

APPLE FINANCE LIMITED

26TH ANNUAL REPORT 2011 - 2012

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REGISTERED OFFICE

8 Apeejay House
130 Mumbai Samachar Marg
Mumbai 400 023

BOARD OF DIRECTORS

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

AUDITORS

Messrs Mahendra Kumbhat
& Associates
Chartered Accountants

26TH ANNUAL GENERAL MEETING

On Tuesday, September 25, 2012
at 3.00 p.m. at M. C. Ghia Hall, Bhogilal
Hargovindas Building, Floor 4, 18/20 Kaikhushru
Dubash Marg, Mumbai 400 001

REGISTRAR & TRANSFER AGENTS

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

APPLE FINANCE LIMITED

NOTICE

NOTICE is hereby given that the Twenty-Sixth Annual General Meeting of the members of Apple Finance Limited will be held on Tuesday, September 25, 2012 at 3.00 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 receive, consider and adopt the audited Balance Sheet as at March 31, 2012, audited Profit and Loss Account for the year ended as on that date and the Reports of the Board of Directors and Auditors thereon.
2. To appoint a Director in place of Mr. Mahesh Raghavan Menon, who retires by rotation and being eligible, offers himself for reappointment.
3. To appoint Messrs Mahendra Kumbhat & Associates, Chartered Accountants, the retiring Auditors, as the Auditors of the Company, and to authorize the Board of Directors to fix their remuneration.

SPECIAL BUSINESS

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

“RESOLVED THAT the reappointment of Mr. Mahesh K. Rachh as the Managing Director of the Company subject to Sections 198, 269, 309, Schedule XIII and other applicable provisions, if any, of the Companies Act, 1956 and also subject to the approval of the Central Government, if required, for a period of one year with effect from August 9, 2012 made by the Board of Directors (“the Board”) of the Company vide its resolution dated May 30, 2012 and the remuneration payable to Mr. Mahesh K. Rachh pursuant to the aforesaid resolution and as set out in the Explanatory Statement annexed to this Notice, be and is hereby approved.

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

AND THAT for the purpose of giving effect to this resolution, the Board be and is hereby authorized to do all such acts, deeds, matters and things as it may in its absolute discretion deem necessary, expedient and proper.”

By Order of the Board of Directors

P. B. Deshpande
Company Secretary

Registered Office:

8 Apeejay House
130 Mumbai Samachar Marg

Mumbai 400 023

Date: May 30, 2012

NOTES:

1. A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and, on a poll, to vote instead of himself. A proxy need not be a member of the Company.

The proxy form, duly completed and stamped, must reach the Registered Office of the Company not less than 48 hours before the time for holding the aforesaid meeting.

2. The Explanatory Statement pursuant to Section 173(2) of the Companies Act, 1956 in respect of Item No.4 as set out above, is annexed hereto.
3. Members are requested to notify the change, if any, in their address to the Registrar and Transfer Agents of the Company.
4. The Register of Members and Share Transfer Books of the Company will remain closed from Tuesday, September 18, 2012 to Tuesday, September 25, 2012 (both days inclusive).
5. Members/Proxies should bring the attendance slip sent herewith duly filled out for attending the meeting.
6. Members who hold shares in dematerialized form are requested to bring their Client ID and DP ID numbers for easy identification of attendance at the meeting.
7. The Company has transferred all the unclaimed amounts of dividends as well as public deposits and interest thereon to the Investor Education and Protection Fund of the Central Government as required under Sections 205A and 205C of the Companies Act, 1956.
8. Members who hold shares in the 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 by filling Form 2B. Company's Registrar and Transfer Agents on request will supply blank forms. Members holding shares in the dematerialized form may contact the Depository Participant for recording nomination in respect of their shares.
9. Shareholders are requested to bring their copy of Annual Report to the Meeting.

Annexure to the Notice

Explanatory Statement pursuant to Section 173(2) of the Companies Act, 1956

Item No.4

As the current period of appointment of Mr. Mahesh K. Rachh as the Managing Director of the Company will expire on August 8, 2012, the Board of Directors (“the Board”) has in its meeting held on May 30, 2012 reappointed Mr. Mahesh K. Rachh as the Managing Director of the Company.

The main terms of reappointment, remuneration etc. of Mr. Mahesh K. Rachh as the Managing Director are as under, which are subject to the approval of the members of the Company.

Term – 1 (one) year with effect from August 9, 2012, subject to earlier termination by either the Company or him by three months' prior notice.

a

Salary including perquisites, ex-gratia and other allowances not exceeding ₹ 18,00,000 (Rupees eighteen lacs only) per annum.

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

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

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

- Gratuity: Payable as per the rules of the Group Gratuity Scheme of the Company.
- Encashment of leave at the end of the tenure.

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

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

Where in any financial year during the term of office of Mr. Mahesh K. Rachh as the Managing Director, the Company has no profits or its profits are inadequate, the Board shall be entitled to pay to Mr. Mahesh K. Rachh such remuneration not exceeding the limits specified under Section II of Part II of Schedule XIII to the Companies Act, 1956, including any statutory modifications or re-enactment thereof, for the time being in force.

Except Mr. Mahesh K. Rachh, none of the Directors has any concern or interest in the aforesaid resolution.

The Board commends the resolution for acceptance by the members.

This may also be treated as an abstract of the terms and conditions of the benefits/remuneration payable to Mr. Mahesh K. Rachh as the Managing Director of the Company under Section 302 of the Companies Act, 1956.

By Order of the Board of Directors

P. B. Deshpande
Company Secretary

Registered Office:
8 Apeejay House
130 Mumbai Samachar Marg
Mumbai 400 023
Date: May 30, 2012

APPLE FINANCE LIMITED

DIRECTORS' REPORT

Your Directors present their twenty-sixth Annual Report on the business and operations of your Company and the audited financial statements for the financial year ended March 31, 2012.

MANAGEMENT DISCUSSION AND ANALYSIS

The financial results of your Company for the year ended March 31, 2012 as compared to the previous year are summarized below:-

	Year ended 31.03.2012	Year ended 31.03.2011
		₹ lacs
Gross Income	168.75	712.38
Profit before Depreciation And Taxation	37.52	531.84
Less: Depreciation	20.82	22.42
Profit before Taxation	16.70	509.42
Provision for Taxation	0.06	0.08
Net Profit after Taxation	16.64	509.34

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

Owing to the accumulated loss and restrained resources, your Directors regret their inability to recommend Dividend.

The Management is exploring various options to embark on business activities, which offer potential for profitable growth.

SUBSIDIARY

As required under Section 212 of the Companies Act, 1956, the audited statements of accounts for the year ended March 31, 2012 along with the report of the Board of Directors of the subsidiary company, Apple Asset Management Limited and the Auditors' Report therein, are annexed.

Further, pursuant to Accounting Standard 21 (AS 21) as notified under the Companies (Accounting Standard) Rules, 2006, the Consolidated Financial Statements presented by the Company include the financial information about its subsidiary.

DIRECTORS

Mr. Mahesh Raghavan Menon retires by rotation and being eligible, offers himself for reappointment.

A brief resume of the Director retiring by rotation at the ensuing Annual General Meeting, nature of his expertise in specific functional areas, and the names of companies in which he holds directorship and/or membership/ chairmanship of committees of the Board, as stipulated under Clause 49 of the Listing Agreement with BSE Limited, is given in the section on Corporate Governance annexed to the Annual Report.

Mr. Mahesh K. Rachh, Director is sought to be reappointed as the Managing Director.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the requirement under Section 217(2AA) of the Companies Act, 1956, with respect to Directors' Responsibility Statement, it is hereby confirmed that:-

- a) in the preparation of the accounts for the year ended March 31, 2012, the applicable accounting standards have been followed along with proper explanation relating to material departures.
- b) the Directors have selected such accounting policies and applied them consistently and made judgements and estimates that were reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for the year under review.
- c) the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- d) the Directors have prepared the accounts for the year ended March 31, 2012 on a 'going concern' basis.

CORPORATE GOVERNANCE

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

DEPOSITORIES

As the Members are aware, your Company's shares are tradable compulsorily in electronic form and your Company has established connectivity with both the Depositories i.e. National Securities Depository Limited and Central Depository Services (India) Limited.

In view of the numerous advantages offered by the Depository system, Members are requested to avail of the facility of dematerialization of the Company's shares on either of the Depositories as aforesaid.

At present, over 72% of the paid-up equity share capital of the Company is held in dematerialized form.

PUBLIC DEPOSITS

The Company, during the year under review, has not accepted any deposits from public. The Company had no unclaimed or overdue deposits as on March 31, 2012.

AUDITORS

Messrs Mahendra Kumbhat & Associates, Chartered Accountants, Auditors of the Company hold office until the conclusion of the ensuing Annual General Meeting and, being eligible, have expressed their willingness to continue, if so appointed.

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



AUDITORS' REPORT

As regards observations of the Auditors in sub-clause (a) and (b) of Clause No.(vi) of their Report, attention of the Members is invited to Note Nos.20(1) and 20(11) to the Annual Accounts, which are self-explanatory.

PARTICULARS OF EMPLOYEES

There are no employees within the purview of Section 217(2A) of the Companies Act, 1956, read with the Companies (Particulars of Employees) Rules, 1975.

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

The information required under Rule 2 of the Companies (Disclosures of Particulars in the Report of Board of Directors) Rules, 1988, relating to conservation of energy and technology absorption, is not being given since your Company is not engaged in manufacturing activity.

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

EMPLOYEE RELATIONS

The relations with the employees continued to be cordial.

ACKNOWLEDGEMENTS

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 at all levels.

For and on behalf of the Board

Mahesh K. Rachh
Managing Director

Mahendra S. Shah
Director

Place: Mumbai

Date: May 30, 2012

REPORT ON CORPORATE GOVERNANCE

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

I. Company's Philosophy:-

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

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

II. Board of Directors:-

A. Composition, category of Directors and their other directorship and committee memberships as on May 30, 2012:-

Name of the Director	Category of Directorship	No. of other Directorship held in other Companies	No. of other Committee Membership
Mr. Mahesh K. Rachh	Managing Director (Executive Director)	4	Nil
Mr. Mahesh Raghavan Menon	Director (Non-Executive and Independent Director)	1	Nil
Mr. Mahendra S. Shah	Director (Non-Executive and Independent Director)	Nil	Nil

The Company does not have a designated Chairman.

Four meetings of the Board of Directors were held during the financial year ended March 31, 2012. The dates on which the Board meetings were held are as follows:-

June 30, 2011, August 12, 2011, November 14, 2011 and February 14, 2012.

The attendance of the Directors at the Board meetings and at the last Annual General Meeting is given below:

Name of the Director	Board meetings attended	Attendance at the last Annual General Meeting held on September 28, 2011
Mr. Mahesh K. Rachh	4	Present
Mr. Mahesh Raghavan Menon	4	Present
Mr. Mahendra S. Shah	4	Not Present

APPLE FINANCE LIMITED

B. Remuneration to Directors for the year 2011-2012:-

Name of Directors	Salary and Allowances	Contribution to Provident Fund and Superannuation Fund	Sitting Fees
	(₹)	(₹)	(₹)
Mr. Mahesh K. Rachh	14,02,060	2,26,174	Nil
Mr. Mahesh Raghavan Menon	Nil	Nil	6,000
Mr. Mahendra S. Shah	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.

C. Information in respect of the Directors seeking appointment/reappointment at the Annual General Meeting:-

Mr. Mahesh Raghavan Menon, aged 48, has been the Director of the Company since March 2004. 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. This firm handles all civil and criminal legal matters and is listed in the panels of several banks in India. Mr. Menon is also the Director of Apple Asset Management Limited.

III. Audit Committee:-

The Audit Committee of the Board of Directors of the Company, inter alia, provides assurance to the Board on the adequacy of the internal control systems and financial disclosures.

Apart from all the matters provided in Clause 49 of the Listing Agreement and Section 292A of the Companies Act, 1956, the Committee meets Statutory Auditors periodically and discusses their findings, suggestions, internal control systems, scope of audit, observations of the Auditors and reviews accounting policies followed by the Company. The Committee makes recommendation(s) to the Board on any matter relating to the financial management of the Company including Statutory Audit Reports. The Committee also recommends the appointment of the Statutory Auditors and fixation of their remuneration.

The Committee reviews with the management the quarterly, half-yearly and annual financial statements before their submission to the Board.

The Audit Committee comprises three Directors viz., Mr. Mahesh K. Rachh, Mr. Mahesh Raghavan Menon and Mr. Mahendra S. Shah. The Chairman of the Audit Committee is Mr. Mahesh Raghavan Menon. All the Members of the Audit Committee are financially literate and have relevant financial expertise. The quorum for the Audit Committee meeting is two members with at least two independent Directors present at the meeting. No personnel were denied access to the Audit Committee.

The Audit Committee generally meets once in a quarter to inter alia review the quarterly performance and the financial results.

During the financial year ended March 31, 2012, the Audit Committee met four times i.e. on June 30, 2011, August 12, 2011, November 14, 2011 and February 14, 2012.

The attendance of each member at the Audit Committee meetings is given below:-

Name of the Member	Category of Directorship	Audit Committee meetings attended
Mr. Mahesh K. Rachh	Managing Director (Executive Director)	4
Mr. Mahesh Raghavan Menon	Director (Non-Executive and Independent Director)	4
Mr. Mahendra S. Shah	Director (Non-Executive and Independent Director)	4

IV. Remuneration Committee:-

The Company's Remuneration Committee comprises independent and Non-Executive Directors, Mr. Mahesh Raghavan Menon and Mr. Mahendra S. Shah. The broad terms of reference are to appraise the performance of the Managing Director, determine and recommend to the Board, compensation payable to him, details of which are included in this Report. Mr. Mahendra S. Shah is the Chairman of the Remuneration Committee.

V. Shareholders Committee:-

The Company has duly constituted a Shareholders' Grievance Committee, which is headed by the independent Non-Executive Director, Mr. Mahendra S. Shah to attend and address the grievances of the shareholders/investors as and when received. Mr. Mahesh K. Rachh is the other member of the Committee.

Mr. P. B. Deshpande, Company Secretary is the Compliance Officer of the Company.

Complaints received during the year:-

Nature of Complaints	Received	Cleared	Pending
Non-receipt of share certificates	0	0	Nil
Non-receipt of dividend/ interest warrant	5	5	Nil
Others/miscellaneous	2	2	Nil
Total	7	7	Nil

There was no transfer of shares pending as on March 31, 2012.

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

VI. Subsidiary Company:-

Apple Asset Management Limited is the only non-listed subsidiary of the Company. Mr. Mahesh Raghavan Menon and Mr. Mahendra S. Shah, Non-Executive Directors of the Company are on the Board of Apple Asset Management Limited.

The Company's Board reviews the financial statements of Apple Asset Management Limited. Attention of the Directors of the Company is drawn to all significant transactions and arrangements entered into by the subsidiary company.



VII. Details of Annual General Meetings:-

Annual General Meeting	Location	Date	Time
25 th Annual General Meeting	M. C. Ghia Hall, Bhogilal Hargovindas Building, Floor 4, 18/20 Kaikhushru Dubash Marg, Mumbai 400 001	September 28, 2011	3.00 p.m.
24 th Annual General Meeting	M. C. Ghia Hall, Bhogilal Hargovindas Building, Floor 4, 18/20 Kaikhushru Dubash Marg, Mumbai 400 001	September 28, 2010	3.00 p.m.
23 rd Annual General Meeting	M. C. Ghia Hall, Bhogilal Hargovindas Building, Floor 4, 18/20 Kaikhushru Dubash Marg, Mumbai 400 001	September 29, 2009	3.00 p.m.

No Special Resolution was put through postal ballot last year nor is it proposed to be put in the current year.

Financial Year	Meeting	Date	Time	No. of Special Resolutions passed
2008-2009	23 rd AGM	29.9.2009	3.00 p.m.	1
2009-2010	24 th AGM	28.9.2010	3.00 p.m.	None
2010-2011	25 th AGM	28.9.2011	3.00 p.m.	None

VIII. Disclosures:-

The Company has not entered into any transaction of a material nature with the promoters, the Directors, the management, subsidiary or relatives, etc., that may have any potential conflict with the interests of the Company. Transactions with related parties have been disclosed in Clause 10 of Note No.20 to the Accounts in the Annual Report.

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.

In compliance with the Securities and Exchange Board of India (Prevention of Insider Trading) Regulations, 1992, as amended till date, on prevention of Insider Trading, the Company has a comprehensive Code of Conduct and the same is being strictly adhered to by its management, staff and relevant business associates.

IX. Means of Communication:-

The half-yearly/quarterly results are 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's maintains its own website www.applefinance.co.in. The Company posts information relating to its financial results on www.corpfiling.co.in under the Corporate Filing and Dissemination System as required by SEBI. The Company does not make presentations to institutional investors or analysts. Management Discussion and Analysis Report forms part of the Directors' Report.

X. General Shareholder information:-

Date, time and venue of the AGM : September 25, 2012 at 3.00 p.m. at M. C. Ghia Hall, Bhogilal Hargovindas Building, Floor 4, 18/20 Kaikhushru Dubash Marg, Mumbai 400 001

Financial Calendar : April 1, 2012 to March 31, 2013

Adoption of Quarterly Results for the quarter ending -

On or before
 June 30, 2012 : August 14, 2012
 September 30, 2012 : November 14, 2012
 December 31, 2012 : February 14, 2013
 March 31, 2013 : May 30, 2013

Date of Book Closure : September 18, 2012 to September 25, 2012 (both days inclusive).

Dividend Payment Date : The Board of Directors has not recommended dividend.

Listing on Stock Exchange : The Company's equity shares are listed on BSE Limited. The Company has paid the annual listing fees to BSE Limited for the financial year 2012-2013.

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 2011-2012 are given below.

Year 2011-2012	High (₹)	Low (₹)
April	3.37	2.89
May	5.91	2.73
June	5.62	3.33
July	3.60	3.25
August	3.22	2.67
September	2.94	2.49
October	2.87	2.33
November	2.46	1.87
December	2.19	1.72
January	2.96	2.00
February	2.88	2.40
March	2.68	2.15

APPLE FINANCE LIMITED

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

- Share Transfer System:-

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

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

Distribution of Shareholding as on March 31, 2012:-

Shareholding	No. of Folios	% of Total	No. of Shares	% of Total
1-500	119349	93.82	17389980	31.24
501-1000	4667	3.67	3743441	6.73
1001- 2000	1669	1.31	2635980	4.74
2001- 3000	517	0.41	1340720	2.40
3001- 4000	225	0.17	826921	1.48
4001- 5000	248	0.19	1200660	2.16
5001- 10000	286	0.23	2207151	3.96
10001 and above	260	0.20	26328269	47.29
Total	127221	100.00	55673122	100.00

- 72.85% of the equity share capital has been dematerialized up to March 31, 2012.

- Categories of Shareholding as on March 31, 2012:

Category	No. of Shares held	Percentage of Shareholding
Promoters	14246596	25.59
Mutual Funds and UTI	13415	0.02
Banks, Financial Institutions and Insurance Companies	15540	0.03
FII's	200	0.00
Private Corporate Bodies	3535172	6.35
Indian Public	33600997	60.36
NRIs/OCBs	943943	1.69
Trusts	3317259	5.96
TOTAL	55673122	100.00

- Address for correspondence:-
The Company Secretary
Apple Finance Limited
8 Apeejay House, 130
Mumbai Samachar Marg, Mumbai 400 023
Email: apple.investors@gmail.com

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

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

- I have reviewed financial statements and the cash flow statement for the year and that to the best of my knowledge and belief:-
 - these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading.
 - these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- To the best of my knowledge and belief, no transaction entered into by the Company during the year, which is fraudulent, illegal or violative of the Company's Code of Conduct.
- I accept responsibility for establishing and maintaining internal controls for financial reporting and that I have evaluated the effectiveness of the internal control systems of the Company pertaining to financial reporting and I have disclosed to the Auditors deficiencies in the design or operation of internal controls, if any, of which I am aware and the steps I have taken or propose to take to rectify these deficiencies.
- I have indicated to the Auditors and the Audit Committee:-
 - significant changes in internal control over financial reporting during the year;
 - significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
 - instances of significant fraud which I have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

Mahesh K. Rachh

Managing Director

Place: Mumbai

Date: May 30, 2012



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

I hereby declare that as per the requirement of Clause 49 of the Listing Agreement with BSE Limited, all the Board Members and the Senior Management Personnel of the Company have confirmed compliance with the Code of Conduct of Apple Finance Limited for its Directors and Senior Management, for the year ended March 31, 2012.

Mahesh K. Rachh
Managing Director

Place: Mumbai

Date: May 30, 2012

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

To the Members of Apple Finance Limited:-

We have examined the compliance of the conditions of Corporate Governance by Apple Finance Limited ("the Company") for the year ended March 31, 2012, as stipulated in Clause 49 of the Listing Agreement of the Company with the Stock Exchanges.

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

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

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

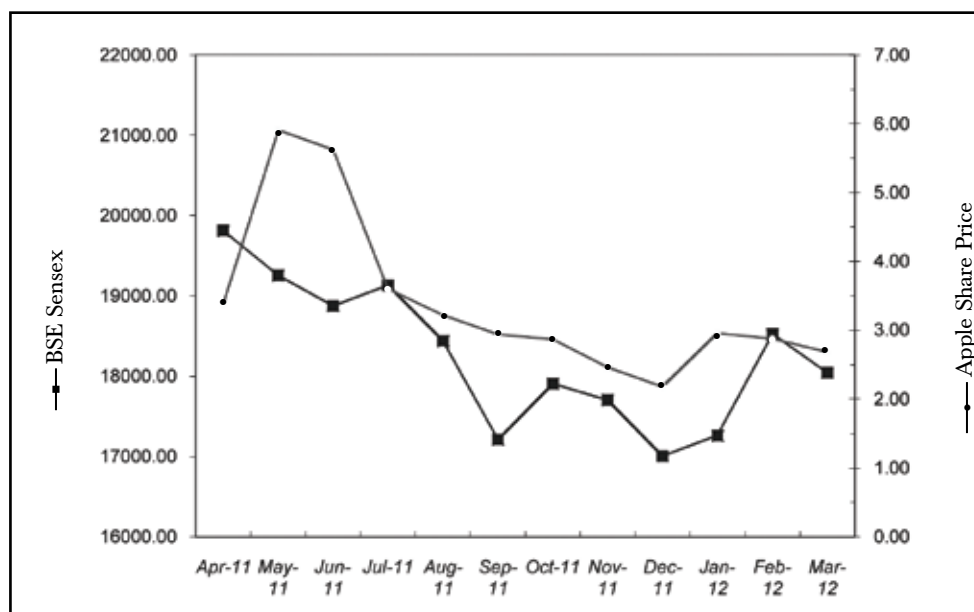
For **MAHENDRA KUMBHAT & ASSOCIATES**
Chartered Accountants

Amar Chand Bagrecha
Partner

Place: Mumbai

Date: May 30, 2012

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



APPLE FINANCE LIMITED

STATEMENT PURSUANT TO SECTION 212 OF THE COMPANIES ACT, 1956, GIVING REQUISITE PARTICULARS OF THE SUBSIDIARY COMPANY

1.	Name of the subsidiary company	Apple Asset Management Limited
2.	Financial year	01.04.2011 to 31.03.2012
3.	Extent of holding company's interest	
	a. No. of equity shares	5,000,000
	Extent of holding	100%
	b. No. of preference shares	6,200,000
	Extent of holding	100%
4.	Net aggregate amount (in ₹) of the subsidiary's profit after deducting its losses or vice versa so far as it concerns members of the holding company	
	- Profits / (losses) not dealt within holding company`s accounts	
	a. for the financial year of the subsidiary	(218,099)
	b. for the previous financial years since it became the holding company`s subsidiary	(105,846,424)
	- Profits dealt with or (losses) provided for in the holding company`s accounts	
	a. for the financial year of the subsidiary	—
	b. for the previous financial years since it became the holding company`s subsidiary	—

Mahesh K. Rachh
Managing Director

Mahesh Menon
Director

Mahendra S. Shah
Director

P. B. Deshpande
Company Secretary

Place : Mumbai

Dated : May 30, 2012



AUDITORS' REPORT

To,
The Members of Apple Finance Limited:

We have audited the attached Balance Sheet of Apple Finance Limited ("the Company") as at 31st March 2012 and the Profit and Loss Account and also the Cash Flow Statement for the year ended on that date annexed thereto ("the financial statements"). These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with the auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about, whether the financial statements are free of material misstatements. An audit includes examining, on the test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by the management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

As required by the Companies (Auditor's Report) Order, 2003 ("the Order") issued by the Central Government in terms of sub-section (4A) of Section 227 of the Companies Act, 1956 ("the Act"), we enclose in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order to the extent applicable.

Further to our comments in the Annexure referred to above, we report that:

- (i) We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit.
- (ii) In our opinion, the Company has kept proper books of account as required by law so far as it appears from our examination of those books.
- (iii) The Balance Sheet, Profit and Loss Account and Cash Flow Statement dealt with by this report are in agreement with the books of account.
- (iv) In our opinion, the Balance Sheet, Profit and Loss Account and Cash Flow Statement dealt with by this report comply with the Accounting Standards referred to in sub-section (3C) of Section 211 of the Companies Act, 1956; except for the Accounting Standard 22 "Accounting for Taxes on Income".
- (v) On the basis of written representations received from the Directors and taken on record by the Board of Directors, we report that none of the Directors is disqualified as on 31st March 2012 from being appointed as a Director in terms of clause (g) of sub-section (1) of Section 274 of the Act.
- (vi) In our opinion and to the best of our information and according to the explanations given to us, ***the said accounts subject to***
 - a) ***Point No.1 of Note '20' regarding going concern assumption of the Company.***
 - b) ***Point No.11 of Note '20' regarding non-consideration of Deferred Tax Assets (Net) amounting to ₹ 200,576,804***
and read with the other notes thereon 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:

- a) In the case of the the Balance Sheet, of the state of affairs of the Company as at 31st March 2012.
- b) In the case of the Profit and Loss Account, of the profit for the year ended on that date.
- c) In the case of the Cash Flow Statement, of cash flows for the year ended on that date.

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

Amar Chand Bagrecha
Partner
Membership No. 56605

Place : Mumbai

Date : May 30, 2012

Annexure to the Auditors' Report

(Referred to in our Report of even date)

Matters required as per paragraphs 4 and 5 of the Companies (Auditor's Report) Order, 2003

1.
 - (a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
 - (b) The management has not verified all the assets during the year. We have been informed that no material discrepancies have been noticed on the assets physically verified by the management.
 - (c) The Company has not disposed of substantial part of fixed assets during the year.
2.
 - (a) The inventory has been physically verified during the year by the management. In our opinion, the frequency of verification is reasonable.
 - (b) The procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
 - (c) The Company is maintaining proper records of inventory. We have been informed that no material discrepancies between the physical stocks and the book records were noticed on such verification.
3.
 - a) The Company has not taken loans from companies, firms and other parties listed in the Register maintained under Section 301 of the Act.
 - b) The Company has granted loan to one party required to be listed in the Register to be maintained under Section 301 of the Companies Act, 1956, the maximum amount

APPLE FINANCE LIMITED

- outstanding at any time during the year for this loan is ₹ 47,45,500 and the year end balance is ₹ 47,45,500 which is interest free.
- c) In our opinion, the terms and conditions wherever applicable on which loan is granted, are not *prima facie* prejudicial to the interest of the Company, except interest free loan granted.
 - d) Loan granted by the Company is without stipulation of repayment term and hence, we are unable to comment upon regularity of repayment or otherwise and overdue amount.
4. In our opinion and according to the information and explanations given to us, there are in general adequate internal control procedures commensurate with the size of the Company and the nature of its business with regard to purchase of fixed assets, and for sale of services and we have not observed any major weaknesses in internal control.
 5. According to the information and explanations given to us, the Company has not entered into the transactions requiring to be entered in the Register maintained under Section 301 of the Act.
 6. The Company has not accepted deposits from public during the year and hence, the provisions of Sections 58A and 58AA of the Act and the rules thereunder are not applicable.
 7. The Company does not have an Internal Audit system.
 8. We have been informed that the Central Government has not prescribed the maintenance of Cost records under Section 209(1) (d) of the Act.
 9. a) We have been informed that during the year under review, the Company has regularly deposited all undisputed statutory dues including the Provident Fund, Investor Education and Protection Fund, Employees` State Insurance Scheme, Income Tax, Sales Tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty, Cess and any other statutory dues, wherever applicable. There were no arrears as at 31st March, 2012 for a period of more than six months from the date they became payable.
b) According to the information and explanations given to us, disputed statutory dues not deposited are nil.
 10. The Company`s accumulated losses at the end of the financial year are more than fifty per cent of its net worth and the Company has made cash profit in the current financial year and also in the previous financial year.
 11. The Company has not defaulted in respect of payment of dues to banks, financial institutions and debenture-holders.
 12. The Company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
 13. As informed to us, the Company is not a chit fund or a *nidhi* / mutual benefit fund / society and hence, clause (xiii) of paragraph 4 of the Order is not applicable.
 14. In our opinion, the Company has maintained proper records of the transactions and contracts in respect of investments in shares, securities, debentures and other investments and timely entries have been made therein. Except shares of Spectrum Alkyd Resins Limited, all the investments are held by the Company in its own name.
 15. The Company has not given any guarantees for loans taken by other companies and hence, clause (xv) of paragraph 4 of the Order is not applicable to the Company.
 16. The Company has not obtained term loans during the year and hence, clause (xvi) of paragraph 4 of the Order is not applicable to the Company.
 17. The Company has not raised fund on short term basis during the year and hence, the question of same being used for any long term investments does not arise.
 18. During the year, no preferential allotment of shares has been made to the parties and companies covered in the Register maintained under Section 301 of the Act.
 19. According to the information and explanation given to us, during the period covered by our audit report, the Company has not issued any debentures and hence, the question of creation of security does not arise.
 20. Since the Company has not come out with public issue during the year, clause (xx) of paragraph 4 of the Order is not applicable.
 21. According to the information and explanation given to us, no fraud on or by the Company has been noticed or reported during the year.

For **Mahendra Kumbhat & Associates**

Chartered Accountants

Firm Regn. No.105770W

Amar Chand Bagrecha

Partner

Membership No.56605

Place : Mumbai

Date : May 30, 2012



BALANCE SHEET AS AT 31ST MARCH 2012

(₹)

Particulars	Note No.	Figures as at 31st March 2012	Figures as at 31st March 2011
EQUITY AND LIABILITIES			
Shareholders' funds			
(a) Share capital	2	556,701,477	556,701,477
(b) Reserves and surplus	3	(296,032,337)	(297,696,758)
		<u>260,669,140</u>	<u>259,004,719</u>
Non-current liabilities			
(a) Long-term provisions	4	60,710,953	60,710,953
		<u>60,710,953</u>	<u>60,710,953</u>
Current liabilities			
(a) Trade payables	5	(50,000)	67,283
(b) Other current liabilities	6	8,955,274	8,925,139
(c) Short-term provisions	7	7,353,467	6,190,887
		<u>16,258,741</u>	<u>15,183,309</u>
	TOTAL	<u><u>337,638,834</u></u>	<u><u>334,898,981</u></u>
ASSETS			
Non-current assets			
(a) Fixed assets	8		
(i) Tangible assets		62,527,481	64,582,038
(b) Non-current investments	9	54,406,412	74,992,193
		<u>116,933,893</u>	<u>139,574,231</u>
Current assets			
(a) Inventories	10	24,675,000	24,675,000
(b) Cash and bank balances	11	182,423,608	150,626,482
(c) Short-term loans and advances	12	4,745,500	4,545,500
(d) Other current assets	13	8,860,831	15,477,767
		<u>220,704,940</u>	<u>195,324,748</u>
	TOTAL	<u><u>337,638,834</u></u>	<u><u>334,898,981</u></u>
Summary of significant accounting policies	1		
Notes to the financial statements	20		

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

As per our attached Report of even date

FOR MAHENDRA KUMBHAT & ASSOCIATES

Chartered Accountants
Firm Regn. No.105770W

Amar Chand Bagrecha
Partner
Membership No.56605

Place: Mumbai
Dated: May 30, 2012

On behalf of the Board

Mahesh K. Rachh
Managing Director

Mahesh Menon
Director

Mahendra S. Shah
Director

P. B. Deshpande
Company Secretary

APPLE FINANCE LIMITED

PROFIT AND LOSS STATEMENT FOR THE YEAR ENDED 31ST MARCH 2012

Particulars	Note No.	Year ending 31st March 2012	Year ending 31st March 2011
I. Revenue from operations	14	12,500	1,165,349
II. Other income	15	16,862,659	61,790,712
III. Total Revenue (I + II)		16,875,159	62,956,061
IV. Expenses:			
Employee benefits expense	16	3,837,153	2,839,363
Finance costs	17	-	2,923,574
Depreciation and amortization expense	8	2,082,307	2,242,166
Other expenses	18	9,515,623	11,756,589
Total expenses		15,435,083	19,761,692
V. Profit before exceptional and extraordinary items and tax (III - IV)		1,440,076	43,194,369
VI. Exceptional items Excess provision for Fringe Benefit Tax Written Back		-	(524)
VII. Profit before extraordinary items and tax (V - VI)		1,440,076	43,194,893
VIII. Extraordinary Items - Prior Period Income	15	-	8,281,619
Extraordinary Items - Prior Period Expenses	18	(230,359)	533,850
IX. Profit before tax (VII - VIII)		1,670,435	50,942,662
X Tax expense:			
(1) Current tax - Wealth Tax		6,014	8,617
(2) Deferred tax		-	-
XI. Profit for the period from continuing operations (IX - X)		1,664,421	50,934,045
XII. Profit/(Loss) from discontinuing operations		-	-
XIII. Tax expense of discontinuing operations		-	-
XIV. Profit/(Loss) from Discontinuing operations (after tax) (XII - XIII)		-	-
XV. Profit for the period (XI + XIV)		1,664,421	50,934,045
XVI. Earnings per equity share:	19		
(1) Basic		0.03	0.91
(2) Diluted		0.03	0.91
Summary of significant accounting policies	1		
Notes to the financial statements	20		

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

As per our attached Report of even date

FOR MAHENDRA KUMBHAT & ASSOCIATES

Chartered Accountants

Firm Regn. No.105770W

Amar Chand Bagrecha

Partner

Membership No.56605

On behalf of the Board

Mahesh K. Rachh

Managing Director

Mahesh Menon

Director

Place: Mumbai

Dated: May 30, 2012

Mahendra S. Shah

Director

P. B. Deshpande

Company Secretary



CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2012

PARTICULARS	For the year ended 31st March, 2012		For the year ended 31st March, 2011	
	₹	₹	₹	₹
A. Cash flow from operating activities:				
Net profit before tax and extraordinary items		1,440,076		43,194,369
Adjustments for:				
Depreciation	2,082,307		2,242,166	
Provision for Non-performing Assets and Investments written back	-		-	
Profit/Loss on Sale of Assets and Investments	(188,408)		(49,711,229)	
Interest paid	-		2,923,574	
Investment Income - Dividend/Interest	(16,329,251)		(11,322,605)	
		<u>(14,435,352)</u>		<u>(55,868,094)</u>
Operating profit before working capital changes		(12,995,276)		(12,673,725)
Adjustments for:				
Inventories/Stock-on-Hire	-		-	
Trade payables & other short term liabilities	1,075,432		(2,358,343)	
Loans and Advances (net)	(265,225)		112,242,626	
		<u>810,207</u>		<u>109,884,283</u>
Cash generated from operations		(12,185,069)		97,210,559
Interest paid	-		(2,923,574)	
Direct taxes paid (-)/Refund of Income Tax (+)	6,676,146		(99,628)	
		<u>6,676,146</u>		<u>(3,023,202)</u>
Cash flow before extraordinary items		(5,508,923)		94,187,356
Extraordinary items		<u>230,359</u>		<u>7,747,769</u>
Net cash from operating activities.... A		<u>(5,278,564)</u>		<u>101,935,125</u>
B. Cash flow from investing activities:				
Purchase and sale of fixed assets including advances given for work-in-progress		(27,750)		35,879,959
Investment redemption/sold		20,774,189		435,577
Interest received		15,239,173		9,199,900
Dividend received		<u>1,090,078</u>		<u>2,122,705</u>
Net cash used in investing activities.... B		<u>37,075,690</u>		<u>47,638,141</u>
C. Cash flow from financing activities				
Proceeds from long term borrowings (net)		-		<u>(99,975,981)</u>
Net cash used in financing activities.... C		-		<u>(99,975,981)</u>
Net Increase/ (decrease) in cash and cash equivalents (A+B+C)		<u>31,797,126</u>		<u>49,597,285</u>
Cash and cash equivalents as at the beginning of the year (opening balance)		<u>150,626,482</u>		<u>101,029,197</u>
Cash and cash equivalents as at the end of the year (closing balance)		<u>182,423,608</u>		<u>150,626,482</u>

Notes:

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

As per our attached Report of even date

FOR MAHENDRA KUMBHAT & ASSOCIATES

Chartered Accountants

Firm Regn. No.105770W

Amar Chand Bagrecha

Partner

Membership No.56605

On behalf of the Board

Mahesh K. Rachh

Managing Director

Mahesh Menon

Director

Place: Mumbai

Dated: May 30, 2012

Mahendra S. Shah

Director

P. B. Deshpande

Company Secretary

APPLE FINANCE LIMITED

NOTE "1" SIGNIFICANT ACCOUNTING POLICIES

1. Accounting Convention and Concepts

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

2. Fixed Assets

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

3. Depreciation

The Company provides depreciation on straight-line method on a pro-rata basis on completed month basis at the rate specified in Schedule XIV to the Companies Act, 1956.

4. Investments

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

5. Valuation of Stocks

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

6. Retirement Benefits

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

i) Company's contribution to the Provident Fund, Pension Fund, Superannuation Fund and other fund is charged to the Profit and Loss Account.

ii) The amount of Gratuity liability as ascertained on the basis of actuarial valuation by Life Insurance Corporation of India is paid/ provided and charged to the Profit and Loss Account.

iii) Provision is made towards liability for leave encashment.

7. Impairment of Assets

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

NOTE "2" TO BALANCE SHEET AS AT 31ST MARCH 2012

SHARE CAPITAL	Par Value per share (₹)	Balance Outstanding as at 31st March, 2011		Issued/ (Reductions) during the year		Balance Outstanding as at 31st March, 2012	
		No. of Shares	Value (₹)	No. of Shares	Value (₹)	No. of Shares	Value (₹)
Equity Share Capital							
Authorised:	10	75,000,000	750,000,000	-	-	75,000,000	750,000,000
Issued, Subscribed and Paid-up:	10	55,673,122	556,731,220	-	-	55,673,122	556,731,220
Less: Calls in arrears by others			29,743	-	-	-	29,743
	10	55,673,122	556,701,477	-	-	55,673,122	556,701,477
Preference Share Capital							
Authorised:	100	7,500,000	75,000,000	-	-	7,500,000	75,000,000
Issued, Subscribed and Paid-up:	100	-	-	-	-	-	-

	No. of Shares	Value (₹)	Holding (%)	No. of Shares	Value (₹)	Holding (%)
Share held by Holding Company						
Not Applicable						
Holding more than 5%						
Adamica Consultancy Services Ltd.	6,023,180	60,231,800	10.82%	6,023,180	60,231,800	10.82%
Overseer Investments Pvt. Ltd.	4,134,300	41,343,000	7.43%	4,134,300	41,343,000	7.43%
Vru schik Consultancy Services Pvt.Ltd.	3,168,216	31,682,160	5.69%	3,168,216	31,682,160	5.69%
Apple Finance Employees Welfare Trust	3,316,680	33,166,800	5.96%	3,316,680	33,166,800	5.96%

Note : The Company has not allotted any shares during the last five years, preceding March 31, 2012.

**NOTE "3" TO BALANCE SHEET AS AT 31ST MARCH 2012**

(₹)

RESERVES AND SURPLUS	Balance as on 31st March 2011	Additions/ Deductions/ Appropriations	Balance as on 31st March 2012
Capital Redemption Reserve	20,000,000	-	20,000,000
Debenture Redemption Reserve	100,000,000	-	100,000,000
General Reserve	400,000,000	-	400,000,000
Surplus at the beginning of the year	(1,328,656,362)		
Add: Profit after tax for the year		1,664,421	
Less: Transfer to General Reserve		-	
Less: Proposed Dividend including Dividend Distribution Tax		-	
Surplus at the end of the year			(1,326,991,941)
Capital Reserve	6,933,420	-	6,933,420
Capital Reserve on Settlement of Loans	427,026,184	-	427,026,184
Reserve Fund under Section 45IC(1) of the Reserve Bank of India Act, 1934	77,000,000	-	77,000,000
Total	(297,696,758)	1,664,421	(296,032,337)

NOTE "4" TO BALANCE SHEET AS AT 31ST MARCH 2012

(₹)

LONG-TERM PROVISIONS	Balance as at 31st March 2011	Additions	Utilizations	Reversals	Balance as at 31st March 2012
Provisions for Non-Performing Assets	60,710,953	-	-	-	60,710,953
Total	60,710,953	-	-	-	60,710,953

NOTE "5" TO BALANCE SHEET AS AT 31ST MARCH 2012

(₹)

TRADE PAYABLES	As at 31st March 2012	As at 31st March 2011
Others	(50,000)	67,283
Total	(50,000)	67,283

NOTE "6" TO BALANCE SHEET AS AT 31ST MARCH 2012

(₹)

OTHER CURRENT LIABILITIES	Value as at 31st March 2012	Value as at 31st March 2011
Other Payable	8,931,304	8,913,436
Duties and Taxes Payable	23,970	11,703
Total	8,955,274	8,925,139

NOTE "7" TO BALANCE SHEET AS AT 31ST MARCH 2012

(₹)

SHORT-TERM PROVISIONS	Balance as at 31st March 2011	Additions	Utilizations	Reversals	Balance as at 31st March 2012
Provision for employee benefits	393,655	233,580	86,074	-	541,161
Provision for expenses	5,797,232	6,812,306	5,797,232	-	6,812,306
Total	6,190,887	7,045,886	5,883,306	-	7,353,467

APPLE FINANCE LIMITED

NOTE "8" TO BALANCE SHEET AS AT 31ST MARCH 2012

(₹)

FIXED ASSETS	Gross Block as at 1st April 2011	Additions	Deletions	Gross Block as at 31st March 2012	Depreciation up to 31st March 2011	Depreciation for the year	Depreciation on deductions	Depreciation up to 31st March 2012	Impairment losses/reversals	Net Block as at 31st March 2012
Tangible Assets										
Land										
- Freehold	955,066	-	-	955,066	-	-	-	-	-	955,066
Buildings										
- Owned	82,420,442	-	-	82,420,442	24,476,571	1,343,452	-	25,820,023	-	56,600,419
Plant and Equipment										
- Owned										
Office Equipment	4,019,576	27,750	-	4,047,326	3,238,970	96,006	-	3,334,976	-	712,350
Computers	18,042,048	-	-	18,042,048	17,880,261	64,947	-	17,945,208	-	96,840
Electrical Fittings	1,390,185	-	-	1,390,185	703,257	66,036	-	769,293	-	620,892
Furniture and Fixtures	16,418,561	-	-	16,418,561	14,334,243	262,914	-	14,597,157	-	1,821,404
Vehicles	2,620,548	-	-	2,620,548	651,086	248,952	-	900,038	-	1,720,510
Total	125,866,426	27,750	-	125,894,176	61,284,388	2,082,307	-	63,366,695	-	62,527,481
Previous Year	132,745,292	183,133	7,062,000	125,866,425	61,806,000	2,242,166	2,763,778	61,284,388	-	64,582,038

NOTE "9" TO BALANCE SHEET AS AT 31ST MARCH 2012

NON-CURRENT INVESTMENTS

	No. of Securities	Face Value ₹	As at 31st March 2012 ₹	As at 31st March 2011 ₹
Trade Investments (Fully paid unless otherwise stated)				
Quoted Investments - Equity Shares (At cost)				
Ambika Cotton Mills Limited	180,233	10	8,651,200	8,651,200
Anjani Solvents India Limited	74,853	10	748,530	748,530
Anod Plasma Spray Limited	75,000	10	750,000	750,000
Cipla Limited	36,510	2	652,302	652,302
Indian Lead Limited	332,066	10	12,331,200	12,331,200
Inland Printers Limited	33,300	10	1,998,000	1,998,000
Pittie Cements & Industries Limited	118,126	10	12,993,860	12,993,860
Sagar Tourist Resorts Limited	21,342	10	213,420	213,420
Shri Renuga Textiles Limited	40,000	10	6,000,000	6,000,000
Vital Foods Limited	93,900	10	1,032,900	1,032,900
Total (A)			45,371,412	45,371,412
Unquoted Investments - Equity Shares (At cost)				
Aldrich Pharmaceuticals Limited	210,000	10	7,035,000	7,035,000
Spectrum Alkyd & Resins Limited	133,333	10	1,500,000	1,500,000
Vijaya Home Loans Limited	50,000	10	500,000	500,000
Total (B)			9,035,000	9,035,000
Quoted Investments - Mutual Funds Units (At cost)				
HDFC Cash Management Fund-Treasury Advantage Plan-Wholesale-Daily Dividend (Previous year 6501.46 Units)	-	10	-	65,219
Tempelton India Short Term Plan-Monthly Dividend (Previous year 18222.77 Units)	-	10	-	20,520,563
Total (C)			-	20,585,781
Total (A) + (B) + (C)			54,406,412	74,992,193



NOTE "9" TO BALANCE SHEET AS AT 31ST MARCH 2012

NON-CURRENT INVESTMENTS

	Cost ₹	Market Value ₹
Aggregate Value of Quoted Investment		
Equity Shares	45,371,412	*** 37,685,465
(Previous Year)	(45,371,412)	(48,101,567)
Mutual Fund Units	-	-
(Previous Year)	(20,585,781)	(20,662,042)
Total	45,371,412	37,685,465
(Previous Year)	(65,957,193)	(68,763,609)
Aggregate Value of Unquoted Investment	9,035,000	
(Previous Year)	(9,035,000)	
TOTAL	54,406,412	
(Previous Year)	(74,992,193)	

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

NOTE "10" TO BALANCE SHEET AS AT 31ST MARCH 2012

₹

INVENTORIES (Valued at cost or market value whichever is less)	As on 31st March 2012			As on 31st March 2011		
	Inventory	Goods-in-transit	Final Value	Inventory	Goods-in-transit	Final Value
Unquoted Equity Shares						
1,41,000 Equity Shares of ₹ 10 each of Indo Deutsche Metallo Chimique Limited	24,675,000	-	24,675,000	24,675,000	-	24,675,000
Total	24,675,000	-	24,675,000	24,675,000	-	24,675,000

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

NOTE "11" TO BALANCE SHEET AS AT 31ST MARCH 2012

(₹)

CASH AND BANK BALANCES	As at 31st March 2012	As at 31st March 2011
CASH AND CASH EQUIVALENTS		
Cash on hand	24,784	61,312
Balance with Banks	572,197	436,276
Bank Deposits (less than 3 months maturity)	21,770,000	-
	22,366,980	497,587
OTHERS		
Bank Deposits (more than 3 months but less than 12 months maturity)	39,344,586	37,714,194
Bank Deposits (more than 12 months maturity) ***	120,712,042	112,414,701
	160,056,628	150,128,895
Total	182,423,608	150,626,482

***Out of which ₹ 11,96,22,338 is under lien with Kotak Mahindra Bank Ltd. (Previous year ₹ 11,23,74,997)

APPLE FINANCE LIMITED

NOTE "12" TO BALANCE SHEET AS AT 31ST MARCH 2012

(₹)

SHORT TERM LOANS AND ADVANCES	As on 31st March 2012				As on 31st March 2011			
	Secured, considered good	Unsecured, considered good	Doubtful	Total	Secured, considered good	Unsecured, considered good	Doubtful	Total
Loans and advances to related parties								
Subsidiary Companies								
Apple Asset Management Limited		4,745,500		4,745,500		4,545,500		4,545,500
Less: Provision for Bad and doubtful debts		-		-		-		-
Total	-	4,745,500	-	4,745,500	-	4,545,500	-	4,545,500

NOTE "13" TO BALANCE SHEET AS AT 31ST MARCH 2012

(₹)

OTHER CURRENT ASSETS	As on 31st March 2012				As on 31st March 2011			
	Secured, considered good	Unsecured, considered good	Doubtful	Total	Secured, considered good	Unsecured, considered good	Doubtful	Total
Interest accrued on Investment		2,101,481		2,101,481		1,702,706		1,702,706
Security Deposits		428,530		428,530		612,098		612,098
Prepaid Expenses		664,278		664,278		830,778		830,778
Other Receivables		3,175,000		3,175,000		3,158,482		3,158,482
Advance Income Tax and TDS		2,307,326		2,307,326		8,989,486		8,989,486
Sales Tax paid against appeal		184,217		184,217		184,217		184,217
Total	-	8,860,831	-	8,860,831	-	15,477,767	-	15,477,767

NOTE "14" TO PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDING 31ST MARCH 2012

(₹)

REVENUE FROM OPERATIONS	Year ending 31st March 2012	Year ending 31st March 2011
Hire Purchase Income	12,500	20,349
Bad Debts Recovered	-	1,145,000
Total	12,500	1,165,349

**NOTE "15" TO PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDING 31ST MARCH 2012**

(₹)

OTHER INCOME	Year ending 31st March 2012	Year ending 31st March 2011
Interest (TDS ₹ 13,73,688, Previous Year ₹ 9,04,947)	13,774,454	9,046,858
Interest on Income Tax Refund	1,464,719	153,042
Dividend Income: - others	1,090,078	2,122,705
Long Term Capital Gain on Sale of Shares	-	16,803,400
Short Term Capital Gain on Sale of Mutual Fund Units	188,408	53,499
Profit on sale of Fixed Assets	-	32,961,328
Miscellaneous Income	345,000	649,880
	16,862,659	61,790,712
Prior Period Income Interest	-	8,281,619
	-	8,281,619
Total	16,862,659	70,072,331

NOTE "16" TO PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDING 31ST MARCH 2012

(₹)

EMPLOYEE BENEFITS EXPENSES	Year ending 31st March 2012	Year ending 31st March 2011
Salaries and wages	2,824,846	2,108,156
Contribution to Provident and other funds	747,510	454,168
Staff welfare expenses	264,797	277,039
Total	3,837,153	2,839,363

NOTE "17" TO PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDING 31ST MARCH 2012

(₹)

FINANCE COSTS	Year ending 31st March 2012	Year ending 31st March 2011
Interest Expense	-	2,923,574
Total	-	2,923,574

NOTE "18" TO PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDING 31ST MARCH 2012

(₹)

OTHER EXPENSES	Year ending 31st March 2012	Year ending 31st March 2011
Power and fuel	399,371	307,837
Repairs to buildings	-	5,800
Repairs to machinery	-	45,173
Repairs and Maintenance - Others	13,189	7,660
Insurance	20,698	20,698
Rent	-	243,800
Rates and taxes excluding taxes on income	32,632	525,854
Society Charges	1,721,595	1,753,415
Legal and Professional fees	999,873	2,554,020
Printing and Stationery	39,909	54,958
Telephone and Fax Expense	214,693	217,997
Courier Expenses	12,624	15,182
Service Charges	525,865	487,259

APPLE FINANCE LIMITED

NOTE "18" TO PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDING 31ST MARCH 2012

(₹)

OTHER EXPENSES	Year ending 31st March 2012	Year ending 31st March 2011
Security Charges	469,829	426,552
Travelling Expenses	765,366	922,793
Conveyance	9,870	11,555
Motor Car Expenses	897,889	598,886
AGM Expenses	1,912,790	1,792,944
Registrar, Share and Debenture Expenses	824,862	879,712
Directors' Sitting Fees	12,000	12,000
Membership and Subscription	37,973	56,275
Receivable written off (Net)	-	221,436
Bank Charges	-	275
Books and Periodicals	4,805	7,084
Miscellaneous Expenses	16,960	24,894
Payments to the Auditor		
(a) as Auditor	393,260	386,050
(b) for Tax Audit	112,360	110,300
(c) for Limited Review Audit	77,210	66,180
	9,515,623	11,756,589
Prior period items (in case of loss)		
Repairs to buildings	-	6,500
Rates and taxes excluding taxes on income	(254,173)	350,373
Legal and Professional fees	-	120,333
Travelling Expenses	-	8,433
Motor Car Expenses	23,814	48,211
	(230,359)	533,850
Total	9,285,264	12,290,439

NOTE "19" TO PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDING 31ST MARCH 2012

(₹)

EARNING PER SHARE	Year ending 31st March 2012	Year ending 31st March 2011
(a) Net Profit after tax attributable to Equity Shareholders for Basic EPS	1,664,421	50,934,045
Add / Less: Adjustment relating to potential equity shares	-	-
	1,664,421	50,934,045
(b) Weighted average No. of equity shares outstanding during the year		
For Basic Earning Per Share	55,673,122	55,673,122
For Diluted Earning Per Share	55,673,122	55,673,122
(c) Basic Earning Per Share	0.03	0.91
Diluted Earning Per Share	0.03	0.91
Face Value Per Equity Shares	10	10
(d) Reconciliation between No of shares used for calculating basic and diluted earning per share		
Particulars		
No. of shares used for calculating basic earning per share	55,673,122	55,673,122
Add: Potential equity shares	-	-
No. of shares used for calculating diluted earning per share	55,673,122	55,673,122

NOTE “20” - NOTES TO ACCOUNTS

Notes forming part of the Accounts for the year ended 31st March, 2012

	As at 31 st March, 2012	As at 31 st March, 2011
	₹	₹
(1) As the business was unviable, the Company surrendered its Certificate of Registration of Non-Banking Financial Institution to Reserve Bank of India. Reserve Bank of India has cancelled the said Certificate of Registration vide their letter No. DNBS. MRO.No.4716 & 4869 / 02.01.60.Apple / 2003-04 dated January 13, 2004 and January 18, 2004. In view of this, in terms of Section 45-IA of the RBI Act, 1934, now the Company is not entitled to carry on the business of Non-Banking Financial Institution. However, the Company can in future carry on the business of Non-Banking Financial Institution after taking necessary approval from Reserve Bank of India. The Company does have business income from Interest, etc. and also have Stock-in-Trade for business and hence, accounts have been prepared on the Going Concern Basis and Historical Cost Method.		
(2) Contingent Liabilities in respect of:		
(a) Claims against the Company not acknowledge as debts	100,000,000	100,000,000
(3) The Company has been advised that it does not have taxable income under the Income-tax Act, 1961 for the current financial year and accordingly, no provision for Income Tax has been made in the Profit and Loss Account of the Company. Further, Wealth Tax is accounted in the year in which it is paid and hence, no provision for Wealth Tax has been made in the Profit and Loss Account of the Company.		
(4) (a) All investments are in the name of the Company, except those under transfer/delivery. (b) All the investments are held by the Company as long term investments, except shown as Stock- in- Trade.		
(5) Prior period expenses details		
OTHER EXPENSES	Year ending 31st March 2012	Year ending 31st March 2011
	₹	₹
Repairs to buildings	-	6,500
Rates and taxes excluding taxes on income	(254,173)	350,373
Legal and Professional fees	-	120,333
Travelling Expenses	-	8,433
Motor Car Expenses	23,814	48,211
Total	(230,359)	533,850
(6) Remuneration to Directors:		
(a) Remuneration paid to the Managing Director:		
	For the year ended 31st March 2012	For the year ended 31st March 2011
	₹	₹
Salaries and Contribution to the Provident and other funds	1,588,634	1,013,810
Perquisites*	39,600	39,600
Total	1,628,234	1,053,410
* 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 349 of the Companies Act, 1956 has not been made.		
(7) Confirmation of balances from parties have not been received. The balances, therefore, are as per the books of account of the Company.		
(8) There are no separate reportable segments.		
(9) Demat Account holding statement as on 31.3.2012 includes 500 equity shares of Numeric Power Systems Limited, which were already sold by the Company, however, the same have not beend transferred by the transferee in his own name. Consequently, dividends received on said shares have been considered as current liability.		

APPLE FINANCE LIMITED

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

Name of related party and Nature of relationship	For the year ended 31st March 2012 ₹	For the year ended 31st March 2011 ₹
(i) Directors/ Key Management Personnel : Remuneration		
(1) Mr. Mahesh K. Rachh : Managing Director	1,628,234	1,053,410
(ii) Director and their relatives -Professional Fees		
(1) Mrs. Anita Mahesh Menon: Director`s wife	103,500	161,500
(iii) Director Sitting fees		
(1) Mr. Mahesh Menon: Director	6,000	6,000
Mr. Mahendra Shah: Director	6,000	6,000
(11) Consequent to the issuance of the Accounting Standard 22 "Accounting for Taxes on Income" by the Institute of Chartered Accountants of India, which is mandatory, the Company has had Deferred Tax Assets (net) of ₹ 24,44,00,677. 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

Particulars	As at 31 st March 2012 ₹	As at 31 st March 2011 ₹
Deferred Tax Asset :		
(1) Provision for Non-Performing Assets and Diminution in the value of Investments	20,635,653	20,635,653
(2) Carry forward losses (including Unabsorbed Depreciation)	199,399,635	203,810,036
(3) Depreciation	(19,458,484)	(19,954,988)
Deferred Tax Asset (net)	<u>200,576,804</u>	<u>204,490,702</u>
(12) (a) Details of Stock of Shares and Securities :-		
Unquoted		
141,000 Equity Shares of ₹ 10 each of Indo Deutsche Metallo Chimique Limited	24,675,000	24,675,000
	<u>24,675,000</u>	<u>24,675,000</u>
(b) Quantitative Details :-		
(i) Opening Stock		
Quantity (Nos.)	141,000	141,000
Value (₹)	24,675,000	24,675,000
(ii) Purchases/Received against Claims/Acquisition on Merger / Bonus		
Quantity (Nos.)	-	-
Value (₹)	-	-
(iii) Sales/Reduction on Merger		
Quantity (Nos.)	-	-
Value (₹)	-	-
(iv) Closing Stock		
Quantity (Nos.)	141,000	141,000
Value (₹)	24,675,000	24,675,000
(13) As per the Accounting Standard 13, Stock-in-Trade (Shares) is required to be recognised at cost or fair value whichever is less, however, 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 is made.		
(14) Cash Flow is prepared as per Indirect Method.		



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

Signatures to Note "1" to "20"

As per our attached Report of even date

FOR MAHENDRA KUMBHAT & ASSOCIATES

Chartered Accountants

Firm Regn. No.105770W

Amar Chand Bagrecha

Partner

Membership No.56605

Place: Mumbai

Dated: May 30, 2012

On behalf of the Board

Mahesh K. Rachh

Managing Director

Mahesh Menon

Director

Mahendra S. Shah

Director

P. B. Deshpande

Company Secretary

APPLE ASSET MANAGEMENT LIMITED

DIRECTORS' REPORT

Your Directors present the 20th Annual Report together with the audited accounts for the financial year ended March 31, 2012.

REVIEW OF OPERATIONS

During the year under review, the Company did not carry out any business activity and posted loss of ₹ 2.18 lacs.

Your Directors are exploring new business activity to be carried out by the Company.

In view of the loss, your Directors regret their inability to recommend dividend.

DIRECTORS

Mr. Mahendra S. Shah retires by rotation and being eligible, offers himself for reappointment.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the requirement under Section 217 (2AA) of the Companies Act, 1956, with respect to Directors' Responsibility Statement, it is hereby confirmed that:-

- i) in the preparation of the accounts for the year ended March 31, 2012, the applicable accounting standards have been followed along with proper explanation relating to material departures.
- ii) the Directors have selected such accounting policies and applied them consistently and made judgements and estimates that were reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the year and of the loss of the Company for the year under review.
- iii) the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- iv) the Directors have prepared the accounts for the year ended March 31, 2012 on a 'going concern' basis.

FIXED DEPOSITS

The Company, during the year under review, has not accepted any deposits from public. The Company had no unclaimed or overdue deposits as on March 31, 2012.

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

The information required under Rule 2 of the Companies (Disclosure of Particulars in the Report of the Board of Directors) Rules, 1988 relating to the conservation of energy and technology absorption is not being given since your Company is not engaged in manufacturing activity.

During the year under review, there has been no income or outflow of foreign exchange.

AUDIT COMMITTEE

The Company's Audit Committee constituted under Section 292A of the Companies Act, 1956 comprises Mr. Pradeep H. Deval, Mr. Mahesh Raghavan Menon and Mr. Mahendra S. Shah.

AUDITORS

M/s. S. Madanmal Mehta & Co., Chartered Accountants, Auditors retire at the conclusion of the ensuing Annual General Meeting and are eligible for reappointment. You are requested to reappoint the Auditors and authorize the Board of Directors to fix their remuneration.

PARTICULARS OF EMPLOYEES

There are no employees within the purview of Section 217 (2A) of the Companies Act, 1956, read with the Companies (Particulars of Employees) Rules, 1975.

For and on behalf of the Board

Mahesh Menon
Director

Pradeep Deval
Director

Place : Mumbai

Dated : May 23, 2012



AUDITORS' REPORT

Auditors' Report to the Members of Apple Asset Management Limited.

We have audited the attached Balance Sheet of Apple Asset Management Limited ("the Company") as at 31st March 2012 and also the Profit and Loss Account for the year ended on that date annexed thereto ("the financial statements"). These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with the auditing standards generally accepted in India. These standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by the management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

As required by the Companies (Auditor's Report) Order, 2003 ("the Order") issued by the Central Government in terms of sub-section (4A) of Section 227 of the Companies Act, 1956 ("the Act"), we enclose in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order to the extent applicable.

Further to our comments in the Annexure referred to above, we report that:-

- (i) We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit.
- (ii) In our opinion, the Company has kept proper books of account as required by law so far as it appears from our examination of those books.
- (iii) The Balance Sheet, Profit and Loss Account and Cash Flow Statement dealt with by this report are in agreement with the books of account.
- (iv) In our opinion, the Balance Sheet, Profit and Loss Account and Cash Flow Statement dealt with by this report comply with the accounting standards referred to in sub-section (3C) of Section 211 of the Companies Act, 1956.
- (v) On the basis of written representations received from the Directors and taken on record by the Board of Directors, we report that none of the Directors is disqualified as on 31st March 2012 from being appointed as a Director in terms of clause (g) of sub-section (1) of Section 274 of the Act.
- (vi) In our opinion and to the best of our information and according to the explanations given to us, the said accounts and read with the other notes thereon, give the information required by the Act, in the manner so required and give a true and fair view in conformity with accounting principles generally accepted in India:
 - a) In the case of the Balance Sheet, of the state of affairs of the Company as at 31st March 2012; and;

- b) In the case of the Profit and Loss Account, of the loss for the year ended on that date.
- c) In the case of the Cash Flow Statement, of cash flow for the year ended on that date.

For **S. MADANMAL MEHTA & CO.**

*Chartered Accountants
Firm Regn. No.105701W*

S. M. Mehta

*Proprietor
Membership No.42119*

Place: Mumbai

Date: May 23, 2012

Annexure to the Auditors' Report

(Referred to in our Report of even date)

Matters required as per paragraphs 4 and 5 of the Companies (Auditor's Report) Order, 2003

1. The Company was not having any fixed assets at the beginning of the financial year as well as there were no additions during the current financial year and hence, clause (i) of paragraph 4 of the Order is not applicable to the Company.
2. The Company is in the business of rendering management service to Mutual Fund, and does not have inventories and hence, clause (ii) of paragraph 4 of the Order is not applicable to the Company.
3. The Company has not granted any loans from/to companies, firms and other parties listed in the Register maintained under Section 301 of the Act. However, the Company has taken unsecured loan of ₹ 47,45,500 from the Holding Company. The terms and conditions of loan taken by the Company are *prima facie* not prejudicial to the interest of the Company.
4. In our opinion and according to the information and explanations given to us, there are in general, adequate internal control procedures, commensurate with the size of the Company and the nature of its business, with regard to purchase of fixed assets, and for sale of services and we have not observed any major weaknesses in internal control.
5. According to the information and explanations given to us, the Company has not entered into transactions requiring to be entered in the Register maintained under Section 301 of the Act.
6. The Company has not accepted any deposits from public during the year and hence, the provisions of Sections 58A and 58AA of the Act and the rules framed thereunder are not applicable.
7. The Company, with its current size and nature of the business, does not need internal audit to be carried out by an outside firm

APPLE ASSET MANAGEMENT LIMITED

- of Chartered Accountants.
8. We have been informed that the Central Government has not prescribed the maintenance of Cost records under Section 209(1) (d) of the Act.
 9. We have been informed that during the year under review, the Company has regularly deposited all the undisputed statutory dues including Provident Fund, Investor Education and Protection Fund, Employees` State Insurance Scheme, Income Tax, Sales Tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty, Cess and any other statutory dues, wherever applicable. There were no arrears as at 31st March, 2012 for a period of more than six months from the date they became payable.
 10. The Company`s accumulated losses at the end of the financial year are more than fifty per cent of its net worth. The Company has incurred cash losses in the current financial year, and also in the immediately preceding financial year.
 11. The Company has not defaulted in respect of payment of dues to banks, financial institutions and debenture-holders.
 12. The Company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
 13. In our opinion, the Company is not a chit fund or a *nidhi*/mutual benefit fund/society. Therefore, the provisions of clause 4(xiii) of the Order are not applicable to the Company.
 14. In our opinion, the Company has maintained proper records of the transactions and contracts in respect of investments in shares, securities, debentures and other investments and timely entries have been made therein. Except for some cases, all the investments are held by the Company in its own name.
 15. The Company has not given any guarantees for loans taken by other companies and hence, clause (xv) of paragraph 4 of the Order is not applicable to the Company.
 16. The Company has not obtained term loans during the year; and hence, clause (xvi) of paragraph 4 of the Order is not applicable to the Company.
 17. The Company has raised short-term funds during the year and same have been used for the purpose for which they were raised.
 18. During the year, no preferential allotment of shares has been made to the parties and companies covered in the Register maintained under Section 301 of the Act.
 19. According to the information and explanation given to us, during the period covered by our audit report, the Company has not issued any debentures and hence, the question of creation of security does not arise.
 20. Since the Company has not come out with public issue during the year, clause (xx) of the Order is not applicable.
 21. No fraud on or by the Company has been noticed or reported during the year.

For **S. MADANMAL MEHTA & CO.**

Chartered Accountants
Firm Regn. No.105701W

S. M. Mehta

Proprietor
Membership No.42119

Place: Mumbai
Date: May 23, 2012



BALANCE SHEET AS AT 31ST MARCH 2012

(₹)

Particulars	Note No.	Figures as at 31st March, 2012	Figures as at 31st March, 2011
1	2	3	4
EQUITY AND LIABILITIES			
Shareholders' funds			
(a) Share capital	2	112,000,000	112,000,000
(b) Reserves and surplus	3	(106,064,523)	(105,846,424)
		<u>5,935,477</u>	<u>6,153,576</u>
Non-current liabilities			
(a) Long-term provisions	4	<u>41,733,170</u>	<u>41,733,170</u>
		<u>41,733,170</u>	<u>41,733,170</u>
Current liabilities			
(a) Trade payables	5	26,719	13,236
(b) Other current liabilities	6	4,745,500	4,552,000
		<u>4,772,219</u>	<u>4,565,236</u>
TOTAL		<u><u>52,440,866</u></u>	<u><u>52,451,982</u></u>
ASSETS			
Non-current assets			
(a) Non-current investments	7	<u>52,414,613</u>	<u>52,414,613</u>
		<u>52,414,613</u>	<u>52,414,613</u>
Current assets			
(a) Cash and bank balances	8	26,253	37,369
		<u>26,253</u>	<u>37,369</u>
TOTAL		<u><u>52,440,866</u></u>	<u><u>52,451,982</u></u>
See accompanying notes to the financial statements	1		

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

As per our attached Report of even date
FOR S. MADANMAL MEHTA & CO.
Chartered Accountants
Firm Regn. No.105701W
S. M. Mehta
Proprietor
Membership No.42119

On behalf of the Board

Mahesh Menon
Director

Pradeep Deval
Director

Place: Mumbai
Date: May 23, 2012

APPLE ASSET MANAGEMENT LIMITED

PROFIT AND LOSS STATEMENT FOR THE YEAR ENDED 31ST MARCH 2012

Particulars	Note No.	Year ending 31st March 2012	Year ending 31st March 2011
I. Other income	9	100,050	632,520
II. Total Revenue		100,050	632,520
III. Expenses:			
Other expenses	10	315,796	820,961
Total Expenses		315,796	820,961
IV. Profit before exceptional and extraordinary items and tax (III - IV)		(215,746)	(188,441)
V. Exceptional items		-	-
VI. Profit before extraordinary items and tax (V - VI)		(215,746)	(188,441)
VII. Extraordinary Items-Income Tax for earlier years		2,353	2,236,076
VIII. Profit before tax (VII - VIII)		(218,099)	(2,424,517)
IX. Tax expense:			
(1) Current tax		-	-
(2) Deferred tax		-	-
X. Profit/(Loss) for the period from continuing operations (IX - X)		(218,099)	(2,424,517)
XI. Profit/(loss) from discontinuing operations		-	-
XII. Tax expense of discontinuing operations		-	-
XIII. Profit/(Loss) from Discontinuing operations (after tax) (XII - XIII)		-	-
XIV. Profit/(Loss) for the period (XI + XIV)		(218,099)	(2,424,517)
XV. Earnings per equity share:			
(1) Basic	11	(0.04)	(0.48)
(2) Diluted	11	(0.04)	(0.48)
See accompanying notes to the financial statements	1		

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

As per our attached Report of even date
FOR S. MADANMAL MEHTA & CO.
Chartered Accountants
Firm Regn. No.105701W
S. M. Mehta
Proprietor
Membership No.42119

On behalf of the Board

Mahesh Menon
Director

Pradeep Deval
Director

Place: Mumbai
 Date: May 23, 2012



CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2012

PARTICULARS	For the year ended		For the year ended	
	31st March, 2012		31st March, 2011	
	₹	₹	₹	₹
A. Cash flow from operating activities:				
Net profit before tax and extraordinary items		(218,099)		(2,424,517)
Adjustments for :				
Direct taxes paid (-)/Refund (+)	(2,353)		(2,236,076)	
		(2,353)		(2,236,076)
Operating profit before working capital changes		(215,746)		(188,441)
Adjustments for :				
Trade Payables	6,983		-	
		6,983		-
Cash generated from operations		(208,763)		(188,441)
Direct taxes paid (-) / Refund (+)	(2,353)		(2,203,161)	
		(2,353)		(2,203,161)
Cash flow before extraordinary items		(211,116)		(2,391,602)
Net cash from operating activities.... A		(211,116)		(2,391,602)
B. Cash flow from investing activities:				
Net cash used in investing activities.... B		-		-
C. Cash flow from financing activities:				
Unsecured Loan from the Holding Company		200,000		2,420,000
Net cash used in financing activities.... C		200,000		2,420,000
Net Increase/(decrease) in cash and cash equivalents (A+B+C)		(11,116)		28,398
Cash and cash equivalents as at the beginning of the year (Opening balance)		37,369		8,971
Cash and cash equivalents as at the end of the year (Closing balance)		26,253		37,369

Notes:

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

As per our attached Report of even date
FOR S. MADANMAL MEHTA & CO.
Chartered Accountants
Firm Regn. No.105701W
S. M. Mehta
Proprietor
Membership No.42119

On behalf of the Board

Mahesh Menon
Director

Pradeep Deval
Director

Place: Mumbai
Date: May 23, 2012

APPLE ASSET MANAGEMENT LIMITED

NOTE "1"

SIGNIFICANT ACCOUNTING POLICIES

- Method of Accounting:
The Company maintains its accounts on accrual basis.
- Income and Expenses:
Income and expenses are accounted for on accrual basis.
- Investments:
Investments are shown at cost, after providing for diminution in the value of investments.

NOTES FORMING PART OF THE ACCOUNTS

- Contingent Liability in respect of:
Dividend at the rate of 14% on Cumulative Redeemable Preference Shares amounting to ₹ 1218.16 lacs (previous year ₹ 1131.36 lacs).
- In the opinion of the Board, current assets, loans and advances have been stated at the value at which they will be realized in the ordinary course of business. Provision for all known liabilities has been made. No personal expenses have been charged to the Revenue Account.
- There are no separate reportable segments.
- (i) Disclosures as required by the Accounting Standard 18 "Related Party Disclosures" are given below:

	For the year ended 31st March 2012	For the year ended 31st March 2011
Name of related party:	Mahesh K. Rachh	Mahesh K Rachh
Nature of relationship:	Holding Company –M.D.	Holding Company-M.D.
Nature of transaction:	Professional Fees paid	Professional Fees paid
Transaction value:	₹ 276,775	₹ 780,000

(ii) The Company has been advised that no provision is required for Deferred Tax in terms of Accounting Standard 22 "Accounting for Taxes on Income" issued by the Institute of Chartered Accountants of India.

- Figures for the previous year have been regrouped/rearranged wherever necessary.

NOTE "2" TO BALANCE SHEET AS AT 31ST MARCH 2012

SHARE CAPITAL	Par Value per share (₹)	Balance Outstanding as at 31st March, 2011		Issued / (Reductions) during the year		Balance Outstanding as at 31st March, 2012	
		No. of Shares	Value (₹)	No. of Shares	Value (₹)	No. of Shares	Value (₹)
Equity Share Capital							
Authorized:	10	5,000,000	50,000,000	-	-	5,000,000	50,000,000
Issued and Subscribed:	10	5,000,000	50,000,000	-	-	5,000,000	50,000,000
Paid-up :	10	5,000,000	50,000,000	-	-	5,000,000	50,000,000
Preference Share Capital							
Authorized :	100	7,700,000	77,000,000	-	-	7,700,000	77,000,000
Issued, Subscribed and Paid-up:	100	6,200,000	62,000,000	-	-	6,200,000	62,000,000

	Par Value per share (₹)	No. of Shares 31/03/2011	Value (₹) 31/03/2011	Holding (%) 31/03/2011	No. of Shares 31/03/2012	Value (₹) 31/03/2012	Holding (%) 31/03/2012
Share held by Holding Company							
Equity Share Capital							
Apple Finance Limited	10	5,000,000	50,000,000	100%	5,000,000	50,000,000	100%
Preference Share Capital							
Apple Finance Limited	100	6,200,000	62,000,000	100%	6,200,000	62,000,000	100%

Note : The Company has not allotted any shares during the last five years, preceding March 31, 2012.

**NOTE "3" TO BALANCE SHEET AS AT 31ST MARCH 2012**

(₹)

RESERVES AND SURPLUS	Balance as on 31st March 2011	Additions/ Deductions/ Appropriations	Balance as on 31st March 2012
Surplus at the beginning of the year	(105,846,424)		
Add: Profit after tax for the year		(218,099)	
Less: Transfer to General Reserve		-	
Less: Proposed Dividend including Dividend Distribution Tax		-	
Surplus at the end of the year			(106,064,523)
Total	(105,846,424)	(218,099)	(106,064,523)

NOTE "4" TO BALANCE SHEET AS AT 31ST MARCH 2012

(₹)

LONG-TERM PROVISIONS	Balance as at 31st March 2011	Additions	Utilizations	Reversals	Balance as at 31st March 2012
Provisions for Non-Performing Assets	41,733,170	-	-	-	41,733,170
Total	41,733,170	-	-	-	41,733,170

NOTE "5" TO BALANCE SHEET AS AT 31ST MARCH 2012

(₹)

TRADE PAYABLES	As at 31st March 2012	As at 31st March 2011
Others	26,719	13,236
Total	26,719	13,236

NOTE "6" TO BALANCE SHEET AS AT 31ST MARCH 2012

(₹)

OTHER CURRENT LIABILITIES	Value as at 31st March 2012	Value as at 31st March 2011
From Holding Company	4,745,500	4,545,500
Tax Deducted at source	-	6,500
Total	4,745,500	4,552,000

APPLE ASSET MANAGEMENT LIMITED

NOTE "7" TO BALANCE SHEET AS AT 31ST MARCH 2012

NON-CURRENT INVESTMENTS				
	No. of Securities	Face Value (₹)	As at 31st March, 2012 (₹)	As At 31st March 2011 (₹)
Trade Investments (Fully paid unless otherwise stated)				
Quoted Investments - Equity Shares (At cost)				
Sesa Goa Limited	5,800	1	51,023	51,023
Total (A)			51,023	51,023
Unquoted Investments - Equity Shares (At cost)				
Deluxe Fabrics Limited	250,000	10	4,780,421	4,780,421
Indo Deutsche Metallo Chimique Ltd.	145,000	10	24,539,919	24,539,919
Union Motor Services Limited	366,667	10	8,806,560	8,806,560
Armour Pharmaceuticals Limited	593,750	10	8,386,690	8,386,690
Total (B)			46,513,590	46,513,590
Unquoted Investments - Debentures (At cost)				
18 % Unsecured Redeemable Non-Convertible Debenture of Century Wood Limited	40000	100	5,850,000	5,850,000
Total (C)			5,850,000	5,850,000
Total (A) + (B) + (C)			52,414,613	52,414,613

	Cost (₹)	Market Value (₹)
Aggregate Value of Quoted Investment (Previous Year)	51,023 (51,023)	1,126,650 (1,684,320)
Aggregate Value of Unquoted Investment (Previous Year)	52,363,590 (52,363,590)	
TOTAL (Previous Year)	52,414,613 (52,414,613)	

NOTE "8" TO BALANCE SHEET AS AT 31ST MARCH 2012

	As at 31st March 2012	As at 31st March 2011
CASH AND BANK BALANCES		
CASH AND CASH EQUIVALENTS		
Balance with Banks	15,874	26,990
Cash on hand	10,379	10,379
Total	26,253	37,369

**NOTE "9" TO PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDING 31ST MARCH 2012**

(₹)

OTHER INCOME	Year ending 31st March 2012	Year ending 31st March 2011
Interest on Income Tax Refund	-	632,520
Dividend Income:		
- others	100,050	-
Total	100,050	632,520

NOTE "10" TO PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDING 31ST MARCH 2012

(₹)

OTHER EXPENSES	Year ending 31st March 2012	Year ending 31st March 2011
Legal and Professional fees	298,243	797,100
Filing fees	4,070	10,625
Payments to the Auditor (a) as Auditor	13,483	13,236
Total	315,796	820,961

NOTE "11" TO PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDING 31ST MARCH 2012

(₹)

	EARNING PER SHARE	Year ending 31st March 2012	Year ending 31st March 2011
(a)	Net Profit after tax attributable to Equity Shareholders for Basic EPS	(218,099)	(2,424,517)
	Add/Less: Adjustment relating to potential equity shares	-	-
		(218,099)	(2,424,517)
(b)	Weighted average No. of equity shares outstanding during the year		
	For Basic Earning Per Share	5,000,000	5,000,000
	For Diluted Earning Per Share	5,000,000	5,000,000
(c)	Basic Earning Per Share	(0.04)	(0.48)
	Diluted Earning Per Share	(0.04)	(0.48)
	Face Value Per Equity Shares	10	10
(d)	Reconciliation between No. of shares used for calculating basic and diluted earning per share		
	Particulars		
	No. of shares used for calculating basic earning per share	5,000,000	5,000,000
	Add: Potential equity shares	-	-
	No. of shares used for calculating diluted earning per share	5,000,000	5,000,000

Signatures to Note "1" to "11"

As per our attached Report of even date

FOR S. MADANMAL MEHTA & CO.

Chartered Accountants

Firm Regn. No.105701W

S. M. Mehta

Proprietor

Membership No.42119

On behalf of the Board

Mahesh Menon

Director

Pradeep Deval

Director

Place: Mumbai

Date: May 23, 2012

APPLE FINANCE LIMITED

AUDITORS' REPORT ON CONSOLIDATED FINANCIAL STATEMENTS

The Board of Directors

Apple Finance Limited

Mumbai

We have examined the attached Consolidated Balance Sheet of Apple Finance Limited ("the Company") and its subsidiary as at 31st March 2012 and the Consolidated Profit and Loss Account and the Consolidated Cash Flow Statement for the year ended on that date annexed thereto. The Balance Sheet, the Profit and Loss Account and the Cash Flow Statement are collectively hereinafter referred to as "the Consolidated Financial Statements".

These Consolidated Financial Statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We have conducted our audit in accordance with the auditing standards generally accepted in India. These standards require that we plan and perform the audit to obtain reasonable assurance whether the financial statements are prepared, in all material aspects, in accordance with an identified financial reporting framework and are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made the by management, as well as evaluating the overall financial statements. We believe that our audit provides a reasonable basis for our opinion.

We did not audit the financial statements of Apple Asset Management Limited, which reflect total assets of ₹ 10,707,696 (excluding debit balance of ₹ 106,064,523 in the Profit and Loss Account) as at 31st March, 2012 and total revenue of ₹ 1,00,050 for the year ended on that date. These financial statements have been audited by other auditor, whose report has been furnished to us, and in our opinion, so far as it relates to the amounts included in respect of the subsidiary, is based solely on the report of the other auditor.

We report that the Consolidated Financial Statements have been prepared by the Company in accordance with the requirements of the Accounting Standard (AS) 21 regarding "Consolidated Financial

Statements" issued by the Institute of Chartered Accountants of India and on the basis of the separate audited financial statements of the Company and its subsidiary included in the Consolidated Financial Statements.

On the basis of the information and explanations given to us and on the consideration of the separate audit reports on individual audited statements of Apple Finance Limited and its subsidiary, we are of the opinion that the Consolidated Financial Statements give a true and fair view in conformity with the generally accepted accounting policies in India:

- a) in the case of Consolidated Balance Sheet, of the state of affairs of Apple Finance Limited and its subsidiary as at 31st March 2012;
- b) in the case of Consolidated Profit and Loss Account, of the results of operations of Apple Finance Limited and its subsidiary for the year ended 31st March 2012; and
- c) in the case of Consolidated Cash Flow Statement, of the Cash Flows of Apple Finance Limited and its subsidiary for the year ended 31st March 2012.

For **MAHENDRA KUMBHAT & ASSOCIATES**

*Chartered Accountants
Firm Regn. No.105770W*

Amar Chand Bagrecha

*Partner
Membership No.56605*

Place : Mumbai

Date : May 30, 2012



CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH 2012

(₹)

Particulars	Note No.	Figures as at 31st March 2012	Figures as at 31st March 2011
EQUITY AND LIABILITIES			
Shareholders' funds			
(a) Share capital	2	556,701,477	556,701,477
(b) Reserves and surplus	3	(402,096,860)	(403,543,182)
		154,604,617	153,158,295
Non-current liabilities			
(a) Long-term provisions	4	214,444,123	214,444,123
		214,444,123	214,444,123
Current liabilities			
(a) Trade payables	5	(23,281)	80,519
(b) Other current liabilities	6	8,955,274	8,931,639
(c) Short-term provisions	7	7,353,467	6,190,887
		16,285,460	15,203,045
TOTAL		385,334,200	382,805,463
ASSETS			
Non-current assets			
(a) Fixed assets	8		
(i) Tangible assets		62,527,481	64,582,038
(b) Non-current investments	9	106,821,025	127,406,806
		169,348,506	191,988,844
Current assets			
(a) Inventories	10	24,675,000	24,675,000
(b) Cash and bank balances	11	182,449,861	150,663,851
(c) Other current assets	12	8,860,831	15,477,767
		215,985,693	190,816,617
TOTAL		385,334,200	382,805,463
Summary of significant accounting policies	1		
Notes to the financial statements	19		

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

As per our attached Report of even date

FOR MAHENDRA KUMBHAT & ASSOCIATES

Chartered Accountants

Firm Regn. No.105770W

Amar Chand Bagrecha

Partner

Membership No.56605

On behalf of the Board

Mahesh K. Rachh

Managing Director

Mahesh Menon

Director

Place: Mumbai

Dated: May 30, 2012

Mahendra S. Shah

Director

P. B. Deshpande

Company Secretary

APPLE FINANCE LIMITED

CONSOLIDATED PROFIT AND LOSS STATEMENT FOR THE YEAR ENDED 31ST MARCH 2012

(₹)

Particulars	Note No.	Year ending 31st March 2012	Year ending 31st March 2011
I. Revenue from operations	13	12,500	1,165,349
II. Other income	14	16,962,709	62,423,232
III. Total Revenue (I + II)		16,975,209	63,588,581
IV. Expenses:			
Employee benefits expense	15	3,837,153	2,839,363
Finance costs	16	-	2,923,574
Depreciation and amortization expense	8	2,082,307	2,242,166
Other expenses	17	9,831,419	12,577,550
Total expenses		15,750,879	20,582,653
V. Profit before exceptional and extraordinary items and tax (III - IV)		1,224,330	43,005,928
VI. Exceptional item- Income Tax for earlier years		2,353	2,236,076
Excess provision for Fringe Benefit Tax Written Back		-	(524)
VII. Profit before extraordinary items and tax (V - VI)		1,221,977	40,770,376
VIII. Extraordinary Items-Prior Period Income	14	-	8,281,619
Extraordinary Items-Prior Period Expenses	17	(230,359)	533,850
IX. Profit before tax (VII - VIII)		1,452,336	48,518,145
X Tax expense:			
(1) Current tax - Wealth Tax		6,014	8,617
(2) Deferred tax		-	-
XI Profit for the period from continuing operations (IX - X)		1,446,322	48,509,528
XII Profit/(Loss) from discontinuing operations		-	-
XIII Tax expense of discontinuing operations		-	-
XIV Profit/ (Loss) from Discontinuing operations (after tax) (XII - XIII)		-	-
XV Profit for the period (XI + XIV)		1,446,322	48,509,528
XVI Earnings per equity share:	18		
(1) Basic		0.03	0.87
(2) Diluted		0.03	0.87
Summary of significant accounting policies	1		
Notes to the financial statements	19		

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

As per our attached Report of even date

FOR MAHENDRA KUMBHAT & ASSOCIATES

Chartered Accountants

Firm Regn. No.105770W

Amar Chand Bagrecha

Partner

Membership No.56605

On behalf of the Board

Mahesh K. Rachh

Managing Director

Mahesh Menon

Director

Place: Mumbai

Dated: May 30, 2012

Mahendra S. Shah

Director

P. B. Deshpande

Company Secretary

**CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2012**

PARTICULARS	For the year ended 31st March, 2012		For the year ended 31st March, 2011	
	₹	₹	₹	₹
A. Cash flow from operating activities:				
Net profit before tax and extraordinary items		1,224,330		43,005,928
Adjustments for:				
Depreciation	2,082,307		2,242,166	
Provision for Non-performing Assets and Investments written back	-		-	
Profit/Loss on Sale of Assets and Investments	(188,408)		(49,711,229)	
Interest paid	-		2,923,574	
Investment Income - Dividend/Interest	(16,429,301)		(11,955,125)	
		(14,535,402)		(56,500,614)
Operating profit before working capital changes		(13,311,072)		(13,494,686)
Adjustments for:				
Inventories/Stock-on-Hire	-		-	
Trade payables & other short term liabilities	1,082,415		(2,358,343)	
Loans and Advances (net)	(65,225)		114,662,626	
		1,017,190		112,304,283
Cash generated from operations		(12,293,882)		98,809,598
Interest paid	-		(2,923,574)	
Direct taxes paid (-)/Refund of Income Tax (+)	6,673,793		(2,302,789)	
		6,673,793		(5,226,363)
Cash flow before extraordinary items		(5,620,089)		93,583,234
Extraordinary items		230,359		7,747,769
Net cash from operating activities.... A		(5,389,730)		101,331,003
B. Cash flow from investing activities:				
Purchase and sale of fixed assets including advances given for work-in-progress		(27,750)		35,879,959
Investment redemption/sold		20,774,189		435,577
Interest received		15,239,173		9,832,420
Dividend received		1,190,128		2,122,705
Net cash used in investing activities B		37,175,740		48,270,661
C. Cash flow from financing activities				
Proceeds from long term borrowings (net)		-		(99,975,981)
Net cash used in financing activities C		-		(99,975,981)
Net Increase/ (decrease) in cash and cash equivalents (A + B + C)		31,786,010		49,625,683
Cash and cash equivalents as at the beginning of the year (opening balance)		150,663,851		101,038,168
Cash and cash equivalents as at the end of the year (closing balance)		182,449,861		150,663,851

Notes:

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

As per our attached Report of even date

FOR MAHENDRA KUMBHAT & ASSOCIATES

Chartered Accountants

Firm Regn. No.105770W

Amar Chand Bagrecha

Partner

Membership No.56605

On behalf of the Board

Mahesh K. Rachh

Managing Director

Mahesh Menon

Director

Place: Mumbai

Dated: May 30, 2012

Mahendra S. Shah

Director

P. B. Deshpande

Company Secretary

APPLE FINANCE LIMITED

NOTE "1" SIGNIFICANT ACCOUNTING POLICIES ON CONSOLIDATED ACCOUNTS

1. Accounting Convention and Concepts

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

2. Fixed Assets

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

3. Depreciation

The Company provides depreciation on straight-line method on a pro-rata basis on completed month basis at the rate specified in Schedule XIV to the Companies Act, 1956.

4. Investments

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

5. Valuation of Stocks

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

6. Retirement Benefits

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

(i) Company's contribution to the Provident Fund, Pension Fund, Superannuation Fund and other fund is charged to the Profit and Loss Account.

(ii) The amount of Gratuity liability as ascertained on the basis of actuarial valuation by Life Insurance Corporation of India is paid/provided and charged to the Profit and Loss Account.

(i) Provision is made towards liability for leave encashment.

7. Impairment of Assets

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



NOTE "2" TO CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH 2012

SHARE CAPITAL	Par Value per share (₹)	Balance Outstanding as at 31st March, 2011		Issued/ (Reductions) during the year		Balance Outstanding as at 31st March, 2012	
		No. of Shares	Value (₹)	No. of Shares	Value (₹)	No. of Shares	Value (₹)
Equity Share Capital							
Authorised:	10	75,000,000	750,000,000	-	-	75,000,000	750,000,000
Issued, Subscribed and Paid-up:	10	55,673,122	556,731,220	-	-	55,673,122	556,731,220
Less: Calls in arrears by others			29,743	-	-	-	29,743
	10	55,673,122	556,701,477	-	-	55,673,122	556,701,477
Preference Share Capital							
Authorised:	100	7,500,000	75,000,000	-	-	7,500,000	75,000,000
Issued, Subscribed and Paid-up:	100	-	-	-	-	-	-

	No. of Shares	Value (₹)	Holding (%)	No. of Shares	Value (₹)	Holding (%)
Share held by Holding Company						
Not Applicable						
Holding more than 5%						
Adamica Consultancy Services Ltd.	6,023,180	60,231,800	10.82%	6,023,180	60,231,800	10.82%
Overseer Investments Pvt. Ltd.	4,134,300	41,343,000	7.43%	4,134,300	41,343,000	7.43%
Vruschik Consultancy Services Pvt.Ltd.	3,168,216	31,682,160	5.69%	3,168,216	31,682,160	5.69%
Apple Finance Employees Welfare Trust	3,316,680	33,166,800	5.96%	3,316,680	33,166,800	5.96%

Note : The Company has not allotted any shares during the last five years, preceding March 31, 2012.

NOTE "3" TO CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH 2012

RESERVES AND SURPLUS	Balance as on 31st March 2011	Additions/ Deductions/ Appropriations	Balance as on 31st March 2012
Capital Redemption Reserve	20,000,000	-	20,000,000
Debenture Redemption Reserve	100,000,000	-	100,000,000
General Reserve	400,000,000	-	400,000,000
Surplus at the beginning of the year	(1,434,502,786)		
Add: Profit after tax for the year		1,446,322	
Less: Transfer to General Reserve		-	
Less: Proposed Dividend including Dividend Distribution Tax		-	
Surplus at the end of the year			(1,433,056,464)
Capital Reserve	6,933,420	-	6,933,420
Capital Reserve on Settlement of Loans	427,026,184	-	427,026,184
Reserve Fund under Section 45IC(1) of the Reserve Bank of India Act,1934	77,000,000	-	77,000,000
Total	(403,543,182)	1,446,322	(402,096,860)

NOTE "4" TO CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH 2012

LONG-TERM PROVISIONS	Balance as at 31st March 2011	Additions	Utilizations	Reversals	Balance as at 31st March 2012
Provisions for Non-Performing Assets	214,444,123	-	-	-	214,444,123
Total	214,444,123	-	-	-	214,444,123

APPLE FINANCE LIMITED

NOTE "5" TO CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH 2012

(₹)

TRADE PAYABLES	As at 31st March 2012	As at 31st March 2011
Others	(23,281)	80,519
Total	(23,281)	80,519

NOTE "6" TO CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH 2012

(₹)

OTHER CURRENT LIABILITIES	Value as at 31st March 2012	Value as at 31st March 2011
Other Payable	8,931,304	8,913,436
Duties and Taxes Payable	23,970	18,203
Total	8,955,274	8,931,639

NOTE "7" TO CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH 2012

(₹)

SHORT-TERM PROVISIONS	Balance as at 31st March 2011	Additions	Utilizations	Reversals	Balance as at 31st March 2012
Provision for employee benefits	393,655	233,580	86,074	-	541,161
Provision for expenses	5,797,232	6,812,306	5,797,232	-	6,812,306
Total	6,190,887	7,045,886	5,883,306	-	7,353,467

NOTE "8" TO CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH 2012

(₹)

FIXED ASSETS	Gross Block as at 1st April 2011	Additions	Deletions	Gross Block as at 31st March 2012	Depreciation up to 31st March 2011	Depreciation for the year	Depreciation on deductions	Depreciation up to 31st March 2012	Impairment losses/ reversals	Net Block as at 31st March 2012
Tangible Assets										
Land										
- Freehold	955,066	-	-	955,066	-	-	-	-	-	955,066
Buildings										
- Owned	82,420,442	-	-	82,420,442	24,476,571	1,343,452	-	25,820,023	-	56,600,419
Plant and Equipment										
- Owned	4,019,576	27,750	-	4,047,326	3,238,970	96,006	-	3,334,976	-	712,350
Office Equipment	18,042,048	-	-	18,042,048	17,880,261	64,947	-	17,945,208	-	96,840
Computers	1,390,185	-	-	1,390,185	703,257	66,036	-	769,293	-	620,892
Electrical Fittings	16,418,561	-	-	16,418,561	14,334,243	262,914	-	14,597,157	-	1,821,404
Furniture and Fixtures	2,620,548	-	-	2,620,548	651,086	248,952	-	900,038	-	1,720,510
Vehicles										
Total	125,866,426	27,750	-	125,894,176	61,284,388	2,082,307	-	63,366,695	-	62,527,481
Previous Year	132,745,292	183,133	7,062,000	125,866,425	61,806,000	2,242,166	2,763,778	61,284,388	-	64,582,038



NOTE "9" TO CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH 2012

(₹)

NON-CURRENT INVESTMENTS				
	No. of Securities	Face Value	As at 31st March 2012	As at 31st March 2011
Trade Investments (Fully paid unless otherwise stated)				
Quoted Investments - Equity Shares (At cost)				
Ambika Cotton Mills Limited	180,233	10	8,651,200	8,651,200
Anjani Solvents India Limited	74,853	10	748,530	748,530
Anod Plasma Spray Limited	75,000	10	750,000	750,000
Cipla Limited	36,510	2	652,302	652,302
Indian Lead Limited	332,066	10	12,331,200	12,331,200
Inland Printers Limited	33,300	10	1,998,000	1,998,000
Pittie Cements & Industries Limited	118,126	10	12,993,860	12,993,860
Sagar Tourist Resorts Limited	21,342	10	213,420	213,420
Sesa Goa Limited	5,800	1	51,023	51,023
Shri Renuga Textiles Limited	40,000	10	6,000,000	6,000,000
Vital Foods Limited	93,900	10	1,032,900	1,032,900
Total (A)			45,422,435	45,422,435
Unquoted Investments - Equity Shares (At cost)				
Aldrich Pharmaceuticals Limited	210,000	10	7,035,000	7,035,000
Armour Pharmaceuticals Limited	593,750	10	8,386,690	8,386,690
Deluxe Fabrics Limited	250,000	10	4,780,421	4,780,421
Indo Deutsche Metallo Chimique Ltd.	145,000	10	24,539,919	24,539,919
Spectrum Alkyd & Resins Limited	133,333	10	1,500,000	1,500,000
Union Motor Services Limited	366,667	10	8,806,560	8,806,560
Vijaya Home Loans Limited	50,000	10	500,000	500,000
Total (B)			55,548,590	55,548,590
Unquoted Investments - Debentures (At cost)				
18 % Unsecured Redeemable Non-Convertible Debenture of Century Wood Limited	40,000	100	5,850,000	5,850,000
Total (C)			5,850,000	5,850,000
Quoted Investments - Mutual Funds Units (At cost)				
HDFC Cash Management Fund-Treasury Advantage Plan-Wholesale-Daily Dividend (Previous year 6501.46 Units)	-	10	-	65,219
Tempelton India Short Term Plan-Monthly Dividend (Previous year 18222.77 Units)	-	10	-	20,520,563
Total (D)			-	20,585,781
Total (A) + (B) + (C) + (D)			106,821,025	127,406,806
			Cost (₹)	Market Value (₹)
Aggregate Value of Quoted Investment				
Equity Shares			45,422,435	38,812,115 ***
(Previous Year)			(45,422,435)	(49,785,887)
Mutual Fund Units			-	-
(Previous Year)			(20,585,781)	(20,662,042)
Total			45,422,435	38,812,115
(Previous Year)			(66,008,216)	(70,447,929)
Aggregate Value of Unquoted Investment			55,548,590	
(Previous Year)			(55,548,590)	
TOTAL			100,971,025	
(Previous Year)			(121,556,806)	
*** Market value of quoted investments includes only market value of Cipla Limited, Ambika Cotton Mills Limited and Sesa Goa Limited since other quoted shares market value is not available.				

APPLE FINANCE LIMITED

NOTE "10" TO CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH 2012

₹

INVENTORIES (Valued at cost or market value whichever is less)	As on 31st March 2012			As on 31st March 2011		
	Inventory	Goods-in-transit	Final Value	Inventory	Goods-in-transit	Final Value
Unquoted Equity Shares						
1,41,000 Equity Shares of ₹ 10 each of Indo Deutsche Metallo Chimique Limited	24,675,000	-	24,675,000	24,675,000	-	24,675,000
Total	24,675,000	-	24,675,000	24,675,000	-	24,675,000

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

NOTE "11" TO CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH 2012

(₹)

CASH AND BANK BALANCES	As at 31st March 2012	As at 31st March 2011
CASH AND CASH EQUIVALENTS		
Cash on hand	35,163	71,691
Balance with Banks	588,071	463,266
Bank Deposits (less than 3 months maturity)	21,770,000	-
	22,393,233	534,956
OTHERS		
Bank Deposits (more than 3 months but less than 12 months maturity)	39,344,586	37,714,194
Bank Deposits (more than 12 months maturity) ***	120,712,042	112,414,701
	160,056,628	150,128,895
Total	182,449,861	150,663,851

*** Out of which ₹ 11,96,22,338 is under lien with Kotak Mahindra Bank Ltd. (Previous year ₹ 11,23,74,997)

NOTE "12" TO CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH 2012

(₹)

OTHER CURRENT ASSETS	As on 31st March 2012				As on 31st March 2011			
	Secured, considered good	Unsecured, considered good	Doubtful	Total	Secured, considered good	Unsecured, considered good	Doubtful	Total
Interest accrued on Investment	-	2,101,481	-	2,101,481	-	1,702,706	-	1,702,706
Security Deposits	-	428,530	-	428,530	-	612,098	-	612,098
Prepaid Expenses	-	664,278	-	664,278	-	830,778	-	830,778
Other Receivables	-	3,175,000	-	3,175,000	-	3,158,482	-	3,158,482
Advance Income Tax and TDS	-	2,307,326	-	2,307,326	-	8,989,486	-	8,989,486
Sales Tax paid against appeal	-	184,217	-	184,217	-	184,217	-	184,217
Grand Total	-	8,860,831	-	8,860,831	-	15,477,766	-	15,477,766

NOTE "13" TO CONSOLIDATED PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDING 31ST MARCH 2012

(₹)

REVENUE FROM OPERATIONS	Year ending 31st March 2012	Year ending 31st March 2011
Hire-Purchase Income	12,500	20,349
Bad Debts Recovered	-	1,145,000
Total	12,500	1,165,349

**NOTE "14" TO CONSOLIDATED PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDING 31ST MARCH 2012**

(₹)

OTHER INCOME	Year ending 31st March 2012	Year ending 31st March 2011
Interest (TDS ₹ 13,73,688, Previous Year ₹ 9,04,947)	13,774,454	9,046,858
Interest on Income Tax Refund	1,464,719	785,562
Dividend Income:		
- others	1,190,128	2,122,705
Long Term Capital Gain on Sale of Shares	-	16,803,400
Short Term Capital Gain on Sale of Mutual Fund Units	188,408	53,499
Profit on sale of Fixed Assets	-	32,961,328
Miscellaneous Income	345,000	649,880
	16,962,709	62,423,232
Prior Period Income		
Interest	-	8,281,619
	-	8,281,619
Total	16,962,709	70,704,851

NOTE "15" TO CONSOLIDATED PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDING 31ST MARCH 2012

(₹)

EMPLOYEE BENEFITS EXPENSES	Year ending 31st March 2012	Year ending 31st March 2011
Salaries and wages	2,824,846	2,108,156
Contribution to Provident and other funds	747,510	454,168
Staff welfare expenses	264,797	277,039
Total	3,837,153	2,839,363

NOTE "16" TO CONSOLIDATED PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDING 31ST MARCH 2012

(₹)

FINANCE COSTS	Year ending 31st March 2012	Year ending 31st March 2011
Interest Expense	-	2,923,574
Total	-	2,923,574

NOTE "17" TO CONSOLIDATED PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDING 31ST MARCH 2012

(₹)

OTHER EXPENSES	Year ending 31st March 2012	Year ending 31st March 2011
Power and fuel	399,371	307,837
Repairs to buildings	-	5,800
Repairs to machinery	-	45,173
Repairs and Maintenance - Others	13,189	7,660
Insurance	20,698	20,698
Rent	-	243,800
Rates and taxes excluding taxes on income	32,632	525,854
Society Charges	1,721,595	1,753,415
Legal and Professional fees	1,315,669	3,374,981
Printing and Stationery	39,909	54,958
Telephone and Fax Expense	214,693	217,997
Courier Expenses	12,624	15,182

APPLE FINANCE LIMITED

NOTE "17" TO CONSOLIDATED PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDING 31ST MARCH 2012

(₹)

OTHER EXPENSES	Year ending 31st March 2012	Year ending 31st March 2011
Service Charges	525,865	487,259
Security Charges	469,829	426,552
Travelling Expenses	765,366	922,793
Conveyance	9,870	11,555
Motor Car Expenses	897,889	598,886
AGM Expenses	1,912,790	1,792,944
Registrar, Share and Debenture Expenses	824,862	879,712
Directors' Sitting Fees	12,000	12,000
Membership and Subscription	37,973	56,275
Receivable written off (Net)	-	221,436
Bank Charges	-	275
Books & Periodicals	4,805	7,084
Miscellaneous Expenses	16,960	24,894
Payments to the Auditor		
(a) as Auditor	393,260	386,050
(b) for Tax Audit	112,360	110,300
(c) for Limited Review Audit	77,210	66,180
	9,831,419	12,577,550
Prior period items (in case of loss)		
Repairs to buildings	-	6,500
Rates and taxes excluding taxes on income	(254,173)	350,373
Legal and Professional fees	-	120,333
Travelling Expenses	-	8,433
Motor Car Expenses	23,814	48,211
	(230,359)	533,850
Total	9,601,060	13,111,400

NOTE "18" TO CONSOLIDATED PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDING 31ST MARCH 2012

(₹)

EARNING PER SHARE	Year ending 31st March 2012	Year ending 31st March 2011
(a) Net Profit after tax attributable to Equity Shareholders for Basic EPS	1,446,322	48,509,528
Add/Less: Adjustment relating to potential equity shares	-	-
	1,446,322	48,509,528
(b) Weighted average No. of equity shares outstanding during the year		
For Basic Earning Per Share	55,673,122	55,673,122
For Diluted Earning Per Share	55,673,122	55,673,122
(c) Basic Earning Per Share	0.03	0.87
Diluted Earning Per Share	0.03	0.87
Face Value Per Equity Shares	10	10
(d) Reconciliation between No. of shares used for calculating basic and diluted earning per share		
Particulars		
No. of shares used for calculating basic earning per share	55,673,122	55,673,122
Add: Potential equity shares	-	-
No. of shares used for calculating diluted earning per share	55,673,122	55,673,122



NOTE "19" - NOTES TO THE CONSOLIDATED ACCOUNTS

Notes forming part of the Accounts for the year ended 31st March, 2012

	As at 31 st March, 2012 ₹	As at 31 st March, 2011 ₹
(1) As the business was unviable, the Company surrendered its Certificate of Registration of Non-Banking Financial Institution to Reserve Bank of India. Reserve Bank of India has cancelled the said Certificate of Registration vide their letter No. DNBS. MRO.No.4716 & 4869 / 02.01.60.Apple / 2003-04 dated January 13, 2004 and January 18, 2004. In view of this, in terms of Section 45-IA of the RBI Act, 1934, now the Company is not entitled to carry on the business of Non-Banking Financial Institution. However, the Company can in future carry on the business of Non-Banking Financial Institution after taking necessary approval from Reserve Bank of India. The Company does have business income from Interest, etc. and also have Stock-In-Trade for business and hence, accounts have been prepared on the Going Concern Basis and Historical Cost Method.		
(2) Contingent Liabilities in respect of:		
(a) Claims against the Company not acknowledge as debts	100,000,000	100,000,000
(3) The Company has been advised that it does not have taxable income under the Income-tax Act, 1961 for the current financial year and accordingly, no provision for Income Tax has been made in the Profit and Loss Account of the Company. Further, Wealth Tax is accounted in the year in which it is paid and hence, no provision for Wealth Tax has been made in the Profit and Loss Account of the Company.		
(4) (a) All investments are in the name of the Company, except those under transfer/delivery. (b) All the investments are held by the Company as long term investments, except shown as Stock- in- Trade.		

(5) Prior period expenses details.

OTHER EXPENSES

	Year ending 31st March 2012 ₹	Year ending 31st March 2011 ₹
Repairs to buildings	-	6,500
Rates and taxes excluding taxes on income	(254,173)	350,373
Legal and Professional fees	-	120,333
Travelling Expenses	-	8,433
Motor Car Expenses	23,814	48,211
Total	(230,359)	533,850

(6) Remuneration to Directors:

(a) Remuneration paid to the Managing Director:

	For the year ended 31st March 2012 ₹	For the year ended 31st March 2011 ₹
Salaries and Contribution to the Provident and other funds	1,588,634	1,013,810
Perquisites*	39,600	39,600
Total	1,628,234	1,053,410

* 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 349 of the Companies Act, 1956 has not been made.
- (7) Confirmation of balances from parties have not been received. The balances, therefore, are as per the books of account of the Company.
- (8) There are no separate reportable segments.
- (9) Demat Account holding statement as on 31.3.2012 includes 500 equity shares of Numeric Power Systems Limited, which were already sold by the Company, however, the same have not been transferred by the transferee in his own name. Consequently, dividends received on said shares have been considered as current liability.

APPLE FINANCE LIMITED

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

Name of related party and Nature of relationship	For the year ended 31st March 2012 ₹	For the year ended 31st March 2011 ₹
(i) Directors / Key Management Personnel : Remuneration		
(1) Mr. Mahesh K. Rachh : Managing Director	1,628,234	1,053,410
(ii) Director and their relatives -Professional Fees		
(1) Mrs. Anita Mahesh Menon: Director`s wife	103,500	161,500
(iii) Director Sitting fees		
(1) Mr. Mahesh Menon: Director	6,000	6,000
Mr. Mahendra Shah: Director	6,000	6,000
(11) Consequent to the issuance of the Accounting Standard 22 "Accounting for Taxes on Income" by the Institute of Chartered Accountants of India, which is mandatory, the Company has had Deferred Tax Assets (net) of ₹ 24,44,00,677. 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

Particulars	As at 31 st March 2012 ₹	As at 31 st March 2011 ₹
Deferred Tax Asset:		
(1) Provision for Non-Performing Assets and Diminution in the value of Investments	20,635,653	20,635,653
(2) Carry forward losses (including Unabsorbed Depreciation)	199,399,635	203,810,036
(3) Depreciation	(19,458,484)	(19,954,988)
Deferred Tax Asset (net)	<u>200,576,804</u>	<u>204,490,702</u>
(12) (a) Details of Stock of Shares and Securities:-		
Unquoted		
141,000 Equity Shares of ₹ 10 each of Indo Deutsche Metallo Chimique Limited	24,675,000	24,675,000
	<u>24,675,000</u>	<u>24,675,000</u>
(b) Quantitative Details:-		
(i) Opening Stock		
Quantity (Nos.)	141,000	141,000
Value (₹)	24,675,000	24,675,000
(ii) Purchases/Received against Claims/Acquisition on Merger/ Bonus		
Quantity (Nos.)	-	-
Value (₹)	-	-
(iii) Sales/ Reduction on Merger		
Quantity (Nos.)	-	-
Value (₹)	-	-
(iv) Closing Stock		
Quantity (Nos.)	141,000	141,000
Value (₹)	24,675,000	24,675,000
(13) As per the Accounting Standard 13, Stock-in-Trade (Shares) is required to be recognised at cost or fair value whichever is less, however 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 is made.		
(14) Cash Flow is prepared as per Indirect Method.		



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

Signatures to Note "1" to "19"

As per our attached Report of even date

FOR MAHENDRA KUMBHAT & ASSOCIATES

Chartered Accountants

Firm Regn. No.105770W

Amar Chand Bagrecha

Partner

Membership No.56605

Place: Mumbai

Dated: May 30, 2012

On behalf of the Board

Mahesh K. Rachh

Managing Director

Mahesh Menon

Director

Mahendra S. Shah

Director

P. B. Deshpande

Company Secretary



APPLE FINANCE LIMITED

Registered Office : 8 Apeejay House, 130 Mumbai Samachar Marg, Mumbai 400 023

ATTENDANCE SLIP

26TH ANNUAL GENERAL MEETING - SEPTEMBER 25, 2012, 3.00 P.M.

Regd. Folio No DP Id Client Id

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

I hereby record my presence at the 26th 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, 2012.

.....
Member's / Proxy's name in BLOCK LETTERS

.....
Member's / Proxy's Signature

Note : Please fill out this attendance slip and hand it over at the ENTRANCE OF THE HALL

-(TEAR HERE)-



APPLE FINANCE LIMITED

Registered Office : 8 Apeejay House, 130 Mumbai Samachar Marg, Mumbai 400 023

PROXY

I/We of
..... in the district of
..... being a member / members of the above Company hereby appoint
..... of in the district of
..... or failing him in the district of
..... as my / our Proxy to vote for me/us on my/our behalf at the 26th Annual General Meeting of the Company to be held at
3.00 p.m. on Tuesday, September 25, 2012 and at every adjournment thereof.

Signed this day of 2012

Signature



Regd. Folio No DP Id Client Id

Notes :

1. Proxy need not be a member.
2. This form in order to be effective, should be duly stamped, completed and signed and must be deposited at the Registered Office of the Company, not less than 48 hours before the meeting.

(TEAR HERE)

BOOK-POST

IF UNDELIVERED, PLEASE RETURN TO:

Sharepro Services (India) Pvt. Ltd., Unit : Apple Finance Limited, 13AB, Samhita Warehousing Complex, Floor 2, Sakinaka Telephone Exchange Lane, Off Andheri-Kurla Road, Sakinaka, Andheri(East), Mumbai 400 072.

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