



B. L. Rathi & Co.
Chartered Accountants

B. L. RATHI B. Com. (Hons.), FCA, DISA, (ICAI)
9, INDIA EXCHANGE PLACE, 4TH FLOOR,
ROOM NO. 4/4, KOLKATA - 700 001 (W. B.)
Phone : 2242-4066, M. : 9831030153
E-mail : bhan0469@gmail.com

INDEPENDENT AUDITOR'S REPORT

TO
THE MEMBERS OF
OSM INVESTMENT & TRADING COMPANY LIMITED

Report on the Financial Statements

We have audited the accompanying financial statements of **OSM Investment & Trading Company Limited** ("the Company") which comprise the Balance Sheet as at 31st March 2017, the Statement of Profit and Loss, Cash Flow Statements for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position and financial performance of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

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

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

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

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

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

Opinion

In our opinion and to the best of my information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2017 and its **profit** for the year ended on that date.



Report on Other Legal & Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 issued by the Company Law Board in terms of Section 143(11) of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 & 4 of the Order, to the extent applicable to the company.
2. As required by section 143(3) of the Act, we report that:
 - a) We have sought & obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit.
 - b) In our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books.
 - c) The Balance Sheet, the Statement of Profit and Loss and Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - d) In our opinion, aforesaid (Standalone) financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - e) On the basis of written representations received from the directors as on 31st March, 2017 taken on record by the Board of Directors, none of the director is disqualified as on 31st March, 2017 from being appointed as a director in terms of Section 164(2) of the Act.
 - f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, Refer to our separate report in "Annexure B" to this report.
 - g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in my opinion and to the best of my information and according to the explanations given to us:
 - i. The Company does not have any pending litigations which would impact its financial position in the financial statements;
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
 - iv. The Company has provided the requisite disclosures in its standalone financial statements as on to holdings as well as dealings in specified bank notes during the period from 8th November, 2016 to 30th December, 2016 and these are in accordance with the books of accounts maintained by the company. Refer Note 15 to the standalone financial statement.

For B.L. RATHI & CO.
Chartered Accountants



(B.L. RATHI)
Proprietor
FRN : 318113E
Membership No. 053795
Kolkata, 23rd day of May, 2017



"ANNEXURE A" TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 1 under the heading, "Report on Other Legal & Regulatory Requirements" of our report on even date)

1. a) The Company is maintaining proper records showing full particulars including quantitative details and situation of fixed assets.
b) As informed to us, the Fixed Assets are physically verified by the management at reasonable intervals during the year. No material discrepancies were noticed on such verification.
c) The title deeds of immovable properties are held in the name of the company.
2. The company has no manufacturing and/or trading activities and as such the question of having any stock and maintenance of records in respect thereof and physical verification of inventory does not arise and hence this clause is not applicable to the company.
3. The company has not granted any loan ,secured or unsecured to companies , firms or other parties covered under section 189 of the Companies Act, 2013 hence this clause is not applicable to the company
4. In our opinion and according to the information and explanations given to us, the company has complied with the provision of section 185 and 186 of the Companies Act , 2013 in respect of grant of loans ,making investments and providing guarantees and securities, as applicable.
5. In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits from the public within the meaning of the Companies Act, 2013 hence this clause is not applicable to the company.
6. In our opinion and according to the information and explanations given to us, maintenance of cost records has not been prescribed by the Central Government under section 148(1) of the Companies Act, 2013 hence the clause (vi) is not applicable to the Company.
7. According to the information and explanations given to us ,in respect of statutory dues:
 - a) The Company is regular in depositing the statutory dues such as Provident Fund, Employees' State Insurance, Income tax, Sales tax, Wealth tax, Service tax, Customs duty and Excise duty, Cess & any other statutory dues with the appropriate authorities.
 - b) There were no undisputed amount payable in respect of statutory dues such as Provident Fund, Employees' State Insurance, Income tax, Sales tax, Wealth tax, Service tax, Customs duty and Excise duty, Cess were outstanding as at the year end for a period of more than six months from the date they become payable.
8. Based on our audit procedures and on the information and explanations given by the management, we are of the opinion that the Company has not defaulted in repayment of dues to a financial institution, bank or debenture holders.
9. The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) and money raised by way of term loans have been applied by the Company during the year for the purposes for which they were raised.
10. To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company and no fraud on the Company by its officers or employees has been noticed or reported during the year.
11. The company has no Whole Time Director or manager in the financial year. Hence this clause is not applicable to the company.
12. The Company is not a Nidhi Company and hence reporting under clause (xii) of the CARO 2016 Order is not applicable.
13. In our opinion and according to the information and explanations given to us the Company is in compliance with section 188 and 177 of the Companies Act, 2013, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements etc. as required by the applicable accounting standards.
14. During the year the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures and hence reporting under clause (xiii) of CARO 2016 is not applicable to the Company.

15. In our opinion and according to the information and explanations given to us, during the year the Company has not entered into any non-cash transactions with its directors or persons connected with him and hence provisions of section 192 of the Companies Act, 2013 are not applicable.
16. The Company is a Non-Banking Financial Company and is required to be registered under section 45-I of the Reserve Bank of India. The company has obtained the registration.

For B.L. RATHI & CO.
Chartered Accountants



(B. L. RATHI)
Proprietor
FRN: 318113E
Membership No. 053795
Kolkata, 23rd day of May, 2017



"ANNEXURE B" TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 2(f) under the heading "Report on Other Legal and Regulatory Requirements" of our report of even date)

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

We have audited the internal financial controls over financial reporting of **OSM Investment & Trading Company Limited** as of March 31, 2017.

Management's Responsibility for Internal Financial Controls

The Company's Management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing as specified under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls Over Financial Reporting

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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



Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2016, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

**For B.L. RATHI & CO.
Chartered Accountants**



(B.L. RATHI)
Proprietor
FRN: 318113E
Membership No. 053795
Kolkata, 23rd day of May, 2017



OSM Investment & Trading Company Limited

BALANCE SHEET AS AT 31ST MARCH 2017

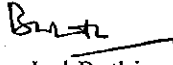
	Notes	As at 31-Mar 2017	As at 31-Mar 2016
I EQUITY AND LIABILITIES			
<u>Shareholders' Funds</u>			
Share Capital	3	17,404,180	17,404,180
Reserves & Surplus	4	79,012,281	68,795,096
<u>Current Liabilities</u>			
Other current liabilities	5	14,517,500	24,665,050
TOTAL		110,933,961	110,864,326
II ASSETS			
<u>Non Current Assets</u>			
Fixed Assets			
(i) Tangible Assets	6	3,145,415	3,145,415
Non Current Investments	7	107,707,627	107,707,627
<u>Current Assets</u>			
Cash and Bank balances	8	80,919	11,284
TOTAL		110,933,961	110,864,326

Significant Accounting Policies 2

The Accompanying notes are an integral part of the financial statements
In terms of our attached report of even date.

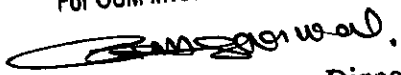
9, India Exchange Place
Kolkata - 700 001
Dated : 23-05-2017

FOR B.L.Rathi & Co.
Chartered Accountants
Firm Regn. No. 318113E


Bhanwar Lal Rathi
Proprietor
Membership No. 053795

For OSM Investment & Trading Co. Ltd.

Director

For OSM Investment & Trading Co. Ltd.

Director



OSM Investment & Trading Company Limited

Statement of profit and loss for the year ended 31st March 2017

	Notes	for the year ended	
		2016-2017	2015-2016
		Rs	Rs
I Income			
Revenue from operations	9	10,893,084	10,957,450
Total Revenue		<u>10,893,084</u>	<u>10,957,450</u>
II Expenses			
Other Expense	10	675,899	496,309
Total Expenses		<u>675,899</u>	<u>496,309</u>
Earnings before Interest, Depreciation & amortisation and Tax (I - II)		10,217,185	10,461,141
Finance Cost		-	-
Profit/(Loss) before Tax		<u>10,217,185</u>	<u>10,461,141</u>
<u>Tax Expenses</u>			
Current Tax		-	-
Total Tax Expense		-	-
Profit/(loss) for the year		<u>10,217,185</u>	<u>10,461,141</u>
Earnings per Equity Shares in Rs (Face value of Rs 10/- each)			
Basic & Diluted		5.87	6.01

Significant Accounting Policies

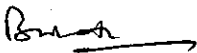
2

The Accompanying notes are an integral part of the financial statements

In terms of our attached report of even date.

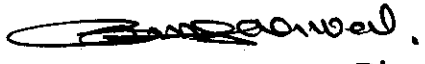
9, India Exchange Place
Kolkata - 700 001
Dated : 23-05-2017

FOR B.L.Rathi & Co.
Chartered Accountants
Firm Regn. No. 318113E


Bhanwar Lal Rathi
Proprietor
Membership No. 053795

For OSM Investment & Trading Co. Ltd.

Director

For OSM Investment & Trading Co. Ltd.

Director



OSM Investment & Trading Company Limited

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2017

	<u>2016-17</u>	(all fig in Rs) <u>2015-16</u>
A. <u>CASH FLOW FROM OPERATING ACTIVITIES :</u>		
Profit / Loss before tax	10,217,185	10,461,141
Adjustment for :		
Depreciation	-	-
Dividend & Interest Income	(10,893,084)	(10,957,450)
Operating profit/(loss) before working capital changes	(675,899)	(496,309)
Adjustment for :		
Current Liabilities	(10,147,550)	13,652,550
Net Cash from Operating Activities	(A) (10,823,449)	13,156,241
B. <u>CASH FLOW FROM INVESTING ACTIVITIES</u>		
Purchase of fixed assets	-	-
Sale of Investments	-	-
Dividend Received	10,893,084	10,957,450
Interest Received	-	-
Net Cash from Investing Activities	(B) 10,893,084	10,957,450
C. <u>CASH FLOW FROM FINANCING ACTIVITIES</u>		
Loan Given/Taken (Nett)	-	(24,285,000)
Net Cash From Financing Activities	(C) -	(24,285,000)
Net changes in Cash And Cash equivalents (A+B+C)	69,635	(171,309)
Cash And Cash Equivalents-Opening Balance *	11,284	184,244
Cash And Cash Equivalents-Closing Balance *	80,919	11,284

* Represents Cash & Bank Balances as indicated in Note 9

9, India Exchange Place
Kolkata - 700 001
Dated : 23-05-2017

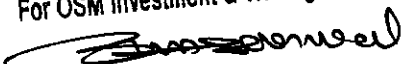
FOR B.L.Rathi & Co.
Chartered Accountants
Firm Regn. No. 318113E



Bhanwar Lal Rathi
Proprietor
Membership No. 053795

For OSM Investment & Trading Co. Ltd.

Director

For OSM Investment & Trading Co. Ltd.

Director



OSM Investment & Trading Company Limited

Notes to financial statements for the year ended 31 March 2017

1 Corporate Information

OSM Investment & Trading Company Limited is primarily a NBFC Company under Registered with RBI. It is engaged in Investments of its funds in Shares, Debentures, Bonds of Joint Stock Companies, Bonds etc of different Mutual Funds schemes and Inter Corporate/other Deposits with Indian Companies/Banks etc

2 SIGNIFICANT ACCOUNTING POLICIES

a Basis of Preparation

The financial statements have been prepared to comply in all material aspects with the Accounting Standards Notified by the Companies Accounting Standards Rules, 2006 (as amended) and the relevant provisions of the Companies Act, 1956 & 2013. The financial statements have been prepared under the historical cost convention on an accrual basis. The accounting policies applied by the Company are consistent with those used in the previous year, except for the change in accounting policy explained below.

b Revenue Recognition Policy

(i) Interest Income is recognised on a time proportion basis taking into account the amount outstanding and the applicable interest rate. Interest Income is included under the head ' Operating Income' in the Profit & Loss Account

(ii) Dividend Income is recognized when the shareholders' right to receive payment is established by the balance sheet date. The Income is included under the head ' Operating Income' in the Profit & loss Account

(iii) Profit & loss from trading or sale of Investment is reflected as and when any transaction takes place

c Investment

Long Term Investments are considered at cost on individual basis, unless there is permanent decline in value thereof, in which case adequate provision is made against the diminution in the value of Investments

d Items of Income and Expenditure are recognised on accrual basis.

e Income taxes:

Tax expense comprises of current and deferred tax. Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Indian Income Tax Act, 1961. Deferred Tax reflects the impact of current year timing differences between taxable income and accounting income for the year and reversal of timing differences of earlier years.

The deferred tax for timing differences between the book and tax profits for the year is accounted for using the tax rates and laws that have been substantially enacted as of the Balance Sheet date. Deferred tax asset is recognised only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax asset can be realised. In situations where the company has unabsorbed depreciation or carry forward tax losses, all deferred tax assets are recognised only if there is virtual certainty supported by convincing evidence that they can be realised against future taxable profits.

f Earning per Share:

Basic earning per Share is calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted number of equity shares outstanding during the period.

For the purpose of calculating diluted earning per share, net profit or loss for the period attributable to equity share holders and the weighted average no. of shares outstanding during the period, are adjusted for the effect of all dilutive potential equity shares.

g Cash and Cash equivalents:

Cash and cash equivalents in the balance sheet comprise cash at bank and on hand and short-term deposit with an original maturity of three months or less



OSM Investment & Trading Company Limited

Notes to financial statements for the year ended 31 March 2017

3. SHARE CAPITAL

		for the year ended	
		31-Mar 2017	31-Mar 2016
		Rs	Rs
(a) Authorised shares			
2,490,000	Equity Shares of Rs. 10 each	24,900,000	24,900,000
260,000	Preference Shares of Rs. 10 each	2,600,000	2,600,000
		27,500,000	27,500,000
(b) Issued, subscribed and fully paid-up shares			
1,740,420	Equity Shares of Rs. 10/- each	17,404,200	17,404,200
1,740,418	Equity Shares of Rs. 10/- each fully paid up in cash	17,404,180	17,404,180
		17,404,180	17,404,180

(c) Reconciliation of the shares outstanding at the beginning and at the end of the reporting period

<u>Equity Shares</u>	31st March, 2017		31st March, 2016	
	No.	(Rs.)	No.	(Rs)
At the beginning of the Period	1,740,418	17,404,180	1,740,418	17,404,180
<u>Add:-</u> Issued during the period	-	-	-	-
Outstanding at the end of the Period	1,740,418	17,404,180	1,740,418	17,404,180

(d) Terms/ rights attached to Equity Shares

The Company has only one class of equity shares having a par value of Rs. 10 per share. Each holder of equity shares is entitled to one vote per share. The company declares and pays dividend in Indian Rupees.

For the year ended 31st March 2017, the Board of Directors has not proposed any dividend. (P.Y. NIL)

In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution to equity shareholders will be in proportion to the amount paid up or credited as paid up.

<u>Equity Shares of Rs. 10 each fully paid</u>	31st March, 2017		31st March, 2016	
	No.	% holding	No.	% holding
Palash Securities Limited *	1,740,418	100%	1,740,418	100%

* Pursuant to composite scheme of arrangement between The Oudh Sugar Mills Limited & others, these shares are now vested to the company.



OSM Investment & Trading Company Limited

Notes to financial statements for the year ended 31 March 2017

4. RESERVES & SURPLUS

	for the year ended	
	31-Mar 2017	31-Mar 2016
	<u>Rs.</u>	<u>Rs</u>
Shares Premium Account		
As per last Account	8,702,060	8,702,060
General Reserve		
As per last Account	5,000,000	5,000,000
Reserve Fund		
As per last Account	12,741,000	10,641,000
Add: Transfer from surplus in the statement of Profit & Loss	2,050,000	2,100,000
	14,791,000	12,741,000
Capital Redemption Reserve		
As per last Account	2,500,000	2,500,000
Surplus/(Deficit) in the statement of Profit & Loss		
Balance as per last financial statements	39,852,036	31,490,895
Profit/(Loss) for the Year	10,217,185	10,461,141
Less:- Appropriations	50,069,221	41,952,036
Transfer to Reserve Fund	2,050,000	2,100,000
	48,019,221	39,852,036
Net Surplus/(Deficit) in the statement of Profit and Loss	48,019,221	39,852,036
Total Reserves and Surplus	<u>79,012,281</u>	<u>68,795,096</u>

5. Other Current Liabilities

TDS Payable	5,000	2,550
Champaran Marketing Co. Limited	14,500,000	-
Hargaon Investement & Trading Co. Limited	-	24,650,000
Audit Fees	12,500	12,500
	<u>14,517,500</u>	<u>24,665,050</u>



OSM Investment & Trading Company Limited

Notes to financial statements for the year ended 31 March 2017

6. TANGIBLE ASSETS

31st March 2017

<u>Cost or Valuation</u>	Freehold Land	Others	Total
At 1 April 2015	3,145,415	-	3,145,415
Additions	-	-	-
Disposal	-	-	-
At 31st March 2016	3,145,415	-	3,145,415
Additions	0	0	0
Disposal	0	0	0
At 31st March 2017	3,145,415	-	3,145,415

<u>Depreciation</u>	Freehold Land	Buildings	Total
At 1 April 2015	-	-	-
Charge for the year	-	-	-
Disposal	-	-	-
At 31st March 2016	-	-	-
Additions	-	-	-
Charge for the year	-	-	-
At 31st March 2017	-	-	-
Net Block			
At 31st March 2016	3,145,415	-	3,145,415
At 31st March 2017	3,145,415	-	3,145,415



OSM Investment & Trading Company Limited

Notes to financial statements for the year ended 31 March 2017

7. NON CURRENT INVESTMENTS (At Cost)

Non Trade

QUOTED	No. of Shares / Debentures	Face Value (Rs.)	As at 31st March 2017 Rs	As at 31st March 2016 Rs
Equity Shares (Fully Paid)				
New India Retailing & Investment Ltd.	38,349	10	3,067,920	3,067,920
Sil Investments Limited	417,421	10	9,763,978	9,763,978
Sutlej Textiles & Industries Ltd.	638,820	10	14,006,908	14,006,908
Manbhawani Investment ltd.	67,500	10	206,905	206,905
			27,045,711	27,045,711
UNQUOTED				
Equity Shares : (Fully Paid)				
Modern Diagen Services Ltd.	13,196	10	131,960	131,960
SCM Investment & Trading Co. Ltd	1,875,000	10	37,500,000	37,500,000
Avadh Sugar & Energy Limited *	86,127	10	} 17,029,956	17,029,956
Ganges Securities Limited *	203,221	10		
Magadh Sugar & Energy Limited *	182,924	10		
Preference Shares :				
8% Non Convertible Cumulative Redeemable Preference Shares of New India Retailing & Investment Ltd.	250,000	100	25,000,000	25,000,000
Equity Shares : (Partly Paid)				
Modern Diagen Services Ltd. (Rs 2/- paid up)	500,000	10	1,000,000	1,000,000
			80,661,916	80,661,916
			107,707,627	107,707,627
AGGREGATE VALUE OF INVESTMENTS				
Quoted			27,045,711	27,045,711
Unquoted			80,661,916	80,661,916
			107,707,627	107,707,627
Market Value of Quoted Investments			674,572,926	352,144,335

*Alloted on 30-03-2017, pursuant to scheme of Arrangement between Upper Ganges Sugar & Industries Ltd and Others, Further these share are yet to be listed on Stock Exchange.

8. CASH AND BANK BALANCES

Cash and cash equivalents

Balances with bank	33,450	8,715
Cash in Hand	47,469	2,569
	80,919	11,284



OSM Investment & Trading Company Limited

Notes to financial statements for the year ended 31 March 2017

	<u>31-Mar 2017</u>	<u>31-Mar 2016</u>
	<u>Rs</u>	<u>Rs</u>
<u>9. INCOME FROM OPERATIONS</u>		
Dividend on Long Term Investments	10,893,084	10,957,450
	<u>10,893,084</u>	<u>10,957,450</u>
 <u>10. OTHER EXPENSES</u>		
Rates & Taxes	8,800	8,800
Payment to Auditors		
Audit Fee	12,500	12,500
In other capacity for certificates & other services	7,000	7,000
Bank Charges	1,977	1,268
Professional and Consultancy Fees	7,600	5,437
Service Charges	115,000	96,900
Donation - Samaj Electoral Trust Association	500,000	350,000
Depository Charges	1,269	1,011
Filing Fees	4,200	5,400
Printing & Stationery	4,750	-
Miscellaneous Expenses	12,803	7,993
	<u>675,899</u>	<u>496,309</u>



Notes to financial statements for the year ended 31 March 2017

11 Earning per Share (EPS)

The following reflects the profit / (loss) and share data used in basic and diluted EPS computations:

Total operations for the year

	31-Mar-17	31-Mar-16
Profit / (Loss) after tax	10,217,185	10,461,141
Less: Dividends on Preference Shares and tax thereon	-	-
Net profit / (loss) for calculation of basic / diluted EPS	10,217,185	10,461,141

	Nos	Nos
Weighted average number of equity shares in calculating basic EPS	1,740,418	1,740,418
Effect of dilution	-	-
Weighted average number of equity shares in calculating diluted EPS	1,740,418	1,740,418

EPS	(INR)	5.87	6.01
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12 Names of related parties and description of relationships

Palash Securities Limited	Holding Company
Champaran Marketing Co. Limited	100% Subsidiary of Holding Company

The holding company has given Interest Free long term Loans to the Company for business purposes, repayment of which is being done on availability basis

Name	Op. Balance	Movement During The Year	Closing Balance
Loan / Advances taken			
Champaran Marketing Co. Limited	-	14,500,000	14,500,000

13 Contingent Liability not provided for in respect of uncalled capital on partly paid shares held as Investments of Rs 40,00,000/- (Previous Year Rs 40,00,000/-)

14 The details of Specified Bank Notes (SBNs) held and transaction during the period 08th November, 2016 to 30th December, 2016 are as under

Particular	SBN's (Rs)	Other Denomination Notes (Rs.)	Total (Rs)
Closing Cash in hand as on 08.11.2016	2,500.00	69.30	2,569.30
(+) Permitted Receipts *	-	60,000.00	60,000.00
(-) Permitted Payments	-	12,600.00	12,600.00
(-) Amount Deposited in Banks	2,500.00	-	2,500.00
Closing Cash in hand as on 30.12.2016	-	47,469.30	47,469.30

* Include Rs 60,000/- withdrawal from Bank

15 Previous years' figures have been regrouped and/or rearranged, wherever necessary

In terms of our attached report of even date.

9, India Exchange Place
Kolkata - 700 001
Dated : 23-05-2017

FOR B.L.Rathi & Co.
Chartered Accountants
Firm Regn. No. 318113E

B.L. Rathi

Bhanwar Lal Rathi
Proprietor
Membership No. 053795



For OSM Investment & Trading Co. Ltd.

[Signature]
Director

For OSM Investment & Trading Co. Ltd.