

**APPLE FINANCE LIMITED**

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**32<sup>ND</sup> ANNUAL REPORT 2017-2018**

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## REGISTERED OFFICE

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130 Mumbai Samachar Marg  
Mumbai 400 023  
CIN: L65910MH1985PLC037767  
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Email: info@applefinance.co.in  
www.applefinance.co.in

## BOARD OF DIRECTORS

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

## AUDITORS

Messrs Kucheria & Associates  
Chartered Accountants

## 32<sup>ND</sup> ANNUAL GENERAL MEETING

On Tuesday, September 25, 2018  
at 3.30 p.m. at M. C. Ghia Hall, Bhogilal  
Hargovindas Building, Floor 4  
18/20 Kaikhushru Dubash Marg  
Mumbai 400 001

## REGISTRAR & TRANSFER AGENT

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

# APPLE FINANCE LIMITED

## NOTICE

NOTICE is hereby given that the 32<sup>nd</sup> Annual General Meeting of the Members of Apple Finance Limited will be held on Tuesday, September 25, 2018 at 3.30 p.m. at M. C. Ghia Hall, Bhogilal Hargovindas Building, Floor 4, 18/20 Kaikhushru Dubash Marg, Mumbai 400 001 to transact the following business:-

### ORDINARY BUSINESS

1. To consider and adopt:-
  - a. the audited financial statements of the Company for the financial year ended March 31, 2018, the reports of the Board of Directors and the Auditors thereon; and
  - b. the audited consolidated financial statements of the Company for the financial year ended March 31, 2018.
2. To appoint a Director in place of Mr. Mahesh Raghavan Menon (DIN: 00164298), who retires by rotation at this Annual General Meeting and being eligible, has offered himself for reappointment.

### SPECIAL BUSINESS

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

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

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

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

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

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

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

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

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

### NOTES:

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

2. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON A POLL INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. The instrument appointing the proxy should, however, be deposited at the Registered Office of the Company not less than 48 (forty-eight) hours before the commencement of the Meeting.

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

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



8. Relevant documents referred to in the Notice are open for inspection by the Members at the Company's Registered Office on all working days (Monday to Friday), except Saturdays, Sundays and holidays between 3.00 p.m. and 5.00 p.m. up to the date of the Meeting.
9. Pursuant to the Notification dated June 8, 2018 issued by Securities & Exchange Board of India, securities of listed companies can be transferred only in dematerialized form from December 5, 2018. In view of this, and to avail of various benefits of dematerialization, Members are advised to dematerialize shares held by them in physical form.
10. In terms of the Circular No.SEBI/HO/MIRD/DOP/CIR/P/2018/73 dated April 20, 2018 issued by Securities & Exchange Board of India, Members holding shares in physical mode are required to submit the following to the Company:-
  - (a) An original cancelled cheque leaf, which bears the name of the first-named shareholder, or in its absence
  - (b) Copy of Bank Pass Book/Bank Account Statement duly attested by the Bank
  - (c) A photocopy of PAN card and the PAN card of all Joint holder(s) self-attested in blue ink for updating the same in the Company's records.
11. The Register of Members and Share Transfer Books of the Company will remain closed from September 19, 2018 to September 25, 2018 (both days inclusive).
12. Members holding shares in physical form are requested to notify the change, if any, in their address to the Registrar & Transfer Agents of the Company at the following address: Bigshare Services Private Limited at Bharat Tin Works Building, Floor 1, Opp. Vasant Oasis, Makwana Road, Marol, Andheri (East), Mumbai 400 059.
13. Securities & Exchange Board of India has mandated the submission of Permanent Account Number ("PAN") by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their Depository Participants with whom they are maintaining their demat accounts.
14. Members who hold shares in physical form can nominate a person in respect of all the shares held by them singly or jointly. Members who hold shares in single name are advised, in their own interest, to avail of the nomination facility. The Company's Registrar & Transfer Agents on request will supply nomination forms. Members holding shares in the dematerialized form may contact the Depository Participant for recording nomination in respect of their shares.
15. Members who hold shares in physical form in multiple folios in identical names or joint holding in the same order of names are requested to send the share certificates to the Company's Registrar & Transfer Agent, Bigshare Services Private Limited, for consolidation into a single folio.
16. The Notice of the Meeting along with the 32<sup>nd</sup> Annual Report for the financial year 2017-2018 is being sent by electronic mode to all the Members whose email addresses are registered with the Depositories, unless any Member has requested for a physical copy of the same. For Members who have not registered their email addresses with the Depositories, physical copies are being sent by the permitted modes. The Notice of the Meeting has also been posted on the Company's website [www.applefinance.co.in](http://www.applefinance.co.in)
17. The process and manner for Members opting for voting through electronic means:-
  - (i) In compliance with the provisions of Section 108 of the Act, read with Rule 20 of the Companies (Management & Administration) Rules, 2014, the Company is pleased to offer the facility of voting through electronic means, and the business set out in the Notice above may be transacted through such electronic voting. The facility of voting through electronic means is provided through the e-Voting platform of Central Depository Services (India) Limited ("CDSL") ("remote e-Voting").
  - (ii) The Member whose name is recorded in the Register of Members or in the Register of Beneficial Owners maintained by the Depositories as on the Cut Off Date of September 18, 2018 shall be entitled to avail the facility of remote e-Voting as well as voting at the Meeting. Any recipient of the Notice who has no voting rights as on the Cut Off date, shall treat this Notice as intimation only.
  - (iii) A person who has acquired the shares and has become Member of the Company after the despatch of the Notice of the Meeting and prior to the Cut Off date i.e. September 18, 2018, shall be entitled to exercise his votes either electronically through remote e-Voting or through the Poll Paper at the Meeting by following the procedure mentioned in this part.
  - (iv) The remote e-Voting will commence on Saturday, September 22, 2018 at 10.00 a.m. and will end on Monday, September 24, 2018 at 5.00 p.m. During this period, the Members of the Company holding shares either in physical form or in electronic form as on the Cut Off date September 18, 2018 may cast their vote electronically. The Members will not be able to cast their vote electronically beyond the date and time mentioned above and the remote e-Voting module shall be disabled for voting by CDSL thereafter.
  - (v) Once the vote on a resolution is cast by the Member, he shall not be allowed to change it subsequently or cast the vote again.
  - (vi) The facility for voting through Poll Paper would be made available at the Meeting and the Members attending the Meeting who have not already cast their votes by remote e-Voting shall be able to exercise their right at the Meeting through Poll Paper. The Members who have already cast their vote by remote e-Voting prior to the Meeting may also attend the Meeting but shall not be entitled to cast their vote again.
  - (vii) The voting rights of the Members shall be in proportion to their shares in the paid-up equity share capital of the Company as on the Cut Off date of September 18, 2018.
  - (viii) The Company has appointed Mr. Umesh P. Maskeri, Practicing Company Secretary (FCS No.4831, COP No.12704), to act as the Scrutinizer for conducting the remote e-Voting process as well as the voting through Poll Paper at the Meeting in a fair and transparent manner.

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

- (a) The e-Voting period begins on Saturday, September 22, 2018 (10.00 a.m.) and ends on Monday, September 24, 2018 (5.00 p.m.). During this period, shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the Cut Off date (record date) of September 18, 2018 may cast their vote electronically. The e-Voting module shall be disabled by CDSL for voting thereafter.
- (b) The shareholders should log on to the e-Voting website [www.evotingindia.com](http://www.evotingindia.com).
- (c) Click on "Shareholders/Members" tab.
- (d) Now, enter your User ID
  - a. For CDSL: 16 digits beneficiary ID.
  - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID.
  - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (e) Next, enter the "Image Verification" as displayed and Click on Login.
- (f) If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any company, then your existing password is to be used.
- (g) If you are a first time user, follow the steps given below:-

	For Members holding shares in Demat Form and Physical Form
PAN	<p>Enter your 10 digit alpha-numeric PAN issued by the Income Tax Department (applicable for both electronic shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"> <li>• Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number (refer Sr. No. printed on the name and address sticker/Postal Ballot Form/mail) in the PAN field.</li> <li>• In case the sequence number is less than 8 digits, enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.</li> </ul>
Dividend Bank Details OR Date of Birth (DOB)	<p>Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the Company records in order to log in.</p> <ul style="list-style-type: none"> <li>• If both the details are not recorded with the Depository or Company, please enter the member ID/Folio No. in the Dividend Bank details field as mentioned in instruction (d)</li> </ul>

(h) After entering these details appropriately, click on "SUBMIT" tab.

- (i) Members holding shares in physical form will then directly reach the Company selection screen. However, Members holding shares in demat form will now reach "Password Creation" menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-Voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (j) For Members holding shares in physical form, the details can be used only for e-Voting on the resolutions contained in this Notice.
- (k) Click on the EVSN for Apple Finance Limited on which you choose to vote.
- (l) On the Voting Page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (m) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (n) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (o) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (p) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting Page.
- (q) If demat account holder has forgotten the changed password, then enter the User ID and the "Image Verification Code" and click on Forgot Password and enter the details as prompted by the system.
- (r) Shareholders can also cast their vote using CDSL's mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. Apple and Windows phone users can download the app from the App Store and the Windows Phone Store respectively. Please follow the instructions as prompted by the mobile app while voting on your mobile.
- (s) Notes for non-individual Shareholders and Custodians:-
  - Non-individual shareholders (i.e. other than individuals, HUF, NRI etc.) and Custodian are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves as Corporates.



- A scanned copy of the Registration Form bearing the stamp and signature of the entity should be emailed to helpdesk.evoting@cdslindia.com
  - After receiving the login details, a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
  - The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts, they would be able to cast their vote.
  - A scanned copy of the Board Resolution and Power of Attorney which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the Scrutinizer to verify the same.
- (t) In case you have any queries or issues regarding remote e-Voting, you may refer the Frequently Asked Questions ("FAQs") and e-Voting manual available at [www.evotingindia.com](http://www.evotingindia.com) under Help Section or write an email to helpdesk.evoting@cdslindia.com.
- (u) In case of any query or grievance relating to e-Voting, Members may contact the Company Secretary at the Company's Registered Office or by email to [info@applefinance.co.in](mailto:info@applefinance.co.in)
- (x) The Chairman shall, at the Meeting, at the end of the discussion on the resolutions on which voting is to be held, allow voting, with the assistance of the Scrutinizer, by use of Poll Paper for all those Members who are present at the Meeting but have not cast their votes by availing the remote e-Voting facility.
- (xi) The Scrutinizer shall, immediately after the conclusion of voting at the Meeting, first count the votes cast at the Meeting and thereafter unblock the votes cast through remote e-Voting in the presence of at least two witnesses not in the employment of the Company and shall not later than three days of conclusion of the Meeting, issue a consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing who shall countersign the same. The Chairman or a person authorized by him in writing shall declare the result of the voting forthwith.
- (xii) The results declared, along with the Scrutinizer's Report, will be placed immediately, after the declaration of the same by the Chairman on the Company's website [www.applefinance.co.in](http://www.applefinance.co.in) and on the website of CDSL i.e. [www.evotingindia.com](http://www.evotingindia.com) and also be communicated to BSE Limited, where the shares of the Company are listed.

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

### **Item No.3**

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

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

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

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

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

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

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

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

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

Save and except Mr. Sarma, none of the other Directors/Key Managerial Personnel of the Company/their relatives is, in any way, concerned or interested, financially or otherwise, in this resolution.

The Board commends the Ordinary Resolution set out at Item Nos.3 of the Notice for approval by the shareholders.

### **Item No.4**

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

# APPLE FINANCE LIMITED

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

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

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

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

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

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

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

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

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

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

Mr. P. B. Deshpande satisfies all the conditions set out in Part I of Schedule V to the Act as also the conditions set out under Section 196(3) of the Act for being eligible for his appointment.

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

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

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

Save and except Mr. P. B. Deshpande, none of the other Directors/Key Managerial Personnel of the Company/their relatives is, in any way, concerned or interested, financially or otherwise, in this resolution.

The Board recommends the Ordinary Resolution set out at Item Nos.4 of the Notice for approval by the shareholders.

## Item No.5

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

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

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

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

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

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

Mumbai, August 14, 2018

*Registered Office:*

8 Apeejay House  
130 Mumbai Samachar Marg  
Mumbai 400 023

Tel.: 91+22-2288 6100 Fax: 2288 6106  
CIN: L65910MH1985PLC037767  
Email: info@applefinance.co.in  
www.applefinance.co.in

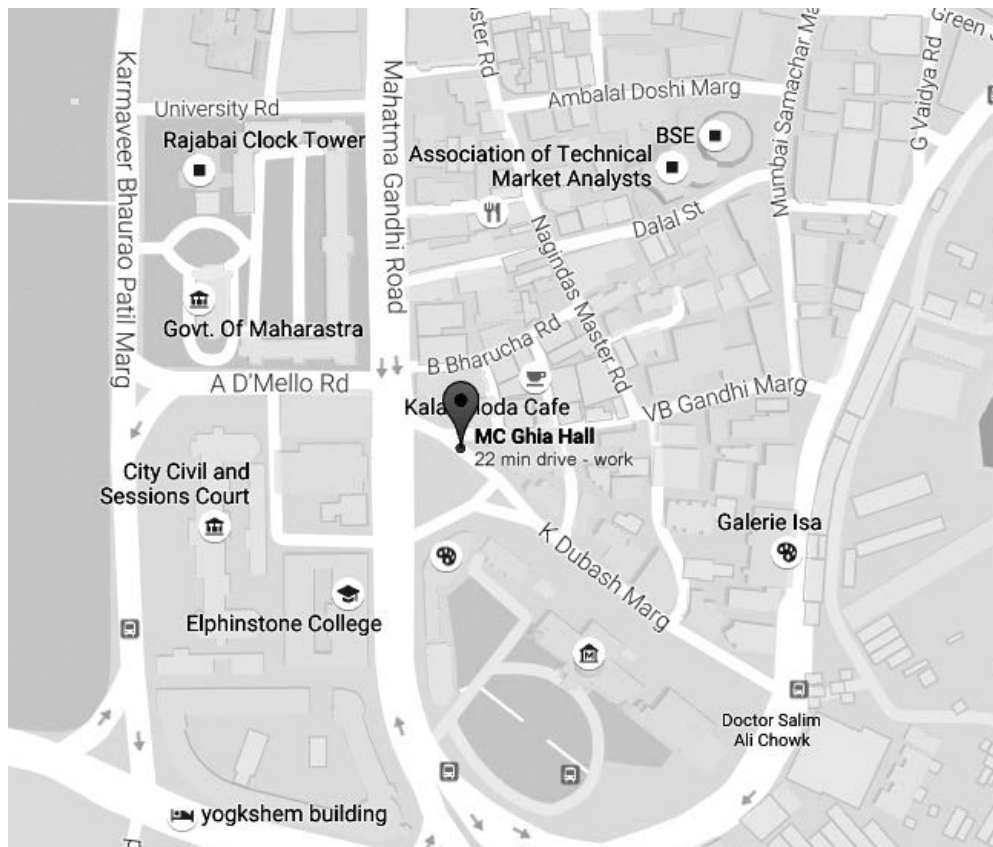


## ANNEXURE TO THE NOTICE

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

Particulars	Maresh Raghavan Menon	Mr. Jayanty Ramakrishna Sarma
Date of Birth	14.05.1964	09.07.1957
Date of Appointment	19.3.2004	05.04.2018
Qualifications	B.Sc., LL.B.	M.A. (Economics), AICWA, ACS.
Expertise in specific functional areas	Mr. Menon has been in legal profession since October 1987 and has been actively practicing law. He is the proprietor of the law firm, M/s. Mahesh Menon & Co., Advocates.	Mr. Sarma has over 40 years of rich experience in Banking, Treasury, Finance and Corporate Administration. His experience includes various areas ranging from Accounts, Audit, Treasury, Taxation and Corporate Laws.
Relationship with other Directors/Key Managerial Personnel	Not related to any Director/Key Managerial Personnel.	Not related to any Director/Key Managerial Personnel.
Directorship held in other public listed entities (excluding foreign companies)	None	None
Memberships/ Chairmanships of Committees of other listed entities (only Audit and Shareholders'/Investors' Grievance Committee)	None	None
Shareholding in the Company	100	Nil

### ROAD MAP FOR THE 32<sup>ND</sup> AGM VENUE





# APPLE FINANCE LIMITED

## DIRECTORS' REPORT

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

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

### FINANCIAL HIGHLIGHTS

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

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

### AMOUNTS CARRIED TO RESERVES

The Net Profit of ₹ 21.91 lakh has been transferred to the Profit and Loss Account and as such, no amount has been carried to Reserves.

### STATE OF AFFAIRS, MANAGEMENT DISCUSSION AND ANALYSIS

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

As the business was unviable, the Company during the financial year 2003-2004 surrendered its Certificate of Registration of Non-Banking Financial Institution to Reserve Bank of India and since then the Company has not embarked upon any new business activity including during the year under review.

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

### SUBSIDIARY

As on March 31, 2018, Apple Asset Management Limited is the wholly-owned subsidiary of the Company. The said subsidiary was in the business of managing Schemes of Apple Mutual Fund viz., Apple Midas Fund – The Gold Share and Apple Platinum Share. Effective December 27, 1999, both the Schemes of Apple Mutual Fund were taken over by Birla Mutual Fund and since then, the said subsidiary has not carried on any business.

A report on the financial performance and financial position of the subsidiary included in the consolidated financial statement is presented in Form No.AOC-1 pursuant to Section 129 of the Companies Act, 2013 read with Rule 5 of Companies (Accounts) Rules, 2014 and marked as Annexure 'A' to this Report.

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

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

Although the Company does not have a material subsidiary, your Company's policy on Material Subsidiary as approved by the Board of Directors is hosted on <http://applefinance.co.in/pdf/policy/2016/Material%20Subsidiary%20Policy.pdf>

### EXTRACT OF ANNUAL RETURN

Pursuant to Section 134(3)(a) and Section 92(3) of the Companies Act, 2013 read with Rule 12 of the Companies (Management & Administration) Rules, 2014, the extract of the Annual Return in Form No. MGT-9 as at March 31, 2018 forms part of this Report as Annexure 'B'.

### NUMBER OF MEETINGS OF THE BOARD

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

### DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to Section 134(3)(c) and Section 134(5) of the Companies Act, 2013 your Directors state that: -

- in the preparation of the annual accounts for the financial year ended March 31, 2018, the applicable accounting standards have been followed and there are no material departures from the same.
- the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2018 and of the profit of the Company for the year ended on that date.
- the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- the Directors have prepared the annual accounts on a 'going concern' basis.
- the Directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and are operating effectively.
- the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

### INTERNAL FINANCIAL CONTROLS

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



## **DECLARATION BY INDEPENDENT DIRECTORS**

The Company has received declarations from both the Independent Directors as per the provisions of Section 149(7) of the Companies Act, 2013, confirming that they meet the criteria of independence as prescribed under the provisions of Section 149(6) of the Companies Act, 2013 and that there is no change in the circumstances as on the date of this Report, which may affect their respective status as an Independent Director.

## **AUDITORS**

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

## **AUDITORS' REPORT**

As regards observations of the Auditors under the head 'Opinion' in the Independent Auditors' Report, attention of the Members is invited to Note Nos.4(3), 21(1) and 21(10) to the Annual Accounts, which are self-explanatory. Save and except this, the Auditors' Report does not contain any disclaimer, adverse remark, reservation or qualification.

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

## **AUDIT COMMITTEE**

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

## **SECRETARIAL AUDIT**

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

With reference to the observations made in the Secretarial Audit Report dated May 29, 2018 regarding non-compliance with Section 203 of the Companies Act, 2013 read with the Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014 regarding non-appointment of a Chief Financial Officer, your Directors submit that the said observations have been duly noted and necessary action is being initiated to comply with the requirement of the said Section. Your Directors shall also ensure meticulous compliance of the provisions of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 including Regulation 30 thereof.

## **LOANS, GUARANTEES AND INVESTMENTS**

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

## **CONTRACTS/ARRANGEMENTS WITH RELATED PARTIES**

All related party transactions which were entered into during the financial year ended March 31, 2018 were in the ordinary

course of business and on arm's length basis to serve mutual need and mutual interest and as such, outside the purview of Section 188 of the Companies Act, 2013. There were no materially significant related party transactions made by your Company. The Company has accordingly nothing to report in Form No.AOC-2 and hence the same is not annexed.

Your Directors draw attention of the Members to Note No.21(9) to the standalone financial statement, which sets out related party disclosure.

The Company has adopted a policy of Related Party Transactions and the said policy can be accessed on <http://applefinance.co.in/pdf/policy/2016/Related%20Party%20Transaction%20Policy.pdf>

## **MATERIAL CHANGES AND COMMITMENTS**

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

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

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

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

## **RISK MANAGEMENT POLICY**

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

## **CORPORATE SOCIAL RESPONSIBILITY**

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

## **DIRECTORS AND KEY MANAGERIAL PERSONNEL**

At the 28<sup>th</sup> 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 33<sup>rd</sup> Annual General Meeting of the Company.

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

# APPLE FINANCE LIMITED

Ramakrishna Sarma as an Additional Director, holding office up to the date of the 32<sup>nd</sup> Annual General Meeting.

In accordance with Section 149 of the Companies Act, 2013, your Board of Directors is seeking appointment of Mr. Sarma as an Independent Director for 5 (five) consecutive years for a term up to the 37<sup>th</sup> Annual General Meeting.

Mr. Mahesh K. Rachh retires by rotation at the 32<sup>nd</sup> Annual General Meeting and does not seek reappointment.

At the 32<sup>nd</sup> Annual General Meeting scheduled to be held on September 25, 2018, Mr. Mahesh Raghavan Menon is sought to be reappointed as the 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.

## **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 Nomination and 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 Company's Board of Directors is committed to assessing its own performance as a Board in order to identify its strength and areas in which it may improve its functioning. To that end, the Nomination and Remuneration Committee has established processes for evaluation of performance of Independent Directors and the Board.

Pursuant to the provisions of Section 134(3)(p) of the Companies Act, 2013 and Regulation 17 of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, the Board has carried out an annual performance evaluation of its own performance, the Directors individually as well as the evaluation of the working of its Audit, Nomination and Remuneration and other Committees. A structured evaluation was conducted after taking into consideration inputs received from the Directors, covering various aspects including but not limited to the knowledge to perform the role, time and level of participation, performance of duties, level of oversight, professional conduct and independence.

## **VIGIL MECHANISM**

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

## **PARTICULARS OF EMPLOYEES**

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

## **SHARE CAPITAL**

During the year under review, no share with differential rights was issued by your Company nor did your Company issue any equity share as sweat equity share.

## **DISCLOSURE ON SHARES HELD IN SUSPENSE ACCOUNT**

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

## **DEPOSITS**

Your Company has not accepted any deposit within the meaning of the Chapter V of the Companies Act, 2013. Further, no amount on account of principal or interest on deposit was outstanding as at the end of the year under Report.

## **CONSOLIDATED FINANCIAL STATEMENTS**

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

## **CORPORATE GOVERNANCE**

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

## **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.

## **LISTING WITH STOCK EXCHANGE**

Your Company's equity shares are listed on BSE Limited. The Annual Listing Fee for the financial year 2018-2019 has been duly paid to BSE Limited.

## **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, we 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

Based on the Policy on Prevention, Prohibition and Redressal of Sexual Harassment of Women at Workplace, the Internal Complaints Committee of your Company informed that no case of sexual harassment was reported during the year under review.

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 30, 2018

## 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, 2017 to March 31, 2018
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	: (₹ 10,62,15,287)
Total Assets	: ₹ 5,24,31,116
Total Liabilities	: ₹ 4,66,46,403
Investments	: ₹ 5,24,14,613
Turnover	: Nil
Profit before Taxation	: ₹ 58,036
Provision for Taxation	: Nil
Profit after Taxation	: ₹ 58,036
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

#### Part "B"

#### Associates and Joint Ventures

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

For and on behalf of the Board

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

Place: Mumbai  
Date: May 30, 2018

# APPLE FINANCE LIMITED

## ANNEXURE "B"

### FORM NO.MGT 9

### EXTRACT OF ANNUAL RETURN

as on financial year ended on 31.03.2018

[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.	Bigshare Services Pvt. Ltd, Floor 1, Bharat Tin Works Building, Opp. Vasant Oasis, Makwana Road, Marol, Andheri (East), Mumbai 400 059, Maharashtra. Phone No. 022-62638200, Fax: No. 022-62638299, Email: investor@bigshareonline.com Website: www.bigshareonline.com

#### 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 01-April-2017]				No. of Shares held at the end of the year [As on 31-March-2018]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>A. Promoters</b>									
<b>(1) Indian</b>									
a) Individual/ HUF	-	-	-	-	-	-	-	-	-
b) Central Govt	-	-	-	-	-	-	-	-	-
c) State Govt(s)	-	-	-	-	-	-	-	-	-
d) Bodies Corp.	13751596	-	13751596	24.70	13751596	-	13751596	24.70	-
e) Banks/FI	-	-	-	-	-	-	-	-	-
f) Any other	-	-	-	-	-	-	-	-	-
<b>Sub-Total (A)(1)</b>	13751596	-	13751596	24.70	13751596	-	13751596	24.70	-



Category of Shareholders	No. of Shares held at the beginning of the year [As on 01-April-2017]				No. of Shares held at the end of the year [As on 31-March-2018]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>(2) Foreign</b>									
a) NRI Individuals	-	-	-	-	-	-	-	-	-
b) Other Individuals	-	-	-	-	-	-	-	-	-
c) Bodies Corp.	-	-	-	-	-	-	-	-	-
d) Any other	-	-	-	-	-	-	-	-	-
<b>Sub-Total (A) (2)</b>	-	-	-	-	-	-	-	-	-
<b>TOTAL (A)</b>	13751596	-	13751596	24.70	13751596	-	13751596	24.70	-
<b>B. Public Shareholding</b>									
<b>1. Institutions</b>									
a) Mutual Funds	50	13265	13315	0.02	50	13265	13315	0.02	-
b) Banks / FI	4535	22070	26605	0.05	4535	22070	26605	0.05	-
c) Central Govt	-	-	-	-	-	-	-	-	-
d) State Govt(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FIIs	-	200	200	-	-	200	200	-	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others (specify)	-	-	-	-	-	-	-	-	-
<b>Sub-total (B)(1)</b>	4585	35535	40120	0.07	4585	35535	40120	0.07	-
<b>2. Non-Institutions</b>									
a) Bodies Corp.									
i) Indian	3028945	226802	3255747	5.85	2912283	-	2912283	5.23	(10.55)
ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individuals	-	-	-	-	-	-	-	-	-
i) Individual shareholders holding nominal share capital upto ₹ 1 lakh	11892388	13872723	25765111	46.29	11025871	14071000	25096871	45.08	(2.59)
ii) Individual shareholders holding nominal share capital in excess of ₹ 1 lakh	8433054	36300	8469354	15.21	9498995	36300	9535295	17.13	12.59
c) Others (specify)									
Non-Resident Indians	261051	619962	881013	1.58	260759	618912	879671	1.58	(0.15)
Overseas Corporate Bodies	1250	-	1250	-	-	-	-	-	-
Foreign Nationals	-	-	-	-	-	-	-	-	-
Clearing Members	191771	-	191771	0.34	140126	-	140126	0.25	(26.93)
Trusts	3217020	100140	3317160	5.96	3217020	100140	3317160	5.96	-
Foreign Bodies	-	-	-	-	-	-	-	-	-
<b>Sub-total (B)(2)</b>	27025479	14855927	41881406	75.23	27055054	14826352	41881406	75.23	-
<b>Total Public (B)</b>	27030064	14891462	41921526	75.30	27059639	14861887	41921526	75.30	-
<b>C. Shares held by Custodian for GDRs &amp; ADRs</b>	-	-	-	-	-	-	-	-	-
<b>Grand Total (A+B+C)</b>	40781660	14891462	55673122	100.00	40811235	14861887	55673122	100.00	-

# APPLE FINANCE LIMITED

## (ii) Shareholding of Promoters

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	Chivas Trading Private Limited	3168216	5.69	-	3168216	5.69	-	-
2	Honcho Trading Private Limited	10583380	19.01	-	10583380	19.01	-	-

## (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	-
	Changes during the year		No Change	-	-	No Change	-
	At the end of the year		No Change	-	-	No Change	-

## (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	1/4/2017		3316680	5.96	3316680	5.96
	Changes during the year			-	-	-	-
	At the end of the year	31/3/2018		-	-	3316680	5.96
2	Bharat Equity Service Ltd.						
	At the beginning of the year	1/4/2017		1430000	2.57	1430000	2.57
	Changes during the year			-	-	-	-
	At the end of the year	31/3/2018		-	-	1430000	2.57
3	Prakash Chandra Prabhakar						
	At the beginning of the year	1/4/2017		-	-	-	-
	Changes during the year		Transfer	-	-	961000	1.73
	At the end of the year	31/3/2018		-	-	961000	1.73
4	Sandeep Dharendra Mehta						
	At the beginning of the year	1/4/2017		-	-	-	-
	Changes during the year		Transfer	-	-	650000	1.17
	At the end of the year	31/3/2018		-	-	650000	1.17
5	Manna Jitendra Shah						
	At the beginning of the year	1/4/2017		495000	0.89	495000	0.89
	Changes during the year			-	-	-	-
	At the end of the year	31/3/2018		-	-	495000	0.89
6	Anugrah Stock & Broking Pvt. Ltd.						
	At the beginning of the year	1/4/2017		-	-	-	-
	Changes during the year		Transfer	-	-	463356	0.83
	At the end of the year	31/3/2018		-	-	463356	0.83
7	Gaurav Ashokkumar Gosalia						
	At the beginning of the year	1/4/2017		394700	0.71	394700	0.71
	Changes during the year			-	-	-	-
	At the end of the year	31/3/2018		-	-	394700	0.71



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
8	Shiv Muttoo						
	At the beginning of the year	1/4/2017		5500	0.01	5500	0.01
	Changes during the year		Transfer	-	-	326033	0.59
	At the end of the year	31/3/2018		-	-	331533	0.60
9	Ketan Dalpat Shah						
	At the beginning of the year	1/4/2017		300000	0.54	300000	0.54
	Changes during the year			-	-	-	-
	At the end of the year	31/3/2018		-	-	300000	0.54
10	Avinash Sudhakar Foujdar						
	At the beginning of the year	1/4/2017		113436	0.20	113436	0.20
	Changes during the year		Transfer	-	-	140000	0.25
	At the end of the year	31/3/2018		-	-	253436	0.46

(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	1/4/2017		-	-	-	-
	Changes during the year			-	-	-	-
	At the end of the year	31/3/2018		-	-	-	-
2	Mahesh Raghavan Menon						
	At the beginning of the year	1/4/2017		100	-	100	-
	Changes during the year			-	-	-	-
	At the end of the year	31/3/2018		-	-	100	-
3	Mahendra S. Shah						
	At the beginning of the year	1/4/2017		-	-	-	-
	Changes during the year			-	-	-	-
	At the end of the year	31/3/2018		-	-	-	-
4	Jacqueline Patel						
	At the beginning of the year	1/4/2017		-	-	-	-
	Changes during the year			-	-	-	-
	At the end of the year	31/3/2018		-	-	-	-
5	P. B. Deshpande						
	At the beginning of the year	1/4/2017		600	-	600	-
	Changes during the year			-	-	-	-
	At the end of the year	31/3/2018		-	-	600	-



# APPLE FINANCE LIMITED

## 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
<b>Indebtedness at the beginning of the financial year</b>				
i) Principal Amount	-	-	-	-
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
<b>Total (i+ii+iii)</b>	-	-	-	-
<b>Change in Indebtedness during the financial year</b>				
* Addition	-	-	-	-
* Reduction	-	-	-	-
Net Change	-	-	-	-
<b>Indebtedness at the end of the financial year</b>				
i) Principal Amount	-	-	-	-
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
<b>Total (i+ii+iii)</b>	-	-	-	-

## 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
	<b>Name</b>	<b>Mahesh K. Rachh</b>	
	Designation	Managing Director	
1	Gross salary		
	(a) Salary as per provisions contained in Section 17(1) of the Income-tax Act, 1961	2335227	2335227
	(b) Value of perquisites u/s 17(2) of the Income-tax Act, 1961	105600	105600
	(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	337800	337800
	<b>Total (A)</b>	2778627	2778627
	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	<b>Mahendra S. Shah</b>	<b>Jacqueline Patel</b>	
	Fee for attending board/committee meetings	6000	6000	12000
	Commission	-	-	-
	Others, please specify	-	-	-
	<b>Total (1)</b>	6000	6000	12000
2	Other Non-Executive Directors	<b>Mahesh Menon</b>		
	Fee for attending board/committee meetings	6000	-	6000
	Commission	-	-	-
	Others, please specify	-	-	-
	<b>Total (2)</b>	6000	-	6000
	<b>Total (B)=(1+2)</b>	12000	6000	18000
	<b>Total Managerial Remuneration</b>			2796627
	Overall Ceiling as per the Act	800000	400000	5400000



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

(₹)

Sr. No.	Particulars of Remuneration	Name of Key Managerial Personnel			Total Amount
				P. B. Deshpande	
	<b>Name</b>				
	Designation	CEO	CFO	CS	
1	Gross salary				
	(a) Salary as per provisions contained in Section 17(1) of the Income-tax Act, 1961	-	-	953882	953882
	(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	-	-	-	-
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	-	-	172513	172513
	<b>Total</b>	-	-	1165995	1165995

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)
<b>A. COMPANY</b>					
Penalty					
Punishment					
Compounding					
<b>B. DIRECTORS</b>					
Penalty					
Punishment					
Compounding					
<b>C. OTHER OFFICERS IN DEFAULT</b>					
Penalty					
Punishment					
Compounding					

None

For and on behalf of the Board

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

Place: Mumbai  
Date: May 30, 2018

## ANNEXURE "C"

### FORM NO.MR 3 SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED MARCH 31, 2018

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule 9 of the Companies  
(Appointment and 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 the Secretarial Audit, whereby we report that in our opinion, the Company has, during the audit period covering the financial year ended on March 31, 2018, 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 the Company for the financial year ended on March 31, 2018 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) The Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ("the SEBI Act"):-
  - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 as amended from time to time;
  - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 as amended from time to time;
  - (c) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulation, 1993 regarding the Companies Act and dealing with client.

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

1. The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
2. The Secretarial Standards issued by The Institute of Company Secretaries of India (SS-1 and SS-2).

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

**(a) As per the provision of Section 203 of the Companies Act, 2013 and the rules made thereunder, the Company was required to appoint following whole-time key managerial personnel:-**

- i) Managing Director or Chief Executive Officer or Manager and in their absence, a Whole-time Director;**
- ii) Company Secretary; and**
- iii) Chief Financial Officer.**

**However, the Company has not appointed a Whole-time Chief Financial Officer during the audit period and the Management has informed us that they are under the process of appointing a Whole-time Chief Financial Officer and the same will be appointed in due course.**

**(b) As per Regulation 30 (Schedule III Part A(7)) - The Company has to intimate to the Stock Exchange about the material events which will have a bearing on the performance/operations of the company as well as price sensitive information both at the time of occurrence of the event and subsequently after the cessation of the event. The listed entity shall first disclose to stock exchange(s) of all events, as specified in Part 'A' of Schedule III, or information as soon as reasonably possible and not later than twenty-four hours from the occurrence of event or information.**



***The Company has not complied with the said Regulation; however, the Management has informed us that they would comply with the same henceforth.***

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.

Adequate notice was given to all Directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, 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.

During the period of Audit, all the decisions in the Board Meetings were carried out unanimously.

We have relied on the representation made by the Company and its officers for systems and mechanism framed by the Company for compliances under other Acts, Laws and Regulations applicable to the Company as listed in Annexure 'II'.

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 (as mentioned above and listed in Annexure 'II').

We further report that during the audit period, there were no specific events/actions having a major bearing on the Company's affairs.

**Pramod S. Shah & Associates**  
(Practicing Company Secretaries)

Bharat Sompura – Partner

Membership No.A10540

C.P. No.5540

Place: Mumbai

Date: May 30, 2018

## ANNEXURE I

To,  
The Members,  
Apple Finance Limited

Our report of even date is to be read along with this letter.

1. Maintenance of the secretarial record is the responsibility of the Management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and process as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the process and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and the books of account of the Company.
4. Wherever required, we have obtained the management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of corporate and other applicable laws, rules, regulations, standards is the responsibility of the management. Our examination was limited to the verification of procedure on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which, the Management has conducted the affairs of the Company.

## ANNEXURE II

- |  |  |
|--|--|
| 1. The Employees' Provident Fund and Miscellaneous Provisions Act, 1952      | 7. The Equal Remuneration Act, 1976                |
| 2. The Professional Tax Act, 1975 and Rules                                  | 8. The Minimum Wages Act, 1948                     |
| 3. The Payment of Gratuity Act, 1972   | 9. The Payment of Bonus Act, 1965                  |
| 4. The Contract Labour (R&A) Act, 1970                                       | 10. The Shop and Establishment Act, 1948           |
| 5. The Employment Exchanges (Compulsory Notification of Vacancies) Act, 1959 | 11. The Income-tax Act, 1961                       |
| 6. The Employees State Insurance Act, 1948                                   | 12. The Finance Act, as amended from time to time. |

**Pramod S. Shah & Associates**  
(Practicing Company Secretaries)

Bharat Sompura – Partner

Membership No.A10540

C.P. No.5540

Place: Mumbai

Date: May 30, 2018

## ANNEXURE "D"

### NOMINATION AND REMUNERATION POLICY

#### PREAMBLE

Pursuant to Section 178 of the Companies Act, 2013 and Regulation 19 of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, the Board of Directors is required to constitute the Nomination and Remuneration Committee. The Company has accordingly constituted the said Nomination and Remuneration Committee.

#### OBJECTIVE

The key objectives of the Nomination and Remuneration Committee are:-

- To guide the Board in relation to appointment and removal of Directors, Key Managerial Personnel and Senior Management.
- To evaluate the performance of the members of the Board and provide necessary report to the Board for further evaluation.
- To recommend to the Board on remuneration payable to the Directors, Key Managerial Personnel and Senior Management.

#### DEFINITIONS

- "Board" means the Board of Directors of the Company.
- "Company" means Apple Finance Limited.
- "Independent Director" means a Director referred to in Section 149(6) of the Companies Act, 2013.
- "Key Managerial Personnel" ("KMP") means
  - (i) Chief Executive Officer or the Managing Director or the Manager.
  - (ii) Chief Financial Officer.
  - (iii) Company Secretary, and
  - (iv) Such other officer as may be prescribed.
- "Nomination and Remuneration Committee" shall mean a Committee of the Company's Board of Directors, constituted in accordance with the provisions of Section 178 of the Companies Act, 2013 and Regulation 19 of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015.
- "Policy" or "This Policy" means Nomination and Remuneration Policy.
- "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.
- "Senior Management" means personnel of the Company who are members of its core management team excluding the Board of Directors. This would include all members of management one level below the Executive Directors, including all the functional heads.

#### GUIDING PRINCIPLES

The Policy ensures that:-

- 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.
- Relationship of remuneration to performance is clear and meets appropriate performance benchmarks.
- Remuneration to Directors, KMP 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 COMMITTEE

The role of the Committee *inter alia* 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 every 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, KMP and Senior Management.
7. To ensure that level and composition of remuneration is reasonable and sufficient, relationship of remuneration to performance is clear and meets appropriate performance benchmarks.
8. To devise a policy on Board diversity.
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, KMP AND SENIOR MANAGEMENT

- Appointment criteria and qualifications:-
  1. The Committee shall identify and ascertain the integrity, qualification, expertise and experience of the person for appointment as Director, KMP or at Senior Management level and recommend to the Board his/her appointment.
  2. A person should possess adequate qualification, expertise and experience for the position he/she is considered for appointment. The Committee has discretion to decide whether qualification, expertise and experience possessed by a person are sufficient/satisfactory for the concerned position.
  3. The Company shall not appoint or continue the employment of any person as Managing Director/Whole-time Director/Manager 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/Manager (“Managerial Person”)**

The Company shall appoint or reappoint any person as its Managerial Person 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 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.
- Evaluation:-

The Committee shall carry out evaluation of performance of every Director. The Committee shall identify evaluation criteria, which will evaluate Directors based on knowledge to perform the role, time and level of participation, performance of duties, level of oversight, professional conduct and independence. The appointment/reappointment/continuation of Directors on Board shall be subject to outcome of the yearly evaluation process.
- Removal:-

Due to reasons of any disqualification mentioned in the Companies Act, 2013, the Committee may recommend to the Board with reasons recorded in writing, removal of a Director, KMP or Senior Management subject to the provisions and compliance of the said Act.
- Retirement:-

The Director, KMP and Senior Management 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, KMP, Senior Management in the same position/remuneration or otherwise even after attaining the retirement age, for the benefit of the Company.

## PROVISIONS RELATING TO REMUNERATION OF MANAGERIAL PERSONNEL/KMP AND SENIOR MANAGEMENT

- General:-
  1. The remuneration/compensation/commission etc. to Managerial Persons, KMP and Senior Management will be determined by the Committee and recommended to the Board for approval. The remuneration/compensation/ commission etc. shall be subject to the prior/post approval of the Company’s shareholders and the Central Government, wherever required.
  2. The remuneration and commission to be paid to Managerial Person shall be as per the provisions of the Companies Act, 2013 and the rules made thereunder.
  3. Increments to the existing remuneration/compensation structure may be recommended by the Committee to the Board, which should be within the slabs approved by the shareholders in the case of Managerial Person.
  4. Where any insurance is taken by the Company on behalf of its Managerial Person, KMP and any other employees for indemnifying them against any liability, the premium paid on such insurance shall not be treated as part of the remuneration payable to any such personnel. Provided that if such person is proved to be guilty, the premium paid on such insurance shall be treated as part of the remuneration.
- Remuneration to Managerial Person, KMP and Senior Management:-
  1. **Fixed Pay**

Managerial Person, KMP and Senior Management shall be eligible for a monthly remuneration as may be approved by the Board on the recommendation of the Committee in accordance with the provisions of the Companies Act, 2013. The break-up of the pay scale and quantum of perquisites including employer’s contribution to P.F., pension scheme, medical expenses, club fees etc. shall be decided and approved by the Board on the recommendation of the Committee and approved by the shareholders and Central Government, wherever required.

# APPLE FINANCE LIMITED

## 2. Minimum Remuneration

If, in any financial year, the Company has no profits or its profits are inadequate, the Company shall pay remuneration to its Managerial Person in accordance with Schedule V to the Companies Act, 2013 and if it is not able to comply with such provisions, with the prior approval of the Central Government.

## 3. Provisions for excess remuneration

If any Managerial Person draws or receives, directly or indirectly by way of remuneration any such sums in excess of the limits prescribed under the Companies Act, 2013 or without the prior sanction of the Central Government, where required, he/she shall refund such sums to the Company and until such sum is refunded, hold it in trust for the Company. The Company shall not waive recovery of such sum refundable to it unless permitted by the Central Government.

- Remuneration to Non-Executive/Independent Directors:-

### 1. Remuneration/Commission

The remuneration/commission shall be in accordance with the provisions of the Companies Act, 2013.

### 2. Sitting Fees

The Non-Executive/Independent Directors may receive remuneration by way of fees for attending meetings of Board or Committees thereof. Provided that the amount of such fees shall not exceed the maximum amount as provided in the Companies Act, 2013, per meeting of the Board or Committees or such amount as may be prescribed by the Central Government from time to time.

### 3. Limit of Remuneration/Commission

Remuneration/Commission may be paid within the monetary limit approved by shareholders, subject to the limit not exceeding 1% of the net profits of the Company computed as per the applicable provisions of the Companies Act, 2013.

### 4. Stock Options

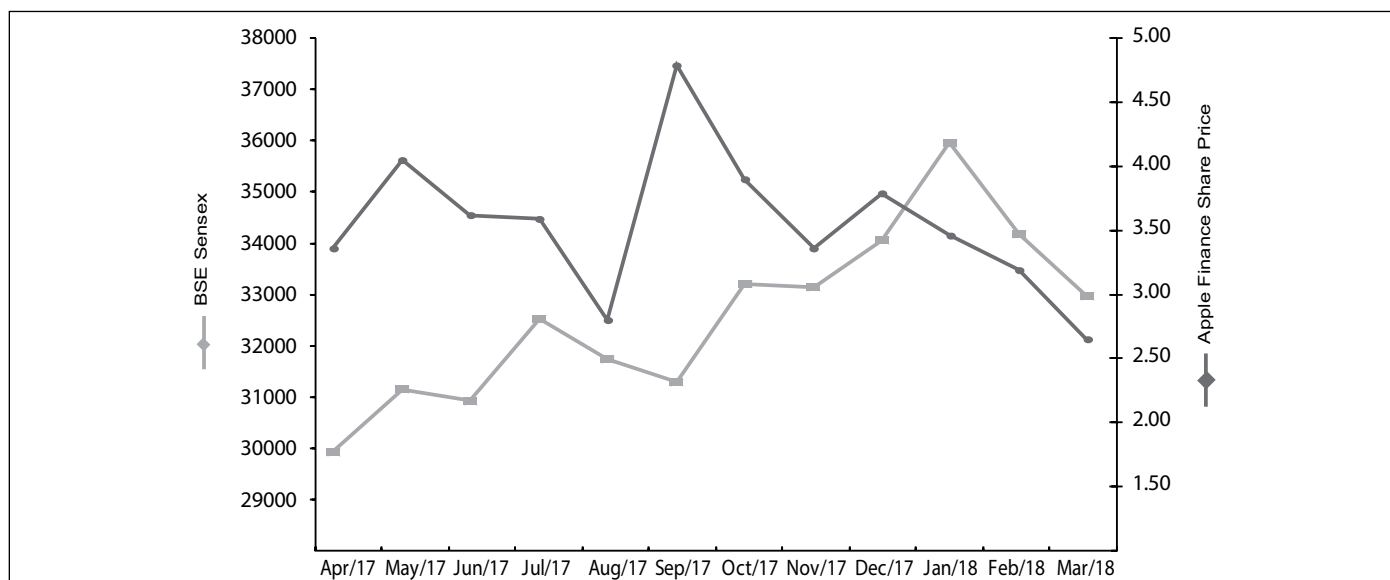
An Independent Director shall not be entitled to any stock option of the Company.

For and on behalf of the Board

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

Place: Mumbai  
Date: May 30, 2018

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





## ANNEXURE "E"

[Pursuant to Rule 5 of the Companies (Appointment and 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 2017-2018 are given below:-

Director/Key Managerial Personnel	Ratio to Median	Percentage increase in remuneration
Mr. Mahesh K. Rachh	2.38	Not Applicable
Mr. P. B. Deshpande	1	5.27

Other Directors of the Company receive only Sitting Fees for attending Board meetings at the rate of ₹ 1,500 for each meeting and no other remuneration.

2. The percentage increase in the median remuneration of employees in the financial year:- 5.27%
3. The number of permanent employees on the rolls of Company:- 4.
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 capitalisation 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 decreased from ₹ 15.14 crore as on March 31, 2017 to ₹ 14.75 crore as on March 31, 2018. Over the same period, the price earning ratio moved from 263.62 to 67.33.  
The price of the Company's equity share as on March 31, 2018 has fallen by 94.70% to ₹ 2.65 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:-  
The remuneration to the Managing Director was not revised during the financial year under review. 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 Personnel 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 Nomination and Remuneration Policy.
12. There are no employees within the purview of sub-rule (2) of Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

For and on behalf of the Board

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

Place: Mumbai

Date: May 30, 2018



## REPORT ON CORPORATE GOVERNANCE

### 1. COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

The Board of Directors of the Company acts as a trustee and assumes fiduciary responsibility of protecting the interests of the Company, its Members and other stakeholders. The Board supports the broad principles of Corporate Governance. In order to attain the highest-level of good Corporate Governance practice, the Board lays strong emphasis on transparency, accountability and integrity.

### 2. BOARD OF DIRECTORS

As on March 31, 2018, the Company had four Directors including a Managing Director. Out of the three Non-Executive Directors, two are the Independent Directors. The composition of the Board is in conformity with Regulation 17 of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015.

Both the Independent Directors of the Company have been appointed under Section 149 read with Section 152 of the

Companies Act, 2013 and in accordance with the provisions of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015. 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 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, 2018:-

Name of the Director	Category of Directorship	No. of other Directorships held in other companies	No. of other Committee Memberships	Board meetings attended	Attendance at the last Annual General Meeting held on September 26, 2017
Mr. Mahesh K. Rachh	Managing Director (Executive Director)	Nil	Nil	4	Present
Mr. Mahesh Raghavan Menon	Non-Executive Director	1	1	4	Present
Mr. Mahendra S. Shah	Independent Director	1	1	4	Absent
Ms. Jacqueline K. Patel	Independent Director	Nil	Nil	4	Present

The Company does not have a designated Chairman.

The Board of Directors of the Company met 4 (four) times during the financial year 2017-2018 i.e. on May 30, 2017, September 12, 2017, December 12, 2017 and February 14, 2018.

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, 2018 as required under Schedule IV to the Companies Act, 2013.

None of the Directors is related to each other.

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.

The Familiarization Programme for Independent Directors can be accessed on <http://applefinance.co.in/pdf/policy/2016/Familiarization%20Programme%20For%20Independent%20Directors.pdf>

### 3. AUDIT COMMITTEE

The Audit Committee of the Company has been constituted in line with Regulation 18 of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 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.

The brief terms of reference of the Audit Committee includes *inter alia* the following in addition to those prescribed under Section 177(4) of the Companies Act, 2013:-

- Overseeing the Company's financial report process and the disclosure of its financial information.
- To review quarterly, half-yearly and annual financial results before submission to the Board.
- To review the statement of significant related party transactions submitted by the Management.
- To review the adequacy of internal control systems with the Management, statutory and internal auditors.
- Discussion with the statutory auditors about the nature and scope of audit including their observation.
- To investigate into any matter referred to by the Board.

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 2017-2018, the Audit Committee met 4 (four) times to deliberate on various matters. The meetings were held on May 30, 2017, September 12, 2017, December 12, 2017 and February 14, 2018. 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 K. Patel	Independent Director	4
Mr. Mahesh K. Rachh	Managing Director	4

#### 4. NOMINATION AND REMUNERATION COMMITTEE

The Nomination and Remuneration Committee of the Company has been constituted in line with Regulation 19 of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 read with Section 178 of the Companies Act, 2013.

The Nomination and Remuneration Committee comprises Mr. Mahendra S. Shah, Chairman, Mr. Mahesh Raghavan Menon and Ms. Jacqueline K. Patel.

##### Brief terms of reference:-

The Committee is *inter alia* authorized to identify persons who are qualified to become Directors and who may be appointed in Senior Management, evaluation of Directors' performance, formulating criteria for determining qualifications, positive attributes and independence of a Director and recommending policy relating to the remuneration for the Directors, Key Managerial Personnel and employees.

During the financial year 2017-2018, the Nomination and Remuneration Committee did not meet.

##### Performance evaluation criteria for Independent Directors:-

Each Independent Director's performance is evaluated as required by Schedule IV to the Companies Act, 2013 having regard to the following criteria of evaluation viz. (i) preparedness (ii) participation (iii) value addition (iv) focus on governance and (v) communication.

#### 5. REMUNERATION OF DIRECTORS

Apart from sitting fees for attending Board meetings, no other fees/compensation is paid to the Non-Executive Directors of the Company. The Non-Executive Directors have no other pecuniary relationship or transactions with 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.

Remuneration to Directors for the year 2017-2018:-

Name of Director	Gross Salary and Perquisites (₹)	Contribution to Provident Fund and Superannuation Fund (₹)	Sitting Fees (₹)
Mr. Mahesh K. Rachh	24,40,827	3,37,800	Nil
Mr. Mahesh Raghavan Menon	Nil	Nil	6,000
Mr. Mahendra S. Shah	Nil	Nil	6,000
Ms. Jacqueline K. Patel	Nil	Nil	6,000

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

No other benefits such as stock options, pension etc. have been granted to Managing Director. Further, the salary and perquisites paid to the Managing Director are fixed components. There are no performance linked benefits granted to him.

#### 6. STAKEHOLDERS RELATIONSHIP COMMITTEE

The Stakeholders Relationship Committee of the Company has been constituted in line with Regulation 20 of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 read with Section 178(5) of the Companies Act, 2013. This Committee comprises 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 2017-2018, 4 (four) meetings of the Stakeholders Relationship Committee were held on May 30, 2017, September 12, 2017, December 12, 2017 and February 14, 2018 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 2017-2018:-

Nature of Complaint	Received	Cleared	Pending
Transfer of securities	6	6	Nil
Non-receipt of Annual Report	1	1	Nil
Non-receipt of credit/rejection of dematerialized shares	2	2	Nil
Non-receipt of Dividend Warrant	2	2	Nil
Total	11	11	Nil

The above information is based on the details received from the Company's Registrar & Transfer Agent.

# APPLE FINANCE LIMITED

## 7. GENERAL BODY MEETINGS

Annual General Meeting	Location	Date	Time
31 <sup>st</sup> Annual General Meeting	M. C. Ghia Hall, Bhogilal Hargovindas Building, Floor 4, 18/20 Kaikhushru Dubash Marg, Mumbai 400 001	September 26, 2017	3.30 p.m.
30 <sup>th</sup> Annual General Meeting	M. C. Ghia Hall, Bhogilal Hargovindas Building, Floor 4, 18/20 Kaikhushru Dubash Marg, Mumbai 400 001	September 23, 2016	3.30 p.m.
29 <sup>th</sup> Annual General Meeting	M. C. Ghia Hall, Bhogilal Hargovindas Building, Floor 4, 18/20 Kaikhushru Dubash Marg, Mumbai 400 001	September 24, 2015	3.30 p.m.

Financial Year	Meeting	Date	Time	No. of Special Resolutions passed
2016-2017	31 <sup>st</sup> AGM	26.9.2017	3.30 p.m.	1
2015-2016	30 <sup>th</sup> AGM	23.9.2016	3.30 p.m.	1
2014-2015	29 <sup>th</sup> AGM	24.9.2015	3.30 p.m.	1

No Special Resolution was put through Postal Ballot in the last year.

There is no proposal to conduct Postal Ballot for any matter in the ensuing Annual General Meeting.

## 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](http://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 of the 32<sup>nd</sup> AGM : September 25, 2018 at 3.30 p.m. at M. C. Ghia Hall, Bhogilal Hargovindas Building, Floor 4, 18/20 Kaikhushru Dubash Marg, Mumbai 400 001
- Financial Year : April 1, 2018 to March 31, 2019
- Adoption of Quarterly Results for the quarter ending -
  - June 30, 2018 : August 14, 2018
  - September 30, 2018 : November 14, 2018
  - December 31, 2018 : February 14, 2019
  - March 31, 2019 : May 30, 2019

- Date of Book Closure : September 19, 2018 to September 25, 2018 (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, P. J. Towers, Dalal Street, Mumbai. The Company has paid the annual listing fee to BSE Limited for the financial year 2018-2019.
- 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 2017-2018 are given below:-

Year 2017-2018	High (₹)	Low (₹)	No. of Shares
April	3.50	2.60	870056
May	4.72	3.13	1021667
June	4.24	3.30	259278
July	3.78	3.27	334341
August	3.87	2.68	382165
September	5.04	2.60	984785
October	5.16	3.90	188176
November	3.84	3.36	173274
December	3.79	3.07	218658
January	5.00	3.45	525395
February	3.83	3.15	174405
March	3.39	2.42	246754

- Registrar and Transfer Agents : Bigshare Services Private Limited Bharat Tin Works Building, Floor 1, Opp. Vasant Oasis, Makwana Road, Marol, Andheri (East), Mumbai 400 059  
Phone: +91-022-6263 8200  
Fax: +91-022-6263 8299  
Email: [investor@bigshareonline.com](mailto:investor@bigshareonline.com)

### • 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 Registrar & Transfer Agent, Bigshare Services 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 Regulation 40(9) of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, every 6 (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, 2018:-

Shareholding	No. of Folios	% of Total	No. of Shares	% of Total
1-500	113970	94.51	16326612	29.33
501-1000	3925	3.26	3097332	5.56
1001- 2000	1399	1.16	2175990	3.91
2001- 3000	410	0.34	1063030	1.91
3001- 4000	177	0.15	640864	1.15
4001- 5000	222	0.18	1074485	1.93
5001- 10000	242	0.20	1872477	3.36
10001 and above	246	0.20	29422332	52.85
<b>Total</b>	<b>120591</b>	<b>100.00</b>	<b>55673122</b>	<b>100.00</b>

- 73.30% of the Company's equity share capital has been dematerialized up to March 31, 2018.
- The Company does not have outstanding GDRs/ADRs/Warrants or any Convertible instruments.
- The Company did not conduct any business activity during the financial year 2017-2018 and as such, it has nothing to report on commodity price risk, foreign exchange risk and hedging activities.
- Except the Registered Office, the Company does not have any other locations/offices, whether plant or branch office.

Categories of Shareholding as on March 31, 2018:-

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	26605	0.05
Foreign Institution Investors and Foreign Portfolio Investors	880071	1.58
Bodies Corporate	2912283	5.23
Others	38089252	68.42
<b>TOTAL</b>	<b>55673122</b>	<b>100.00</b>

- 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. OTHER DISCLOSURES

- a) All transactions entered by the Company during the financial year 2017-2018 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 2017-2018, 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 <http://applefinance.co.in/pdf/policy/2016/Related%20Party%20Transaction%20Policy.pdf>

Your Directors draw attention of the Members to Note No.21(9) to the standalone financial statements, 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 Directors, employees and/or other persons who avail the mechanism 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. Such persons 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.

## 11. MANDATORY AND NON-MANDATORY REQUIREMENTS

The Company is in compliance with the mandatory requirements laid down under the provisions of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015. The Company has not yet adopted the discretionary requirements as specified in Part E of Schedule II to the said Regulations, however, the Company endeavours to do so in the future.

# APPLE FINANCE LIMITED

## 12. COMPLIANCE WITH THE REQUIREMENTS OF CORPORATE GOVERNANCE REPORT

The Company is in compliance with all requirements as stipulated in Regulations 17 to 27 and Clauses (b) to (i) of Regulation 46 of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015.

## 13. DISCLOSURE OF ACCOUNTING TREATMENT DIFFERENT FROM INDIAN ACCOUNTING STANDARDS

The Company has not adopted any accounting treatment different from that prescribed in Indian Accounting Standards (Ind AS).

## 14. CODE OF CONDUCT FOR BOARD MEMBERS AND SENIOR MANAGEMENT

The Board of Directors has laid down the Code of Conduct for all Board members and members of the Senior Management. The Code is also placed on the Company's website [www.applefinance.co.in](http://www.applefinance.co.in). A certificate from the Managing Director, affirming compliance of the Code by all the Board members and the members of Senior Management to whom the Code is applicable, is annexed to this Report.

Further, the Company's Directors and the Senior Management have submitted disclosure to the Board that they do not have any material financial and commercial transactions that may have a potential conflict with the interest of the Company at large.

## 15. MANAGING DIRECTOR'S CERTIFICATION

The Managing Director gives annual certification on financial reporting and internal controls to the Board in terms of Regulation 17(8) of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015. The Managing Director also gives quarterly certification on financial results to the Board in terms of Regulation 17(8) of the said Regulations.

For and on behalf of the Board

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

Place: Mumbai  
Date: May 30, 2018

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

In terms of the requirement of Part D of Schedule V to SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, this is to confirm that all Members of the Board and the Senior Management Personnel have affirmed compliance with the Code of Conduct for the year ended March 31, 2018.

**Mahesh K. Rachh**  
*Managing Director*

Place: Mumbai  
Date: May 30, 2018

## AUDITORS' CERTIFICATE ON COMPLIANCE OF CONDITIONS OF CORPORATE GOVERNANCE

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 financial year ended March 31, 2018, as stipulated in Schedule V of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015.

The compliance of the 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 as stipulated in the said Listing Regulations. 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 specified in the said Listing Regulations.

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 Kucheria & Associates**  
*Chartered Accountants*  
*Firm Regn. No.105391W*

**Neetu Godhwani**  
*Partner*  
*Membership No.141952*

Place: Mumbai  
Date: May 30, 2018



## INDEPENDENT AUDITORS' REPORT

To the Members of

### Apple Finance Limited

#### Report on the Standalone Ind AS Financial Statements

We have audited the accompanying standalone Ind AS financial statements of Apple Finance Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2018, the Statement of Profit and Loss (including other comprehensive income), the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the standalone Ind AS financial statements").

#### Management's Responsibility for the Standalone Ind AS 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 Ind AS financial statements that give a true and fair view of the financial position, financial performance (including other comprehensive income), cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards specified in the Companies (Indian Accounting Standards) Rules, 2015 (as amended) 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 standalone Ind AS 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 Ind AS financial statements based on our audit.

We have taken into account the provisions of the Act and the Rules made thereunder including 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 thereunder.

We conducted our audit of the standalone Ind AS financial statements 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 and pronouncements require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the standalone Ind AS financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the standalone Ind AS financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the standalone Ind AS 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 standalone Ind AS financial statements that give a true and fair view, in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the 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 standalone Ind AS 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 Ind AS financial statements.

#### Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone Ind AS 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, 2018, and its total comprehensive income (comprising of profit and other comprehensive income), its cash flows and the changes in equity for the year ended on that date, subject to:-

- a) **Point No.1 of Note 21 regarding going concern assumption of the Company.**
- b) **Point No.10 of Note 21 regarding non-consideration of Deferred Tax Assets (Net) amounting to ₹ 50,836,448.**
- c) **Point No.3 of Note 4 regarding write-off of quoted, unquoted and inventories aggregating to ₹ 69,033,020 against balance of Provision for Non-Performing Assets.**

#### Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in exercise of powers conferred by sub-section (11) of Section 143 of the Act, and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, we give in the Annexure 'A', 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 sought and 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 (including other comprehensive income), the Cash Flow Statement and the Statement of Changes in

# APPLE FINANCE LIMITED

Equity dealt with by this Report are in agreement with the books of account;

- d. In our opinion, the aforesaid standalone Ind AS financial statements comply with the Indian Accounting Standards specified 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, 2018 taken on record by the Board of Directors, none of the Directors is disqualified as on March 31, 2018, from being appointed as a Director in terms of Section 164(2) of the Act;
- f. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in Annexure 'B'; and
- g. With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our knowledge and belief and according to the information and explanations given to us:

- i. The Company has disclosed the impact of pending litigations as at March 31, 2018 on its financial position in its standalone Ind AS financial statements;
- ii. The Company did not have any long-term contracts including derivative contracts and as such, the question of commenting on any material foreseeable losses thereon does not arise;
- iii. 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. Therefore, the question of delay in transferring such sums does not arise.

**For Kucheria & Associates**  
*Chartered Accountants*  
*Firm Regn. No.105391W*

**Neetu Godhwani**  
*Partner*  
*Membership No.141952*

Mumbai, May 30, 2018

## ANNEXURE 'A' TO THE INDEPENDENT AUDITOR'S REPORT

The Annexure referred to in Independent Auditors' Report to the members of Apple Finance Limited on the standalone Ind AS financial statements for the year ended March 31, 2018 we report that :

1. (a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.  
(b) The fixed assets are physically verified by the Management according to a phased programme designed to cover all the items over a period of three years which, in our opinion, is reasonable having regard to the size of the Company and nature of its assets. Pursuant to the programme, a portion of the fixed assets has been physically verified by the Management during the year and no material discrepancies have been noticed on such verification.  
(c) According to the information and explanation given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties as disclosed in Note 8 to the standalone financial statements are held in the name of the Company.
2. The inventory has been physically verified at reasonable interval by the Management during the year. The discrepancies noticed on physical verification, as compared to the book records, were not material and have been properly dealt with in the books of account.
3. In our opinion and according to the information and explanation given to us, the Company has not granted any loans, secured or unsecured, to companies, firms, limited liability partnerships or other parties covered in the Register maintained under Section 189 of the Act. Hence, the question of reporting under sub-clauses (a), (b) and (c) of the Clause 3(iii) of the Order does not arise.
4. According to the information and explanations given to us the Company has not granted any loans or provided any guarantees or security to the parties covered under Section 185 of the Act. The Company has complied with the provisions of Section 186 of Act in respect of investments made or loans or guarantee or security provided to the parties covered under Section 186.
5. The Company has not accepted deposits from public within the meaning of Sections 73, 74, 75 and 76 of the Act and the Rules framed thereunder to the extent notified.
6. We have been informed that the Central Government has not prescribed the maintenance of Cost records under Section 148(1) of the Act.
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 March 31, 2018 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.
8. According to the information and explanations given to us, the Company has neither issued any debentures nor has any borrowings from any financial institutions and banks. Accordingly, the reporting under Clause 3 (viii) of the Order is not applicable to the Company.



9. The Company has not raised any monies by way of initial public offer or further public offer (including debt instruments) and term-loans during the year. Accordingly, the provisions of Clause 3(ix) of the Order are not applicable to the Company.
10. According to the information and explanation given to us, no fraud by the Company or any fraud on the Company by its officers or employees has been noticed or reported during the year.
11. According to the information and explanation given to us and based on our examination of the records of the Company, managerial remuneration has been paid or provided in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.
12. In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, the reporting under Clause 3(xii) of the Order is not applicable to the Company.
13. According to the information and explanation given to us, in our opinion, all transactions with related parties are in compliance with Sections 177 and 188 of the Act wherever applicable and the details have been disclosed in Notes to Accounts of Financial Statements as per Accounting Standard 18 "Related Parties Disclosures".
14. According to the information and explanation given to us and based on our examination of the records, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review.
15. According to the information and explanation given to us, the Company has not entered into non-cash transactions with Directors or persons connected with them. Accordingly, the reporting under Clause 3(xv) of the Order is not applicable to the Company.
16. According to the information and explanation given to us, the Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934.

**For Kucheria & Associates**  
*Chartered Accountants*  
*Firm Regn. No.105391W*

**Neetu Godhwani**  
*Partner*  
*Membership No.141952*

Mumbai, May 30, 2018

## **ANNEXURE "B" TO THE INDEPENDENT AUDITOR'S REPORT**

### **Report on the Internal Financial Controls under Clause (i) of sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")**

We have audited the internal financial controls over financial reporting of Apple Finance Limited ("the Company") as of March 31, 2018 in conjunction with our audit of the standalone Ind AS financial statement of the Company for the year ended on that date.

#### **Management's Responsibility for Internal Financial Controls**

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

#### **Auditors' Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the

Guidance Note on Audit of internal Financial Controls Over Financial Reporting ("the Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both applicable to an audit of internal financial controls, and both issued by ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. 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.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

#### **Meaning of Internal Financial Controls over Financial Reporting**

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of



# APPLE FINANCE LIMITED

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financial statements for external purposes in accordance with the generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

## **Inherent Limitations of Internal Financial Controls Over Financial Reporting**

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over

financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

## **Opinion**

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2018, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by ICAI.

**For Kucheria & Associates**

*Chartered Accountants  
Firm Regn. No.105391W*

**Neetu Godhwani**

*Partner  
Membership No.141952*

Mumbai, May 30, 2018



## STANDALONE BALANCE SHEET AS AT MARCH 31, 2018

Particulars	Note No.	(₹)	
		As at 31 <sup>st</sup> March, 2018	As at 31 <sup>st</sup> March, 2017
<b>ASSETS</b>			
<b>Non-Current Assets</b>			
Property, Plant and Equipment	3	50,921,072	52,516,225
Financial Assets			
Investments	4	10,048,392	54,406,412
Loans		-	-
Other Financial Assets		-	-
Other Non-Current Assets		-	-
<b>Total Non-Current Assets</b>		<u>60,969,464</u>	<u>106,922,637</u>
<b>Current Assets</b>			
Inventories	5	-	24,675,000
Financial Assets			
Investments		-	-
Trade Receivables		-	-
Cash and Cash Equivalents	6	809,771	1,080,623
Bank Balance Other than Cash and Cash Equivalents	7	213,906,844	206,847,717
Loans		-	-
Other Financial Assets	8	4,882,500	4,937,500
Other Current Assets	9	8,399,246	11,145,661
<b>Total Current Assets</b>		<u>227,998,361</u>	<u>248,686,501</u>
<b>Total Assets</b>		<u>288,967,825</u>	<u>355,609,138</u>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Equity Share Capital	10	556,701,477	556,701,477
Other Equity	11	(278,908,130)	(281,099,468)
<b>Total Equity</b>		<u>277,793,347</u>	<u>275,602,009</u>
<b>Liabilities</b>			
<b>Non-Current Liabilities</b>			
Financial Liabilities			
Borrowings		-	-
Other Financial Liabilities		-	-
Provisions	12	-	69,033,020
Deferred Tax Liabilities (Net)		-	-
Other Non-Current Liabilities		-	-
<b>Total Non-Current Liabilities</b>		<u>-</u>	<u>69,033,020</u>
<b>Current Liabilities</b>			
Financial Liabilities			
Borrowings		-	-
Trade Payables	13	825,226	198,651
Other Financial Liabilities		-	-
Other Current Liabilities	14	507,305	409,596
Provisions	15	9,841,947	10,365,862
<b>Total Current Liabilities</b>		<u>11,174,478</u>	<u>10,974,109</u>
<b>Total Liabilities</b>		<u>11,174,478</u>	<u>80,007,129</u>
<b>Total Equity and Liabilities</b>		<u>288,967,825</u>	<u>355,609,138</u>
Significant Accounting Policies and Notes to the Financial Statements	1 to 21	-	-

As per our Report of even date attached

### For Kucheria & Associates

Chartered Accountants  
Firm Regn. No.105391W

### Neetu Godhwani

Partner  
Membership No.141952

Mumbai, May 30, 2018

For and on behalf of the Board

**Mahesh K. Rachh**  
Managing Director

**Jacqueline K. Patel**  
Director

**Mahesh Menon**  
Director

**J. R. K. Sarma**  
Director

**Mahendra S. Shah**  
Director

**P. B. Deshpande**  
Company Secretary

# APPLE FINANCE LIMITED

## STANDALONE PROFIT AND LOSS STATEMENT FOR THE YEAR ENDED MARCH 31, 2018

Particulars	Note No.	For the year ended 31 <sup>st</sup> March, 2018	For the year ended 31 <sup>st</sup> March, 2017
(₹)			
<b>INCOME</b>			
Revenue from Operations	16	-	2,500
Other Income	17	17,814,528	15,576,848
<b>Total Income</b>		17,814,528	15,579,348
<b>EXPENSES</b>			
Employee Benefits Expenses	18	4,754,031	4,453,354
Depreciation and Amortization Expenses	3	1,595,154	2,115,036
Other Expenses	19	9,274,006	8,436,524
<b>Total Expenses</b>		15,623,191	15,004,914
<b>Profit/(Loss) Before Tax</b>		2,191,337	574,434
Tax Expenses			
Current Tax		-	-
Deferred Tax		-	-
<b>Profit/(Loss) for the year</b>		2,191,337	574,434
<b>Other Comprehensive Income/(Loss)</b>			
i Items that will not be reclassified to Profit or Loss		-	-
ii Income tax relating to items that will not be reclassified to Profit or Loss		-	-
iii Items that will be reclassified to Profit or Loss		-	-
iv Income tax relating to items that will be reclassified to Profit or Loss		-	-
<b>Total Other Comprehensive Income/(Loss) for the Year</b>		-	-
<b>Total Comprehensive Income/(Loss) for the Year</b>		2,191,337	574,434
<b>Earning per Equity Share of face value of ₹ 10 each</b>			
Basic and Diluted (₹)	20	0.04	0.01
Significant Accounting Policies and Notes to the Financial Statements	1 to 21		

As per our Report of even date attached

**For Kucheria & Associates**

Chartered Accountants  
Firm Regn. No.105391W

**Neetu Godhwani**

Partner  
Membership No.141952

Mumbai, May 30, 2018

For and on behalf of the Board

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Managing Director

**Jacqueline K. Patel**  
Director

**Mahesh Menon**  
Director

**J. R. K. Sarma**  
Director

**Mahendra S. Shah**  
Director

**P. B. Deshpande**  
Company Secretary



## STANDALONE CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2018

Particulars	For the year ended 31 <sup>st</sup> March, 2018	For the year ended 31 <sup>st</sup> March, 2017
(₹)		
<b>Cash Flow from Operating Activities:</b>		
<b>Net Profit/(Loss) before Tax as per Statement of Profit and Loss</b>	2,191,337	574,434
<b>Adjustments for:</b>		
Depreciation and Amortization Expense	1,595,154	2,115,036
Investment Income - Dividend & Interest Income	<u>(17,176,419)</u>	<u>(15,493,498)</u>
	(15,581,265)	(13,378,462)
<b>Operating Profit/(Loss) before Working Capital Changes</b>	<u>(13,389,928)</u>	<u>(12,804,028)</u>
<b>Changes in Working Capital</b>		
(Increase)/Decrease in Inventories	24,675,000	-
(Increase)/Decrease in Other Financial Assets	55,000	(35,000)
(Increase)/Decrease in Other Current Assets	(201,674)	326,473
Increase/(Decrease) in Non-Current Provisions	(69,033,020)	-
Increase/(Decrease) in Trade Payables	626,575	(634,233)
Increase/(Decrease) in Other Current Liabilities	97,709	(63,648)
Increase/(Decrease) in Current Provisions	<u>(523,915)</u>	<u>1,034,692</u>
<b>Cash Generated from Operating Activities</b>	<u>(44,304,325)</u>	<u>628,284</u>
Income Tax Paid	<u>2,948,089</u>	<u>(260,126)</u>
	(41,356,236)	368,158
<b>Net Cash (used)/generated from Operating Activities</b>	(A) <u>(54,746,164)</u>	<u>(12,435,870)</u>
<b>Cash Flow From Investing Activities:</b>		
(Increase)/Decrease in Non-Current Financial Investments	44,358,020	-
Dividend & Interest Income	<u>17,176,419</u>	<u>15,493,498</u>
<b>Net Cash (used)/generated from Investing Activities</b>	(B) 61,534,439	15,493,498
<b>Cash Flow from Financing Activities:</b>		
Proceeds from borrowings	-	-
<b>Net Cash (used)/generated from Financing Activities</b>	(C) -	-
<b>Net Increase/(Decrease) in Cash and Cash Equivalents</b>	(A+B+C) 6,788,275	3,057,628
<b>Cash &amp; Cash Equivalent at the beginning of the year</b>	207,928,340	204,870,712
<b>Cash &amp; Cash Equivalent at the end of the year</b>	214,716,615	207,928,340

**Note:** The above Cash Flow Statement has been prepared under the 'Indirect Method' as set out in the Indian Accounting Standard (Ind AS-7) - Statement of Cash Flows.

As per our Report of even date attached

**For Kucheria & Associates**

Chartered Accountants  
Firm Regn. No.105391W

**Neetu Godhwani**

Partner  
Membership No.141952

Mumbai, May 30, 2018

For and on behalf of the Board

**Mahesh K. Rachh**  
Managing Director

**Jacqueline K. Patel**  
Director

**Mahesh Menon**  
Director

**J. R. K. Sarma**  
Director

**Mahendra S. Shah**  
Director

**P. B. Deshpande**  
Company Secretary

# APPLE FINANCE LIMITED

## STANDALONE STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2018

### A. Equity Share Capital

Particulars	For the year ended 31 <sup>st</sup> March, 2018	For the year ended 31 <sup>st</sup> March, 2017
<b>Balance at the beginning of the year</b>	556,701,477	556,701,477
Change in Equity Share Capital during the year	-	-
<b>Balance at the end of the year</b>	<u>556,701,477</u>	<u>556,701,477</u>

### B. Other Equity

Particulars	Balance at the beginning of the year i. e. 1 <sup>st</sup> April, 2016	Total Comprehensive Income for the year	Transfer to / (from) Retained Earnings	Balance at the end of the year i. e. 31 <sup>st</sup> March, 2017
<b>As at 31<sup>st</sup> March, 2017</b>				
<b>Reserves and Surplus</b>				
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
Capital Reserve	6,933,420	-	-	6,933,420
Capital Reserve on Settlement of Loans	427,026,185	-	-	427,026,185
Reserve Fund u/s. 45IC(1) of the RBI Act, 1934	77,000,000	-	-	77,000,000
Retained Earnings	(1,312,633,507)	-	574,434	(1,312,059,073)
Other Comprehensive Income	-	-	-	-
<b>Total</b>	<u>(281,673,902)</u>	<u>-</u>	<u>574,434</u>	<u>(281,099,468)</u>
<b>Particulars</b>	<b>Balance at the beginning of the year i. e. 1<sup>st</sup> April, 2017</b>	<b>Total Comprehensive Income for the year</b>	<b>Transfer to/(from) Retained Earnings</b>	<b>Balance at the end of the year i. e. 31<sup>st</sup> March, 2018</b>
<b>As at 31<sup>st</sup> March, 2018</b>				
<b>Reserves and Surplus</b>				
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
Capital Reserve	6,933,420	-	-	6,933,420
Capital Reserve on Settlement of Loans	427,026,185	-	-	427,026,185
Reserve Fund u/s. 45IC(1) of the RBI Act, 1934	77,000,000	-	-	77,000,000
Retained Earnings	(1,312,059,073)	-	2,191,337	(1,309,867,736)
Other Comprehensive Income	-	-	-	-
<b>Total</b>	<u>(281,099,468)</u>	<u>-</u>	<u>2,191,337</u>	<u>(278,908,130)</u>

As per our Report of even date attached

#### For Kucheria & Associates

Chartered Accountants  
Firm Regn. No.105391W

#### Neetu Godhwani

Partner  
Membership No.141952

Mumbai, May 30, 2018

For and on behalf of the Board

**Mahesh K. Rachh**  
Managing Director

**Jacqueline K. Patel**  
Director

**Mahesh Menon**  
Director

**J. R. K. Sarma**  
Director

**Mahendra S. Shah**  
Director

**P. B. Deshpande**  
Company Secretary



## Notes to the Standalone Financial Statements for the year ended March 31, 2018

### 1. Corporate Information

Apple Finance Limited ("the Company") is a listed entity incorporated in India. The address of its Registered Office and principal place of business are disclosed in the introduction to the Annual Report.

### 2. Significant Accounting Policies

#### 2.1 Statement of Compliance

The standalone financial statements of the Company have been prepared in accordance with Indian Accounting Standards notified under the Section 133 of the Companies Act, 2013 ("the Act") [the Companies (Indian Accounting Standards) Rules, 2015]. These are the Company's first Ind AS financial statements. The date of transition to Ind AS is April 1, 2016. Reconciliation under the Accounting Standards notified under the Companies (Accounting Standards) Rules, 2006 has been presented in the Note No.2.3(g).

#### 2.2 Basis of Preparation

These financial statements have been prepared on historical cost basis and mercantile system of accounting where income and expenditure are recognized on accrual basis.

#### 2.3 Summary of Significant Accounting Policies

##### (a) Property, plant and equipment

Property, plant and equipment are stated at cost of acquisition less accumulated depreciation (other than free-hold land) and impairment loss, if any.

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

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 & 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.

##### (b) Investment in Equities

All investments are stated at cost of acquisition. The investment 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 investment, wherever required.

##### (c) Provisions

Provisions are recognized when the Company has present obligation (legal or constructive) as a result of a past event for which, reliable estimate can be made of the amount of obligation and it is probable that the Company will be required to settle the obligation. When a provision is measured using cash flows estimated to settle the present obligation its carrying amount is the present value of those cash flows unless the effect of time value of money is immaterial.

##### (d) Cash and Cash Equivalents

The Company considers all highly liquid financial instruments, which are readily convertible into known amounts of cash that are subject to an insignificant risk of change in value and having original maturities of three months or less from the date of purchase, to be cash equivalents. Cash and cash equivalents consist of balances with banks, which are unrestricted for withdrawal and usage.

##### (e) Contingencies

A contingent liability is a possible obligation that arises from past event whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Company does not recognize a contingent liability but discloses its existence in the financial statements.

##### (f) Employee Benefits Expense

The provision for employee 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 & 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 & Loss Account.

Provision is made towards liability for leave encashment.

# APPLE FINANCE LIMITED

## (g) Reconciliation between previous GAAP and Ind AS

### Equity Reconciliation

(₹ Lakh)

Particulars	As at March 31, 2017
Equity	
Equity under Previous GAAP	5,567.01
Change in Equity during the year	-
Equity under Ind AS	<u>5,567.01</u>
Other Equity	
Other Equity under Previous GAAP	(2,810.99)
Adjustments	-
Other Equity under Ind AS	<u>(2,810.99)</u>

## Comprehensive Income Reconciliation

(₹ Lakh)

Particulars	Year ended March 31, 2017
Net Profit as per Previous GAAP	5.75
Actuarial (gain)/loss on employee defined benefit funds recognised in other comprehensive income	-
Effect of change in depreciation method recognised as change in estimate	-
Deferred taxes including taxes	-
Others	-
Net Profit under Ind AS	<u>5.75</u>
Other Comprehensive Income	-
Total Comprehensive Income under Ind AS	<u>5.75</u>

### Cash flow reconciliation

There are no material changes in cash flows reported in previous GAAP in comparison with Ind AS.

## Note 3: Property, Plant and Equipment

(₹)

Description of Assets	Gross Block (At Cost)			Depreciation			Net Block			
	As at 1 <sup>st</sup> April, 2017	Additions	Deductions	As at 31 <sup>st</sup> March, 2018	As at 1 <sup>st</sup> April, 2017	For the year	Deductions	As at 31 <sup>st</sup> March, 2018	As at 31 <sup>st</sup> March, 2018	As at 31 <sup>st</sup> March, 2017
<b>Tangible Assets</b>										
Freehold Land	955,066	-	-	955,066	-	-	-	-	955,066	955,066
Buildings	83,986,390	-	-	83,986,390	32,754,795	1,416,425	-	34,171,220	49,815,170	51,231,595
Office Equipment	4,047,326	-	-	4,047,326	4,047,326	-	-	4,047,326	-	-
Computers	18,218,498	-	-	18,218,498	18,206,531	11,967	-	18,218,498	-	11,967
Electrical Fittings	1,390,185	-	-	1,390,185	1,390,185	-	-	1,390,185	-	-
Furniture and Fixtures	16,580,813	-	-	16,580,813	16,438,842	16,225	-	16,455,067	125,746	141,971
Vehicles	1,636,924	-	-	1,636,924	1,461,297	150,537	-	1,611,834	25,090	175,627
<b>Total (A)</b>	<b>126,815,202</b>	<b>-</b>	<b>-</b>	<b>126,815,202</b>	<b>74,298,976</b>	<b>1,595,154</b>	<b>-</b>	<b>75,894,130</b>	<b>50,921,072</b>	<b>52,516,225</b>
<b>Intangible Assets (B)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total (A + B)</b>	<b>126,815,202</b>	<b>-</b>	<b>-</b>	<b>126,815,202</b>	<b>74,298,976</b>	<b>1,595,154</b>	<b>-</b>	<b>75,894,130</b>	<b>50,921,072</b>	<b>52,516,225</b>
<b>Previous Year</b>	<b>126,815,202</b>	<b>-</b>	<b>-</b>	<b>126,815,202</b>	<b>72,183,940</b>	<b>2,115,036</b>	<b>-</b>	<b>74,298,976</b>	<b>52,516,225</b>	<b>54,631,262</b>
<b>Capital Work-in-Progress</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Intangible Assets under Development</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>



#### Note 4: Non-Current Investments

Particulars	No. of Securities	Face Value (₹)	As at 31 <sup>st</sup> March, 2018 (₹)	As at 31 <sup>st</sup> March, 2017 (₹)
<b>Trade Investments</b> (Fully paid unless otherwise stated)				
<b>Quoted Investments - Equity Shares (At Cost)</b>				
Ambika Cotton Mills Limited	180,233	10	8,651,200	8,651,200
Cipla Limited	36,510	2	652,302	652,302
Anjani Solvents India Limited	74,853	10	744,890	748,530
Anod Plasma Spray Limited	75,000	10	-	750,000
Indian Lead Limited	332,066	10	-	12,331,200
Inland Printers Limited	33,300	10	-	1,998,000
Pittie Cements & Industries Limited	118,126	10	-	12,993,860
Sagar Tourist Resorts Limited	21,342	10	-	213,420
Shri Renuga Textiles Limited	40,000	10	-	6,000,000
Vital Foods Limited	93,900	10	-	1,032,900
<b>Total (A)</b>			10,048,392	45,371,412
<b>Unquoted Investments - Equity Shares (At Cost)</b>				
Aldrich Pharmaceuticals Limited	210,000	10	-	7,035,000
Spectrum Alkyd & Resins Limited	133,333	10	-	1,500,000
Vijaya Home Loans Limited	50,000	10	-	500,000
<b>Total (B)</b>			-	9,035,000
<b>Total (A+B)</b>			10,048,392	54,406,412
Aggregate market value of Quoted Investments - Equity Shares			250,973,868	256,807,611
Aggregate value of Unquoted Investments - At Cost			-	9,035,000
<b>Total</b>			250,973,868	265,842,611

#### Notes:

1. Market value of quoted investments includes only market value of Cipla Limited and Ambika Cotton Mills Limited since market value of other quoted shares is not available.
2. Market value of unquoted investments is not available and, therefore, it is valued at cost in previous year.
3. Investment write down are accounted, considering the nature of investment, ageing and net realizable value. A number of securities, categories under quoted, unquoted investments and inventories have not yielded any value whatsoever since acquisition. Further, these securities are not quoted on any Stock Exchange for a very long time. Therefore, the provisions for Non-Performing Assets of ₹ 6,90,33,020 available has been set off against ₹ 3,53,23,020 under quoted investment category, ₹ 90,35,000 under unquoted investment category and ₹ 2,46,75,000 under inventories.



# APPLE FINANCE LIMITED

## Note 5: Inventories

(Valued at cost or market value whichever is lower)

(₹)

Particulars	As at 31 <sup>st</sup> March, 2018	As at 31 <sup>st</sup> March, 2017
1,41,000 Equity Shares of ₹ 10 each of Indo Deutsche Metallo Chimique Limited	-	24,675,000
Note: Inventory write down are accounted, considering the nature, ageing, liquidation plan and net realizable value. Write downs of inventories amounted to ₹ 2,46,75,000 (Previous year ₹ Nil). The changes in write down are adjusted against Provisions of Non-Performing Assets).		
<b>Total</b>	-	24,675,000

## Note 6: Cash and Cash Equivalents

(₹)

Particulars	As at 31 <sup>st</sup> March, 2018	As at 31 <sup>st</sup> March, 2017
Cash on Hand	86,236	38,010
Balance with Banks in Current Accounts	723,535	1,042,613
<b>Total</b>	809,771	1,080,623

## Note 7: Bank Balance Other than Cash and Cash Equivalents

(₹)

Particulars	As at 31 <sup>st</sup> March, 2018	As at 31 <sup>st</sup> March, 2017
Bank Deposits (more than 3 months but less than 12 months maturity)	11,590,577	35,907,777
Bank Deposits (more than 12 months maturity)*	202,316,267	170,939,940
*Out of which ₹ 18,23,16,267 is under lien with Kotak Mahindra Bank Limited (Previous year ₹ 17,08,89,940)		
<b>Total</b>	213,906,844	206,847,717

## Note 8: Other Current Financial Assets

(₹)

Particulars	As at 31 <sup>st</sup> March, 2018	As at 31 <sup>st</sup> March, 2017
<b>Loans and Advances to related parties - Unsecured, considered good</b>		
Subsidiary Company	4,882,500	4,937,500
Other Loans and Advances - Unsecured, considered good	-	-
<b>Total</b>	4,882,500	4,937,500

## Note 9: Other Current Assets

(₹)

Particulars	As at 31 <sup>st</sup> March, 2018	As at 31 <sup>st</sup> March, 2017
Interest accrued on Fixed Deposits with Banks	2,531,037	2,301,271
Security Deposits	423,010	416,760
Prepaid Expenses	29,080	38,841
Other Receivables	2,159,453	2,184,034
Sales Tax paid against Appeal	184,217	184,217
Advance Income Tax and TDS	3,072,449	6,020,538
<b>Total</b>	8,399,246	11,145,661



## Note 10: Share Capital

Particulars	As at 31 <sup>st</sup> March, 2018		As at 31 <sup>st</sup> March, 2017	
	No. of Shares	(₹)	No. of Shares	(₹)
<b>Authorized</b>				
Equity Shares of ₹ 10 each	75,000,000	750,000,000	75,000,000	750,000,000
Preference Shares of ₹ 100 each	7,500,000	750,000,000	7,500,000	750,000,000
<b>Total</b>	82,500,000	1,500,000,000	82,500,000	1,500,000,000
<b>Issued, Subscribed and Paid-up</b>				
Equity Shares of ₹ 10 each fully paid up	55,673,122	556,731,220	55,673,122	556,731,220
Less: Calls in arrears by others	-	29,743	-	29,743
<b>Total</b>	55,673,122	556,701,477	55,673,122	556,701,477
<b>Reconciliation of number of shares</b>				
<b>Equity Shares</b>				
Opening Balance after Calls in arrears	55,673,122	556,701,477	55,673,122	556,701,477
Add: Issued during the year	-	-	-	-
Less: Buy-back/Reduction during the year	-	-	-	-
<b>Closing Balance Total</b>	55,673,122	556,701,477	55,673,122	556,701,477
<b>Details of shares held by shareholders holding more than 5% of the aggregate shares in the Company</b>				
<b>Name of the Shareholders</b>	<b>No. of Shares</b>	<b>% of Holding</b>	<b>No. of Shares</b>	<b>% of Holding</b>
<b>Equity Shares</b>				
Honcho Trading Private Limited	10,583,380	19.01	10,583,380	19.01
Chivas Trading Private Limited	3,168,216	5.69	3,168,216	5.69
Apple Finance Employees Welfare Trust	3,316,680	5.96	3,316,680	5.96

Note: The Company has not allotted any shares during the last five years, preceding March 31, 2018

## Note 11: Other Equity

(₹)

Particulars	As at 31 <sup>st</sup> March, 2018	As at 31 <sup>st</sup> March, 2017
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
Capital Reserve	6,933,420	6,933,420
Capital Reserve on Settlement of Loans	427,026,185	427,026,185
Reserve Fund u/s. 45IC(1) of the RBI Act, 1934	77,000,000	77,000,000
Retained Earnings	(1,309,867,736)	(1,312,059,073)
<b>Total</b>	<b>(278,908,130)</b>	<b>(281,099,468)</b>

# APPLE FINANCE LIMITED

## Note 12: Provisions (Non-Current Liabilities)

(₹)

Particulars	As at 31 <sup>st</sup> March, 2018	As at 31 <sup>st</sup> March, 2017
Provision for Non-Performing Assets	-	69,033,020
Balance of Provision for Non-performing Assets write-off against quoted, unquoted and inventories aggregating to ₹ 69,033,020		
<b>Total</b>	-	69,033,020

## Note 13: Trade Payables (Current Liabilities)

(₹)

Particulars	As at 31 <sup>st</sup> March, 2018	As at 31 <sup>st</sup> March, 2017
Others	825,226	198,651
<b>Total</b>	825,226	198,651

## Note 14: Other Current Liabilities

(₹)

Particulars	As at 31 <sup>st</sup> March, 2018	As at 31 <sup>st</sup> March, 2017
Other Payable	333,682	328,289
Duties and Taxes Payable	173,623	81,307
<b>Total</b>	507,305	409,596

## Note 15: Provisions (Current Liabilities)

(₹)

Particulars	As at 31 <sup>st</sup> March, 2018	As at 31 <sup>st</sup> March, 2017
Provision for Employee Benefits	720,000	664,186
Provision for Expenses	9,121,947	9,701,676
<b>Total</b>	9,841,947	10,365,862

## Note 16: Revenue from Operations

(₹)

Particulars	For the year ended 31 <sup>st</sup> March, 2018	For the year ended 31 <sup>st</sup> March, 2017
Hire-Purchase Income	-	2,500
<b>Total</b>	-	2,500

## Note 17: Other Income

(₹)

Particulars	For the year ended 31 <sup>st</sup> March, 2018	For the year ended 31 <sup>st</sup> March, 2017
Interest on Fixed Deposit with Bank (TDS ₹ 15,29,993; Previous year ₹ 15,42,456)	15,299,069	15,419,478
Interest on Income Tax Refund	638,109	83,350
Dividend Income	1,877,350	74,020
<b>Total</b>	17,814,528	15,576,848

## Note 18: Employee Benefits Expenses

(₹)

Particulars	For the year ended 31 <sup>st</sup> March, 2018	For the year ended 31 <sup>st</sup> March, 2017
Salaries and Wages	4,065,198	3,806,058
Contribution to Provident and Other Funds	640,329	601,812
Staff Welfare Expenses	48,504	45,484
<b>Total</b>	4,754,031	4,453,354



## Note 19: Other Expenses

(₹)

Particulars	For the year ended 31 <sup>st</sup> March, 2018	For the year ended 31 <sup>st</sup> March, 2017
Electricity Charges	180,965	269,900
Repairs to Machinery	36,440	38,938
Repairs to Building	-	59,490
Repairs and Maintenance - Others	-	29,421
Insurance	40,861	23,255
Rates and Taxes	268,596	278,904
Society Charges	330,463	815,846
Legal and Professional fees	2,175,692	969,211
ROC Filing Fees	4,896	9,180
Printing and Stationery	56,581	41,228
Telephone and Fax Expense	172,092	156,150
Courier Expenses	8,442	15,615
Security and Service Charges	308,195	467,969
Travelling Expenses (including Foreign Travel)	1,224,246	1,049,972
Conveyance	15,967	15,411
Motor Car Expenses	1,017,079	1,046,167
AGM Expenses	1,793,562	1,631,535
Registrar, Share and Debenture Expenses	882,580	853,435
Directors' Sitting Fees	18,000	18,000
Membership and Subscription	-	1,625
Bank Charges	278	659
Books and Periodicals	12,421	10,655
Miscellaneous Expenses	77,650	30,208
Payments to Auditors:		
(a) as Auditors	413,000	402,500
(b) for Tax Audit	118,000	115,000
(c) for Limited Review Audit	118,000	86,250
<b>Total</b>	<b>9,274,006</b>	<b>8,436,524</b>

## Note 20: Earning Per Equity Share

(₹)

Particulars	For the year ended 31 <sup>st</sup> March, 2018	For the year ended 31 <sup>st</sup> March, 2017
Profit attributable to Equity holders of the Company (a)	2,191,337	574,434
Weighted average number of Equity Shares for basic and diluted (b)	55,673,122	55,673,122
Basic and Diluted Earning per Share (a÷b)	0.04	0.01

## NOTE 21: NOTES TO ACCOUNTS

(₹)

	As at 31 <sup>st</sup> March 2018	As at 31 <sup>st</sup> March 2017
--	--------------------------------------	--------------------------------------

- (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 has Stock-in-Trade for business and hence, accounts have been prepared on the Going Concern Basis and Historical Cost Method.

# APPLE FINANCE LIMITED

## NOTE 21: NOTES TO ACCOUNTS (Contd.)

	As at 31 <sup>st</sup> March 2018	As at 31 <sup>st</sup> March 2017
(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, ₹ 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 ₹ 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 as per the income computation 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.		
(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) Remuneration to Directors:		
(a) Remuneration paid to the Managing Director:		(₹)
	<b>For the year ended 31<sup>st</sup> March, 2018</b>	<b>For the year ended 31<sup>st</sup> March, 2017</b>
Salaries and contribution to the Provident and other funds	2,673,027	2,567,800
Perquisites*	105,600	155,600
<b>Total</b>	<b>2,778,627</b>	<b>2,723,400</b>
* 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.		
(6) Confirmation of balances from parties have not been received. The balances, therefore, are as per the books of account of the Company.		
(7) There are no separate reportable segments.		
(8) Demat Account holding statement as on March 31, 2018 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 the said shares have been considered as current liability.		
(9) Disclosures as required by the Accounting Standard 18 "Related Party Disclosures" are given below:		(₹)
<b>Name of related party and nature of relationship</b>	<b>For the year ended 31<sup>st</sup> March, 2018</b>	<b>For the year ended 31<sup>st</sup> March, 2017</b>
(i) Directors/Key Managerial Personnel: Remuneration		
Mr. Mahesh K. Rachh, Managing Director	2,778,627	2,723,400
(ii) Directors and their relatives - Professional Fees		
Mrs. Anita Menon: Director's spouse	120,000	120,000
(iii) Directors Sitting Fees		
Mr. Mahesh Menon, Director	6,000	6,000
Mr. Mahendra Shah, Director	6,000	6,000
Mrs. Jacqueline Patel, Director	6,000	6,000
(iv) Loans and advances		
Apple Asset Management Limited - Subsidiary Company	4,882,500	4,937,500
[Maximum amount outstanding during the year ₹ 49,62,500 (Previous year ₹ 49,37,500)]		



- (10) 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 ₹ 9,24,66,286. 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.

<b>Particulars</b>	<b>As at 31<sup>st</sup> March 2018</b>	<b>As at 31<sup>st</sup> March 2017</b>
Deferred Tax Asset:		
(1) Provision for Non-Performing Assets and Diminution in the value of Investments	-	23,890,948
(2) Carry forward losses (including Unabsorbed Depreciation)	62,898,370	85,202,247
(3) Depreciation	(12,061,922)	(16,626,908)
Deferred Tax Asset (net)	50,836,448	92,466,287

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

<b>Particulars</b>	<b>As at 31<sup>st</sup> March 2018</b>	<b>As at 31<sup>st</sup> March 2017</b>
Unquoted		
141,000 Equity Shares of ₹ 10 each of Indo Deutsche Metallo Chimique Limited	-	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

- (12) As per the Accounting Standard 13, Stock-in-Trade (Shares) is required to be recognised 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.

- (13) Cash Flow is prepared as per Indirect Method.

- (14) 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 21

As per our Report of even date attached

**For Kucheria & Associates**

Chartered Accountants  
Firm Regn. No.105391W

**Neetu Godhwani**

Partner  
Membership No.141952

Mumbai, May 30, 2018

For and on behalf of the Board

**Mahesh K. Rachh**  
Managing Director

**Jacqueline K. Patel**  
Director

**Mahesh Menon**  
Director

**J. R. K. Sarma**  
Director

**Mahendra S. Shah**  
Director

**P. B. Deshpande**  
Company Secretary

# APPLE FINANCE LIMITED

## INDEPENDENT AUDITORS' REPORT

To the Members of

### Apple Finance Limited

#### Report on the Consolidated Ind AS Financial Statements

We have audited the accompanying consolidated Ind AS financial statements of Apple Finance Limited (hereinafter referred to as "the Holding Company"), and its subsidiary (the Holding Company and its subsidiary together referred to as "the Group") which comprise the Consolidated Balance Sheet as at March 31, 2018, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Cash Flow Statement and the Consolidated Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information prepared based on the relevant records (herein after referred to as "the Consolidated Ind AS Financial Statements").

#### Management's Responsibility for the Consolidated Ind AS Financial Statements

The Holding Company's Board of Directors is responsible for the preparation of these consolidated Ind AS financial statements in terms of the requirements of the Companies Act, 2013 ("the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance, consolidated cash flows and changes in equity of the Group including its jointly controlled entity in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified in the Companies (Indian Accounting Standard) Rules, 2015 (as amended) under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

The Holding Company's Board of Directors is also responsible for ensuring accuracy of records including financial information considered necessary for the preparation of Consolidated Ind AS Financial Statements. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group, respectively and for preventing and detecting frauds and other irregularities; the 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, which has been used for the purpose of preparation of the consolidated Ind AS Financial Statements by the Directors of the Holding Company, as aforesaid.

#### Auditors' Responsibility

Our responsibility is to express an opinion on these consolidated Ind AS financial statements based on our audit. While conducting the audit.

We have taken into account the provisions of the Act and the Rules made thereunder including 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 thereunder.

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 and pronouncements require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated Ind AS financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated Ind AS financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated Ind AS financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial controls relevant to the Holding Company's preparation of the consolidated financial opinion on the consolidated Ind AS financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Holding Company's Board of Directors, as well as evaluating the overall presentation of the consolidated Ind AS financial statements.

We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors in terms of their reports referred to "Other Matters" paragraph below is sufficient and appropriate to provide a basis for our audit opinion on the consolidated Ind AS 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 reports of other auditors on separate financial statements and on the other financial information of the subsidiary, the aforesaid consolidated Ind AS 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 consolidated state of affairs of the Group as at March 31, 2018 and their consolidated total comprehensive income (comprising of consolidated profit and consolidated other comprehensive income), their consolidated cash flows and consolidated changes in equity for the year ended on that date, subject to:

- a) **Point No.1 of Note 20 regarding going concern assumption of the Company.**
- b) **Point No.10 of Note 20 regarding non-consideration of Deferred Tax Assets (Net) amounting to ₹ 50,836,448.**
- c) **Point No.3 of Note 4 regarding write-off of quoted, unquoted and inventories aggregating to ₹ 69,033,020 against balance of Provision for Non-Performing Assets.**

#### Other Matter

We did not audit the financial statements of Apple Asset Management Limited (Subsidiary Company), whose financial



statements reflect **total assets of ₹ 57,84,713 (excluding debit balance of ₹ 106,215,287 in the Profit and Loss Statement) as at March 31, 2018, total Revenue of ₹ Nil, total comprehensive income (comprising of profit and other comprehensive income) of ₹ 58,036 and net cash flows amounting to ₹ 3,036** for the year ended on that date, as considered in the consolidated Ind AS financial statements. These financial statements have been audited by other auditors whose report has been furnished to us by the management and our opinion on the consolidated Ind AS financial statements in so far as it relates to the amounts and disclosures included in respect of the subsidiary, and our report in terms of sub-sections (3) and (11) of Section 143 of the Act, so far as it relates to the aforesaid subsidiary is based solely on the report of such other auditors.

Our opinion on the consolidated Ind AS financial statements and our report on Other Legal and Regulatory Requirements below is not modified in respect of the above matter with respect to our reliance on the work done and the report of the other auditors.

#### **Report on Other Legal and Regulatory Requirements**

1. As required by Section 143(3) of the Act, based on our audit and on the consideration of report of the other auditors on separate financial statements and other financial information of the subsidiary company as noted in the "Other Matters" paragraph, we report, to the extent applicable, that:-
  - a. We have sought and obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated Ind AS financial statements;
  - b. In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated Ind AS financial statements have been kept so far as it appears from our examination of those books and the report of the other auditors;
  - c. The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including other comprehensive income), the Consolidated Cash Flow Statement and the Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated Ind AS financial statements;
  - d. In our opinion, the aforesaid consolidated Ind AS financial statements comply with the Accounting

Standards specified 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 of the Holding Company as on March 31, 2018, taken on record by the Board of Directors of the Holding Company and the report of the statutory auditors of its subsidiary company, none of the Directors of the Group is disqualified as on March 31, 2018, from being appointed as a Director in terms of Section 164(2) of the Act;
- f. With respect to the adequacy of the internal financial controls over financial reporting of the Holding Company and its subsidiary, refer to our separate report in Annexure 'A'; and
- g. With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of report of the other auditors on separate financial statements as also the other financial information of subsidiary company, as noted in the "Other Matters" paragraph:-
  - i. The Consolidated Ind AS Financial Statements have disclosed the impact of pending litigations on its consolidated financial position of the Group in its consolidated financial statements;
  - ii. The Group did not have any long-term contracts including derivative contracts and as such, the question of commenting on any material foreseeable losses thereon does not arise;
  - iii. There has not been an occasion, in case of the Group during the year under report, to transfer any sums to the Investor Education and Protection Fund. Therefore, the question of delay in transferring such sums does not arise.

**For Kucheria & Associates**  
*Chartered Accountants*  
*Firm Regn. No.105391W*

**Neetu Godhwani**  
*Partner*  
*Membership No.141952*

Mumbai, May 30, 2018

#### **Annexure "A" to the Independent Auditor's Report on the Consolidated Ind AS Financial Statements**

##### **Report on the Internal Financial Controls under Clause (i) of sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")**

In conjunction with our audit of the consolidated Ind AS financial statements of Apple Finance Limited ("the Holding Company") as of and for the year ended March 31, 2018, we have audited the internal financial controls over financial reporting of the Holding Company and its subsidiary company, as of that date.

#### **Management's Responsibility for Internal Financial Controls**

The respective Board of Directors of the Holding Company and its subsidiary company are responsible for establishing and maintaining internal financial controls based on respective internal control over financial reporting criteria established by the Holding Company and its subsidiary company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial



# APPLE FINANCE LIMITED

controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

## **Auditors' Responsibility**

Our responsibility is to express an opinion on the Holding Company's and its subsidiary company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of internal financial control over financial reporting ("the Guidance Note") issued by the ICAI and the Standards on Auditing issued by ICAI and deemed to be prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. 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.

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors of the subsidiary company in terms of their report referred to in the "Other Matters" paragraph below is sufficient and appropriate to provide a basis for our audit opinion on the Holding Company's and its subsidiary company's internal financial controls system over financial reporting.

## **Meaning of Internal Financial Controls Over Financial Reporting**

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records

that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

## **Inherent Limitations of Internal Financial Controls Over Financial Reporting**

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

## **Opinion**

In our opinion and to the best of our information and according to the explanations given to us, the Holding Company and its subsidiary have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2018, based on the internal control over financial reporting criteria established by the Holding Company and its subsidiary considering the essential components of internal control stated in the Guidance Note on Audit of internal financial controls over financial reporting issued by the Institute of Chartered Accountants of India.

## **Other Matter**

Our aforesaid report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting in so far as it relates to, which is a company incorporated in India, is based on the corresponding report of the auditor of such company.

## **For Kucheria & Associates**

*Chartered Accountants  
Firm Regn. No.105391W*

## **Neetu Godhwani**

*Partner  
Membership No.141952*

Mumbai, May 30, 2018



## CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2018

(₹)

Particulars	Note No.	As at 31 <sup>st</sup> March, 2018	As at 31 <sup>st</sup> March, 2017
<b>ASSETS</b>			
<b>Non-Current Assets</b>			
Property, Plant and Equipment	3	50,921,072	52,516,225
Financial Assets			
Investments	4	62,463,005	106,821,025
Loans		-	-
Other Financial Assets		-	-
Other Non-Current Assets		-	-
<b>Total Non-Current Assets</b>		<u>113,384,077</u>	<u>159,337,250</u>
<b>Current Assets</b>			
Inventories	5	-	24,675,000
Financial Assets			
Investments		-	-
Trade Receivables		-	-
Cash and Cash Equivalents	6	826,274	1,094,090
Bank Balance Other than Cash and Cash Equivalents	7	213,906,844	206,847,717
Loans		-	-
Other Financial Assets		-	-
Other Current Assets	8	8,399,246	11,145,661
<b>Total Current Assets</b>		<u>223,132,364</u>	<u>243,762,468</u>
<b>Total Assets</b>		<u><u>336,516,441</u></u>	<u><u>403,099,718</u></u>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Equity Share Capital	9	556,701,477	556,701,477
Other Equity	10	(385,123,417)	(387,372,791)
<b>Total Equity</b>		<u>171,578,060</u>	<u>169,328,686</u>
<b>Liabilities</b>			
<b>Non-Current Liabilities</b>			
Financial Liabilities			
Borrowings		-	-
Other Financial Liabilities		-	-
Provisions	11	153,733,170	222,766,190
Deferred Tax Liabilities (Net)		-	-
Other Non-Current Liabilities		-	-
<b>Total Non-Current Liabilities</b>		<u>153,733,170</u>	<u>222,766,190</u>
<b>Current Liabilities</b>			
Financial Liabilities			
Borrowings		-	-
Trade Payables	12	855,959	229,384
Other Financial Liabilities		-	-
Other Current Liabilities	13	507,305	409,596
Provisions	14	9,841,947	10,365,862
<b>Total Current Liabilities</b>		<u>11,205,211</u>	<u>11,004,842</u>
<b>Total Liabilities</b>		<u>164,938,381</u>	<u>233,771,032</u>
<b>Total Equity and Liabilities</b>		<u><u>336,516,441</u></u>	<u><u>403,099,718</u></u>
Significant Accounting Policies and Notes to the Financial Statements	1 to 20	-	-

As per our Report of even date attached

**For Kucheria & Associates**Chartered Accountants  
Firm Regn. No.105391W**Neetu Godhwani**Partner  
Membership No.141952

Mumbai, May 30, 2018

For and on behalf of the Board

**Mahesh K. Rachh**  
Managing Director**Jacqueline K. Patel**  
Director**Mahesh Menon**  
Director**J. R. K. Sarma**  
Director**Mahendra S. Shah**  
Director**P. B. Deshpande**  
Company Secretary

# APPLE FINANCE LIMITED

## CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2018

(₹)

Particulars	Note No.	For the year ended 31 <sup>st</sup> March, 2018	For the year ended 31 <sup>st</sup> March, 2017
<b>INCOME</b>			
Revenue from Operations	15	-	2,500
Other Income	16	17,917,188	15,586,998
<b>Total Income</b>		<u>17,917,188</u>	<u>15,589,498</u>
<b>EXPENSES</b>			
Employee Benefits Expenses	17	4,754,031	4,453,354
Depreciation and Amortization Expenses	3	1,595,154	2,115,036
Other Expenses	18	9,318,630	8,493,033
<b>Total Expenses</b>		<u>15,667,815</u>	<u>15,061,423</u>
<b>Profit/(Loss) Before Tax</b>		2,249,373	528,075
Tax Expenses			
Current Tax		-	-
Deferred Tax		-	-
<b>Profit/(Loss) for the year</b>		<u>2,249,373</u>	<u>528,075</u>
<b>Other Comprehensive Income/(Loss)</b>			
i Items that will not be reclassified to Profit or Loss		-	-
ii Income tax relating to items that will not be reclassified to Profit or Loss		-	-
iii Items that will be reclassified to Profit or Loss		-	-
iv Income tax relating to items that will be reclassified to Profit or Loss		-	-
<b>Total Other Comprehensive Income/(Loss) for the Year</b>		<u>-</u>	<u>-</u>
<b>Total Comprehensive Income/(Loss) for the Year</b>		2,249,373	528,075
<b>Earning per Equity Share of face value of ₹ 10 each</b>			
Basic and Diluted (₹)	19	0.04	0.01
Significant Accounting Policies and Notes to the Financial Statements	1 to 20		

As per our Report of even date attached

**For Kucheria & Associates**

Chartered Accountants  
Firm Regn. No.105391W

**Neetu Godhwani**

Partner  
Membership No.141952

Mumbai, May 30, 2018

For and on behalf of the Board

**Mahesh K. Rachh**  
Managing Director

**Jacqueline K. Patel**  
Director

**Mahesh Menon**  
Director

**J. R. K. Sarma**  
Director

**Mahendra S. Shah**  
Director

**P. B. Deshpande**  
Company Secretary



## CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2018

(₹)

Particulars	For the year ended 31 <sup>st</sup> March, 2018	For the year ended 31 <sup>st</sup> March, 2017
<b>Cash Flow from Operating Activities:</b>		
<b>Net Profit/(Loss) before Tax as per Statement of Profit and Loss</b>	2,249,373	528,075
<b>Adjustments for:</b>		
Depreciation and Amortization Expense	1,595,154	2,115,036
Investment Income - Dividend & Interest Income	(17,279,079)	(15,503,648)
	(15,683,925)	(13,388,612)
<b>Operating Profit/(Loss) before Working Capital Changes</b>	(13,434,552)	(12,860,537)
<b>Changes in Working Capital</b>		
(Increase)/Decrease in Inventories	24,675,000	-
(Increase)/Decrease in Other Current Assets	(201,674)	326,473
Increase/(Decrease) in Non-Current Provisions	(69,033,020)	-
Increase/(Decrease) in Trade Payables	626,575	(634,158)
Increase/(Decrease) in Other Current Liabilities	97,709	(63,648)
Increase/(Decrease) in Current Provisions	(523,915)	1,034,692
<b>Cash Generated from Operating Activities</b>	(44,359,325)	663,359
Income Tax Paid	2,948,089	(260,126)
	(41,411,236)	403,233
<b>Net Cash (used)/generated from Operating Activities</b>	(A)	(12,457,304)
<b>Cash Flow From Investing Activities:</b>		
(Increase)/Decrease in Non-Current Financial Investments	44,358,020	-
Dividend & Interest Income	17,279,079	15,503,648
<b>Net Cash (used)/generated from Investing Activities</b>	(B)	15,503,648
<b>Cash Flow from Financing Activities:</b>		
Proceeds from borrowings	-	-
<b>Net Cash (used)/generated from Financing Activities</b>	(C)	-
<b>Net Increase/(Decrease) in Cash and Cash Equivalents</b>	(A+B+C)	3,046,344
<b>Cash &amp; Cash Equivalent at the beginning of the year</b>	207,941,807	204,895,463
<b>Cash &amp; Cash Equivalent at the end of the year</b>	214,733,118	207,941,807

**Note:** The above Cash Flow Statement has been prepared under the 'Indirect Method' as set out in the Indian Accounting Standard (Ind AS-7) - Statement of Cash Flows.

As per our Report of even date attached

**For Kucheria & Associates**

Chartered Accountants  
Firm Regn. No.105391W

**Neetu Godhwani**

Partner  
Membership No.141952

Mumbai, May 30, 2018

For and on behalf of the Board

**Mahesh K. Rachh**  
Managing Director

**Jacqueline K. Patel**  
Director

**Mahesh Menon**  
Director

**J. R. K. Sarma**  
Director

**Mahendra S. Shah**  
Director

**P. B. Deshpande**  
Company Secretary

# APPLE FINANCE LIMITED

## CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2018

### A. Equity Share Capital

(₹)

Particulars	For the year ended 31 <sup>st</sup> March, 2018	For the year ended 31 <sup>st</sup> March, 2017
Balance at the beginning of the year	556,701,477	556,701,477
Change in Equity Share Capital during the year	-	-
<b>Balance at the end of the year</b>	<b>556,701,477</b>	<b>556,701,477</b>

### B. Other Equity

(₹)

Particulars	Balance at the beginning of the year i. e. 1 <sup>st</sup> April, 2016	Total Comprehensive Income for the year	Transfer to / (from) Retained Earnings	Balance at the end of the year i. e. 31 <sup>st</sup> March, 2017
<b>As at 31<sup>st</sup> March, 2017</b>				
<b>Reserves and Surplus</b>				
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
Capital Reserve	6,933,420	-	-	6,933,420
Capital Reserve on Settlement of Loans	427,026,185	-	-	427,026,185
Reserve Fund u/s. 45IC(1) of the RBI Act, 1934	77,000,000	-	-	77,000,000
Retained Earnings	(1,418,860,472)	-	528,075	(1,418,332,396)
Other Comprehensive Income	-	-	-	-
<b>Total</b>	<b>(387,900,867)</b>	<b>-</b>	<b>528,075</b>	<b>(387,372,791)</b>

Particulars	Balance at the beginning of the year i. e. 1 <sup>st</sup> April, 2017	Total Comprehensive Income for the year	Transfer to/ (from) Retained Earnings	Balance at the end of the year i. e. 31 <sup>st</sup> March, 2018
<b>As at 31<sup>st</sup> March, 2018</b>				
<b>Reserves and Surplus</b>				
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
Capital Reserve	6,933,420	-	-	6,933,420
Capital Reserve on Settlement of Loans	427,026,185	-	-	427,026,185
Reserve Fund u/s. 45IC(1) of the RBI Act, 1934	77,000,000	-	-	77,000,000
Retained Earnings	(1,418,332,396)	-	2,249,373	(1,416,083,024)
Other Comprehensive Income	-	-	-	-
<b>Total</b>	<b>(387,372,791)</b>	<b>-</b>	<b>2,249,373</b>	<b>(385,123,417)</b>

As per our Report of even date attached

#### For Kucheria & Associates

Chartered Accountants  
Firm Regn. No.105391W

#### Neetu Godhwani

Partner  
Membership No.141952

For and on behalf of the Board

**Mahesh K. Rachh**  
Managing Director

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Director

**Mahesh Menon**  
Director

**J. R. K. Sarma**  
Director

**Mahendra S. Shah**  
Director

**P. B. Deshpande**  
Company Secretary

Mumbai, May 30, 2018



## Notes to the Consolidated Financial Statements for the year ended March 31, 2018

### 1. Corporate Information

Apple Finance Limited ("the Company") is a listed entity incorporated in India. The Holding Company together with its subsidiary ("the Group") are operating in Mumbai. The address of its Registered Office and principal place of business are disclosed in the introduction to the Annual Report.

### 2. Significant Accounting Policies

#### 2.1 Statement of Compliance

The consolidated financial statements of the Company have been prepared in accordance with Indian Accounting Standards notified under the Section 133 of the Companies Act, 2013 ("the Act") [the Companies (Indian Accounting Standards) Rules, 2015]. These are the Company's first Ind AS financial statements. The date of transition to Ind AS is April 1, 2016. Reconciliation under the Accounting Standards notified under the Companies (Accounting Standards) Rules, 2006 has been presented in the Note No. 2.3(e).

#### 2.2 Basis of Preparation

These financial statements have been prepared on historical cost basis and mercantile system of accounting where income and expenditure are recognized on accrual basis.

#### 2.3 Summary of Significant Accounting Policies

##### (a) Investment in Equities

All investments are stated at cost of acquisition. The investment 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 investment, wherever required.

##### (b) Provisions

Provisions are recognized when the Company has present obligation (legal or constructive) as a result of a past event for which, reliable estimate can be made of the amount of obligation and it is probable that the Company will be required to settle the obligation. When a provision is measured using cash flows estimated to settle the present obligation its carrying amount is the present value of those cash flows unless the effect of time value of money is immaterial.

##### (c) Cash and Cash Equivalents

The Company considers all highly liquid financial instruments, which are readily convertible into known amounts of cash that are subject to an insignificant risk of change in value and having original maturities of three months or less from the date of purchase, to be cash equivalents. Cash and cash equivalents consist of balances with banks, which are unrestricted for withdrawal and usage.

### (d) Contingencies

A contingent liability is a possible obligation that arises from past event whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Company does not recognize a contingent liability but discloses its existence in the financial statements.

### (e) Reconciliation between previous GAAP and Ind AS

#### Equity Reconciliation

(₹ Lakh)

Particulars	As at March 31, 2017
Equity	
Equity under Previous GAAP	5,567.01
Change in Equity during the year	-
Equity under Ind AS	5,567.01
Other Equity	
Other Equity under Previous GAAP	(3,873.73)
Adjustments	-
Other Equity under Ind AS	(3,873.73)

#### Comprehensive Income Reconciliation

(₹ Lakh)

Particulars	Year ended March 31, 2017
Net Profit as per Previous GAAP	5.29
Actuarial (gain)/loss on employee defined benefit funds recognised in other comprehensive income	-
Effect of change in depreciation method recognised as change in estimate	-
Deferred taxes including taxes	-
Others	-
Net Profit under Ind AS	5.29
Other Comprehensive Income	-
Total Comprehensive Income under Ind AS	5.29

#### Cash flow reconciliation

There are no material changes in cash flows reported in previous GAAP in comparison with Ind AS.

# APPLE FINANCE LIMITED

## Note 3: Property, Plant and Equipment

(₹)

Description of Assets	Gross Block (At Cost)				Depreciation				Net Block	
	As at 1 <sup>st</sup> April, 2017	Additions	Deductions	As at 31 <sup>st</sup> March, 2018	As at 1 <sup>st</sup> April, 2017	For the year	Deductions	As at 31 <sup>st</sup> March, 2018	As at 31 <sup>st</sup> March, 2018	As at 31 <sup>st</sup> March, 2017
<b>Tangible Assets</b>										
Freehold Land	955,066	-	-	955,066	-	-	-	-	955,066	955,066
Buildings	83,986,390	-	-	83,986,390	32,754,795	1,416,425	-	34,171,220	49,815,170	51,231,595
Office Equipment	4,047,326	-	-	4,047,326	4,047,326	-	-	4,047,326	-	-
Computers	18,218,498	-	-	18,218,498	18,206,531	11,967	-	18,218,498	-	11,967
Electrical Fittings	1,390,185	-	-	1,390,185	1,390,185	-	-	1,390,185	-	-
Furniture and Fixtures	16,580,813	-	-	16,580,813	16,438,842	16,225	-	16,455,067	125,746	141,971
Vehicles	1,636,924	-	-	1,636,924	1,461,297	150,537	-	1,611,834	25,090	175,627
<b>Total (A)</b>	<u>126,815,202</u>	<u>-</u>	<u>-</u>	<u>126,815,202</u>	<u>74,298,976</u>	<u>1,595,154</u>	<u>-</u>	<u>75,894,130</u>	<u>50,921,072</u>	<u>52,516,225</u>
<b>Intangible Assets (B)</b>	-	-	-	-	-	-	-	-	-	-
<b>Total (A + B)</b>	<u>126,815,202</u>	<u>-</u>	<u>-</u>	<u>126,815,202</u>	<u>74,298,976</u>	<u>1,595,154</u>	<u>-</u>	<u>75,894,130</u>	<u>50,921,072</u>	<u>52,516,225</u>
<b>Previous Year</b>	126,815,202	-	-	126,815,202	72,183,940	2,115,036	-	74,298,976	52,516,225	54,631,262
<b>Capital Work-in-Progress</b>	-	-	-	-	-	-	-	-	-	-
<b>Intangible Assets under Development</b>	-	-	-	-	-	-	-	-	-	-

## Note 4: Non-Current Investments

Particulars	No. of Securities	Face Value (₹)	As at 31 <sup>st</sup> March, 2018 (₹)	As at 31 <sup>st</sup> March, 2017 (₹)
<b>Trade Investments</b> (Fully paid unless otherwise stated)				
<b>Quoted Investments - Equity Shares (At Cost)</b>				
Ambika Cotton Mills Limited	180,233	10	8,651,200	8,651,200
Cipla Limited	36,510	2	652,302	652,302
Anjani Solvents India Limited	74,853	10	744,890	748,530
Anod Plasma Spray Limited	75,000	10	-	750,000
Indian Lead Limited	332,066	10	-	12,331,200
Inland Printers Limited	33,300	10	-	1,998,000
Pittie Cements & Industries Limited	118,126	10	-	12,993,860
Sagar Tourist Resorts Limited	21,342	10	-	213,420
Shri Renuga Textiles Limited	40,000	10	-	6,000,000
Vital Foods Limited	93,900	10	-	1,032,900
Vedanta Limited	5,800	1	51,023	51,023



#### Note 4: Non-Current Investments (Contd.)

Particulars	No. of Securities	Face Value (₹)	As at 31 <sup>st</sup> March, 2018 (₹)	As at 31 <sup>st</sup> March, 2017 (₹)
<b>Total (A)</b>			10,099,415	45,422,435
<b>Unquoted Investments - Equity Shares (At Cost)</b>				
Aldrich Pharmaceuticals Limited	210,000	10	-	7,035,000
Spectrum Alkyd & Resins Limited	133,333	10	-	1,500,000
Vijaya Home Loans Limited	50,000	10	-	500,000
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 Limited	145,000	10	24,539,919	24,539,919
Union Motor Services Limited	366,667	10	8,806,560	8,806,560
<b>Total (B)</b>			46,513,590	55,548,590
<b>Unquoted Investments - Debentures (At Cost)</b>				
18% Unsecured Redeemable Non-Convertible Debentures of Century Wood Limited	40,000	100	5,850,000	5,850,000
<b>Total (C)</b>			5,850,000	5,850,000
<b>Total (A+B+C)</b>			62,463,005	106,821,025
Aggregate market value of Quoted Investments - Equity Shares			252,588,008	258,402,321
Aggregate value of Unquoted Investments - At Cost			52,363,590	61,398,590
<b>Total</b>			304,951,598	319,800,911

Note:

- Market value of quoted investments includes only market value of Cipla Limited, Ambika Cotton Mills Limited and Vedanta Limited since market value of other quoted shares is not available.
- Market value of unquoted investments is not available and, therefore, it is valued at cost.
- Investment write down are accounted, considering the nature of investment, ageing and net realizable value. A number of securities, categories under quoted, unquoted investments and inventories have not yielded any value whatsoever since acquisition. Further, these securities are not quoted on any Stock Exchange for a very long time. Therefore, the provisions for Non-Performing Assets of ₹ 6,90,33,020 available has been set off against ₹ 3,53,23,020 under quoted investment category, ₹ 90,35,000 under unquoted investment category and ₹ 2,46,75,000 under inventories.

#### Note 5: Inventories

(Valued at cost or market value whichever is lower)

(₹)

Particulars	As at 31 <sup>st</sup> March, 2018	As at 31 <sup>st</sup> March, 2017
1,41,000 Equity Shares of ₹ 10 each of Indo Deutsche Metallo Chimique Limited Note: Inventory write down are accounted, considering the nature, ageing, liquidation plan and net realizable value. Write downs of inventories amounted to ₹ 2,46,75,000 (Previous year ₹ Nil). The changes in write down are adjusted against Provisions of Non-Performing Assets)	-	24,675,000
<b>Total</b>	-	24,675,000

#### Note 6: Cash and Cash Equivalents

(₹)

Particulars	As at 31 <sup>st</sup> March, 2018	As at 31 <sup>st</sup> March, 2017
Cash on Hand	86,236	38,010
Balance with Banks in Current Accounts	740,038	1,056,080
<b>Total</b>	826,274	1,094,090



# APPLE FINANCE LIMITED

## Note 7: Bank Balance Other than Cash and Cash Equivalents

(₹)

Particulars	As at 31 <sup>st</sup> March, 2018	As at 31 <sup>st</sup> March, 2017
Bank Deposits (more than 3 months but less than 12 months maturity)	11,590,577	35,907,777
Bank Deposits (more than 12 months maturity)*	202,316,267	170,939,940
*Out of which ₹ 18,23,16,267 is under lien with Kotak Mahindra Bank Limited (Previous year ₹ 17,08,89,940)		
<b>Total</b>	<b>213,906,844</b>	<b>206,847,717</b>

## Note 8: Other Current Assets

(₹)

Particulars	As at 31 <sup>st</sup> March, 2018	As at 31 <sup>st</sup> March, 2017
Interest accrued on Fixed Deposits with Banks	2,531,037	2,301,271
Security Deposits	423,010	416,760
Prepaid Expenses	29,080	38,841
Other Receivables	2,159,453	2,184,034
Sales Tax paid against Appeal	184,217	184,217
Advance Income Tax and TDS	3,072,449	6,020,538
<b>Total</b>	<b>8,399,246</b>	<b>11,145,661</b>

## Note 9: Share Capital

Particulars	As at 31 <sup>st</sup> March, 2018		As at 31 <sup>st</sup> March, 2017	
	No. of Shares	(₹)	No. of Shares	(₹)
<b>Authorized</b>				
Equity Shares of ₹ 10 each	75,000,000	750,000,000	75,000,000	750,000,000
Preference Shares of ₹ 100 each	7,500,000	750,000,000	7,500,000	750,000,000
<b>Total</b>	<b>82,500,000</b>	<b>1,500,000,000</b>	<b>82,500,000</b>	<b>1,500,000,000</b>
<b>Issued, Subscribed and Paid up</b>				
Equity Shares of ₹ 10 each fully paid up	55,673,122	556,731,220	55,673,122	556,731,220
Less: Calls in arrears by others	-	29,743	-	29,743
<b>Total</b>	<b>55,673,122</b>	<b>556,701,477</b>	<b>55,673,122</b>	<b>556,701,477</b>
<b>Reconciliation of number of shares</b>				
<b>Equity Shares</b>				
Opening Balance after Calls in arrears	55,673,122	556,701,477	55,673,122	556,701,477
Add: Issued during the year	-	-	-	-
Less: Buy-back/Reduction during the year	-	-	-	-
<b>Closing Balance Total</b>	<b>55,673,122</b>	<b>556,701,477</b>	<b>55,673,122</b>	<b>556,701,477</b>
<b>Details of shares held by shareholders holding more than 5% of the aggregate shares in the Company</b>				
<b>Name of the Shareholders</b>	<b>No. of Shares</b>	<b>% of Holding</b>	<b>No. of Shares</b>	<b>% of Holding</b>
<b>Equity Shares</b>				
Honcho Trading Private Limited	10,583,380	19.01	10,583,380	19.01
Chivas Trading Private Limited	3,168,216	5.69	3,168,216	5.69
Apple Finance Employees Welfare Trust	3,316,680	5.96	3,316,680	5.96

Note: The Company has not allotted any shares during the last five years, preceding March 31, 2018

**Note 10: Other Equity**

(₹)

Particulars	As at 31 <sup>st</sup> March, 2018	As at 31 <sup>st</sup> March, 2017
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
Capital Reserve	6,933,420	6,933,420
Capital Reserve on Settlement of Loans	427,026,185	427,026,185
Reserve Fund u/s. 45IC(1) of the RBI Act, 1934	77,000,000	77,000,000
Retained Earnings	(1,416,083,024)	(1,418,332,396)
<b>Total</b>	<b>(385,123,417)</b>	<b>(387,372,791)</b>

**Note 11: Provisions (Non-Current Liabilities)**

(₹)

Particulars	As at 31 <sup>st</sup> March, 2018	As at 31 <sup>st</sup> March, 2017
Provision for Non-Performing Assets	153,733,170	222,766,190
Balance of Provision for Non-performing Assets write-off against quoted, unquoted and inventories aggregating to ₹ 69,033,020		
<b>Total</b>	<b>153,733,170</b>	<b>222,766,190</b>

**Note 12: Trade Payables (Current Liabilities)**

(₹)

Particulars	As at 31 <sup>st</sup> March, 2018	As at 31 <sup>st</sup> March, 2017
Others	855,959	229,384
<b>Total</b>	<b>855,959</b>	<b>229,384</b>

**Note 13: Other Current Liabilities**

(₹)

Particulars	As at 31 <sup>st</sup> March, 2018	As at 31 <sup>st</sup> March, 2017
Other Payable	333,682	328,289
Duties and Taxes Payable	173,623	81,307
<b>Total</b>	<b>507,305</b>	<b>409,596</b>

**Note 14: Provisions (Current Liabilities)**

(₹)

Particulars	As at 31 <sup>st</sup> March, 2018	As at 31 <sup>st</sup> March, 2017
Provision for Employee Benefits	720,000	664,186
Provision for Expenses	9,121,947	9,701,676
<b>Total</b>	<b>9,841,947</b>	<b>10,365,862</b>

**Note 15: Revenue from Operations**

(₹)

Particulars	As at 31 <sup>st</sup> March, 2018	As at 31 <sup>st</sup> March, 2017
Hire-Purchase Income	-	2,500
<b>Total</b>	<b>-</b>	<b>2,500</b>

# APPLE FINANCE LIMITED

## Note 16: Other Income

(₹)

Particulars	As at 31 <sup>st</sup> March, 2018	As at 31 <sup>st</sup> March, 2017
Interest on Fixed Deposit with Bank (TDS ₹ 15,29,993; Previous year ₹ 15,42,456)	15,299,069	15,419,478
Interest on Income Tax Refund	638,109	83,350
Dividend Income	1,980,010	84,170
<b>Total</b>	<b>17,917,188</b>	<b>15,586,998</b>

## Note 17: Employee Benefits Expenses

(₹)

Particulars	As at 31 <sup>st</sup> March, 2018	As at 31 <sup>st</sup> March, 2017
Salaries and Wages	4,065,198	3,806,058
Contribution to Provident and Other Funds	640,329	601,812
Staff Welfare Expenses	48,504	45,484
<b>Total</b>	<b>4,754,031</b>	<b>4,453,354</b>

## Note 18: Other Expenses

(₹)

Particulars	As at 31 <sup>st</sup> March, 2018	As at 31 <sup>st</sup> March, 2017
Electricity Charges	180,965	269,900
Repairs to Machinery	36,440	38,938
Repairs to Building	-	59,490
Repairs and Maintenance - Others	-	29,421
Insurance	40,861	23,255
Rates and Taxes	268,596	278,904
Society Charges	330,463	815,846
Legal and Professional fees	2,199,830	1,008,355
ROC Filing Fees	25,092	9,180
Printing and Stationery	56,581	41,228
Telephone and Fax Expense	172,092	156,150
Courier Expenses	8,442	15,615
Security and Service Charges	308,195	467,969
Travelling Expenses (including Foreign Travel)	1,224,246	1,049,972
Conveyance	15,967	15,411
Motor Car Expenses	1,017,079	1,046,167
AGM Expenses	1,793,562	1,631,535
Registrar, Share and Debenture Expenses	882,580	853,435
Directors' Sitting Fees	18,000	18,000
Membership and Subscription	-	1,625
Bank Charges	568	774
Books and Periodicals	12,421	10,655
Miscellaneous Expenses	77,650	30,208
Payments to Auditors:		
(a) as Auditors	413,000	419,750
(b) for Tax Audit	118,000	115,000
(c) for Limited Review Audit	118,000	86,250
<b>Total</b>	<b>9,318,630</b>	<b>8,493,033</b>

**Note 19: Earning Per Equity Share**

(₹)

Particulars	As at 31 <sup>st</sup> March, 2018	As at 31 <sup>st</sup> March, 2017
Profit attributable to Equity holders of the Company (a)	2,249,373	528,075
Weighted average number of Equity Shares for basic and diluted (b)	55,673,122	55,673,122
Basic and Diluted Earning per Share (a÷b)	0.04	0.01

**NOTE 20: NOTES TO ACCOUNTS**

(₹)

Particulars	As at 31 <sup>st</sup> March, 2018	As at 31 <sup>st</sup> March, 2017
(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 has 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, ₹ 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 ₹ 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 as per the income computation 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.		
(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) Remuneration to Directors: (a) Remuneration paid to the Managing Director:		
	<b>For the year ended 31<sup>st</sup> March, 2018</b>	<b>For the year ended 31<sup>st</sup> March, 2017</b>
Salaries and contribution to the Provident and other funds	2,673,027	2,567,800
Perquisites*	105,600	155,600
<b>Total</b>	<b>2,778,627</b>	<b>2,723,400</b>

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

# APPLE FINANCE LIMITED

- (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.
- (6) Confirmation of balances from parties have not been received. The balances, therefore, are as per the books of account of the Company.
- (7) There are no separate reportable segments.
- (8) Demat Account holding statement as on March 31, 2018 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 the said shares have been considered as current liability.
- (9) 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 31 <sup>st</sup> March, 2018 (₹)	For the year ended 31 <sup>st</sup> March, 2017 (₹)
(i) Directors/Key Managerial Personnel: Remuneration Mr. Mahesh K. Rachh, Managing Director	2,778,627	2,723,400
(ii) Directors and their relatives - Professional Fees Mrs. Anita Menon: Director's spouse	120,000	120,000
iii) Directors Sitting Fees Mr. Mahesh Menon, Director	6,000	6,000
Mr. Mahendra Shah, Director	6,000	6,000
Mrs. Jacqueline Patel, Director	6,000	6,000
iv) Loans and advances Apple Asset Management Limited - Subsidiary Company [Maximum amount outstanding during the year ₹ 49,62,500 (Previous year ₹ 49,37,500)]	4,882,500	4,937,500

- (10) 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 ₹ 9,24,66,286. 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 31 <sup>st</sup> March, 2018 (₹)	As at 31 <sup>st</sup> March, 2017 (₹)
Deferred Tax Asset:		
(1) Provision for Non-Performing Assets and Diminution in the value of Investments	-	23,890,948
(2) Carry forward losses (including Unabsorbed Depreciation)	62,898,370	85,202,247
(3) Depreciation	(12,061,922)	(16,626,908)
Deferred Tax Asset (net)	50,836,448	92,466,287

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

Particulars	As at 31 <sup>st</sup> March, 2018 (₹)	As at 31 <sup>st</sup> March, 2017 (₹)
Unquoted		
141,000 Equity Shares of ₹ 10 each of Indo Deutsche Metallo Chimique Limited	-	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



(11) (a) Details of Stock of Shares and Securities (Contd.):-

Particulars	As at 31 <sup>st</sup>	As at 31 <sup>st</sup>
	March, 2018	March, 2017
	(₹)	(₹)
Quantity (Nos.)	-	-
Value (₹)	-	-
(iii) Sales/Reduction on Merger		
Quantity (Nos.)	-	-
Value (₹)	-	-
(iv) Closing Stock		
Quantity (Nos.)	141,000	141,000
Value (₹)	-	24,675,000

(12) 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 Company's shares are not quoted in the stock market. Hence, provision for the same has been made.

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

(14) 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 20

As per our Report of even date attached

**For Kucheria & Associates**

Chartered Accountants  
Firm Regn. No.105391W

**Neetu Godhwani**

Partner  
Membership No.141952

Mumbai, May 30, 2018

For and on behalf of the Board

**Mahesh K. Rachh**  
Managing Director

**Jacqueline K. Patel**  
Director

**Mahesh Menon**  
Director

**J. R. K. Sarma**  
Director

**Mahendra S. Shah**  
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

**32<sup>nd</sup> Annual General Meeting – September 25, 2018**

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 32<sup>nd</sup> 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 Tuesday, September 25, 2018 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 & 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

**32<sup>nd</sup> Annual General Meeting – September 25, 2018**

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

1. Name: .....  
Address: .....  
Email: ..... Signature: ..... or failing him/her
2. Name: .....  
Address: .....  
Email: ..... Signature: ..... or failing him/her
3. Name: .....  
Address: .....  
Email: ..... Signature: .....

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 32<sup>nd</sup> Annual General Meeting of the Company, to be held on Tuesday, September 25, 2018 at 3.30 p.m. at M. C. Ghia Hall, Bhogilal Hargovindas Building, Floor 4, 18/20 Kaikhushru Dubash Marg, Mumbai 400 001 and at any adjournment thereof in respect of such resolutions as are indicated below:-

<b>Resolution</b>	
<b>Ordinary Business</b>	
1.	(a) Consider and adopt the audited financial statements for the financial year ended March 31, 2018 and the Reports of the Board of Directors and Auditors thereon. (b) Consider and adopt the audited consolidated financial statements for the financial year ended March 31, 2018 and the Report of the Auditors thereon.
2.	Appointment of Mr. Mahesh Raghavan Menon, a Director retiring by rotation.
<b>Special Business</b>	
3.	Appointment of Mr. Jayanty Ramakrishna Sarma as an Independent Director.
4.	Appointment of Mr. P. B. Deshpande as Manager.
5.	Not to appoint a person as a Director in place of Mr. Mahesh K. Rachh, a Director retiring by rotation.

Signed this ..... day of ..... 2018

Affix  
Revenue  
stamp

\_\_\_\_\_  
Signature of the shareholder

\_\_\_\_\_  
Signature of the proxy holder(s)

Note:

This Form, in order to be effective, should be duly completed, 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:*

REGISTRAR & TRANSFER AGENT  
Bigshare Services Private Limited  
Bharat Tin Works Building, Floor 1  
Opp. Vasant Oasis, Makwana Road, Marol  
Andheri (East), Mumbai 400 059 (India)