



## NOTICE OF THE 18TH ANNUAL GENERAL MEETING (AGM)

**NOTICE IS HEREBY GIVEN THAT THE 18TH ANNUAL GENERAL MEETING OF THE MEMBERS OF STAR HOUSING FINANCE LIMITED WILL BE HELD ON, THURSDAY, 10TH AUGUST, 2023 AT 12:30 P.M. (INDIAN STANDARD TIME) THROUGH VIDEO CONFERENCING ("VC") OR OTHER AUDIO-VISUAL MEANS ("OAVM") TO TRANSACT THE FOLLOWING BUSINESS:**

### **ORDINARY BUSINESS:**

#### **Item No.01:**

To consider and adopt the audited financial statements of the company for the financial year ended March 31, 2023 and the Report of the Board of Directors and the Auditors thereon.

#### **Item No.02:**

To declare Final dividend of Rs. 0.05 per Equity share of Rs. 5/- each for the financial year ended March 31, 2023.

#### **Item No.03:**

To appoint a Director in place of Mr. Ashish Jain (DIN: 02041164) who retires by rotation and being eligible, offers himself for re-appointment.

### **SPECIAL BUSINESS:**

#### **Item No.04:**

**To Reappoint Mr. Ashish Jain, as Chairman and Managing Director of the Company, including his terms of re-appointment and remuneration.**

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

**"RESOLVED THAT** pursuant to the provisions of Sections 196, 197, 198, 203 read with Schedule V and all other applicable provisions of the Companies Act, 2013, the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, (including any statutory modification or re-enactment thereof for the time being in force), provisions of the SEBI(Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Articles of Association of the Company, and such other provisions as may be applicable and based on the recommendation of Nomination & Remuneration Committee and approval by the Board of Directors, the consent of the members of the Company be and is hereby accorded to the re-appointment of Mr. Ashish Jain (DIN: 02041164) as the Chairman and Managing Director of the Company for a further period of five years with effect from 1st June 2023 up to 31<sup>st</sup> May, 2028 on such terms and conditions as may be decided between the Board of Directors and Mr. Ashish Jain.



**RESOLVED FURTHER THAT** approval of the Members be and is hereby accorded for payment of a remuneration of upto Rs. 120 lakhs per annum (inclusive of all other benefits, allowances, perquisites) to Mr. Ashish Jain (DIN: 02041164), for the period from 1<sup>st</sup> June 2023 to 31<sup>st</sup> May, 2026 notwithstanding that such remuneration may exceed the limit specified under Section 197 of the Companies Act, 2013.

**RESOLVED FURTHER THAT** in the event of loss or inadequacy of profits in any financial year during his tenure Mr. Ashish Jain, shall be paid remuneration by way of salary and perquisites as set out hereinabove, as minimum remuneration, notwithstanding that such remuneration may exceed the limit specified under Schedule V to the Companies Act, 2013.

**RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorised to modify, vary and /or revise the remuneration of Mr. Ashish Jain within the limits permissible under the Act and do all such acts, deeds and things and execute all such documents, instruments and writings as may be required to give effect to the aforesaid Resolution.

**RESOLVED FURTHER THAT** the Board of Directors and/or the Chief Financial Officer and/or the Company Secretary of the Company, be and are hereby severally authorized to do all such acts, deeds, matters and things as may be considered necessary, desirable or expedient to give effect to this resolution”.

**Item No.05:**

**To Approve Material Related Party Transactions with M/s. Arkfin Investments Private Limited**

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

**“RESOLVED THAT** pursuant to the provisions of Regulation 23(4) and all other applicable provisions, if any of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter called “the Listing Regulations”), as amended from time to time and the provisions of Section 188 and all applicable provisions of the Companies Act, 2013 (hereinafter called “the Act”) read with the Rules made there under, and in supersession of earlier resolution passed by the shareholders vide their meeting dated 21<sup>st</sup> September, 2019 (including any statutory modification(s) and/or re-enactment thereof for the time being in force), the Company’s Policy on Related Party Transactions, and based on the approval and recommendation of the Audit Committee and Board of Directors of the Company, the approval of the Members of the Company be and is hereby accorded to enter into arrangements/transactions/contracts with M/s. Arkfin Investments Private Limited (AIPL), a related party under Regulation 2(1)(zb) of the SEBI Listing Regulations relating to transactions including but not limited to entering into and /or carrying out and/or continuing with contracts/arrangements/transactions (whether individual transaction or transactions taken together or series of transactions or otherwise) for availing or giving loan / inter-corporate deposits / making investment or rendering or availing services in the ordinary course of business for amount not exceeding Rs. 15 Crores up to 31<sup>st</sup> March, 2024 provided that the said transactions are entered into and carried out on arm’s length basis and in the ordinary course of business as detailed in the Explanatory Statement and on such terms and conditions as may be mutually agreed in the best interests of the Company.”



**RESOLVED FURTHER THAT** the Board of Directors of the Company (hereinafter referred to as 'Board' which term shall be deemed to include the Audit Committee of the Board) be and is hereby authorized to do all such acts, deeds, matters and things as it may deem fit in its absolute discretion, to delegate all or any of its powers conferred under this resolution to any Director and/ or the Chief Financial Officer and/ or the Company Secretary of the Company and to resolve all such issues, questions, difficulties or doubts whatsoever that may arise in this regard and all action(s) taken by the Company in connection with any matter referred to or contemplated in this resolution, be and are hereby approved, ratified and confirmed in all respects."

**Item No.06:**

**To Approve "Star Housing Finance Limited Employee Stock Option Scheme II 2023"**

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

**"RESOLVED THAT** pursuant to the provisions of Section 62(1)(b) and all other applicable provisions, if any, of the Companies Act, 2013 read with Rule 12 of the Companies (Share Capital And Debentures) Rules 2014, as amended and all other applicable provisions of the Companies Act, 2013, to the extent notified, including any statutory modification or re-enactment thereof, for the time being in force and subject to the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulation 2021 ("SEBI ESOP Regulations") for the time being in force and as may be modified from time to time, and other rules, regulations and guidelines of any / various statutory / regulatory authority(ies) that are or may become applicable (collectively referred here as "Applicable Laws") and subject to such other approvals, permissions and sanctions as may be necessary, the provisions of the Memorandum and Articles of Association of the Company, the approval of the members of the Company be and is hereby accorded to adopt the " Star Housing Finance Limited Employees Stock Option Scheme II 2023 (hereinafter inferred to as the "ESOP 2023"/ "Plan") and accorded to the Board to create, offer and grant from time to time up to 77,00,000 (Seventy-seven lakhs) Employee Stock Options ("ESOPs") to the permanent employees including Directors of the company (other than promoter(s) or Directors belonging to the promoter group of the company, Independent Directors and Directors holding directly or indirectly more than 10% of the outstanding equity shares of the Company), whether whole time or otherwise whether working in India or out of India (hereinafter referred to as an "Employee(s)"), as may be decided solely by the Board or Nomination & Remuneration Committee under the Plan, exercisable into not more than 77,00,000 (Seventy-seven lakhs) fully paid-up equity shares in the Company in aggregate of face value of Rs.5/- (Rupees Five) each, at per Option exercise price which shall be equivalent to the price calculated @20% discount to the closing price of the Company's Equity Share on the previous day of grant of Options in one or more tranches and on such terms and conditions, as may be determined by the Board in accordance with the provisions of the Plan and in due compliance with all applicable laws and regulations.

**RESOLVED FURTHER THAT** all actions taken by the Board in connection with the above and all incidental and ancillary things done are hereby specifically approved and ratified.



**RESOLVED FURTHER THAT** the Board be and is hereby further authorised to issue and allot equity shares upon exercise of ESOPs from time to time in accordance with the Plan and such equity shares shall rank pari passu in all respects with the then existing equity shares of the Company.

**RESOLVED FURTHER THAT** the number of ESOPs that may be granted to any specified Employee(s), in any financial year and in aggregate under the Plan shall be less than 1% of the issued equity share capital (excluding outstanding warrants and conversions) of the Company.

**RESOLVED FURTHER THAT** in case of any corporate action(s) such as rights issue, bonus issue, split or consolidation of shares, merger/ amalgamation or sale of division/undertaking or other re-organisation etc. requisite adjustments which may include adjustments to the number of options in ESOP 2023 and exercise price shall be appropriately made, in a fair and reasonable manner in accordance with ESOP 2023.

**RESOLVED FURTHER THAT** the Board be and is hereby also authorized at any time to modify, change, vary, alter, amend, suspend or terminate the ESOP 2023 subject to the compliance with the applicable laws and regulations and to do all such acts, deeds, matters and things as it may in its absolute discretion deem fit, for such purpose and also to settle any issues, questions, difficulties or doubts that may arise in this regard without being required to seek any further consent or approval of the Shareholders and further to execute all such documents, writings and to give such directions and (or instructions as may be necessary or expedient to give effect to such modification, change, variation, alteration, amendment, suspension or termination of the ESOP 2023 and do all other things incidental and ancillary thereof.

**RESOLVED FURTHER THAT** the Company shall confirm to the accounting policies prescribed from time to time under any applicable laws and regulations to the extent relevant and applicable to the ESOP 2023.

**RESOLVED FURTHER THAT** the Board be and is hereby further authorized to do all such acts, deeds and things, as it may in its absolute discretion, deem necessary including authorizing or directing any director to appoint Merchant Bankers or Consultants, being incidental to the effective implementation and administration of ESOP 2023 as also to prefer applications to the appropriate authorities, parties and the institutions for their requisite approvals, if required.

**RESOLVED FURTHER THAT** the Board be and is hereby also authorized to nominate and appoint one or more persons to represent the Company for carrying out any or all of the activities that the Board is authorized to do for the purpose of giving effect to this resolution."

**Item No.07:**

**To Approve the Amendments to Articles of Association of the Company**

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

**"RESOLVED THAT** in accordance with the provisions of applicable law, including Section 5 and 14 and



other applicable provisions, if any, of the Companies Act, 2013, and the rules made thereunder (including any statutory modification or re-enactment thereof for the time being in force) (hereinafter referred to as the "Act"), the consent of the members be and is hereby accorded to amend the Articles of Association of the Company by deletion of below mentioned clauses of Articles of Associations of the Company.

#### **Common Seal**

156 The Board shall provide a common seal of the Company and shall have power from time to time to destroy the same and substitute a new seal in lieu thereof. The common seal shall be kept at the Registered Office of the Company and committed to the custody of the Directors

#### **Affixture of Common Seal**

157 The Common Seal of the Company. If required to be affixed, shall be affixed to any instrument(s) in the presence of any of the Director or of the company and/or Chief Financial officer and/or Company secretary and/or such person(s) as the authorized by the Board or Committee or aforesaid persons may appoint for them purpose and who shall sign every instrument which the seal of the company is so affixed in their presence.

**RESOLVED FURTHER THAT** any Director and/ or Company Secretary of the Company be and are hereby severally authorized to file all the necessary forms and other necessary documents as may be required by the statutory authorities including the Registrar of Companies (ROC) and to do such acts, deeds and things that may be required for the purpose of alteration of Articles of Association of the Company that may be suggested by the Registrar of Companies or such other statutory authorities in the implementation of the aforesaid resolutions and to authorize such person or persons to give effect to the above resolutions and to submit all documents to the concerned authorities with regard to the same and to take all the necessary steps in this regard."

#### **Item No.08:**

#### **To approve increase in the borrowing powers in excess of Paid-up Share Capital, Free Reserves and Securities Premium of the Company under Section 180(1)(c) of the Companies Act, 2013.**

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

**"RESOLVED THAT** in supersession of all the earlier resolution(s) passed in this regard and pursuant to the provisions of Section 180(1)(c) and other applicable provisions, if any, of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) and as per the applicable directions/ guidelines issued by the Reserve Bank of India ("RBI") or National Housing Bank ("NHB") and the relevant provisions of the Articles of Association of the Company and all other applicable rules, laws and acts (if any) and subject to all other requisite approvals, permissions and sanctions and subject to such conditions as may be prescribed by any of the concerned authorities (if any), the consent of the Members of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as "the Board" which term shall be deemed to include

any Committee of the Board constituted / to be constituted / reconstituted by the Board to exercise its powers including the powers conferred by this resolution) for borrowing from time to time as they may think fit, any sum or sums of money not exceeding Rs. 700/- crore (Rupees Seven Hundred crore only) (including the money already borrowed by the Company) in Indian Rupees or in any equivalent thereof in foreign currency(ies) on such terms and conditions as the Board may deem fit, whether the same may be secured or unsecured and if secured, whether domestic or international, whether by way of charge by way of creating interest, or lien or mortgage or hypothecation, pledge or otherwise in any way whatsoever, on, over or in any respect of all, or any of the Company's assets and effects or properties including stock in trade (receivables), notwithstanding that the money to be borrowed together with the money already borrowed by the Company (apart from the temporary loans obtained from the Company's Bankers in the ordinary course of business) and remaining un-discharged at any given time, exceed the aggregate, for the time being, of the paid up share capital of the Company and its free reserves, that is to say, reserves not set apart for any specific purpose, and securities premium provided that the total borrowing limit shall be within the limits prescribed under the Master Direction – Non-Banking Financial Company – Housing Finance Company (Reserve Bank) Directions, 2021 (“RBI Master Directions”).

**RESOLVED FURTHER THAT** the Board be and is hereby authorized for borrowing from time to time as it may think fit, any sum or sums of money not exceeding Rs. 700/- crore (Rupees Seven Hundred crore only) in Indian Rupees or equivalent thereof in any foreign currency(ies) in aggregate (including the monies already borrowed by the Company) on such terms and conditions as the Board may deem fit, by way of loans, or in any other form whatsoever, or issue of Bonds and/ or Non-Convertible Debentures or avail Term Loans, Cash Credit facilities or other facilities in form of debt in the nature of Debentures, Commercial Papers and the like from Bank(s), Financial or other Institution(s), Mutual Fund(s), Non-Resident Indians (NRIs), Foreign Institutional Investors (FIIs) or any other person(s), body(ies) corporate, etc., whether Securities holder of the Company or not.

**RESOLVED FURTHER THAT** for the purpose of giving effect to the aforesaid resolution, any Director and/or the Chief Financial Officer and/or the Company Secretary of the Company be and are hereby severally authorized to arrange or finalize the terms and conditions of all such borrowings, from time to time, viz. terms as to interest, repayment, security or otherwise as it may deem fit and to sign and execute all such documents, agreements and writings and do all such acts, deeds and things, as it may in its absolute discretion deem necessary, proper or desirable.”

**Item No.09:**

**To approve creation of charges on assets of the Company under Section 180(1)(a) of the Companies Act, 2013 to secure borrowings made/to be made under section 180(1)(c) of the Companies Act, 2013.**

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

**“RESOLVED THAT** in supersession of all the earlier resolution(s) passed in this regard and pursuant to the provisions of Section 180(1)(a) and other applicable provisions, if any, of the Companies Act, 2013 and the



rules made thereunder (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) and as per the directions/ guidelines issued by the Reserve Bank of India (“RBI”) or National Housing Bank (“NHB”) and relevant provisions of the Articles of Association of the Company, and all other applicable rules, laws and acts (if any) and subject to all other requisite approvals, permissions and sanctions and subject to such conditions as may be prescribed by any of the concerned authorities (if any), the consent of the Members of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as “the Board” which term shall be deemed to include any Committee of the Board, constituted / to be constituted / reconstituted to exercise its powers including the powers conferred by this resolution) to create charge by way of mortgage (s) and / or hypothecate and / or lien or otherwise on any of movable and / or immovable properties / assets of the Company including receivables in the form of book debts, wherever situated both present and future or on whole or substantially the whole of the undertaking of the Company or where the Company owns more than one undertaking, of the whole or substantially the whole of any such undertaking(s), on such terms and conditions at such time(s) and in such form and manner, and with such ranking as to priority as the Board in its absolute discretion thinks fit, to or in favour of any bank(s) or Financial or other Institution(s), Mutual Fund(s), Non-Resident Indians (NRIs), Foreign Institutional Investors (FIIs) or body(ies) corporate or person(s), whether Securities holders of the Company or not, to secure the borrowing facility availed by way of issue of security or term loan or otherwise together with interest, cost, charges and expenses thereon for amount not exceeding Rs. 700 crore (Rupees Seven Hundred crore only) at any point of time (including the money already borrowed by the Company and in excess of the aggregate of the paid up share capital of the Company and its free reserves, that is to say, reserves not set apart for any specific purpose, and securities premium).

**RESOLVED FURTHER THAT** the securities to be created by the Company as aforesaid may rank exclusive/prior/ pari-passu/subsequent with/to the hypothecation/ mortgages/lien and/or charges already created or to be created by the Company as may be agreed to between the concerned parties.

**RESOLVED FURTHER THAT** the Board of Directors and/or the Chief Financial Officer and/or the Company Secretary of the Company, be and are hereby severally authorized to do all such acts, deeds, matters and things as may be considered necessary, desirable or expedient to give effect to this resolution”.

**Item No.10:**

**To consider and approve issue of Non-Convertible Debentures.**

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

**“RESOLVED THAT** pursuant to the provisions of Sections 42, 71 and all other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Prospectus and Allotment of Securities) Rules, 2014, the Companies (Share Capital and Debentures) Rules, 2014, Guidelines on Private Placement of Non-Convertible Debentures (NCDs) prescribed under the Master Direction – Non-Banking Financial Company – Housing Finance Company (Reserve Bank) Directions, 2021 (“RBI Master Directions”)the Securities and Exchange Board of India (Issue and Listing of non-convertible Securities) Regulations, 2021, Securities and

Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and other applicable SEBI regulations and guidelines, Foreign Exchange Management Act and RBI Guidelines, the Memorandum of Association and the Articles of Association of the Company and any statutory modifications, re-enactments or amendments from time to time to the above mentioned regulations and rules and clarifications issued thereon from time to time and subject to other applicable laws, rules, regulations, guidelines, notifications and circulars issued by various competent authorities / bodies, whether in India or abroad, the consent of the members be and is hereby accorded to the Board of Directors (hereinafter referred to as "Board", which term shall include any Committee thereof which the Board may have constituted to exercise its powers including the powers conferred by this Resolution) of the Company, to offer or invite subscriptions, raise funds through Private Placement of Unsecured / Secured Redeemable Non-Convertible Debentures / Bonds ("NCDs") in one or more series / tranches for an amount not exceeding 100 Crores (Rupees Hundred Crores) to such eligible investors, institutions, banks, incorporated bodies, mutual funds, venture capital funds, Qualified Institutional Buyers, financial institutions, individuals, trustees, stabilising agents or otherwise and whether or not such investors are members of the Company during the period of one year from the date of passing of resolution by the members on such terms and conditions as the Board may from time to time determine proper and beneficial to the Company, provided that the said borrowings shall be within the overall borrowing limits of the Company.

**RESOLVED FURTHER THAT** for the purpose of giving effect to any offer, invitation, issue or allotment through private placement of NCDs, the Board be and is hereby authorised on behalf of the Company to do all such acts, deeds, matters and things as it may, in absolute discretion, deem necessary or desirable for such purpose, including without limitation, the determination of the terms thereof, finalising the form / placement documents / offer letter, timing of the issue(s), including the class of investors to whom the NCDs are to be allotted, number of NCDs to be allotted in each tranche, issue price, redemption, rate of interest, redemption period, allotment of NCDs, appointment of lead managers, arrangers, debenture trustees and other agencies, entering into arrangements for managing the issue, issue placement documents and to sign all deeds, documents and writings and to pay any fees, remuneration, expenses relating thereto and for other related matters and with power on behalf of the Company to settle all questions, difficulties or doubts that may arise in regard to such offer(s) or issue(s) or allotment(s) as it may, in its absolute discretion, deem fit.

**RESOLVED FURTHER THAT** any Director and/or Chief Financial Officer and/or Company Secretary be and is hereby authorised to do all act and take all such steps as may be necessary, proper or expedient to give effect to this resolution and for matters connected therewith or incidental thereto and also delegate all or any of the powers in aforesaid matters to the officials of the Company, in such manners as the Board may in its absolute discretion deem fit."

**Item No.11:**

**Payment of remuneration to Executive Directors who are Promoters or members of Promoter Group.**

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

**"RESOLVED THAT** pursuant to the provisions of Regulation 17(6)(e) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and subject to provisions of Section 197 and other applicable provisions of the Companies Act, 2013 (including any statutory





modification(s) or re-enactment thereof for the time being in force), the approval of the Company be and is hereby accorded for payment of remuneration to the Executive Directors who are Promoters or members of Promoter Group as under:

(a) annual remuneration to an Executive Director who is a Promoter or member of Promoter Group, exceeding ₹ 5 Crores or 2.5 per cent (2.5%) of the net profits of the Company computed in accordance with Section 198 of the Companies Act, 2013 ("Net Profit"), whichever is higher; or

(b) aggregate annual remuneration to Executive Directors who are Promoters or members of Promoter Group, where there is more than one such Executive Director, exceeding 5 per cent (5%) of the Net Profit of the Company.

**RESOLVED FURTHER THAT** the approval herein granted for payment of remuneration to Executive Directors who are Promoters or members of Promoter Group ("such Executive Directors") shall be effective for the Financial Year commencing from April 1, 2024 and for subsequent years till the expiry of respective term of such Executive Directors.

**RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorized to do all acts and to take all such steps as may be necessary, proper or expedient to give effect to this Resolution."

By order of the Board of Directors

**For M/s. Star Housing Finance Limited**

Sd/-

**Shreyas Mehta**

**Company Secretary & Compliance Officer**

**M.No. A38639**

Registered Office:

603, Western Edge I, Above Metro Cash & Carry, Borivali East, Mumbai 400066

Date: 15.07.2023

Place: Mumbai

**NOTES:**

1. The Ministry of Corporate Affairs (“MCA”) has vide its General Circular No. 14/2020 dated April 8, 2020; 17/2020 dated April 13, 2020; 20/2020 dated May 5, 2020; read January 13, 2021, December 8, 2021, and December 14, 2021 ; 02/2022 dated May 5, 2022, 10/2022 dated December 28, 2022 and any amendment/ modification thereof issued by MCA and read with the Securities and Exchange Board of India (“SEBI”) Circular No. SEBI/ HO/CFD/CMD2/ CIR/P/2022/62 dated May 13, 2022 and Circular No. SEBI/ HO/CFD/PoD-2/P/CIR/2023/4 dated January 5, 2023 (hereinafter referred to as “Circulars”), and in compliance with the provisions of the Companies Act, 2013 (“Act”) and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirement) Regulation, 2015 (“Listing Regulations”) permitted the holding of the AGM through Video Conferencing (“VC”) or Other Audio Visual Means (“OAVM”), without the physical presence of the members at a common venue. The deemed venue for the AGM shall be the Registered Office of the Company i.e. 603, Western Edge I, Above Metro Cash & Carry, Borivali East, Mumbai 400066.
2. Pursuant to the Circular No. 14/2020 dated April 08, 2020, issued by the Ministry of Corporate Affairs, the facility for appointment of proxies by the members will not be available for the AGM. Accordingly, the Proxy Form and Attendance Slip are not annexed hereto.  
  
However, in pursuance of Sections 112 and 113 of the Companies Act, 2013 (the Act), representatives of the members may be appointed for the purpose of voting through remote e-voting, for participation and voting in the AGM held through VC/OAVM Facility.
3. The relevant details of Directors retiring by rotation /seeking re-appointment at the AGM, as required under Regulations 36(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”) and Secretarial Standard on General Meetings issued by the Institute of Company Secretaries of India, in respect of Director seeking re-appointment at this AGM is annexed to this Notice.
4. Explanatory Statement pursuant to the provisions of Section 102 of the Act in respect of Special Business stating material facts and reasons for the proposed resolutions is annexed hereto and forms part of this notice.
5. Since the AGM will be held through VC/OAVM, the route map of the venue of the Meeting is not annexed hereto.
6. The Members can join the AGM held through VC /OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available for 1000 members on a first come first served basis. This will not include large Shareholders (i.e. Shareholders holding 2% or more shareholding), Promoters, Directors, Key Managerial Personnel, the Chairman of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.



7. Members attending the AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.
8. Corporate Members intending to send their authorized representative(s) to attend the meeting through VC / OAVM are requested to send to the Company a certified copy of the relevant Board resolution together with the specimen signature(s) of the representative(s) authorizing under the said Board resolution to attend and vote on their behalf at the meeting.
9. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies(Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and the Circulars issued by the Ministry of Corporate Affairs dated April 08, 2020, April 13, 2020 , May 05, 2020 and December 31, 2020 the Company is providing facility of remote e-Voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with National Securities Depository Limited (NSDL) for facilitating voting through electronic means, as the authorized agency. The facility of casting votes by a member using remote e-Voting system as well as venue voting on the date of the AGM will be provided by NSDL.
10. In compliance with the MCA Circulars and the Securities and Exchange Board of India (“SEBI”) Circulars dated May 13, 2022, the Notice of the AGM along with the Annual Report 2022-23 is being sent through electronic mode to those Members who’s Email address registered with the Company/ Depositories. Members may note that the Notice and Annual Report 2022-23 will also be available on the Company’s website [www.starhfl.com](http://www.starhfl.com). The Notice and Annual Report can also be accessed from the websites of the BSE Limited at [www.bseindia.com](http://www.bseindia.com) and the AGM Notice is also available on the website of NSDL (agency for providing the Remote e-Voting facility) i.e. [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
11. The Register of Directors' and Key Managerial Personnel and their shareholding maintained under Section 170 of the Act, the Register of Contracts or Arrangements in which the Directors are interested maintained under Section 189 of the Act and the relevant documents referred to in the Notice will be available electronically for inspection by the Members during the AGM.
12. The final dividend of Rs 0.05 per Equity Share of Rs. 5 each (1%) as recommended by the Board of Directors, if declared at the AGM, will be paid within timeline prescribed under the Act / Regulations to the Members whose names appears in the Company’s Register of Member as on 03<sup>rd</sup> August, 2023 or to their mandates.
13. The Register of Members and the Share Transfer Books of the Company will remain closed from 04<sup>th</sup> August, 2023 to 10<sup>th</sup> August, 2023 (both days inclusive).
14. Further, to receive the dividend on time, Members holding shares in physical form who have not updated their mandate for receiving the dividends directly in their bank accounts through Electronic Clearing Service or any other means are requested to send the following documents to our RTA latest by 02<sup>nd</sup> August, 2023

- a) Form No. ISR-1 duly filled and signed by the holders stating their name, folio number, complete address with pin code, and the following details relating to the bank account in which the dividend is to be received:
- i) Name of Bank and Bank Branch ;
  - ii) Bank Account Number & Type allotted by your bank after implementation of Core Banking Solutions;
  - iii) 11digit IFSC Code; and
  - iv) 9-digit MICR Code.
  - v) Original copy of cheque bearing the name of the Member or first holder, in case shares, are held jointly;
  - vi) Self-attested copy of the PAN Card; and
  - vii) Self-attested copy of any document (such as AADHAR Card, Driving License, Election Identity Card, Passport) in support of the address of the Member as registered with the Company.

Members holding shares in electronic form may please note that their bank details as furnished by the respective Depositories to the Company will be considered for remittance of dividends as per the applicable regulations of the Depositories and the Company will not entertain any direct request from such Members for change/addition/deletion in such bank details. Accordingly, the Members holding shares in Demat form are requested to update their Electronic Bank Mandate with their respective DPs. Further, please note that instructions, if any, already given by Members in respect of shares held in physical form, will not be automatically applied to the dividend paid on shares held in electronic form.

15. For receiving all communication (including Annual Report) from the Company electronically:
- a. Members holding shares in physical mode and who have not registered/updated their email address with the Company are requested to register/update the same by writing to the Company with details of folio number and attaching a self-attested copy of PAN card at [compliance@starhfl.com](mailto:compliance@starhfl.com)
  - b. Members holding shares in dematerialized mode are requested to register/update their email addresses with the relevant Depository Participant.
16. In furtherance of the Go Green Initiative of the Government, electronic copy of Notice of AGM is being sent to all the members whose email addresses are registered with the Company/Depository Participants.
17. Necessary documents including the Notice and the explanatory statement will be made available for inspection up to the date of AGM at the Company's Website [www.starhfl.com](http://www.starhfl.com).
18. In case of joint holders attending the AGM, only such joint holders who are higher in order of names will be entitled to vote.
19. Members holding shares individually in physical form are advised to make nominations in respect

of their shareholding in the Company. The nomination form can be downloaded from the Company's website at [www.starhfl.com](http://www.starhfl.com). Members who hold shares singly in Dematerialized form are advised to make a nomination through their Depository Participant.

20. Non - Resident Indian Members are requested to inform Registrar and Share Transfer Agents, immediately of:
- a) Change in their residential status on return in India for permanent settlement.
  - b) Particulars of their bank account are maintained in India with complete name, branch, account type, account number and address of the bank with pin code number, if not furnished earlier.

21. Soft copy of necessary documents including the Notice and the explanatory statement will be made available for inspection in electronic form during the meeting, any member who wishes to inspect the said documents shall request for the same.

22. Voting through electronic means:

In compliance with provisions of Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended by the Companies (Management and Administration) Amendment Rules, 2015 and Regulation 44 of SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015, the Company is pleased to provide members facility to exercise their right to vote on resolutions proposed to be considered at the Annual General Meeting (AGM) by electronic means and the business may be transacted through E-Voting Services provided by NSDL. E- Voting is optional. The Facility of E-voting shall also be made available at the AGM and Members attending the AGM who have not already cast their vote by remote e-voting shall be able to exercise their right to cast vote at the AGM.

23. The instructions for Members for Remote E-Voting are as under:

The Remote voting period begins on Monday, 07<sup>th</sup> August, 2023 at 10.00 A.M. IST and ends on Wednesday, 09<sup>th</sup> August, 2023 at 05:00 P.M. IST. The remote e-voting module shall be disabled by NSDL for voting thereafter. The Members, whose names appear in the Register of Members / Beneficial Owners as on the record date (cut-off date) i.e. 03<sup>rd</sup> August, 2023, may cast their vote electronically. The voting right of shareholders shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date, i.e. 03<sup>rd</sup> August, 2023.

How do I vote electronically using NSDL e-Voting system?

The way to vote electronically on NSDL e-Voting system consists of "Two Steps" which are mentioned below:

Step 1:

Access to NSDL e-Voting system





- a) Login method for e-Voting and joining virtual meeting 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.	<p>a. If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: <a href="https://eservices.nsd.com/">https://eservices.nsd.com/</a> either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the “Beneficial Owner” icon under “Login” which is available under “IDeAS” section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on “Access to e-Voting” under e-Voting services and you will be able to see e-Voting page. Click on options available against company name or e-Voting service provider–NSDL and you will be redirected to NSDL e-Voting website for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</p>
	<p>b. If the user is not registered for IDeAS e-Services, option to register is available at <a href="https://eservices.nsd.com/">https://eservices.nsd.com/</a>. Select “Register Online for IDeAS Portal” or click at <a href="https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp</a></p>
	<p>c. Visit the e-Voting website of NSDL. Open a web browser by typing the following URL: <a href="https://www.evoting.nsd.com/">https://www.evoting.nsd.com/</a> 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 digits demat account number held 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 the e-Voting page. Click on options available against the company name or e-Voting service provider - NSDL and you will be redirected to the e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</p> <p>d. 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;"><b>NSDL Mobile App is available on</b></p> <p style="text-align: center;">  App Store              Google Play       </p> <div style="display: flex; justify-content: space-around; align-items: center;">   </div>
<p>Individual Shareholders holding securities in demat mode with CDSL</p>	<ol style="list-style-type: none"> <li>1. Existing users who have opted for Easi / Easiest facility, they can login through their user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are requested to visit CDSL website <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on login icon &amp; New System Myeasi Tab and then user your existing my easi username &amp; password.</li> <li>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 or joining virtual meeting &amp; voting during the meeting. 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.</li> <li>3. If the user is not registered for Easi/Easiest, option to register is available at CDSL website <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on login &amp; New System Myeasi Tab and then click on registration option.</li> <li>4. Alternatively, the user can directly access e-Voting page by providing demat Account Number and PAN No. from a link in <a href="http://www.cdslindia.com">www.cdslindia.com</a> home page. The system will authenticate the user by sending OTP on registered Mobile &amp; Email as recorded in the demat Account. After successful authentication, 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.</li> </ol>
<p>Individual Shareholders (holding securities in demat mode login through their 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. Once logged in, you will be able to see the e-Voting option. Once you click on the e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see the e-Voting feature. Click on options available against the company name or e-Voting service provider NSDL and you will be redirected to the e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</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 abovementioned 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
Individual Shareholders holding securities in dematmode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at <a href="mailto:evoting@nsdl.co.in">evoting@nsdl.co.in</a> or call at toll free no.: 022 - 4886 7000 and 022 - 2499 7000
Individual Shareholders holding securities in dematmode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> or contact at 1800 22 55 33

- 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 the NSDL e-Voting website?

1. Visit the e-Voting website of NSDL. Open a 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 a demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID
	For example 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 UserID 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 _____ 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 the 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](http://www.evoting.nsdl.com).
  - b) Physical User Reset Password? (If you are holding shares in physical mode) option available on [www.evoting.nsdl.com](http://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.co.in](mailto:evoting@nsdl.co.in) 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 the "Login" button.



9. After you click on the “Login” button, Home page of e-Voting will open.

#### Step 2:

Cast your vote electronically and join the General Meeting on NSDL e-Voting system.

How to cast your vote electronically and join the General Meeting 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 and General Meeting is in active status.
2. Select “EVEN-124677” of the company for which you wish to cast your vote during the remote e-Voting period and cast your vote during the General Meeting. For joining a virtual meeting, you need to click on the “VC/OAVM” link placed under “Join General Meeting”.
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 [csronakjhuthawat@gmail.com](mailto:csronakjhuthawat@gmail.com) with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) 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](http://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](http://www.evoting.nsdl.com) or call on toll free no.: 022 - 4886 7000 and 022 - 2499 7000 or send a request to (Name of NSDL Official) at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in)

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 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 [compliance@starhfl.com](mailto:compliance@starhfl.com)
  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 [compliance@starhfl.com](mailto:compliance@starhfl.com). 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 and joining virtual meeting for Individual shareholders holding securities in demat mode.
  3. Alternatively, shareholder/members may send a request to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) 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.
24. Instructions for Members for e-voting on the day of the AGM through VC/OAVM are as under:
1. The procedure for e-Voting on the day of the AGM is same as the instructions
  2. Only those Members/ shareholders, who will be present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the AGM.
  3. Members who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.
  4. The details of the person who may be contacted for any grievances connected with the facility for e- Voting on the day of the AGM shall be the same person mentioned for Remote e-voting.

Other Instructions for Members for Attending the AGM through VC/OAVM are as under.

1. Members will be provided with a facility to attend the AGM through VC/OAVM through the NSDL e- Voting system. Members may access by following the steps mentioned above for Access to NSDL e-Votingsystem. After successful login, you can see the "VC/OAVM link" placed under the

“Join General meeting” menu against the company name. You are requested to click on the VC/OAVM link placed under Join General Meeting menu. The link for the VC/OAVM will be available in Shareholder/Member login where the EVEN of the Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush.

2. Members are encouraged to join the Meeting through Laptops for better experience.
3. Further Members will be required to allow Camera and use the Internet with a good speed to avoid any disturbance during the meeting.
4. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
5. Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker may send their request mentioning their name, demat account number / folio number, email id, mobile number at [compliance@starhfl.com](mailto:compliance@starhfl.com).
6. Shareholders, who would like to express their views/have questions may send their questions in advance mentioning their name demat account number/folio number, email id, mobile number at [compliance@starhfl.com](mailto:compliance@starhfl.com). The same will be replied by the company suitably.
7. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.

**OTHER INSTRUCTIONS:**

25. The voting rights of Members shall be proportionate to their shares of the paid up equity share capital of the Company as on the cut-off date and a person who is not a Member as on the cut-off date should treat the Notice for information purpose only.
26. The Company has appointed CS Ronak Jhuthawat (Certificate of Practice No.-12094) of M/s Ronak Jhuthawat & Co., Company Secretary in practice as Scrutinizer, to scrutinize the voting (at AGM venue) and remote e-voting process in a fair and transparent manner and they have communicated their willingness to be appointed and to be availed for the purpose of ascertaining the requisite majority.
27. The Scrutinizer shall, immediately after the conclusion of voting at the AGM, scrutinize the votes cast at the Meeting and thereafter unblock the votes cast through remote e-Voting and submit, a consolidated Scrutinizer’s Report of the total votes cast in favour or against, if any, to the Chairman of the Company or a person authorized by him in writing, who shall countersign the same. The Chairman or a person authorized by him in writing shall declare the result of the voting forthwith not later than 48 hours of the conclusion of the Meeting.
28. Members of the Company under the category of Institutional Investors are encouraged to attend the AGM and vote.





29. The results declared by the Chairman or a person authorized by him in writing along with the Scrutinizer's Report shall be immediately placed on the website of the Company i.e. [www.starhfl.com](http://www.starhfl.com) and NSDL after the declaration of results. The results shall also be simultaneously communicated to BSE Limited. .
30. The resolutions listed in the Notice of the AGM shall be deemed to be passed on the date of the AGM, subject to the receipt of the requisite number of votes in favour of the respective resolutions.
31. 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.nsd.com](http://www.evoting.nsd.com) or call on toll free no.1800-222-990 or send a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in)



## ANNEXURE TO THE NOTICE

Explanatory Statement Pursuant To Section 102 of the Companies Act, 2013

### **Item No. 04**

Mr. Ashish Jain was appointed as the Chairman and Managing Director of the Company for a term of 5 (Five) years commencing from 01<sup>st</sup> June, 2018 till 31<sup>st</sup> May, 2023. Considering his experience in the industry and growth of the Company under his leadership, and on the recommendation of the Nomination and Remuneration Committee and the Board, Mr. Ashish Jain is hereby recommended for his re-appointment for a further period of 5 (Five) years commencing from 01<sup>st</sup> June, 2023 till 31<sup>st</sup> May, 2028.

Mr. Ashish Jain has confirmed that he continues to satisfy the fit and proper criteria as prescribed under Master Direction - Non-Banking Financial Company – Housing Finance Company (Reserve Bank) Directions, 2021 and that he has not been convicted for any offence under any of the statutes enumerated in Part I of Schedule V to the Companies Act, 2013 and that he is not disqualified from being appointed as a Director in terms of Section 164 of the Companies Act, 2013. He has also confirmed that he is not debarred from holding the office of director by virtue of any order by SEBI or any other authority. Mr. Ashish Jain is committed to devote enough time that is required by the Company in order to fulfil his fiduciary responsibility towards the various stakeholders.

Requisite Notice under Section 160 of the Act proposing the re-appointment of Mr. Ashish Jain has been received and consent has been filed by Mr. Ashish Jain pursuant to Section 152 of the Act. He is not disqualified from being appointed as a director in terms of Section 164(2) of the Act. The terms and conditions with respect to his appointment has been mentioned below:

The Terms and Conditions:

- I. **Remuneration** amounting up to Rs. 120 lakhs per annum as approved by the Nomination & Remuneration Committee and Board with effect from 1st June, 2023 for a period of three years inclusive of all other benefits, allowances, perquisites, notwithstanding that such remuneration may exceed the limit specified under Section 197 of Companies Act, 2013.

The Managing Director shall not be entitled to any compensation in cases mentioned in Section 202(2) of the Companies Act, 2013 or any amendments thereto.

Upon the termination of his tenure as Chairman and Managing Director, he shall have no right to receive any further remuneration or compensation for loss of office, other than the accrued fixed salary and allowances owed to him as of the date.

- II. **Remuneration in the event of loss or inadequacy of profits:** In case of any loss, absence or inadequacy of the profits of the Company in any financial year, Mr. Ashish Jain shall be paid remuneration by way of salary and perquisites as set out herein, as minimum remuneration



notwithstanding that such remuneration may exceed the limit specified under Schedule V of the Companies Act, 2013.

As per the requirement of Schedule V of the Act, the information in connection with the re-appointment and payment of remuneration to Mr. Ashish Jain as the Managing Director of the Company is given herein below:

a) **General Information:**

1	Nature of Industry	The Company is a Housing Finance Company registered with National Housing Bank	
2	Date or expected date of commencement of commercial operations	Existing Company since 21st March, 2005 and started housing finance business in the year 2009.	
3	In case of new Companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus	Not applicable	
4	Financial performance : Based on Audited Standalone Statement of Accounts for the year ended March 31, 2023	<b>Particulars</b>	<b>INR in Lacs (FY 22-23)</b>
		Paid up Capital	3857.913
		Other Equity	6783.969
		Total Revenue	3724.309
		Total Expenses	2922.676
		Profit before Tax	801.633
		Tax Expenses including deferred tax	(103.639)
		Profit after tax	697.994
5	Foreign investments or collaborators, if any.	As on 31 <sup>st</sup> March, 2023, the total foreign Investment in the Company is 1.04%.	

**Information about the appointee:**

1	Background Details	Mr. Ashish Jain is a qualified Engineer from University of Pune. He did his Masters in Logistic and Supply Chain Management from University of Nottingham, UK. After finishing his Masters' in year 2011, he joined Star Housing Finance Limited as Credit and Field Officer. Through his
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		strategic leadership, Star Housing Finance Limited have witnessed a phenomenal growth trajectory, transforming countless dreams of owning a home into reality for thousands of families across operational geographies. Under his leadership, the company has expanded to 5 states with 14 physical & 30 points of presence. The AUM of the Company crossed Rs. 270+ crores and networth of the Company crossed Rs. 100+ crores
2	Past Remuneration	The remuneration of Mr. Ashish Jain as approved by the shareholders vide their meeting date 16 <sup>th</sup> July, 2022 was up to Rs. 120 lakhs per annum. However, he has drawn only Rs. 48 lakhs in F.Y. 2022-23.
3	Recognition or awards	Nil
4	Job Profile and suitability	In year 2014 he was appointed as Chief Financial Officer of the Company. Later on he became Board Member and appointed as a Director in the Company in year 2017. Looking into his work and dedication he was appointed as the Chairman and Managing Director of the Company. His understanding and vision is among the key for consistent performance of the Company. His hard work, immaculate working and determination to excel; accompanied by dedicated support from the management, has provided excellent results for the Company.
5	Remuneration proposed	Up to Rs. 120 Lakhs per annum for a period of 3 years
6	Comparative remuneration profile with respect to industry, size of the Company, profile of the position and person (in case of expatriates the relevant details would be with respect to the country of his origin)	The remuneration of Mr. Ashish Jain is comparable to that drawn by the peers in the similar capacity in the industry and is commensurate with the size of the Company and diverse nature of its business.
7	Pecuniary relationship directly or indirectly with the Company, or relationship with the Managerial Personnel, if any	Mr. Kavish Jain Director of the Company is the immediate relative of Mr. Ashish Jain



b) Other Information:

1	Reasons of loss or inadequate profits	During the year, there has been substantial increase in manpower & branch infrastructure resulted into incremental AUM of Rs. 143 crores. Since 70% of Incremental AUM has been generated during last 2 quarters of F.Y. 2022-23, hence substantial interest could not be accounted for. Thus resulted into inadequate profits.
2	Steps taken or proposed to be taken for improvement	In FY 2023-24 We are expecting incremental AUM of approximately 200 crores with the same branch OPEX which will result into substantial increment in Net Profits.
3	Expected increase in productivity and profits in measurable terms	With various business initiatives undertaken by the Company, the performance is expected to further improve in near term subject to favourable market conditions.

c) Disclosures

Disclosures: The details of remunerations and other information shall form part of the Corporate Governance which forms part of the Annual Report 2023.

Except for Mr. Ashish Jain and Mr. Kavish Jain, no other Director, or Key Managerial Personnel are, in any way, concerned or interested, financially or otherwise, in the said Resolution.

**Item No. 05**

In terms of Regulation 23 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (“SEBI Listing Regulations”), any transaction with a related party shall be considered material, if the transaction(s) entered into/to be entered into individually or taken together with previous transactions during a financial year exceeds Rs. 1,000 crores or 10% of the annual consolidated turnover of the listed company as per the last audited financial statements of the listed company, whichever is lower. All material Related Party Transactions (“RPTs”) shall require prior approval of shareholders by means of an ordinary resolution, even if the transactions are in the ordinary course of business of the concerned company and on an arm’s length basis.

Further, the Company vide its Audit Committee Meeting & Board Meeting dated 12th August, 2019, & Shareholders meeting dated 21st September, 2019 had taken related party approval for Arkfin Investments Private Limited for a duration of 5 years. However, due to changes in the capital structure, amendments in definition of related party, the Company for better Corporate Governance intends to take fresh approval for



Related Party Transaction with M/s. Arkfin Investments Private Limited up to 31<sup>st</sup> March, 2024.

Accordingly, the Audit Committee at its meeting held on 27<sup>th</sup> June, 2023 and the Board at its meeting held on 27<sup>th</sup> June, 2023, subject to the approval of the members of the Company and other requisite approvals as may be required, if any, has approved the transactions/ arrangements with M/s. Arkfin Investments Private Limited for entering into and/or carrying out and/or continuing with contracts/arrangements/transactions (whether individual transaction or transactions taken together or series of transactions or otherwise) for availing or giving loan / inter-corporate deposits, investing in equity or debt of the Investee Companies or rendering or availing services in the ordinary course of business not exceeding ₹ 15 Crores up to 31<sup>st</sup> March, 2024.

The limit of ₹ 15 Crores specified would mean the individual transaction/ transactions taken together/series of transactions or otherwise.

Further, in terms of applicable SEBI Circulars the members are requested to take note of the following:

Sr. No	Particulars	Details			
1	Name of the Related Party	Arkfin Investments Private Limited(AIPL)			
2	Name of Interested Directors(s) /KMP(s) who is related	Mr. Kavish Jain, Mr. Natesh Narayanan & Relative of Mr. Kalpesh Dave are shareholders of M/s. Arkfin Investments Private Limited. Mr. Kavish Jain is the brother of Mr. Ashish Jain.			
3	Type, material terms and particulars of transaction	Particulars	Loans & Inter-Corporate Deposits	Professional Services	Investments
		Interest Rate	15% p.a. -18% p.a.	As may be mutually decided	As may be mutually decided
		Repayment	Generally Bullet Payment		
		Security	Generally Unsecured		
4	Tenure of the proposed transaction	1 year			
5	Value of the proposed transaction	The value of the transaction is up to Rs. 15 crores (including all transactions)			





6	Details of the transaction relating to any loans, inter-corporate deposits, advances or investments made or given by the listed entity	Interest Rate for Loan / Inter Corporate Deposit: 15% p.a – 18% p.a Repayment: Generally Bullet Payment Security (secured/unsecured): Generally Unsecured For Investments, terms will be decided mutually.
7	A statement that the valuation or other external report, if any, relied upon by the listed entity in relation to the proposed transaction will be made available through the registered email address of the shareholders;	Not Applicable
8	Percentage of M/s. Star Housing Finance Limited's annual consolidated turnover, for the immediately preceding financial year, that is represented by the value of the proposed RPT	40.28%
9	Justification for why the proposed transactions are in the interest of the Company	The funds raised through Inter corporate Deposits, loans, will be utilized for onward lending, repayment of existing loans and general corporate purposes. The Investments shall be made to maximize the yield on available surplus funds which is in the interest of the Company. The services to be rendered / availed would be for general corporate purposes in the interest of the Company.
10	Applicable terms, including covenants, tenure, interest rate and repayment schedule, whether secured or unsecured; if secured, the nature of security	Interest Rate for Loan / Inter Corporate Deposit: 15% p.a – 18% p.a Repayment: Generally Bullet Payment Security (secured/unsecured): Generally Unsecured
11	Any other information relevant or important for the members to take a decision on the proposed resolution	M/s. Arkfin Investments Private Limited is a financial services firm comprising of professionals who possess extensive experience ranging in the BFSI space. The Company specializes in providing advisory and investment services. Arkfin's Business operations encompass lending, funding, and distribution services.

The Board recommends the resolution set out at Item No. 5 of the AGM Notice to the Members for their



consideration and approval, by way of Ordinary Resolution. Except Mr. Ashish Jain & Mr. Kavish Jain, Mr. Natesh Narayanan, Mr. Kalpesh Dave and their relatives none of the Promoters/ Directors/Key Managerial Personnel/ their Relatives are, in any way, concerned or interested, financially or otherwise in the Ordinary Resolution set out at Item Nos. 5 respectively.

**Item No. 06**

The intention of bringing up the ESOP 2023 is to further strengthen the ownership and accountability in existing and newly added employees to take part in the value creation journey by aligning his incentive to the long-term performance of the Company to motivate employees, who are consistently performing well, and to give them opportunity to participate and gain from the Company's performance. The Board of Directors have approved the "Star Housing Finance Limited Employee Stock Option Scheme II 2023" subject to the approval of the Members and the provisions of the Securities and Exchange Board of India (Share based Employee Benefits) Regulations, 2021 as amended from time to time. The main features of ESOP Scheme and other details of the scheme as per regulations 6(2) of Securities and Exchange Board of India (Share based Employee Benefits) Regulations, 2021 are mentioned as under:

**A) Brief description of the scheme:**

The Scheme shall be called as the "Star Housing Finance Limited Employee Stock Option Scheme II 2023" and shall extend its benefits to the present and/or future permanent employees of the Company, its subsidiaries and/or holding company in accordance with the applicable laws.

**B) Total number of Options to be granted:**

77,00,00(Seventy-seven lakh) Options would be available for grant to the eligible employees of the Company and eligible employees of the Subsidiary Company & Holding Company(ies) in aggregate under ESOP 2023, in one or more tranches exercisable into not exceeding 77,00,000 (Seventy-seven lakhs) equity shares in aggregate in the Company of face value of Rs.5/- each fully paid-up.

Vested Options lapsed due to non-exercise and/or unvested Options that get cancelled due to resignation/ termination of the employees or otherwise, would be available for being re-granted at a future date. The Board of Directors/ Nomination & Remuneration Committee is authorized to re-grant such lapsed /cancelled options as per the provisions of ESOP 2023.

If any additional equity shares are required to be issued pursuant to any corporate action, such as rights issue, bonus issue, split or consolidation of shares, merger/ amalgamation or sale of division/undertaking or other re-organisation etc. requisite adjustments which may include adjustments to the number of options in ESOP 2023 shall be appropriately made, in a fair and reasonable manner in accordance with ESOP 2023.

**C) Identification of the Class of employees entitled to the Scheme:**

Following class/classes of employees are entitled to participate in ESOP 2023:



-Permanent employees of the Company working with the Company in India or out of India;

-Directors of the Company; and Permanent employees and Directors of the Subsidiary Company(ies) / working with respective subsidiary company.

Following class/classes of employees are not eligible:

-an employee who is a Promoter or belongs to the Promoter Group:

-a Director who either by himself or through his relatives or through any body-corporate, directly or indirectly holds more than 10% of the outstanding Equity Shares of the Company; and

-an Independent Director within the meaning of the Companies Act, 2013.

**D) Requirements and Period of Vesting:**

- I. The Vesting Period shall commence from the date of Grant and shall not exceed beyond 3 (Three) years from the date of Grant. The Vesting may occur in tranches as may be decided by the Nomination And Remuneration Committee. Provided however that the Vesting Period shall not be less than 1 (one) year from the date of the Grant.
- II. The exact vesting period applicable to each grant shall be as stated in the grant letter.
- III. In case of an employee going on long leave with the consent of the Company, for the purpose of calculation of vesting period, the period of long leave shall not be considered.

**E) Maximum period (subject to regulation 18(1) and 24(1) of the regulations, as the case may be) within which the options shall be vested:**

Options granted under ESOP 2023 would vest subject to maximum period of 3 years from the date of grant of Options.

**F) Exercise Price:**

The exercise price per Option shall be equivalent to price calculated @20% discount to the closing price of the Equity Share of the Company on the previous day of grant of Options.

**G) Exercise Period and the Process of Exercise:**

The vested Options shall be allowed for exercise on and from the date of vesting. The vested Options need to be exercised within a maximum period of 2 years from the date of vesting of such Options.



The vested Option shall be exercisable by the employees by a written application to the Company expressing his/ her desire to exercise such Options in such manner and on such format as may be prescribed by the Board / Nomination and Remuneration Committee from time to time. The Options shall lapse if not exercised within the specified exercise period.

In case of cashless system of exercise of vested Options, the Board / Nomination and Remuneration Committee shall be entitled to specify such procedures and/or mechanism for the Shares to be dealt with thereon as may be necessary and the same shall be binding on the Option grantees.

**H) Appraisal Process for Determining the Eligibility of employees**

The appraisal process for determining the eligibility of the employees will be decided by the Board / Nomination and Remuneration Committee from time to time.

The employees would be granted Options under the ESOP 2023 based on various parameters such as performance rating, period of service, rank or designation and such other parameters as may be decided by the Board / Nomination and Remuneration Committee from time to time.

**I) Maximum Number of Options to be issued per employee and in aggregate:**

The maximum number of options to be granted to any identified employees during any one year, shall not exceed 1% of the issued capital of the Company (excluding outstanding warrants and conversions) at the time of grant of Option unless approved by members by passing of Special Resolution. The maximum number of options granted to the employees in aggregate shall not exceed 77,00,000 fully paid Equity Shares.

**J) Whether the Scheme is to be implemented and administered directly by the Company or through a trust or both:**

The Plan shall be implemented directly by the Company i.e. Options shall be granted by the Company and new shares shall be issued at the time of exercise of Options.

**K) Whether the scheme(s) involves new issue of shares by the company or secondary acquisition by the trust or both:**



Since the scheme is to be implemented directly by the Company, new shares shall be issued at the time of exercise of Options.

**L) The amount of loan to be provided for implementation of the scheme(s) by the Company to the trust, its tenure, utilization, repayment terms, etc:**

Not Applicable

**M) Maximum Percentage of Secondary acquisition that can be made by the trust for the purposes of the scheme(s):**

Not Applicable

**N) Accounting Policies and Disclosures:**

The Company will confirm to the disclosures and the accounting policies prescribed under SEBI Regulations and by other regulatory authorities from time to time.

**O) Method to be used to determine the Value of the Options:**

The Company shall use fair value method of valuation to value the options granted under this scheme,

**P) The Board of Directors subject to SEBI Regulations may make any modifications, changes and variation in the terms and conditions of the Scheme including but not limited to those relating to exercise price, eligibility criteria, number of options etc. to reflect fair adjustment needed including in the event of intervening corporate action such as bonus issue, rights issue, change in capital structure, mergers etc.**

**Q) Lock In period/ transferability of Employee Stock Option:**

The Options granted to an employee shall not be transferable to any person and shall not be pledged, hypothecated, mortgaged or otherwise alienated in any manner. However, in the event of the death of the Option grantee, the right to exercise all the Options granted to him till such date shall be transferred to his legal heirs or nominees within the period as may be prescribed under ESOP 2023.

**R) Conditions under which option vested in employees may lapse:**

The Options will lapse if the employment is terminated prior to Vesting. Even after the Options are vested, the unexercised Options may be forfeited if the Eligible Employee is terminated for misconduct,



breach of employment contract, gross negligence, unethical practices, failure to comply with and confirm with Company’s policies, willful suppression of material information or any other non-compliance or violation of any law in force (“Cause”) or is absconding for more than 15 days, or if the Option has lapsed as provided in this Plan or if the Exercise Period, as specified has lapsed.

**S) Specified time period within which the employee shall exercise the vested options in the event of a proposed termination of employment or resignation of employee:**

<b>Particulars</b>	<b>Time period for exercising Vested Options</b>
Resignation / Termination for other than cause	Vested Options to the extent exercisable, within (i) upto the last day of working with the Company; or (ii) prior to the lapse of the Exercise Period; whichever is earlier.
Termination for Cause	All vested Options shall stand cancelled with immediate effect.
Death / Permanent Disability	Vested Options shall be transferred in name of Nominee / Legal Heir. These Options can be exercised by Nominee / Legal Heir prior to the lapse of the Exercise Period.
Absconding for 15 days or more	All vested Options shall stand cancelled with immediate effect.
Long Leave / Sabbatical	Vested Options can be exercised on resuming service with Company.
Retirement	Vested Options can be exercised anytime within one year from date of retirement or prior to the lapse of the Exercise Period (whichever is earlier). All unvested Options shall stand cancelled with immediate effect.

As per SEBI Regulation any scheme offering stock options to the employees must be approved by the members by way of special resolution. Also since the said scheme will entail further shares to be offered to persons other than existing members of the Company, consent of the members by way of special resolution is required as per Section 62 of the Companies Act, 2013 read along with rules framed there under.

Scheme is open for inspection by members from the date of this Notice till the date of Annual General Meeting during 1.00 p.m. to 4 p.m. on all working days i.e. except on the weekends and on public holidays at the Registered Office of the Company.

The Directors recommend the Resolution at Item No.6 of the accompanying Notice, for the approval of the Members of the Company by way of a Special Resolution.

None of the Directors or Key Managerial Personnel of the Company including their relatives is interested or concerned in the resolution no. 6, except to the extent of their future entitlements, if any, under the Employee Stock Option Scheme.

**Item No.07**

As per Companies Amendment Act, 2015 use of Common seal has become optional for the companies. As





Company being a Non-Banking Finance Company has to execute various agreements, documents etc. towards its business matters including for loan agreement and other administrative necessities. In view of the same and to facilitate administrative convenience for execution of such documents on behalf of the Company Board recommends to alter the existing Articles of Association (“AOA”) of the Company by removing the company seal related clauses i.e. 156 & 157 which are mentioned below:

### **Common Seal**

156 The Board shall provide a common seal of the Company and shall have power from time to time to destroy the same and substitute a new seal in lieu thereof. The common seal shall be kept at the Registered Office of the Company and committed to the custody of the Directors

### **Affixture of Common Seal**

157 The Common Seal of the Company. If required to be affix, shall be affixed to any instrument(s) in the presence of any of the Director or of the company and/or Chief Financial officer and/or Company secretary and/or such person(s) as the authorized by the Board or Committee or aforesaid persons may appoint for them purpose and who shall sign every instrument which the seal of the company is so affixed in their presence.

A copy of the Articles of Association of the Company together with the proposed alterations would be available for inspection by the members at the Registered Office of the Company.

None of the Directors and Key Managerial Personnel of the Company and/or their relatives is concerned or interested, financial or otherwise, in the resolution set out at Item No. 7.

### **Item No. 08 & 09**

The Board of Directors of the Company (“Board”) envisages requirements of increased funds in future. As per the provisions of Section 180(1)(c) of the Companies Act, 2013 (“Act”), the Board can borrow money subject to the condition that the money to be borrowed together with the money already borrowed by the Company (apart from the temporary loans obtained from the Company’s bankers in the ordinary course of business) shall not exceed the aggregate, for the time being, of the paid-up share capital and free reserves, that is to say, reserves not set apart for any specific purpose and securities premium unless the Members have authorized the Board to borrow the monies up to some higher limits. Further as per Paragraph 27.2 of Master Direction - Non- Banking Financial Company – Housing Finance Company (Reserve Bank) Directions, 2011 (RBI Master Directions) no Housing Finance Company can have its total Borrowing limit in aggregate, in excess of 12 times of its Net Owned Fund(NOF). The Members of the Company at the 21<sup>st</sup> September, 2019 approved and authorized Board of Directors to borrow from time to time, such amounts as they may deem necessary for the purpose of business of the Company, not exceeding Rs.500/- crore (Rupees five hundred crore only) over and above the paid-up share capital and free reserves of the Company and in terms of provisions of Section 180(1)(a) of the Companies Act, 2013 to mortgage and/or create a charge on any of the movable and/or immovable properties and/or the whole or any part of



undertaking(s) of the Company to secure its borrowings up to the limits of Section 180(1)(c) of the Act. Taking into account the increased fund requirements, the Company would be required to borrow funds from time to time by way of loans or in any other form whatsoever including but not limited to issue of bonds, debentures, commercial papers. Hence now, it is proposed to empower and authorize the Board to borrow money from any Bank(s), Financial Institutions (FIs), Mutual Funds(s), Non-Resident Indians (NRIs), Foreign Institutional Investors (FII's) or any other person/s or entity/ies etc., in excess of paid up share capital and free reserves and securities premium of the Company from the existing limit of Rs. 500 crore (Rupees five hundred crore only) to an amount not exceeding Rs. 700/- crore (Rupees seven hundred crore only) (including the money already borrowed by the Company) for the lending business purpose and general corporate purpose, provided that the total borrowing limit shall always be within the limits as prescribed under the RBI Master Directions. The resolution as set out at Item No. 8 of the Notice is placed for your approval by way of Special Resolution of the aforesaid limits of borrowing by the Board up to an amount not exceeding Rs. 700/- crore (Rupees seven hundred crore only) or equivalent thereof in any foreign currency (ies) (including the money already borrowed by the Company). The said borrowings by way of loan or issue of securities may be required to be secured by way of charge through lien / hypothecation / mortgage over all or any part of the movable and / or immovable properties of the Company and as per the provisions of Section 180 (1) (a) of the Act, the mortgage or charge on all or any part of the movable and /or immovable properties of the Company, may be deemed as disposal of the whole, or substantially the whole, of the undertaking of the Company and hence the approval of the Members of the Company is required by way of an Special Resolution as set out at Item No. 9 of the Notice. As per Section 180(1)(a) and 180(1)(c) and other applicable provisions of the Act, approval of the Members is being sought by way of passing Special Resolution. Hence, the Board recommends passing of the enabling Special Resolutions set out at Item No. 8 and 9 of the Notice. None of the Directors or Key Managerial Personnel of the Company or their relatives is in any way, concerned or interested, financially or otherwise, in the resolutions set out at Item No. 8 and 9 of the accompanying Notice.

#### **Item No. 10**

In order to augment long term resources for financing *inter alia* the on-going capital expenditure, working capital requirement and for general corporate purpose, the Company may borrow, including by issue of Unsecured/Secured Redeemable Non-Convertible Debentures / Bonds ("NCDs") on private placement basis, as may be appropriate and as specified in the approvals, from Indian markets.

The Board has at its meeting held on July 15, 2023, recommended to the Shareholders to give their consent to the Board of Directors or any Committee of the Board to borrow and raise funds by issue of NCDs on private placement basis, up to an amount of Rs. 100 Crores (Rupees Hundred Crores) under Section 42 and 71 read with section 179 of the Companies Act, 2013. Such issue shall be subject to overall borrowing limits of as approved by Shareholders from time to time and will be issued in terms of the provisions of the Companies Act, 2013, Articles of Association of the Company and Securities and Exchange Board of India (Issue and Listing of non-convertible Securities) Regulations, 2021, as amended (the "SEBI Regulations") and other applicable laws. The overall amount to be raised through Private Placement of Unsecured/Secured Redeemable NCDs / Bonds and any combination thereof shall not exceed Rs. 100



Crores and shall happen within the completion of one year from the date of passing of the Special Resolution by the Members in this Annual General Meeting.

Pursuant to Section 42 and 71 of the Companies Act, 2013 read with Rule 14 of Companies (Prospectus and Allotment of Securities) Rules, 2014, as amended, a Company offering or making an invitation to subscribe to NCDs/Bond on a private placement basis is required to obtain prior approval of the Shareholders by way of the special resolution. For NCDs/ Bonds, it shall be sufficient if the Company passes a previous special resolution only once in a year for all the offers or invitations for such NCDs/Bonds to be made during the year. Accordingly, it is proposed to raise funds through Private Placement of NCDs/Bonds in one or more series / tranches during a year starting from the date of approval of special resolution by the Shareholders of the Company. Such NCDs/ Bonds shall be issued to such person or persons, who may or may not be the members of the Company, as the Board or any duly constituted Committee of the Board may think fit and proper.

The resolutions contained in Item No.10 of the accompanying Notice, accordingly, seek Shareholders approval as enabling resolution for raising funds through Private Placement of NCDs/Bonds in one or more tranches during a year starting from the date of approval of special resolution by the members of the Company and authorising the Board of Directors (or any duly constituted Committee of the Board or such other authority as may be approved by the Board) of the Company to complete all the formalities in connection with the issue of NCDs/Bonds.

**Statement of Disclosure as required under Rule 14(1) of the Companies (Prospectus and Allotment of Securities) Rules, 2014:**

a)	Particulars of the offer including date of passing of Board Resolution	Secured or Unsecured Redeemable NCDs whether cumulative and/or non-cumulative for an amount not exceeding in aggregate INR 100 Crore in one or more tranches, on a private placement basis at such interest rates and on such terms and conditions as may be determined by the Board of Directors of the Company. Date of passing board resolution: July 15, 2023
b)	Kinds of securities offered and the price at which security is being offered	Secured or Unsecured Redeemable NCDs whether cumulative and/or non-cumulative at premium, discount or at par as may be determined by the Board of Directors of the Company
c)	Basis or justification for the price (including premium, if any) at which the offer or invitation is being made	Since the issuance would be in one or more tranches, the price would be determined by Board of Directors of the Company based on prevailing market conditions at the time of issue of NCDs.
d)	Name and address of valuer who	Not Applicable



	performed valuation	
e)	Amount which the company intends to raise by way of such securities	Up to. 100 Crores
f)	Material terms of raising such securities,	Since the issuance would be in one or more tranches, the material terms will be determined by Board of Directors of the Company based on the provisions of Companies Act, 2013, the rules made thereunder and other applicable laws
	Proposed time schedule	Since the issuance would be in one or more tranches, the time schedule will be determined by Board of Directors of the Company based on the provisions of Companies Act, 2013, the rules made thereunder and other applicable laws
	Purpose or Objects of the Offer	The proceeds of the issues would be used for onward lending, repayment of existing loans and general corporate purposes and for such other purposes related to the business of the Company as the Board of Directors of the Company feels appropriate.
	Contribution being made by the promoters or directors either as part of the offer or separately in furtherance of objects	Nil
	Principle terms of assets charged as securities	The principal amount of the Secured NCDs issued along with all interest due will be secured by way of charge on assets of the Company in favour of the Debenture Trustee, in such manner as may be mutually decided by the Company and Debenture Trustee.

None of the Directors and/or Key Managerial personnel of the Company and their relatives are concerned or interested, financially, or otherwise, in the resolution set out at Item No.10 of the accompanying the Notice.

**Item No. 11**

As required under Regulation 17(6)(e) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations'), the fees or compensation payable to Executive Directors who are promoters or members of the promoter group of the listed entity, is subject to the approval of the shareholders by way of Special Resolution in General Meeting, if –

(i) Annual remuneration payable to such Executive Director exceeds ₹ 5 Crores or 2.5 per cent (2.5%) of the net profits of the listed entity, whichever is higher; or



(ii) Where there is more than one such director, the aggregate annual remuneration to such directors exceeds 5 per cent (5%) of the net profits of the listed entity

Further, the approval of the shareholders under the said Regulation shall be valid only till the expiry of the terms of such director.

In view of the above and in order to have a flexibility for payment of annual remuneration to the Executive Directors who are Promoter(s) or member(s) of Promoter Group, in excess of the limits as mentioned in Regulation 17(6)(e) of the Listing Regulations from Financial Year 2023-24 and for subsequent years, till the expiry of respective term of such Executive Directors, it is necessary to obtain the approval of shareholders by way of Special Resolution.

Mr. Ashish Jain. Mr. Kavish Jain are interested in the Special Resolution set out at Item No. 11 of the Notice.

Save and except the above, none of the other Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the Special Resolution.

The Board recommends the Special Resolution set out at Item No. 11 of the Notice for approval by the Members.



### ANNEXURE - A

Item Nos. 3 and 4 of the Notice

Details of Directors seeking appointment and/or re-appointment at the ensuing Annual General meeting.

Information as required under regulation 36(3) SEBI (LODR) Regulations, 2015 in respect of Directors being re-appointed/appointed.

S. No.	Particulars	Name of Director
		<b>Mr. Ashish Jain</b>
1	Date of Birth	18.11.1985
2	Age	37
3	Date of Appointment	Mr. Ashish Jain was appointed as the Additional Director of the Company on 29 <sup>th</sup> July, 2017 & as Managing Director on 01 <sup>st</sup> June, 2018
4	Permanent Account Number (PAN)	AEZPJ5899R
5	Director Identification Number (DIN)	02041164
6	Expertise in specific Functional areas	Having expertise in Finance, Marketing areas, Operational Experience, Industry Experience, Business Strategy and Corporate Governance.
7	No. of equity shares held in the Company (as on 31st March 2023)	11,07,800
8	Qualifications	B.E., MSC (U.K.), M.A
9	List of other directorships and KMP (excluding Foreign Company)	Nil
10	Membership/Chairmanship of Committees of other Public Companies (includes only Audit Committee and Stakeholders Relationship Committee).	NA
11	Relationships, if any, between Directors inter se	Relative of Mr. Kavish Jain Executive Director of the Company

By order of the Board of Directors

**For M/s. Star Housing Finance Limited**

Sd/-

**Shreyas Mehta**

**Company Secretary & Compliance Officer**

**M.No. A38639**

Registered Office:

603, Western Edge I, Above Metro Cash & Carry, Borivali East, Mumbai 400066

Date: 15.07.2023

Place: Mumbai