SANTOSH K SINGH & CO.
Chartered Accountants

Off. Add. : G-9, H-3, Vardhman Plaza Tower, Netaji Subhash Place, Pitampura, New Delhi-110034
Phone : +91-011-47243749 (M) : 9212074473, 9810265710
E-mail : admin@santoshksingh.com
URL : www.santoshksingh.com

Addendum to valuation Report

In terms of our engagement with Ritesh properties and industries limited, we, Santosh K Singh & Co., Chartered Accountants (SKS), an independent valuer submitting an addendum which should be read with our valuation reportin respect of Income method Approach used in RPIL in our valuation working:-

a) **RPIL:**

- It may be noted that the predominant nature of business of RPIL is holding of real estate assets and developing the same for the purpose selling it to end user, beside holding investment in group companies and doing trading of fabric business. Considering the nature of the business we have adopted adjusted NAV method using sum of part approach for valuation of its entire asset including real estate.

- Basis the information provided by the management and considering the fact that RPIL has both operating and non-operating assets in its books, we have considered the adjusted NAV method using Sum of the Parts Approach for valuation of RPIL after taking into account the fair value of those operating assets (i.e. Fabric business) and fair value of non –operating assets (i.e Real estate assets)separately and using these values for arriving at the overall Enterprise and Equity values of RPIL.

- We have valued fabric business using Income Approach (DCF Method) and considered the same as a surplus asset and adjusted with Net asset value of the Company.Since we have valued fabric trading business as surplus asset we have not used income approach (DCF method) at entity i.e. RPIL level. Further for real estate entities the preferred of valuation is usage of adjusted NAV method.

For M/s Santosh K Singh & Co.
Chartered Accountants
Firm Registration No. 019877N

SK Singh

Santosh K Singh
(Partner)
M. No. 502320

SANTOSH K SINGH NEW DELHI FRN 019877N Chartered Accountants

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