

CENTRUM CAPITAL HOLDINGS LLC
and SUBSIDIARY
CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2018

CENTRUM CAPITAL HOLDINGS LLC and SUBSIDIARY
CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2018

TABLE OF CONTENTS

	<u>Page</u>
Independent Auditors' Report	1
Consolidated Statement of Financial Condition	2
Consolidated Statement of Operations	3
Consolidated Statement of Changes in Members' Equity	4
Consolidated Statement of Cash Flows	5
Notes to Financial Statements	6-7



LERNER & SIPKIN

CERTIFIED PUBLIC ACCOUNTANTS LLP

132 Nassau Street, New York, NY 10038 Tel 212.571.0064 / Fax 212.571.0074

Jay Lerner, C.P.A.
jlerner@lernersipkin.com

Joseph G. Sipkin, C.P.A.
jsipkin@lernersipkin.com

INDEPENDENT AUDITORS' REPORT

To the Members of
Centrum Capital Holdings LLC and Subsidiary
1891 Stuyvesant Avenue
Merrick, NY 11566-3512

We have audited the accompanying consolidated statement of financial condition of Centrum Capital Holdings LLC and Subsidiary as of March 31, 2018 and the related consolidated statements of operations, changes in members' equity, and cash flows for the year then ended. These consolidated 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 audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform our audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by 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, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of Centrum Capital Holdings LLC and Subsidiary, as of March 31, 2018 and the results of its operations and its cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America.

The presentation of financial information in Indian rupees in the financial statements is not a required part of the basic financial statements. We have verified the arithmetic accuracy of the presentation based upon an exchange rate provided by management. We did not audit and do not express an opinion on such information.

Lerner & Sipkin CPAs, LLP
Certified Public Accountants (NY)

New York, NY
May 18, 2018

CENTRUM CAPITAL HOLDINGS LLC and SUBSIDIARY
CONSOLIDATED STATEMENT OF FINANCIAL CONDITION
MARCH 31, 2018

	ASSETS	U.S. \$	INR
Assets:			
Cash and cash equivalents		\$ 4,162	269,793
Other assets		23,000	1,490,929
Total assets		\$ 27,162	1,760,722

LIABILITIES AND MEMBERS' EQUITY

Liabilities:			
Accounts payable and accrued expenses		\$ -	-
Advances from related party		98,750	6,401,271
Total Liabilities		98,750	6,401,271

Commitments and Contingencies (Note 4)

Members' Equity			
Members' Equity		(71,588)	(4,640,549)
Total Liabilities and members' equity		\$ 27,162	1,760,722

The accompanying notes are an integral part of this statement.

CENTRUM CAPITAL HOLDINGS LLC and SUBSIDIARY
CONSOLIDATED STATEMENT OF OPERATIONS
FOR THE YEAR ENDED MARCH 31, 2018

	U.S. \$	INR
Revenues:		
Fee income (Note3)	\$ -	-
Total revenues	<u>-</u>	<u>-</u>
Expenses:		
Professional fees	3,000	194,469
Other expenses	306	19,836
Total operating expenses	<u>3,306</u>	<u>214,305</u>
Net (loss) before exchange rate gain	(3,306)	(214,305)
Exchange rate loss	-	(6,788)
Net (loss)	<u>\$ (3,306)</u>	<u>(221,093)</u>

The accompanying notes are an integral part of this statement.

CENTRUM CAPITAL HOLDINGS LLC and SUBSIDIARY
CONSOLIDATED STATEMENT OF CHANGES IN MEMBERS' EQUITY
FOR THE PERIOD ENDED MARCH 31, 2018

	U.S. \$	INR
Balance - beginning of year	\$ (68,282)	(4,419,457)
Distribution to members	-	-
Net (loss)	<u>(3,306)</u>	<u>(221,093)</u>
Balance - end of year	<u>\$ (71,588)</u>	<u>(4,640,549)</u>

The accompanying notes are an integral part of this statement.

CENTRUM CAPITAL HOLDINGS LLC and SUBSIDIARY
CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED MARCH 31, 2018

	U.S. \$	INR
Cash flow from operating activities:		
Net (loss)	\$ (3,306)	(221,093)
Adjustments to reconcile net income to cash used in operating activities:		
Changes in assets and liabilities		
Decrease in other assets	2,542	162,241
Increase in related party advances	-	9,817
Net cash (used in) operating activities	(764)	(49,035)
Net Decrease in cash	(764)	(49,035)
Cash and cash equivalents-beginning of the year	4,926	318,828
Cash and cash equivalents-end of the year	\$ 4,162	269,793
Supplemental disclosure of cash flow information:		
Cash paid during the year for:		
Interest	-	-
Taxes	-	-

The accompanying notes are an integral part of this statement.

CENTRUM CAPITAL HOLDINGS LLC and SUBSIDIARY
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2018

Note 1 - Nature of Business

Centrum Capital Holdings LLC, a Limited Liability Company, ("Parent") a wholly owned subsidiary of Centrum Capital Limited, an Indian financial services company listed on the Bombay Stock Exchange, is the 99% owner of Central Securities LLC ("Centrum").

Centrum provided marketing, research and corporate finance services to institutional investors in the United States investing in securities of companies principally headquartered in India. Centrum was registered with the Securities and Exchange Commission (SEC) as a broker-dealer and was a member of the Financial Industry Regulatory Authority (FINRA).

On July 22, 2012 The Company withdrew its registrations and except for the settlement of obligations ceased operations.

The remaining employee of the Company whose responsibility was to wind up operations, withdrew \$31,542 (1,890,659 INR) for which no authorization was given. For the year ended March 31, 2018, \$2,542 of such funds were repaid to the Company. The Company is attempting to recover the remainder of such funds.

The settlement of the customer securities transactions is facilitated by Centrum Broking Private Limited (Affiliate), an affiliate of the Parent, in India for securities traded in the Indian stock markets. Accordingly, Centrum operated under the exemptive provisions of Rule 15c3-3(k)(2)(i) of the Securities Exchange Act of 1934, and it was also subject to SEC Rule 15c3-1, the Uniform Net Capital Rule.

The consolidated financial statements include the accounts of the Parent and its 99% owned subsidiary, Centrum (collectively the "Company"), after elimination of all material intercompany accounts, transactions, and profits.

Note 2 - Summary of Significant Accounting Policies

a) Revenue Recognition

Centrum provided marketing and research services to facilitate securities transactions. Fees for these services were recognized quarterly. Interest and dividend revenues are earned from the underlying financial instruments owned.

b) Income Taxes

Income taxes are not payable by, or provided for, the Company. Members are taxed individually on their share of Company earnings for federal and state income tax purposes. The accompanying financial statements have been adjusted to provide for unincorporated business tax based upon Company income, if applicable.

CENTRUM CAPITAL HOLDINGS LLC and SUBSIDIARY
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR YEAR ENDED MARCH 31, 2018

Note 2 - Summary of Significant Accounting Policies (continued)

c) Cash and Cash Equivalents

The Company considers demand deposited money market funds to be cash equivalents. The Company maintains cash in bank accounts which, at times, may exceed federally insured limits or where no insurance is provided. The Company has not experienced any losses in such accounts and does not believe it is exposed to any significant credit risk on cash and cash equivalents.

d) Use of Estimates

The preparation of financial statements in conformity with U. S. generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities as of March 31, 2018, and the reported amounts of revenues and expenses during the year then ended. Management believes that the estimates utilized in preparing its financial statements are reasonable and prudent. Actual results could differ from those estimates.

e) Foreign Currency

The Company accounts for foreign currency translation in accordance with Statement of Financial Accounting Standards No. 52, "Foreign Currency Translation". Asset and liability accounts are translated at the exchange rate in effect at year-end, and income accounts are translated at the month end exchange rates. The U.S. dollar is considered the functional currency.

g) Subsequent Events

The Company has evaluated events and transactions that occurred between March 31, 2018 and May 18, 2018, which is the date the financial statements were available to be issued, for possible disclosure and recognition in the financial statements.

Note 3- Related Party Transactions

The Company provided marketing and research services to facilitate sales of Indian securities through the Affiliate (Note 1). Fees for such services were determined quarterly. The Company ceased operations on July 22, 2012 and for the year ended March 31, 2018, there were no such revenues. The Affiliate is paying the accounting fees of the Company.