



**APPLE FINANCE LIMITED**

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**30<sup>TH</sup> ANNUAL REPORT 2015-2016**

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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 K. Patel	(Director)

## AUDITORS

Messrs Mahendra Kumbhat & Associates  
Chartered Accountants

## 30<sup>TH</sup> ANNUAL GENERAL MEETING

On Friday, September 23, 2016  
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 AGENT

Bigshare Services Private Limited  
E-2/3 Ansa Industrial Estate  
Saki Vihar Road, Saki Naka  
Andheri (East), Mumbai 400 072  
Phone: +91-022-4043 0200  
Fax: +91-022-2847 5207  
Email: investor@bigshareonline.com  
Website: www.bigshareonline.com

# APPLE FINANCE LIMITED

## NOTICE

NOTICE is hereby given that the Thirtieth Annual General Meeting of the Members of Apple Finance Limited will be held on Friday, September 23, 2016 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, 2016, 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, 2016.
2. To appoint a Director in place of Mr. Mahesh K. Rachh (DIN:00458665), 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 & 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 an Ordinary Resolution, the following:-

"RESOLVED THAT in accordance with the provisions of Sections 196, 197 and 203 read with Schedule V and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), and subject to the provisions of the Articles of Association of the Company, approval of the Company be and is hereby accorded to the reappointment of Mr. Mahesh K. Rachh (DIN:00458665) as the Managing Director of the Company, for a period of 2 (two) years with effect from August 9, 2016, on the terms and conditions including remuneration as set out in the Explanatory Statement annexed to the Notice convening this Meeting, with liberty to the Board of Directors ("the Board") to alter and vary the terms and conditions of the said reappointment and/or remuneration as it may deem fit and as may be acceptable to Mr. Mahesh K. Rachh, subject to the same not exceeding the limits specified under Section 197 read with Schedule V

to the Companies Act, 2013 or any statutory modification(s) or re-enactment thereof.

FURTHER RESOLVED THAT Mr. Mahesh K. Rachh shall be liable to retire by rotation.

AND THAT the Board be and is hereby authorized to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

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

"RESOLVED THAT pursuant to the provisions of Section 94(1) and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Management & Administration) Rules, 2014, consent of the Company be and is hereby accorded to the effect that the Registers and Indices of Members and Debentureholders, and copies of the Annual Returns under Section 92 of the said Act, together with copies of certificates and documents required to be annexed thereto or any one or more of them, be kept at the office of the Company's Registrar & Transfer Agent, Bigshare Services Private Limited, E-2/3 Ansa Industrial Estate, Saki Vihar Road, Saki Naka, Andheri (East), Mumbai 400 072."

6. To consider and, if thought fit, to pass with or without modification, as an Ordinary Resolution, the following:-

"RESOLVED THAT pursuant to the provisions of Section 20 and other applicable provisions, if any, of the Companies Act, 2013 and the rules prescribed thereunder, consent of the Company be and is hereby accorded to charge a Member in advance, a sum equivalent to the estimated actual expenses of delivery of the documents through a particular mode, if any such request has been made by a Member for delivery of documents to him through such mode of service, provided such request along with the requisite fee has been duly received by the Company at least one week in advance of the dispatch of the document by the Company.

AND THAT the Board of Directors of the Company be and is hereby authorized to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

### 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. Members are requested to bring their Attendance Slip along with their copy of Annual Report to the Meeting. 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, along with the nature of his expertise in specific functional areas, names of entities in which he holds directorships and memberships/chairmanships of Board Committees, his shareholding in the Company and his relationship with other Directors as stipulated in Regulation 36(3) of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 are provided in the Exhibit to the Notice.
4. An Explanatory 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.
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 Explanatory Statement shall be open for inspection by the Members at the Company's Registered Office on all working days (Monday to Friday), except Saturdays, Sundays and holidays 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 Tuesday, September 20, 2016 to Friday, September 23, 2016 (both days inclusive).
8. Members holding shares in physical form are requested to notify the change, if any, in their address to the Registrar & Transfer Agent of the Company at the following address: Bigshare Services Private Limited at E-2/3 Ansa Industrial Estate, Saki Vihar Road, Saki Naka, Andheri (East), Mumbai 400 072.
9. Securities & 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/ Bigshare Services Private Limited.
10. 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 & Transfer Agent 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.
11. 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 Company's Registrar & Transfer Agent, Bigshare Services Private Limited, for consolidation into a single folio.
12. The Notice of the Meeting along with the 30<sup>th</sup> Annual Report for the financial year 2015-2016 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](http://www.applefinance.co.in)
13. 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 Friday, September 16, 2016 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. Friday, September 16, 2016, 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 Tuesday, September 20, 2016 at 10 a.m. and will end on Thursday, September 22, 2016 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. Friday, September 16, 2016 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.

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- (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 Friday, September 16, 2016.
- (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:-
- The e-Voting period begins on Tuesday, September 20, 2016 (10.00 a.m.) and ends on Thursday, September 22, 2016 (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 Friday, September 16, 2016 may cast their vote electronically. The e-Voting module shall be disabled by CDSL for voting thereafter.
  - The shareholders should log on to the e-Voting website [www.evotingindia.com](http://www.evotingindia.com)
  - Click on "Shareholders" tab.
  - Now, enter your User ID
    - For CDSL: 16 digits beneficiary ID.
    - For NSDL: 8 Character DP ID followed by 8 Digits Client ID.
    - Members holding shares in Physical Form should enter Folio Number registered with the Company.
  - Next, enter the "Image Verification" as displayed and Click on Login.
  - If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://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"> <li>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 (refer Sr. No. printed on the name and address sticker/Postal Ballot Form/ mail) in the PAN field.</li> <li>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 Sr. No. 1 then enter RA00000001 in the PAN field.</li> </ul>
Dividend Bank Details OR Date of Birth (DOB)	<p>Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the Company records in order to log in.</p> <ul style="list-style-type: none"> <li>If both the details are not recorded with the Depository or Company, please enter the Member ID/Folio No. in the Dividend Bank details field as mentioned in instruction (iv)</li> </ul>

- (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 changed 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) Shareholders can also cast their vote using CDSL's mobile app m-Voting available for Android based mobiles. The m-Voting app can be downloaded from Google Play Store. Apple and Windows phone users can download the app from the App Store and the Windows Phone Store respectively. Please follow the instructions as prompted by the mobile app while voting on your mobile.
- (s) 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](http://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](mailto: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 linked in the login should be mailed to [helpdesk.evoting@cdslindia.com](mailto: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.
- (t) In case you have any queries or issues regarding remote e-Voting, you may refer the Frequently Asked Questions ("FAQs") and e-Voting manual available at [www.evotingindia.com](http://www.evotingindia.com) under Help Section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
- (u) In case of any query or 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](mailto: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 voting 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](http://www.applefinance.co.in) and on the website of CDSL i.e. [www.evotingindia.com](http://www.evotingindia.com) and also be communicated to BSE Limited, where the shares of the Company are listed.

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

### Item No.4

The Board of Directors of the Company ("the Board"), at its Meeting held on May 30, 2016 has, subject to the approval of Members, reappointed Mr. Mahesh K. Rachh as the Managing Director for a period of 2 (two) years from the expiry of his present term, which expires on August 8, 2016, at the remuneration approved by the Board.

It is proposed to seek Members' approval for the reappointment of and remuneration payable to Mr. Mahesh K. Rachh as the Managing Director in terms of the applicable provisions of the Act.

Mr. Mahesh K. Rachh, in the previous financial year, was paid a remuneration of ₹ 27,11,125.

Broad particulars of the terms of reappointment of and the revised remuneration payable to Mr. Mahesh K. Rachh are as under:-

Term – 2 (two) years with effect from August 9, 2016, subject to earlier termination by either the Company or him by three months' prior notice.

Salary including perquisites, ex-gratia and other allowances not exceeding ₹ 26,00,000 (Rupees twenty six lac only) per annum.

In addition, Mr. Mahesh K. Rachh will be allowed the following benefits:-

- The Company shall pay annual premium towards personal accident insurance as per the rules of the Company.
- The Company shall pay fees of clubs as per the rules of the Company, subject to a maximum of two clubs. This will, however, not include admission and life membership fee.

Mr. Mahesh K. Rachh will also be entitled to the following perquisites, which will not be included in the computation of ceiling on remuneration specified above:-

- Contribution to Provident Fund and Superannuation Fund or Annuity Fund to the extent these either singly or put together are not taxable under the Income-tax Act, 1961.
- Gratuity: Payable as per the rules of the Group Gratuity Scheme of the Company.
- Encashment of leave at the end of the tenure.

The perquisites and allowances, wherever applicable, shall be evaluated as per the Income-tax Rules, 1962.

Expenses reasonably incurred for travelling, board and lodging as well as use of cars and telephone in connection with the Company's business shall be reimbursed and not considered as perquisites.

Mr. Mahesh K. Rachh, so long as he functions as the Managing Director, shall not be paid any sitting fees for attending the meetings of the Board or Committees thereof.

Where in any financial year during the term of office of Mr. Mahesh K. Rachh as the Managing Director, the Company has no profits or its profits are inadequate, the Board shall be entitled to pay to Mr. Mahesh K. Rachh such remuneration not exceeding the limits specified under Section II of Part II of Schedule V to the Act including any statutory modification(s) or re-enactment thereof, for the time being in force.

Mr. Mahesh K. Rachh satisfies all the conditions set out in Part I of Schedule V to the Act as also conditions set out under sub-section (3) of Section 196 of the Act for being eligible for his reappointment. He is not disqualified from being appointed as a Director in terms of Section 164 of the Act.

The above may be treated as a written memorandum setting out the terms of reappointment of Mr. Mahesh K. Rachh under Section 190 of the Act.

Brief resume of Mr. Mahesh K. Rachh, along with nature of his expertise in specific functional areas, names of entities in which he holds directorships and memberships/chairmanships of Board Committees, his shareholding in the Company and his relationship with other Directors as stipulated under Regulation 36(3) of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 is provided in the Exhibit to the Notice.

Mr. Mahesh K. Rachh is interested in the resolution set out at item No.4 of the Notice, which pertains to his reappointment and remuneration payable to him.

Save and except Mr. Mahesh K. Rachh and his relatives, to the extent of their shareholding interest, if any, in the Company, none of the other Directors/Key Managerial Personnel of the Company/their relatives is, in any way, concerned or interested, financially or otherwise, in this resolution.

The Board commends the Ordinary Resolution set out at Item No.4 of the Notice for approval by the shareholders.

### Item No.5

The Board of Directors of the Company at their meeting held on May 30, 2016 have decided to appoint Bigshare Services Private Limited as the Registrar & Transfer Agent in place of Sharepro Services (India) Private Limited, with effect from July 1, 2016.

In accordance with Section 94(1) of the Companies Act, 2013 read with the Companies (Management & Administration) Rules, 2014, the Registers and Indices of Members and Debentureholders, and copies of the Annual Returns under Section 92 of the Companies Act, 2013 are required to be kept and maintained at the Registered Office of the Company, unless a Special Resolution is passed at a general meeting authorizing keeping of the Registers at any other place within the city, town or village in which the Registered Office is situate.

The Resolution at Item No.5 is proposed for keeping Register of Members/Debentureholders and other related records at the Office of Bigshare Services Private Limited situate at E-2/3 Ansa Industrial Estate, Saki Vihar Road, Saki Naka, Andheri (East), Mumbai 400 072.



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

The Board commends the Special Resolution set out at Item No.5 of the Notice for approval by the shareholders.

#### **Item No.6**

As per the provisions of Section 20 of the Companies Act, 2013, document may be served on any Member by sending it to him by post or registered post or by speed post or by courier or by delivery at his office or address, or by such electronic or other mode as may be prescribed. Further, proviso to sub-section (2) of Section 20 states that a Member may request for delivery of any document through a particular mode, for which he shall pay such fees in advance as may be determined by the Company in its Annual General Meeting. Accordingly, the Board of Directors at its meeting held on May 30, 2016 has proposed that a sum equivalent to the estimated actual expenses of delivery of documents through a particular mode, if any such request has been made by any Member for delivery of document to him through such mode of service, be taken to cover the cost of

such delivery.

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

The Board commends the Ordinary Resolution set out at Item No.6 of the Notice for approval by the shareholders.

By Order of the Board of Directors

**P. B. Deshpande**  
*Company Secretary*

Mumbai, May 30, 2016

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  
www.applefinance.co.in

## EXHIBIT TO THE NOTICE

### Brief Resume of the Director Seeking Reappointment as Director at the 30<sup>th</sup> Annual General Meeting (As on March 31, 2016)

Particulars	Mahesh K. Rachh
Date of Birth	30.10.1956
Date of Appointment	09.08.2001
Qualifications	B.A., LL.B.
Expertise in specific functional areas	Over 28 years corporate experience in various fields including financial services area
Relationship with other Directors	None
Directorship held in other companies	Shree Gajanan Chemical Industries Pvt. Ltd.
Memberships/Chairmanships of Committees of other companies (only Audit and Stakeholders Relationship Committee)	None
Shareholding in the Company	None



## DIRECTORS' REPORT

Your Directors present their thirtieth Annual Report together with audited financial statement of the Company for the financial year ended March 31, 2016.

### FINANCIAL HIGHLIGHTS

The financial results of your Company for the year ended March 31, 2016 as compared to the previous year are summarized below:-

	₹ Lac	₹ Lac
	Year ended 31.03.2016	Year ended 31.03.2015
Gross Income	227.29	220.64
Profit/(Loss) before Depreciation And Taxation	105.33	68.77
Less: Depreciation	24.83	27.50
Profit/(Loss) before Taxation	80.50	41.27
Provision for Taxation	0.01	0.02
Net Profit/(Loss) after Taxation	80.49	41.25

### AMOUNTS CARRIED TO RESERVES

The Net Profit of ₹ 80.49 lac has been transferred to the Profit and Loss Account and as such, no amount has been carried to Reserves.

### STATE OF AFFAIRS, MANAGEMENT DISCUSSION AND ANALYSIS

As the business was unviable, the Company during 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. During the year under review, the Company continued its focus on recovery of dues. Efforts have been made to control the operational expenses, wherever possible.

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

### SUBSIDIARY

As on March 31, 2016, Apple Asset Management Limited is the wholly-owned subsidiary of the Company. The said subsidiary 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 has not carried on any business.

A report on the financial performance and financial position of the subsidiary included in the consolidated financial statement is presented in Form No.AOC-1 and marked as Annexure 'A' to this Report.

The audited financial statement of the subsidiary is placed on the Company's website and the Members interested in obtaining copy of Annual Report of the subsidiary 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, your Company's policy on Material Subsidiary as approved by the Board of Directors is hosted on <http://www.applefinance.co.in/pdf/policy/2016/Material%20Subsidiary%20Policy.pdf>

### 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 & Administration) Rules, 2014, the extract of the Annual Return as at March 31, 2016 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(3)(c) and 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 for the financial year ended March 31, 2016, the applicable accounting standards have been followed along with proper explanation relating to material departures.
- the Directors have selected such accounting policies and applied them consistently and 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 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.