

Corporate Governance Report

The detailed report on Corporate Governance as per the format prescribed by SEBI and incorporated in Clause 49 of the Listing Agreement 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 in totality. 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 with right element of independence. As on date the Board consists of

5 (Five) Directors with more than fifty percent of the Board being Non-executive. 2 (Two) Directors on the Board are 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 Clause 49 of the Listing Agreement. The Company has received a 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 Listing Agreement has been issued to Independent Directors of the Company. Terms and Conditions of appointment of Independent Directors is disclosed on the website of the Company i.e. www.sequent.in.

Board Meetings held during the year

During the year ended 31 March 2015, 11 (Eleven) Board Meetings were held. These meetings were held on 23 April 2014 (2 meetings), 28 May 2014, 18 June 2014, 13 August 2014, 15 September 2014, 8 October 2014, 12 November 2014, 20 January 2015, 11 February 2015 and 2 March 2015.

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 31 March 2015:

Sl. No.	Name of the Director	Category of Director	Number of other Directorships	Number of memberships in other Board Committees	Chairmanships in other Board Committees
1.	Dr. Gopakumar G Nair	Independent Non-Executive Director	4	4	3
2.	Mr. Manish Gupta*	Executive Director	1	-	-
3.	Dr. Gautam Kumar Das	Executive Director	3	-	-
4.	Mr. Kannan Ramanujam	Non-Executive Director	5	-	-
5.	Dr. Kausalya Santhanam **	Independent Non-Executive Director	-	-	-
6.	Mr. K R Ravishankar ***	Non-Executive Director	1	-	-

*Mr. Manish Gupta was appointed as an Additional Director and Managing Director on 12 November 2014 and members have approved his appointment as a Director and a Managing Director at their Extraordinary General Meeting held on 2 March 2015.

**Dr. Kausalya Santhanam was appointed as an Additional Director on the Board of Directors of the Company on 28 October 2014 and members have approved her appointment as a Director and Independent Director at their Extraordinary General Meeting held on 2 March 2015.

*** Mr. K R Ravishankar ceased to be a Director of the Company with effect from 29 September 2014.

Notes:

- No. of other directorships include directorships in Public Limited Companies and Private Limited Companies and Alternate Directorships, if any and exclude Foreign Companies and Companies under Section 8 of the Companies Act, 2013.
- The disclosure excludes directorships and the committee chairmanships and memberships in the Company.
- The disclosure includes memberships and chairmanships of mandatory committees as mandated by listing agreement viz. Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee and excludes all other memberships and chairmanships in other committees.
- No. of committee memberships and chairmanships in all Public Limited Companies and Private Limited Companies are considered for the purpose of disclosure and all other companies including Foreign Companies and Companies under Section 8 of the Companies Act, 2013 have been excluded.
- None of the Directors holds directorships in more than twenty companies, memberships in more than ten Committees and chairmanships in more than five Committees across all companies in which he/she is a Director.

6. None of the Directors is related to any other Director in the Company.

Performance evaluation of Independent Directors

The Board of Directors will evaluate the performance of independent directors on annual basis as per the policy laid down by the Nomination & Remuneration Committee. Based on the report of performance evaluation, the Company will determine whether to extend or continue the term of appointment of the Independent Director.

Separate Meeting of Independent Directors

In terms of provisions of the Companies Act, 2013 and the Listing Agreement effective from 1 October 2014, the Independent Directors meet at least once in a year without the presence of Non-Independent Directors inter-alia to review the performance of Non-Independent Directors, the Board and the Chairperson and also to assess quality, quantity and timeliness of flow of information between the company management and the Board that is necessary for the Board to effectively and reasonably perform their duties. This meeting was held on 30 July 2015.

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 such familiarization programme is disclosed on the website of the Company i.e., www.sequent.in.

Attendance at Board Meetings and last Annual General Meeting

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

Sl. No.	Name of the Director	No. of Meetings Held	Attendance at the Board Meetings	Attendance at the Last AGM
1.	Dr. Gopakumar G Nair	11	9	Present
2.	Mr. Manish Gupta*	11	3	Present
3.	Dr. Gautam Kumar Das	11	11	Present
4.	Mr. Kannan Ramanujam	11	7	Present
5.	Dr. Kausalya Santhanam**	11	4	-
6.	Mr. K R Ravishankar***	11	-	-

* Mr. Manish Gupta was appointed as an Additional Director and Managing Director on 12 November 2014 and members have approved his appointment as a Director and a Managing Director at their Extraordinary General Meeting held on 2 March 2015.

**Dr. Kausalya Santhanam was appointed as an Additional Director on the Board of Directors of the Company on 28 October 2014 and members have approved her appointment as a Director and Independent Director at their Extraordinary General Meeting held on 2 March 2015.

*** Mr. K R Ravishankar ceased to be a Director of the Company with effect from 29 September 2014 and he has not attended any of the meetings held during the financial year 2014-15 till his tenure as a Director of the Company due to health reasons.

3. AUDIT COMMITTEE:

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.

The Audit Committee has the following responsibilities/ powers:

1. To investigate any activity within its terms of reference.
2. To seek information from any employee.
3. To obtain outside legal or other professional advice.
4. 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:

1. 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;
2. Recommendation for appointment, remuneration and terms of appointment of auditors of the company;
3. Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
4. Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the Board for approval, with particular reference to:
 - a. 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.
 - b. Changes, if any, in accounting policies and practices and reasons for the same.
 - c. Major accounting entries involving estimates based on the exercise of judgment by management.
 - d. Significant adjustments made in the financial statements arising out of audit findings.
 - e. Compliance with listing and other legal requirements relating to financial statements.
 - f. Disclosure of any related party transactions.
 - g. Qualifications 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 (i.e., the Whole-time Finance Director or any other person heading the finance function or discharging that function) 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. 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 31 March 2015, 4 (Four) Audit Committee Meetings were held. These meetings were held on 28 May 2014, 13 August 2014, 12 November 2014 and 11 February 2015.

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

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

Sl. No.	Name of the Member	Chairman/Member	No. of Meetings held	No. of Meetings attended
1.	Dr. Gopakumar G Nair	Chairman	4	4
2.	Mr. Kannan Ramanujam	Member	4	4
3.	Dr. Kausalya Santhanam*	Member	4	2
4.	Mr. K R Ravishankar**	Member	4	-

*Dr. Kausalya Santhanam was inducted to the Audit Committee as its member on 28 October 2014.

** Mr. K R Ravishankar ceased to be a member of the Company pursuant to re-constitution of the Committee on 13 August 2014.

The Company had re-constituted the Committee on 12 November 2014. Pursuant to this Dr. Gopakumar G Nair has become Chairman of the Committee and Dr. Gautam Kumar Das ceased to be a member of the Committee with effect from 12 November 2014.

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

4. NOMINATION AND REMUNERATION COMMITTEE

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.

Composition of Nomination and Remuneration Committee

As on date members of the Nomination and Remuneration Committee are Dr. Kausalya Santhanam and Dr. Gopakumar G Nair, Non-Executive Independent Directors of the Company and Mr. Kannan Ramanujam, Non-Executive Director of the Company. During the year ended 31 March 2015, 2 (Two) Nomination and Remuneration Committee meetings were held. These meetings were held on 28 May 2014 and 12 November 2014.

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

Sl. No.	Name of the Member	Chairman/Member	No. of Meetings held	No. of Meetings attended
1.	Dr. Kausalya Santhanam*	Chairman	2	1
2.	Dr. Gopakumar G Nair	Member	2	2
3.	Mr. Kannan Ramanujam	Member	2	2

*Dr. Kausalya Santhanam was inducted to the Nomination and Remuneration Committee as its member on 28 October 2014.

The Company had re-constituted the Committee on 12 November 2014. Pursuant to this Dr. Kausalya Santhanam has been nominated as Chairman of the Committee.

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.

Remuneration paid to Directors						(₹ in Million)
Name of the Director	Salary	Benefits	Bonus	Sitting Fees	Variable Pay	Total
Mr. Manish Gupta (Managing Director)	3.52	-	-	-	-	3.52
Dr. Gautam Kumar Das (Joint Managing Director)	10.62	-	-	-	-	10.62
Dr. Gopakumar G Nair (Independent Director)	-	-	-	0.46	-	0.46
Mr. Kannan Ramanujam (Non-Executive Director)	-	-	-	0.35	-	0.35
Dr. Kausalya Santhanam (Independent Director)	-	-	-	0.24	-	0.24
Mr. K R Ravishankar* (Non-Executive Director)	-	-	-	-	-	-

*Mr. K R Ravishankar ceased to be a Director of the Company with effect from 29 September 2014.

Note: Mr. Manish Gupta and Dr. Gautam Kumar Das also received managerial remuneration of ₹. 3.41 Million and ₹. 2.95 Million respectively from Alivira Animal Health Limited, a subsidiary of the Company for the year 2014-15.

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.

As on 31 March 2015, the Company has granted 400,000 stock options to Mr. Manish Gupta out of which 25,000 stock options have vested on him and 50,000 stock options have been granted to Dr. Gautam Kumar Das out of which 12,500 stock options have vested on him of which 12,500 stock options have been exercised.

5. STAKEHOLDERS RELATIONSHIP COMMITTEE

The Stakeholders Relationship committee has been constituted in terms of the provisions related thereto in the Companies Act, 2013 and Listing agreement as entered with the Stock Exchange 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.

The Committee, previously known as Shareholders/ Investors Grievance Committee was renamed as Stakeholders Relationship Committee on 28 May 2014

to be in line with the Companies Act, 2013 and the recently amended Clause 49 of the Listing Agreement.

As on date the Committee comprises of two Independent Directors and one Non-Executive Director of the Company. The Committee is Chaired by Mr. Kannan Ramanujam, a Non-Executive Director of the Company.

During the year ended 31 March 2015, 4 (Four) Meetings were held. These meetings were held on 28 May 2014, 13 August 2014, 12 November 2014 and 11 February 2015.

Sl. No.	Name of the Member	Chairman/ Member	No. of Meetings held	No. of Meetings attended
1.	Mr. Kannan Ramanujam	Chairman	4	4
2.	Dr. Gopakumar G Nair	Member	4	3
3.	Dr. Kausalya Santhanam*	Member	4	2
4.	Dr. Gautam Kumar Das**	Member	4	1
5.	Mr. K R Ravishankar***	Member	4	-

*Dr. Kausalya Santhanam was inducted to the Stakeholders Relationship Committee as its member on 28 October 2014.

**Subsequent to the re-constitution of Stakeholders Relationship Committee on 12 November 2014, Dr. Gautam Kumar Das ceased to be a member of the Committee.

***Mr. K R Ravishankar ceased to be a member of the Committee pursuant re-constitution of the Committee on 13 August 2014.

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.

Shareholders Complaint details

The Company has not received any complaints from the shareholders during the period 1 April 2014 to 31 March 2015.

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

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

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
2011-12	26 September 2012 11.30 a.m.	Hotel Fortune Park Lake city Thane (W), Mumbai- 400 604	1. Allotment of 2,100,000 warrants to promoter group entities 2. Increase in managerial remuneration of Dr. Gautam Kumar Das
2012-13	27 September 2013 11.30 a.m.	Hotel Satkar Residency, Thane (W) Mumbai-400 606	1. Re-appointment, re-designation and revision of remuneration of Dr. Gautam Kumar Das
2013-14	29 September 2014 11.30 a.m.	Hotel Satkar Residency, Thane (W) Mumbai-400 606	1. Revision in remuneration of Dr. Gautam Kumar Das, Joint Managing Director 2. Borrowing Limits of the Company 3. Creation of Charge/ Security over the assets of the Company

Details of Extraordinary General Meetings of the Company held during the year 2014-15:

Date and Time	Venue	Special Resolutions passed
21 May 2014 12.00 noon	Hotel "The HHI Select", 686, 15th Cross, Ring Road, 2nd Phase, J P Nagar, Bangalore- 560078	<ol style="list-style-type: none"> 1. Approval for investing in shares / convertible warrants or other kind of securities of M/s. Shasun Pharmaceuticals Limited. 2. Approval for increase in the Authorized capital of the Company and amendment to the capital clauses of Memorandum of Association and Articles of Association. 3. Approval for the issue of upto 2,000,000 warrants on preferential basis to the promoters and / or entity / entities of the promoter group of the Company.
1 July 2014 12.00 noon	Hotel "The HHI Select", 686, 15th Cross, Ring Road, 2nd Phase, J P Nagar, Bangalore- 560078	<ol style="list-style-type: none"> 1. Approval for the issue of upto 3,000,000 warrants on preferential basis to the promoters and / or entity / entities of the promoter group of the Company.
2 March 2015 12.00 noon	Hotel "The HHI Select", 686, 15th Cross, Ring Road, 2nd Phase, J P Nagar, Bangalore- 560078	<ol style="list-style-type: none"> 1. Appointment of Mr. Manish Gupta as a Managing Director of the Company. 2. Approval for the related party transactions of the Company.
31 March 2015 12.00 noon	Hotel "The HHI Select", 686, 15th Cross, Ring Road, 2nd Phase, J P Nagar, Bangalore- 560078	<ol style="list-style-type: none"> 1. Approval for the issue of upto 2,200,000 warrants on preferential basis to Promoters/ Promoter Group and Non-promoters. 2. To make investment upto ₹ 400 Crore in excess of the limit specified under Section 186 (2) of the Companies Act, 2013.

Details of resolutions passed through Postal Ballot:

During the year ended 31 March 2015, the Company sought the approval of its members, through the postal ballot notices dated below:

1. 12 March 2014:

Details of Voting Pattern:

Sl. No.	Item	No. of Valid Votes Polled	Votes Cast	
			For	Against
1.	Approval under Sec 180(1)(a) of the Companies Act, 2013 for hiving off the Specialty Chemicals Division of the Company.	17,849,061	17,847,181 (representing 99.989% of the total valid votes polled)	1,880 (representing 0.011% of the total valid votes polled)

Mr. Binoy Chacko, Practicing Company Secretary was appointed as Scrutinizer to conduct the postal ballot exercise.

The resolution was passed on 23 April 2014.

The Company followed the procedure as provided in Companies (Passing of Resolution by Postal Ballot) Rules, 2001 and any amendments thereto to conduct postal ballot.

2. 18 June 2014:

Details of Voting Pattern:

Sl. No.	Item	No. of Valid Votes Polled (including votes polled by e-Voting)	Votes Cast	
			For	Against
1.	Special Resolution pursuant to Section 180 (1) (a) of the Act for the slump sale of Company Veterinary Formulations Division along with all related assets and liabilities of the Company to M/s. Alivira Animal Health Limited, a Joint Venture between the Company and M/s. Shasun Pharmaceuticals Limited	16,930,636	16,930,636 (representing 100% of the total valid votes polled)	-
2.	Special Resolution to confirm and ratify the Corporate Guarantee given by the Company to EXIM Bank for the loan obtained by Alivira Animal Health Limited	16,930,636	16,930,636 (representing 100% of the total valid votes polled)	-
3.	Special Resolution to approve the amendment to Sequent Scientific Limited Employee Stock Option Plan - 2010	16,928,402	16,928,402 (representing 100% of the total valid votes polled)	-
4.	Special Resolution to grant employee stock options to Mr. Manish Gupta, Chief Executive Officer	16,930,236	16,930,216 (representing 100% of the total valid votes polled)	20 (representing 0% of the total valid votes polled)
5.	Special Resolution to increase the authorized capital of the Company and to amend the capital clauses of Memorandum of Association and Articles of Association thereof.	16,930,636	16,930,636 (representing 100% of the total valid votes polled)	-
6.	Special Resolution to approve the raising of funds upto ₹ 400 Crores by way of a public issue, qualified institutional placement or a combination thereof	16,930,636	16,930,636 (representing 100% of the total valid votes polled)	-
7.	Special Resolution to permit FIIs / QFIs / FPIs to invest in the equity shares of the Company by purchase or acquisition from the market under the Portfolio Investment Scheme prescribed under FEMA upto 49% of the paid up capital of the Company	16,930,636	16,930,636 (representing 100% of the total valid votes polled)	-

Mr. Binoy Chacko, Practicing Company Secretary was appointed as Scrutinizer to conduct the postal ballot exercise.

All resolutions were passed on 2 August 2014.

The Company followed the procedure as provided in Section 110 of the Companies Act, 2013 and Rule 22 of Companies (Management and Administration) Rules, 2014.

7. DISCLOSURES:

- i. The Company has not entered into any transaction of a material nature with the

promoters, Directors, 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 28.2 (B) to the 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
- 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 Clause 49 of the listing agreement.
- iv. The Company had appointed M/s. Grant Thornton India LLP, Chartered Accountants as Internal Auditors of the Company for the financial year 2014-15. The reports of Internal Auditors are regularly being 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. The Company has appointed separate persons for the post of Chairman and Managing Director.
- vi. Board of Directors at its meeting held on 28 May 2014 has approved the implementation of Whistle Blower Policy namely "Sequent Whistle Blower Policy" throughout the Company in order to curb the unethical or improper behaviour/ practices or alleged wrongful conduct or violation of Code of Conduct of the Company or applicable laws, frauds, bribery, corruption, employee misconduct, illegality, health, safety & environmental issues or misappropriation of Company funds or assets within the Company or by the Company. This policy helps in providing a mechanism for personnel to report to the Authority concerns about unethical behaviour, actual or suspected fraud or violation of the company's code of conduct or ethics policy. No person has been denied access to the Audit Committee under the policy. The policy is displayed on the website of the Company i.e. www.sequent.in
- vii. The Company appointed Dr. Gopakumar G Nair and Dr. Kausalya Santhanam, Independent Directors of the Company on the Board of Alivira Animal Health Limited, India, a material unlisted subsidiary as Independent Directors.
- viii. The Board reviewed the minutes of the Board Meeting of unlisted subsidiaries and the statement of all significant transactions and arrangements entered into by unlisted subsidiaries.

8. APPOINTMENT/RE-APPOINTMENT OF DIRECTOR

Mr. Kannan Ramanujam (DIN: 00190637), Non-Executive Director of the Company retires by rotation at this ensuing Annual General Meeting ("AGM") and being eligible has offered himself for re-appointment at the AGM.

Mr. Kannan Ramanujam, a Chartered Accountant by qualification, has over 25 years of business and professional experience. He is the Promoter, CEO and Managing Director of Emerge Learning Services Private Limited, a company present in the learning space. The company offers complete solutions in education, training, e-governance and information management areas.

As on 31 March 2015, Mr. Kannan Ramanujam holds nil shares of the Company.

Details of other directorships/ committee memberships of Mr. Kannan Ramanujam

Sl. No.	Name of Company	Committee Membership
1.	Emerge learning Services Private Limited	-
2.	G K Management Services (India) Limited	-
3.	CMTES informatics Private Limited	-
4.	Blueshift Information Systems Private Limited	-
5.	Emerge Vocational Skills Private Limited	-

At the Board Meeting held on 30 July 2015 the Board of Directors appointed Mr. Narendra Mairpady (DIN: 00536905) as an Additional Director (Independent Director) with effect from 1 August 2015. As per Section 161 of the Companies Act, 2013 ("the Act"), an Additional Director shall hold office up to the date of next Annual General Meeting or the last date on which the Annual General Meeting should have been held, whichever is earlier and his/ her appointment as a Director of the Company has to be approved by the members of the Company. Further as per Section 149 (4) of the Act read with amended Clause 49 of the Listing Agreement, the Company proposes to appoint Mr. Mairpady as an Independent Director to hold the office for a period of 5 (Five) years from 1 August 2015. A proposal will be placed before the members at the ensuing Annual General Meeting for his appointment as an Independent Director.

Mr. Narendra Mairpady is a commerce graduate with a Bachelor of Law Degree. He is a certified Member of the Indian Institute of Bankers. Mr. Mairpady started his banking career when he joined Corporation Bank as a Trainee Officer in January 1975. In Corporation Bank, his hard work and dedication earned him the recognition of being a member of Chairman's Club for eight years in a row and 18 more years. He joined Bank of India as Executive Director in November 2008. During his association with Bank of India, the Bank won many awards. He joined Indian Overseas Bank ("IOB") as the Chairman & Managing Director on November 1, 2010 and retired on superannuation on 31 July 2014. During his tenure in IOB, the Bank won many awards including National Award for Excellence in MSE lending for the years 2010-11 and 2011-12.

As on 31 March 2015, Mr. Narendra Mairpady holds nil shares of the Company.

Details of other directorships/ committee memberships of Mr. Narendra Mairpady

Sl. No.	Name of Company	Committee Membership
1.	LIC Housing Finance Limited	-
2.	SICOM Limited	Nomination & Remuneration Committee Audit Committee

Details of Shareholding of Non-Executive Directors

In terms of Clause 49(IV)(E)(iv) of the Listing Agreement, the details of shares held by Non-Executive Directors are as under:

Name	No. of shares held as at 31 March 2015
Dr. Gopakumar G Nair	23,348
Mr. Kannan Ramanujam	Nil
Dr. Kausalya Santhanam	Nil

9. MEANS OF COMMUNICATION:

- The quarterly results are forthwith communicated to the Bombay Stock Exchange as soon as they are approved and taken on record by the Board of Directors of the Company.
- The results are published in the newspapers namely The Free Press Journal (English), The Business Standard (English) and Nav-Shakti (Marathi).
- The results and share holding pattern of the Company are displayed on the website of the Company i.e. www.sequent.in.

- The official news releases, if released will be intimated to stock exchange and also displayed on the website of the Company.
- The presentations made to analysts and investors are displayed on the website of the Company i.e. www.sequent.in.

10. GENERAL SHAREHOLDER INFORMATION

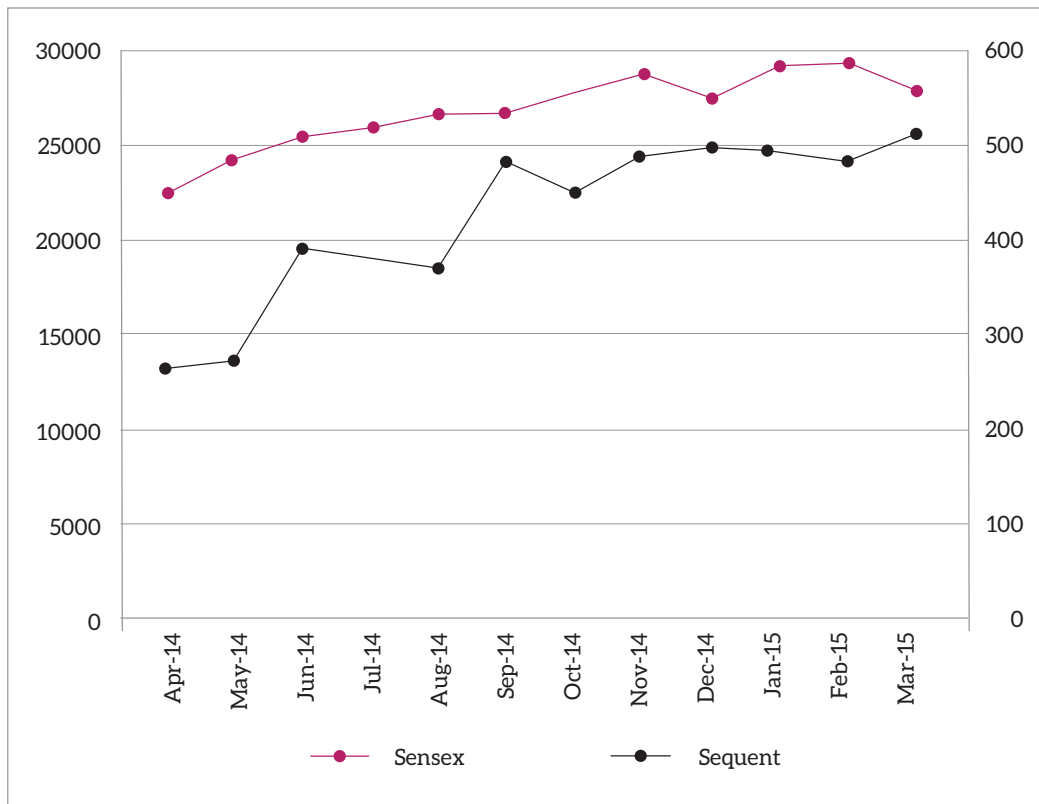
AGM: Date, Time and Venue	Thursday, 24 September 2015, 10.30 a.m. Hotel Satkar Residency Pokhran Road No. 01, Next to Cadbury Opp. Singhania High School Thane (W) - 400 606, Maharashtra
Financial Year	1 April 2014 to 31 March 2015
Date of Book Closure	19 September 2015 to 24 September 2015 (both days inclusive)
Listing on Stock Exchanges	The equity shares of the Company are listed on the Bombay Stock Exchange Limited Stock Code : 512529 ISIN : INE807F01019 The Company has paid listing fee for the year 2015 -16 to the Stock Exchange and there are no outstanding payments from the Company.
Registrar & Transfer Agents	M/s. Adroit Corporate Services Private Limited 19, Jaferbhoy Industrial Estate, 1st Floor, Makwana Road, Marol Naka, Andheri (E), Mumbai - 400 059, Maharashtra Contact Person: Mr. Pratap Pujare Phone No.+91 22 4227 0423 Email Address: pratapp@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. Preetham Hebbar Company Secretary Sequent Scientific Limited Corporate Office, Star -I , Opp IIM - B, Bilekahalli, Bannerghatta Road, Bangalore - 560 076, Karnataka Phone No. +91 80 6784 0338 Email: Preetham.Hebbar@sequent.in

Market Price Data (High, Low during each month in financial year 2014-15)

Month	High Price	Low Price
Apr-14	274	190
May-14	277.55	220
Jun-14	405.40	241.65
Jul-14	406	345
Aug-14	390	350
Sep-14	507.95	364
Oct-14	505.10	410.05
Nov-14	505	391.15
Dec-14	567	452.60
Jan-15	515	475
Feb-15	500	440.10
Mar-15	584	461.10

Performance in comparison to SENSEX: Monthly Closing price analysis

Month	Sensex	Sequent
Apr-14	22417.80	265.80
May-14	24217.34	273.85
Jun-14	25413.78	390.90
Jul-14	25894.97	383.35
Aug-14	26638.11	371.75
Sep-14	26630.51	481.05
Oct-14	27865.83	450
Nov-14	28693.99	487.40
Dec-14	27499.42	494.90
Jan-15	29182.95	493.50
Feb-15	29361.5	484.10
Mar-15	27957.49	511.60



Distribution Schedule as at 31 March 2015:

Slab of Shareholding	No. of Shareholders	% to total number of Shareholders	Total No. of Shares	Amount (in ₹)	% to total paid up capital
1-500	2,589	81.16	308,511	3,085,110	1.01
501-1000	237	7.43	191,704	1,917,040	0.63
1001-2000	151	4.73	228,915	2,289,150	0.75
2001-3000	66	2.07	170,362	1,703,620	0.56
3001-4000	22	0.69	79,554	795,540	0.26
4001-5000	28	0.88	134,729	1,347,290	0.44
5001-10000	41	1.29	316,742	3,167,420	1.04
10001 & above	56	1.75	29,054,674	290,546,740	95.31
Total	3,190	100	30,485,191	304,851,910	100

Bifurcation of shares held in physical and demat as at 31 March 2015:

Particulars	No. of Shareholders	% to total number of Shareholders	Total No. of Shares	Amount (in ₹)	% to total paid up capital
Shares held in Electronic Mode	3,185	99.84	30,474,936	304,749,360	99.97
Shares held in physical mode	5	0.16	10,255	102,550	0.03
Total	3,190	100	30,485,191	304,851,910	100

Shareholding pattern of Equity Shares as at 31 March 2015:

Category	No. of Shareholders	Number of shares held	% to total paid up capital
Promoters & Promoter Group Companies	8	21,042,832	69.03
Bodies Corporate	149	1,064,188	3.49
Banks / Mutual Funds/ Financial Institutions (FIs)	4	1,062,254	3.48
Foreign Institutional Investors (FIIs)	4	2,012,351	6.60
Non-Resident Individuals (NRIs)/Foreign Corporate Bodies/ Overseas Corporate Bodies (OCBs)/ Foreign Banks	82	1,309,069	4.30
Resident Individuals	2,925	3,348,596	10.98
Directors (Excluding Promoter Directors) & their relatives	3	36,848	0.12
Trusts	1	582,500	1.91
Others	14	26,553	0.09
Total	3,190	30,485,191	100

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 (India) Limited through Adroit Corporate Services Private Limited, Registrars and Share Transfer Agents. As on 31 March 2015, 30,474,936 shares representing 99.97% of the paid-up share capital of the Company were in dematerialized mode.

Outstanding ADRs/GDRs/ Convertible Warrants (“Warrants”)/ other Convertible Instruments:**Warrants:**

As on date, the total outstanding warrants issued to Promoter Group are 3,900,000. The details of warrants are given below:

Financial Year	Date of Issue	Allottee Details	No. of Warrants	Issue Price including premium (in ₹)	No. of warrants outstanding as on 31 March 2015	No. of warrants converted from 1 April 2015 to 30 July 2015	No. of warrants outstanding as on 30 July 2015
2014-15	28 May 2014	Agnus Capital LLP	1,000,000	222.15	1,000,000	1,000,000	-
		Chayadeep Ventures LLP	1,000,000	222.15	1,000,000	1,000,000	-
	11 July 2014	Agnus Capital LLP	500,000	236.00	500,000	-	500,000
		Chayadeep Ventures LLP	500,000	236.00	500,000	200,000	300,000
		Pronomz Ventures LLP	2,000,000	236.00	2,000,000	-	2,000,000
2015-16	11 April 2015	Pronomz Ventures LLP	1,100,000	475.00	-	-	1,100,000
	13 April 2015	Mr. Shivanand Shankar Mankekar HUF jointly with Mr. Kedar Shivanand Mankekar	1,100,000	475.00	-	1,100,000	-
Total			7,200,000		5,000,000	3,300,000	3,900,000

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 (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999, as amended (the “SEBI ESOP Guidelines”), pursuant to a special resolution passed by the shareholders of the Company on 8 March 2008 and further modified by the Board in its meetings held on 27 January 2010 and 28 May 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 at a price of ₹ 113 per Equity Share 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 and Remuneration / Compensation Committee.

Details with respect to employee stock options under the ESOP 2010 as at 31 March 2015 are provided in the table below:

Sl. No.	Particulars	Number of Equity Shares/Options
1.	Total number of options outstanding at the beginning of the year	570,000
2.	Total number of options granted under ESOP 2010 during the year	380,000
3.	Options vested during the year	142,500
4.	Options exercised during the year	117,500
5.	Options lapsed or forfeited during the year	60,000
6.	Total number of options outstanding at the end of the year (6=1+2-4-5)	772,500
7.	Total number of options available for grant	1,010,000

As at 31 March 2015 the Company has no outstanding ADRs and GDRs.

Plant Locations of the Company

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, Karnataka
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 2014-15.

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

"I confirm that the Company has in respect of the year ended 31 March 2015, received from its Board Members as well as Senior Management Personnel affirmation as to compliance with the Code of Conduct."

Mr. Manish Gupta
Managing Director

TO THE MEMBERS OF SEQUENT SCIENTIFIC LIMITED

We have examined the compliance of conditions of corporate governance by Sequent Scientific Limited (“the Company”) for the year ended on 31 March 2015, as stipulated in Clause 49 of the Listing Agreement of the said Company with the stock exchange.

The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination has been limited to a review of the procedures and implementations thereof, adopted by the Company for ensuring compliance with the conditions of Corporate Governance. It is neither an audit nor an expression of opinion of the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, and the representations made by the Directors and the management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in clause 49 of the above-mentioned Listing Agreement. We further 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)

V. Srikumar

Partner
(Membership No. 84494)

Place: Bangalore
Date: 30 July 2015