

LEE & NEE SOFTWARES (EXPORTS) LIMITED
CORPORATE GOVERNANCE

FOR THE QUARTER ENDED 30th September, 2015

II. BOARD OF DIRECTORS:

(A) Composition of Board as on 30.09.2015

The Board of Directors comprises of Six Directors, The Composition is as under:

Name of the Director	Position	No. of Meeting Held	No. of Meeting attended	Whether Attended last AGM	No. of other directorship	No. of Committee Membership (including in the Company)	
						Member	Chairman
Mr. Ajay Agarwal	Executive Director-Chairman	2	2	Yes	1	-	-
Mr. Sagarmal Gupta	Promoter Director	2	2	Yes	1	2	-
Mrs. Arpita Gupta	Non-Executive Director	2	2	Yes	1	1	1
Mr. Vikash Kamani	Independent Director	2	2	Yes	0	1	2
Mr. Sushil Kumar Gupta	Independent Director	2	2	Yes	14	1	-
Miss Leela Murjani	Independent Director	2	0	Yes	1	2	-

(B) Independent Directors

The Company has three independent directors namely

- 1) Vikash Kamani
- 2) Sushil Kumar Gupta
- 3) Leela Murjani

(C) Non executive Directors compensation & disclosures

Name of Directors	Sitting fees	Total
1. Mrs. Arpita Gupta	Waived	waived
2. Mr. Vikash Kamani	Waived	waived
3. Mr. Sushil Kumar Gupta	2000	2000
4. Miss Leela Murjani	NIL	NIL

1. Sitting Fees constitute fees paid to Non-executive directors for attending Board and Committee Meetings.
2. The Company did not have any pecuniary relationship or transaction with the Non-Executive Directors during this quarter ended on 30th September, 2015 save and except the sitting fees of Rs. 2000 accepted by the director.

(D) Other provisions as to Board and Committees

The Board held two meeting in this quarter on 8th July, 2015 and 23rd July,2015. The agenda paper was circulated well in advance of this meeting and all the relevant information as required by clause 49 of the Listing Agreement was made available to the Board of Directors.

No Director hold membership of more than 10 Committees of Boards nor is any Director, Chairman of more than 5 Committees of Boards.

(E) Code of Conduct

The Board has formulated following code of Conduct of the Company and the same has also been posted on the website of the Company www.Insel.com.

1. Code of conduct for the Board members and senior management.
2. Code of conduct to Regulate, Monitor & Report Trading by Insiders.
3. Code of Practice & Procedures for Fair Disclosure of Unpublished Price Sensitive Information.

All Board members, senior management personal and specified persons have affirmed their compliance with all applicable Code of Conducts.

(F) Whistle Blower Policy

In pursuit to maintain the highest ethical standards in the course of its business, the Company has put in place a mechanism for reporting of instances of conduct which is not in conformity with its Code. The Company has a whistle blower policy wherein the employees are free to report violations of laws, rules, regulations, unethical conduct, misuse of authority, financial irregularities etc. by way of e-mail directly to the Director and Chairman of Stakeholder Relationship Committee. The whistle blowers may also have direct access to the Chairman of Audit Committee. The Company has also disclosed its policy on its website. The whistle blower policy aims:

1. To create a window for the employees, who observe an unethical practice either organizationally or individually, to be able to raise it without any fear of victimization or reprisal.
2. To encourage timely, safe and open reporting of alleged wrong doings or suspected impropriety.
3. To ensure consistent and timely institutional response.
4. To ensure appropriate reporting of whistleblower investigations; and
5. To encourage ethical and lawful conduct.

The Directors and management personnel maintain confidentiality of such reporting and ensure that the whistle blowers are not subjected to any discrimination.

III. AUDIT COMMITTEE

(A) Qualified & Independent Audit Committee

The audit committee of the Company is constituted in line with the provisions of Clause 49 of the Listing Agreements entered into with the stock exchanges read with Section 177 of the Act. The Committee acts as a link between the management, the statutory and internal auditors and the Board of Directors and oversees the financial reporting process.

(B) Meeting of Audit Committee

The Committee has met 2 times in this quarter ended 30th September' 2015. They were held on 8th July, 2015 and 23rd July, 2015. The minutes of the meeting of the Audit Committee is reviewed and noted by the Board.

The necessary quorum was present for all the meetings.

The Composition of the Committee and the attendance at the meeting of the committee is given below.

Name of Member	Category	Position	No of Meeting	No of Meeting
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			held	attended
1. Mr. Vikash Kamani	Independent, Non-Executive	Chairman	2	2
2. Mr. Sushil Kumar Gupta	Independent, Non-Executive	Member	2	2
3. Mr. S.M Gupta	Promoter	Member	2	2

(C) Powers of Audit Committee 49 (IIC)

The Power of the Audit Committee of the Company include the following:

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.

(D) Role of Audit Committee

The functions of the Audit Committee of the Company include the following:

- Overview of the company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
- Recommendation for appointment, remuneration and terms of appointment of Auditors of the Company.
- Approval of payment to statutory auditors for any other services rendered by the statutory auditors.
- Reviewing with the management, the quarter financial statement before submission to the Board for approval, with particular reference to:
 - Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 3 of Section 134 of the Companies act, 2013
 - Changes, if any, in accounting policies and practices and reasons for the same
 - Major accounting entries involving estimates based on the exercise of judgment by management
 - Significant adjustments made in the financial statements arising out of audit findings.
 - Compliance with listing and other legal requirements relating to financial statements
 - Disclosures of any related party transactions
 - Qualifications in the draft audit report.
- Reviewing with the management, the quarterly financial statement before submission to the Board for approval.
- Reviewing with the management, the statement of uses / application of funds raised through an issue (public issue, right 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 right issue, and making appropriate recommendations to the board to take up steps in this matter.
- Review and monitor the auditor's independence and performance, and effectiveness of audit process.
- Approval or any subsequent modification of transaction of the company with related parties.
- Scrutiny of inter-corporate loans and investments.
- Valuation of undertakings of assets of the company, where ever it is necessary.
- Evaluation of internal financial controls and risk management systems.
- Reviewing with the management, performance of the statutory and internal auditors and adequacy of the internal control systems.
- 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.
- Discussion with the internal auditors any significant findings and follow-up thereon.

- 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.
- Discussion with the statutory auditors before the audit commences, about the nature and scope of the audit as well as post-audit discussion to ascertain any areas of concern.
- To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of nonpayment of declared dividends) and creditors.
- To review the functioning of the Whistle Blower mechanism, in case the same is existing.
- 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.
- Carrying out the function as is mentioned in the terms of reference of the audit committee.

(E) REVIEW OF INFORMATION BY AUDIT COMMITTEE.

The Company has system and procedures in place to ensure that the Audit Committee mandatorily reviews:

- Management discussion and analysis of financial condition and results of operations.
- Statement of significant related party transactions (as defined by the Audit Committee), submitted by management
- Management letters/letters of internal control weakness issued by the statutory auditors
- Internal audit reports relating to internal control weaknesses and
- The appointment, removal and terms of remuneration of the Chief internal auditor shall be subject to review by the Audit Committee.

IV. Nomination and Remuneration Committee:

A) The Company has Nomination and Remuneration Committee comprising of three Directors. The composition of the Committee is as follows:

Name of the members	Category	Position	No. of Meeting Held	No. of Meeting Attended
1. Mr. Vikash Kamani	Independent Director	Chairman	2	2
2. Mrs. Arpita Gupta	Non-Executive Director	Member	2	2
3. Miss. Leela Murjani	Independent Director	Member	2	0

B) Role of Nomination and Remuneration Committee:

The functions of the Committee of the Company include 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. The company shall disclose the remuneration policy and the evaluation criteria in its Annual Report.

V. SUBSIDIARY COMPANIES

There are two non listed subsidiary Company(s). The Audit Committee of the listed holding company shall also review the statements, in particular, the investments made by the unlisted subsidiary company.

The minutes of the Board Meetings of the unlisted subsidiary company has been placed at the board meeting of the listed holding company. The management periodically brings to the attention of the Board of Directors of the listed holding company, a statement of all significant transactions and arrangements entered into by the unlisted subsidiary company.

The Company has a policy for determining 'material subsidiaries' which is disclosed on its website at the following: www.lnsel.com

VI. RISK MANAGEMENT

The Company has laid down procedures to inform Board members about the risk assessment and minimization procedures. A Risk management Committee consisting of Director and senior executives of the Company has been formed to periodically reviews these procedures to ensure that executive management controls risk through means of a properly defined framework .The Company has framed the risk assessment and minimization procedures which will be periodically reviewed by the Board.

VII. RELATED PARTY TRANSACTIONS

There are no related party transaction during the quarter within the meaning of section 185,188 and 189 of the Companies Act, 2013.

VIII. DISCLOSURES

(A) Related party transactions:

There are no materially significant related party disclosures i.e. transactions material in nature, with its promoters, the Directors or the Management or their relatives etc. having potential conflict with the interests of the Company. The board has approved a policy for related party transactions which has been uploaded on the Company's website www.lnsel.com

(B) Disclosure of Accounting Treatment

In the preparation of financial statement, the Company has followed the Accounting Standards issued by the Institute of Chartered Accountants of India to the extent applicable.

(C) Remuneration of Directors

The Company has paid sitting fees to the director for attending the board meeting by Shree Sushil Kumar Gupta and other directors save and except have waived their sitting fees.

(D) Management

Management Discussion and Analysis Report:

Management focus into customized development and solutions, implementation, support, maintenance, training and staffing in the following segments of software services.

ERP:

Enterprise resource planning (ERP) is a cross-functional enterprise system driven by an integrated suite of software modules that supports the basic internal business processes of a company.

Enterprise system software is a multi-billion dollar industry that offers the potential of integrating data and processes across functions in an enterprise.

Organizations consider the ERP system a vital organizational tool because it integrates varied organizational systems and enables flawless transactions and production.

SAP :

Your company is a Partner of SAP which is a major Enterprise Software company with a long history of different software solutions. SAP is the largest and most recognized Fortune 1000, Global 5000 and enterprise market share leader. The Company has achieved its success due to its extremely deep accounting and distribution software suites along with tightly integrated financials, manufacturing, human resource, payroll and customer relationship management software systems. Its Cloud-based Supply Chain Management (SCM) software sales grew 17% in 2014. SAP grew their share of the worldwide SCM market from 23.9% in 2013 to 25.8% in 2014.

SAP's market dominance is expected to be continued in coming years also.

Oracle :

Your Company has also become Gold Partner of Oracle in this year. Our prime focus is on EBS solution along with offering solutions related to Master Data Management & Oracle Fusion products. Oracle Master Data Management drives results by empowering enterprises and their users with the ability to cleanse, govern and manage the quality and lifecycle of master data. Oracle's MDM is an offering designed to reduce the cost of compliance, reduce time to market as well as improve the customer experience by optimizing marketing efforts.

The Oracle Optimized Solution for Oracle E-Business Suite provides a fully tested and documented architecture that's ideal for upgrading and consolidating Oracle's integrated suite of global business applications.

Both these products are upcoming solution of Oracle and there is a huge growth potential in the coming years.

ERP for Universities :

Your Company has developed a customized ERP package catered to reputed Universities in India. It is a web based campus Automation system having various modules required for the functioning of any university. Our company has already got orders from 4 prestigious Universities of India and look forward to add many more in the near future.

Mobile Applications :

It is expected to have close to 400 million smart phones in use in India by 2016. The exponential growth of smart phone users in India will help the mobile applications market to expand in the country.

Big business firms are looking for a product that helps them to tap in among the target audience, to help them compete with other business and stay ahead of them. Our skilled, proficient and experience mobile application team will help to plan, design, develop and deliver a customized application to suit customers' business needs.

At Lee & Nee Softwares (Exports) Ltd, we have expertise in developing mobile applications for different platform and Mobile devices such as Android Application Development, iPhone Mobile Apps Development, BlackBerry Mobile Application Development and Windows Mobile Development.

The Company has successfully implemented and deployed various mobile applications on Android and iOS platform. It looks forward to expand its business further in coming years.

BPO / BPM Business:

The industry is no longer business process outsourcing, it has evolved into business process management (BPM). The outsourcing represents one of the highest potential for India's economic growth and will continue to grow further. According to Nasscom, the Indian IT-BPM industry earned a revenue of \$146 billion, added \$17 billion in FY.2015 over last year. India continues to consolidate its position as the global hub for IT-BPM services, enabling digital transformation for clients serving as further value add. Domestic market to expect a further boost due to Central Government's focus on 'Digital India' and 'Make in India'.

IT staffing and Training Services :

Your company has ventured into IT staffing and training services in the last few years. It is trying to expand itself as a staffing company in various big IT companies working in the area of SAP & Oracle Applications.

Risk & Concerns

Cyber Security Risks- Cyber Security and quality management are few key areas of concern in today's information age. To overcome such concerns in today's global IT scenario, an increasing number of IT-BPO companies in India have gradually started to emphasize on quality to accept global standards such as ISO 9001 (for quality management) and ISO 27000 (for information security). Today, centers based in India account for the largest number of quality certifications achieved by any single country.

Economic Risk- The economic slowdown and adverse movement of key macroeconomic indicators can impact Company's business operations.

Geographic diversity, in terms of two distinct markets namely developed & developing regions coupled with diversity in business lines namely IT services and software products helps protect Lee & Nee Softwares (Exports) Ltd. from economic slowdown. Its long standing relationship with key clients together with long-term contracts helps abate the impact to a greater extent.

Concentration Risk- Regional concentration as well as vertical concentration can adversely impact Company's business in case of a slowdown.

The company has diversified its business, both in terms of region and verticals, is intrinsically woven into the DNA of Lee & Nee Softwares (Export) Ltd.

Currency Risk- With a significant portion of company's revenues coming from exports, volatility in exchange rates may impact company's business adversely.

The company has made a well defined currency hedging Policy which helps in controlling risk arisen from currency fluctuations and volatility.

The company has engaged the Foreign Exchange Reviewer for reviewing our foreign exchange risk management policy. Based on that the co. has move forward for taking forward covers for only for quarters. And our advisors play a very active role in reviewing our foreign exchange exposure and provide risk mitigation strategies.

Competetion Risk- The ever –increasing competition poses a key risk in terms of acquiring client business as well as human talent.

Lee & Nee Softwares (Exports) Ltd. has enhanced their value in the proposition of its customers by way of deepening its domain expertise, technological capabilities and customer engagement, on the human capital front, Lee & Nee Softwares (Exports) Ltd. Brand equity and best in class HR principles and practices has made it a preferred employer.

Regulatory Risk- Legislation in various countries in which we operate including the US & UK , Australia may place restrictions on companies in those countries from outsourcing work to us, or may enact stricter immigration laws or may limit our ability to send our employees to certain client sites.

A team of professionals has been employed within and outside the Company. The company has working on mitigating this on a continuous basis.

THREATS

The emergence of Philippines and China is also a challenge. The Philippines has already overtaken India in terms of 'voice' revenues and China, with its cost and infrastructure benefits, is emerging as a favourable outsourcing destination.

In order to minimize threats from other countries, the Indian IT-BPO industry needs to innovate and start offering high-end services along with varied skillsets, apart from building domain.

New challenges have emerged in the form of rising inflation, a falling growth rate, delays in much needed reforms and the attendant waning of investor confidence. There is an urgent need for IT innovation in systems, processes, outsourcing, infrastructure risk management, customer support and security. The rapidly changing nature of global business, external operating environments, manufacturing, wholesale, retailing, logistics, supply chain management, velocity of change in consumer and competitor behaviour, shifts in patterns of work, virtual teams, virtual working, collaboration tools and partnership are the key mechanisms that will accelerate innovation, change and business growth.

Growth:

Globalization has had a profound impact in shaping the Indian IT Industry. It is very fast getting clear that the future growth of IT and IT enabled services will be fuelled by the verticals of climate change, mobile applications, healthcare, energy efficiency and sustainable energy, analytic products, opportunity for I.T. BPM industry, catalise digital transformation, India's startup success dream.

By 2015, IT sector is expected to generate revenues of USD 150 billion (NASSCOM), which will create a transformational impact on the overall economy. BPM alone is estimated at USD 50 billion by 2020.

The fast approaching USD 150 billion mark as a testament to the products in India as a partner of choice for customers across the world.

Innotrek 2015, was organised to build the bridge to India's startup success dream. Multiple source of funding is driving growth of Indian startup and the country has gradually evolved to become the 4th largest base of tech startup in the world.

Digital transformation is being catalised. Change gains prominence through new governance structure stronger interplay of digital technology and an increased focus on Research and development.

Today our respected Prime Minister is asking the software companies of Silicon valley to fulfill India's dream of digital India by participating in Make In India drive as has assured all possible steps to make doing business in India on ease.

Analytics product software market is scripting a promising future. This market is expected to touch USD 73 billion in next 5 years. It will clock in a 300% growth by 2020 from its current level of 1 billion USD. With 400 odd Indian Companies this market accounts for a USD 144 million in revenues growing at 17% year on year.

Keeping in view the future prospects in IT and IT enabled services, your company has stick to its vision of entry into ERP in e-governance, ERP in automotive industry as well as ERP in healthcare in partnership with SAP and Oracle.

Segment-wise or Product-wise performance:

In view of the identical geographical location and the same product, i.e. ITES, there is hardly any need for separate segmental reporting.

Future Economic Outlook:

India's economy picked up pace in FY 2014-2015 and grew 7.3%, which marked the largest expansion in four years. Despite the positive result, a large amount of uncertainty remains regarding the economy's underlying growth trend. A comparison of supply-side calculated GDP data and GDP by expenditure for the January to March period paint different pictures of the economy's momentum. While the economy accelerated in the final quarter of the fiscal year according to GDP by expenditure data, Gross Value Added (GVA) estimates show that the economy lost steam. More recent data suggest that the country may have started to gain momentum at the start of fiscal year 2015-2016.

Internal Control System and their adequacy:

Lee & Nee has deployed adequate Internal Control Systems (ICS) in place to ensure a smooth functioning of its business. The processes and the systems are reviewed constantly and changed to address the changing regulatory and business environment. The Control Systems provide a reasonable assurance of recording the transactions of its operations in all material aspects and of providing protection against misuse or loss of Company's assets.

The ERP system which the Company had implemented has helped in further strengthening the internal control systems that are in place.

The existing internal control systems and their adequacy are frequently reviewed and improved upon to meet the changing business environment. The external auditors as well as the internal auditors periodically review the internal control systems, policies and procedures for their adequacy, effectiveness and continuous operation for addressing risk management and mitigation strategies.

Adequacy of Internal Finance Control with reference to Financial Statement

The policy and procedures adopted by the company for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records and timely preparation of reliable financial information. This can be achieved by increasing involvement in the Company's internal control assessment process. The existing internal financial control is effective and operative.

Discussion on financial performance with respect to operational performance: -

The sale of the Company has increased as compared to last quarter. There is profit in this quarter which has reduced the loss considerably as compared to last quarter. The export sales have comparatively increased in this quarter. The company continues to sign deals with few overseas companies that provide regular and good volume of business. The Company has also explored the Australian market recently to expand its share of business in the overseas market. It is looking forward to sign more such deals in the coming years. The Company has identified new avenues of software business, Ecommerce business is picking up in India helping the company to get more software business from the domestic market. The Company is looking forward to work in the areas of Digital Marketing and Mobile Apps development as there is huge potential in these areas. Oracle is another new area in which the company has entered in this year. There is a huge potential of business in this area both in domestic as well as overseas market. Company is on the way of developing its own sector specific products and packages in the months to come. The Company has also venture into computer hardware activities for its client as a part of integrated package deal. The Company is very positive to get good volume of business in the coming year. The company has still scope for better utilization of its capacity and is working very hard to soon achieve higher volumes of work for optimum utilization of its resources.

Material Development in Human Resources/Industrial Relation Front, including No. of people employed:

Your Company treats its "human resources" as one of its most important assets and it believes that its middle management is particularly critical to its business, as they are responsible for managing teams, understanding its clients' expectations and its contractual obligations to clients, ensuring consistent and quality service delivery and deploying the Company's process excellence framework. The Company continuously invests in its HR to create a favourable work environment that encourages innovation which enables it to retain skilled and a highly professional workforce.

Your Company continuously invest in attraction, retention and development of talent on an ongoing basis. A number of programs that provide focused people attention are currently underway. Your Company thrust is on the promotion of talent internally through job rotation and job enlargement.

Our hiring requirements expected to increase by at least 30 per cent this year. This will be due to anticipated growth and the backfill due to attrition. We expect to improve our people intake during 2016 and are exploring new avenues to decrease hiring turnaround times.

MEANS OF COMMUNICATION

(A).The quarterly Results of the Company are sent to the Stock Exchanges immediately after they are approved by the Board of Directors and communicated to the investors through publication in news papers in English and vernacular languages.

The Financial results are generally published in “The Financial Express”.

The results are also placed at website of the Company; www.insel.com soft copies of the financial results are also mailed to corp.relations@bseindia.com

Presentations are made to Institutional Investors or Analysts on specific request.

(E) SHAREHOLDERS : STAKEHOLDERS RELATIONSHIP COMMITTEE:

All the information’s regarding the Company and its working are regularly uploaded in the Company’s Website viz. www.insel.com

The Stakeholders Relationship Committee is empowered to perform the functions of the Board relating to handling of Stakeholders’ queries and grievances. The members of the Committee are –

Mrs. Arpita Gupta – Non-Executive Director, Chairman
Mr. S.M. Gupta -- Member
Miss. Leela Murjani -- Member

The total number of complaints received and replied to the satisfaction of shareholders. There were no complaints pending as on 30th September’ 2015.

Mrs. Arpita Gupta has been designated as the Compliance Officer to overseas the investor’s grievances and the matters relating to share transfer.

M/s. Maheshwari Datamatics Pvt. Ltd. has been appointed as the Company’s transfer agent to expedite the process of share transfer both physical and demat segment.

(F) Proceeds from public issues, rights issues, preferential issues etc:

The Company did not raise any money through any issue during this quarter.

There were no cases of non-compliance, no penalties or strictures imposed on the Company by Stock Exchanges or SEBI or any statutory authority on any matter related to capital markets during the last three years.

The Company has complied with all the mandatory requirements of Clause 49 of the Listing Agreements.

(IX) CEO/CFO CERTIFICATION

It has been placed before the board.

(X) REPORT ON CORPORATE GOVERNANCE

All the regulations of Corporate Governance have been duly complied with.

The Company has been regularly complying with the Corporate Governance regulations as certified by the Companies Auditors.

(XI) COMPLIANCE

Forms part of Annual Report for the year ended 2014-2015.

Quarterly Compliance Report on Corporate Governance under Clause 49 of the Listing Agreement

Name of the Company: LEE & NEE SOFTWARES (EXPORTS) LTD.

Quarter ending on: 30.09.2015

Particulars	Clause of Listing Agreement	Compliance status (Yes/No)	Remarks
II. Board of Directors	49 II	Yes	
(A) Composition of Board	49(IIA)	Yes	
(B) Independent Directors	49(II B)	Yes	
(C) Non-executive Directors' Compensation & Disclosures	49 (IIC)	Yes	
(D) Other Provisions as to Board and Committees	49 (IID)	Yes	
(E) Code of Conduct	49 (IIE)	Yes	
(F) Whistle Blower Policy	49 (IIF)		
III. Audit Committee	49 (III)	Yes	
(A) Qualified & Independent Audit Committee	49 (IIIA)	Yes	
(B) Meeting of Audit Committee	49 (IIIB)	Yes	
(C) Powers of Audit Committee	49 (IIIC)	Yes	
(D) Role of Audit Committee	49 (IIID)	Yes	
(E) Review of Information by Audit Committee	49 (IIIE)	Yes	
IV. Nomination and Remuneration Committee	49 (IV)	Yes	
V. Subsidiary Companies	49 (V)	Yes	
VI. Risk Management	49 (VI)	Yes	
VII. Related party Transactions	49 (VII)	Yes	
VIII. Disclosures	49 (VIII)	Yes	
(A) Related Party Transactions	49 (VIIIA)	Yes	
(B) Disclosure of Accounting Treatment	49 (VIIIB)	Yes	
(C) Remuneration of Directors	49 (VIIIC)	Yes	
(D) Management	49 (VIIID)	Yes	
(E) Shareholders	49 (VIIIE)	Yes	
(I) Proceeds from Public Issues, Rights Issues, Preferential Issues etc.	49 (VIII I)	N.A.	No Public Issue
IX. CEO/CFO Certification	49 (IX)	Yes	
X. Report on Corporate Governance	49 (X)	Yes	
XI. Compliance	49 (XI)	Yes	

Yours truly,

For Lee & Nee Softwares (Exports) Ltd

Arpita Gupta
(Compliance Officer)