

APPLE FINANCE LIMITED

33RD ANNUAL REPORT 2018-2019

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REGISTERED OFFICE

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Mumbai 400 023
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Email: info@applefinance.co.in
www.applefinance.co.in

BOARD OF DIRECTORS

Mr. Jayanty Ramakrishna Sarma

Mr. Mahesh Raghavan Menon

Ms. Jacqueline K. Patel

AUDITORS

Messrs Kucheria & Associates
Chartered Accountants

33RD ANNUAL GENERAL MEETING

On Wednesday, September 25, 2019
at 3.30 p.m. at Royal Banquet
(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 8221/8222/8223/8258
Fax: +91-022-6263 8299
Email: investor@bigshareonline.com
Website: www.bigshareonline.com

APPLE FINANCE LIMITED

NOTICE

NOTICE is hereby given that the 33rd Annual General Meeting of the Members of Apple Finance Limited will be held on Wednesday, September 25, 2019 at 3.30 p.m. at Royal Banquet (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, 2019, 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, 2019 and the report of the Auditors thereon.

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.

NOTES:

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING ("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.

2. Attendance slip, proxy form and the route map of the venue of the Meeting are annexed hereto.

3. 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.

4. Details of Director retiring by rotation at the ensuing Meeting are provided in the Annexure to the Notice.

5. 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.

6. 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.

7. The Register of Members and Share Transfer Books of the Company will remain closed from Thursday, September 19, 2019 to Wednesday, September 25, 2019 (both days inclusive).

8. Securities & Exchange Board of India has mandated that securities of listed companies can be transferred only in dematerialized effective April 1, 2019. Accordingly, the Company/Bigshare Services Private Limited has stopped accepting any fresh lodgment of transfer of shares in physical form. Members holding shares in physical form are advised to avail of the facility of dematerialization.

9. 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.

10. 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.

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. 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.

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 the Company's Registrar & Transfer Agent, Bigshare Services Private Limited, for consolidation into a single folio.

13. The Notice of the Meeting along with the 33rd Annual Report for the financial year 2018-2019 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 Wednesday, September 18, 2019 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. Wednesday, September 18, 2019, 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 Sunday, September 22, 2019 at 10.00 a.m. and will end on Tuesday, September 24, 2019 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 Wednesday, September 18, 2019 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 Wednesday, September 18, 2019.

(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 Sunday, September 22, 2019 (10.00 a.m.) and ends on Tuesday, September 24, 2019 (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 Wednesday, September 18, 2019 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	Enter your 10 digit alpha-numeric PAN issued by the Income Tax Department (applicable for both electronic shareholders as well as physical shareholders) • 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)	• 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. • 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 48 hours 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 www.evotingindia.com and also be communicated to BSE Limited, where the shares of the Company are listed.

By the Order of the Board

P. B. Deshpande
Company Secretary

Mumbai, August 9, 2019

Registered Office:
8 Apeejay House
130 Mumbai Samachar Marg
Mumbai 400 023
Tel.: 91+22-2288 6100 Fax: 2288 6106
CIN: L52100MH1985PLC037767
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www.applefinance.co.in

Annexure to the Notice dated August 9, 2019

Details of Director retiring by rotation/seeking reappointment
at the 33rd Annual General Meeting

Name	Mr. Mahesh Raghavan Menon
Age	55 years
Qualifications	B.Sc., LL.B.
Experience (including expertise in specific functional areas)/ Brief Resume	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. Mahesh Menon & Co., Advocates.
Terms and Conditions of Reappointment	In terms of Section 152(6) of the Companies Act, 2013, Mr. Mahesh Menon was reappointed as a Director at the 32nd Annual General Meeting held on September 25, 2018, is liable to retire by rotation.
Remuneration last drawn (including sitting fees, if any)	Sitting fees of ₹ 10,500 paid during the financial year 2018-2019.
Remuneration proposed to be paid	The Non-Executive Directors receive Sitting Fee of ₹ 1,500 for attending each Board Meeting.
Date of first appointment on the Board	19.03.2004
Shareholding in the Company as on March 31, 2019	100
Relationship with other Directors/ Key Managerial Personnel	Not related to any Director/Key Managerial Personnel.
Number of meetings of the Board attended during the financial year (2018-2019)	7 (seven)
Directorship of other Boards as on March 31, 2019	Apple Asset Management Limited
Membership/Chairmanships of Committees of other Boards as on March 31, 2019	Member of Audit Committee of Apple Asset Management Limited

ROAD MAP FOR THE AGM VENUE



DIRECTORS' REPORT

Your Directors present the 33rd Annual Report together with audited financial statements of the Company for the financial year ended March 31, 2019.

FINANCIAL HIGHLIGHTS

The financial results of your Company for the year ended March 31, 2019 as compared to the previous year are summarized below:-

	₹ Lac	₹ Lac
	Year ended 31.03.2019	Year ended 31.03.2018
Gross Income	201.34	178.14
Profit/(Loss) before Depreciation And Taxation	24.56	37.86
Less: Depreciation	14.57	15.95
Profit/(Loss) before Taxation	9.99	21.91
Provision for Taxation	Nil	Nil
Net Profit/(Loss) after Taxation	9.99	21.91

AMOUNTS CARRIED TO RESERVES

The Net Profit of ₹ 9.99 lac has been transferred to the Profit & 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.

In line with the change in the Objects, the Company has during the current financial year commenced new business in trading activity.

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

SUBSIDIARY

As on March 31, 2019, 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 the Companies (Accounts) Rules, 2014 and marked as Annexure 'A' to this Report.

The audited financial statements of the subsidiary are 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

CONTRACTS / ARRANGEMENTS WITH RELATED PARTIES

The details of Related Party Transaction are disclosed in Form No.AOC-2 and marked as Annexure 'B'.

There were no related party transactions, which could have potential conflict with interest of the Company at large.

Your Directors draw attention of the Members to Note No.21(9) to the standalone financial statements, 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

ANNUAL RETURN

As required under Section 134(3)(a) of the Companies Act, 2013, the Annual Return is put up on the Company's website and can be accessed at www.applefinance.co.in.

NUMBER OF MEETINGS OF THE BOARD

The Company holds at least 4 (four) Board Meetings in a financial year, 1 (one) in each quarter, *inter alia* to review the financial results of the Company. The Company also holds additional Board Meetings to address its specific requirements, as and when required.

During the financial year, the Board of Directors met 7 (seven) 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:-

a) in the preparation of the annual accounts for the financial year ended March 31, 2019, the applicable accounting standards read with requirements set out under Schedule III to the Companies Act, 2013 have been followed and there are no material departures from the same;

b) 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, 2019 and of the Profit of the Company for the year ended on that date;

c) 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;

d) the Directors have prepared the annual accounts on a going concern basis;

e) 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;

f) 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) consecutive 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.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. J. R. K. Sarma, Ms. Jacqueline K. Patel, Independent Directors and Mr. Mahesh Raghavan Menon, Non-Executive Director. 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, 2019. The Secretarial Audit Report is annexed as Annexure 'C'.

With reference to the observations made in the Secretarial Audit Report dated May 30, 2019 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 Company has duly appointed a Chief Financial Officer to hold office from June 1, 2019.

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.

MATERIAL CHANGES AND COMMITMENTS

During the current financial year, the Company has commenced new business in trading activity. 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 statements relate 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.

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

RISK MANAGEMENT POLICY

The Company is aware of the risks associated with the newly commenced business. It regularly analyzes and takes corrective actions for managing/mitigating the same. Your Company has institutionalized the process of identifying, minimizing and mitigating risks, which is periodically reviewed.

As part of the Company's policy, all the surplus funds of the Company are parked in scheduled banks. The assets of the Company have been adequately insured.

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

During the year under review, Mr. Mahesh K. Rachh retired by rotation and did not seek reappointment. Mr. Rachh was the Managing Director of the Company continuously from August 9, 2001 and retired as the Managing Director on August 9, 2018.

Mr. Mahendra S. Shah demitted office as an Independent Director of the Company effective October 19, 2018 on account of his personal commitments.

The Board places on record its appreciation towards valuable contributions made by Mr. Rachh and Mr. Shah during their tenure as Directors of the Company.

At the 33rd Annual General Meeting scheduled to be held on September 25, 2019, Mr. Mahesh Raghavan Menon is sought to be reappointed as a Director of the Company.

Mr. P. B. Deshpande, Company Secretary & Manager is the Key Managerial Personnel of the Company.

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

POLICY ON DIRECTORS' APPOINTMENT AND REMUNERATION

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

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

BOARD EVALUATION

Pursuant to the provisions of Section 134(3)(p) of the Companies Act, 2013 and Regulation 17 of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, the Board carried out the annual evaluation of its own performance. A structured questionnaire covering various aspects of functioning of the Board, Committees and Directors such as adequacy of composition of the Board and its Committees, Board culture, execution and performance of specific duties, obligation and governance was distributed to each member of the Board and inputs were received.

VIGIL MECHANISM

Your Company is committed to highest standards of ethical, moral and legal business conduct. Accordingly, the Board of Directors has formulated Whistle Blower Policy and Vigil Mechanism for its Directors and employees and any Director or employee may make protected disclosure to the Chairman of the Audit Committee. The Policy on Vigil Mechanism and the Whistle Blower Policy may be accessed on http://applefinance.co.in/pdf/policy/2016/Whistle%20Blower%20Policy.pdf

PARTICULARS OF EMPLOYEES

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

DISCLOSURE ON SHARES HELD IN SUSPENSE ACCOUNT

There are no shares in the Dematerialized Suspense Account or the Unclaimed Suspense Account.

CONSOLIDATED FINANCIAL STATEMENTS

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.

CORPORATE GOVERNANCE

The Company is committed to maintain the highest standards of corporate governance requirements as set out by SEBI. The Report on Corporate Governance as stipulated under the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 forms integral part of this Report. The requisite Compliance Certificate has been obtained from Messrs Kucheria & Associates, Chartered Accountants regarding compliance of conditions of Corporate Governance as stipulated under Part 'E' of Schedule II of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 is annexed to the Corporate Governance Report.

SECRETARIAL STANDARDS

The Board of Directors affirms that the Company has complied with the applicable Secretarial Standards issued by the Institute of Company Secretaries of India.

LISTING WITH STOCK EXCHANGE

Your Company's equity shares are listed on BSE Limited. The Annual Listing Fee for the financial year 2019-2020 has been duly paid to BSE Limited.

PREVENTION OF SEXUAL HARASSMENT AT WORKPLACE

As per the requirement of the Sexual Harassment of Woman at Workplace (Prevention, Prohibition & Redressal) Act, 2013 ("POSH Act") and rules made thereunder, the Company has formed Internal Complaints Committee to address complaints pertaining to sexual harassment in accordance with the POSH Act. The Company has a policy for prevention of sexual harassment, which ensures free and fair enquiry process and clear timelines for resolution.

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.

GENERAL

Your Directors state that no disclosure on reporting is required in respect of the following matters as there were no transactions on these items during the year under review:-

- Details relating to deposits covered under Chapter V of the Companies Act, 2013.
- Issue of equity shares with differential rights as to dividend, voting or otherwise.
- Issue of shares (including sweat equity shares) to employees of the Company under any scheme.
- The Company does not have any scheme of provision of money for the purchase of its own shares by employees or by trustees for the benefit of employees.
- Neither the Directors nor the Manager of the Company receive any remuneration or commission from its subsidiary.
- No significant or material orders were passed by the Regulators or Courts or Tribunals, which impact the going concern status and Company's operations in future.
- No fraud has been reported by the Auditors to the Audit Committee or the Board.
- There is no Corporate Insolvency Resolution Process initiated under the Insolvency and Bankruptcy Code, 2016.

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

J. R. K. Sarma *Director*

Mahesh Menon *Director*

Place: Mumbai
Date: May 30, 2019

ANNEXURE "A"

FORM No. AOC-1

Statement containing salient features of the financial statement of subsidiary

[Pursuant to first proviso to sub-section (3) of Section 129 read with Rule 5 of the Companies (Accounts) Rules, 2014]

Part "A" Subsidiaries

Name of the Subsidiary	:	Apple Asset Management Limited
Reporting period for the subsidiary concerned, if different from the holding company's reporting period	:	April 1, 2018 to March 31, 2019
Reporting currency and exchange rate as on the last date of the relevant financial year in the case of foreign subsidiaries	:	Not applicable
Share Capital	:	₹11,20,00,000
Reserves & Surplus	:	(₹10,61,74,131)
Total Assets	:	₹ 5,24,92,272
Total Liabilities	:	₹ 4,66,66,403
Investments	:	₹ 5,24,14,613
Turnover	:	Nil
Profit before Taxation	:	₹ 41,156
Provision for Taxation	:	Nil
Profit after Taxation	:	₹ 41,156
Proposed Dividend	:	Nil
% of Shareholding	:	100%

Notes:

1. Names of subsidiaries which are yet to commence operations: None
2. Names of subsidiaries which have been liquidated or sold during the year: None

Part "B"
Associates and Joint Ventures

Statement pursuant to Section 129(3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures:-
Not Applicable

For and on behalf of the Board

J. R. K. Sarma *Director*
Mahesh Menon *Director*

Place: Mumbai
Date: May 30, 2019