



# Lee & Nee

## Softwares (Exports) Ltd.

REGD. OFFICE : 14B, CAMAC STREET  
KOLKATA - 700 017, INDIA  
PH. : 91-33-4065 0370 / 76  
FAX : 91-33-2281 628 /  
Email : info@lnsel.com  
Website : www.lnsel.com

9<sup>th</sup> July, 2015

To

**Bombay Stock Exchange Limited**

Phiroze Jeejeebhoy Towers,

Dalal Street,

Mumbai - 400001

Dear Sir / Madam,

Scrip Code : 517415

**Sub : Confirmation of formulation of Codes under Securities and Exchange Board of India  
(Prohibition of Insider Trading) Regulations, 2015**

Pursuant to Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 ("The Regulations, 2015) and SEBI Circular No. CIR/ISD/01/2015 dated 11<sup>th</sup> May, 2015 we wish to confirm that the Company has formulated following codes:

- 1) Code of Practices and procedures for Fair Disclosure of Unpublished Price Sensitive Information ("Code of Fair Disclosure") as required under Regulation 8 of the Regulations, 2015.
- 2) Code of Conduct for Prevention of Insider Trading in Securities of Lee & Nee Softwares (Exports) Limited as required under Regulation 9(1) of the Regulations, 2015.

Please find enclosed herewith Copies of the aforesaid Codes for your records.

You are requested to kindly take note of the same.

Thanking you

Yours faithfully

For **LEE & NEE SOFTWARES (EXPORTS) LIMITED**

Lee & Nee Softwares (Exports) Ltd  
*Arpita Gupta*

**ARPITA GUPTA**

**COMPLIANCE OFFICER**

Encl.: as above



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**CODE OF PRACTICES AND PROCEDURES FOR FAIR DISCLOSURE OF UNPUBLISHED PRICE SENSITIVE INFORMATION**

**(Pursuant to the SEBI (Prohibition of Insider Trading) Regulations, 2015)**

The Board of Directors has adopted following "Code of Practice and Procedures for Fair Disclosures of Unpublished Price Sensitive Information" in compliance with Regulation 8 (1) of the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015.

1. The Company shall ensure prompt public disclosure of unpublished price sensitive information that would impact price discovery no sooner than credible and concrete information comes into being in order to make such information generally available.
2. The Company shall ensure uniform and universal dissemination of unpublished price sensitive information to avoid selective disclosure.
3. The Compliance Officer of the Company shall act as a chief investor relations officer of the Company to deal with dissemination of information and disclosure of unpublished price sensitive information.
4. The Company shall ensure prompt dissemination of unpublished price sensitive information that gets disclosed selectively, inadvertently or otherwise to make such information generally available.
5. The Company shall provide appropriate and fair response to queries on news reports and requests for verification of market rumours by regulatory authorities.
6. The Company shall ensure that information shared with analysts and research personnel is not unpublished price sensitive information.
7. The Company shall develop best practices to make transcripts or records of proceedings of meetings with analysts and other investor relations conferences on the official website to ensure official confirmation and documentation of disclosures made.
8. The Company shall handle all unpublished price sensitive information on a need-to-know basis.

This Code is subject to review from time to time.

**DEVELOPMENT OFFICE :**

Module. 511 - 513, SDF Building, 4th Floor, Block - GP, Sector - V, Salt Lake, Kolkata - 700 091, Ph. : (033) 4069 5180 / 81 / 82



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### CODE OF CONDUCT TO REGULATE, MONITOR AND REPORT TRADING BY INSIDERS.

Regulation 9 (1) of the newly introduced SEBI (Prohibition of Insider Trading) Regulations, 2015 (the "Regulations") requires a listed company to formulate a Code of Conduct to Regulate, Monitor and Report Trading by its employees and other connected persons, towards achieving compliance with the said Regulations, adopting the minimum standards, set out in Schedule B to the Regulations. Accordingly a Code of Conduct to regulate, Monitor and Report Trading by Insiders (the "Code") for Lee & Nee Softwares (Exports) Limited (the "Company") is hereby framed as under –

#### **I. Important Definitions**

- (a) "Compliance Officer" means Senior Officer designated so and reporting to the Board of Directors and who shall be responsible for compliance of the policies, procedures, maintenance of records, monitoring adherence to the Rules and Regulations under SEBI (Prohibition of Insider Trading), Regulations, 2015.
- (b) "Connected person" shall generally include-
- Directors, Key Managerial Personnel, Specified Employees and Promoters [Referred to as "Designated Persons"] who may have access to unpublished price sensitive information; and
  - Immediate Relatives of the above;
- (c) "generally available information" means information that is accessible to the public on a non-discriminatory basis;
- (d) "Insider" means any persons who is
- i) a connected person; or
  - ii) in possession of or having access to unpublished price sensitive information;
- (e) "Immediate relative" means a spouse of a person, and includes parent, sibling, and child of such person or of the spouse, any of whom is either dependent financially on such person, or consults such person in taking decisions relating to trading in securities;

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- (f) "trading" means and includes subscribing, buying selling, dealing, or agreeing to subscribe, buy, sell deal in any securities, and "trade" shall be construed accordingly;
- (g) "trading day" means a day on which the recognized stock exchanges are open for trading;
- (h) "unpublished price sensitive information" means any information , relating to a company or its securities, directly or indirectly, that is not generally available which upon becoming generally available, is likely to materially affect the price of the securities and shall, ordinarily include but not restricted to, information relating to the following:
- i. financial results,
  - ii. dividends,
  - iii. change in capital share,
  - iv. mergers, de-mergers , acquisitions, de-listings, disposal and expansion of business and such other transactions
  - v. changes in key managerial personnel; and
  - vi. Materials events in accordance with the listing agreement.

## **II Code**

### **1 Reporting**

The Compliance Officer shall report to the Board of Directors ("Board) and in particular, shall provide reports to the Chairman of the Board, on a monthly basis or at such frequency as may be stipulated by the Board.

### **2 Information on a need to know basis**

All information shall be handled within the organization on a need to know basis and no basis unpublished price sensitive information shall be communicated to any person except in furtherance of the insider's legitimate purposes, performance of duties or discharges of his/her legal obligations.

Norms to prevent the disclosure of Unpublished Price Sensitive Information

- i. To prevent the misuse of confidential information, the Company shall separate those areas of the Company which routinely have access to confidential information considered "inside areas" from those areas which deal with sale / marketing / investment advice or other departments providing support services, considered "public areas"

- ii. The employees in the insider area shall not communicate any price sensitive information to any one in public area.
- iii. The employees in inside area may be physically segregated from employees in public area.
- iv. Demarcation of the various departments as inside area may be implemented by the Company.
- v. In exceptional circumstances employees from the public areas may be brought "over the wall" and given confidential information on the basis of "need to know" criteria, under intimation to the Compliance Officer.

### **3 Designated Persons**

The Chairman of the Board shall in consultation with the Compliance Officer specify the designated persons to be covered by such Code on the basis of their role and function in the organization. Due regard shall be had to the access that such role and function would provide to unpublished price sensitive information in addition to seniority and professional designation.

### **Trading Window**

- 4 Designated persons may execute trades subject to compliance with these Regulations. Towards this end, a notional trading window shall be used as an instrument for monitoring trading by the designated persons. The trading window shall be closed when the Compliance Officer determines that a designated person or class of designated persons can reasonably be expected to have possession of unpublished price sensitive information. Such closure shall be imposed in relation to such securities to which such unpublished price sensitive information relates. Designated persons and their immediate relatives shall not trade in securities when the trading window is closed.
- 5 The timing for re-opening of the trading window shall be determined by the Compliance Officer taking into account various factors including the unpublished price sensitive information in question becoming generally available and being capable of assimilation by the market, which in any event shall not be earlier than forty-eight hours after the information becomes generally available. The trading window shall also be applicable to any person having contractual or fiduciary relation with the Company, such as auditors, accountancy firms, law firms, analysts, consultants etc., assisting or advising the Company.

## **Pre- clearance & trades**

- 6 When the trading window is open, trading by designated persons shall be subject to preclearance by the Compliance Officer, if the value of the proposed trade(s) is above Rs. 10,00,000 as the Board may stipulate over any period of time. No designated person shall apply for pre-clearance of any proposed trade if such Designated person is in possession of unpublished price sensitive information even if the trading window is not closed.
- 7 The Compliance Officer shall confidentially maintain a list as a "restricted list" as may be specified in the SEBI regulations which shall be used as the basis for approving or rejecting application for pre-clearance of trades.
- 8 Prior to approving any trade (s), the Compliance Officer shall be entitled to seek declarations to the effect that the applicant for pre-clearance is not in possession of any unpublished price sensitive information. He shall also have regard to whether any such declaration is reasonably capable of being rendered in accurate.
- 9 The Trade shall be executed within 7 days from the date of preclearance by Compliance Officer, failing which fresh pre-clearance would be needed
- 10 The Designated Person who is permitted to trade shall not execute a contra trade till the expiry of 6 months from the last executed trade.
- 11 **Disclosure Responsibilities:**

### **A. Initial Disclosures of holdings**

Every promoter, key managerial personnel and director of the Company shall disclose his holding of securities of the Company as on the date of these Regulations taking effect to the Company within thirty (30) days of these Regulations taking effect in the Prescribed Form A

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

within seven (7) days of such appointment or becoming a promoter in the prescribed **Form B**

**B. Continual Disclosures of trades**

Every promoter, employee and director of the Company shall disclose to the Company, the number of such securities acquired or disposed of within two (2) trading days of such transaction if the value of the securities traded, whether in one transaction or a series of transactions over any calendar quarter, aggregates to a traded value in excess of ten lakh rupees in the prescribed **Form C**

**C. Disclosures by Other Connected Persons:**

Disclosures of holdings and trading in securities of the Company by any persons other than Promoter, Key Managerial Personnel, Director and employee shall be made in **Form D** within 7 trading days to the Company.

**12 Penalty for contravention of Code of Conduct**

Any Designated Person contravening the Code will be liable to penalty and appropriate disciplinary action including remuneration freeze, suspension, dismissal etc. as may be decided by the Chairman of the Board in consultation with the Compliance Officer.

**13 Applicability of the Code to certain persons**

The regulations shall be applicable to certain persons who by being in any contractual, fiduciary or employment relationship or holding any position including a professional or business relationship with the Company whether temporary or permanent have access, directly or indirectly, to unpublished price sensitive information or are reasonably expected to allow such access. They are advised to adhere to the Regulations strictly. In the event of any violation of these regulations, the Company shall promptly intimate the Board about the same.

This Code is subject to review from time to time.