



APPLE FINANCE LIMITED

29TH ANNUAL REPORT 2014-2015

CONTENTS

	Pg. No.
Apple Finance Limited	1
Consolidated Financial Statement	40

REGISTERED OFFICE

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

BOARD OF DIRECTORS

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

AUDITORS

Messrs Mahendra Kumbhat & Associates
Chartered Accountants

29TH ANNUAL GENERAL MEETING

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

REGISTRAR & TRANSFER AGENTS

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

APPLE FINANCE LIMITED

NOTICE

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

ORDINARY BUSINESS

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

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

SPECIAL BUSINESS

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

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

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

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

NOTES:

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

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

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



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

APPLE FINANCE LIMITED

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

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

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

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

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



- After receiving the login details, a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
 - The list of accounts should be mailed to helpdesk.evoting@cDSLindia.com and on approval of the accounts they would be able to cast their vote.
 - A scanned copy of the Board Resolution and Power of Attorney which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the Scrutinizer to verify the same.
- (s) In case you have any queries or issues regarding remote e-Voting, please contact helpdesk.evoting@cDSLindia.com or info@applefinance.co.in or on Tel. No. 022-22886100.
- (t) In case of any grievance relating to e-Voting, Members may contact the Company Secretary at the Company's Registered Office or by email to info@applefinance.co.in
- (x) The Chairman shall, at the Meeting, at the end of the discussion on the resolutions on which voting is to be held, allow voting, with the assistance of the Scrutinizer, by use of Poll Paper for all those Members who are present at the Meeting but have not cast their votes by availing the remote e-Voting facility.
- (xi) The Scrutinizer shall immediately after the conclusion of voting at the Meeting, first count the votes cast at the Meeting and thereafter unblock the votes cast through remote e-Voting in the presence of at least two witnesses not in the employment of the Company and shall not later than three days of conclusion of the Meeting, issue a consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing who shall countersign the same. The Chairman or a person authorized by him in writing shall declare the result of the forthwith.
- (xii) The results declared, along with the Scrutinizer's Report, will be placed immediately, after the declaration of the same by the Chairman on the Company's website www.applefinance.co.in and on the website of CDSL i.e. www.evotingindia.com and also communicated to BSE Limited, where the shares of the Company are listed.

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

Item No.4

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

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

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

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

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

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

By Order of the Board of Directors

P. B. Deshpande
Company Secretary

Mumbai, May 29, 2015

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

APPLE FINANCE LIMITED

EXHIBIT TO THE NOTICE

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

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



DIRECTORS' REPORT

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

FINANCIAL HIGHLIGHTS

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

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

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

STATE OF AFFAIRS, MANAGEMENT DISCUSSION AND ANALYSIS

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

DIVIDEND

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

SUBSIDIARY

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

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

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

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

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

EXTRACT OF ANNUAL RETURN

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

NUMBER OF MEETINGS OF THE BOARD

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

DIRECTORS' RESPONSIBILITY STATEMENT

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

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

INTERNAL FINANCIAL CONTROLS

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

DECLARATION BY INDEPENDENT DIRECTORS

The Company has received declarations from the Independent

APPLE FINANCE LIMITED

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

AUDITORS

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

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

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

AUDITORS' REPORT

As regards observations of the Auditors under the head 'Opinion' in the Independent Auditors' Report, attention of the Members is invited to Note Nos.19(1) and 19(11) to the Annual Accounts, which are self-explanatory.

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

SECRETARIAL AUDIT

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

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

LOANS, GUARANTEES AND INVESTMENTS

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

CONTRACTS/ARRANGEMENTS WITH RELATED PARTIES

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

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

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

MATERIAL CHANGES AND COMMITMENTS

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

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

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

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

RISK MANAGEMENT POLICY

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

CORPORATE SOCIAL RESPONSIBILITY

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

POLICY ON DIRECTORS' APPOINTMENT AND REMUNERATION

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

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

BOARD EVALUATION

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

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



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

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

DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

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

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

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

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

VIGIL MECHANISM

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

PARTICULARS OF EMPLOYEES

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

PUBLIC DEPOSITS

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

CONSOLIDATED FINANCIAL STATEMENT

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

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

AUDIT COMMITTEE

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

CORPORATE GOVERNANCE

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

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

ORDERS BY REGULATORS, COURTS OR TRIBUNALS

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

GREEN INITIATIVE

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

HUMAN RESOURCES

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

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

ACKNOWLEDGEMENT

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

For and on behalf of the Board

Mahesh K. Rachh **Mahendra S. Shah**
Managing Director *Director*

Place: Mumbai
Date: May 29, 2015

APPLE FINANCE LIMITED

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, 2014 to March 31, 2015
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	:	(₹ 10,61,64,353)
Total Assets	:	₹ 5,24,44,480
Total Liabilities	:	₹ 4,66,08,833
Investments	:	₹ 5,24,14,613
Turnover	:	Nil
Profit before Taxation	:	(₹ 44,673)
Provision for Taxation	:	Nil
Profit after Taxation	:	(₹ 44,673)
Proposed Dividend	:	Nil
% of Shareholding	:	100%

Notes:

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

ANNEXURE "B"

FORM NO.MGT 9

EXTRACT OF ANNUAL RETURN

as on financial year ended on 31.03.2015

[Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Company
(Management & Administration) Rules, 2014]

I. REGISTRATION & OTHER DETAILS:

1	CIN	L65910MH1985PLC037767
2	Registration Date	15/10/1985
3	Name of the Company	Apple Finance Limited
4	Category/Sub-category of the Company	Public Company - Limited by Shares
5	Address of the Registered office & contact details	8 Apeejay House, 130 Mumbai Samachar Marg, Mumbai 400 023, India Tel.: 91-22-2288 6100 Fax : 91-22-2288 6106
6	Whether listed company	Yes, on BSE Ltd.
7	Name, Address & contact details of the Registrar & Transfer Agent, if any.	Sharepro Services (India) Pvt. Ltd. 13AB, Samhita Warehousing Complex, Floor 2, Sakinaka Telephone Exchange Lane, Off. Andheri-Kurla Road, Sakinaka, Andheri (East), Mumbai 400 072 Phone : 6772 0400, Fax : 2859 1568



II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

(All the business activities contributing 10% or more of the total turnover of the company shall be stated)

Sr. No.	Name and Description of main products / services	NIC Code of the Product/service	% to total turnover of the company
1	N.A.	N.A.	N.A.
2	N.A.	N.A.	N.A.
3	N.A.	N.A.	N.A.

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sr. No.	Name and address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
1	Apple Asset Management Limited	U65990MH1993PLC074321	Subsidiary	100	2(87)(ii)

IV. SHARE HOLDING PATTERN

(Equity share capital breakup as percentage of total equity)

(i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year [As on 31-March-2014]				No. of Shares held at the end of the year [As on 31-March-2015]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/ HUF	-	-	-	0.00%	-	-	-	0.00%	0.00%
b) Central Govt	-	-	-	0.00%	-	-	-	0.00%	0.00%
c) State Govt(s)	-	-	-	0.00%	-	-	-	0.00%	0.00%
d) Bodies Corp.	13751596	-	13751596	24.70%	13751596	-	13751596	24.70%	
e) Banks / FI	-	-	-	0.00%	-	-	-	0.00%	0.00%
f) Any other	-	-	-	0.00%	-	-	-	0.00%	0.00%
Sub Total (A) (1)	13751596		13751596	24.70%	13751596	-	13751596	24.70%	0.00%
(2) Foreign									
a) NRI Individuals	-	-	-	0.00%	-	-	-	0.00%	0.00%
b) Other Individuals	-	-	-	0.00%	-	-	-	0.00%	0.00%
c) Bodies Corp.	-	-	-	0.00%	-	-	-	0.00%	0.00%
d) Any other	-	-	-	0.00%	-	-	-	0.00%	0.00%
Sub Total (A) (2)	-	-	-	0.00%	-	-	-	0.00%	0.00%
TOTAL (A)	13751596	-	13751596	24.70%	13751596	-	13751596	24.70%	0.00%
B. Public Shareholding									
1. Institutions									
a) Mutual Funds	50	13265	13315	0.02%	50	13265	13315	0.02%	0.00%
b) Banks / FI	5785	9455	15240	0.03%	5785	9455	15240	0.03%	0.00%
c) Central Govt	-	-	-	0.00%	-	-	-	0.00%	0.00%
d) State Govt(s)	-	-	-	0.00%	-	-	-	0.00%	0.00%
e) Venture Capital Funds	-	-	-	0.00%	-	-	-	0.00%	0.00%
f) Insurance Companies	-	-	-	0.00%	-	-	-	0.00%	0.00%
g) FIIs	-	200	200	0.00%	-	200	200	0.00%	0.00%
h) Foreign Venture Capital Funds	-	-	-	0.00%	-	-	-	0.00%	0.00%
i) Others (specify)	-	-	-	0.00%	-	-	-	0.00%	0.00%
Sub-total (B)(1):-	5835	22920	28755	0.05%	5835	22920	28755	0.05%	0.00%

APPLE FINANCE LIMITED

Category of Shareholders	No. of Shares held at the beginning of the year [As on 31-March-2014]				No. of Shares held at the end of the year [As on 31-March-2015]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
2. Non-Institutions									
a) Bodies Corp.									
i) Indian	3616325	126012	3742337	6.72%	3309717	126012	3435729	6.17%	-8.19%
ii) Overseas	-	-	-	0.00%	-	-	-	0.00%	0.00%
b) Individuals	-	-	-	0.00%	-	-	-	0.00%	0.00%
i) Individual shareholders holding nominal share capital upto ₹ 1 lakh	13087708	14102687	27190395	48.84%	12371480	14039166	26410646	47.44%	-2.87%
ii) Individual shareholders holding nominal share capital in excess of ₹ 1 lakh	6671634	36300	6707934	12.05%	7796022	36300	7832322	14.07%	16.76%
c) Others (specify)	-	-	-	0.00%	-	-	-	0.00%	0.00%
Non Resident Indians	308543	626212	934755	1.68%	273582	623362	896944	1.61%	-4.05%
Overseas Corporate Bodies	-	-	-	0.00%	-	-	-	0.00%	0.00%
Foreign Nationals	-	-	-	0.00%	-	-	-	0.00%	0.00%
Clearing Members	-	-	-	0.00%	-	-	-	0.00%	0.00%
Trusts	3217210	100140	3317350	5.96%	3216990	100140	3317130	5.96%	-0.01%
Foreign Bodies - D R	-	-	-	0.00%	-	-	-	0.00%	0.00%
Sub-total (B)(2):-	26901420	14991351	41892771	75.25%	26967791	14924980	41892771	75.25%	0.00%
Total Public (B)	26907255	15014271	41921526	75.30%	26973626	14947900	41921526	75.30%	0.00%
C. Shares held by Custodian for GDRs & ADRs	-	-	-	0.00%	-	-	-	0.00%	0.00%
Grand Total (A+B+C)	40658851	15014271	55673122	100.00%	40725222	14947900	55673122	100.00%	0.00%

(ii) Shareholding of Promoter

Sr. No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged/encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1	Adamica Consultancy Services Ltd.	5528180	9.93%	Nil	-	0.00%	0	0.00%
2	Overseer Investments Pvt. Ltd.	4134300	7.43%	Nil	-	0.00%	0	0.00%
3	Chivas Trading Private Limited	3168216	5.69%	Nil	3168216	5.69%	0	5.69%
4	Ace Leasing Pvt. Ltd.	920900	1.65%	Nil	-	0.00%	0	0.00%
5	Honcho Trading Private Limited	-	0.00%	Nil	10583380	19.00%	0	19.00%

(iii) Change in Promoters' Shareholding (please specify, if there is no change)

Sr. No.	Particulars	Date	Reason	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
				No. of shares	% of total shares	No. of shares	% of total shares
	At the beginning of the year		No Change	No Change	0.00%	No Change	0.00%
	Changes during the year		No Change	No Change	0.00%	No Change	0.00%
	At the end of the year		No Change	No Change	0.00%	No Change	0.00%



(iv) Shareholding Pattern of top ten Shareholders

(Other than Directors, Promoters and Holders of GDRs and ADRs)

Sr. No.	For each of the Top 10 shareholders	Date	Reason	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
				No. of shares	% of total shares	No. of shares	% of total shares
1	Apple Finance Employees Welfare Trust						
	At the beginning of the year	1/4/2014		3316680	5.96	3316680	5.96
	Changes during the year			Nil	0.00%	Nil	0.00%
	At the end of the year	31/3/2015		3316680	5.96	3316680	5.96
2	Bharat Equity Service Ltd.						
	At the beginning of the year	1/4/2014		1310231	2.35	1400000	2.51
	Changes during the year		Transfer			89769	6.85
	At the end of the year	31/3/2015		1310231	2.35	1400000	2.51
3	Apple Credit Corporation Ltd.						
	At the beginning of the year	1/4/2014		650000	1.16	650000	1.16
	Changes during the year			Nil	0.00%	Nil	0.00%
	At the end of the year	31/3/2015		650000	1.16	650000	1.16
4	Manna Jitendra Shah						
	At the beginning of the year	1/4/2014		495000	0.89%	495000	0.89%
	Changes during the year			Nil	0.00%	Nil	0.00%
	At the end of the year	31/3/2015		495000	0.89%	495000	0.89%
5	Gaurav Ashokkumar Gosalia						
	At the beginning of the year	1/4/2014		-	0.00%	389520	0.7
	Changes during the year		Transfer	-	0.00%	389520	0.7
	At the end of the year	31/3/2015		-	0.00%	389520	0.7
6	Ketan Dalpat Shah						
	At the beginning of the year	1/4/2014		300000	0.54%	300000	0.54%
	Changes during the year			Nil	0.00%	Nil	0.00%
	At the end of the year	31/3/2015		300000	0.54%	300000	0.54%
7	Naresh Bhavanji Chheda						
	At the beginning of the year	1/4/2014		200000	0.36	200000	0.36
	Changes during the year			Nil	0.00%	Nil	0.00%
	At the end of the year	31/3/2015		200000	0.36%	200000	0.36%
8	Narendra Sharma						
	At the beginning of the year	1/4/2014		166218	0.30	118072	0.21
	Changes during the year		Transfer			48146	29.00%
	At the end of the year	31/3/2015		166218	0.30	118072	0.21%
9	Sunil Khandelwal						
	At the beginning of the year	1/4/2014		116368	0.21	116368	0.21
	Changes during the year			Nil	0.00%	Nil	0.00%
	At the end of the year	31/3/2015		116368	0.21	116368	0.21
10	Ashok Kumar						
	At the beginning of the year	1/4/2014		-	0.00%	108395	0.19
	Changes during the year		Transfer	-	0.00%	108395	0.19
	At the end of the year	31/3/2015		-	0.00%	108395	0.19

APPLE FINANCE LIMITED

(v) Shareholding of Directors and Key Managerial Personnel

Sr. No.	Shareholding of each Directors and each Key Managerial Personnel	Date	Reason	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
				No. of shares	% of total shares	No. of shares	% of total shares
1	Mahesh Karsandas Rachh						
	At the beginning of the year	1/4/2014		-	0.00%	-	0.00%
	Changes during the year			-	0.00%	-	0.00%
	At the end of the year	31/3/2015		-	0.00%	-	0.00%
2	Mahesh Raghavan Menon						
	At the beginning of the year	1/4/2014		100	0.00%	100	0.00%
	Changes during the year			Nil	0.00%	Nil	0.00%
	At the end of the year	31/3/2015		100	0.00%	100	0.00%
3	Mahendra S. Shah						
	At the beginning of the year	1/4/2014		-	0.00%	-	0.00%
	Changes during the year			-	0.00%	-	0.00%
	At the end of the year	31/3/2015		-	0.00%	-	0.00%
4	Jacqueline Patel						
	At the beginning of the year	1/4/2014		-	0.00%	-	0.00%
	Changes during the year			-	0.00%	-	0.00%
	At the end of the year	31/3/2015		-	0.00%	-	0.00%
5	P. B. Deshpande						
	At the beginning of the year	1/4/2014		600	0.00%	600	0.00%
	Changes during the year			Nil	0.00%	Nil	0.00%
	At the end of the year	31/3/2015		600	0.00%	600	0.00%

V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment

(₹)

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	-	-	-	-
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	-	-	-	-
Change in Indebtedness during the financial year				
* Addition	-	-	-	-
* Reduction	-	-	-	-
Net Change	-	-	-	-
Indebtedness at the end of the financial year				
i) Principal Amount	-	-	-	-
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	-	-	-	-



VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

Sr. No.	Particulars of Remuneration	Name of MD/WTD/ Manager	Total Amount
	Name	Mahesh K. Rachh	(₹)
	Designation	Managing Director	
1	Gross salary		
	(a) Salary as per provisions contained in Section 17(1) of the Income-tax Act, 1961	2057458	2057458
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	132606	132606
	(c) Profits in lieu of salary under Section 17(3) of the Income- tax Act, 1961	-	-
2	Stock Option	-	-
3	Sweat Equity	-	-
4	Commission	-	-
	- as % of profit	-	-
	- others, specify	-	-
5	Others: Company's contribution to P.F., Superannuation and Medical Reimbursement	269406	269406
	Total (A)	2459470	2459470
	Ceiling as per the Act	4200000	4200000

B. Remuneration to other Directors

Sr. No.	Particulars of Remuneration	Name of Directors		Total Amount
1	Independent Directors	Mahendra S. Shah	Jacqueline Patel	(₹)
	Fee for attending board committee meetings	6000	3000	9000.00
	Commission	-	-	-
	Others, please specify	-	-	-
	Total (1)	6000	3000	9000.00
2	Other Non-Executive Directors	Mahesh Menon		-
	Fee for attending board committee meetings	6000		6000.00
	Commission	-		-
	Others, please specify	-		-
	Total (2)	6000		6000.00
	Total (B)=(1+2)	12000	3000	15000.00
	Total Managerial Remuneration			2474470
	Overall Ceiling as per the Act	800000	200000	5200000

C. Remuneration to Key Managerial Personnel other than MD/Manager/WTD

Sr. No.	Particulars of Remuneration	Name of Key Managerial Personnel			Total Amount
	Name			P. B. Deshpande	(₹)
	Designation	CEO	CFO	CS	
1	Gross salary				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	-	-	738673	738673
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	39600	39600
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	-	-	-	-

APPLE FINANCE LIMITED

Sr. No.	Particulars of Remuneration	Name of Key Managerial Personnel			Total Amount
2	Stock Option	-	-	-	-
3	Sweat Equity	-	-	-	-
4	Commission				
	- as % of profit	-	-	-	-
	- others, specify	-	-	-	-
5	Others: Company's Contribution to P.F., Superannuation and Medical Reimbursement	-	-	136662	136662
	Total	-	-	914935	914935

VII. PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES:

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD / NCLT/ COURT]	Appeal made, if any (give Details)
A. COMPANY					
Penalty		Nil	Nil	Nil	N.A.
Punishment		Nil	Nil	Nil	N.A.
Compounding		Nil	Nil	Nil	N.A.
B. DIRECTORS					
Penalty		Nil	Nil	Nil	N.A.
Punishment		Nil	Nil	Nil	N.A.
Compounding		Nil	Nil	Nil	N.A.
C. OTHER OFFICERS IN DEFAULT					
Penalty		Nil	Nil	Nil	N.A.
Punishment		Nil	Nil	Nil	N.A.
Compounding		Nil	Nil	Nil	N.A.

ANNEXURE "C"

FORM NO.MR 3 SECRETARIAL AUDIT REPORT FOR THE FINANCIAL YEAR ENDED MARCH 31, 2015

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule 9 of the Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members,
Apple Finance Limited

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Apple Finance Limited (hereinafter called "the Company"). The Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, we hereby report that in our opinion, the Company has, during the audit period (financial year commencing April 1, 2014 and ending on March 31, 2015) complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:-

We have examined the books, papers, minute books, forms and returns filed and other records maintained by Apple Finance Limited ("the Company") for the financial year ended on March 31, 2015 according to the provisions of:

- (i) The Companies Act, 2013 ("the Act") and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ("SCRA") and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;



- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ("SEBI Act"):-
- (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009: **Not applicable to the Company during the audit period.**
 - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 and the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 notified on October 28, 2014: **Not applicable to the Company during the audit period.**
 - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008: **Not applicable to the Company during the audit period.**
 - (f) The Securities and Exchange Board of India (Registrars to an issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client.
 - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009: **Not applicable to the Company during the audit period;** and
 - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998: **Not applicable to the Company during the audit period.**

We have also examined compliance with the applicable clauses of the following:

- (i) Secretarial Standards issued by the Institute of Company Secretaries of India: **Not notified and hence not mandatory during the audit period.**
- (ii) The Listing Agreement entered into by the Company with BSE Limited.

During the period under review, the Company has generally complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above, subject to the following observations:

OBSERVATIONS

- (a) As per the information and explanations provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we report that the provisions of the Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder to the extent of:
 - (i) External Commercial Borrowings were not attracted to the Company under the financial year under report;
 - (ii) Foreign Direct Investment (FDI) were not attracted to the Company under the financial year under report;
 - (iii) Overseas Direct Investment by Residents in Joint Venture/Wholly Owned Subsidiary abroad were not attracted to the Company under the financial year under report.
- (b) As per the information and explanations provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, we report that the Company has not made any GDRs/ADRs or any Commercial Instrument under the financial year under report.
- (c) We have solely relied on the information and representation made by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, for systems and mechanism formed by the Company for compliances under other applicable Acts, Laws and Regulations to the Company.
- (d) We report that the Company has not complied with provisions of Section 203 of the Companies Act, 2013 read with the Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014.

We further report that:

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, except in few cases, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

We further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

For BIPIN RAJE AND ASSOCIATES

Place: Mumbai
Date: May 29, 2015

Bipin Rajee
ACS 6092
CP 6147

ANNEXURE "D"

NOMINATION AND REMUNERATION POLICY

This Nomination and Remuneration Policy is being formulated in compliance with Section 178 of the Companies Act, 2013 read with the applicable rules thereto and Clause 49 of the Listing Agreement, as amended from time to time. This policy on nomination and remuneration of Directors, Key Managerial Personnel and Senior Management has been formulated by the by the Board of Directors.

DEFINITIONS

"Remuneration" means any money or its equivalent given or passed to any person for services rendered by him and includes perquisites as defined under the Income-tax Act, 1961.

"KEY MANAGERIAL PERSONNEL" MEANS

- (i) Managing Director or Chief Executive Officer or Manager and in their absence, a Whole-time Director
- (ii) Chief Financial Officer
- (iii) Company Secretary
- (iv) Such other officer as may be prescribed.

"SENIOR MANAGERIAL PERSONNEL" means the personnel of the Company who are members of its core management team excluding Board of Directors. Normally, this would comprise all members of management, of rank equivalent to General Managers, Vice President and above, including all functional heads.

OBJECTIVE

The objective of the policy is to ensure that:-

1. The level and composition of remuneration is reasonable and sufficient to attract, retain and motivate Directors of the quality required to run the Company successfully.
2. Relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
3. Remuneration to Directors, Key Managerial Personnel and Senior Management involves a balance between fixed and incentive pay, reflecting short and long-term performance objectives appropriate to the working of the Company and its goals.

ROLE OF THE NOMINATION AND REMUNERATION COMMITTEE

The role of the Nomination and Remuneration Committee ("the Committee") will be the following:-

1. To formulate criteria for determining qualifications, positive attributes and independence of a Director.
2. To formulate criteria for evaluation of Independent Directors and the Board.
3. To identify persons who are qualified to become Directors and who may be appointed in Senior Management in accordance with the criteria laid down in this policy.
4. To carry out evaluation of Director's performance.
5. To recommend to the Board the appointment and removal of Directors and Senior Management.
6. To recommend to the Board policy relating to remuneration for Directors, Key Managerial Personnel and Senior Management.
7. To devise a policy on Board diversity, composition, size.
8. Succession planning for replacing Key Executives and overseeing.
9. To carry out any other function as is mandated by the Board from time to time and/or enforced by any statutory notification, amendment or modification, as may be applicable.
10. To perform such other functions as may be necessary or appropriate for the performance of its duties.

APPOINTMENT AND REMOVAL OF DIRECTOR, KEY MANAGERIAL PERSONNEL AND SENIOR MANAGEMENT

1. The Committee shall identify and ascertain the integrity, qualification, expertise and experience of the person for appointment as Director, Key Managerial Personnel or at Senior Management level and recommend his/her appointment, as per the Company's policy.
2. A person should possess adequate qualification, expertise and experience for the position he/she is considered for appointment. The Committee has authority to decide whether qualification, expertise and experience possessed by a person is sufficient/satisfactory for the position.
3. The Company shall not appoint or continue the employment of any person as Whole-time Director who has attained the age of seventy years. Provided that the term of the person holding this position may be extended beyond the age of seventy years with the approval of shareholders by passing a Special Resolution.

TERM/TENURE

1. MANAGING DIRECTOR/WHOLE-TIME DIRECTOR

The Company shall appoint or reappoint any person as its Executive Chairman, Managing Director or Executive Director for a term not exceeding five years at a time. No reappointment shall be made earlier than one year before the expiry of term.

2. INDEPENDENT DIRECTOR

An Independent Director shall hold office for a term up to five consecutive years on the Board of the Company and will be



eligible for reappointment on passing of a Special Resolution by the Company and disclosure of such appointment in the Board's Report.

No Independent Director shall hold office for more than two consecutive terms of up to maximum of five years each, but such Independent Director shall be eligible for appointment after expiry of three years of ceasing to become an Independent Director.

Provided that an Independent Director shall not, during the said period of three years, be appointed in or be associated with the Company in any other capacity, either directly or indirectly.

At the time of appointment of Independent Director, it should be ensured that number of Boards on which such Independent Director serves is restricted to seven listed companies as an Independent Director, and three listed companies as an Independent Director in case such person is serving as a Whole-time Director of a listed company or such other number as may be prescribed under the Companies Act, 2013.

EVALUATION

The Committee shall carry out evaluation of performance of Directors, Key Managerial Personnel and Senior Management Personnel yearly or at such intervals as may be considered necessary.

REMOVAL

The Committee may recommend with reasons recorded in writing, removal of a Director, Key Managerial Personnel or Senior Management Personnel subject to the provisions and compliance of the Companies Act, 2013, rules and regulations and the policy of the Company.

RETIREMENT

The Director, Key Managerial Personnel and Senior Management Personnel shall retire as per the applicable provisions of the Companies Act, 2013 and the prevailing policy of the Company. The Board will have the discretion to retain the Director, Key Managerial Personnel, Senior Management Personnel in the same position/remuneration or otherwise even after attaining the retirement age, for the benefit of the Company.

POLICY FOR REMUNERATION TO DIRECTORS/KEY MANAGERIAL PERSONNEL/SENIOR MANAGEMENT PERSONNEL

1. Remuneration to Managing Director/Whole-time Directors:
 - (a) The Remuneration/Commission etc. to be paid to Managing Director/ Whole-time Directors, etc. shall be governed as per provisions of the Companies Act, 2013 and rules made thereunder or any other enactment for the time being in force and the approvals obtained from the Members of the Company.
 - (b) The Nomination and Remuneration Committee shall make such recommendations to the Board of Directors, as it may consider appropriate with regard to remuneration to Managing Director/Whole-time Directors.
2. Remuneration to Non-Executive/Independent Directors:
 - (a) The Non-Executive/Independent Directors may receive sitting fees and such other remuneration as permissible under the provisions of Companies Act, 2013. The amount of sitting fees shall be such as may be recommended by the Nomination and Remuneration Committee and approved by the Board of Directors.
 - (b) All the remuneration of the Non-Executive/Independent Directors (excluding remuneration for attending meetings as prescribed under Section 197(5) of the Companies Act, 2013) shall be subject to ceiling/limits as provided under Companies Act, 2013 and rules made thereunder or any other enactment for the time being in force. The amount of such remuneration shall be such as may be recommended by the Nomination and Remuneration Committee and approved by the Board of Directors or shareholders, as the case may be.
 - (c) An Independent Director shall not be eligible to get Stock Options and also shall not be eligible to participate in any share based payment schemes of the Company.
 - (d) Any remuneration paid to Non-Executive/Independent Directors for services rendered which are of professional in nature shall not be considered as part of the remuneration for the purposes of Clause (b) above if the following conditions are satisfied:
 - (i) The services are rendered by such Director in his capacity as the professional; and
 - (ii) In the opinion of the Committee, the Director possesses the requisite qualification for the practice of that profession.
3. Remuneration to Key Managerial Personnel and Senior Management:
 - (a) The remuneration to Key Managerial Personnel and Senior Management shall consist of fixed pay and incentive pay, in compliance with the provisions of the Companies Act, 2013 and in accordance with the Company's policy.
 - (b) The fixed pay shall include monthly remuneration, employer's contribution to Provident Fund, contribution to pension fund, pension schemes, etc. as decided from time to time.
 - (c) The incentive pay shall be decided based on the balance between performance of the Company and performance of the Key Managerial Personnel and Senior Management, to be decided annually or at such intervals as may be considered appropriate.

IMPLEMENTATION

1. The Committee may issue guidelines, procedures, formats, reporting mechanism and manuals in supplement and for better implementation of this policy as considered appropriate.
2. The Committee may delegate any of its powers to one or more of its members.

ANNEXURE "E"

[Pursuant to Rule 5 of the Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014]

1. The ratio of the remuneration of each director to the median remuneration of the employees of the Company for the financial year and the percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year:-

The ratio of remuneration of each Director to the Median Remuneration of all employees who were on the payroll of the Company and the percentage change in remuneration of the Directors during the financial year 2014-2015 are given below:

Director/Key Managerial Personnel	Ratio to Median	% increase in remuneration
Mr. Mahesh K. Rachh	8.14	44.54
Mr. P. B. Deshpande	2.66	12.76

Other Directors of the Company receive only Sitting Fees for attending Board meetings at the rate of ₹ 1,500 for each meeting.

2. The percentage increase in the median remuneration of employees in the financial year:- 10.32%
3. The number of permanent employees on the rolls of Company:- 5
4. The explanation on the relationship between average increase in remuneration and Company performance:-
The remuneration has been revised upward to cover the inflation costs.
5. Comparison of the remuneration of the Key Managerial Personnel against the performance of the Company:-
The remuneration of the Key Managerial Personnel has been fixed taking into account the years of experience, work profile and responsibility.
6. Variations in the market capitalization of the Company, price earnings ratio as at the closing date of the current financial year and previous financial year and percentage increase over decrease in the market quotations of the shares of the Company in comparison to the rate at which the Company came out with the last public offer:-
The Company's market capitalization has increased from ₹ 10.86 crore as on March 31, 2014 to ₹ 13.31 crore as on March 31, 2015. Over the same period, the price earning ratio moved from 26.32 to 35.53.
The price of the Company's equity share as on March 31, 2015 has fallen by 95.22% to ₹ 2.39 over the last public offering in the financial year 1993-1994 at the price of ₹ 50 per share.
7. Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:-
In the case of Managing Director, the revision in remuneration is in line with the remuneration revision granted to the employees, when apportioned over the number of years since his appointment to the office of Managing Director. In the case of Company Secretary, the revision is comparable to the remuneration revision granted to the employees.
8. Comparison of the each remuneration of the Key Managerial Personnel against the performance of the Company:-
The remuneration of each of the Key Managerial Remuneration is fixed taking into account the years of experience, work profile and responsibility of the respective employee and inflation costs.
9. The key parameters for any variable component of remuneration availed by the Directors:-
Not applicable. There is no variable component of remuneration.
10. The ratio of remuneration of the highest paid Director to that of the employees who are not Directors but receive remuneration in excess of the highest paid Director during the year:- None.
11. Affirmation that the remuneration is as per the remuneration policy of the Company:-
The remuneration is as per the Company's Remuneration Policy.
12. There are no employees within the purview of sub-rule (2) of Rule 5 of the Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014.



REPORT ON CORPORATE GOVERNANCE

(As required under Clause 49 of the Listing Agreement entered into with BSE Limited)

1. COMPANY'S PHILOSOPHY

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

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

2. BOARD OF DIRECTORS

As on March 31, 2015, the Company has four Directors which include a Managing Director. Out of the three Non-Executive Directors, two are the Independent Directors. The composition of the Board is in conformity with Clause 49 of the Listing Agreement entered into with BSE Limited.

Both the Independent Directors of the Company have been appointed under Section 149 of the Companies Act, 2013. Formal letters of appointment have been issued to the Independent Directors. The terms and conditions of their appointment can be accessed on the Company's website.

The Board of Directors of the Company met four times during the financial year 2014-2015 i.e. May 14, 2014, August 13, 2014, November 13, 2014 and February 13, 2015.

The names and categories of Directors on the Board, their attendance at Board meetings and at the last Annual General Meeting held during the financial year and the number of directorships and committee chairmanships/memberships held by them in other companies are given below. Chairmanship/membership of Board Committees includes only Audit and Stakeholders Relationship Committees.

Composition, category of Directors and their other directorships and committee memberships as on March 31, 2015:-

Name of the Director	Category of Directorship	No. of other Directorships held in other Public Limited Companies
(1)	(2)	(3)
Mr. Mahesh K. Rachh	Managing Director (Executive Director)	Nil
Mr. Mahesh Raghavan Menon	Non-Executive Director	1
Mr. Mahendra S. Shah	Independent Director	1
Ms. Jacqueline Patel	Independent Director	Nil

No. of other Committee Memberships	Board meetings attended	Attendance at the last Annual General Meeting held on September 25, 2014
(4)	(5)	(6)
Nil	4	Present
1	4	Present
1	4	Absent
Nil	2	Present

The Company does not have a designated Chairman.

Except Mr. Mahesh Raghavan Menon, Director who holds 100 equity shares in the Company, none of the other Directors holds any shares in the Company.

A separate meeting of the Independent Directors of the Company, without the attendance of Non-Independent Directors and members of Management, was held on March 31, 2015 as required under Schedule IV to the Companies Act, 2013 and Clause 49(II)(B)(6) of the Listing Agreement.

3. AUDIT COMMITTEE

The Audit Committee of the Company has been constituted in line with the provisions of Clause 49 of the Listing Agreement read with Section 177 of the Companies Act, 2013. The Audit Committee has three members, of these two are Independent Directors and one is the Managing Director.

Members of the Audit Committee have requisite financial, legal and management expertise. Mr. Mahendra S. Shah is the Chairman of the Committee. The Company Secretary acts as the Secretary to the Committee.

During the financial year 2014-2015, the Audit Committee met four times to deliberate on various matters. The meetings were held on May 14, 2014, August 13, 2014, November 13, 2014 and February 13, 2015. The details of attendance are as follows:-

Name of the Member	Category of Directorship	Audit Committee meetings attended
Mr. Mahendra S. Shah	Independent Director	4
Ms. Jacqueline Patel*	Independent Director	1
Mr. Mahesh K. Rachh	Managing Director	4

*Ms. Jacqueline Patel was appointed an Independent Director of the Company on September 25, 2014 and was inducted into the Audit Committee on November 13, 2014.

Terms of reference:-

- Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
- Recommendation for appointment, remuneration and terms of appointment of auditors of the Company.

APPLE FINANCE LIMITED

- c. Approval of payment to statutory auditors for any other services rendered by the statutory auditors.
 - d. Reviewing, with the management, the annual financial statements and auditors' report thereon before submission to the Board for approval.
 - e. Reviewing, with the management, the quarterly financial statement before submission to the Board for approval.
 - f. Review and monitor the auditors' independence and performance, and effectiveness of audit process.
 - g. Approval or any subsequent modification of transactions of the Company with related parties.
 - h. Valuation of undertakings or assets of the Company, wherever it is necessary.
 - i. Evaluation of internal controls.
 - j. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems.
 - k. Reviewing the adequacy of internal audit function.
 - l. Discussion with internal auditors of any significant findings and follow up thereon.
 - m. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board.
 - n. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.
 - o. To review the functioning of the Whistle Blower mechanism.
 - p. Approval of appointment of any person heading the finance function or discharging that function, after assessing the qualifications, experience and background etc. of such person.
 - q. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.
 - r. Generally all items listed in Clause 49(III)(D) of the Listing Agreement and in Section 177 of the Companies Act, 2013.
 - s. The Audit Committee shall mandatorily review (i) the Management Discussion and Analysis of financial condition and results of operations. (ii) Statement of significant related party transactions submitted by the management. (iii) Management letters/letters of internal control weaknesses issued by the statutory auditors. (iv) Internal audit reports relating to internal control weaknesses (v) The appointment, removal and terms of remuneration of the internal auditor.
 - t. Providing guidance to the Compliance Officer for setting forth policies and implementation of the Code of Conduct.
 - u. To note and take on record the status reports detailing the dealings by Designated Persons in securities of the Company, as submitted by the Compliance Officer.
 - v. To give suitable directions for initiating penal action against any person upon being informed by the Compliance Officer that such person has violated the Code and/or Regulations.
- #### 4. NOMINATION AND REMUNERATION COMMITTEE
- In accordance with the provisions of Section 178(1) of the Companies Act, 2013, the Board of Directors at their meeting held on November 13, 2014 has renamed the existing Remuneration Committee as the Nomination and Remuneration Committee.
- The Nomination and Remuneration Committee currently comprises Mr. Mahendra S. Shah, Chairman, Mr. Mahesh Raghavan Menon and Ms. Jacqueline Patel.
- During the financial year 2014-2015, the meeting of this Committee was held on May 14, 2014 and was attended by Mahendra S. Shah and Mr. Mahesh Raghavan Menon.
- Term of reference:-**
- a. Recommend to the Board the setup and composition of the Board and its Committees.
 - b. Recommend to the Board the appointment or reappointment of Directors.
 - c. Devise a policy on Board diversity.
 - d. Recommend to the Board appointment of Key Managerial Personnel.
 - e. Support the Board and Independent Directors in evaluation of the performance of the Board, its Committees and individual Directors. Additionally, the Committee may also oversee the performance review process of the Key Managerial Personnel and the executive team of the Company.
 - f. Recommend to the Board the remuneration policy for the Directors, executive team/Key Managerial Personnel as well as the rest of the employees.
 - g. On an annual basis, recommend to the Board the remuneration payable to Directors and executive team/Key Managerial Personnel.
 - h. Oversee familiarization programs for Directors.
 - i. Review retirement benefits payable to Directors and executive team/Key Managerial Personnel.
- Apart from sitting fees for attending Board meetings, no other fees/compensation is paid to the Non-Executive Directors of the Company. The Managing Director's remuneration is as approved by the shareholders at the General Meeting. Your Company does not have any Stock Option Scheme for Directors and employees.
- The Company's Remuneration Policy as well as the Familiarization Programme for Independent Directors can be accessed on the Company's website www.applefinance.co.in



Remuneration to Directors for the year 2014-2015:-

Name of Director	Gross Salary and Perquisites (₹)	Contribution to Provident Fund and Superannuation Fund (₹)	Sitting Fees (₹)
Mr. Mahesh K. Rachh	21,90,064	2,69,406	Nil
Mr. Mahesh Raghavan Menon	Nil	Nil	6,000
Mr. Mahendra S. Shah	Nil	Nil	6,000
Ms. Jacqueline Patel	Nil	Nil	3,000

There are no service contracts executed with the Directors and they have been appointed pursuant to the resolutions passed at the General Meetings.

5. STAKEHOLDERS RELATIONSHIP COMMITTEE

As required under Section 178(5) of the Companies Act, 2013, the Company has constituted Stakeholders Relationship Committee comprising Mr. Mahendra S. Shah, Chairman, Mr. Mahesh Raghavan Menon and Mr. Mahesh K. Rachh. The Committee *inter alia* looks into redressing the grievances of the security holders of the Company.

During the financial year 2014-2015, four meetings of the Stakeholders Relationship Committee were held on May 14, 2014, August 13, 2014, November 13, 2014 and February 13, 2015 and the same were attended by all the Members of the Committee.

Mr. P. B. Deshpande, Company Secretary is the Compliance Officer of the Company and also acts as the Secretary to the Committee.

Complaints received during the financial year:-

Nature of Complaint	Received	Cleared	Pending
Non-receipt of share Certificates	0	0	Nil
Non-receipt of dividend/ interest warrant	2	2	Nil
Others/miscellaneous	0	0	Nil
Total	2	2	Nil

There was no transfer of shares pending as on March 31, 2015.

The above information is based on the details received from the Company's Registrars, Sharepro Services (India) Pvt. Ltd.

6. GENERAL BODY MEETINGS

Annual General Meeting	Location	Date	Time
28 th Annual General Meeting	M. C. Ghia Hall, Bhogilal Hargovindas Building, Floor 4, 18/20 Kaikhushru Dubash Marg, Mumbai 400 001	September 25, 2014	3.30 p.m.

Annual General Meeting	Location	Date	Time
27 th Annual General Meeting	M. C. Ghia Hall, Bhogilal Hargovindas Building, Floor 4, 18/20 Kaikhushru Dubash Marg, Mumbai 400 001	September 25, 2013	3.30 p.m.
26 th Annual General Meeting	M. C. Ghia Hall, Bhogilal Hargovindas Building, Floor 4, 18/20 Kaikhushru Dubash Marg, Mumbai 400 001	September 25, 2012	3.00 p.m.

Financial Year	Meeting	Date	Time	No. of Special Resolutions passed
2013-2014	28 th AGM	25.9.2014	3.30 p.m.	Three
2012-2013	27 th AGM	25.9.2013	3.30 p.m.	None
2011-2012	26 th AGM	25.9.2012	3.00 p.m.	None

No Special Resolution was put through postal ballot in the previous three Annual General Meetings.

7. DISCLOSURES

a) All transactions entered by the Company during the financial year 2014-2015 with related parties were in the ordinary course of business and on an arm's length basis and as such, outside the purview of Section 188 of the Companies Act, 2013. During the financial year 2014-2015, the Company had not entered into any contract/arrangement/transaction with related parties, which could be considered material in accordance with the policy of the Company on materiality of related party transactions.

The policy on materiality of related party transaction and dealing with related party transactions as approved by the Board may be accessed on the Company's website www.applefinance.co.in

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

b) The Company has complied with the requirements of BSE Limited, SEBI and other statutory authorities on all matters related to capital markets during the last three years. There were no penalties imposed nor any strictures passed on the Company by BSE Limited, SEBI or any other statutory authority relating to the above.

c) Whistle Blower Policy

The Company promotes ethical behavior in all its activities and has put in place a mechanism for reporting illegal or unethical behavior. The Company has a vigil mechanism and Whistle Blower Policy under which the employees are free to report violations of applicable laws and regulations and the Code of Conduct. The reportable matters may be disclosed to the Whistle Blower Committee which operates under the supervision of the Audit Committee. Employees

APPLE FINANCE LIMITED

may also report to the Chairman of the Audit Committee. During the financial year under review, no employee was denied access to the Audit Committee.

- d) The Company has duly complied with all mandatory requirements laid down by Clause 49 of the Listing Agreement. The Company will endeavour to adopt the non-mandatory requirements of this Clause.

8. MEANS OF COMMUNICATION

The half-yearly/quarterly/annual financial results are filed with BSE Limited and also published in the newspapers (Mumbai edition) and are not being sent to each household of shareholders. The results are usually published in The Free Press Journal and Navshakti.

The Company posts the financial results on its own website www.applefinance.co.in. Wherever applicable, the Company also displays official news releases. The Company does not make presentations to institutional investors or analysts.

9. GENERAL SHAREHOLDER INFORMATION

- Date, time and venue : September 24, 2015 at 3.30 p.m. at the AGM
M. C. Ghia Hall, Bhogilal Hargovindas Building, Floor 4, 18/20 Kaikhushru Dubash Marg, Mumbai 400 001
- Financial Calendar : April 1, 2015 to March 31, 2016
- Adoption of Quarterly Results for the quarter ending : on or before
- June 30, 2015 : August 14, 2015
- September 30, 2015 : November 14, 2015
- December 31, 2015 : February 14, 2016
- March 31, 2016 : May 30, 2016
- Date of Book Closure : September 18, 2015 to September 24, 2015 (both days inclusive).
- Dividend Payment Date : The Board of Directors has not recommended dividend.
- Listing on Stock Exchange : The Company's equity shares are listed on BSE Limited. The Company has paid the annual listing fees to BSE Limited for the financial year 2015-2016.
- Stock Code : 500014 on BSE Limited.
- ISIN Number for NSDL and CDSL : INE096A01010
- Market Price Data : The high and low prices of every month during the financial year 2014-2015 are given below.

Year 2014-2015	High (₹)	Low (₹)
April	2.94	2.00
May	2.33	1.85
June	2.99	1.95
July	2.79	2.25
August	2.54	2.09
September	2.78	2.00
October	3.11	2.15
November	3.87	2.26
December	3.79	2.25
January	3.01	2.25
February	3.31	2.00
March	3.15	1.94

- Registrar and Transfer Agents : Sharepro Services (India) Private Limited, 13AB, Samhita Warehousing Complex, Floor 2, Sakinaka Telephone Exchange Lane, Off Andheri-Kurla Road, Sakinaka, Andheri (East), Mumbai 400 072 Phone: 6772 0400 Fax: 2859 1568 Contact Persons: Mrs. Indira P. Karkera and Mr. Gopal S. Poojary

- Share Transfer System:-

A Committee of Directors comprising Mr. Mahesh K. Rachh and Mr. Mahesh Raghavan Menon has been constituted to approve the transfer, transmission, dematerialization and rematerialization of shares, issue of duplicate share certificates and allied matters. The Company's Registrars, Sharepro Services (India) Private Limited have adequate infrastructure to process share transfers and dematerialization of shares.

A predetermined process cycle at regular interval ensures transfer of shares expeditiously and thereafter an option letter is sent to the transferee(s) for dematerialization. In compliance with the Listing Agreement, every six months, a Practicing Company Secretary audits the system and a certificate to that effect is issued and filed with BSE Limited.

- Distribution of Shareholding as on March 31, 2015:-

Shareholding	No. of Folios	% of Total	No. of Shares	% of Total
1-500	116499	94.23	16837687	30.24
501-1000	4229	3.42	3354977	6.03
1001- 2000	1479	1.19	2324981	4.17
2001- 3000	439	0.36	1142686	2.05
3001- 4000	204	0.16	744705	1.34
4001- 5000	242	0.19	1172165	2.11
5001- 10000	269	0.22	2074847	3.73
10001 and above	276	0.23	28021074	50.33
Total	123637	100.00	55673122	100.00



- 73.15% of the Company's equity share capital has been dematerialized up to March 31, 2015.
- The Company does not have outstanding GDRs/ADRs/Warrants or any Convertible instruments.
- Except the Registered Office, the Company does not have any other plant or branch office.
- Categories of Shareholding as on March 31, 2015:-

Category	No. of Shares held	Percentage of Shareholding
Promoters	13751596	24.70
Mutual Funds and Unit Trust of India	13315	0.02
Financial Institutions, Banks and Insurance Companies, Venture Capital Funds	15240	0.03
Foreign Institution Investors and Foreign Portfolio Investors	897144	1.61
Bodies Corporate	3435729	6.17
Others	37560098	67.47
TOTAL	55673122	100.00

- Address for correspondence:-
The Company Secretary
Apple Finance Limited
8 Apeejay House, 130 Mumbai Samachar Marg,
Mumbai 400 023
Email: info@applefinance.co.in

10. MANAGING DIRECTOR'S CERTIFICATION

The Managing Director of the Company gives annual certification on financial reporting and internal controls to the Board in terms of Clause 49 of the Listing Agreement. The Managing Director also gives quarterly certification on financial results while placing the financial results before the Board in terms of Clause 41 of the Listing Agreement. The annual certificate given by the Managing Director is published hereunder:-

MANAGING DIRECTOR'S CERTIFICATION IN TERMS OF CLAUSE 49 OF THE LISTING AGREEMENT WITH BSE LIMITED

I, Mahesh K. Rachh, Managing Director of Apple Finance Limited hereby certify that:-

- I have reviewed financial statements and the cash flow statement of Apple Finance Limited for the year ended March 31, 2015 and to the best of my knowledge and belief:-
 - these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading.
 - these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- There are, to the best of my knowledge and belief, no transaction entered into by the Company during the year, which is fraudulent, illegal or violative of the Company's Code of Conduct.
- I accept responsibility for establishing and maintaining internal controls for financial reporting and that I have evaluated the effectiveness of Company's internal control systems pertaining to financial reporting. I have not come across any reportable deficiencies in the design or operation of such internal controls.
- I have indicated to the Auditors and the Audit Committee:-
 - that there are no significant changes in internal control over financial reporting during the year;
 - that there are no significant changes in accounting policies during the year; and
 - that there are no instances of significant fraud of which I have become aware.

Mahesh K. Rachh
Managing Director

Place: Mumbai
Date: May 29, 2015

APPLE FINANCE LIMITED

DECLARATION BY THE MANAGING DIRECTOR REGARDING AFFIRMATION BY THE BOARD OF DIRECTORS AND SENIOR MANAGEMENT PERSONNEL OF THE COMPANY TO THE CODE OF CONDUCT FOR ITS DIRECTORS AND SENIOR MANAGEMENT

I hereby confirm that the Company has obtained from all the members of the Board and Management Personnel, affirmation that they have complied with the Code of Conduct of Apple Finance Limited for its Directors and Senior Management, for the year ended March 31, 2015.

Mahesh K. Rachh
Managing Director

Place: Mumbai
Date: May 29, 2015

AUDITORS' CERTIFICATE ON COMPLIANCE OF CONDITIONS OF CORPORATE GOVERNANCE AS PER CLAUSE 49 OF THE LISTING AGREEMENT OF THE STOCK EXCHANGES

To the Members of Apple Finance Limited:-

We have examined the compliance of the conditions of Corporate Governance by Apple Finance Limited ("the Company") for the year ended March 31, 2015, as stipulated in Clause 49 of the Listing Agreement of the Company with the Stock Exchanges.

The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination was limited to the procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, and based on the representations made by the Directors and Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above-mentioned Listing Agreement.

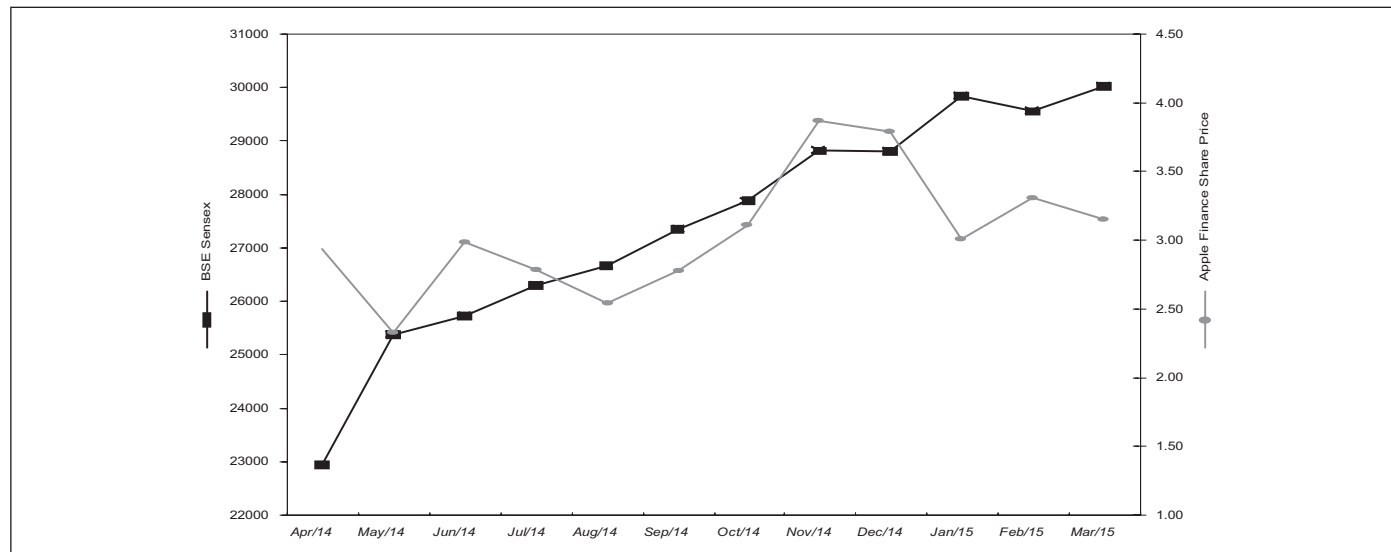
We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

For **Mahendra Kumbhat & Associates**
Chartered Accountants
Firm Regn. No.105770W

Amar Chand Bagrecha
Partner
Membership No.56605

Place: Mumbai
Date: May 29, 2015

The performance of share price of the Company in comparison with the BSE Sensex :-





INDEPENDENT AUDITORS' REPORT

To the Members of

Apple Finance Limited

Report on the Standalone Financial Statements

We have audited the accompanying standalone financial statements of Apple Finance Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2015, the Profit and Loss Statement, the Cash Flow Statement for the year then ended and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these standalone financial statements based on our audit.

We have taken into account the provisions of the Act and Rules made thereunder including the accounting standards and matters which are required to be included in the audit report.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India. Those Standards, pronouncements require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due

to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial control system over the financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2015 and its profit and cash flows for the year ended on that date, subject to:

- a) **Point No.1 of Note '19' regarding going concern assumption of the Company.**
- b) **Point No.11 of Note '19' regarding non-consideration of Deferred Tax Assets (Net) amounting to ₹ 168,451,676.**

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2015 ("the Order") issued by the Central Government in terms of sub-section (11) of Section 143 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, we report that:
 - a. We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c. The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - d. In our opinion, the Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement comply with the Accounting Standards notified under Section 133 of the Act read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - e. On the basis of the written representations received from the Directors as on March 31, 2015, taken

APPLE FINANCE LIMITED

on record by the Board of Directors, none of the Directors is disqualified as on March 31, 2015, from being appointed as a Director in terms of Section 164(2) of the Act.

For Mahendra Kumbhat and Associates

*Chartered Accountants
Firm Regn. No.105770W*

Amar Chand Bagrecha

*Partner
Membership No.56605*

Place: Mumbai

Date: May 29, 2015

ANNEXURE TO THE INDEPENDENT AUDITORS' REPORT

(Referred to in paragraph 1 under 'Report on Other Regulatory Requirements' section of our report of even date)

Matters required as per Paragraphs 3 and 4 of the Companies (Auditor's Report) Order, 2015

1. (a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
(b) The Management has verified all the assets during the year. We have been informed that no material discrepancies have been noticed on the assets physically verified by the Management.
2. (a) The inventory has been physically verified during the year by the Management. In our opinion, the frequency of verification is reasonable.
(b) The procedures of physical verification of inventories followed by the Management are reasonable and adequate in relation to the size of the Company and the nature of its business.
(c) The Company is maintaining proper records of inventory. We have been informed that no material discrepancies between the physical stocks and the book records were noticed on such verification.
3. The Company has not granted any loans, secured or unsecured, to companies, firms or other parties covered in the Register maintained under Section 189 of the Companies Act, 2013.
4. In our opinion and according to the information and explanations given to us, there are in general adequate internal control procedures, commensurate with the size of the Company and the nature of its business, with regard to purchase of inventory and fixed assets, and for sale of goods and services and we have not observed any major weaknesses in internal control.
5. The Company has not accepted deposits from public during the year and hence, the directives issued by the Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Companies Act,

2013 and the rules framed thereunder are not applicable.

6. We have been informed that the Central Government has not prescribed the maintenance of Cost records under Section 148(1) of the Companies Act, 2013.
7. (a) We have been informed that during the year under review, the Company has regularly deposited all undisputed statutory dues including the Provident Fund, Employees' State Insurance Scheme, Income Tax, Sales Tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty, Value Added Tax, Cess and any other statutory dues, wherever applicable. There were no arrears as at 31st March, 2015 for a period of more than six months from the date they became payable.
(b) According to the information and explanations given to us and based on the records of the Company examined by us, there are no dues of Income Tax or Wealth Tax or Service Tax or Sales Tax or Customs Duty or Excise Duty or Cess which have not been deposited on account of any disputes.
(c) There has not been an occasion in case of the Company during the year under report to transfer any sums to the Investor Education and Protection Fund. The question of reporting delay in transferring such sums does not arise.
8. The Company's accumulated losses at the end of the financial year are more than fifty per cent of its net worth and the Company has made cash profit in the current financial year and also in the previous financial year.
9. The Company has not defaulted in respect of payment of dues to banks, financial institutions and debenture-holders.
10. The Company has not given any guarantees for loans taken by others from bank or financial institutions and hence, Clause (x) of paragraph 3 of the Order is not applicable to the Company.
11. The Company has not obtained term loans and hence, Clause (xi) of paragraph 3 of the Order is not applicable to the Company.

During the course of our examination of the books and records of the Company, carried in accordance with the auditing standards generally accepted in India, we have neither come across any instance of fraud on or by the Company noticed or reported during the course of our audit nor have we been informed of any such instance by the Management.

For Mahendra Kumbhat and Associates

*Chartered Accountants
Firm Regn. No.105770W*

Amar Chand Bagrecha

*Partner
Membership No.56605*

Place: Mumbai

Date: May 29, 2015



BALANCE SHEET AS AT 31ST MARCH 2015

Particulars	Note	(₹)	
		As at 31 st March 2015	As at 31 st March 2014
EQUITY AND LIABILITIES			
Shareholders' funds			
(a) Share capital	2	556,701,477	556,701,477
(b) Reserves and surplus	3	(289,723,223)	(293,220,573)
		<u>266,978,254</u>	<u>263,480,904</u>
Non-current liabilities			
(a) Long-term provisions	4	<u>69,033,020</u>	<u>69,033,020</u>
Current liabilities			
(a) Trade payables	5	87,214	1,408
(b) Other current liabilities	6	397,597	250,620
(c) Short-term provisions	7	<u>9,627,514</u>	<u>9,099,661</u>
		<u>10,112,325</u>	<u>9,351,689</u>
Total		<u><u>346,123,599</u></u>	<u><u>341,865,614</u></u>
ASSETS			
Non-current assets			
(a) Fixed assets	8		
(i) Tangible assets		56,289,813	59,490,969
(b) Non-current investments	9	<u>54,406,412</u>	<u>54,406,412</u>
		<u>110,696,225</u>	<u>113,897,381</u>
Current assets			
(a) Inventories	10	24,675,000	24,675,000
(b) Cash and bank balances	11	195,593,688	189,954,629
(c) Short-term loans and advances	12	4,848,500	4,815,500
(d) Other current assets	13	<u>10,310,185</u>	<u>8,523,103</u>
		<u>235,427,373</u>	<u>227,968,233</u>
Total		<u><u>346,123,599</u></u>	<u><u>341,865,614</u></u>
Summary of significant accounting policies	1		
Notes to the financial statements	19		
In the opinion of the Board, the Current Assets, Loans and Advances are approximately of the value stated, if realized in the ordinary course of business. The provision for all known liabilities is adequate and not in excess of the amount reasonably necessary.			

As per our attached Report of even date

For Mahendra Kumbhat & Associates

Chartered Accountants

Firm Regn. No.105770W

Amar Chand Bagrecha

Partner

Membership No.56605

Place: Mumbai

Dated: May 29, 2015

On behalf of the Board

Mahesh K. Rachh

Managing Director

Mahesh Menon

Director

Mahendra S. Shah

Director

Jacqueline Patel

Director

P. B. Deshpande

Company Secretary

APPLE FINANCE LIMITED

PROFIT AND LOSS STATEMENT FOR THE YEAR ENDED 31ST MARCH 2015

		(₹)		
Particulars	Note	Year ending 31 st March 2015	Year ending 31 st March 2014	
I	Revenue from operations	14	1,009,000	13,250
II	Other income	15	21,054,561	18,668,988
III	Total revenue		<u>22,063,561</u>	<u>18,682,238</u>
IV	Expenses:			
	Employee benefits expense	16	5,505,878	4,361,694
	Depreciation and amortization expense	8	2,750,165	1,960,555
	Other expenses	17	9,680,844	8,612,568
V	Total expenses		<u>17,936,886</u>	<u>14,934,816</u>
VI	Profit/(Loss) before exceptional and extraordinary items and tax		4,126,675	3,747,422
VII	Exceptional item		-	-
VIII	Profit/(Loss) before extraordinary items and tax		4,126,675	3,747,422
IX	Extraordinary Items - Prior Period Income		-	-
	Extraordinary Items - Prior Period Expenses	17	-	-
X	Profit/(Loss) before tax		4,126,675	3,747,422
XI	Tax expense:			
	(1) Current tax - Wealth Tax		1,884	2,400
	(2) Deferred tax		-	-
XII	Profit/(Loss) for the period from continuing operations		<u>4,124,791</u>	<u>3,745,022</u>
XIII	Profit/(Loss) from discontinuing operations		-	-
XIV	Tax expense of discontinuing operations		-	-
XV	Profit/(Loss) from discontinuing operations (after tax)		<u>-</u>	<u>-</u>
XVI	Profit/(Loss) for the period		<u>4,124,791</u>	<u>3,745,022</u>
XVII	Earnings per equity share:	18		
	(1) Basic		0.07	0.07
	(2) Diluted		0.07	0.07
	Summary of significant accounting policies	1		
	Notes to the financial statements	19		

In the opinion of the Board, the Current Assets, Loans and Advances are approximately of the value stated, if realized in the ordinary course of business. The provision for all known liabilities is adequate and not in excess of the amount reasonably necessary.

As per our attached Report of even date

For Mahendra Kumbhat & Associates

Chartered Accountants
Firm Regn. No.105770W

Amar Chand Bagrecha

Partner
Membership No.56605

Place: Mumbai

Dated: May 29, 2015

On behalf of the Board

Mahesh K. Rachh
Managing Director

Mahesh Menon
Director

Mahendra S. Shah
Director

Jacqueline Patel
Director

P. B. Deshpande
Company Secretary



CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2015

Particulars	For the year ended 31 st March 2015	For the year ended 31 st March 2014
A. Cash flow from operating activities:		
Net profit before extraordinary items	4,124,791	3,745,022
Adjustments for:		
Depreciation	2,750,165	1,960,555
Profit/Loss on Sale of Assets and Investments	-	-
Investment Income - Dividend/Interest	(19,346,712)	(17,853,463)
	(16,596,547)	(15,892,908)
Operating profit before working capital changes	(12,471,757)	(12,147,886)
Adjustments for:		
Trade payables and other short-term liabilities	760,636	(658,606)
Loans and Advances (net)	(1,803,837)	363,736
	(1,043,201)	(294,869)
Cash generated from operations	(13,514,957)	(12,442,755)
Interest paid	-	-
Direct taxes paid (-)/Refund of Income Tax (+)	(16,245)	(287,143)
	(16,245)	(287,143)
Cash flow before extraordinary items	(13,531,202)	(12,729,898)
Extraordinary items	-	-
Net cash from operating activities	A (13,531,202)	(12,729,898)
B. Cash flow from investing activities:		
Purchase and sale of fixed assets including advances given for work-in-progress	(176,450)	-
Investment redemption/sold	-	-
Interest received	16,948,779	16,068,229
Dividend received	2,397,933	1,785,234
Net cash used in investing activities	B 19,170,262	17,853,463
C. Cash flow from financing activities:		
Proceeds from long-term borrowings (net)	-	-
Net cash used in financing activities	C -	-
Net Increase/(decrease) in cash and cash equivalents (A+B+C)	5,639,060	5,123,565
Cash and cash equivalents as at the beginning of the year (opening balance)	189,954,629	184,831,065
Cash and cash equivalents as at the end of the year (closing balance)	195,593,688	189,954,629

Notes :

- Cash and cash equivalents include cash and cheques in hand and balances with scheduled banks.
- Previous year's figures have been regrouped/rearranged wherever necessary.

As per our attached Report of even date

For Mahendra Kumbhat & Associates

Chartered Accountants

Firm Regn. No.105770W

Amar Chand Bagrecha

Partner

Membership No.56605

Place: Mumbai

Dated: May 29, 2015

On behalf of the Board

Mahesh K. Rachh

Managing Director

Mahesh Menon

Director

Mahendra S. Shah

Director

Jacqueline Patel

Director

P. B. Deshpande

Company Secretary

APPLE FINANCE LIMITED

NOTE "1" SIGNIFICANT ACCOUNTING POLICIES

1. Accounting Convention and Concepts

The Company follows the Historical Cost Convention and the Mercantile System of Accounting where the income and expenditure are recognized on accrual basis.

2. Fixed Assets

Fixed assets are valued at cost less depreciation. Cost includes all expenses incurred for acquisition of assets.

3. Depreciation

The Company provides depreciation on straight-line method on the basis of useful life of the assets as specified in Schedule II to the Companies Act, 2013.

4. Investments

All investments are stated at cost of acquisition. The investments sold during the year are accounted on first-in-first-out basis and investments purchased and sold during the year are shown on net basis. Provision is made for diminution in the value of investments, wherever required.

5. Valuation of Stocks

Stock of shares and securities are valued at cost or fair value, whichever is less.

6. Retirement Benefits

The provision for retirement benefits such as provident fund, gratuity and superannuation is made for employees from the date of their respective appointment:-

- The Company's contribution to the Provident Fund, Pension Fund, Superannuation Fund and other fund is charged to the Profit and Loss Account.
- The amount of Gratuity liability as ascertained on the basis of actuarial valuation by Life Insurance Corporation of India is paid/provided and charged to the Profit and Loss Account.
- Provision is made towards liability for leave encashment.

7. Impairment of Assets

The Company assesses at each Balance Sheet date whether there is any indication that an asset may be impaired. If any such indication exists, the Company estimates the recoverable amount of the asset. If such recoverable amount of the asset is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognized in the Profit and Loss Account. If at the Balance Sheet date there is an indication that previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount subject to a maximum of depreciated historical cost.

NOTE "2" TO BALANCE SHEET AS AT 31ST MARCH 2015

SHARE CAPITAL	Par Value per share (₹)	Balance Outstanding as at 31 st March 2014		Issued/(Reductions) during the year		Balance Outstanding as at 31 st March 2015	
		No. of Shares	Value (₹)	No. of Shares	Value (₹)	No. of Shares	Value (₹)
Equity Share Capital							
Authorized	10	75,000,000	750,000,000	-	-	75,000,000	750,000,000
Issued, Subscribed and Paid-up	10	55,673,122	556,731,220	-	-	55,673,122	556,731,220
Less: Calls in arrears by others		-	29,743	-	-	-	29,743
	10	55,673,122	556,701,477	-	-	55,673,122	556,701,477
Preference Share Capital							
Authorized	100	7,500,000	750,000,000	-	-	7,500,000	750,000,000
Issued, Subscribed and Paid-up	100	-	-	-	-	-	-

	Par Value per share (₹)	No. of Shares	Value (₹)	Holding (%)	No. of Shares	Value (₹)	Holding (%)
		31/03/2014	31/03/2014	31/03/2014	31/03/2015	31/03/2015	31/03/2015
Share held by Holding Company							
Not Applicable							
Holding more than 5%							
Honcho Trading Private Limited	10	-	-	-	10,583,380	105,833,800	19.01
Adamica Management Consultancy Ltd.	10	5,528,180	55,281,800	9.93	-	-	-
Overseer Investments Pvt. Ltd.	10	4,134,300	41,343,000	7.43	-	-	-
Chivas Trading Pvt. Ltd.	10	3,168,216	31,682,160	5.69	3,168,216	31,682,160	5.69
Apple Finance Employees Welfare Trust	10	3,316,680	33,166,800	5.96	3,316,680	33,166,800	5.96

Note : The Company has not allotted any shares during the last five years, preceding March 31, 2015


NOTE "3" TO BALANCE SHEET AS AT 31ST MARCH 2015

(₹)

RESERVES AND SURPLUS	Balance as on 31st March 2014	Additions/ Deductions/ Appropriations	Balance as on 31st March 2015
Capital Redemption Reserve	20,000,000	-	20,000,000
Debenture Redemption Reserve	100,000,000	-	100,000,000
General Reserve	400,000,000	-	400,000,000
Surplus at the beginning of the year	(1,324,180,177)		
Add: Profit after tax for the year		4,124,791	
Less: Adjustment as per Schedule II to the Companies Act, 2013 (Refer to Item No.5 of Note No.19)		627,441	
Less: Transfer to General Reserve		-	
Less: Proposed Dividend including Dividend Distribution Tax		-	
Surplus at the end of the year			(1,320,682,827)
Capital Reserve	6,933,420	-	6,933,420
Capital Reserve on Settlement of Loans	427,026,184	-	427,026,184
Reserve Fund under Section 45IC(1) of the Reserve Bank of India Act, 1934	77,000,000	-	77,000,000
Total	(293,220,573)	4,752,232	(289,723,223)

NOTE "4" TO BALANCE SHEET AS AT 31ST MARCH 2015

(₹)

LONG-TERM PROVISIONS	Balance as at 31st March 2014	Additions	Utilizations	Reversals	Balance as at 31st March 2015
Provisions for Non-Performing Assets	69,033,020	-	-	-	69,033,020
Total	69,033,020	-	-	-	69,033,020

NOTE "5" TO BALANCE SHEET AS AT 31ST MARCH 2015

(₹)

TRADE PAYABLES	As at 31st March 2015	As at 31st March 2014
Others	87,214	1,408
Total	87,214	1,408

NOTE "6" TO BALANCE SHEET AS AT 31ST MARCH 2015

(₹)

OTHER CURRENT LIABILITIES	As at 31st March 2015	As at 31st March 2014
Other Payable	315,193	135,798
Duties and Taxes Payable	82,404	114,822
Total	397,597	250,620

NOTE "7" TO BALANCE SHEET AS AT 31ST MARCH 2015

(₹)

SHORT-TERM PROVISIONS	Balance as at 31st March 2014	Additions	Utilizations	Reversals	Balance as at 31st March 2015
Provision for employee benefits	564,010	238,707	81,598	-	721,119
Provision for expenses	8,535,651	8,791,395	8,420,651	-	8,906,395
Total	9,099,661	9,030,102	8,502,249	-	9,627,514

APPLE FINANCE LIMITED

NOTE "8" TO BALANCE SHEET AS AT 31ST MARCH 2015

(₹)

FIXED ASSETS	Gross Block as at 1 st April 2014	Additions	Deletions	Gross Block as at 31 st March 2015	Depreciation up to 31 st March 2014	Adjustment as per Schedule II to the Companies Act, 2013 **	Depreciation for the year	Depreciation on deductions	Depreciation up to 31 st March 2015	Impairment losses/ reversals	Net Block as at 31 st March 2015
Tangible Assets											
Land											
- Freehold	955,066	-	-	955,066	-	-	-	-	-	-	955,066
Buildings											
- Owned	83,323,642	-	-	83,323,642	28,524,851	-	1,405,379	-	29,930,230	-	53,393,412
Plant and Equipment											
- Owned											
Office Equipment	4,047,326	-	-	4,047,326	3,528,536	494,230	9,520	-	4,032,286	-	15,040
Computers	18,042,048	176,450	-	18,218,498	18,008,596	33,452	46,849	-	18,088,897	-	129,601
Electrical Fittings	1,390,185	-	-	1,390,185	901,365	99,759	145,910	-	1,147,034	-	243,151
Furniture and Fixtures	16,418,561	-	-	16,418,561	14,945,117	-	551,587	-	15,496,704	-	921,857
Vehicles	2,620,548	-	-	2,620,548	1,397,942	-	590,920	-	1,988,862	-	631,686
Total	126,797,376	176,450	-	126,973,826	67,306,407	627,441	2,750,165	-	70,684,013	-	56,289,813
Previous Year	126,797,376	-	-	126,797,376	65,345,852	-	1,960,555	-	67,306,407	-	59,490,969

** Refer Item No.5 of Note 19

NOTE "9" TO BALANCE SHEET AS AT 31ST MARCH 2015

NON-CURRENT INVESTMENTS	No. of Securities	Face Value (₹)	As at 31 st March 2015 (₹)	As at 31 st March 2014 (₹)
Trade Investments (Fully paid unless otherwise stated)				
Quoted Investments - Equity Shares (At cost)				
Ambika Cotton Mills Limited	180,233	10	8,651,200	8,651,200
Anjani Solvents India Limited	74,853	10	748,530	748,530
Anod Plasma Spray Limited	75,000	10	750,000	750,000
Cipla Limited	36,510	2	652,302	652,302
Indian Lead Limited	332,066	10	12,331,200	12,331,200
Inland Printers Limited	33,300	10	1,998,000	1,998,000
Pittie Cements & Industries Limited	118,126	10	12,993,860	12,993,860
Sagar Tourist Resorts Limited	21,342	10	213,420	213,420
Shri Renuga Textiles Limited	40,000	10	6,000,000	6,000,000
Vital Foods Limited	93,900	10	1,032,900	1,032,900
Total (A)			45,371,412	45,371,412
Unquoted Investments - Equity Shares (At cost)				
Aldrich Pharmaceuticals Limited	210,000	10	7,035,000	7,035,000
Spectrum Alkyd & Resins Limited	133,333	10	1,500,000	1,500,000
Vijaya Home Loans Limited	50,000	10	500,000	500,000
Total (B)			9,035,000	9,035,000
Total (A) + (B)			54,406,412	54,406,412
NON-CURRENT INVESTMENTS			Cost (₹)	Market Value (₹)
Aggregate Value of Quoted Investment Equity Shares (Previous Year)			45,371,412 (45,371,412)	167,224,105*** (65,693,887)
Aggregate Value of Unquoted Investment Equity Shares (Previous Year)			9,035,000 (9,035,000)	
Total (Previous Year)			54,406,412 (54,406,412)	

*** Market value of quoted investments includes only market value of Cipla Limited and Ambika Cotton Mills Limited, since other quoted shares' market value is not available.


NOTE "10" TO BALANCE SHEET AS AT 31ST MARCH 2015

INVENTORIES (Valued at cost or market value whichever is less)	As on 31 st March 2015			As on 31 st March 2014		
	Inventory (₹)	Goods-in-Transit	Final Value (₹)	Inventory (₹)	Goods-in-Transit	Final Value (₹)
Unquoted Equity Shares						
1,41,000 Equity Shares of ₹ 10 each of Indo Deutsche Metallo Chimique Limited	24,675,000	-	24,675,000	24,675,000	-	24,675,000
Total	24,675,000	-	24,675,000	24,675,000	-	24,675,000

Note: Market value of Stock-in-Trade is not available and, therefore, it is valued at cost.

NOTE "11" TO BALANCE SHEET AS AT 31ST MARCH 2015

(₹)

CASH AND BANK BALANCES	As at 31 st March 2015	As at 31 st March 2014
Cash and Cash Equivalents		
Cash on hand	15,252	37,905
Balance with Banks	2,332,600	2,936
Bank Deposits (less than 3 months maturity)*	20,000,000	-
	22,347,852	40,841
Others		
Bank Deposits (more than 3 months but less than 12 months maturity)	22,775,000	30,857,818
Bank Deposits (more than 12 months maturity)**	150,470,836	159,055,971
	173,245,836	189,913,789
Total	195,593,688	189,954,629

*(Previous year ₹ 13,70,05,971)

**Out of which ₹ 14,79,20,836 is under lien with Kotak Mahindra Bank Ltd.

NOTE "12" TO BALANCE SHEET AS AT 31ST MARCH 2015

(₹)

SHORT-TERM LOANS AND ADVANCES	As on 31 st March 2015				As on 31 st March 2014			
	Secured, considered good	Unsecured, considered good	Doubtful	Total	Secured, considered good	Unsecured, considered good	Doubtful	Total
Loans and advances to related parties								
Subsidiary Company								
Apple Asset Management Limited	-	4,848,500	-	4,848,500	-	4,815,500	-	4,815,500
Less: Provision for bad and doubtful debts	-	-	-	-	-	-	-	-
Total	-	4,848,500	-	4,848,500	-	4,815,500	-	4,815,500
Other loans and advances	-	-	-	-	-	-	-	-
Less: Provision for bad and doubtful debts	-	-	-	-	-	-	-	-
Total	-	-	-	-	-	-	-	-
Grand Total	-	4,848,500	-	4,848,500	-	4,815,500	-	4,815,500

APPLE FINANCE LIMITED

NOTE "13" TO BALANCE SHEET AS AT 31ST MARCH 2015

(₹)

OTHER CURRENT ASSETS	As on 31 st March 2015				As on 31 st March 2014			
	Secured, considered good	Unsecured, considered good	Doubtful	Total	Secured, considered good	Unsecured, considered good	Doubtful	Total
Interest accrued on Fixed Deposits with Banks	-	2,489,125	-	2,489,125	-	2,312,466	-	2,312,466
Security Deposits	-	416,760	-	416,760	-	389,030	-	389,030
Prepaid Expenses	-	203,760	-	203,760	-	331,278	-	331,278
Other Receivables	-	2,175,000	-	2,175,000	-	2,175,000	-	2,175,000
Advance Income Tax and TDS	-	4,826,963	-	4,826,963	-	3,131,113	-	3,131,113
Sales Tax paid against appeal	-	184,217	-	184,217	-	184,217	-	184,217
Service Tax Credit	-	14,361	-	14,361	-	-	-	-
Total	-	10,310,185	-	10,310,185	-	8,523,103	-	8,523,103

NOTE "14" TO PROFIT AND LOSS STATEMENT FOR THE YEAR ENDING 31ST MARCH 2015

(₹)

REVENUE FROM OPERATIONS	Year ending 31 st March 2015	Year ending 31 st March 2014
Hire-Purchase Income	9,000	13,250
Receipt against debts written off	1,000,000	-
Total	1,009,000	13,250

NOTE "15" TO PROFIT AND LOSS STATEMENT FOR THE YEAR ENDING 31ST MARCH 2015

(₹)

OTHER INCOME	Year ending 31 st March 2015	Year ending 31 st March 2014
Interest (TDS ₹ 16,95,850; Previous Year ₹ 16,06,815)	16,948,779	16,068,229
Interest on Income Tax Refund	-	102,940
Dividend Income: - Others	2,397,933	1,785,234
Rent Income (TDS ₹ Nil; Previous Year ₹ 50,469)	-	504,690
Miscellaneous Income	1,707,849	207,895
Total	21,054,561	18,668,988

NOTE "16" TO PROFIT AND LOSS STATEMENT FOR THE YEAR ENDING 31ST MARCH 2015

(₹)

EMPLOYEE BENEFITS EXPENSES	Year ending 31 st March 2015	Year ending 31 st March 2014
Salaries and wages	3,837,503	3,384,535
Contribution to Provident and other funds	1,248,825	611,735
Staff welfare expenses	419,550	365,424
Total	5,505,878	4,361,694


NOTE "17" TO PROFIT AND LOSS STATEMENT FOR THE YEAR ENDING 31ST MARCH 2015

(₹)

OTHER EXPENSES	Year ending 31st March 2015	Year ending 31st March 2014
Power and fuel	359,224	332,971
Repairs to machinery	24,119	26,912
Repairs to building	250,000	-
Repairs and Maintenance - Others	18,097	38,260
Insurance	21,452	20,722
Rates and taxes excluding taxes on income	126,829	58,696
Society Charges	874,184	957,488
Legal and Professional fees	845,292	453,058
ROC Filing Fees	46,398	2,134
Claim against Financing Assets	350,000	1,023,240
Printing and Stationery	46,559	44,144
Telephone and Fax Expense	198,023	201,352
Courier Expenses	24,785	44,794
Service Charges	636,322	597,721
Security Charges	452,100	414,425
Travelling Expenses	591,553	183,732
Conveyance	6,499	8,467
Motor Car Expenses	900,196	850,366
AGM Expenses	2,318,362	1,867,968
Registrar, Share and Debenture Expenses	946,095	848,927
Directors' Sitting Fees	15,000	12,000
Membership and Subscription	1,625	4,434
Bank Charges	67	517
Books and Periodicals	19,026	5,493
Miscellaneous Expenses	19,147	24,856
Payments to the Auditor		
(a) as Auditor	393,260	393,260
(b) for Tax Audit	112,360	112,360
(c) for Limited Review Audit	84,270	84,270
Total	9,680,844	8,612,568

NOTE "18" TO PROFIT AND LOSS STATEMENT FOR THE YEAR ENDING 31ST MARCH 2015

(₹)

	EARNING PER SHARE	Year ending 31st March 2015	Year ending 31st March 2014
(a)	Net Profit after tax attributable to Equity Shareholders for Basic EPS	4,124,791	3,745,022
	Add/Less: Adjustment relating to potential equity shares	-	-
		4,124,791	3,745,022
(b)	Weighted average number of equity shares outstanding during the year		
	For Basic Earning Per Share	55,673,122	55,673,122
	For Diluted Earning Per Share	55,673,122	55,673,122
(c)	Basic Earning Per Share	0.07	0.07
	Diluted Earning Per Share	0.07	0.07
	Face Value Per Equity Share	10	10
(d)	Reconciliation between number of shares used for calculating basic and diluted earning per share		
	Particulars		
	No. of shares used for calculating basic earning per share	55,673,122	55,673,122
	Add: Potential equity shares	-	-
	No. of shares used for calculating diluted earning per share	55,673,122	55,673,122

APPLE FINANCE LIMITED

NOTE "19" - NOTES TO ACCOUNTS

Notes forming part of the Accounts for the year ended 31st March 2015

	As at 31 st March 2015 (₹)	As at 31 st March 2014 (₹)
(1) As the business was unviable, the Company surrendered its Certificate of Registration of Non-Banking Financial Institution to Reserve Bank of India. Reserve Bank of India has cancelled the said Certificate of Registration vide their letter No. DNBS. MRO.No.4716 & 4869 / 02.01.60.Apple / 2003-04 dated January 13, 2004 and January 18, 2004. In view of this, in terms of Section 45-IA of the RBI Act, 1934, now the Company is not entitled to carry on the business of Non-Banking Financial Institution. However, the Company can in future carry on the business of Non-Banking Financial Institution after taking necessary approval from Reserve Bank of India. The Company does have business income from Interest, etc. and also have Stock-in-Trade for business and hence, accounts have been prepared on the Going Concern Basis and Historical Cost Method.		
(2) Contingent Liabilities in respect of: In the matter of assignment of the Company's rights, title and interest arising out of the Agreement to Lease dated April 3, 1995 made between the Company and MMRDA and the lease of the land and the building constructed thereon, pursuant to the Consent Terms entered into by the Company with Kotak Mahindra Bank Limited and another in Suit No.162 of 2002 before the Bombay High Court, Rs.10 crore have been retained by Kotak Mahindra Bank Limited under a lien marked Fixed Deposit of the said Bank, for meeting any contingent liability that may arise in future. The Company's liability, however, shall in any event not exceed Rs.10 crore in terms of Clause 4 of the Agreement between the Company as the Borrower and Apple Credit Corporation Limited, Just Software Private Limited and Seismograph Securities Private Limited (all Confirming Parties) and Kotak Mahindra Bank Limited as Lender and Kotak Mahindra Prime Limited as Confirming Party in the Indenture dated March 30, 2009.	100,000,000	100,000,000
(3) The Company has been advised that it does not have taxable income under the Income-tax Act, 1961 for the current financial year and accordingly, no provision for Income Tax has been made in the Profit and Loss Account of the Company. Further, the Wealth Tax is accounted in the year in which it is paid and hence, no provision for the Wealth Tax has been made in the Profit and Loss Account of the Company.		
(4) (a) All investments are in the name of the Company, except those under transfer/delivery. (b) All the investments are held by the Company as long-term investments, except shown as Stock-in-Trade.		
(5) In accordance with the provisions of Schedule II to the Companies Act, 2013, in the case of fixed assets which have completed their useful life as at 1 st April 2014, the carrying value amounting to ₹ 6,27,441 as a transitional provision has been recognized in the retained earnings/loss. Further, in the case of other assets acquired prior to 1 st April 2014, the carrying value of assets is depreciated over the remaining useful life of such assets. Depreciation expenses charged to Profit and Loss Account for the year would have been lower by ₹ 7,69,396, had the Company continued with the previous assessment of useful life of such assets.		



(6) Remuneration to Directors:

(a) Remuneration paid to the Managing Director:

	For the year ended 31st March 2015 (₹)	For the year ended 31st March 2014 (₹)
Salaries and contribution to the Provident and other funds	2,326,864	2,101,187
Perquisites*	132,606	90,600
Total	2,459,470	2,191,787

* Value of perquisites is determined as per the Income-tax Rules, 1962.

(b) Since no commission is paid/payable to any Director, the computation of profits under Section 198 of the Companies Act, 2013 has not been made.

(7) Confirmation of balances from parties have not been received. The balances, therefore, are as per the books of account of the Company.

(8) There are no separate reportable segments.

(9) Demat Account holding statement as on 31.3.2015 includes 500 equity shares of Swelect Energy Systems Limited, which were already sold by the Company. However, the same have not been transferred by the transferee in its own name. Consequently, dividends received on said shares have been considered as current liability.

(10) Disclosures as required by the Accounting Standard 18 "Related Party Disclosures" are given below:

Name of related party and nature of relationship

	For the year ended 31st March 2015 (₹)	For the year ended 31st March 2014 (₹)
(i) Directors/Key Managerial Personnel: Remuneration Mr. Mahesh K. Rachh, Managing Director	2,459,470	2,191,787
(ii) Director and their relatives - Professional Fees Mrs. Anita Menon (Director's spouse)	120,000	120,000
iii) Director Sitting fees Mr. Mahesh Menon, Director	6,000	6,000
Mr. Mahendra Shah, Director	6,000	6,000
Mrs. Jacqueline Patel, Director	3,000	-

(11) Consequent to the issuance of the Accounting Standard 22 "Accounting for Taxes on Income" by the Institute of Chartered Accountants of India, which is mandatory, the Company has had Deferred Tax Assets (net) of ₹ 16,84,51,676. In the opinion of the Board of Directors, it is unlikely that the Company would be able to take advantage of Deferred Tax Assets in the near future and accordingly, Deferred Tax Asset has not been considered.

Particulars

	As at 31st March 2015 (₹)	As at 31st March 2014 (₹)
Deferred Tax Asset:		
(1) Provision for Non-Performing Assets and Diminution in the value of Investments	22,397,763	23,464,323
(2) Carry forward losses (including Unabsorbed Depreciation)	162,807,968	183,457,760
(3) Depreciation	(16,754,055)	(18,472,306)
Deferred Tax Asset (net)	168,451,676	188,449,777

APPLE FINANCE LIMITED

(12) (a) Details of Stock of Shares and Securities:-

Particulars

	As at 31st March 2015 (₹)	As at 31st March 2014 (₹)
Unquoted		
141,000 Equity Shares of ₹ 10 each of Indo Deutsche Metallo Chimique Limited	24,675,000	24,675,000
	24,675,000	24,675,000

(b) Quantitative Details:-

(i) Opening Stock

Quantity (Nos.)

141,000

141,000

Value (₹)

24,675,000

24,675,000

(ii) Purchases/Received against Claims/Acquisition on Merger/Bonus

Quantity (Nos.)

-

-

Value (₹)

-

-

(iii) Sales/Reduction on Merger

Quantity (Nos.)

-

-

Value (₹)

-

-

(iv) Closing Stock

Quantity (Nos.)

141,000

141,000

Value (₹)

24,675,000

24,675,000

(13) As per the Accounting Standard 13, Stock-in-Trade (Shares) is required to be recognized at cost or fair value whichever is less. However, the same has not been followed as fair value of the shares are not available because those companies' shares are not quoted in the stock market. Hence, provision for the same has been made.

(14) Cash Flow is prepared as per Indirect Method.

(15) The previous year's figures have been reworked, regrouped, rearranged and reclassified wherever necessary. Amount and other disclosures for the preceding year are included as an integral part of the current year's financial statement and are to be read in relation to the amount and other disclosure relating to the current year.

Signatures to Note "1" to "19"

As per our Report of even date

For Mahendra Kumbhat & Associates

Chartered Accountants

Firm Regn. No.105770W

Amar Chand Bagrecha

Partner

Membership No.56605

Place: Mumbai

Dated: May 29, 2015

On behalf of the Board

Mahesh K. Rachh

Managing Director

Mahesh Menon

Director

Mahendra S. Shah

Director

Jacqueline Patel

Director

P. B. Deshpande

Company Secretary



INDEPENDENT AUDITORS' REPORT

To the Members of **Apple Finance Limited**

Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of Apple Finance Limited ("the Company"), and its subsidiary (collectively referred to as "the Group") which comprise the Consolidated Balance Sheet as at March 31, 2015, the Consolidated Profit and Loss Statement and the Consolidated Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Consolidated Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. The Company's Board of Directors is also responsible for accuracy of records including financial information considered necessary for the preparation of consolidated financial statements. The respective Board of Directors included in the Group and of its associates and jointly controlled entity are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules

made there under including other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial controls relevant to the Group's preparation and presentation of the consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Group has in place an adequate internal financial control system over the financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Group's Directors, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the reports of other auditors, on the financial statements/ consolidated financial statements of the subsidiary, the aforesaid financial statements give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Group and its associates and jointly controlled entities as at March 31, 2015 and their consolidated profit and their consolidated cash flow for the year ended on that date, subject to:

- a) **Point No.1 of Note 18 regarding going concern assumption of the Company.**
- b) **Point No.11 of Note 18 regarding non-consideration of Deferred Tax Assets (Net) amounting to ₹ 168,451,676.**

APPLE FINANCE LIMITED

Other Matter

We did not audit the financial statements of Apple Asset Management Limited, which reflect total assets of ₹ **58,35,647 (excluding debit balance of ₹ 106,164,353 in the Profit and Loss Statement) as at March 31, 2015 and total Revenue of ₹ Nil** for the year ended on that date. These financial statements have been audited by other auditor, whose report has been furnished to us, and in our opinion, so far as it relates to the amounts included in respect of the subsidiary, is based solely on the report of the other auditor.

For Mahendra Kumbhat and Associates

*Chartered Accountants
Firm Regn. No.105770W*

Amar Chand Bagrecha

*Partner
Membership No.56605*

Place: Mumbai

Date: May 29, 2015



CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH 2015

Particulars	Note	(₹)	
		As at 31 st March 2015	As at 31 st March 2014
EQUITY AND LIABILITIES			
Shareholders' funds			
(a) Share capital	2	556,701,477	556,701,477
(b) Reserves and surplus	3	(395,887,576)	(399,340,253)
		<u>160,813,901</u>	<u>157,361,224</u>
Non-current liabilities			
(a) Long-term provisions	4	<u>222,766,190</u>	<u>222,766,190</u>
		<u>222,766,190</u>	<u>222,766,190</u>
Current liabilities			
(a) Trade payables	5	114,377	14,891
(b) Other current liabilities	6	397,597	250,620
(c) Short-term provisions	7	9,627,514	9,099,661
		<u>10,139,488</u>	<u>9,365,172</u>
Total		<u><u>393,719,579</u></u>	<u><u>389,492,587</u></u>
ASSETS			
Non-current assets			
(a) Fixed assets	8		
(i) Tangible assets		56,289,813	59,490,969
(b) Non-current investments	9	<u>106,821,025</u>	<u>106,821,025</u>
		<u>163,110,838</u>	<u>166,311,994</u>
Current assets			
(a) Inventories	10	24,675,000	24,675,000
(b) Cash and bank balances	11	195,623,555	189,982,489
(c) Other current assets	12	<u>10,310,185</u>	<u>8,523,103</u>
		<u>230,608,740</u>	<u>223,180,593</u>
Total		<u><u>393,719,579</u></u>	<u><u>389,492,587</u></u>
Summary of significant accounting policies	1		
Notes to the financial statements	18		
In the opinion of the Board, the Current Assets, Loans and Advances are approximately of the value stated, if realized in the ordinary course of business. The provision for all known liabilities is adequate and not in excess of the amount reasonably necessary.			

As per our attached Report of even date

For Mahendra Kumbhat & Associates

Chartered Accountants
Firm Regn. No.105770W

Amar Chand Bagrecha

Partner
Membership No.56605

Place: Mumbai

Dated: May 29, 2015

On behalf of the Board

Mahesh K. Rachh
Managing Director

Mahesh Menon
Director

Mahendra S. Shah
Director

Jacqueline Patel
Director

P. B. Deshpande
Company Secretary

APPLE FINANCE LIMITED

CONSOLIDATED PROFIT AND LOSS STATEMENT FOR THE YEAR ENDED 31ST MARCH 2015

(₹)

Particulars	Note	Year ending 31 st March 2015	Year ending 31 st March 2014
I Revenue from operations	13	1,009,000	13,250
II Other income	14	21,054,561	18,668,988
III Total revenue		<u>22,063,561</u>	<u>18,682,238</u>
IV Expenses:			
Employee benefits expense	15	5,505,878	4,361,694
Depreciation and amortization expense	8	2,750,165	1,960,555
Other expenses	16	9,725,517	8,643,493
V Total expenses		<u>17,981,559</u>	<u>14,965,741</u>
VI Profit/(Loss) before exceptional and extraordinary items and tax		4,082,002	3,716,497
VII Exceptional item		-	-
VIII Profit/(Loss) before extraordinary items and tax		4,082,002	3,716,497
IX Extraordinary Items - Prior Period Income		-	-
Extraordinary Items - Prior Period Expenses	16	-	-
X Profit/(Loss) before tax		4,082,002	3,716,497
XI Tax expense:			
(1) Current tax - Wealth Tax		1,884	2,400
(2) Deferred tax		-	-
XII Profit/(Loss) for the period from continuing operations		<u>4,080,118</u>	<u>3,714,097</u>
XIII Profit/(Loss) from discontinuing operations		-	-
XIV Tax expense of discontinuing operations		-	-
XV Profit/(Loss) from discontinuing operations (after tax)		<u>-</u>	<u>-</u>
XVI Profit/(Loss) for the period		<u>4,080,118</u>	<u>3,714,097</u>
XVII Earnings per equity share:	17		
(1) Basic		0.07	0.07
(2) Diluted		0.07	0.07
Summary of significant accounting policies	1		
Notes to the financial statements	18		

In the opinion of the Board, the Current Assets, Loans and Advances are approximately of the value stated, if realized in the ordinary course of business. The provision for all known liabilities is adequate and not in excess of the amount reasonably necessary.

As per our attached Report of even date

For Mahendra Kumbhat & Associates

Chartered Accountants
Firm Regn. No.105770W

Amar Chand Bagrecha

Partner
Membership No.56605

Place: Mumbai

Dated: May 29, 2015

On behalf of the Board

Mahesh K. Rachh

Managing Director

Mahesh Menon

Director

Mahendra S. Shah

Director

Jacqueline Patel

Director

P. B. Deshpande

Company Secretary



CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2015

Particulars	(₹)	
	For the year ended 31 st March 2015	For the year ended 31 st March 2014
A. Cash flow from operating activities:		
Net profit before extraordinary items	4,080,118	3,714,097
Adjustments for:		
Depreciation	2,750,165	1,960,555
Profit/Loss on Sale of Assets and Investments	-	-
Investment Income - Dividend/Interest	(19,346,712)	(17,853,463)
	<u>(16,596,547)</u>	<u>(15,892,908)</u>
Operating profit before working capital changes	<u>(12,516,430)</u>	<u>(12,178,811)</u>
Adjustments for:		
Trade payables and other short term liabilities	774,316	(671,842)
Loans and Advances (net)	(1,770,837)	388,736
	<u>(996,521)</u>	<u>(283,106)</u>
Cash generated from operations	<u>(13,512,950)</u>	<u>(12,461,917)</u>
Interest paid	-	-
Direct taxes paid (-)/Refund of Income Tax (+)	(16,245)	(287,143)
	<u>(16,245)</u>	<u>(287,143)</u>
Cash flow before extraordinary items	<u>(13,529,195)</u>	<u>(12,749,059)</u>
Extraordinary items	-	-
Net cash from operating activities	<u>(13,529,195)</u>	<u>(12,749,059)</u>
B. Cash flow from investing activities:		
Purchase and sale of fixed assets including advances given for work-in-progress	(176,450)	-
Investment redemption/sold	-	-
Interest received	16,948,779	16,068,229
Dividend received	2,397,933	1,785,234
Net cash used in investing activities	<u>19,170,262</u>	<u>17,853,463</u>
C. Cash flow from financing activities		
Proceeds from long-term borrowings (net)	-	-
Net cash used in financing activities	-	-
Net Increase/(decrease) in cash and cash equivalents (A+B+C)	<u>5,641,066</u>	<u>5,104,403</u>
Cash and cash equivalents as at the beginning of the year (opening balance)	<u>189,982,489</u>	<u>184,878,086</u>
Cash and cash equivalents as at the end of the year (closing balance)	<u>195,623,555</u>	<u>189,982,489</u>

Notes :

- Cash and cash equivalents include cash and cheques in hand and balances with scheduled banks.
- Previous year's figures have been regrouped/rearranged wherever necessary.

As per our attached Report of even date

For Mahendra Kumbhat & Associates

Chartered Accountants

Firm Regn. No.105770W

Amar Chand Bagrecha

Partner

Membership No.56605

Place: Mumbai

Dated: May 29, 2015

On behalf of the Board

Mahesh K. Rachh

Managing Director

Mahesh Menon

Director

Mahendra S. Shah

Director

Jacqueline Patel

Director

P. B. Deshpande

Company Secretary

APPLE FINANCE LIMITED

NOTE "1" SIGNIFICANT ACCOUNTING POLICIES ON CONSOLIDATED ACCOUNTS

1. Accounting Convention and Concepts

The Company follows the Historical Cost Convention and the Mercantile System of Accounting where the income and expenditure are recognized on accrual basis.

2. Fixed Assets

Fixed assets are valued at cost less depreciation. Cost includes all expenses incurred for acquisition of assets.

3. Depreciation

The Company provides depreciation on straight-line method on the basis of useful life of the assets as specified in Schedule II to the Companies Act, 2013.

4. Investments

All investments are stated at cost of acquisition. The investments sold during the year are accounted on first-in-first-out basis and investments purchased and sold during the year are shown on net basis. Provision is made for diminution in the value of investments, wherever required.

5. Valuation of Stocks

Stock of shares and securities valued at cost or fair value, whichever is less.

6. Retirement Benefits

The provision for retirement benefits such as provident fund, gratuity and superannuation is made for employees from the date of their respective appointment:-

- (i) Company's contribution to the Provident Fund, Pension Fund, Superannuation Fund and other fund is charged to the Profit and Loss Account.
- (ii) The amount of Gratuity liability as ascertained on the basis of actuarial valuation by Life Insurance Corporation of India is paid/provided and charged to the Profit and Loss Account.
- (iii) Provision is made towards liability for leave encashment.

7. Impairment of Assets

The Company assesses at each Balance Sheet date whether there is any indication that an asset may be impaired. If any such indication exists, the Company estimates the recoverable amount of the asset. If such recoverable amount of the asset is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognized in the Profit and Loss Account. If at the Balance Sheet date there is an indication that previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount subject to a maximum of depreciated historical cost.

NOTE "2" TO CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH 2015

SHARE CAPITAL	Par Value per share (₹)	Balance Outstanding as at 31 st March 2014		Issued/(Reductions) during the year		Balance Outstanding as at 31 st March 2015	
		No. of Shares	Value (₹)	No. of Shares	Value (₹)	No. of Shares	Value (₹)
Equity Share Capital							
Authorized	10	75,000,000	750,000,000	-	-	75,000,000	750,000,000
Issued, Subscribed and Paid-up	10	55,673,122	556,731,220	-	-	55,673,122	556,731,220
Less: Calls in arrears by others		-	29,743	-	-	-	29,743
	10	55,673,122	556,701,477	-	-	55,673,122	556,701,477
Preference Share Capital							
Authorized	100	7,500,000	750,000,000	-	-	7,500,000	750,000,000
Issued, Subscribed and Paid-up	100	-	-	-	-	-	-

	Par Value per share (₹)	No. of Shares	Value (₹)	Holding (%)	No. of Shares	Value (₹)	Holding (%)
		31/03/2014	31/03/2014	31/03/2014	31/03/2015	31/03/2015	31/03/2015
Share held by Holding Company							
Not Applicable							
Holding more than 5%							
Honcho Trading Private Limited	10	-	-	-	10,583,380	105,833,800	19.01
Adamica Management Consultancy Ltd.	10	5,528,180	55,281,800	9.93	-	-	-
Overseer Investments Pvt. Ltd.	10	4,134,300	41,343,000	7.43	-	-	-
Chivas Trading Pvt. Ltd.	10	3,168,216	31,682,160	5.69	3,168,216	31,682,160	5.69
Apple Finance Employees Welfare Trust	10	3,316,680	33,166,800	5.96	3,316,680	33,166,800	5.96

Note : The Company has not allotted any shares during the last five years, preceding March 31, 2015

**NOTE "3" TO CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH 2015**

(₹)

RESERVES AND SURPLUS	Balance as on 31st March 2014	Additions/ Deductions/ Appropriations	Balance as on 31st March 2015
Capital Redemption Reserve	20,000,000	-	20,000,000
Debenture Redemption Reserve	100,000,000	-	100,000,000
General Reserve	400,000,000	-	400,000,000
Surplus at the beginning of the year	(1,430,299,857)		
Add: Profit after tax for the year		4,080,118	
Less: Adjustment as per Schedule II to the Companies Act, 2013 (Refer to Item No.5 of Note No.18)		627,441	
Less: Transfer to General Reserve		-	
Less: Proposed Dividend including Dividend Distribution Tax		-	
Surplus at the end of the year			(1,426,847,180)
Capital Reserve	6,933,420	-	6,933,420
Capital Reserve on Settlement of Loans	427,026,184	-	427,026,184
Reserve Fund under Section 45IC(1) of the Reserve Bank of India Act, 1934	77,000,000	-	77,000,000
Total	(399,340,253)	4,707,559	(395,887,576)

NOTE "4" TO CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH 2015

(₹)

LONG-TERM PROVISIONS	Balance as at 31st March 2014	Additions	Utilizations	Reversals	Balance as at 31st March 2015
Provisions for Non-Performing Assets ***	222,766,190	-	-	-	222,766,190
Total	222,766,190	-	-	-	222,766,190

*** Includes ₹ 11,20,00,000 on account of the Company's Investment in Apple Asset Management Ltd., which has been write off in the books of the Company.

NOTE "5" TO CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH 2015

(₹)

TRADE PAYABLES	As at 31st March 2015	As at 31st March 2014
Others	114,377	14,891
Total	114,377	14,891

NOTE "6" TO CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH 2015

(₹)

OTHER CURRENT LIABILITIES	As at 31st March 2015	As at 31st March 2014
Other Payable	315,193	135,798
Duties and Taxes Payable	82,404	114,822
Total	397,597	250,620

NOTE "7" TO CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH 2015

(₹)

SHORT-TERM PROVISIONS	Balance as at 31st March 2014	Additions	Utilizations	Reversals	Balance as at 31st March 2015
Provision for employee benefits	564,010	238,707	81,598	-	721,119
Provision for expenses	8,535,651	8,791,395	8,420,651	-	8,906,395
Total	9,099,661	9,030,102	8,502,249	-	9,627,514

APPLE FINANCE LIMITED

NOTE "8" TO CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH 2015

(₹)

FIXED ASSETS	Gross Block as at 1 st April 2014	Additions	Deletions	Gross Block as at 31 st March 2015	Depreciation up to 31 st March 2014	Adjustment as per Schedule II to the Companies Act, 2013 **	Depreciation for the year	Depreciation on deductions	Depreciation up to 31 st March 2015	Impairment losses/ reversals	Net Block as at 31 st March 2015
Tangible Assets											
Land											
- Freehold	955,066	-	-	955,066	-	-	-	-	-	-	955,066
Buildings											
- Owned	83,323,642	-	-	83,323,642	28,524,851	-	1,405,379	-	29,930,230	-	53,393,412
Plant and Equipment											
- Owned											
Office Equipment	4,047,326	-	-	4,047,326	3,528,536	494,230	9,520	-	4,032,286	-	15,040
Computers	18,042,048	176,450	-	18,218,498	18,008,596	33,452	46,849	-	18,088,897	-	129,601
Electrical Fittings	1,390,185	-	-	1,390,185	901,365	99,759	145,910	-	1,147,034	-	243,151
Furniture and Fixtures	16,418,561	-	-	16,418,561	14,945,117	-	551,587	-	15,496,704	-	921,857
Vehicles	2,620,548	-	-	2,620,548	1,397,942	-	590,920	-	1,988,862	-	631,686
Total	126,797,376	176,450	-	126,973,826	67,306,407	627,441	2,750,165	-	70,684,013	-	56,289,813
Previous Year	126,797,376	-	-	126,797,376	65,345,852	-	1,960,555	-	67,306,407	-	59,490,969

** Refer Item No.5 of Note 18

NOTE "9" TO CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH 2015

NON-CURRENT INVESTMENTS	No. of Securities	Face Value (₹)	As at 31 st March 2015 (₹)	As at 31 st March 2014 (₹)
Trade Investments (Fully paid unless otherwise stated)				
Quoted Investments - Equity Shares (At cost)				
Ambika Cotton Mills Limited	180,233	10	8,651,200	8,651,200
Anjani Solvents India Limited	74,853	10	748,530	748,530
Anod Plasma Spray Limited	75,000	10	750,000	750,000
Cipla Limited	36,510	2	652,302	652,302
Indian Lead Limited	332,066	10	12,331,200	12,331,200
Inland Printers Limited	33,300	10	1,998,000	1,998,000
Pittie Cements & Industries Limited	118,126	10	12,993,860	12,993,860
Sagar Tourist Resorts Limited	21,342	10	213,420	213,420
Vedanta Limited (Formerly Sesa Sterlite Limited)	5,800	1	51,023	51,023
Shri Renuga Textiles Limited	40,000	10	6,000,000	6,000,000
Vital Foods Limited	93,900	10	1,032,900	1,032,900
Total (A)			45,422,435	45,422,435
Unquoted Investments - Equity Shares (At cost)				
Aldrich Pharmaceuticals Limited	210,000	10	7,035,000	7,035,000
Armour Pharmaceuticals Limited	593,750	10	8,386,690	8,386,690
Deluxe Fabrics Limited	250,000	10	4,780,421	4,780,421
Indo Deutsche Metallo Chimique Ltd.	145,000	10	24,539,919	24,539,919
Spectrum Alkyd & Resins Limited	133,333	10	1,500,000	1,500,000
Union Motor Services Limited	366,667	10	8,806,560	8,806,560
Vijaya Home Loans Limited	50,000	10	500,000	500,000
Total (B)			55,548,590	55,548,590
Unquoted Investments - Debentures (At cost)				
18% Unsecured Redeemable Non-Convertible Debentures of Century Wood Limited	40000	100	5,850,000	5,850,000
Total (C)			5,850,000	5,850,000
Total (A) + (B) + (C)			106,821,025	106,821,025



	Cost (₹)	Market Value (₹)
Aggregate Value of Quoted Investment		
Equity Shares (Previous Year)	45,422,435 (45,422,435)	168,323,205*** (66,787,477)
Aggregate Value of Unquoted Investment		
Equity Shares (Previous Year)	55,548,590 (55,548,590)	
Total	100,971,025	
(Previous Year)	(100,971,025)	

*** Market value of quoted investments includes only market value of Cipla Limited, Ambika Cotton Mills Limited and Vedanta Limited since other quoted shares' market value is not available.

NOTE "10" TO CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH 2015

INVENTORIES (Valued at cost or market value whichever is less)	As on 31 st March 2015			As on 31 st March 2014		
	Inventory (₹)	Goods-in- Transit	Final Value (₹)	Inventory (₹)	Goods-in- Transit	Final Value (₹)
Unquoted Equity Shares						
1,41,000 Equity Shares of ₹ 10 each of Indo Deutsche Metallo Chimique Limited	24,675,000	-	24,675,000	24,675,000	-	24,675,000
Total	24,675,000	-	24,675,000	24,675,000	-	24,675,000

Note: Market value of Stock-in-Trade is not available and, therefore, it is valued at cost.

NOTE "11" TO CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH 2015

(₹)

CASH AND BANK BALANCES	As at 31 st March 2015	As at 31 st March 2014
Cash and Cash Equivalents		
Cash on hand	25,631	48,284
Balance with Banks	2,352,088	20,417
Bank Deposits (less than 3 months maturity)*	20,000,000	-
	22,377,719	68,701
Others		
Bank Deposits (more than 3 months but less than 12 months maturity)	22,775,000	30,857,818
Bank Deposits (more than 12 months maturity)**	150,470,836	159,055,971
	173,245,836	189,913,789
Total	195,623,555	189,982,489

*(Previous year ₹ 13,70,05,971)

**Out of which ₹ 14,79,20,836 is under lien with Kotak Mahindra Bank Ltd.

NOTE "12" TO CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH 2015

(₹)

OTHER CURRENT ASSETS	As on 31 st March 2015				As on 31 st March 2014			
	Secured, considered good	Unsecured, considered good	Doubtful	Total	Secured, considered good	Unsecured, considered good	Doubtful	Total
Interest accrued on Fixed Deposits with Banks	-	2,489,125	-	2,489,125	-	2,312,466	-	2,312,466
Security Deposits	-	416,760	-	416,760	-	389,030	-	389,030
Prepaid Expenses	-	203,760	-	203,760	-	331,278	-	331,278
Other Receivables	-	2,175,000	-	2,175,000	-	2,175,000	-	2,175,000
Advance Income Tax and TDS	-	4,826,963	-	4,826,963	-	3,131,113	-	3,131,113
Sales Tax paid against appeal	-	184,217	-	184,217	-	184,217	-	184,217
Service Tax Credit	-	14,361	-	14,361	-	-	-	-
Total	-	10,310,185	-	10,310,185	-	8,523,103	-	8,523,103

APPLE FINANCE LIMITED

NOTE "13" TO CONSOLIDATED PROFIT AND LOSS STATEMENT FOR THE YEAR ENDING 31ST MARCH 2015

(₹)

REVENUE FROM OPERATIONS	Year ending 31 st March 2015	Year ending 31 st March 2014
Hire-Purchase Income	9,000	13,250
Receipt against debts written off	1,000,000	-
Total	1,009,000	13,250

NOTE "14" TO CONSOLIDATED PROFIT AND LOSS STATEMENT FOR THE YEAR ENDING 31ST MARCH 2015

(₹)

OTHER INCOME	Year ending 31 st March 2015	Year ending 31 st March 2014
Interest (TDS ₹ 16,95,850; Previous Year ₹ 16,06,815)	16,948,779	16,068,229
Interest on Income Tax Refund	-	102,940
Dividend Income:		
- Others	2,397,933	1,785,234
Rent Income (TDS ₹ Nil; Previous Year ₹ 50,469)	-	504,690
Miscellaneous Income	1,707,849	207,895
Total	21,054,561	18,668,988

NOTE "15" TO CONSOLIDATED PROFIT AND LOSS STATEMENT FOR THE YEAR ENDING 31ST MARCH 2015

(₹)

EMPLOYEE BENEFITS EXPENSES	Year ending 31 st March 2015	Year ending 31 st March 2014
Salaries and wages	3,837,503	3,384,535
Contribution to Provident and other funds	1,248,825	611,735
Staff welfare expenses	419,550	365,424
Total	5,505,878	4,361,694

NOTE "16" TO CONSOLIDATED PROFIT AND LOSS STATEMENT FOR THE YEAR ENDING 31ST MARCH 2015

(₹)

OTHER EXPENSES	Year ending 31 st March 2015	Year ending 31 st March 2014
Power and fuel	359,224	332,971
Repairs to machinery	24,119	26,912
Repairs to building	250,000	-
Repairs and Maintenance - Others	18,097	38,260
Insurance	21,452	20,722
Rates and taxes excluding taxes on income	126,829	58,696
Society Charges	874,184	957,488
Legal and Professional fees	865,893	469,490
ROC Filing Fees	56,790	3,144
Claim against Financing Assets	350,000	1,023,240
Printing and Stationery	46,559	44,144
Telephone and Fax Expense	198,023	201,352
Courier Expenses	24,785	44,794
Service Charges	636,322	597,721
Security Charges	452,100	414,425
Travelling Expenses	591,553	183,732
Conveyance	6,499	8,467
Motor Car Expenses	900,196	850,366
AGM Expenses	2,318,362	1,867,968
Registrar, Share and Debenture Expenses	946,095	848,927
Directors' Sitting Fees	15,000	12,000
Membership and Subscription	1,625	4,434
Bank Charges	67	517
Books and Periodicals	19,026	5,493
Miscellaneous Expenses	19,147	24,856
Payments to the Auditor		
(a) as Auditor	406,940	406,743
(b) for Tax Audit	112,360	112,360
(c) for Limited Review Audit	84,270	84,270
Total	9,725,517	8,643,493



NOTE "17" TO CONSOLIDATED PROFIT AND LOSS STATEMENT FOR THE YEAR ENDING 31ST MARCH 2015

(₹)

EARNING PER SHARE		Year ending 31st March 2015	Year ending 31st March 2014
(a)	Net Profit after tax attributable to Equity Shareholders for Basic EPS	4,080,118	3,714,097
	Add/Less: Adjustment relating to potential equity shares	-	-
		4,080,118	3,714,097
(b)	Weighted average number of equity shares outstanding during the year		
	For Basic Earning Per Share	55,673,122	55,673,122
	For Diluted Earning Per Share	55,673,122	55,673,122
(c)	Basic Earning Per Share	0.07	0.07
	Diluted Earning Per Share	0.07	0.07
	Face Value Per Equity Share	10	10
(d)	Reconciliation between number of shares used for calculating basic and diluted earning per share		
	Particulars		
	No. of shares used for calculating basic earning per share	55,673,122	55,673,122
	Add: Potential equity shares	-	-
	No. of shares used for calculating diluted earning per share	55,673,122	55,673,122

NOTE "18" - NOTES TO CONSOLIDATED ACCOUNTS

Notes forming part of the Accounts for the year ended 31st March, 2015

	As at 31st March 2015 (₹)	As at 31st March 2014 (₹)
(1) As the business was unviable, the Company surrendered its Certificate of Registration of Non-Banking Financial Institution to Reserve Bank of India. Reserve Bank of India has cancelled the said Certificate of Registration vide their letter No. DNBS. MRO.No.4716 & 4869 / 02.01.60.Apple / 2003-04 dated January 13, 2004 and January 18, 2004. In view of this, in terms of Section 45-IA of the RBI Act, 1934, now the Company is not entitled to carry on the business of Non-Banking Financial Institution. However, the Company can in future carry on the business of Non-Banking Financial Institution after taking necessary approval from Reserve Bank of India. The Company does have business income from Interest, etc. and also have Stock-in-Trade for business and hence, accounts have been prepared on the Going Concern Basis and Historical Cost Method.		
(2) Contingent Liabilities in respect of: In the matter of assignment of the Company's rights, title and interest arising out of the Agreement to Lease dated April 3, 1995 made between the Company and MMRDA and the lease of the land and the building constructed thereon, pursuant to the Consent Terms entered into by the Company with Kotak Mahindra Bank Limited and another in Suit No.162 of 2002 before the Bombay High Court, Rs.10 crore have been retained by Kotak Mahindra Bank Limited under a lien marked Fixed Deposit of the said Bank, for meeting any contingent liability that may arise in future. The Company's liability, however, shall in any event not exceed Rs.10 crore in terms of Clause 4 of the Agreement between the Company as the Borrower and Apple Credit Corporation Limited, Just Software Private Limited and Seismograph Securities Private Limited (all Confirming Parties) and Kotak Mahindra Bank Limited as Lender and Kotak Mahindra Prime Limited as Confirming Party in the Indenture dated March 30, 2009.	100,000,000	100,000,000
(3) The Company has been advised that it does not have taxable income under the Income-tax Act, 1961 for the current financial year and accordingly, no provision for Income Tax has been made in the Profit and Loss Account of the Company. Further, the Wealth Tax is accounted in the year in which it is paid and hence, no provision for the Wealth Tax has been made in the Profit and Loss Account of the Company.		
(4) (a) All investments are in the name of the Company, except those under transfer/delivery. (b) All the investments are held by the Company as long-term investments, except shown as Stock-in-Trade.		

APPLE FINANCE LIMITED

- (5) In accordance with the provisions of Schedule II to the Companies Act, 2013, in the case of fixed assets which have completed their useful life as at 1st April 2014, the carrying value amounting to ₹ 6,27,441 as a transitional provision has been recognized in the retained earnings/loss.

Further, in the case of other assets acquired prior to 1st April 2014, the carrying value of assets is depreciated over the remaining useful life of such assets. Depreciation expenses charged to profit and loss account for the year would have been lower by ₹ 7,69,396, had the Company continued with the previous assessment of useful life of such assets.

- (6) Remuneration to Directors:
(a) Remuneration paid to the Managing Director:

Salaries and contribution to the Provident and other funds
Perquisites*

Total

* Value of perquisites is determined as per the Income-tax Rules, 1962.

- (b) Since no commission is paid/payable to any Director, the computation of profits under Section 198 of the Companies Act, 2013 has not been made.
- (7) Confirmation of balances from parties have not been received. The balances, therefore, are as per the books of account of the Company.
- (8) There are no separate reportable segments.
- (9) Demat Account holding statement as on 31.3.2015 includes 500 equity shares of Swelect Energy Systems Limited, which were already sold by the Company. However, the same have not been transferred by the transferee in its own name. Consequently, dividends received on said shares have been considered as current liability.
- (10) Disclosures as required by the Accounting Standard 18 "Related Party Disclosures" are given below:

Name of related party and Nature of relationship

- (i) Directors/Key Managerial Personnel : Remuneration
Mr. Mahesh K. Rachh, Managing Director
- (ii) Director and their relatives - Professional Fees
Mrs. Anita Menon (Director's spouse)
- iii) Director Sitting fees
Mr. Mahesh Menon, Director
Mr. Mahendra Shah, Director
Mrs. Jacqueline Patel, Director
- (11) Consequent to the issuance of the Accounting Standard 22 "Accounting for Taxes on Income" by the Institute of Chartered Accountants of India, which is mandatory, the Company has had Deferred Tax Assets (net) of ₹ 16,84,51,676. In the opinion of the Board of Directors, it is unlikely that the Company would be able to take advantage of Deferred Tax Assets in the near future and accordingly, Deferred Tax Asset has not been considered.

Particulars

- Deferred Tax Asset:
- (1) Provision for Non-Performing Assets and Diminution in the value of Investments
- (2) Carry forward losses (including Unabsorbed Depreciation)
- (3) Depreciation
- Deferred Tax Asset (net)
- (12) (a) Details of Stock of Shares and Securities:-

	For the year ended 31st March 2015 (₹)	For the year ended 31st March 2014 (₹)
Salaries and contribution to the Provident and other funds	2,326,864	2,101,187
Perquisites*	132,606	90,600
Total	2,459,470	2,191,787

	For the year ended 31st March 2015 (₹)	For the year ended 31st March 2014 (₹)
(i) Directors/Key Managerial Personnel : Remuneration Mr. Mahesh K. Rachh, Managing Director	2,459,470	2,191,787
(ii) Director and their relatives - Professional Fees Mrs. Anita Menon (Director's spouse)	120,000	120,000
iii) Director Sitting fees Mr. Mahesh Menon, Director	6,000	6,000
Mr. Mahendra Shah, Director	6,000	6,000
Mrs. Jacqueline Patel, Director	3,000	-

	As at 31st March 2015 (₹)	As at 31st March 2014 (₹)
Deferred Tax Asset:		
(1) Provision for Non-Performing Assets and Diminution in the value of Investments	22,397,763	23,464,323
(2) Carry forward losses (including Unabsorbed Depreciation)	162,807,968	183,457,760
(3) Depreciation	<u>(17,063,926)</u>	<u>(18,472,306)</u>
Deferred Tax Asset (net)	<u>168,141,805</u>	<u>188,449,777</u>

**Particulars**

	As at 31st March 2015 (₹)	As at 31st March 2014 (₹)
Unquoted		
141,000 Equity Shares of ₹ 10 each of Indo Deutsche Metallo Chimique Limited	24,675,000	24,675,000
	<u>24,675,000</u>	<u>24,675,000</u>
(b) Quantitative Details:-		
(i) Opening Stock		
Quantity (Nos.)	141,000	141,000
Value (₹)	24,675,000	24,675,000
(ii) Purchases/Received against Claims/Acquisition on Merger/Bonus		
Quantity (Nos.)	-	-
Value (₹)	-	-
(iii) Sales/Reduction on Merger		
Quantity (Nos.)	-	-
Value (₹)	-	-
(iv) Closing Stock		
Quantity (Nos.)	141,000	141,000
Value (₹)	24,675,000	24,675,000
(13) As per the Accounting Standard 13, Stock-in-Trade (Shares) is required to be recognized at cost or fair value whichever is less. However, the same has not been followed as fair value of the shares are not available because those companies' shares are not quoted in the stock market. Hence, provision for the same has been made.		
(14) Cash Flow is prepared as per Indirect Method.		
(15) The previous year's figures have been reworked, regrouped, rearranged and reclassified wherever necessary. Amount and other disclosures for the preceding year are included as an integral part of the current year's financial statement and are to be read in relation to the amount and other disclosure relating to the current year.		

Signatures to Note "1" to "18"

As per our Report of even date

For Mahendra Kumbhat & Associates

Chartered Accountants

Firm Regn. No.105770W

Amar Chand Bagrecha

Partner

Membership No.56605

Place: Mumbai

Dated: May 29, 2015

On behalf of the Board

Mahesh K. Rachh

Managing Director

Mahesh Menon

Director

Mahendra S. Shah

Director

Jacqueline Patel

Director

P. B. Deshpande

Company Secretary

**ATTENDANCE SLIP
APPLE FINANCE LIMITED**

CIN: L65910MH1985PLC037767
8 Apeejay House, 130 Mumbai Samachar Marg, Mumbai 400 023
info@applefinance.co.in/www.applefinance.co.in Tel.: 91 22 2288 6100 Fax: 2288 6106
29th Annual General Meeting – September 24, 2015

Registered Folio No./DP ID No./Client ID No.

--	--	--	--	--	--	--	--	--	--	--	--	--	--	--

Number of shares held

--	--	--	--	--	--	--	--

I certify that I am a Member/proxy for the Member of the Company.

I hereby record my presence at the 29th Annual General Meeting of the Company at M. C. Ghia Hall, Bhogilal Hargovindas Building, Floor 4, 18/20 Kaikhushru Dubash Marg, Mumbai 400 001 on Thursday, September 24, 2015 at 3.30 p.m.

Name of the Member/proxy
(in BLOCK letters)

Signature of the Member/proxy

Note: Please fill up this Attendance Slip and hand it over at the entrance of the meeting hall. Members are requested to bring their copies of the Annual Report to the AGM.

PROXY FORM

[Pursuant to Section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies (Management and Administration) Rules, 2014]

APPLE FINANCE LIMITED

CIN: L65910MH1985PLC037767
8 Apeejay House, 130 Mumbai Samachar Marg, Mumbai 400 023
info@applefinance.co.in/www.applefinance.co.in Tel.: 91 22 2288 6100 Fax: 2288 6106
29th Annual General Meeting – September 24, 2015

Name of the member(s)	
Registered address	
Email	
Folio No./Client ID	
DP ID	

I/We, being the member(s) of shares of the above name Company, hereby appoint

- Name:
Address:
Email: Signature: or failing him/her
- Name:
Address:
Email: Signature: or failing him/her
- Name:
Address:
Email: Signature: or failing him/her

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 29th Annual General Meeting of the Company, to be held on Thursday, September 24, 2015 at 3.30 p.m. at M. C. Ghia Hall, Bhogilal Hargovindas Building, Floor 4, 18/20 Kaikhushru Dubash Marg, Mumbai 400 001 and at any adjournment thereof in respect of such resolutions as are indicated below:-

Resolution	
Ordinary Business	
1.	Adoption of financial statement of the Company, Reports of the Board of Directors and Auditors for the financial year ended March 31, 2015.
2.	Appoint a Director in place of Mr. Mahesh Raghavan Menon who retires by rotation and being eligible, seeks re-appointment.
3.	Appoint Messrs Mahendra Kumbhat & Associates, Chartered Accountants, as the Auditors of the Company.
Special Business	
4.	Mortgaging/charging/hypothecating the movable or immovable properties of the Company for securing loans and advances.

Signed this day of 2015

Affix Revenue stamp

Signature of the shareholder

Signature of the proxy holder(s)

Note:

This Form, in order to be effective, should be duly stamped, signed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.

IF UNDELIVERED, PLEASE RETURN TO:

Sharepro Services (India) Pvt. Ltd.

Unit: Apple Finance Limited

13AB, Samhita Warehousing Complex, Floor 2 Sakinaka Telephone Exchange Lane
Off Andheri-Kurla Road, Sakinaka, Andheri (East), Mumbai 400 072, India