necessary and expedient for, and incidental and ancillary to the Offer including to make any amendments, modifications, variations or alterations in relation to the Offer;
- d. To appoint and enter into and terminate arrangements with the BRLMs, underwriters to the Offer, syndicate members to the Offer, brokers to the Offer, escrow collection bankers to the Offer, refund bankers to the Offer, registrars, legal advisors, auditors, advertising agency, monitoring agency and any other agencies or persons

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- or intermediaries in relation to the Offer, to negotiate, finalise and amend the terms of their appointment, including but not limited to the execution of the mandate letter with the BRLMs and negotiation, finalization, execution and, if required, amendment of the offer agreement with the BRLMs, and to remunerate all such intermediaries/agencies including the payments of commissions, brokerages, etc.;
- e. To negotiate, finalise and settle and to execute and deliver or arrange the delivery of the draft red herring prospectus, the red herring prospectus, the prospectus, the preliminary and final international wrap, offer agreement, syndicate agreement, underwriting agreement, share escrow agreement, cash escrow agreement, agreements with the registrar to the Offer and all other documents, deeds, agreements and instruments whatsoever with the registrar to the Offer, legal advisors, auditors, advertising agency and the monitoring agency stock exchange(s), BRLMs, any selling shareholders in the Offer (the "Selling Shareholders") and any other agencies/intermediaries in connection with the Offer with the power to authorize one or more officers of the Company to execute all or any of the aforesaid documents or any amendments thereto as may be required or desirable in relation to the Offer;
  - f. To seek, if required, the consent and/or waiver of the lenders of the Company and its subsidiaries, as applicable, customers, parties with whom the Company has entered into various commercial and other agreements, all concerned government and regulatory authorities in India or outside India, and any other consents and/or waivers that may be required in relation to the Offer or any actions connected therewith;
  - g. To open and operate bank accounts in terms of the escrow agreement and to authorize one or more officers of the Company to execute all documents/deeds as may be necessary in this regard;
  - h. To open and operate bank accounts of the Company in terms of Section 40(3) of the Companies Act, 2013, as amended, and to authorize one or more officers of the Company to execute all documents/deeds as may be necessary in this regard;
  - i. To authorize and approve incurring of expenditure and payment of fees, commissions, brokerage, remuneration and reimbursement of expenses in connection with the Offer;
  - j. To accept and appropriate the proceeds of the Offer in accordance with the applicable laws;
  - k. To approve code of conduct as may be considered necessary by the IPO Committee or as required under the applicable laws, regulations or guidelines for the Board, officers of the Company and other employees of the Company;
  - l. To approve the implementation of any corporate governance requirements that may be considered necessary by the Board or the IPO Committee or as may be required under the applicable laws or the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended and listing agreements to be entered into by the Company with the relevant stock exchanges, to the extent allowed under law;
  - m. To issue receipts/allotment letters/confirmation of allotment notes either in physical or electronic mode representing the underlying Equity Shares in the capital of the Company with such features and attributes as may be required and to provide for the tradability and free transferability thereof as per market practices and regulations, including listing on one or more stock exchange(s), with power to authorize one or more officers of the Company to sign all or any of the aforesaid documents;
  - n. To authorize and approve notices, advertisements in relation to the Offer in consultation with the relevant intermediaries appointed for the Offer;
  - o. To do all such acts, deeds, matters and things and execute all such other documents, etc., as may be deemed necessary or desirable for such purpose, including without limitation, to finalise the basis of allocation and to

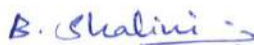
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- allot the shares to the successful allottees as permissible in law, issue of allotment letters/confirmation of allotment notes, share certificates in accordance with the relevant rules, in consultation with the BRLMs;*
- p. *To do all such acts, deeds and things as may be required to dematerialise the Equity Shares and to sign and/or modify, as the case maybe, agreements and/or such other documents as may be required with the National Securities Depository Limited, the Central Depository Services (India) Limited, registrar and transfer agents and such other agencies, authorities or bodies as may be required in this connection and to authorize one or more officers of the Company to execute all or any of the aforesaid documents;*
- q. *To make applications for listing of the Equity Shares in one or more stock exchange(s) for listing of the Equity Shares and to execute and to deliver or arrange the delivery of necessary documentation to the concerned stock exchange(s) in connection with obtaining such listing including without limitation, entering into listing agreements and affixing the common seal of the Company where necessary;*
- r. *To settle all questions, difficulties or doubts that may arise in regard to the Offer, including issue or allotment, terms of the Offer, utilisation of the Offer proceeds and matters incidental thereto as it may deem fit;*
- s. *To submit undertaking/certificates or provide clarifications to the SEBI, Registrar of Companies, Tamil Nadu at Chennai and the relevant stock exchange(s) where the Equity Shares are to be listed;*
- t. *To negotiate, finalize, settle, execute and deliver any and all other documents or instruments and to do or cause to be done any and all acts or things as the IPO Committee may deem necessary, appropriate or advisable in order to carry out the purposes and intent of this resolution or in connection with the Offer and any documents or instruments so executed and delivered or acts and things done or caused to be done by the IPO Committee shall be conclusive evidence of the authority of the IPO Committee in so doing;*
- u. *To approve suitable policies on insider trading, whistle-blowing, risk management, and any other policies as may be required under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, or any other applicable laws;*
- v. *Deciding, negotiating and finalising the pricing and all other related matters regarding the execution of the relevant documents with the investors in consultation with the BRLMs and in accordance with applicable laws;*
- w. *Taking on record the approval of the Selling Shareholders for offering their Equity Shares in the Offer for Sale and taking all actions as may be authorised in connection therewith;*
- x. *to withdraw the draft red herring prospectus or the red herring prospectus or to decide to not proceed with the Offer at any stage in accordance with applicable laws and in consultation with the BRLMs; and*
- y. *To delegate any of its powers set out hereinabove, as may be deemed necessary and permissible under applicable laws to the officials of the Company.*

**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.

**//Certified True Copy//**



**Shalini B**

**Company Secretary**

**Membership No: A51334**

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**Statement pursuant to section 102(1) of The Companies Act, 2013 ("the Act") setting out all material facts relating to the special business**

**Item No. 1: Initial Public Offer**

The Company proposes to undertake an initial public offer of its equity shares of face value of ₹ 1 each (the "Equity Shares") which may include [a fresh issue of Equity Shares (the "Fresh Issue") and an offer for sale of Equity Shares ("Offer for Sale") by certain shareholders of the Company (the "Selling Shareholders") (the "Offer for Sale" and together with the Fresh Issue, the "Offer")] and listing of the Equity Shares on one or more of the stock exchanges in accordance with the provisions of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended (the "SEBI Regulations") and the Companies Act, 2013, and the rules made thereunder, as amended.

The Company intends to undertake the Offer and list its Equity Shares at an opportune time in consultation with the Selling Shareholders and book running lead managers appointed for the Offer (the "BRLMs") and other advisors to be appointed for the Offer and subject to applicable regulatory and other approvals, to the extent necessary.

In view of the above and in terms of Section 62(1)(c), and other applicable provisions of the Companies Act, 2013 and the rules and regulations made thereunder, each as amended, the approval of the shareholders of the Company is required through a special resolution.

The Company proposes to create, offer, issue and allot in the Offer such number of Equity Shares, for cash either at par or premium such that the amount being raised pursuant to the Offer aggregates up to ₹ 500 crores on such terms and at such price and at such time as may be considered appropriate by the Board of Directors of the Company (the "Board"), or a duly authorised committee thereof, to the various categories of permitted investors, who may or may not be the shareholder(s) of the Company, in the initial public offer by way of book building method under the SEBI Regulations. The Equity Shares, if any, allotted pursuant to the Offer shall rank in all respects pari passu with the existing equity shares of the Company.

The proceeds from the Offer will be utilised for the purpose of augmenting capital, and/or any other object as may be decided by the Board at a later date.

The Equity Shares are proposed to be listed on the BSE Limited, the National Stock Exchange of India Limited and any other stock exchange as determined by the Board at its absolute discretion (together, the "Stock Exchanges") and the Company will be required to enter into listing agreements with each of the Stock Exchanges.

The Company will not make an offer of Equity Shares to the Promoters of the Company in the Offer. However, the key managerial personnel of the Company may apply for the Equity Shares in the various categories under the Offer in accordance with the SEBI Regulations.

Other than through their participation in the Offer as mentioned above, none of the Directors or key managerial personnel of the Company or the relatives of the said persons are interested in the said resolution, financially or otherwise.

No change in control of the Company or its management of its business is intended or expected pursuant to the Offer.

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The Board recommends the resolutions set out at Item No. 1 of the Notice for your approval as a special resolution. Accordingly, approval of the members of the Company is sought to issue Equity Shares under Section 62(1)(c) and other applicable provisions of the Companies Act, 2013 and the rules and regulations made thereunder, each, as amended.

*//Certified True Copy//*

*B. Shalini*

**Shalini B**

**Company Secretary**

**Membership No: A51334**

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**EXTRACT OF THE SPECIAL RESOLUTION PASSED AT THE EXTRA-ORDINARY GENERAL MEETING OF THE SHAREHOLDERS OF FIVE-STAR BUSINESS FINANCE LIMITED HELD ON FRIDAY, 8<sup>TH</sup> OCTOBER 2021 AT THE REGISTERED OFFICE SITUATED AT NEW NO.27, OLD NO.4, TAYLOR'S ROAD, KILPAUK, CHENNAI - 600010.**

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**Adoption of amended Articles of Association**

**RESOLVED THAT** pursuant to the provisions of Section 14 of the Companies Act, 2013 and the rules made thereunder, as amended, the applicable provisions of the Securities Contracts (Regulation) Act, 1956, as amended, the Securities Contracts (Regulation) Rules, 1957, as amended, and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, and the listing requirements of the stock exchange(s) where the securities of the Company are proposed to be listed and in accordance with the enabling provisions of the memorandum and articles of association and subject to the applicable provisions of any other applicable law, the consent and approval of the Board of Directors of the Company be and is hereby accorded for substitution of the existing set of articles of association of the Company with the new set of articles of association of the Company, as placed before the Board, and the same be approved and adopted as the new articles of association of the Company, in total exclusion and substitution of the existing Articles of Association of the Company.

**RESOLVED FURTHER THAT** the Board, Mr D Lakshmi pathy, Chairman and Managing Director (holding DIN: 01723269), Mr K Rangarajan, Chief Executive Officer, Mr G Srikanth, Chief of Strategy and Finance, Ms Roopa Sampath Kumar, Chief Financial Officer and Ms Shalini B, Company Secretary, be and are hereby severally authorised to do all such acts, deeds, matters and things as may be required to be done to give effect to the above resolution including filing of necessary forms with the Registrar of Companies, Tamil Nadu at Chennai.

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

*//Certified True Copy//*

*B. Shalini*

Shalini B

Company Secretary

Membership No: A51334

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**Statement pursuant to section 102(1) of The Companies Act, 2013 ("the Act") setting out all material facts relating to the special business**

**Item No. 2: Adoption of amended Articles of Association**

In order to undertake the proposed initial public offering, the Company will be required to ensure that the Articles of Association of the Company (the "Articles of Association") conform to the requirements prescribed under the Companies Act, 2013 and the rules notified thereunder, each as amended by relevant stock exchanges prior to filing of the draft red herring prospectus with the Securities and Exchange Board of India and the relevant stock exchanges. The Company therefore proposes to adopt an amended set of Articles of Association that shall conform to the requirements and directions provided by the stock exchanges and contain such other articles as required by a public limited company under applicable laws (including the Companies Act, 2013).

Copy of the existing Articles of Association and the proposed revised Articles of Association will be made 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 extra-ordinary general meeting.

Pursuant to the provisions of Section 14 of the Companies Act, 2013, as applicable, any amendment in Article of Association requires approval of the members of the Company by way of a special resolution.

None of the Directors or key managerial personnel of the Company or the relatives of the aforementioned persons are interested in the said resolution, financially or otherwise.

The Board recommends the resolutions set out at Item No. 2 of the Notice for your approval as a special resolution.

**//Certified True Copy//**



**Shalini B**

**Company Secretary**

**Membership No: A51334**

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**EXTRACT OF THE SPECIAL RESOLUTION PASSED AT THE EXTRA-ORDINARY GENERAL MEETING OF THE SHAREHOLDERS OF FIVE-STAR BUSINESS FINANCE LIMITED HELD ON FRIDAY, 8<sup>TH</sup> OCTOBER 2021 AT THE REGISTERED OFFICE SITUATED AT NEW NO.27, OLD NO.4, TAYLOR'S ROAD, KILPAUK, CHENNAI - 600010.**

**Sub-division of face value of Equity Shares**

**RESOLVED THAT** pursuant to provisions of Section 61(1)(d) and other applicable provisions, if any, of the Companies Act, 2013, and the rules framed thereunder (including any statutory modifications or re-enactment thereof, for the time being in force)(collectively referred to as the "Companies Act") and the applicable provision of the articles of association of the Company, the consent and approval of the shareholders of the Company be and is hereby accorded to, the sub-division of 2,90,13,512 fully paid up equity shares of face value of ₹ 10 each in the share capital of the Company into 29,01,35,120 equity shares of face value of ₹ 1 each ("Sub-Division").

**RESOLVED FURTHER THAT** pursuant to the Sub-Division of the equity shares of the Company, all the issued, subscribed and paid up equity shares of face value of ₹ 10 (Rupees Ten only) each of the Company existing on the record date ("Record Date"), i.e., this date of which the shareholders approve the sub-division of shares at the general meeting, shall stand sub-divided into equity shares of face value of ₹ 1 (Rupee One Only) each fully paid up, without altering the share capital and shall rank pari passu in all respects with the existing fully paid equity shares of ₹ 10 each of the company and shall be entitled to participate in full dividend to be declared if any after subdivided Equity shares are allotted.

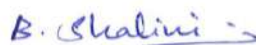
**RESOLVED FURTHER THAT** upon Sub-Division of equity shares, as aforesaid, the existing share certificate(s) in relation to the existing equity shares of the nominal value of ₹ 10 (Rupees Ten only) each held in physical form shall be deemed to have been automatically cancelled and be of no effect on and from the Record Date and Company may without requiring the surrender of existing share certificate(s) directly issue and dispatch the new share certificate(s) of the Company, in lieu thereof, subject to the provisions of the Companies (Share Capital and Debentures) Rules, 2014.

**RESOLVED FURTHER THAT** the Board, Mr D Lakshmipathy, Chairman and Managing Director (holding DIN: 01723269), Mr K Rangarajan, Chief Executive Officer, Mr G Srikanth, Chief of Strategy and Finance, Ms Roopa Sampath Kumar, Chief Financial Officer and Ms Shalini B, Company Secretary, be and are hereby severally authorised to make application, file forms, etc. and to do all such acts, deeds and things as may be required or deemed expedient to implement this resolution.

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

**RESOLVED FURTHER THAT** none of the Directors, Key Managerial Personnel of the Company or their relatives is in any way, concerned or interested, financially or otherwise, in the Resolution, except as shareholders of the Company.

//Certified True Copy//



Shalini B

Company Secretary

Membership No: A51334

**Five-Star Business Finance Limited**

Registered Office : New No. 27, Old No. 4, Taylor's Road, Kilpauk, Chennai - 600 010.  
Phone : 044 - 4610 6200, e-mail : info@fivestargroup.in, Website : www.fivestargroup.in  
CIN : U65991TN1984PLC010844

**Statement pursuant to section 102(1) of The Companies Act, 2013 ("the Act") setting out all material facts relating to the special business**

**Item No. 4: Sub-division of face value of Equity Shares**

In view of the proposed initial public offering of the Company, the Company intends to sub-divide the face value of the equity shares of the Company. The Board of Directors at its Meeting held on 8<sup>th</sup> September 2021 considered, approved and recommended the sub-division of Company's equity shares having face value of ₹ 10 (Rupees ten) each into equity shares having a face value of ₹ 1 (Rupee One) each subject to approval of the Members and any other statutory and regulatory approvals, as applicable. The Record Date for the aforesaid sub-division of the Equity shares will be the date on which the shareholders approve the sub-division of shares, i.e., at this general meeting.

Pursuant to the provisions of Section 61, any sub-division of the share capital of the Company requires approval of the shareholders of the Company.

None of the Directors, key managerial personnel, of the Company or the relatives of the aforementioned persons are interested in the said resolution.

The Board recommends the resolutions set out at Item No. 4 of the Notice for your approval as a special resolution.

**//Certified True Copy//**

*B. Shalini*

**Shalini B**

**Company Secretary**

**Membership No: A51334**

**Five-Star Business Finance Limited**

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**EXTRACT OF THE SPECIAL RESOLUTION PASSED AT THE EXTRA-ORDINARY GENERAL MEETING OF THE SHAREHOLDERS OF FIVE-STAR BUSINESS FINANCE LIMITED HELD ON FRIDAY, 8<sup>TH</sup> OCTOBER 2021 AT THE REGISTERED OFFICE SITUATED AT NEW NO.27, OLD NO.4, TAYLOR'S ROAD, KILPAUK, CHENNAI - 600010.**

**Alteration of the Memorandum of Association of the Company**

**RESOLVED THAT** pursuant to Sections 13 and 61 and other applicable provisions, if any, of the Companies Act, 2013, and the rules and regulations made thereunder including the Companies (Incorporation) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force) (collectively referred to as the "Companies Act"), the consent and approval of the shareholders of the Company be and is hereby accorded for substituting the existing Clause V of the memorandum of association of the Company ("Memorandum of Association") with the following clause:

*"V. The Authorized Share Capital of the Company is ₹ 55,00,00,000 (Rupees Fifty-Five Crores only) consisting of 55,00,00,000 (Fifty-Five Crores only) equity shares having face value ₹ 1 (Rupee One only) each. The Company has power, from time to time to increase or reduce its capital and to divide the shares in the capital for time being into other classes and to attach thereto respectively such preferential, deferred, qualified or other special rights, privileges, condition or restrictions, as may be determined by or in accordance with the Articles of Association of the Company and to vary or modify or abrogate any such rights, privileges or conditions or restrictions in such manner as may for the time being permitted by the Articles of Association of the Company or the legislative provisions for the time being in force in that behalf."*

**RESOLVED FURTHER THAT** the Board, Mr D Lakshmipathy, Chairman and Managing Director (holding DIN: 01723269), Mr K Rangarajan, Chief Executive Officer, Mr G Srikanth, Chief of Strategy and Finance, Ms Roopa Sampath Kumar, Chief Financial Officer and Ms Shalini B, Company Secretary, be and are hereby severally authorised to do all such acts, matters, deeds and things necessary or desirable in connection with or incidental to give effect to the above resolution, including but not limited to, file the necessary application with the regulatory authorities, to settle all questions, difficulties or doubts that may arise, submit such other documents and information as may be required by any regulatory authority, accept on behalf of the Company such conditions and modifications as may be prescribed or imposed by any regulatory authority and engage in any other communication with any regulatory authority and publish necessary gazette notifications, if required, for and in connection with the proposed amendment to Clause V of the Memorandum of Association of the Company, as may be required under the applicable laws, and filing of necessary forms with the Registrar of Companies, Tamil Nadu, at Chennai and to comply with all other requirements in this regard.

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

**//Certified True Copy//**



**Shalini B**

**Company Secretary**

**Membership No: A51334**

**Five-Star Business Finance Limited**

Registered Office : New No. 27, Old No. 4, Taylor's Road, Kilpauk, Chennai - 600 010.  
Phone : 044 - 4610 6200, e-mail : [info@fivestargroup.in](mailto:info@fivestargroup.in), Website : [www.fivestargroup.in](http://www.fivestargroup.in)  
CIN : U65991TN1984PLC010844

**Statement pursuant to section 102(1) of The Companies Act, 2013 ("the Act") setting out all material facts relating to the special business**

In view of sub-division of the share capital of the Company, the existing Clause V of the memorandum of association of the Company ("Memorandum of Association"), is proposed to be substituted with the following:

*"V. The Authorized Share Capital of the Company is ₹ 55,00,00,000 (Rupees Fifty-Five Crores only) consisting of 55,00,00,000 (Fifty-Five Crores only) equity shares having face value ₹ 1 (Rupee One only) each. The Company has power, from time to time to increase or reduce its capital and to divide the shares in the capital for time being into other classes and to attach thereto respectively such preferential, deferred, qualified or other special rights, privileges, condition or restrictions, as may be determined by or in accordance with the Articles of Association of the Company and to vary or modify or abrogate any such rights, privileges or conditions or restrictions in such manner as may for the time being permitted by the Articles of Association of the Company or the legislative provisions for the time being in force in that behalf."*

Copy of existing Memorandum of Association and the revised Memorandum of Association will be made 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 extra-ordinary general meeting.

Pursuant to the provisions of Sections 13 and 14 of the Companies Act, 2013 as applicable, any amendment in Memorandum of Association and the Articles of Association requires approval of the shareholders of the Company.

None of the Directors, key managerial personnel, of the Company or the relatives of the aforementioned persons are interested in the said resolution, financially or otherwise.

The Board recommends the resolutions set out at Item No. 5 of the Notice for your approval as a special resolution.

**//Certified True Copy//**



**Shalini B**

**Company Secretary**

**Membership No: A51334**

**Five-Star Business Finance Limited**

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**EXTRACT OF THE SPECIAL RESOLUTION PASSED AT THE EXTRA-ORDINARY GENERAL MEETING OF THE SHAREHOLDERS OF FIVE-STAR BUSINESS FINANCE LIMITED HELD ON FRIDAY, 8<sup>TH</sup> OCTOBER 2021 AT THE REGISTERED OFFICE SITUATED AT NEW NO.27, OLD NO.4, TAYLOR'S ROAD, KILPAUK, CHENNAI - 600010.**

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**Amendment of Five-Star Associate Stock Option Scheme, 2015**

**RESOLVED THAT**, pursuant to Section 62(1)(b) of the Companies Act, 2013 (the "Act") and other applicable provisions, if any, of the Act, and the applicable provisions of the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 ("SBEB & SE Regulations") (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) and other rules, regulations, circulars and guidelines as may be applicable and subject to such approvals, consents, permissions and approvals as may be necessary and subject to such conditions and modifications as may be prescribed or imposed while granting such approvals, consents, permissions and sanctions which may be agreed to by the Board of Directors of the Company ("the Board"), which term shall include its duly empowered Committee(s) constituted/ to be constituted by it to exercise its powers including the powers conferred by this resolution), the approval of the Members be and is hereby accorded to the amendments to Five Star Associate Stock Option Scheme, 2015 ("ASOP 2015") as described in the Explanatory Statement.

**RESOLVED FURTHER THAT**, it is hereby noted that the amendments to the ASOP 2015 are not prejudicial to the interests of the current option grantees of the Company and are being carried out to meet the regulatory requirement in terms of the SBEB & SE Regulations once the Company is listed.

**RESOLVED FURTHER THAT**, the Board be and is hereby authorized on behalf of the Company to make and carry out any modifications, changes, variations, alterations or revisions in the ASOP 2015 or to suspend, withdraw or revive the ASOP 2015, in accordance with applicable laws prevailing from time to time, as it may deem fit, to give effect to this resolution.

**RESOLVED FURTHER THAT** for the purpose of bringing into effect this resolution and generally for giving effect to this resolution, the Board, Mr D Lakshminpathy, Chairman and Managing Director (holding DIN: 01723269), Mr K Rangarajan, Chief Executive Officer, Mr G Srikanth, Chief of Strategy and Finance, Ms Roopa Sampath Kumar, Chief Financial Officer and Ms Shalini B, Company Secretary, be and are severally authorized to do all such acts, deeds, matters and things and to take all steps and do all things and give such directions as may be required, necessary, expedient, incidental or desirable for giving effect to the above and to settle any question or difficulty that may arise in this regard in the best interest of the Company to give effect to the 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.

**//Certified True Copy//**



**Shalini B**

**Company Secretary**

**Membership No: A51334**

**Five-Star Business Finance Limited**

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**EXTRACT OF THE SPECIAL RESOLUTION PASSED AT THE EXTRA-ORDINARY GENERAL MEETING OF THE SHAREHOLDERS OF FIVE-STAR BUSINESS FINANCE LIMITED HELD ON FRIDAY, 8<sup>TH</sup> OCTOBER 2021 AT THE REGISTERED OFFICE SITUATED AT NEW NO.27, OLD NO.4, TAYLOR'S ROAD, KILPAUK, CHENNAI - 600010.**

**Amendment of Five-Star Associate Stock Option Scheme, 2018**

**RESOLVED THAT**, pursuant to Section 62(1)(b) of the Companies Act, 2013 (the "Act") and other applicable provisions, if any, of the Act, and the applicable provisions of the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 ("SBEB & SE Regulations") (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) and other rules, regulations, circulars and guidelines as may be applicable and subject to such approvals, consents, permissions and approvals as may be necessary and subject to such conditions and modifications as may be prescribed or imposed while granting such approvals, consents, permissions and sanctions which may be agreed to by the Board of Directors of the Company ("the Board", which term shall include its duly empowered Committee(s) constituted/ to be constituted by it to exercise its powers including the powers conferred by this resolution), the approval of the Members be and is hereby accorded to the amendments to Five Star Associate Stock Option Scheme, 2018 ("ASOP 2018") as described in the Explanatory Statement.

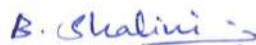
**RESOLVED FURTHER THAT**, it is hereby noted that the amendments to the ASOP 2018 are not prejudicial to the interests of the current option grantees of the Company and are being carried out to meet the regulatory requirement in terms of the SBEB & SE Regulations once the Company is listed.

**RESOLVED FURTHER THAT**, the Board be and is hereby authorized on behalf of the Company to make and carry out any modifications, changes, variations, alterations or revisions in the ASOP 2018 or to suspend, withdraw or revive the ASOP 2018, in accordance with applicable laws prevailing from time to time, as it may deem fit, to give effect to this resolution.

**RESOLVED FURTHER THAT** for the purpose of bringing into effect this resolution and generally for giving effect to this resolution, the Board, Mr D Lakshminpathy, Chairman and Managing Director (holding DIN: 01723269), Mr K Rangarajan, Chief Executive Officer, Mr G Srikanth, Chief of Strategy and Finance, Ms Roopa Sampath Kumar, Chief Financial Officer and Ms Shalini B, Company Secretary, be and are hereby severally authorized to do all such acts, deeds, matters and things and to take all steps and do all things and give such directions as may be required, necessary, expedient, incidental or desirable for giving effect to the above and to settle any question or difficulty that may arise in this regard in the best interest of the Company to give effect to the 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.

**//Certified True Copy//**



**Shalini B**

**Company Secretary**

**Membership No: A51334**

**Five-Star Business Finance Limited**

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CIN : U65991TN1984PLC010844

Statement pursuant to section 102(1) of The Companies Act, 2013 (“the Act”) setting out all material facts relating to the special business

**Item Nos. 6 and 7: Amendment of Five-Star Associate Stock Option Scheme, 2015 and Amendment of Five-Star Associate Stock Option Scheme, 2018**

Five-Star Business Finance Limited (“the Company”) adopted the Five-Star Associate Stock Option Scheme, 2015 (“ASOP 2015”) and the Five-Star Associate Stock Option Scheme, 2018 (“ASOP 2018”), which are being implemented by the Company.

Based on the approval of the Board of Directors (“the Board”), Nomination and Remuneration Committee and subject to the approval of the Members, it is proposed that ASOP 2015 and ASOP 2018 be amended in order to comply with the regulatory requirements in terms of the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 (“SEBI SBEB & SE Regulations”).

In view of above, approval of Members is sought by way of Special Resolutions for Item Nos. 6 and 7 of the accompanying Notice, for authorizing the Board to amend ASOP 2015 and ASOP 2018 and do all such acts, matters, deeds and things and to take all steps and do all things and give such directions as may be required, necessary, expedient, incidental or desirable for giving effect to the amendment of the ASOP 2015 and ASOP 2018.

Copy of the ASOP 2015 and ASOP 2018 with the proposed amendments will be 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 extra-ordinary general meeting.

Details of the key variations of the ASOP 2015 and ASOP 2018 are provided below:

**1. Key Variations in the ASOP 2015 and ASOP 2018:**

It is proposed to include the following variations in the ASOP 2015 and ASOP 2018:

No.	Position under ASOP 2015 and ASOP 2018	Position under SBEB & SE Regulations
1	<p><b>Definition of Associate</b> ASOP 2015 and ASOP 2018 defines Associate as: <i>“any person(s) employed on a permanent basis by “Five Star” in India and or by its subsidiary company and shall include all its Directors, whether whole-time or not, but shall exclude:</i></p> <p><i>i) an independent Director;</i></p> <p><i>ii) an associate who is a promoter or belongs to the promoter group;</i></p> <p><i>iii) a Director who either by himself or through his relative or through any body-corporate, directly or indirectly holds more than 10% of the outstanding equity shares of the company; and</i></p> <p><i>iv) any other associate, who under any law or regulation not entitled to participate in the Scheme.”</i></p>	<p>The definition of an employee, except in relation to sweat equity, has been revised under SBEB &amp; SE Regulations to include an employee as designated by the company, who is <b>exclusively</b> working in India or outside India. Further, the ambit of an employee has been expanded to <b>include employees of group companies, including associate companies</b>. Consequently, stock options can be granted to employees of group companies, including associate companies as well. Consequently, the definition of Associate is proposed to be revised to account for the above regulatory change.</p>

**Five-Star Business Finance Limited**



2	<p><b>Power of the nomination and remuneration committee ("NRC") under ASOP 2015 and ASOP 2018</b>  The authority granted to NRC presently is not aligned with Schedule 1, Part B of the SBEB &amp; SE Regulations.</p>	<p>Clause 3.1 of ASOP 2015 and ASOP 2018, respectively, are proposed to be amended to align with Schedule 1, Part B of the SBEB &amp; SE Regulations.</p>
3	<p><b>Number of options to be granted to an individual associate</b>  Clause 6.3 of ASOP 2015 provides the following:  <i>"The maximum number of Options granted to any one associate over the life of the scheme shall not be more than 5% of the issued equity share capital of the company at the time of grant of the Option."</i>  Clause 6.3 of ASOP 2018 provides the following:  <i>"The maximum number of Options granted to any one associate over the life of the scheme shall not be more than 1% of the issued equity share capital of the company at the time of grant of the Option."</i></p>	<p>While a cap as regards the maximum number of options that can be granted to an associate during the life of the scheme can be specified, in terms of Regulation 6(3) of the SBEB &amp; SE Regulations, shareholders' approval by way of special resolution is required in case grant of option to the identified employees during any one year equals to or exceeds one percent of the issued capital of the company. The aforesaid provision is proposed to be incorporated in both ASOP 2015 and ASOP 2018. Further, in ASOP 2015, the maximum number of options that can be granted to an Associate has been revised to 1% (one percent).</p>
4	<p><b>Employment in the associate company for vesting of options</b>  Presently, the continuation of the Option Grantee in the service of the Company or its subsidiary / associate company has been specified as a primary requirement of the vesting.</p>	<p>While under the SBEB &amp; SE Regulations, an employee employed with an associate company can be granted options, the continuation of vesting of options in case an employee is – working with/ transferred to an associate company is not permitted under the Companies Act, 2013, applicable prior to listing of the Company. ASOP 2015 and ASOP 2018 are proposed to be revised to provide that the continuation of the Option Grantee in the service of the Company or its subsidiary company shall be a primary requirement of the Vesting prior to the Listing of the Company. However, the Options can be granted to an Associate working with an associate company, or continue to vest in case of transfer to an Associate company after the Listing of the Company.</p>
5	<p><b>Exercise Price</b>  ASOP 2015 and ASOP 2018 provides that,  <i>"The Exercise price per option shall be such price not being less than the face value, as may be determined by the Nomination &amp; Remuneration Committee."</i></p>	<p>While a company is free to determine the exercise price, the exercise price is required to be in compliance with the accounting standards provided under Regulation 15 of the SBEB &amp; SE Regulations. The ASOP 2015 and ASOP 2018 are proposed to be revised to account for the above.</p>
6	<p><b>Policy for vesting in case of death or permanent incapacity</b>  The ASOP 2015 and ASOP 2018 presently provides for immediate vesting of all the options granted in case of death or permanent incapacity.</p>	<p>A company implementing an employee stock option scheme is required to frame an appropriate policy with respect to the death or permanent incapacity of an employee, subject to applicable laws. ASOP 2015 and ASOP 2018 are being revised to account for the above requirement.</p>

## Five-Star Business Finance Limited

7	<p><b>Treatment of options in case of retirement on superannuation</b>  Under ASOP 2015, and ASOP 2018, in case the service of an option grantee is terminated due to superannuation, all the unvested options will lapse on the date of superannuation, unless decided otherwise by NRC.</p>	<p>In the event of retirement or superannuation, the options granted to an employee which have not vested, will not expire, and continue to vest in accordance with their respective vesting schedules as per company's policies. The ASOP 2015 and ASOP 2018 are proposed to be revised to account for the above mentioned change.</p>
8	<p><b>Modification of the plan</b>  Presently, ASOP 2015 and ASOP 2018 allows the Company to change the terms and conditions of the respective plan, provided such change is not detrimental to the interest of the then existing option holders.</p>	<p>Companies can vary the terms of the scheme to meet any regulatory requirement without seeking shareholders' approval under the SBEB &amp; SE Regulations. The ASOP 2015 and ASOP 2018 are proposed to be revised to account for the above mentioned change.</p>

**2. Rationale for the variation of the ASOP 2015 and ASOP 2018:**

- (a) The amendments, including those mentioned herein, are proposed to be undertaken in order to comply with the SEBI SBEB & SE Regulations on the listing of the Company, and make corresponding changes in the ASOP 2015 and ASOP 2018.
- (b) The proposed amendments also contain certain editorial changes, and consistency changes.
- (c) The proposed amendments are not detrimental to the interests of the current option grantees of the Company.

**3. Details of the employees who are beneficiaries of such variation:**


All eligible employees to whom the options have been granted under the ASOP 2015 and ASOP 2018, respectively.

Non-promoter Directors (other than the Independent Directors) and other Key Managerial Personnel of the Company and its subsidiary(ies), are deemed to be concerned or interested, to the extent of stock options granted/ to be granted pursuant to the ASOP 2015 and ASOP 2018 and to the extent of their shareholding in the Company, if any.

None of the other Directors of the Company, or their relatives are, in any way, concerned or interested, financially or otherwise, in this resolution.

The Board recommends the resolutions set out at Item Nos. 6 and 7 of the Notice for your approval as special resolutions.

**//Certified True Copy//**



**Shalini B**

**Company Secretary**

**Membership No: A51334**

**Five-Star Business Finance Limited**

Registered Office : New No. 27, Old No. 4, Taylor's Road, Kilpauk, Chennai - 600 010.  
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CIN : U65991TN1984PLC010844