

APPLE FINANCE LIMITED

32ND ANNUAL REPORT 2017-2018

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REGISTERED OFFICE

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Email: info@applefinance.co.in
www.applefinance.co.in

BOARD OF DIRECTORS

Mahesh K. Rachh
Mahesh Raghavan Menon
Mahendra S. Shah
Jacqueline K. Patel
J. R. K. Sarma

AUDITORS

Messrs Kucheria & Associates
Chartered Accountants

32ND ANNUAL GENERAL MEETING

On Tuesday, September 25, 2018
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
Bharat Tin Works Building, Floor 1
Opp. Vasant Oasis, Makwana Road, Marol
Andheri (East), Mumbai 400 059
Phone: +91-022-6263 8200 / 6263 8222 / 6263 8223
Fax: +91-022-6263 8299
Email: investor@bigshareonline.com
Website: www.bigshareonline.com

APPLE FINANCE LIMITED

NOTICE

NOTICE is hereby given that the 32nd Annual General Meeting of the Members of Apple Finance Limited will be held on Tuesday, September 25, 2018 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 statements of the Company for the financial year ended March 31, 2018, the reports of the Board of Directors and the Auditors thereon; and
 - b. the audited consolidated financial statements of the Company for the financial year ended March 31, 2018.
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.

SPECIAL BUSINESS

3. 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 Sections 149 and 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 ("the Act") and the Companies (Appointment & Qualification of Directors) Rules, 2014 and the applicable provisions of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, Mr. Jayanty Ramakrishna Sarma (DIN: 00088327), appointed as an Additional Director of the Company pursuant to the Provisions of Section 161 of the Act and the Articles of Association of the Company and who holds office up to the date of this Annual General Meeting, be and is hereby appointed as an Independent Director of the Company to hold office for a period of 5 (five) consecutive years for a term up to the conclusion of the 37th Annual General Meeting of the Company.

AND THAT the Board of Directors 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."

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 188, 196, 197 and 203 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014, approval of the Company be and is hereby accorded to appoint Mr. P. B. Deshpande as Manager of the Company, for a period of 2 (two) years with effect from August 9, 2018, 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 (hereinafter referred to as "the Board", which term shall be deemed to include the Nomination & Remuneration Committee of the Board) to alter and vary the terms and conditions of the said appointment and/or remuneration as it may deem fit and as may be acceptable to Mr. P. B.

Deshpande, subject to the same not exceeding the limits specified under Schedule V to the Companies Act, 2013.

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 an Ordinary Resolution, the following:-

"RESOLVED THAT no person be appointed as a Director in place of Mr. Mahesh K. Rachh, who retires by rotation at this Annual General Meeting and does not seek reappointment."

NOTES:

1. An Explanatory Statement pursuant to Section 102(1) of the Companies Act, 2013 ("the Act"), relating to Special Business to be transacted at the Annual General Meeting ("Meeting") is annexed hereto.

2. A MEMBER ENTITLED TO ATTEND AND VOTE AT 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 should, however, 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. The holder of proxy shall prove his identity at the time of attending the Meeting.

3. Attendance slip, proxy form and the route map of the venue of the Meeting are annexed hereto.
4. Corporate Members intending to send their authorized representative(s) to attend the Meeting are requested to send to the Company a certified true copy of the relevant Board Resolution together with the specimen signature(s) of the representative(s) authorized under the said Board Resolution to attend and vote on their behalf at the Meeting.
5. The requirement to place the matter relating to appointment of Auditors for ratification by members at every Annual General Meeting is done away with vide Notification dated May 7, 2018 issued by the Ministry of Corporate Affairs, New Delhi. Accordingly, no resolution is proposed for ratification of appointment of Auditors, who were appointed at the Annual General Meeting held on September 26, 2017.
6. Details of Directors retiring by rotation/seeking reappointment/ appointment at the ensuing Meeting are provided in the Annexure to the Notice.
7. Members/ Proxies/ Authorized Representatives are requested to bring to the Meeting necessary details of their shareholding, attendance slip(s) and copies of Annual Report. In case of joint holder attending the Meeting, only such Joint holder, who is higher in the order of names will be entitled to vote at the Meeting.

8. Relevant documents referred to in the Notice are 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.
9. Pursuant to the Notification dated June 8, 2018 issued by Securities & Exchange Board of India, securities of listed companies can be transferred only in dematerialized form from December 5, 2018. In view of this, and to avail of various benefits of dematerialization, Members are advised to dematerialize shares held by them in physical form.
10. In terms of the Circular No. SEBI/HO/MIRD/DOP/CIR/P/2018/73 dated April 20, 2018 issued by Securities & Exchange Board of India, Members holding shares in physical mode are required to submit the following to the Company:-
 - (a) An original cancelled cheque leaf, which bears the name of the first-named shareholder, or in its absence
 - (b) Copy of Bank Pass Book/Bank Account Statement duly attested by the Bank
 - (c) A photocopy of PAN card and the PAN card of all Joint holder(s) self-attested in blue ink for updating the same in the Company's records.
11. The Register of Members and Share Transfer Books of the Company will remain closed from September 19, 2018 to September 25, 2018 (both days inclusive).
12. Members holding shares in physical form are requested to notify the change, if any, in their address to the Registrar & Transfer Agents of the Company at the following address: Bigshare Services Private Limited at Bharat Tin Works Building, Floor 1, Opp. Vasant Oasis, Makwana Road, Marol, Andheri (East), Mumbai 400 059.
13. 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.
14. 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. The Company's Registrar & 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.
15. 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 the Company's Registrar & Transfer Agent, Bigshare Services Private Limited, for consolidation into a single folio.
16. The Notice of the Meeting along with the 32nd Annual Report for the financial year 2017-2018 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
17. 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 18, 2018 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 18, 2018, 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 Saturday, September 22, 2018 at 10.00 a.m. and will end on Monday, September 24, 2018 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 September 18, 2018 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 18, 2018.
 - (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.

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(ix) The instructions for shareholders voting electronically are as under:-

- (a) The e-Voting period begins on Saturday, September 22, 2018 (10.00 a.m.) and ends on Monday, September 24, 2018 (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 September 18, 2018 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/Members" 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 (refer Sr. No. printed on the name and address sticker/Postal Ballot Form/mail) 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.
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"> 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 (d)

- (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 a print of the votes cast 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 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 linked in the login 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.
- (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 under Help Section or write an email to 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
- (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 and on the website of CDSL i.e. www.evotingindia.com and also be communicated to BSE Limited, where the shares of the Company are listed.

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

Item No.3

The Board of Directors at its meeting held on April 5, 2018, pursuant to the provisions of Section 161 of the Act and the rules made thereunder appointed Mr. Jayanty Ramakrishna Sarma an Additional Director, holding office up to the date of the Meeting.

The Company has received a notice in writing from a Member proposing the candidature of Mr. Sarma as an Independent Director of the Company and accordingly, it is proposed to appoint Mr. Sarma as an Independent Director under Section 149 of the Act to hold office for 5 (five) consecutive years for a term up to the conclusion of the 37th Annual General Meeting of the Company.

Mr. Sarma is not disqualified from being appointed as a Director in terms of Section 164 of the Act and has given his consent to act as a Director.

The Company has received declaration from Mr. Sarma that he meets the criteria of independence as prescribed under Section 149(6) of the Act.

In the opinion of the Board, Mr. Sarma fulfills the conditions for appointment as an Independent Director as specified in the Act. Mr. Sarma is independent of the management. The Board is also of the opinion that the association of Mr. Sarma will be beneficial to the Company.

Brief resume of Mr. Sarma, nature of his expertise in specific functional areas, names of companies in which he holds directorships and memberships/chairmanships of Board Committees, shareholding and relationship between directors *inter se* as stipulated under Regulation 36(3) of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 is provided in the Annexure to the Notice.

Copy of the draft letter for appointment of Mr. Sarma as an Independent Director, setting out the terms and conditions is available for inspection by Members at the Registered Office of the Company.

Mr. Sarma is interested in the resolution set out at Item No.3 of the Notice with regard to his appointment.

The relatives of Mr. Sarma may be deemed to be interested in the resolution set out at Item No.3 of the Notice, to the extent of their shareholding interest, if any, in the Company.

Save and except Mr. Sarma, 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 Nos.3 of the Notice for approval by the shareholders.

Item No.4

The Board of Directors of the Company ("the Board"), at its meeting held on August 14, 2018 has subject to the approval of Members, appointed Mr. P. B. Deshpande as the Manager

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with effect from August 9, 2018, on the terms and conditions including remuneration as recommended by the Nomination and Remuneration Committee of the Board and approved by the Board.

It is proposed to seek Members' approval for the appointment and remuneration payable to Mr. P. B. Deshpande as the Manager of the Company, in terms of the applicable provisions of the Act.

Broad particulars of the terms of appointment of, and remuneration payable to Mr. P. B. Deshpande are as under:-

Term – 2 (two) years with effect from August 9, 2018 subject to earlier termination by either the Company or him by 1 (one) month's prior notice.

Salary including perquisites and other allowances not exceeding ₹ 16,25,000 per annum.

The perquisites and allowances shall be evaluated, wherever applicable, as per the provisions of Income-tax Act, 1961 or any rules thereunder and in the absence of such rules, perquisites and allowances shall be evaluated at actual cost.

The Company's contribution to provident fund, superannuation or annuity fund, to the extent these singly or together are not taxable under the Income-Tax law, gratuity payable and encashment of leave, as per the rules of the Company and to the extent not taxable under the Income-Tax law, shall not be included for the purpose of computation of the overall ceiling of remuneration.

Any increment in salary, perquisites and allowances payable to Mr. P. B. Deshpande, as may be determined by the Board and/or the Nomination & Remuneration Committee of the Board, shall be in addition to remuneration stated above.

Expenses incurred for travelling, boarding and lodging during business trips and provision of car for use on Company's business and communication expenses shall be reimbursed at actuals and not considered as perquisites.

Where in any financial year during the term of office of Mr. P. B. Deshpande as the Manager, the Company has no profits or its profits are inadequate, the Board shall be entitled to pay Mr. P. B. Deshpande 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. P. B. Deshpande satisfies all the conditions set out in Part I of Schedule V to the Act as also the conditions set out under Section 196(3) of the Act for being eligible for his appointment.

Mr. P. B. Deshpande is the Company Secretary of the Company since April 1, 1998 and as such, he is both a Key Managerial Personnel and a Related Party in terms of sub-sections (51) and (76) of Section 2 of the Act.

Mr. P. B. Deshpande is interested in the resolution set out at Item No.4 of the Notice with regard to his appointment.

The relatives of Mr. P. B. Deshpande may be deemed to be interested in the resolution set out at Item No.4 of the Notice, to the extent of their shareholding interest, if any, in the Company.

Save and except Mr. P. B. Deshpande, 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 recommends the Ordinary Resolution set out at Item Nos.4 of the Notice for approval by the shareholders.

Item No.5

Section 152(6)(e) of the Act stipulates that at the Annual General Meeting at which, a director retires by rotation in terms of Section 152(6)(d) of the Act, the company may fill up the vacancy by appointing the retiring director or some other person thereto.

Further, Section 152(7)(a) of the Act provides that if the vacancy of the retiring director is not so filled and the meeting has not expressly resolved not to fill the vacancy, the meeting shall stand adjourned till the same day in the next week, at the same time and place, or if that day is a national holiday, till the next succeeding day which is not a holiday, at the same time and place.

Mr. Mahesh K. Rachh, Director retires by rotation at this Meeting and does not seek reappointment. It is proposed not to appoint any person as a Director to fill the vacancy caused by retirement of Mr. Mahesh K. Rachh as a Director.

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 recommends the Ordinary Resolution set out at Item No.5 of the Notice for approval by the shareholders.

By the Order of the Board
P. B. Deshpande
Company Secretary

Mumbai, August 14, 2018

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

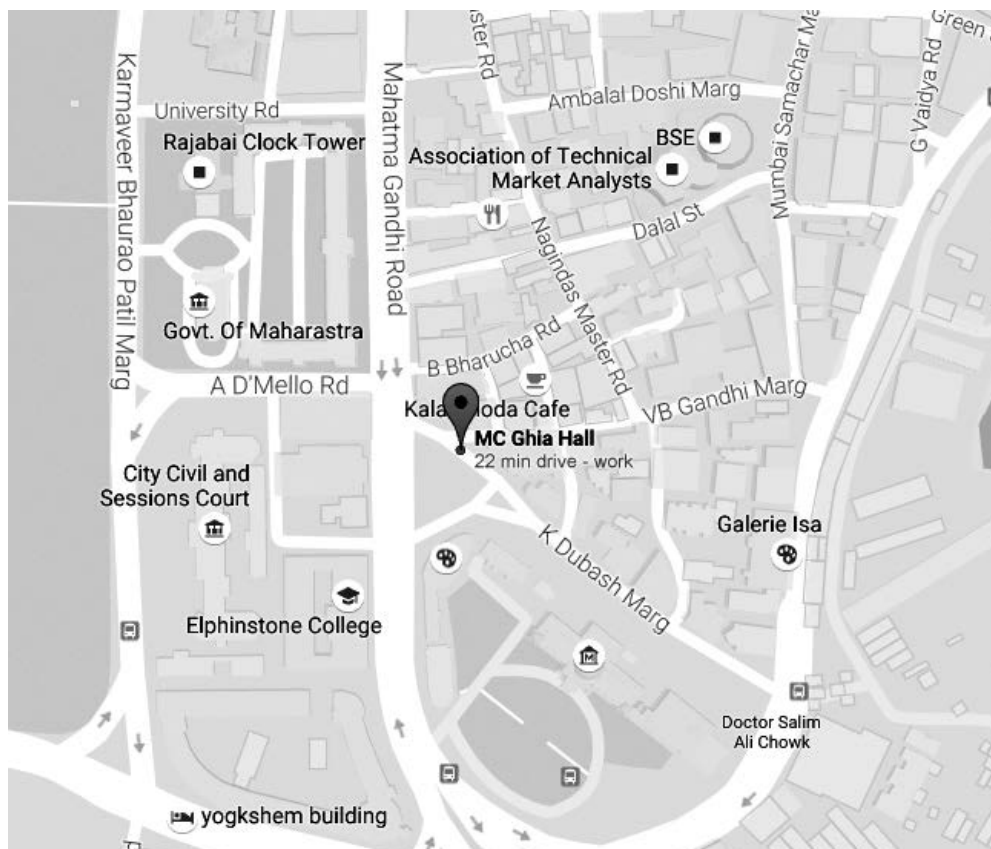
www.applefinance.co.in

ANNEXURE TO THE NOTICE

Brief Resume of the Directors Seeking Appointment/Reappointment as Director
at the 32nd Annual General Meeting

Particulars	Maresh Raghavan Menon	Mr. Jayanty Ramakrishna Sarma
Date of Birth	14.05.1964	09.07.1957
Date of Appointment	19.3.2004	05.04.2018
Qualifications	B.Sc., LL.B.	M.A. (Economics), AICWA, ACS.
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.	Mr. Sarma has over 40 years of rich experience in Banking, Treasury, Finance and Corporate Administration. His experience includes various areas ranging from Accounts, Audit, Treasury, Taxation and Corporate Laws.
Relationship with other Directors/Key Managerial Personnel	Not related to any Director/Key Managerial Personnel.	Not related to any Director/Key Managerial Personnel.
Directorship held in other public listed entities (excluding foreign companies)	None	None
Memberships/ Chairmanships of Committees of other listed entities (only Audit and Shareholders'/Investors' Grievance Committee)	None	None
Shareholding in the Company	100	Nil

ROAD MAP FOR THE 32ND AGM VENUE



APPLE FINANCE LIMITED

DIRECTORS' REPORT

Your Directors present the 32nd Annual Report together with audited financial statements of the Company for the financial year ended March 31, 2018.

The financial statements have been prepared in accordance with the Indian Accounting Standards ("Ind AS"). In terms of the notification issued by the Ministry of Corporate Affairs, the Company has adopted Ind AS with effect from April 1, 2017 being the first Ind AS financial statements.

FINANCIAL HIGHLIGHTS

The financial results of your Company for the year ended March 31, 2018 as compared to the previous year are summarized below:-

	₹ Lakh	
	Year ended 31.03.2018	Year ended 31.03.2017
Gross Income	178.14	155.79
Profit/(Loss) before Depreciation And Taxation	37.86	26.89
Less: Depreciation	15.95	21.15
Profit/(Loss) before Taxation	21.91	5.74
Provision for Taxation	Nil	Nil
Net Profit/(Loss) after Taxation	21.91	5.74

AMOUNTS CARRIED TO RESERVES

The Net Profit of ₹ 21.91 lakh 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

Efforts have been continuously made to recover the dues from the defaulting debtors. However, the year under review did not see any realization from such sticky accounts.

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 upon any new business activity including during the year under review.

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

SUBSIDIARY

As on March 31, 2018, 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 pursuant to Section 129 of the Companies Act, 2013 read with Rule 5 of Companies (Accounts) Rules, 2014 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 its 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://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 in Form No. MGT-9 as at March 31, 2018 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 your Directors state that: -

- in the preparation of the annual accounts for the financial year ended March 31, 2018, the applicable accounting standards have been followed and there are no material departures from the same.
- the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2018 and of the profit of the Company for the year ended on that date.
- 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 are operating effectively.
- the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are 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 both the Independent Directors as per the provisions of Section 149(7) of the Companies Act, 2013, confirming that they meet the criteria of independence as prescribed under the provisions of Section 149(6) of the Companies Act, 2013 and that there is no change in the circumstances as on the date of this Report, which may affect their respective status as an Independent Director.

AUDITORS

M/s. Kucheria & Associates, Chartered Accountants were appointed as Auditors of the Company, for a term of 5 (five) consequent years, at the 31st Annual General Meeting held on September 26, 2017. They have confirmed that they are not disqualified from continuing as Auditors of the Company.

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.4(3), 21(1) and 21(10) to the Annual Accounts, which are self-explanatory. Save and except this, the Auditors' Report does not contain any disclaimer, adverse remark, reservation or qualification.

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

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.

SECRETARIAL AUDIT

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014, the Board of Directors of the Company had appointed M/s. Pramod S. Shah & Associates, Practicing Company Secretaries as the Secretarial Auditor of your Company for the financial year ended March 31, 2018. The Secretarial Audit Report is annexed as Annexure 'C'.

With reference to the observations made in the Secretarial Audit Report dated May 29, 2018 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. Your Directors shall also ensure meticulous compliance of the provisions of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 including Regulation 30 thereof.

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 which were entered into during the financial year ended March 31, 2018 were in the ordinary

course of business and on arm's length basis to serve mutual need and mutual interest and as such, outside the purview of Section 188 of the Companies Act, 2013. There were no materially significant related party transactions made by your Company. 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.21(9) 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 <http://applefinance.co.in/pdf/policy/2016/Related%20Party%20Transaction%20Policy.pdf>

MATERIAL CHANGES AND COMMITMENTS

During the year, there was no change in the general nature of business of your Company. No material change or commitment, which would have affected the financial position of your Company has occurred during the end of the financial year to which the financial statement relates and the date of the Report.

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 mentioned herein above, the Company has not embarked on any new business activity since the surrender to Reserve Bank of India of the Certificate of Registration of Non-Banking Financial Institution. 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.

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.

The Board of Directors in its meeting held on April 5, 2018, pursuant to the provisions of Section 161 of the Companies Act, 2013 and the rules thereunder, appointed Mr. Jayanty