ANNEXURE - E

FEDEX SECURITIES LIMITED

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SEBI REGN. NO. INM 000010163

Strictly Private & Confidential

Dated: 5th May, 2017

The Board of Directors,
Kaycee Industries Limited
Corporate Office 32,
Ramjibhai Kamani Road,
Ballard Estate,
Mumbai – 400 001

Dear Members of the Board:

We refer to our letter of engagement dated 21st February 2017 ("LoE") whereby Kaycee Industries Limited (hereinafter referred to as "Kaycee" or the "Company" or "Demerged Company" or the "Transferor Company") has engaged Fedex Securities Limited ("Fedex") inter alia to provide a fairness opinion to the Company on the share entitlement ratio report dated 5th May 2017 ("Valuation Report") issued by SSPA & Co., Chartered Accountants (the "Valuer") for the proposed demerger of "Demerged Undertaking" (as defined below) of Kaycee to RDJ Constructions Private Limited (hereinafter referred to as "RCPL" or "Transferee Company" or "Resulting Company"), hereinafter collectively referred to as "Companies" vide a Scheme of Arrangement under the provisions of Sections 230 to 232 and other applicable provisions of the Companies Act, 2013 and the Rules made thereunder ("Proposed Scheme"). We understand that the Proposed Scheme will be considered by the Board of Directors of Kaycee.

Company Background and Purpose

Kaycee is listed on the BSE Limited ("BSE") and is the leading provider of electrical and electronic components in India for the last 70 years. The core business activities of the Company are manufacturing and trading of industrial switches, counters, water meters, electrical components etc. Kaycee is also engaged in property leasing activity of land and building at Bhandup, Mumbai owned directly and indirectly through RCPL, which is leased out to the tenants. The said property leasing activity is non-core business activity of Kaycee.

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RCPL is a private limited company incorporated under the provisions of the Companies Act, 1956 on 21 March 2000. The main objective of RCPL is to build or acquire commercial or residential infrastructure and letting out or selling the same for generation of income. Kaycee holds 100% of the equity share capital of RCPL.

The Company has appointed Valuer to recommend the share entitlement ratio to be issued as a consideration to the equity shareholders of Kaycee in connection with the Proposed Scheme for demerger of the Demerged Undertaking of Kaycee to RCPL and has in terms of the LoE requested us to examine the Valuation Report issued by the Valuer and other related information provided by the Company and issue our independent opinion as to the fairness of the Valuation ("Fairness Opinion") as per the requirement of SEBI Circular No. CFD/DIL3/CIR/2017/21 dated March 10, 2017 ("SEBI Circular").

All terms not specifically defined in this Fairness Opinion shall carry same meaning as in the Proposed Scheme.

Brief Background of the Proposed Scheme

Kaycee, the Company is engaged in the business of manufacturing and trading of industrial switches, counters, etc. Kaycee is also engaged in property leasing activity of land and building situated at Bhandup, Mumbai owned directly and indirectly through RCPL. The said property leasing activity is not the core business activity.

Kaycee under the Proposed Scheme is desirous of demerging its Demerged Undertaking as defined in the Scheme to RCPL as a "going concern" in accordance with the provisions of Section 2(19AA) of the Income-tax Act, 1961.

In order to enable the management of Kaycee to ensure better management focus on its core business of manufacturing and trading of industrial switches, counters, water meters, electrical components, etc., the Proposed Scheme envisages to demerge its non-core activities i.e. property leasing activities along with related assets into the RCPL.

Source of Information

For the said examination and for arriving at the opinion set forth below, we have received:

1. Valuation Report issued by the Valuer;
2. Draft of the Proposed Scheme;
3. Report on valuation of immovable properties of the Demerged Undertaking and RCPL issued by M/s. Kanti Karamsey & Co. Advisors LLP;
4. Audited Financial Statements of RCPL and Kaycee for the year ended 31 March 2016;
5. Management certified position of assets and liabilities of the Demerged Undertaking proposed to be demerged into RCPL as at 31 March 2017;
6. Management certified position of assets and liabilities of RCPL as at 31 March 2017; and
7. Necessary explanations and information from the representatives of the Companies.

Limitation of Scope and Review

Our Opinion and analysis is limited to the extent of review of documents as provided to us by the Company and the Resulting Company including the Valuation Report and the draft Proposed Scheme.

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The Company has been provided with the opportunity to review the draft Opinion as part of our standard practice to make sure that factual inaccuracy / omissions are avoided in our final opinion.

We have assumed and relied upon, without independent verification, the accuracy and completeness of all information that was publicly available or provided or otherwise made available to us by the Company for the purposes of this Fairness Opinion. We express no opinion and accordingly accept no responsibility with respect to or for such information, or the assumptions which it is based. We have not assumed any obligation to conduct, nor have conducted any physical inspection or title verification of the properties or facilities of the Company and RCPL and neither express any opinion with respect thereto nor accept any responsibility therefore. We have not made any independent valuation or appraisal of the assets or liabilities of the Company or RCPL nor do we technically qualify to value immovable assets. We have, however been furnished with valuation report obtained by the Company and RCPL from Kanti Karamsey & Co. Advisors LLP valuing the immovable assets forming part of the Demerged Undertaking and those held by RCPL. Which report is relied upon by the Valuer and believes the same to be correct. We have not received any internal management information statement or any non-public reports, and instead, with your consent, have relied upon information that was publicly available or provided or otherwise made available to us by the Company & RCPL for the purposes of this Fairness Opinion. We are not experts in evaluation of litigation or other actual or threatened claims or any tax implication connected with the Proposed Scheme and accordingly we have not evaluated any litigation or other actual or threatened claims. In addition, we have assumed that the Proposed Scheme will be approved by regulatory authorities and that the Proposed Scheme will be consummated substantially in accordance with the terms set forth in the Proposed Scheme. We have assumed that there are no other contingent liabilities or circumstances that could materially affect the business or financial prospects of the Company or RCPL, other than those disclosed in the information provided or considered in the Proposed Scheme.

We understand that the management of the Company and, during our discussion with them, would have drawn our attention to all such information and matters which may have an impact on our analysis and opinion. We have assumed that in the course of obtaining necessary regulatory or other consents or approvals for the Proposed Scheme, no restrictions will be imposed or there will be no delays that will have a material adverse effect on the benefits of the Proposed Scheme that may have been contemplated. Our opinion is necessarily based on financial, economic, marker and other conditions as they currently exist and on the information made available to us as of the date hereof. It should be understand that although subsequent developments may affect this opinion, we do not have an obligation to update, revise or reaffirm this opinion. In arriving at our opinion, we were not authorised to solicit, and did not solicit, interest from any party with respect to the acquisition, business combination or other extraordinary transaction involving the Company or any of its assets, nor did we negotiate with any other party in this regard.

We express no opinion whatever and make no recommendation at all as to Company's underlying decision to effect the Proposed Scheme or as to how the holders of equity shares or secured or unsecured creditors of the Company should vote at their respective meetings held in connection with the Proposed Scheme. We do not express and should not be deemed to have expressed any views on any other terms of the Proposed Scheme. We also express no opinion and accordingly accept no responsibility for or as to the price at which the equity shares of the Company will trade following the announcement of the Proposed Scheme or as to the financial performance of the Company or RCPL following the consummation of the Proposed Scheme.

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Fedex and/or our affiliates in the past may have provided, and may currently or in the future provide, investment banking, commercial banking and other financial services to the Company and /or the Resulting Company and/or their affiliates unrelated to the Proposed Scheme. We may have received or in the future may receive compensation for the rendering of the aforementioned services. In the ordinary course of our businesses, we and our affiliates may invest, make or hold long or short positions, finance positions or trade or otherwise effect transactions in debt, equity or other securities or financial instruments (including derivatives or other obligations) of the Company and/or the Resulting Company and/or their respective affiliates, holding companies and group companies.

Fedex will receive a fee in connection with the delivery of this Fairness Opinion. The fee is not contingent upon the nature of the opinion provided to the Company. The fee for our service is not subject to the outcome of the Proposed Scheme. In addition, the Company has agreed to reimburse certain of our expenses and to indemnify us against liabilities arising out of our engagement. This Fairness Opinion is subject to the laws of India.

In no circumstances shall the liability of Fedex, its directors or employees related to the service provided in connection with this opinion, exceed the amount paid to Fedex as fees for this Fairness Opinion.

Distribution of this Fairness Opinion

The Fairness Opinion is addressed to the Board of Directors of Kaycee (in its capacity as such) solely for the purpose of providing them with an independent opinion on the fairness of the Valuation as determined by the Valuer and for the purpose of submission to the Stock Exchanges, National Company Law Tribunal along with the petition for the Proposed Scheme and such other regulatory authorities under SEBI Circular and /or Companies Act, 2013. The Fairness Opinion shall not be disclosed or referred to publicly or to any third party, other than as required by Indian law (in which case you would provide us a prior written intimation) without our prior written consent. The Fairness Opinion should be read in totality and not in parts. Further, this Fairness Opinion should not be used or quoted for any purpose. If this Fairness Opinion is used by any person other than to whom it is addressed or for any purpose other than the purpose stated hereinabove, then we will not be liable for any consequences thereof. In no circumstances however, will Fedex or its directors, officers, employees and controlling persons of Fedex accept any responsibility or liability including any pecuniary or financial liability to any third party, in any registration statement, prospectus, offering memorandum, annual report, loan agreement or any other agreement or documents given to third parties.

Conclusion

Based on and subject to the foregoing, we are of the opinion that, as of the date hereof, Share Entitlement Ratio of 1 (One) equity share of Rs. 10/- each of RCPL for every 1 (One) equity share of Rs. 100/- each of Kaycee to the equity shareholders who opt to receive equity shares or 70 (Seventy) 7.50% non-convertible redeemable preference shares(RPs) of RCPL of Rs. 100/- each for every 1 (One) equity share of Kaycee of Rs. 100/- each fully paid, is fair to the Equity Shareholders of the Company.

Yours truly,

For **Fedex Securities Limited**

Director/Authorised Signatory

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