

**SEQUENT CODE OF CONDUCT FOR INSIDER TRADING
(Code of Conduct to Regulate, Monitor and Report Trading by Insiders and Code of
Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive
Information)**

Preamble:

The Securities and Exchange Board of India (SEBI) has recently notified Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 which is effective from May 15, 2015, (hereinafter referred to as the "Regulations"). The Regulations will replace the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992. In terms of the Regulations the Company has to frame a Code of Conduct to regulate, monitor and report Trading by Insiders and formulate Code of Practices and Procedures for fair disclosure of Unpublished Price Sensitive Information.

In line with the said Regulations, the Company has formulated Sequent Code of Conduct for Insider Trading (hereinafter referred to as the "Code") adopted by the Board of Directors of the Company at its meeting held on February 11, 2015 effective from May 15, 2015 and further amended at the Board Meeting held on May 14, 2016.

Definitions:

In this Code unless the context otherwise requires:

- (a) "Act" means the Securities and Exchange Board of India Act, 1992 (15 of 1992);
- (b) "Board" means the Securities and Exchange Board of India;
- (c) "Company" means Sequent Scientific Limited (hereinafter referred as Sequent), its Subsidiaries and Joint Ventures.
- (d) "Compliance Officer" means the Company Secretary of the Company who shall report to the Board of Directors.
- (e) "Connected Person" means,-
 - i. any person who is or has during the six months prior to the concerned act been associated with a company, directly or indirectly, in any capacity including by reason of frequent communication with its officers or by being in any contractual, fiduciary or employment relationship or by being a director, officer or an employee of the company or holds any position including a professional or business relationship between himself and the company whether temporary or permanent, that allows such person, directly

or indirectly, access to unpublished price sensitive information or is reasonably expected to allow such access.

- ii. Without prejudice to the generality of the foregoing, the persons falling within the following categories shall be deemed to be connected persons unless the contrary is established, -
- (a) an immediate relative of connected persons specified in clause (i); or
 - (b) a holding company or associate company or subsidiary company; or
 - (c) an intermediary as specified in section 12 of the Act or an employee or director thereof; or
 - (d) an investment company, trustee company, asset management company or an employee or director thereof; or
 - (e) an official of a stock exchange or of clearing house or corporation; or
 - (f) a member of board of trustees of a mutual fund or a member of the board of directors of the asset management company of a mutual fund or is an employee thereof; or
 - (g) a member of the board of directors or an employee, of a public financial institution as defined in section 2 (72) of the Companies Act, 2013; or
 - (h) an official or an employee of a self-regulatory organization recognised or authorized by the Board; or
 - (i) a banker of the company; or
 - (j) a concern, firm, trust, Hindu undivided family, company or association of persons wherein a director of a company or his immediate relative or banker of the company, has more than ten per cent. of the holding or interest;

(f) "Designated Employee" shall include -

- (i) All the employees of the Company in the cadre of Vice President and above
- (ii) All employees working in Company Secretariat & Legal Department of the Company.
- (iii) Employees working in /connected to the Office of Managing Director's and Chief Executive Officer's Office.
- (iv) Such Employees of the Company from time to time as in the opinion of the Management are likely to be in the possession of Price Sensitive Information.

(g) "Director" means a member of the Board of Directors of the Company.

(h) "Employee" means every employee of the Company including the Directors in the employment of the Company.

- (i) "Generally available information" means information that is accessible to the public on a non-discriminatory basis;
- (j) "Immediate relative" means a spouse of a person, and includes parent, sibling, and child of such person or of the spouse, any of whom is either dependent financially on such person, or consults such person in taking decisions relating to trading in securities;
- (k) "Insider" means any person who is:
 - i. a Director of the Company
 - ii. a Connected Person; or
 - iii. a Designated Employee or
 - iv. in possession of or having access to unpublished price sensitive information;
- (l) "Promoter" shall have the meaning assigned to it under the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 or any modification thereof;
- (m) "Securities" shall have the meaning assigned to it under the Securities Contracts (Regulation) Act, 1956 (42 of 1956) or any modification thereof except units of a mutual fund;
- (n) "Designated Persons" means the Employees and connected persons designated on the basis of their functional role in the Company.
- (o) "Takeover regulations" means the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 and any amendments thereto;
- (p) "Trading" means and includes subscribing, buying, selling, dealing, or agreeing to subscribe, buy, sell, deal in any securities, and "trade" shall be construed accordingly ;
- (q) "Trading day" means a day on which the recognized stock exchanges are open for trading;
- (r) "Trading Window" means the period during which Employees of the Company can trade in the Company's securities.
- (s) "Unpublished price sensitive information" (hereinafter referred to as "UPSI") means any information, relating to a company or its securities, directly or indirectly, that is not generally available which upon becoming generally available, is likely to materially affect the price of the securities and shall, ordinarily including but not restricted to, information relating to the following:

- i. financial results;
- ii. dividends;
- iii. change in capital structure;
- iv. mergers, de-mergers, acquisitions, de-listings, disposals and expansion of business and such other transactions;
- v. changes in key managerial personnel; and
- vi. material events in accordance with the listing agreement

Scope of the Policy:

This policy is applicable to every Insider of the Company.

Duties, Roles and Responsibilities of Compliance Officer:

- (a) The Compliance Officer shall be responsible for setting forth policies, procedures, monitoring adherence to the rules for the preservation of UPSI, pre-clearing of trades of the Insiders of the Company and the implementation of the Code under the overall supervision of the Board of the Company.
- (b) The Compliance Officer shall administer the Code and other requirements as per the Regulations.
- (c) The Compliance Officer shall approve the trading plan of an insider and notify the plan to the stock exchange.
- (d) The compliance officer shall review the trading plan to assess whether the plan would have any potential for violation of these regulations and shall be entitled to seek such express undertakings as may be necessary to enable such assessment and to approve and monitor the implementation of the plan.
- (e) The Compliance Officer shall maintain a record of the designated employees of the Company and any changes made in the list of designated employees of the Company.
- (f) The Compliance Officer shall assist all the Directors, the Insiders and all the employees of the Company in addressing any clarifications regarding the Regulations and the Code.
- (g) The Compliance Officer shall report to the Board of Directors and in particular, shall provide reports to the Chairman of the Audit Committee, if any, or to the Chairman of the board of directors at such frequency as may be stipulated by the board of directors.

- (h) The compliance officer shall confidentially maintain a list of such securities as a “restricted list” which shall be used as the basis for approving or rejecting applications for preclearance of trades.
- (i) The Compliance Officer shall maintain all the disclosures made by the insiders for a minimum period of five years.

Communication or procurement of unpublished price sensitive information:

No insider shall communicate, provide or allow access to any UPSI relating to the Company to any person including other insiders except where such communication is in furtherance of legitimate purposes, performance of duties or discharge of legal obligations.

No person shall procure from or cause the communication by any insider of UPSI, relating to the Company except in furtherance of legitimate purposes, performance of duties or discharge of legal obligations.

Trading by an Insider:

No insider shall trade in securities of Sequent when he/ she is in the possession of unpublished price sensitive information:

Provided that the insider may prove his innocence by demonstrating the circumstances including the following:

- a. the transaction is an off-market *inter-se* transfer between promoters who were in possession of the same unpublished price sensitive information and both parties had made a conscious and informed trade decision;
- b. in the case of non-individual insiders: –
 - i. the individuals who were in possession of such unpublished price sensitive information were different from the individuals taking trading decisions and such decision-making individuals were not in possession of such unpublished price sensitive information when they took the decision to trade; and
 - ii. appropriate and adequate arrangements were in place to ensure that the regulations are not violated and no unpublished price sensitive information was communicated by the individuals possessing the information to the individuals taking trading decisions and there is no evidence of such arrangements having been breached;
 - iii. the trades were executed pursuant to a trading plan

Trading Plan:

An insider shall be entitled to formulate a trading plan (being **Annexure I** to this Code) and present it to the Compliance Officer for approval and public disclosure pursuant to which trades may be carried out on his/ her behalf in accordance with such plan.

Such trading plan shall:-

- i. not entail commencement of trading on behalf of the insider earlier than six months from the public disclosure of the plan;
- ii. not entail trading for the period between the twentieth trading day prior to the last day of any financial period for which results are required to be announced by the issuer of the securities and the second trading day after the disclosure of such financial results;
- iii. entail trading for a period of not less than twelve months;
- iv. not entail overlap of any period for which another trading plan is already in existence;
- v. set out either the value of trades to be effected or the number of securities to be traded along with the nature of the trade and the intervals at, or dates on which such trades shall be effected; and
- vi. not entail trading in securities for market abuse. (Trading on the basis of such a trading plan would not grant absolute immunity from bringing proceedings for market abuse.)

The trading plan once approved shall be irrevocable and the insider shall mandatorily have to implement the plan, without being entitled to either deviate from it or to execute any trade in the securities outside the scope of the trading plan.

The implementation of the trading plan shall not be commenced if any UPSI is in the possession of the insider at the time of formulation of the plan and has not become generally available at the time of the commencement of implementation and in such event the compliance officer shall confirm that the commencement ought to be deferred until such UPSI becomes generally available information.

The Compliance Officer shall review the trading plan to assess whether the plan would have any potential for violation of these regulations and shall be entitled to seek such express undertakings as may be necessary to enable such assessment and to approve and monitor the implementation of the plan.

Upon approval of the trading plan, the compliance officer shall notify the plan to the stock exchanges on which the securities are listed.

Preservation of Unpublished Price Sensitive Information:

The Insiders shall maintain the confidentiality of all UPSI and all UPSI shall be handled within the Company on a "Need to Know" basis. The Insiders shall not communicate UPSI to any person directly or indirectly, except where such communication is in furtherance of legitimate purpose, performance of duties or discharge of obligations.

"Need to Know" basis for the purpose of this Code means UPSI should be disclosed only to those persons within the Company who need the information to discharge their duties.

UPSI may be communicated, provided, allowed access to or procured, in connection with a transaction that would:

- a. entail an obligation to make an open offer under the Takeover Regulations where the Board of Directors of the Company is of informed opinion that the proposed transaction is in the best interest of the Company; or
- b. not entail an obligation of open offer but where the Board of Directors of the Company is of informed opinion that the proposed transaction is in the best interest of the Company and the information that constitute UPSI is disseminated to be made generally available at least 2 (two) trading days prior to the proposed transaction being effected in such form as the Board may determine.

The Board of the Company shall require the parties, who are in possession of or made access to UPSI to execute agreements to contract confidentiality and non-disclosure obligations on the part of such parties and such parties shall keep information so received confidential, except for the limited purposes set forth herein above and shall not otherwise Trade in Securities of the Company when in possession of UPSI.

All UPSI directly received by any Insider should immediately be reported to the Compliance Officer through his/ her head of department.

If, in the performance of duties, it becomes necessary for the Insider to disclose any UPSI to any person outside the Company, e.g., advisors, auditors, consultants, merchant bankers, etc., the Insider shall inform the Compliance Officer of the UPSI proposed to be disclosed, and obtain the prior written consent of the Compliance Officer. The Insider shall ensure that the concerned advisor, auditor, consultant, merchant banker, etc., executes an agreement with the Company.

Files/data having UPSI shall be kept secure. Computer files must have adequate security of login and password etc.

Trading Window:

The trading window of the Company shall be closed:

- a from 15 calendar days prior to Board meeting for declaration of quarterly, half-yearly and annual financial results till the second calendar day after the disclosure of such financial results.
- b when the compliance officer determines that an Insider or Insiders can reasonably be expected to have possession of unpublished price sensitive information.

The Insiders and their immediate relatives shall not trade in securities when the trading window is closed.

The Compliance Officer shall determine the timing for re-opening of the trading window after taking into account various factors.

When the trading window is open, trading by the Insiders shall be subject to preclearance by the compliance officer, if the value of the proposed trades is above such thresholds as the board of directors may stipulate.

No designated person shall apply for pre-clearance of any proposed trade if such designated person is in possession of UPSI even if the trading window is not closed.

Exercise of Employee Stock Options (“ESOPs”) shall be allowed even when the trading window is closed. However, sale of shares allotted pursuant to exercise of ESOPs shall not be allowed when the trading window is closed.

Preclearance of Trades:

All Insiders who intend to deal in securities of the Company shall do so only after the preclearance of the transaction as per the procedure mentioned hereunder. However, no pre-clearance shall be required if the total nominal value of the securities proposed to be dealt in does not exceed Rs. 500,000 (Five Lakh) in value or 5,000 (Five Thousand) shares whichever is lower in any Financial Year.

An application in the prescribed form (being **Annexure II** to this Code) shall be submitted by the Insider of the Company to the Compliance Officer.

The code shall stipulate such formats as the Board of Directors deems necessary for making applications for pre-clearance,

The Insider shall report to the Compliance Officer after execution of trade in **Annexure III** or reporting of decisions not to trade after securing pre-clearance along with the reasons for such decisions.

All Insiders shall execute their trades in respect of securities of the company within seven trading days after the pre-clearance is given by the Compliance Officer. If the trade is not executed within the aforementioned specified period fresh pre-clearance to be obtained by the Director or Designated Employee.

Prior to approving any trades, the compliance officer shall be entitled to seek declarations to the effect that the applicant for pre-clearance is not in possession of any unpublished price sensitive information.

All Insiders who buy or sell any number of shares of the company shall not execute a contra trade i.e. sell or buy any number of shares during the next six months following the prior transaction. In other words, if an Insider has bought shares of the Company, he can continue to buy the shares (within the threshold limit/ subject to Pre-clearance) but cannot sell any number of shares for a period of six months from the last date when he bought the shares. Similarly, if an Insider sells the shares of the Company, he can continue to sell the shares, if he holds further shares, but cannot buy any number of shares for a period of 6 months from the last date when he sold the shares.

The Compliance Officer may grant relaxation from strict application of such restriction for reasons to be recorded in writing provided that such relaxation does not violate the regulations.

If a contra trade executed, inadvertently or otherwise, in violation of such a above restriction, the profits from such trade shall be liable to be disgorged for remittance to the Board for crediting to the Investor Protection and Education Fund administered by Board under the Act.

Contravention of Code:

The Board of Directors of the Company is authorised without prejudice to the power of the Board under the Act stipulate the sanctions and disciplinary actions, including wage freeze, suspension etc. against the Insider who contravenes the provisions of the Code.

Reporting requirements for transactions in securities:

A. Initial Disclosures

Every promoter, key managerial personnel and director of every company whose securities are listed on any recognised stock exchange shall disclose his holding of securities of the company as on the date of these regulations taking effect, to the company in **Form A** of Regulations within thirty days of these regulations taking effect.

Every person on appointment as a key managerial personnel or a director of the company or upon becoming a promoter shall disclose his holding of securities of the company as on

the date of appointment or becoming a promoter, to the company in **Form B** of Regulations within seven days of such appointment or becoming a promoter.

B. Continual Disclosures

Every promoter, employee and director of every company shall disclose to the company in **Form C** of Regulations the number of such securities acquired or disposed of within two trading days of such transaction if the value of the securities traded, whether in one transaction or a series of transactions over any calendar quarter, aggregates to a traded value in excess of ten lakh rupees or such other value as may be specified.

Every company shall notify the particulars of such trading to the stock exchange on which the securities are listed within two trading days of receipt of the disclosure or from becoming aware of such information.

C. Other Disclosures

All Insiders to make disclosures of holdings and trading in securities of the company in Form D of Regulations and within a period of 15 days from the end of every half year.

Every insider has to give an initial disclosure to the Company after becoming an Insider to the Company within a period of 15 days in in the prescribed form (being **Annexure IV** to this Code).

Every insider has to give an annual disclosure to the Company within a period of 15 days from the end of every in the prescribed form (being **Annexure V** to this Code).

Norms for Fair Disclosure of UPSI:

- a. The Company shall promptly disclose to the public the unpublished price sensitive information that would impact price discovery no sooner than credible and concrete information comes into being in order to make such information generally available.
- b. The Company shall ensure Uniform and universal dissemination of UPSI to avoid selective disclosure.
- c. The Compliance Officer Shall be authorized to deal with dissemination of information and disclosure of unpublished price sensitive information.
- d. The Company shall promptly disseminate unpublished price sensitive information that gets disclosed selectively, inadvertently or otherwise to make such information generally available.
- e. The Company shall provide appropriate and fair response to queries on news reports and requests for verification of market rumours by regulatory authorities.

- f. The Company shall ensure that the information shared with analysts and research personnel is not unpublished price sensitive information.
- g. Company to develop best practices to make transcripts or records of proceedings of meetings with analysts and other investor relations conferences on the official website to ensure official confirmation and documentation of disclosures made.
- h. Company to handle all unpublished price sensitive information on a need-to-know basis.

(Based on above norms for Fair Disclosure of UPSI a detailed Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information will be communicated to Stock Exchange)

**FORMAT FOR DISCLOSURE OF TRADING PLAN FOR THE
TWELVE MONTH PERIOD FOR SELF AND IMMEDIATE RELATIVES**

**(To be furnished to the Compliance Officer for Pre-clearance)
(Valid after approval of the Trading Plan by the Compliance Officer)**

I, Mr. _____ designated as _____ wish to deal in the securities of the Company in my own name/ Immediate Relatives, for which I furnish the following particulars:

Trading Plan for Self

DP ID:		Client ID:		PAN:
For Trading in Shares				
Month	Purchase (No. of shares OR Value)	Sale (No. of shares or Value)	Nature of Trade (Market/ Off-Market)	

For Trading in Derivatives		
Month	Purchase (No. of Units OR Value)	Sale (No. of Units or Value)

Trading Plan - For my immediate relatives

**Name of the Immediate
Relative:**

Relationship:

DP ID:		Client ID:		PAN:	
For Trading in Shares					
Month	Purchase (No. of shares or Value)	Sale (No. of shares or Value)	Nature of Trade (Market/ Off- Market)		

For Trading in Derivatives		
Month	Purchase (No. of Units or Value)	Sale (No. of Units or Value)

I further declare:

- a) that I/ my immediate relatives do not have any access to nor have I/ my immediate relatives received price sensitive information upto the time of signing this undertaking.
- b) that in the event of receipt of such price sensitive information after signing this undertaking but before the execution of the transaction I/ my immediate relatives will inform the Compliance Officer of the change and will refrain from dealing till such information is made public.
- c) that I / my immediate relatives have not contravened the code for prevention of Insider Trading Rules as framed by the Company.
- d) that I have made a full and true disclosure in the matter.
- e) that unless 6 months has elapsed from the time the Trading Plan is approved by the Compliance officer and the Trading Plan is announced to the Stock Exchanges, I/ my immediate relatives will not execute the Trade Plan.
- f) that I will seek Pre-Clearance from the Compliance officer in the prescribed format before executing my / Immediate Relatives' Trading Plan.
- g) that unless previously approved by the Compliance officer, I/ my immediate relatives will not sell/ buy the securities within 6 months of such acquisition/ sale.
- h) that I/ my immediate relatives shall not trade during the window closure period.
- i) that I/ my immediate relatives shall not have multiple trading plans.
- j) that I understand that once approved the Trading Plan is irrevocable and will have to be executed as planned.

Date:
Place:

Signature: _____
Name:

Approved By

Date:
Place:

Signature: _____
Name:
Designation: Compliance Officer

ANNEXURE II

APPLICATION FORM FOR PRE-CLEARANCE OF TRADES

Employee Code :
Name of the Employee :
Designation :
Date of Joining the Company :
Name of Holder of securities :
Relation to the Employee of the Company (In case of :
immediate relatives)
Kind of securities proposed to be dealt in :
Number of securities proposed to be dealt in :
Estimated Market Value of the securities proposed to be :
dealt in
Name of the depository :
Folio No./Client ID No. :

I hereby declare that all information in this form is true and correct to the best of my knowledge. I also understand that any misrepresentation of facts in this form is sufficient cause for disciplinary action by the Company.

Date:

Place:

(Signature of Applicant)

PRE-CLEARANCE ORDER

To:

This is to inform you that your request for dealing in..... (nos.) shares of the company as mentioned in your above mentioned application is approved. Please note that the said transaction must be completed on or before _____ (date) that is within 7 days from today.

Date:

For Sequent Scientific Limited

Compliance Officer

ANNEXURE III

CONFIRMATION OF DEAL

To:

The Compliance Officer
Sequent Scientific Limited
Thane, Maharashtra

I confirm that the share dealing for which approval was granted on was completed on by purchasing / selling (nos.) equity shares of the company.

Date:

Signature: _____

ANNEXURE IV

FORM FOR INITIAL DISCLOSURE OF DETAILS OF SHARES HELD BY THE INSIDER

To:

The Compliance Officer
Sequent Scientific Limited
Thane, Maharashtra

1. DETAILS OF SHAREHOLDING OF SUBSTANTIAL SHAREHOLDERS/ DIRECTOR / OFFICER/ DESIGNATED EMPLOYEE HELD IN THEIR OWN NAME

Name/ Designation/ Department/ Date of Joining:

Date of becoming substantial shareholder/ Director/ Officer:

No. of shares held:

Date of Acquisition:

Folio No/ DP ID/ Client ID:

2. DETAILS OF SHARES HELD BY DEPENDENT FAMILY MEMBERS

Name of Relative:

Relationship:

No. of shares held:

Folio No/ DPID/Name:

Date:

Signature:_____

ANNEXURE V

FORM OF ANNUAL DISCLOSURE OF DETAILS OF SHARES HELD BY THE INSIDER

To:
The Compliance Officer
Sequent Scientific Limited
Thane, Maharashtra

Date:

**I. PERIODIC STATEMENT OF SHAREHOLDINGS OF DIRECTORS/ OFFICERS/
DESIGNATED EMPLOYEES OF SEQUENT:**

Name Designation Department :
No. of shares held on 1st April :
No. of shares bought during the year :
No. of shares sold during the year :
No. of shares held on 31st March :
Folio No./ DP Id/ Client ID :

II. DETAILS OF SHARES HELD BY DEPENDENT FAMILY MEMBERS

Name Relationship :
No. of shares held on 1st April :
No. of shares bought during the year :
No. of share sold during the year :
No. of shares held on 31st March :
Folio No/DP Id/Client ID :

Date:

Signature:_____

Name: