



GODREJ PROPERTIES WORLDWIDE INC
(a California Corporation)

MARCH 31, 2020
AUDITED
FINANCIAL STATEMENTS

TOGETHER WITH
INDEPENDENT AUDITOR'S REPORT



GODREJ PROPERTIES WORLDWIDE INC

TABLE OF CONTENTS

	PAGE
INDEPENDENT AUDITOR'S REPORT	1-2
FINANCIAL STATEMENTS	
Balance sheets	3
Statements of operations	4
Statements of stockholders' equity.....	5
Statements of cash flows	6
Notes to financial statements.....	7-12

INDEPENDENT AUDITORS' REPORT

To the Board of Directors
Godrej Properties Worldwide Inc.,
95 S. Market Street, Suite 440,
San Jose, California 95113

Report on Financial Statements

We have audited the accompanying financial statements of Godrej Properties Worldwide Inc., (a California Corporation) which comprise the balance sheets as of March 31, 2020 and 2019, and the related statements of operations, change in stockholders' equity, and cash flows for the years then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of the financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation



and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Godrej Properties Worldwide Inc., as of March 31, 2020 and 2019, and the results of its operations and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Cpa Auditor, Inc.

A handwritten signature in black ink, appearing to read "Parag", with a horizontal line underneath it.

CpaAuditor, Inc.
San Francisco, California
May 7, 2020

**Director, Head of Business
Godrej Properties Worldwide Inc.**

Godrej Properties Worldwide Inc
 Balance Sheets
 March 31, 2020 and 2019

ASSETS		
	<u>March 31, 2020</u>	<u>March 31, 2019</u>
Current Assets		
Cash and cash equivalents	\$ 307,598	\$ 433,914
Prepaid rent	3,995	1,968
Total current assets	311,593	435,882
NON-CURRENT ASSETS		
PROPERTY AND EQUIPMENT		
Office Furniture	8,763	8,763
Computers	1,065	-
Gross property and equipment	9,828	8,763
Accumulated depreciation	(4,454)	(1,460)
Net property and equipment	5,374	7,303
Other Assets, lease deposits	6,500	6,500
Total non current assets	11,874	13,803
Total Assets	\$ 323,467	\$ 449,685
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current Liabilities		
Accounts payable	\$ 10,445	\$ 5,750
State taxes payable	800	800
Total liabilities	11,245	6,550
Stockholders' Equity		
Common stock, no par, Authorized 10,000,000 shares		
Issued and outstanding 500,000 shares	500,000	500,000
Accumulated deficits	(187,778)	(56,865)
Total Stockholders' equity	312,222	443,135
Total Liabilities and Stockholders' Equity	\$ 323,467	\$ 449,685

See accompanying independent auditors' report and notes to financial statements

Godrej Properties Worldwide Inc
 Statements of Operations
 Years Ended March 31, 2020 and 2019

	<u>March 31, 2020</u>	<u>March 31, 2019</u>
Revenue		
Revenue	\$ -	\$ -
Total Revenue	<u>-</u>	<u>-</u>
Expenses		
Office rent	44,098	15,744
Wages	42,268	-
Professional fees	34,465	22,000
Office expense	3,754	-
Depreciation	2,995	1,460
Legal fees	2,249	16,980
Insurance	254	-
Bank charges	31	106
Total Expenses	<u>130,114</u>	<u>56,290</u>
Loss from operations	(130,114)	(56,290)
Other income		
Interest income	1	300
Loss before income taxes	(130,113)	(55,990)
Provision for state taxes	800	800
Net Loss	<u>\$ (130,913)</u>	<u>\$ (56,790)</u>

See accompanying independent auditors' report and notes to financial statements

Godrej Properties Worldwide Inc
 Statements of Change in Stockholders' Equity
 Years Ended March 31, 2020 and 2019

	Common Stock	Accumulated Deficits	Total Stockholders' Equity
	<u> </u>	<u> </u>	<u> </u>
Balance, March 31, 2018	\$ -	\$ (75)	\$ (75)
Common stock issued	500,000	-	500,000
Net loss	<u>-</u>	<u>(56,790)</u>	<u>(56,790)</u>
Balance, March 31, 2019	500,000	(56,865)	443,135
Net loss	<u>-</u>	<u>(130,913)</u>	<u>(130,913)</u>
Balance, March 31, 2020	<u>\$ 500,000</u>	<u>\$ (187,778)</u>	<u>\$ 312,222</u>

See accompanying independent auditors' report and notes to financial statements

Godrej Properties Worldwide Inc
 Statements of Cash Flows
 Years Ended March 31, 2020 and 2019

	<u>March 31, 2020</u>	<u>March 31, 2019</u>
Cash Flows From Operating Activities		
Net loss	\$ (130,913)	\$ (56,790)
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation	2,994	1,460
Change in assets and liabilities:		
Prepaid rent	(2,027)	(1,968)
Deposits, office lease	-	(6,500)
Accounts payable	4,695	5,450
State taxes payable	-	800
Net Cash Used In Operating Activities	<u>(125,251)</u>	<u>(57,548)</u>
Cash Flows From Investing Activities		
Acquisition of property and equipment	<u>(1,065)</u>	<u>(8,763)</u>
Net Cash Used In Investing Activities	<u>(1,065)</u>	<u>(8,763)</u>
Cash Flows From Financing Activities		
Common stock issued	<u>-</u>	<u>500,000</u>
Net Cash Provided by Financing Activities	<u>-</u>	<u>500,000</u>
Net change in cash and cash equivalents	(126,316)	433,689
Cash and cash equivalents, beginning of year	<u>433,914</u>	<u>225</u>
Cash and cash equivalents, ending of year	<u><u>\$ 307,598</u></u>	<u><u>\$ 433,914</u></u>
Supplemental cash-flow information		
Income tax paid during the year	<u><u>\$ 800</u></u>	<u><u>\$ -</u></u>
Interest paid during the year	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>

See accompanying independent auditors' report and notes to financial statements

1. Summary of Significant Accounting Policies

General -- Godrej Properties Worldwide Inc ("Godrej Properties worldwide"), a California Company was incorporated on August 10, 2017. Godrej Properties worldwide brings the Godrej Group philosophy of innovation, sustainability, and excellence to the real estate industry. Godrej Properties worldwide California office is sales office.

Godrej Properties Worldwide Inc is wholly owned subsidiary of Godrej Properties Ltd. Godrej Properties Ltd is an Indian Public Company.

Basis of Accounting -- Godrej Properties worldwide prepares the financial statements using accrual basis of accounting in conformity with the generally accepted accounting principles in the United States of America. The expenses are recorded when the benefits and services are received.

Estimates Included in the Financial Statements -- The preparation of financial statements in conformity with generally accepted accounting principles 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 of the financial statements and the reported amounts of expenses during the reporting period. Godrej Properties worldwide is subject to risks and uncertainties that may cause actual results to differ from estimated amounts, such as changes in the real estate market, competition, litigation, legislation and regulations. Godrej Properties worldwide regularly evaluates their estimates and assumptions using historical experience and expectations about the future. Godrej Properties worldwide adjusts their estimates and assumptions when facts and circumstances indicate the need for change.

Cash and Cash Equivalents -- Cash consists of interest and non-interest-bearing accounts with two financial institution. Godrej Properties worldwide considers all highly liquid investments with original maturity of three months or less from the date of

purchased, to be cash equivalents. The carrying value of cash equivalents approximates fair value.

Lease Security Deposit and Prepaid Rent -- Godrej Properties worldwide paid the lease security deposit of \$6,500 to the landlord. Office rent of \$3,995 and \$1,968 for April 2020 and April 2019 were prepaids in March 2020 and March 2019.

Property and Equipment -- Property and equipment are recorded at cost less depreciation. Depreciation are computed using the straight-line method. Depreciation of property and equipment are provided by charges to operations over the following useful lives:

<u>Type of Property</u>	<u>Life</u>
Office Furniture	3 Years
Computers	3 Years

The Depreciation expense were \$2,995 and \$1,460 during the years ended March 31, 2020 and 2019, respectively.

Expenditures for maintenance and repairs which are not for the permanent improvement, betterment or restoring property are charged directly to appropriate operating accounts at the time the expense is incurred. Expenditures determined to represent additions and improvements are capitalized if the amount is greater than \$1,000.

Accounts Payables -- Accounts payables are recorded when goods or benefits are received.

Fair Value of Financial Instrument -- The carrying amounts of financial instruments

including cash, prepaid rent, accounts payable, and state taxes payable approximate fair value as of March 31, 2020, because of the relatively short maturity of these instruments.

Income Taxes -- Godrej Properties worldwide has elected to be taxed under the chapter C of the Internal Revenue Code. Income of Godrej Properties worldwide is reported in the Godrej Properties' worldwide income tax return.

At March 31, 2020, Godrej Properties worldwide did not have any tax benefit disallowed under the Financial Accounting Standards Board ("FASB") Accounting Standards Codification ("ASC") FASB ASC 740, Income Taxes and no amounts have been recognized for potential interests and penalties. A tax position is recognized as a benefit only if it is "more likely than not" that the tax position would be sustained in a tax examination, with the tax examination being presumed to occur. The amount recognized is the largest amount of tax benefit that is greater than 50% likely of being realized on examination. For tax position not meeting the "more likely than not" test, no tax benefit is recorded.

Current tax expense for the years presented are comprised of the minimum tax for Federal and the State of California based on minimal tax rates for taxable income.

Deferred income taxes reflect the net tax effects of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for income tax purposes. Godrej Properties worldwide has temporary differences which are immaterial. Thus, Godrej Properties worldwide determines it impractical to recognize such in the financial statements.

Godrej Properties worldwide files its income tax returns in the United States Federal and California jurisdictions.

New Accounting Pronouncements -- In February 2016, the Financial Accounting Standards Board issued a new accounting pronouncement that requires lessees to record assets and liabilities on the balance sheet for lease-related rights and obligations and disclose key information about certain leasing arrangements. This new standard establishes a right-of-use (“ROU”) model that requires a lessee to recognize a ROU assets and lease liability on the balance sheet for all leases with a term longer than 12 months. Leases will be classified as financing or operating, with classification affecting the pattern of expense recognition in the statement of operations. Godrej Properties worldwide will adopt the standard, including the related amendments, effective April 1, 2020, using the modified retrospective approach, applying the provisions of the new standard on its effective date. Management is currently evaluating the potential impact that the adoption of this standard will have on Godrej Properties worldwide’s financial position, results of operations, and related disclosures.

2. Common Stock

In June 2018, Godrej Properties worldwide issued 500,000 shares to Godrej Properties Ltd and received \$500,000 from Godrej Properties Ltd.

3. Concentration of Credit Risk

Financial instruments that potentially subject Godrej Properties worldwide to concentrations of credit risk consist principally of deposits greater than \$250,000 for interest bearing accounts with each financial institution that is a member of Federal Deposit Insurance Corporation (“FDIC”), and security deposits greater than \$500,000 (\$250,000 on cash) with each financial institution that is a member of Securities Investor Protection Corporation (“SIPC”).

Godrej Properties worldwide has interest and non-interest-bearing cash balances on deposit at March 31, 2020 that exceeded the balance insured by the FDIC in the amount of \$51,001. Godrej Properties worldwide performs an ongoing evaluation of the commercial bank to limit its concentration of credit risk exposure.

4. Lease Commitments

Godrej Properties worldwide entered into a long-term lease agreement for its office space at 95 South Market Street, Suite 440, San Jose, California. On July 2, 2019, the lease was signed for a period beginning from August 1, 2018 to July 31, 2021. The monthly rent starts at \$1,968 for the first year beginning August 1, 2018 with \$60 monthly increase every year. Godrej Properties worldwide did not record deferred rent since the amount is not material.

The lease was terminated on March 29, 2020 and Godrej Properties worldwide paid \$19,897 for the termination of the lease and its included in the office rent.

Rent payments including the terminated lease charges on the lease were \$46,125 and \$15,744 during the years ended March 31, 2020 and 2019, respectively.

5. Contingencies, Risks and Uncertainties

In the normal course of business, Godrej Properties worldwide may periodically be subject to various lawsuits. However, there is currently no legal action pending against Godrej Properties worldwide, nor, knowledge, any such proceedings contemplated.

Godrej Properties worldwide is subject to current city, state, federal, and real estate market rules and regulations. Any changes in these regulations could materially affect the operations.

6. Operating Losses

Operating Losses Historically, Godrej Properties worldwide has had operating losses. During the year ended March 31, 2020, Godrej Properties worldwide incurred a loss after tax of \$130,913. However, in view of the financial support by the stockholder, these matters do not raise substantial doubt about Godrej Properties worldwide ability to continue as going concern.

7. Subsequent Events

As a result of the spread of the COVID-19 coronavirus, economic uncertainties have arisen which may impact operating activities, though such potential impact is unknown at this time.

Management has evaluated subsequent events through May 7, 2020 the date which the financial statements were available to be issued. The financial statements include all events or transactions, including estimates, required to be recognized in accordance with the accounting principles generally accepted in the United States of America. Godrej Properties worldwide has determined that there are no unrecognized subsequent events that require additional disclosures.