

STAR HOUSING FINANCE LIMITED
CIN: L45201MH2005PLC376046

Our company was originally incorporated as Private Limited Company under the Companies Act, 1956 as "Akme Buildhome Private Limited" vide certificate of incorporation dated March 21, 2005 issued by Registrar of Companies, Jaipur. Subsequently, our Company changed its name from "Akme Buildhome Private Limited" to "Akme Star Housing Finance Private Limited", vide a fresh Certificate of Incorporation dated October 23, 2009, issued by Registrar of Companies, Rajasthan. Further, on conversion of our company from private limited company to public limited company, our Company changed its name from "Akme Star Housing Finance Private Limited" to "Akme Star Housing Finance Limited", vide a fresh Certificate of Incorporation dated November 13, 2009, issued by Registrar of Companies, Rajasthan. Subsequently, our Company changed its name from "Akme Star Housing Finance Limited" to "Star Housing Finance Limited", vide a fresh Certificate of Incorporation dated May 10, 2021, issued by Registrar of Companies, Jaipur. Further, the company changes its Registered office from State of Jaipur to Maharashtra vide a fresh Certificate of Incorporation dated February 03, 2022, issued by Registrar of Companies, Mumbai. The company got listed on SME Platform of BSE Limited on March 20, 2015 and then Migrated to Main Board of BSE Limited in July, 2017, bearing Scrip Code 539017 and Scrip Name STARHFL. For details see 'General Information' on page 35 of this Letter of offer.

Registered Office: 603, Western Edge I, Above Metro Cash & Carry, Borivali East, Mumbai 400066.
Contact No: +91 8828036610 **Contact Person:** Mr. Nachiketa Purohit, Company Secretary;
Email-ID: info@starhfl.com **Website:** www.starhfl.com

FOR PRIVATE CIRCULATION TO THE EQUITY SHAREHOLDERS OF OUR COMPANY

THE PROMOTERS OF THE COMPANY ARE ANIL KUMAR JAIN, ABHILASHA JAIN, NIRMAL KUMAR JAIN AND KALU LAL JAIN

RIGHTS ISSUE OF UP TO 6,14,16,404*FULLY PAID UP EQUITY SHARES OF FACE VALUE OF Rs. 5.00/- (RUPEE FIVE ONLY) ('EQUITY SHARES') EACH AT A PRICE OF Rs.16.00/- (RUPEES SIXTEEN ONLY) PER EQUITY SHARE (INCLUDING A PREMIUM OF Rs. 11.00/- (RUPEES ELEVEN ONLY) PER EQUITY SHARE) ('ISSUE PRICE') ('RIGHT SHARES') FOR AN AMOUNT AGGREGATING UP TO Rs. 98,26,62,464/- (RUPEES NINETY EIGHT CRORE TWENTY SIX LAKHS SIXTY TWO THOUSAND FOUR HUNDRED SIXTY FOUR ONLY) ON A RIGHTS ISSUE BASIS TO THE ELIGIBLE SHAREHOLDERS OF STAR HOUSING FINANCE LIMITED ('COMPANY' OR 'ISSUER') IN THE RATIO OF SEVEN RIGHTS SHARES FOR EVERY NINE EQUITY SHARES HELD BY SUCH ELIGIBLE SHAREHOLDERS AS ON THE RECORD DATE, TUESDAY, SEPTEMBER 30, 2025 ('ISSUE'). FOR FURTHER DETAILS, KINDLY REFER TO THE SECTION TITLED 'TERMS OF THE ISSUE' BEGINNING ON PAGE 85 OF THIS LETTER OF OFFER. OUR DESIGNATED EXCHANGE STOCK IS BOMBAY STOCK EXCHANGE

*Assuming full subscription.

PAYMENT METHOD OF THE ISSUE

The entire amount of the Issue Price of Rs. 16.00/- per Rights Equity Share shall be payable at the time of Application.

WILFUL DEFAULTERS OR FRAUDULENT BORROWERS

Neither our Company, nor our Directors, nor our promoter are or have been categorized as wilful defaulters or fraudulent borrowers by any bank or financial institution (as defined under the Companies Act, 2013) or consortium thereof, in accordance with the guidelines on wilful defaulters or fraudulent borrowers issued by the Reserve Bank of India.

GENERAL RISK

Investment in equity and equity related securities involves a degree of risk and investors should not invest any funds in this Issue unless they can afford to take the risk of losing their investment. Investors are advised to read the risk factors carefully before taking an investment decision in this Issue. For taking an investment decision, investors must rely on their own examination of our Company and this Issue including the risks involved. The Right Shares have not been recommended or approved by Securities and Exchange Board of India ('SEBI') nor does SEBI guarantee the accuracy or adequacy of this Letter of Offer. Investors are advised to refer 'Risk Factors' beginning on Page 25 of this Letter of offer before investing in the Issue.

ISSUER'S ABSOLUTE RESPONSIBILITY

Our Company, having made all reasonable inquiries, accepts responsibility for and confirms that this Letter of offer contains all information with regard to our Company and the Issue, which is material in the context of the Issue, that the information contained in this Letter of offer is true and correct in all material aspects and is not misleading in any material respect, that the opinions and intentions expressed herein are honestly held and that there are no other facts, the omission of which makes this Letter of offer as a whole or any of such information or the expression of any such opinions or intentions misleading in any material respect.

LISTING

The existing Equity Shares are listed on the BSE Limited "BSE" (the "Stock Exchange"). Our Company has received 'In-Principle' approval from the BSE for listing the Rights Equity Shares to be allotted pursuant to this Issue vide its letter dated September 19, 2025. Our Company will also make an application to the Stock Exchange to obtain the trading approval for the Rights Entitlements as required under the SEBI circular (SEBI/HO/CFD/DIL2/CIR/P/2020/13) dated January 22, 2020. For the purpose of this Issue, the Designated Stock Exchange is BSE.

REGISTRAR TO THE ISSUE



Bigshare Services Pvt. Ltd.

Bigshare Services Private Limited
Office No S6-2, 6th floor Pinnacle Business Park, Next to Ahura Centre,
Mahakali Caves Road, Andheri (East) Mumbai - 400093, India.
Tel No.: +91 22 6263 8200
Email: rightsissue@bigshareonline.com
Website: www.bigshareonline.com
Investor Grievance Email: investor@bigshareonline.com
Contact Person: Mr. Suraj Gupta
SEBI Registration No.: INR000001385
Validity of Registration: Permanent

ISSUE PROGRAMME

| ISSUE OPENING DATE | LAST DATE FOR MARKET RENUNCIATION | ISSUE CLOSING DATE** |
|--------------------------|-----------------------------------|--------------------------|
| FRIDAY, OCTOBER 10, 2025 | MONDAY, OCTOBER 27, 2025 | FRIDAY, OCTOBER 31, 2025 |

*Eligible Shareholders are requested to ensure that renunciation through off-market transfer is completed in such a manner that the Rights Entitlements are credited to the demat account of the Renounees on or prior to the Issue Closing Date.

**This Issue will remain open for a minimum 07 (Seven) days. However, the Board of Directors or a duly authorized Rights Issue Committee thereof will have the right to extend the Issue Period as it may determine from time to time but not exceeding 30 (Thirty) days from the Issue Opening Date (inclusive of the Issue Closing Date).

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DEFINITIONS

This Letter of offer uses the definitions and abbreviations set forth below, which you should consider when reading the information contained herein. The following list of certain capitalized terms used in this Letter of offer is intended for the convenience of the reader/prospective Applicant only and is not exhaustive.

This Letter of offer uses the definitions and abbreviations set forth below, which, unless the context otherwise indicates or implies, or unless otherwise specified, shall have the meaning as provided below. References to any legislation, act, regulation, rules, guidelines, or policies shall be to such legislation, act, regulation, rules, guidelines, or policies as amended, supplemented, or re-enacted from time to time and any reference to a statutory provision shall include any subordinate legislation made from time to time under that provision.

In this Letter of offer, unless otherwise indicated or the context otherwise requires, all references to ‘the/our Company’, ‘we’, ‘our’, ‘us’ or similar terms are to Star Housing Finance Limited as the context requires, and references to ‘you’ are to the Eligible Shareholders and/ or prospective Investors in this Issue.

The words and expressions used in this Letter of offer, but not defined herein, shall have the same meaning (to the extent applicable) ascribed to such terms under the SEBI (ICDR) Regulations, the Companies Act, 2013, the SCRA, the Depositories Act, and the rules and regulations made thereunder. Notwithstanding the foregoing, terms used in section titled ‘**Industry Overview**’, ‘**Statement of Tax Benefits**’, ‘**Financial Information**’, ‘**Outstanding Litigations, Defaults, and Material Developments**’ and ‘**Terms of the Issue**’ on page 51, 47, 64, 75 and 85 respectively, shall have the meaning given to such terms in such sections.

CONVENTIONAL/ GENERAL TERMS

| Term | Description |
|---|--|
| Star Housing Finance Limited / the Company/ our Company | Star Housing Finance Limited, a public limited company incorporated under the provisions of the Companies Act, 1956, as amended from time to time |
| We/ us/ our | Unless the context otherwise indicates or implies, refers to Star Housing Finance Limited |
| ASBA | Application Supported by Blocked Amount; |
| AOA/ Articles of Association | The Articles of Association of Star Housing Finance Limited, as amended from time to time; |
| Audit Committee | The committee of the Board of Directors constituted as our Company’s audit committee in accordance with Regulation 18 of the SEBI (LODR) Regulations and Section 177 of the Companies Act, 2013; |
| Audited Financial Statements | The Audited Financial Statements of our Company prepared in accordance with Indian Accounting Standards for the Financial Year ending March 31, 2025; |
| Auditors/ Statutory Auditors/ Peer Review Auditor | The current statutory auditors of our Company are M/s. Nyati Mundhra & Co, Chartered Accountants; |
| Board of Directors/ Board | Board of Directors of our Company; |
| Company Secretary and Compliance Officer | The Company Secretary of our Company, being Mr. Nachiketa Purohit; |
| Depositories Act | The Depositories Act, 1996 and amendments thereto; |

| Term | Description |
|---------------------------------------|---|
| DP/ Depository Participant | Depository Participant as defined under the Depositories Act; |
| Eligible Shareholder(s) | Eligible holder(s) of the Equity Shares of Star Housing Finance Limited as on the Record Date; |
| Equity Shares | Equity shares of the Company having face value of Rs. 5.00/- (Rupees Five only); |
| Independent Director | Independent directors on the Board and eligible to be appointed as an Independent Director under the provisions of the Companies Act, 2013 and SEBI (LODR) Regulations, 2015. For details of the Independent Directors, please refer to section titled ' Our Management ' beginning on page 61 of this Letter of offer; |
| ISIN | International Securities Identification Number being INE526R01028; |
| Key Management Personnel /KMP | Key management personnel of our Company in terms of Regulation 2(1) (bb) of the SEBI (ICDR) Regulations and Section 2(51) of the Companies Act, 2013. For details, please refer to section titled ' Our Management ' beginning on page 61 of this Letter of offer; |
| MOA/ Memorandum of Association | The Memorandum of Association of Star Housing Finance Limited, as amended from time to time; |
| Nomination and Remuneration Committee | The committee of the Board of directors reconstituted as our Company's Nomination and Remuneration Committee in accordance with Regulation 19 of the SEBI (LODR) Regulations, 2015 and Section 178 of the Companies Act, 2013; |
| Promoters | <p>Anil Kumar Jain, Abhilasha Jain, Nirmal Kumar Jain and Kalu Lal Jain.</p> <p>Anil Kumar Jain has made a request to the company for the reclassification of his shareholding from the "Promoter" category to the "Public" category in accordance with Regulation 31A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The request is currently under process.</p> |
| Promoter Group | <p>Pushpa Nagda , Ashish Jain, Kailash Jain, Kavish Jain, Surbhi Jain, Dipesh Jain, Vimal Jain, Ravindra Jain, Vinita Sureshkumar Jain, Jenisha Jain, Shilpa Jain, Manju Devi Jain, Kavish Jain (HUF), Ashish Jain HUF, Anil Kumar Jain HUF, Mohan Lal Nagda HUF, Nirmal Kumar Jain HUF, Manak Chand Jain, Leeladevi Jain, Shantilal Jain, Kanta Jain, Yashpal Velchand Jain, Jamak Lal Jain, Aarsh Fincon Limited, Akme Build Estate Limited, Akme Automobiles Private Limited, The Coronation Castles Private Limited, Akme Fintrade(India) Limited being a promoter group of the Company.</p> <p>Kailash Jain, Vimal Jain, Aarsh Fincon Limited, Ravindra Jain, Shilpa Jain, Anil Kumar Jain HUF and Kanta Jain have made a request to the company for the reclassification of their shareholding from the "Promoter Group" category to the "Public" category in accordance with Regulation 31A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The request is currently under process.</p> |

| Term | Description |
|---|---|
| | Persons and entities forming part of the promoter group of our Company as determined in terms of Regulation 2(1)(pp) of the SEBI (ICDR) Regulations and as disclosed by our Company in the filings made with the BSE Limited under the SEBI (LODR) Regulations; |
| Registered Office | 603, Western Edge I, Above Metro Cash & Carry, Borivali East, Mumbai, 400066. |
| Stakeholders' Relationship Committee | The committee of the Board of Directors constituted as our Company's Stakeholders' Relationship Committee in accordance with Regulation 20 of the SEBI (LODR) Regulations Section 178 of the Companies Act, 2013; |
| Stock Exchange/ Designated Stock Exchange | BSE Limited (BSE). Our designated stock exchange is BSE |
| Un-audited Financial Statements | The un-audited financial statements of our Company for the quarter ended June 30, 2025, prepared in accordance with Indian Accounting Standards. |

ISSUE RELATED TERMS

| Term | Description |
|---------------------------|---|
| Additional Right Shares | The Right Shares applied or allotted under this Issue in addition to the Rights Entitlement; |
| Allot/Allotment/Allotted | Unless the context requires, the allotment of Rights Shares pursuant to this Issue; |
| Allotment Account | The account opened with the Banker to the Issue, into which the Application Money lying to the credit of the escrow account(s) and Application amounts by ASBA blocked in the ASBA Account, with respect to successful Investors will be transferred on the Transfer Date in accordance with Section 40 (3) of the Companies Act; |
| Allotment Advice | Note, advice, or intimation of Allotment sent to each successful Applicant who has been or is to be Allotted the Right Shares pursuant to this Issue; |
| Allotment Date | Date on which the Allotment is made pursuant to this Issue; |
| Allotees | Person(s) who are Allotted Rights Equity Shares pursuant to the Allotment; |
| Applicant(s)/ Investor(s) | Eligible Shareholder(s) and/or Renouncee(s) who make an application for the Right Shares pursuant to this Issue in terms of the Letter of offer/ Draft Letter of Offer, including an ASBA Investor; |
| Application | Application made through (i) submission of the Application Form or plain paper Application to the Designated Branch(es) of the SCSBs or online/ electronic application through the website of the SCSBs (if made available by such SCSBs) under the ASBA process, to subscribe to the Equity Shares at the Issue Price; |
| Application Form | Unless the context otherwise requires, an application form (including online application form available for submission of application using the website of the SCSBs (if made |

| Term | Description |
|---|--|
| | available by such SCSBs) under the ASBA process) used by an Investor to make an application for the Allotment of Equity Shares in the Issue; |
| Application Money | Aggregate amount payable at the time of Application Rs. 16.00/- (Rupees Sixteen Only) in respect of the Rights Shares applied for in this Issue at the Issue Price; |
| Application Supported by Blocked Amount or ASBA | Application (whether physical or electronic) used by ASBA Investors to make an application authorizing the SCSB to block the Application Money in the ASBA Account maintained with such SCSB; |
| ASBA Account | Account maintained with a SCSB and specified in the Application Form or plain paper application, as the case may be, for blocking the amount mentioned in the Application Form or the plain paper application, in case of Eligible Shareholders, as the case may be; |
| ASBA Applicant ASBA Investor | As per the SEBI Circular SEBI/HO/CFD/DIL2/CIR/P/2020/13 dated January 22, 2020, all investors (including Renouncees) shall make an application for an Issue only through ASBA facility; |
| ASBA Bid | Bid made by an ASBA Bidder including all revisions and modifications thereto as permitted under the SEBI (ICDR) Regulations; |
| ASBA Circulars | Collectively, SEBI circular bearing reference number SEBI/CFD/DIL/ASBA/1/2009/30/12 dated December 30, 2009, SEBI circular bearing reference number CIR/CFD/DIL/1/2011 dated April 29, 2011 and the SEBI circular bearing reference number SEBI/HO/CFD/DIL2/CIR/P/2020/13 dated January 22, 2020, and SEBI circular bearing reference number SEBI/HO/CFD/SSEP/CIR/P/2022/66 dated May 19, 2022. |
| Bankers to the Issue/ Refund Bank | Collectively, the Escrow Collection Bank and the Refund Bank to the Issue, in this case being Axis Bank Limited; |
| Bankers to the Issue Agreement | Agreement dated September 24, 2025 entered into by and amongst our Company and the Registrar to the Issue, and the Bankers to the Issue for collection of the Application Money from Investors making an application through the ASBA facility, transfer of funds to the Allotment Account from the Escrow Account and SCSBs, release of funds from Allotment Account to our Company and other persons and where applicable, refunds of the amounts collected from Investors and providing such other facilities and services as specified in the agreement; |
| Basis of Allotment | The basis on which the Rights Shares will be Allotted to successful Applicants in the Issue, and which is described in the section titled ' <i>Terms of the Issue</i> ' beginning on page 85 of this Letter of offer; |
| Common Application Form / CAF | The application form used by Investors to make an application for Allotment under the Issue. |
| Consolidated certificate | The certificate that would be issued for Rights Shares Allotted to each folio in case of Eligible Shareholders who hold Equity Shares in physical form |

| Term | Description |
|---|--|
| Controlling Branches /Controlling Branches of the SCSBs | Such branches of the SCSBs which co-ordinate with the Registrar to the Issue and the Stock Exchange, a list of which is available on https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes ; |
| Demographic Details | Details of Investors including the Investor's address, name of the Investor's father/husband, investor status, occupation and bank account details, where applicable; |
| Designated SCSB Branches | Such branches of the SCSBs which shall collect the ASBA Forms submitted by ASBA Bidders, a list of which is available on the website of SEBI at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=35 , updated from time to time, or at such other website as may be prescribed by SEBI from time to time; |
| Depository(ies) | NSDL and CDSL or any other depository registered with SEBI under the Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018 as amended from time to time read with the Depositories Act, 1996; |
| Draft Letter of Offer/ DLOF | This draft letter of offer dated September 12, 2025, filed with BSE Limited (BSE), in accordance with the SEBI (ICDR) Regulations, for their observations and In-Principle approval; |
| Eligible Equity Shareholders | Existing Equity Shareholders as on the Record Date i.e. September 30, 2025. Please note that the investors eligible to participate in the Issue exclude certain overseas shareholders |
| Specific Investor(s) | Regulation 77B of the SEBI (ICDR) Regulations defines specific investor(s) as any investor who is eligible to participate in the Issue (a) whose name has been disclosed by the Company in terms of regulation 84(1)(f)(i) of the SEBI (ICDR) Regulations; or (b) whose name has been disclosed by the Company in terms of sub-clause 84(1)(f)(ii) of the SEBI (ICDR) Regulations |
| Escrow Account(s) | One or more no-lien and non-interest bearing accounts with the Escrow Collection Bank(s) for the purposes of collecting the Application Money from resident Investors making an Application through the ASBA facility; |
| Escrow Collection Bank | Banks which are clearing members and registered with SEBI as bankers to an issue and with whom Escrow Account(s) will be opened, in this case being Axis Bank Limited; |
| Issue/ Rights Issue | <p>Rights Issue of up to 6,14,16,404 Fully Paid up Equity Shares of our Company for cash at a price of Rs. 16.00/- (including Securities Premium of Rs. 11.00/- each) per Rights Shares aggregating up to Rs. 98,26,62,464/- (Rupees Ninety Eight Crore Twenty Six Lakhs Sixty Two Thousand Four Hundred Sixty Four Only) on a rights basis to the Eligible Shareholders of our Company in the ratio of 7 (Seven) Right Shares for every 9 (Nine) Equity Shares held by the Eligible Shareholders of our Company on the Record Date i.e. September 30, 2025;</p> <p>On Application, Investors will have to pay entire amount of Rs. 16.00/- (Rupees Sixteen Only) per Rights Equity Share which constitutes 100% (Hundred percent) of the Issue Price;</p> |
| Issue Closing Date | Friday, October 31, 2025 |

| Term | Description |
|---------------------------------------|---|
| Issue Material | Draft Letter of Offer, the Letter of Offer, Application Form and Rights Entitlement Letter or any offering materials, corrigendum, or advertisements in connection with this Issue |
| Issue Opening Date | Friday, October 10, 2025 |
| Issue Period | The period between the Issue Opening Date and the Issue Closing Date, inclusive of both days, during which Applicants/ Investors can submit their applications, in accordance with the SEBI (ICDR) Regulations; |
| Issue Price | Rs. 16.00/- per Equity Share (including a premium of Rs. 11.00/- per Equity Share) |
| Issue Proceeds | The proceeds of the Issue that are available to our Company; |
| Issue Size | Amount aggregating up to Rs. 98,26,62,464/- (Rupees Ninety Eight Crore Twenty Six Lakhs Sixty Two Thousand Four Hundred Sixty Four Only) |
| Letter of Offer/ LoF | The final letter of offer to be filed with the BSE Limited (BSE) after incorporating the observations received from the BSE Limited on the Letter of offer; |
| Multiple Application Forms | Multiple application forms submitted by an Eligible Equity Shareholder/Renouncee in respect of the Rights Entitlement available in their demat account. However supplementary applications in relation to further Equity Shares with/without using additional Rights Entitlements will not be treated as multiple application; |
| Monitoring Agency | CARE Ratings Limited |
| Monitoring Agency Agreement | Agreement dated September 24, 2025, between our Company and the Monitoring Agency in relation to monitoring of Gross Proceeds |
| Net Proceeds | Issue Proceeds less the Issue related expenses. For further details, please refer to the section titled ' <i>Objects of the Issue</i> ' beginning on page 43 of this Letter of offer; |
| Non-ASBA Investor/ Non-ASBA Applicant | Investors other than ASBA Investors who apply in the Issue otherwise than through the ASBA process comprising Eligible Shareholders holding Equity Shares in physical form or who intend to renounce their Rights Entitlement in part or full and Renouncees; |
| Non-Institutional Investors/ NIIs | An Investor other than a Retail Individual Investor or Qualified Institutional Buyer as defined under Regulation 2(1)(jj) of the SEBI (ICDR) Regulations; |
| Offer Document | The Draft Letter of Offer, Letter of Offer, including any notices, corrigendum thereto; |
| Off Market Renunciation | The renunciation of Rights Entitlements undertaken by the Investor by transferring them through off market transfer through a depository participant in accordance with the SEBI Rights Issue Circulars and the circulars issued by the Depositories, from time to time, and other applicable laws; |
| On Market Renunciation | The renunciation of Rights Entitlements undertaken by the Investor by trading them over the secondary market platform of the Stock Exchange through a registered stock broker in accordance with the SEBI Rights Issue Circulars and the circulars issued by the Stock Exchange, from time to time, and other applicable laws, on or before Monday, October 27, 2025; |

| Term | Description |
|---|---|
| Payment Schedule | Payment schedule under which 100% (Hundred percent) of the Issue Price is payable on Application, i.e. Rs. 16.00/- (Rupees Sixteen Only) (including a premium of Rs. 11.00/- per Equity Share) per Right Shares. |
| QIBs or Qualified Institutional Buyers | Qualified institutional buyers as defined under Regulation 2(1)(ss) of the SEBI (ICDR) Regulations; |
| Record Date | Designated date for the purpose of determining the Equity Shareholders eligible to apply for Right Shares, being September 30, 2025; |
| Refund through electronic transfer of Funds | Refunds through NECS, Direct Credit, RTGS, NEFT or ASBA process, as applicable; |
| Refund Bank | The Bankers to the Issue with whom the refund account will be opened, in this case being Axis Bank Limited. |
| Registrar to the Issue | Bigshare Services Private Limited |
| Registrar Agreement | Agreement dated September 24, 2025 entered into between our Company and the Registrar in relation to the responsibilities and obligations of the Registrar to the Issue pertaining to this Issue, including in relation to the ASBA facility; |
| Renouncees | Any persons who have acquired Rights Entitlements from the Equity Shareholders through renunciation; |
| Renunciation Period | The period during which the Investors can renounce or transfer their Rights Entitlements which shall commence from the Issue Opening Date i.e. Friday, October 10, 2025. Such period shall close on Monday, October 27, 2025 in case of On Market Renunciation. Eligible Shareholders are requested to ensure that renunciation through off-market transfer is completed in such a manner that the Rights Entitlements are credited to the demat account of the Renouncee on or prior to the Issue Closing Date i.e. Friday, October 31, 2025; |
| Rights Entitlement (s)/ RES | <p>The number of Rights Shares that an Investor is entitled to in proportion to the number of Equity Shares held by the Investor on the Record Date, in this case being 7 (Seven) Equity Shares for every 9 (Nine) Equity Shares held by an Eligible Equity Shareholder;</p> <p>The Rights Entitlements with a separate ISIN 'INE526R20010' will be credited to your demat account before the date of opening of the Issue, against the Equity Shares held by the Equity Shareholders as on the Record Date, pursuant to the provisions of the SEBI (ICDR) Regulations and the SEBI Rights Issue Circular, the Rights Entitlements shall be credited in dematerialized form in respective demat accounts of the Eligible Equity Shareholders before the Issue Opening Date;</p> |
| Rights Entitlement Letter | Letter including details of Rights Entitlements of the Eligible Shareholders. The Rights Entitlements are also accessible through the ASBA and the link for the same will be available on the website of our Company; |
| Right Shares | Equity Shares of our Company to be Allotted pursuant to this Issue |

| Term | Description |
|---|---|
| Self-Certified Syndicate Banks/SCSB(s) | The banks registered with SEBI, offering services (i) in relation to ASBA (other than through UPI mechanism), a list of which is available on the website of SEBI at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=34 or https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=35 , as applicable, or such other website as updated from time to time, and (ii) in relation to ASBA (through UPI mechanism), a list of which is available on the website of SEBI at https://sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40 or such other website as updated from time to time; |
| Transfer Date | The date on which the amount held in the escrow account(s) and the amount blocked in the ASBA Account will be transferred to the Allotment Account, upon finalization of the Basis of Allotment, in consultation with the Designated Stock Exchange; |
| Wilful Defaulter or Fraudulent Borrower | A Company or person categorized as a wilful defaulter by any bank or financial institution or consortium thereof, in accordance with the guidelines on wilful defaulters issued by the RBI, including any Company whose director is categorized as such, as defined under Regulation 2 (1) (III) of the SEBI (ICDR) Regulations; |
| Working Day(s) | In terms of Regulation 2(1) (mmm) of SEBI (ICDR) Regulations, working day means all days on which commercial banks in Maharashtra are open for business. Further, in respect of Issue Period, working day means all days, excluding Saturdays, Sundays, and public holidays, on which commercial banks in Maharashtra are open for business. Furthermore, the time period between the Issue Closing Date and the listing of the Rights Shares on the Stock Exchange, working day means all trading days of the Stock Exchange, excluding Sundays and bank holidays, as per circulars issued by SEBI; |

Industry Related Terms

| Term Description | Description |
|------------------|--|
| Affordable Loans | Loans for financing affordable housing, especially in Tier 2 and Tier 3 cities. |
| AHP | Affordable Housing in Partnership |
| ALCO | Asset liability management committee |
| AUM | Assets under management |
| BLC-C/BLC-E | Beneficiary-led Individual House Construction/Enhancement |
| CAM | Credit appraisal memo |
| CC/OD | Cash credit/overdraft |
| CERSAI | Central Registry of Securitization Asset Reconstruction and Security Interest of India |
| COPS | Centralised operations |
| CIRP | Corporate Insolvency Resolution Process |

| | |
|----------------|---|
| CLM | Co-lending model |
| CLSS | Credit Linked Subsidy Scheme |
| CPC | Central processing centre |
| CRAR | Capital to risk-weighted assets ratio |
| CSO | Central Support Office |
| CTL | Corporate Term Loans |
| DSA | Direct selling associates |
| NACH | National Automated Clearing House |
| NBFC | Non-banking financial companies |
| NCD | Non-convertible debentures |
| Net Retail NPA | Represents closing balance of the Net NPA of our Retail AUM as of the last day of the relevant year or period |
| NHB | National Housing Bank |
| NIA | Negotiable Instrument Act, 1881, as amended |
| NII | Net Interest Income, which represents our total interest income less total interest expense excluding loan origination costs |
| NPA | Non-performing assets, and in relation to the RBI Master Directions, shall have the meaning ascribed to it in the RBI Master Directions |
| RMC | Risk Management Committee |
| RoAs | Return to Assets |
| ROE | Return on equity |
| TLRO | Targeted long-term repo operations |
| TSG | Technical Service Group |
| WCDL | Working capital demand loan |

ABBREVIATIONS

| Term | Description |
|------|---|
| AIF | Alternative Investment Fund as defined and registered with SEBI under the Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012 |
| AS | Accounting Standards issued by the Institute of Chartered Accountants of India |
| CAF | Common Application Form |

| Term | Description |
|-------------------------|---|
| CDSL | Central Depository Services (India) Limited |
| CFO | Chief Financial Officer |
| CIN | Corporate Identification Number |
| CIT | Commissioner of Income Tax |
| CLRA | Contract Labour (Regulation and Abolition) Act, 1970 |
| Companies Act, 2013 | Companies Act, 2013 along with rules made thereunder |
| Companies Act, 1956 | Companies Act, 1956, and the rules thereunder (without reference to the provisions thereof that have ceased to have effect upon the notification of the Notified Sections) |
| Consolidated FDI Policy | Consolidated FDI Policy dated October 15, 2020 issued by the Department for Promotion of Industry and Internal Trade, Ministry of Commerce and Industry, Government of India |
| COVID-19 | A public health emergency of international concern as declared by the World Health Organization on January 30, 2020 and a pandemic on March 11, 2020 |
| CSR | Corporate Social Responsibility |
| Depository | A depository registered with SEBI under the Securities and Exchange Board of India (Depositories and Participant) Regulations, 2018 |
| Depositories Act | The Depositories Act, 1996, including subsequent amendments thereto |
| DIN | Director Identification Number |
| DP | Depository Participant |
| DP-ID | Depository Participant's Identification |
| DR | Depository Receipts |
| EBITDA | Profit/(loss) after tax for the year adjusted for income tax expense, interest on borrowing/debts, depreciation, and amortization expense, as presented in the statement of profit and loss |
| EGM | Extraordinary General Meeting |
| EEA | European Economic Area |
| EPC Services | Engineering, Procurement, and Construction services |
| EPS | Earning per Equity Share |
| FCNR Account | Foreign Currency Non-Resident Account |
| FDI | Foreign Direct Investment |
| FEMA | Foreign Exchange Management Act, 1999 read with rules and regulations made thereunder |
| FEMA Rules | Foreign Exchange Management (Non-debt Instruments) Rules, 2019 |
| FII(s) | Foreign Institutional Investors registered with SEBI under applicable laws |
| FIPB | Foreign Investment Promotion Board |

| Term | Description |
|-----------------------------|--|
| FPIs | Foreign Portfolio Investors |
| Fugitive Economic Offender | An individual who is declared a fugitive economic offender under Section 12 of the Fugitive Economic Offenders Act, 2018 |
| FVCI | Foreign Venture Capital Investors (as defined under the Securities and Exchange Board of India (Foreign Venture Capital Investors) Regulations, 2000) registered with SEBI |
| FY/ Financial Year | Period of 12 months ended March 31 of that particular year, unless otherwise stated |
| GAAP | Generally Accepted Accounting Principles |
| GDP | Gross Domestic Product |
| GDR | Global Depository Receipt |
| GNPA | Gross Net Performing Assets |
| GoI / Government | The Government of India |
| GST | Goods and Services Tax |
| HUF | Hindu Undivided Family |
| Ind AS | Indian Accounting Standards |
| ICAI | The Institute of Chartered Accountants of India |
| ICSI | The Institute of Company Secretaries of India |
| IFRS | International Financial Reporting Standards |
| Indian GAAP/ I-GAAP | Generally Accepted Accounting Principles In India |
| Income Tax Act/ IT Act | The Income Tax Act, 1961 and amendments thereto |
| Insider Trading Regulations | Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 |
| Insolvency Code | Insolvency and Bankruptcy Code, 2016, as amended |
| INR / Rs./ Indian Rupees | Indian Rupee, the official currency of the Republic of India |
| IST | Indian Standard Time |
| IT | Information Technology |
| MCA | The Ministry of Corporate Affairs, Government of India |
| Mn / mn | Million |
| Mutual Funds | Mutual funds registered with the SEBI under the Securities and Exchange Board of India (Mutual Funds) Regulations, 1996 |
| N.A. or NA | Not Applicable |
| NAV | Net Asset Value |
| NCT | National Capital Territory, Delhi |
| NCLT | National Company Law Tribunal |
| NCLAT | National Company Law Appellate Tribunal |
| NEFT | National Electronic Fund Transfer. |
| BSE | Bombay Stock Exchange of India |
| NSE | National Stock Exchange of India |
| Net Worth | The aggregate value of the paid-up share capital and other equity as per the audited balance sheet. |
| Notified Sections | The sections of the Companies Act, 2013 that have been notified by the MCA and are currently in effect |
| NR/ Non- Resident | A person resident outside India, as defined under the FEMA and includes an NRI, FPIs registered with SEBI and FVCIs registered with SEBI |

| Term | Description |
|---|---|
| | |
| NRE | Account Non-resident external account |
| NRI | Non-resident Indian |
| NSDL | National Securities Depository Limited |
| BSE Ltd | Known as Bombay Stock Exchange of India Limited, the Indian Stock Exchange. |
| OCB | Overseas Corporate Body |
| p.a. | Per annum |
| P/E Ratio | Price/Earnings Ratio |
| PAN | Permanent account number |
| PAT | Profit after Tax |
| RBI | Reserve Bank of India |
| RBI Act | Reserve Bank of India Act, 1934 |
| RoNW | Return on Net Worth |
| SCORES | SEBI Complaints Redressal System |
| SCRA | Securities Contracts (Regulation) Act, 1956 |
| SCRR | Securities Contracts (Regulation) Rules, 1957 |
| SEBI | Securities and Exchange Board of India |
| SEBI Act | Securities and Exchange Board of India Act, 1992 |
| SEBI AIF Regulations | Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012 |
| SEBI FPI Regulations | Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2019 |
| SEBI (LODR) Regulations | Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time |
| SEBI (ICDR) Regulations | Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 and amendments thereto |
| SEBI Rights Issue Circulars / SEBI Right Issue Circulars / SEBI Rights Issue Circular | SEBI circular, bearing reference number SEBI/HO/CFD/DIL2/CIR/P/2020/13 dated January 22, 2020, bearing reference number SEBI/HO/CFD/CIR/CFD/DIL/67/2020 dated April 21, 2020, SEBI circular, bearing reference no. SEBI/HO/CFD/SSEP/CIR/P/2022/66 dated May 19, 2022 and SEBI circular, bearing reference no. SEBI/HO/CFD/CFD-PoD-1/P/CIR/2025/31 dated March 11, 2025. |
| SEBI (SAST) Regulations | Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 and amendments thereto |
| Securities Act | United States Securities Act of 1933, as amended |
| STT | Securities transaction tax |
| Trade Mark Act | Trade Marks Act, 1999 and the rules thereunder, including subsequent amendments thereto |
| VCF | Venture capital fund as defined and registered with SEBI under the Securities and Exchange Board of India (Venture Capital Fund) Regulations, 1996 or the SEBI AIF Regulations, as the case may be |

NOTICE TO INVESTORS

The distribution of the Letter of Offer, Application Form and Rights Entitlement Letter and the issue of Rights Entitlement and Rights Equity Shares to persons in certain jurisdictions outside India may be restricted by legal requirements prevailing in those jurisdictions. Persons into whose possession this Letter of Offer or Application Form may come are required to inform themselves about and observe such restrictions. Our Company is making this Issue on a rights basis to the Eligible Equity Shareholders and will dispatch through email and courier this Letter of Offer, Application Form and Rights Entitlement Letter only to Eligible Equity Shareholders who have a registered address in India or who have provided an Indian address to our Company. Further, this Letter of Offer will be provided, through email and courier, by the Registrar on behalf of our Company to the Eligible Equity Shareholders who have provided their Indian addresses to our Company or who are located in jurisdictions where the offer and sale of the Rights Equity Shares is permitted under laws of such jurisdictions and in each case who make a request in this regard. Investors can also access this Draft Letter of Offer, Letter of Offer and the Application Form from the websites of the Registrar, our Company, the Stock Exchanges, subject to the applicable law.

No action has been or will be taken to permit the Issue in any jurisdiction where action would be required for that purpose. Accordingly, the Rights Entitlements or Rights Equity Shares may not be offered or sold, directly or indirectly, and Letter of Offer or any offering materials or advertisements in connection with the Issue may not be distributed, in whole or in part, in any jurisdiction, except in accordance with legal requirements applicable in such jurisdiction. Receipt of this Letter of offer will not constitute an offer in those jurisdictions in which it would be illegal to make such an offer and, in those circumstances, this Letter of Offer and must be treated as sent for information purposes only and should not be acted upon for subscription to the Rights Equity Shares and should not be copied or redistributed. Accordingly, persons receiving a copy of this Letter of Offer or Application Form should not, in connection with the issue of the Rights Equity Shares or the Rights Entitlements, distribute or send this Letter of Offer or to any person outside India where to do so, would or might contravene local securities laws or regulations. If this Letter of Offer or Application Form is received by any person in any such jurisdiction, or by their agent or nominee, they must not seek to subscribe to the Rights Equity Shares or the Rights Entitlements referred to in this Letter of Offer or the Application Form.

Any person who makes an application to acquire the Rights Entitlements or the Rights Equity Shares offered in the Issue will be deemed to have declared, represented, warranted and agreed that such person is authorised to acquire the Rights Entitlements or the Rights Equity Shares in compliance with all applicable laws and regulations prevailing in his jurisdiction. Our Company, the Registrar or any other person acting on behalf of our Company reserves the right to treat any Application Form as invalid where they believe that Application Form is incomplete or acceptance of such Application Form may infringe applicable legal or regulatory requirements and we shall not be bound to allot or issue any Rights Equity Shares or Rights Entitlement in respect of any such Application Form.

Neither the delivery of this Letter of Offer, Application Form and Rights Entitlement Letter nor any sale hereunder, shall, under any circumstances, create any implication that there has been no change in our Company's affairs from the date hereof or the date of such information or that the information contained herein is correct as at any time subsequent to the date of this Letter of Offer and the Application Form and Rights Entitlement Letter or the date of such information.

THE CONTENTS OF THIS LETTER OF OFFER SHOULD NOT BE CONSTRUED AS LEGAL, TAX OR INVESTMENT ADVICE. PROSPECTIVE INVESTORS MAY BE SUBJECT TO ADVERSE FOREIGN, STATE OR LOCAL TAX OR LEGAL CONSEQUENCES AS A RESULT OF THE OFFER RIGHTS OF EQUITY SHARES OR RIGHTS ENTITLEMENTS. ACCORDINGLY, EACH INVESTOR SHOULD CONSULT THEIR OWN COUNSEL, BUSINESS ADVISOR AND TAX ADVISOR AS TO THE LEGAL, BUSINESS, TAX AND RELATED MATTERS CONCERNING THE OFFER OF EQUITY SHARES. IN ADDITION, OUR COMPANY IS NOT MAKING ANY REPRESENTATION TO ANY OFFEREE OR PURCHASER OF THE EQUITY SHARES REGARDING THE LEGALITY OF AN INVESTMENT IN THE EQUITY SHARES BY SUCH OFFEREE OR PURCHASER UNDER ANY APPLICABLE LAWS OR REGULATIONS.

NO OFFER IN THE UNITED STATES

The Rights Entitlements and the Rights Equity Shares have not been and will not be registered under the Securities Act or the securities laws of any state of the United States and may not be offered or sold in the United States of America or the territories or possessions thereof ("United States"), except in a transaction not subject to, or exempt

from, the registration requirements of the Securities Act and applicable state securities laws. The offering to which this Letter of Offer relates is not, and under no circumstances is to be construed as, an offering of any Rights Equity Shares or Rights Entitlement for sale in the United States or as a solicitation therein of an offer to buy any of the Rights Equity Shares or Rights Entitlement. There is no intention to register any portion of the Issue or any of the securities described herein in the United States or to conduct a public offering of securities in the United States. Accordingly, this Letter of Offer / and the enclosed Application Form and Rights Entitlement Letters should not be forwarded to or transmitted in or into the United States at any time. In addition, until the expiry of 40 days after the commencement of the Issue, an offer or sale of Rights Entitlements or Rights Equity Shares within the United States by a dealer (whether or not it is participating in the Issue) may violate the registration requirements of the Securities Act.

Neither our Company nor any person acting on our behalf will accept a subscription or renunciation from any person, or the agent of any person, who appears to be, or who our Company or any person acting on our behalf has reason to believe is in the United States when the buy order is made. Envelopes containing an Application Form and Rights Entitlement Letter should not be postmarked in the United States or otherwise dispatched from the United States or any other jurisdiction where it would be illegal to make an offer, and all persons subscribing for the Rights Equity Shares Issue and wishing to hold such Equity Shares in registered form must provide an address for registration of these Equity Shares in India. Our Company is making the Issue on a rights basis to Eligible Equity Shareholders and this Letter of Offer / and Application Form and Rights Entitlement.

Letter will be dispatched only to Eligible Equity Shareholders who have an Indian address. Any person who acquires Rights Entitlements and the Rights Equity Shares will be deemed to have declared, represented, warranted and agreed that, (i) it is not and that at the time of subscribing for such Rights Equity Shares or the Rights Entitlements, it will not be, in the United States, and (ii) it is authorized to acquire the Rights Entitlements and the Rights Equity Shares in compliance with all applicable laws and regulations.

Our Company reserves the right to treat any Application Form as invalid which: (i) does not include the certification set out in the Application Form to the effect that the subscriber is authorised to acquire the Rights Equity Shares or Rights Entitlement in compliance with all applicable laws and regulations; (ii) appears to us or our agents to have been executed in or dispatched from the United States; (iii) where a registered Indian address is not provided; or (iv) where our Company believes that Application Form is incomplete or acceptance of such Application Form may infringe applicable legal or regulatory requirements; and our Company shall not be bound to allot or issue any Rights Equity Shares or Rights Entitlement in respect of any such Application Form.

Rights Entitlements may not be transferred or sold to any person in the United States.

THIS DOCUMENT IS SOLELY FOR THE USE OF THE PERSON WHO RECEIVED IT FROM OUR COMPANY OR FROM THE REGISTRAR. THIS DOCUMENT IS NOT TO BE REPRODUCED OR DISTRIBUTED TO ANY OTHER PERSON.

PRESENTATION OF FINANCIAL INFORMATION AND USE OF MARKET DATA

CERTAIN CONVENTIONS

Unless otherwise specified or the context otherwise requires, all references to “India” contained in this Letter of Offer are to the Republic of India and the “Government” or “GoI” or the “Central Government” or the “State Government” are to the Government of India, Central or State, as applicable.

Unless otherwise specified or the context otherwise requires, all references in this Letter of Offer to the “US” or “U.S.” or the “United States” are to the United States of America and its territories and possessions.

Unless otherwise specified, all references in this Letter of offer are in Indian Standard Time. Unless indicated otherwise, all references to a year in this Letter of offer are to a Financial year.

A reference to the singular also refers to the plural and one gender also refers to any other gender, wherever applicable.

Unless stated otherwise, all references to page numbers in this Letter of Offer are to the page numbers of this Letter of Offer.

FINANCIAL DATA

Unless stated or the context requires otherwise, our financial data included in this Letter of Offer is derived from the Audited Financial Statements of our Company as of and for the financial year ended March 31, 2025

We have prepared our Audited Financial Statements of our Company as of and for the financial year ended March 31, 2025 in accordance with Indian Accounting Standard (Ind AS), Companies Act, and other applicable statutory and / or regulatory requirements. Our Company publishes its financial statements in Indian Rupees.

For details of the Audited Financial Statements for the financial year ended March 31, 2025 please refer to the section titled “*Financial Statements*” beginning on page 64 of this Letter of offer.

Our Company’s Financial Year commences on April 1 of the immediately preceding calendar year and ends on March 31 of that particular calendar year. Accordingly, all references to a particular Financial Year or Fiscal, unless stated otherwise, are to the 12 months period ending on March 31 of that particular calendar year.

In this Letter of offer, any discrepancies in any table between the total and the sums of the amounts listed are due to rounding off, and unless otherwise specified, all financial numbers in parenthesis represent negative figures.

CURRENCY OF PRESENTATION

All references in this Letter of offer to ‘Rupees’, ‘Rs.’, ‘Indian Rupees’ and ‘INR’ are to Rupees, the official currency of the Republic of India.

All references to ‘U.S. \$’, ‘U.S. Dollar’, ‘USD’ or ‘\$’ are to United States Dollars, the official currency of the United States of America.

Please Note:

One lakh is equal to 100 thousand;
One crore is equal to 10 million/100 lakhs;
One million is equal to 1,000,000/10 lakhs;
One billion is equal to 1,000 million/100 crores;

INDUSTRY AND MARKET DATA

Unless stated otherwise, industry data used throughout this Letter of Offer has been obtained or derived from industry and government publications, publicly available information and sources. Industry publications generally state that the information contained in those publications has been obtained from sources believed to be reliable but that their

accuracy and completeness are not guaranteed, and their reliability cannot be assured. Although our Company believes that industry data used in this Letter of offer is reliable, it has not been independently verified.

The industry data used in this Letter of offer has not been independently verified by our Company or any of their affiliates or advisors. Such data involves risks, uncertainties and numerous assumptions and is subject to change based on various factors and cannot be verified with certainty due to limits on the availability and reliability of the raw data and other limitations and uncertainties inherent in any statistical survey.

The extent to which market and industry data used in this Letter of offer is meaningful depends on the reader's familiarity with and understanding of methodologies used in compiling such data. There are no standard data gathering methodologies in the industry in which our business is conducted, and methodologies and assumptions may vary widely among different industry sources. Such data involves risks, uncertainties and numerous assumptions and is subject to change based on various factors, including those discussed in "*Risk Factors*" on page 25 of this Letter of offer. Accordingly, investment decisions should not be based solely on such information.

CONVERSION RATES FOR FOREIGN CURRENCY

This Letter of offer contains conversions of certain other currency amounts into Indian Rupees that have been presented solely to comply with the SEBI (ICDR) Regulations. These conversions should not be construed as a representation that these currency amounts could have been, or can be converted into Indian Rupees, at any particular rate or at all.

The following table sets forth, for the periods indicated, information with respect to the exchange rate between the Indian Rupee and other foreign currencies:

| Name of Currency | (Amt. in Rs.) | | |
|------------------|---------------|------------|------------|
| | 31-03-2025 | 31-03-2024 | 31-03-2023 |
| 1 U.S. Dollar | 85.58 | 83.32 | 82.23 |
| 1 EUR | 92.32 | 90.22 | 89.61 |
| 1 GBP | 110.74 | 105.29 | 101.87 |

Source: www.fbil.org.in

FORWARD LOOKING STATEMENTS

We have included statements in this Letter of offer which contain words or phrases such as ‘will’, ‘may’, ‘aim’, ‘is likely to result’, ‘believe’, ‘expect’, ‘continue’, ‘anticipate’, ‘estimate’, ‘intend’, ‘plan’, ‘contemplate’, ‘seek to’, ‘future’, ‘objective’, ‘goal’, ‘project’, ‘should’, ‘pursue’ and similar expressions or variations of such expressions, that are ‘forward looking statements’.

Further, actual results may differ materially from those suggested by the forward-looking statements due to risks or uncertainties or assumptions associated with the expectations with respect to, but not limited to, regulatory changes pertaining to the industry in which our Company operates and our ability to respond to them, our ability to successfully implement our strategy, our growth and expansion, technological changes, our exposure to market risks, general economic and political conditions which have an impact on our business activities or investments, the monetary and fiscal policies of India, inflation, deflation, unanticipated turbulence in interest rates, foreign exchange rates, equity prices or other rates or prices, the performance of the financial markets in India and globally, changes in domestic laws, regulations and taxes, changes in competition in its industry and incidents of any natural calamities and/or acts of violence. Important factors that could cause actual results to differ materially from our Company’s expectations include, but are not limited to the following:

- any disruption in our sources of funding could adversely affect our liquidity;
- any adverse developments in the industries we operate in financing industry could adversely affect our business and results of operations;
- inability to compete effectively in an increasingly competitive industry may adversely affect our net interest margins, income and market share;
- risk of non-payment or default by borrowers;
- operations are technology-dependent, and any cyberattacks, failures, material weaknesses in internal controls, or security breaches in our IT systems could adversely affect our business;
- volatility in interest rates for both our lending and treasury operations, which could cause our net interest income to decline and adversely affect our return on assets and profitability;
- inability to recover the full value of collateral or amounts outstanding under defaulted loans in a timely manner or at all; and
- regulated under the RBI guidelines on liquidity risk management and may face asset-liability mismatches which could affect our liquidity.

For a further discussion of factors that could cause the actual results to differ, please refer to the section titled ‘**Risk Factors**’ beginning on page 25 of this Letter of Offer. By their nature, certain market risk disclosures are only estimates and could materially different from what actually occurs in the future. As a result, actual future gains or losses could materially differ from those that have been estimated and are not a guarantee of future performance. Our Company or advisors does not have any obligation to update or otherwise revise any statements reflecting circumstances arising after the date hereof or to reflect the occurrence of underlying events, even if the underlying assumptions do not come to fruition. In accordance with SEBI & BSE requirements, our Company shall ensure that Investors in India are informed of material developments until the time of the grant of listing and trading permission by the BSE.

SECTION II – SUMMARY OF THE LETTER OF OFFER

The following is a general summary of certain disclosures included in this Letter of Offer and is neither exhaustive, nor does it purport to contain a summary of all the disclosures in this Letter of Offer or all details relevant to prospective Investors. This summary should be read in conjunction with and is qualified by, the more detailed information appearing in this Letter of offer, including the sections titled **‘Risk Factors’**, **‘Objects of the Issue’**, **‘Business Overview’** and **‘Outstanding Litigations, Defaults and Material Developments’** beginning on pages 25, 43, 56 and 75 of this Letter of offer, respectively.

SUMMARY OF OUR BUSINESS

Our company was originally incorporated as Private Limited Company under the Companies Act, 1956 as “Akme Buildhome Private Limited” vide certificate of incorporation dated March 21, 2005 issued by Registrar of Companies, Jaipur. Subsequently, our Company changed its name from “Akme Buildhome Private Limited” to “Akme Star Housing Finance Private Limited”, vide a fresh Certificate of Incorporation dated October 23, 2009, issued by Registrar of Companies, Rajasthan. Further, on conversion of our company from private limited company to public limited company, our Company changed its name from “Akme Star Housing Finance Private Limited” to “Akme Star Housing Finance Limited”, vide a fresh Certificate of Incorporation dated November 13, 2009, issued by Registrar of Companies, Rajasthan. Subsequently, our Company changed its name from “Akme Star Housing Finance Limited” to “Star Housing Finance Limited”, vide a fresh Certificate of Incorporation dated May 10, 2021, issued by Registrar of Companies, Jaipur. Further, the company changes its Registered office from State of Jaipur to Maharashtra vide a fresh Certificate of Incorporation dated February 3, 2022, issued by Registrar of Companies, Mumbai. The company got listed on SME Platform of BSE Limited on March 20, 2015 and then Migrated to Main Board of BSE Limited in July, 2017. The ISIN of the Company is INE526R01028.

The Company was originally incorporated in March 2005 with the objective of undertaking real estate development, land management, and a wide range of construction services. Its activities included the acquisition, development, and maintenance of properties, as well as the execution of residential, commercial, and infrastructure projects both in India and overseas.

Subsequently, the Company amended its object clause to undertake housing finance activities. In 2009, it obtained registration from the National Housing Bank (NHB) to operate as a Housing Finance Company, thereby marking its formal entry into the housing finance sector. The company primarily engages in housing finance, specifically offering retail home loans in the affordable housing segment. It targets first-time home buyers in the Economically Weaker Sections (EWS) and Low-Income Groups (LIG), focusing its operations in semi-urban and rural geographies. The loans disbursed qualify under the Priority Sector Lending (PSL) norms as per RBI guidelines, and the financed units may meet the eligibility criteria under the PMAY scheme. Star Housing Finance is present in multiple states including Maharashtra, Madhya Pradesh, Rajasthan, Gujarat, Tamil Nadu, and the National Capital Region (NCR), with its headquarters located in Mumbai, Maharashtra. The company has 48 points of presence, including 35 physical branches, and a manpower strength of over 266 employees. It has been a consistently profit-making enterprise over the years. The company holds a credit rating of BBB / Stable, awarded by CARE Ratings and India Ratings.

SUMMARY OF OUR INDUSTRY

HOUSING FINANCE BUSINESS

India’s housing finance market is projected to double in the next five years, reaching Rs. 81,00,000 crore (US\$ 928 billion) from the current Rs. 33,00,000 crore (US\$ 378 billion), according to a report by CARE Ratings. The growth is expected to be driven by robust structural factors, favourable government incentives, and rising ticket sizes. The report highlights that between 2021-22 and 2023-24, banks recorded a compound annual growth rate (CAGR) of 17% in the housing loan segment, while housing finance companies (HFCs) grew at 12%.

As of March 2024, banks dominate the housing loan market with a 74.5% share, aided by cost advantages, widespread reach, and portfolio acquisitions. HFCs maintain a stable market share of 19%, with their loan portfolio expanding by 13.2% in 2023-24 to Rs. 9,60,000 crore (US\$ 110.02 billion). The report estimates that HFCs will witness an annual growth of 12.7% in 2024-25 and 13.5% in 2025-26, with the retail segment driving expansion. A shift towards higher-ticket loans is evident, aligning with the premiumisation trend in India’s residential real estate market.

For further details, please refer to the section titled ‘Industry Overview’ at page 51.

OBJECTS OF THE ISSUE

The details of Issue Proceeds are set forth in the following table:

| Particulars | Amount (In Cr.) |
|---|-----------------|
| Gross Proceeds from the Issue#* | Upto 98.27 |
| Gross: Estimated Issue related Expenses | 1.50 |
| Net Proceeds from the Issue | 96.77 |

assuming full subscription and allotment

*The Issue size will not exceed Rs. 98,26,62,464 (Rupees Ninety Eight Crore Twenty Six Lakhs Sixty Two Thousand Four Hundred Sixty Four Only) If there is any reduction in the amount on account of or at the time of finalization of Issue Price and Rights Entitlements Ratio, the same will be adjusted against general corporate purposes.

The intended use of the Net Proceeds of the Issue by our Company is set forth in the following table:

| Sr. No. | Particulars | Amount (In Cr.) |
|---------|---|-----------------|
| 1. | Augmenting the long-term capital and resources for meeting funding requirements for our Company’s business activities | 75.07 |
| 2. | General Corporate Purposes# | 21.70 |
| | Total Net Proceeds | 96.77 |

#To be finalized on determination of the Issue Price and updated in the Letter of Offer prior to filing with the Stock Exchanges.

The amount utilised for general corporate purposes shall not exceed 25% of the Gross Proceeds of the Issue.

For further details, please refer to the chapter titled ‘Objects of the Issue’ beginning on page 43 of this Letter of offer.

OUR PROMOTERS & PROMOTER GROUP

The Promoters of our Company are Anil Kumar Jain, Abhilasha Jain, Nirmal Kumar Jain and Kalu Lal Jain.

The Promter Group of our Company are Pushpa Nagda , Ashish Jain, Kailash Jain, Kavish Jain, Surbhi Jain, Dipesh Jain, Vimal Jain, Ravindra Jain, Vinita Sureshkumar Jain, Jenisha Jain, Shilpa Jain, Manju Devi Jain, Kavish Jain (HUF), Ashish Jain HUF, Anil Kumar Jain HUF, Mohan Lal Nagda HUF, Nirmal Kumar Jain HUF, Manak Chand Jain, Leeladevi Jain, Shantilal Jain, Kanta Jain, Yashpal Velchand Jain, Jamak Lal Jain, Aarsh Fincon Limited, Akme Build Estate Limited, Akme Automobiles Private Limited, The Coronation Castles Private Limited, Akme Fintrade(India) Limited.

Anil Kumar Jain, Kailash Jain, Vimal Jain, Aarsh Fincon Limited, Ravindra Jain, Shilpa Jain, Anil Kumar Jain HUF and Kanta Jain have made a request to the company for the reclassification of their shareholding from the “Promoter and Promoter Group” category to the “Public” category in accordance with Regulation 31A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The request is currently under process.

INTENTION AND EXTENT OF PARTICIPATION BY OUR PROMOTERS AND PROMOTER GROUP WITH RESPECT TO (I) THEIR RIGHTS ENTITLEMENT, (II) THEIR INTENTION TO SUBSCRIBE OVER AND ABOVE THEIR RIGHTS ENTITLEMENT; AND (III) THEIR INTENTION TO RENOUNCE THEIR RIGHTS, TO ANY SPECIFIC INVESTOR(S).

Our Promoters vide their letters dated September 12, 2025 (the “Subscription Letters”) have agreed that they may/may not (a) subscribe to the full extent of their Rights Entitlements in the Issue in accordance with the minimum public shareholding norms prescribed under the SEBI Listing Regulations, and (b) subscribe to additional Equity Shares, if any, as well as to any unsubscribed portion in the Issue up to the total Issue Size subject to meeting

requirements under the SEBI Takeover Regulations. Accordingly, our Promoter may/may not renounce their Rights Entitlement in the issue in favour of any Specific Investor(s).

Further, the under-subscribed portion of the Issue may be allotted to any specific investor(s) recognized by the Company. Name(s) of the specific investor(s), if any, shall be disclosed in a public advertisement two days prior to the Issue Opening Date.

Our Company is in compliance with Regulation 38 of the SEBI Listing Regulations and will continue to comply with the minimum public shareholding requirements pursuant to the Issue.

Such subscription for Equity Shares over and above their Rights Entitlement, if allotted, may result in an increase in their percentage shareholding. Any such acquisition of additional Rights Equity Shares (including any unsubscribed portion of the Issue) is exempt in terms of Regulation 10 (4) (b) of the Takeover Regulations as conditions mentioned therein have been fulfilled and shall not result in a change of control of the management of our Company in accordance with provisions of the Takeover Regulations.

FINANCIAL INFORMATION

The following table sets forth the summary financial information derived from the Audited Financial Statements, for Financial Years and quarter ended March 31, 2025, March 31, 2024, March 31, 2023, March 31, 2022 prepared in accordance with Ind (AS) and the Companies Act, 2013.

(Rs. in Lakhs)

| Particulars | Standalone Financial Statements for the Financial Year ending | | | |
|---------------------------|---|----------------|----------------|----------------|
| | March 31, 2025 | March 31, 2024 | March 31, 2023 | March 31, 2022 |
| Equity Share Capital | 3,948.20 | 3,936.03 | 3,857.91 | 1,658.22 |
| Net Worth | 14,387.07 | 13,301.46 | 10,641.88 | 6409.85 |
| Total Income | 9,496.27 | 6,163.55 | 3,724.31 | 1,936.54 |
| Profit / (loss) after tax | 1,109.91 | 888.33 | 697.99 | 62.22 |
| Basic EPS | 1.41 | 1.14 | 0.97 | 0.10 |
| Diluted EPS | 1.40 | 1.11 | 0.93 | 0.10 |
| Total borrowings | 40,381.23 | 32,029.93 | 16,249.99 | 7,847.79 |

Qualifications of the Auditors

There are no qualifications, reservations and adverse remarks made by our Statutory Auditors in their report which requires any adjustment to audited financial statements of the Company for the FY 2024-25.

OUTSTANDING LITIGATIONS

| Nature of cases | Number of cases | Amount involved (Rs.) |
|--|-----------------|-----------------------|
| Litigations involving our Company | | |
| Litigation Involving Actions by Statutory/Regulatory Authorities | NIL | NIL |
| Litigation involving Tax Liabilities | NIL | NIL |

| Nature of cases | Number of cases | Amount involved (Rs.) |
|---|-----------------|-----------------------|
| Proceedings involving issues of moral turpitude or criminal liability on the part of our Company | NIL | NIL |
| Proceedings involving Material Violations of Statutory Regulations by our Company | NIL | NIL |
| Matters involving economic offences where proceedings have been initiated against our Company | NIL | NIL |
| Other proceedings involving our Company which involve an amount exceeding the Materiality Threshold or are otherwise material in terms of the Materiality Policy, and other pending matters which, if they result in an adverse outcome would materially and adversely affect the operations or the financial position of our Company | NIL | NIL |
| Litigations files by our Company | | |
| Matters involving economic offences where proceedings have been initiated against our Company | NIL | NIL |
| Litigation involving our Directors | NIL | NIL |
| Litigation involving our Group Companies | NIL | NIL |

For further details, please refer to section titled '*Outstanding Litigations, Defaults and Material Developments*' beginning on page 75 of this Letter of offer.

RISK FACTORS

For details of potential risks associated with our ongoing business activities and industry, investment in Equity Shares, material litigations which impact the business of the Company and other economic factors, please refer to the section titled '*Risk Factors*' beginning on page 25 of this Letter of offer.

CONTINGENT LIABILITIES

For details of the contingent liabilities, as reported in the Financial Statements, please refer to the section titled '*Financial Statements*' beginning on page 64 of this Letter of offer

RELATED PARTY TRANSACTIONS

For details of the related party transactions, as reported in the Financial Statements, please refer to the section titled '*Financial Statements*' beginning on page 64 of this Letter of offer.

FINANCING ARRANGEMENTS

There are no financing arrangements wherein the Directors of our Company and their relatives, have financed the purchase by any other person of securities of our Company other than in the normal course of the business of the financing entity during the period of six months immediately preceding the date of the Letter of offer

ISSUE OF EQUITY SHARES FOR CONSIDERATION OTHER THAN CASH IN THE LAST ONE YEAR

Our Company has not issued any Equity Shares for consideration other than cash during the last 1 (One) year immediately preceding the date of filing this Letter of offer.

SECTION II – RISK FACTORS

An investment in equity shares involves a high degree of risk. Prospective Investors should carefully consider all the information disclosed in this Letter of offer, including the risks and uncertainties described below and the “Financial Statements” on page 64 before making an investment in the Equity Shares. The risks described below are not the only risks relevant to us or the Equity Shares or the industries in which we currently operate. Additional risks and uncertainties, not presently known to us or that we currently deem immaterial may also impair our business, cash flows, prospects, results of operations and financial condition. In order to obtain a complete understanding about us, investors should read this section in conjunction with “Our Business”, “Industry Overview” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” on pages 56, 51 and 67, respectively, as well as the other financial information included in this Letter of offer. If any of the risks described below, or other risks that are not currently known or are currently deemed immaterial actually occur, our business, cash flows, prospects, results of operations and financial condition could be adversely affected, the trading price of the Equity Shares could decline, and investors may lose all or part of the value of their investment. The financial and other related implications of the risk factors, wherever quantifiable, have been disclosed in the risk factors mentioned below.

However, there are certain risk factors where the financial impact is not quantifiable and, therefore, cannot be disclosed in such risk factors. You should consult your tax, financial and legal advisors about the particular consequences to you of an investment in this Issue. The following factors have been considered for determining the materiality: (1) some events may not be material individually but may be found material collectively; (2) some events may have material impact qualitatively instead of quantitatively; and (3) some events may not be material at present but may have material impact in future.

This Letter of offer also contains forward-looking statements that involve risks and uncertainties. Our actual results could differ materially from those anticipated in these forward-looking statements as a result of certain factors, including the considerations described below and elsewhere in this Letter of offer. Any potential investor in, and purchaser of, the Equity Shares should pay particular attention to the fact that our Company is an Indian company and is subject to a legal and regulatory environment which, in some respects, may be different from that which prevails in other countries. For further information, see “Forward Looking Statements” on page 20.

Unless otherwise indicated or the context requires otherwise, the financial information included herein is based on our Audited Financial Statements included in this Letter of offer. For further information, see “Financial Statements” on page 64. In this section, unless the context otherwise requires, a reference to “our Company” on a standalone basis.

1. We are affected by volatility in interest rates for both our lending and treasury operations, which could cause our net interest income to decline and adversely affect our return on assets and profitability.

A significant component of our total income is the interest and fee income we receive from the secured and unsecured loans we disburse, which comprised 86.04% and 90.62% of our total income for Fiscals 2025 and 2024, respectively. Interest rates are highly sensitive to many factors beyond our control, including the monetary policies of RBI, deregulation of the financial sector in India, domestic and international economic and political conditions and other factors, which have historically generated a relatively high degree of volatility in interest rates in India. Moreover, if there is an increase in the interest rates we pay on our borrowings that we are unable to pass to our customers, we may find it difficult to compete with our competitors, who may have access to low-cost funds. Further, to the extent our borrowings are linked to market interest rates, we may have to pay interest at a higher rate during rising rate scenario than competitors that borrow only at fixed interest rates.

2. The risk of non-payment or default by borrowers may adversely affect our financial condition and results of operations.

A significant pool of our customers are primarily in the rural and semi-urban markets of India and without formal credit histories. Such customers typically have less financial wherewithal and may be particularly susceptible to adverse macro-economic conditions. We expect that the size of our gross loans and advances will grow as a result of our expansion strategy, which will expose us to an increased risk of defaults. This, as well as any deterioration in the financial condition of our borrowers, may result in an increase in our NPAs. Any such increase may adversely affect our credit ratings and increase our borrowing costs, which in turn may affect our interest margins, business and results of operations.

3. Our operations are technology-dependent, and any cyberattacks, failures, material weaknesses in internal controls, or security breaches in our IT systems could adversely affect our business.

Our operations depend on our ability to process a large number of transactions on a daily basis across our network of offices, most of which are connected through computer systems and servers to our head office. Our financial, accounting or other data processing systems may fail to operate adequately or become disabled as a result of events that are beyond our control, including a disruption of electrical or communications services, particularly in the rural and semi-urban markets in which we primarily operate. Our business is particularly susceptible to such disruptions because of our reliance on technology platforms and tools and the higher cost of installation and implementation of technology in the rural and semi-urban markets. Our ability to operate and remain competitive will depend in part on our ability to maintain and upgrade our information technology systems on a timely and cost-effective basis. The information available to and received by our management through our existing systems may not be timely and sufficient to manage risks or to plan for and respond to changes in market conditions and other developments in our operations. We may experience difficulties in upgrading, developing and expanding our systems quickly enough to accommodate our growing customer base and range of products. Further, any technology failure or slowdown could result in data loss or operational delays, which, in turn, could have a substantial impact on our business and financial statements.

4. A portion of our collections from customers is in cash, exposing us to certain operational risks.

A portion of our collections from our customers is in cash. Large cash collections expose us to the risk of theft, fraud, misappropriation or unauthorized transactions by employees responsible for dealing with such cash collections. These risks are exacerbated by the high levels of responsibility we delegate to our employees and the geographically dispersed nature of our network. We primarily cater to customers in rural and semi-urban markets, which carry additional risks due to limitations on infrastructure and technology.

5. We have experienced negative cash flows in the past. Any such negative cash flows in the future could adversely affect our business, results of operations and prospects.

The following table sets forth our cash flow for the periods indicated:

| Particulars | (Rs. In Lakhs) | | | |
|------------------------------------|---|---|---|---|
| | For the Financial year ended March 31, 2025 | For the Financial year ended March 31, 2024 | For the Financial year ended March 31, 2023 | For the Financial year ended March 31, 2022 |
| Net Cash from Operating Activities | (6525.18) | (12,899.60) | (11,102.91) | (628.95) |
| Net cash from Financing Activities | 8,452.16 | 17,620.39 | 12,009.30 | 2,241.44 |

Cash flow of a company is a key indicator to show the extent of cash generated from operations to meet its capital expenditure, pay dividends, repay loans, and make new investments without raising finance from external resources. Such negative cash flows lead to a net decrease in cash and cash equivalents. Any negative cash flow in future could adversely affect our operations and financial conditions and the trading price of our Equity Shares.

6. We face difficulties and incur additional expenses in operating in rural and semi-urban markets, where infrastructure may be limited.

We cater primarily to customers in rural and semi-urban markets, which may have limited infrastructure, particularly for transportation and electricity. At offices in remote markets, we may face difficulties in conducting operations, such as accessing power facilities, transporting people and equipment, and implementing technology measures. We may also face increased costs in conducting our business and operations and implementing security measures. We cannot

assure you that such costs will not increase in the future as we expand our network in rural and semi urban markets, which could adversely affect our profitability.

7. *Any disruption in our sources of funding could adversely affect our liquidity and financial condition.*

The liquidity and profitability of our business depend, in large part, on our timely access to, and the costs associated with, raising funds. Our funding requirements historically have been met from various sources, including equity funding, secured and unsecured loans etc. Our business thus depends and will continue to depend on our ability to access a variety of funding sources. Our ability to raise funds on acceptable terms and at competitive rates depends on various factors including global and local macroeconomic conditions, our current and future results of operations and financial condition, our risk management policies, the shareholding of our Promoter in our Company, our credit ratings, India's sovereign credit rating, our brand equity and the regulatory environment and policy initiatives in India. Changes in economic, regulatory and financial conditions or any lack of liquidity in the market could adversely affect our ability to access funds at competitive rates, which could adversely affect our liquidity and financial condition.

8. *Inaccurate appraisal of credit may adversely impact our business.*

We may be affected by failure of our employees to comply with our internal procedures requiring extensive appraisal of credit or financial worth of our clients. Failure or inaccurate appraisal of credit or financial worth of our clients by our employees may allow a loan sanction, which may eventually result in a bad debt on our books of accounts. In the event, we are unable to check the risks arising out of such lapses, it may have an adverse effect on our business and results of operations.

9. *Our inability to assess, monitor and manage risks inherent in our business may have an adverse effect on our business and results of operations.*

The effectiveness of our risk monitoring and management is limited by the quality, timeliness and availability of data required for the assessment of the risks such as, information regarding market, customers and proposed policy changes. Such data may not be accurate or complete in all the cases thereby affecting our ability to access, monitor and manage risks. Our hedging strategies and other risk management techniques may not be fully effective in mitigating all the types of risks that we may face. Largely, our risk management is based on the study of historical market behavior and as a result these studies may not predict the future risks exposures. Our risk management policies therefore may not adequately address unidentified or unanticipated risks in all cases. Any inadequacy in the timely assessment and mitigation of risks may have an adverse effect on our business and results of operations.

10. *Our success depends largely upon the services of our Executive Directors and other key managerial personnel and our ability to attract and retain them.*

We are dependent on our **Executive** Director and Key Managerial Personnel for setting our strategic direction and managing our businesses. Our Company has over past years-built relations with clients and other persons who are connected with us. Accordingly, our Company's performance is dependent upon the services of our **Executive** Director, and other key managerial personnel. Our future performance will depend upon the continued services of these persons. Demand for key managerial personnel in the industry is intense and our inability to attract and retain key managerial personnel may affect the operations of our Company.

11. *Our inability to compete effectively in an increasingly competitive industry may adversely affect our net interest margins, income and market share.*

We provide loans primarily to customers residing in rural and semi-urban markets. Our primary competitors have been private unorganized lenders who typically operate in rural and semi-urban markets. However, as banks, other NBFCs and housing finance companies continue to expand their operations in rural and semi-urban markets, we face competition from such entities, some of which may have superior technology platforms, more resources, access to cheaper funding, expanded reach in rural and semi-urban markets and may have a better understanding of and relationships with customers in these markets. This may make it easier for competitors to expand and to achieve economies of scale to a greater extent. In addition, our competitors may be able to rely on the reach of the retail presence of their affiliated group companies or banks. Competition has also increased as a result of interest rate deregulation and other liberalization measures affecting the vehicle financing and housing finance sectors and we expect competition to intensify in the future.

12. Governmental and statutory regulations, including the imposition of an interest-rate ceiling, may adversely affect our operating results and financial position.

As a NBFC, we are subject to regulation by Government authorities, including RBI. RBI, however, has not established a ceiling on the rate of interest that can be charged by NBFCs in the asset finance sector. Currently, RBI requires that the board of directors of each NBFCs adopts an interest rate model that considers relevant factors such as the cost of funds, margin and risk premium.

While the RBI has not set interest rate ceiling caps, in the event we are required to register under any state money lending laws, there may be interest rate ceiling caps and other restrictions on operations of our business. Further, we have also received such notices in some states in the past. If any regulatory authority or court imposes any penalty against us or our directors or our officers including for prior non-compliance with respect to state money lending laws, our business, results of operations and financial condition may be adversely affected.

13. As the securities of our Company are listed on Stock Exchanges in India, our Company is subject to certain obligations and reporting requirements under the SEBI Listing Regulations.

Any non-compliances/delay in complying with such obligations and reporting requirements may render us liable to prosecution and/or penalties. The Equity Shares of our Company are listed on BSE Limited; therefore we are subject to the obligations and reporting requirements prescribed under the SEBI Listing Regulations.

Our Company endeavors to comply with all such obligations/reporting requirements, there may be nondisclosures/delayed/erroneous disclosures and/or any other violations which might have been committed by us, and the same may result into Stock Exchanges and/or SEBI imposing penalties, issuing warnings and show cause notices against us and/or taking actions as provided under the SEBI Act and Rules and Regulations made there under and applicable SEBI Circulars. Any such adverse regulatory action or development could affect our business reputation, divert management attention, and result in a material adverse effect on our business prospects and financial performance and on the trading price of the Equity Shares. As on the Date of Filing of DLOF, there is no pending prosecution and/or penalties from the exchange.

14. We have in the past entered into related party transactions and may continue to do so in the future.

We have entered into related party transactions with our Promoter Groups, Directors, Key Managerial Personnel, shareholders having substantial interest, KMP of shareholders having substantial interest and entity having significant influence in shareholders having substantial interest. While all such related party transactions are conducted on an arms' length basis in accordance with the Companies Act, 2013 and other applicable regulations and law, there can be no assurance that we could not have achieved more favorable terms had such transactions not been entered into with the related parties. Furthermore, it is likely that we enter into related party transactions in future. There can be no assurance that such transactions, individually or in aggregate, will not have an adverse effect on our financial condition and results of operations. For further details, please refer to the Financial Information of our Company on page 64 of the Letter of offer.

15. Our business is based on the trust and confidence of our customers; any damage to that trust and confidence may materially and adversely affect our business, future financial performance and results of operations.

We are dedicated to earning and maintaining the trust and confidence of our customers and we believe that the good reputation is essential to our business. The reputation of our Company could be adversely affected by any threatened and/or legal proceedings and/or any negative publicity or news articles in connection with our Company. As such, any damage to our reputation could substantially impair our ability to maintain or grow our business. If we fail to maintain brand recognition with our target customers due to any issues with our product offerings, a deterioration in service quality, or otherwise, declines our market perception and customer acceptance of our brands may also decline.

16. Our insurance coverage may not adequately protect us against losses.

We maintain insurance coverage that we believe is adequate for our operations. Our insurance policies, however, may not provide adequate coverage in certain circumstances, and are subject to certain deductibles, exclusions and limits on coverage. We cannot assure you that the terms of our insurance policies will be adequate to cover any damage or loss suffered by us, or that such coverage will continue to be available on reasonable terms, or will be available in sufficient amounts to cover one or more large claims, or that the insurer will not disclaim coverage as

to any future claim. A successful assertion of one or more large claims against us that exceeds our available insurance coverage or changes in our insurance policies, including premium increases or the imposition of a larger deductible or co-insurance requirement, could adversely affect our business, results of operations and financial condition.

17. *Our funding requirements and proposed deployment of the Net Proceeds are based on management estimates and have not been independently appraised and may be subject to change based on various factors, some of which are beyond our control.*

Our funding requirements and proposed deployment of the Net Proceeds are based on management estimates and have not been independently appraised and may be subject to change based on various factors, some of which are beyond our control. Our funding requirements and deployment of the Net Proceeds are based on internal management estimates based on current market conditions, and have not been appraised by any bank or financial institution or other independent agency. Further, in the absence of such independent appraisal, our funding requirements may be subject to change based on various factors which are beyond our control. For details, see “*Objects of the Issue*” on page 43. However, the deployment of the Gross Proceeds will be monitored by the Monitoring Agency, CARE Ratings Limited.

18. *We do not own our Registered Office from which we operate.*

We do not own the premises on which our Registered Office is situated. Our Company has taken the registered office on lease & license basis. If the owner of the premises revokes the arrangements under which we occupy the premises or imposes terms and conditions that are unfavorable to us, we may suffer a disruption in our operations or have to pay increased rent, which could have a material adverse effect on our business, prospects, results of operations and financial condition.

19. *Our failure to detect money laundering and other illegal activities promptly and effectively could expose us to additional liabilities and harm our business and reputation.*

We are required to comply with anti-money laundering (AML), counter-terrorism financing, and other relevant regulations in India. In the course of our operations, we face the risk of failing to adhere to prescribed KYC procedures and detect fraud or money laundering by dishonest customers. While we have established internal policies, processes, and controls to prevent and identify AML activities and ensure KYC compliance, we cannot guarantee full control over potential violations. Any failure to detect such activities promptly could lead to regulatory actions, including fines and penalties, which may negatively impact our business and reputation.

ISSUE SPECIFIC FACTORS

1. *Failure to exercise or sell the Rights Entitlements will cause the Rights Entitlements to lapse without compensation and result in a dilution of shareholding.*

The Rights Entitlements that are not exercised prior to the end of the Issue Closing Date will expire and become null and void, and Eligible Shareholders will not receive any consideration for them. The proportionate ownership and voting interest in our Company of Eligible Shareholders who fail (or are not able) to exercise their Rights Entitlements will be diluted. Even if you elect to sell your unexercised Rights Entitlements, the consideration you receive for them may not be sufficient to fully compensate you for dilution of your percentage ownership of the equity share capital of our Company that may be caused as a result of the Issue. Renouncees may not be able to apply in case of failure in completion of renunciation through off-market transfer in such a manner that the Rights Entitlements are credited to the demat account of the Renouncees prior to the Issue Closing Date. Further, in case, the Rights Entitlements do not get credited in time, in case of On Market Renunciation, such Renouncee will not be able to apply in this Issue with respect to such Rights Entitlements.

2. *SEBI has recently, by way of Rights Issue Circulars streamlined the process of rights issues. You should follow the instructions carefully, as stated in such SEBI circulars and in this Letter of offer.*

The concept of crediting Rights Entitlements into the demat accounts of the Eligible Shareholders has recently been introduced by the SEBI. Accordingly, the process for such Rights Entitlements has been recently devised by capital market intermediaries. Eligible Shareholders are encouraged to exercise caution, carefully follow the requirements as stated in the SEBI Rights Issue Circulars and ensure completion of all necessary steps in relation to providing/updating their demat account details in a timely manner. For details, see ‘*Terms of the Issue*’ on page 85 of this Letter of offer.

In accordance with Regulation 77A of the SEBI (ICDR) Regulations read with the SEBI Rights Issue Circular, the credit of Rights Entitlements and Allotment of Rights Shares shall be made in dematerialized form only. Prior to the Issue Opening Date, our Company shall credit the Rights Entitlements to (i) the demat accounts of the Eligible Shareholders holding the Equity Shares in dematerialised form; and (ii) a demat suspense escrow account (namely being M/S. STAR HOUSING FINANCE LIMITED-RIGHTS ISSUE ESCROW ENTITLEMENT DEMAT ACCOUNT) opened by our Company, for the Eligible Shareholders which would comprise Rights Entitlements relating to:

- (a) Equity Shares held in a demat suspense account pursuant to Regulation 39 of the SEBI (LODR) Regulations; or
 - (b) Equity Shares held in the account of IEPF authority; or
 - (c) The demat accounts of the Eligible Equity Shareholder which are frozen or suspended for debit or credit or details of which are unavailable with our Company or with the Registrar on the Record Date; or
 - (d) Equity Shares held by Eligible Equity Shareholders holding Equity Shares in the physical form on the Record Date the details of demat accounts are not provided by Eligible Equity Shareholders to our Company or Registrar; or
 - (e) Credit of the Rights Entitlements returned/reversed/failed; or
 - (f) The ownership of the Equity Shares currently under dispute, including any court proceedings.
3. ***You may be subject to Indian taxes arising out of capital gains on the sale of the Right Shares and Rights Entitlement.***

Under current Indian tax laws, unless specifically exempted, capital gains arising from the sale of equity shares of an Indian Company are generally taxable in India. Accordingly, you may be subject to payment of long-term capital gains tax in India, in addition to payment of STT, on the sale of any Equity Shares held for more than 12 months. STT will be levied on and collected by a domestic stock exchange on which the Equity Shares are sold. Further, any gain realized on the sale of listed equity shares held for a period of 12 (Twelve) months or less will be subject to short-term capital gains tax in India. Capital gains arising from the sale of the Equity Shares may be partially or completely exempt from taxation in India in cases where such exemption is provided under a treaty between India and the country of which the seller is a resident. Generally, Indian tax treaties do not limit India's ability to impose tax on capital gains. As a result, residents of other countries may be liable for tax in India as well as in their own jurisdiction on gains made upon the sale of the Equity Shares.

Further, the Finance Act, 2019, which has been notified with effect from April 01, 2019, stipulates the sale, transfer and issue of securities through exchanges, depositories or otherwise to be charged with stamp duty. The Finance Act has also clarified that, in the absence of a specific provision under an agreement, the liability to pay stamp duty in case of sale of securities through stock exchanges will be on the buyer, while in other cases of transfer for consideration through a depository, and the onus will be on the transferor. The stamp duty for transfer of securities other than debentures, on a delivery basis is specified at 0.015% and on a non-delivery basis is specified at 0.003% of the consideration amount. These amendments have been notified on December 10, 2019 and have come into effect from July 01, 2020.

The Finance Act, 2020 has also provided a number of amendments to the direct and indirect tax regime, including, without limitation, a simplified alternate direct tax regime and that dividend distribution tax will not be payable in respect of dividends declared, distributed or paid by a domestic company after March 31, 2020, and accordingly, such dividends would not be exempt in the hands of the shareholders, both resident as well as non-resident.

4. ***Investors will be subject to market risks until our Equity Shares credited to the investor's demat account are listed and permitted to trade.***

Investors can start trading our Equity Shares Allotted to them only after they have been credited to an investor's demat account, are listed and permitted to trade. Since our Equity Shares are currently traded on the Stock Exchanges, investors will be subject to market risk from the date they pay for our Equity Shares to the date when trading approval is granted for the same. Further, there can be no assurance that our Equity Shares allocated to an investor will be credited to the investor's demat account or that trading in such Equity Shares will commence in a timely manner.

5. ***There is no guarantee that our Equity Shares will be listed in a timely manner or at all which may adversely affect the trading price of our Equity Shares.***

In accordance with Indian law and practice, final approval for listing and trading of the Equity Shares will not be granted by BSE until after those Equity Shares have been issued and allotted. Approval will require all relevant documents authorizing the issuing of Equity Shares to be submitted. There could be a failure or delay in listing the Equity Shares on BSE. Any failure or delay in obtaining the approval would restrict your ability to dispose of your Equity Shares. Further, historical trading prices, therefore, may not be indicative of the prices at which the Equity Shares will trade in the future which may adversely impact the ability of our shareholders to sell the Equity Shares or the price at which shareholders may be able to sell their Equity Shares at that point of time.

6. ***Holders of Equity Shares could be restricted in their ability to exercise pre-emptive rights under Indian law and could thereby suffer future dilution of their ownership position.***

Under the Companies Act, any Company incorporated in India must offer its holders of equity shares pre-emptive rights to subscribe and pay for a proportionate number of shares to maintain their existing ownership percentages prior to the issuance of any new equity shares, unless the pre-emptive rights have been waived by the adoption of a special resolution by holders of three-fourths of the shares voted on such resolution, unless our Company has obtained government approval to issue without such rights. However, if the law of the jurisdiction that you are in does not permit the exercise of such pre-emptive rights without us filing an offering document or registration statement with the applicable authority in such jurisdiction, you will be unable to exercise such pre-emptive rights unless we make such a filing. We may elect not to file a registration statement in relation to pre-emptive rights otherwise available by Indian law to you. To the extent that you are unable to exercise pre-emptive rights granted in respect of the Equity Shares, your proportional interests in us would be reduced.

7. ***Fluctuation in the exchange rate between the Indian Rupee and foreign currencies may adversely affect the value of our Equity Shares, independent of our operating results.***

On listing, our Equity Shares will be quoted in Rupees on the Stock Exchange. Any dividends in respect of our Equity Shares will also be paid in Rupees and subsequently converted into the relevant foreign currency for repatriation, if required. Any adverse movement in currency exchange rates during the time that it takes to undertake such conversion may reduce the net dividend to foreign investors. In addition, any adverse movement in currency exchange rates during a delay in repatriating outside India the proceeds from a sale of Equity Shares, for example, because of a delay in regulatory approvals that may be required for the sale of Equity Shares may reduce the proceeds received by equity shareholders. For example, the exchange rate between the Rupee and the U.S. dollar has fluctuated substantially in recent years and may continue to fluctuate substantially in the future, which may adversely affect the trading price of our Equity Shares and returns on our Equity Shares, independent of our operating results.

8. ***Applicants to this Issue are not allowed to withdraw their Applications after the Issue Closing Date.***

In terms of the SEBI (ICDR) Regulations, the Applicants in this Issue are not allowed to withdraw their Applications after the Issue Closing Date. The Allotment in this Issue and the credit of such Rights Equity Shares to the Applicant's demat account with its depository participant shall be completed within such period as prescribed under applicable laws. There is no assurance, however, that material adverse changes in the international or national monetary, financial, political, or economic conditions or other events in the nature of force majeure, material adverse changes in our business, results of operation or financial condition, or other events affecting the Applicant's decision to invest in the Rights Equity Shares, would not arise between the Issue Closing Date and the date of Allotment in this Issue. Occurrence of any such events after the Issue Closing Date could also impact the market price of our Equity Shares. The Applicants shall not have the right to withdraw their applications in the event of any such occurrence. We cannot assure you that the market price of our Equity Shares will not decline below the Issue Price. To the extent the market price for the Equity Shares declines below the Issue Price after the Issue Closing Date, the shareholder will be required to purchase the Rights Equity Shares at a price that will be higher than the actual market price of the Equity Shares at that time. Should that occur, the shareholder will suffer an immediate unrealised loss as a result. We may complete the Allotment even if such events may limit the Applicant's ability to sell our Equity Shares after this Issue or cause the trading price of our Equity Shares to decline.

9. ***Any future issue of Equity Shares may dilute your shareholding and sales of our Equity Shares by our major shareholders may adversely affect the trading price of the Equity Shares.***

Any future equity issues by us, including in a primary offering, may lead to the dilution of investors' shareholdings in us. Any future equity issuances by us or sales of its Equity Shares by the major shareholders may adversely affect the trading price of the Equity Shares. In addition, any perception by investors that such issuances or sales might occur could also affect the trading price of our Equity Shares.

10. ***Rights of shareholders under Indian laws may be more limited than under the laws of other jurisdictions.***

Indian legal principles related to corporate procedures, directors' fiduciary duties and liabilities, and shareholders' rights may differ from those that would apply to a Company in another jurisdiction. Shareholders' rights including in relation to class actions, under Indian law may not be as extensive as shareholders' rights under the laws of other countries or jurisdictions. Investors may have more difficulty in asserting their rights as shareholder in an Indian Company than as shareholder of a corporation in another jurisdiction.

11. ***There are restrictions on daily movements in the price of the Equity Shares, which may adversely affect a shareholder's ability to sell, or the price at which it can sell, Equity Shares at a particular point in time.***

Following the Issue, we will be subject to a daily "circuit breaker" imposed by BSE, which does not allow transactions beyond specified increases or decreases in the price of the Equity Shares. This circuit breaker operates independently of the index-based, market-wide circuit breakers generally imposed by SEBI on Indian stock exchanges. The percentage limit on our circuit breakers will be set by the stock exchanges based on the historical volatility in the price and trading volume of the Equity Shares. The BSE may not inform us of the percentage limit of the circuit breaker in effect from time to time and may change it without our knowledge. This circuit breaker will limit the upward and downward movements in the price of the Equity Shares. As a result of this circuit breaker, no assurance can be given regarding your ability to sell your Equity Shares or the price at which you may be able to sell your Equity Shares at any particular time.

Furthermore, prior trading prices may not be indicative of future trading values for the Rights Equity Shares. A stock exchange may halt secondary market trading in our Equity Shares due to market conditions or other reasons. Furthermore, an exchange or market may close or issue trading halts on specific securities, or the ability to buy or sell certain securities or financial instruments may be restricted, all of which may have an adverse impact on our Shareholders' ability to sell their Equity Shares or the price at which Shareholders may be able to sell their Equity Shares at any given time.

EXTERNAL RISK FACTORS

1. Any downturn in the macroeconomic environment in India could adversely affect our business, results of operations, cash flows and financial condition.

India is our key market. For Fiscal 2025, entire of our Company's revenue from operations was from India. In addition, an increase in India's trade deficit, a downgrading in India's sovereign debt rating or a decline in India's foreign exchange reserves could increase interest rates and adversely affect liquidity, which could adversely affect the Indian economy and our business, results of operations, cash flows and financial condition.

2. Changing laws, rules and regulations and legal uncertainties, including adverse application of tax laws, in the jurisdictions in which we operate may adversely affect our business and results of operations.

Our business is subject to various laws and regulations, which are evolving and subject to change. We are also subject to corporate, taxation and other laws in effect in India, which require continued monitoring and compliance. These laws and regulations and the way in which they are implemented and enforced may change. There can be no assurance that future legislative or regulatory changes will not have any adverse effect on our business, results of operations, cash flows and financial condition.

3. Natural disasters, fires, epidemics, pandemics, acts of war, terrorist attacks, civil unrest and other events could materially and adversely affect our business.

Natural disasters (such as typhoons, flooding and earthquakes), epidemics, pandemics such as, acts of war, terrorist attacks and other events, many of which are beyond our control, may lead to economic instability, including in India, or globally, which may in turn materially and adversely affect our business, financial condition and results of operations. Our operations may be adversely affected by fires, natural disasters and/or severe weather, which can result in damage to our property or inventory and generally reduce our productivity and may require us to evacuate personnel and suspend operations.

4. Significant differences exist between Ind AS and Indian GAAP and other accounting principles, such as IFRS and US GAAP, which may be material to investors' assessments of our financial condition, result of operations and cash flows.

Our financial statements for Fiscals 2019, 2018 and 2017 included in this offer documents are prepared and presented in conformity with Indian GAAP and restated in accordance with the requirements the SEBI (ICDR) Regulations and the Guidance Note on "Reports in Company Offer Documents (Revised 2016)" issued by the ICAI. Ind AS differs from Indian GAAP and other accounting principles with which prospective investors may be familiar in other countries, such as IFRS and U.S. GAAP. Accordingly, the degree to which the Financial Statements included in this Offer Documents will provide meaningful information is entirely dependent on the reader's level of familiarity with Indian accounting practices.

5. The extent and reliability of Indian infrastructure could adversely affect our Company's results of operations and financial condition. India's physical infrastructure is in a developing phase, as compared to that of many developed nations.

Any congestion or disruption in its port, rail and road networks, electricity grid, communication systems or any other public facility could disrupt our Company's normal business activity. Any deterioration of India's physical infrastructure would harm the national economy, disrupt the transportation of goods and supplies, and add costs to doing business in India. These problems could have an adverse effect on our results of operations and financial condition.

6. Foreign investors are subject to foreign investment restrictions under Indian law that limits our ability to attract foreign investors, which may adversely impact the market price of the Equity Shares.

Under the foreign exchange regulations currently in force in India, transfers of shares between non-residents and residents are freely permitted (subject to certain exceptions) if they comply with the pricing guidelines and reporting requirements specified by the RBI. If the transfer of shares, which are sought to be transferred, is not in compliance with such pricing guidelines or reporting requirements or fall under any of the exceptions referred to above, then the prior approval of the RBI will be required. Additionally, shareholders who seek to convert the Rupee proceeds from a sale of shares in India into foreign currency and repatriate that foreign currency from India will require a no objection/tax clearance certificate from the income tax authority. There can be no assurance that any approval required from the RBI or any other government agency can be obtained on any particular terms or at all.

SECTION III – INTRODUCTION

THE ISSUE

This Issue has been authorised by way of a resolution passed by our Board of Directors on September 12, 2025, in pursuance of Section 62 of the Companies Act, 2013 and other applicable provisions. The terms of the Issue including the Record Date and Rights Entitlement Ratio have been determined by Rights Issue Committee formed by the Board of Directors at their meeting held on September 24, 2025.

The following is a summary of the Issue, which should be read in conjunction with, and is qualified in its entirety by, more detailed information in '*Terms of the Issue*' on page 85 of this Letter of offer.

| | |
|--|--|
| Equity Shares outstanding prior to the Issue | 7,89,63,948 Equity Shares; |
| Right Shares offered in the Issue | 6,14,16,404 Equity Shares ; |
| Equity Shares outstanding after the Issue (assuming full subscription for and allotment of the Rights Entitlement) | 14,03,80,352 Equity Shares; |
| Rights Entitlement | 7 Equity Shares for every 9 Equity Shares held on the Record Date; |
| Record Date | Tuesday, September 30, 2025 |
| Fractional Entitlement | For Equity Shares being offered on a rights basis under the Issue, if the shareholding of any of the Eligible Equity Shareholders is less than 9 (Nine) Equity Shares or is not in multiples of 9 (Nine), the fractional entitlement of such Eligible Equity Shareholders shall be ignored for computation of the Rights Entitlement. However, Eligible Equity Shareholders whose fractional entitlements are being ignored earlier will be given preference in the Allotment of one additional Equity Share each, if such Eligible Equity Shareholders have applied for additional Equity Shares over and above their Rights Entitlement, if any. |
| Face Value per Equity Share | Rs. 5.00/- (Rupee Five Only) each; |
| Issue Price per Equity Share | Rs. 16.00/- (Rupees Sixteen Only) including a premium of Rs. 11.00/- (Rupees Eleven Only) per Rights Equity Share |
| Issue Size | Rs. 98,26,62,464/- (Rupees Ninety Eight Crore Twenty Six Lakhs Sixty Two Thousand Four Hundred Sixty Four Only) |
| Terms of the Issue | Please refer to the section titled ' <i>Terms of the Issue</i> ' beginning on page 85 of this Letter of offer. |
| Use of Issue Proceeds | Please refer to the section titled ' <i>Objects of the Issue</i> ' beginning on page 43 of this Letter of offer. |
| Security Code/ Scrip Details | ISIN: INE526R01028; BSE Scrip ID: STARHFL and BSE Scrip Code: 539017; ISIN for Rights Entitlements: INE526R20010 |

**For Rights Shares being offered on a rights basis under this Issue, if the shareholding of any of the Eligible Shareholders is less than Nine Equity Shares or is not in multiples of Nine, the fractional entitlement of such Eligible Shareholders shall be ignored for computation of the Rights Entitlements. However, Eligible Shareholders whose fractional entitlements are being ignored earlier will be given preference in the Allotment of 1 (One) additional Rights Equity Share each, if such Eligible Shareholders have applied for additional Right Shares over and above their Rights Entitlements;*

TERMS OF PAYMENT

The entire amount of the Issue Price of Rs. 16.00/- per Rights Equity Share shall be payable at the time of Application.

ISSUE SCHEDULE

| | |
|--|--------------------------|
| Issue Opening Date | Friday, October 10, 2025 |
| Last date for On Market Renunciation of Rights | Monday, October 27, 2025 |
| Issue Closing Date | Friday, October 31, 2025 |

GENERAL INFORMATION

Our company was originally incorporated as Private Limited Company under the Companies Act, 1956 as “Akme Buildhome Private Limited” vide certificate of incorporation dated March 21, 2005 issued by Registrar of Companies, Jaipur. Subsequently, our Company changed its name from “Akme Buildhome Private Limited” to “Akme Star Housing Finance Private Limited”, vide a fresh Certificate of Incorporation dated October 23, 2009, issued by Registrar of Companies, Rajasthan. Further, on conversion of our company from private limited company to public limited company, our Company changed its name from “Akme Star Housing Finance Private Limited” to “Akme Star Housing Finance Limited”, vide a fresh Certificate of Incorporation dated November 13, 2009, issued by Registrar of Companies, Rajasthan. Subsequently, our Company changed its name from “Akme Star Housing Finance Limited” to “Star Housing Finance Limited”, vide a fresh Certificate of Incorporation dated May 10, 2021, issued by Registrar of Companies, Jaipur. Further, the company changes its Registered office from State of Jaipur to Maharashtra vide a fresh Certificate of Incorporation dated February 03, 2022, issued by Registrar of Companies, Mumbai. The company got listed on SME Platform of BSE Limited on March 20, 2015 and then Migrated to Main Board of BSE Limited in July, 2017. The ISIN of the Company is INE526R01028.

Present Registered Office: 603, Western Edge I, Above Metro Cash & Carry, Borivali East, Mumbai 400066.

Tel: +91 8828036610; Website: www.starhfl.com, E-mail: info@starhfl.com.

Contact Person: Mr. Nachiketa Purohit, Company Secretary. Our Company is listed on the BSE Limited (BSE) bearing Symbol ‘STARHFL’. The ISIN of our company is INE526R01028.

The Company was originally incorporated in March 2005 with the objective of undertaking real estate development, land management, and a wide range of construction services. Its activities included the acquisition, development, and maintenance of properties, as well as the execution of residential, commercial, and infrastructure projects both in India and overseas.

Subsequently, the Company amended its object clause to undertake housing finance activities. In 2009, it obtained registration from the National Housing Bank (NHB) to operate as a Housing Finance Company, thereby marking its formal entry into the housing finance sector. The company primarily engages in housing finance, specifically offering retail home loans in the affordable housing segment. It targets first-time home buyers in the Economically Weaker Sections (EWS) and Low-Income Groups (LIG), focusing its operations in semi-urban and rural geographies. The loans disbursed qualify under the Priority Sector Lending (PSL) norms as per RBI guidelines, and the financed units may meet the eligibility criteria under the PMAY scheme. Star Housing Finance is present in multiple states including Maharashtra, Madhya Pradesh, Rajasthan, Gujarat, Tamil Nadu, and the National Capital Region (NCR), with its headquarters located in Mumbai, Maharashtra. The company has 48 points of presence, including 35 physical branches, and a manpower strength of over 266 employees. It has been a consistently profit-making enterprise over the years. The company holds a credit rating of BBB / Stable, awarded by CARE Ratings and India Ratings.

REGISTERED OFFICE AND CORPORATE OFFICE OF OUR COMPANY

| | |
|--|--|
| Company | STAR HOUSING FINANCE LIMITED; |
| Registered Office Address | 603, Western Edge I, Above Metro Cash & Carry, Borivali East, Mumbai 400066. |
| Contact Details | +91 8828036610 |
| Email-ID | info@starhfl.com |
| Website | www.starhfl.com |
| Corporate Identification Number | L45201MH2005PLC376046 |
| Registration Number | 376046 |

ADDRESS OF THE REGISTRAR OF COMPANIES

Registrar of Companies, Mumbai,

100, Everest, Marine Drive, Netaji Subhash Chandra Bose Rd, Dhus wadi,

Churchgate, Mumbai, Maharashtra 400002

BOARD OF DIRECTORS

| Name | Designation | DIN | Address |
|----------------------------|------------------------------------|----------|--|
| Mr. Kalpesh Rajendra Dave | Executive Director & CEO | 08221964 | A/503, Riddhi Apt., Shimpoli Road, Opp. Soni Park, Chikuwadi, Borivali West, Mumbai- 400092 |
| Mr. Amlendra Prasad Saxena | Non-Executive Independent Director | 06964564 | D-12, Sector 52 Noida, Gautam Budha Nagar 201301 |
| Mr. Ajith Kumar Lakshmanan | Non-Executive Independent Director | 09724549 | House No.3, Ajaya Nivas, Nanthan Nagar, Nanthencode, Thiruvananthapuram, Kerala-695003 |
| Mr. Pradip Kumar Das | Non-Executive Independent Director | 06593113 | Tulsi Mangalam CHS, Flat No. E 401, Plot No. 51, Sector 12, Kharghar, Navi Mumbai, Raigarh, Maharashtra 410210 |
| Mrs. Neelam Tater | Non-Executive Independent Director | 07653773 | C-502, S P Ring Road, Near Zydus Corporate Park, Khoraj, Ahmedabad, Gujarat 382481 |

For further details of our Board of Directors, please refer to the section titled '*Our Management*' beginning on page 61 of this Letter of offer.

| Company Secretary | Banker to the Issue |
|--|---|
| Mr. Nachiketa Purohit Address: 603, Western Edge 1, Above Metro Cash & Carry, Borivali East, Mumbai - 400066; Contact Details: +91 8828036610; Email-ID: compliance@starhfl.com | Axis Bank Limited Address: Thakur Polytechnic College 90 Feet Road Thakur Complex Western Express Highway Kandivali East Mumbai - 400101 Contact Details: +91 9702815496 Contact Person: Rakesh Nandlal Sharma Email ID: Rakesh15.Sharma@axisbank.com |
| Registrar to the Issue/ Registrar and Share Transfer Agent | Banker to our Company |
| Bigshare Services Private Limited Office No S6-2, 6th floor Pinnacle Business Park, Next to Ahura Centre, Mahakali Caves Road, Andheri (East) Mumbai - 400093, India.. Tel No.: +91 22 6263 8200 Email: rightsissue@bigshareonline.com Website: www.bigshareonline.com Investor Grievance Email: investor@bigshareonline.com Contact Person: Mr. Suraj Gupta SEBI Registration No.: INR000001385 Validity of Registration: Permanent | State Bank of India Address: Commercial Branch Jaipur (31781) 1st Floor, Sun 'n' Moon Chambers, Linking Road, Ajmer Puliya, Gopalbari, Jaipur-302001 Contact Details: +91 8879849689 Contact Person: Manoj Kochar Email ID: rm1.31781@sbi.co.in |
| STATUTORY & PEER REVIEW AUDITOR | |
| M/s Nyati Mundra & Co. Chartered Accountants Address: 52, Ashok Nagar. Udaipur (Raj) - 313001 Contact Name: CA Rupesh Pachori (Partner) Membership No. 427929 Firm Regn No. 008153C | |

STATEMENT OF INTER-SE ALLOCATION OF RESPONSIBILITIES

Star Housing Finance Limited will be responsible for all the responsibilities related to co-ordination and other activities in relation to this Issue. Hence a statement of inter-se allocation of responsibilities is not required.

SELF-CERTIFIED SYNDICATE BANKS

The list of banks that have been notified by SEBI to act as SCSBs for the ASBA process is provided at the website of the SEBI <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=34> and updated from time to time. For details on Designated Branches of SCSBs collecting the Application Forms and ASBA Forms, refer to the website of the SEBI <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=34>. On Allotment, the amount will be unblocked and the account will be debited only to the extent required to pay for the Rights Shares Allotted.

CONTACT PERSON FOR GRIEVANCES RELATING TO ISSUE RELATED MATTER

Investors may contact the Registrar or the Company Secretary of our Company for any pre-Issue or post-Issue related matter. All grievances relating to the ASBA process may be addressed to the Registrar, with a copy to the SCSBs (in case of ASBA process), giving full details such as name, address of the Applicant, contact number(s), E-mail address of the sole/ first holder, folio number or demat account number, number of Rights Shares applied for, amount blocked (in case of ASBA process), ASBA Account number, and the Designated Branch of the SCSBs where the Application Form or the plain paper application, as the case may be, was submitted by the Investors along with a photocopy of the acknowledgement slip (in case of ASBA process). For details on the ASBA process, please refer to the section titled '*Terms of the Issue*' beginning on page 85 of this Letter of offer.

EXPERT

Except as stated below, our Company has not obtained any expert opinion:

Our Company has received a written consent from our Statutory Auditors, M/s Nyati Mundra & Co., Chartered Accountants, to include their name in this Letter of offer and as an 'expert', as defined under Section 2 (38) of the Companies Act, 2013, to the extent and in their capacity as statutory auditors of our Company and in respect of the inclusion of the Audited Financial Statements and the statement of special tax benefits dated September 24, 2025, included in this Letter of offer, and such consent has not been withdrawn as of the date of this Letter of offer.

ISSUE SCHEDULE

The subscription will open upon the commencement of the banking hours and will close upon the close of banking hours on the dates mentioned below:

| | |
|---|----------------------------|
| Last Date for credit of Rights Entitlements | Friday, October 03, 2025 |
| Issue Opening Date | Friday, October 10, 2025 |
| Last Date for On Market Renunciation of Rights Entitlements# | Monday, October 27, 2025 |
| Issue Closing Date* | Friday, October 31, 2025 |
| Finalization of Basis of Allotment (on or about) | Monday, November 03, 2025 |
| Date of Allotment (on or about) | Monday, November 03, 2025 |
| Date of credit (on or about) | Tuesday, November 04, 2025 |
| Date of listing (on or about) | Tuesday, November 04, 2025 |

Note:

#Eligible Shareholders are requested to ensure that renunciation through off-market transfer is completed in such a manner that the Rights Entitlements are credited to the demat account of the Renouncees on or prior to the Issue Closing Date;

**Our Board will have the right to extend the Issue Period as it may determine from time to time but not exceeding 30 (Thirty) days from the Issue Opening Date (inclusive of the Issue Opening Date). Further, no withdrawal of Application shall be permitted by any Applicant after the Issue Closing Date.*

Please note that if Eligible Equity Shareholders holding Equity Shares who have not provided the details of their demat accounts to our Company or to the Registrar to the Issue, they are required to provide their demat account details to our Company or the Registrar to the Offer not later than 2 (Two) Working Days prior to the Issue Closing Date, i.e., Friday, October 31, 2025 to enable the credit of the Rights Entitlements by way of transfer from the demat suspense escrow account to their respective demat accounts, at least 1 (One) day before the Issue Closing Date, i.e. Friday, October 31, 2025.

Investors are advised to ensure that the Applications are submitted on or before the Issue Closing Date. Our Company or the Registrar to the Issue will not be liable for any loss on account of non-submission of Applications on or before the Issue Closing Date. Further, it is also encouraged that the Applications are submitted well in advance before the Issue Closing Date. For details on submitting Application Forms, please refer to the section titled “*Terms of the Issue*” beginning on page 85 of this Letter of offer.

The details of the Rights Entitlements with respect to each Eligible Equity Shareholders can be accessed by such respective Eligible Equity Shareholders on the website of the Registrar to the Issue after keying in their respective details along with other security control measures implemented there. For further details, please refer to the paragraph titled see “*Credit of Rights Entitlements in demat accounts of Eligible Equity Shareholders*” under the section titled “*Terms of the Issue*” beginning on page 85 of this Letter of offer.

Please note that if no Application is made by the Eligible Equity Shareholders of Rights Entitlements on or before Issue Closing Date, such Rights Entitlements shall get lapsed and shall be extinguished after the Issue Closing Date. No Equity Shares for such lapsed Rights Entitlements will be credited, even if such Rights Entitlements were purchased from market and purchaser will lose the premium paid to acquire the Rights Entitlements. Persons who are credited the Rights Entitlements are required to make an application to apply for Equity Shares offered under Rights Issue for subscribing to the Equity Shares offered under this Issue.

DEBENTURE TRUSTEE

As this proposed Issue is of Rights Shares, the appointment of debenture trustee is not required.

MONITORING AGENCY

Our Company has appointed CARE Ratings Limited to monitor the utilization of the Gross Proceeds in terms of Regulation 82 of the SEBI (ICDR) Regulations.

CARE Ratings Limited

4th Floor, Godrej Coliseum
Somaiya Hospital Road, Off Eastern Express Highway
Sion (East), Mumbai 400 022
Maharashtra, India
Tel: +91 22 6754 3456
Contact Person: Nitin Kumar Dalmia
E-mail: nitin.dalmia@careedge.in
Website: <https://www.careratings.com/>

APPRAISING ENTITY

None of the purposes for which the Net Proceeds are proposed to be utilized have been financially appraised by any banks or financial institution or any other independent agency.

UNDERWRITING

This Issue is not underwritten, and our Company has not entered into any underwriting arrangement.

FILING

This Letter of offer is being filed with the Stock Exchanges and SEBI as per the provisions of the SEBI (ICDR) Regulations. Further, Our Company will simultaneously while filing this Letter of offer with the Designated Stock Exchange, do an online filing with SEBI through the SEBI Intermediary Portal at www.sipotal.sebi.gov.in, in accordance with SEBI ICDR Master Circular.

MINIMUM SUBSCRIPTION

In accordance with Regulation 86 of SEBI (ICDR) Regulations, the requirement of Minimum Subscription is applicable to the company. If our Company does not receive the minimum subscription of 90% of the Issue Size, or the subscription level falls below 90% of the Issue Size, after the Issue Closing Date on account of withdrawal of applications, our Company shall refund the entire subscription amount received within 4 days from the Issue Closing Date. In the event that there is a delay in making refund of the subscription amount by more than four days after our Company becomes liable to pay subscription amount or such other period as prescribed by applicable laws, our Company shall pay interest for the delayed period at rate prescribed under applicable laws. The above is subject to the terms mentioned under “Terms of the Issue” on page 85 of this Letter of offer.

Further, the under-subscribed portion of the Issue may be allotted to any specific investor(s) recognized by the Company. Name(s) of the specific investor(s), if any, shall be disclosed in a public advertisement two days prior to the Issue Opening Date.

CAPITAL STRUCTURE

The capital structure of our Company and related information as on date of this Letter of offer, prior to and after the proposed Issue is set forth below:

Proposed Issue is set forth below:

| Particulars | Aggregate Nominal Value | Aggregate Value at Issue Price |
|--|-------------------------|--------------------------------|
| Authorized Equity Share capital | | |
| 10,00,00,000 (Ten Crore Equity Shares) | Rs.50,00,00,000/- | - |
| Issued, subscribed and paid-up Equity Share capital before this Issue | | |
| 7,89,63,948 (Seven Crore Eighty Nine Lakh Sixty Three Thousand Nine Hundred Forty Eight Equity Shares) | Rs.39,48,19,740/- | - |
| Present Issue in terms of this Letter of offer | | |
| Issue of 6,14,16,404 (Six Crore Fourteen Lakh Sixteen Thousand Four Hundred Four) Equity Shares, each at a premium of Rs.11.00/- (Rupees Eleven Only) per Equity Share, at an Issue Price of Rs.16.00/- (Rupees Sixteen Only) per Equity Share | Rs. 30,70,82,020/- | Rs.98,26,62,464/- |
| Issued, subscribed and paid-up Equity Share capital after the Issue | | |
| 14,03,80,352 (Fourteen Crore Three Lakh Eighty Thousand Three Hundred Fifty Two) Equity Shares | Rs.70,19,01,760/- | |
| Subscribed and paid-up Equity Share capital | | |
| 14,03,80,352 (Fourteen Crore Three Lakh Eighty Thousand Three Hundred Fifty Two) Equity Shares | Rs.70,19,01,760 /- | |
| Securities premium account | | |
| Before the Issue ^(c) | Rs.42,34,38,695 /- | |
| After the Issue ^(d) | Rs.1,09,90,19,139/- | |

Notes:

The Authorized Shares Capital of the Company is Rs. 125,00,00,000 (One Hundred Twenty Five Crores Rupees Only) divided into 25,00,00,000 (Twenty Five Crore) Equity Shares of 5/- (Rupee Five only) each, with the rights, privileges and conditions attached thereto as are provided by the Articles of Association of the Company for the time being with power to increase and reduce the Capital of the Company and to divide the Shares in the Capital for the time being into several classes and to attach thereto respectively such preferential, deferred, qualified or special rights and to vary, modify or abrogate any such rights, privileges or conditions in such manner as may be provided by the Articles of Association of the Company.

Remark- The Company have undertaken the business of increasing its authorised share capital for consideration at the Annual General Meeting(AGM) held on September 26, 2025. The proposal sought to increase the authorised share capital from ₹50,00,00,000 (Rupees Fifty Crore only), comprising 10,00,00,000 equity shares of ₹5 each, to ₹1,25,00,00,000 (Rupees One Hundred Twenty-Five Crore only), comprising 25,00,00,000 equity shares of ₹5 each, by creating an additional 15,00,00,000(Fifteen Crore Only) equity shares of ₹5 each.

- (a) **Assuming full subscription for allotment of Right Shares;**
The present Issue has been authorized by our Board of Directors pursuant to the resolution passed in their meeting conducted on September 12, 2025.
- (b) *Subject to finalization of Basis of Allotment, Allotment and deduction of Issue expenses;*

NOTES TO THE CAPITAL STRUCTURE

- The Equity Shares of our Company are fully paid-up and there are no partly paid-up Equity Shares as on the date of this Letter of offer;
- At any given time, there shall be only one denomination of the Equity Shares. Our Company shall comply with such disclosure and accounting norms as may be specified by SEBI from time to time;
- As on the date of this Letter of offer, our Company has not issued any special voting Right Shares and there are no outstanding Equity Shares having special voting rights;
- The ex-rights price arrived in accordance with the formula prescribed Regulation 10 (4) (b) (ii) of the SEBI (SAST) Regulations, in connection with the Issue is Rs.22.31 (Rupees Twenty Two and Thirty One Paise Only);
- Details of outstanding warrants, outstanding instruments with an option to convert or securities which are convertible at a later date into Equity Shares**

As on the date of this Letter of offer, our Company does not have any outstanding warrants, outstanding instruments with an option to convert or securities which are convertible at a later date into Equity Shares;

Previously, the Company had allotted 93,78,500 warrants on December 28, 2023, at an issue price of Rs.64/- per warrant. Each warrant was convertible into one equity share and carried an exercise period of 18 (eighteen) months from the date of allotment.

Pursuant to the terms of the issue, 1,83,332 equity shares of face value Rs.5/- each were allotted on July 25, 2024, upon the exercise of an equivalent number of warrants, at the issue price of Rs.64/- per share (including a share premium of Rs.59/- per share). The balance unexercised warrants lapsed upon expiry of the exercise period, and the upfront subscription amount of 25% paid by the respective allottees was forfeited by the Company in accordance with the terms of the warrant issue.

6. Details of stock option scheme of our Company

As on the date of this Letter of offer, Company has two ongoing ESOP schemes viz “Akme Employee Stock Option Plan 2021” (ESOP 2021) and “Star Housing Finance Limited Employee Stock Option II 2023” (ESOP 2023).

The status of the schemes is as below:

| Scheme | ESOP 2021 | ESOP 2023 |
|--------------------------------|-------------------|-------------------|
| No. of ESOPs approved | 62,69,400 options | 77,00,000 options |
| Already exercised | 31,29,700 options | - |
| Lapsed/available for grant | 30,19,700 options | 77,00,000 options |
| Options available for exercise | 1,20,000 options | - |

- As on the date of this Letter of offer, the No Equity Shares held by the promoter and promoter group including the details of lock-in, pledge of and encumbrance on such Equity Shares
- Details of Equity Shares acquired by the promoter and promoter group in the last one year prior to the filing of this Letter of offer**

The following members of the Promoter and Promoter Group of the Company have acquired any Equity Shares in the last one year prior to the filing of this Letter of offer;

| Name | No. of Equity Shares Acquired |
|----------------------|-------------------------------|
| Aarsh Fincon Limited | 3,137 shares |
| Kailash Jain | 10 shares |

Our Company shall ensure that any transaction in the Equity Shares by our Promoter during the period between the date of filing this Letter of offer and the Issue Closing Date shall be reported to the Stock Exchanges within 24 hours of such transaction.

9) Shareholding pattern of our Company as per the last quarterly filing with the Bombay Stock Exchange in compliance with the SEBI Listing Regulations:

a. The shareholding pattern of our Company as on June 30, 2025 can be accessed on the website of the BSE at: <https://www.bseindia.com/stock-share-price/star-housing-finance/539017/qtrid/126.00/shareholding-pattern/Jun-2025/>

b. The statement showing holding of Equity Shares of the person belonging to the category “Promoter and Promoter Group” including details of lock-in, pledge of and encumbrance thereon, as on June 30, 2025 can be accessed on the website of the BSE at:

<https://www.bseindia.com/corporates/shpPromoterNGroup.aspx?scripcd=539017&qtrid=126.00&QtrName=Jun-25>

c. The statement showing holding of Equity Shares of the person belonging to the category Public shareholder as on June 30, 2025 can be accessed on the website of the BSE at <https://www.bseindia.com/corporates/shpPublicShareholder.aspx?scripcd=539017&qtrid=126.00&QtrName=Jun-25>

d. The statement showing holding of securities (including Equity Shares, warrants, convertible securities) of persons belonging to the category “Non Promoter- Non-Public” including Equity Shareholders holding more than 1% of the total number of Equity Shares as on June 30, 2025 can be accessed on the website of the BSE at: <https://www.bseindia.com/corporates/shpNonProPublic.aspx?scripcd=539017&qtrid=126.00&QtrName=Jun-25>

OBJECTS OF THE ISSUE

The Issue comprises of up to 6,14,16,404 Rights Equity Shares of face value of Rs. 05/- (Rupees Five only) each for cash at a price of Rs. 16.00/- per Rights Equity Share (including a premium of Rs. 11.00/- per Rights Equity Share) aggregating up to Rs. 98,26,62,464.

Our Company intends to utilise the Net Proceeds from the Issue towards funding of the following objects:

1. Augmenting the long-term capital and resources for meeting funding requirements for our Company's business activities; and
 2. General corporate purposes.
- (collectively, referred to herein as the “**Objects**”)

The main objects and objects incidental and ancillary to the main objects set out in our Memorandum of Association enable our Company: (i) our existing activities; (ii) the activities for which the funds are being raised by our Company through this Issue; and (iii) to undertake activities for which funds earmarked towards general corporate purposes shall be used.

Issue Proceeds

The details of the proceeds from the Issue are provided in the following table:

| Particulars | Estimated amount (in Rs. crores) |
|--------------------------------|----------------------------------|
| Gross proceeds from the Issue* | 98.27 |
| (Less) Issue related expenses* | 1.50 |
| Net Proceeds** | 96.77 |

* Assuming full subscription in the Issue and subject to the finalization of the Basis of Allotment and to be adjusted per the Rights Entitlement Ratio.

Requirements of funds and utilization of Net Proceeds

The Net Proceeds are proposed to be utilized in accordance with the details provided in the following table:

| Particulars | Estimated amount (in Rs. crores) |
|---|----------------------------------|
| Augmenting the long-term capital and resources for meeting funding requirements for our Company's business activities | 75.07 |
| General corporate purposes** | 21.70 |
| Net Proceeds# | 96.77 |

* The amount utilised for general corporate purposes alone shall not exceed 25% of the Gross Proceeds.

Assuming full subscription in the Issue and subject to the finalization of the Basis of Allotment and to be adjusted per the Rights Entitlement Ratio.

Pursuant to a resolution passed by Rights Issue Committee dated September 24, 2025, our Company has approved the utilisation of the Net Proceeds for the Objects, in accordance with the schedule of deployment and implementation.

Proposed schedule of implementation and deployment of funds

The following table provides for the proposed deployment of funds, after deducting Issue related expenses:

| Particulars | Amount proposed to be funded from Net Proceeds | Proposed schedule for deployment of the Net Proceeds |
|---|--|--|
| | | F.Y 2025-26 |
| Augmenting the long-term capital and resources for meeting funding requirements for our Company's business activities | 75.07 | 75.07 |
| General corporate purposes ⁽¹⁾⁽²⁾ | 21.70 | 21.70 |
| Net Proceeds⁽²⁾ | 96.77 | 96.77 |

(1) The amount utilised for general corporate purposes alone shall not exceed 25% of the Gross Proceeds.

(2) Assuming full subscription in the Issue and subject to the finalization of the Basis of Allotment and to be adjusted per the Rights Entitlement Ratio.

The funding requirements and deployment of the Net Proceeds as described herein are based on of various factors, our current business plan, management estimates, current circumstances of our business and other commercial and technical factors. However, such fund requirements and deployment of funds have not been appraised by any bank or financial institution.

We may have to revise our funding requirements and deployment of the Net Proceeds from time to time on account of various factors, such as financial and market conditions, business and strategy, competitive environment and interest or exchange rate fluctuations, incremental preoperative expenses, taxes and duties, interest and finance charges, working capital margin, regulatory costs, and other external factors such as changes in the business environment or regulatory climate and interest or exchange rate fluctuations, which may not be within the control of our management. This may entail rescheduling the proposed utilisation of the Net Proceeds and changing the allocation of funds from its planned allocation at the discretion of our management, subject to compliance with applicable law.

Subject to applicable law, in case of a shortfall in raising requisite capital from the Net Proceeds or an increase in the total estimated cost of the Objects, business considerations may require us to explore a range of options including utilising our internal accruals and seeking additional debt from existing and future lenders. We believe that such alternate arrangements would be available to fund any such shortfalls. Further, in case of variations in the actual utilisation of funds earmarked for the purposes set forth above, increased fund requirements for a particular purpose may be financed by surplus funds, if any, available in respect of the other purposes for which funds are being raised in the Issue. In the event that the estimated utilisation of the Net Proceeds in a scheduled Financial Year is not completely met, due to the reasons stated above, the same shall be utilised in the next Fiscal Year, as may be determined by our Company in accordance with applicable laws. If the actual utilisation towards any of the Objects is lower than the proposed deployment, such balance will be used towards general corporate purposes, to the extent that the total amount to be utilised towards general corporate purposes is within the permissible limits in accordance with the SEBI (ICDR) Regulations.

Means of finance

Since our Company is not proposing to fund any specific project from the Net Proceeds, the requirement to make firm arrangements of finance through verifiable means towards 75% of the stated means of finance for such projects proposed to be funded from the Net Proceeds is not applicable.

Details of the Objects

The details in relation to the Objects of the Issue are set forth below:

1. Augment the long-term capital and resources for meeting funding requirements for our Company's business activities.

We are a non-banking financial company registered with RBI and a notified financial institution under the SARFAESI Act. As per the capital adequacy norms issued by RBI, we are required to maintain a minimum capital adequacy ratio, consisting of Tier I capital and Tier II capital. The total of Tier II Capital at any point of time, cannot exceed 100% of Tier I Capital. The minimum capital ratio as prescribed by RBI guidelines and applicable to our Company, consisting of Tier I and Tier II capital, cannot be less than 15% with Tier I not being below 10% of our aggregate risk weighted assets on-balance sheet and of risk adjusted value of off-balance sheet. As on March 31, 2025, our Tier I capital adequacy ratio stood at 50.11% and Tier II capital adequacy ratio stood at 0.44%, respectively.

The following table sets forth certain details regarding our Capital Adequacy as of the dates indicated:

| Particulars | Standalone | |
|-----------------------------------|---------------|---------------|
| | F.Y 2025-26 | F.Y. 2024 -25 |
| Tier I Capital | 228.43 | 130.79 |
| Tier II Capital | 1.68 | 1.16 |
| Total Capital | 230.11 | 131.94 |
| Total risk weighted assets | 370.64 | 261.01 |
| | | |

| Capital ratios | | |
|---|---------------|---------------|
| Tier I Capital as a Percentage of Total Risk Weighted Assets (%) | 61.63% | 50.11% |
| Tier II Capital as a Percentage of Total Risk Weighted Assets (%) | 0.45% | 0.44% |
| Total (%) | 62.08% | 50.55% |

Accordingly, we intend to utilize Rs.75.03 crores (rounded off to two decimal places) from Net Proceeds to augment our capital base to meet our future capital requirements, which are expected to arise out of growth of our business and assets, including towards onwards lending as part of our business activities and to ensure compliance with applicable regulatory requirements.

2. General corporate purposes

Our Company intends to deploy the balance Net Proceeds aggregating up to Rs. 22.43 crores towards general corporate purposes, provided that the amount to be utilized for general corporate purposes shall not exceed 25% of the Gross Proceeds. Such utilisation towards general corporate purposes shall be to drive our business growth, including, amongst other things, capital expenditure, meeting our working capital requirements, payment of principal, interest on borrowings, and meeting of exigencies which our Company may face in its course of the business and any other purpose as permitted by applicable laws and as approved by our Board or a duly appointed committee thereof, subject to meeting regulatory requirements and obtaining necessary approvals/consents, as applicable. Our management will have flexibility in utilizing the proceeds earmarked for general corporate purposes.

Estimated Issue Expenses

The estimated Issue related expenses are set out below:

| Activity | Estimated amount (in Rs. lakh) | Percentage of the total estimated Issue Expenses (%) | Percentage of the total Issue Size (%) |
|--|-----------------------------------|---|---|
| Fees payable to regulators, including Stock Exchanges, SEBI, depositories, ROC and other statutory fee | 50 | 33.33% | 0.51% |
| Fees payable to the legal advisors and other professional service providers | 30 | 20.00% | 0.30% |
| Fees payable to the Registrar to the Issue | 6 | 4.00% | 0.06% |
| Printing and stationery, distribution, postage, etc. | 10 | 6.67% | 0.10% |
| Advertising, marketing expenses and shareholder outreach expenses | 10 | 6.67% | 0.10% |
| Other expenses | 44 | 29.33% | 0.45% |
| Total estimated Issue Expenses* | 150 | 100.00% | 1.53% |

* Subject to finalisation of Basis of Allotment. In case of any difference between the estimated Issue related expenses and actual expenses incurred, the shortfall or excess shall be adjusted with the amount allocated towards general corporate purposes. All issue related expenses will be paid out of the Issue Proceeds received at the time of receipt of the Application Money.

Interim use of the Net Proceeds

Our Company shall deposit the Net Proceeds, pending utilisation of the Net Proceeds for the purposes described above, by depositing the same with scheduled commercial banks included in the second schedule of Reserve Bank of India Act, 1934.

Appraising entity

None of the objects of the Issue for which the Net Proceeds will be utilised has been appraised by any bank, financial institution or any other external agency.

Bridge financing facilities

Our Company has not raised any bridge loans from any bank or financial institution as of the date of this Letter of offer, which are proposed

to be repaid from the Net Proceeds.

Monitoring of utilization of funds

Our Company has appointed CARE Rating Limited as the Monitoring Agency to monitor utilization of proceed from the Issue, prior to filing the Letter of offer, including the proceeds proposed to be utilised towards general corporate purposes in accordance with Regulation 82 of the SEBI (ICDR) Regulations. Our Company undertakes to place the Net Proceeds in a separate bank account which shall be monitored by the Monitoring Agency for utilization of the Net Proceeds. Our Company undertakes to place the report(s) of the Monitoring Agency on receipt before the Audit Committee without any delay. Our Company will disclose and continue to disclose the utilization of the Net Proceeds, including interim use, under a separate head in its balance sheet for such fiscal periods as required under the SEBI (ICDR) Regulations, the SEBI (LODR) Regulations and any other applicable laws or regulations, specifying the purposes for which the Net Proceeds have been utilized. Our Company will also, in its balance sheet for the applicable fiscal periods, provide details, if any, in relation to all such Net Proceeds that have not been utilized, if any, of such currently unutilized Net Proceeds.

Pursuant to Regulation 32(3) of the SEBI (LODR) Regulations, our Company shall, on a quarterly basis, disclose to the Audit Committee the uses and applications of the Net Proceeds, which shall discuss, monitor and approve the use of the Net Proceeds along with our Board. On an annual basis, our Company shall prepare a statement of funds utilized for purposes other than those stated in this Letter of offer and place it before the Audit Committee and make other disclosures as may be required until such time as the Net Proceeds remain unutilized. Such disclosure shall be made only until such time that all the Net Proceeds have been utilized in full. The statement prepared on an annual basis for utilization of the Net Proceeds shall be certified by the Auditors.

Furthermore, in accordance with Regulation 32(1) of the SEBI (LODR) Regulations, our Company shall furnish to the Stock Exchanges on a quarterly basis, a statement indicating (i) deviations, if any, in the actual utilization of the proceeds of the Issue from the Objects; and (ii) details of category wise variations in the actual utilization of the proceeds of the Issue from the Objects. This information will also be published on our website and explanation for such variation (if any) will be included in our Directors' report, after placing it before the Audit Committee.

Strategic or Financial Partners

There are no strategic or financial partners to the Objects of the Issue.

Other Confirmations

Neither our Promoter, nor members of the Promoter Group or our Directors have any interest in the Objects on the Issue. As on the date of this Letter of Offer, there are no pending material approvals required from governmental or regulatory authorities, by our Company pertaining to the Objects of the Issue.

CERTIFICATE ON STATEMENT OF TAX BENEFITS

To,

The Board of Directors,

STAR HOUSING FINANCE LIMITED

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

Subject

: Proposed rights issue of equity shares of face value of Rs.5 (Rupee Five only) ('Equity Shares') Finance Limited ('Company' and such offering, the 'Issue')

-
1. We, Nyati Mundhra & Co. , Chartered Accountant, statutory auditors of the Company, have received a request from the Company to verify and certify the possible special tax available to the Company and the shareholders of the Company, in connection with possible special tax benefits under direct and indirect tax laws, including under the Income Tax Act, 1961, as amended, Income Tax Rules, 1962, amendments made by Finance Act, 2023 (hereinafter referred to as 'Income Tax Laws'), the Central Goods and Services Tax Act, 2017, Integrated Goods and Services Tax Act, 2017, respective State Goods and Services Tax Act, 2017, respective Union Territory Goods and Services Tax Act, 2017, Customs Act, 1962, Customs Tariff Act, 1975, as amended, the rules and regulations there under, Foreign Trade Policy presently in force in India, available to the Company and its shareholders, in the enclosed statement at the Annexure.
 2. Several of these stated tax benefits/consequences are dependent on the Company or its shareholders fulfilling the conditions prescribed under the relevant tax laws. Therefore, the ability of the Company or its shareholders to derive the stated tax benefits is dependent on fulfilling such conditions.
 3. A statement of possible special tax benefits available to the Company and its shareholders is required as per Schedule VI (Part A)(9)(L) of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 as amended ("SEBI ICDR Regulations"). While the term 'special tax benefits' has not been defined under the SEBI ICDR Regulations, it is assumed that with respect to special tax benefits available to the Company, and its shareholders the same would include those benefits as enumerated in the Statement. The benefits discussed in the enclosed annexure are not exhaustive. The Annexure is for your information and for inclusion in the Draft letter of offer (the "**Draft Letter of Offer**"), Letter of Offer (the "**Offer Letter**") and any other offering material in connection with Offer ("**Offer Documents**"), as amended or supplemented thereto or any other written material in connection with the proposed Offer and is neither designed nor intended to a substitute for professional tax advice. In view of the individual nature of the tax and the changing tax laws, each investor is advised to consult his or her own tax consultant with respect to the specific tax implications arising out of their participation in the Offer. Neither are we suggesting nor advising the investor to invest money based on this statement.
 4. The contents of the enclosed statement are based on information, explanations and representations obtained from the Company and on the basis of our understanding of the business activities and operations of the Company.
 5. We also consent to the references to us as "Experts" under Section 26 of the Companies Act, 2013 to the extent of the certification provided hereunder and included in the Draft Letter of Offer and Offer Letter of the Company or in any other documents in connection with the Offer.
 6. We conducted our examination of the information given in this certificate (including the annexures thereto) in accordance with the 'Guidance Note on Reports or Certificates for Special Purposes' issued by the Institute of Chartered Accountants of India ("**ICAI**"), as revised from time to time, to obtain a

reasonable assurance that such details are in agreement with the books of accounts and other relevant records provided to us, in all material respects; the aforesaid Guidance Note requires that we comply with the ethical requirements Of the 'Code of Ethics' issued by the ICAI, as revised from time to time. Further, we have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, 'Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements', as revised from time to time. We have also complied with the Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the ICAI, as amended from time to time").

7. We confirm that the information herein is true, correct, complete, and accurate, not misleading and does not contain any untrue statement of a material fact nor omit to state a material fact necessary in order to make the Statements made, in the light of the circumstances under which they were made, not misleading.
8. We undertake to inform you promptly, in writing of any changes to the above information until the allotment of Equity shares / Equity Shares commence trading on the relevant stock exchanges where the Equity Shares of the Company are proposed to be listed (the "Stock Exchanges"), pursuant to the Offer. In the absence of any such communication from us, the above information should be considered as updated information until the allotment of Equity shares / Equity Shares commence trading on the Stock Exchanges, pursuant to the Offer.
9. This certificate can be relied on by the Company in relation to the Offer.
10. This certificate is issued for the sole purpose of the Offer and relevant extracts can be used in part or full as and where applicable, in connection Draft Letter of Offer, Offer Letter and any other material used in connection with the Offer and consent to the submission of this certificate as may necessary (collectively "Offer Documents"), to the Securities and Exchange Board of India, any regulatory/ statutory authorities , stock exchanges where the Equity Shares are already listed, Registrar Of Companies, Mumbai or any other authority as may be required.
11. All capitalized terms used but not defined herein shall have the meaning assigned to them in the Offer Documents.

This certificate may also be relied upon by the Company, their affiliates and the legal counsel in relation to the Issue.

The above certificate shall not be used for any other purpose without our prior consent in writing and we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this certificate is shown or into whose hands it may come without our prior consent in writing.

FOR NYATI MUNDRA & CO.
Chartered Accountants
ICAI FR No : 008153C

Sd/-
CA Rupesh Pachori
Partner
Membership No. 427929
UDIN: 25427929BMINOV8715

Date: 24/09/2025
Place: Mumbai

ANNEXURE I

STATEMENT OF SPECIAL TAX BENEFITS AVAILABLE TO STAR HOUSING FINANCE LIMITED ('COMPANY') AND ITS SHAREHOLDERS**1. Under the Income Tax Act, 1961 ('Act')****a. Special tax benefits available to the Company under the Act**

There are no special tax benefits available to the Company.

b. Special tax benefits available to the shareholders under the Act

There are no special tax benefits available to the shareholders of the Company.

Notes

1. The above Statement sets out the provisions of law in a summary manner only and is not a complete analysis or listing of all potential tax consequences of the purchase, ownership and disposal of shares;
2. The above statement covers only certain relevant direct tax law benefits and does not cover any indirect tax law benefits or benefit under any other law;
3. The above statement of possible tax benefits is as per the current direct tax laws relevant for the assessment year 2025-26;
4. This statement is intended only to provide general information to the investors and is neither designed nor intended to be a substitute for professional tax advice. In view of the individual nature of tax consequences, each investor is advised to consult his/her own tax advisor with respect to specific tax consequences of his/her investment in the shares of the Company;
5. In respect of non-residents, the tax rates and consequent taxation will be further subject to any benefits available under the relevant DTAA, if any, between India and the country in which the non-resident has fiscal domicile;
6. No assurance is given that the revenue authorities/courts will concur with the views expressed herein. Our views are based on the existing provisions of law and its interpretation, which are subject to changes from time to time. We do not assume responsibility to update the views consequent to such changes;

FOR NYATI MUNDRA & CO.

Chartered Accountants

ICAI FR No : 008153C

Sd/-

CA Rupesh Pachori

Partner

Membership No. 427929

UDIN: 25427929BMINOV8715

Date: 24/09/2025

Place: Mumbai

ANNEXURE II

STATEMENT OF INDIRECT TAX BENEFITS AVAILABLE TO STAR HOUSING FINANCE LIMITED ('COMPANY') AND ITS SHAREHOLDERS

- 1. Under the The Central Goods and Services Tax Act, 2017 / the Integrated Goods and Services Tax Act, 2017 ('GST Act'), the Customs Act, 1962 ('Customs Act') and the Customs Tariff Act, 1975 ('Tariff Act') (collectively referred to as 'Indirect Tax')**

- a. Special tax benefits available to the Company under the Indirect Tax**

There are no special indirect tax benefits available to the Company.

- b. Special tax benefits available to the shareholders under the Indirect Tax**

There are no special indirect tax benefits applicable in the hands of shareholders for investing in the shares of the Company.

Notes

1. The above statement is based upon the provisions of the specified Indirect Tax laws, and judicial interpretation thereof prevailing in the country, as on the date of this Annexure;
2. The above statement covers only above-mentioned Indirect Tax laws benefits and does not cover any direct tax law benefits or benefit under any other law;
3. This statement is intended only to provide general information to the investors and is neither designed nor intended to be a substitute for professional tax advice;
4. No assurance is given that the revenue authorities/courts will concur with the views expressed herein. Our views are based on the existing provisions of law and its interpretation, which are subject to changes from time to time. We do not assume responsibility to update the views consequent to such changes;

For NYATI MUNDRA & CO.
Chartered Accountants
ICAI FR No : 008153C

Sd/-
CA Rupesh Pachori
Partner
Membership No. 427929
UDIN: 25427929BMINOV8715

Date: 24/09/2025
Place: Mumbai

SECTION IV – ABOUT THE COMPANY

INDUSTRY OVERVIEW OF HOUSING FINANCE BUSINESS

INTRODUCTION

The Indian housing finance industry has experienced significant growth in recent years, driven by rising income levels, improved affordability, and better fiscal support from the government. As the Indian real estate market develops and financial independence of key players increases, the demand for homes is expected to grow substantially. The market is poised to expand at a Compound Annual Growth Rate (CAGR) of 7% from FY 2024 to FY 2029.

Although the housing finance market was severely impacted by the global lockdown, effective policies from the Reserve Bank of India (RBI) have steadily revitalized the market. Measures such as slashing repo rates to a two-decade low of 4.4% made home loans more affordable. Persistent initiatives and a gradual economic recovery facilitated the revival of the housing finance sector.

However, the Indian housing finance market remains diverse and highly fragmented, with numerous regional and local players operating alongside major banks and housing finance companies (HFCs). While traditional banks currently dominate the market share, non-banking financial institutions and HFCs are expected to experience significant growth in the coming years.

As per the current market research conducted by the CMI Team, the **India Housing Finance Market** is expected to record a CAGR of **24.1%** from 2024 to 2033. In 2024, the market size is projected to reach a valuation of **USD 385.14 Billion**. By 2033, the valuation is anticipated to reach **USD 2,669.39 Billion**.

The India housing finance market encompasses financial services provided to individuals and developers for purchasing, constructing, renovating, or improving residential properties. Its nature combines elements of retail banking, mortgage lending, and real estate investment.

Key trends include a shift towards digitalization, expansion of affordable housing finance, growing demand for sustainable and green housing solutions, and the emergence of niche financing options tailored to specific customer segments, all contributing to the market's dynamism and evolution.

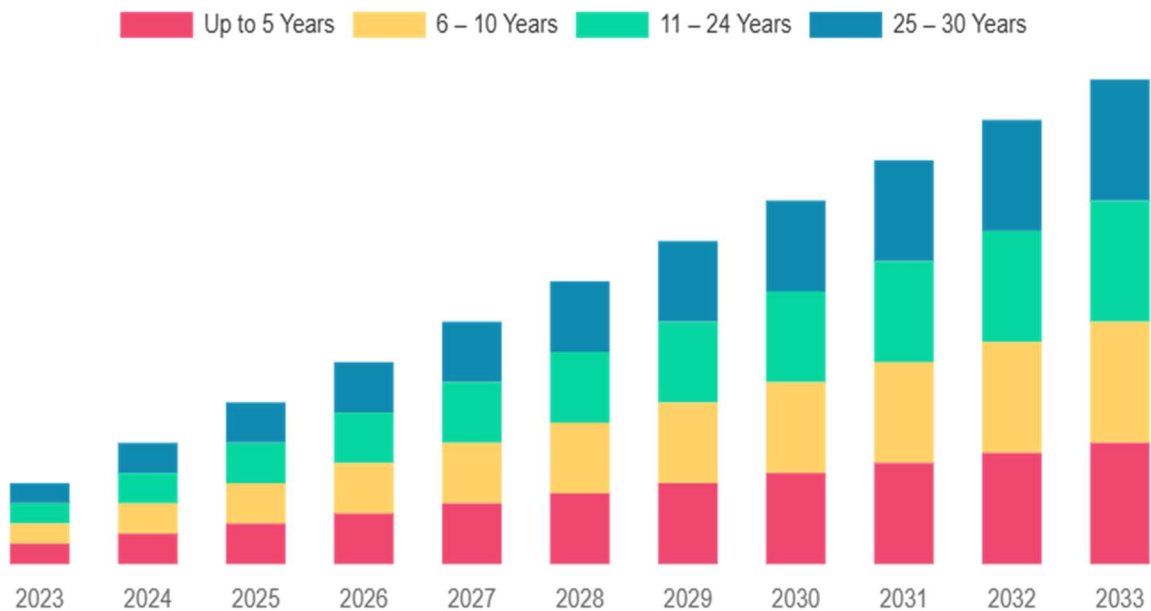
INDIA HOUSING FINANCE MARKET – SIGNIFICANT GROWTH FACTORS

The India Housing Finance Market presents significant growth opportunities due to several factors:

- **Government Initiatives:** Government schemes like Pradhan Mantri Awas Yojana (PMAY) offering subsidies and incentives fuel demand for housing finance. These initiatives aim to provide affordable housing to economically weaker sections, driving loan uptake and fostering market growth.
- **Urbanization:** Rapid urbanization prompts increased demand for housing, creating opportunities for financing solutions. With a significant portion of the population migrating to cities, housing finance companies can capitalize on this trend by offering tailored loan products suited to urban living needs.
- **Interest Rate Trends:** Fluctuations in interest rates influence housing loan affordability. As interest rates decrease, borrowers find financing more accessible, stimulating demand for housing finance products and spurring market expansion.
- **Technology Adoption:** Integration of technology streamlines loan processing, enhances customer experience, and reduces operational costs for housing finance providers. Opportunities lie in embracing digital platforms, artificial intelligence, and data analytics to offer efficient and personalized services, attracting tech-savvy borrowers.
- **Demographic Shifts:** Changing demographics, including a rising middle class and increasing disposable incomes, present opportunities for housing finance companies to cater to diverse customer segments. Tailoring loan products to meet the evolving needs and preferences of different demographics can unlock new market opportunities.

- **Real Estate Development:** Growth in real estate development projects, particularly in tier 2 and tier 3 cities, offers prospects for housing finance market expansion. Financing opportunities arise from partnerships with developers, funding affordable housing projects, and facilitating home purchases in emerging property markets, driving overall market growth.

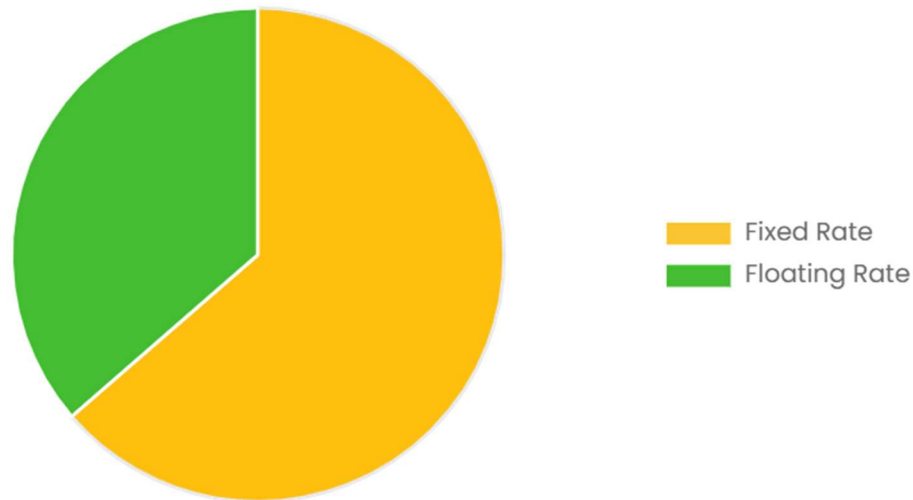
India Housing Finance Market 2024–2033 (By Tenure)



India Housing Finance Market – Significant Threats

The India housing finance market faces several significant threats that could impact its growth and profitability in the future. Some of these threats include:

- **Economic Instability:** Fluctuations in economic conditions, such as recession or inflation, can impact borrowers' ability to repay loans and lead to increased default rates, affecting the financial health of housing finance companies.
- **Regulatory Changes:** Rapid changes in regulatory policies, including interest rate regulations or lending norms, can disrupt business operations and profitability, requiring companies to adapt quickly to remain compliant.
- **Market Saturation:** Saturation in key urban markets may limit expansion opportunities, prompting companies to explore untapped rural or semi-urban areas where demand might be lower.
- **Credit Risk:** High levels of non-performing assets (NPAs) due to defaults or delinquencies pose a threat to the stability of housing finance companies, necessitating stringent risk management practices.
- **Technological Disruption:** Failure to embrace technological advancements, such as digitalization and automation, may result in companies falling behind competitors in service quality and operational efficiency.
- **External Shocks:** External factors like natural disasters, geopolitical tensions, or global economic downturns can significantly impact the housing market, leading to reduced demand and financial losses for housing finance firms.



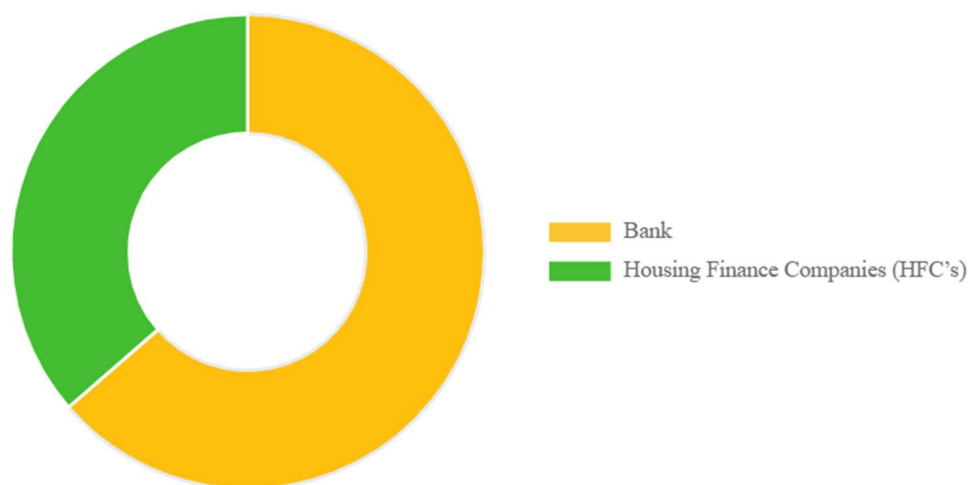
Category-Wise Insights:

By Type

- **Bank:** Banks in the India housing finance market refer to financial institutions authorized to accept deposits and offer loans, including home loans. They leverage customer deposits and other funding sources to provide housing finance services. Trends include banks' increasing focus on digitalization to streamline loan processing and enhance customer experience, as well as their role in promoting government initiatives for affordable housing.
- **Housing Finance Companies (HFCs):** Housing Finance Companies (HFCs) are non-banking financial institutions primarily engaged in providing housing finance services. Trends include HFCs expanding their product offerings to include niche segments, such as self-employed individuals, and leveraging technology for risk management and customer acquisition. They often play a crucial role in catering to specific customer needs and driving innovation in the housing finance sector.

By Interest Rate

- **Fixed Rate:** In the India housing finance market, fixed-rate mortgages offer borrowers a predetermined interest rate that remains constant throughout the loan term. This provides stability and predictability in monthly payments, shielding borrowers from fluctuations in interest rates. However, fixed-rate loans typically come with slightly higher initial interest rates compared to floating-rate mortgages.
- **Floating Rate:** Floating-rate mortgages in India feature interest rates that adjust periodically based on prevailing market rates. Borrowers benefit from lower initial interest rates, but their monthly payments can fluctuate over time, depending on market conditions. This flexibility exposes borrowers to interest rate risks, which can lead to unpredictable repayment amounts.



By Application

- Up to 5 Years:** This segment in the India housing finance market refers to loans with a repayment period of up to five years. These loans are typically short-term financing options, suitable for borrowers seeking quick repayment schedules or temporary housing solutions. Trends in this segment include increased demand for short-term loans for renovation projects, down payments, or bridge financing between property transactions.
- 6 – 10 Years:** Housing finance loans with a tenure ranging from six to ten years fall into this category. These loans cater to borrowers seeking medium-term financing for property purchases or construction projects. Trends indicate a growing preference for mid-term loans among first-time homebuyers and young professionals aiming for shorter loan durations to minimize interest costs and achieve faster homeownership.
- 11 – 24 Years:** This segment comprises housing finance loans with repayment tenures ranging from eleven to twenty-four years. These loans are popular among middle-income households and families seeking affordable long-term financing options for home purchases. Trends show an increasing demand for extended loan tenures to distribute repayment obligations over a more manageable timeframe, thereby reducing monthly instalment amounts and enhancing affordability.
- 25 – 30 Years:** Loans falling within the 25 to 30-year tenure category are characterized by their long-term repayment schedules, typically spanning several decades. These loans are ideal for borrowers seeking extensive financing for high-value property acquisitions or large-scale construction projects. Trends in this segment reflect a growing preference for extended loan durations, driven by the need for affordable monthly instalments and the desire to spread out repayment obligations over an extended period to align with borrowers' income streams and financial capabilities.

ROAD AHEAD

India's housing finance market, currently valued at Rs. 33,00,000 crore (US\$ 379.7 billion), is projected to grow at a 15-16% compound annual growth rate (CAGR) to reach Rs. 77,00,000-81,00,000 crore (US\$ 886.1-932.3 billion) by 2029-30, according to CareEdge Ratings. The growth is driven by strong structural fundamentals and government incentives, making housing finance an attractive sector for lenders. The residential property market has expanded 74% since 2019, reaching 4.6 lakh units in 2024, reflecting high buyer confidence. Banks continue to dominate the housing loan segment, holding a 74.5% market share as of March 2024. Housing Finance Companies (HFCs) grew at 12% CAGR, maintaining a 19% market share.

In FY24, HFCs' loan portfolios grew by 13.2% to Rs. 9,60,000 crore (US\$ 110.5 billion), aligning with CareEdge's 12-14% growth forecast. The sector is expected to see 12.7% and 13.5% YoY growth in FY25 and FY26, driven by strong equity inflows and capital reserves. The retail housing segment remains the key growth driver, while cautious expansion is observed in wholesale lending. Additionally, HFCs' asset quality has improved significantly, with gross non-performing assets (GNPA) falling to 2.2% in March 2024 from a peak of 4.3% in March 2022. These factors position the housing finance market for sustained expansion over the next decade.

BUSINESS OVERVIEW

Some of the information contained in the following discussion, including information with respect to our plans and strategies, contain forward-looking statements that involve risks and uncertainties. You should read the section “Forward-Looking Statements” for a discussion of the risks and uncertainties related to those statements and also the section “Risk Factors” for a discussion of certain factors that may affect our business, financial condition or results of operations. Our actual results may differ materially from those expressed in or implied by these forward-looking statements. Our fiscal year ends on March 31 of each year, so all references to a particular fiscal are to the Twelve-month period ended March 31 of that year.

You should carefully consider all the information in this Letter of offer, including, “Risk Factors”, “Industry Overview”, “Financial Statements” and “Management’s Discussion and Analysis of Financial Condition” beginning on pages 25, 51, 64 and 67 respectively, before making an investment in the Equity Shares. In this section, any reference to the “Company” “we”, “us” or “our” refers to Star Housing Finance Limited.

OVERVIEW

Our company was originally incorporated as Private Limited Company under the Companies Act, 1956 as “Akme Buildhome Private Limited” vide certificate of incorporation dated March 21, 2005 issued by Registrar of Companies, Jaipur. Subsequently, our Company changed its name from “Akme Buildhome Private Limited” to “Akme Star Housing Finance Private Limited”, vide a fresh Certificate of Incorporation dated October 23, 2009, issued by Registrar of Companies, Rajasthan. Further, on conversion of our company from private limited company to public limited company, our Company changed its name from “Akme Star Housing Finance Private Limited” to “Akme Star Housing Finance Limited”, vide a fresh Certificate of Incorporation dated November 13, 2009, issued by Registrar of Companies, Rajasthan. Subsequently, our Company changed its name from “Akme Star Housing Finance Limited” to “Star Housing Finance Limited”, vide a fresh Certificate of Incorporation dated May 10, 2021, issued by Registrar of Companies, Jaipur. Further, the company changes its Registered office from State of Jaipur to Maharashtra vide a fresh Certificate of Incorporation dated February 03, 2022, issued by Registrar of Companies, Mumbai. The company got listed on SME Platform of BSE Limited on March 20, 2015 and then Migrated to Main Board of BSE Limited in July, 2017. The ISIN of the Company is INE526R01028.

The Company was originally incorporated in March 2005 with the objective of undertaking real estate development, land management, and a wide range of construction services. Its activities included the acquisition, development, and maintenance of properties, as well as the execution of residential, commercial, and infrastructure projects both in India and overseas.

Subsequently, the Company amended its object clause to undertake housing finance activities. In 2009, it obtained registration from the National Housing Bank (NHB) to operate as a Housing Finance Company, thereby marking its formal entry into the housing finance sector. The company primarily engages in housing finance, specifically offering retail home loans in the affordable housing segment. It targets first-time home buyers in the Economically Weaker Sections (EWS) and Low-Income Groups (LIG), focusing its operations in semi-urban and rural geographies. The loans disbursed qualify under the Priority Sector Lending (PSL) norms as per RBI guidelines, and the financed units may meet the eligibility criteria under the PMAY scheme. Star Housing Finance is present in multiple states including Maharashtra, Madhya Pradesh, Rajasthan, Gujarat, Tamil Nadu, and the National Capital Region (NCR), with its headquarters located in Mumbai, Maharashtra. The company has 48 points of presence, including 35 physical branches, and a manpower strength of over 266 employees. It has been a consistently profit-making enterprise over the years. The company holds a credit rating of BBB / Stable, awarded by CARE Ratings and India Ratings.

OUR COMPETITIVE STRENGTHS

1. Strong Market Knowledge and Expertise :

Years of presence in the housing finance industry have equipped us with a nuanced understanding of borrower behavior, real estate cycles, regulatory dynamics, and credit risk profiles across geographies and income groups. Our deep domain expertise enables us to adapt swiftly to market shifts, design need-based products, and make data-backed lending decisions. This expertise is further strengthened by our in-house research, regular engagement with stakeholders, and continuous market monitoring.

2. Technology-Driven, Scalable, and Paperless Operations:

We have digitized the entire customer journey — from KYC and loan origination to disbursal and post-disbursal services. Our paperless processing, e-signature capabilities, and cloud-based systems ensure speed, accuracy, and scalability. Real-time dashboards, loan tracking, AI-driven decision engines, and customer self-service portals enhance user experience and significantly reduce processing time and operational costs.

3. Trusted Brand with High Customer Loyalty and Retention:

Our commitment to ethical lending practices, transparent communication, and customer-first policies has built long-standing trust with borrowers and partners alike. High repeat business, strong customer referrals, and low churn reflect the strength of our brand and service quality. We consistently maintain high customer satisfaction scores, which further strengthens our brand equity in the housing finance space.

4. Experienced Leadership and High-Performing Teams:

Our leadership team comprises industry veterans with extensive experience in NBFCs and credit risk. They drive the company's vision with strategic clarity and operational rigor. This is supported by a team of motivated professionals across sales, underwriting, operations, and customer service, all aligned with our mission to deliver value. We invest heavily in employee development, training, and performance-driven culture to maintain high levels of productivity and service delivery.

OUR STRATEGIES

We strive for complete transparency and satisfaction of our clients with an unwavering thrust and focus on professional excellence and integrity. Our key strategic revolves around stakeholders value creation & our initiatives are described below:

1. Financial Inclusion:

Government initiatives to deepen financial inclusion, boost literacy, and expand digital access have unlocked new opportunities in underserved markets. Star HFL is uniquely positioned to capitalize on this momentum, leveraging our expertise to bridge the credit gap in non-metropolitan regions and deliver long-term stakeholder value.

2. Our Niche Focus:

We concentrate on self-employed and underbanked borrowers in rural and semi-urban India. By tailoring products and underwriting to their specific needs, we foster entrepreneurship and transform lives. Today, over 70% of our clients are self-employed - a testament to our deep understanding of this segment.

3. Sustained Growth Strategy:

Our goal is to establish Star HFL as a PAN-India player. Over FY26–27, we intend to double our branch network, enhance technology platforms, and deepen co-lending partnerships. Innovative funding sources will support our mission to finance affordable homes across the country.

4. Underwriting Excellence:

A robust, decentralized underwriting framework ensures swift decisions and rigorous risk control. Multiple control points, quantitative checks, and empowered branch teams have delivered high collection efficiency and strong asset quality. As of March 31, 2025: **PAR (0+ days): 5.39% | GNPA: 1.84% | NNPA: 1.40%.**

5. Customer-Centric Digital Transformation:

Technology is central to our growth strategy. We continue to strengthen our digital infrastructure - enhancing customer experience, improving operational efficiency, and fortifying risk management. We remain enthusiastic about emerging technologies that can unlock new efficiencies and insights.

PROPERTY

| Description of Property | Name of Licensor | Agreement Date, Lease Date | Period |
|--|-----------------------|------------------------------|-----------|
| 603, Western Edge I, Above Metro Cash & Carry, Borivali East, Mumbai 400066. | Mr. Prashant Karulkar | 12 th April, 2024 | 24 Months |

INTELLECTUAL PROPERTY

Our Company do not own any intellectual property including trademark.

MANPOWER

Our Company is committed towards creating an organization that nurtures talent. We provide our employees an open atmosphere with a continuous learning platform that recognizes meritorious performance.

The following is a department-wise break-up of our employees as on March 31, 2025 do not have any outstanding export obligations.

| S.No | Category | Total |
|------|------------|-------|
| 1 | Management | 7 |
| 2 | Others | 259 |
| | Total | 266 |

OUR FINANCIAL PERFORMANCE

(Rs. in Lakhs)

| Particulars | Standalone Financial Statements for the Financial Year ending | | | |
|---------------------------|---|----------------|----------------|----------------|
| | March 31, 2025 | March 31, 2024 | March 31, 2023 | March 31, 2022 |
| Equity Share Capital | 3,948.20 | 3,936.03 | 3,857.91 | 1,658.22 |
| Net Worth | 14,387.07 | 13,301.46 | 10,641.88 | 6409.85 |
| Total Income | 9,496.27 | 6,163.55 | 3,724.31 | 1,936.54 |
| Profit / (loss) after tax | 1,109.91 | 888.33 | 697.99 | 62.22 |
| Basic EPS | 1.41 | 1.14 | 0.97 | 0.10 |
| Diluted EPS | 1.40 | 1.11 | 0.93 | 0.10 |
| Total borrowings | 40,381.23 | 32,029.93 | 16,249.99 | 7,847.79 |

MAIN OBJECTS OF OUR COMPANY AS PER MOA**A. MAIN OBJECTS OF THE COMPANY TO BE PURSUED BY THE COMPANY ON ITS INCORPORATION**

1. To manage, administer, own and to carry on the business of providing housing loans, providing fund for construction of housing, providing loan against home properties and to carry out housing finance activities in the country and other related services.
2. To provide home loans finance to weaker section and to provide finance for group housing societies of the weaker section, to provide housing finance for housing complexes, built by societies/ NGO engaged in the welfare of weaker section.
3. To solicit and procure insurance business as Corporate Agent and to undertake such other activities as are incidental or ancillary thereto.

CHANGES IN MEMORANDUM OF ASSOCIATION

The following changes have been made in the Memorandum of Association of our Company since inception:

| Sr. No. | Particulars | Date of Meeting |
|---------|---|--------------------|
| 1. | The Initial authorized Share Capital of Rs. 1,00,000 (Rupees One Lakh only) was increased to Rs. 1,00,00,000 (Rupees One Crore only) consisting of 10,00,000 Equity Shares of face value of Rs.10 each | October 03, 2006 |
| 2. | Clause III of the Memorandum of Association of the company changed to reflect change in Main Objects of the Company. | November 01, 2006 |
| 3. | Clause I of the Memorandum of Association of the Company changed to reflect changed name of the Company as Akme Star Housing Finance Private Limited. | September 26, 2009 |
| 4. | Clause I of the Memorandum of Association of the Company changed to reflect changed name of the Company as Akme Star Housing Finance Limited on conversion of Company into a Public Limited Company | November 09, 2009 |
| 5. | Increase in the Authorised Share Capital from Rs. 1,00,00,000/- (Rupees One Crore only) divided into 10,00,000 equity shares of Rs. 10/- (Rupees Ten) each to Rs. 3,00,00,000/- (Rupees Three Crore only) divided into 30,00,000 equity shares of Rs. 10/- (Rupees Ten) each by creation of 2,00,00,000 Equity shares of Rs. 10/- (Rupees Ten Each) approved by the Members of the Company. | March 26, 2012 |
| 6. | Increase in the Authorised Share Capital from Rs. 3,00,00,000/- (Rupees Three Crore only) divided into 30,00,000 equity shares of Rs. 10/- (Rupees Ten) each to Rs. 6,00,00,000/- (Rupees Six Crore only) divided into 60,00,000 equity shares of Rs. 10/- (Rupees Ten) each by creation of 3,00,00,000 Equity shares of Rs. 10/- (Rupees Ten Each) approved by the Members of the Company | September 10, 2014 |
| 7. | Increase in the Authorised Share Capital from Rs. 6,00,00,000/- (Rupees Six Crore only) divided into 60,00,000 equity shares of Rs. 10/- (Rupees Ten) each to Rs. 12,00,00,000/- (Rupees Twelve Crore only) divided into 120,00,000 equity shares of Rs. 10/- (Rupees Ten) each by creation of 6,00,00,000 Equity shares of Rs. 10/- (Rupees Ten Each) approved by the Members of the Company at the Extra-ordinary General Meeting | February 21, 2017 |
| 8. | Increase in the Authorised Share Capital from 1,20,00,000 (One Crore Twenty Lakhs) Equity Shares of Rs. 10/- (Rupees Ten) each to Rs. 14,00,00,000 (Rupees Fourteen Crore only) divided into 1,40,00,000/- (One Crore Forty Lakh) equity shares of Rs. 10/- (Rupees Ten) each, by addition of Rs. 2,00,00,000/- (Rupees Two Crore only) divided into 20,00,000 (Twenty Lakh) equity shares of Rs. 10/- (Rupees | October 16, 2017 |

| | | |
|-----|--|--------------------|
| | Ten) each. approved by the Members of the Company at the Extra-ordinary General Meeting | |
| 9. | Increase in the Authorised Share Capital from 1,20,00,000 (One Crore Twenty Lakhs) Equity Shares of Rs. 14,00,00,000/- (Rupees Fourteen Crore only) divided into 1,40,00,000 (One Crore Forty Lakhs) Equity Shares of Rs. 10/- (Rupees Ten Only) each to Rs. 17,00,00,000 (Rupees Seventeen Crore only) divided into 1,70,00,000/- (One Crore Seventy Lakh) equity shares of Rs. 10/- (Rupees Ten only) each, by addition of Rs. 3,00,00,000/- (Rupees Three Crore only) divided into 30,00,000 (Thirty Lakh) equity shares of Rs. 10/- (Rupees Ten Only) each approved by the Members of the Company at the Extra-ordinary General Meeting. | August 02, 2019 |
| 10. | Adoption of Memorandum of Association as per the provisions of the Companies Act, 2013. | September 21, 2019 |
| 11. | Increase in the Authorised Share Capital from Rs.17,00,00,000/- (Rupees Seventeen Crores only) divided into 1,70,00,000 (One Crore Seventy Lakh) Equity Shares of Rs. 10/- (Rupees Ten Only) each to Rs. 30,00,00,000 (Rupees Thirty Crore only) divided into 3,00,00,000/- (Three Crore) Equity shares of Rs. 10/- (Rupees Ten only) each, by addition of Rs. 13,00,00,000/- (Rupees Thirteen Crore only) divided into 1,30,00,000 (One Crore Thirty Lakh) Equity shares of Rs. 10/- (Rupees Ten Only) each approved by the Members of the Company at the Extra-ordinary General Meeting. | April 30, 2021. |
| 12. | Increase in the Authorised Share Capital from Rs. 30,00,00,000/- (Rupees Thirty Crore only) divided into 3,00,00,000 (Three Crore) Equity Shares of Rs. 10/- (Rupees Ten Only) each to Rs. 50,00,00,000 (Rupees Fifty Crore only) divided into 5,00,00,000 (Five Crore) Equity shares of Rs. 10/- (Rupees Ten only) each, by addition of Rs. 20,00,00,000/- (Rupees Twenty Crore only) divided into 2,00,00,000 (Two Crore) Equity shares of Rs. 10/- (Rupees Ten Only) each approved by the Members of the Company at the Extra-ordinary General Meeting. | October 19, 2022 |
| 13. | Alteration of Capital Clause of the Memorandum of Association of the Company to facilitate sub-division and enhancement on account of any issue of shares | December 12, 2022 |
| 14. | Alteration in memorandum of association of the company by inserting sub-clause III A (3), III B (36) & substituting sub-clause III B (2) vide the resolution passed through postal ballot | February 02, 2024 |

OUR MANAGEMENT

BOARD OF DIRECTORS

As on date of this Letter of offer, our Company currently has 5 (Five) Directors on its Board, of which 4 (Four) are Independent Directors. The present composition of our Board of Directors and its committees are in accordance with the corporate governance requirements provided under the Companies Act and SEBI (LODR) Regulations, to the extent applicable.

The following table sets forth details regarding our Board of Directors as on the date of this Letter of offer:

| Name, Designation, Address, Occupation, Term, Nationality, Date of Birth and DIN | Age | Other Directorships |
|--|-----|--|
| Mr. Kalpesh Dave Designation: Executive Director & CEO DIN: 08221964 Date of Birth: 29/10/1981 Occupation: Business Address: A/503, Riddhi Apt., Shimpoli Road, Opp. Soni Park, Chikwadi, Borivali West, Mumbai- 400092. Nationality: Indian Date of Appointment: 18.06.2024 - Executive Director 27.06.2023 - CEO | 44 | None |
| Mr. Amlendra Prasad Saxena Designation: Non-Executive – Independent Director DIN: 06964564 Date of Birth: 18.06.1958 Occupation: Business Address: D-12, Sector 52 Noida, Gautam Budha Nagar 201301 Nationality: Indian Original Date of Appointment: 14.09.2020 | 67 | None |
| Mr. Ajith Kumar Lakshmanan Designation: Non-Executive & Independent Director DIN: 09724549 Date of Birth: 31.05.1960 Occupation: Business Address: House No.3, Ajaya Nivas, Nanthan Nagar, Nanthencode, Thiruvananthapuram, Kerala-695003 Nationality: Indian Date of Appointment: 03.09.2022 | 65 | None |
| Mr. Pradip Kumar Das Designation: Non-Executive & Independent Director DIN: 06593113 Date of Birth: 15.03.1962 Occupation: Business Address: Tulsi Mangalam CHS, Flat No. E 401, Plot No. 51, Sector 12, Kharghar, Navi Mumbai, Raigarh, Maharashtra 410210 Nationality: Indian Date of Appointment: 17.10.2022 | 63 | <ul style="list-style-type: none"> ● Sofia Fin-Invest Private Limited ● Birla Cotsyn (India) Limited ● Time Techno Plast Limited ● Ambium Finservice Limited |

| | | |
|---|----|---|
| Mrs. Neelam Tater Designation: Non-Executive & Independent Director DIN: 07653773 Date of Birth: 07.03.1991 Occupation: Business Address: C-502, S P Ring Road, Near Zydus Corporate Park, Khoraj, Ahmedabad, Gujarat 382481 Nationality: Indian Date of Appointment: 03.09.2022 | 34 | <ul style="list-style-type: none"> • Akme Fintrade (India) Limited • Bombay Coated and Special Steels Limited • Esprit Stones Limited • Manba Finance Limited • Pacific Industries Limited |
|---|----|---|

Past Directorships in suspended companies

None of our Directors are, or were a director of any listed company, whose shares have been, or were suspended from being traded on any of the stock exchanges during the term of their directorships in such companies during the last 5 (Five) years preceding the date of this Letter of offer.

Past Directorships in delisted companies

Further, none of our Directors are or were a director of any listed company, which has been, or was delisted from any stock exchange during the term of their directorship in such Company during the last 10 (Ten) years preceding the date of this Letter of offer.

Relationship between Directors

None of our Directors are related to each other.

Arrangement or understanding with major Shareholders, customers, suppliers or others

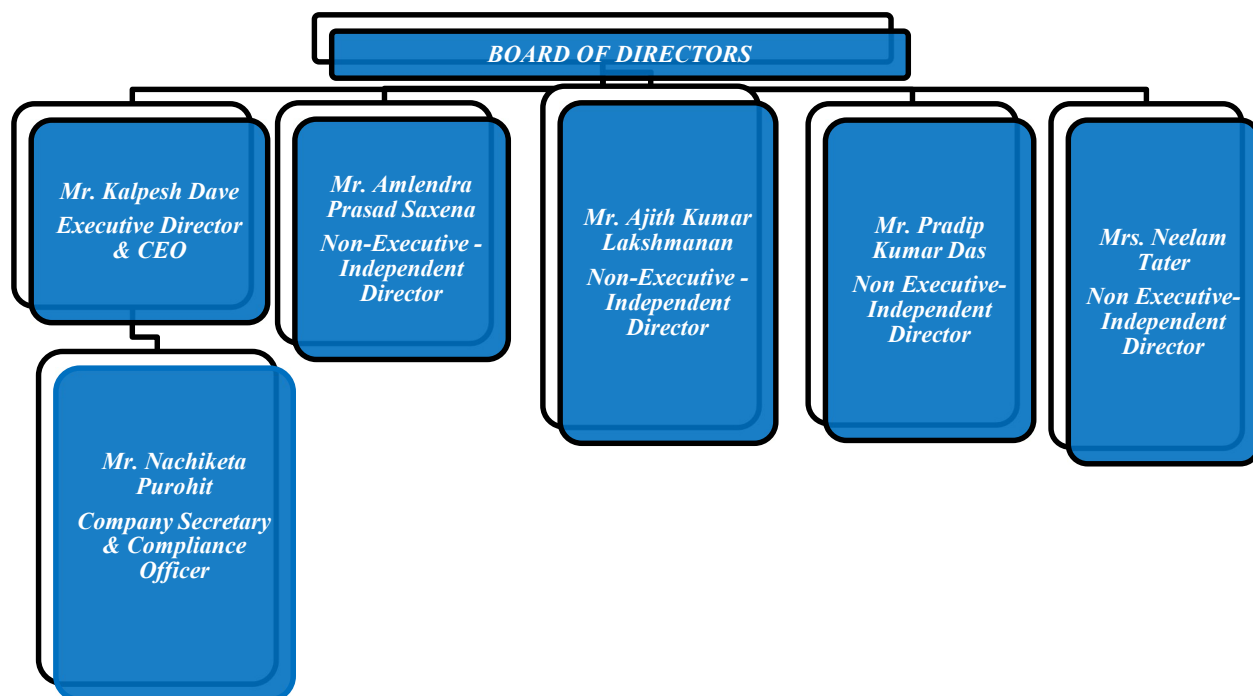
Our Company has not entered into any arrangement or understanding with major shareholders, customers, suppliers, or others pursuant to which any of the above-mentioned directors have been appointed in the Board.

Details of service contracts entered with Directors

Our Company has not entered into any service contracts with the present Board of Directors for providing benefits upon termination of employment.

KEY MANAGERIAL PERSONNEL

| Status of Key Managerial Personnel | |
|--|--|
| Mr. Nachiketa Purohit Designation Company Secretary and Compliance Officer; Address 603, Western Edge 1, Above Metro Cash & Carry, Borivali East, Mumbai - 400066 Date of Appointment 16.09.2025 Nationality Indian; Educational Qualification Company Secretary; | |

ORGANISATIONAL STRUCTURE

SECTION V: FINANCIAL INFORMATION**FINANCIAL STATEMENTS**

| Sr. No. | Particulars | Website link |
|----------------|---|---|
| 1. | Audited Financial Statements of our Company as at and for the financial year ended March 31, 2025 | https://www.starhfl.com/wpcontent/uploads/2025/05/Outcome.pdf |
| 2. | Unaudited Financial Statements of our Company as at and for the quarter ended June 30, 2025 | https://www.starhfl.com/wpcontent/uploads/2025/08/Outcome_BSE_14.08.2025.pdf |

Material changes and commitments, if any, affecting our financial position

There are no material changes and commitments, which are likely to affect our financial position since March 31, 2025 till date of this Letter of offer. We have not given Restated Financials because we fall under Part B of SEBI (ICDR), 2018.

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The following tables present certain accounting and other ratios compared on the basis of the Audited Financial Information. For details, see “Financial Statements” on page 64.

Accounting Ratios:

| Particulars | Based on standalone Financial Statements | | | |
|---|--|----------------|----------------|----------------|
| | March 31, 2025 | March 31, 2024 | March 31, 2023 | March 31, 2022 |
| Basic earnings per share (Rs.) (for continued operations) | 1.41 | 1.14 | 0.97 | 0.10 |
| Diluted earnings per share (Rs.) (for continued operations) | 1.40 | 1.11 | 0.93 | 0.10 |
| Return on Net Worth (%) | 7.71% | 6.68% | 6.56% | 0.97% |
| Net Asset Value per Equity Share (Rs.) | 18.22 | 16.90 | 13.79 | 38.65 |
| EBITDA (Rs. in lakhs) | 6,127.04 | 3,988.84 | 1,956.87 | 768.62 |

The formula used in the computation of the above ratios is as follows:

| | |
|----------------------------------|--|
| Basic earnings per share | Net profit /(Loss) after Tax as per statement of profit and loss at to Equity Shareholders (after adjusting non controlling interest) after exceptional item ,as applicable/ weighted Average number of Equity Shares. |
| Diluted earnings per share | Net Profit/(Loss) after Tax as per Consolidated Statement of Profit and Loss attributable to Equity Shareholders (after adjusting non-controlling interest) after exceptional item, as applicable/Weighted Average number of Equity Shares (including convertible securities). |
| Return on net worth (in %). | Profit/(Profit/(Loss) for the Year as per Consolidated Statement of Profit and Loss attributable to Equity Shareholders (prior to other comprehensive income)/Net worth at the end of the year on basis. |
| Net asset value per Equity Share | Net Worth on consolidated basis divided by the number of Equity Shares outstanding for the year. |
| EBITDA | Profit/(Loss) for the year before interest on borrowings/debts, tax, depreciation, amortization, and exceptional items as presented in the Consolidated Statement of Profit and Loss |

Calculation of Return of Network

(In Rs. lakhs, unless otherwise specified)

| Particulars | Based on Standalone Audited Financial Statements | | | |
|---------------------------------------|--|---------------|---------------|---------------|
| | March 31,2025 | March 31,2024 | March 31,2023 | March 31,2022 |
| Net Profit after Tax (before OCI) (A) | 1,109.91 | 888.33 | 697.99 | 62.22 |
| Net Worth (B) | 14,387.07 | 13,301.46 | 10,641.88 | 6,409.85 |
| Return of Net Worth (A/B) (%) | 7.71% | 6.68% | 6.56% | 0.97% |

Calculation of Net asset value per Equity Share

(In Rs. lakhs, unless otherwise specified)

| Particulars | Based on Standalone Audited Financial Statements | | | |
|-----------------------------|--|---------------|---------------|---------------|
| | March 31,2025 | March 31,2024 | March 31,2023 | March 31,2022 |
| Net Worth (A)(Rs. in lakhs) | 14,387.07 | 13,301.46 | 10,641.88 | 6,409.85 |
| No. of Shares(B)(in Lakhs) | 789.64 | 787.21 | 771.58 | 165.82 |
| Net Assets Value[A/B] | 18.22 | 16.90 | 13.79 | 38.65 |

Calculation of EBITDA

(In Rs. lakhs, unless otherwise specified)

| Particulars | Based on Standalone Audited Financial Statements | | | |
|----------------------------|--|---------------|---------------|---------------|
| | March 31,2025 | March 31,2024 | March 31,2023 | March 31,2022 |
| Net Profit/(Loss)after Tax | 1,109.91 | 888.33 | 697.99 | 62.22 |
| Add: Taxes | 308.89 | 258.79 | 103.64 | 69.68 |
| Add: Interest | 4,626.56 | 2,775.01 | 1,119.69 | 609.51 |
| Add: Depreciation | 81.68 | 66.71 | 35.55 | 27.21 |
| Add: Exceptional Items | - | - | - | - |
| EBITDA | 6,127.04 | 3,988.84 | 1,956.87 | 768.62 |

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATION

You should read the following discussion of our financial condition and results of operations together with our Audited Financial Statements as of and for the year ended March 31, 2025 all prepared in accordance with the Companies Act and Ind AS, including the schedules, annexure and notes thereto and the reports thereon, included in the section titled "Financial Statements" on page 64 of this Letter of offer. Unless otherwise stated, the financial information used in this chapter is derived from the Audited Financial Statements of our Company.

This discussion contains forward looking statements and reflects our current views with respect to future events and financial performance. Actual results may differ materially from those anticipated in these forward-looking statements as a result of certain factors such as those set forth in the sections titled "Risk Factors" and "Forward Looking Statements" on pages 25 and 20 respectively, of this Letter of offer.

Our financial year ends on March 31 of each year, so all references to a particular "Financial year" and "Fiscal" are to the twelve (12) month period ended March 31 of that financial year. References to the "Company", "we", "us" and "our" in this chapter refer to Star Housing Finance Limited, as applicable in the relevant period, unless otherwise stated. Unless otherwise indicated or the context requires, the financial information for Financial Year 2025 included in this Letter of offer. For further information, see "Financial Statements" beginning on page 64.

OVERVIEW OF OUR COMPANY

Star Housing Finance Limited (Star HFL) is BSE listed rural focused housing finance company operational in the affordable housing finance space helping achieve the dreams of the first-time home buyers from the Economic Weaker Section / Low Income Group to own their first house through simple and easy processes.

Since the commencement of our home loan business operations in Sep 2009, Star HFL has worked with the intent to enable homeownership through providing housing finance to target EWS/LIG customers in semi-urban and rural geographies. Star HFL is managed by a team of experienced housing finance professionals with strong domain at experience at regional and national level. These loans qualify under Priority Sector Lending Norms and the units financed qualify under PMAY guidelines. Star HFL has its Registered & Corporate Office in Mumbai, Maharashtra.

SIGNIFICANT FACTORS AFFECTING OUR BUSINESS, FINANCIAL CONDITION AND RESULTS OF OPERATION

Our business, financial condition and results of operations are affected by numerous factors and uncertainties, including those discussed in the section titled 'Risk Factors' on page 25. The following are certain factors that had, and we expect will continue to have, a significant effect on our business, financial condition and results of operations:

- Increasing competition in the Industry;
- Ability to comply with the quality requirement of customers as well as regulatory authorities;
- Changes in government regulations, tax regimes, laws and regulations that apply to the industry;
- Changes in fiscal, economic or political conditions in India;

SIGNIFICANT ACCOUNTING POLICIES

The accounting policies have been applied consistently to the periods presented in the Audited Financial Statements. For details of our significant accounting policies,

CHANGE IN ACCOUNTING POLICIES

There has been no change in accounting policies during the Financial Year 2024-2025

RESERVATIONS, QUALIFICATION AND ADVERSE REMARK /OTHER OBSERVATION IN CARO

The following is the summary of qualifications/reservations/emphasis of matters/adverse remarks/other observations in CARO (as applicable) in the Audited Financial Statements for the Financial Year 2024-2025

| Period | Type of Financials | Qualifications/ Reservations/ Matter of Emphasis/ Adverse Remarks/ Other Observations in CARO |
|----------------|--------------------|---|
| Financial Year | Standalone | <p><u>Qualifications/Reservations/Adverse Remarks:</u></p> <p>NIL</p> <p><u>Matter of Emphasis:</u></p> <p>NIL</p> <p>Other Observations in CARO:</p> <p>vii. In respect of statutory dues:</p> <p>(b) No other statutory dues referred to in sub-clause (a) above which have not been deposited as on March 31, 2024 on account of disputes.</p> |

(Rs. In Lakhs)

| Particulars | CURRENT PERIOD F.Y 2024-2025 | PREVIOUS YEAR F.Y 2023-2024 | PREVIOUS YEAR F.Y 2022-2023 | PREVIOUS YEAR F.Y 2021-2022 |
|--|------------------------------|-----------------------------|-----------------------------|-----------------------------|
| INCOME | | | | |
| I Revenue from Operation | 9,254.94 | 5,862.17 | 3,533.02 | 1,872.44 |
| II Other income | 241.33 | 301.38 | 191.29 | 64.10 |
| III. Total Revenue(I+II) | 9,496.27 | 6,163.55 | 3,724.31 | 1,936.54 |
| IV EXPENSES | | | | |
| Finance cost | 4,649.05 | 2,782.78 | 1,128.84 | 617.01 |
| Impairment of financial instruments | 512.47 | 180.26 | 62.70 | 50.97 |
| Employees Benefit Expenses | 1,857.46 | 1,320.53 | 950.25 | 745.01 |
| Depreciation and Amortisation expenses | 81.68 | 66.71 | 35.55 | 27.21 |
| Other expenses | 976.81 | 666.15 | 745.34 | 364.43 |
| Total Expenses | 8,077.47 | 5,016.43 | 2,922.68 | 1,804.63 |
| V. Profit before exceptional and extraordinary items and tax (III-IV) | 1,418.80 | 1,147.12 | 801.63 | 131.91 |
| VI. Profit after extraordinary items and tax(V) | 1,109.91 | 888.33 | 697.99 | 62.22 |
| VII. Profit before tax | 1,418.80 | 1,147.12 | 801.63 | |

| | | | | |
|---|-----------------|---------------|---------------|---------------|
| | | | | 131.91 |
| VIII Tax Expenses | 308.89 | 258.79 | 103.64 | 69.68 |
| 1) Current Tax | 55.01 | 136.99 | 129.95 | 45.91 |
| 2) Deferred Tax | 253.88 | 121.80 | (26.31) | 23.77 |
| Less Adjustment of earlier year | - | - | - | - |
| IX. Profit (loss) for the period from continuing operation | 1,109.91 | 888.33 | 697.99 | 62.22 |
| X. Profit (loss) for the Discontinuing operations(after tax) | - | - | - | |
| XI. Basic EPS | 1.41 | 1.14 | 0.97 | 0.10 |
| XII. Diluted EPS | 1.40 | 1.11 | 0.93 | 0.10 |

Results of our Operations

The following table sets forth certain information with respect to our results of operations for the periods indicated

Financial Year 2025 compared to Financial Year 2024 and Financial Year 2024 compared to Financial Year 2023

Total Revenue (Rs. In Lakhs)

Our total revenue for the Financial Year 2025 was Rs. 9,496.27/- as compared to Rs. 6,163.55/-for the Financial Year 2024.

Our total revenue for the Financial Year 2023 was Rs. 3,724.31/- as compared to Rs. 6,163.55/- for the financial year and quarter ended 2024.

Revenue from Operations (Rs. In Lakhs)

Our revenue from operations for the Financial Year 2025 was Rs. 9,254.94/- as compared to Rs. 5,862.17/-for the Financial Year 2024.

Our revenue from operation the Financial Year 2023 was Rs. 3,533.02/- as compared to Rs. 5,862.17/- for the financial year and quarter ended 2024

Other income (Rs. In Lakhs)

Other income for the Financial Year 2025 was Rs. 241.33/- as compared to Rs. 301.38/- for the Financial Year 2024.

Other income for the Financial Year 2023 was Rs. 191.29/- as compared to Rs. 301.38/-for the financial year and quarter ended 2024

Expenses (Rs. In Lakhs)

Our total expenditure for the Financial Year 2025 was Rs. 8,077.47/- as compared to Rs. 5,016.43/- for the Financial Year 2024.

Our total expenditure for Financial Year 2023 was Rs. 2922.68/- as compared to Rs. 5,016.43/- for the Financial year and quarter ended 2024.

Finance Costs (Rs. In Lakhs)

Finance Costs for the Financial Year 2025 was Rs 4,649.05/- as compared to Rs. 2,782.78/- for the Financial Year 2024.

Finance Costs for the Financial Year 2023 was Rs. 1,128.84/- as compared to Rs. 2,782.78/- for the Financial year and quarter ended 2024.

Impairment of financial instruments

Impairment of financial instruments for the Financial Year 2025 was Rs 512.47/- as compared to Rs. 180.26/- for the Financial Year 2024.

Impairment of financial instruments for the Financial Year 2023 was Rs. 62.70/- as compared to Rs. 180.26/- for the Financial year and quarter ended 2024.

Employee benefit expenses (Rs. In Lakhs)

Employee benefit expense for the Financial Year 2025 was Rs 1,857.46/- as compared to Rs. 1,320.53/- for the Financial Year 2024.

Employee benefit expenses for the Financial Year 2023 was Rs. 950.25/- as compared to Rs. 1,320.53/- for the Financial year and quarter ended 2024.

Depreciation and Amortisation expenses (Rs. In Lakhs)

Depreciation and Amortisation expenses for the Financial Year 2025 was Rs 81.68/- as compared to Rs. 66.71/- for the Financial Year 2024.

Depreciation and Amortisation expenses for the Financial Year 2023 was Rs. 35.55/- as compared to Rs. 66.71/- for the Financial year and quarter ended 2024.

Other expenses (Rs. In Lakhs)

Other expenses for the Financial Year 2025 were Rs. 976.81/- as compared to Rs. 666.15/- for the Financial Year 2024.

Other expenses for the quarter Financial Year 2023 was Rs 745.34/- as compared to Rs. 666.15/- for the Financial year and quarter ended 2024.

Profit/(loss) before exceptional and extraordinary items and tax share. (Rs. In Lakhs)

Profit/(loss) before exceptional and extraordinary items and tax share for the Financial Year 2025 was Rs 1,418.80 as compared to Rs. 1,147.12 for the Financial Year 2024.

Profit/(loss) before exceptional and extraordinary items and tax share for the Financial Year 2023 was Rs 801.63 as compared to Rs 1,147.12 for the Financial year and quarter ended 2024.

Profit after extraordinary items and tax (Rs. In Lakhs)

Profit after extraordinary items and tax for the Financial Year 2025 was Rs 1,109.91/- as compared to Rs. 888.33/- for the Financial Year 2024.

Profit after extraordinary items and tax for the Financial Year 2023 was Rs 697.99 /- as compared to Rs. 888.33/- for the Financial year and quarter ended 2024

Profit/(loss) before Tax (Rs. In Lakhs)

The profit/(loss) before tax for the Financial Year 2025 was Rs 1,418.80/- as compared to Rs. 1,147.12/- for the Financial Year 2024.

The profit/(loss) before tax for the Financial Year 2023 was Rs 801.63 as compared to Rs 1,147.12 for the Financial year and quarter ended 2024.

Tax expenses (Rs. In Lakhs)

The Tax Expenses for the Financial Year 2024 was Rs. 308.89/- as compared to Rs 258.79 /- for the Financial year and quarter ended 2024.

The profit/(loss) before tax for the Financial Year 2023 was Rs 103.64 /- as compared to Rs. 258.79/- for the Financial year and quarter ended 2024.

Unusual or Infrequent Events or Transactions

Other than as described in this Letter of offer, there have been no events or transactions to our knowledge which may be described as “unusual” or “infrequent”.

Related Party Transactions

For details, please refer to the chapter titled “*Financial Statements*” beginning on page 64 of this Letter of offer.

Risks Impacting our Business

| Key Risk | Description / Impact of Risk | Risk Mitigation / Strategy |
|---|---|--|
| Credit Risk | Failure of borrowers to meet financial obligations, leading to financial loss. | Comprehensive credit approval process, proper documentation, extensive credit appraisal, periodic reviews, and proactive portfolio risk analysis. |
| Market Risk | Adverse market movements or fluctuations affecting earnings, financial performance, and security value. | Continuous monitoring of portfolios and collaterals / securities. |
| Liquidity Risk | Unavailability of adequate funds, difficulty in selling assets, market disruptions affecting liquidity. | Maintaining liquidity cushions, strong financial position, good credit ratings, diverse borrowing sources, and regular asset-liability mismatch assessments. |
| Operational Risk | Risks from internal processes, systems, fraud, inadequate training, and employee errors. | Well-defined policies, operational processes, regular internal and systems audits, and a maker/checker mechanism. |
| Reputation Risk | Adverse perception by stakeholders affecting business and revenue. | Conducting business with diligence, stakeholder-centric approach, and employee training. |
| Regulatory & Compliance Risk | Changes in laws and regulations, inadequate regulatory compliance, and unexpected demands from tax authorities. | Experienced compliance team, external advice, adherence to guidelines, and internal audits. |
| Competition Risk | High competition from new entrants and existing players in the housing finance sector. | Diversified and innovative product offerings, fair practices, and positive work environment to attract and retain talent. |
| Business Continuity Risk | Disruptions due to incidents like fire, natural calamities, and terrorism, leading to data and business loss. | Business Continuity Plan (BCP), secured systems, and continuous process reviews. |
| Cyber Risk | Cyber threats like phishing, malware, and ransomware attacks, affecting data and operational control. | Cybersecurity measures, regular advisories, training, monitoring, and detection systems, and secured access to office infrastructure from remote locations. |

Qualitative Disclosure about Market Risk**1. Unusual or infrequent events or transactions**

Except as described in this Letter of offer, during the periods under review there have been no transactions or events, which in our best judgment, would be considered unusual or infrequent.

2. Significant economic changes that materially affected or are likely to affect income from continuing Operations

Other than as described in the section titled “Risk Factors” beginning on page no. 25 of this Letter of offer respectively, to our knowledge there are no known trends or uncertainties that have or had or are expected to have a material adverse impact on revenues or income of our Company from continuing operations.

3. Known trends or uncertainties that have had or are expected to have a material adverse impact on revenue or income from continuing operations

Other than as described in the section titled “*Risk Factors*” beginning on page no. 25 of this Letter of offer, in our opinion there are no known trends or uncertainties that have or had or are expected to have a material adverse impact on revenues or income of our Company from continuing operations.

4. Competitive conditions

We face competition from the unorganized sector as well as organized sector. For further details, kindly refer the chapters titled “**Risk Factors** and “**Our Business**” beginning on page no. 25 and 56 of this Letter of offer

Significant developments after March 31, 2025, that may affect our future results of operations

Other than as disclosed in this Letter of offer, there have been no significant developments after March 31, 2025, that may affect our future results of operations.

MATERIAL DEVELOPMENTS

Except as stated elsewhere in this Letter of offer and as disclosed below, to our knowledge, no circumstances have arisen since March 31, 2025, which materially or adversely affect or are likely to affect, within the next 12 months, our operations, performance, prospects or profitability, or the value of our assets or our ability to pay our liabilities.

1. Appointment and Resignation of KMPs, Directors, Auditors, etc.

- a) Appointment of KVV & Associates, Chartered Accountants (FRN: 152204W) as Internal Auditor of the Company for the financial year 2025-2026 with effect from May 07, 2025.
- b) Mr. Bhanwar Singh Kachhawaha resigned from the position of Chief Compliance Officer of the Company with effect from 14th May 2025.
- c) Mr. Natesh Narayanan resigned from the position of Chief Financial Officer of the Company with effect from 15th June, 2025
- d) Mr. Chinnathambi Ilango resigned from the position of Non-Executive Independent Director of the Company with effect from 14th August, 2025.
- e) Mr. Kavish Jain resigned from the position of Executive Director of the Company with effect from 15th August, 2025.
- f) On August 14, 2025, M/s. D.M. Zaveri & Co, Company Secretaries, (Fcs No: 5418), a peer Reviewed Firm, was appointed as Secretarial Auditor of the company, on the recommendation of Audit Committee, for a term of five consecutive years commencing from FY 2025-26 till FY 2029-30 subject to the approval of the members at the ensuing Annual General Meeting of the Company.
- g) Appointment of Mr. Shakir Sheikh as Chief Compliance Officer of the Company for a tenure of 3 Years.
- h) Mr. Shreyas Mehta resigned from the position of ‘Company Secretary & Compliance Officer’ and ‘Key Managerial Personnel’ (KMP) of the Company with effect from 15th September, 2025.
- i) Appointment of Mr. Nachiketa Purohit as ‘Company Secretary & Compliance Officer’ and ‘Key Managerial Personnel’ (KMP) of the Company with effect from 16th September, 2025

2. Increase in the Authorised share capital of the company

On August 14, 2025, the Board of Directors approved the increase in Authorised share capital of the company from existing Rs. 50,00,00,000/- (Rupees each Fifty crore only) divided into 10,00,00,000 (Ten crore) Equity Shares of Rs. 5/- each to Rs. 1,25,00,00,000/- divided (Rupees One Hundred Twenty Five Crore Only) divided into 25,00,00,000 (Twenty Five crore) Equity Shares of Rs. 5/- each ranking pari-passu in all respect with the existing Equity shares of the company, and consequent Alteration in clause V of the Memorandum of Association

relating to the share capital of the company subject to the approval of the members at the ensuing Annual General Meeting of the Company.

3. Recommendation of Final Dividend

On August 14, 2025, The Board of Directors Recommended final dividend of Rs.0.10/- per equity share of Rs. 5/- each for the Financial Year 2024-2025 subject to the approval of the members at the ensuing Annual General Meeting of the Company.

4. Issuance of upto 50,000 (Fifty Thousand) fully paid, senior, secured, rated, listed, redeemable, taxable non-convertible debentures

On August 14, 2025, The Board of Directors approved the Issuance of upto 50,000 (Fifty Thousand) fully paid, senior, secured, rated, listed, redeemable, taxable non-convertible debentures, each having a face value INR 10,000/- (Indian Rupees Ten Thousand Only) aggregating up to INR 50,00,00,000/- (Indian Rupees Fifty Crore Only), on a private placement basis, to the eligible investor(s) in one or more tranches. The said issuance(s) shall be in accordance with the applicable provisions of the Companies Act, 2013, SEBI (Issue and Listing of Non-Convertible Securities) Regulations, 2021, SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 and other applicable laws, including through the Electronic Book Provider (EBP) platform, as and when applicable.

5. Listing of Equity Shares on the National Stock Exchange of India Limited (NSE)

The Company has made an application for the direct listing of its equity shares on the National Stock Exchange of India Limited (NSE) on July 16, 2025, with a view to enhance liquidity, broaden investor participation, and increase visibility in the capital markets. The listing, upon approval, is expected to provide an additional platform for trading of the Company's shares and further strengthen corporate governance and transparency standards.

Further, in respect thereof, the Company has made adequate and timely disclosures to the Stock Exchange, in compliance with the applicable regulatory requirements.

6. Reclassification of Promoter Shareholding

On July 14, 2025, the Company received a request from the Promoters and Promoter Group of the Company for reclassification of their shareholding from the "Promoter and Promoter Group" category to the "Public" category in accordance with Regulation 31A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The said request is being processed in compliance with the applicable provisions of SEBI LODR Regulations and is subject to necessary approvals from the Stock Exchange, members of the Company and other regulatory authorities, as may be required.

The List of Promoter and Promoter Group seeking Re-classification is as follows.

| Sr. No. | Shareholders | Category |
|---------|----------------------|----------------|
| 1 | Anil Kumar Jain | Promoter |
| 2 | Kailash Jain | Promoter Group |
| 3 | Vimal Jain | Promoter Group |
| 4 | Aarsh Fincon Limited | Promoter Group |
| 5 | Ravindra Jain | Promoter Group |
| 6 | Shilpa Jain | Promoter Group |
| 7 | Anil Kumar Jain HUF | Promoter Group |

| Sr. No. | Shareholders | Category |
|---------|--------------|----------------|
| 8 | Kanta Jain | Promoter Group |

7. Credit Rating from India Ratings & Research Private Limited

India Ratings & Research Private Limited has affirmed or assigned rating on Company's Instruments viz. Bank loan and Non-Convertible Debentures vide its press release dated 07th August 2025 as follows:

| Sr. No. | Instrument Type | Size of Issue (million) | Rating | Rating Action |
|---------|----------------------------|-------------------------|----------------|---------------|
| 1 | Bank Loan | INR 4,500 | IND BBB/Stable | Affirmed |
| 2 | Non-Convertible Debentures | INR 500 | IND BBB/Stable | Affirmed |
| 3 | Non-Convertible Debentures | INR 2000 | IND BBB/Stable | Assigned |

OTHER EVENTS

On May 28, 2022, the Company received a request from the Promoters and Promoter Group of the Company for reclassification of their shareholding from the "Promoter and Promoter Group" category to the "Public" category in accordance with Regulation 31A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The said request is being processed in compliance with the applicable provisions of SEBI LODR Regulations and is subject to necessary approvals from the Stock Exchange, members of the Company and other regulatory authorities, as may be required.

The List of Promoter and Promoter Group seeking Re-classification is as follows.

| Sr. No. | Shareholders | Category |
|---------|----------------------------------|----------------|
| 1 | Yashpal Velchand Jain | Promoter group |
| 2 | Shantilal Jain | Promoter group |
| 3 | Jamak Lal Jain | Promoter group |
| 4 | Akme Automobiles Private Limited | Promoter group |
| 5 | Manak Chand Jain | Promoter group |
| 6 | Leeladevi Jain | Promoter group |
| 7 | Kalu Lal Jain | Promoter |
| 8 | Mohan Lal Nagda HUF | Promoter group |
| 9 | Nirmal Kumar Jain HUF | Promoter group |
| 10 | Akme Fintrade (India) Limited | Promoter group |

OUTSTANDING LITIGATIONS, DEFAULTS AND MATERIAL DEVELOPMENTS

There are outstanding litigations involving our Company whose financial statements are included in the Letter of offer, either separately or in a consolidated form including, suits, criminal or civil proceedings and taxation related proceedings that would have a material adverse effect on our operations, financial position or future revenues. In this regard, please note the following:

- In determining whether any outstanding litigation against our Company, other than litigation involving issues of moral turpitude, criminal liability, material violations of statutory regulations or proceedings relating to economic offences against our Company, would have a material adverse effect on our operations or financial position or impact our future revenues, we have considered all pending litigations involving our Company, other than criminal proceedings, statutory or regulatory actions, as ‘material’;
- For the purpose of determining materiality, the threshold shall be determined by the issuer as per requirements under the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended,

Unless stated to the contrary, the information provided below is as of the date of this Letter of offer.

LITIGATION INVOLVING OUR COMPANY

1) **Litigation Involving Actions by Statutory/Regulatory Authorities**

As on date of this Letter of offer, there are no actions by statutory / regulatory authorities against our Company

2) **Litigation involving Tax Liabilities**

As on date of this Letter of offer, there are no tax liabilities litigations involving our Company.

3) **Proceedings involving issues of moral turpitude or criminal liability on the part of our Company**

As on date of this Letter of offer, there are no issues of moral turpitude or criminal liability on the part of our Company.

4) **Proceedings involving Material Violations of Statutory Regulations by our Company**

As on date of this Letter of offer, there are no proceedings involving Material Violations of Statutory Regulations by our Company.

5) **Matters involving economic offences where proceedings have been initiated by our Company as on filling of DLOF**

As on date of this Letter of offer, there are no matters involving economic offences where proceedings have been initiated by our Company.

6) **Matters involving economic offences where proceedings have been initiated against our Company**

As on date of this Letter of offer, there are no matters involving economic offences where proceedings have been initiated against our Company.

7) **Other proceedings involving our Company which involve an amount exceeding the Materiality Threshold or are otherwise material in terms of the Materiality Policy, and other pending matters which, if they result in an adverse outcome would materially and adversely affect the operations or the financial position of our Company**

As on date of this Letter of offer, there are no proceedings involving our Company which involve an amount exceeding the Materiality Threshold or are otherwise material in terms of the Materiality Policy, and other pending matters which, if they result in an adverse outcome would materially and adversely affect the operations or the financial position of our Company;

LITIGATION INVOLVING OUR DIRECTORS, PROMOTERS AND PROMOTER GROUP**Litigation Involving Actions by Statutory/Regulatory Authorities**

As on date of this Letter of offer, there are no subsisting litigations involving actions by statutory/ regulatory authorities filed by or against our directors, promoters, and promoter group;

LITIGATION INVOLVING OUR SUBSIDIARY/ASSOCIATE**Litigation involving our Subsidiary/Associate**

As on date of this Letter of offer, the company does not have any subsidiary/ Associate Company.

DISCLOSURES PERTAINING TO WILFUL DEFAULTERS

Neither our Company, nor our Promoter or any of our Directors are or have been categorized as a willful defaulter by any bank or financial institution or consortium thereof, in accordance with the guidelines on willful defaulters issued by the RBI.

DETAILS OF MATERIAL DEVELOPMENTS AFTER THE DATE OF LAST BALANCE SHEET FOR MARCH 31,2025

Except as mentioned in this Letter of offer, no material circumstances have arisen since the date of last financial statement until the date of filing the Letter of offer, which materially and adversely affect or are likely to affect the operations or profitability of our Company, or value of its assets, or its ability to pay its liability within next twelve months to our knowledge.

GOVERNMENT AND OTHER APPROVALS

Our Company has received the necessary licenses, permissions and approvals from the Central and State Governments and other government agencies/regulatory authorities/certification bodies required to undertake the Issue or continue our business activities. In view of the approvals listed below, we can undertake this Issue and our current business activities and no further major approvals from any governmental/regulatory authority or any other entity are required to be undertaken, in respect of the Issue or to continue our business activities. It must, however, be distinctly understood that in granting the above approvals, the Government of India and other authorities do not take any responsibility for the financial soundness of our Company or for the correctness of any of the statements or any commitments made or opinions expressed in this behalf.

The main objects clause of the Memorandum of Association of our Company and the objects incidental, enable our Company to carry out its activities.

I. Incorporation details

- Certificate of incorporation dated March 21, 2005 issued to Star Housing Finance Limited by the Registrar of Companies, Jaipur.
- The Corporate Identity Number (CIN) of our Company is L45201MH2005PLC376046.

II. Approvals in relation the Issue

- The Board of Directors have, pursuant to Section 62(1)(a) of the Companies Act 2013, by a resolution passed at its meeting held on September 12, 2025 authorized the Issue.
- In-principle approval received from the BSE dated September 19, 2025.

III. Approvals in relation Tax

- The permanent account number of our Company is AAGCA1988C.
- The tax deduction account number of our company is JDHA08313E.
- The GST number of our Company is 27AAGCA1988C1ZP.

III. Approvals From RBI

- Certificate of Registration of our company is DOR-00080.
- LEI code of our company is 335800QWFRXBATTYPP38.

OFFICES

Registered Office: 603, Western Edge I, Above Metro Cash & Carry, Borivali East, Mumbai 400066.

OTHER REGULATORY AND STATUTORY DISCLOSURES

AUTHORITY FOR THE ISSUE

This Issue of Equity Shares to the Eligible Shareholders is being made in accordance with the:

1. Resolution passed by our Board of Directors under clause (a) of Sub-Section (1) of Section 62 and other provisions of the Companies Act, at their meeting conducted on September 12, 2025
2. The Rights Issue Committee of Board of Directors of our Company in their meeting conducted on September 24, 2025 approved this Issue inter-alia on the following terms:

| | |
|--------------------------------|--|
| Issue Size | Rs. 98,26,62,464/- (Rupees Ninety Eight Crore Twenty Six Lakhs Sixty Two Thousand Four Hundred Sixty Four Only); |
| Issue Price | Rs.16.00/- (Rupees Sixteen) per Right Equity Share issued in 1 (One) Rights Entitlement, (i.e. Rs.16.00/- (Rupees Sixteen) per Rights Equity Share, including a premium of Rs.11.00/- (Rupees Eleven) per Rights Equity Share); On Application, Investors will have to pay Rs. 16.00/- (Rupees Sixteen Only) per Rights Equity Share which constitutes 100% (Hundred percent) of the Issue Price; |
| Issue Entitlement Ratio | 7:9 i.e., Seven Equity Shares for every Nine Equity Shares held by Eligible Shareholders of our Company as on Record Date; |
| Record Date | Tuesday, September 30, 2025; |

The Issue Price shall be determined by the Company;

3. This Letter of Offer has been approved at Meeting of the Rights Issue Committee on September 24, 2025.
4. Receipt of In-principle approval from BSE Limited in accordance with Regulation 28 (1) of SEBI (LODR) Regulations for listing of the Right Shares proposed to be allotted pursuant Issue vide a letter bearing reference number LOD/RIGHT/AM/FIP/918/2025-26 from BSE Limited (BSE) dated September 19, 2025. Our Company will also make application to BSE Limited (BSE) to obtain their trading approvals for the Rights Entitlements as required under the ASBA Circular;
5. Our Company has been allotted the ISIN INE526R20010 for the Rights Entitlements to be credited to the respective demat accounts of the Eligible Shareholders of our Company.

PROHIBITION BY SEBI OR RBI OR OTHER GOVERNMENTAL AUTHORITIES

1. Our Company, promoter and the Directors of our Company have not been prohibited or debarred from accessing or operating in the capital markets, or restrained from buying, selling or dealing in securities under any order or direction passed by SEBI or any other regulatory or governmental authority.
2. The companies with which our Directors or the persons in control of our Company are or were associated as directors or persons in control have not been debarred from accessing the capital market under any order or direction passed by SEBI or any other regulatory or governmental authority.
3. Our Company, Promoter and the Directors of our Company have not been identified as wilful defaulters by the RBI;
4. None of our Directors are associated with the securities market in any manner;
5. Our Company, promoter, and the Directors of our Company have not been declared as fugitive economic offenders;

6. None of our Directors currently holds nor have held directorship(s) in the last five years in a listed Company whose shares have been or were suspended from trading on any stock exchange or in a listed Company which has been / was delisted from any stock exchange;
7. There are no proceedings initiated by SEBI, Stock Exchange or ROC, etc., against our Company, promoter, Directors, Group Companies;

ELIGIBILITY FOR THE ISSUE

1. Our Company is a listed company incorporated under the Companies Act, 2013. Our Equity Shares are presently listed on the BSE Limited (BSE). Our Company is eligible to offer and issue Right Shares pursuant to this Issue in terms of Chapter III and other applicable provisions of the SEBI (ICDR) Regulations;
2. Our Company is undertaking this Right Issue in compliance with Part B of Schedule VI of the SEBI (ICDR) Regulations. Our Company undertakes to make an application to BSE Limited (BSE) for listing of the Rights Shares to be issued pursuant to this Issue.

COMPLIANCE WITH SEBI (ICDR) REGULATIONS

1. Our Company is in compliance with requirements of Regulation 61 and Regulation 62 of the SEBI (ICDR) Regulations to the extent applicable;
2. Further, in relation to compliance Regulation 62 (1) (a) of the SEBI (ICDR) Regulations, our Company undertakes to make an application to BSE Limited (BSE) for listing of the Right Shares to be issued pursuant to this Issue;

COMPLIANCE WITH CLAUSE (1) OF PART B OF SCHEDULE VI OF SEBI (ICDR) REGULATIONS

Our Company is in compliance with the provisions specified in Clause (1) of Part B of Schedule VI of the SEBI (ICDR) Regulations as explained below:

1. Our Company has been filing periodic reports, statements and information in compliance with the Listing Agreement or the SEBI (LODR) Regulations, as applicable for the last one year immediately preceding the date of filing of the Letter of offer with the SEBI and until date;
2. The reports, statements and information referred to above in clause (1) are available on the website of BSE Limited (BSE);
3. Our Company has an investor grievance-handling mechanism which includes meeting of the Stakeholders' Relationship Committee at frequent intervals, appropriate delegation of power by our Board our Directors as regards share transfer and clearly laid down systems and procedures for timely and satisfactory redressal of investor grievances.

As our Company satisfies the conditions specified in Clause (1) of Part B of Schedule VI of SEBI (ICDR) Regulations, disclosures in this Letter of offer have been made in terms of Clause (4) of Part B of Schedule VI of SEBI (ICDR) Regulations.

COMPLIANCE WITH THE COMPANIES (SIGNIFICANT BENEFICIAL OWNERSHIP) RULES, 2018

Our Company is in compliance with the provisions of the Companies (Significant Beneficial Ownership) Rules, 2018.

DISCLAIMER CLAUSES FROM OUR COMPANY

Our Company accept no responsibility for the statements made otherwise than in this Letter of offer or in any advertisement or other materials issued by us or by any other persons at our instance and anyone placing reliance on any other source of information would be doing so at his/ her own risk.

Investors who invest in this Issue will be deemed to have represented by our Company and their respective directors, officers, agents, affiliates and representatives that they are eligible under all applicable laws, rules, regulations, guidelines and approvals to acquire Equity Shares of our Company and are relying on independent advice / evaluation as to their ability and quantum of investment in this Issue.

CAUTION

Our Company shall make all the relevant information available to the Eligible Shareholders in accordance with the SEBI (ICDR) Regulations and no selective or additional information would be available for a section of the Eligible Shareholders in any manner whatsoever, including at presentations, in research or sales reports, etc., after filing this Letter of offer.

No dealer, salesperson or other person is authorized to give any information or to represent anything not contained in this Letter of offer. You must not rely on any unauthorized information or representations. This Letter of offer is an offer to sell only the Right Shares and the Rights Entitlement, but only under circumstances and in the applicable jurisdictions. Unless otherwise specified, the information contained in this Letter of offer is current only as at its date of this Letter of offer.

DISCLAIMER WITH RESPECT TO JURISDICTION

This Letter of offer has been prepared under the provisions of Indian laws and the applicable rules and regulations thereunder. Any disputes arising out of this Issue will be subject to the jurisdiction of the appropriate court(s) in Mumbai, India only.

DESIGNATED STOCK EXCHANGE

The Designated Stock Exchange for the purpose of this Issue will be BSE Limited (BSE)

DISCLAIMER CLAUSE OF BSE LIMITED

As required, a copy of a Draft Letter of Offer was submitted to the BSE Limited (BSE) and it has given approval vide its letter dated September 19, 2025 to use its name in this Letter of Offer. The Disclaimer Clause as shall be intimated by the BSE Limited (BSE) to us, post-scrutiny of this Draft Letter of Offer, shall be included in the Letter of Offer prior to filing with BSE Limited (BSE). Further BSE Limited (BSE) does not in any manner:

1. Warrant, certify or endorse the correctness or completeness of any of the contents of the Draft Letter of Offer; or
2. Warrant that our Company's Equity Shares will be listed or will continue to be listed on BSE Limited (BSE); or
3. Take any responsibility for the financial or other soundness of our Company, its management or any scheme or project of our Company;

And it should not for any reason be deemed or construed that the Draft Letter of Offer has been cleared or approved by the BSE Limited (BSE).

Every Investor who desires to apply for or otherwise acquires any Equity Shares of our Company may do so pursuant to independent inquiry, investigation and analysis and shall not have any claim against BSE Limited (BSE) whatsoever by reason of any loss which may be suffered by such person consequent to or in connection with such subscription/ acquisition whether by reason of anything stated or omitted to be stated herein or for any other reason whatsoever.

FILING

This Letter of offer has been filed with the BSE as per the provisions of the SEBI (ICDR) Regulations being the Designated Stock Exchange through an online filing with their Portal.

SELLING RESTRICTIONS

The distribution of the Draft Letter of Offer, the Letter of Offer, Entitlement Letter, Application Form, and the issue of Right Shares, to persons in certain jurisdictions outside India is restricted by legal requirements

prevailing in those jurisdictions. Persons into whose possession the Draft Letter of Offer, the Letter of Offer, Entitlement Letter, or Application Form may come are required to inform themselves about and observe such restrictions.

We are making this Issue of Equity Shares on a rights basis to the Eligible Shareholders and will send/ dispatch the Letter of Offer, Entitlement Letter, and Application Form only to email addresses of such Eligible Shareholders who have provided an Indian address to our Company. Those overseas shareholders who do not update our records with their Indian address or the address of their duly authorized representative in India, prior to the date on which we propose to e-mail the Letter of Offer, Entitlement Letter, and Application Form, shall not be sent the Letter of Offer, Entitlement Letter, and Application Form. Further, the Letter of Offer will be provided, primarily through e-mail, by the Registrar on behalf of our Company to the Eligible Shareholders who have provided their Indian addresses to our Company and who make a request in this regard. Investors can also access the Letter of Offer, and the Application Form from the websites of the Registrar, our Company and the BSE Limited (BSE). Accordingly, our Company and the Registrar will not be liable for non-dispatch of physical copies of Issue materials, including the Letter of Offer, the Entitlement Letter, and the Application Form.

No action has been or will be taken to permit this Issue in any jurisdiction or the possession, circulation, or distribution of this Draft Letter of Offer, the Letter of Offer, and Application Form or any other material relating to our Company, the Equity Shares or Rights Entitlement in any jurisdiction where action would be required for that purpose.

Accordingly, the Rights Entitlements or Right Shares may not be offered or sold, directly or indirectly, and this Draft Letter of Offer, the Letter of Offer, Entitlement Letter and Application Form may not be distributed in any jurisdiction, except in accordance with legal requirements applicable in such jurisdiction. Receipt of this Draft Letter of Offer, the Letter of Offer, Entitlement Letter and Application Form will not constitute an offer in those jurisdictions in which it would be illegal to make such an offer and, under those circumstances, this Draft Letter of Offer, the Letter of Offer, Entitlement Letter and Application Form must be treated as sent for information only and should not be copied, redistributed or acted upon for subscription to Right Shares or the purchase of Rights Entitlements. Accordingly, persons receiving a copy of this Draft Letter of Offer, the Letter of Offer, Entitlement Letter and Application Form should not, in connection with the issue of the Rights Entitlements or Right Shares, distribute or send such document in, into the United States or any other jurisdiction where to do so would, or might contravene local securities laws or regulations or would subject the Company or their respective affiliates to any filing or registration requirement (other than in India). If this Draft Letter of Offer, the Letter of Offer, Entitlement Letter and/or Application Form is received by any person in any such jurisdiction, or by their agent or nominee, they must not seek to subscribe to the Rights Entitlement or Right Shares referred to in this Draft Letter of Offer, the Letter of Offer, Entitlement Letter and Application Form. Envelopes containing an Application Form should not be dispatched from any jurisdiction where it would be illegal to make an offer, and all persons subscribing for the Right Shares in this Issue must provide an Indian address.

No information in this Letter of offer should be considered to be business, financial, legal, tax or investment advice.

Any person who makes an application to acquire Rights Entitlement and the Rights Shares offered in this Issue will be deemed to have declared, represented, warranted and agreed that such person is authorized to acquire the Rights Entitlement and the Rights Shares in compliance with all applicable laws and regulations prevailing in his jurisdiction, without requirement for our Company or their respective affiliates to make any filing or registration (other than in India).

Neither the delivery of the Letter of Offer, Entitlement Letter and Application Form nor any sale or offer hereunder, shall under any circumstances create any implication that there has been no change in our Company's affairs from the date hereof or that the information contained herein is correct as at any time subsequent to the date of this Letter of offer or date of such information.

The contents of this Draft Letter of Offer and the Letter of Offer should not be construed as legal, tax or investment advice. Prospective investors may be subject to adverse foreign, state or local tax or legal consequences as a result of buying or selling of Rights Shares or Rights Entitlements. As a result, each Investor should consult its own counsel, business advisor, and tax advisor as to the legal, business, tax, and related matters concerning the offer of Rights Shares or Rights Entitlements. In addition, neither our Company nor any of their respective affiliates are making any representation to any offeree or purchaser

of the Right Shares or the Rights Entitlements regarding the legality of an investment in the Rights Shares or the Rights Entitlements by such offeree or purchaser under any applicable laws or regulations.

NO OFFER IN THE UNITED STATES

The Rights Entitlements and the Rights Shares have not been and will not be registered under the United States Securities Act, 1933, as amended, or any U.S. state securities laws and may not be offered, sold, resold or otherwise transferred within the United States of America or the territories or possessions thereof or to, or for the account or benefit of, 'U.S. persons' (as defined in Regulation S under the Securities Act, except in a transaction exempt from the registration requirements of the Securities Act. The Rights Entitlements and Rights Shares referred to in this Letter of offer are being offered in India and in jurisdictions where such offer and sale of the Right Shares and/ or Rights Entitlements are permitted under laws of such jurisdictions, but not in the United States. The offering to which this Draft Letter of Offer and the Letter of Offer, relates is not, and under no circumstances is to be construed as, an offering of any securities or rights for sale in the United States or as a solicitation therein of an offer to buy any of the said securities or rights.

Accordingly, this Draft Letter of Offer, the Letter of Offer, Entitlement Letter, and Application Form should not be forwarded to or transmitted in or into the United States at any time.

Neither our Company nor any person acting on behalf of our Company will accept subscriptions or renunciation from any person, or the agent of any person, who appears to be, or who our Company or any person acting on behalf of our Company has reason to believe, is in the United States when the buy order is made. No payments for subscribing for the Right Shares shall be made from US bank accounts and all persons subscribing for the Right Shares and wishing to hold such Right Shares in registered form must provide an address for registration of the Right Shares in India.

We, the Registrar, or any other person acting on behalf of us, reserve the right to treat as invalid any Application Form which:

- a. Does not include the certification set out in the Application Form to the effect that the subscriber does not have a registered address (and is not otherwise located) in the United States and is authorized to acquire the Rights Entitlements and the Right Shares in compliance with all applicable laws and regulations;**
- b. Appears to us or its agents to have been executed in, electronically transmitted from or dispatched from the United States;**
- c. Where a registered Indian address is not provided;**
- d. Where we believe that Application Form is incomplete or acceptance of such Application Form may infringe applicable legal or regulatory requirements;**

And we shall not be bound to allot or issue any Right Shares in respect of any such Application Form.

The Rights Entitlements may not be transferred or sold to any person in the United States.

INVESTOR GRIEVANCES AND REDRESSAL SYSTEM

1. Mechanism for Redressal of Investor Grievances

Our Company has made adequate arrangements for redressal of investor complaints in compliance with the corporate governance requirements under the SEBI (LODR) Regulations as well as a well-arranged correspondence system developed for letters of routine nature. We have been registered with the SEBI Complaints Redress System (SCORES) as required by the SEBI Circular bearing reference number 'CIR/OIAE/2/2011 dated June 3, 2011'. Consequently, investor grievances are also tracked online by our Company through the SCORES mechanism.

Our Company has a Stakeholders Relationship Committee comprising of 3 (Three), members of the said committee, which meets as and when required. Its terms of reference include considering and resolving

grievances of shareholders in relation to transfer of shares and effective exercise of voting rights. All investor grievances received by us have been handled by the Company Secretary and Compliance Officer.

The Investor complaints received by our Company are generally disposed of within 15 (Fifteen) days from the date of receipt of the complaint.

The average time taken by the Registrar to the Issue, **Bigshare Services Private Limited**, for attending to routine grievances will be within 30 (thirty) days from the date of receipt. In case of non-routine grievances where verification at other agencies is involved, it would be the endeavor of the Registrar to the Issue to attend to them as expeditiously as possible. We undertake to resolve the investor grievances in a time bound manner.

2. Investor Grievances arising out of this Issue

Our Company's investor grievances arising out of the Issue will be handled by **Bigshare Services Private Limited**, who is the Registrar to the Issue. The Registrar to the Issue will have a separate team of personnel handling only post- Issue correspondence.

The agreement between our Company and the Registrar to the Issue will provide for retention of records with the Registrar for a period of at least one year from the last date of dispatch of Allotment Advice to enable the Registrar to redress grievances of Investors.

All grievances relating to this Issue may be addressed to the Registrar to the Issue giving full details such as folio no., name and address, contact details, Email-ID of the first applicant, number and type of Equity Shares applied for, Application Form serial number, amount paid on application and the name of the bank and the branch where the application was deposited, along with a photocopy of the acknowledgement slip. In case of renunciation, the same details of the Renouncee should be furnished.

The average time taken by the Registrar to the Issue for attending to routine grievances will be seven to ten days from the date of receipt of complaints. In case of non-routine grievances where verification at other agencies is involved, it would be the endeavor of the Registrar to the Issue to attend to them as expeditiously as possible. Our Company undertakes to resolve the Investor grievances in a time bound manner.

Investors may contact the Company Secretary and Compliance Officer of our Company and/ or Registrar to the Issue at the below mentioned address in case of any pre-Issue/ post-Issue related problems such as non-receipt of allotment advice/ demat credit etc.

Investors may contact the Registrar to the Issue or the Company Secretary and Compliance Officer of our Company of our Company for any pre-Issue or post-Issue related matter. All grievances relating to the ASBA process may be addressed to the Registrar to the Issue, with a copy to the SCSBs (in case of ASBA process), giving full details such as name, address of the Applicant, contact number(s), e mail address of the sole/ first holder, folio number or demat account number, number of Right Shares applied for, amount blocked, ASBA Account number and the Designated Branch of the SCSBs where the Application Form or the plain paper application, as the case may be, was submitted by the Investors along with a photocopy of the acknowledgement slip. For details on the ASBA process, please refer to the section titled '**Terms of the Issue**' on page 85, of this Letter of offer.

The contact details of the Registrar to the Issue and the Company Secretary and Compliance Officer of our Company are as follows:

| Company Secretary and Compliance Officer | Registrar to the Issue |
|--|---|
| <p>Mr. Nachiketa Purohit Address: 603, Western Edge 1, Above Metro Cash & Carry, Borivali East, Mumbai - 400066; Contact Details: +91 8828036610 ; Email-ID: compliance@starhfl.com</p> | <p>Bigshare Services Private Limited Office No S6-2, 6th floor Pinnacle Business Park, Next to Ahura Centre, Mahakali Caves Road, Andheri (East) Mumbai - 400093, India. Tel No.: +91 22 6263 8200 Email: rightsissue@bigshareonline.com Website: www.bigshareonline.com Investor Grievance Email: investor@bigshareonline.com Contact Person: Mr. Suraj Gupta SEBI Registration No.: INR000001385 Validity of Registration: Permanent</p> |

SECTION VI – ISSUE INFORMATION

TERMS OF THE ISSUE

This section is for the information of the Investors proposing to apply in this Issue. Investors should carefully read the provisions contained the Issue Materials, before submitting the Application Form. Our Company is not liable for any amendments or modifications or changes in applicable laws or regulations, which may occur after the date of this Letter of offer. Investors are advised to make their independent investigation and ensure that the Application Form is correctly filled up.

Unless otherwise permitted under the SEBI (ICDR) Regulations read with SEBI Rights Issue Circulars, Investors proposing to apply in this Issue can apply only through ASBA facility as disclosed in this section.

OVERVIEW

This Issue and the Rights Shares proposed to be issued on a rights basis, are subject to the terms and conditions contained in this Draft Letter of Offer, the Letter of Offer, the Rights Entitlement Letter, the Application Form, and the Memorandum of Association and the Articles of Association of our Company, the provisions of the Companies Act, 2013, FEMA, FEMA Rules, the SEBI (ICDR) Regulations, the SEBI (LODR) Regulations, and the guidelines, notifications and regulations issued by SEBI, the Government of India and other statutory and regulatory authorities from time to time, approvals, if any, from the RBI or other regulatory authorities, the terms of the Listing Agreements entered into by our Company with the BSE Limited (BSE) and the terms and conditions as stipulated in the Allotment advice.

IMPORTANT

1. Dispatch and availability of Issue materials

In accordance with the SEBI (ICDR) Regulations, ASBA Circular, our Company will send/dispatch at least three days before the Issue Opening Date, the Entitlement Letter, Application Form and other issue material ('Issue Materials') only to the Eligible Shareholders who have provided an India address to our Company and who are located in jurisdictions where the offer and sale of the Rights Entitlement or Rights Shares is permitted under laws of such jurisdictions and does not result in and may not be construed as, a public offering in such jurisdictions. In case the Eligible Shareholders have provided their valid e-mail address, the Issue Materials will be sent only to their valid e-mail address and in case the Eligible Shareholders have not provided their e-mail address, then the Issue Materials will be dispatched, on a reasonable effort basis, to the India addresses provided by them.

Further, the Letter of Offer will be sent/dispatched, by the Registrar to the Issue on behalf of our Company to the Eligible Shareholders who have provided their Indian addresses and have made a request in this regard. In case such Eligible Shareholders have provided their valid e-mail address, the Letter of Offer will be sent only to their valid e-mail address and in case such Eligible Shareholders have not provided their e-mail address, then the Letter of Offer will be dispatched, on a reasonable effort basis, to the Indian addresses provided by them or who are located in jurisdictions where the offer and sale of the Right Shares is permitted under laws of such jurisdictions and in each case who make a request in this regard.

Investors can access the Letter of Offer and the Application Form (provided that the Eligible Equity Shareholder is eligible to subscribe for the Rights Shares under applicable securities laws) on the websites of:

- a. Our Company's website at www.starhfl.com
- b. Registrar to the Issue's website at www.bigshareonline.com
- c. BSE Limited's website at www.bse.com;

Eligible Shareholders can obtain the details of their respective Rights Entitlements from the website of the Registrar to the Issue's website at www.bigshareonline.com by entering their DP-ID and Client-ID and PAN. The link for the same shall also be available on the website of our Company at www.starhfl.com

Further, our Company will undertake all adequate steps to reach out the Eligible Shareholders who have provided their Indian address through other means, as may be feasible. In light of the current situation and pursuant to the SEBI Rights Issue Circulars, our Company, and the Registrar to the Issue will not be liable for non-dispatch of physical copies of Issue materials, including the Letter of Offer, the Rights Entitlement Letter and the Application

Form attributable to the non-availability of the e-mail addresses of Eligible Shareholders or electronic transmission delays or failures, or if the Application Forms or the Rights Entitlement Letters are delayed or misplaced in transit.

2. Facilities for Application in this Issue

In accordance with Regulation 76 of the SEBI (ICDR) Regulations, SEBI - Rights Issue Circulars and ASBA Circulars, all Investors desiring to make an Application in this Issue are mandatorily required to use the ASBA. Investors should carefully read the provisions applicable to such Applications before making their Application through ASBA.

ASBA facility

Investors can submit either the Application Form in physical mode to the Designated Branches of the SCSBs or online/ electronic Application through the website of the SCSBs (if made available by such SCSB) authorizing the SCSB to block the Application Money in an ASBA Account maintained with the SCSB. Application through ASBA facility in electronic mode will only be available with such SCSBs who provide such facility.

Investors applying through the ASBA facility should carefully read the provisions applicable to such Applications before making their Application through the ASBA process. For details, Paragraph titled '*Procedure for Application through the ASBA Process*' on page 96 of this Letter of offer.

Please note that subject to SCSBs complying with the requirements of SEBI circular bearing reference number CIR/CFD/DIL/13/2012 dated September 25, 2012, within the periods stipulated therein, Applications may be submitted at the Designated Branches of the SCSBs.

Further, in terms of the SEBI circular bearing reference number CIR/CFD/DIL/1/2013 dated January 02, 2013, it is clarified that for making Applications by SCSBs on their own account using ASBA facility, each such SCSB should have a separate account in its own name with any other SEBI registered SCSB(s). Such account shall be used solely for the purpose of making an Application in this Issue and clear demarcated funds should be available in such account for such an Application.

Credit of Rights Entitlements in demat accounts of Eligible Shareholders

In accordance with Regulation 77A of the SEBI (ICDR) Regulations read with the SEBI - Rights Issue Circular, the credit of Rights Entitlements and Allotment of Right Shares shall be made in dematerialized form only.

Prior to the Issue Opening Date, our Company shall credit the Rights Entitlements to:

- a. The demat accounts of the Eligible Shareholders holding the Equity Shares in dematerialised form; and
- b. A demat suspense escrow account (Namely, '*STAR HOUSING FINANCE LIMITED-RIGHTS ISSUE ESCROW ENTITLEMENT DEMAT ACCOUNT*') opened by our Company, for the Eligible Shareholders which would comprise Rights Entitlements relating to:**
 - (i) Equity Shares held in a demat suspense account pursuant to Regulation 39 of the SEBI (LODR) Regulations; or
 - (ii) Equity Shares held in the account of IEPF authority; or
 - (iii) The demat accounts of the Eligible Equity Shareholder which are frozen or details of which are unavailable with our Company or with the Registrar on the Record Date; or
 - (iv) Credit of the Rights Entitlements returned/ reversed/ failed; or
 - (v) The ownership of the Equity Shares currently under dispute, including any court proceedings, as applicable.

Eligible Shareholders as on Record Date are requested to provide relevant details (such as copies of self-attested PAN and client master sheet of demat account etc., details/ records confirming the legal and beneficial ownership of their respective Equity Shares) to the Company or the Registrar to the Issue not later than 2 (Two) Working

Days prior to the Issue Closing Date, i.e., October 31, 2025 to enable the credit of their Rights Entitlements by way of transfer from the demat suspense escrow account to their demat account at least 1 (One) day before the Issue Closing Date, to enable such Eligible Shareholders to make an application in this Issue, and this communication shall serve as an intimation to such Eligible Shareholders in this regard. Such Eligible Shareholders are also requested to ensure that their demat account is active, details of which have been provided to the Company or the Registrar to the Issue, to facilitate the aforementioned transfer.

OTHER IMPORTANT LINKS AND HELPLINE

The Investors can visit following links for the below-mentioned purposes:

| Purpose | Link |
|--|--|
| Frequently asked questions and online/ electronic dedicated investor helpdesk for guidance on the Application process and resolution of difficulties faced by the Investors. | |
| Submission of self-attested PAN, client master sheet and demat account details by non-resident Eligible Shareholders | www.bigshareonline.com |
| Updating of Indian address/ e-mail address/ mobile number in the records maintained by the Registrar to the Issue or our Company | |
| Updation of demat account details by Eligible Shareholders holding shares in physical form | |

RENOUNCEES

All rights and obligations of the Eligible Shareholders in relation to Applications and refunds pertaining to this Issue shall apply to the Renouncee(s) as well.

AUTHORITY FOR THE ISSUE

The Issue has been authorized by a resolution of Board of Directors of our Company passed at their meeting held on September 12, 2025, in accordance with the provisions of Section 62(1)(a) of the Companies Act.

The Rights Issue Committee in their meeting held on September 24, 2025 have determined the Issue Price at Rs. 16.00/- per Equity Share and the Rights Entitlement as 7 Rights Equity Share(s) for every 9 fully paid-up Equity Share(s) held on the Record Date.

The Issue Price has been determined by the Company.

BASIS FOR THIS ISSUE

The Rights Shares are being offered for subscription for cash to the Eligible Shareholders whose names appear as beneficial owners as per the list to be furnished by the Depositories in respect of our Equity Shares held in dematerialised form and on the register of members at the close of business hours on the Record Date.

RIGHTS ENTITLEMENTS

Eligible Shareholders whose names appear as a beneficial owner in respect of the issued and paid-up Equity Shares held in dematerialised form or appears in the register of members of our Company as an Eligible Equity Shareholder in respect of our Equity Shares held in physical form, as on the Record Date, you may be entitled to subscribe to the number of Rights Shares as set out in the Rights Entitlement Letter

The Registrar will send/dispatch a Rights Entitlement Letter along with and the Application Form to all Eligible Equity Shareholders who have provided an Indian address to our Company and who are located in jurisdictions where the offer and sale of the Rights Entitlements or Rights Shares is permitted under laws of such jurisdiction

and does not result in and may not be construed as, a public offering in such jurisdictions, which will contain details of their Rights Entitlements based on their shareholding as on the Record Date.

Eligible Shareholders can also obtain the details of their respective Rights Entitlements from the Registrar to the Issue's website at www.bigshareonline.com by entering their DP-ID and Client-ID or Folio Number (in case of Eligible Equity Shareholders holding Equity Shares in physical form) and PAN. The link for the same shall also be available on our Company's website at www.starhfl.com.

Rights Entitlements shall be credited to the respective demat accounts of Eligible Shareholders before the Issue Opening Date only in dematerialised form.

Rights Entitlements shall be credited to the respective demat accounts of Eligible Equity Shareholders before the Rights Issue Opening Date only in dematerialised form. If Eligible Equity Shareholders holding Equity Shares in physical form as on Record Date, have not provided the details of their demat accounts to our Company or to the Registrar, they are required to provide their demat account details to our Company or the Registrar not later than two Working Days prior to the Rights Issue Closing Date, to enable the credit of the Rights Entitlements by way of transfer from the demat suspense escrow account to their respective demat accounts, at least one day before the Rights Issue Closing Date. Such Eligible Equity Shareholders holding shares in physical form can update the details of their respective demat accounts on the Registrar's website at www.bigshareonline.com. Such Eligible Equity Shareholders can make an application only after the Rights Entitlements is credited to their respective demat accounts, except in case of resident Eligible Equity Shareholders holding Equity Shares in physical form as on Record Date.

Our Company is undertaking this Issue on a rights basis to the Eligible Shareholders and will send the Issue Materials to email addresses of Eligible Shareholders who have provided their Indian address to our Company or who are located in jurisdictions where this Issue and sale of the Rights Entitlements or Rights Shares is permitted under laws of such jurisdiction and does not result in and may not be construed as, a public offering in such jurisdictions. In case such Eligible Shareholders have provided their valid e-mail address, the Issue Materials will be sent only to their valid email address and in case such Eligible Equity Shareholders have not provided their e-mail address, then the Issue Materials will be dispatched, on a reasonable effort basis, to the Indian addresses provided by them.

The Letter of Offer, and the Application Form may also be accessed on the websites of the Registrar and our Company through a link contained in the aforementioned email sent to email addresses of Eligible Shareholders (provided that the Eligible Equity Shareholder is eligible to subscribe for the Rights Shares under applicable securities laws) and on the BSE Limited (BSE) website. The distribution of the Letter of Offer, the Rights Entitlement Letter and the issue of Rights Shares on a rights basis to persons in certain jurisdictions outside India is restricted by legal requirements prevailing in those jurisdictions. No action has been, or will be, taken to permit this Issue in any jurisdiction where action would be required for that purpose, except that the Letter of Offer filed with BSE Limited (BSE) and the Letter of Offer to be filed with SEBI and the BSE Limited (BSE). Accordingly, the Rights Entitlements and Rights Shares may not be offered or sold, directly or indirectly, and the Draft Letter of Offer, the Letter of Offer, the Rights Entitlement Letter, the Application Form or any Issue related materials or advertisements in connection with this Issue may not be distributed, in any jurisdiction, except in accordance with legal requirements applicable in such jurisdiction. Receipt of the Letter of Offer, the Rights Entitlement Letter or the Application Form (including by way of electronic means) will not constitute an offer in those jurisdictions in which it would be illegal to make such an offer and, in those circumstances, the Letter of Offer, the Rights Entitlement Letter or the Application Form must be treated as sent for information only and should not be acted upon for making an Application and should not be copied or re-distributed. Accordingly, persons receiving a copy of the Letter of Offer, the Rights Entitlement Letter, or the Application Form should not, in connection with the issue of the Rights Shares or the Rights Entitlements, distribute or send the Letter of Offer, the Rights Entitlement Letter or the Application Form in or into any jurisdiction where to do so, would, or might, contravene local securities laws or regulations. If the Letter of Offer, the Rights Entitlement Letter or the Application Forms received by any person in any such jurisdiction, or by their agent or nominee, they must not seek to make an Application or acquire the Rights Entitlements referred to in the Letter of Offer, the Rights Entitlement Letter or the Application Form. Any person who acquires Rights Entitlements or makes and Application will be deemed to have declared, warranted and agreed, by accepting the delivery of the Letter of Offer, the Rights Entitlement Letter and the Application Form, that it is entitled to subscribe for the Right Shares under the laws of any jurisdiction which apply to such person.

PRINCIPAL TERMS OF THIS ISSUE

1. Face Value

Each Right Shares will be having face value of Rs. 5.00/- (Rupee Five Only).

2. Issue Price

Each Rights Equity Share is being offered at a price of Rs. 16.00/- (Rupees Sixteen Only) per Rights Equity Share (including a premium of Rs. 11.00/- (Rupees Eleven Only) per Rights Equity Share) in this Issue.

On Application, Investors will have to pay entire amount of Rs. 16.00/- (Rupees Sixteen Only) per Rights Equity Share which constitutes 100% (Hundred percent) of the Issue Price.

The Issue Price for Right Shares has been arrived at by our Company and has been decided prior to the determination of the Record Date.

3. Rights Entitlements Ratio

The Right Shares are being offered on a rights basis to the Eligible Shareholders in the ratio of 7 Rights Equity Share(s) for every 9 fully paid up Equity Share(s) held by the Eligible Shareholders as on the Record Date.

4. Renunciation of Rights Entitlements

This Issue includes a right exercisable by Eligible Shareholders to renounce the Rights Entitlements credited to their respective demat account either in full or in part.

The renunciation from non-resident Eligible Equity Shareholder(s) to resident Indian(s) and vice versa shall be subject to provisions of FEMA Rules and other circular, directions, or guidelines issued by RBI or the Ministry of Finance from time to time. However, the facility of renunciation shall not be available to or operate in favour of an Eligible Shareholders being an erstwhile OCB unless the same is in compliance with the FEMA Rules and other circular, directions, or guidelines issued by RBI or the Ministry of Finance from time to time.

The renunciation of Rights Entitlements credited in your demat account can be made either by sale of such Rights Entitlements, using the secondary market platform of the BSE Limited (BSE) or through an off-market transfer

In accordance with SEBI circulars the Physical Shareholders as on the Record Date, who have not furnished the details of their demat account to the Registrar or our Company at least 2 (Two) Working Days prior to the Issue Closing Date, will not be able to renounce their Rights Entitlements.

5. Process of Credit of Rights Entitlements in dematerialized account

In accordance with Regulation 77A of the SEBI (ICDR) Regulations read with the SEBI Issue Circulars, the credit of Rights Entitlements and Allotment of Rights Shares shall be made in dematerialized form only. Prior to the Issue Opening Date, our Company shall credit the Rights Entitlements to:

- a. The demat accounts of the Eligible Shareholders holding the Equity Shares in dematerialized form; and
- b. A demat suspense escrow account (namely, '**STAR HOUSING FINANCE LIMITED-RIGHTS ISSUE ESCROW ENTITLEMENT DEMAT ACCOUNT**') opened by our Company, for the Eligible Shareholders which would comprise Rights Entitlements relating to:
 - (i) Equity Shares held in a demat suspense account pursuant to Regulation 39 of the SEBI (LODR) Regulations; or
 - (ii) Equity Shares held in the account of IEPF authority; or
 - (iii) Physical Shareholders as on Record Date where details of demat accounts are not provided by Eligible Shareholders to our Company or Registrar; or

- (iv) The demat accounts of the Eligible Equity Shareholder which are frozen or details of which are unavailable with our Company or with the Registrar on the Record Date; or
- (v) Credit of the Rights Entitlements returned/ reversed/ failed; or
- (vi) The ownership of the Equity Shares currently under dispute, including any court proceedings, as applicable.

In this regard, our Company has made necessary arrangements with the Depositories for the crediting of the Rights Entitlements to the demat accounts of the Eligible Shareholders in a dematerialized form. A separate ISIN for the Rights Entitlements has also been generated which is INE526R20010. The said ISIN shall remain frozen (for debit) till the Issue Opening Date and shall become active on the Issue Opening Date and remain active for renunciation or transfer during the Renunciation Period, i.e., from October 10, 2025 to October 27, 2025 (both days inclusive). It is clarified that the Rights Entitlements shall not be available for transfer or trading post the Renunciation Period. The said ISIN shall be suspended for transfer by the Depositories post the Issue Closing Date.

Eligible Shareholders whose Rights Entitlement are credited in demat suspense account are requested to provide relevant details (such as copies of self-attested PAN and client master sheet of demat account etc., details/ records confirming the legal and beneficial ownership of their respective Equity Shares) to the Company or the Registrar not later than 2 (Two) Working Days prior to the Issue Closing Date, i.e., by October 31, 2025 to enable the credit of their Rights Entitlements by way of transfer from the demat suspense escrow account to their demat account at least 1 (One) day before the Issue Closing Date, to enable such Eligible Shareholders to make an application in this Issue, and this communication shall serve as an intimation to such Eligible Shareholders in this regard. Such Eligible Shareholders are also requested to ensure that their demat account, details of which have been provided to the Company or the Registrar account is active to facilitate the transfer. Physical Shareholders can update the details of their demat accounts on the website of the Registrar accessible at www.bigshareonline.com. Such Eligible Shareholders can make an application only after the Rights Entitlements is credited to their respective demat accounts.

Additionally, our Company will submit the details of the total Rights Entitlements credited to the demat accounts of the Eligible Shareholders and the demat suspense escrow account to the BSE after completing the corporate action. The details of the Rights Entitlements with respect to each Eligible Shareholders can be accessed by such respective Eligible Shareholders on the website of the Registrar after keying in their respective details along with other security control measures implemented thereat.

PLEASE NOTE THAT CREDIT OF THE RIGHTS ENTITLEMENTS IN THE DEMAT ACCOUNT DOES NOT, PER SE, ENTITLE THE INVESTORS TO THE RIGHTS SHARES AND THE INVESTORS HAVE TO SUBMIT APPLICATION FOR THE RIGHTS SHARES ON OR BEFORE THE ISSUE CLOSING DATE AND MAKE PAYMENT OF THE APPLICATION MONEY. FOR DETAILS, PLEASE REFER TO THE PARAGRAPH TITLED 'PROCEDURE FOR APPLICATION THROUGH THE ASBA PROCESS' ON PAGE 96 OF THIS LETTER OF OFFER.

6. Trading of the Rights Entitlements

In accordance with the ASBA Circulars and SEBI Rights Issue Circulars, the Rights Entitlements credited shall be admitted for trading on the BSE Limited (BSE) under ISIN INE526R20010. Prior to the Issue Opening Date, our Company will obtain the approval from the BSE Limited (BSE) for trading of Rights Entitlements. Investors shall be able to trade their Rights Entitlements either through On Market Renunciation or through Off Market Renunciation. The trades through On Market Renunciation and Off Market Renunciation will be settled by transferring the Rights Entitlements through the depository mechanism.

The On Market Renunciation shall take place electronically on the secondary market platform of the BSE on T+1 rolling settlement basis, where T refers to the date of trading. The transactions will be settled on trade-for-trade basis. The Rights Entitlements shall be tradable in dematerialized form only. The market lot for trading of Rights Entitlements is one Rights Entitlement.

The On Market Renunciation shall take place only during the Renunciation Period for On Market Renunciation, i.e., from October 10, 2025 to October 27, 2025 (both days inclusive). No assurance can be given regarding the active or sustained On Market Renunciation or the price at which the Rights Entitlements will trade. Eligible Shareholders are requested to ensure that renunciation through off-market transfer is completed in such a manner

that the Rights Entitlements are credited to the demat account of the Renouncees on or prior to the Issue Closing Date. For details, see *‘Procedure for Renunciation of Rights Entitlements – On Market Renunciation’* and *‘Procedure for Renunciation of Rights Entitlements – Off Market Renunciation’*.

Please note that the Rights Entitlements which are neither renounced nor subscribed by the Investors on or before the Issue Closing Date shall lapse and shall be extinguished after the Issue Closing Date.

7. Terms of Payment

The entire amount of the Issue Price of Rs. 16.00/- per Rights Equity Share shall be payable at the time of Application.

Each Rights Equity Share is being offered at a price of Rs. 16.00/- per Rights Equity Share (including a premium of Rs. 11.00/- per Rights Equity Share), for every 1 Rights Equity Share allotted in this Issue.

Where an Applicant has applied for additional Rights Shares and is Allotted a lesser number of Rights Shares than applied for, the excess Application Money paid/blocked shall be refunded/unblocked. The un-blocking of ASBA funds / refund of monies shall be completed be within such period as prescribed under the SEBI (ICDR) Regulations. In the event that there is a delay in making refunds beyond such period as prescribed under applicable law, our Company shall pay the requisite interest at such rate as prescribed under applicable law.

8. Fractional Entitlements

The Rights Shares are being offered on a rights basis to existing Eligible Shareholders in the ratio of 7 Rights Shares for every 9 Equity Shares held as on the Record Date. As per SEBI Rights Issue Circulars, the fractional entitlements are to be ignored. Accordingly, if the shareholding of any of the Eligible Shareholders is less than 9 Equity Shares or is not in the multiple of 9 Equity Shares, the fractional entitlements of such Eligible Shareholders shall be ignored by rounding down of their Rights Entitlements. However, the Eligible Shareholders whose fractional entitlements are being ignored, will be given preferential consideration for the Allotment of one additional Rights Security if they apply for additional Rights Shares over and above their Rights Entitlements, if any, subject to availability of Rights Shares in this Issue post allocation towards Rights Entitlements applied for.

Further, the Eligible Shareholders holding less than 9 Equity Shares shall have ‘zero’ entitlement for the Rights Shares. Such Eligible Shareholders are entitled to apply for additional Rights Shares and will be given preference in the Allotment of one Rights Shares, if such Eligible Shareholders apply for additional Rights Shares, subject to availability of Rights Shares in this Issue post allocation towards Rights Entitlements applied for. However, they cannot renounce the same in favour of third parties.

9. Ranking of Equity Shares

The Rights Shares to be issued and Allotted pursuant to this Issue shall be subject to the provisions of the Letter of Offer, the Rights Entitlement Letter, the Application Form, and the Memorandum of Association and the Articles of Association, the provisions of the Companies Act, 2013, FEMA, the SEBI (ICDR) Regulations, the SEBI (LODR) Regulations, and the guidelines, notifications and regulations issued by SEBI, the Government of India and other statutory and regulatory authorities from time to time, the terms of the Listing Agreements entered into by our Company with the BSE and the terms and conditions as stipulated in the Allotment advice.

The Rights Shares being issued and Allotted shall be subject to the provisions of the Memorandum of Association and Articles of Association. The Right Shares shall rank pari-passu, in all respects including dividend, with our existing Equity Shares.

The voting rights in a poll, whether present in person or by representative or by proxy shall be in proportion to the paid-up value of the Shares held, and no voting rights shall be exercisable in respect of moneys paid in advance, if any.

10. Credit Rating

As this Issue is a Rights Issue, there is no requirement for credit rating for this Issue.

11. Listing and trading of the Right Shares to be issued pursuant to this Issue

Subject to receipt of the listing and trading approvals, the Rights Equity Shares proposed to be issued on a rights basis shall be listed and admitted for trading on the Stock Exchanges. Unless otherwise permitted by the SEBI (ICDR) Regulations, the Rights Equity Shares Allotted pursuant to this Issue will be listed as soon as practicable and all steps for completion of necessary formalities for listing and commencement of trading in the Rights Equity Shares will be taken within such period prescribed under the SEBI (ICDR) Regulations. Our Company has received in-principle approval from the BSE through letter bearing reference number LOD/RIGHT/AM/FIP/918/2025-26 dated September 19, 2025 for listing of the Rights Equity Shares to be Allotted in this Issue. Our Company will apply to the BSE Limited for final approvals for the listing and trading of the Rights Equity Shares subsequent to their Allotment. No assurance can be given regarding the active or sustained trading in the Rights Equity Shares or the price at which the Rights Equity Shares offered under this Issue will trade after the listing thereof.

The Right Shares shall be listed and admitted for trading on the BSE Limited (BSE) under ISINs for Right Shares. The listing and trading of the Equity Shares issued pursuant to this Issue shall be based on the current regulatory framework then applicable. Accordingly, any change in the regulatory regime would affect the listing and trading schedule.

The existing Equity Shares are listed and traded on platform of BSE bearing Scrip Symbol code 'STARHFL' BSE Scrip code 539017 under ISIN: INE526R01028. The Rights Equity shall be credited to temporary ISINs which will be frozen until the receipt of the final listing/ trading approval from the Stock Exchange. Upon receipt of such listing and trading approvals, the Rights Equity Shares shall be debited from such temporary ISINs and credited to the existing ISIN as fully paid-up Equity share of our company.

In case our Company fails to obtain listing or trading permission from the Stock Exchange, our Company shall refund through verifiable means/unblock the respective ASBA Accounts, the entire monies received/blocked within four days of receipt of intimation from the Stock Exchange, rejecting the application for listing of the Rights Equity Shares, and if any such money is not refunded/ unblocked within four days after our Company becomes liable to repay it, our Company and every director of our Company who is an officer-in default shall, on and from the expiry of the fourth day, be jointly and severally liable to repay that money with interest at rates prescribed under applicable law

12. Rights of holders of Right Shares of our Company

Subject to applicable laws, holders of the Right Shares shall have the following rights:

- a. The Right Shares shall rank *pari-passu* with the existing Equity Shares in all respects;
- b. The right to receive dividend, if declared;
- c. The right to vote in person, or by proxy, except in case of Right Shares credited to the demat suspense account for resident Eligible Shareholders;
- d. The right to receive surplus on liquidation;
- e. The right to free transferability of Right Shares;
- f. The right to attend general meetings of our Company and exercise voting powers in accordance with law; and
- g. Such other rights as may be available to a shareholder of a listed public Company under the Companies Act, 2013, the Memorandum of Association and the Articles of Association.

Subject to applicable law and Articles of Association, holders of Right Shares shall be entitled to the above rights in proportion to amount paid-up on such Right Shares in this Issue.

13. Mode of Payment of Dividend

In the event of declaration of dividend, our Company shall pay dividend to the shareholders of our Company as per the provisions of the Companies Act and the provisions of the Articles of Association.

GENERAL TERMS OF THE ISSUE

1. Market Lot

The Equity Shares of our Company are tradable only in dematerialized form. The market lot for trading of Rights Entitlements is 1 Share and in multiples of 1 Share. To clarify further, fractional entitlements are not eligible for trading.

2. Joint Holders

Where two or more persons are registered as the holders of any Equity Shares, they shall be deemed to hold the same as the joint holders with the benefit of survivorship subject to the provisions contained in our Articles of Association. In case of Equity Shares held by joint holders, the Application submitted in physical mode to the Designated Branch of the SCSBs would be required to be signed by all the joint holders (in the same order as appearing in the records of the Depository) to be considered as valid for allotment of Right Shares offered in this Issue.

3. Nomination

Nomination facility is available in respect of the Rights Equity Shares in accordance with the provisions of the Section 72 of the Companies Act, 2013 read with Rule 19 of the Companies (Share Capital and Debenture) Rules, 2014. Since the Allotment is in dematerialized form, there is no need to make a separate nomination for the Rights Equity Shares to be allotted in this Issue. Nominations registered with the respective Depository Participants of the Investors would prevail. Any Investor holding Equity Shares in dematerialized form and desirous of changing the existing nomination is requested to inform its Depository Participant.

4. Arrangements for Disposal of Odd Lots

The Rights Equity Shares are traded in dematerialized form only. The market lot for trading of Rights Entitlements is 1 Share and in multiples of 1 Share and therefore the marketable lot is 1 Equity Share.

5. Restrictions on transfer and transmission of shares and on their consolidation/splitting

There are no restrictions on transfer and transmission and on their consolidation/splitting of shares issued pursuant to this Issue. However, the Investors should note that pursuant to provisions of the SEBI (LODR) Regulations, with effect from April 1, 2019, except in case of transmission or transposition of securities, the request for transfer of securities shall not be affected unless the securities are held in the dematerialized form with a depository.

6. Notices

In accordance with the SEBI (ICDR) Regulations, SEBI Rights Issue Circulars and MCA General Circular No. 21/2020, our Company will send, the Rights Entitlement Letter, Application Form and other issue material only to the Eligible Shareholders who have provided an Indian address to our Company and who are located in jurisdictions where the offer and sale of the Rights Entitlement or Right Shares is permitted under laws of such jurisdiction and does not result in and may not be construed as, a public offering in such jurisdictions. In case the Eligible Shareholders have provided their valid e-mail address, the Issue Materials will be sent only to their valid e-mail address and in case the Eligible Shareholders have not provided their e-mail address, then the Issue Materials will be dispatched, on a reasonable effort basis, to the Indian addresses provided by them.

The Letter of Offer will be provided by the Registrar to the Issue on behalf of our Company to the Eligible Shareholders who have provided their Indian addresses to our Company and who make a request in this regard. In case the Eligible Shareholders have provided their valid e-mail address, the Letter of Offer will be sent only to their valid e-mail address and in case the Eligible Shareholders have not provided their email address, then the Letter of Offer will be dispatched, on a reasonable effort basis, to the Indian addresses provided by them.

All notices to the Eligible Shareholders required to be given by our Company shall be published in one English language national daily newspaper with wide circulation, one Marathi language national daily newspaper with wide circulation (Marathi being the regional language of Mumbai where our Registered Office is situated).

The Letter of Offer, and the Application Form shall also be submitted with the Stock Exchange for making the same available on their website.

OFFER TO NON-RESIDENT ELIGIBLE SHAREHOLDERS/INVESTORS

As per Rule 7 of the FEMA Rules, the RBI has given general permission to Indian companies to issue Right Shares to non-resident shareholders including additional Right Shares. Further, as per the Master Direction on Foreign Investment in India dated January 4, 2018 issued by the RBI, non-residents may, amongst other things:

1. Subscribe for additional Equity Shares over and above their Rights Entitlements;
2. Renounce the Equity Shares offered to them either in full or in part thereof in favour of a person named by them; or
3. Apply for the Equity Shares renounced in their favour.

Applications received from NRIs and non-residents for allotment of Right Shares shall be, amongst other things, subject to the conditions imposed from time to time by the RBI under FEMA in the matter of Application, refund of Application Money, Allotment of Right Shares and issue of Rights Entitlements Letters/ letters of Allotment/Allotment advice.

The Rights Entitlement Letter and Application Form shall be sent to the e-mail address of non-resident Eligible Shareholders who have provided an Indian address to our Company or who are located in jurisdictions where the offer and sale of the Right Shares is permitted under laws of such jurisdictions. Investors can access the Letter of Offer, and the Application Form (provided that the Eligible Equity Shareholder is eligible to subscribe for the Right Shares under applicable securities laws) from the websites of the Registrar, our Company and the Stock Exchange. The Board of Directors may at its absolute discretion, agree to such terms and conditions as may be stipulated by the RBI while approving the Allotment. The Right Shares purchased by non-residents shall be subject to the same conditions including restrictions in regard to the repatriation as are applicable to the original Equity Shares against which Right Shares are issued on rights basis.

In case of change of status of holders, i.e., from resident to non-resident, a new demat account must be opened. Any Application from a demat account which does not reflect the accurate status of the Applicant is liable to be rejected at the sole discretion of our Company.

Any non-resident shareholder who has applied in the Issue without submitting RBI approval and/or without providing Indian address, his/her application will be liable for rejection.

PROCEDURE FOR APPLICATION

How to Apply

In accordance with Regulation 76 of the SEBI (ICDR) Regulations, SEBI Rights Issue Circulars and ASBA Circulars, all Investors desiring to make an Application in this Issue are mandatorily required to use the ASBA process only. Investors should carefully read the provisions applicable to such Applications before making their Application through ASBA.

Our Company, its directors, its employees, affiliates, associates and their respective directors and officers and the Registrar shall not take any responsibility for acts, mistakes, errors, omissions and commissions etc. in relation to Applications accepted by SCSBs, Applications uploaded by SCSBs, Applications accepted but not uploaded by SCSBs or Applications accepted and uploaded without blocking funds in the ASBA Accounts.

Application Form

The Application Form for the Rights Shares offered as part of this Issue would be sent to the Eligible Shareholders only to

- (i) E-mail addresses of resident Eligible Shareholders who have provided their e-mail addresses;
- (ii) Indian addresses of the resident Eligible Shareholders, on a reasonable effort basis, whose e-mail addresses are not available with our Company or the Eligible Shareholders have not provided the valid email address to our Company;
- (iii) Indian addresses of the non-resident Eligible Shareholders, on a reasonable effort basis, who have provided an Indian address to our Company; and

- (iv) E-mail addresses of foreign corporate or institutional shareholders.

The Application Form along with the Rights Entitlement Letter shall be sent through email or physical delivery, as applicable, at least 3 (Three) days before the Issue Opening Date.

In case of non-resident Eligible Shareholders, the Application Form along with the Rights Entitlement Letter shall be sent through e-mail address if they have provided an Indian address to our Company or who are located in jurisdictions where the offer and sale of the Right Shares is permitted under laws of such jurisdictions.

Please note that neither our Company nor the Registrar shall be responsible for delay in the receipt of the Letter of Offer, the Rights Entitlement Letter or the Application Form attributable to non-availability of the e-mail addresses of Eligible Shareholders or electronic transmission delays or failures, or if the Application Forms or the Rights Entitlement Letters are delayed or misplaced in the transit or there is a delay in physical delivery (where applicable).

To update the respective e-mail addresses/ mobile numbers in the records maintained by the Registrar or our Company, Eligible Shareholders should visit www.bigshareonline.com. Investors can access the Letter of Offer, and the Application Form (provided that the Eligible Equity Shareholder is eligible to subscribe for the Right Shares under applicable securities laws) from the websites of:

- (i) Our Company at : www.starhfl.com
- (ii) The Registrar at www.bigshareonline.com ;
- (iii) The Stock Exchange at www.bseindia.com.

The Eligible Shareholders can obtain the details of their respective Rights Entitlements from the website of the Registrar at www.bigshareonline.com by entering their DP-ID and Client-ID and PAN. The link for the same shall also be available on the website of our Company at www.starhfl.com. Application Form can be used by the Eligible Shareholders as well as the Renouncees, to make Applications in this Issue on the basis of the Rights Entitlements credited in their respective demat accounts or demat suspense escrow account, as applicable. Please note that one single Application Form shall be used by the Investors to make Applications for all Rights Entitlements available in a particular demat account or entire respective portion of the Rights Entitlements in the demat suspense escrow account in case of resident Eligible Shareholders applying in this Issue, as applicable.

In case of Investors who have provided details of demat account in accordance with the SEBI (ICDR) Regulations, such Investors will have to apply for the Right Shares from the same demat account in which they are holding the Rights Entitlements and in case of multiple demat accounts, the Investors are required to submit a separate Application Form for each demat account.

Investors may accept this Issue and apply for the Right Shares by:

- (i) Submitting the Application Form to the Designated Branch of the SCSB or online/electronic Application through the website of the SCSBs (if made available by such SCSB) for authorizing such SCSB to block Application Money payable on the Application in their respective ASBA Accounts, or

Investors are also advised to ensure that the Application Form is correctly filled up stating therein:

- (i) The ASBA Account (in case of Application through ASBA process) in which an amount equivalent to the amount payable on Application as stated in the Application Form will be blocked by the SCSB; or

Please note that Applications without depository account details shall be treated as incomplete and shall be rejected.

Applicants should note that they should very carefully fill-in their depository account details and PAN number in the Application Form or while submitting application through online/electronic Application through the website of the SCSBs (if made available by such SCSB). Incorrect depository account details or PAN number could lead to rejection of the Application. For details see 'Grounds for Technical Rejection'. Our Company, the Registrar and the SCSB shall not be liable for any incorrect demat details provided by the Applicants.

Additionally, in terms of Regulation 78 of the SEBI (ICDR) Regulations, Investors may choose to accept the offer to participate in this Issue by making an Application that is available on the website of the Registrar, Stock Exchange, or on a plain paper with the same details as per the Application Form available online. Please note

that Eligible Shareholders making an application in this Issue by way of plain paper applications shall not be permitted to renounce any portion of their Rights Entitlements. For details, see '*Application on Plain Paper under ASBA process*' on page 98 of this Letter of offer.

OPTIONS AVAILABLE TO THE ELIGIBLE SHAREHOLDERS

The Rights Entitlement Letter will clearly indicate the number of Right Shares that the Eligible Equity Shareholder is entitled to.

If the Eligible Equity Shareholder applies in this Issue, then such Eligible Equity Shareholder can:

1. Apply for its Right Shares to the full extent of its Rights Entitlements; or
2. Apply for its Right Shares to the extent of part of its Rights Entitlements (without renouncing the other part); or
3. Apply for Right Shares to the extent of part of its Rights Entitlements and renounce the other part of its Rights Entitlements; or
4. Apply for its Right Shares to the full extent of its Rights Entitlements and apply for additional Right Shares; or
5. Renounce its Rights Entitlements in full.

PROCEDURE FOR APPLICATION THROUGH THE ASBA PROCESS

Investors desiring to make an Application in this Issue through ASBA process, may submit the Application Form to the Designated Branch of the SCSB or online/electronic Application through the website of the SCSBs (if made available by such SCSB) for authorizing such SCSB to block Application Money payable on the Application in their respective ASBA Accounts.

Investors should ensure that they have correctly submitted the Application Form, or have otherwise provided an authorization to the SCSB, via the electronic mode, for blocking funds in the ASBA Account equivalent to the Application Money mentioned in the Application Form, as the case may be, at the time of submission of the Application.

Self-Certified Syndicate Banks

For the list of banks which have been notified by SEBI to act as SCSBs for the ASBA process, please refer to <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=34>. For details on Designated Branches of SCSBs collecting the Application Form, please refer the above-mentioned link.

Please note that subject to SCSBs complying with the requirements of SEBI Circular bearing reference number 'CIR/CFD/DIL/13/2012' dated September 25, 2012 within the periods stipulated therein, ASBA Applications may be submitted at the Designated Branches of the SCSBs, in case of Applications made through ASBA facility.

ACCEPTANCE OF THIS ISSUE

Investors may accept this Issue and apply for the Right Shares:

Submitting the Application Form to the Designated Branch of the SCSB or online/electronic Application through the website of the SCSBs (if made available by such SCSB) for authorizing such SCSB to block Application Money payable on the Application in their respective ASBA Accounts, or

Please note that on the Issue Closing Date:

Applications through ASBA process will be uploaded until 5.00 p.m. (Indian Standard Time) or such extended time as permitted by the BSE Limited (BSE).

Applications submitted to anyone other than the Designated Branches of the SCSB are liable to be rejected.

Investors can also make Application on plain paper under ASBA process mentioning all necessary details as mentioned under the section '*Application on Plain Paper under ASBA processes*' on page 98 of this Letter of offer.

ADDITIONAL RIGHT SHARES

Investors are eligible to apply for additional Rights Shares over and above their Rights Entitlements, provided that they are eligible to apply for Rights Shares under applicable law and they have applied for all the Rights Shares forming part of their Rights Entitlements without renouncing them in whole or in part. The Rights Entitlements comprise of 1 Rights Equity. Where the number of additional Rights Shares applied for exceeds the number available for Allotment, the Allotment would be made as per the Basis of Allotment finalized in consultation with the Designated Stock Exchange. Applications for additional Rights Shares shall be considered and Allotment shall be made in accordance with the SEBI (ICDR) Regulations and in the manner prescribed under the section '*Basis of Allotment*' on page no. 107.

Eligible Shareholders who renounce their Rights Entitlements cannot apply for additional Right Shares.

Non-resident Renouncees who are not Eligible Equity Shareholders cannot apply for additional Rights Shares.

Pursuant to the ASBA Circulars, resident Eligible Equity Shareholders who hold Equity Shares in physical form as on the Record Date cannot renounce until the details of their demat account are provided to our Company or the Registrar and the dematerialized Rights Entitlements are transferred from suspense escrow demat account to the respective demat accounts of such Eligible Equity Shareholders within prescribed timelines. However, such Eligible Equity Shareholders, where the dematerialized Rights Entitlements are transferred from the suspense escrow demat account to the respective demat accounts within prescribed timelines, can apply for additional Rights Shares while submitting the Application through ASBA process.

PROCEDURE FOR RENUNCIATION OF RIGHTS ENTITLEMENTS

The Investors may renounce the Rights Entitlements, credited to their respective demat accounts, either in full or in part:

- 1) By using the secondary market platform of BSE Limited (BSE); or
- 2) Through an off-market transfer, during the Renunciation Period. Such renunciation shall result in renouncement of the Rights Shares.

The Investors should have the demat Rights Entitlements credited/lying in his/her own demat account prior to the renunciation. The trades through On Market Renunciation and Off Market Renunciation will be settled by transferring the Rights Entitlements through the depository mechanism.

Investors may be subject to adverse foreign, state, or local tax or legal consequences as a result of trading in the Rights Entitlements. Investors who intend to trade in the Rights Entitlements should consult their tax advisor or stockbroker regarding any cost, applicable taxes, charges, and expenses (including brokerage) that may be levied for trading in Rights Entitlements

OUR COMPANY ACCEPT NO RESPONSIBILITY TO BEAR OR PAY ANY COST, APPLICABLE TAXES, CHARGES, AND EXPENSES (INCLUDING BROKERAGE), AND SUCH COSTS WILL BE INCURRED SOLELY BY THE INVESTORS.

PLEASE NOTE THAT THE RIGHTS ENTITLEMENTS WHICH ARE NEITHER RENOUNCED NOR SUBSCRIBED BY THE INVESTORS ON OR BEFORE THE ISSUE CLOSING DATE SHALL LAPSE AND SHALL BE EXTINGUISHED AFTER THE ISSUE CLOSING DATE.

(i) On Market Renunciation

The Investors may renounce the Rights Entitlements, credited to their respective demat accounts by trading/selling them on the secondary market platform of the Stock Exchange through a registered stock broker in the same manner as the existing Equity Shares of our Company.

In this regard, in terms of provisions of the SEBI (ICDR) Regulations and the SEBI Rights Issue Circulars, the Rights Entitlements credited to the respective demat accounts of the Eligible Shareholders shall be admitted for trading on the Stock Exchange under the ISIN that shall be allotted for the Rights Entitlement subject to requisite approvals. The details for trading in Rights Entitlements will be as specified by the Stock Exchange from time to time.

The Rights Entitlements are tradable in dematerialized form only. The market lot for trading of Rights Entitlements is one Rights Entitlements.

The On Market Renunciation shall take place only during the Renunciation Period for On Market Renunciation, i.e., from October 10, 2025 to October 27, 2025 (both days inclusive).

The Investors holding the Rights Entitlements who desire to sell their Rights Entitlements will have to do so through their registered stock brokers by quoting the ISIN INE526R20010 (for Rights Entitlement) that shall be allotted for the Rights Entitlement and indicating the details of the Rights Entitlements they intend to sell. The Investors can place order for sale of Rights Entitlements only to the extent of Rights Entitlements available in their demat account.

The On Market Renunciation shall take place electronically on secondary market platform of BSE under automatic order matching mechanism and on 'T+1' rolling settlement bases, where 'T' refers to the date of trading. The transactions will be settled on trade-for-trade basis. Upon execution of the order, the stock broker will issue a contract note in accordance with the requirements of the Stock Exchange and the SEBI.

(ii) Off-Market Renunciation

The Investors may renounce the Rights Entitlements, credited to their respective demat accounts by way of an off-market transfer through a depository participant. The Rights Entitlements can be transferred in dematerialized form only.

Eligible Shareholders are requested to ensure that renunciation through off-market transfer is completed in such a manner that the Rights Entitlements are credited to the demat account of the Renouncees on or prior to the Issue Closing Date.

The Investors holding the Rights Entitlements who desire to transfer their Rights Entitlements will have to do so through their depository participant by issuing a delivery instruction slip quoting the ISIN (for Rights Entitlement) that shall be allotted for the Rights Entitlement, the details of the buyer and the details of the Rights Entitlements they intend to transfer. The buyer of the Rights Entitlements (unless already having given a standing receipt instruction) has to issue a receipt instruction slip to their depository participant. The Investors can transfer Rights Entitlements only to the extent of Rights Entitlements available in their demat account.

The instructions for transfer of Rights Entitlements can be issued during the working hours of the depository participants. The detailed rules for transfer of Rights Entitlements through off-market transfer shall be as specified by the NSDL and CDSL from time to time.

APPLICATION ON PLAIN PAPER UNDER ASBA PROCESS

An Eligible Equity Shareholder who is eligible to apply under the ASBA process may make an Application to subscribe to this Issue on plain paper. An Eligible Equity Shareholder shall submit the plain paper Application to the Designated Branch of the SCSB for authorizing such SCSB to block Application Money in the said bank account maintained with the same SCSB.

Applications on plain paper will not be accepted from any address outside India. Please note that the Eligible Shareholders who are making the Application on plain paper shall not be entitled to renounce their Rights Entitlements and should not utilize the Application Form for any purpose including renunciation even if it is received subsequently.

The application on plain paper, duly signed by the Eligible Equity Shareholder including joint holders, in the same order and as per specimen recorded with his bank, must reach the office of the Designated Branch of the SCSB before the Issue Closing Date and should contain the following particulars:

- (i) Name of our Company, being '**STAR HOUSING FINANCE LIMITED**';
- (ii) Name and address of the Eligible Equity Shareholder including joint holders (in the same order and as per specimen recorded with our Company or the Depository);
- (iii) Registered Folio No./DP and Client ID No.;

- (iv) Number of Equity Shares held as on Record Date;
- (v) Allotment option – only dematerialized form;
- (vi) Number of Right Shares entitled to;
- (vii) Total number of Right Shares applied for;
- (viii) Number of additional Right Shares applied for, if any;
- (ix) Total number of Right Shares applied for;
- (x) Total amount paid at the rate of Rs. 16.00/- for Right Shares issued in one Rights Entitlement;
- (xi) Details of the ASBA Account such as the account number, name, address and branch of the relevant SCSB;
- (xii) In case of non-resident Eligible Shareholders making an application with an Indian address, details of the NRE/FCNR/NRO Account such as the account number, name, address, branch of the SCSB with which the account is maintained and a copy of the RBI approval obtained pursuant to Rule 7 of the FEMA Rules.
- (xiii) Except for Applications on behalf of the Central or State Government, the residents of Sikkim and the officials appointed by the courts, PAN of the Eligible Equity Shareholder and for each Eligible Equity Shareholder in case of joint names, irrespective of the total value of the Right Shares applied for pursuant to this Issue;
- (xiv) Authorization to the Designated Branch of the SCSB to block an amount equivalent to the Application Money in the ASBA Account;
- (xv) Signature of the Eligible Equity Shareholder (in case of joint holders, to appear in the same sequence and order as they appear in the records of the SCSB); and
- (xvi) In addition, all such Eligible Shareholders are deemed to have accepted the following:

I/ We understand that neither the Rights Entitlement nor the Equity Shares have been, or will be, registered under the United States Securities Act of 1933, as amended (the 'US Securities Act') or any United States state securities laws, and may not be offered, sold, resold or otherwise transferred within the United States or to the territories or possessions thereof (the 'United States') except in a transaction exempt from, or not subject to, the registration requirements of the US Securities Act. I/ we understand the offering to which this application relates is not, and under no circumstances is to be construed as, an offering of any Equity Shares or Rights Entitlement for sale in the United States, or as a solicitation therein of an offer to buy any of the said Equity Shares or Rights Entitlement in the United States. Accordingly, I/ we understand that this application should not be forwarded to or transmitted in or to the United States at any time. I/ we understand that none of the Company, the Registrar or any other person acting on behalf of the Company will accept subscriptions from any person, or the agent of any person, who appears to be, or who we, the Registrar or any other person acting on behalf of the Company has reason to believe is in the United States, or if such person is outside India and the United States, such person is not a corporate shareholder, or is ineligible to participate in the Issue under the securities laws of their jurisdiction. I/ We will not offer, sell or otherwise transfer any of the Equity Shares which may be acquired by us in any jurisdiction or under any circumstances in which such offer or sale is not authorized or to any person to whom it is unlawful to make such offer, sale or invitation except under circumstances that will result in compliance with any applicable laws or regulations. We satisfy, and each account for which we are acting satisfies, all suitability standards for investors in investments of the type subscribed for herein imposed by the jurisdiction of our residence.

*I/ We understand and agree that the Rights Entitlement and Equity Shares may not be reoffered, resold, pledged or otherwise transferred except in an offshore transaction in compliance with Regulation S under the US Securities Act (hereinafter referred to as '**Regulation S**'), or otherwise pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the US Securities Act. I/We (i) am/are, and the person, if any, for whose account I/we am/are acquiring such Rights Entitlement, and/or the Equity Shares, is/are outside the United States, and (ii) is/are acquiring the Rights Entitlement and/or the Equity Shares in an offshore transaction meeting the requirements of Regulation S.*

I/ We acknowledge that the Company, their affiliates and others will rely upon the truth and accuracy of the foregoing representations and agreements. In cases where multiple Application Forms are submitted for Applications pertaining to Rights Entitlements credited to the same demat account or in demat suspense escrow account, including cases where an Investor submits Application Forms along with a plain paper Application, such Applications shall be liable to be rejected. Investors are requested to strictly adhere to these instructions. Failure to do so could result in an Application being rejected, with our Company and the Registrar not having any liability to the Investor. The plain paper Application format will be available on the website of the Registrar at www.bigshareonline.com.

I/ We acknowledge that Our Company and the Registrar shall not be responsible if the Applications are not uploaded by SCSB or funds are not blocked in the Investors' ASBA Accounts on or before the Issue Closing Date.'

In cases where multiple Application Forms are submitted for Applications pertaining to Rights Entitlements credited to the same demat account or in demat suspense escrow account, including cases where an Investor submits Application Forms along with a plain paper Application, such Applications shall be liable to be rejected. Investors are requested to strictly adhere to these instructions. Failure to do so could result in an Application being rejected, with our Company and the Registrar not having any liability to the Investor. The plain paper Application format will be available on the website of the Registrar at www.bigshareonline.com

MODE OF PAYMENT

All payments against the Application Forms shall be made only through ASBA facility only.

The Registrar will not accept any payments against the Application Forms, if such payments are not made through ASBA facility.

In case of Application through ASBA facility, the Investor agrees to block the entire amount payable on Application with the submission of the Application Form, by authorizing the SCSB to block an amount, equivalent to the amount payable on Application, in the Investor's ASBA Account.

After verifying that sufficient funds are available in the ASBA Account, details of which are provided in the Application Form, the SCSB shall block an amount equivalent to the Application Money mentioned in the Application Form until the Transfer Date. On the Transfer Date, upon receipt of intimation from the Registrar, pursuant to the finalization of the Basis of Allotment as approved by the Designated Stock Exchange, the SCSBs shall transfer such amount as per the Registrar's instruction from the ASBA Account into the Allotment Account which shall be a separate bank account maintained by our Company, other than the bank account referred to in Section 40 (3) of the Companies Act, 2013.

The balance amount remaining after the finalization of the Basis of Allotment on the Transfer Date shall be unblocked by the SCSBs on the basis of the instructions issued in this regard by the Registrar to the respective SCSB. The Investors would be required to give instructions to the respective SCSBs to block the entire amount payable on their Application at the time of the submission of the Application Form.

The SCSB may reject the application at the time of acceptance of Application Form if the ASBA Account, details of which have been provided by the Investor in the Application Form does not have sufficient funds equivalent to the amount payable on Application mentioned in the Application Form. Subsequent to the acceptance of the Application by the SCSB, our Company would have a right to reject the Application on technical grounds as set forth hereinafter.

1. Mode of payment for Resident Investors

All payments on the Application Forms shall be made only through ASBA facility. Applicants are requested to strictly adhere to these instructions.

2. Mode of payment for non-resident Investors

As regards the Application by non-resident Investors, payment must be made only through ASBA facility and using permissible accounts in accordance with FEMA, FEMA Rules and requirements prescribed by RBI and subject to the following:

- a) Individual non-resident Indian Applicants who are permitted to subscribe to Rights Shares by applicable local securities laws can obtain Application Forms on the websites of the Registrar, the BSE Limited (BSE), and our Company;

Note: In case of non-resident Eligible Shareholders, the Issue Materials shall be sent to their email addresses if they have provided their Indian address to our Company and if they are located in jurisdictions where the offer and sale of the Rights Entitlement or Rights Shares is permitted under laws of such jurisdiction and does not result in and may not be construed as, a public offering in such jurisdictions. The Letter of Offer will be provided by the Registrar on behalf of our Company to the Eligible Shareholders who have provided their Indian addresses to our Company and who are located in jurisdictions where the offer and sale of the Rights Entitlement or Rights Shares is permitted under laws of such jurisdiction and does not result in and may not be construed as, a public offering in such jurisdictions.

- i. Application Forms will not be accepted from non-resident Investors in any jurisdiction where the offer or sale of the Rights Entitlements and Rights Shares may be restricted by applicable securities laws;
- ii. Payment by non-residents must be made only through ASBA facility and using permissible accounts in accordance with FEMA, FEMA Rules and requirements prescribed by the RBI;

Notes

- (i) In case where repatriation benefit is available, interest, dividend, sales proceeds derived from the investment in Rights Shares can be remitted outside India, subject to tax, as applicable according to the Income-tax Act;
- (ii) In case Rights Shares are Allotted on a non-repatriation basis, the dividend and sale proceeds of the Rights Shares cannot be remitted outside India;
- (iii) In case of an Application Form received from non-residents, Allotment, refunds and other distribution, if any, will be made in accordance with the guidelines and rules prescribed by the RBI as applicable at the time of making such Allotment, remittance and subject to necessary approvals;
- (iv) Application Forms received from non-residents/ NRIs, or persons of Indian origin residing abroad for Allotment of Rights Shares shall, amongst other things, be subject to conditions, as may be imposed from time to time by RBI under FEMA, in respect of matters including Refund of Application Money and Allotment;
- (v) In the case of NRIs who remit their Application Money from funds held in FCNR/NRE Accounts, refunds and other disbursements, if any shall be credited to such account;
- (vi) Non-resident Renouncees, who are not Eligible Shareholders, must submit regulatory approval for applying for additional Rights Shares;

ALLOTMENT OF THE RIGHT SHARES IN DEMATERIALIZED FORM

PLEASE NOTE THAT THE RIGHTS SHARES APPLIED FOR IN THIS ISSUE CAN BE ALLOTTED ONLY IN DEMATERIALIZED FORM AND TO THE SAME DEPOSITORY ACCOUNT IN WHICH OUR EQUITY SHARES ARE HELD BY SUCH INVESTOR ON THE RECORD DATE. FOR DETAILS, SEE 'ALLOTMENT ADVICE OR REFUND/ UNBLOCKING OF ASBA ACCOUNTS' ON PAGE 108 OF THIS LETTER OF OFFER.

GENERAL INSTRUCTIONS FOR INVESTORS

1. Please read this Letter of offer carefully to understand the Application process and applicable settlement process;
2. Please read the instructions on the Application Form sent to you;
3. The Application Form can be used by both the Eligible Shareholders and the Renouncees;
4. Application should be made only through the ASBA facility;

5. Application should be complete in all respects. The Application Form found incomplete with regard to any of the particulars required to be given therein, and/or which are not completed in conformity with the terms of the Letter of Offer, the Rights Entitlement Letter and the Application Form are liable to be rejected. The Application Form must be filled in English;
6. In case of non-receipt of Application Form, Application can be made on plain paper mentioning all necessary details as mentioned under the section '*Application on Plain Paper under ASBA processes*' on page 98 of this Letter of offer;
7. In accordance with Regulation 76 of the SEBI (ICDR) Regulations, SEBI Rights Issue Circulars and ASBA Circulars, all Investors desiring to make an Application in this Issue are mandatorily required to use only the ASBA process. Investors should carefully read the provisions applicable to such Applications before making their Application through ASBA;
8. An Investor, wishing to participate in this Issue through the ASBA facility, is required to have an ASBA enabled bank account with an SCSB, prior to making the Application.
9. Applications should be submitted to the Designated Branch of the SCSB or made online/electronic through the website of the SCSBs (if made available by such SCSB) for authorizing such SCSB to block Application Money payable on the Application in their respective ASBA Accounts. Please note that on the Issue Closing Date, Applications through ASBA process will be uploaded until 5.00 p.m. (Indian Standard Time) or such extended time as permitted by the Stock Exchange;
10. Applications should not be submitted to the Bankers to the Issue or Escrow Collection Bank (assuming that such Escrow Collection Bank is not an SCSB), our Company or the Registrar;
11. In case of Application through ASBA facility, Investors are required to provide necessary details, including details of the ASBA Account, authorization to the SCSB to block an amount equal to the Application Money in the ASBA Account mentioned in the Application Form;
12. All Applicants, and in the case of Application in joint names, each of the joint Applicants, should mention their PAN allotted under the Income-tax Act, irrespective of the amount of the Application. Except for Applications on behalf of the Central or the State Government, the residents of Sikkim and the officials appointed by the courts, **Applications without PAN will be considered incomplete and are liable to be rejected.** With effect from August 16, 2010, the demat accounts for Investors for which PAN details have not been verified shall be 'suspended for credit' and no Allotment and credit of Right Shares pursuant to this Issue shall be made into the accounts of such Investors;
13. In case of Application through ASBA facility, all payments will be made only by blocking the amount in the ASBA Account. Cash payment or payment by cheque or demand draft or pay order or NEFT or RTGS or through any other mode is not acceptable for application through ASBA process. In case payment is made in contravention of this, the Application will be deemed invalid and the Application Money will be refunded and no interest will be paid thereon;
14. For physical Applications through ASBA at Designated Branches of SCSB, signatures should be either in English or Hindi or in any other language specified in the Eighth Schedule to the Constitution of India. Signatures other than in any such language or thumb impression must be attested by a Notary Public or a Special Executive Magistrate under his/her official seal. The Investors must sign the Application as per the specimen signature recorded with the SCSB;
15. In case of joint holders and physical Applications through ASBA process, all joint holders must sign the relevant part of the Application Form in the same order and as per the specimen signature(s) recorded with the SCSB. In case of joint Applicants, reference, if any, will be made in the first Applicant's name and all communication will be addressed to the first Applicant;
16. All communication in connection with Application for the Right Shares, including any change in address of the Eligible Shareholders should be addressed to the Registrar prior to the date of Allotment in this Issue quoting the name of the first/sole Applicant, folio numbers/DP ID and Client ID and Application Form number, as applicable; In case of any change in address of the Eligible Shareholders, the Eligible Shareholders should also send the intimation for such change to the respective depository participant, or to our Company or the Registrar;

17. Please note that subject to SCSBs complying with the requirements of SEBI Circular bearing reference number 'CIR/CFD/DIL/13/2012 dated September 25, 2012' within the periods stipulated therein, Applications made through ASBA facility may be submitted at the Designated Branches of the SCSBs. Application through ASBA facility in electronic mode will only be available with such SCSBs who provide such facility;
18. In terms of the SEBI circular CIR/CFD/DIL/1/2013 dated January 02, 2013, it is clarified that for making applications by banks on their own account using ASBA facility, SCSBs should have a separate account in own name with any other SEBI registered SCSB(s). Such account shall be used solely for the purpose of making application in public/ rights issues and clear demarcated funds should be available in such account for ASBA applications;
19. Investors are required to ensure that the number of Right Shares applied for by them do not exceed the prescribed limits under the applicable law;
20. An Applicant being an OCB is required not to be under the adverse notice of the RBI and must submit approval from RBI for applying in this Issue;

Do's:

1. Ensure that the Application Form and necessary details are filled in. In place of Application number, Investors can mention the reference number of the e-mail received from Registrar informing about their Rights Entitlement or last eight digits of the demat account. Alternatively, SCSBs may Investors should provide correct DP-ID and client-ID/ folio number while submitting the Application. Such DP-ID and Client-ID/ folio number should match the demat account details in the records available with Company and/or Registrar, failing which such Application is liable to be rejected. Investor will be solely responsible for any error or inaccurate detail provided in the Application. Our Company, SCSBs or the Registrar will not be liable for any such rejections. mention their internal reference number in place of application number;
2. Except for Application submitted on behalf of the Central or the State Government, residents of Sikkim and the officials appointed by the courts, each Applicant should mention their PAN allotted under the Income-tax Act;
3. Ensure that the demographic details such as address, PAN, DP ID, Client ID, bank account details and occupation ('Demographic Details') are updated, true and correct, in all respects;

Don'ts:

1. Do not apply if you are ineligible to participate in this Issue under the securities laws applicable to your jurisdiction;
2. Do not submit the GIR number instead of the PAN as the application is liable to be rejected on this ground;
3. Avoid applying on the Issue Closing Date due to risk of delay/ restrictions in making any physical Application;
4. Do not pay the Application Money in cash, by money order, pay order or postal order;
5. Do not submit multiple Applications.

Do's for Investors applying through ASBA:

1. Ensure that the details about your Depository Participant and beneficiary account are correct and the beneficiary account is activated as the Right Shares will be Allotted in the dematerialized form only;
2. Ensure that the Applications are submitted with the Designated Branch of the SCSBs and details of the correct bank account have been provided in the Application;
3. Ensure that there are sufficient funds (equal to {number of Rights Shares (including additional Rights Shares) applied for} X {Application Money of Rights Shares}) available in ASBA Account mentioned in the Application Form before submitting the Application to the respective Designated Branch of the SCSB;

4. Ensure that you have authorized the SCSB for blocking funds equivalent to the total amount payable on application mentioned in the Application Form, in the ASBA Account, of which details are provided in the Application and have signed the same;
5. Ensure that you have a bank account with an SCSB providing ASBA facility in your location and the Application is made through that SCSB providing ASBA facility in such location;
6. Ensure that you receive an acknowledgement from the Designated Branch of the SCSB for your submission of the Application Form on a plain paper Application;
7. Ensure that the name(s) given in the Application Form is exactly the same as the name(s) in which the beneficiary account is held with the Depository Participant. In case the Application Form is submitted in joint names, ensure that the beneficiary account is also held in same joint names and such names are in the same sequence in which they appear in the Application Form and the Rights Entitlement Letter;

Don'ts for Investors applying through ASBA:

1. Do not apply if you are not eligible to participate in this Issue under the securities laws applicable to your jurisdiction;
2. Do not submit the Application Form after you have submitted a plain paper Application to a Designated Branch of the SCSB or vice versa;
3. Do not send your physical Application to the Registrar, the Escrow Collection Bank (assuming that such Escrow Collection Bank is not an SCSB), a branch of the SCSB which is not a Designated Branch of the SCSB or our Company; instead submit the same to a Designated Branch of the SCSB only;
4. Do not instruct the SCSBs to unblock the funds blocked under the ASBA process;

Grounds for Technical Rejection

Applications made in this Issue are liable to be rejected on the following grounds:

1. DP-ID and Client-ID mentioned in Application not matching with the DP-ID and Client ID records available with the Registrar;
2. Sending an Application to the Registrar, Escrow Collection Banks (assuming that such Escrow Collection Bank is not a SCSB), to a branch of a SCSB which is not a Designated Branch of the SCSB or our Company;
3. Insufficient funds are available in the ASBA Account with the SCSB for blocking the Application Money;
4. Funds in the ASBA Account whose details are mentioned in the Application Form having been frozen pursuant to regulatory orders;
5. Account holder not signing the Application or declaration mentioned therein;
6. Submission of more than one Application Forms for Rights Entitlements available in a particular demat account;
7. Multiple Application Forms, including cases where an Investor submits Application Forms along with a plain paper Application;
8. Submitting the GIR number instead of the PAN (except for Applications on behalf of the Central or State Government, the residents of Sikkim and the officials appointed by the courts);
9. Applications by persons not competent to contract under the Indian Contract Act, 1872, except Applications by minors having valid demat accounts as per the demographic details provided by the Depositories;
10. Applications by SCSB on own account, other than through an ASBA Account in its own name with any other SCSB;

11. Application Forms which are not submitted by the Investors within the time periods prescribed in the Application Form and this Letter of offer;
12. Physical Application Forms not duly signed by the sole or joint Investors;
13. Application Forms accompanied by stock invest, outstation cheques, post-dated cheques, and money order, postal order or outstation demand drafts;
14. If an Investor is (a) debarred by SEBI; or (b) if SEBI has revoked the order or has provided any interim relief then failure to attach a copy of such SEBI order allowing the Investor to subscribe to their Rights Entitlements;
15. Applications which: (i) appears to our Company or its agents to have been executed in, electronically transmitted from or dispatched from the United States (other than from persons in the United States who are U.S. QIBs) or other jurisdictions where the offer and sale of the Right Shares is not permitted under laws of such jurisdictions; (ii) does not include the relevant certifications set out in the Application Form, including to the effect that the person submitting and/or renouncing the Application Form is (a) outside India and the United States and is a foreign corporate or institutional shareholder eligible to subscribe for the Rights Equity Share under the applicable securities laws or (b) a U.S. QIB in the United States, and in each case such person is complying with laws of jurisdictions applicable to such person in connection with this Issue; or (iii) where either a registered Indian address is not provided or where our Company believes acceptance of such Application Form may infringe applicable legal or regulatory requirements; and our Company shall not be bound to issue or allot any Right Shares in respect of any such Application Form;
16. Applications which have evidence of being executed or made in contravention of applicable securities laws;
17. Details of PAN mentioned in the Application does not match with the PAN records available with the Registrar;
18. Applications by a non-resident without the approval from RBI with respect to Rule 7 of the FEMA Rules;

DEPOSITORY ACCOUNT AND BANK DETAILS FOR INVESTORS HOLDING SHARES IN DEMAT ACCOUNTS AND APPLYING IN THIS ISSUE

IT IS MANDATORY FOR ALL THE INVESTORS APPLYING UNDER THIS ISSUE TO APPLY THROUGH THE ASBA PROCESS, TO RECEIVE THEIR RIGHTS SHARES IN DEMATERIALISED FORM AND TO THE SAME DEPOSITORY ACCOUNT/ CORRESPONDING PAN IN WHICH THE EQUITY SHARES ARE HELD BY THE INVESTOR AS ON THE RECORD DATE. ALL INVESTORS APPLYING UNDER THIS ISSUE SHOULD MENTION THEIR DEPOSITORY PARTICIPANT'S NAME, DP-ID AND BENEFICIARY ACCOUNT NUMBER/ FOLIO NUMBER IN THE APPLICATION FORM. INVESTORS MUST ENSURE THAT THE NAME GIVEN IN THE APPLICATION FORM IS EXACTLY THE SAME AS THE NAME IN WHICH THE DEPOSITORY ACCOUNT IS HELD. IN CASE THE APPLICATION FORM IS SUBMITTED IN JOINT NAMES, IT SHOULD BE ENSURED THAT THE DEPOSITORY ACCOUNT IS ALSO HELD IN THE SAME JOINT NAMES AND ARE IN THE SAME SEQUENCE IN WHICH THEY APPEAR IN THE APPLICATION FORM OR PLAIN PAPER APPLICATIONS, AS THE CASE MAY BE.

Investors applying under this Issue should note that on the basis of name of the Investors, Depository Participant's name and identification number and beneficiary account number provided by them in the Application Form or the plain paper Applications, as the case may be, the Registrar will obtain Demographic Details from the Depository. Hence, Investors applying under this Issue should carefully fill in their Depository Account details in the Application.

These Demographic Details would be used for all correspondence with such Investors including mailing of the letters intimating unblocking of bank account of the respective Investor and/or refund. The Demographic Details given by the Investors in the Application Form would not be used for any other purposes by the Registrar. Hence, Investors are advised to update their Demographic Details as provided to their Depository Participants.

By signing the Application Forms, the Investors would be deemed to have authorized the Depositories to provide, upon request, to the Registrar, the required Demographic Details as available on its records.

The Allotment advice and the email intimating unblocking of ASBA Account or refund (if any) would be emailed to the address of the Investor as per the email address provided to our Company or the Registrar

or Demographic Details received from the Depositories. The Registrar will give instructions to the SCSBs for unblocking funds in the ASBA Account to the extent Right Shares are not Allotted to such Investor. Please note that any such delay shall be at the sole risk of the Investors and none of our Company, the SCSBs, Registrar shall be liable to compensate the Investor for any losses caused due to any such delay or be liable to pay any interest for such delay.

In case no corresponding record is available with the Depositories that match three parameters, (a) names of the Investors (including the order of names of joint holders), (b) the DP ID, and (c) the beneficiary account number, then such Application Forms are liable to be rejected.

MULTIPLE APPLICATIONS

In case where multiple Applications are made in respect the Rights Entitlements using same demat account, such Applications shall be liable to be rejected. However supplementary applications in relation to further Right Shares with/without using additional Rights Entitlements will not be treated as multiple application. A separate Application can be made in respect of each scheme of a mutual fund registered with SEBI and such Applications shall not be treated as multiple applications. For details, see '*Procedure for Applications by Mutual Funds*' below. Cases where Investor submits Application Forms along with plain paper or multiple plain paper Applications for same Rights Entitlements shall be treated as multiple applications.

In cases where multiple Application Forms are submitted, such Applications shall be treated as multiple applications and are liable to be rejected.

LAST DATE FOR APPLICATION

The last date for submission of the duly filled in the Application Form or a plain paper Application is October 31, 2025, i.e., Issue Closing Date. The Board of Directors or a duly authorized Rights Issue committee thereof may extend the said date for such period as it may determine from time to time, subject to the Issue Period not exceeding 30 days from the Issue Opening Date (inclusive of the Issue Opening Date).

If the Application Form is not submitted with an SCSB, uploaded with the Stock Exchange and the Application Money is not blocked with the SCSB, on or before the Issue Closing Date or such date as may be extended by the Board of Directors or a duly authorized Rights Issue committee thereof, the invitation to offer contained in this Letter of offer shall be deemed to have been declined and the Board of Directors or a duly authorized Rights Issue committee thereof shall be at liberty to dispose of the Right Shares hereby offered, as provided under the section, '*Basis of Allotment*' on page 107 of this Letter of offer.

Please note that on the Issue Closing Date, Applications through ASBA process will be uploaded until 5.00 p.m. (Indian Standard Time) or such extended time as permitted by the BSE Limited (BSE),

Please ensure that the Application Form and necessary details are filled in. In place of Application number, Investors can mention the reference number of the e-mail received from Registrar informing about their Rights Entitlement or last eight digits of the demat account. Alternatively, SCSBs may mention their internal reference number in place of application number.

WITHDRAWAL OF APPLICATION

An Investor who has applied in this Issue may withdraw their Application at any time during Issue Period by approaching the SCSB where application is submitted. However, no Investor, whether applying through ASBA facility, may withdraw their Application post the Issue Closing Date.

No withdrawal of the Application by Specific Investor(s) shall be permitted, if such application is made pursuant to renunciation of Rights Entitlement by Our Promoter or members of our Promoter Group in favour of such Specific Investor.

ISSUE SCHEDULE

| | |
|---|--------------------------|
| Last date for Credit of Rights Entitlements | Friday, October 03, 2025 |
| Issue Opening Date | Friday, October 10, 2025 |

| | |
|---|----------------------------|
| Last Date for On Market Renunciation* | Monday, October 27, 2025 |
| Issue Closing Date | Friday, October 31, 2025 |
| Finalisation of Basis of Allotment (on or about) | Monday, November 03, 2025 |
| Date of Allotment (on or about) | Monday, November 03, 2025 |
| Date of Credit (on or about) | Tuesday, November 04, 2025 |
| Date of Listing (on or about) | Tuesday, November 04, 2025 |

** Eligible Shareholders are requested to ensure that renunciation through off-market transfer is completed in such a manner that the Rights Entitlements are credited to the demat account of the Renouncees on or prior to the Issue Closing Date.*

Our Board of Directors or a duly authorized Rights Issue committee thereof may however decide to extend the Issue Period as it may determine from time to time but not exceeding 30 (Thirty) days from the Issue Opening Date (inclusive of the Issue Opening Date).

BASIS OF ALLOTMENT

Subject to the provisions contained in the Draft Letter of Offer, the Letter of Offer, the Rights Entitlement Letter, the Application Form, the Articles of Association and the approval of the Designated Stock Exchange, our Board will proceed to Allot the Right Shares in the following order of priority:

1. Full Allotment to those Eligible Shareholders who have applied for their Rights Entitlements of Right Shares either in full or in part and also to the Renouncee(s) who has or have applied for Right Shares renounced in their favour, in full or in part.
2. Eligible Shareholders whose fractional entitlements are being ignored and Eligible Shareholders with zero entitlement, would be given preference in allotment of one additional Rights Equity Share each if they apply for additional Right Shares. Allotment under this head shall be considered if there are any unsubscribed Rights Shares after allotment under (a) above. If number of Rights Shares required for Allotment under this head are more than the number of Rights Shares available after Allotment under (a) above, the Allotment would be made on a fair and equitable basis in consultation with the Designated Stock Exchange and will not be a preferential allotment.
3. Allotment to the Eligible Shareholders who having applied for all the Right Shares offered to them as part of this Issue, have also applied for additional Right Shares. The Allotment of such additional Right Shares will be made as far as possible on an equitable basis having due regard to the number of Equity Shares held by them on the Record Date, provided there are any unsubscribed Right Shares after making full Allotment in (1) and (2) above. The Allotment of such Right Shares will be at the sole discretion of our Board in consultation with the Designated Stock Exchange, as a part of this Issue and will not be a preferential allotment.
4. Allotment to Renouncees who having applied for all the Right Shares renounced in their favour, have applied for additional Right Shares provided there is surplus available after making full Allotment under (1), (2) and (3) above. The Allotment of such Right Shares will be made on a proportionate basis in consultation with the Designated Stock Exchange, as a part of this Issue and will not be a preferential allotment.
5. Allotment to Specific Investor, if any, as disclosed by our Company before opening of the Issue, or to any other person, as deem fit by our Board, provided there is surplus available after making Allotment under (1), (2), (3) and (4) above, and the decision of our Board in this regard shall be final and binding.

After taking into account Allotment to be made under (1) to (5) above, if there is any unsubscribed portion, the same shall be deemed to be 'unsubscribed'

Upon approval of the Basis of Allotment by the Designated Stock Exchange, the Registrar shall send to the Controlling Branches, a list of the Investors who have been allocated Right Shares in this Issue, along with:

1. The amount to be transferred from the ASBA Account to the separate bank account opened by our Company for this Issue, for each successful Application;
2. The date by which the funds referred to above, shall be transferred to the aforesaid bank account; and
3. The details of rejected ASBA applications, if any, to enable the SCSBs to unblock the respective ASBA Accounts.

ALLOTMENT ADVICE OR REFUND/ UNBLOCKING OF ASBA ACCOUNTS

Our Company will send/ dispatch Allotment advice, refund intimations, if applicable, or demat credit of securities and/or letters of regret, only to the Eligible Equity Shareholders who have provided Indian address; along with crediting the Allotted Rights Equity Shares to the respective beneficiary accounts (only in dematerialised mode) or in Demat Suspense Account (in respect of Eligible Equity Shareholders holding Equity Shares in physical form on the Allotment Date) or issue instructions for unblocking the funds in the respective ASBA Accounts, if any, within a 2 working days from the Issue Closing Date. In case of failure to do so, our Company and our Directors who are “officers in default” shall pay interest at such other rate as specified under applicable law from the expiry of such 3 working days’ period.

The Rights Entitlements will be credited in the dematerialized form using electronic credit under the depository system and the Allotment advice shall be sent, through a mail, to the Indian mail address provided to our Company or at the address recorded with the Depository.

In the case of non-resident Investors who remit their Application Money from funds held in the NRE or the FCNR Accounts, unblocking refunds and/or payment of interest or dividend and other disbursements, if any, shall be credited to such accounts.

Where an Applicant has applied for Additional Rights Equity Shares in the Issue and is Allotted a lesser number of Rights Equity Shares than applied for, the excess Application Money paid/blocked shall be refunded/unblocked. The unblocking of ASBA funds / refund of monies shall be completed be within such period as prescribed under the SEBI (ICDR) Regulations. In the event that there is a delay in making refunds beyond such period as prescribed under applicable law, our Company shall pay the requisite interest at such rate as prescribed under applicable law.

PAYMENT OF REFUND

Mode of making refunds

The payment of refund, if any, including in the event of oversubscription or failure to list or otherwise would be done through any of the following modes.

1. Unblocking amounts blocked using ASBA facility.
2. National Automated Clearing House (hereinafter referred to as ‘**NACH**’) – National Automated Clearing House is a consolidated system of electronic clearing service. Payment of refund would be done through NACH for Applicants having an account at one of the centres specified by the RBI, where such facility has been made available. This would be subject to availability of complete bank account details including MICR code wherever applicable from the depository. The payment of refund through NACH is mandatory for Applicants having a bank account at any of the centres where NACH facility has been made available by the RBI (subject to availability of all information for crediting the refund through NACH including the MICR code as appearing on a cheque leaf, from the depositories), except where Applicant is otherwise disclosed as eligible to get refunds through NEFT or Direct Credit or RTGS.
3. National Electronic Fund Transfer (hereinafter referred to as ‘**NEFT**’) – Payment of refund shall be undertaken through NEFT wherever the Investors’ bank has been assigned the Indian Financial System Code (hereinafter referred to as ‘IFSC Code’), which can be linked to a MICR, allotted to that particular bank branch. IFSC Code will be obtained from the website of RBI as on a date immediately prior to the date of payment of refund, duly mapped with MICR numbers. Wherever the Investors have registered their nine digit MICR number and their bank account number with the Registrar to our Company or with the Depository Participant while opening and

operating the demat account, the same will be duly mapped with the IFSC Code of that particular bank branch and the payment of refund will be made to the Investors through this method.

4. Direct Credit – Investors having bank accounts with the Bankers to the Issue shall be eligible to receive refunds through direct credit. Charges, if any, levied by the relevant bank(s) for the same would be borne by our Company.
5. RTGS – If the refund amount exceeds Rs.2,00,000, the Investors have the option to receive refund through RTGS. Such eligible Investors who indicate their preference to receive refund through RTGS are required to provide the IFSC Code in the Application Form. In the event the same is not provided, refund shall be made through NACH or any other eligible mode. Charges, if any, levied by the refund bank(s) for the same would be borne by our Company. Charges, if any, levied by the Investor's bank receiving the credit would be borne by the Investor.
6. For all other Investors, the refund orders will be dispatched through speed post or registered post subject to applicable laws. Such refunds will be made by cheques, pay orders or demand drafts drawn in favor of the sole/first Investor and payable at par.
7. Credit of refunds to Investors in any other electronic manner, permissible by SEBI from time to time.

Refund payment to non-residents

The Application Money will be unblocked in the ASBA Account of the non-resident Applicants, details of which were provided in the Application Form.

ALLOTMENT ADVICE OR DEMAT CREDIT OF SHARES

The demat credit of Shares to the respective beneficiary accounts or the demat suspense account (pending receipt of demat account details for Eligible Shareholders holding Equity Shares in physical form/ with IEPF authority/ in suspense, etc.) will be credited within 3 working days from the Issue Closing Date or such other timeline in accordance with applicable laws.

RECEIPT OF THE RIGHTS SHARES IN DEMATERIALIZED FORM

Please Note that the Rights Shares applied for under this issue can be allotted only in Dematerialized Form and to:

1. The same Depository Account/ corresponding PAN in which the Equity Shares are held by such investor on the Record Date, Or
2. The depository account, details of which have been provided to our company or the registrar at least two working days prior to the issue closing date by the eligible equity shareholder holding equity shares in physical form as on the record date, or
3. Demat suspense account pending receipt of demat account details for resident eligible shareholders/ where the credit of the rights entitlements returned/reversed/failed.

Investors shall be Allotted the Rights Shares in dematerialized (electronic) form.

INVESTORS MAY PLEASE NOTE THAT THE RIGHTS SHARES CAN BE TRADED ON THE BSE LIMITED (BSE) ONLY IN DEMATERIALIZED FORM.

The procedure for availing the facility for Allotment of Right Shares in this Issue in the dematerialized form is as under:

1. Open a beneficiary account with any depository participant (care should be taken that the beneficiary account should carry the name of the holder in the same manner as is registered in the records of our Company. In the case of joint holding, the beneficiary account should be opened carrying the names of the holders in the same order as registered in the records of our Company). In case of Investors having various folios in our Company with different joint holders, the Investors will have to open separate accounts for such holdings. Those Investors who have already opened such beneficiary account(s) need not adhere to this step.
2. It should be ensured that the depository account is in the name(s) of the Investors and the names are in the same order as in the records of our Company or the Depositories.

3. The responsibility for correctness of information filled in the Application Form vis-a-vis such information with the Investor's depository participant, would rest with the Investor. Investors should ensure that the names of the Investors and the order in which they appear in Application Form should be the same as registered with the Investor's depository participant.
4. If incomplete or incorrect beneficiary account details are given in the Application Form, the Investor will not get any Right Shares and the Application Form will be rejected.
5. The Rights Shares will be allotted to Applicants only in dematerialized form and would be directly credited to the beneficiary account as given in the Application Form after verification or demat suspense account (pending receipt of demat account details for resident Eligible Shareholders with IEPF authority/ in suspense, etc.). Allotment advice, refund order (if any) would be sent directly to the Applicant by email and, if the printing is feasible, through physical dispatch, by the Registrar but the Applicant's depository participant will provide to him the confirmation of the credit of such Right Shares to the Applicant's depository account.
6. Non-transferable Allotment advice/ refund intimation will be directly sent to the Investors by the Registrar, by email and, if the printing is feasible, through physical dispatch.
7. Renouncees will also have to provide the necessary details about their beneficiary account for Allotment of Right Shares in this Issue. In case these details are incomplete or incorrect, the Application is liable to be rejected.

PROCEDURE FOR APPLICATION BY CERTAIN CATEGORIES OF INVESTORS

1. Procedure for Applications by FPIs

In terms of applicable FEMA Rules and the SEBI FPI Regulations, investments by FPIs in the Equity Shares is subject to certain limits, i.e., the individual holding of an FPI (including its investor group (which means multiple entities registered as foreign portfolio investors and directly and indirectly having common ownership of more than 50% of common control)) shall be below 10% of our post -Offer Equity Share capital. In case the total holding of an FPI or investor group increases beyond 10% of the total paid-up Equity Share capital of our Company, on a fully diluted basis or 10% or more of the paid-up value of any series of debentures or preference shares or share warrants that may be issued by our Company, the total investment made by the FPI or investor group will be re-classified as FDI subject to the conditions as specified by SEBI and the RBI in this regard and our Company and the investor will also be required to comply with applicable reporting requirements. Further, the aggregate limit of all FPIs investments, with effect from April 1, 2020, is up to the sectoral cap applicable to the sector in which our Company operates.

FPIs are permitted to participate in this Issue subject to compliance with conditions and restrictions which may be specified by the Government from time to time. The FPIs who wish to participate in the Offer are advised to use the Application Form for non-residents. Subject to compliance with all applicable Indian laws, rules, regulations, guidelines and approvals in terms of Regulation 21 of the SEBI FPI Regulations, an FPI may issue, subscribe to or otherwise deal in offshore derivative instruments (as defined under the SEBI FPI Regulations as any instrument, by whatever name called, which is issued overseas by an FPI against Shares held by it that are listed or proposed to be listed on any recognized stock exchange in India, as its underlying) directly or indirectly, only in the event (i) such offshore derivative instruments are issued only to persons registered as Category I FPI under the SEBI FPI Regulations; (ii) such offshore derivative instruments are issued only to persons who are eligible for registration as Category I FPIs (where an entity has an investment manager who is from the Financial Action Task Force member country, the investment manager shall not be required to be registered as a Category I FPI); (iii) such offshore derivative instruments are issued after compliance with 'know your client' norms; and (iv) compliance with other conditions as may be prescribed by SEBI.

An FPI issuing offshore derivative instruments is also required to ensure that any transfer of offshore derivative instruments issued by or on its behalf, is carried out subject to inter alia the following conditions: (a) such offshore derivative instruments are transferred only to persons in accordance with the SEBI FPI Regulations; and (b) prior consent of the FPI is obtained for such transfer, except when the persons to whom the offshore derivative instruments are to be transferred to are pre – approved by the FPI.

2. Procedure for Applications by AIFs, FVCIs and VCFs

The SEBI VCF Regulations and the SEBI FVCI Regulations prescribe, among other things, the investment restrictions on VCFs and FVCIs registered with SEBI. Further, the SEBI AIF Regulations prescribe, among other things, the investment restrictions on AIFs.

As per the SEBI VCF Regulations and SEBI FVCI Regulations, VCFs and FVCIs are not permitted to invest in listed companies pursuant to rights issues. Accordingly, applications by VCFs or FVCIs will not be accepted in this Issue. Venture capital funds registered as Category I AIFs, as defined in the SEBI AIF Regulations, are not permitted to invest in listed companies pursuant to rights issues. Accordingly, applications by venture capital funds registered as category I AIFs, as defined in the SEBI AIF Regulations, will not be accepted in this Issue. Other categories of AIFs are permitted to apply in this Issue subject to compliance with the SEBI AIF Regulations. Such AIFs having bank accounts with SCSBs that are providing ASBA in cities / centres where such AIFs are located are mandatorily required to make use of the ASBA facility. Otherwise, applications of such AIFs are liable for rejection.

3. Procedure for Applications by NRIs

Investments by NRIs are governed by the FEMA Rules. Applications will not be accepted from NRIs that are ineligible to participate in this Issue under applicable securities laws.

As per the FEMA Rules, an NRI or Overseas Citizen of India ('OCI') may purchase or sell capital instruments of a listed Indian Company on repatriation basis, on a recognized stock exchange in India, subject to the conditions, inter alia, that the total holding by any individual NRI or OCI will not exceed 5% of the total paid-up equity capital on a fully diluted basis or should not exceed 5% of the paid-up value of each series of debentures or preference shares or share warrants issued by an Indian Company and the total holdings of all NRIs and OCIs put together will not exceed 10% of the total paid-up equity capital on a fully diluted basis or shall not exceed 10% of the paid-up value of each series of debentures or preference shares or share warrants. The aggregate ceiling of 10% may be raised to 24%, if a special resolution to that effect is passed by the general body of the Indian company.

Further, in accordance with press note 3 of 2020, the FDI Policy has been recently amended to state that all investments by entities incorporated in a country which shares land border with India or where the beneficial owner of an investment into India is situated in or is a citizen of any such country ('Restricted Investors'), will require prior approval of the Government of India. It is not clear from the press note whether or not an issuance of the Right Shares to Restricted Investors will also require a prior approval of the Government of India and each Investor should seek independent legal advice about its ability to participate in the Issue. In the event such prior approval of the Government of India is required and such approval has been obtained, the Investor shall intimate our Company and the Registrar about such approval within the Issue Period.

4. Procedure for Applications by Mutual Funds

A separate application can be made in respect of each scheme of an Indian mutual fund registered with SEBI and such applications shall not be treated as multiple applications. The applications made by asset management companies or custodians of a mutual fund should clearly indicate the name of the concerned scheme for which the application is being made.

5. Procedure for Applications by Systemically Important Non-Banking Financial Companies ('NBFC-SI')

In case of an application made by NBFC-SI registered with the RBI, (a) the certificate of registration issued by the RBI under Section 45IA of the RBI Act, 1934 and (b) net-worth certificate from its statutory auditors or any independent chartered accountant based on the last audited financial statements is required to be attached to the application.

6. Application by Specific Investor

In case of renunciation of Rights Entitlement to Specific Investor by Our Promoter or members of our Promoter Group

Our Promoter or members of our Promoter Group may renounce any portion of their Rights Entitlement to one or more Specific Investor(s) subject to disclosure of the same in terms of the SEBI (ICDR) Regulations. The name of the Specific Investor(s) (i.e. the Renouncee), the name of our Promoter or members of our Promoter Group (i.e. renouncer) and the number of Rights Entitlements renounced in favour of such Specific Investor(s) shall be disclosed by our Company in the public advertisement at least two days prior to the Issue Opening Date.

In case of such renunciation of Rights Entitlement by our Promoter or members of our Promoter Group to any Specific Investor, all rights and obligations of the Eligible Equity Shareholders in relation to Applications and refunds pertaining to this Issue shall apply to the Specific Investor(s) (i.e. the Renouncee) as well.

The Application by such Specific Investor(s) shall be made on the Issue Opening Date before 11:00 a.m. (Indian Standard Time) and no withdrawal of such Application by the Specific Investor(s) shall be permitted. Our Company undertakes to disclose to the Stock Exchange(s) whether such Specific Investor(s) have made the Application or not, for dissemination on the Issue Opening Date by 11:30 a.m. (Indian Standard Time).

In case of allotment of any undersubscribed portion of the Rights Issue to Specific Investor

Our Company may allot any undersubscribed portion (if any) of the Rights Issue to one or more Specific Investor(s) and the names of such Specific Investor(s) shall be disclosed by our Company in the public advertisement at least two days prior to the Issue Opening Date. The Application by such Specific Investor(s) shall be made along with their Application Money before the finalisation of Basis of Allotment for undersubscribed portion of the Rights Issue in co-ordination with our Company and Registrar.

IMPERSONATION

As a matter of abundant caution, attention of the Investors is specifically drawn to the provisions of Section 38 of the Companies Act, 2013 which is reproduced below:

‘Any person who makes or abets making of an application in a fictitious name to a Company for acquiring, or subscribing for, its Shares; or makes or abets making of multiple applications to a Company in different names or in different combinations of his name or surname for acquiring or subscribing for its Shares; or otherwise induces directly or indirectly a Company to allot, or register any transfer of, Shares to him, or to any other person in a fictitious name, shall be liable for action under Section 447.’

The liability prescribed under Section 447 of the Companies Act for fraud involving an amount of at least Rs. 10 lakhs or 1% of the turnover of the company, whichever is lower, includes imprisonment for a term of not less than six months extending up to 10 years (provided that where the fraud involves public interest, such term shall not be less than three years) and fine of an amount not less than the amount involved in the fraud, extending up to three times of such amount.

In case the fraud involves (i) an amount which is less than Rs.10 lakhs or 1% of the turnover of the company, whichever is lower; and (ii) does not involve public interest, then such fraud is punishable with an imprisonment for a term extending up to five years or a fine of an amount extending up to Rs.50 lakhs or with both.

PAYMENT BY STOCK INVEST

In terms of RBI Circular DBOD No. FSC BC 42/24.47.00/2003- 04 dated November 5, 2003, the stock invest scheme has been withdrawn. Hence, payment through stock invest would not be accepted in this Rights Issue.

UNDERTAKINGS BY OUR COMPANY

Our Company undertakes the following:

- 1) The complaints received in respect of this Issue shall be attended to by our Company expeditiously and satisfactorily.
- 2) All steps for completion of the necessary formalities for listing and commencement of trading at all Stock Exchanges where the Equity Shares are to be listed will be taken by our Board within the time limit specified by SEBI.
- 3) The funds required for making refunds / unblocking to unsuccessful Applicants as per the mode(s) disclosed shall be made available to the Registrar by our Company.
- 4) Where refunds are made through electronic transfer of funds, a suitable communication shall be sent to the Investor within 3 working days of the Issue Closing Date, giving details of the banks where refunds shall be credited along with amount and expected date of electronic credit of refund.
- 5) In case of refund / unblocking of the Application Money for unsuccessful Applicants or part of the Application Money in case of proportionate Allotment, a suitable communication shall be sent to the Applicants.

- 6) No further issue of equity shares and convertible securities shall be made till the securities offered through the Letter of offer are listed or till the application monies are refunded on account of non-listing, under subscription, etc., other than any issuance of Equity Shares upon exercise of options under the ESOS Schemes and other than as disclosed in accordance with Regulation 97 of SEBI ICDR Regulations.
- 7) Adequate arrangements shall be made to collect all ASBA Applications.
- 8) As on date, our Company does not have any convertible debt instruments.
- 9) Our Company shall comply with such disclosure and accounting norms specified by SEBI from time to time.

UTILIZATION OF ISSUE PROCEEDS

Our Board declares that:

- a. All monies received out of issue of this Right Equity Issue to the public shall be transferred to a separate bank account.
- b. Details of all monies utilized out of this Right Issue referred to in clause (A) above shall be disclosed under an appropriate separate head in the balance sheet of our Company indicating the purpose for which such monies had been utilized; and
- c. Details of all unutilized monies out of this Right Issue referred to in clause (A) above, if any, shall be disclosed under an appropriate separate head in the balance sheet of our Company indicating the form in which such unutilized monies have been invested.

IMPORTANT

1. Please read this Letter of offer carefully before taking any action. The instructions contained in the Application Form, and the Rights Entitlement Letter are an integral part of the conditions of this Letter of offer and must be carefully followed; otherwise the Application is liable to be rejected.
2. All enquiries in connection with this Letter of offer, the Rights Entitlement Letter or Application Form must be addressed (quoting the Registered Folio Number or the DP ID and Client ID number, the Application Form number and the name of the first Eligible Equity Shareholder as mentioned on the Application Form and super scribed 'STAR HOUSING FINANCE -RIGHTS ISSUE' on the envelope and postmarked in India or in the email) to the Registrar at the following address:

Bigshare Services Private Limited
Office No S6-2, 6th floor Pinnacle Business Park, Next to Ahura Centre,
Mahakali Caves Road, Andheri (East) Mumbai - 400093, India .
Tel No.: +91 22 6263 8200
Email: rightsissue@bigshareonline.com
Website: www.bigshareonline.com
Investor Grievance Email: investor@bigshareonline.com
Contact Person: Mr. Suraj Gupta
SEBI Registration No.: INR000001385
Validity of Registration: Permanent

3. In accordance with SEBI Rights Issue Circulars, frequently asked questions and online/ electronic dedicated investor helpdesk for guidance on the Application process and resolution of difficulties faced by the Investors will be available on the website of the Registrar (www.bigshareonline.com).
4. This Issue will remain open for a minimum 07 (Seven) days. However, the Board of Directors or a duly authorized Rights Issue committee thereof will have the right to extend the Issue Period as it may determine from time to time but not exceeding 30 (Thirty) days from the Issue Opening Date (inclusive of the Issue Closing Date).

RESTRICTIONS ON FOREIGN OWNERSHIP OF INDIAN SECURITIES

There are two routes through which foreign investors may invest in India. One is the 'automatic route', where no government approval is required under Indian foreign exchange laws to make an investment as long as it is within prescribed thresholds for the relevant sector. The other route is the 'government route', where an approval is required under foreign exchange laws from the relevant industry regulator, prior to the investment.

Foreign investment in Indian securities is regulated through the Industrial Policy, 1991, of the Government of India and FEMA. While the Industrial Policy, 1991, of the Government of India, prescribes the limits and the conditions subject to which foreign investment can be made in different sectors of the Indian economy, FEMA regulates the precise way such investment may be made. The Union Cabinet, as provided in the Cabinet Press Release dated May 24, 2017, has given its approval for phasing out the FIPB. Under the Industrial Policy, 1991, unless specifically restricted, foreign investment is freely permitted in all sectors of the Indian economy up to any extent and without any prior approvals, but the foreign investor is required to follow certain prescribed procedures for making such investment. Accordingly, the process for foreign direct investment and approval from the Government of India will now be handled by the concerned ministries or departments, in consultation with the Department for Promotion of Industry and Internal Trade, Ministry of Commerce and Industry, Government of India (formerly known as the Department of Industrial Policy and Promotion), Ministry of Finance, Department of Economic Affairs, FIPB section, through a memorandum dated June 5, 2017, has notified the specific ministries handling relevant sectors.

The Government has, from time to time, made policy pronouncements on FDI through press notes and press releases. The DPIIT issued the Consolidated FDI Policy Circular of 2020 ('**FDI Circular 2020**'), which, with effect from October 15, 2020, consolidated and superseded all previous press notes, press releases and clarifications on FDI issued by the DPIIT that were in force and effect as on October 15, 2020. The Government proposes to update the consolidated circular on FDI policy once every year and therefore, FDI Circular 2020 will be valid until the DPIIT issues an updated circular.

The Government of India has from time to time made policy pronouncements on FDI through press notes and press releases which are notified by RBI as amendments to FEMA. In case of any conflict, the relevant notification under Foreign Exchange Management (Non-Debt Instruments) Rules, 2019 will prevail. The payment of inward remittance and reporting requirements are stipulated under the Foreign Exchange Management (Mode of Payment and Reporting of Non-Debt Instruments) Regulations, 2019 issued by RBI. The FDI Circular 2020, issued by the DPIIT, consolidates the policy framework in place as on October 15, 2020, and supersedes all previous press notes, press releases and clarifications on FDI issued by the DPIIT that were in force and effect as on October 15, 2020.

The transfer of shares between an Indian resident and a non-resident does not require the prior approval of RBI, provided that:

1. The activities of the investee company fall under the automatic route as provided in the FDI Policy and FEMA and transfer does not attract the provisions of the SEBI (SAST) Regulations;
2. The non- resident shareholding is within the sectoral limits under the FDI Policy; and
3. The pricing is in accordance with the guidelines prescribed by SEBI and RBI.

No investment under the FDI route (i.e., any investment which would result in the investor holding 10% or more of the fully diluted paid-up equity share capital of the Company or any FDI investment for which an approval from the government was taken in the past) will be allowed in the Issue unless such application is accompanied with necessary approval or covered under a pre-existing approval from the government. It will be the sole responsibility of the investors to ensure that the necessary approval or the pre-existing approval from the government is valid to make any investment in the Issue.

Our Company will not be responsible for any allotments made by relying on such approvals. Please also note that pursuant to Circular no. 14 dated September 16, 2003, issued by RBI, Overseas Corporate Bodies have been derecognized as an eligible class of investors and RBI has subsequently issued the Foreign Exchange Management (Withdrawal of General Permission to Overseas Corporate Bodies (OCBs)) Regulations, 2003. Any Investor being an OCB is required not to be under the adverse notice of RBI and in order to apply for this issue as a incorporated non-resident must do so in accordance with the FDI Circular 2020 and Foreign Exchange Management (Non-Debt Instrument) Rules, 2019. Further, while investing in the Issue, the Investors are deemed

to have obtained the necessary approvals, as required, under applicable laws and the obligation to obtain such approvals shall be upon the Investors. Our Company shall not be under an obligation to obtain any approval under any of the applicable laws on behalf of the Investors and shall not be liable in case of failure on part of the Investors to obtain such approvals.

The above information is given for the benefit of the Applicants / Investors. Our Company is not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of the Letter of offer. Investors are advised to make their independent investigations and ensure that the number of Equity Shares applied for do not exceed the applicable limits under laws or regulations.

SECTION VII – OTHER INFORMATION

Please note that the Right Shares applied for under this Issue can be allotted only in dematerialised form and to (a) the same depository account/ corresponding pan in which the Equity Shares are held by such Investor on the Record Date, or (b) the depository account, details of which have been provided to our Company or the Registrar at least two working days prior to the Issue Closing Date by the Eligible Equity Shareholder, or (c) demat suspense account where the credit of the Rights Entitlements returned/reversed/failed.

MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION

The following material documents and contracts (not being contracts entered into in the ordinary course of business carried on by our Company or entered into more than 2 (Two) years prior to the date of this Letter of offer) which are or may be deemed material have been entered or are to be entered into by our Company. Copies of these contracts and also the documents for inspection referred to hereunder, would be available on the website of the Company at www.starhfl.com from the date of this Letter of offer until the Issue Closing Date.

MATERIAL CONTRACTS FOR THE ISSUE

1. Registrar Agreement dated September 24, 2025 between our Company and the Registrar to the Issue;
2. Bankers to the Issue Agreement dated September 24, 2025 among our Company and the Registrar to the Issue and the Bankers to the Issue;
3. Monitoring Agency Agreement dated September 24, 2025, between our Company and the Monitoring Agency.

MATERIAL DOCUMENTS IN RELATION TO THE ISSUE

1. Certified copies of the updated Memorandum of Association and Articles of Association of our Company;
2. Fresh certificate of incorporation
3. Copies of annual report of our Company for the last Financial Years for the Financial Year ending March 31, 2025.
4. Resolution of our Board of Directors dated September 12, 2025, in relation to the Issue and other related matters;
5. Resolution of our Rights Issue Committee or Board of Directors dated September 24, 2025 , finalizing the terms of the Issue including Issue Price, Record Date and the Rights Entitlement Ratio;
6. Consents of our Directors, our Company Secretary and Compliance Officer, our Statutory Auditor for inclusion of their names in the Letter of offer to act in their respective capacities;
7. Report on Statement of Special Tax Benefits dated September 24, 2025 for our Company from the Statutory Auditors of our Company;
8. In-principle approval issued by BSE Limited (BSE) dated September 19, 2025 ;
9. Agreement amongst our Company Registrar to the Issue.

Any of the contracts or documents mentioned in this Letter of offer may be amended or modified at any time if so, required in the interest of our Company or if required by the other parties, without notice to the Eligible Shareholders subject to compliance of the provisions contained in the Companies Act and other relevant statutes.

DECLARATION

We/ I hereby certify that no statement made in this Letter of offer contravenes any of the provisions of the Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956, the Securities Contract (Regulation) Rules, 1957 and the Securities and Exchange Board of India Act, 1992, each as amended, or the rules, regulations or guidelines issued thereunder. We/ I further certify that all the legal requirements connected with the Issue as also the regulations, guidelines, instructions, etc., issued by Securities and Exchange Board of India, Government of India and any other competent authority in this behalf, have been duly complied with.

We/ I further certify that all disclosures made in this Letter of offer are true and correct.

Name of the Directors**Signature**

Mr. Kalpesh Rajendra Dave
Executive Director & CEO
 DIN: 08221964

Sd/-

Mr. Amlendra Prasad Saxena
Non-Executive Independent Director
 DIN: 06964564

Sd/-

Mr. Ajith Kumar Lakshmanan
Non-Executive Independent Director
 DIN: 09724549

Sd/-

Mrs. Neelam Tater
Non-Executive Independent Director
 DIN: 07653773

Sd/-

Mr. Pradip Kumar Das
Non-Executive Independent Director
 DIN: 06593113

Signed by the Company Secretary & Compliance Officer

Mr. Nachiketa Purohit

Sd/-

Place: Mumbai

Date: September 24, 2025