

Reconciliation of I-GAAP Financials to Local Statutory Accounts - March 2016

0010597

Kaizip Inc.

USD

**Commentary on Differences**

	Profit/(Loss) after Tax	Net Assets
I-GAAP as per GRS:	(61,265)	(6,998,713)
<b>Differences:</b>		
GAAP Difference		
Audit/Late Adjustment		
Different Year End than March 2016		
Other		(897)
<b>Total Difference</b>	<b>0</b>	<b>(897)</b>
<b>Local Statutory Accounts:</b>	<b>(61,265)</b>	<b>(6,999,610)</b>
<b>Check (Should be Zero)</b>	<b>0</b>	<b>0</b>

Rounding

**Notes:**

Entities should input the numbers recorded in their local statutory accounts (in the same currency) for Profit/(Loss) after Tax and Net Assets into row 25 of this spreadsheet. The values entered in row 11 are the values recorded in GRS under Indian GAAP. Any difference between the two numbers should be reconciled by using the categories provided (shown in green shaded cells). Any 'Other' adjustments require a description of what the adjustment relates to. The 'Check' in row 25 should be zero before the spreadsheet is submitted to Group Finance.

Profit/(Loss) after Tax is the Indian GAAP definition which, in GRS, is Profit after Tax (20050009) less Share of JV/Associate Result (25510009).

Commentary on Differences (column F) should be used to provide further explanations. Expected information to be given in this column would include the following:

- Local GAAP Adjustment - What are the major GAAP adjustments (e.g. deferred tax) and what value arises because of this
- Late Adjustment - Details on what has been adjusted between GRS submission and completion on statutory accounts
- Different Year End - The year end used in the Statutory accounts
- Other - Full explanation of adjusting factors

**Kalzip, Inc**  
**Balance Sheet**  
 As of March 31, 2016

	Mar 31, 16
<b>ASSETS</b>	
Current Assets	
Checking/Savings	-7,064,680.45
11150 · Bank of America Pool	-7,064,680.45
Total Checking/Savings	
Accounts Receivable	91,260.93
12000 · Accounts Receivable	91,260.93
Total Accounts Receivable	
Total Current Assets	-6,973,419.52
Fixed Assets	
16000 · Fixed Assets	863,812.86
17000 · Accumulated Depreciation	-863,812.86
Total Fixed Assets	0.00
Other Assets	
18000 · Deferred Taxes	
18100 · Deferred Taxes, Tax Asset	385,676.00
18200 · Deferred Taxes, Valuation Allow	-385,676.00
Total 18000 · Deferred Taxes	0.00
Total Other Assets	0.00
<b>TOTAL ASSETS</b>	<b>-6,973,419.52</b>
<b>LIABILITIES &amp; EQUITY</b>	
Liabilities	
Current Liabilities	
Accounts Payable	
21000 · Accounts Payable	211.59
21100 · Accounts Payable - Trade	
21200 · Accounts Payable Intercompany	5,624.29
21230 · I/C due to CAI	20,354.30
21250 · I/C Due to Cogent Power	
Total 21200 · Accounts Payable Intercompany	25,978.59
Total 21000 · Accounts Payable	26,190.18
Total Accounts Payable	26,190.18
Total Current Liabilities	26,190.18
Total Liabilities	26,190.18

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Accrual Basis

**Kalzip, Inc**  
**Balance Sheet**  
As of March 31, 2016

	Mar 31, 16
Equity	
30000 · Opening Balance Equity	51,276.41
32000 · Retained Earnings	-6,989,621.61
Net Income	-61,264.50
Total Equity	-6,999,609.70
<b>TOTAL LIABILITIES &amp; EQUITY</b>	<b>-6,973,419.52</b>

## Kalzip, Inc Profit & Loss YTD Comparison March 2016

	Mar 16	Apr '15 - Mar 16
Ordinary Income/Expense		
Income		
40000 · Sales	2,761.10	24,901.24
41000 · Sales USA		24,901.24
<b>Total 40000 · Sales</b>	<b>2,761.10</b>	<b>24,901.24</b>
<b>Total Income</b>	<b>2,761.10</b>	<b>24,901.24</b>
Cost of Goods Sold		
50000 · Cost of Goods Sold		
51000 · Material Costs		
51100 · Cost of Goods Sold	0.00	87,260.74
<b>Total 51000 · Material Costs</b>	<b>0.00</b>	<b>87,260.74</b>
<b>Total 50000 · Cost of Goods Sold</b>	<b>0.00</b>	<b>87,260.74</b>
<b>Total COGS</b>	<b>0.00</b>	<b>87,260.74</b>
<b>Gross Profit</b>	<b>2,761.10</b>	<b>-62,359.50</b>
Expense		
60000 · Expenses		
60010 · Advertising/Marketing Expense	0.00	204.74
60020 · Bank Fees	64.95	819.40
60050 · Commissions Expense	0.00	104,991.12
60055 · Commission Income	-91,260.93	-520,260.93
60060 · Communication Expense		
60061 · Cell Phones	875.66	5,787.62
60062 · Internet - DSL	0.00	54.95
60063 · Telephone	170.90	1,949.28
<b>Total 60060 · Communication Expense</b>	<b>1,046.56</b>	<b>7,791.85</b>
60080 · Employment Costs		
60082 · Payroll Taxes	2,234.19	17,767.42
60083 · Salaries	26,153.62	216,473.91
60084 · 401K Match	1,451.75	11,538.10
60085 · Group Insurance	3,307.02	25,456.62
60086 · Other Benefits	0.00	0.00
<b>Total 60080 · Employment Costs</b>	<b>33,146.58</b>	<b>271,236.05</b>
60090 · Exhibitions & Events		
60092 · Luncheon	-0.04	1,603.18
<b>Total 60090 · Exhibitions &amp; Events</b>	<b>-0.04</b>	<b>1,603.18</b>
60100 · Foreign Exchange - Euro	12.38	6,590.15
60110 · Insurance Expense	0.00	863.60

**Kalzip, Inc**  
**Profit & Loss YTD Comparison**  
**March 2016**

	Mar 16	Apr '15 - Mar 16
60120 · Licenses & Fees		
60121 · ADP Fees	132.40	132.40
60123 · Filing Fees	0.00	22.44
60124 · Miscellaneous Fees	0.00	1,040.31
60120 · Licenses & Fees - Other	0.00	108.76
<b>Total 60120 · Licenses &amp; Fees</b>	<b>132.40</b>	<b>1,303.91</b>
60140 · Management Fees		
60141 · Management Fee CAI	1,177.00	14,650.43
60143 · Management Fee UK Head Office	0.00	2,959.13
60144 · Management Fee Cogent	969.28	3,914.13
<b>Total 60140 · Management Fees</b>	<b>2,146.28</b>	<b>21,523.69</b>
60180 · Penalties	0.00	233.16
60190 · Postage & Courier		
60191 · Courier Expenses	623.49	5,809.04
60192 · Postage Expenses	0.00	59.45
60190 · Postage & Courier - Other	0.00	107.76
<b>Total 60190 · Postage &amp; Courier</b>	<b>623.49</b>	<b>5,976.25</b>
60200 · Printing Expenses	0.00	2,847.08
60210 · Professional Dues Expense	0.00	603.81
60220 · Professional Fees Expense		
60224 · Legal Expenses	105.00	469.10
60227 · Testing Expenses	1,524.00	3,492.00
<b>Total 60220 · Professional Fees Expense</b>	<b>1,629.00</b>	<b>3,961.10</b>
60230 · Rental Expenses		
60233 · Office Rental	500.00	6,000.00
<b>Total 60230 · Rental Expenses</b>	<b>500.00</b>	<b>6,000.00</b>
60260 · Storage	1,900.00	12,910.00
60270 · Supplies Expense		
60271 · Shop Supplies	0.00	1,159.00
60272 · Office Supplies	253.10	1,863.27
60273 · Supplies - Other	0.00	38.13
60274 · Packaging Supplies	0.00	61.99
<b>Total 60270 · Supplies Expense</b>	<b>253.10</b>	<b>3,122.39</b>
60280 · Training Expense	0.00	241.50
60300 · Travel and Entertainment		
60310 · Airfare		
60311 · Air - Mirza	0.00	683.72
60317 · Air - Vinet	408.94	4,294.90
<b>Total 60310 · Airfare</b>	<b>408.94</b>	<b>4,978.62</b>

## Kalzip, Inc Profit & Loss YTD Comparison March 2016

	Mar 16	Apr '15 - Mar 16
60330 · Employee Meals		
60331 · Meals - Mirza	702.61	3,328.77
60335 · Meals - Vinet	22.72	538.21
<b>Total 60330 · Employee Meals</b>	<b>725.33</b>	<b>3,866.98</b>
60350 · Hotel Expenses		
60351 · Hotel - Mirza	0.00	381.84
60356 · Hotel - Vinet	0.00	4,821.34
<b>Total 60350 · Hotel Expenses</b>	<b>0.00</b>	<b>5,203.18</b>
60370 · Auto Rental Expenses		
60375 · Auto - Vinet	0.00	823.62
<b>Total 60370 · Auto Rental Expenses</b>	<b>0.00</b>	<b>823.62</b>
60390 · Local Transportation		
60391 · Local Trans - Mirza	594.82	2,471.58
60397 · Local Trans - Vinet	300.56	3,218.20
<b>Total 60390 · Local Transportation</b>	<b>895.38</b>	<b>5,689.78</b>
60400 · Entertainment	0.00	4,283.71
<b>Total 60300 · Travel and Entertainment</b>	<b>2,029.65</b>	<b>24,845.89</b>
<b>Total 60000 · Expenses</b>	<b>-47,776.58</b>	<b>-42,592.06</b>
<b>Total Expense</b>	<b>-47,776.58</b>	<b>-42,592.06</b>
Net Ordinary Income	50,537.68	-19,767.44
Other Income/Expense		
80000 · Other Income/Expense		
80100 · Other Expenses		
80200 · Interest Expense		
80210 · Cash Pool Interest	-2,808.59	-35,202.27
<b>Total 80200 · Interest Expense</b>	<b>-2,808.59</b>	<b>-35,202.27</b>
<b>Total 80100 · Other Expenses</b>	<b>-2,808.59</b>	<b>-35,202.27</b>
<b>Total 80000 · Other Income/Expense</b>	<b>-2,808.59</b>	<b>-35,202.27</b>
<b>Total Other Income</b>	<b>-2,808.59</b>	<b>-35,202.27</b>

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Accrual Basis

**Kalzip, Inc**  
**Profit & Loss YTD Comparison**  
**March 2016**

	Mar 16	Apr '15 - Mar 16
Other Expense		
80400 - Tax Provision	1,198.57	6,294.79
Total Other Expense	1,198.57	6,294.79
Net Other Income	-4,007.16	-41,497.06
Net Income	46,530.52	-61,264.50