



APPLE FINANCE LIMITED

29TH ANNUAL REPORT 2014-2015

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REGISTERED OFFICE

8 Apeejay House
130 Mumbai Samachar Marg
Mumbai 400 023
CIN: L65910MH1985PLC037767
Tel.: 91 22 2288 6100 Fax: 2288 6106
Email: info@applefinance.co.in
www.applefinance.co.in

BOARD OF DIRECTORS

Mr. Mahesh K. Rachh	(Managing Director)
Mr. Mahesh Raghavan Menon	(Director)
Mr. Mahendra S. Shah	(Director)
Ms. Jacqueline Patel	(Director)

AUDITORS

Messrs Mahendra Kumbhat & Associates
Chartered Accountants

29TH ANNUAL GENERAL MEETING

On Thursday, September 24, 2015
at 3.30 p.m. at M. C. Ghia Hall, Bhogilal
Hargovindas Building, Floor 4,
18/20 Kaikhushru Dubash Marg,
Mumbai 400 001

REGISTRAR & TRANSFER AGENTS

Sharepro Services (India) Pvt. Ltd.
13AB, Samhita Warehousing Complex, Floor 2
Sakinaka Telephone Exchange Lane
Off Andheri-Kurla Road, Sakinaka
Andheri (East), Mumbai 400 072
Phone: 6772 0400
Fax: 2859 1568
Email: sharepro@shareproservices.com

APPLE FINANCE LIMITED

NOTICE

NOTICE is hereby given that the Twenty-Ninth Annual General Meeting of the Members of Apple Finance Limited will be held on Thursday, September 24, 2015 at 3.30 p.m. at M. C. Ghia Hall, Bhogilal Hargovindas Building, Floor 4, 18/20 Kaikhushru Dubash Marg, Mumbai 400 001 to transact the following business:-

ORDINARY BUSINESS

1. To consider and adopt:-
 - a) the audited financial statement of the Company for the financial year ended March 31, 2015, the reports of the Board of Directors and the Auditors thereon; and
 - b) the audited consolidated financial statement of the Company for the financial year ended March 31, 2015.
2. To appoint a Director in place of Mr. Mahesh Raghavan Menon (DIN:00164298), who retires by rotation at this Annual General Meeting and being eligible, has offered himself for reappointment.
3. To consider and, if thought fit, to pass with or without modification, as an Ordinary Resolution, the following:-

"RESOLVED THAT pursuant to Section 139 of the Companies Act, 2013, the Companies (Audit and Auditors) Rules, 2014, and such other applicable provisions, if any, of the said Act and/or Rules framed thereunder, M/s. Mahendra Kumbhat & Associates, Chartered Accountants (ICAI Regn. No.105770W), be and are hereby reappointed as Auditors of the Company, to hold office from the conclusion of this Annual General Meeting till the conclusion of the next Annual General Meeting of the Company at such remuneration as shall be fixed by the Board of Directors of the Company."

SPECIAL BUSINESS

4. To consider and, if thought fit, to pass with or without modification, as a Special Resolution, the following:-

"RESOLVED THAT in supersession of the resolution adopted at the 8th Annual General Meeting of the Company held on December 5, 1994 and pursuant to Section 180(1) (a) and any other applicable provisions of the Companies Act, 2013 and the Rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), the consent of the Company be and is hereby accorded to the Board of Directors ("the Board") for mortgaging/charging/hypothecating the movable or immovable properties of the Company, both present and future, or the whole or substantially the whole of the undertaking(s) of the Company in such form and manner as the Board may deem fit, for securing loan(s) and/or advances obtained or that may be obtained from any financial institutions/banks together with interest, costs, charges and expenses payable by the Company to the concerned lenders and for the purpose of securing the securities (if they comprise of fully/partly secured Convertible Debentures and/or secured Non-Convertible Debenture or any other secured debt instrument) together with interest, remuneration of the Trustees, premium, if any, on redemption, costs, charges and expenses payable

by the Company in terms of the Trust Deed/other documents to be finalized and executed between the Company and the Trustees/lenders and containing such specific terms, conditions and covenants in respect of enforcement of security as may be stipulated in that behalf and agreed to between the Board and the Trustees/lenders, up to a value of and within the overall borrowing limit of ₹ 2,000 crore.

RESEVED FURTHER THAT the Board be and is hereby authorized to do all such acts, deeds, matters and things and to give such directions as may be necessary or expedient and to settle any question, difficulty or doubt that may arise in this regard as the Board in its absolute discretion may deem necessary."

NOTES:

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING ("THE MEETING") IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON A POLL INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. The instrument appointing the proxy, in order to be effective, duly completed and signed, should be deposited at the Registered Office of the Company not less than 48 (Forty Eight) hours before the commencement of the Meeting.

A person can act as a proxy on behalf of Members not exceeding 50 (fifty) and holding in the aggregate not more than ten per cent of the total share capital of the Company carrying voting rights. A Member holding more than ten per cent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.

2. Corporate Members intending to send their authorized representatives to attend the Meeting are requested to send to the Company a certified true copy of the Board Resolution authorizing their representative to attend and vote on their behalf at the Meeting.
3. Brief resume of the Director proposed to be reappointed, nature of his expertise in specific functional areas, names of companies in which he holds directorships and memberships/chairmanships of Board Committees and shareholding as stipulated under Clause 49 of the Listing Agreement with BSE Limited, are provided in the Exhibit to the Notice.
4. A Statement pursuant to Section 102(1) of the Companies Act, 2013, relating to the Special Business to be transacted at the Meeting is annexed hereto. Members are requested to bring their Attendance Slip along with their copy of Annual Report to the Meeting.
5. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote.
6. Relevant documents referred to in the accompanying Notice and the Statement are open for inspection by the Members at the Company's Registered Office on all working days between 3.00 p.m. and 5.00 p.m. up to the date of the Meeting.

7. The Register of Members and Share Transfer Books of the Company will remain closed from Friday, September 18, 2015 to Thursday, September 24, 2015 (both days inclusive).
8. Members holding shares in physical form are requested to notify the change, if any, in their address to the Registrar and Transfer Agents of the Company at the following address: Sharepro Services (India) Private Limited, 13 AB, Samhita Warehousing Complex, Floor 2, Sakinaka Telephone Exchange Lane, Off Andheri-Kurla Road, Sakinaka, Andheri (East), Mumbai 400 072.
9. The Company has transferred all the unclaimed amounts of dividends as well as public deposits and interest thereon to the Investor Education and Protection Fund ("IEPF") of the Central Government as required under Sections 205A and 205C of the Companies Act, 1956. No claim shall lie against the IEPF or the Company for the amounts so transferred nor shall any payment be made in respect of such claim.
10. Securities and Exchange Board of India has mandated the submission of Permanent Account Number ("PAN") by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN to the Company/ Sharepro Services (India) Private Limited.
11. Members who hold shares in physical form can nominate a person in respect of all the 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. Company's Registrar and Transfer Agents on request will supply nomination forms. Members holding shares in the dematerialized form may contact the Depository Participant for recording nomination in respect of their shares.
12. Members who hold shares in physical form in multiple folios in identical names or joint holding in the same order of names are requested to send the share certificates to Sharepro Services (India) Private Limited, for consolidation into a single folio.
13. The Notice of the Meeting along with the 29th Annual Report for the financial year 2014-2015 is being sent by electronic mode to all the Members, whose email 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 email addresses with the Depositories, physical copies are being sent by the permitted modes. The Notice of the Meeting has also been posted on the Company's website www.applefinance.co.in
14. The process and manner for Members opting for voting through electronic means:-
 - (i) In compliance with the provisions of Section 108 of the Act, read with Rule 20 of the Companies (Management & Administration) Rules, 2014, the Company is pleased to offer the facility of voting through electronic means, and the business set out in the Notice above may be transacted through such electronic voting. The facility of voting through electronic means is provided through the e-Voting platform of Central Depository Services (India) Limited ("CDSL") ("remote e-Voting").
 - (ii) The Member whose name is recorded in the Register of Members or in the Register of Beneficial Owners maintained by the Depositories as on the Cut Off Date of September 17, 2015 shall be entitled to avail the facility of remote e-Voting as well as voting at the Meeting. Any recipient of the Notice who has no voting rights as on the Cut Off date shall treat this Notice as intimation only.
 - (iii) A person who has acquired the shares and has become Member of the Company after the despatch of the Notice of the Meeting and prior to the Cut Off date i.e. September 17, 2015, shall be entitled to exercise his votes either electronically through remote e-Voting or through the Poll Paper at the Meeting by following the procedure mentioned in this part.
 - (iv) The remote e-Voting will commence on Monday, September 21, 2015 at 10 a.m. and will end on Wednesday, September 23, 2015 at 5.00 p.m. During this period, the Members of the Company holding shares either in physical form or in electronic form as on the Cut Off date i.e. September 17, 2015 may cast their vote electronically. The Members will not be able to cast their vote electronically beyond the date and time mentioned above and the remote e-Voting module shall be disabled for voting by CDSL thereafter.
 - (v) Once the vote on a resolution is cast by the Member, he shall not be allowed to change it subsequently or cast the vote again.
 - (vi) The facility for voting through Poll Paper would be made available at the Meeting and the Members attending the Meeting who have not already cast their votes by remote e-Voting shall be able to exercise their right at the Meeting through Poll Paper. The Members who have already cast their vote by remote e-Voting prior to the Meeting may also attend the Meeting but shall not be entitled to cast their vote again.
 - (vii) The voting rights of the Members shall be in proportion to their shares in the paid up equity share capital of the Company as on the Cut Off date of September 17, 2015.
 - (viii) The Company has appointed Mr. Umesh P. Maskeri, Practicing Company Secretary (FCS No.4831, COP No.12704), to act as the Scrutinizer for conducting the remote e-Voting process as well as the voting through Poll Paper at the Meeting in a fair and transparent manner.
 - (ix) The instructions for shareholders voting electronically are as under:-
 - (a) The e-Voting period begins on Monday, September 21, 2015 (10.00 a.m.) and ends on Wednesday, September 23, 2015 (5.00 p.m.). 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

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Thursday, September 17, 2015 may cast their vote electronically. The e-Voting module shall be disabled by CDSL for voting thereafter.

- (b) The shareholders should log on to the e-Voting website www.evotingindia.com.
- (c) Click on "Shareholders" tab.
- (d) Now, enter your User ID
 - a. For CDSL: 16 digits beneficiary ID.
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID.
 - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (e) Next, enter the "Image Verification" as displayed and Click on Login.
- (f) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
- (g) If you are a first time user, follow the steps given below:-

	For Members holding shares in Demat Form and Physical Form
PAN	<p>Enter your 10 digit alpha-numeric *PAN issued by the Income Tax Department (applicable for both electronic shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"> Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field. In case the sequence number is less than 8 digits, enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.
DOB*	Enter the Date of Birth as recorded in dd/mm/yyyy format.
Dividend Bank Details#	<p>Enter the Dividend Bank Details as recorded in your demat account or in the Company records for the said folio.</p> <p>If the details are not recorded with the Depository or Company, please enter the number of shares held by you in the bank account column.</p>

#Please enter the DOB or Dividend Bank Details in order to login.

- (h) After entering these details appropriately, click on "SUBMIT" tab.
- (i) Members holding shares in physical form will then directly reach the Company selection screen. However, Members holding shares in demat form will now reach "Password Creation" menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-Voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (j) For Members holding shares in physical form, the details can be used only for e-Voting on the resolutions contained in this Notice.
- (k) Click on the EVSN for Apple Finance Limited on which you choose to vote.
- (l) On the Voting Page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (m) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (n) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (o) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (p) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting Page.
- (q) If demat account holder has forgotten the password then enter the User ID and the "Image Verification Code" and click on Forgot Password and enter the details as prompted by the system.
- (r) Notes for non-individual Shareholders and Custodians:-
 - Non-individual shareholders (i.e. other than individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporates.
 - A scanned copy of the Registration Form bearing the stamp and signature of the entity should be emailed to helpdesk.evoting@cdslindia.com



- After receiving the login details, a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
- The list of accounts should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
- A scanned copy of the Board Resolution and Power of Attorney which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the Scrutinizer to verify the same.

(s) In case you have any queries or issues regarding remote e-Voting, please contact helpdesk.evoting@cdslindia.com or info@applefinance.co.in or on Tel. No. 022-22886100.

(t) In case of any grievance relating to e-Voting, Members may contact the Company Secretary at the Company's Registered Office or by email to info@applefinance.co.in

(x) The Chairman shall, at the Meeting, at the end of the discussion on the resolutions on which voting is to be held, allow voting, with the assistance of the Scrutinizer, by use of Poll Paper for all those Members who are present at the Meeting but have not cast their votes by availing the remote e-Voting facility.

(xi) The Scrutinizer shall immediately after the conclusion of voting at the Meeting, first count the votes cast at the Meeting and thereafter unblock the votes cast through remote e-Voting in the presence of at least two witnesses not in the employment of the Company and shall not later than three days of conclusion of the Meeting, issue a consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing who shall countersign the same. The Chairman or a person authorized by him in writing shall declare the result of the forthwith.

(xii) The results declared, along with the Scrutinizer's Report, will be placed immediately, after the declaration of the same by the Chairman on the Company's website www.applefinance.co.in and on the website of CDSL i.e. www.evotingindia.com and also communicated to BSE Limited, where the shares of the Company are listed.

Statement pursuant to Section 102(1) of the Companies Act, 2013 ("the Act")

Item No.4

Under the erstwhile Section 293(1)(a) of the Companies Act, 1956, the Board of Directors ("the Board") of a company could, with the consent of the shareholders by an Ordinary Resolution, create charge/mortgage/hypothecation on the Company's assets both present and future, in favour of the lenders/trustees, to secure the repayment of money(ies) borrowed by the Company.

The Members of the Company in the 8th Annual General Meeting of the Company held on December 5, 1994 had accorded their consent to the Board to create charge(s)/mortgage(s)/hypothecation on the Company's assets, both present and future, in favour of the lenders/Trustees for the holders of debenture/bonds to secure the repayment of monies borrowed by the Company for an amount not exceeding ₹ 2,000 crore.

Under the provisions of Section 180(1)(a) of the Act, which was made effective from September 12, 2013, the above powers can be exercised by the Board only with the consent of the shareholders obtained by way of a Special Resolution. Further, pursuant to the Circular dated March 25, 2014 issued by the Ministry of Corporate Affairs, the Ordinary Resolution, which was passed under the erstwhile Section 293(1)(a) of the Companies Act, 1956 was valid for a period of one year from the date of notification of Section 180 of the Act i.e. up to September 11, 2014.

It is, therefore, proposed to seek fresh approval of Members by way of a Special Resolution under Section 180(1)(a) of the Act to authorize the Board of the Company to create charge/mortgage/hypothecation on the assets of the Company, both present and future, to secure the borrowing within the overall limits of ₹ 2,000 crore.

The Board, therefore, recommends the Special Resolution as set out at Item No.4 of the Notice for approval of the Members.

None of the Directors/Key Managerial Personnel of the Company/their relatives are, in any way, concerned or interested, financially or otherwise, in this resolution.

By Order of the Board of Directors

P. B. Deshpande
Company Secretary

Mumbai, May 29, 2015

Registered Office:
8 Apeejay House
130 Mumbai Samachar Marg
Mumbai 400 023
Tel.: 91 22 2288 6100 Fax: 2288 6106
CIN: L65910MH1985PLC037767
Email: info@applefinance.co.in
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APPLE FINANCE LIMITED

EXHIBIT TO THE NOTICE

Brief Resume of the Director Seeking Reappointment as Director at the 29th Annual General Meeting (As on March 31, 2015)

Particulars	Maresh Raghavan Menon
Date of Birth	14.05.1964
Date of Appointment	19.3.2004
Qualifications	B.Sc., LL.B.
Expertise in specific functional areas	Mr. Menon has been in legal profession since October 1987 and has been actively practicing law. He is the proprietor of the law firm, M/s. Maresh Menon & Co., Advocates.
Directorship held in other public companies (excluding foreign and private companies)	Apple Asset Management Limited
Memberships/ Chairmanships of committees of other companies (only Audit and Shareholders' / Investors' Grievance Committee)	Member of the Audit Committee of Apple Asset Management Limited
Shareholding in the Company	100 Equity Shares



DIRECTORS' REPORT

Your Directors present their Twenty-Ninth Annual Report together with audited financial statement of the Company for the financial year ended March 31, 2015.

FINANCIAL HIGHLIGHTS

The financial results of your Company for the year ended March 31, 2015 as compared to the previous year are summarized below:-

	₹ Lac	₹ Lac
	Year ended 31.03.2015	Year ended 31.03.2014
Gross Income	220.64	186.82
Profit/(Loss) before Depreciation And Taxation	68.77	57.08
Less: Depreciation	27.50	19.61
Profit/(Loss) before Taxation	41.27	37.47
Provision for Taxation	0.02	0.02
Net Profit/(Loss) after Taxation	41.25	37.45

The Net Profit of ₹ 41.25 lac has been transferred to the Profit and Loss Account and as such, nothing has been carried to Reserves.

STATE OF AFFAIRS, MANAGEMENT DISCUSSION AND ANALYSIS

During the year under review, the Company continued its focus on recovery of dues. The Management is exploring various options to embark on business activities, which offer potential for profitable growth.

DIVIDEND

On account of accumulated loss and restrained resources, your Directors regret their inability to recommend Dividend.

SUBSIDIARY

As on March 31, 2015, Apple Asset Management Limited is the wholly-owned subsidiary of the Company. The said subsidiary company was in the business of managing Schemes of Apple Mutual Fund viz., Apple Midas Fund – The Gold Share and Apple Platinum Share. Effective December 27, 1999, both the Schemes of Apple Mutual Fund were taken over by Birla Mutual Fund and since then, the said subsidiary company has not carried on any business.

A statement containing the salient features of the financial statement of the Company's subsidiary under Section 129(3) of the Companies Act, 2013 read with Rule 5 of the Companies (Accounts) Rules, 2014 has been annexed in Form No.AOC-1 and marked as Annexure 'A'.

The audited financial statement of the subsidiary company is placed on the Company's website and the Members interested in obtaining copy of Annual Report of the subsidiary company are advised to write to the Company at the Registered Office.

During the financial year under review, apart from Apple Asset Management Limited, no other company became or ceased to be the Company's subsidiary, joint venture or associate company.

Although the Company does not have a material subsidiary, pursuant to Clause 49 of the Listing Agreement, the Company has formulated a policy for determining material subsidiary and the said policy can be accessed on the Company's website www.applefinance.co.in

EXTRACT OF ANNUAL RETURN

Pursuant to Section 134(3)(a) and Section 92(3) of the Companies Act, 2013 read with Rule 12 of the Companies (Management and Administration) Rules, 2014, the extract of the Annual Return as at March 31, 2015 forms part of this Report as Annexure 'B'.

NUMBER OF MEETINGS OF THE BOARD

During the financial year, the Board of Directors met four times. The details of the Board Meetings as well as Meetings of Committees have been provided in the Report on Corporate Governance.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to Section 134(5) of the Companies Act, 2013, the Board of Directors, to the best of their knowledge and ability, confirm that:-

- in the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any.
- the Directors have selected such accounting policies and applied them consistently and made judgements and estimates that were 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 of the Company for the year under review.
- the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- the Directors have prepared the annual accounts on a 'going concern' basis.
- the Directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively.
- the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

INTERNAL FINANCIAL CONTROLS

Your Company has in place adequate internal financial controls with reference to financial statements. During the financial year, such controls were tested and no reportable material weakness in the design or operation was observed.

DECLARATION BY INDEPENDENT DIRECTORS

The Company has received declarations from the Independent

APPLE FINANCE LIMITED

Directors of the Company confirming that they meet the criteria of independence as prescribed both under Section 149(6) of the Companies Act, 2013 and Clause 49 of the Listing Agreement and the same have been taken on record by the Board of Directors.

AUDITORS

Messrs Mahendra Kumbhat & Associates, Chartered Accountants (ICAI Registration No.105770W), Auditors of the Company hold office till the conclusion of the ensuing Annual General Meeting and are eligible for reappointment.

The Company has received letter from Messrs Mahendra Kumbhat & Associates to the effect that the reappointment, if made, would be within the prescribed limits under Section 141(3)(g) of the Companies Act, 2013 and that they are not disqualified for reappointment.

Members are requested to consider their reappointment as the Auditors of the Company and authorize the Board of Directors to fix their remuneration.

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 Nos.19(1) and 19(11) to the Annual Accounts, which are self-explanatory.

The Auditors have not reported any incident of fraud to the Company's Audit Committee during the year under review.

SECRETARIAL AUDIT

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Board of Directors of the Company had appointed M/s. Bipin Raje & Associates, Practicing Company Secretaries to undertake the Secretarial Audit of the Company for the financial year March 31, 2015. The Secretarial Audit Report is annexed as Annexure 'C'.

With reference to the observations made in the Secretarial Audit Report dated May 29, 2015 regarding non-compliance with Section 203 of the Companies Act, 2013 read with the Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014 regarding non-appointment of a Chief Financial Officer, your Directors submit that the said observations have been duly noted and necessary action is being initiated to comply with the requirement of the said Section.

LOANS, GUARANTEES AND INVESTMENTS

During the financial year under review, the Company has neither accepted any loan or guarantee nor has made any investment attracting the provisions of Section 186 of the Companies Act, 2013.

CONTRACTS/ARRANGEMENTS WITH RELATED PARTIES

All related party transactions those were entered into during the financial year ended March 31, 2015 were in the ordinary course of business and on arm's length basis and as such, outside the purview of Section 188 of the Companies Act, 2013. The Company has accordingly nothing to report in Form No.AOC-2 and hence the same is not annexed.

Your Directors draw attention of the Members to Note No.19(10) to the standalone financial statement, which sets out related party disclosure.

The Company has adopted a policy of Related Party Transactions and the said policy can be accessed on the Company's website www.applefinance.co.in

MATERIAL CHANGES AND COMMITMENTS

There have been no material changes and commitments affecting the financial position of the Company between the end of the financial year as on March 31, 2015 and the date of this Report i.e. May 29, 2015.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNING AND OUTGO

The information required under Rule 8 of the Companies (Accounts) Rules, 2014 read with Section 134(3) of the Companies Act, 2013 relating to conservation of energy and technology absorption is not being given since your Company is not engaged in manufacturing activity and does not have any operations.

There was no income or outflow of foreign exchange during the financial year under review.

RISK MANAGEMENT POLICY

As the business was unviable, the Company in the financial year 2003-2004 surrendered its Certificate of Registration of Non-Banking Financial Institution to Reserve Bank of India and since then the Company has not embarked on any new business activity. In the meanwhile, as part of the Company's policy, all the surplus funds of the Company have been parked in scheduled banks. The assets of the Company have been adequately insured. As and when the Company will undertake a business activity, your Directors will immediately formulate an appropriate Risk Management Policy.

CORPORATE SOCIAL RESPONSIBILITY

The Company has not constituted a Corporate Social Responsibility Committee since the Company does not meet with any of the three conditions prescribed in Section 135 of the Companies Act, 2013 and the Rules made thereunder for constitution of a Corporate Social Responsibility Committee.

POLICY ON DIRECTORS' APPOINTMENT AND REMUNERATION

The Board of Directors has on the recommendation of the Nomination and Remuneration Committee framed a policy for selection and appointment of Directors, Senior Management and their remuneration. The Remuneration Policy has been annexed to this Report and marked as Annexure 'D'.

Neither the Managing Director nor the other Directors receive any remuneration, commission or sitting fees from the subsidiary company, Apple Asset Management Limited.

BOARD EVALUATION

The evaluation framework for assessing the performance of Directors comprises the following key areas:-

- i. Attendance of Board meetings and Board Committee meetings.



- ii. Quality of contribution to Board deliberations.
- iii. Strategic perspectives or inputs regarding the business plans of the Company and its performance.
- iv. Providing perspectives and feedback going beyond information provided by the Management.
- v. Commitment to shareholders and other stakeholders interests.

The evaluation involves Self-Evaluation by Board Member and subsequently assessment by the Board of Directors. A member of the Board shall not participate in the discussion of his/her evaluation.

DIRECTORS AND KEY MANAGERIAL PERSONNEL

At the 28th Annual General Meeting held on September 25, 2014, Mr. Mahindra S. Shah and Ms. Jacqueline Patel were appointed Independent Directors to hold office for 5 (five) consecutive years for a term up to the conclusion of the 33rd Annual General Meeting of the Company.

Further, Mr. Mahesh K. Rachh was reappointed as the Managing Director to hold office for a period of 2 (two) years effective August 9, 2014.

At the 29th Annual General Meeting scheduled to be held on September 24, 2015, Mr. Mahesh Raghavan Menon is sought to be reappointed as the Non-Executive Director of the Company.

Mr. Mahesh K. Rachh, Managing Director and Mr. P. B. Deshpande, Company Secretary are the Key Managerial Personnel of the Company. There was no change in the Company's Key Managerial Personnel.

None of the Directors and Key Managerial Personnel is in any way related to each other.

VIGIL MECHANISM

The Company's Vigil Mechanism, which also incorporates a whistle blower policy in terms of the Listing Agreement, includes a Committee of Directors. Protected disclosures can be made by a whistle blower through an email, telephone call or a letter to the Committee or to the Chairman of the Audit Committee. The policy on vigil mechanism and whistle blower policy may be accessed on the Company's website www.applefinance.co.in

PARTICULARS OF EMPLOYEES

The information required under Section 197(12) of the Companies Act, 2013 read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 in respect of employees of the Company, is provided in Annexure 'E'.

PUBLIC DEPOSITS

Your Company, during the financial year under review, has not accepted any deposits from public. The Company had no unclaimed or unpaid deposits as on March 31, 2015.

CONSOLIDATED FINANCIAL STATEMENT

The Consolidated Financial Statements have been prepared by your Company in accordance with Accounting Standard 21 issued by the Institute of Chartered Accountants of India and the same together with the Auditors' Report thereon form

part of the Annual Report. The financial statements have been prepared as per Schedule III to the Companies Act, 2013.

AUDIT COMMITTEE

The Company's Audit Committee comprises Mr. Mahendra S. Shah, Ms. Jacqueline Patel, Independent Directors and Mr. Mahesh K. Rachh. All the recommendations made by the Audit Committee were accepted by the Board.

CORPORATE GOVERNANCE

A report on Corporate Governance stipulated by Clause 49 of the Listing Agreement is annexed hereto and forms part of this Annual Report.

The requisite certificate from the Company's Auditors confirming compliance with the conditions of Corporate Governance as stipulated under Clause 49 is attached to the Report on Corporate Governance.

ORDERS BY REGULATORS, COURTS OR TRIBUNALS

No significant and/or material orders were passed by any regulator or court or tribunal impacting the going concern status or the Company's operations in future.

GREEN INITIATIVE

Your Directors would like to draw your attention to Section 101 of the Companies Act, 2013 and other applicable provisions thereof read with Rule 18 of the Companies (Management & Administration) Rules, 2014 and Section 20 of the Companies Act, 2013 read with Rule 35 of the Companies (Incorporation) Rules, 2014 which *inter alia* allows paperless compliances and also service of notice/documents (including Annual Report) through electronic mode to its Members. To support this green initiative in full measure, your Directors hereby once again appeal to all those Members who have not registered their email addresses so far to register their email addresses in respect of electronic holdings with their concerned Depository Participants and/or the Company.

HUMAN RESOURCES

During the financial year under review, there were no cases filed under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

The relations, during the financial year, between the employees and the Management of your Company continued to be cordial.

ACKNOWLEDGEMENT

Your Directors wish to express their gratitude to the shareholders for their support. They also wish to acknowledge the spirit of dedication, commitment and cooperation extended by our employees.

For and on behalf of the Board

Mahesh K. Rachh
Managing Director

Mahendra S. Shah
Director

Place: Mumbai
Date: May 29, 2015