

EXTRACT OF THE RESOLUTION PASSED AT THE MEETING OF THE BOARD OF DIRECTORS OF FIVE-STAR BUSINESS FINANCE LIMITED HELD ON WEDNESDAY, APRIL 27, 2022, AT THE REGISTERED OFFICE - NEW NO.27, OLD NO.4, TAYLOR'S ROAD, KILPAUK, CHENNAI 600010

Recommendation for revision in remuneration payable to Mr Lakshmipathy Deenadayalan, Chairman & Managing Director with effect from April 01, 2022

RESOLVED THAT based on the recommendation of the Nomination & Remuneration Committee and subject to the approval of the shareholders, consent of the Board be and is hereby accorded to revise the remuneration of Mr Lakshmipathy Deenadayalan, Chairman & Managing Director 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) 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 other terms of appointment of Mr Lakshmipathy Deenadayalan, as Chairman & Managing Director shall remain the same.

//Certified True Copy//

B. Shalini →

Shalini Baskaran
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

EXTRACT OF THE RESOLUTION PASSED AT THE MEETING OF THE BOARD OF DIRECTORS OF FIVE-STAR BUSINESS FINANCE LIMITED HELD ON WEDNESDAY, APRIL 27, 2022, AT THE REGISTERED OFFICE - NEW NO.27, OLD NO.4, TAYLOR'S ROAD, KILPAUK, CHENNAI 600010

Re-appointment of Mr Lakshmipathy Deenadayalan as Chairman & Managing Director of the Company

RESOLVED THAT based on the recommendations of the Nomination & Remuneration Committee and pursuant to Sections 196, 197 & 203 read with Schedule V and other applicable provisions of the Companies Act, 2013, the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modifications or re-enactment(s) thereof for the time being in force), subject to the provisions of Articles of Association of the Company and the approval of shareholders of the Company in the general meeting and such other consents and permissions as may be deemed necessary, the Board do hereby approves the re-appointment of Mr Lakshmipathy Deenadayalan as the Managing Director of the Company for a period of 5 years with effect from June 01, 2022.

RESOLVED FURTHER THAT the Board do hereby approves the re-appointment of Mr Lakshmipathy Deenadayalan as the Chairman of the Board / Company with effect from June 01, 2022.

//Certified True Copy//

B. Shalini

**Shalini Baskaran
Company Secretary
Membership No. A51334**



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EXTRACT OF THE SPECIAL RESOLUTION PASSED AT THE 38TH ANNUAL GENERAL MEETING OF THE COMPANY 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

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

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 Deendayalan, (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.

//Certified True Copy//



Shalini Baskaran

Company Secretary

Membership No: A51334



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Business Finance Limited

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

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.

//Certified True Copy//

B. Shalini

Shalini Baskaran

Company Secretary

Membership No: A51334



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

Name of Director	Mr Lakshmipathy Deenadayalan
DIN	01723269
Date of Birth / (Age)	09-Feb-1974 / 48
Qualifications	Bachelor of Engineering
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.
Expertise in specific Functional areas	Financial Services, Strategy & Planning, Risk Management, Corporate Governance and Management & Leadership
Terms and conditions of appointment	Chairman & Managing Director
Remuneration sought to be paid	As set out in the special resolution under Item no. 3 of this Notice
Remuneration last drawn (for financial year 2021-22)	Please refer explanatory statement for Item no. 3 of this Notice
Date of first appointment on the Board	June 21, 2002
Shareholding in the Company as of March 31, 2022	12.37%
Relationship with other Directors, Manager and KMP of the Company	None
Number of Board Meetings attended during FY 2021-22	Ten (10) out of Ten (10) meetings held
Other Directorships, Membership/ Chairmanship of Committees of other Boards	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



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