

**NINETEENTH  
ANNUAL REPORT  
2006 - 2007**



**Apple**

**Credit Corporation Limited**

## APPLE CREDIT CORPORATION LIMITED

### REGISTERED & CORPORATE OFFICE

Gokul Arcade, I Floor,  
2, Sardar Patel Road, Adyar,  
Chennai - 600 020.  
Ph : 24901603

### BOARD OF DIRECTORS

**Mr. P.V. Raman**  
Managing Director

**Jayanty Ramakrishna Sarma**  
Director

**Karra Nageswara Rao**  
Director

### Banker

State Bank of India

### Auditors

**M/s. Mahendra Kumbhat & Associates**  
Chartered Accountants

### Registrars & Transfer Agent

Integrated Enterprises (India) Ltd.,  
2nd Floor, "Kences Tower"  
1, Ramakrishna Street,  
North Usman Road,  
T.Nagar, Chennai-600 017.

Members are requested to bring their copy of the Annual Report along with them for the Annual General Meeting, as copies of the Report will not be distributed at the meeting

**APPLE CREDIT CORPORATION LIMITED****APPLE CREDIT CORPORATION LIMITED**

Registered &amp; Corporate Office:

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**NOTICE CONVENING THE 19<sup>TH</sup> ANNUAL GENERAL MEETING**

Notice is hereby given that the 19<sup>th</sup> Annual General Meeting of the Members of the Company will be held on 28-09-07 at 12.05 p.m. at "Ananda Hall", No.7, Teachers' Colony, (Venkataratnam Nagar, Opp. Pilliar Koil) Adyar, Chennai-600 020 to transact the following business:

**ORDINARY BUSINESS:**

- 1) To receive, consider and adopt the Audited statement of Accounts for the year ended 31<sup>st</sup> March 2007 and the Reports of the Directors and Auditors thereon.
- 2) To elect a Director in the place of Mr. Karra Nageswara Rao who retires by rotation and being eligible offers himself for re-election.
- 3) To appoint Auditors & fix their remuneration. The present Statutory Auditors, M/s. Mahendra Kumbhat & Associates, Chartered Accountants, Mumbai have expressed their inability to continue and resigned for personal reasons and the Board recommends the appointment of M/s. Brahmayya & Co., Chartered Accountants, Chennai as Statutory Auditor for the financial year 2007-2008. Their remuneration will be fixed by the Board on mutually agreed terms. The members are therefore requested to appoint M/s. Brahmayya & Co., Chartered Accountants as the auditors of the Company and to authorize the Board of Directors to fix their remuneration.

For and on behalf of the Board

**P.V. Raman**  
Managing Director

Place : Chennai

Dated : 27-08-2007

**NOTE:**

1. A Member entitled to attend and vote is entitled, to appoint a proxy to attend and vote on a poll instead of the member and such proxy need not be a member of the Company.
2. The Proxy Form duly stamped and executed should be deposited at the Registered Office of the Company not less than 48 hours before the time fixed for the commencement of the Meeting.
3. Explanatory Statement under Section 173 of the Companies Act, 1956 is annexed hereto.
4. The Register of Members and Share Transfer Books of the Company will remain closed from 24-09-07 to 28-09-07 (both days inclusive).
5. Members are requested to notify immediately to the Company any change in their address.
6. The Company have already transferred all unclaimed Dividend upto the financial year 1998-1999 to the General Revenue Account of the Central Government as required by the Companies Unpaid Dividend (Transfer to General Revenue Account of the Central Government) Rules, 1978.
7. The present Statutory Auditors, M/s. Mahendra Kumbhat & Associates, Chartered Accountants, Mumbai have expressed their inability to continue and resigned for personal reasons and the Board recommends the appointment of M/s. Brahmayya & Co., Chartered Accountants, Chennai as Statutory Auditors for the financial year 2007-2008. Their remuneration will be fixed by the Board on mutually agreed terms. Consent letter for the same has been obtained from M/s. Brahmayya & Co., by the Company. The members are therefore requested to appoint M/s. Brahmayya & Co., Chartered Accountants as the auditors of the Company and to authorize the Board of Directors to fix the remuneration.

**APPLE CREDIT CORPORATION LIMITED****DIRECTORS' REPORT**

TO

**THE MEMBERS OF APPLE CREDIT CORPORATION LIMITED**

Your Directors present herewith the 19<sup>th</sup> Annual Report of your Company together with the Audited Accounts for the year ended 31<sup>st</sup> March 2007.

**FINANCIAL RESULTS**

The financial highlights for the year under review are as follows:

(Rupees in lacs)

	Year Ended 31-3-2007	Year Ended 31-3-2006
Profit / Loss before Depreciation and Tax	(695.18)	407.70
Less: : Depreciation	129.03	73.76
Profit / Loss before Tax	(824.21)	333.94
Add : Provision for Non Performing assets	Nil	Nil
Add : Provision for Tax	0.70	0.75
Profit / Loss after Tax	(824.91)	333.19
Balance in Profit & Loss Account b/f (Loss)	(29051.57)	(29384.76)
Balance in Profit & Loss Account c/f (Loss)	(29876.48)	(29051.57)

**OPERATIONS**

There were no disbursements during the year under review. The Company has completed settlement of its entire dues against working capital borrowings from all 21 Banks and Debentures from all 16 Banks/ Institutions. On receipt of the amounts in full and final settlement of their claims, all Banks/Institutions have discharged the Company, Guarantors, Directors (past & present) from all liabilities. Consequently, the required Memoranda of settlement were filed by the concerned Banks with DRT, Chennai and DRT, Chennai has passed orders dismissing the suits on the basis of the settlements.

ITCOT, Receiver appointed by Hon'ble Bombay High Court has sold the assets of the company and the proceeds were utilised to settle the dues of

Debenture holders and Income Tax arrears, resulting in release of attachment by Income Tax Department.

**DIVIDEND**

On account of accumulated losses, your Directors are not in a position to recommend any Dividend.

**FIXED DEPOSITS**

Your Company has no outstanding Deposits as all Deposits in the Company have either been repaid or funds for full repayment was provided in an Escrow Account as per RBI Guidelines as early as August 2000.

**DIRECTORS' RESPONSIBILITY STATEMENT**

Pursuant to Section 217 (2AA) of the Companies (Amendment) Act, 2000 the Directors confirm that :

1. In the preparation of the annual accounts, the applicable accounting standards have been followed.
2. Appropriate accounting policies have been selected and applied consistently and have made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31<sup>st</sup> March 2007 and of the Loss of the Company for the year ended 31<sup>st</sup> March 2007.
3. Proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
4. The annual accounts have been prepared on a going concern basis.

**CORPORATE GOVERNANCE**

A separate Report on Corporate Governance is produced as a part of this Annual Report along with the Auditors Statement, on its compliance as prescribed under the amended Listing Agreement of the Stock Exchanges with which your Company is listed.

**CONSERVATION OF ENERGY, TECHNOLOGY, ABSORPTION AND FOREIGN EXCHANGE**

Your Company has no activity relating to these areas during the period under review.

**APPLE CREDIT CORPORATION LIMITED****DIRECTORS**

Mr. Karra Nageswara Rao retires by rotation and being eligible offers himself for re-election.

**AUDITORS**

The present Statutory Auditors, M/s. Mahendra Kumbhat & Associates, Chartered Accountants, Mumbai have expressed their inability to continue and resigned for personal reasons and the Board recommends the appointment of M/s. Brahmayya & Co., Chartered Accountants, Chennai as Statutory Auditor for the financial year 2007-2008. Their remuneration will be fixed by the Board on mutually agreed terms. The members are therefore requested to appoint M/s. Brahmayya & Co., Chartered Accountants as the auditors of the Company and to authorize the Board of Directors to fix their remuneration.

With regard to qualification 6(iii) in Auditors Report regarding non-provision of interest on Secured Loans refer to Note (5) in Schedule "N" - Notes on Accounts.

With regard to qualification 6 (i), 6 (ii) and 6(iv) in Auditors Report, the Notes (1), (4) and (6) respectively in Schedule "N"- Notes on Accounts are self explanatory.

**PARTICULARS OF PERSONNEL**

The particulars of employees as required u/s 217 (2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules 1975 does not arise as there were no employees drawing remuneration in excess of the limits specified under the said rules..

**ACKNOWLEDGEMENT**

Your Directors wish to express their gratitude to the Shareholders, Bankers and Financial Institutions for their support.

For and on behalf the Board

P.V.Raman  
Managing Director

Jayanty Ramakrishna Sarma  
Director

Place : Chennai  
Date : 31.05.2007

**APPLE CREDIT CORPORATION LIMITED****CORPORATE GOVERNANCE****INTRODUCTION**

The Securities and Exchange Board of India has introduced a Code of Corporate Governance for implementation by listed companies.

The report for the year 2006-2007 is as follows:

**I. BOARD OF DIRECTORS:****A) The Constitution of the Board as on March 31, 2007**

Director	Brief Resume	Directorships held (excluding alternate Directorship and Directorship in Private Ltd. Company as on 31.3.07)
P V Raman Managing Director	B.Com., PG certificate in Bus. Admn & Fin. Mgmt	Nil
Jayanty Ramakrishna Sarma	ACS, AICWA	Amity Corporate Services
Karra Nageswara Rao	B.Com.,	Nil

**B) Attendance Record of the Directors :**

14 Board meetings were held during the period April 1, 2006 to March 31, 2007:

They were held on 26.04.06, 30.05.06, 30.06.06, 31.07.06, 23.08.2006, 08.09.06, 07.10.06, 30.10.06, 14.11.06, 16.12.06, 12.01.07, 25.01.07 10.02.2007 and 06.03.07 .

The attendance record of all Directors are as under:

Director	No. of Board meetings Attended	Sitting fees Rs.	Attendance at Last AGM
P V Raman	14	Nil	Yes
Jayanty Ramakrishna Sarma	14	10500	Yes
Karra Nageswara Rao	6	4500	Yes

**II. REMUNERATION TO MANAGING DIRECTOR:**

Remuneration of Managing Director is fixed by the Board of Directors duly approved by the Share holders at the Annual General Meeting for a term of five years at a time.

**III. COMMITTEES OF THE BOARD:****A) AUDIT COMMITTEE:**

No separate Audit Committee Meeting was held and the Accounts and other related matters were considered at the meeting itself. However, a separate Audit Committee with all the 3 Directors as members has been constituted during the year.

**B) SHARE TRANSFER COMMITTEE:**

14 Share Transfer committee meetings were held during the period April 1, 2006 to March 31, 2007.

They were held on 26.04.06, 30.05.06, 30.06.06, 31.07.06, 23.08.2006, 08.09.06, 07.10.06, 30.10.06, 14.11.06, 16.12.06, 12.01.07, 25.01.07 10.02.2007 and 06.03.07 .

**APPLE CREDIT CORPORATION LIMITED**

The attendance record of all members in the Committee is as under:

Member	No. of Committee Mtg. Attended
Mr P V Raman	14
Jayanty Ramakrishna Sarma	14
Karra Nageswara Rao	6

The committee deals with matters relating to :

- Transfer /Transmission of shares
- Issue of duplicate share certificates
- Review of shares dematerialised
- All other matters related to shares
- Investors' Grievances

**C) SHARE HOLDERS/INVESTORS' GRIEVANCE COMMITTEE:**

The Share Transfer committee also looks into Investor Grievances and all Grievances were placed in the meetings during the year. However, a separate Shareholders Grievance Committee, with all the 3 Directors as members, has been constituted during the year.

No of Grievances Received	No. of Grievances Redressed	No. of Grievances pending for redressal
75	75	nil

**SHARE HOLDER INFORMATION :**

Annual General Meeting	:	19 <sup>th</sup> Annual General Meeting
Date & Time	:	28-09-2007 at 12.05 p.m.
Venue	:	"Ananda Hall" 7, Teachers' Colony, (Venkaratnam Nagar, Opp. Pilliar Koil) Adyar, Chennai 600 020
Book Closure Date	:	24-09-2007 to 28-09-2007 (both days inclusive).

The Company's Financial year is based on 4 periods comprising of 3 months per period :

**Quarterly / Annual Results****Board meeting to approve the quarterly / Annual Financial Results**

Annual Results (Audited)  
Unaudited First Quarter Results  
(subject to limited review by Auditors)  
Unaudited Second quarter Results  
(subject to limited review by Auditors)  
Unaudited third Quarter Results  
(subject to limited review by Auditors)  
Audited Fourth Quarter Results  
(subject to limited review by Auditors)

End May  
Last week of July 2007  
Last week of October 2007  
Last week of January 2008  
Last week of May 2008

Registered Office

Gokul Arcade, I floor,. 2 Sardar Patel Road, Adyar,  
Chennai 600 020.

## APPLE CREDIT CORPORATION LIMITED

Listing of Equity Shares on Stock Exchanges

: The Madras Stock Exchange .

Listing fees as prescribed has been paid upto year 2007-2008 to Madras Stock Exchange.

Application for delisting at the Stock Exchanges in Mumbai, Delhi, Vadodra and Calcutta is pending for approval. Delisting has been sought as per members approval obtained at the AGM held on 24.07.02.

	<u>Stock Exchange</u>	<u>Stock Code</u>
	: Madras Stock Exchange,	ACE
Stock Price Data	: Madras Stock Exchange (MSE)-Not quoted on any day during the year.	
Registrar & Transfer Agents	: M/s Integrated Enterprises (India) Ltd 2 <sup>nd</sup> floor, "Kences Towers" 1, Ramakrishna Street, North Usman Rd., T. Nagar, Chennai 600 017.	

### Share Transfer System :

Shares sent for transfer in physical form are registered by the Registrar and Share Transfer Agent within 30 days of receipt of the documents, if found in order. Shares under objection are returned within two weeks. The Share Transfer Committee meets generally once in 3 weeks to consider the transfer proposals. All requests for dematerialisation of shares are processed and the confirmation is given to the respective depositories ie., National Securities Depository Limited (NSDL) and Central Depository Services Ltd. (CDSL) within 15 days :

### Distribution of share holding as on 31.3.2007

S.No	Category	No. of share Holders	No. of Shares	% of Holding
01	Upto 500 Shares	30292	3606142	18.57
02	501-1000	557	460423	2.38
03	1001-2000	245	374171	1.93
04	2001-3000	92	234127	1.21
05	3001-4000	31	112422	0.58
06	4001-5000	21	98150	0.50
07	5001-10000	38	269211	1.38
08	Above 10001	49	14262021	73.45
	<b>TOTAL</b>	<b>31325</b>	<b>19416667</b>	<b>100.00</b>