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Lee & Nee
Softwares (Exports) Ltd.

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Policy for Determining Materiality ofEvents
Pursuant to SEBI (Listing Obligations rind Disclosure Requirements) Regulations,2015

Pursuant to Clause 30(4)(ii) of the Securities and Exchange Board of India (Listing obligations and Disclosure Requirements) Regulations, 2015 ("Regulations"), the Board of Lee & Nee Softwares (Exports) Ltd. ("the Company"), vide its resolution by circulation dated 25th January, 2016, has approved and adoptedthis policy for determination of materiality of events or information for which disclosure may be made by the Company to the Stock Exchange.

1. **Effective date:** This policy shall come into force on 25.01.2016.

2. **Definitions:**

"Authorized Employee" shall mean the key managerial personnel authorized by the Board pursuant to Regulation 30(5) of the Regulations, for the purpose of determining the materiality of an event or information and making disclosures to Stock Exchanges inaccordance with the Regulations.

"Board" or "Board of Directors" shall mean the Board of Directors of the Company is constituted from time to time.

"Company" shall mean Lee & Nee Softwares (Exports) Limited.

"Companies Act" shall mean (Indian) Companies Act, 2013 as amended, modified, and supplemented or re enacted form time to time and shall include any applicable provisions of (Indian) Companies Act, 1956 which have not been superseded by the relevant provisions of the (Indian) Companies Act, 2013 as on the Relevant date.

"Material Subsidiary" shall mean a subsidiary, whose income or net worth exceeds twenty percent of the consolidated income or net worth respectively, of Lee & Nee Softwares (Exports) Ltd. And subsidiaries in the immediately preceding accounting year or any other subsidiary as may be considered as "material" pursuant to material Subsidiary Policy, framed by Lee & Nee Softwares (Exports) Ltd in accordance with the Regulations.

"Relevant Events" shall mean the events listed in paragraphs B & C of Schedule III of the Regulations and specified in Schedule I to this Policy for reference to the Company or its Material Subsidiary.

"Stock Exchange" shall mean the Stock Exchange(s) on which the securities of the Company are listed.

"Key Managerial Personnel" shall have the same meaning as assigned to it in the Companies Act.

"Normal Course" shall mean any action, event or circumstances that is (i) recurring in nature and taken in the ordinary course of the Company's day to day operations; (ii) consistent with the practices and policies as followed on the date of such determination; (iii) similar in nature to actions customarily taken, without any separate or special Authorization or (iv) consistent with the Industry practices (i.e. practices adopted by an entity/ies engaged in the same line of business as the Company).

"Officer" shall have the same meaning as provided in the Companies Act.

"Policy' shall mean the materiality policy of the Company as provided herein.

Other terms used, but not defined herein, shall have the same meaning as assigned to these in the Regulations.

3. Objective of the Policy

3.1 This policy has been formulated and adopted by the Board in pursuance of Regulation 30(4) (ii) of the Regulations, to enable the Company to identify events, information and circumstances which may be considered material and disclosed to the Stock Exchange in accordance with the Regulations. The Company shall endeavor to make adequate and timely disclosures on an ongoing basis.

4. Criteria for determining Materiality of Events

4.1 Pursuant to Regulation 30(3) of the Regulations, the Company is required to make disclosures to the Stock Exchange with respect to Relevant Events in case the event is 'material'. Materiality of a Relevant Event shall be determined basis the following principles:

(a) The omission of an event or information, which is likely result in discontinuity or alteration of event or information already available publicly; or

(b) The omission of an event or information is likely to result in significant market reaction if the said omission came to light at a later date;

(c) In case where the criteria specified in sub-clauses (a) and (b) are not applicable, an event/information may be treated as being material if in the opinion of the Board of Directors of the Company, the event/information in considered material.

5. Identification of Relevant Events and the process for determining Materiality.

5.1 In order to ensure that the Company complies with the disclosure obligations under Regulation 30 of the Listing Regulations, the Board has established an internal system for reporting any event/information which may require disclosure so that the event /information can be properly assessed and decision can be made regarding its disclosure to the Stock Exchanges.

5.2 Pursuant to Regulation 30(5) of the Regulations, the Board has designated the following employees as Authorized Employees for determining of materiality of event or information:

a) Chairman and Managing Director
b) Chief Financial Officer and
c) Company secretary of the Company.

Under the system all Head of the Departments who are responsible for relevant areas of the Company's operations (Responsible Officers) must report immediately to the Authorized Employees of any event/ information along with full particulars and details, which may possibly be material or of which the Responsible Officer is unsure as to its materiality.

5.3 Based on the information made available to the Authorized Employees, they shall employ thecriteria as set outin Paragraph 4 to determine wheatear the Relevant Event may be considered material. The Authorized Employees shall be entitled to seek (i) any further information from any of Company's employee with respect to the Relevant event, as may be required; and/or (ii) an opinion from an external expert, if required, to make a determination of with respect to the materiality of the Relevant Events.

5.4 With respect to any Relevant Event, the Authorized Employees may refer the matter to the Board to determine whether such an event qualifies as material or not. In such a case the Authorized Employees shall place before the Board all relevant records and information required by the Board to make an informed decision about the Relevant Event. The Board may apply the principles as set out in this Policy or such other principles as it deems fit to arrive at a determination with respect to the materiality of any such Relevant Event.

5.5 In the event the Authorized Employee is of the view that any event, circumstance or information is not a Relevant Event but is a material event, it may apply the principles as set out in this Policy and determine whether or not such an event is required to be disclosed to the Stock Exchange.

6. **Website Updation / Updates to Stock Exchanges**

The company shall disclose all the disclosures made under the regulations to the stockexchanges onto its website and such disclosures shall be hosted on the website of the Company for a minimum period of five years and thereafter as per the archival policy of the Company.

7. Powers of the Board

The Board may amend. supplement or modify this policy time to time. Further, the Board may as its discretion, appoint or remove any Authorized Employees or appoint any other Key Managerial Personnel as the Authorized Employee and Paragraph 5.1 of this policy shall automatically stand amended from the date of such decision.

8. Miscellaneous

8.1 Interpretation: Unless the context of this policy otherwise requires:

(a) Words using the singular or plural number also include the plural or singular number, respectively;

(b) Words of any gender are deemed to include the other gender;
(c) Reference to the word "include" shall be construed without limitation;
(d) The terms "Paragraph" refers to the specified paragraph of this policy;
(e) Reference to any legislation or law or to any provision thereof shall include references to any such legislation or law as it may, after the date hereof, from time to time, be amended, supplemented, re-enacted, replaced or superseded, and any reference to a statutory provision shall include any subordinate legislation made from time to time under that provision; and

8.2 **Applicable laws:** In case the provisions of this policy are in conflict with the provisions of the applicable law (including provision of the Companies Act or the Regulations) or provisions of the applicable law or any interpretation thereof are more beneficial than the provisions of this Policy, the provision of the applicable law and the relevant interpretation thereof shall supersede the provisions of this Policy and the Company shall be entitled to act in accordance with such provisions of the applicable laws and any interpretation thereof. All actions taken by the Company in accordance with such applicable laws shall be deemed to be in consonance with this policy.

8.3 This policy shall be disclosed on the website of the Company and a link thereto shall be provided in the Annual Report.

On Behalf of the Board of Directors of Lee & Nee Softwares (Exports) Ltd.

Dated: 25.01.2016

Schedule I

Relevant Events

1. Commencement or any postponement in the date of commencement of commercial production or commercial operations of any new unit/division.
2. Change in the general character or nature of business brought about by arrangements for strategic, technical, manufacturing, or marketing tie up, adoption of new lines of business or closure or operations of any unit/division (entirety or piecemeal).
3. Capacity addiction or product launch.
4. Awarding, bagging/ receiving, amendment or termination of awarded/bagged orders/contracts not in the Normal Course of business.
5. Agreements (viz. loan agreements(s) (as a borrower) or any other agreement(s) which are binding and not in Normal Course of business) and revision(s) or amendment(s) or termination(s) thereof.

6. Disruption of operations of any one or more units or division of the Company due to natural calamity (earthquake, flood, fire etc.), force majeure or events such as strikes, lockoutsetc.
7. Effect(s) arising out of change in the regulatory frame work applicable to the listed entity.
8. Litigation(s) / dispute(s) / regulatory action(s) with impact.
9. Fraud/ defaults etc. by Directors (other than key managerial personnel) or employees of the Company.
10. Options to purchase securities including any ESOP/ESPS Scheme.
11. Giving of guarantees or indemnity or becoming a surety for any third party.
12. Granting, withdrawal, surrender, cancellation or suspension of key licenses or regulatory approvals.
13. Any other information/event viz. major development that is likely to affect business, e.g.emergence of new technologies, expiry of patents, any change of accounting policy that mayhave a significant impact on the accounts, etc. and brief details thereof and any other information which is exclusively known to the listed

entity which may be necessary to enable the holders of securities of the listed entity to appraise its position and to avoid the establishment of a false market in such securities.