



FIVE-STAR BUSINESS FINANCE LIMITED
Regd. Office: New No.27, Old No.4, Taylor's Road, Kilpauk,
Chennai – 600010; **Phone:** 044 4610 6200
CIN: L65991TN1984PLC010844
Website: www.fivestargroup.in **Email ID:** secretary@fivestargroup.in

NOTICE OF POSTAL BALLOT

(Pursuant to Section 110 and Section 108 of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014)

Dear Members,

NOTICE is hereby given that the resolutions set out below are proposed for approval by the members of Five-Star Business Finance Limited (the "Company") by means of Postal Ballot, only by remote e-voting process ("e-voting") being provided by the Company to all its members to cast their votes electronically, pursuant to Section 108 and Section 110 of the Companies Act, 2013, as amended (hereinafter referred to as the "Act") read together with Rule 20 and Rule 22 of the Companies (Management and Administration) Rules, 2014, (hereinafter referred to as the "Rules"), Regulation 44 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI LODR Regulations"), Secretarial Standards issued by the Institute of Company Secretaries of India on General Meeting ("SS-2") and the General Circular Nos. 14/2020 dated April 8, 2020 and 17/2020 dated April 13, 2020 read with other relevant circulars, including General Circular No. 09/2024 dated September 19, 2024, issued by the Ministry of Corporate Affairs ("MCA Circulars") and other applicable laws, rules and regulations (including any statutory modification(s) or reenactment(s) thereof for the time being in force).

The Statement, pursuant to the provisions of Section 102(1) and other applicable provisions of the Act read with the Rules, setting out all material facts relating to the resolutions proposed in this Postal Ballot Notice is annexed hereto for your consideration.

In accordance with the provisions of the MCA Circulars, the Company is sending Postal Ballot Notice ("the Notice") only by e-mail to all its members who have registered their email addresses with the Company or depositories / depository participants as on December 13, 2024 ("Cut-Off Date") and the voting on the resolution proposed in the Notice will only take place through the remote e-voting.

The Company has engaged the services of National Securities Depository Limited ("NSDL") as the agency to provide e-voting facility. Members are requested to read the instructions given in the Notes to this Postal Ballot Notice so as to cast their vote electronically. The votes can be cast during the following voting period:

Commencement of e-voting:	9:00 am (IST) on Friday, December 20, 2024
End of e-voting:	5:00 pm (IST) on Saturday, January 18, 2025

The Board of Directors has appointed Mr S Sandeep (FCS No. 5853, COP No. 5987), Managing Partner, S. Sandeep & Associates, Practicing Company Secretaries, as the Scrutinizer for conducting the Postal Ballot, through e-voting process, in a fair and transparent manner. The Scrutiniser's decision on the validity of the votes cast in the Postal Ballot shall be final.

The Scrutinizer will submit his report to the Chairman of the Company after completion of scrutiny of the remote e-voting. The results shall be declared on or before Tuesday, January 21, 2025 and will be communicated to BSE Limited ("BSE"), National Stock Exchange of India Limited ("NSE") (together the "Stock Exchanges"), National Securities Depository Limited ("NSDL") and Central Depository Services (India) Limited ("CDSL") (together the "Depositories") and will also be displayed on the Company's website at www.fivestargroup.in.

SPECIAL BUSINESS:

Item 1: To approve amendments to the Company's Articles of Association

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

RESOLVED THAT pursuant to Section 14 and other applicable provisions of the Companies Act 2013 and the rules made thereunder (including any amendments, statutory modification(s) and/or re-enactment thereof for the time being in force), and subject to receipt of requisite consents, waivers and approvals as may be required, approval of the members be and is hereby accorded to amend the Articles of Association carrying such changes as set out in the explanatory statement to the notice.

RESOLVED FURTHER THAT Chairman & Managing Director, Joint Managing Director & CEO, Joint Managing Director & CFO and Company Secretary of the Company be and are hereby severally authorised do all such acts as may be necessary including filing of necessary forms and returns with regulatory authorities.

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

Item 2: To reclassify the status of Matrix Partners India Investment Holdings II, LLC and its Promoter Group from 'Promoter and Promoter Group' category to 'Public' shareholder category

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

RESOLVED THAT pursuant to reclassification request dated October 25, 2024 received from following Promoter and Promoter Group under Regulation 31A of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI LODR Regulations"), as amended from time to time, and upon on recommendations of the Board and subject to applicable regulations of the SEBI LODR Regulations (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) and other applicable laws and subject to the necessary approvals from the Securities and Exchange Board of India (SEBI), stock exchanges where the Company's shares are listed, and other appropriate statutory authorities as may be required, consent of the Members be and is hereby accorded for reclassification of the status of following 'Promoter and Promoter Group' to 'Public' shareholder category.

S. No.	Name	Category	No. of shares	% of shareholding
1	Matrix Partners India Investment Holdings II, LLC ("Matrix")	Promoter	0	0%
2	Matrix Partners India II, LLC	Promoter Group - Matrix	0	0%
3	Mswipe Technologies Private Limited	Promoter Group - Matrix	0	0%
4	Shotformat Digital Productions Private Limited	Promoter Group - Matrix	0	0%
5	Bitnomix Technologies Private Limited**	Promoter Group - Matrix	0	0%
6	Chumbak Design Private Limited**	Promoter Group - Matrix	0	0%
7	Waterlife India Private Limited**	Promoter Group - Matrix	0	0%

**Entities that were disclosed as promoter group to Matrix Partners India Investment Holdings II, LLC at the time of filing of prospectus and are no longer forming part of Matrix promoter group

RESOLVED FURTHER THAT the above applicants have confirmed that all the conditions specified in sub-clause (i) to (vii) of clause (b) of sub-regulation (3) of Regulation 31A of the SEBI LODR Regulations (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) have been complied with and also confirmed that at all times from the date of such reclassification, shall continue to comply with conditions mentioned in Regulation 31A of SEBI LODR Regulations post reclassification from 'Promoter and Promoter Group' to 'Public'."

RESOLVED FURTHER THAT pursuant to provisions of 31A(3)(c) of the SEBI LODR Regulations, the Board hereby confirms the following:

1. The Company is and post reclassification will be compliant with the requirement for minimum public shareholding as required under Regulation 38 of the SEBI LODR Regulations;
2. The Company shall not have trading in its shares which have been suspended by Stock Exchanges; and
3. The Company does not have any outstanding dues to the SEBI, the Stock Exchanges or Depositories.

RESOLVED FURTHER THAT upon receipt of the necessary approval(s) from the stock exchanges where the equity shares of the Company are listed namely, BSE Limited and National Stock Exchange of India Limited for reclassification of the above persons, the Company shall effect such reclassification in the statement of shareholding pattern from the immediate succeeding quarter under Regulation 31 of the SEBI LODR Regulations, and shall ensure necessary compliance under SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, SEBI (Prohibition of Insider Trading) Regulations, 2015 and other laws, as may be applicable.

RESOLVED FURTHER THAT Chairman & Managing Director, Joint Managing Director & CEO, Joint Managing Director & CFO and Company Secretary of the Company be and are hereby severally authorized to file the necessary applications before the regulatory authorities and to do all such acts, deeds, matters and things as may be necessary, proper or expedient to give effect to this resolution and thereby execute all such documents, instruments, papers and writings etc., on behalf of the Company, as may be required from time to time for the aforesaid matter.

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

Item 3: To reclassify the status of Peak XV Partners Investments V and its Promoter Group from 'Promoter and Promoter Group' category to 'Public' shareholder category

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

RESOLVED THAT pursuant to reclassification request dated October 25, 2024 received from following Promoter and Promoter Group under Regulation 31A of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI LODR Regulations"), as amended from time to time, and upon on recommendations of the Board and subject to applicable regulations of the SEBI LODR Regulations (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) and other applicable laws and subject to the necessary approvals from the Securities and Exchange Board of India (SEBI), stock exchanges where the Company's shares are listed, and other appropriate statutory authorities as may be required, consent of the Members be and is hereby accorded for reclassification of the status of following 'Promoter and Promoter Group' to 'Public' shareholder category.

S. No.	Name	Category	No. of shares	% of shareholding
1	Peak XV Partners Investments V ("Peak XV") (Formerly known as SCI Investments V)	Promoter	85,36,605	2.92%
2	Amogha Polymers India Private Limited	Promoter Group - Peak XV	0	0%
3	Azofis Space Solutions Limited (Formerly Azofis Space Solutions Private Limited)	Promoter Group - Peak XV	0	0%
4	Cardup Pte. Ltd.	Promoter Group - Peak XV	0	0%
5	Cue Learn Private Limited	Promoter Group - Peak XV	0	0%
6	Digital Technologies Limited	Promoter Group - Peak XV	0	0%
7	Faces Investment Holdings	Promoter Group - Peak XV	0	0%
8	Finova Capital Private Limited	Promoter Group - Peak XV	0	0%
9	Fintech Blue Solutions Private Limited	Promoter Group - Peak XV	0	0%
10	Insider SG Pte. Ltd	Promoter Group - Peak XV	0	0%
11	Loconav, Inc.	Promoter Group - Peak XV	0	0%

12	<i>Minions Ventures Private Limited</i>	<i>Promoter Group - Peak XV</i>	0	0%
13	<i>Mycash Fintech Pte. Ltd.</i>	<i>Promoter Group - Peak XV</i>	0	0%
14	<i>M-League Pte. Ltd</i>	<i>Promoter Group - Peak XV</i>	0	0%
15	<i>NEXTSCM Solutions Private Limited</i>	<i>Promoter Group - Peak XV</i>	0	0%
16	<i>Nugit Pte. Ltd.</i>	<i>Promoter Group - Peak XV</i>	0	0%
17	<i>Paradime Technologies Private Limited</i>	<i>Promoter Group - Peak XV</i>	0	0%
18	<i>Pocket Aces Pictures Private Limited</i>	<i>Promoter Group - Peak XV</i>	0	0%
19	<i>Rupeek Fintech Private Limited</i>	<i>Promoter Group - Peak XV</i>	0	0%
20	<i>Peak XV Partners V Ltd (Formerly known as Sequoia Capital India V Limited)</i>	<i>Promoter Group - Peak XV</i>	0	0%
21	<i>Trust IQ Pte. Ltd.</i>	<i>Promoter Group - Peak XV</i>	0	0%
22	<i>Vymo Inc.</i>	<i>Promoter Group - Peak XV</i>	0	0%

RESOLVED FURTHER THAT the above applicants have confirmed that all the conditions specified in sub-clause (i) to (vii) of clause (b) of sub-regulation (3) of Regulation 31A of the SEBI LODR Regulations (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) have been complied with and also confirmed that at all times from the date of such reclassification, shall continue to comply with conditions mentioned in Regulation 31A of SEBI LODR Regulations post reclassification from 'Promoter Group' to 'Public'.

RESOLVED FURTHER THAT pursuant to provisions of 31A(3)(c) of the SEBI LODR Regulations, the Board hereby confirms the following:

1. The Company is and post reclassification will be compliant with the requirement for minimum public shareholding as required under Regulation 38 of the SEBI LODR Regulations;
2. The Company shall not have trading in its shares which have been suspended by Stock Exchanges; and
3. The Company does not have any outstanding dues to the SEBI, the Stock Exchanges or Depositories.

RESOLVED FURTHER THAT upon receipt of the necessary approval(s) from the stock exchanges where the equity shares of the Company are listed namely, BSE Limited and National Stock Exchange of India Limited for reclassification of the above persons, the Company shall effect such reclassification in the statement of shareholding pattern from the immediate succeeding quarter under Regulation 31 of the SEBI LODR Regulations, and shall ensure necessary compliance under SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, SEBI (Prohibition of Insider Trading) Regulations, 2015 and other laws, as may be applicable.

RESOLVED FURTHER THAT Chairman & Managing Director, Joint Managing Director & CEO, Joint Managing Director & CFO and Company Secretary of the Company be and are hereby severally authorized to file the necessary applications before the regulatory authorities and to do all such acts, deeds, matters and things as may be necessary, proper or expedient to give effect to this resolution and thereby execute all such documents, instruments, papers and writings etc., on behalf of the Company, as may be required from time to time for the aforesaid matter.

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

For Five-Star Business Finance Limited

Date: December 19, 2024
Place: Chennai

Shalini Baskaran
Company Secretary & Compliance Officer

Notes:

1. A statement, pursuant to Section 102 and other applicable provisions of the Act read with the Rules, setting out all material facts relating to the resolutions mentioned in this Postal Ballot Notice is annexed herewith.
2. In compliance with the MCA Circulars, this Postal Ballot Notice is being sent only through electronic mode to those members whose names appear on the register of members / register of beneficial owners as received from the Depositories as on December 13, 2024 ("Cut-Off Date"). Physical copies of the Postal Ballot Notice and pre-paid business reply envelopes are not being sent to Members for this postal ballot.
3. This Postal Ballot Notice will be also available on the Company's website at www.fivestargroup.in, websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively, and on the website of depositories namely NSDL at www.evoting.nsdl.com and CDSL at www.evoting.cdslindia.com.
4. Members who have not registered their e-mail address are requested to register the same in respect of shares held in electronic form with the Depository through their Depository Participant(s) and in respect of shares held in physical form by writing to the Company's Registrar and Share Transfer Agent, KFin Technologies Limited, Selenium, Tower-B, Plot 31 & 32, Gachibowli Financial District, Nanakramguda, Serilingampally, Hyderabad, Telangana 500 032.
5. Only a person, whose name is recorded in the register of members / register of beneficial owners, as on the Cut-Off Date, maintained by the Depositories shall be entitled to participate in the e-voting. A person who is not a member as on the Cut-Off Date, should treat this Postal Ballot Notice for information purpose only.
6. The voting rights for Equity Shares are one vote per Equity Share, registered in the name of the members. Voting rights shall be reckoned on the paid-up value of Equity Shares registered in the name of the Members as on the Cut-Off Date.
7. The business set out in the Postal Ballot Notice will be transacted only through remote electronic voting system. In accordance with the provisions of the MCA Circulars, Members can vote only through the remote e-voting process. The instructions for e-voting are provided in the Notes under the section "Instructions relating to remote e-voting" in this Postal Ballot Notice.
8. The remote e-voting shall commence on Friday, December 20, 2024 at 9:00 am IST and end on Saturday, January 18, 2025 at 5:00 pm IST. The e-voting will not be allowed beyond Saturday, January 18, 2025 at 5:00 pm and the e-voting module shall be forthwith disabled by NSDL upon expiry of the aforesaid period.
9. The Scrutinizer will submit his report to the Chairman after the completion of scrutiny, and the result of the voting by postal ballot through remote e-voting process will be announced by the Chairman or any Director or the Company Secretary of the Company duly authorised, on or before Tuesday, January 21, 2025 and will also be displayed on the website of the Company www.fivestargroup.in and in the website of stock exchanges at <https://www.nseindia.com/> and <https://www.bseindia.com/> and on the website of depositories namely NSDL at www.evoting.nsdl.com and CDSL at www.evoting.cdslindia.com.
10. The resolution, if approved, shall be deemed to have been passed on the last date of e-voting i.e., Saturday, January 18, 2025. Resolutions passed by the Members through postal ballot are deemed to have been passed as if they have been passed at a General Meeting of the Members.
11. All the material documents referred to in this Postal Ballot Notice will be available for inspection electronically without any fee by the members from the date of circulation of this Postal Ballot Notice until the last date of e-voting. Members seeking to inspect such documents can send an email to secretary@fivestargroup.in mentioning his / her / its folio number / DP ID and Client ID.

12. Instructions relating to remote e-voting

Pursuant to the provisions of section 108 of the Companies Act, 2013 (the Act) read with rule 20 of the Companies (Management and Administration) Rules, 2014 and the listing regulations as amended from time to time, the Company is pleased to provide e-voting facility to members to exercise their votes electronically on all the resolutions set forth in the Postal Ballot Notice.

In terms of the requirement of the Act and rules made there under, the Company has fixed Friday, December 13, 2024 as the Cut-Off Date. A person who is not a member as on the Cut-Off Date should treat this Postal Ballot Notice for information purpose only. The remote e-voting facility begins on Friday, December 20, 2024 (9:00 am IST) and ends on Saturday, January 18, 2025 (5:00 pm IST). During this period, the members of the Company, holding shares either in physical form or in dematerialised form, as on the Cut-Off Date, are entitled to avail the facility to cast their vote through remote e-voting. The remote e-voting will not be allowed beyond the aforesaid date and time and the e-voting module shall be disabled by NSDL upon expiry of the aforesaid period. Once the vote on a resolution is cast by the member, he shall not be allowed to change it subsequently or cast the vote again.

How to vote electronically using NSDL e-voting system?





The process to vote electronically on NSDL e-voting platform are given below:

A) Login method for e-Voting for Individual shareholders holding securities in demat mode

In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Login method for Individual shareholders holding securities in demat mode is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL.	<ol style="list-style-type: none">Existing IDeAS user can visit the e-Services website of NSDL Viz. https://eservices.nSDL.com either on a Personal Computer or on a mobile. On the e-Services home page click on the “Beneficial Owner” icon under “Login” which is available under ‘IDeAS’ section, this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on “Access to e-Voting” under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period.If you are not registered for IDeAS e-Services, option to register is available at https://eservices.nSDL.com. Select “Register Online for IDeAS Portal” or click at https://eservices.nSDL.com/SecureWeb/IdeasDirectReg.jspVisit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nSDL.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section. A new screen will open. You will have to enter your User ID (i.e. your sixteen-digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period.

	<p>4. Shareholders/Members can also download NSDL Mobile App “NSDL Speede” facility by scanning the QR code mentioned below for seamless voting experience.</p> <p style="text-align: center;">NSDL Mobile App is available on</p> <div style="display: flex; justify-content: center; gap: 20px;">   </div> <div style="display: flex; justify-content: center; gap: 20px; margin-top: 10px;">   </div>
<p>Individual Shareholders holding securities in demat mode with CDSL</p>	<ol style="list-style-type: none"> 1. Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The users to login Easi / Easiest are requested to visit CDSL website www.cdslindia.com and click on login icon & New System Myeasi Tab and then user your existing my easi username & password. 2. After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period. Additionally, there is also links provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting service providers’ website directly. 3. If the user is not registered for Easi/Easiest, option to register is available at CDSL website www.cdslindia.com and click on login & New System Myeasi Tab and then click on registration option. 4. Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.
<p>Individual Shareholders (holding securities in demat mode) login through their depository participants</p>	<p>You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. upon logging in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period.</p>

Important note: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at NSDL/CDSL website.

Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. NSDL and CDSL.

Login type	Helpdesk details
<p>Individual Shareholders holding securities in demat mode with NSDL</p>	<p>Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.com or call at 022 - 4886 7000</p>
<p>Individual Shareholders holding securities in demat mode with CDSL</p>	<p>Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at toll free no. 1800 22 55 33</p>

B) Login Method for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.

How to Log-in to NSDL e-Voting website?

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section.
3. A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen. *Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.*
4. Your User ID details are given below:

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example, if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example, if your Beneficiary ID is 12***** then your user ID is 12*****.
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company For example, if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

5. Password details for shareholders other than Individual shareholders are given below:
 - a. If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
 - b. If you are using NSDL e-Voting system for the first time, you will need to retrieve the ‘initial password’ which was communicated to you. Once you retrieve your ‘initial password’, you need to enter the ‘initial password’ and the system will force you to change your password.
 - c. How to retrieve your ‘initial password’?
 - (i) If your email ID is registered in your demat account or with the company, your ‘initial password’ is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8-digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your ‘User ID’ and your ‘initial password’
 - (ii) If your email ID is not registered, please follow steps mentioned below in process for those shareholders whose email ids are not registered
6. If you are unable to retrieve or have not received the “Initial password” or have forgotten your password:
 - a. Click on “**Forgot User Details/Password?**” (If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.
 - b. **Physical User Reset Password?**” (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.
 - c. If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.com mentioning your demat account number/folio number, your PAN, your name and your registered address etc.
 - d. Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.

7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box
8. Now, you will have to click on "Login" button. After you click on the "Login" button, Home page of e-Voting will open.

Step 2: Cast your vote electronically on NSDL e-Voting system.

1. After successful login at Step 1, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle
2. Select "EVEN" of Company for which you wish to cast your vote during the remote e-voting period
3. Now you are ready for e-voting as the Voting page opens.
4. Cast your vote by selecting appropriate options i.e., assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.
5. Upon confirmation, the message "Vote cast successfully" will be displayed.
6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

General Guidelines for Shareholders

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to sandeep@sandeep-cs.in with a copy marked to evoting@nsdl.com. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) can also upload their Board Resolution / Power of Attorney / Authority Letter etc. by clicking on "Upload Board Resolution / Authority Letter" displayed under "e-Voting" tab in their login.
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/Password?" or "Physical User Reset Password?" option available on www.evoting.nsdl.com to reset the password.
3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on: 022 - 4886 7000 or send a request to Ms. Pallavi Mhatre, Senior Manager ate-mail id - evoting@nsdl.com.

Process for those shareholders whose email ids are not registered with the depositories for procuring user id and password and registration of e mail ids for e-voting for the resolutions set out in this Postal Ballot Notice:

1. 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 scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) by email to (secretary@fivestargroup.in).
2. 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 scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) to (secretary@fivestargroup.in). If you are an Individual shareholder holding securities in demat mode, you are requested to refer to the login method explained at **step 1 (A)** i.e. **Login method for e-Voting for Individual shareholders holding securities in demat mode.**
3. Alternatively, shareholder/members may send a request to evoting@nsdl.com for procuring user id and password for e-voting by providing above mentioned documents.
4. In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility

Explanatory Statement pursuant to section 102(1) of the Companies Act, 2013

The following Statement sets out all material facts relating to the Special Business proposed in this Postal Ballot Notice:

Item: 1: To approve amendment to the Company's Articles of Association ("AOA")

The Board of Directors at its meeting held on October 29, 2024 recommended following amendments to AOA.

- a. **Definitions in AOA:** The definitions in AOA namely 'IPO', 'Matrix II', 'NVP', 'SCI V' and 'Waiver Cum Amendment Agreement' are redundant and no longer applicable, hence the same is proposed to be deleted.
- b. **Promoter Definition:** Per existing definition, M/s Matrix Partners India Investment Holdings II, LLC (Matrix) and M/s Peak XV Partners Investments V (Peak) are defined as Promoters.

The inclusion of Matrix and Peak has become redundant consequent to the reclassification request received from them. Accordingly, the name "Matrix" and "Peak" is proposed to be deleted from the definition of 'Promoter'.

- c. **Article 85 - Quorum for General Meeting:** Per existing Article 85, Five (5) Members or such other number of Members as required under the Act or the applicable law for the time being in force prescribes, personally present shall be quorum for a General Meeting and no business shall be transacted at any General Meeting unless the requisite quorum is present at the commencement of the meeting.

It is proposed to be amended as follows:

The quorum for the General meeting shall be as prescribed under the Act or the applicable law for the time being in force and no business shall be transacted at any General Meeting unless the requisite quorum is present at the commencement of the meeting.

- d. **Article 93A:** Article 93A contemplates about restriction on voting rights to a particular investor on account of applicable regulatory restrictions under the US Bank Holding Company Act of 1956. This Article is redundant and no longer applicable.

Accordingly, the Article 93A is proposed to be deleted from the AOA.

- e. **Article 101A (a) and Article 101A (b):** M/s Matrix Partners India Investment Holdings II, LLC and M/s Peak XV Partners Investments V vide their waiver letter dated October 25, 2024 had waived their special rights under Article 101A (a) and 101A (b) of the Company, by which they shall have the right to nominate one director to the Board so long as they: (i) continue to be classified as a 'promoter' of the Company, within the meaning of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 ("SEBI ICDR Regulations"); and (ii) have provided a portion of their shareholding in the Company towards the minimum promoter contribution requirements under the SEBI ICDR Regulations.

Consequent to the waiver letter and request for reclassification received from the institutional Promoters, Article 101A (a) and Article 101 A (b) is proposed to be deleted from the AOA.

- f. **Article 101A (c) and Article 101A (d):** Per existing Article 101A (c), the founder promoter family (i.e. Mr D Lakshmipathy and family) shall have the right to nominate such number of nominee directors as would constitute a majority on the Board (excluding independent directors) till such time as Mr D Lakshmipathy continues to be classified as a 'promoter' of the Company, within the meaning of the SEBI ICDR Regulations; and Per existing Article 101A (d) Mr D Lakshmipathy shall be the chairman of the Board, till such time as Mr Lakshmipathy continues to be classified as a 'promoter' of the Company, within the meaning of the SEBI ICDR Regulations.

The aforesaid special rights were part of the AOA approved by the shareholders prior to the IPO, these special rights contained in Article 101A (c) and Article 101A (d) are therefore proposed to be deleted.

- g. **Part B to the AOA:** All Articles of Part II shall automatically terminate, without any further corporate or other action by the Company or by its shareholders, and cease to have any force and effect from the date of listing of equity shares of the Company on a recognized stock exchange in India pursuant to the offer and the provisions of Part I shall continue to be in effect and be in force, without any further corporate or other action, by the Company or by its shareholders.

Accordingly, part B is proposed to be deleted from the AOA.

As per Section 14 of the Companies Act 2013, any alteration to AOA shall require the approval of the shareholders by means of special resolution.

The copy of the amended AOA is available for inspection electronically until the last date for receipt of votes through the remote e-voting process. Members seeking to inspect such documents can send an email to secretary@fivestargroup.in.

None of the Directors or Key Managerial Person or their relatives are concerned or interested financially or otherwise in this resolution.

The Promoter and members of Promoter Group are interested in this resolution on the amendments affecting their rights. Matrix does not hold any shares in the Company.

The Board of Directors recommends the resolution set out in Item 1 for approval of shareholders by way of Special resolution.

Item 2 and 3: To reclassify the status of Matrix Partners India Investment Holdings II, LLC and Peak XV Partners Investments V and their Promoter Group from 'Promoter and Promoter Group' category to 'Public' shareholder category

M/s Matrix Partners India Investment Holdings II, LLC ("Matrix") and M/s Peak XV Partners Investments V ("Peak XV") (hereinafter collectively referred to as "Outgoing Institutional Promoters") were classified as Institutional Promoters of the Company solely for the purpose of the initial public offering of equity shares of the Company in order to meet the minimum promoter lock-in requirement, as per Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 ("SEBI ICDR Regulations") and accordingly the details pertaining to the promoter group as determined in accordance with SEBI ICDR Regulations was disclosed in the Prospectus dated November 15, 2022. The promoter lock-in requirement pursuant to the initial public offer ended on May 17, 2024.

Pursuant to Regulation 31A of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 ("SEBI LODR Regulations"), the Company has received a letter on October 25, 2024, from the Outgoing Institutional Promoters seeking reclassification from 'Promoter and Promoter Group' category shareholders to 'Public' category shareholders. List of Outgoing Institutional Promoter and Promoter Group seeking reclassification is given in table below:

S. No.	Name	Category	No. of shares	% of shareholding
1	Matrix Partners India Investment Holdings II, LLC ("Matrix")	Promoter	0	0%
2	Matrix Partners India II, LLC	Promoter Group - Matrix	0	0%
3	Mswipe Technologies Private Limited	Promoter Group - Matrix	0	0%
4	Shotformat Digital Productions Private Limited	Promoter Group - Matrix	0	0%
5	Bitnomix Technologies Private Limited**	Promoter Group - Matrix	0	0%
6	Chumbak Design Private Limited**	Promoter Group - Matrix	0	0%
7	Waterlife India Private Limited**	Promoter Group - Matrix	0	0%

8	Peak XV Partners Investments V ("Peak XV") (Formerly known as SCI Investments V)	Promoter	85,36,605	2.92%
9	Amogha Polymers India Private Limited	Promoter Group - Peak XV	0	0%
10	Awfis Space Solutions Limited (Formerly Awfis Space Solutions Private Limited)	Promoter Group - Peak XV	0	0%
11	Cardup Pte. Ltd.	Promoter Group - Peak XV	0	0%
12	Cue Learn Private Limited	Promoter Group - Peak XV	0	0%
13	Digital Technologies Limited	Promoter Group - Peak XV	0	0%
14	Faces Investment Holdings	Promoter Group - Peak XV	0	0%
15	Finova Capital Private Limited	Promoter Group - Peak XV	0	0%
16	Fintech Blue Solutions Private Limited	Promoter Group - Peak XV	0	0%
17	Insider SG Pte. Ltd	Promoter Group - Peak XV	0	0%
18	Loconav, Inc.	Promoter Group - Peak XV	0	0%
19	Minions Ventures Private Limited	Promoter Group - Peak XV	0	0%
20	Mycash Fintech Pte. Ltd.	Promoter Group - Peak XV	0	0%
21	M-League Pte. Ltd	Promoter Group - Peak XV	0	0%
22	NEXTSCM Solutions Private Limited	Promoter Group - Peak XV	0	0%
23	Nugit Pte. Ltd.	Promoter Group - Peak XV	0	0%
24	Paradime Technologies Private Limited	Promoter Group - Peak XV	0	0%
25	Pocket Aces Pictures Private Limited	Promoter Group - Peak XV	0	0%
26	Rupeek Fintech Private Limited	Promoter Group - Peak XV	0	0%
27	Peak XV Partners V Ltd (Formerly known as Sequoia Capital India V Limited)	Promoter Group - Peak XV	0	0%
28	Trust IQ Pte. Ltd.	Promoter Group - Peak XV	0	0%
29	Vymo Inc.	Promoter Group - Peak XV	0	0%

***Entities that were disclosed as promoter group to Matrix Partners India Investment Holdings II, LLC at the time of filing of prospectus and are no longer forming part of Matrix promoter group*

The Outgoing Institutional Promoters vide their waiver letter dated October 25, 2024 had waived their special rights under Article 101A (a) and 101A (b) of Articles of Association of the Company, by which the Outgoing Institutional Promoters shall have the right to nominate one director to the Board so long as: (i) outgoing Institutional Promoters continues to be classified as a 'promoter' of the Company, within the meaning of the SEBI ICDR Regulations; and (ii) Outgoing Institutional Promoters has provided a portion of its shareholding in the Company towards the minimum promoter contribution requirements under the SEBI ICDR Regulations.

In their respective letters Matrix and Peak XV (together with their Promoter Group) have confirmed that pursuant to the provisions of Regulation 31A(3)(b) of the SEBI LODR Regulations:

- a) does not hold more than 10% of the voting rights in the Company.
- b) does not exercise control over the affairs of the Company directly or indirectly.
- c) both Matrix and Peak XV have relinquished all their special rights with respect to the Company. Hence both Matrix and Peak XV do not have any special rights with the Company through both formal or informal arrangements including through any shareholder agreements.
- d) is not on the Board of Directors of the Company and are not represented on the Board (including not having a nominee director) of the Company.
- e) is not acting as key managerial personnel in the Company.
- f) is not 'wilful defaulter' as per the Reserve Bank of India Guidelines; and
- g) is not fugitive economic offender.

Further, both Matrix and Peak XV have also confirmed that subsequent to reclassification, they would/their Promoter Group would continue to comply with the requirements as mentioned in Regulation 31A (4) of the SEBI LODR Regulations post such reclassification from 'Promoter and Promoter Group' category to 'Public' category. The Board of Directors at its meeting held on October 29, 2024 reviewed the request and is of the view that considering the end of lock-in of holdings of Outgoing Institutional Promoters and satisfaction of conditions

stipulated under Regulation 31A of SEBI LODR Regulations, it was proposed to make an application for reclassification of status from Promoter and Promoter Group as the case may be to Public shareholder category with National Stock Exchange of India Limited (NSE) and BSE Limited (BSE) (collectively referred to as “Stock Exchanges”) as per provisions of SEBI LODR Regulations.

As per Regulation 31A of SEBI LODR Regulations, reclassification of status of Promoters shall require approval of shareholders by way of ordinary resolution.

The copy of request letters, waiver letters has been disseminated to the stock exchanges and is publicly available at www.bseindia.com, www.nseindia.com and in the website of the Company at www.fivestargroup.in.

None of the Directors or Key Managerial Person or their relatives are concerned or interested financially or otherwise in this resolution.

Being the Promoter and Shareholder of Company, Peak XV is interested in the resolution to the extent of their shareholding in the Company. Matrix does not hold any shares in the Company.

The Board of Directors recommends the resolution set forth in Item 2 and 3 for approval of shareholders by way of Ordinary resolution.

For Five-Star Business Finance Limited

Date: December 19, 2024
Place: Chennai

Shalini Baskaran
Company Secretary & Compliance Officer