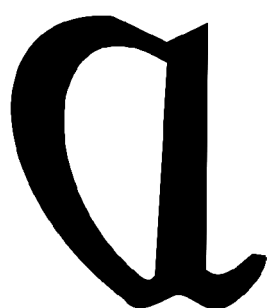


**TWENTY SIXTH
ANNUAL REPORT
2013 - 2014**



Apple

Credit Corporation Limited

APPLE CREDIT CORPORATION LIMITED

REGISTERED & CORPORATE OFFICE

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

BOARD OF DIRECTORS

Mr. Jayanty Ramakrishna Sarma
Director

Mr. J.S. Narayana
Director

Mr. K. Elangovan
Director

Banker

State Bank of India

Auditors

M/s.Brahmayya & Co
Chartered Accountants

Registrars & Transfer Agent

Integrated Enterprises (India) Ltd.,
2nd Floor, "Kences Tower"
1, Ramakrishnan 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 & Corporate Office:

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

NOTICE CONVENING THE 26TH ANNUAL GENERAL MEETING

Notice is hereby given that the 26th Annual General Meeting of the Members of the Company will be held on Thursday the 18th September 2014 at 11.00 a.m. at The Hall of Ragaas, New No 2, Old No 47, Ist Avenue, Sastri Nagar, 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 31st March 2014 and the Reports of the Directors and Auditors thereon.
- 2) To elect a Director in the place of Mr JS Narayana, (DIN 02872519) who retires by rotation and being eligible offers himself for re-election.
- 3) To appoint M/s. Brahmayya & Co. (ICAI Firm Registration No. 000511S) as the Statutory Auditors to hold office from the conclusion of this Meeting until the conclusion of the next Annual General Meeting of the Company and to fix their remuneration

SPECIAL BUSINESS:

- 4) To consider and if thought fit, to pass with or without modifications, the following resolution as an ordinary resolution :

RESOLVED THAT pursuant to Companies Act 2013, or any amendment or modifications thereof, approval of the Company be and is hereby accorded to the appointment of Mr.D. Harold as the Manager of the Company u/s 203 of Companies Act 2013 for a period of one year with effect from 01.04.2014 on the terms and conditions set out in the Explanatory Statement annexed.

RESOLVED FUTHER THAT the Board of Directors of the Company be and is hereby authorised to vary or modify the terms and conditions of the said appointment, including salary from time to time, subject to the provisions of Schedule V and all other applicable provisions of the Companies Act, 2013.

Place: Chennai
Date: 29.05.2014

For and on behalf of the Board

JRK Sarma
Director

APPLE CREDIT CORPORATION LIMITED

NOTE:

- a) A member entitled to attend and vote at the Annual General Meeting (“AGM”) is entitled to appoint a proxy or proxies to attend and, on a poll, to vote on his/her behalf, and a proxy need not be a member. The instrument appointing the proxy, in order to be effective, must be deposited at the Company’s Registered Office, duly completed and signed, not less than 48 (Forty Eight) hours before the AGM. Proxies submitted on behalf of limited companies, etc. must be supported by appropriate resolutions or authority, as applicable. A person can act as a proxy on behalf of Members not exceeding 50 and holding in the aggregate not more than 10% of the total share capital of the Company carrying voting rights. In case a proxy is proposed to be appointed by a member holding more than 10% of the total share capital of the Company carrying voting rights, then such proxy shall not act as a proxy for any other person or Member.
- b) The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 (“Act”) in respect of the business set out under Item Nos. 4 of the Notice is annexed hereto
- c) The Notice of the AGM along with the Annual Report for FY 2013-14 is being sent by electronic mode to all the Members, whose e-mail addresses are registered with the Depositories, unless any Member has requested for a physical copy of the same. For Members who have not registered their e-mail addresses with the Depositories, physical copies are being sent by the permitted modes. The Notice of the AGM is also posted on the website of the Company www.accl.net.in.
- d) To support the Green Initiative, Members who have not registered their email addresses with the Depositories are requested to register the same. In case of any change in the email address registered with the Depository, Members are requested to update the same through their Depository Participant.
- e) The Register of Members and Share Transfer Books of the Company will remain closed from 12th September to 18th September 2014 (both days inclusive).
- f) Members who hold shares in physical form can nominate a person in respect of all shares held by them singly or jointly. Members who hold shares in single name are advised, in their own interest, to avail of the nomination facility by filling Form 2B. The Company’s Register and Transfer Agents on request will supply blank forms. Members holding shares in dematerialized form may contact the Depository Participant for recording nomination in respect of their shares.
- g) Voting through electronic means
- I. In compliance with provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, the Company is pleased to provide members facility to exercise their right to vote at the Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services provided by National Securities Depository Limited (NSDL):

The instructions for e-voting are as under:

- (i) The Notice of the 26th AGM of the Company inter alia indicating the process and manner of e-Voting process along with printed Attendance Slip and Proxy Form is being dispatched to all the Members. Initial password is provided at the bottom of the Attendance Slip for the 26th AGM:
- (ii) NSDL shall also be sending the User-ID and Password, to those members whose shareholding is in the dematerialized format and whose email addresses are registered with the Company/Depository Participants(s). For members who have not registered their email address, can use the details as provided above.
- (iii) Launch internet browser by typing the following URL: <https://www.evoting.nsdl.com/>
- (iv) Click on Shareholder – Login
- (v) Put user ID and password as initial password noted in step (i) above. Click Login.
- (vi) Password change menu appears. Change the password with new password of your choice with minimum 8 digits/characters or combination thereof. Note new password. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

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- (vii) Home page of e-Voting opens. Click on e-Voting: Active Voting Cycles.
- (viii) Select "EVEN" of Apple Credit Corporation Limited
- (ix) Now you are ready for e-Voting as Cast Vote page opens
- (x) Cast your vote by selecting appropriate option and click on "Submit" and also "Confirm" when prompted.
- (xi) Upon confirmation, the message "Vote cast successfully" will be displayed
- (xii) Once you have voted on the resolution, you will not be allowed to modify your vote
- (xiii) Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer through e-mail amit5386@yahoo.com with a copy marked to evoting@nsdl.co.in.
- II. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the Downloads section of www.evoting.nsdl.com.
- III. If you are already registered with NSDL for e-voting then you can use your existing user ID and password for casting your vote.
- IV. You can also update your mobile number and e-mail id in the user profile details of the folio which may be used for sending future communication(s).
- V. The e-voting period commences on September 12th 2014 (9:00 am) and ends on September 13th, 2014 (6:00 pm). During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of August 9th, 2014, may cast their vote electronically. The e-voting module shall also be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the shareholder, the shareholder shall not be allowed to change it subsequently.
- VI. The voting rights of Shareholders shall be in proportion to their shares of the paid up equity share capital of the Company as on, Saturday, August 9th, 2014.
- VII. Since the Company is required to provide members facility to exercise their right to vote by electronic means, shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of August 9th, 2014, and not casting their vote electronically, may only cast their vote at the Annual General Meeting.
- VIII. The Scrutinizer shall within a period of not exceeding three(3) working days from the conclusion of the e-Voting period unlock the votes in the presence of at least two(2) witnesses not in the employment of the Company and make a Scrutinizer's Report of the votes cast in favour or against, if any, forthwith to the Chairman of the Company.
- IX. The Results shall be declared on or after the 26th Annual General Meeting of the Company. The Results declared along with the Scrutinizer's Report shall be placed on the Company's website www.accl.net.in and on the website of NSDL within two(2) days of passing of the resolutions at the 26th Annual General Meeting of the Company on 18th September, 2014 and communicated to the Stock Exchanges.
- h. All documents referred to in the accompanying Notice and the Explanatory Statement shall be open for inspection at the Registered Office of the Company from Monday to Friday between 11.00 a.m. to 4.00 p.m. up to the date of declaration of the result at the 26th Annual General Meeting of the Company.
- i. Consent for receiving documents in electronic mode, form enclosed, fill up the same and send it to the RTA.

Place: Chennai
Date: 29.05.2014

For and on behalf of the Board

JRK Sarma
Director

APPLE CREDIT CORPORATION LIMITED

Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 (“Act”) and the Rules made there under, sets out all material facts relating to business mentioned in the accompanying Notice dated May 29, 2014

Item No. 4

Mr. D Harold of the Company was appointed as Manager of the Company u/s 203 of the Companies Act 2013 for a period of one year with effect from 01.04.2014. The Board of Directors have appointed him in their meeting held on 17.03.2014 on the following terms and conditions.

Period of Appointment :1 Year from 01.04.2014 appointment subject to compliance with Schedule V and Section 197, 203 and other applicable provisions, if any, of the Companies Act, 2013 and also subject to approval of the shareholders in a General Meeting.

Remuneration : Payable with effect from 01.04.2014 subject to Schedule V limits

- I. Salary : Rs.24,300 per month with such changes /increments as may be decided by the Board from time to time, and other allowances of Rs.23,850 per month also subject to such changes / increments as may be decided by the Board from time to time.
- II. Perquisites: In addition to salary, the perquisites in respect of the following will be allowed:
 - i) Medical Reimbursement : Reimbursement of Medical expenses and hospitalization for self and family subject to a ceiling of Rs.15,000/- per year.
- III. Other Perquisites:
 - i) Contribution to Superannuation Fund : Contribution to the superannuation fund a sum of Rs.8000.00 p.m. respectively.
 - ii) The company shall reimburse actual entertainment and traveling expenses incurred in the course of the Company's business.
 - iii) D Harold will be entitled to privilege leave period of 12 days for every year of service during the period of the Agreement with full pay and perquisites. He will be entitled to sick leave and casual leave benefits as per the rules of the Company.
- IV. Mr. D Harold shall keep the secrets of the Company.
- V. The appointment may be terminated by either party by giving one month's notice or by mutual consent. The Company shall also be entitled to terminate the appointment without requisite notice by making payment to Mr. D Harold of one month's remuneration .
- VI. In the event of any modification made by the Government in the guidelines or ceilings on managerial remuneration during the period of Agreement, the remuneration payable to Mr. D.Harold shall be increased or decreased as the Board may deem fit, in accordance with such modified guidelines or ceilings.

None of the Directors except Mr.D Harold is interested in this Resolution.

Your Directors recommend the Resolution for your approval.

Place: Chennai
Date: 29.05.2014

For and on behalf of the Board

JRK Sarma
Director

APPLE CREDIT CORPORATION LIMITED

DIRECTORS' REPORT

**To
THE MEMBERS OF APPLE CREDIT
CORPORATION LIMITED**

Your Directors present herewith the 26th Annual Report of your Company together with the Audited Accounts for the year ended 31st March 2014.

Management Discussion and Analysis:

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

(Rupees in lacs)

Particulars	Year Ended 31st March 2014	Year Ended 31st March 2013
Profit / Loss before Int., Depreciation and Tax	(43.60)	(42.93)
Less: : Depreciation	0.23	0.30
Profit / Loss before Tax	(43.37)	(42.63)
Add : Provision for Non Performing assets	NIL	Nil
Less : Fringe Benefit Tax	NIL	Nil
Profit / Loss after Int., Depreciation and Tax	(43.37)	(42.63)
Balance in Profit & Loss Account b/f (Loss)	(29755.65)	(29713.02)
Balance in Profit & Loss Account c/f (Loss)	(29799.02)	(29755.65)

There were no disbursements during the year under review. The Company has continued its efforts for recovery of overdues.

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

DIRECTORS

Mr. JS Narayana , who retires by rotation and being eligible offers himself for re-election. A brief resume of the director retiring by rotation at the ensuing AGM, nature of his expertise in specific functional areas and the name of companies in which he holds directorship and/or membership /chairmanship of committees of the board as stipulated under clause 49 of the listing agreement ,is given in the section on Corporate governance elsewhere in the Annual report.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT (MDAR)

a) Industry Structure and Developments:

GDP growth in 2013-14 is likely to fall below 5% , mainly due to the protracted weakness in industrial activity, aggravated by domestic supply bottlenecks and slowdown in the services sector, reflecting weak external demand. The high level of Fiscal and Current Account deficits had an equally dampening effect on the Indian economy.

b) Opportunities and Threats:

The Management of the Company discussed about the Strengths, Weakness, Opportunities and threats for the same. While slow down in economy and automotive sector is a threat for recoveries , the expected turnaround in the near future will bring in opportunities for more and more recoveries.

c) Segment wise or Product wise performance:

The automotive industry in India was amongst the worst hit sectors of the economy. Sales of medium and heavy commercial vehicles (M/HCV) registered a steep fall of 20.2% during 2013-14.

The Company is concentrating on recovery of its old Loans given under Financing of Vehicles and Machinery. The Company has set up required personnel and also taking steps legally to recover its outstanding.

d) Outlook

Prospects for the coming year continue to remain uncertain. The fact remains that until the severe fiscal imbalances are corrected, economic growth will continue to suffer. In recent months, the government has made some course corrections by way of policy responses and spelt out a path of fiscal consolidation.. However, the recent weakening of the Rupee could nullify all the gains and curtail the room for easing.

e) Risk and areas of concern

Market and legal risks involved in recovery process are adequately addressed by the internal control systems and are continuously reviewed and monitored by a dedicated team of people.

f) Internal Control system and their adequacy:

The Company has adequate internal control procedures commensurate with the size of the company and the nature of business. The Audit Committee regularly reviews the audit findings as well as the adequacy and effectiveness of the internal control measures and reports to the Board..

g) Material developments in Human Resources / Industrial relations front :

Your Company believes that its greatest assets are its people and training is an investment in long term people development, for organizational excellence. The Company has maintained cordial relationship with its employees throughout the year.

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 31st March 2014 and of the Profit/Loss of the Company for the year ended 31st March 2014.
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 for the year ended 31st March 2014 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.

DEPOSITORIES

As the Members are aware, your Company's shares tradable compulsorily in electronic form and your Company has established connectivity with both the Depositories i.e. National Securities Depository Limited and Central Depository Services(India) Limited.

In view of the numerous advantages offered by the Depository system, Members are requested to avail of the facility of dematerialisation of the Company's shares on either of the Depositories aforesaid.

At present over 64.90% of the paid-up equity capital of the Company is held in dematerialised form.

FIXED DEPOSITS

Your Company has no outstanding Deposits as all Unclaimed Deposits in the Company have been transferred to Government A/c as per Companies Act 1956. The Company, during the year under review, has not accepted any deposits from public.

AUDITORS

The Company's Auditors M/s Brahmayya & Co, Chartered Accountants, Chennai will retire at the ensuing Annual General meeting and being eligible have offered themselves for re-appointment and the requisite certificate u/s 224 (1) (b) of the Companies Act, 1956 has been obtained from them for this purpose.

AUDITORS' REPORT

As regards observations of the Auditors under the head "Opinion" in the Independent Auditors' Report, attention of the members is invited to Note no.19. to the Annual accounts, which is 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 is not applicable to the Company as there were no employees drawing remuneration in excess of the limits specified under the said rules.

Conservation of Energy, Technology, Absorption and Foreign Exchange

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

ACKNOWLEDGEMENTS

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

For and on behalf the Board

Jayanty Ramakrishna Sarma
Director

K Elangovan
Director

JS Narayana
Director

Place : Chennai
Date : 29th May 2014

APPLE CREDIT CORPORATION LIMITED

APPLE CREDIT CORPORATION LIMITED

REPORT ON CORPORATE GOVERNANCE

INTRODUCTION

The report for the year 2013-2014 as required under clause 49 is as follows:

I. COMPANY'S PHILOSOPHY:

The company is committed to adopt the best Corporate Governance practices and endeavors continuously to implement the Code of Corporate Governance in its true spirit. The Company's philosophy in relation to Corporate Governance is to ensure transparency in all its operations, make disclosures and enhance shareholders' value without compromising in any way in complying with applicable laws.

The Board of Directors acknowledges that it has a fiduciary relationship and a corresponding duty towards the stakeholders to ensure that their rights are protected. Through the Governance mechanism in the Company, the Board along with its committees endeavors to strike a right balance with its various stakeholders.

II. BOARD OF DIRECTORS:

A) The Constitution of the Board as on March 31, 2014

Name of Director	Category of Directorship	No. of Directorships held in other Companies	No. of other Committee Membership
Jayanty Ramakrishna Sarma	Non-Executive & Independent	Nil	Nil
Dr. J S Narayana	Non-Executive & Independent	Nil	Nil
K Elangovan	Non-Executive & Independent	Nil	Nil

The Company does not have a designated Chairman.

7 Board meetings were held during the period April 1, 2013 to March 31, 2014: They were held on 17.04.13, 30.05.13, 05.08.13, 18.09.13, 04.11.13, 04.02.14, and 17.03.14

The attendance record of Directors at Board meetings and last AGM is as under:

Name of Director	No. of Board Meetings Attended	Sitting fees Rs.	Attendance at Last AGM held On 18.09.2013
Jayanty Ramakrishna Sarma	7	10500	Present
J S Narayana	3	4500	Absent
K Elangovan	7	10500	Present