UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-K/A
Amendment No. 2

[X] ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d)
OF THE SECURITIES ACT OF 1934

For the fiscal year ended September 30, 2017
OR
[ ] TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d)
OF THE SECURITIES ACT OF 1934

Commission File Number 001-37464

CEMTREX, INC.
(Exact name of registrant as specified in its charter)

Delaware (State or other jurisdiction of incorporation or organization)	30-0399914 (I.R.S. Employer Identification No.)
19 Engineers Lane, Farmingdale, New York (Address of principal executive offices)	11735 (Zip code)

Registrant telephone number, including area code: 631-756-9116

Securities registered pursuant to Section 12(b) of the Act:

Title of Each Class	Name of Each Exchange on Which Registered
Common Stock, $0.001 par value per share	The NASDAQ Stock Market LLC

Securities registered pursuant to Section 12(g) of the Act: None

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act. Yes [ ] No [X]

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or Section 15(d) of the Exchange Act. Yes [ ] No [X]

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes [X] No [ ]

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes [X] No [ ]

Indicate by check mark if disclosure of delinquent filers pursuant to Item 405 of Regulation S-K is not contained herein, and will not be contained, to the best of registrant's knowledge, in definitive proxy or information statements incorporated by reference in Part III of this Form 10-K or any amendment to this Form 10-K. Yes [X] No [ ]

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See the definitions of "large accelerated filer," "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act. (Check one):

Large accelerated filer [ ]	Accelerated filer [ ]
Non-accelerated filer [ ]	Smaller reporting company [X]

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes [ ] No [X]

As of March 31, 2017, the number of the registrant's common stock held by non-affiliates of the registrant was 5,246,242 and the aggregate market value $18,519,234 based on the average bid and asked price of $3.53 on March 31, 2017.

As of August 31, 2018, the registrant had 12,893,889 shares of common stock outstanding.

Documents Incorporated By Reference

Information required by Part III of this Annual Report on Form 10-K is incorporated by reference to portions of our definitive proxy statement for our 2017 annual meeting of stockholders which we filed with the Securities and Exchange Commission on February 20, 2018 and the definitive additional materials filed on February 27, 2018.

EXPLANATORY NOTE

This Amendment No. 2 on Form 10-K/A ("Amendment") to the Annual Report on Form 10-K of Cemtrex, Inc. (the "Company") for the fiscal year ended September 30, 2017, originally filed with the Securities and Exchange Commission (the "SEC") on December 13, 2017, as amended by Amendment No. 1 thereto filed with the SEC on January 29, 2018 (the "Form 10-K"), is being filed for the sole purpose of including a revised audit report by Bharat Parikh & Associates, the Company's former independent registered public accountants, that excludes reference to the audit report of the other auditor of the Company's subsidiary, Advanced Industrial Services, Inc.

Other than as expressly set forth above, no changes have been made in this Amendment to amend, modify or restate any other information or disclosures presented in the Form 10-K. This Amendment does not reflect events occurring after the original filing of the Form 10-K. As a result, the Company's Annual Report on Form 10-K for the fiscal year ended September 30, 2017 continues to speak as of December 13, 2017. This Amendment should be read in conjunction with the Company's Form 10-K and other Company filings made with the SEC.

ITEM 8. FINANCIAL STATEMENTS AND SUPPLEMENTARY DATA

The financial statements required to be included in this report appear as indexed in the appendix to this report beginning on page F-1.

PART IV

ITEM 15 EXHIBITS AND FINANCIAL STATEMENTS

(a) Financial Statements and Notes to the Consolidated Financial Statements
See Index to Consolidated Financial Statements on page F-1 at beginning of attached financial statements.

(b) Exhibits

Exhibit No.	Description
2.1	Asset Purchase Agreement regarding the assets of ROB Holding AG, ROB Electronic GmbH, ROB Connect GmbH, and ROB Engineering dated September 10, 2013. (5)
2.2	Stock Purchase Agreement regarding the stock of Advanced Industrial Services, Inc., AIS Leasing Company, AIS Graphic Services, Inc., and AIS Energy Services, LLC, Dated December 15, 2015. (6)
2.3	Asset Purchase agreement between Periscope GmbH and ROB Centrex Assets UG, ROB Cemtrex Automotive GmbH, and ROB Cemtrex Logistics GmbH. (7)
3.1	Certificate of Incorporation of the company.(1)
3.2	By Laws of the company.(1)
3.3	Certificate of Amendment of Certificate of Incorporation, dated September 29, 2006.(1)
3.4	Certificate of Amendment of Certificate of Incorporation, dated March 30, 2007.(1)
3.5	Certificate of Amendment of Certificate of Incorporation, dated May 16, 2007.(1)
3.6	Certificate of Amendment of Certificate of Incorporation, dated August 21, 2007.(1)
3.7	Certificate of Amendment of Certificate of Incorporation, dated April 3, 2015.(3)
3.8	Certificate of Designation of the Series A Preferred Shares, dated September 8, 2009.(2)
3.9	Certificate of Designation of the Series 1 Preferred Stock.(12)
3.10	Certificate of Amendment of Certificate of Incorporation, dated September 7, 2017 (15)
4.1	Form of Subscription Rights Certificate. (10)
4.2	Form of Series 1 Preferred Stock Certificate. (10)
4.3	Form of Series 1 Warrant. (10)
10.1	Cemtrex Lease Agreement-Ducon Technologies, Inc.(1)
10.2	Lease Agreement between Daniel L. Canino and Griffin Filters, LLC.(1)
10.3	Asset Purchase Agreement between Ducon Technologies, Inc. and Cemtrex, Inc.(1)
10.4	Agreement and Assignment of Membership Interests between Aron Govil and Cemtrex, Inc.(1)
10.5	8.0% Convertible Subordinated Debenture.(1)
10.6	Letter Agreement by and between Cemtrex, Inc. and Arun Govil, dated September 8, 2009.(2)
10.7	Loan Agreement between Fulton Bank, N.A. and Advanced Industrial Services, Inc., AIS Acquisition, Inc., AIS Leasing Company, dated December 15, 2015.(6)
10.8	Promissory Note between Kris L. Mailey and AIS Acquisition, Inc. dated December 15, 2015.(6)
10.9	Promissory Note between Michael R. Yergo and AIS Acquisition, Inc. dated December 15, 2015.(6)
10.1	Term Loan Agreement between Cemtrex GmbH and Sparkasse Bank for Financing of funds within the scope of the Asset-Deals of the ROB Group, dated October 4, 2013.(8)
10.11	Working Capital Credit Line Agreement between Cemtrex GmbH and Sparkasse Bank, dated October 4, 2013 (updated May 8, 2014).(8)
10.12	Loan Agreement between ROB Cemtrex GmbH and Sparkasse Bank to finance the purchase of the property at Am Wolfsbaum 1, 75245 Neulingen, Germany, dated October 7, 2013, purchase completed March 1, 2014.(9)
10.13	Nonstatutory Stock Option Agreement entered into as of February 12, 2016 between Cemtrex, Inc. and Saagar Govil (11)
10.14	Nonstatutory Stock Option Agreement entered into as of December 5, 2016 between Cemtrex, Inc. and Saagar Govil (13)
10.15	Exchange Agreement dated as of February 1,2017 and effective February 9,2017 by and between Cemtrex Inc. and Ducon Technologies, Inc.(12)
14.1	Corporate Code of Business Ethics.(4)
21.1	Subsidiaries of the Registrant (16)
31.1*	Certification of Chief Executive Officer as required by Rule 13a-14 or 15d-14 of the Exchange Act, as adopted Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
31.2*	Certification of Vice President of Finance and Principal Financial Officer as required by Rule 13a-14 or 15d-14 of the Exchange Act, as adopted Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
32.1*	Certification of Chief Executive Officer Pursuant to 18 U.S.C. 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act 0f of 2002.
32.2*	Certification of Vice President of Finance and Principal Financial Officer Pursuant to 18 U.S.C. 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act 0f of 2002.
99.1	Letter from Bharat Parikh & Associates regarding securities class action complaints.(16)
101.INS*	XBRL Instance Document
101.SCH*	XBRL Taxonomy Extension Schema
101.CAL*	XBRL Taxonomy Extension Calculation Linkbase
101.DEF*	XBRL Taxonomy Extension Definition Linkbase
101.LAB*	XBRL Taxonomy Extension Label Linkbase
101.PRE*	XBRL Taxonomy Extension Presentation Linkbase

* Filed herewith
(1) Incorporated by reference from Form 10-12G filed on May 22, 2008.
(2) Incorporated by reference from Form 8-K filed on September 10, 2009.
(3) Incorporated by reference from Form 8-K filed on August 22, 2016.
(4) Incorporated by reference from Form 8-K filed on July 1, 2016.
(5) Incorporated by reference from Form 10-K filed on August 25, 2016.
(6) Incorporated by reference from Form 8-K/A filed on September 26, 2016.
(7) Incorporated by reference from Form 8-K/A filed on November 24, 2017.
(8) Incorporated by reference from Form 8-K/A filed on November 9, 2016.
(9) Incorporated by reference from Form 10-Q/A filed on November 10, 2016.
(10) Incorporated by reference from Form S-1 filed on August 29, 2016 and as amended on November 4, 2016, November 23, 2016, and December 7, 2016.
(11) Incorporated by reference from Form 10-K filed on December 28, 2016.
(12) Incorporated by reference from Form 8-K filed on January 24, 2017.
(13) Incorporated by reference from Form 8-K filed on February 10, 2017.
(14) Incorporated by reference from Form 10-Q filed on February 14, 2017.
(15) Incorporated by reference from Form 8-K filed on September 8, 2017.
(16) Incorporated by reference from Form 10-K filed on December 13, 2017.

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

CEMTREX, INC.

September 7, 2018	By: *<u>/s/ Saagar Govil</u>* Saagar Govil, Chairman of the Board, CEO, President & Secretary (Principal Executive Officer)

Pursuant to the requirements of the Securities and Exchange Act of 1934, this report has been signed below by the following persons on behalf of the registrant and in the capacities and on the dates indicated.

September 7, 2018	By: */s/ Saagar Govil* Saagar Govil, Chairman of the Board, CEO, President & Secretary (Principal Executive Officer)
September 7, 2018	By: */s/ Renato Dela Rama* Renato Dela Rama, Vice President of Finance (Principal Financial and Accounting Officer)
September 7, 2018	By: */s/ Raju Panjwani* Raju Panjwani, Director
September 7, 2018	By: */s/ Sunny Patel* Sunny Patel, Director
September 7, 2018	By: */s/ Metodi Filipov* Metodi Filipov, Director
September 7, 2018	By: */s/ Aron Govil* Aron Govil, Executive Director

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REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To
The Board of Directors and Shareholders of
Cemtrex Inc.
19 Engineers Lane
New York- NY
USA.

We have audited the consolidated balance sheet of Cemtrex, Inc. (the "Company") and its subsidiaries as of September 30, 2017 and 2016 and the related consolidated statements of income, retained earnings and cash flows for the years then ended. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these consolidated financial statements based on our audits.

We conducted our audits in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. The Company is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. Our audit included consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control over financial reporting. Accordingly, we express no such opinion. 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 management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, based on our audits, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of the Company and subsidiaries as of September 30, 2017 and 2016 and the results of their operations and their cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America.

For Bharat Parikh & Associates
Chartered Accountants

/s/ Bharat Parikh

CA Bharat Parikh
(Senior Managing Partner)
Registered with PCAOB
Date: - 12/13/2017
Place: - HQ Vadodara GJ,
India

CONSOLIDATED BALANCE SHEETS

	September 30, 2017	September 30, 2016
Assets		
Current assets		
Cash and equivalents	$ 10,442,857	$ 6,045,521
Restricted Cash	1,531,895	698,459
Accounts receivable, net	15,461,139	13,568,727
Inventory, net	17,271,882	14,071,627
Prepaid expenses and other current assets	1,720,864	2,475,404
Deferred tax asset	-	67,000
Total current assets	46,428,637	36,926,738
Property and equipment, net	20,118,311	17,647,888
Goodwill	3,322,818	918,819
Other assets	311,607	540,064
Total Assets	**$ 70,181,373**	**$ 56,033,509**
Liabilities & Stockholders' Equity (Deficit)		
Current liabilities		
Accounts payable	$ 6,945,153	$ 7,733,459
Credit card payable	165,111	294,169
Sales tax payable	550,532	263,107
Revolving line of credit	4,466,218	3,454,913
Accrued expenses	3,614,415	5,174,529
Deferred revenue	463,022	1,387,139
Accrued income taxes	1,553,665	1,042,589
Convertible notes payable	220,000	3,748,000
Current portion of long-term liabilities	2,084,084	2,056,887
Total current liabilities	20,062,200	25,154,792
Long-term liabilities		
Loans payable to bank	5,175,276	6,402,228
Notes payable	241,200	1,222,158
Mortgage payable	3,819,392	3,869,066
Notes payable to related party	-	3,599,307
Total long-term liabilities	9,235,868	15,092,759
Deferred tax liabilities	1,891,000	94,000
Total liabilities	31,189,068	40,341,551
Commitments and contingencies	-	-
Shareholders' equity		
Preferred stock , $0.001 par value, 10,000,000 shares authorized, Series A, 1,000,000 shares authorized, issued and outstanding at September 30, 2017 and September 30, 2016	1,000	1,000
Series 1, 3,000,000 shares authorized, 1,822,660 and no shares issued and outstanding as of September 30, 2017 and September 30, 2016, respectively	1,824	-
Common stock, $0.001 par value, 20,000,000 shares authorized, 10,404,434 shares issued and outstanding at September 30, 2017 and 9,460,283 shares issued and outstanding at September 30, 2016	10,404	9,460
Additional paid-in capital	24,694,324	5,230,745
Retained earnings	14,418,245	11,424,900
Accumulated other comprehensive loss	(133,492)	(974,147)
Total shareholders' equity	38,992,305	15,691,958
Total liabilities and shareholders' equity	**$ 70,181,373**	**$ 56,033,509**

The accompanying notes are an integral part of these consolidated financial statements.

CONSOLIDATED STATEMENTS OF OPERATIONS AND COMPREHENSIVE INCOME

	For the twelve months ended September 30, 2017	2016
Revenues		
Industrial Products & Services Revenue	$ 56,569,266	$ 49,244,011
Electronics Manufacturing Services Revenue	64,058,934	44,460,549
Total revenues	120,628,200	93,704,560
Cost of revenues		
Cost of Sales, Industrial Products & Services	40,117,904	35,496,098
Cost of Sales, Electronics Manufacturing Services	40,596,744	28,994,792
Total cost of revenues	80,714,648	64,490,890
Gross profit	39,913,552	29,213,670
Operating expenses		
General and administrative	34,797,874	24,149,772
Total operating expenses	34,797,874	24,149,772
Operating income	5,115,678	5,063,898
Other income (expense)		
Other Income (expense)	313,837	1,693,931
Interest Expense	(923,952)	(673,612)
Total other income (expense)	(610,115)	1,020,319
Net income before income taxes	4,505,563	6,084,217
Provision for income taxes	115,648	1,090,172
Net income	4,389,915	4,994,045
Preferred dividends paid	1,200,871	-
Net income available to common shareholders	3,189,044	4,994,045
Other comprehensive income/(loss)		
Foreign currency translation gain/(loss)	840,655	(974,147)
Comprehensive income available to common shareholders	$ 4,029,699	$ 4,019,898
Income Per Common Share-Basic	$ 0.32	$ 0.59
Income Per Common Share-Diluted	$ 0.31	$ 0.59
Weighted Average Number of Common Shares-Basic	10,013,378	8,441,620
Weighted Average Number of Common Shares-Diluted	10,175,736	8,514,772

The accompanying notes are an integral part of these consolidated financial statements.

CONSOLIDATED STATEMENTS OF SHAREHOLDERS' EQUITY

	Preferred Stock Series A Par Value $0.001		Preferred Stock Series 1 Par Value $0.001		Common Stock Par Value $0.01					
	Number of Shares	Amount	Number of Shares	Amount	Number of Shares	Amount	Additional Paid-in Capital	Retained Earnings (Accumulated Deficit)	Accumulated other Comprehensive Income(loss)	Total Stockholders' Equity
Balance at October 1, 2015	1,000,000	$ 1,000		$ -	7,158,087	$ 7,158	$ 1,020,444	$ 6,430,855	$ (333,888)	$ 7,125,569
Foreign currency translations									$ (640,259)	$ (640,259)
Stock issued for employee options					7,583	$ 8	$ 51,888			$ 51,896
Stock issued for convertible debt					1,919,492	$ 1,919	$ 2,989,488			$ 2,991,407
Stock issued for services					57,661	$ 58	$ 169,242			$ 169,300
Stock issued for acquisition					317,460	$ 317	$ 999,683			$ 1,000,000
Net income								$ 4,994,045		$ 4,994,045
Balance at September 30, 2016	1,000,000	$ 1,000	-	$ -	9,460,283	$ 9,460	$ 5,230,745	$ 11,424,900	$ (974,147)	$ 15,691,958
Foreign currency translations									$ 840,655	$ 840,655
Stock issued for employee options					37,500	$ 38	$ 67,462			$ 67,500
Stock issued for convertible debt					1,237,105	$ 1,237	$ 3,690,391			$ 3,691,628
Stock issued for services					33,074	$ 33	$ 108,585			$ 108,618
Stock repurchased and retired					(363,528)	$ (364)	$ (1,344,230)			$ (1,344,594)
Preferred stock purchased during rights offering			1,736,858	$ 1,737			$ 16,073,525			$ 16,075,262
Dividends paid			86,793	$ 87			$ 867,846	$ (1,396,570)		$ (528,637)
Net income								$ 4,389,915		$ 4,389,915
Balance at September 30, 2017	1,000,000	$ 1,000	1,823,651	$ 1,824	10,404,434	$ 10,404	$ 24,694,324	$ 14,418,245	$ (133,492)	$ 38,992,305

The accompanying notes are an integral part of these consolidated financial statements.

CONSOLIDATED STATEMENTS OF CASH FLOWS

	For the twelve months ended September 30, 2017	2016
Cash Flows from Operating Activities		
Net income	$ 4,389,915	$ 4,994,045
Adjustments to reconcile net loss to net cash used in operating activities:		
Depreciation and amortization	3,141,610	2,296,010
Deferred revenue	(924,117)	1,126,809
Share-based compensation	67,500	51,896
Shares issued for professional services	108,617	-
Shares issued for acquisition	-	1,000,000
Discounts on convertible debt	-	249,000
Interest expense on convertible debt	163,628	138,907
Deferred taxes	(539,999)	102,000
Goodwill	-	4,633
Changes in operating assets and liabilities net of effects from acquisition of subsidiaries:		
Restricted cash	(833,436)	(90,032)
Accounts receivable	(1,892,412)	(5,585,686)
Inventory	(3,200,255)	764,640
Prepaid expenses and other assets	754,540	2,342,744
Others	228,457	(170,926)
Accounts payable	(788,306)	1,376,793
Credit card payable	(129,058)	66,891
Sales tax payable	287,425	85,312
Revolving line of credit	1,011,305	(6,116,739)
Accrued expenses	(1,248,763)	4,297,221
Income taxes payable	511,076	961,693
Net cash provided by operating activities	**1,107,727**	**7,895,211**
Cash Flows from Investing Activities		
Purchase of property and equipment	(5,677,666)	(663,834)
Gain on disposal of property and equipment	65,633	-
Investment in subsidiary, net of cash received	-	(16,482,882)
Purchase and retirement of common stock	(1,344,594)	-
Net cash provided by (used by) investing activities	**(6,956,627)**	**(17,146,716)**
Cash Flows from Financing Activities		
Proceeds from notes payable	-	2,217,936
Payments on notes payable	(980,958)	(486,125)
Proceeds/(payments) on affiliated loan	(259,474)	3,480,252
Proceeds from bank loans	-	5,176,262
Payments on bank loans	(801,997)	(1,655,536)
Proceeds from convertible notes	-	5,077,500
Net proceeds from subscription rights offering	12,817,302	-
Dividends paid	(528,637)	-
Net cash provided by (used by) financing activities	**10,246,236**	**13,810,289**
Net increase (decrease) in cash	4,397,336	4,558,784
Cash beginning of period	6,045,521	1,486,737
Cash end of period	**$ 10,442,857**	**$ 6,045,521**
Supplemental Disclosure of Cash Flow Information:		
Cash paid during the period for interest	$ 920,918	$ 312,286
Cash paid during the period for income taxes	$ 73,921	$ 5,032

The accompanying notes are an integral part of these consolidated financial statements.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

NOTE 1 – ORGANIZATION AND PLAN OF OPERATIONS

The Company was incorporated in 1998, in the state of Delaware and has evolved through strategic acquisitions and internal growth from a small emissions monitoring instruments company into a diversified global technology leader that provides innovative solutions to meet today's industrial and manufacturing challenges. The Company offers manufacturing services of advanced electronic system assemblies, provides broad-based industrial services, and provides industrial air filtration & environmental control equipment and systems globally. Unless the context requires otherwise, all references to "we", "our", "us", "Company", "registrant", "Cemtrex" or "management" refer to Cemtrex, Inc. and its subsidiaries.

Electronics Manufacturing Services (EMS)

Cemtrex, through its Electronics Manufacturing Services (EMS) segment, provides end to end electronic manufacturing services, which includes product design and sustaining engineering services, printed circuit board assembly and production, cabling and wire harnessing, systems integration, comprehensive testing services and completely assembled electronic products.

Cemtrex's EMS segment works with industry leading OEMs in their outsourcing of non-core manufacturing services by forming a long-term relationship as an electronics manufacturing partner. We work in close relationships with our customers throughout the entire electronic lifecycle of a product, from design, manufacturing, and distribution. We seek to grow our business through the addition of new, high quality customers, the expansion of our share of business with existing customers, and participating in the growth of existing customers.

Using our manufacturing capabilities, we provide our customers with advanced product assembly and system level integration combined with test services to meet the highest standards of quality. Through our agile manufacturing environment, we can deliver low and medium volume and mix services to our clients. Additionally, we design, develop, and manufacture various interconnects and cable assemblies that often are sold in conjunction with our PCBAs to enhance our value to our customers. The Company also provides engineering services from new product introductions and prototyping, related testing equipment, to product redesigns.

We believe our ability to attract and retain new customers comes from our ongoing commitment to understanding our customers' business performance requirements and our expertise in meeting or exceeding these requirements and enhancing their competitive edge. We work closely with our customers from an operational and senior executive level to achieve a deep understanding of our customer's goals, challenges, strategies, operations, and products to ultimately build a long lasting successful relationship.

In July 2017, Company set up a subsidiary named Cemtrex Advanced Technologies Inc. to leverage its existing design and engineering experience by directly developing and manufacturing its own proprietary advanced electronic products and for third parties for IoT applications. The Company plans to pursue collaborative partnerships with OEMs that are looking to incorporate intelligence and connectivity into their everyday products such as: furniture, consumer wearables, industrial safety wearables, and other enterprise and consumer devices. Cemtrex will look to focus on developing systems, hardware and software solutions for both consumer, business and industrial applications.

Industrial Products & Services (IPS)

Cemtrex, through its Industrial Products and Services segment, offers single-source services for in plant equipment erection, relocation, and maintenance. The segment also sells a complete line of air filtration and environmental control products to a wide variety of industrial customers worldwide.

The Company through its Advanced Industrial Services ("AIS") brand offers one-source expertise and services for rigging, millwrighting, in plant maintenance, equipment erection, relocation, and disassembly to diversified customers in USA. We install high precision equipment in a wide variety of industrial markets like automotive, printing & graphics, industrial automation, packaging, and chemicals among others. We are a leading provider of reliability-driven maintenance and contracting solutions for the machinery, packaging, printing, chemical, and other manufacturing markets. The focus is on customers seeking to achieve greater asset utilization and reliability to cut costs and increase production from existing assets, including small projects, sustaining capital, turnarounds, maintenance, specialty welding services, and high-quality scaffolding.

The Company, under the Griffin Filters brand, provides a complete line of air filtration and environmental control equipment to industries such as: chemical, cement, steel, food, construction, mining, & petrochemical worldwide. This equipment is used to: (i) remove dust, corrosive fumes, mists, submicron particles and particulate from industrial exhausts and boilers; (ii) clean acid gases such as sulfur dioxide, hydrogen chloride, and organics from industrial exhaust stacks prior to discharging to the atmosphere; and (iii) control emissions of coal, dust, sawdust, phosphates, fly ash, cement, carbon black, soda ash, silica, and similar substances from construction facilities, mining operations and dryer exhausts.

Acquisitions

On December 15, 2015, the Company acquired Advanced Industrial Services Inc. and its affiliate subsidiary company based in York, Pennsylvania for a purchase price of approximately $7,500,000, and acquisition related expenses of $476,340. The purchase price consisted of $5,000,000 in cash, $1,500,000 in a seller's note, and $1,000,000 in the form of 315,458 shares of Cemtrex restricted Common Stock. AIS averaged approximately $23 million in annual revenue and $2.4 million in annual normalized EBITDA over the two calendar years 2013 and 2014. We worked with a local bank to finance the $5.25 million self-amortizing, seven (7) year term loan and $3.5 million working capital credit line for the transaction. The loans carry annual interest rates of 30 day LIBOR plus 2.25 and 2.0 respectively. The seller's note is for 3 years at 6% (see NOTE 13).

On May 31, 2016, the Company acquired a machinery & equipment business, an electronics manufacturing business and a logistics business from a German company, Periscope, GmbH ("Periscope") and placed them in three newly formed entities: ROB Cemtrex Assets UG, ROB Cemtrex Automotive GmbH and ROB Cemtrex Logistics GmbH respectively. Periscope's electronic manufacturing business deals primarily with the major German automotive manufacturers, including Tier 1 suppliers in the industry, as well as for industries like telecommunications, industrial goods, luxury consumer products, display technology, and other industrial OEMs. Periscope had more than 35 years of industrial operating experience. The Periscope acquisition was completed through use of $4,902,670 of cash, $717,936 in a Seller note and $3,298,600 in proceeds from the issuance of a related party. (see NOTE 13).

NOTE 2 – BASIS OF PRESENTATION AND CRITICAL ACCOUNTING POLICIES

Basis of Presentation and Use of Estimates

The Management of the Company is responsible for the selection and use of appropriate accounting policies and the appropriateness of accounting policies and their application. Critical accounting policies and practices are those that are both most important to the portrayal of the Company's financial condition and results and require management's most difficult, subjective, or complex judgments, often as a result of the need to make estimates about the effects of matters that are inherently uncertain. The Company's significant and critical accounting policies and practices are disclosed below as required by generally accepted accounting principles.

Basis of Presentation

The accompanying consolidated financial statements and related notes have been prepared in accordance with accounting principles generally accepted in the United States of America ("U.S. GAAP").

Fiscal Year-End

The Company elected September 30 as its fiscal year-end date.

Use of Estimates and Assumptions and Critical Accounting Estimates and Assumptions

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date(s) of the financial statements and the reported amounts of revenues and expenses during the reporting period(s).

Critical accounting estimates are estimates for which (a) the nature of the estimate is material due to the levels of subjectivity and judgment necessary to account for highly uncertain matters or the susceptibility of such matters to change and (b) the impact of the estimate on financial condition or operating performance is material. The Company's critical accounting estimates and assumptions affecting the financial statements were:

i. Allowance for doubtful accounts: Management's estimate of the allowance for doubtful accounts is based on historical sales, historical loss levels, and an analysis of the collectability of individual accounts; and general economic conditions that may affect a client's ability to pay. The Company evaluated the key factors and assumptions used to develop the allowance in determining that it is reasonable in relation to the financial statements taken as a whole;
ii. Inventory Obsolescence and Markdowns: The Company's estimate of potentially excess and slow-moving inventories is based on evaluation of inventory levels and aging, review of inventory turns and historical sales experiences. The Company's estimate of reserve for inventory shrinkage is based on the historical results of physical inventory cycle counts;
iii. Fair value of long-lived assets: Fair value is generally determined using the asset's expected future discounted cash flows or market value, if readily determinable. If long-lived assets are determined to be recoverable, but the newly determined remaining estimated useful lives are shorter than originally estimated, the net book values of the long-lived assets are depreciated over the newly determined remaining estimated useful lives. The Company considers the following to be some examples of important indicators that may trigger an impairment review:

    i. significant under-performance or losses of assets relative to expected historical or projected future operating results;
    ii. significant changes in the manner or use of assets or in the Company's overall strategy with respect to the manner or use of the acquired assets or changes in the Company's overall business strategy;
    iii. significant negative industry or economic trends;
    iv. increased competitive pressures;
    v. a significant decline in the Company's stock price for a sustained period of time; and
    vi. regulatory changes. The Company evaluates acquired assets for potential impairment indicators at least annually and more frequently upon the occurrence of such events.

iv. Valuation allowance for deferred tax assets: Management assumes that the realization of the Company's net deferred tax assets resulting from its net operating loss ("NOL") carry–forwards for Federal income tax purposes that may be offset against future taxable income was not considered more likely than not and accordingly, the potential tax benefits of the net loss carry- forwards are offset by a full valuation allowance. Management made this assumption based on (a) the Company has incurred recurring losses, (b) general economic conditions, and (c) its ability to raise additional funds to support its daily operations by way of a public or private offering, among other factors.

These significant accounting estimates or assumptions bear the risk of change due to the fact that there are uncertainties attached to these estimates or assumptions, and certain estimates or assumptions are difficult to measure or value.

Management bases its estimates on historical experience and on various assumptions that are believed to be reasonable in relation to the financial statements taken as a whole under the circumstances, the results of which form the basis for making judgments about the carrying values of assets and liabilities that are not readily apparent from other sources.

Management regularly evaluates the key factors and assumptions used to develop the estimates utilizing currently available information, changes in facts and circumstances, historical experience and reasonable assumptions. After such evaluations, if deemed appropriate, those estimates are adjusted accordingly.

Actual results could differ from those estimates.

Principles of Consolidation

The Company applies the guidance of Topic 810 “Consolidation” of the FASB Accounting Standards Codification to determine whether and how to consolidate another entity. Pursuant to ASC Paragraph 810-10-15-10 all majority-owned subsidiaries—all entities in which a parent has a controlling financial interest—shall be consolidated except (1) when control does not rest with the parent, the majority owner; (2) if the parent is a broker-dealer within the scope of Topic 940 and control is likely to be temporary; (3) consolidation by an investment company within the scope of Topic 946 of a non-investment-company investee. Pursuant to ASC Paragraph 810-10-15-8 the usual condition for a controlling financial interest is ownership of a majority voting interest, and, therefore, as a general rule ownership by one reporting entity, directly or indirectly, of more than 50 percent of the outstanding voting shares of another entity is a condition pointing toward consolidation. The power to control may also exist with a lesser percentage of ownership, for example, by contract, lease, agreement with other stockholders, or by court decree. The Company consolidates all less-than-majority-owned subsidiaries, if any, in which the parent’s power to control exists.

The consolidated financial statements of the Company include the accounts of its 100% owned subsidiaries, Griffin Filters LLC, MIP Cemtrex Inc., Cemtrex Advanced Technologies Inc., Cemtrex Ltd., ROB Cemtrex GmbH, ROB Systems Srl, ROB Cemtrex Assets UG, ROB Cemtrex Automotive GmbH, ROB Cemtrex Logistics GmbH, and Advanced Industrial Services, Inc. All significant intercompany balances and transactions have been eliminated.

The consolidated financial statements include all accounts of the Company and its wholly-owned subsidiary as of the reporting period end dates and for the reporting periods then ended.

All inter-company balances and transactions have been eliminated.

Fair Value of Financial Instruments

The Company follows paragraph 825-10-50-10 of the FASB Accounting Standards Codification for disclosures about fair value of its financial instruments and paragraph 820-10-35-37 of the FASB Accounting Standards Codification (“Paragraph 820-10-35-37”) to measure the fair value of its financial instruments. Paragraph 820-10-35-37 establishes a framework for measuring fair value in generally accepted accounting principles (GAAP), and expands disclosures about fair value measurements. To increase consistency and comparability in fair value measurements and related disclosures, Paragraph 820-10-35-37 establishes a fair value hierarchy which prioritizes the inputs to valuation techniques used to measure fair value into three (3) broad levels. The fair value hierarchy gives the highest priority to quoted prices (unadjusted) in active markets for identical assets or liabilities and the lowest priority to unobservable inputs. The three (3) levels of fair value hierarchy defined by Paragraph 820-10-35-37 are described below:

Level 1 - Quoted market prices available in active markets for identical assets or liabilities as of the reporting date.

Level 2 - Pricing inputs other than quoted prices in active markets included in Level 1, which are either directly or indirectly observable as of the reporting date.

Level 3 - Pricing inputs that are generally observable inputs and not corroborated by market data.

Financial assets are considered Level 3 when their fair values are determined using pricing models, discounted cash flow methodologies or similar techniques and at least one significant model assumption or input is unobservable.

The fair value hierarchy gives the highest priority to quoted prices (unadjusted) in active markets for identical assets or liabilities and the lowest priority to unobservable inputs. If the inputs used to measure the financial assets and liabilities fall within more than one level described above, the categorization is based on the lowest level input that is significant to the fair value measurement of the instrument.

The carrying amounts of the Company's financial assets and liabilities, such as cash, prepaid expenses and accounts payable, approximate their fair values because of the short maturity of these instruments.

Transactions involving related parties cannot be presumed to be carried out on an arm's-length basis, as the requisite conditions of competitive, free-market dealings may not exist. Representations about transactions with related parties, if made, shall not imply that the related party transactions were consummated on terms equivalent to those that prevail in arm's-length transactions unless such representations can be substantiated.

Fair Value of Non-Financial Assets or Liabilities Measured on a Recurring Basis

The Company's non-financial assets include inventories. The Company identifies potentially excess and slow-moving inventories by evaluating turn rates, inventory levels and other factors. Excess quantities are identified through evaluation of inventory aging, review of inventory turns and historical sales experiences. The Company provides lower of cost or market reserves for such identified excess and slow- moving inventories. The Company establishes a reserve for inventory shrinkage, if any, based on the historical results of physical inventory cycle counts.

Carrying Value, Recoverability and Impairment of Long-Lived Assets

The Company has adopted paragraph 360-10-35-17 of the FASB Accounting Standards Codification for its long-lived assets. The Company's long-lived assets, which include property and equipment and intangible assets, are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable.

The Company assesses the recoverability of its long-lived assets by comparing the projected undiscounted net cash flows associated with the related long-lived asset or group of long-lived assets over their remaining estimated useful lives against their respective carrying amounts. Impairment, if any, is based on the excess of the carrying amount over the fair value of those assets. Fair value is generally determined using the asset's expected future discounted cash flows or market value, if readily determinable. When long-lived assets are determined to be recoverable, but the newly determined remaining estimated useful lives are shorter than originally estimated, the net book values of the long-lived assets are depreciated over the newly determined remaining estimated useful lives.

The Company considers the following to be some examples of important indicators that may trigger an impairment review: (i) significant under-performance or losses of assets relative to expected historical or projected future operating results; (ii) significant changes in the manner or use of assets or in the Company's overall strategy with respect to the manner or use of the acquired assets or changes in the Company's overall business strategy; (iii) significant negative industry or economic trends; (iv) increased competitive pressures; (v) a significant decline in the Company's stock price for a sustained period of time; and (vi) regulatory changes. The Company evaluates acquired assets for potential impairment indicators at least annually and more frequently upon the occurrence of such events.

The key assumptions used in management's estimates of projected cash flow deal largely with forecasts of sales levels, gross margins, and operating costs of the manufacturing facilities. These forecasts are typically based on historical trends and take into account recent developments as well as management's plans and intentions. Any difficulty in manufacturing or sourcing raw materials on a cost-effective basis would significantly impact the projected future cash flows of the Company's manufacturing facilities and potentially lead to an impairment charge for long-lived assets. Other factors, such as increased competition or a decrease in the desirability of the Company's products, could lead to lower projected sales levels, which would adversely impact cash flows. A significant change in cash flows in the future could result in an impairment of long lived assets.

The impairment charges, if any, is included in operating expenses in the accompanying statements of operations.

Cash Equivalents

The Company considers all highly liquid investments with maturities of three months or less at the time of purchase to be cash equivalents.

Short-term Investments

The Company's short-term investments consist of certificates of deposit with original maturities of greater than three months. They are bought and held principally for the purpose of selling them in the near-term and are classified as trading securities. Trading securities are recorded at fair value on the consolidated balance sheets in current assets, with the change in fair value during the year recorded in earnings.

Accounts Receivable and Allowance for Doubtful Accounts

Accounts receivable are recorded at the invoiced amount, net of an allowance for doubtful accounts. The Company follows paragraph 310-10-50-9 of the FASB Accounting Standards Codification to estimate the allowance for doubtful accounts. The Company performs on-going credit evaluations of its customers and adjusts credit limits based upon payment history and the customer's current credit worthiness, as determined by the review of their current credit information; and determines the allowance for doubtful accounts based on historical write-off experience, customer specific facts and general economic conditions that may affect a client's ability to pay.

Pursuant to paragraph 310-10-50-2 of the FASB Accounting Standards Codification account balances are charged off against the allowance after all means of collection have been exhausted and the potential for recovery is considered remote. The Company has adopted paragraph 310-10-50-6 of the FASB Accounting Standards Codification and determine when receivables are past due or delinquent based on how recently payments have been received.

Outstanding account balances are reviewed individually for collectability. The allowance for doubtful accounts is the Company's best estimate of the amount of probable credit losses in the Company's existing accounts receivable. Bad debt expense is included in general and administrative expenses, if any.

The Company has $298,708 and $121,650 allowance for doubtful accounts at September 30, 2017 and 2016, respectively.

The Company does not have any off-balance-sheet credit exposure to its customers at September 30, 2017 or 2016.

Inventory and Cost of Goods Sold

Inventory Valuation

The Company values inventory, consisting of finished goods, at the lower of cost or market. Cost is determined on the first-in and first- out ("FIFO") method. The Company reduces inventory for the diminution of value, resulting from product obsolescence, damage or other issues affecting marketability, equal to the difference between the cost of the inventory and its estimated market value. Factors utilized in the determination of estimated market value include (i) current sales data and historical return rates, (ii) estimates of future demand, and (iii) competitive pricing pressures.

Inventory Obsolescence and Markdowns

The Company evaluates its current level of inventory considering historical sales and other factors and, based on this evaluation, classify inventory markdowns in the income statement as a component of cost of goods sold pursuant to Paragraph 420-10-S99 of the FASB Accounting Standards Codification to adjust inventory to net realizable value. These markdowns are estimates, which could vary significantly from actual requirements if future economic conditions, customer demand or competition differ from expectations.

There was $411,101 and 970,763 in inventory obsolescence at September 30, 2017 and 2016, respectively.

Property and Equipment

Property and equipment is recorded at cost. Expenditures for major additions and betterments are capitalized. Maintenance and repairs are charged to operations as incurred. Depreciation of property and equipment is computed by the straight-line method (after taking into account their respective estimated residual values shown in the table below) over the estimated useful lives of the respective assets.

	Estimated Useful Life (Years)
Building	30
Furniture and office equipment	5
Computer software	7
Machinery and equipment	7

Upon sale or retirement of property and equipment, the related cost and accumulated depreciation are removed from the accounts and any gain or loss is reflected in statements of operations.

Goodwill

Goodwill represents the excess of cost over the fair value of net assets of businesses acquired. The Company accounts for goodwill under the guidance of the ASC Topic 350, "Intangibles: Goodwill and Other". Goodwill acquired in a purchase business combination and determined to have an indefinite useful life is not amortized, but instead tested for impairment, at least annually, in accordance with this guidance. The recoverability of goodwill is subject to an annual impairment test or whenever an event occurs or circumstances change that would more likely than not result in an impairment. The Company tests goodwill for impairment at the reporting unit level on an annual basis as of September 30 and between annual tests when an event occurs or circumstances change that could indicate that the asset might be impaired. In accordance with the FASB revised guidance on "Testing of Goodwill for Impairment," a company first has the option to assess qualitative factors to determine whether it is more likely than not that the fair value of a reporting unit is less than its carrying amount. If the company decides, as a result of its qualitative assessment, that it is more-likely-than- not that the fair value of a reporting unit is less than its carrying amount, the quantitative impairment test is mandatory. Otherwise, no further testing is required. The quantitative impairment test consists of a two-step goodwill impairment test. The first step compares the fair value of each reporting unit to its carrying amount. If the fair value of each reporting unit exceeds its carrying amount, goodwill is not considered to be impaired and the second step will not be required. If the carrying amount of a reporting unit exceeds its fair value, the second step compares the implied fair value of goodwill to the carrying value of a reporting unit's goodwill. The implied fair value of goodwill is determined in a manner similar to accounting for a business combination with the allocation of the assessed fair value determined in the first step to the assets and liabilities of the reporting unit. The excess of the fair value of the reporting unit over the amounts assigned to the assets and liabilities is the implied fair value of goodwill. This allocation process is only performed for purposes of evaluating goodwill impairment and does not result in an entry to adjust the value of any assets or liabilities. An impairment loss is recognized for any excess in the carrying value of goodwill over the implied fair value of goodwill.

Leases

Lease agreements are evaluated to determine whether they are capital leases or operating leases in accordance with paragraph 840-10-25-1 of the FASB Accounting Standards Codification ("Paragraph 840-10-25-1"). Pursuant to Paragraph 840-10-25-1 A lessee and a lessor shall consider whether a lease meets any of the following four criteria as part of classifying the lease at its inception under the guidance in the Lessees Subsection of this Section (for the lessee) and the Lessors Subsection of this Section (for the lessor): a. Transfer of ownership. The lease transfers ownership of the property to the lessee by the end of the lease term. This criterion is met in situations in which the lease agreement provides for the transfer of title at or shortly after the end of the lease term in exchange for the payment of a nominal fee, for example, the minimum required by statutory regulation to transfer title. b. Bargain purchase option. The lease contains a bargain purchase option. c. Lease term. The lease term is equal to 75 percent or more of the estimated economic life of the leased property. d. Minimum lease payments. The present value at the beginning of the lease term of the minimum lease payments, excluding that portion of the payments representing executory costs such as insurance, maintenance, and taxes to be paid by the lessor, including any profit thereon, equals or exceeds 90 percent of the excess of the fair value of the leased property to the lessor at lease inception over any related investment tax credit retained by the lessor and expected to be realized by the lessor. In accordance with paragraphs 840-10- 25-29 and 840-10-25-30, if at its inception a lease meets any of the four lease classification criteria in Paragraph 840-10-25-1, the lease shall be classified by the lessee as a capital lease; and if none of the four criteria in Paragraph 840-10-25-1 are met, the lease shall be classified by the lessee as an operating lease. Pursuant to Paragraph 840-10- 25-31 a lessee shall compute the present value of the minimum lease payments using the lessee's incremental borrowing rate unless both of the following conditions are met, in which circumstance the lessee shall use the implicit rate: a.) It is practicable for the lessee to learn the implicit rate computed by the lessor. b.) The implicit rate computed by the lessor is less than the lessee's incremental borrowing rate. Capital lease assets are depreciated on a straight-line method, over the capital lease assets estimated useful lives consistent with the Company's normal depreciation policy for tangible fixed assets. Interest charges are expensed over the period of the lease in relation to the carrying value of the capital lease obligation.

Operating leases primarily relate to the Company's leases of office spaces. When the terms of an operating lease include tenant improvement allowances, periods of free rent, rent concessions, and/or rent escalation amounts, the Company establishes a deferred rent liability for the difference between the scheduled rent payment and the straight-line rent expense recognized, which is amortized over the underlying lease term on a straight-line basis as a reduction of rent expense.

The Company has adopted Subtopic 350-30 of the FASB Accounting Standards Codification for intangible assets other than goodwill. Under the requirements, the Company amortizes the acquisition costs of intangible assets other than goodwill on a straight-line basis over their estimated useful lives, the terms of the exclusive licenses and/or agreements, or the terms of legal lives of the intangible assets, whichever is shorter. Upon becoming fully amortized, the related cost and accumulated amortization are removed from the accounts.

Related Parties

The Company follows subtopic 850-10 of the FASB Accounting Standards Codification for the identification of related parties and disclosure of related party transactions.

Pursuant to Section 850-10-20 the related parties include a. affiliates of the Company; b. entities for which investments in their equity securities would be required, absent the election of the fair value option under the Fair Value Option Subsection of Section 825–10–15, to be accounted for by the equity method by the investing entity; c. trusts for the benefit of employees, such as pension and profit-sharing trusts that are managed by or under the trusteeship of management; d. principal owners of the Company; e. management of the Company; f. other parties with which the Company may deal if one party controls or can significantly influence the management or operating policies of the other to an extent that one of the transacting parties might be prevented from fully pursuing its own separate interests; and g. other parties that can significantly influence the management or operating policies of the transacting parties or that have an ownership interest in one of the transacting parties and can significantly influence the other to an extent that one or more of the transacting parties might be prevented from fully pursuing its own separate interests.

The financial statements shall include disclosures of material related party transactions, other than compensation arrangements, expense allowances, and other similar items in the ordinary course of business. However, disclosure of transactions that are eliminated in the preparation of consolidated or combined financial statements is not required in those statements. The disclosures shall include: a. the nature of the relationship(s) involved b. description of the transactions, including transactions to which no amounts or nominal amounts were ascribed, for each of the periods for which income statements are presented, and such other information deemed necessary to an understanding of the effects of the transactions on the financial statements; c. the dollar amounts of transactions for each of the periods for which income statements are presented and the effects of any change in the method of establishing the terms from that used in the preceding period; and d. amounts due from or to related parties as of the date of each balance sheet presented and, if not otherwise apparent, the terms and manner of settlement.

Commitment and Contingencies

The Company follows subtopic 450-20 of the FASB Accounting Standards Codification to report accounting for contingencies. Certain conditions may exist as of the date the consolidated financial statements are issued, which may result in a loss to the Company but which will only be resolved when one or more future events occur or fail to occur. The Company assesses such contingent liabilities, and such assessment inherently involves an exercise of judgment. In assessing loss contingencies related to legal proceedings that are pending against the Company or unasserted claims that may result in such proceedings, the Company evaluates the perceived merits of any legal proceedings or unasserted claims as well as the perceived merits of the amount of relief sought or expected to be sought therein.

If the assessment of a contingency indicates that it is probable that a material loss has been incurred and the amount of the liability can be estimated, then the estimated liability would be accrued in the Company's consolidated financial statements. If the assessment indicates that a potential material loss contingency is not probable but is reasonably possible, or is probable but cannot be estimated, then the nature of the contingent liability, and an estimate of the range of possible losses, if determinable and material, would be disclosed.

Loss contingencies considered remote are generally not disclosed unless they involve guarantees, in which case the guarantees would be disclosed. Management does not believe, based upon information available at this time, that these matters will have a material adverse effect on the Company's consolidated financial position, results of operations or cash flows. However, there is no assurance that such matters will not materially and adversely affect the Company's business, financial position, and results of operations or cash flows.

Revenue Recognition

The Company follows paragraph 605-10-S99-1 of the FASB Accounting Standards Codification for revenue recognition. The Company recognizes revenue when it is realized or realizable and earned. The Company considers revenue realized or realizable and earned when all of the following criteria are met: (i) persuasive evidence of an arrangement exists, (ii) the product has been shipped or the services have been rendered to the customer, (iii) the sales price is fixed or determinable, and (iv) collectability is reasonably assured.

The Company derives a certain amount of its revenues from sales of its products, with revenues being generated upon the shipment of merchandise. Persuasive evidence of an arrangement is demonstrated via sales invoice or contract; the sales price to the customer is fixed upon acceptance of the signed purchase order or contract and there is no separate sales rebate, discount, or volume incentive.

A certain amount of our revenues fall under the percentage-of-completion method of accounting used for long-term contracts. Under this method, sales and gross profit are recognized as work is performed based on the relationship between actual costs incurred and total estimated costs at completion. Sales and gross profit are adjusted prospectively for revisions in estimated total contract costs and contract values. Estimated losses are recorded when identified.

Shipping and Handling Costs

The Company accounts for shipping and handling fees in accordance with paragraph 605-45-45-19 of the FASB Accounting Standards Codification. While amounts charged to customers for shipping products are included in revenues, the related costs are classified in cost of goods sold as incurred.

Income Tax Provision

The Company accounts for income taxes under Section 740-10-30 of the FASB Accounting Standards Codification, which requires recognition of deferred tax assets and liabilities for the expected future tax consequences of events that have been included in the financial statements or tax returns. Under this method, deferred tax assets and liabilities are based on the differences between the financial statement and tax bases of assets and liabilities using enacted tax rates in effect for the year in which the differences are expected to reverse. Deferred tax assets are reduced by a valuation allowance to the extent management concludes it is more likely than not that the assets will not be realized. Deferred tax assets and liabilities are measured using enacted tax rates expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The effect on deferred tax assets and liabilities of a change in tax rates is recognized in the Consolidated Statements of Income and Comprehensive Income in the period that includes the enactment date.

The Company adopted section 740-10-25 of the FASB Accounting Standards Codification ("Section 740-10-25"). Section 740-10-25 addresses the determination of whether tax benefits claimed or expected to be claimed on a tax return should be recorded in the financial statements. Under Section 740-10-25, the Company may recognize the tax benefit from an uncertain tax position only if it is more likely than not that the tax position will be sustained on examination by the taxing authorities, based on the technical merits of the position. The tax benefits recognized in the financial statements from such a position should be measured based on the largest benefit that has a greater than fifty (50) percent likelihood of being realized upon ultimate settlement. Section 740-10-25 also provides guidance on de-recognition, classification, interest and penalties on income taxes, accounting in interim periods and requires increased disclosures.

The estimated future tax effects of temporary differences between the tax basis of assets and liabilities are reported in the accompanying consolidated balance sheets, as well as tax credit carry-backs and carry-forwards. The Company periodically reviews the recoverability of deferred tax assets recorded on its consolidated balance sheets and provides valuation allowances as management deems necessary.

Management makes judgments as to the interpretation of the tax laws that might be challenged upon an audit and cause changes to previous estimates of tax liability. In addition, the Company operates within multiple taxing jurisdictions and is subject to audit in these jurisdictions. In management's opinion, adequate provisions for income taxes have been made for all years. If actual taxable income by tax jurisdiction varies from estimates, additional allowances or reversals of reserves may be necessary.

Uncertain Tax Positions

The Company did not take any uncertain tax positions and had no adjustments to its income tax liabilities or benefits pursuant to the provisions of Section 740-10-25 for the fiscal year ended September 30, 2017 or 2016.

Net Income (Loss) per Common Share

Net income (loss) per common share is computed pursuant to section 260-10-45 of the FASB Accounting Standards Codification. Basic net income (loss) per common share is computed by dividing net income (loss) by the weighted average number of shares of common stock outstanding during the period. Diluted net income (loss) per common share is computed by dividing net income (loss) by the weighted average number of shares of common stock and potentially dilutive outstanding shares of common stock during the period to reflect the potential dilution that could occur from common shares issuable through contingent share arrangements, stock options and warrants.

There were 162,358 and 139,987 potentially dilutive common shares outstanding for the fiscal years ended September 30, 2017 and 2016, respectively.

Foreign Currency Translation Gain and Comprehensive Income (Loss)

In countries in which the Company operates, and the functional currency is other than the U.S. dollar, assets and liabilities are translated using published exchange rates in effect at the consolidated balance sheet date. Revenues and expenses and cash flows are translated using an approximate weighted average exchange rate for the period. Resulting translation adjustments are recorded as a component of accumulated other comprehensive income on the accompanying consolidated balance sheet. For the years ending September 30, 2017 and September 30, 2016, comprehensive income includes a gain of $840,655 and a loss of $974,147, respectively, which were entirely from foreign currency translation.

Cash Flows Reporting

The Company adopted paragraph 230-10-45-24 of the FASB Accounting Standards Codification for cash flows reporting, classifies cash receipts and payments according to whether they stem from operating, investing, or financing activities and provides definitions of each category, and uses the indirect or reconciliation method ("Indirect method") as defined by paragraph 230-10-45-25 of the FASB Accounting Standards Codification to report net cash flow from operating activities by adjusting net income to reconcile it to net cash flow from operating activities by removing the effects of (a) all deferrals of past operating cash receipts and payments and all accruals of expected future operating cash receipts and payments and (b) all items that are included in net income that do not affect operating cash receipts and payments. The Company reports the reporting currency equivalent of foreign currency cash flows, using the current exchange rate at the time of the cash flows and the effect of exchange rate changes on cash held in foreign currencies is reported as a separate item in the reconciliation of beginning and ending balances of cash and cash equivalents and separately provides information about investing and financing activities not resulting in cash receipts or payments in the period pursuant to paragraph 830-230-45-1 of the FASB Accounting Standards Codification.

Subsequent Events

The Company follows the guidance in Section 855-10-50 of the FASB Accounting Standards Codification for the disclosure of subsequent events. The Company will evaluate subsequent events through the date when the financial statements were issued. Pursuant to ASU 2010-09 of the FASB Accounting Standards Codification, the Company as an SEC filer considers its financial statements issued when they are widely distributed to users, such as through filing them on EDGAR.

Reclassifications

Certain reclassifications have been made to prior period amounts to conform to the current period presentation.

Recently Issued Accounting Pronouncements

In October 2016, the FASB issued ASU 2016-16, Income Taxes (Topic 740) (ASU 2016-16). ASU 2016-16 will require an entity to recognize the income tax consequences of an intra-entity transfer of an asset, other than inventory, when the transfer occurs. ASU 2016-16 is effective for fiscal years beginning after December 15, 2017, and interim periods within those fiscal years. Early adoption is permitted as of the beginning of an annual reporting period for which financial statements have not been issued or made available for issuance. The Company expects to adopt this standard in its fiscal year ending September 30, 2019 and does not expect the adoption of this standard to have a material effect upon its consolidated financial statements.

In January 2017, the FASB issued ASU 2017-04, *Intangibles - Goodwill and Other (Topic 350)* (ASU 2017-04). ASU 2017-04 simplifies the subsequent measurement of goodwill by removing the second step of the two-step impairment test. The amendment requires an entity to perform its annual, or interim goodwill impairment test by comparing the fair value of a reporting unit with its carrying amount. A goodwill impairment will be the amount by which a reporting unit's carrying value exceeds its fair value, not to exceed the carrying amount of goodwill. The amendment should be applied on a prospective basis. ASU 2017-04 is effective for fiscal years beginning after December 15, 2019, and interim periods within those fiscal years. Early adoption is permitted for interim or annual goodwill impairment tests performed on testing dates after January 1, 2017. The Company expects to adopt this standard in its fiscal year ending September 30, 2021 and does not expect the adoption of this standard to have a material effect upon its consolidated financial statements.

In January 2017, the FASB issued ASU 2017-01, Business Combinations (Topic 805) Clarifying the Definition of a Business (ASU 2017-01). ASU 2017-01 clarifies the definition of a business with the objective of adding guidance to assist entities with evaluating whether transactions should be accounted for as acquisitions (or disposals) of assets or businesses. The definition of a business affects many areas of accounting including acquisitions, disposals, goodwill, and consolidation. The guidance is effective for annual periods beginning after December 15, 2017, including interim periods within those periods. The Company expects to adopt this standard in its fiscal year ending September 30, 2019 and does not expect the adoption of this standard to have a material effect upon its consolidated financial statements.

In May 2017, the FASB issued ASU 2017-09, Compensation-Stock Compensation (Topic 718): Scope of Modification Accounting (ASU 2017-09). The new guidance clarifies when a change to the terms or conditions of a share-based payment award must be accounted for as a modification. ASU 2017-09 is effective for fiscal years, and interim periods within those annual periods, beginning after December 15, 2017, with early adoption permitted. The Company expects to adopt this standard in its fiscal year ending September 30, 2019 and does not expect the adoption of this standard to have a material effect upon its consolidated financial statements.

In August 2017, the FASB issued ASU 2017-12, Derivatives and Hedging (Topic 815): Targeted Improvements to Accounting for Hedging Activities, which amends and simplifies existing guidance in order to allow companies to more accurately present the economic effects of risk management activities in the financial statements. ASU 2017-12 is effective for fiscal years beginning after December 15, 2018, including interim periods within those years. Early adoption is permitted. The Company expects to adopt this standard in its fiscal year ending September 30, 2020 and does not expect the adoption of this standard to have a material effect upon its consolidated financial statements.

Management does not believe that any other recently issued, but not yet effective accounting pronouncements, if adopted, would have a material effect on the accompanying financial statements.

NOTE 3 – LIQUIDITY

Our current strategic plan includes the expansion of the Company both organically and through acquisitions if market conditions and competitive conditions allow. Due to the long-term nature of investments in acquisitions and other financial needs to support organic growth, including working capital, we expect our long-term and working capital needs to periodically exceed the short-term fluctuations in cash flow from operations. Accordingly, we anticipate that we will likely raise additional external capital from the sale of common stock, preferred stock, and debt instruments as market conditions may allow in addition to cash flow from operations to fund our growth and working capital needs.

To the extent that our internally-generated cash flow is insufficient to meet our needs, we are subject to uncertain and ever-changing debt and equity capital market conditions over which we have no control. The magnitude and the timing of the funds that we need to raise from external sources also cannot be easily predicted.

In January and February 2017, the Company received aggregate gross proceeds of $14,018,750 through the issuance of 1,401,875 shares of its series 1 preferred stock, paying cumulative dividends at the rate of 10% of the purchase price per year, and 2,803,750 series 1 warrants to purchase shares of common stock at $6.31 per share for five years.

There is no guarantee that cash flow from operations and/or debt and equity vehicles will provide sufficient capital to meet our expansion goals and working capital needs.

NOTE 4 – SEGMENT AND GEOGRAPHIC INFORMATION

The Company reports and evaluates financial information for two segments: Electronics Manufacturing Services (EMS) segment and the Industrial Products and Services (IPS) segment. The EMS segment provides end to end electronic manufacturing services, which includes product design and sustaining engineering services, printed circuit board assembly and production, cabling and wire harnessing, systems integration, comprehensive testing services and completely assembled electronic products. The IPS segment sells a complete line of air filtration and environmental control products to a wide variety of industrial and manufacturing industries worldwide. The Company also manufactures sells, and services monitoring instruments, software and systems for measurement of emissions of Greenhouse gases, hazardous gases, particulate and other regulated pollutants used in emissions trading globally as well as for industrial processes. The Company also markets monitoring and analysis equipment for gas and liquid measurement for various downstream oil & gas applications as well as various industrial process applications.

The following tables summarize the Company's segment information:

	As of or for the twelve months ended September 30, 2017		
	Industrial Products & Services Segment	Electronics Manufacturing Services Segment	Consolidated
Revenue form external customers	$ 56,569,266	$ 64,058,934	$ 120,628,200
Total assets	$ 39,115,299	$ 31,066,074	$ 70,181,373
Accounts receivable, net	$ 11,402,374	$ 4,058,765	$ 15,461,139
Other assets	$ 293,995	$ 17,612	$ 311,607

	As of or for the twelve months ended September 30, 2016		
	Industrial Products & Services Segment	Electronics Manufacturing Services Segment	Consolidated
Revenue form external customers	$ 49,244,011	$ 44,460,549	$ 93,704,560
Total assets	$ 23,890,455	$ 32,143,054	$ 56,033,509
Accounts receivable, net	$ 8,193,982	$ 5,374,745	$ 13,568,727
Other assets	$ 477,456	$ 62,608	$ 540,064

The Company generates revenue from product sales and services from its subsidiaries located in the United States, Germany, Romania and Hong Kong. Revenue information for the Company is as follows:

	Year ended September 30,	
	2017	2016
United States	$ 31,345,296	$ 21,692,736
Non-U.S. Locations	89,282,904	72,011,824
	$ 120,628,200	$ 93,704,560

NOTE 5 – FAIR VALUE MEASUREMENTS

The Company complies with the provisions of ASC 820 "Fair Value Measurements and Disclosures" ("ASC 820"). Under ASC 820, fair value is defined as the price that would be received to sell an asset or paid to transfer a liability (i.e., the "exit price") in an orderly transaction between market participants at the measurement date.

The following tables present information about the Company's assets measured at fair value as of September 30, 2017 and September 30, 2016:

	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Balance as of September 30, 2017
Assets				
Investment in certificates of deposit				
(included in short-term investments)	$ -	$ -	$ -	$ -
	$ -	$ -	$ -	$ -

	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Observable Inputs (Level 3)	Balance as of September 30, 2016
Assets				
Investment in certificates of deposit				
(included in short-term investments)	$ -	$ -	$ -	$ -
	$ -	$ -	$ -	$ -

NOTE 6 – RESTRICTED CASH

A subsidiary of the Company participates in a consortium in order to self-insure group care coverage for its employees. The plan is administrated by Benecon Group and the Company makes monthly deposits in a trust account to cover medical claims and any administrative costs associated with the plan. These funds, as required by the plan are restricted in nature and amounted to $1,531,895 as of September 30, 2017. The Company also records a liability for claims that have been incurred but not recorded at the end of each year. The amount of the liability is determined by Benecon Group. The liability recorded in accrued expenses amounted to $79,569 as of September 30, 2017.

NOTE 7 – ACCOUNTS RECEIVABLE, NET

Accounts receivable, net consists of the following:

	September 30, 2017	September 30, 2016
Accounts receivable	$ 15,759,847	$ 13,690,377
Allowance for doubtful accounts	(298,708)	(121,650)
	$ 15,461,139	$ 13,568,727

Accounts receivable include amounts due for shipped products and services rendered.

Allowance for doubtful accounts include estimated losses resulting from the inability of our customers to make required payments.

NOTE 8 – INVENTORY, NET

Inventory, net of reserves, consist of the following:

	September 30, 2017	September 30, 2016
Raw materials	$ 10,653,963	$ 9,636,142
Work in progress	2,600,229	2,554,025
Finished goods	4,428,791	2,852,223
	17,682,983	15,042,390
Less: Allowance for inventory obsolescence	(411,101)	$ (970,763)
Inventory –net of allowance for inventory obsolescence	$ 17,271,882	$ 14,071,627

NOTE 9 – PROPERTY AND EQUIPMENT

Property and equipment are summarized as follows:

	September 30, 2017	September 30, 2016
Land	$ 1,241,720	$ 1,193,230
Building	5,229,075	5,019,484
Furniture and office equipment	1,678,936	1,180,963
Computer software	1,723,408	1,377,260
Machinery and equipment	17,176,599	12,718,694
	27,049,738	21,489,631
Less: Accumulated depreciation	(6,931,427)	(3,841,743)
Property and equipment, net	$ 20,118,311	$ 17,647,888

The Company completed the annual impairment test of property and equipment and determined that there was no impairment as the fair value of property and equipment, substantially exceeded their carrying values at September 30, 2017. Depreciation and amortization of property and equipment totaled approximately $3,141,610 and $2,298,734 for fiscal years ended September 30, 2017 and 2016, respectively.

NOTE 10 – PREPAID AND OTHER CURRENT ASSETS

On September 30, 2017, the Company had prepaid and other current assets consisting of prepayments on inventory purchases of $1,310,129 and other current assets of $410,735 and on September 30, 2016 the Company had prepaid and other current assets consisting of prepayments on inventory purchases of $3,877,964 and other current assets of $274,049.

NOTE 11 – CONVERTIBLE NOTES PAYABLE

As of September 30, 2017, the Company had the following unsecured convertible notes, issued on the dates listed, to various unrelated third parties outstanding.

Amount	Maturity period	Interest rate	Conversion price	Conversion period
220,000	12 Months	10%	$ 6.50	6 Months
$ 220,000				

The use of the proceeds from the notes issued was for growth capital and planned acquisitions. Pursuant to the terms of these convertible notes the Company reserved 4,000,000 shares (post reverse split basis) representing approximately three times the actual shares that would be issued upon conversion of all the notes.

For the twelve months ended September 30, 2017, 1,237,105 shares of the Company's common stock were issued to satisfy $3,528,000 of convertible notes payable and interest due on those notes.

NOTE 12 – LONG-TERM LIABILITIES

Loans payable to bank

On October 31, 2013, the Company acquired a loan from Sparkasse Bank of Germany in the amount of €3,000,000 ($4,006,500, based upon exchange rate on October 31, 2013) in order to fund the purchase of ROB Cemtrex GmbH. $2,799,411 of the proceeds went to direct purchase of ROB Cemtrex GmbH and $1,207,089 funded beginning operations. This loan carries interest of 4.95% per annum and is payable on October 30, 2021.

On May 28, 2014, the Company financed an upgrade of the information technology infrastructure for ROB Cemtrex GmbH. The purchase was fully financed through Sparkasse Bank of Germany for €200,000 ($272,840 based upon the exchange rate on May 28, 2014). This loan carries interest of 4.50% and is payable over 4 years.

On December15, 2015, the Company acquired a loan from Fulton Bank in the amount of $5,250,000 in order to fund the purchase of Advanced Industrial Services, Inc. $5,000,000 of the proceeds went to direct purchase of AIS. This loan carries interest of LIBOR plus 2.25% per annum and is payable on December 15, 2022.

Mortgage payable

On March 1, 2014, the Company completed the purchase of the building that ROB Cemtrex GmbH occupies in Neulingen, Germany. The purchase was fully financed through Sparkasse Bank of Germany for €4,000,000 ($5,500,400 based upon the exchange rate on March 1, 2014). This mortgage carries interest of 3.00% and is payable over 17 years.

Notes payable

On December 15, 2015, the Company issued notes payable to the sellers of Advanced Industrial Services, Inc. for $1,500,000 to fund the purchase of AIS. These notes carry interest of 6% and are payable over 3 years.

Notes payable – related party

Please see Note 14 – Related Party Transactions for details on notes payable to Ducon Technologies, Inc.

NOTE 13 – BUSINESS COMBINATION

Advanced Industrial Services, Inc.

On December 15, 2015, the Company acquired Advanced Industrial Services, Inc. ("AIS") and its affiliate subsidiary company based in York Pennsylvania. Advanced Industrial Services Inc. is a well-known broad based industrial services provider that offers one-source expertise and capabilities in plant and equipment erection, relocation, and disassembly. Over the years it has been one of the market leaders in installing high precision equipment in a wide variety of industrial markets like automotive, printing & graphics, industrial automation, packaging, and chemicals among others. In addition, AIS has experience in installing industrial air filtration equipment, similar to the equipment sold by Cemtrex through its existing business operations.

The acquisition date fair value of the total consideration transferred was approximately $7.7 million, which consisted of the following:

Cemtrex, Inc. common stock		1,000,000
Loan from bank		5,176,262
Note payable		1,500,000
Total Purchase Price	$	7,676,262

In accordance with Accounting Standards Codification ("ASC") 805, Business Combinations ("ASC 805"), the total purchase consideration is allocated to the net tangible and identifiable intangible assets acquired and liabilities assumed based on their estimated fair values as of December 15, 2015 (the acquisition date). The purchase price was allocated based on the information currently available, and may be adjusted after obtaining more information regarding, among other things, asset valuations, liabilities assumed, and revisions of preliminary estimates.

The following table summarizes the current allocation of the assets acquired and liabilities assumed based on their preliminary estimated fair values and current measurement period adjustments as follows:

	As initially reported		Measurement period adjustments		As adjusted	
Cash	$	112,586	$	-	$	112,586
Restricted Cash		608,427		-		608,427
Accounts receivable, net		3,211,997		-		3,211,997
Prepaid expenses		551,292		-		551,292
Inventory, net		465,877		-		465,877
Deferred costs		43,208		-		43,208
Property, plant, and equipment, net		6,525,902		126,192		6,652,094
Goodwill		-		2,477,818		2,477,818
Other		121,000		-		121,000
Total Liabilities		(4,140,289)		(2,427,748)		(6,568,037)
Net assets acquired	$	7,500,000	$	176,262	$	7,676,262

The following supplemental pro forma information presents the financial results as if the acquisition of AIS had occurred October 1, 2015:

	For the twelve months ended September 30,			
	2017		**2016**	
Revenues	$	120,628,200	$	61,689,300
Net income	$	1,431,040	$	2,574,744
Income (Loss) Per Share-Basic	$	0.32	$	0.30
Income (Loss) Per Share-Diluted	$	0.31	$	0.30

Periscope, GmbH

On May 31, 2016, we acquired machinery & equipment, electronics manufacturing business and logistics business from a German company, Periscope, GmbH ("Periscope") and placed them in three newly formed entities: ROB Cemtrex Assets UG, ROB Cemtrex Automotive GmbH and ROB Cemtrex Logistics GmbH respectively. Periscope's electronic manufacturing business deals primarily with the major German automotive manufacturers, including Tier 1 suppliers in the industry, as well as for industries like telecommunications, industrial goods, luxury consumer products, display technology, and other industrial OEMs. Periscope had more than 35 years of industrial operating experience.

The acquisition date fair value of the total purchase was approximately $8.9 million, which was provided as follows;

Cash		4,902,670
Loan from related party		3,298,600
Note payable		717,936
Total Purchase Price	$	8,919,206

In accordance with Accounting Standards Codification ("ASC") 805, Business Combinations ("ASC 805"), the total purchase consideration is allocated to the net tangible and identifiable intangible assets acquired and liabilities assumed based on their estimated fair values as of May 31, 2016 (the acquisition date). The purchase price was allocated based on the information currently available, and may be adjusted after obtaining more information regarding, among other things, asset valuations, liabilities assumed, and revisions of preliminary estimates.

The following table summarizes the estimated fair values of the assets acquired and liabilities assumed at the acquisition date:

Prepaid expenses	$	3,373,063
Inventory, net		8,000,874
Property, plant, and equipment, net		4,485,448
Total Liabilities		(6,940,179)
Net assets acquired	$	8,919,206

The following supplemental pro forma information presents the financial results as if the acquisition of Periscope had occurred October 1, 2015:

	For the twelve months ended September 30.			
	2017		2016	
Revenues	$	120,628,200	$	121,850,369
Net income	$	4,389,915	$	5,132,306
Income (Loss) Per Share-Basic	$	0.32	$	0.61
Income (Loss) Per Share-Diluted	$	0.31	$	0.60

NOTE 14 – RELATED PARTY TRANSACTIONS

The Company had notes payable to Ducon Technologies Inc., totaling $0 and $3,599,307 at September 30, 2017 and September 30, 2016, respectively. These notes were unsecured and carried 5% interest per annum. On February 9, 2017, the outstanding principal and accrued interest owed on the notes payable of $3,339,833 were exchanged for 333,983 shares of the Company's series 1 preferred stock and 667,967 series 1 warrants.

NOTE 15 – SHAREHOLDERS' EQUITY

Preferred Stock

The Company is authorized to issue 10,000,000 shares of Preferred Stock, $0.001 par value. As of September 30, 2017, and September 30, 2016, there were 2,822,660 and 1,000,000 shares issued and outstanding, respectively.

Series A Preferred stock

Each issued and outstanding Series A Preferred Share shall be entitled to the number of votes equal to the result of: (i) the number of shares of common stock of the Company issued and outstanding at the time of such vote multiplied by 1.01; divided by (ii) the total number of Series A Preferred Shares issued and outstanding at the time of such vote, at each meeting of shareholders of the Company with respect to any and all matters presented to the shareholders of the Company for their action or consideration, including the election of directors. Holders of Series A Preferred Shares shall vote together with the holders of Common Shares as a single class.

During the twelve-month periods ended September 30, 2017 and 2016, the Company did not issue any Series A Preferred Stock.

As of September 30, 2017, and September 30, 2016, there were 1,000,000 shares of Series A Preferred Stock issued and outstanding, respectively.

Series 1 Preferred Stock

Dividends

Holders of the Series 1 Preferred will be entitled to receive cumulative cash dividends at the rate of 10% of the purchase price per year, payable semiannually on the last day of March and September in each year. Dividends may also be paid, at our option, in additional shares of Series 1 Preferred, valued at their liquidation preference. The Series 1 Preferred will rank senior to the common stock with respect to dividends. Dividends will be entitled to be paid prior to any dividend to the holders of our common stock.

Liquidation Preference

The Series 1 Preferred will have a liquidation preference of $10.00 per share, equal to its purchase price. In the event of any liquidation, dissolution or winding up of our company, any amounts remaining available for distribution to stockholders after payment of all liabilities of our company will be distributed first to the holders of Series 1 Preferred, and then *pari passu* to the holders of the series A preferred stock and our common stock. The holders of Series 1 Preferred will have preference over the holders of our common stock on any liquidation, dissolution or winding up of our company. The holders of Series 1 Preferred will also have preference over the holders of our series A preferred stock.

Voting Rights

Except as otherwise provided in the certificate of designation, preferences and rights or as required by law, the Series 1 Preferred will vote together with the shares of our common stock (and not as a separate class) at any annual or special meeting of stockholders. Except as required by law, each holder of shares of Series 1 Preferred will be entitled to two votes for each share of Series 1 Preferred held on the record date as though each share of Series 1 Preferred were 2 shares of our common stock. Holders of the Series 1 Preferred will vote as a class on any amendment altering or changing the powers, preferences or special rights of the Series 1 Preferred so as to affect them adversely.

No Conversion

The Series 1 Preferred will not be convertible into or exchangeable for shares of our common stock or any other security.

Rank

The Series 1 Preferred will rank with respect to distribution rights upon our liquidation, winding-up or dissolution and dividend rights, as applicable:

- senior to our series A preferred stock, common stock and any other class of capital stock we issue in the future unless the terms of that stock provide that it ranks senior to any or all of the Series 1 Preferred;
- on a parity with any class of capital stock we issue in the future the terms of which provide that it will rank on a parity with any or all of the Series 1 Preferred;
- junior to each class of capital stock issued in the future the terms of which expressly provide that such capital stock will rank senior to the Series 1 Preferred and the common stock; and
- junior to all of our existing and future indebtedness.

As of September 30, 2017, there were 1,822,660 shares of Series 1 Preferred Stock issued and outstanding.

As of September 30, 2017, $1,200,871 worth of dividends have been paid to holders of Series 1 Preferred Stock.

Reverse Stock Split

On April 3, 2015, our Board of Directors approved a reverse split of our common stock, par value $0.001, at a ratio of one-for-six. This reverse stock split became effective on April 15, 2015 and, unless otherwise indicated, all share amounts. Per share data, share prices, exercise prices and conversion rates set forth in this Report and the accompanying consolidated financial statements have, where applicable, been adjusted retroactively to reflect this reverse stock split.

Listing on NASDAQ Capital Markets

On June 25, 2015, the Company's common stock commenced trading on the NASDAQ Capital Market under the symbol "CETX".

Common Stock

The Company is authorized to issue 20,000,000 shares of common stock, $0.001 par value. As of September 30, 2017, there were 10,404,434 shares issued and outstanding and at September 30, 2016, there were 9,460,283 shares issued and outstanding.

During the twelve-month period ended September 30, 2017, the Company issued 1,307,679 shares of common stock.

On February 12, 2016, the Company granted a stock option for 200,000 shares to Saagar Govil, the Company's Chairman and CEO. These options have an exercise price of $1.70 per share, 50% of the options vest each year and they expire after six years. As of September 30, 2017, none of these options have been exercised.

On December 5, 2016, the Company granted a stock option for 200,000 shares to Saagar Govil, the Company's Chairman and CEO. These options have an exercise price of $4.24 per share, 50% of the options vest each year and they expire after six years. As of September 30, 2017, none of these options have been exercised.

During the fiscal year ended September 30, 2014, the Company granted stock options for 100,000 shares to employees of the Company. These options have a call price of $1.80 per share, vest over four years, and expire after six years. As of March 31, 2017, options to purchase 62,500 shares have been exercised and none have expired or have been cancelled.

During the twelve-months ended September 30, 2017 the Company acquired and retired 363,528 shares of its common stock at a cost of $1,344,593 purchased under the share repurchase authorization that Cemtrex's board of directors approved in 2016 for the repurchase of up to one million outstanding shares over a 12-month period, depending on market conditions.

For the twelve months ended September 30, 2017, 1,237,105 shares of the Company's common stock were issued to satisfy $3,528,000 of convertible notes payable and interest due on those notes (see NOTE 11).

Subscription Rights Offering

In December 2016, we commenced a subscription rights offering to our stockholders to raise up to $15.0 million through the sale of units, each consisting of one share of our series 1 preferred stock, paying cumulative dividends at the rate of 10% of the purchase price per year, and two five-year series 1 warrants, upon the exercise of subscription rights at $10.00 per unit. On February 2, 2017, Cemtrex, Inc. (the "Company") completed the final closing of its rights offering. With the final closing, the total subscription proceeds received by the Company in its rights offering and related standby placement amounted to $14,018,750, before payment of the dealer-manager fee and other offering expenses

NOTE 16 – COMMITMENTS AND CONTINGENCIES

Our IPS segment leases (i) approx. 5,000 square feet of office and warehouse space in Liverpool, New York from a third party in a five year lease at a monthly rent of $2,200 expiring on March 31, 2018, (ii) approximately 25,000 square feet of warehouse space in Manchester, PA from a third party in a seven year lease at a monthly rent of $7,300 expiring on December 13, 2020, (iii) approximately 43,000 square feet of office and warehouse space in York, PA from a third party in a ten year lease at a monthly rent of $22,625 expiring on March 23, 2026, (iv) approximately 15,500 square feet of warehouse space in Emigsville, PA from a third party in a one year lease at a monthly rent of $4,337 expiring on August 31, 2018.

Our EMS segment owns a 70,000 square foot manufacturing building in Neulingen. The EMS segment also leases (i) a 10,000 square foot manufacturing facility in Sibiu, Romania from a third party in a ten year lease at a monthly rent of €8,000 expiring on May 31, 2019, (ii) approximately 100,000 square feet of office, warehouse and manufacturing space in Paderborn, Germany at monthly rental of €55,400 which expires on December 31, 2017, (iii) approximately 50,000 square feet of office, warehouse space in Paderborn, Germany at a monthly rental of €22,633 which expires on December 31, 2017.

NOTE 17 – INCOME TAX PROVISION

The Company accounts for income taxes under the provisions of FASB ASC 740, "Income Taxes", formerly referenced as SFAS No.109, "Accounting for Income Taxes". Under the provisions of FASB ASC 740, deferred tax assets and liabilities are recognized for the future tax consequences attributable to differences between their financial statement carrying values and their respective tax bases. Deferred tax assets and liabilities are measured using enacted tax rates expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The effect on deferred tax assets and liabilities of a change in tax rates is recognized in income in the period that includes the enactment date.

Significant judgment is required in determining any valuation allowance recorded against deferred tax assets. In assessing the need for a valuation allowance, the Company considers all available evidence including past operating results, estimates of future taxable income, and the feasibility of tax planning strategies. In the event that the Company changes its determination as to the amount of deferred tax assets that can be realized, the Company will adjust its valuation allowance with a corresponding impact to the provision for income taxes in the period in which such determination is made.

The provision for income taxes is as follows:

	September 30, 2017	September 30, 2016
Current taxes payable		
Federal	$ (38,059)	$ 112,088
State	(12,686)	46,363
Foreign	166,393	904,721
Deferred taxes	1,891,000	27,000
Deferred tax valuation allowance	-	-
Total	**$ 2,006,648**	**$ 1,090,172**

The foreign provision for income taxes is based on foreign pre-tax earnings of $4,653,748, and $5,965,747 in 2017 and 2016, respectively. The Company's consolidated financial statements provide for any related tax liability on undistributed earnings that the Company does not intend to be indefinitely reinvested outside the U.S. Substantially all of the Company's undistributed international earnings intended to be indefinitely reinvested in operations outside the U.S.

Reconciliation of the federal statutory income tax rate to the effective income tax rate is as follows:

	For the Fiscal Year Ended September 30, 2017	For the Fiscal Year Ended September 30, 2016
U.S. statutory rate	34.00%	34.00%
State income taxes (net of federal benefit)	9%	9%
Permanent differences	0.29%	1.77%
Foreign	-40.72%	-27.29%
Benefit of net operating loss carry-forward	0.00	0.00
Effective rate	2.57%	0.03%

At September 30, 2017 and 2016, the Company has no net operating loss carryovers.

NOTE 18– SUBSEQUENT EVENTS

Cemtrex evaluated subsequent events from September 30, 2017 through December 13, 2017, the date the consolidated financial statements were issued. Cemtrex concluded that no subsequent events have occurred that would require recognition or disclosure in the consolidated financial statements.

EXHIBIT 31.1

CERTIFICATION PERSUANT TO RULE 13a/15d OF THE SECURITIES AND EXCHANGE ACT OF 1934, AS ADOPTED PERSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002

I, Saagar Govil, certify that:

1. I have reviewed this report on Form 10-K of Cemtrex, Inc., for the fiscal year ended September 30, 2017;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

   (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

   (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonable likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal controls over financial reporting.

Date: September 7, 2018

/s/ Saagar Govil

Saagar Govil,
Chairman of the Board, CEO,
President & Secretary (Principal Executive Officer)

EXHIBIT 31.2

CERTIFICATION PERSUANT TO RULE 13a/15d OF THE SECURITIES AND EXCHANGE ACT OF 1934, AS ADOPTED PERSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002

I, Renato Dela Rama certify that:

1. I have reviewed this report on Form 10-K of Cemtrex, Inc., for the fiscal year ended September 30, 2017;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

   (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

   (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonable likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal controls over financial reporting.

Date: September 7, 2018

/s/ Renato Dela Rama

Renato Dela Rama
Vice President of Finance (Principal Financial and Accounting Officer)

CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350, AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the annual report of Cemtrex, Inc. (the "Company") on Form 10-K for the fiscal year ended September 30, 2017, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Saagar Govil, Chief Executive Officer of the Company, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that, to the best of my knowledge and belief:

(1) the Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

(2) the information contained in the Report fairly presents, in all material respects, the financial condition and result of operations of the Company.

Dated: September 7, 2018

/s/ Saagar Govil

Saagar Govil,
Chairman of the Board, CEO,
President & Secretary (Principal Executive Officer)

A signed original of this written statement required by Section 906, or other document authenticating, acknowledging, or otherwise adopting the signature that appears in typed form within the electronic version of this written statement has been provided to the Company and will be retained by the Company and furnished to the Securities and Exchange Commission or its staff upon request.

EXHIBIT 32.2

CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350, AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the annual report of Cemtrex, Inc. (the "Company") on Form 10-K for the fiscal year ended September 30, 2017, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Renato Dela Rama, Vice President of Finance of the Company, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that, to the best of my knowledge and belief:

(1) the Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

(2) the information contained in the Report fairly presents, in all material respects, the financial condition and result of operations of the Company.

Dated: September 7, 2018

/s/ Renato Dela Rama

Renato Dela Rama,
Vice President of Finance (Principal Financial and Accounting Officer)

A signed original of this written statement required by Section 906, or other document authenticating, acknowledging, or otherwise adopting the signature that appears in typed form within the electronic version of this written statement has been provided to the Company and will be retained by the Company and furnished to the Securities and Exchange Commission or its staff upon request