



CORPORATE GOVERNANCE REPORT

The detailed report on Corporate Governance as per the format prescribed by Securities and Exchange Board of India under Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Regulations") is set out below:

1. COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

Your Company believes in creating wealth for all its shareholders. In pursuit of this objective, the Policies of the Company are designed to strengthen the ability of the Board of Directors to supervise the management and to enhance long-term shareholder value.

All decisions are taken in the interest of the shareholders. The Board and the management are aware and conscious of minority shareholder's interest and everything is done to enhance shareholders' value. Hence, considerable emphasis is placed on accountability in decision-making and ethics in implementing them.

Adequate and timely information is critical to accountability. The Company believes to act in the spirit of law and not just the letter of law. We aim at providing complete transparency in our operations.

2. BOARD OF DIRECTORS:

Composition of Board

The composition of Board of Directors of the Company is an appropriate combination of Executive

and Non-Executive Directors. As on date the Board consists of seven directors with more than fifty percent of the Board being Non-executive. The Board consist of three Non - Executive Independent Directors.

The Independent Directors of the Company fulfill the criteria of independence as specified in Section 149 (6) of the Companies Act, 2013 and Rules framed thereunder and Regulation 16 (1) (b) of the Regulations. The Company has received declarations from the Independent Directors that they meet with the criteria of independence as prescribed under Section 149(6) of the Act. A formal letter of appointment as provided in the Act and the Regulations has been issued to Independent Directors of the Company. Terms and Conditions of appointment of Independent Directors and the profile of Directors are disclosed on the website of the Company i.e. www.sequent.in.

Board Meetings held during the year

During the year ended March 31, 2017, 7 (Seven) Board Meetings were held. These meetings were held on April 4, 2016, May 14, 2016, August 12, 2016, November 10, 2016, February 3, 2017, February 10, 2017 and March 20, 2017.

In case of special and urgent business needs, the Board's approval is taken by passing resolutions by circulation, as permitted by law, which is confirmed in the subsequent Board Meeting.

Composition of the Board and Directorships held as at March 31, 2017:

Sr. No	Name of the Director	Category of Director	Number of other Directorships	Number of member ships in other Board committees	Chairmanships in other Board Committees
1.	Dr. Gopakumar G Nair	Independent Non-Executive Director	3	1	3
2.	Mr. Manish Gupta	Executive Director	2	-	-
3.	Mr. Sharat Narasapur	Executive Director	1	-	-
4.	Dr. Kausalya Santhanam	Independent Non-Executive Director	1	1	1
5.	Mr. Narendra Mairpady	Independent Non-Executive Director	8	3	5
6.	Dr. S. Devendra Kumar	Non-Executive Director	1	-	-
7.	Mr. K E C Rajakumar	Non-Executive Director	1	1	-

Notes:

1. No. of other directorships include directorships in Public Limited Companies and excludes Private Limited Companies, Foreign Companies and Companies under Section 8 of the Companies Act, 2013.
2. The disclosure excludes directorships and the committee chairmanships and memberships in the Company.
3. The disclosure includes memberships and chairmanships in the Audit Committee and the Stakeholders Relationship Committee in public limited companies and excludes all other memberships and chairmanships in other committees.
4. No. of committee memberships in all Public Limited Companies and chairmanships in all Listed Companies are considered for the purpose of disclosure and all other companies including Private Limited Companies, Foreign Companies and Companies under Section 8 of the Companies Act, 2013 have been excluded.
5. None of the directors holds directorships in more than twenty companies including maximum limit of 10 Public Companies, memberships in more than ten Committees in all Public Limited Companies excluding the committee memberships in Private Limited Companies, Foreign Companies and Companies under Section 8 of the Companies Act, 2013 and chairmanships in more than five Committees across all listed companies in which he is a director.
6. None of the directors is related to any other Director in the Company.
7. Dr. Gautam Kumar Das retired as Joint Managing Director on January 7, 2017 and Mr. Sharat Narasapur was appointed as Joint Managing Director on January 8, 2017
8. None of the Independent Directors serves as Independent Director in more than seven listed entities

Separate Meeting of Independent Directors

In terms of provisions of the Companies Act, 2013 and Regulation 25 of the Listing Regulations, the Independent Directors met on May 14, 2016 in the year 2016-17 without the presence of Non-Independent Directors or senior management of the Company.

The independent directors in the meeting inter-alia:

- i. reviewed the performance of non-independent directors and the Board as a whole;
- ii. reviewed the performance of the Chairperson of the Company, taking into account the views of executive directors and non-executive directors;
- iii. assessed the quality, quantity and timeliness of flow of information between the management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

Familiarization programme for Independent Directors/ Non-Executive Directors

The Board members are provided with necessary documents/ brochures, reports and internal policies to enable them to familiarize with Company's procedures and practices. Periodic presentations are made at the Board Meetings on regulatory updates, roles and responsibilities as a Director of the Company, updates on industry in which the Company operates and business model of the Company.

The details on familiarization programme is disclosed on the website of the Company www.sequent.in (web link: [http://sequent.in/pdf/independent-director/Familiarization Programme for Independent Directors.pdf](http://sequent.in/pdf/independent-director/Familiarization_Programme_for_Independent_Directors.pdf))



Attendance at Board meetings and last Annual General Meeting

The attendance of each Director at Board Meeting held during the year and the last Annual General Meeting (AGM) is as under:

Sr. No	Name of the Director	No. of meetings held during the year 2016-17	Attendance at the Board Meetings	Attendance at the Last AGM
1.	Dr. Gopakumar G Nair	7	7	Present
2.	Mr. Manish Gupta	7	7	Present
3.	Mr. Sharat Narasapur	3	3	NA
4.	Dr. Kausalya Santhanam	7	7	Present
5.	Mr. Narendra Mairpady	7	7	Absent
6.	Dr. S. Devendra Kumar	7	7	Present
7.	Mr. K E C Rajakumar	7	6	Absent
8.	Dr. Gautam Kumar Das*	4	4	Present

* Dr. Gautam Kumar Das retired as Joint Managing Director on January 7, 2017 and Mr. Sharat Narasapur was appointed as Joint Managing Director on January 8, 2017

3. AUDIT COMMITTEE:

The Company has set up an Audit Committee in accordance with Section 177 of the Act and Regulation 18 of the Listing Regulations.

Terms of Reference

The Company has an independent Audit Committee. The composition, procedures, powers and role/ functions of the Audit Committee, constituted by the Company, comply with requirements of the Companies Act, 2013 and the Listing Agreement as entered with the Stock Exchange/ Regulations.

The Audit Committee has the following responsibilities/ powers:

- To investigate any activity within its terms of reference.
- To seek information from any employee.
- To obtain outside legal or other professional advice.
- To secure attendance of outsiders with relevant expertise, if it considers necessary.

Role of Audit Committee

The role of the Audit Committee includes the following:

- Oversight of the company's financial reporting process and the disclosure of its financial information to ensure that the financial

statement is correct, sufficient and credible;

- Recommendation for appointment, remuneration and terms of appointment of auditors of the company;
- Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
- Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:
 - Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of Clause (c) of sub-section 3 of Section 134 of the Companies Act, 2013
 - Changes, if any, in accounting policies and practices and reasons for the same
 - Major accounting entries involving estimates based on the exercise of judgment by management
 - Significant adjustments made in the financial statements arising out of audit findings
 - Compliance with listing and other legal requirements relating to financial statements
 - Disclosure of any related party transactions
 - Modified opinions in the draft audit report

5. Reviewing, with the management, the quarterly financial statements before submission to the board for approval;
6. Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
7. Review and monitor the auditor's independence and performance, and effectiveness of audit process;
8. Approval or any subsequent modification of transactions of the company with related parties;
9. Scrutiny of inter-corporate loans and investments;
10. Valuation of undertakings or assets of the company, wherever it is necessary;
11. Evaluation of internal financial controls and risk management systems;
12. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
13. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
14. Discussion with internal auditors of any significant findings and follow up there on;
15. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;
16. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
17. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
18. To review the functioning of the Whistle Blower mechanism;
19. Approval of appointment of CFO after assessing the qualifications, experience and background, etc. of the candidate;
20. To review the financials of unlisted subsidiaries, in particular the investment made by unlisted subsidiaries;
21. Reviewing the statement of deviations:
 - a. Quarterly statement of deviations including report of monitoring agency, if applicable, submitted to stock exchange in terms of the Regulation 32(1) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015
 - b. Annual Statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice in terms of Regulation 32(7) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015
22. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.

Composition of Audit Committee, Meetings held and attendance during the year.

During the year ended March 31, 2017, 6 (Six) Audit Committee Meetings were held. These meetings were held on May 14, 2016, August 12, 2016, November 10, 2016, February 3, 2017, February 10, 2017 and March 20, 2017.

As on date the Committee has three members consisting of Non-Executive Independent Directors.

Details of Members and meetings attended by them



during the year are as under:

Sr. Member No.	Chairperson/ Member	No. of meetings held	No. of meetings attended
1. Dr. Gopakumar G Nair	Chairman	6	6
2. Dr. Kausalya Santhanam	Member	6	6
3. Mr. Narendra Mairpady	Member	6	6

The Company Secretary of the Company also acts as the secretary to this Committee.

4. NOMINATION AND REMUNERATION COMMITTEE

Nomination and Remuneration Committee has been constituted in terms of Section 178 of the Act and Remuneration 19 of the Listing Regulations.

Terms of Reference

The role of the Nomination and Remuneration Committee includes the following:

1. Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration of the directors, key managerial personnel and other employees;
2. Formulation of criteria for evaluation of Independent Directors and the Board;
3. Devising a policy on Board diversity;

4. Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal.

5. Discussing and deciding on whether to extend or continue the term of appointment of the Independent Director on the basis of the report of performance evaluation of Independent Director.

Composition of Nomination and Remuneration Committee

During the year ended March 31, 2017, 5 (Five) Nomination and Remuneration Committee meetings were held. These meetings were held on May 14, 2016, August 12, 2016, November 10, 2016, February 10, 2017 and March 20, 2017.

As on date the Committee has three members consisting of Non-executive Independent Directors.

Details of Members and meetings attended by them during the year are as under:

Sr. Member No.	Chairperson/ Member	No. of meetings held	No. of meetings attended
1. Dr. Kausalya Santhanam	Chairman	5	5
2. Dr. Gopakumar G Nair	Member	5	5
3. Mr. Narendra Mairpady	Member	5	5

Remuneration Policy

The Committee recommends the compensation package to the executive directors of the Company. The remuneration will include salary, perquisite, allowances and commission. The remuneration policy is directed towards rewarding performance based on review of achievements. It is aimed at attracting and retaining high caliber talent. The Policy is available at the following link: http://sequent.in/pdf/policies/Sequent_Nomination_and_Remuneration_Policy.pdf

Performance evaluation criteria for independent directors

Pursuant to provisions of the Companies Act, 2013 and the Listing Regulations, the Company has formulated a policy called as SeQuent Board Performance Evaluation Policy ("the Policy"). Based on this the Company has prepared a questionnaire to carry out the evaluation of performance of every Director including the Independent Directors at regular intervals and at least on an annual basis. The questionnaire is structured to embed various parameters based on which the performance of a

Board can be evaluated. Customized questionnaires are formulated for evaluating Independent Directors, Non-Executive Directors, Whole-time Directors, Chairperson of the Board and the Board, as a whole. Based on the Policy the evaluation was conducted by the Company. The entire Board of Director

will evaluate the performance of independent directors excluding the director being evaluated on annual basis as per the policy. Based on the report of performance evaluation, the Company will determine whether to extend or continue the term of appointment of the Independent Director.

Remuneration paid to Directors

Name of the Director	Salary	Benefits	Bonus	Sitting Fees	Pension	₹ in Million	
						Variable Pay	Total
Mr. Manish Gupta (Managing Director)#	7.32	-	-	-	-	1.42	8.74
Dr. Gautam Kumar Das (Joint Managing Director till January 7, 2017)#	5.41	1.28	-	-	-	0.56	7.25
Dr. Gopakumar G Nair (Independent Director)	-	-	-	0.47	-	-	0.47
Mr. Sharat Narasapur (Joint Managing Director from January 8, 2017)#	-	-	-	-	-	-	-
Dr. Kausalya Santhanam (Independent Director)	-	-	-	0.47	-	-	0.47
Mr. Narendra Mairpady (Independent Director)	-	-	-	0.47	-	-	0.47
Dr. S Devendra (Non- Executive Director)	-	-	-	0.35	-	-	0.35
Mr. K E C Rajakumar (Non- Executive Director)	-	-	-	0.35	-	-	0.35

Note: #Mr. Manish Gupta, Dr. Gautam Kumar Das and Mr. Sharat Narasapur also received managerial remuneration of ₹ 9.29 Million, ₹ 5.60 Million and ₹ 2.82 Million respectively from Alivira Animal Health Limited, a Wholly- Owned Subsidiary of the Company for the year 2016-17.

As per the existing HR policy of the Company a notice period of 3 months is applicable to a whole time director of the Company and no severance fee paid to any whole time director.

As on March 31, 2017, the Company has granted 2,000,000 stock options to Mr. Manish Gupta out of which 11,25,000 stock options have vested on him of which 125,000 stock options have been exercised.

250,000 stock options have been granted to Dr. Gautam Kumar Das out of which 187,500 stock options have vested on him of which 187,500 stock options have been exercised. The remaining 62, 500 Shares were duly exercised by him.

250,000 stock options have been granted to Mr. Sharat Narasapur out of which 62,500 stock options have vested on him of which 62,500 stock

options have been exercised.

During the year 2016-17, the non-executive directors did not have any pecuniary relationship or transactions with the Company apart from receiving sitting fee for attending the meetings of Board and Audit Committee of the Company.

The Company does not pay any remuneration to non-executive directors apart from sitting fee for attending the meetings of Board and Audit Committee of the Company. The Company pays ₹ 50,000/- for a meeting of Board of Directors per director and ₹ 20,000/- for a meeting of audit committee per member of the committee.

5. STAKEHOLDERS RELATIONSHIP COMMITTEE

The Stakeholders Relationship committee has been constituted in terms of the provisions related thereto in the Companies Act, 2013 and Regulation 20 of the Listing Regulations under the chairmanship of a Non-Executive Director to specifically look into the redressal of shareholder and investors complaints like transfer of shares, non-receipt of annual reports, non-receipt of declared dividends etc.



As on date the Committee comprises of three Non-Executive Independent Directors of the Company. The Committee is headed by Dr. Kausalya Santhanam, a Non-Executive Independent Director of the Company.

During the year ended March 31, 2017, 4 (Four) Meetings were held. These meetings were held on May 14, 2016, August 12, 2016, November 10, 2016 and February 10, 2017.

Sr. No.	Member	Chairperson/Member	No. of meetings held	No. of meetings attended
1.	Dr. Kausalya Santhanam	Chairman	4	4
2.	Dr. Gopakumar G Nair	Member	4	4
3.	Mr. Narendra Mairpady	Member	4	4

The Company Secretary of the Company acts as the Compliance Officer of the Company.

The Committee has delegated the power of share transfer to the Compliance Officer of the Company. The delegated authority will attend for the matter of share transfer formalities on a regular basis.

Mr. Krupesh Mehta, Company Secretary has been appointed as the Compliance officer of the Company under Regulation 6 of the Listing Regulations.

Shareholders Complaint details

Type of Complaint	No. of shareholders' complaints received during the year	No. of Complaints not solved to the satisfaction of shareholders	No. of pending complaints
Non-receipt of Dividend Warrants	Nil	Nil	Nil
Non-receipt of Share Certificate	Nil	Nil	Nil
Non-receipt of Annual Reports	Nil	Nil	Nil
Others	Nil	Nil	Nil
Total	NIL	NIL	NIL

All the complaints were solved to the satisfaction of the Shareholders.

The designated email address for shareholders complaints is investors@sequent.in

Corporate Social Responsibility Committee

The Corporate Social Responsibility Committee has been constituted under Section 135 of the Companies Act, 2013 and comprises of Dr. Gopakumar G Nair as Chairman, Mr. Manish Gupta and Dr. Kausalaya Santhanam as Members.

The Company Secretary acts as the Secretary to the Committee.

The Committee met once on May 14, 2016 and all the Members attended the Meeting.

6. GENERAL BODY MEETINGS:

Details of the last three Annual General Meetings of the Company and Special Resolutions passed in that meeting are as below:

Financial Year	Date and Time	Venue	Special Resolutions passed
2013-14	September 29, 2014 11.30 a.m.	Hotel Satkar Residency, Pokhran Road No. 01, Next to Cadbury, Opp. Singhania High School, Thane (W), Maharashtra - 400 606	<ul style="list-style-type: none"> ■ Revision in remuneration of Dr. Gautam Kumar Das, Joint Managing Director ■ Borrowing Limits of the Company ■ Creation of Charge/ Security over the assets of the Company
2014-15	September 24, 2015 10.30 a.m.	Hotel Satkar Residency, Pokhran Road No. 01, Next to Cadbury, Opp. Singhania High School, Thane (W), Maharashtra - 400 606	<ul style="list-style-type: none"> ■ To approve the related party transactions of the Company. ■ To approve the amendment to SSL ESOP Scheme-2010
2015-16	September 23, 2016 11.30 a.m.	Hotel Satkar Residency, Pokhran Road No. 01, Next to Cadbury, Opp. Singhania High School, Thane (W), Maharashtra - 400 606	<ul style="list-style-type: none"> ■ To approve the related party transactions of the Company. ■ Re-appointment of Dr. Gautam Kumar Das as Joint Managing Director

Details of resolutions passed through Postal Ballot:

During the year ended March 31, 2017, the Company sought the approval of its members, through the postal ballot as mentioned below:

Date of Postal Ballot notice: February 3, 2017

Details of Voting Pattern:

Sr. No.	Item	No. of Valid Votes Polled	Votes Cast	
			For	Against
1.	Ordinary Resolution to approve divestment of Naari Pharma Private Limited, a subsidiary of the Company	66,317,031	66,316,767 (representing 99.99% of the total valid votes polled)	264 (representing 0.01% of the total valid votes polled)

As on date no resolution is proposed to be conducted through postal ballot.

Procedure for Postal Ballot:

- The Board of Directors vide resolution dated February 3, 2017 had appointed Mr. Nilesh Shah, practicing Company Secretary to act as the scrutinizer.
- The dispatch of the postal ballot Notice dated February 3, 2017 together with the Explanatory statement was completed on February 21, 2017 along with the forms and postage prepaid business envelopes to all the shareholders whose names appeared on the Register of Members/ List of beneficial owners as on February 10, 2017. The Company had also published a notice in the newspapers declaring the details of completion of dispatch and such other requirements as mandated under the Act and applicable rules.
- The voting for postal ballot was kept open from February 22, 2017 to March 23, 2017 for both physical and electronic mode.
- Particulars of postal Ballot forms received from the Members using electronic platform of NSDL were entered in a separate register maintained for the purpose.
- All Postal Ballot forms received by the Scrutinizer upto 5 p.m. on March 23, 2017 were considered for scrutiny.



Postal Ballot forms received after the date had not been considered.

- The scrutinizer submitted his report to the Chairman, after the completion of the scrutiny, and the consolidated results of the voting by postal ballot, were then announced on March 24, 2017 as per the Scrutinizer's Report. The results were displayed on the Company's website viz; www.sequent.in and were also being communicated to the stock exchanges, depositories and Registrar and Share Transfer Agent.

7. DISCLOSURES:

- i. The Company has not entered into any transaction of a material nature with the promoters, Directors or Management, their subsidiaries or relatives that may have potential conflict with the interest of the Company at large. The Register of Contracts containing the transactions in which Directors are interested is placed before the Board regularly for its approval. Transactions with related parties are disclosed in Note 40 to the standalone financial statements in the Annual Report.

The Company has formulated policy for Related Party Transactions, Materiality of Related Party Transactions, Dealing with Related Party Transactions & Determination of Material Subsidiaries called as SeQuent Scientific Limited - Policy on Related Party Transactions and the same is displayed on the website of the Company i.e. www.sequent.in (web link : http://www.sequent.in/pdf/policies/Sequent_Policy_on_Determination_of_Material_Subsidiaries.pdf) and http://www.sequent.in/pdf/policies/Sequent_Policy_on_Related_Party_Transactions.pdf

- ii. The Company has complied with the requirements of the Stock Exchanges, Securities and Exchange Board of India ("SEBI") and other statutory authorities on matters relating to capital markets during the last 3 years. No penalties or strictures have been imposed on the Company by the Stock Exchange or SEBI or any statutory authorities relating to the above.
- iii. Company is in compliance with all mandatory requirements of Regulations 17 to 27 and clauses (b) to (i) of sub - regulation (2) of Regulation 46 of the Regulations.

- iv. The Company had appointed Price Waterhouse Coopers LLP, Chartered Accountants as internal auditors of the Company for the financial year 2016-17. The reports of internal auditors are placed before the Audit Committee on a quarterly basis and the risk assessment and mitigation recommendations forms part of their presentation to the Audit Committee.
- v. Pursuant to provisions of Section 177(9) of the Companies Act, 2013 and Listing Regulations, the Company has established the Vigil Mechanism, as part of the Whistle Blower Policy, for the Directors and Employees to report concerns about unethical behaviour, actual or suspected fraud or violation of Company's Code of Conduct.

It also provides adequate safeguards against the victimisation of employees who avail this mechanism and allows direct access to the Chairperson of the Audit Committee in exceptional cases.

The Board amended the existing Whistle Blower Policy to extend the applicability of the Policy to all the stakeholders of the Company and incorporate the applicable provisions of the Listing Regulations in the Policy and confirm that no personnel have been denied access to the Audit Committee.

- vi. During the year ended March 31, 2017, the Company had managed the foreign exchange risk and hedged to the extent considered necessary. The Company enters into forward contracts for hedging foreign exchange exposures against exports and imports. The Company has no commodity price risk and commodity hedging activities.
- vii. Your Company has complied with all the mandatory requirements of the SEBI Listing Regulations relating to Corporate Governance.

In addition to the same, your Company also strives to adhere and comply with the discretionary requirements specified under Regulation 27(1) and Part E of the Schedule II of the Listing Regulations, to the extent applicable,

- a. The Company has appointed separate persons for the post of Chairman and Managing Director.

- b. The Company already has a regime of un-qualified financial statements.
- c. The Internal Auditor is appointed by the Audit Committee and makes a presentation of their findings to the Audit Committee.

8. APPOINTMENT/ RE- APPOINTMENT OF DIRECTOR

Dr. S Devendra Kumar

Dr. S Devendra Kumar, Director of the Company retires by rotation at this ensuing AGM and being eligible has offered himself for re-appointment at the AGM.

Dr. S. Devendra Kumar is a graduate in medicine and is one of the key architects in developing Shasun Pharmaceuticals Limited ("Shasun") and was instrumental in transforming Shasun from a domestic seller to export-oriented Company. He has gained a worldwide reputation for his knowledge in Marketing, Customer Satisfaction, Global Competition and Strategic Thinking.

As on March 31, 2017, Dr. S Devendra Kumar holds NIL shares of the Company and has no outstanding stock options.

Dr. S. Devendra Kumar does not hold directorships and committee memberships in other listed entities.

Dr. S. Devendra Kumar is not related to any other director of the Company.

Details of Shareholding of Non-Executive Directors

The details of shares held by Non-Executive Directors are as under:

Name	No. of shares held as at March 31, 2017
Dr. Gopakumar G Nair	116,740
Dr. Kausalya Santhanam	Nil
Mr. Narendra Mairpady	Nil
Dr. S. Devendra Kumar	Nil
Mr. K E C Raja Kumar	Nil

9. MEANS OF COMMUNICATION:

- (a) The quarterly results are forthwith communicated to the BSE Limited ("BSE") and the National Stock Exchange of India Limited ("NSE") as soon as they are approved and taken on record by the Board of Directors of the Company.

- (b) The results are published generally in The Free Press Journal (English) and Nav-Shakti (Marathi) newspaper.
- (c) The results and share holding pattern of the Company are displayed on the website of the Company i.e. www.sequent.in.
- (d) The official news releases are intimated to stock exchanges (BSE & NSE) and also displayed on the website of the Company i.e. www.sequent.in.
- (e) The presentations made to analysts and investors are displayed on the website of the Company i.e. www.sequent.in.

10. GENERAL SHAREHOLDER INFORMATION:

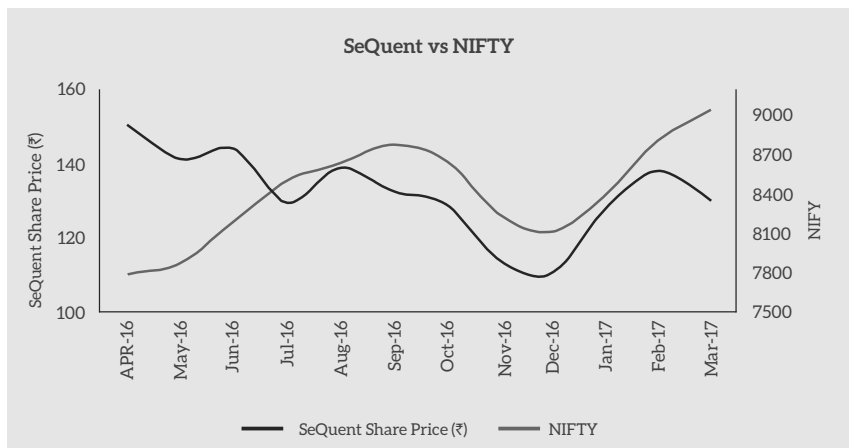
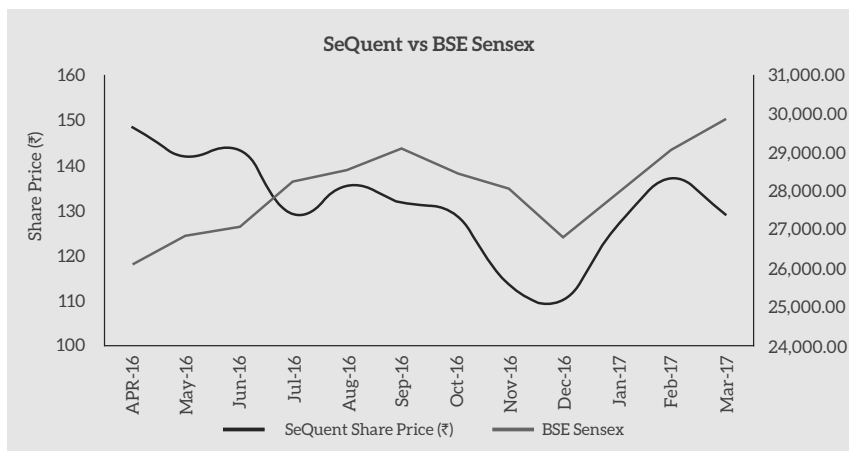
AGM: Date, Time and Venue	Tuesday, September 26, 2017, 11.30 a.m. Hotel Satkar Residency Pokhran Road No. 01, Next to Cadbury Opp. Singhania High School Thane (West) - 400 606
Financial Year	April 1, 2016 to March 31, 2017
Dividend payment date	Not Applicable
Listing on Stock Exchanges	Stock Code : BSE: 512529 BSE Limited Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai - 400 001 NSE: SEQUENT The National Stock Exchange of India Limited Exchange Plaza, Bandra Kurla Complex, Bandra (E), Mumbai - 400 051 Bloomberg: SEQ:IN ISIN : INE807F01027 The Company has paid listing fee for the financial year 2017 -18 to the Stock Exchanges
Registrar & Transfer Agents	Adroit Corporate Services Private Limited 19, Jaferbhoy Industrial Estate, 1st Floor, Makwana Road, Marol Naka, Andheri (E), Mumbai - 400 059, Maharashtra Contact Person: Mr. Sandeep Holon Phone No.+91 22 4227 0400 Email Address: sandeep@adroitcorporate.com
Share transfer system	The shares of the Company are tradable compulsorily in demat mode. Physical share transfers are attended on a regular basis and the Company Secretary is authorized to approve such transfers.
Address for correspondence	Mr. Krupesh Mehta Company Secretary SeQuent Scientific Limited 301, 'Dosti Pinnacle', Plot No.E7, Road No.22, Wagle Industrial Estate, Thane(West) -400 604 Email: investors@sequent.in



Market Price Data (High, Low during each month in financial year 2016-17)

Month	BSE		NSE	
	High	Low	High	Low
	₹	₹	₹	₹
April 2016	175.80	147.50	176.50	145.25
May 2016	166.50	132.90	167.00	110.00
June 2016	154.00	132.95	152.80	131.00
July 2016	148.00	124.75	148.00	124.20
August 2016	147.90	108.00	147.00	106.30
September 2016	148.60	120.00	149.00	115.15
October 2016	134.00	121.35	134.75	121.40
November 2016	133.80	103.00	133.40	106.00
December 2016	115.00	102.00	115.05	106.05
January 2017	134.80	110.00	134.75	110.35
February 2017	150.55	121.15	152.20	121.10
March 2017	140.55	126.00	139.90	125.65

Performance in Share comparison to BSE and NSE Indices



Distribution Schedule as at March 31, 2017:

Slab of Shareholding	No. of Shareholders	% to total number of Shareholders	Total No. of Shares	Amount (in ₹)	% to total paid up capital
1-500	4781	67.01	791,078	1,582,156	0.32
501-1000	745	10.44	625,167	1,250,334	0.26
1001-2000	552	7.74	830,927	1,661,854	0.34
2001-3000	283	3.97	715,239	1,430,478	0.29
3001-4000	129	1.81	459,244	918,488	0.19
4001-5000	132	1.85	630,107	1,260,214	0.26
5001-10000	203	2.85	1,531,191	3,062,382	0.63
10001 & above	310	4.33	238,153,242	476,306,484	97.71
Total	7,135	100.00	243,736,195	487,472,390	100.00

Bifurcation of shares held in physical and demat as at March 31, 2017:

Particulars of Equity Shares	Equity Shares of ₹ 2 each	
	Number	% of Total
NSDL	225,656,689	92.58
CDSL	18,028,231	7.40
Sub-Total	243,684,920	99.98
Physical Form	51,275	0.02
TOTAL	243,736,195	100.00

Shareholding pattern of Equity Shares as at March 31, 2017:

Category	Number of shareholders	Number of shares held	% to total paid up capital
Promoters & Promoter Group Companies	25	139,502,830	57.24
Bodies Corporate	333	23,327,464	9.57
Banks / Mutual Funds/ Financial Institutions (FIs)	11	14,978,039	6.14
Foreign Institutional Investors (FIIs)/ Foreign Portfolio Investors [FPIs]	26	30,576,291	12.54
Non-Resident Individuals (NRIs)/Foreign Corporate Bodies/ Overseas Corporate Bodies (OCBs)/ Foreign Banks	149	7,751,334	3.18
Resident Individuals	6586	25,398,997	10.42
Directors (Excluding promoter directors) & their relatives	3	408,740	0.17
Trusts	2	1,792,500	0.74
Others	Nil	Nil	Nil
TOTAL	7,135	243,736,195	100.00

Dematerialization of shares and liquidity:

The Company's shares are tradable compulsorily in dematerialized form. The Company has established connectivity with both the Depositories viz., National Securities Depository Limited (NSDL) and Central Depository Services (Indi) Limited (CDSL) through Adroit Corporate Services Private Limited, Registrars and Share Transfer Agents. As on March 31, 2017, 243,684,920 shares representing 99.98% of the paid-up share capital of the Company were held in dematerialized mode.



Outstanding ADRs/GDRs/warrants/ other convertible instruments:

The Company has no outstanding GDRs / ADRs / Warrants or any convertible instruments, as of date.

ESOPs:

Our Company has formulated an employee stock option plan titled "SSL ESOP Scheme 2010" (the "ESOP 2010") in accordance with the provisions of Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 (the "SEBI ESOP Guidelines"), pursuant to a special resolution passed by the shareholders of the Company on March 25, 2008 and further modified by the Board in its meetings held on January 27, 2010 and May 28, 2014.

The purpose of ESOP 2010 was to provide the employees with an additional incentive in the form of options to receive the equity shares of the Company

at a future date. The ESOP is aimed to reward employees of our Company for their continuous hard work, dedication and support. The main objective of the ESOP Scheme is to recognize employees who are performing well, a certain minimum opportunity to gain from our Company's performance thereby acting as a retention tool and to attract best talent available in the market.

Under ESOP 2010, our Company has issued and allotted 700,000 Equity Shares of ₹ 10 each at a price of ₹ 113 per Equity Share (prior to sub-division of 1 equity share of ₹ 10 each to 5 equity shares of ₹ 2 each) to SeQuent Scientific Employee Stock Option Plan Trust, an independent ESOP trust. On exercise of the options by the option grantee, the trust transfers the Equity Shares to the eligible employee, in accordance with directions and recommendations of the Nomination & Remuneration / Compensation Committee.

Details with respect to employee stock options under the ESOP 2010 as at March 31, 2017 are provided in the table below:

Sr. No.	Particulars	Number of Equity Shares/ Options (after considering the sub-division of equity shares)
1.	Total number of options outstanding at the beginning of the year	35,45,000
2.	Total number of options granted under ESOP 2010 during the Year	3,45,000
3.	Options vested during the year	11,25,000
4.	Options exercised during the year	5,30,000
5.	Options lapsed or forfeited during the year	4,35,000
6.	Total number of options outstanding at the end of the year	29,25,000

In terms of the provisions of the SEBI (Share Based Employee Benefits) Regulations, 2014, the details of the Stock Options and Restricted Stock Units granted under the above mentioned Schemes are available on your Company's website.

A certificate from M/s. Deloitte Haskins & Sells LLP, Statutory Auditors, with respect to the implementation of the Company's Employee Stock Option Scheme(s), would be placed at the ensuing Annual General Meeting for inspection by the Members and a copy will also be available for inspection at the Registered Office of the Company

Plant Locations

1.	Plot Nos. 7 & 8, MIDC Engineering Zone, Kalyan Badlapur Road, Ambernath, Maharashtra
2.	Plot Nos. 136, 137, 138, 139, 140, 141, 150, 151 & W-152, MIDC, Tarapur, Boisar, Dist Thane, Maharashtra.
3.	Plot Nos. B-32, G-2, G-3, MIDC, Mahad, Dist. Raigad. Maharashtra
4.	Plot Nos. 120 A & B, 36, 120P & 121, Industrial Area, Baikampady, New Mangalore
5.	Plot Nos. 253 & 254, Thandya Industrial Area, Thandavapura, Mysore, Karnataka

11. CODE OF CONDUCT

The Board has prescribed Code of Conduct ("Code") for all Board Members and Senior Management of the Company.

The Code of Conduct is also posted on the website of the Company.

All Board Members and Senior Management personnel have confirmed compliance with the code for the year 2016 - 17.

A declaration to this effect signed by Mr. Manish Gupta, Managing Director and Chief Executive Officer is reproduced below:

In accordance with Regulation 26 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Listing Regulations, I hereby confirm that

All the Members of the Board and the Senior Management Personnel of the Company have affirmed compliance with the Code of Business Conduct and Ethics for the Members of the Board and the Senior Management, as applicable to them, in respect of the Financial Year 2016-17.

Note: The information given herein above is as of March 31, 2017, unless otherwise stated.

Thane
August 3, 2017

For and on **behalf of the Board of Directors**
Sd/-
Mr. Manish Gupta
Managing Director and Chief Executive Officer



INDEPENDENT AUDITOR'S CERTIFICATE

TO THE MEMBERS OF SEQUENT SCIENTIFIC LIMITED

INDEPENDENT AUDITOR'S CERTIFICATE ON CORPORATE GOVERNANCE

1. This certificate is issued in accordance with the terms of our engagement letter dated October 18, 2016.
2. We, Deloitte Haskins & Sell, Chartered Accountants, the Statutory Auditors of SeQuent Scientific Limited ("the Company"), have examined the compliance of conditions of Corporate Governance by the Company, for the year ended on 31 March 2017, as stipulated in Regulations 17 to 27 and clauses (b) to (i) of Regulation 46(2) and para C and D of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the Listing Regulations).

Managements' Responsibility

3. The compliance of conditions of Corporate Governance is the responsibility of the Management. This responsibility includes the design, implementation and maintenance of internal control and procedures to ensure the compliance with the conditions of the Corporate Governance stipulated in Listing Regulations.

Auditor's Responsibility

4. Our responsibility is limited to examining the procedures and implementation thereof, adopted by the Company for ensuring compliance with the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.
5. We have examined the books of account and other relevant records and documents maintained by the Company for the purposes of providing reasonable assurance on the compliance with Corporate Governance requirements by the Company.

6. We have carried out an examination of the relevant records of the Company in accordance with the Guidance Note on Certification of Corporate Governance issued by the Institute of the Chartered Accountants of India (the ICAI), the Standards on Auditing specified under Section 143(10) of the Companies Act 2013, in so far as applicable for the purpose of this certificate and as per the Guidance Note on Reports or Certificates for Special Purposes issued by the ICAI which requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.
7. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

Opinion

8. Based on our examination of the relevant records and according to the information and explanations provided to us and the representations provided by the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in Regulations 17 to 27 and clauses (b) to (i) of Regulation 46(2) and para C and D of Schedule V of the Listing Regulations during the year ended March 31, 2017.
9. We state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

For **Deloitte Haskins & Sells**
Chartered Accountants
(Firm's Registration No. 008072S)

Sathya P. Koushik
Partner
(Membership No. 200920)

Thane
August 3, 2017