

October 30, 2014

The General Manager

Corporate Finance Department
The Securities and Exchange Board of India,
Plot No. C4-A, 'G' Block, Bandra Kurla Complex,
Bandra(East), Mumbai 400051

Dear Sirs,

Sub: Request under the SEBI (Informal Guidance) Scheme, 2003

We furnish the following facts for your opinion on the interpretation of Regulation 3 (2) read with Regulation 10 (1) and Regulation 19 (6) of the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 ('SEBI Takeover regulations').

1. Sequent Scientific Limited ("Sequent") is a public limited Company whose shares are listed on the Bombay Stock Exchange Limited.
2. The paid up capital of the Company as on date is Rs.280,851,910 consisting of 28,085,191 equity shares of Rs. 10/- each fully paid.
3. The promoter holding in the Company as on date is 18,642,832 equity shares of Rs. 10/- each constituting 66.38% of the paid up equity capital of the Company.
4. The promoters also hold 7,400,000 convertible warrants issued pursuant to Chapter VII of SEBI (Issue of Capital & Disclosure Requirements) Regulation, 2009, which will entitle them to receive 1 equity share of Rs. 10/- each against each warrant held by them. The warrants were issued in 3 tranches on various dates.
5. On conversion of the entire 7,400,000 warrants, the promoters holding in the Company will be 73.39%.
6. The promoters intend to convert the warrant in tranches so as to ensure compliance with creeping acquisition limits prescribed under SEBI Takeover regulations.
7. Mr. Arun Kumar, one of the Promoters of the Company holds 5,579,993 equity shares of the Company constituting 19.87% of the equity share capital of the Company.
8. Mr. Arun Kumar proposes to gift 700,000 shares constituting 2.49% of the Paid up equity Capital of the Company to his immediate relatives. Such transfer will fall under the exemptions provided for inter-se transfers among immediate relatives under regulation 10 (1) (a) (i) of the SEBI Takeover regulations. There will not be any change in promoter holding consequent to the intended gift of shares.
9. **Guidance Sought**

We seek your guidance on:

info@sequent.in



SeQuent Scientific Limited

Corporate Office : Star 1, Opp. IIM-B, Bilekahalli, Bannerghatta Road, Bangalore 560 076, India. Tel: +91 80 6784 0340 Fax : +91 80 6784 0400

Regd. Office: 301, 3rd Floor, 'Dosti Pinnacle', Plot No. E7, Road No. 22, Wagle Indl. Estate, Thane (W), Mumbai 400 604, India. Phone : +91 22 4111 4777 Fax: +91 22 4111 4754

www.sequent.in

- (a) Applicability of Regulation 3 (2) of SEBI Takeover Regulations, with specific reference to explanation (i) to Regulation 3 (2), reproduced as under, to the proposed gift of shares.
- (i) *gross acquisition alone shall be taken into account regardless of any intermittent fall in shareholding or voting rights whether owing to disposal of shares held or dilution of voting rights owing to fresh issue of shares by the target company.*
- (b) Whether the 2.49% of equity shares proposed to be transferred by way of gift will be considered for the purpose of calculating creeping acquisition limit of 5% under regulation 3 (2) of SEBI Takeover Regulations.
- (c) If the answer to query (b) above is Yes, whether the promoters can comply with disclosure / filing requirements prescribed under Regulation 10 (5), Regulation 10 (6) and Regulation 10 (7) of the SEBI Takeover Regulations for the proposed inter-se transfer of 2.49% shares, so that the 2.49% of the equity shares proposed to be transferred by way of gift is excluded for the purpose of calculating creeping acquisition limit of 5% under regulation 3 (2) of SEBI Takeover Regulations.

We seek your opinion by way of interpretative letter to the above queries.


We will be pleased to provide any further clarification / information that you may require in this regard.

We also request, in terms of Para 11 of the SEBI (Informal Guidance) Scheme, 2003, the application as well as your response may be kept confidential. Since the proposed activity is in respect of listed shares and it involves the promoters, it may affect the price and volume of trading.

Cheque No. 357995 dated October 30, 2014 drawn on Corporation Bank for Rs.25,000/- (Rupees Twenty Five Thousand only) towards the fees for the informal guidance, is attached.

Thanking you,

For Sequent Scientific Limited


Preetham Hebbar
Company Secretary



Email id: preetham.hebbar@sequent.in
Tel No: +91 80 6784 0338