

ITI GOLD LOANS LIMITED



29th Directors' Report

2024-25



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MORE INFORMATION

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**REGISTERED OFFICE**

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29th DIRECTORS' REPORT

For the Financial Year 2024-2025

Board Of Directors

Ms. Darshna Mehta, Managing Director
Mr. Amit Malpani, Non-Executive Director
Mr. Prateek Tayal, Non-Executive Director
(Upto 16th April, 2025)
Mr. Arvind Valia, Independent Director
Ms. Usha Kadam, Independent Director

Audit Committee

Mr. Arvind Valia, Chairman
Ms. Usha Kadam
Ms. Darshna Mehta

Nomination and Remuneration Committee

Mr. Arvind Valia, Chairman
Ms. Usha Kadam
Mr. Prateek Tayal
Mr. Amit Malpani

Asset- Liability Management Committee (ALCO)

Ms. Darshna Mehta, Chairman
Ms. Usha Kadam
Mr. Arvind Valia

Risk Management Committee

Ms. Darshna Mehta, Chairman
Ms. Usha Kadam
Mr. Arvind Valia

Grievances and Consumer Protection Committee

Ms. Darshna Mehta, Chairman
Ms. Usha Kadam
Mr. Arvind Valia
Mr. Nijesh Raveendran

Key Managerial Personnel

Ms. Vidhita Narkar, Company Secretary
Mr. Pravin Khamkar, Chief Financial Officer

Statutory Auditors**Ramesh M. Sheth & Associates**

Chartered Accountants

Internal Auditors

M/s. MAKK & Co.,
Chartered Accountants

Loan Committee

Ms. Darshna Mehta, Chairman**Ms. Usha Kadam****Mr. Arvind Valia****Mr. Nijesh Raveendran****Mr. Amit Malpani****IT Strategy Committee**

Mr. Arvind Valia, Chairman**Ms. Usha Kadam****Ms. Darshna Mehta****Mr. Sadashiv Tiwari****Mr. Mannish Patil****IT Steering Committee**

Mr. Arvind Valia, Chairman**Ms. Usha Kadam****Ms. Darshna Mehta****Mr. Sadashiv Tiwari****Mr. Mannish Patil****Committee of Executives**

Managing Director/CEO/Manager, Chairman**Operation Head****Finance Head****Legal Head****Grievance Officer**

DIRECTORS' REPORT

To,
The Members of
ITI Gold Loans Limited

It is our pleasure to present the **Twenty-Nine (29th)** annual report and audited financial statements of **ITI Gold Loans Limited (Earlier Known as United Petro Finance Limited)** ("IGLL or Company") for the financial year ended 31st March, 2025.

1. Financial Summary or Highlights:

(Rs. in Lakhs)		
Particulars	2024-2025	2023-2024
Total Income	6,797.72	3,378.59
Total Expenses	5,635.27	2,926.93
Profit Before Tax	1,162.45	451.66
Provision for tax		
- Current tax	356.90	160.60
- Deferred tax	(68.53)	(39.87)
Profit for the year	874.08	330.93

2. The state of Company's affairs

The total income during the financial year 2024-2025 increased to Rs. 6,797.72 lakhs as against Rs. 3,378.59 lakhs during the previous year, showing increase as compared to the previous year. The Company has earned a profit before tax Rs. 1,162.45 lakhs as compared to a profit of Rs. 451.66 lakhs in the previous year. The profit after tax increased at Rs. 874.08 lakhs as against the profit of Rs. 330.93 lakhs in the previous year.

3. Transfer to General Reserves

The Board of Directors does not propose to transfer any amount to General Reserve for the 2024-2025 ("FY2024-25") and during the year company has transferred Rs. 174.82 lakhs to statutory reserve as required under Section 45-IC of RBI Act, 1934.

In accordance with the provisions of Section 45-IC of the Reserve Bank of India Act, 1934, every Non-Banking Financial Company is required to create a Reserve Fund and transfer thereto a sum not less than twenty per cent of its net profit each year before declaration of any dividend.

During the year under review, the Company has transferred an amount of Rs. 174.82 lakhs to the Statutory Reserve, representing 20% of the net profit for the financial year, thereby complying with the aforesaid statutory requirement.

The details of the Statutory Reserve created during the FY2024-25 are disclosed in the notes forming part of the audited financial statements.

4. Dividend

The Board of Directors does not recommend any dividend on equity shares for the FY2024-25.

5. Transfer to the Investor Education & Protection Fund (IEPF):

The Company was not required to transfer any amount to the IEPF Fund.

6. Subsidiary, Joint Venture & Associates

Your Company does not have any subsidiary, joint venture or associate.

7. Change in the nature of business, if any -

There was no change in the nature of business of the Company during FY2024-25.

8. Public Deposits

Pursuant to Section 73 of the Companies Act, 2013, read with the relevant Rules, the provisions relating to acceptance of deposits are not applicable to the Company.

The Company is registered with the Reserve Bank of India as a Non-Deposit taking Non-Banking Financial Company under Section 45-IA of the Reserve Bank of India Act, 1934

The Company has not accepted any deposits from the public during the FY2024-25 and there were no outstanding deposits as on March 31, 2025.

9. Issuance of Equity Shares with differential Voting Rights, Sweat Equity and ESOPS:

Your Company has not issued any equity shares with differential voting rights and sweat equity during the year under review. Hence, no information as per provisions of Section 43 (a) (ii) of the Act read with Rule 4 (4) of Companies (Share Capital and Debentures) Rules, 2014, Section 54(1)(d) read with rule 8 (13) of the Companies (Share Capital and Debentures) Rules, 2014 and Section 62 (1) (b) of the Act read with rule 12 (9) of the Companies (Share Capital and Debentures) Rules, 2014 is furnished.

10. Share Capital of the Company**Increased in Authorised Share Capital of the company**

During the financial year the authorised share capital of the Company was increased with the approval of the members as follows:

- At the Extraordinary General Meeting held on 16th August, 2024, the members approved the increase in the Authorised Share Capital of the Company from Rs. 95,50,00,000 (Rupees Ninety-Five Crores Fifty Lakhs only) divided into 9,55,00,000 equity shares of Rs. 10/- each to Rs. 108,00,00,000 (Rupees One Hundred Eight Crores only) divided into 10,80,00,000 equity shares of Rs. 10/- each.
- Subsequently, at the Extraordinary General Meeting held on 19th March, 2025, the members approved further increase in the Authorised Share Capital of the Company from Rs. 108,00,00,000 (Rupees One Hundred Eight Crores only) divided into 10,80,00,000 equity shares of Rs. 10/- each to Rs. 124,00,00,000 (Rupees One Hundred Twenty-Four Crores only) divided into 12,40,00,000 equity shares of Rs. 10/- each.

Accordingly, the Authorised Share Capital of the Company as on 31st March, 2025 stands at Rs. 124,00,00,000 (Rupees One Hundred Twenty-Four Crores only) divided into 12,40,00,000 equity shares of Rs. 10/- each.

Allotment under Right Issue

- The Board of Directors of the Company, in their meeting held on 27th September, 2024, approved the allotment of 70,00,000 (Seventy Lakhs) equity shares of face value Rs. 10/- each at an issue price of Rs. 12/- per share (including a premium of Rs. 2/- per share), aggregating to Rs. 8,40,00,000 (Rupees Eight Crores Forty Lakhs only), to ITI Credit Limited, on a fully paid-up basis under the Right Issue.
- Subsequently, at its meeting held on 31st December, 2024, the Board approved the allotment of 55,00,000 (Fifty-Five Lakhs) equity shares of face value Rs. 10/- each at an issue price of Rs. 12/- per share (including a premium of Rs. 2/- per share), aggregating to Rs. 6,60,00,000 (Rupees Six Crores Sixty Lakhs only), to ITI Credit Limited, on a fully paid-up basis under the Right Issue.

Allotment on Private Placement Basis against Unsecured Loan

The members of the Company, by way of a Special Resolution passed at the Extraordinary General Meeting held on 19th March, 2025, approved the issuance and allotment of 1,60,00,000 (One Crore Sixty Lakhs) equity shares of face value Rs. 10/- each at a premium of Rs. 2.50/- per share (aggregating to Rs. 12.50 per share) to M/s Lakshdeep Investment & Finance Private Limited, for total consideration of Rs. 20,00,00,000 (Rupees Twenty Crores only), in lieu of an equivalent amount of unsecured loan extended by the said entity.

The said allotment was subsequently approved by the Board of Directors at its meeting held on 31st March, 2025.

11. Composition of Board and Key Managerial Personnel:

The Composition of Board of Directors as on 31st March 2025 and the changes thereon are as follows:

S r N o .	Name of the Director	Director Since	Capacity (i.e. Executive/ Non-Executive/ Chairman/ Promoter/ nominee/ Independent)	DIN	Number of Board Meetings		No. of other Directorships	Remuneration			No. of shares held in and convertible instruments held in the NBFC
					Held	Attended		Salary and other compensation	Sitting Fee	Commission	
1	Darshna Mehta	13-05-2022	Managing Director	05275642	12	12	12	73,50,000	-	-	Nil
2	Amit Malpani	03-11-2023	Non-Executive Director	10239253	12	12	-	-	-	-	Nil
3	Prateek Tayal*	04-08-2017	Non-Executive Director	03326738	12	12	4	-	-	-	Nil
4	Usha Kadam	04-08-2017	Independent Director	07592876	12	12	3	-	-	-	Nil
5	Arvind Valia	18-06-2018	Independent Director	00203439	12	12	0	-	-	-	Nil

* Prateek Tayal resigned from the position of Non-Executive Director w.e.f. 16th April, 2025.

None of the Independent Directors are related to any other Directors on the Board of Director in terms of the definition of "relative" given under the Act.

Details of change in composition of the Board during the current and previous financial year.

Sl. No.	Name of Director	Capacity (i.e., Executive/ Non-Executive/ Chairman/ Promoter nominee/ Independent)	Nature of change (resignation, appointment)	Effective date
1	Mr. Prateek Tayal	Non-Executive Director	Resignation	16 th April, 2025

Director(s) liable to retire by rotation

Pursuant to the provisions of section 152 of the Companies Act, 2013 Mr. Amit Malpani (DIN: 10239253) Non-Executive Director of the Company is liable to retire by rotation and being eligible offers himself for re-appointment.

Key Managerial Personnel

During the year under review, there were no changes in the Key Managerial Personnel appointed pursuant to Section 203 of the Companies Act 2013. In terms of said provisions of the Act, the following are the Key Managerial Personnel ('KMPs') of the Company:

Sr. No.	Name of the KMP	Designation	Nature of change	Date of Appointment	Date of cessation
1.	Vidhita Narkar	Company Secretary	Appointment	14/08/2023	--
2.	Pravin Mahadeo Khamkar	Chief Financial Officer	--	01/01/2022	--

Give details of the date, place and special resolutions passed at the General Body

Sr No	Type of Meeting (Annual/ Extra- Ordinary)	Date and Place	Special resolutions passed
1	Annual General Meeting	26 th September, 2024 Registered office of the company situated at ITI House, 36, Dr. R. K. Shirodkar Marg, Parel, Mumbai – 400 012	Approval for Granting Option of Converting Loan into Equity
2	Extra Ordinary General Meeting	16 th August, 2024 Registered office of the company situated at ITI House, 36, Dr. R. K. Shirodkar Marg, Parel, Mumbai – 400 012	Nil
3	Extra Ordinary General Meeting	30 th December, 2024 Registered office of the company situated at ITI House, 36, Dr. R. K. Shirodkar Marg, Parel, Mumbai – 400 012	Approval of Remuneration payable to Directors.
4	Extra Ordinary General Meeting	31 st January, 2025 Registered office of the company situated at ITI House, 36, Dr. R. K. Shirodkar Marg, Parel, Mumbai – 400 012	To approve 'ITI Gold Loans Limited – Employee Stock Option Plan 2024' for the employee of the company
5	Extra Ordinary General Meeting	19 th March, 2025 Registered office of the company situated at ITI House, 36, Dr. R. K. Shirodkar Marg, Parel, Mumbai – 400 012	Issuance Of Equity Shares for Consideration Other Than Cash

Details of non-compliance with requirements of Companies Act, 2013: Nil

Details of penalties and strictures: Nil

12. Statement on declaration given by independent directors:

Pursuant to Section 149(7) of The Companies Act, 2013, the Independent Directors had provided a declaration to the Board of Directors that they meet the criteria of Independence as prescribed in the Act and are not aware of any situation which exists or may be reasonably anticipated that could impair or impact their ability to discharge duties as an Independent Director with an objective independent judgment and without any external influence.

The Board is of the opinion that the Independent Directors of the Company hold highest standards of integrity and possess requisite expertise and experience (including the proficiency) required to fulfill their duties as Independent Directors.

Further, in terms of Section 150 of the Act read with Rule 6 of the Companies (Appointment and Qualification of Directors) Rules, 2014, as amended by Ministry of Corporate Affairs ('MCA'), all the Independent Directors have confirmed that they have registered themselves with databank maintained by The Indian Institute of Corporate Affairs ('IICA'). These declarations/confirmations have been placed before the Board.

13. Independent Directors' Meeting

In accordance with the provisions of the Companies Act, 2013 the Independent Directors of your Company met Once during the FY2024-25 on February 08, 2025, without the attendance of Non-Independent Directors and members of the management. The Independent Directors reviewed the performance of the Non-Independent Directors, CFO, Committees and the Board as a whole along with the performance of the Chairman of your Company, taking into account assessment of the quality, quantity and timeliness of flow of information between the Company management & the Board and free flow of discussion on any matter that is necessary for the Board to effectively and reasonably perform their duties.

14. Fit and Proper & Non-Disqualification Declaration by Directors:

All the Directors of the Company have confirmed that they satisfy the 'fit and proper' criteria as prescribed under Master Direction – Reserve Bank of India (Non-Banking Financial Company – Scale Based Regulation) Directions, 2023, and that they are not disqualified from being appointed/re-appointed/continuing as Director in terms of Section 164(1) and (2) of the Act.

15. Number of meetings of the Board and General Meeting:

During the year under review, **Twelve (12)** meetings of the Board of Directors of the Company were held on 11th April, 2024; 09th May, 2024; 23rd July, 2024; 08th August, 2024; 23rd August, 2024 ; 27th September, 2024 ; 11th November, 2024 ; 31st December, 2024 ; 12th February, 2025; 28th February, 2025; 04th March, 2025; and 31st March, 2025. The intervening gap between the two Board Meetings was within the period prescribed under the Companies Act, 2013.

Sr. No.	Name of Directors	Designation	Board Meeting Attended	Annual General Meeting Attended	Extra-ordinary General Meeting attended
1.	Darshna Mehta	Managing Director	12	1	4
2.	Amit Malpani	Non Executive Director	12	1	4
3.	Prateek Tayal	Non Executive Director	12	1	4
4.	Usha Kadam	Independent Director	12	1	4
5.	Arvind Valia	Independent Director	12	1	4

- 28th Annual General Meeting of members of the Company was convened on 28th September, 2023 for the FY2023-24.
- Four (4) Extra-Ordinary General Meeting of members was convened on 16th August, 2024, 30th December, 2024, 31st January, 2025 and 19th March, 2025 for the FY2024-25.

The intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013

16. Details of significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and company's operations in future -

As per the disclosures required in Rule 8(5)(vii) of Companies (Accounts) Rules, 2014, there has not been any significant or material orders passed by the Regulators or Courts or Tribunals which would impact the going concern status of your Company and its future operations.

17. Committees of the Board and their composition

The Company has various committees of the Board of Directors under the Companies Act, 2013 and under RBI NBFC Regulations. The committee details are as follows –

- 1) Audit Committee
- 2) Nomination and Remuneration Committee
- 3) Asset- Liability Management Committee (ALCO)
- 4) Risk Management Committee
- 5) Grievances and Consumer Protection Committee
- 6) Loan Committee
- 7) IT Strategy Committee
- 8) IT Steering Committee
- 9) Committee of Executives

1) Audit Committee under Companies Act, 2013

The Company has an Audit Committee which acts as a link between the management, the statutory and internal auditors and the Board. Its composition, quorum, powers, role and scope are in accordance with the provisions of Section 177 of the Act and RBI Master Directions

During the year under review the Audit Committee met **Four (4)** time on following dates 09th May, 2024, 08th August, 2024, 11th November, 2024 and 12th February, 2025.

The details of attendance of the members at the said meetings are as follows:

Sr. No.	Name of Directors	Member of Committee since	Capacity (i.e., Executive/ Non-Executive/ Chairman/ Promoter nominee/ Independent)	No. of meetings of the committee		No. of shares held in the NBFC
				Held	Attended	
1	Arvind Valia	18-06-2018	Chairman, Independent Director	4	4	-
2	Usha Kadam	04-08-2017	Independent Director	4	4	-
3	Darshna Mehta	14-08-2023	Managing Director	4	4	-

Details of change in Composition

Sr. No.	Name of Director	Capacity (i.e., Executive/ Non-Executive/Chairman/ Promoter nominee/ Independent)	Nature of change (resignation, appointment)	Effective date
Nil				

Terms of Reference: -

- a) Overseeing the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
- b) Recommending to the Board the appointment, reappointment, and if required, the replacement or removal of the statutory auditor and the fixation of the audit fee.
- c) Reviewing with management the annual financial statements before submission to the Board for approval with particular reference to:
 - Matters required to be included in the Directors Responsibility Statement to be included in the board's report in terms of clause(C) of Sub-section 3 of section 134 of the Companies Act, 2013.
 - Changes if any in accounting policies and practices and reasons for the same.
 - Major accounting entries involving estimates based on the exercise of judgment by management
 - Significant adjustments made in the financial statement arising out of audit findings.
 - Compliance with listing and other legal requirements relating to the financial statements.

- Disclosure of any related party transactions.
 - Qualifications in the draft audit report.
- d) Reviewing with the management the quarterly financial statements before submission to the board for approval.
- e) Approval or any subsequent modification of transactions of the company with related parties;
- f) Discussion with internal auditors regarding any significant findings and follow-up thereon.
- g) Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board.
- h) Discussion with statutory auditors before the audit commences about the nature and scope of the audit as well as post-audit discussions to ascertain any area of concern
- i) To review the function of whistle blower mechanism in case the same exists.
- j) Carrying out any other function as mentioned in the terms of reference of the audit committee.

2. Nomination & Remuneration Committee under Companies Act, 2013

The Nomination and Remuneration Committee of the Company is in compliance with the provisions of Section 178 of the Companies Act and RBI Master Directions. The Committee is responsible for establishing and reviewing the Company's policies and practices to ensure alignment with the Company's strategic objectives and long-term performance. The Committee oversees the performance evaluation of directors and senior management personnel, ensuring accountability and promoting a culture of meritocracy within the organization.

During the year under review, the Nomination and Remuneration Committee met **Two (2)** times on 11th April, 2024 and 09th November, 2024.

The details of attendance of the members at the said meetings are as follows:

Sr. No.	Name of Directors	Member of Committee since	Capacity (i.e., Executive/ Non-Executive/ Chairman/ Promoter nominee/ Independent)	No. of meetings of the committee		No. of shares held in the NBFC
				Held	Attended	
1	Arvind Valia	18-06-2018	Independent Director	2	2	-
2	Usha Kadam	18-06-2018	Independent Director	2	2	-
3	Prateek Tayal	14-08-2023	Non-Executive Director	2	2	-
4	Amit Malpani	16-04-2025	Non-Executive Director	-	-	-

Details of change in Composition

Sr. No.	Name of Director	Capacity (i.e., Executive/ Non-Executive/Chairman/ Promoter nominee/ Independent)	Nature of change (resignation, appointment)	Effective date
1	Prateek Tayal	Non-Executive Director	Resignation	16-04-2025
2	Amit Malpani	Non-Executive Director	Appointment	16-04-2025

Terms of Reference: -

The company has designed the Nomination and Remuneration Policy accordance with Section 178 of the Companies Act 2013 and the objectives along with salient features of the Policy are given below:-

a) Objective:

- To ensure compliance with applicable laws, rules and regulations as well as 'Fit and Proper criteria' of directors before their appointment;
- To frame criteria for appointment/ removal/ dismissal of directors;
- To frame criteria for determining qualifications, positive attributes and independence of directors;
- To Formulate criteria for evaluation of performance of all the Directors on the Board and to retain, motivate and promote talent and to ensure long term sustainability of talented KMP;
- To frame standards as per prevailing industry policy on compensation/ remuneration including fixes and variable.
- Formulate ESOP plans and decide on grant of stock options.

b) Appointment criteria and qualifications:

- The Committee shall identify and ascertain the integrity, qualification, expertise and experience of the person for appointment as Director, KMP or Senior Management and recommend to the Board his / her appointment.
- A person should possess adequate qualification, expertise and experience for the position he / she is considered for appointment. The Committee has discretion to decide whether qualification, expertise and experience possessed by a person are sufficient/ satisfactory for the concerned position.
- The Company shall not appoint or continue the employment of any person as Managing Director/Whole-time Director/Manager who has attained the age of seventy years.

Provided that the term of the person holding this position may be extended beyond the age of seventy years with the approval of shareholders by passing a special resolution based on the explanatory statement annexed to the notice for such motion indicating the justification for extension of appointment beyond seventy years.

c) Evaluation:

The performance evaluation shall be carried out as given below:-

Performance Evaluation by	Of Whom
Board of Directors	- Board as a whole and Committees of Board - All Directors excluding the Director being evaluated
Independent Directors	- Non - Independent Directors - Chairman of the Company - Board as a whole

The Committee shall carry out evaluation of performance of every Director at regular interval (yearly).

Removal:

Due to reasons for any disqualification mentioned in the Act, rules made there under or under any other applicable Act, rules and regulations, the Committee may recommend, to the Board with reasons recorded in writing, removal of a Director, KMP or Senior Management subject to the provisions and compliance of the said Act, rules and regulations.

Retirement:

The Director, KMP and Senior Management shall retire as per the applicable provisions of the Act and the prevailing internal policy of the Company. The Board will have the discretion to retain the Director, KMP, Senior Management in the same position / remuneration or otherwise even after attaining the retirement age, for the benefit of the Company.

d) Provisions Relating to Remuneration of Managerial Person, KMP and Senior Management**General:**

The remuneration / compensation / commission etc. to Managerial Person, KMP and Senior Management will be determined by the Committee and recommended to the Board for approval. The remuneration / compensation / commission etc. shall be subject to the prior/post approval of the shareholders of the Company and such other approval, wherever required.

The remuneration and commission to be paid to Managerial Person shall be as per the statutory provisions of the Act and Listing Regulations, and the rules made there under for the time being in force.

Increments to the existing remuneration / compensation structure may be recommended by the Committee to the Board which should be within the slabs approved by the Shareholders in the case of Managerial Person.

The remuneration structure will have the right mix of guaranteed (fixed) pay, pay for performance and long term variable pay based on business growth and other factors such as growth in shareholder value to ensure that it is competitive and reasonable.

Where any insurance is taken by the Company on behalf of its Managerial Person, KMP and for Senior Management for indemnifying them against any liability, the premium paid on such insurance shall not be treated as part of the remuneration payable to any such personnel.

e) Remuneration to Managerial Person, KMP and Senior Management:**1) Fixed pay:**

Managerial Person, KMP and Senior Management shall be eligible for a monthly remuneration as may be approved by the Board on the recommendation of the Committee in accordance with the statutory provisions of the Act and the rules made there under for the time being in force. The break-up of the pay scale and quantum of perquisites including employer's contribution to Provident Fund(s), pension scheme(s), medical expenses, club fees, etc. shall be decided and approved by the Board on the recommendation of the Committee and approved by the shareholders and such other approval, wherever required.

2) Variable Pay:

The Company may in its discretion structure any portion of remuneration to link rewards to corporate and individual performance, fulfillment of specified improvement targets or the attainment of certain financial or other objectives set by the Board. The amount payable shall be based on performance against pre-determined financial and non-financial metrics.

3) Provision for excess remuneration:

If, in any financial year, the Company has no profits or its profits are inadequate, the Company shall pay remuneration to its Managerial Person in accordance with the provisions of Schedule V of the Act. If any Managerial Person draws or receives, directly or indirectly by way of remuneration any such sums in excess of the limits prescribed under the Act or without such approval, wherever required, he/she shall refund such sums to the Company and until such sum is refunded, hold it in trust for the Company.

f) Remuneration to Non-Executive/Independent Director:**1) Remuneration/Commission:**

The remuneration/commission, if any, shall be in accordance with the statutory provisions of the Act and the rules made there under for the time being in force.

2) Sitting Fees:

The Non-Executive/Independent Director may receive remuneration by way of fees for attending meetings of Board or Committee thereof.

Provided that the amount of such fees shall not exceed the maximum amount as provided in the Act, per meeting of the Board or Committee or such amount as may be prescribed from time to time.

3) Limit of Remuneration/Commission:

Remuneration/Commission may be paid to Non-Executive Directors within the monetary limit approved by shareholders, subject to the limit not exceeding 1% of the net profits of the Company computed as per the applicable provisions of the Act.

g) Performance Evaluation

Pursuant to the provisions of Section 134(3)(p) and Schedule IV of the Act, the Board has carried out the annual performance evaluation of the Board as a whole, various Committees of the Board and of the individual Directors. The performance evaluation of the Independent Directors was carried out by the entire Board. The Directors expressed their satisfaction with the evaluation process.

The Board and the Nomination and Remuneration Committee reviewed the performance of the individual Directors on the basis of the criteria such as Transparency, Performance, etc.

In a separate meeting of Independent Directors, performance of Non-Independent Directors, performance of the Board as a whole and performance of the Chairman was evaluated, taking into account the views of the non-executive directors. The same was discussed in the Board meeting that followed the meeting of independent directors, at which the performance of the Board, its committee and individual Directors was also discussed.

The outcome of the performance evaluation of the Board for the year under review was discussed by the NRC and the Board at their respective meetings. All Directors expressed satisfaction with the evaluation process.

The Nomination and Remuneration Policy is attached and marked as **Annexure I**

3. Asset- Liability Management Committee (ALCO)

The Company convenes its Asset Liability Committee (ALCO) at regular intervals to meticulously supervise asset-liability mismatches

During the year under review, the Asset Liability management committee met **Four (4)** times on 07th May, 2024, 05th August, 2024, 09th November, 2024 and 08th February, 2025.

The details of attendance of the members at the said meetings are as follows:

Sr. No.	Name of Directors	Member of Committee since	Capacity (i.e., Executive/ Non-Executive/ Chairman/ Promoter nominee/ Independent)	No. of meetings of the committee		No. of shares held in the NBFC
				Held	Attended	
1	Darshna Mehta	19-05-2022	Chairman, Managing Director	4	4	-
2	Usha Kadam	04-08-2017	Independent Director	4	4	-
3	Arvind Valia	18-06-2018	Independent Director	4	4	-

Details of change in Composition

Sr. No.	Name of Director	Capacity (i.e., Executive/ Non-Executive/Chairman/ Promoter nominee/ Independent)	Nature of change (resignation, appointment)	Effective date
Nil				

Terms of Reference: -

- To monitor the asset liability composition of the Company's business and determine actions to mitigate risks associated with the asset liability mismatches.
- To determine and review the interest rate model of the Company.
- To approve proposals and detailed terms and conditions of borrowings from banks; and
- To review the borrowing programme of the Company and product pricing.

4. Risk Management Committee

During the year under review, the Risk Management committee met **Four (4)** times on 07th May, 2024, 05th August, 2024, 09th November, 2024 and 08th February, 2025.

The details of attendance of the members at the said meetings are as follows:

Sr. No.	Name of Directors	Member of Committee since	Capacity (i.e., Executive/ Non-Executive/ Chairman/ Promoter nominee/ Independent)	No. of meetings of the committee		No. of shares held in the NBFC
				Held	Attended	
1	Darshna Mehta	19-05-2022	Chairman, Managing Director	4	4	-
2	Usha Kadam	04-08-2017	Independent Director	4	4	-
3	Arvind Valia	18-06-2018	Independent Director	4	4	-

During the year under review there has been no change in composition of the committee.

Terms of Reference: -

- To set up and ensure implementation of risk management policies of the Company.
- To identify, monitor, manage and mitigate the credit risk, market risk, interest rate risk, operational risk and other risks that affect / may affect the Company through integrated risk management systems, strategies and mechanisms.
- Such other matters as may be delegated by Board from time to time.

5. Grievances and Consumer Protection committee

During the year under review, the Grievances and Consumer Protection committee met **Four (4)** times on 07th May, 2024, 05th August, 2024, 09th November, 2024 and 08th February, 2025.

The details of attendance of the members at the said meetings are as follows:

Sr. No.	Name of Directors	Member of Committee since	Capacity (i.e., Executive/ Non-Executive/ Chairman/ Promoter nominee/ Independent)	No. of meetings of the committee		No. of shares held in the NBFC
				Held	Attended	
1	Darshna Mehta	19-05-2022	Chairman, Managing Director	4	4	0

2	Usha Kadam	04-08-2017	Independent Director	4	4	0
3	Arvind Valia	18-06-2018	Independent Director	4	4	0

Details of change in composition:

Sr. No.	Name of Director	Capacity (i.e., Executive/ Non-Executive/Chairman/ Promoter nominee/ Independent)	Nature of change (resignation, appointment)	Effective date
1	Nijesh Raveendran	Grievance Officer	Appointment	09-05-2024

Terms of Reference: -

- To resolve the issues raised by customers/employees as per the time frame stated in the policy.
- To ensure that each Department heads provides resolution for closure of customer issues.
- To review the policy on regular intervals.

Note: During the year, the Company renamed the Committee from “Grievances Committee” to “Grievances and Consumer Protection Committee.

6. Loan Committee

During the year under review, the Loan Committee met **Four (4)** times on 07th May, 2024, 05th August, 2024, 09th November, 2024 and 08th February, 2025.

The details of attendance of the members at the said meetings are as follows:

Sr. No.	Name of Directors	Member of Committee since	Capacity (i.e., Executive/ Non-Executive/ Chairman/ Promoter nominee/ Independent)	No. of meetings of the committee		No. of shares held in the NBFC
				Held	Attended	
1	Darshna Mehta	19-05-2022	Chairman, Managing Director	4	4	0
2	Usha Kadam	04-08-2017	Independent Director	4	4	0
3	Arvind Valia	18-06-2018	Independent Director	4	4	0
4	Nijesh Raveendran	09-05-2024	Grievance Officer	4	4	0
5	Amit Malpani	09-05-2024	Non-Executive Director	4	4	0

Details of change in Composition

Sr. No.	Name of Director	Capacity (i.e., Executive/ Non-Executive/Chairman/ Promoter nominee/ Independent)	Nature of change (resignation, appointment)	Effective date
1	Nijesh Raveendran	Grievance Officer	Appointment	09-05-2024
2	Amit Malpani	Non-Executive Director	Appointment	09-05-2024

Terms of Reference: -

- To monitor the loan portfolio of all the business segments.
- To evaluate the quarterly disbursement of loans.

- c) To evaluate the outstanding loans pending at the end of each quarter.
- d) Overseeing and evaluating credit cases
- e) Restructuring current cases
- f) Assigning credit authority
- g) Proposing credit policy changes to the Board

During the year company merge the Loan Committee and Credit Assessment Committee in the Board Meeting held on 09th May, 2024

7. IT Strategy Committee

During the year under review, the IT Strategy committee met **Four (4)** times on 07th May, 2024, 05th August, 2024, 09th November, 2024 and 08th February, 2025.

The details of attendance of the members at the said meetings are as follows:

Sr. No.	Name of Directors	Member of Committee since	Capacity (i.e., Executive/ Non-Executive/ Chairman/ Promoter nominee/ Independent)	No. of meetings of the committee		No. of shares held in the NBFC
				Held	Attended	
1	Arvind Valia	18-06-2018	Chairman, Independent Director	4	4	0
2	Usha Kadam	04-08-2017	Independent Director	4	4	0
3	Darshna Mehta	19-05-2022	Managing Director	4	4	0
4	Sadashiv Tiwari	04-12-2020	Chief Information Security Officer	4	4	0
5	Mannish Patil	04-12-2020	Chief Technical Officer	4	4	0

During the year under review there has been no change in composition of the committee.

Terms of Reference: -

- a) To approve and monitor Information Technology (IT) strategy and policy documents.
- b) To monitor processes and practices to ensure IT delivers value to business.
- c) To ensure that IT investments represent a balance of risks and benefits.
- d) To determine the IT resources required to achieve strategic goals, provides high-level direction for sourcing and use of IT resources and managing IT related risks.

8. IT Steering Committee

During the year under review, the IT steering Committee met **Four (4)** times on 07th May, 2024, 05th August, 2024, 09th November, 2024 and 08th February, 2025.

The details of attendance of the members at the said meetings are as follows:

Sr. No.	Name of Directors	Member of Committee since	Capacity (i.e., Executive/ Non-Executive/ Chairman/ Promoter nominee/ Independent)	No. of meetings of the committee		No. of shares held in the NBFC
				Held	Attended	
1	Arvind Valia	18-06-2018	Chairman, Independent Director	4	4	0
2	Usha Kadam	04-08-2017	Independent Director	4	4	0
3	Darshna Mehta	19-05-2022	Managing Director	4	4	0

4	Sadashiv Tiwari	04-12-2020	Chief Information Security Officer	4	4	0
5	Mannish Patil	04-12-2020	Chief Technical Officer	4	4	0

During the year under review there has been no change in composition of the committee.

Terms of Reference: -

- To provide oversight and monitor the progress of the project, including deliverables to be realized at each phase of the project and milestones to be reached according to the project timetable.
- To realign the IT systems on a regular basis in line with the changing needs of the company's customers and business.
- To develop with the approval of the Board, a Change Management Policy.

9. Committee of executives for fraud monitoring:

In pursuance to RBI vide circular no RBI/DOS/2024-25/120 DOS.CO.FMG.SEC.No.7/23.04.001/2024-25 - dated July 15, 2024 issued the revised Master Directions on Fraud Risk Management in Non-Banking Financial Companies (NBFCs) (including Housing Finance Companies), the Company had constituted Committee of executives for its fraud monitoring on 12th February 2025.

The composition of the Committee is provided below:

Sr. No.	Name of Director	Designation
1.	Managing Director/CEO/Manager	Chairman
2.	Operation Head	Member
3.	Finance Head	Member
4.	Legal Head	Member
5.	Grievance Officer	Member

Terms of Reference: -

- To ensure the effectiveness of the Company's fraud risk management strategies and practices.
- To investigate and analyze cases of fraud, including conducting root cause analyses to identify underlying issues.
- To recommend mitigation measures to reduce the occurrence of fraud.
- To adhere to the governance by taking appropriate enforcement measures for dealing with the fraud matters.
- To conduct timely review and reporting, wherever required.

18. Company policy on directors' appointments, remuneration etc. section 178 of the Act:

Pursuant to Section 178 of the Companies Act, 2013, the Nomination and Remuneration Committee ("NRC") is required to formulate a policy relating to the appointment and remuneration of Directors, Key Managerial Personnel ("KMP"), Senior Management, and other employees of the Company, and to recommend the same for approval of the Board.

In compliance with the aforesaid provisions, the Company has formulated the Nomination and Remuneration Policy, which has been approved by the Board. The Policy is available on the Company's website at: www.itigoldloan.com and is also annexed to this Report as **Annexure I**.

The company has designed the Nomination and Remuneration Policy and the salient features of the Policy are given below: -

Appointment criteria and qualifications:

- 1) The Committee shall identify and ascertain the integrity, qualification, expertise and experience of the person for appointment as Director, KMP or Senior Management and recommend to the Board his / her appointment.
- 2) A person should possess adequate qualification, expertise and experience for the position he / she is considered for appointment. The Committee has discretion to decide whether qualification, expertise and experience possessed by a person are sufficient/ satisfactory for the concerned position.
- 3) The Company shall not appoint or continue the employment of any person as Managing Director/Whole-time Director/Manager who has attained the age of seventy years.

Provided that the term of the person holding this position may be extended beyond the age of seventy years with the approval of shareholders by passing a special resolution based on the explanatory statement annexed to the notice for such motion indicating the justification for extension of appointment beyond seventy years.

Removal:

Due to reasons for any disqualification mentioned in the Act, rules made there under or under any other applicable Act, rules and regulations, the Committee may recommend, to the Board with reasons recorded in writing, removal of a Director, KMP or Senior Management subject to the provisions and compliance of the said Act, rules and regulations.

Retirement:

The Director, KMP and Senior Management shall retire as per the applicable provisions of the Act and the prevailing internal policy of the Company. The Board will have the discretion to retain the Director, KMP, Senior Management in the same position / remuneration or otherwise even after attaining the retirement age, for the benefit of the Company.

PROVISIONS RELATING TO REMUNERATION OF MANAGERIAL PERSON, KMP AND SENIOR MANAGEMENT**General:**

The remuneration / compensation / commission etc. to Managerial Person, KMP and Senior Management will be determined by the Committee and recommended to the Board for approval. The remuneration / compensation / commission etc. shall be subject to the prior/post approval of the shareholders of the Company and such other approval, wherever required.

The remuneration and commission to be paid to Managerial Person shall be as per the statutory provisions of the Act and Listing Regulations, and the rules made there under for the time being in force.

Increments to the existing remuneration / compensation structure may be recommended by the Committee to the Board which should be within the slabs approved by the Shareholders in the case of Managerial Person.

The remuneration structure will have a right mix of guaranteed (fixed) pay, pay for performance and long term variable pay based on business growth and other factors such as growth in shareholder value to ensure that it is competitive and reasonable.

Where any insurance is taken by the Company on behalf of its Managerial Person, KMP and for Senior Management for indemnifying them against any liability, the premium paid on such insurance shall not be treated as part of the remuneration payable to any such personnel.

Remuneration to Managerial Person, KMP and Senior Management:

1) Fixed pay:

Managerial Person, KMP and Senior Management shall be eligible for a monthly remuneration as may be approved by the Board on the recommendation of the Committee in accordance with the statutory provisions of the Act and the rules made there under for the time being in force. The break-up of the pay scale and quantum of perquisites including employer's contribution to Provident Fund(s), pension scheme(s), medical expenses, club fees, etc. shall be decided and approved by the Board on the recommendation of the Committee and approved by the shareholders and such other approval, wherever required.

2) Variable Pay:

The Company may in its discretion structure any portion of remuneration to link rewards to corporate and individual performance, fulfillment of specified improvement targets or the attainment of certain financial or other objectives set by the Board. The amount payable shall be based on performance against pre-determined financial and non-financial metrics.

3) Provision for excess remuneration:

If, in any financial year, the Company has no profits or its profits are inadequate, the Company shall pay remuneration to its Managerial Person in accordance with the provisions of Schedule V of the Act. If any Managerial Person draws or receives, directly or indirectly by way of remuneration any such sums in excess of the limits prescribed under the Act or without such approval, wherever required, he/she shall refund such sums to the Company and until such sum is refunded, hold it in trust for the Company.

Remuneration to Non-Executive/Independent Director:**1) Remuneration/Commission:**

The remuneration/commission, if any, shall be in accordance with the statutory provisions of the Act and the rules made there under for the time being in force.

2) Sitting Fees:

The Non-Executive/Independent Director may receive remuneration by way of fees for attending meetings Of Board or Committee thereof.

Provided that the amount of such fees shall not exceed the maximum amount as provided in the Act, per meeting of the Board or Committee or such amount as may be prescribed from time to time.

3) Limit of Remuneration/Commission:

Remuneration/Commission may be paid to Non-Executive Directors within the monetary limit approved by shareholders, subject to the limit not exceeding 1% of the net profits of the Company computed as per the applicable provisions of the Act.

The Nomination and Remuneration Policy is uploaded on the website and can be accessed at www.itigoldloan.com

19. Annual Evaluation by Board of its own performance and of its Directors and Committees:

The Board has carried out the annual evaluation of its own performance, the performance of its committees, and that of individual Directors. In accordance with the provisions of Schedule IV of the Companies Act, 2013, the Independent Directors also evaluated the performance of the Board, the Non-Independent Directors, and the Chairman at their Independent Director meeting held on 12th February 2025, without the participation of Non-Independent Directors and members of the management.

The evaluation was conducted on the basis of well-defined and elaborated criteria to effectively assess the performance and contributions of the Board, its committees, and individual Directors, with a focus on identifying areas for improvement.

Based on the outcome of the evaluation, the performance of the Board, its Committees, and the individual Directors was found to be satisfactory during the year under review. The annual evaluation of the Board was found to be satisfactory by the Independent Directors.

As stipulated under the Code of Independent Directors under the Companies Act, 2013 and Rules made thereunder, as amended from time to time, 1 (one) Meeting of Independent Directors was held during the year, and the requisite quorum was present for the said meeting.

20. Corporate Social Responsibility:

The provisions relating to Corporate Social Responsibility are not applicable to the Company.

21. Extract of the Annual Return

Pursuant to Section 134(3)(a) of the Act, the Annual Return of the Company prepared as per Section 92(3) of the Act for the financial year ended March 31, 2025, is hosted on the website of the Company and can be accessed at www.itigoldloan.com

22. Secretarial Standards

During the year under review, the Company has been in compliance with the applicable Secretarial Standards i.e. SS-1 and SS-2, issued by the Institute of Company Secretaries of India, with respect to Meetings of Board and its Committees and General Meetings respectively.

23. Statutory Auditor

The Members of the Company, at the 27th Annual General Meeting held in the year 2023, had re-appointed M/s. Ramesh M. Sheth & Associates, Chartered Accountants, Mumbai (Firm Registration No. 111883W), as the Statutory Auditors of the Company for a further period of three (3) years, to hold office from the conclusion of the 27th Annual General Meeting until the conclusion of the 30th Annual General Meeting held in the year 2026.

24. Appointment of Secretarial Auditor

Pursuant to the provisions of Section 204 (1) of the Companies Act, 2013 read with Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the board of directors had appointed M/s. HRU & Associates, Practicing Company Secretary, (COP. Number 20259) as the Secretarial Auditor of the company for the FY2024-25.

25. Maintenance of Cost Records and Cost Audit

Pursuant to the provision of section 148 of the Companies Act, 2013 read with the Companies (Cost Record and Audit) Rules, 2014, as amended from time to time, the Company is not required to maintain Cost Records under said Rules.

26. Internal audit

Pursuant to the provisions of section 138 of the Companies Act, 2013, the Board had appointed external agency i.e., M/s. MAKK & Co., Chartered Accountants as an internal auditors of the Company. The scope of the internal audit is commensurate with the size of the Company. The internal auditors provide internal audit reports on quarterly basis and the same are being discussed in the quarterly Audit Committee and Board of Directors meetings.

27. Qualifications / reservation / adverse remark or disclaimers from Auditors

1) Statutory Auditor:

There are no qualifications, reservations, adverse remarks or disclaimers made by Statutory Auditor of the Company, in their audit report. No frauds were reported by the auditors under sub-section (12) of section 143 of the Act.

2) Secretarial Auditor:

In terms of the requirements of Section 204 of the Companies Act, 2013, M/s. HRU & Associates, Practicing Company Secretaries were appointed as Secretarial Auditors of the Company by the Board to conduct Secretarial Audit for the FY2024-25. The Secretarial Audit Report is in the prescribed format MR-3 is attached as annexed herewith in **Annexure II**.

There are no qualifications, reservations, adverse remarks or disclaimers made by Secretarial Auditors of the Company, in their respective audit report.

28. Adequacy of internal financial controls with reference to the Financial Statements

The Company has in place adequate systems of internal control that are commensurate with its size and nature of the business and documented procedures covering all financial and operating functions. The Company being in service industry, it has in place clear processes and well-defined roles and responsibilities for its staff at various levels. The Management has a defined reporting system, which facilitates monitoring and adherence to the process and systems in place.

29. Risk Management Policy under NBFC Guidelines

The Company has a Board of Directors approved Risk Management Policy wherein material risks faced by the Company including Operational Risk, Regulatory Risk, Price, Interest Rate Risk and Credit Risk are identified and assessed. The Risk Management Committee periodically reviews the various risks faced by the Company and advises the Board on risk mitigation plans. The Board has is not required to appoint a chief risk officer since, the asset size of the Company is not above Rs. 50 billion. In the opinion of the Board, there are no elements as on date which may threaten the existence of the Company.

30. Particulars of Loans, Investments and Guarantees during the year

The details of the loans given, investments made and guarantees provided by the Company during FY2024-25 are provided in the notes forming part of the audited financial statements.

31. Details of employee and their remuneration as per rule 5(2) & (3) of The Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014:

There was no employee whose remuneration was in excess of the limits prescribed under section 134(3)(q) of the Companies Act, 2013 read with Rule 5(2) & (3) of rules The Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014.

Sr No	Name	Salary	Commission	Benefits/ Provident Fund	LTA	Bonus	Sitting Fee	ESOS (no. of options)
1	Darshna Mehta	65,51,232	-	3,34,368	2,32,200	2,32,200	-	-

The statement containing names of top ten employees in terms of remuneration drawn and the particulars of employees as required under Section 197(12) of the Act read with Rule 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is as follows:

Sr. No	Name of the employee	Date of joining	Gross remuneration 2024-25	Qualification	Age	Experience (Yrs)	Last employment	Designation	Nature Of Employment, Whether Contractual or Otherwise
1	Darshna Mehta	02-08-2014	73,50,000	B.com	48	17 years	Sun Pharma	HR & Admin Head	Permanent
2	Nijesh Kunnummal Raveendran	19-01-2018	41,50,132	MBA	45	19 years	IIFL	Zonal Head	Permanent
3	Prajeesh K	04-02-2019	15,63,592	B.com	40	18 years	IIFL	Regional Manager -MH2	Permanent
4	Raju Devram Lanke	10-12-2018	15,24,808	BA (Economics)	43	19 years	Axis Bank	Regional Manager -MH1	Permanent
5	Dinesh Somabhai Rathod	25-02-2019	14,97,888	BA (Economics)	45	19 years	HDB Finance	Regional Manager	Permanent
6	Sajeev M.	25-05-2018	13,24,640	BA	39	20 years	IIFL	Regional Audit Head	Permanent
7	Sibeesh M	05-12-2022	11,72,948	MBA	40	19 Years	Chematur Credits & Investments	Regional Head	Permanent
8	Pritam Bhanudas Kshirsagar	28-05-2018	10,39,064	MBA	38	17 years	IIFL	Cluster Head	Permanent
9	Vithoba Yallappa Desai	16-10-2018	10,19,928	MA	41	20 years	IIFL	Territory Manager	Permanent
10	Pravin M Khamkar	01-11-2013	9,99,972	B.com	50	20 years	The Dawn Mills Ltd	AH-Branch Accounts	Permanent

The nature of employment of all the above mentioned employees is permanent and none of them are related to any director or manager of the Company.

None of the aforementioned employee holds shares of the Company.

32. Employee Stock Option Scheme

The Company has formulated an Employee Stock Option Scheme titled "ITI Gold Loans Limited – Employee Stock Option Plan 2024" ("ESOP – 2024") in accordance with the provisions of the Companies Act, 2013. Subject to members' approval, the Board of Directors at its meeting held on 11th November, 2024 approved the Scheme and the shareholders' approval was subsequently obtained at the Extra-Ordinary General Meeting held on 31st January, 2025. The Nomination and Remuneration Committee ("Committee") has been authorized to formulate, administer and implement the detailed terms and conditions of the Scheme.

In terms of Rule 12(9) of the Companies (Share Capital and Debentures) Rules, 2014, the details of the Employee Stock Options as on 31st March, 2025 are as under:

Sr. No.	Particulars	Remarks
1	Date of grant	Nil
2	Options granted	Nil
3	Options vested	Nil
4	Options exercised	Nil
5	The total number of shares arising as a result of exercise of options	Nil
6	Options lapsed during the FY2024-25	Nil
7	Vesting date	Nil
8	the exercise price	Nil
9	variation in terms of options	Nil
10	money realised by exercise of options	Nil
11	total number of options in force	Nil
12	employee wise details of options granted to:	
a)	Key Managerial Personnel	Nil
b)	any other employee who receives a grant of options in any one year of options amounting to five percent or more of total options granted during that year	Nil
c)	Identified employees who were granted options, during any one year, equal to or exceeding one percent of the issued capital, excluding outstanding warrants and conversions, of the company at the time of grant.	Nil

Note: During the FY2024–25, the Company only obtained approval for the ESOP – 2024 Scheme; however, no stock options have been granted under the said Scheme till 31st March, 2025.

33. Material changes and commitments affecting Financial Statements between Financial Year Ends

There have been no material changes and commitments affecting the financial position of the Company which have occurred between the end of the financial year to which the financial statements relate and the date of this report.

34. Particulars of contracts or arrangements with related parties

All Related Party Transactions that were entered into during FY2024-25 were on an arm's length basis and in the ordinary course of business in accordance with Section 188(1) of the Act.

The details of transactions/contracts/ arrangements referred to in Section 188(1) of the Act entered into, by the Company with related party(ies) as defined under the provisions of Section 2(76) of the Act, during FY 2024-25, are furnished in **Form AOC-2** and are attached as **Annexure III** of this Report.

All related party transactions are placed before the Audit Committee and Board meetings on quarterly basis for review. None of the Directors or KMPs had any pecuniary relationships or transactions with the Company during FY2024-25.

The Policy on determination of related parties and dealing with related party transactions as approved by the Board of Directors of the Company is annexed to this report as **Annexure IV**

35. (A) Conservation of Energy, Technology Absorption

The information required under section 134 (3) (m) of the Companies Act, 2013 read with the Companies (Disclosures of Particulars in the Report of the Board of Directors) Rules, 2014 with respect to the matters specified therein are as follows:

(i)	the steps taken or impact on conservation of energy	Nil
(ii)	the steps taken by the Company for utilizing alternate sources of energy	Nil
(iii)	the capital investment on energy conservation equipment's	Nil

(B) Technology absorption:

(i)	the effort made towards technology absorption	Nil
(ii)	the benefits derived like product improvement cost reduction product development or import substitution	Nil
(iii)	in case of imported technology (important during the last three years reckoned from the beginning of the financial year)	Nil
	➤ the details of technology imported	-
	➤ the year of import;	-
	➤ whether the technology been fully absorbed	-
	➤ if not fully absorbed, areas where absorption has not taken place, and the reasons thereof	-
(iv)	the expenditure incurred on Research and Development	Nil

(C) Foreign Exchange Earnings or outgo in foreign exchange during the FY2024-25:

Foreign Exchange Earnings – Nil

Foreign Exchange Outgo – Nil

36. Vigil Mechanism

Your Company is committed to transparency and integrity in the workplace. We promise the highest standards of professionalism, honesty and ethical behavior in all our dealings. Accordingly, a Vigil Mechanism/ Whistle Blower Policy, in compliance with the provisions of Section 177(9) of the Act has been formulated and adopted, which provides a framework for dealing with genuine concerns & grievances of its directors & employees.

The Policy provides for safeguard against any victimization who can avail this mechanism and also provides direct access to the Whistle Officer. Your Company has not received any complaints during FY2024-25 under the Vigil Mechanism/ Whistle Blower Policy.

37. Management Discussion And Analysis

Management Discussion and Analysis Report ("MDAR") is attached and forms an integral part of the Annual Report as per Master Direction – Reserve Bank of India (Non-Banking Financial Company – Scale Based Regulation) Directions, 2023 as **Annexure V**. The report discusses in detail, the overall industry situation, economic developments, sector wise performance, outlook and state of company's affairs.

38. Compliance with NBFC Regulations

Your Company has generally complied with all the regulatory provisions of the Reserve Bank of India applicable to Non-Banking Financial Company –Scale Based Regulation, 2023 .

39. Details of Auctions

Additional disclosures as required by Master Direction – Reserve Bank of India (Non-Banking Financial Company – Scale Based Regulation) Directions, 2023

Year	Number of Loan Accounts	Principal Amount outstanding at the dates of auctions (A)	Interest Amount outstanding at the dates of auctions (B)	Total (A+B)	Value fetched
March 31, 2024	390	2,48,86,243	51,42,713	3,00,28,956	3,50,34,987
March 31, 2025	597	3,04,80,498	61,19,281	3,65,99,779	4,86,17,943

40. Credit Rating

The credit rating of Bank Loan Facility Long Term of the company as on March 31, 2025 were as follows:

Credit Rating Agency	Type of Facility	Rating
CRISIL	Bank Loan Facility Long Term	CRISIL A-/Negative

41. Human Resources

We consider our employees as the most valuable resource and ensure strategic alignment of Human Resource practices to business priorities and objectives. The Company takes pride in the commitment, competence and dedication of its employees in all the areas of the business. The Company is committed to nurturing, enhancing and retaining its top talent through superior learning and organization development.

42. Prevention of Sexual Harassment at Workplace:

The Company has in place a Policy for Prevention, Prohibition and Redressal of Sexual Harassment at Workplace, along with appropriate reporting mechanisms to ensure protection against sexual harassment and to uphold the right to work with dignity.

In accordance with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, the Company has duly constituted an Internal Complaints Committee (ICC) for redressal of complaints.

During the FY2024–25, the constitution of the ICC was revised with effect from **January 01, 2025**, in line with the provisions of Section 4(3) of the said Act, upon completion of the prescribed tenure of certain members. The reconstituted Committee comprises:

Sr. No.	Employee name	Post of Committee Members
1	Darshna Devang Mehta	Presiding Officer
2	Sanyukta Sanjay Jagtap	Member
3	Raju Devram Lanke	Member
4	Rajul Parekh	Member

The details of complaints received and disposed of during the year are as under:

Sr. No	Category	No of complaints				
		Pending as on April 01, 2024	Filed during the year	Disposed off during the year	Pending for more than 90 days	Pending as on March 31, 2025
1.	Sexual harassment complaints	Nil	Nil	Nil	Nil	Nil

During the year under review, the Company did not receive any complaints of sexual harassment. The ICC continues to function in compliance with the statutory requirements.

43. Details of Application made or proceedings pending under Insolvency & Bankruptcy Code, 2016 during the year and status as at the end of the financial year:

NIL

44. Details of difference between amount of the valuation done at the time of one-time settlement and the valuation done while taking loan from the Banks or Financial Institutions along with the reasons thereof:

NIL

45. Breaches in terms of covenants in respect of loans availed by the NBFC or debt securities issued by the NBFC including incidence/s of default.

There is no Breaches in terms of covenants in respect of loans availed by NBFC or debts securities issued by the NBFC -Nil FY2024-25.

46. Cyber Security:

Maintaining a secure IT environment is a top priority at ITI Gold Loans Limited. The Company have implemented a comprehensive IT Security Awareness programme that covers all users within the organization. This initiative aims to strengthen the IT security posture by educating employees about the latest security threats and best practices. Your Company's commitment to robust security measures ensures that its data and systems are well-protected against evolving cyber threats.

47. Compliance with Maternity Benefit Act, 1961

The Company is committed to upholding the rights and welfare of its employees and ensures full compliance with the provisions of the Maternity Benefit Act, 1961. All eligible women employees are granted maternity benefits in accordance with the Act, including paid leave and other applicable entitlements.

The Company also promotes a supportive and inclusive work environment and is committed to implementing measures that facilitate work-life balance for women employees during and after maternity.

48. Directors' Responsibility Statement

Pursuant to Section 134 (5) of the Companies Act, 2013 read with rule 8 of the Companies (Accounts) Rules, 2014 to the best of their knowledge and belief confirm that:

- in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- the Directors had selected such accounting policies and applied consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit and loss of the Company for that period;
- the Directors had proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities; and
- the Directors had prepared annual accounts on a going concern basis.
- The Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

49. Other Disclosures:

The following are the additional disclosures as required under Master Direction – Reserve Bank of India (Non-Banking Financial Company – Scale Based Regulation) Directions, 2023 and section 134 of the Companies Act, 2013:

- a. During the year under review, there were no instances of non-compliance with respect to compliances of Companies Act, 2013.
- b. There were no penalties or strictures imposed by RBI or any other statutory authority during the FY2024-25.
- c. During the year under review, there were no instances of breaches in terms of covenants in respect of loans availed or debt securities issued by the Company.
- d. The details pertaining to divergence in asset classification and provisioning are mentioned in the financial statements forming part of the Annual report.

- e. There are no instances of difference between amount of the valuation done at the time of one time settlement and the valuation done while taking loan from the Banks or Financial Institutions along with the reasons thereof.
- f. There are no material changes and commitments affecting financial statements of the Company.
- g. During the year under review, no material orders have been passed by any regulators or courts or tribunals impacting the going concern status and company's operations in future.

50. Acknowledgement

Your Directors are pleased to place on record their deep appreciation towards the sincere services and co-operation extended by employees of the organization at all levels. They also wish to place on record their gratitude for the confidence placed in by the shareholders of the Company, banks, financial institutions and intermediaries they are associated with. Further, your Directors wish to thank the various regulatory authorities, business associates and clients for their valued co-operation.

**On behalf of the Board of
ITI Gold Loans Limited
(Formerly Known as United Petro Finance Limited)**

**Sd/-
Darshna Mehta
Managing Director
DIN: 05275642**

**Sd/-
Amit Malpani
Director
DIN: 10239253**

Mumbai, August 05, 2025

NOMINATION AND REMUNERATION POLICY**PREFACE**

The objective of the director's appointment and remuneration policy is to regulate the appointment and remuneration of Directors (including Independent Directors), Key Managerial Personnel (KMP), senior management and other employees as per the criteria formulated by the Nomination and Remuneration Committee of the Board under the requirement of the Companies Act, 2013 read with applicable Rules and Regulations under the Act.

Section 178 of the Companies Act, 2013 ("the Act") and rules framed there under requires every listed company and such class or classes of companies, as may be prescribed to adopt a policy, relating to the remuneration for the Directors, Key Managerial Personnel ("KMPs"), Senior Management ("SMP's") and other Employees.

POLICY OBJECTIVE

The purpose is to have a Nomination and Remuneration Policy that is consistent with and promotes sound and effective risk management and which is aligned with the Company's strategy, values and goals and the interests of stake holders and investors.

The Nomination and Remuneration Committee (NRC) has developed this Policy keeping in view the following aspects:

- a. To maintain fair, consistent and equitable compensation practices in alignment with the Company's business goals.
- b. The level and composition of remuneration should be reasonable and sufficient to attract, retain and motivate Directors and Employees of the quality required to run the Company successfully;
- c. Maintain appropriate balance between fixed and variable remuneration to Directors, Key Managerial Personnel and Senior Management reflecting short and long-term performance objectives appropriate to the working of the Company and its goals:
- d. Align the growth of the Company and development of Employees and accelerate the performance;
- e. To formulate a criteria for determining qualifications, positive attributes, required for appointment of Directors, Key Managerial Personnel and Senior Management and also the criteria for determining the Independence of a Director.
- f. To provide the framework for tenure, removal/retirement of Directors, Key Managerial Personnel, and Senior Management
- g. To provide the framework for evaluation of the performance of the Board and its constituents.
- h. To ensure 'fit and proper' status of proposed/ existing directors.

1. DEFINITIONS

- 1) **"Act"** means the Companies Act, 2013 and the Rules framed thereunder;
- 2) **"Board"** means Board of Directors of the Company for the time in force;
- 3) **"Company"** means "ITI Gold Loans Limited";
- 4) **"Committee"** or **"NRC"** means "Nomination and Remuneration Committee" of the Board of the Company, as may be reconstituted by the Board and as may subsist from time to time;
- 5) **"Director"** means person appointed as Director on the Board of the Company pursuant to the applicable provision of the Act and includes Independent Directors of the Company;
- 6) **"Business Unit"** or **"Department"** means every department of the Company, and also includes new entities setup from time to time.
- 7) **"Department Head"** or **"Functional head"** or **"Business Head"** means Employee of the Company who are designated as such or in charge of one or more Department and person who are designated as Head for the time being, by the Board of Directors.
- 8) **"Executive Director"** means person appointed as Whole – Time Director, Executive Director or Managing Director, and holding office as such pursuant to the applicable provision of the Act.
- 9) **"Employees"** means and includes person who is confirmed for full time employment of the Company from time to time and are on the payroll of the Company.
- 10) **"Key Managerial Personnel"** or **"KMP"** means persons as defined in the Act and as appointed in the employment of the Company.
- 11) **"Nomination and Remuneration Policy"** or **"this Policy"** means this Policy for remuneration of Directors, KMP and Employees of the Company as set out hereby, recommended by the Committee and approved by Board as amended from time to time.
- 12) **"Senior Management"** means personnel in employment of the Company who are members of core management team excluding Directors comprising all members of management one level below the Executive Directors, including the KMP, Functional head and Business Heads.
- 13) **"Malus"** A malus arrangement permits the Company to prevent vesting of all or part of the amount of a deferred remuneration. Malus arrangement does not reverse vesting after it has already occurred.
- 14) **"Clawback"** A clawback is a contractual agreement between the employee and the Company in which the employee agrees to return previously paid or vested remuneration to the Company under certain circumstances.

2. NOMINATION AND REMUNERATION COMMITTEE (NRC)

The Board of Directors of the Company (the Board) shall constitute the committee to be known as the Nomination and Remuneration Committee comprising of 3 (three) or more Non – Executive Directors out of which not less than one-half shall be independent directors; Provided that the chairperson of the company (whether executive or non-executive) may be appointed as a member of the Nomination and Remuneration Committee but shall not chair such Committee pursuant to the provision of the Act and Prudential Norms prescribed by the Reserve Bank of India for Non-Banking financial Companies. The Composition of the NRC shall be as per the requirement of the Act and RBI Guidelines on Corporate Governance will be maintained so at any given point of time. The NRC is playing statutory and consultative role in building appropriate remuneration structure in the Company. The recognition and appreciation of experience, expertise, advice, efforts and contribution provided by the Directors, KMP, Senior Management and dedication of Employees is to be considered as the foundation to strategize the remuneration structure. The Committee would also

consider that composition of remuneration needs to be reasonable and sufficient to attract, retain and motivate directors and senior management of the quality required to run the Company successfully.

ROLE OF NRC COMMITTEE

MONITORING AND IMPLEMENTATION OF THIS POLICY

a. MATTERS TO BE DEALT WITH, PERUSED AND RECOMMENDED TO THE BOARD BY THE NRC

- (i) Formulate the criteria for determining qualifications, positive attributes and independence of a director.
- (ii) Identify persons who are qualified to become Directors and persons who may be appointed in Key Managerial and Senior Management positions in accordance with the criteria laid down in this Policy.
- (iii) Recommend to the Board, appointment including the terms and removal of Directors, KMPs and Senior Management Personnel.
- (iv) Determine whether to extend or continue the term of appointment of the independent director on the basis of the report of performance evaluation of independent directors.

The Committee shall for effective implementation and monitoring of the Policy may take assistance of Human Resource Department (HRD) whenever required, seek attendance of Department Heads/Functional Head and obtain relevant data, details and analysis as the Committee may think necessary, seek advice of external experts, advisors or consultant(s), if required.

b. NOMINATION DUTIES

The duties of the Committee in relation to nomination matters include:

- (i) Ensuring that there is an appropriate induction in place for new Directors and reviewing its effectiveness;
- (ii) Ensuring that on appointment to the Board, the Non-Executive Directors receive a formal letter of appointment in accordance with the Guidelines provided under the Act;
- (iii) Identifying and recommending Directors who are to be put forward for retirement by rotation.
- (iv) Determining the appropriate size, diversity and composition of the Board;
- (v) Setting a formal and transparent procedure for selecting new Directors for appointment to the Board;
- (vi) Developing a succession plan for the Board and Senior Management and regularly reviewing the plan, which shall be put up by the Management at the end of every financial year.
- (vii) Evaluating the performance of the Board Members and Senior Management in the context of the Company's performance from business and compliance perspective;
- (viii) Making recommendations to the Board concerning any matters relating to the continuation in office of any Director at any time including the suspension or termination of service of an Executive Director as an employee of the Company subject to the provision of the law and their service contract.
- (ix) Delegating any of its powers to one or more of its members or Group HR Head, the Secretary of the Committee;
- (x) Recommend any necessary changes in the Policy to the Board;
- (xi) Considering any other matters, as may be requested by the Board.

c. REMUNERATION DUTIES

The duties of the Committee in relation to remuneration matters include:

- a) To consider and determine the Nomination and Remuneration Policy, based on the performance and also bearing in mind that the remuneration is reasonable and sufficient to attract retain and motivate

members of the Board and such other factors as the Committee shall deem appropriate regarding all elements of the remuneration of the members of the Board.

- b) To approve the remuneration of the Senior Management including key managerial personnel of the Company, in line with the Policy, maintaining a balance between fixed and incentive pay reflecting short and long term performance objectives appropriate to the working of the Company.
- c) To delegate any of its powers to one or more of its members or Group HR-Head the Secretary of the Committee.
- d) To consider any other matters as may be requested by the Board.
- e) Professional indemnity and liability insurance for Directors and Senior Management.

MINUTES OF COMMITTEE MEETING

Proceedings of all meetings shall be minute and signed by the Chairperson of the Committee at the subsequent meeting. Minutes of the Committee meetings shall be tabled at the subsequent Board and Committee meeting.

3. POLICY FOR APPOINTMENT AND REMOVAL OF DIRECTOR, KMPS AND SENIOR MANAGEMENT

Appointment criteria and qualifications

- 1) The Committee shall identify and ascertain the integrity, qualification, expertise and experience of the person for appointment as a Director with the objective of having a Board with diverse background and experience in business, education and public service and recommend to the Board his / her appointment.
- 2) Attributes expected of all Directors include independence, high personal and professional ethics, sound business judgment, ability to participate constructively in deliberations and willingness to exercise authority in a collective manner.
- 3) Appointment of Independent Directors is subject to the provisions of Section 149 of the Act read with Schedule IV and rules thereunder, RBI Guidelines. The NRC shall check that the proposed person satisfies the criteria of independence as stipulated under Section 149(6) of the Act before his/ her appointment as an Independent Director.
- 4) No person shall be appointed as a Director, if he/she is subject to any disqualifications as stipulated under the Act or any other law(s) for the time being in force.
- 5) A person shall possess adequate qualification, expertise and experience for the position he/ she is considered for appointment. The Committee has discretion to decide whether qualification, expertise and experience possessed by a person is sufficient /satisfactory for the concerned position. In evaluating the suitability of individual Board members, the Committee considers many factors, including general understanding of marketing, finance, operations, management, public policy, legal, governance and other disciplines. The Board evaluates each individual in the context of the Board as a whole, with the objective of having a group that can best perpetuate the success of the Company's business and represent stakeholders' interests through the exercise of sound judgment, using its diversity of experience.
- 6) The Company shall not appoint or continue the employment of any person as director who has attained the age of seventy years. Provided that the term of the person holding this position may be extended beyond the age of seventy years with the approval of shareholders by passing a special resolution based on the explanatory statement annexed to the notice for such motion indicating the justification for extension of appointment beyond seventy years.

In determining whether to recommend a Director for re-election, the Committee shall consider the Director's past attendance at meetings, participation in meetings and contributions to the activities of the Board.

4. TERM/TENURE**a. MANAGING DIRECTOR/WHOLE-TIME DIRECTOR:**

The Company shall appoint or re-appoint any person as its Managing Director or Executive Director. The tenure shall be subject to the overall retirement policy of the Company.

b. INDEPENDENT DIRECTOR:

An Independent Director shall hold office for a term up to five consecutive years on the Board of the Company and will be eligible for re-appointment on passing of a special resolution by the Company and disclosure of such appointment in the Board's report.

1. No Independent Director shall hold office for more than two consecutive terms, but such Independent Director shall be eligible for appointment after expiry of three years of ceasing to become an Independent Director. Provided that an Independent Director shall not, during the said period of three years, be appointed in or be associated with the Company in any other capacity, either directly or indirectly.
2. At the time of appointment of Independent Director it shall be ensured that the number of Boards on which such Independent Director serves as an Independent Director is restricted to seven listed companies and three listed companies in case such person is serving as a Whole-time Director of a listed company or such other number as may be prescribed under the Act.
3. Within the permissible limits in terms of Companies Act, 2013, an independent director shall not be on the Board of more than three NBFCs (NBFC-ML or NBFC-UL) at the same time. Further, the Board shall ensure that there is no conflict arising out of their independent directors being on the Board of another NBFC at the same time. There shall be no restriction to directorship on the Boards of NBFC-BLs.

c. SENIOR MANAGEMENT/ KMP'S/ EMPLOYEES

The Human resource ("HR") Department shall carry out the evaluation of the employees, every year, with the Department Head(s)/ Management concerned. Key Responsibility Areas shall be identified well in advance. Performance benchmarks shall be set and evaluation of employees shall be done by the respective reporting Manager(s)/ Management to determine whether the set performance benchmarks are achieved. The payment of remuneration/annual increment to the aforementioned persons shall be determined after the satisfactory completion of evaluation process.

The HR Department of the Company is authorized to design the framework for evaluating the Employees.

Except for directorship in a subsidiary, Key Managerial Personnel shall not hold any office (including directorships) in any other NBFC-ML or NBFC-UL. They can assume directorship in NBFC-BLs.

5. EVALUATION

The Company shall specify the manner for effective evaluation of performance of Board, its committees and individual directors to be carried out either by the Board, by the Nomination and Remuneration Committee and review its implementation and compliance.

6. REMOVAL

Due to reasons of any disqualification mentioned in the Act or under any other applicable Acts, rules and regulations thereunder, the Committee may recommend, to the Board with reasons recorded in writing,

removal of a Director, KMP or Senior Management Personnel subject to the provisions and compliance of the said Act, rules and regulations.

7. RETIREMENT

The Director, KMPs and Senior Management Personnel shall retire as per the applicable provisions of the Act and the prevailing policy of the Company. The Board shall have the discretion to retain the Director, KMPs, and Senior Management Personnel in the same position /remuneration or otherwise even after attaining the retirement age, for the benefit of the Company.

8. REMUNERATION

a) NON-EXECUTIVE DIRECTORS/INDEPENDENT DIRECTORS

The key element of remuneration of Non-executive/ Independent Directors is sitting fees, and Commission subject to overall limit as prescribed in the Companies Act, 2013, and Rules made there under and the approval of the shareholders, and Articles of Association of the Company, as applicable.

An Independent Director shall not be entitled to any stock option of the Company

The company also bear/reimburse travelling and other expenses to outstation Directors for attending meetings and expenses in relation to attending to matters or business of the Company.

b) SENIOR MANAGEMENT, KMP AND OTHER EMPLOYEES

The key components of remuneration package of the Senior Management, KMP and other employees of the Company shall comprise of Fixed Pay & Variable Pay. The Fixed pay would typically consist of elements like Base Salary, Allowances, Benefits, HRA and Statutory & Retirement benefits. They may also be eligible for stock options as may be permitted under the applicable law or approved Schemes based on their grade. The Variable pay is discretionary and is based on the business unit performance and individual's performance. The variable pay component is the performance bonus which is paid out annually taking into account the performance review ratings. The annual increments shall be linked to business unit performance & individual's performance as recommended by their reporting managers and Human Resources Department and approved by the Board.

9. OTHER BENEFITS

Apart from remuneration package, currently the organisation provides employees with Mediclaim Policy or any other policy as decides by the management time to time

10. MALUS AND CLAWBACK

These can be applied to all categories of employees including Managing Directors/Executive Directors and will be applicable only on Variable pay (Performance Bonus/Joining Bonus/Deferred Incentive & ESOP).

This clause will be applicable in case of disciplinary action, breach of Code of Conduct or any such instance for which the NRC deems it necessary to apply malus or /and clawback provisions.

11. REVIEW AND AMMENDMENT

The NRC or the Board may review the Policy annually or earlier when it deems necessary;

The NRC may issue the guidelines, procedures, formats, reporting mechanism and manual in supplement for better implementation to this Policy, if it thinks necessary;

This Policy may be amended or substituted by the NRC or by the Board as and when required and also by the Compliance Officer where there is any statutory changes necessitating the change in this Policy.

12. COMMITTEE MEMBERS' INTERESTS

A member of the Committee is not entitled to be present when his or her own remuneration is discussed at a meeting or when his or her performance is being evaluated.

The Committee may invite such executives, as it considers appropriate, to be present at the meetings of the Committee.

13. COMPLIANCE RESPONSIBILITY

Compliance of this policy shall be the responsibility of the HR- Department of the Company who shall have the power to ask for any information or clarification from the management in this regard.

Form No. MR-3
SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2025

[Pursuant to section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members,
ITI GOLD LOANS LIMITED
(Formerly known as United Petro Finance Limited)
Address: ITI House 36, Dr. R. K. Shirodkar Marg,
Parel, Mumbai City, Mumbai-400012, Maharashtra,
India.

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **ITI GOLD LOANS LIMITED** (Formerly Known As United Petro Finance Limited) (hereinafter called the "**Company**"). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/ statutory compliances and expressing my opinion thereon.

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2025 ("**Audit Period/period under review**") complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2025 according to the provisions of:

- (i) The Companies Act, 2013 (**the Act**) and the rules made there under
- (ii) The Securities Contracts (Regulation) Act, 1956 ("**SCRA**") and the rules made there under; (**Not Applicable during the Audit Period**)
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under; (**Not Applicable during the Audit Period**)
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings; (**Not Applicable during the Audit Period**)
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011; (**Not Applicable during the Audit Period**)
 - (b) Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015; (**Not Applicable during the Audit Period**)
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 (**Not Applicable during the Audit Period**)

- (d) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulation, 2021 **(Not Applicable during the Audit Period)**
 - (e) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulation, 2021 **(Not Applicable during the Audit Period)**
 - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client **(Not Applicable during the Audit Period)**
 - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021 **(Not Applicable during the Audit Period)** and
 - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 **(Not Applicable during the Audit Period);**
- (C) Other Acts that are specifically applicable to the Company are as follows:
- (a) Master Direction - Reserve Bank of India (Non-Banking Financial Company - Scale Based Regulation) Directions, 2023.

I have also examined compliance with the applicable clauses of the following:

- a) Secretarial Standards issued by The Institute of Company Secretaries of India.
- b) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations 2015 and the Listing agreements entered into by the Company with Stock Exchanges. **(Not Applicable during the Audit Period)**
- c) During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. made thereunder subject to the following observations:

I further report that;

The Board of the Company is duly constituted and the changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings were sent in advance and a system exists for seeking and obtaining further information and clarifications on the items before the meeting and for meaningful participation at the meeting.

All decisions at Board Meetings and Committee Meetings are carried out unanimously as recorded in the minutes of the meetings of the Board of Directors or Committee of the Board, as the case may be.

As per the data made available and explanation given to me, The Company has filed forms and returns with the registrar of Companies/RBI within the prescribed time and if not filed with additional charges.

I further report that there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

I have relied on the representation made by the Company and its Officers for the systems and mechanisms framed by the Company for compliance under other Acts, Laws and Regulations applicable to the Company which is as follows:

1. The Reserve Bank of India Act, 1934;
2. Non-Banking Financial Companies Auditor's Report (Reserve Bank) Directions, 2016;

3. Non-Banking Financial Company - Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016;
4. Non-Banking Financial Company Returns (Reserve Bank) Directions, 2016;
5. Reserve Bank of India (Know Your Customer-KYC) Directions, 2016;
6. The Prevention of Money Laundering Act, 2002 and the Rules made there under;
7. The Reserve Bank - Integrated Ombudsman Scheme, 2021;
8. Master Directions on Fraud Risk Management in Non-Banking Financial Companies 2024;
9. Master Direction - Information Technology Framework for the NBFC Sector.
10. Master Direction - Reserve Bank of India (Non-Banking Financial Company - Scale Based Regulation) Directions, 2023
11. Master Direction -Reserve Bank of India (Credit Information Reporting) Directions, 2025.

I further report that during the audit period, the Company has not undertaken the any event/action having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc.

I further report that during the audit period, the Company has taken the following specific actions having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc.

1. Increase in Authorised Share Capital:

During the period under review, the members of the Company, through a resolution passed in the general meeting dated on August 16, 2024. approved the increase in the Authorised Share Capital of the Company from Rs. 95,50,00,000/- (Rupees Ninety Five Crores Fifty Lakhs) divided into 9,55,00,000 equity shares of Rs. 10/- each to Rs. 108,00,00,000/- (Rupees One Hundred Eight Crores) divided into 10,80,00,000 equity shares of Rs. 10/- each.

2. Approval of Remuneration to Director in Excess of Prescribed Limits

During the period under review, the members of the Company, based on the recommendation of the Nomination and Remuneration Committee, approved the payment of remuneration to the Directors including Whole-time Director, Managing Director, Manager, and Executive Directors in accordance with the terms of appointment, which may exceed the limits prescribed under Sections 197 and 198 read with Schedule V of the Companies Act, 2013. Vide resolution passed by the shareholder of the Company on December 30, 2024.

3. Approval of Employee Stock Option Plan

During the period under review, the Plan authorizes the Board and the Nomination and Remuneration Committee to create, offer, and grant up to 72,00,000 (Seventy Two Lakhs) employee stock options to eligible employees and whole-time directors (excluding promoters, members of the promoter group, independent/non-executive directors, and those holding more than 10% of the equity shares), which upon exercise shall be converted into equivalent number of equity shares of Rs. 10/- each vide resolution passed by the shareholder of the Company on January 31, 2025.

4. Increase in Authorised Share Capital

During the period under review, the members of the Company approved, by way of an Ordinary Resolution dated on March 19, 2025, to increase in Authorised Share Capital of the Company from Rs. 108,00,00,000/- (Rupees One Hundred Eight Crores) divided into 10,80,00,000 equity shares of Rs. 10/- each to Rs. 124,00,00,000/- (Rupees One Hundred Twenty Four Crores) divided into 12,40,00,000 equity shares of Rs. 10/- each

5. Allotment of Equity Shares through Right Issue of Shares

During the period under review, the Board of Directors of the Company, in its duly convened meeting held on September 27, 2024, approved the allotment of 70,00,000 (Seventy Lakhs) equity shares of face value Rs. 10

each at an issue price of Rs. 12 per share (including a premium of Rs. 2 per share), aggregating to Rs. 8,40,00,000 (Rupees Eight Crores Forty Lakhs only), to ITI Credit Limited on a fully paid-up basis under the Right Issue.

Further, in its meeting held on December 31, 2024, the Board approved the allotment of 55,00,000 (Fifty-Five Lakhs) equity shares of face value Rs. 10 each at an issue price of Rs. 12 per share (including a premium of Rs. 2 per share), aggregating to Rs. 6,60,00,000 (Rupees Six Crores Sixty Lakhs only), to ITI Credit Limited on a fully paid-up basis under the Right Issue.

6. Allotment of Equity Shares on Private Placement Basis against Unsecured Loan

During the period under review, the members of the Company approved, by way of an Special Resolution, dated on March 19 2025, to issue and allotment of 1,60,00,000 (One Crore Sixty Lakhs) equity shares of Rs. 10/- each at a premium of Rs. 2.50/- per share (aggregating to Rs. 12.50 per share) to M/s Lakshdeep Investment & Finance Private Limited, for a total consideration of Rs. 20,00,00,000/- (Rupees Twenty Crores only), in lieu of an equivalent amount of unsecured loan extended by the said entity. The said allotment was subsequently approved by the Board of Directors at its meeting held on March 31, 2025.

This report is to be read with our letter of even date which is annexed as Annexure I which forms an integral part of this report.

**For HRU & Associates
Practicing Company Secretaries**

Sd/-
Hemanshu Upadhyay
Proprietor
ACS - 46800
COP – 20259
Peer Review No – 3883/2023
UDIN: A046800G000942081
Date: 05/08/2025
Place: Mumbai

'ANNEXURE-I

To,
The Members,
ITI GOLD LOANS LIMITED
(Formerly known as UNITED PETRO FINANCE LIMITED)
Address: ITI House 36, Dr. R. K. Shirodkar Marg,
Parel, Mumbai City, Mumbai-400012, Maharashtra, India.

My Secretarial Audit Report of even date is to be read along with this letter.

Management's Responsibility

1. It is the responsibility of the management of the Company to maintain secretarial records, devise proper systems to ensure compliance with the provisions of all applicable laws and regulations and to ensure that the systems are adequate and operate effectively.

Auditor's Responsibility

2. My responsibility is to express an opinion on these secretarial records, standards and procedures followed by the Company with respect to secretarial compliances.
3. I believe that audit evidence and information obtained from the Company's management is adequate and appropriate for us to provide a basis for my opinion.
4. I have not verified the correctness, or appropriateness of financial records and books of accounts of the Company.
5. The compliance of the provisions of corporate and other applicable laws, rules, regulations and standards is the responsibility of the management. Our examination was limited to the verification of the procedures on a test-check basis.
6. Wherever required, I have obtained the management representation about the compliance of laws, rules and regulations and happening of events etc.

Disclaimer

7. The Secretarial Audit Report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For HRU & Associates
Practicing Company Secretaries

Sd/-
Hemanshu Upadhyay
Proprietor
ACS - 46800
COP – 20259
Peer Review No – 3883/2023
UDIN: A046800G000942081
Date: 05/08/2025
Place: Mumbai

Form AOC 2**(Pursuant to clause (h) of sub-section (3) of section 134 read with Rule 8 (2) of the Companies (Accounts) Rules, 2014**

Form for disclosure of particulars of contracts / arrangements entered into by Company with related parties referred to in sub section (1) of section 188 of the Companies Act, 2013 including certain arm length transactions under third proviso thereto

A) Details of contracts or arrangements or transactions not at arm's length basis:

During the financial year **April 2024 to March 2025** the Company has not entered in to any contracts or arrangements or transactions with any related parties which are not in the ordinary course of business except for the investments and /or disinvestments made by the Company which are of strategic nature and not on ordinary course of business or at arm's length. The Company has in its place the policy/process to ensure the compliance of applicable provisions of the Companies Act, 2013 and rules made there under relating to related party transactions.

Sr. No.	Particulars	Remarks
a)	Name of the related parties and nature of relationship	Not applicable
b)	Nature of contracts or arrangements or transactions	Not applicable
c)	Duration of contracts or arrangements or transactions	Not applicable
d)	Salient terms of contracts or arrangements or transactions including the value	Not applicable
e)	Justification for entering in to such contracts or arrangements or transactions	Not applicable
f)	Date of approval by the Board	Not applicable
g)	Amount paid as advances	Not applicable
h)	Date on which the special resolution was passed in general meeting as required under first proviso to section 188 of the Companies Act, 2013	Not applicable

B) Details of material contracts or arrangements or transactions at arm's length :

During the financial year **April 2024 to March 2025** the Company has entered in to any contracts or arrangements or transactions with any related parties which are in the ordinary course of business except for the investments and / or disinvestments made by the Company which are of strategic nature and not on ordinary course of business. All transactions with related parties are as per Company's policy on related party transactions. The Company has in its place the policy/process to ensure the compliance of applicable provisions of the Companies Act, 2013 and rules made there under relating to related party transactions.

Name of the related parties and nature of relationship Group Entities	Nature of contracts or arrangements or transactions	Duration of contracts or arrangements or transactions	Salient terms of contracts or arrangements or transactions including the value (Rs. In lakhs)	Date of approval by the Board	Amount paid as advances (Rs. In lakhs)
ITI Credit Limited	Inter Corporate Borrowings taken	Continuous Basis	18,150.00	03-02-2024	Nil
Lakshdeep Investment and Finance Private Limited			21,347.50	03-02-2024	Nil
ITI Capital Limited			2,490.00	03-02-2024	Nil
ITI Gilts Limited			7,840.00	03-02-2024	Nil

Intime Multi Commodity Company Limited			426.00	03-02-2024	Nil
ITI Credit Limited	Inter Corporate Borrowings repaid / (converted into Equity & NCD)	Continuous Basis	18,150.00	03-02-2024	Nil
Lakshdeep Investment and Finance Private Limited			13,625.00	03-02-2024	Nil
ITI Capital Limited			1,738.00	03-02-2024	Nil
ITI Gilts Limited			5,555.00	03-02-2024	Nil
Lakshdeep Investment and Finance Private Limited	Issue of Equity Shares	Event Based	2,000.00	03-02-2024	Nil
ITI Credit Limited		Event Based	1,500.00	03-02-2024	Nil
The Investment Trust of India Limited	Rent Paid	Continuous Basis	11.08	03-02-2024	Nil
ITI Credit Limited	Interest on Inter Corporate Borrowing	Continuous Basis	67.55	03-02-2024	Nil
Lakshdeep Investment and Finance Private Limited			985.27	03-02-2024	Nil
ITI Capital Limited			279.23	03-02-2024	Nil
ITI Gilts Limited			159.05	03-02-2024	Nil
Intime Multi Commodity Company Limited			42.37	03-02-2024	Nil
Lakshdeep Investment and Finance Private Limited	Interest on NCD & OCD	Continuous Basis	40.00	03-02-2024	Nil
Darshna Mehta	Remuneration to KMP	Continuous Basis	71.70	03-02-2024	Nil
Pravin Khamkar			9.58	03-02-2024	Nil

On behalf of the Board of
ITI Gold Loans Limited
(Formerly Known as United Petro Finance Limited)

Sd/-
Darshna Mehta
Managing Director
DIN: 05275642

Sd/-
Amit Malpani
Director
DIN: 10239253

Mumbai, August 05, 2025

POLICY ON MATERIAL RELATED PARTY TRANSACTION**1. Introduction**

Policy on Related Party Transactions is prepared in terms of provisions of Companies Act, 2013. This policy aims to regulate transaction between Company and its Related Parties in light of regulatory environment.

2. Objective

Purpose of this policy is to lay down the procedures and disclosures with regard to Related Party Transactions and thereby ensuring transparency between such transactions.

3. Effectiveness

This policy shall come into effect from the date of approval by the Board of Directors of the Company or any committee of the Board to which power has been delegated.

4. Definitions

- **“Act”** means the Companies Act, 2013 and rules made thereunder and includes any amendment(s)/modification(s) thereof.
- **“Arm’s Length Transaction”** as defined u/s 188 of the Companies Act, 2013 means a transaction between two related parties that is conducted as if they were unrelated, so that there is no conflict of interest.
- **“Audit Committee”** means Committee of Board of Directors of the Company constituted as per the provisions Section 177 of the Companies Act, 2013.
- **“Board”** means Board of Directors of the Company.
- **“Company”** means ITI Gold Loans Limited (“ITI GLL”)
- **“Key Managerial Personnel”** as defined u/s 2(51) of the Companies Act, 2013 in relation to a company, means—
 - (i) the Chief Executive Officer or the managing director or the manager;
 - (ii) the company secretary;
 - (iii) the whole-time director;
 - (iv) the Chief Financial Officer;
 - (v) such other officer, not more than one level below the directors who is in whole-time employment, designated as key managerial personnel by the Board; and
 - (vi) such other officer as may be prescribed
- **“RBI Regulation”** means regulation issued by the Reserve Bank of India and applicable to NBFC companies.
- **“Policy”** means Policy on Related Party Transactions.
- **“Related Party”** with reference to a company u/s 2(76) of the Companies Act, 2013 means—
 - (i) a director or his relative;
 - (ii) a key managerial personnel or his relative;
 - (iii) a firm, in which a director, manager or his relative is a partner;

- (iv) a private company in which a director or manager 1[or his relative] is a member or director;
- (v) a public company in which a director or manager is a director 2[and holds] along with his relatives, more than two per cent of its paid-up share capital;
- (vi) any body corporate whose Board of Directors, managing director or manager is accustomed to act in accordance with the advice, directions or instructions of a director or manager;
- (vii) any person on whose advice, directions or instructions a director or manager is accustomed to act:

Provided that nothing in sub-clauses (vi) and (vii) shall apply to the advice, directions or instructions given in a professional capacity;

- (viii) any body corporate which is—

- (A) a holding, subsidiary or an associate company of such company;
- (B) a subsidiary of a holding company to which it is also a subsidiary; or
- (C) an investing company or the venturer of the company;

Explanation.—For the purpose of this clause, “the investing company or the venturer of a company” means a body corporate whose investment in the company would result in the company becoming an associate company of the body corporate.

- (ix) such other person as may be prescribed;

- **"Relative"** with reference to any person u/s 2(77) of the Companies Act, 2013 means any one who is related to another, if—

- (i) they are members of a Hindu Undivided Family;
- (ii) they are husband and wife; or
- (iii) one person is related to the other in such manner as may be prescribed pursuant to Rule 4 of the Companies (Specification of Definitions Details) Rules, 2014

- **"Related Party Transactions" shall mean to include**

Transfer of resources, services or obligations between the Company and a related party, regardless of whether a price is charged and a "transaction" with a related party shall be construed to include a single transaction or a group of transactions in a contract in any financial year; contract or arrangement entered into with a related party with respect to—

- (a) sale, purchase or supply of any goods or materials;
- (b) selling or otherwise disposing of, or buying, property of any kind;
- (c) leasing of property of any kind;
- (d) availing or rendering of any services;
- (e) appointment of any agent for purchase or sale of goods, materials, services or property;
- (f) such related party's appointment to any office or place of profit in the company, its subsidiary company or associate company; and
- (g) underwriting the subscription of any securities or derivatives thereof, of the company;

Any other term not defined herein shall have the same meaning as defined in Act

5. Terms of the Policy

- All the Related Party Transactions proposed to be entered by the Company shall require approval of the Audit Committee including the transactions to be entered not in the ordinary course of business. The Audit Committee shall recommend the Related Party Transaction(s) for the approval of Board of Directors/ Shareholders as per the terms of this policy and the applicable provisions of Act including any amendment(s) / modification (s) thereto.

- The Related Party Transactions entered into in the Ordinary Course of Business and transacted at Arms' Length shall not require approval of the Board of Directors. However, all related party transactions to be entered by the Company shall require prior approval of the Audit Committee.
- All Related Party Transactions as defined under the Section 188 (1), exceeding the threshold limits prescribed under rule 15 of the Companies (Meetings of Board and its Powers) Rules, 2014 (or any amendment thereto), shall require prior approval of the Audit Committee, Board of Directors and Shareholders of the Company by way of a shareholder's resolution.

6. Approval procedure of Related Party Transactions

- Every potential Related Party Transaction shall be reviewed by Audit Committee on quarterly basis to ensure that no conflict of interest exists and evaluate it from the perspective of Arms' Length Pricing and is subject to the prior approval of the Audit Committee whether at a meeting or by resolution by way of circulation.
- Any member of the Audit Committee who has a potential interest in any Related Party Transaction shall abstain from discussion and voting on the approval of the related party transaction.
- Audit Committee shall have all the rights to call for information/documents in order to understand the scope of the proposed related party transactions and devise an effective control system for the verification/review of supporting documents.
- Upon completion of its verification/review of the transaction, the Audit Committee may determine whether to allow or disallow from entering into the Related Party Transaction. The Audit Committee shall also have the right to suggest any modification(s) in the proposed related party transaction.

7. Omnibus Approval of Related Party Transactions

- The Audit Committee may grant omnibus approval, pertaining to the transactions in the nature of ordinary course of business or repetitive in nature or with respect to such ceiling approval and that such approval is in the best interest of the company. Such omnibus approval shall be in accordance with the provisions of Act and shall specify the conditions/criteria on the basis of which approval has been granted. The omnibus approval shall provide name/s of the related party, nature of transaction, period of transaction, maximum amount of transaction that can be entered into in a financial year and any other details as may be preceded in the Act.
- Audit Committee shall review, on a quarterly basis, the details of Related Party Transactions entered into by the Company pursuant to omnibus approval given.
- Such approval granted will be valid for the period not exceeding one year and shall be ratified by the board at the next board meeting.

8. Review and approval of Related Party Transactions by Board of Directors and Shareholders

- In case the Audit Committee determines that the Related Party Transaction requires the approval of the Board of Directors or Shareholders as per the terms of this policy and applicable regulatory provisions then, it shall refer the said Related Party Transaction to the Board of Directors for its approval along with all the relevant information/ documents pertaining to the same which may include Nature of the transaction, Key terms, Key covenants, Special terms covered / to be covered in separate letters or undertakings or any other special or sub arrangement forming part of a composite transaction.
- The Board shall review the Related Party Transaction and recommendations of the Audit Committee, if any, and shall have the authority to call for such additional information/documents as it may deem

appropriate and may approve with or without modification(s) or reject the proposed related party transaction as per the terms of this policy and other applicable regulatory provisions.

- In case, the Board determines that the Related Party Transaction requires approval of the shareholders as per the terms of this policy and applicable regulatory provisions then, it shall refer the said Related Party Transaction to the shareholders for its approval along with all the relevant information/ documents pertaining to the same, as per the appropriate regulatory provisions.

9. Disclosures

- The Company shall disclose Related Party Transactions in the Financial Statements and Annual Report of the Company in accordance with Act, Accounting Standards, and RBI Regulation It shall also put up Policy Related Party Transactions on the website of the Company and make a disclosure in the Annual Report/Financial Statements of the Company on annual basis.
- The particulars of all the Related Party Transaction entered into with the approval of the Audit Committee / Board of Directors / Shareholders shall be entered into the Register of Contracts or-Arrangements in which Directors are interested, maintained by the Company as per the provisions of the Act.

10. Related Party Transactions not approved under the policy

In the event the Company becomes aware of a transaction with a related party that has not been approved in accordance with this Policy prior to its consummation, the matter shall be reviewed by the Audit Committee. The Audit Committee shall consider all of the relevant facts and circumstances regarding the related party transaction, and shall evaluate all options available to the Company, including ratification, revision or termination of the related party transaction. The Audit Committee shall also examine the facts and circumstances pertaining to the failure of reporting such related party transaction to the Audit Committee under this Policy and failure of the internal control systems, and shall take any such action it deems appropriate.

In any case, where the Audit Committee determines not to ratify a related party transaction that has been commenced without approval, the Audit Committee, as appropriate, may direct additional actions including, but not limited to, discontinuation of the transaction or seeking the approval of the shareholders, payment of compensation for the loss suffered by the related party etc. In connection with any review/approval of a related party transaction, the Audit Committee has authority to modify or waive any procedural requirements of this Policy.

11. Amendments

The Audit Committee and Board of Directors shall once in two years review the policy and propose modifications/ amendments, if deemed necessary, to this policy.

MANAGEMENT DISCUSSION AND ANALYSIS**1. Industry Structure and Developments**

The gold loan industry in India plays a critical role in bridging the credit gap for millions of individuals and small businesses, particularly in rural and semi-urban areas. This segment provides short-term loans against gold jewelry, offering a convenient, collateral-backed, and accessible form of finance.

India remains one of the world's largest consumers and holders of gold, with approximately 25,000 tonnes held by households. This vast gold stock represents both a cultural and financial asset, enabling the gold loan sector to grow steadily, especially as traditional banks often focus on urban and high-value customers.

Key Developments in FY 2024-25:

- **Regulatory Reforms:**
The Reserve Bank of India (RBI) continued refining prudential norms for NBFCs engaged in gold lending, emphasizing transparency, appropriate Loan-to-Value (LTV) ratios, and stricter provisioning on Non-Performing Assets (NPA).

Recent guidelines mandated uniform KYC practices, timely provisioning, and periodic reporting, enhancing industry discipline and accountability.
- **Digital Transformation:**
The shift toward digital platforms gained momentum during the year, empowering customers to apply for loans online, track repayments, and manage accounts seamlessly. API integrations, mobile apps, and e-KYC solutions enabled faster disbursements and improved operational efficiency.
- **Macroeconomic and Market Dynamics:**
The rise in global gold prices (+30% YoY) increased the value of pledged collateral, improving borrowers' credit capacity. However, market volatility, rising inflation, and interest rate shifts presented challenges in maintaining stable margins.
- **Emerging Competition:**
Apart from traditional banks and NBFCs, fintech startups introduced agile, technology-driven gold loan platforms, targeting younger customers seeking rapid, digital-first experiences.

2. Opportunities and Threats**Opportunities:**

- **Growing Market Penetration:** A significant portion of India's population, especially in semi-urban and rural areas, is still underserved by formal credit channels. Gold loans present an attractive product for this segment due to the widespread cultural acceptance of gold as an asset.
- **Digital Transformation:** The Company has the opportunity to strengthen its digital presence through online application systems, automated risk assessment, and customer service platforms, improving turnaround time and reducing operational costs.
- **Expansion in Untapped Regions:** There remains considerable scope for expanding branch networks into underserved districts and towns where competition is lower.
- **Innovative Product Offerings:** Designing flexible loan products such as flexible repayment terms, top-up loans, and specialized products for farmers or small businesses can attract new customers.

- **Regulatory Support for Financial Inclusion:** Continued Government focus on promoting financial inclusion, along with relaxed norms for NBFCs operating in the gold loan sector, offers significant growth potential.
- **Strategic Partnerships:** Collaborations with fintech firms, digital payment companies, and gold merchants can enhance service reach and reduce customer acquisition costs.

Threats:

- **Volatility in Gold Prices:** Fluctuations in international gold prices can impact the loan-to-value ratios, affecting both borrower demand and business margins.
- **Regulatory Challenges:** RBI's continuous tightening of prudential norms, provisioning requirements, and operational compliances increases the cost of doing business.
- **Intense Competition:** Increasing competition from banks, other NBFCs, and emerging fintech startups offering gold-backed loan products at competitive rates.
- **Cybersecurity Risks:** Growing digital operations bring challenges of data breaches, cyber-attacks, and fraud, requiring continuous investment in IT security infrastructure.
- **Macroeconomic Risks:** Global economic uncertainty, inflationary pressures, and interest rate fluctuations could impact borrowers' repayment capacity and business operations.
- **Operational Risk from Fraudulent Collateral:** Risk of fraudulent or overvalued gold being pledged necessitates stringent appraisal and monitoring mechanisms.

The management proactively monitors these risks through a comprehensive risk management framework, periodic compliance reviews, and technological solutions such as real-time gold valuation systems and centralized risk monitoring dashboards.

3. Segment-wise / Product-wise Performance

ITI Gold Loans Limited primarily operates in the Gold Loan Segment, providing collateral-backed secured loans against physical gold jewelry.

Business Performance Highlights:

- **Total Disbursements:**
Increased by approximately 226% YoY to INR 1,414.00 Crores, with a significant share coming from semi-urban and rural regions.
- **Loan Portfolio:**
The total gold loan portfolio reached INR 254 crores, growing by **91% YoY**. The average ticket size remained consistent at **INR 1.35 Lakhs**, reflecting disciplined customer targeting.
- **Branch Network Expansion:**
Added 18 new branches during the year, especially in Tier-3 and Tier-4 locations, strengthening the distribution network.
- **Non-Performing Assets (NPA):**
The NPA ratio stood at **2.90%**, lower than industry benchmarks due to stringent appraisal practices and aggressive recovery processes.

Product Innovations:

- Introduction of flexible repayment options including monthly EMI plans and bullet repayment options.
- Special schemes for small businesses and women entrepreneurs with preferential terms.

- Gold Loan Top-up facility introduced to provide additional credit without fresh gold appraisal.

4. Outlook

The medium to long-term outlook for ITI Gold Loans Limited remains positive.

- **Market Demand:** Continued demand for secured, affordable credit in rural and semi-urban areas is expected to remain strong.
- **Digital Expansion:** The Company aims to further invest in digital infrastructure to enhance customer experience and reduce operational costs.
- **Regulatory Compliance:** The management is committed to adhering strictly to all regulatory changes, including provisioning norms and KYC requirements.
- **Product Diversification:** Plans are underway to diversify the product portfolio by introducing MSME-focused gold loan products and customized credit solutions for specific customer needs.
- **Sustainable Growth:** Emphasis will be placed on improving asset quality, increasing operational efficiency, and strengthening risk management frameworks.

However, the management remains cautious of potential volatility in gold prices, global economic uncertainties, and the evolving regulatory framework. The strategy will focus on achieving steady, sustainable growth while safeguarding stakeholder interests.

5. Risks and Concerns

- **Market Risk**
Gold price volatility directly affects LTV ratios and borrower demand. The Company mitigates this by adopting conservative LTV policies and real-time gold price monitoring.
- **Credit Risk**
Stringent borrower assessment, robust appraisal of gold collateral, and systematic recovery processes limit exposure to borrower defaults. Additionally, the Company maintains a diversified customer base to reduce concentration risk.
- **Regulatory Risk**
Continuous monitoring of RBI circulars and compliance norms. The Company's compliance team ensures timely implementation of changes in LTV limits, provisioning guidelines, and reporting requirements.
- **Operational Risk**
As digital platforms expand, there is a greater risk of cybersecurity attacks, data breaches, and IT system failures. The Company invests significantly in IT infrastructure, data encryption, multi-factor authentication, and regular audits to safeguard against these threats.
- **Liquidity Risk**
Maintaining adequate liquidity to fund new loan disbursements, especially during market stress or periods of higher redemption, is critical. The Company continuously monitors cash flows and maintains sufficient lines of credit.
- **Fraud Risk**
The risk of fraudulent gold collateral is managed by employing advanced appraisal techniques, partnering with certified assayers, and conducting periodic surprise audits.

6. Internal Control Systems and Their Adequacy

ITI Gold Loans Limited has a well-defined internal control system aimed at ensuring transparency, regulatory compliance, and efficient operations.

Key Features of Internal Control System:

- **Internal Audit Function:** Conducts periodic audits of branches and corporate processes covering operations, compliance, and financial reporting.
- **Standard Operating Procedures (SOPs):** Established for every business function including loan disbursement, recovery, collateral management, and compliance reporting.
- **Centralized MIS System:** Facilitates real-time monitoring of business metrics like disbursements, collections, NPAs, and operational efficiency.
- **Employee Training & Awareness Programs:** Periodic sessions to enhance understanding of regulatory norms, fraud detection techniques, and ethical practices.
- **Board-Level Oversight:** Audit Committee meets regularly to review internal controls, financial reporting practices, and risk management policies.
- **Whistleblower Policy:** A framework encouraging employees to report irregularities without fear of retaliation.
- **Technology-Driven Controls:** Automated alerts for overdue accounts, system-generated verification of gold purity, and digital KYC compliance checks.

The management believes that the existing internal control framework is robust, efficient, and continues to evolve in line with business needs and regulatory changes.

7. Discussion on Financial Performance with Respect to Operational Performance

During the financial year ended March 31, 2025:

Total Revenue: Increased by 101.02% YoY, driven by higher loan disbursements and interest income.

Net Interest Margin (NIM): Maintained at 9.48%, reflecting disciplined pricing strategies and cost-effective funding practices.

Operating Expenses: Controlled through digital process adoption, branch optimization, and workforce productivity initiatives.

Profit After Tax (PAT): Improved by approximately 164.14%, supported by efficient cost management and stable asset quality

Loan Portfolio Quality:

Total outstanding gold loan portfolio grew to INR 527.90 Crores.

Gross NPA ratio remained at 2.90%.

Provision coverage ratio remained at 23.40%, in compliance with RBI requirements.

The Company's focus on strengthening digital capabilities, expanding into new geographies, and offering customer-friendly products has improved both operational and financial performance.

8. Material Developments in Human Resources / Industrial Relations Front

ITI Gold Loans Limited recognizes that a skilled and motivated workforce is central to its success.

Human Resources Highlights:

As of March 31, 2025, the Company employed more than 300 employees.

- The workforce includes experienced professionals in Branch Operations, Compliance, Risk Management, IT, and Customer Support.
- Employee development programs included structured training on credit appraisal, regulatory compliance, customer service, and leadership development.
- Implementation of digital tools for employee productivity monitoring and performance evaluation.
- Focus on workplace safety, well-being initiatives, and diversity & inclusion.

Industrial Relations:

- No major disputes or industrial actions reported during the year.
- Strong emphasis on transparent communication, employee grievance redressal mechanisms, and performance-based appraisal systems.

ITI Gold Loans Limited remains committed to fostering a positive work environment, enhancing skill sets, and aligning individual performance with corporate goals.

Cautionary Statement

The Management Discussion and Analysis may contain some statements describing expected future events, the Company's objectives, projections, estimates, and financial and operating results which may be 'forward looking statements' within the meaning of applicable laws and regulations. Actual results may differ substantially or materially from those either expressed or implied in the forward-looking statements depending on various risks and uncertainties. Readers are advised to exercise caution and refrain from placing undue reliance on forward-looking statements. Therefore, this document is subject to the disclaimer and is qualified in its entirety by the assumptions, qualifications, and risk factors outlined in the management's discussion and analysis of ITI Gold Loans Limited's Annual Report 2024-25. The Company undertakes no responsibility to publicly amend, modify or revise any forward-looking statements, whether as a result of any subsequent developments, new information, future events, or otherwise.