Sequent
Proven Ability In Life Sciences

August 19, 2020

BSE Limited
Corporate Relationship Department
Phiroze Jeejeebhoy Towers,
Dalal Street, Fort,
Mumbai – 400 001.

Scrip code: 512529

National Stock Exchange of India Limited
Listing Department
Exchange Plaza, Bandra-Kurla Complex,
Bandra (East),
Mumbai – 400 051.

Symbol: SEQUENT

Dear Sir/ Madam,

Sub: Postal Ballot Notice

Further to our letter dated August 12, 2020, we enclose herewith the Postal Ballot Notice dated August 12, 2020 along with Explanatory Statement.

In compliance with the applicable circulars issued by the Ministry of Corporate Affairs and the Securities and Exchange Board of India, the Postal Ballot Notice is being sent to the Members of the Company who have their email ids registered with the Company/Depositories and whose names appear in the Register of Members/List of Beneficial Owners as received from Depositories as on Friday, August 14, 2020 through electronic mode only.

The Postal Ballot Notice is also uploaded on the Company's website at https://www.sequent.in.

Please note that the remote e-voting period in respect of the resolution mentioned in the Postal Ballot Notice will commence on Thursday, August 20, 2020 at 9:00 A.M. IST and ends on Friday, September 18, 2020 at 5:00 P.M. IST.

Please consider this as compliance under Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

You are requested to kindly take the same on record.

Thanking you,

Yours faithfully,
For **Sequent Scientific Limited**

Krunal Shah
Company Secretary & Compliance Officer

CIN: L99999MH1985PLC036685
Regd. Office: 301, 3rd Floor, Dosti Pinnacle, Plot No. E7, Road No. 22,
Wagle Industrial Estate, Thane (West) - 400 604, Maharashtra, India.
Tel No.: +91 22 4111 4777
Website: www.sequent.in | **Email:** investorrelations@sequent.in

POSTAL BALLOT NOTICE

(Pursuant to Section 110 of the Companies Act, 2013)

Dear Members(s),

NOTICE is hereby given, pursuant to the provisions of Section 110 and other applicable provisions, if any, of the Companies Act, 2013 (the **"Act"**) read with Rule 20 and Rule 22 of the Companies (Management and Administration) Rules, 2014 (the **"Rules"**), Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (**"Listing Regulations"**), General Circular No.14/2020 dated April 8, 2020, General Circular No. 17/2020 dated April 13, 2020 and General Circular No. 22/2020 dated June 15, 2020 (the **"MCA Circulars"**) and any other applicable laws and regulations, to transact the below mentioned proposed special businesses by the Members of the Sequent Scientific Limited (the **"Company"**) by passing resolutions through postal ballot (**"Postal Ballot"**) only through remote e-voting.

For avoidance of any doubt due to the general understanding of meaning of 'Postal Ballot' as Voting by Post (which is not contemplated in this Notice), the term 'remote e-voting' is consciously used in this Notice (instead of using the term 'Postal Ballot') which appropriately clarifies that the manner of Voting on the Resolutions is restricted to Voting only through remote e-voting Hence, in compliance with the requirements of the MCA Circulars, hard copy of Postal Ballot Notice along with Postal Ballot Forms and Pre-paid Business Reply Envelope will not be sent to the Members for the present Postal Ballot and Members are required to communicate their Assent or Dissent through the remote e-voting system only. The instructions for remote e-voting are appended to this Notice.

The proposed Ordinary/Special Resolution and Explanatory Statement setting out material facts as required in terms of Section 102 of the Act read with the Rules and the MCA Circulars are appended below seeking consent of the Members of the Company through remote e-voting.

The Board of Directors of the Company, at its Meeting held on August 12, 2020, has appointed Mr. Nilesh Shah/Mrs. Hetal Shah, representatives of M/s. Nilesh Shah & Associates. Practicing Company Secretaries, as the Scrutinizer for conducting the Postal Ballot e-voting process in a fair and transparent manner.

The Company has engaged the services of M/s. KFin Technologies Private Limited ('KFin') for the purpose of providing remote e-voting facility to all its Members. Remote e-voting shall commence from August 20, 2020 at 9.00 A.M. (IST) and ends on September 18, 2020 at 5.00 P.M. (IST).

The Scrutinizer will submit his report to the Chairman or any other Director of the Company as authorized by the Board of Directors, after completion of scrutiny of e-voting votes but not later than forty eight hours from the date of conclusion of the Postal Ballot process, and the result of the Postal Ballot will be declared on or before September 20, 2020 at any time before 5.00 p.m. (IST) at the Registered Office of the Company and shall thereafter be published in the newspapers. The result of Postal Ballot along with the Scrutinizer's Report shall be communicated to the Stock Exchange(s) where the securities of the Company are listed and will also be uploaded on the Company's website at www.sequent.in

The proposed Ordinary/Special Resolutions, if approved, shall be deemed to have been passed on the last date of remote e-voting, i.e. September 18, 2020.

Special Business

Item No. 1: Consolidation of shareholding in Provet Veteriner Urunleri San. Ve Tic. A. S., Turkey (Provet) and to make Provet a wholly owned subsidiary of the Company

To consider and approve, the following resolution, with or without modification(s), as a Special Resolution:

"RESOLVED THAT pursuant to Regulation 26 of Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 (including any statutory modification(s) or re-enactments thereof for the time being in force), and subject to such other approvals, consent, permission and sanctions of any authority as may be necessary, consent of the Members of the Company be and is hereby accorded to the Board to consolidate its shareholding in Provet Veteriner Urunleri San. Ve Tic. A. S., Turkey (Provet) and to make it a wholly owned subsidiary of the Company by acquisition of 80 (Eighty) equity shares of TL 10,000 (Ten Thousand Turkish lira) per share, constituting 40% of Provet, from Dr. Huseyin Aydin for a consideration not exceeding USD 17.25 Mn (US Dollar Seventeen Million and Two Hundred Fifty Thousand) and such acquisition be done through a wholly owned subsidiary of the Company.

RESOLVED FURTHER THAT for the purpose of giving effect to the above resolution, the Board of Directors of the Company, be and is hereby authorized to take such actions and to give all such directions as may be necessary or desirable and also to settle any question or difficulty that may arise in regards to the proposed acquisition and further to do all such acts, deeds, matters and things and to execute all such deeds, documents and writings as may be necessary, desirable or expedient in connection therewith and to delegate power from time to time, to any Committee of the Board or individuals as it may deem fit for the purpose of giving effect to the above resolution."

Item No. 2: Sale of investments made by the Company in the equity shares of Strides Pharma Science Limited

To consider and approve, the following resolution, with or without modification(s), as a Special Resolution:

"RESOLVED THAT in terms of provisions of Section 180(1)(a) of Companies Act, 2013 and Rules made thereunder, Regulation 26 of Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 (including any statutory modification(s) or re-enactments thereof for the time being in force) and subject to such other approvals, consent, permission and sanctions of any authority as may be necessary, consent of the Members of the Company be and is hereby accorded to the Board to directly or indirectly divest its entire stake in Strides Pharma Science Limited comprising of 33,12,500 (Thirty Three Lakh Twelve Thousand and Five Hundred) equity shares having face value of Rs. 10/- (Rupees Ten) each (**"Strides Shares"**) either in whole or in part or in one or more tranches for a consideration of not less than Rs. 475.00 (Rupees Four Hundred and Seventy-Five only) per equity share.

RESOLVED FURTHER THAT the Strides Shares may be sold directly to the ultimate buyer or sold through Alivira Animal Health India Limited, India (Alivira), a wholly owned subsidiary of the Company by transferring the shares first to Alivira, and by Alivira subsequently selling the same to the ultimate buyer.

RESOLVED FURTHER THAT for the purpose of giving effect to the above resolution, the Board of Directors of the Company, be and is hereby authorized to take such actions, seek such approvals, and to give all such directions as may be necessary or desirable and also to settle any question or difficulty that may arise in regards to the proposed sale and further to do all such acts, deeds, matters and things and to execute all such deeds, documents and writings as may be necessary, desirable or expedient in connection therewith and to delegate power from time to time, to any Committee of the Board or individuals as it may deem fit for the purpose of giving effect to the above resolution."

Item No. 3: Sale of Investments made by the Company in the equity shares of Strides Pharma Science Limited to Related Parties

To consider and approve, the following resolution, with or without modification(s), as an Ordinary Resolution by Members of the Company (not including the related parties):

"RESOLVED THAT in furtherance to the resolution proposed under Item Number 2 of this notice and in terms of Section 188 of the Companies Act, 2013 and Rules made thereunder, Regulation 23 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactments thereof for the time being in force), and subject to such other approvals, consent, permission and sanctions of any authority as may be necessary, consent of the Members of the Company be and is hereby accorded to the Board to directly or indirectly divest its entire stake in Strides Pharma Science Limited comprising of 33,12,500 (Thirty Three Lakh Twelve Thousand and Five Hundred) equity shares having face value of Rs. 10/- (Rupees Ten only) each (**"Strides Shares"**) either in whole or in part or in one or more tranches for a consideration of not less than Rs. 475.00 (Rupees Four Hundred and Seventy-Five only) per equity share, to Pronomz Ventures LLP (**"Pronomz"**), pursuant to the offer made by Pronomz on August 11, 2020.

RESOLVED FURTHER THAT the Strides Shares may be sold directly to Pronomz or sold through Alivira Animal Health India Limited, India (Alivira), a wholly owned subsidiary of the Company by transferring the shares first to Alivira, and by Alivira subsequently selling the same to the ultimate buyer.

RESOLVED FURTHER THAT for the purpose of giving effect to the above resolution, the Board of Directors of the Company be and is hereby authorised to take such actions, seek such approvals, and to give all such directions as may be necessary or desirable and also to settle any question or difficulty that may arise in regards to the proposed sale and further to do all such acts, deeds, matters and things and to execute all such deeds, documents and writings as may be necessary, desirable or expedient in connection therewith and to delegate power from time to time, to any Committee of the Board or individuals as it may deem fit for the purpose of giving effect to the above resolution."

By order of the Board of Directors of
Sequent Scientific Limited

Krunal Shah
Company Secretary & Compliance Officer
Membership No.: ACS 26087

Place: Thane
Date: August 12, 2020

NOTES

1. The Explanatory Statement pursuant to Section 102(1) of the Companies Act, 2013 (**'Act'**) read together with Rule 22 of the Companies (Management and Administration) Rules, 2014 setting out material facts in respect of the aforesaid resolution is annexed hereto.

   The Postal Ballot Notice is being published/displayed for all the Members, whose names appear in the Register of Members/ List of Beneficial Owners as received from Depositories i.e. National Securities Depository Limited (**"NSDL"**)/Central Depository Services (India) Limited (**"CDSL"**) as on August 14, 2020 and is also being sent to the Members who already have their e-mail IDs registered with the Company/Depositories, in accordance with the provisions of the Act, read with Rules made thereunder and Ministry of Corporate Affairs, Government of India's General Circular No. 17/2020 dated April 13, 2020 and the General Circular No. 22/2020 dated June 15, 2020. A person who is not a Member as on August 14, 2020 should treat this Postal Ballot Notice for information purposes only. A copy of this Postal Ballot Notice will also be available on the website of the Company at www.sequent.in, the relevant section of the website of the Stock Exchanges on which the Equity Shares of the Company are listed and on the website of KFin Technologies Private Limited (**'KFin'**) at www.kfintech.com.

2. The Members of the Company whose names appear in the Register of Members/List of Beneficial Owners as received from Depositories i.e. NSDL/CDSL as on August 14, 2020 (including those Members who may not have received this Postal Ballot Notice due to non-registration of the e-mail ID with the Company/Depositories), shall be entitled to vote in relation to the resolution specified in this Postal Ballot Notice.

3. In terms of Sections 108, 110 and other applicable provisions of the Act, as amended, read together with the Rules, MCA Circulars and in compliance with Regulation 44 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (**'Listing Regulations'**) as amended from time to time, the Company is pleased to offer remote e-voting facility to all the Members of the Company. The Company has appointed KFin for facilitating remote e-voting to enable the Members to cast their votes electronically.

4. Due to non-availability of postal and courier services, on account of threat posed by COVID-19 pandemic situation, the Company will send this Postal Ballot Notice in electronic form only. The hard copy of this Postal Ballot Notice along with Postal Ballot forms and pre-paid business envelope will not be sent to the Members for the Postal Ballot in accordance with the requirements specified under the MCA Circulars. Accordingly, the communication of the assent or dissent of the Members would take place through the remote e-voting system only.

5. **PROCEDURE FOR OBTAINING THE POSTAL BALLOT NOTICE AND E-VOTING INSTRUCTIONS BY THE MEMBERS WHOSE EMAIL ADDRESSES ARE NOT REGISTERED WITH THE DEPOSITORIES OR WITH REGISTRAR AND TRANSFER AGENT ON PHYSICAL FOLIOS:**

   a. On account of threat posed by COVID-19 and in terms of the MCA Circulars, the Company will send Postal Ballot Notice in electronic form only and hard copy of Postal Ballot Notice along with Postal Ballot Forms and pre-paid business envelope will not be sent to the shareholders for this Postal Ballot. Accordingly, the communication of the assent or dissent of the Members would take place through the remote e-voting system only. Therefore, those Members who have not yet registered their email address are requested to get their email addresses registered by following the procedure given below:

      For Electronic folios:

      (a) Visit the link https://karisma.kfintech.com/emailreg

      (b) Select the company name i.e. Sequent Scientific Limited

      (c) Shareholder to enter DP ID-Client ID / Folio No. and PAN No.

      (d) Shareholder to enter the email id and Mobile No.

      (e) System check the authenticity of the DP ID-Client ID and PAN and send the different OTPs to Mobile and Email to Validate.

      (f) Shareholder to enter the OTPs received by SMS and Email to complete the validation process. (OTPs will be valid for 5 min. only).

      (g) System confirms the email id for the limited purpose of serviced postal ballot notice.

      (h) System will send the notice & procedure for e-voting to the email given by shareholder

      For Physical folios:

      (a) Visit the link https://karisma.kfintech.com/emailreg

      (b) Select the company name i.e. Sequent Scientific Limited

      (c) Shareholder to enter physical Folio No. and PAN No.

      (d) If PAN No. is not available in the records, shareholder to enter one of the Share Certificate No.

(e) Shareholder to enter the email id and Mobile No.

(f) System check the authenticity of the Folio No. and PAN//Share Certificate No. and send the different OTPs to Mobile and Email to Validate.

(g) Shareholder to enter the OTPs received by SMS and Email to complete the validation process. (OTPs will be valid for 5 min. only).

(h) If PAN is not available, system will prompt to upload the duly signed scan copy of the PAN.

(i) System confirm the registration of email id.

(j) System will send the notice & procedure for e-voting to the "email "given by shareholder.

b. In case of any queries, Members may write to einward.ris@kfintech.com.

c. It is clarified that shareholders are however requested to register their email addresses, in respect of electronic holdings with the Depository through the concerned Depository Participants and in respect of physical holdings, with the Company's Registrar and Share Transfer Agent, KFin Technologies Private Limited, Selenium Building, Tower B, Plot 31 & 32, Financial District, Nanakramguda, Serilingampally, Hyderabad-500 032 by following due procedure.

d. Those shareholders who have already registered their email addresses are requested to keep their email addresses validated with their Depository Participants / the Company's Registrar and Share Transfer Agent to enable servicing of notices / documents / Annual Reports electronically to their email address.

e. Members may also be requested to visit the website of the Company at www.sequent.in or the website of the Registrar and Transfer Agent www.kfintech.com for downloading the Postal Ballot Notice.

f. Alternatively Member may send an e-mail request at einward.ris@kfintech.com along with scanned copy of the signed copy of the request letter providing the email address, mobile number, self-attested PAN copy and Client Master copy in case of electronic folio and copy of share certificate in case of physical folio for sending the Postal Ballot Notice and the e-voting instructions.

6. The Company has engaged the services of KFin for the purpose of providing remote e-voting facility to all its Members.

7. The remote e-voting period commences on August 20, 2020, at 9:00 A.M. IST and ends on September 18, 2020 at 5:00 P.M. IST. The remote e-voting shall not be allowed beyond the said date and time. During this period, the Members of the Company holding shares in physical form or in dematerialized form, as on the cut-off date i.e. August 14, 2020, may cast their votes by electronic means in the manner and process set out herein below. The remote e-voting module shall be disabled for voting thereafter. Once the vote on a resolution is cast by the Member, the Member shall not be allowed to change it subsequently.

8. The voting rights of the Members shall be in proportion to their shares in the total paid-up equity share capital of the Company, as on August 14, 2020.

9. The instructions and other information relating to e-voting are as under:

I. Launch internet browser by typing the URL: https://evoting.karvy.com.

II. Enter the login credentials (i.e. User ID and password). In case of physical folio, User ID will be EVEN (E-Voting Event Number) followed by folio number. In case of Demat account, User ID will be your DP ID and Client ID. However, if you are already registered with KFin for e-voting, you can use your existing User ID and password for casting your vote.

III. After entering these details appropriately, click on "LOGIN".

IV. You will now reach password change menu wherein you are required to mandatorily change your password. The new password shall comprise of minimum 8 characters with at least one upper case (A-Z), one lower case (a-z), one numeric value (0-9) and a special character (@, #, $, etc). The system will prompt you to change your password and update your contact details like mobile number, email ID etc., on first login. It is strongly recommended that you do not share your password with any other person and that you take utmost care to keep your password confidential.

V. You need to login again with the new credentials.

VI. On successful login, the system will prompt you to select the "EVENT" and click on 'SeQuent Scientific Limited'.

VII. On the voting page, enter the number of shares (which represents the number of votes) as on the cut-off date of August 14, 2020 under "FOR/AGAINST" or alternatively, you may partially enter any number "FOR" and partially "AGAINST" but the total number in "FOR/AGAINST" taken together shall not exceed your total shareholding as mentioned herein above. You may also choose the option ABSTAIN. If the Member does not indicate either "FOR" or "AGAINST", it will be treated as "ABSTAIN" and the shares held will not be counted under either head.

VIII. Members holding multiple folios/demat accounts shall choose the voting process separately for each folio/demat accounts.

IX. Voting has to be done for each item of the notice separately. In case you do not desire to cast your vote on any specific item, it will be treated as abstained.

X. You may then cast your vote by selecting an appropriate option and click on "Submit".

XI. A confirmation box will be displayed. Click "OK" to confirm else "CANCEL" to modify. Once you have voted on the resolution(s), you will not be allowed to modify your vote. During the voting period, Members can login any number of times till they have voted all the resolution(s).

XII. In case of Members who have not registered their e-mail address (including Members holding shares in physical form), please follow the steps for registration of e-mail address and obtaining User ID and Password for e-voting as mentioned in para 5 of the "Notes" and para (c) under the "Other Instructions" section below.

XIII. OTHER INSTRUCTIONS:

a) In case of any query and/or grievance, in respect of voting by electronic means, Members may refer to the Help & Frequently Asked Questions (FAQs) and E-voting user manual available at the download section of https://evoting.karvy.com (KFin Website) or contact Mr. B. V. Kishore (Unit: SeQuent Scientific Limited) of KFin Technologies Private Limited, Selenium, Plot 31 & 32, Gachibowli Financial District, Nanakramguda, Hyderabad – 500 032 or at einward.ris@kfintech.com and evoting@kfintech.com or phone no. 040-6716 2222 or call KFin's toll free No. 1-800-3454-001 for any further clarifications.

b) You can also update your mobile number and e-mail id in the user profile details of the folio which may be used for sending future communication(s).

c) In case a person has become a Member of the Company after dispatch of the Postal Ballot Notice but on or before the cut-off date for e-voting i.e. August 14, 2020, or has registered his/her/its e-mail address after dispatch of the Postal Ballot Notice, he/she/it may obtain the User ID and Password in the manner as mentioned below:

i. If the mobile number of the Member is registered against Folio No./DP ID Client ID, the Member may send SMS: MYEPWD E-Voting Event Number+Folio No. or DP ID Client ID to 9212993399

Example for NSDL - MYEPWD IN12345612345678

Example for CDSL - MYEPWD 1402345612345678

Example for Physical - MYEPWD XXXX1234567890

ii. If e-mail address or mobile number of the Member is registered against Folio No./DP ID Client ID, then on the home page of https://evoting.karvy.com the Member may click "Forgot Password" and enter Folio No. or DP ID Client ID and PAN to generate a password.

iii. Member may call KFin's toll free number 1800-3454-001 for any assistance.

iv. Member may send an e-mail request to einward.ris@kfintech.com. However, KFin shall endeavor to send User ID and Password to those new Members whose e-mail ids are available.

10. The Scrutinizer will submit his report to the Chairman or any other Director of the Company as authorized by the Board of Directors, after completion of scrutiny of e-voting votes but not later than forty eight hours from the date of conclusion of the Postal Ballot process, and the result of the Postal Ballot will be declared on or before September 20, 2020 at any time before 5.00 p.m. (IST) at the Registered Office of the Company and shall thereafter be published in the newspapers. The result of Postal ballot along with the Scrutinizer's Report shall be communicated to the Stock Exchange(s) where the securities of the Company are listed and will also be uploaded on the Company's website at www.sequent.in and on the website of KFin at www.kfintech.com.

Explanatory Statement pursuant to Section 102 of the Companies Act, 2013

Item No.1: Consolidation of shareholding in Provet Veteriner Urunleri San. Ve Tic. A. S., Turkey (Provet) and to make Provet a wholly owned subsidiary of the Company

As the Members are aware, on May 8, 2020, The Carlyle Group-a NASDAQ listed global investment firm has through its affiliate entity CA Harbor Investments (**'Acquirer'**) entered into a Sale and Purchase Agreement (**'SPA'**) dated May 8, 2020 (as amended from time to time), pursuant to which the Acquirer has agreed to purchase upto 131,675,636 Equity Shares of the Company at a price of INR 86 from the existing promoters (**'Sellers'**), which comprises of 53.02% of the voting share capital.

One of the conditions precedents under the said SPA was to agree to in-principle terms in connection with the potential acquisition of 40% stake in Provet Veteriner Urunleri San. VeTic. A.S, (**'Provet'**), which is a Subsidiary of the Company. The selling Shareholder in Provet are desirous of consummating the transaction quickly and hence the proposal to now enter into with the minority Shareholders of Provet a binding transaction and consummate the deal at the earliest.

Statutory provisions under which the said approval is being sought:

In terms of Regulation 26 of Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 (SEBI SAST), upon a public announcement of an open offer for acquiring shares of a target company being made, the Board of Directors of such target company shall ensure that during the offer period, the business of the target company is conducted in the ordinary course

consistent with past practice. Further, the Company is prohibited from alienating any material assets whether by way of sale, lease, encumbrance or otherwise or enter into any agreement therefore outside the ordinary course of business without shareholders' approval by way of a special resolution through postal ballot.

Since the proposed acquisition of minority interest can be deemed as entering into an agreement outside the ordinary course of business, shareholders' approval is being sought by way of a special resolution.

History of Provet & Current Market Share

Provet is amongst the top 3 and the largest local company in veterinary medicines market in Turkey having market share of ~10%. Sequent acquired 60% stake in Provet through Alivira in the year 2014 with a vision to become a formidable player in global veterinary business and subsequetly in 2015, acquired 100% share in Topkim under Provet. Topkim has over 50 years of business presence in Turkey. The Company is now the largest Animal health Company from India and among the top 20 Animal Health Companies globally.

About Turkey Veterinary Market – Turkey Veterinary market is a USD 450 Million market. It is growing at a CAGR of ~ 8-9% year on year, which is above the average industry growth across the world. Turkey is amongst the top 10 ruminant market and overall, the 16th largest veterinary market in the world.

Manufacturing Facilities & Dosage Forms – Manufacturing facilities located at Polatli Industrial Zone, Ankara, Turkey. The Ankara facility is EUGMP and Turkish GMP approved with 8 different manufacturing lines. The companies operate in various dosage forms mainly dominated by injectables (solutions / suspensions), oral solutions, pour-on / spot-on, aerosols and intrauterine. The capacities for the dosage forms is as below

Injectables – ~ 125 – 130 KL

Oral Solutions – ~ 280 – 290 KL

Aerosols – ~ 32KL

Pour-on-Solution – ~ 290KL

Tablets

Products, Therapeutics & Registrations – There are more than 120 product registrations. The top products (in terms of revenues) are

- Blotic
- Rabenzole
- Amoxycure
- Penstrep

The products mostly cater to the therapeutics such as Antibacterial, Ectop Parasite, Metabolic, Anthelmintic, Antiparasitic, Nutritional, etc. The products mostly cater to the species such as cattle and Sheep.

Distribution Footprint – Provet has a strong footprint in the country catered by a field force of more than 40 employees.

Consolidated financials of Provet – Rs in Mn

Particular	**FY20**	**FY19**
Sales	1351	914
EBITDA	408	287
PAT	209	53
Gross Asset	415	408
Contribution to Sequent Consolidated Revenue	11.5%	8.8%

Consideration payable:

The acquisition will be done by one of the wholly owned subsidiaries of the Company and the cost of acquisition agreed upon is upto USD 17.25 Mn (US Dollar Seventeen Million and Two Hundred Fifty Thousand) for the 40% equity of Dr. Aydin. Further, as part of the transaction, the loan and other outstanding of Dr. Aydin amounting upto USD 3 Mn (US Dollar Three Million) shall also be repaid.

The consideration payable represents an EBITDA multiple of ~7.7x which is in line with the original share purchase agreement entered into with Dr. Aydin in the year 2014 at the time of acquiring 60% stake in Provet.

The Audit Committee and the Board of Directors at their Meeting held on August 12, 2020 approved the proposed acquisition and the funds for the acquisition will be raised through selling of the Strides shares for which shareholders' approval is being sought as per Item No. 2 & 3 of this Notice.

The Board recommends the resolution under Item No. 1 for the approval of shareholders by way of a special resolution.

None of the Directors or Key Managerial Personnel or the Promoter/Promoter group entities of the Company or their relatives is in any way concerned or interested, financially or otherwise, in the above-referred resolution in Item No. 1.

Item No.2: Sale of investments made by the Company in the equity shares of Strides Pharma Science Limited

The Company, *inter-alia*, holds 33,12,500 equity shares of Rs. 10/- (**'Strides Shares'**) each in Strides Pharma Science Limited (**'Strides'**) constituting 3.7% of the paid up capital of Strides and such holding is also shown as part of the promoter group in Strides.

On May 8, 2020, The Carlyle Group-a NASDAQ listed global investment firm has through its affiliate entity CA Harbor Investments (**'Acquirer'**) entered into a Sale and Purchase Agreement (**'SPA'**) dated May 8, 2020 (as amended from time to time), pursuant to which the Acquirer has agreed to purchase upto 131,675,636 Equity Shares of Sequent at a price of INR 86 from the existing promoters (**'Sellers'**), which comprises of 53.02% of the voting share capital. Consequent to completion of proposed acquisition of controlling shares by the Carlyle Group through acquisition of shares from existing promoters and also through an open offer from the public Shareholders, SeQuent will eventually cease to be part of the Promoter Group of Strides.

One of the conditions precedents under the said SPA was to agree to in-principle terms in connection with the potential acquisition of 40% stake in Provet Veteriner Urunleri San. VeTic. A.S, (**'Provet'**), which is a Subsidiary of the Company. The selling shareholder of Provet are desirous of consummating the transaction quickly and hence the proposal to now enter into with the minority shareholders of Provet a binding transaction and consummate the deal at the earliest.

The Board at their Meeting held on August 12, 2020 approved sale of the Strides Shares through the Company or its subsidiaries to inter-alia raise funds for funding acquisition of the minority interest, i.e., 40% stake in Provet from Dr. Aydin, being the minority shareholder in Provet and as a result will need no external financing. The remaining proceeds from the sale will also be used to reduce debt of the Company.

Statutory provisions under which the said approval is being sought:

a) In terms of Section 180(1)(a) of the Companies Act, 2013, approval of the Members through special resolution is required for selling any investment, which exceeds 20% of Company's net worth. Company's standalone net worth as on March 31, 2020 stood at Rs. 742.70 Cr and 20% of which is approx. Rs. 148.4 Cr As on date of this notice, the market price of the Strides shares is more than Rs. 148.4 Cr, triggering a shareholder approval requirement under Section 180(1)(a) of the Companies Act, 2013 by way of special resolution.

b) Further, in terms of Regulation 26 of Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers), Regulations, 2011 (SEBI SAST), upon a public announcement of an open offer for acquiring shares of a target company being made, the board of directors of such target company shall ensure that during the offer period, the business of the target company is conducted in the ordinary course consistent with past practice. Further, the Company is prohibited from alienating any material assets whether by way of sale, lease, encumbrance or otherwise or enter into any agreement therefore outside the ordinary course of business without shareholders by way of special resolution through postal ballot.

   As the shareholders are aware, on May 8, 2020, The Carlyle Group-a NASDAQ listed global investment firm has through its affiliate entity CA Harbor Investments ('Acquirer') entered into a Sale and Purchase Agreement ('SPA') dated May 8, 2020 (as amended from time to time), pursuant to which the Acquirer has agreed to purchase upto 131,675,636 Equity Shares of Sequent at a price of INR 86 from the existing promoters ('Sellers'), which comprises of 53.02% of the voting share capital.

   The above mentioned transaction has triggered the open offer obligations since the acquirer intend to gain control of over 25% of the voting shares, as a result the Acquirer in compliance with Regulations 3(1) and Regulation 4 of Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, has also made a public announcement dated May 8, 2020 of the open offer for acquisition of upto 64,576,459 equity shares, which comprises of 26% of the voting share capital, from the public shareholders of SSL at a price of INR 86 each.

   The value of Strides shares can be considered material for the purpose of Regulation 26 of SEBI SAST and the sale Strides shares may be consummated during the open offer period. Hence, the approval of Members is being sought by way of special resolution.

   The approval of the shareholders is also sought for selling Strides Shares to the buyer in one of the following two ways, and for the Board to be authorized to decide on the structure for the final sale: (a) sale of Strides Shares directly by the Company to the ultimate buyer, or (b) sale or transfer of Strides Shares first from the Company to Alivira Animal Health India Limited, India (Alivira), a wholly owned subsidiary of the Company, followed by a sale of the Strides Shares by Alivira to the buyer. The proposal in (b) above is being put forth for approval of the shareholders as the Provet shares are held indirectly under Alivira, and the funding for the Provet acquisition is required by Alivira; therefore by allowing the sale of the Strides Shares to take place by Alivira, the Board feels the consequent funds raised at Alivira may be used to fund the Provet acquisition.

The Board recommends the resolution under Item No. 2 for the approval of Members by way of a special resolution.

None of the Directors or Key Managerial Personnel or the Promoter/Promoter group entities of the Company or their relatives is in any way concerned or interested, financially or otherwise, in the above-referred resolution in item No. 2.

Item No.3: Sale of Investments made by the Company in the equity shares of Strides Pharma Science Limited to Related Parties

The Company, inter alia, holds 33,12,500 equity shares of Rs. 10/- each in Strides Pharma Science Limited (**"Strides"**) constituting 3.7% of the paid up capital of Strides and such holding is also shown as part of the promoter group in Strides (**"Strides Shares"**).

Upon the completion of proposed acquisition of controlling shares by the Carlyle Group through acquisition of shares from existing promoters and also through an open offer to the public Shareholders, SeQuent will eventually cease to be part of the Promoter Group of Strides.

As per resolution 2 of this notice, the Board is seeking approval to dispose off the Strides shares to inter-alia fund its proposed acquisition of minority interest in Provet Veteriner Urünleri San. Ve Tic. A. Ş. and also to reduce the debt.

A Member of the current promoter group of the Company offered to purchase the Strides Shares. The fact that they may make an offer was disclosed in the Detailed Public Statement dated May 14, 2020 issued by Nomura Financial Advisory and Securities (India) Private Limited, Manager to the Open offer (on behalf of CA Harbor Investments and CAP V Mauritius Limited) ("DPS"), and filed with Securities and Exchange Board of India, BSE Limited and the National Stock Exchange of India Limited. The DPS was also published in all editions of Financial Express (English), all editions of Jansatta (Hindi) and the Mumbai edition of Mumbai Lakshadeep (Marathi) on May 15, 2020. A Corrigendum to the DPS dated August 1, 2020, was also published in all editions of Financial Express (English), all editions of Jansatta (Hindi) and the Mumbai edition of Mumbai Lakshadeep (Marathi) on August 3, 2020. The Company has further received a Second Corrigendum to the DPS dated August 12, 2020, where it is disclosed that the members of the promoter group may make an offer for the Strides Shares at any time.

The Audit Committee and the Board of Directors of the Company at their Meeting held on August 12, 2020 approved the sale of the Strides Shares to Pronomz Ventures LLP (Pronomz), a Member of the current promoter group of the Company at a price of Rs. 475.00, which is based on the pricing formula prescribed under Regulation 164 of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 as under:

a. The average of the weekly high and low of the volume-weighted average price of the Strides equity shares quoted on the National Stock Exchange(NSE) during the twenty-six weeks preceding the offer date was Rs. 415 per share

b. The average of the weekly high and low of the volume-weighted average prices of the Strides shares quoted on NSE during the two weeks preceding the offer date was ₹472 per share

The average closing price per share for Strides equity share on NSE over the last 24 months was ₹420 per share.

Based on the above information, the transaction was approved at ₹475 per share, which is at a premium to all of above.

In this regard, the Company has entered into share sale agreement to sell the shares to Pronomz which agreement is binding on the Company only if the shareholders approve the sale to Pronomz.

Statutory provisions under which the said approval is being sought:

a) Regulation 23 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (SEBI LODR) prescribed that all material related party transactions shall require approval of the Members through resolution and no related party shall vote to approve such resolutions whether the entity is a related party to the particular transaction or not. For this purpose a transaction with a related party shall be considered material if the transaction(s) to be entered into individually or taken together with previous transactions during a financial year, exceeds ten percent of the annual consolidated turnover of the listed entity as per the last audited financial statements of the listed entity.

   SeQuent's consolidated turnover for FY 20 was around Rs. 1180 Cr and value of Strides shares as on date of this notice is more than 10% of the of the consolidated turnover and hence, Members approval under Regulation 23 of SEBI LODR is being sought as the intended sale is proposed o be made to another promoter group entity.

b) Further, in terms of Section 188 of the Companies Act, 2013 any sale; purchase or supply or any goods or material amounting to 10% of more of the turnover of the Company will trigger a shareholder approval, if the sale is made to a related party. The standalone turnover, which is considered for the purpose of Section 188 stood at Rs. 227 crores and hence, any sale beyond a value of Rs. 22 Cr. requires an approval of Members. The section also provides that no member of the company shall vote on such resolution, to approve any contract or arrangement, which may be entered into by the company, if such member is a related party

In terms of Regulation 2(zb) of SEBI LODR, Pronomz would qualify as related parties of the Company.

Additional information under Companies Act, 2013

(a)	Name of the related party	Pronomz Ventures LLP, Promoter group entity of the Company and the Promoter Group
(b)	Name of the director or key managerial personnel who is related, if any	NA
(c)	Nature of relationship	
(d)	Nature, material terms, monetary value and particulars of the contract or arrangement	Sale of equity Shares of Strides Pharma Science Limited to Promonz Ventures LLP at a price of Rs. 475.00 per share
(e)	Any other information relevant or important for the members to take a decision on the proposed resolution	NA

The Board recommends the resolution under Item 3 for the approval of Members by way of an ordinary resolution.

The approval of the shareholders is also sought for selling Strides Shares to the buyer in one of the following two ways, and for the Board to be authorized to decide on the structure for the final sale: (a) sale of Strides Shares directly by the Company to the ultimate buyer, or (b) sale or transfer of Strides Shares first from the Company to Alivira Animal Health India Limited, India (Alivira), a wholly owned subsidiary of the Company, followed by a sale of the Strides Shares by Alivira to the buyer. The proposal in (b) above is being put forth for approval of the shareholders as the Provet shares are held indirectly under Alivira, and the funding for the Provet acquisition is required by Alivira; therefore by allowing the sale of the Strides Shares to take place by Alivira, the Board feels the consequent funds raised at Alivira may be used to fund the Provet acquisition.

None of the Directors or Key Managerial Personnel or their relatives is in any way concerned or interested, financially or otherwise, in the above-referred resolution in Item No. 3.

The promoters of the Company will not participate or vote on this resolution as prescribed under Regulation 23 of SEBI LODR and Section 188 of the Companies Act, 2013.

By order of the Board of Directors of
Sequent Scientific Limited

Krunal Shah
Company Secretary & Compliance Officer
Membership No.: ACS 26087

Place: Thane
Date: August 12, 2020