

Annexure 8

BUSINESS RESPONSIBILITY REPORT

(As per Regulation 34(2) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

SECTION A: GENERAL INFORMATION ABOUT THE COMPANY

1. Corporate Identity Number (CIN) of the Company : L72200DL1992PLC049074
2. Name of the Company : Newgen Software Technologies Limited
3. Registered address : A-6, Satsang Vihar Marg, Qutab Institutional Area, New Delhi - 110067
4. Website : <https://newgensoft.com/>
5. E-mail id : investors@newgensoft.com
6. Financial Year reported : 1st April 2019 to 31st March 2020
7. Sector(s) that the Company is engaged in (industrial activity code-wise) : Computer Programming, Consultancy and Related services.
NIC Code of the activities - 620.
8. List three key products/services that the Company manufactures/provides (as in balance sheet) : Product Solutions and Services in:
(i) Enterprise Content Management
(ii) Business Process Management
(iii) Customer Communication Management.
For detailed description on the Company's products/services kindly refer Management Discussion and Analysis Report, as annexed to the Board's Report.
9. Total number of locations where business activity is undertaken by the Company : (i) Details of International Locations:
USA/Americas: USA and Canada
APAC: Singapore and Australia
EMEA: UK and Dubai
(ii) Details of National Locations:
New Delhi, Noida- Uttar Pradesh, Mumbai and Chennai.
10. Markets served by the Company - Local/State/ National/International : Company serves the Indian as well as International markets.
For detailed description kindly refer Management and Discussion Analysis Report annexed to the Board's Report.

SECTION B: FINANCIAL DETAILS OF THE COMPANY (STANDALONE)

1. Paid up Capital (INR) : 6,995.5701 Lakhs
2. Total Turnover (INR) : 57,740.12 Lakhs
3. Total profit after taxes (INR) : 6,591.23 Lakhs
4. Total Spending on Corporate Social Responsibility (CSR) as percentage of profit after tax (%) : 2% of average of net profit of the Company made during the three immediately preceding financial year.
5. List of activities in which expenditure in 4 above has been incurred : Kindly refer Corporate Social responsibility Report, annexure 7 to the Board's Report.

SECTION C: OTHER DETAILS

1. **Does the Company have any Subsidiary Company/ Companies?**
Yes.
2. **Do the Subsidiary Company/ Companies participate in the BR Initiatives of the parent company? If yes, then indicate the number of such subsidiary company(s)**
Yes. All the subsidiary Companies participate in the BR initiatives.

3. Do any other entity/entities (e.g. suppliers, distributors etc.) that the Company does business with, participate in the BR initiatives of the Company? If yes, then indicate the percentage of such entity/entities? [Less than 30%, 30-60%, More than 60%]

No.

SECTION D: BR INFORMATION

1. Details of Director(s) responsible for BR

(a) Details of the Director/Directors responsible for implementation of the BR policy/policies:

i.	DIN	:	00263222
ii.	Name	:	Mr. Diwakar Nigam
iii.	Designation	:	Chairman & Managing Director

(b) Details of the BR head:

S. No.	Particulars	Details
i.	DIN (if applicable)	00263222
ii.	Name	Mr. Diwakar Nigam
iii.	Designation	Chairman & Managing Director
iv.	Telephone number	+91-11-4077 0100
v.	e-mail id	investors@newgensoft.com

2. Principle-wise (as per NVGs) BR Policy/ Policies:

The National Voluntary Guidelines (NVGs) on Social, Environmental and Economic Responsibilities of Business released by the Ministry of Corporate Affairs (MCA) has adopted nine areas of Business Responsibility which are briefed as below.

P1: Businesses should conduct and govern themselves with Ethics, Transparency and Accountability.

This is embedded in the Company's Code of Ethics and Business Conduct, Anti-Bribery & Anti-Corruption Policy, Disciplinary Action Policy, Code of Conduct for Directors and Senior Management Personnel and Whistle blower Mechanism.

P2: Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle.

This is embedded in the Company's Code of Ethics and Business Conduct and Policy on Environment Sustainability.

P3: Businesses should promote the well-being of all employees.

This is embedded in the Company's Code of Ethics and Business Conduct, Policy on Prevention of Sexual Harassment of Women at Workplace.

P4: Businesses should respect the interests of and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalized.

This is embedded in the Company's Code of Ethics and Business Conduct, Whistle blower Mechanism and Policy on Environment Sustainability.

P5: Businesses should respect and promote human rights.

This is embedded in the Company's Code of Ethics and Business Conduct, Policy on Prevention of Sexual Harassment of Women at Workplace, Anti-Bribery & Anti-Corruption Policy, Disciplinary Action Policy and Whistle blower Mechanism.

P6: Businesses should respect, protect and make efforts to restore the environment.

This is embedded in the Company's Policy on Environment Sustainability.

P7: Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner.

This is embedded in the Company's Code of Ethics and Business Conduct, Anti-Bribery & Anti-Corruption Policy, Disciplinary Action Policy, Policy on Prevention of Sexual Harassment of Women at Workplace and Whistle blower Mechanism.

P8: Businesses should support inclusive growth and equitable development.

This is embedded in the CSR policy.

P9: Businesses should engage with and provide value to their customers and consumers in a responsible manner.

This is embedded in the Company's Code of Ethics and Business Conduct, Anti-Bribery & Anti-Corruption Policy and Whistle blower Mechanism.

(a) Details of compliance (Reply in Y/N):

S. No.	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
i.	Do you have a policy/ policies for the respective Principles	Y	Y	Y	Y	Y	Y	Y	Y	Y
ii.	Has the policy being formulated in consultation with the relevant stakeholders?	Y	Y	Y	Y	Y	Y	Y	Y	Y
iii.	Does the policy conform to any national / international standards? If yes, specify? (50 words)#1	Y	Y	Y	Y	Y	Y	Y	Y	Y
iv.	Has the policy being approved by the Board? Is yes, has it been signed by MD/ owner/ CEO/ appropriate Board Director?#2	Y	Y	Y	Y	Y	Y	Y	Y	Y
v.	Does the company have a specified committee of the Board/ Director/ Official to oversee the implementation of the policy?	Y	Y	Y	Y	Y	Y	Y	Y	Y
vi.	Indicate the link for the policy to be viewed online?#3	Y	Y	Y	Y	Y	Y	Y	Y	Y
vii.	Has the policy been formally communicated to all relevant internal and external stakeholders?	Y	Y	Y	Y	Y	Y	Y	Y	Y
viii.	Does the company have in-house structure to implement the policy/ policies	Y	Y	Y	Y	Y	Y	Y	Y	Y
ix.	Does the Company have a grievance redressal mechanism related to the policy/ policies to address stakeholders' grievances related to the policy/ policies?	Y	Y	Y	Y	Y	Y	Y	Y	Y
x.	Has the company carried out independent audit/ evaluation of the working of this policy by an internal or external agency?	Y	Y	Y	Y	Y	Y	Y	Y	Y

#1 Policies of the Company are compliant in accordance to the applicable laws in India.

#2 Mandatory Policies are approved by the Board / or its Committee and signed by the Chairman & Managing Director of the Company. Some routine Policies are approved and signed by the Chairman & Managing Director of the Company.

#3 All policies are available on the website of the Company on its Investors Relations section (<https://newgensoft.com/company/investor-relations/>).Some of the Policies including Policy for Prevention, Prohibition and Redressal of Sexual Harassment at Workplace and Environment sustainability are available on the intranet.

(b) If answer to the question at Serial number 1 against any principle, is 'No', please explain why?

Not Applicable

3. Governance related to BR

(a) Indicate the frequency with which the Board of Directors, Committee of the Board or CEO to assess the BR performance of the Company. Within 3 months, 3-6 months, Annually, More than 1 year:

Annually

(b) Does the Company publish a BR or a Sustainability Report? What is the hyperlink for viewing this report? How frequently it is published?

This financial year 2019-20 onwards, the Business Responsibility Report (BRR) will form part of the Annual Report and such report will be published on Annual basis. The same is available on the Company's website at: <https://newgensoft.com/company/investor-relations/>

SECTION E: PRINCIPLE-WISE PERFORMANCE

Principle 1:

1.1 Does the policy relating to ethics, bribery and corruption cover only the Company? Yes/ No. Does it extend to the Group/Joint Ventures/Suppliers/Contractors/NGOs /Others?

The policy relating to ethics, bribery and corruption covers not only Newgen Software Technologies Limited, but extends to its all the subsidiaries, suppliers, contractors and other person associated with the Company.

1.2 How many stakeholder complaints have been received in the past financial year and what percentage was satisfactorily resolved by the management? If so, provide details thereof, in about 50 words or so.

No such complaints related to ethics, bribery and corruption were received in the past financial year.

Total five Complaints, relating with non-receipt of dividend, were received during 2019-20 and all such complaints were satisfactorily resolved.

Principle 2:

2.1 List up to 3 of your products or services whose design has incorporated social or environmental concerns, risks and/or opportunities.

We work on digital-transformation projects that significantly impact the socio-economic progress of enterprises especially in the banking and financial services and government sector.

- 1) Newgen successfully implemented a large Document Management System to digitize documents for a leading insurance player in India with more than 250 million customers pan India. They had undertaken a growth strategy and were looking to enhance their operational capacity and productivity. However, they encountered challenges such as paper-based file systems and their management which acted as a primary bottleneck in their growth initiatives. The client partnered with Newgen to transform its manual paper-based processes. The key benefits that it received was archival of all policy dockets, automation across more than 2000 branches, 100 divisional offices, 7 zonal offices and a corporate office, distributed document management for 100 zonal offices and Digitization & Life Cycle Management of all departmental documents.
- 2) One of the largest private sector banks in India offering services across Personal Banking, Business Banking, and Corporate Banking with over 1000 branches wanted a holistic solution to digitally transform its processes.

It found that Newgen's solutions offered technologies that were perfectly aligned with its requirements. The key processes that were transformed include Retail, Credit Administrative, Trade and Treasury. Newgen's OmniFlow platform has been a key enabler for the bank to deliver on its brand ethos of Responsible Banking. Newgen's solution lead to the following benefits:

- Unified loan processing
- End-to-end automation of credit policy
- Integration with credit bureaus
- Proficient risk management and effective regulatory compliance
- Reduced abandonment rates with omni-channel onboarding

- 3) One of the states in India had implemented Newgen's e-Gov suite, built on key components of our platform - business process management and enterprise content management, to transform their administrative processes. With the outbreak of COVID-19, the government officials faced the daunting task of managing 24 districts, collaborating with 20 state agencies, and various other departments. They reached out to Newgen to help them in quickly shifting to the remote working environment. Newgen recognized the criticality of the situation and promptly helped in setting up the digital infrastructure enabling the remote working environment. It enabled intra-department and inter-state communication by digitizing physical files, made electronic files available to the state's 35 departments and 20,000 users and restricted user access for ensuring data security and integrity.

2.2 For each such product, provide the following details in respect of resource use (energy, water, raw material etc.) per unit of product (optional).

As the Company is into software development services, our products are not resource intensive and hence reduction is negligible. However, being a responsible entity, we track the consumption of resources critically.

2.3 Does the company have procedures in place for sustainable sourcing (including transportation)? If yes, what percentage of your inputs was sourced sustainably? Also, provide details thereof, in about 50 words or so.

Yes,

More than 90% our inputs are sources sustainability. Specifications of sourcing of service, product and people items are finalized by considering

the vendor’s sustainability aspects and they have to supply items with desired specifications. Our supplier analysis also takes into account the sourcing strategy of the supplier and proximity of the supplier to the location where the order request has been raised. This helps improve logistics and saves time, cost and emissions from unwanted transportation through longer routes. We review supplier’s behaviors, which help us understand the potential risks within the Supply Chain from Environmental, Social Governance perspective.

2.4 Has the company taken any steps to procure goods and services from local & small producers, including communities surrounding their place of work?

The Company gives preference to local and small producers which are based near its offices.

2.5 If yes, what steps have been taken to improve their capacity and capability of local and small vendors?

Not Applicable

2.6 Does the company have a mechanism to recycle products and waste? If yes what is the percentage of recycling of products and waste (separately as <5%, 5-10%, >10%). Also, provide details thereof, in about 50 words or so.

Yes, it is >10%. The company has a mechanism to recycle waste, but we don’t deal with product recycling as we do not manufacture products.

Newgen has Policy on Environment Sustainability. The Company has taken the following initiative to recycle products and waste.

- a) Initiated a project to reuse waste-water from RO plants in our facilities. This water is used in mopping, cleaning etc.
- b) Towards minimizing usage of paper products, the Company has implemented use of ceramic cups & glasses for employees to consume tea & coffee. Through this step we have eliminating the usage of paper products for tea/coffee machines leading to less wastage.
- c) We have worked towards stopping Single Use Plastic products and in our cafeteria, we are no more using plastic products for daily consumption.
- d) We have also entered into an agreement with one NGO for recycling of paper. We are collecting all waste papers/newspaper and giving to that NGO, who in lieu of these waste-paper would provide us recycled stationary products free of cost. At the same time, they plant a tree on

company’s behalf, if we give them 1 ton of paper to recycle we would be saving 17 trees.

- e) Newgen is also working on preventing food wastage in cafeteria. The Company gets the waste food weighted and the wastage quantity gets displayed on board in cafeterias, then it gets collected by NGO to feed animals / good quality waste food gets distributed to feed people.

Principle 3:

3.1 Please indicate the Total number of employees of the Company.

3048 employees

3.2 Please indicate the Total number of employees hired on temporary/ contractual/ casual basis.

702 employees.

3.3 Please indicate the Number of permanent women employees.

641 permanent women employees

3.4 Please indicate the Number of permanent employees with disabilities

11 employees

3.5 Do you have an employee association that is recognized by management?

No

3.6 What percentage of your permanent employees is members of this recognized employee association?

Not Applicable

3.7 Please indicate the Number of complaints relating to child labour, forced labour, involuntary labour, sexual harassment in the last financial year and pending, as on the end of the financial year.

S. No.	Category	No of complaints filed during the financial year	No of complaints pending as on end of the financial year
i.	Child labour/forced labour/involuntary labour	Nil	Nil
ii.	Sexual harassment	1	Nil
iii.	Discriminatory employment	Nil	Nil

3.8 What percentage of your under mentioned employees were given safety & skill up-gradation training in the last year? (Skill upgradation training info can be taken from L&D team – total number of training days during the year)

Total Number of training during the year: 135

- (a) Permanent Employees participant: 45%
- (b) Permanent Women Employees participant: 49%
- (c) Casual/Temporary/Contractual Employees: 14%
- (d) Employees with Disabilities: 50%

Principle 4:

4.1 Has the company mapped its internal and external stakeholders? Yes/No

Yes, the key stakeholders of the Company include - Customers, Shareholders/ Investors, Banks, Employees, Suppliers and Business Partners.

4.2 Out of the above, has the company identified the disadvantaged, vulnerable & marginalized stakeholders?

Yes

4.3 Are there any special initiatives taken by the company to engage with the disadvantaged, vulnerable and marginalized stakeholders. If so, provide details thereof, in about 50 words or so.

Yes. For detail description, kindly refer the annexure 7 of the Board's Report relating to CSR activities.

Principle 5:

5.1 Does the policy of the Company on human rights cover only the company or extend to the Group/Joint Ventures/Suppliers/Contractors/NGOs/Others?

The principles stated in our code and policies which include respect for human rights and dignity of all stakeholders, extend to the group, suppliers and all those who work with us.

5.2 How many stakeholder complaints have been received in the past financial year and what percent was satisfactorily resolved by the management?

One complaint is received under Prevention of Sexual Harassment Policy during the past financial year and the same was resolved. No complaint related to violation of fundamental human rights of individuals was received during the financial year.

Principle 6:

6.1 Does the policy related to Principle 6 cover only the company or extends to the Group/Joint Ventures/Suppliers/Contractors/NGOs/others.

Yes. Policies cover the activities in the Company, its wholly-owned subsidiaries and also extend to suppliers, contractors, NGOs and others.

6.2 Does the company have strategies/ initiatives to address global environmental issues such as climate change, global warming, etc.? Y/N. If yes, please give hyperlink for webpage etc.

Yes.

Newgen has a Policy on Environmental Sustainability and we strive to achieve Excellence in Environmental Sustainability in its area of operations by:

- a) Integrating Environmental considerations into our all areas of operations, taking into account our environmental risks, responsibilities and organizational capability.
- b) Reducing our Ecological footprint through optimized utilization of natural resources including land, water and by ensuring the responsible use of energy throughout our operations including conserving energy, improving energy efficiency, and giving preference to renewable over non-renewable energy wherever feasible.
- c) Reducing and working towards the elimination of the use of plastic products by becoming Plastic Free.
- d) Introducing more sustainable and green products.
- e) Preventing pollution and minimizing all type of waste by adopting Reduce-Reuse-Recycle philosophy.

6.3 Does the company identify and assess potential environmental risks? Y/N

Yes, Company has identified the potential environmental risks and for an initiative the Company has implemented the Environment Sustainability Policy.

6.4 Does the company have any project related to Clean Development Mechanism? If so, provide details thereof, in about 50 words or so. Also, if yes, whether any environmental compliance report is filed?

Not Applicable

6.5 Has the company undertaken any other initiatives on - clean technology, energy efficiency, renewable energy, etc. Y/N, If yes, please give hyperlink for web page etc.

Yes.

Following initiatives are taken by the Company: -

- a) PNG Genset capacity of 125 KVA for emergency efficiency.
- b) Solar panel capacity of 19 KVA installed for renewable Energy.

6.6 Are the Emissions/Waste generated by the company within the permissible limits given by CPCB/SPCB for the financial year being reported?

Yes

6.7 Number of show cause/ legal notices received from CPCB/SPCB which are pending (i.e. not resolved to satisfaction) as on end of Financial Year.

Nil

Principle 7:

7.1 Is your company a member of any trade and chamber or association? If Yes, Name only those major ones that your business deals with:

Yes, we are member of Nasscom and CII. We are also member in few banking associations in US regions such as ABA etc.

7.2 Have you advocated/lobbied through above associations for the advancement or improvement of public good? Yes/No; if yes specify the broad areas (drop box: Governance and Administration, Economic Reforms, Inclusive Development Policies, Energy security, Water, Food Security, Sustainable Business Principles, Others)

No

Principle 8:

8.1 Does the company have specified programmes/initiatives/projects in pursuit of the policy related to Principle 8? If yes details thereof.

Yes, please refer question number 3 of Principle 4 of this report.

8.2 Are the program/projects undertaken through in-house team/own foundation/external NGO/government structures/any other organization?

The Company's CSR program/projects are being implemented through directly by the in-house CSR team and often some initiatives are being executed on ground with the help of Non-governmental Organizations/ Trainers/ agencies working on the areas of our focus.

8.3 Have you done any impact assessment of your initiative?

Yes. After completion of five years of the core CSR initiative, Newgen Digital Discovery Paathshala, a comprehensive CSR impact assessment was conducted by a third party in FY 2018-19. In addition, yearly progress tracking is conducted. As for the partner programs, NGOs are liable to track the impact and yearly progress of the initiatives that are being implemented by the them on ground.

8.4 What is your company's direct contribution to community development projects- Amount in INR and the details of the projects undertaken?

For details, kindly refer annexure 7 of the Board's Report relating to CSR activities.

8.5 Have you taken steps to ensure that this community development initiative is successfully adopted by the community? Please explain in 50 words, or so.

To ensure that initiatives are benefiting the targeted stakeholders and the learning of the same are adopted by the community, a comprehensive plan has been created. In 2019-20, the initiatives were planned considering indirect stakeholders of the program so as to involve them in the program. Example, for our NDDP program, we are also involving mothers of our beneficiaries and providing them with the digital learning experience by generating awareness on various thematic areas.

Principle 9:

9.1 What percentage of customer complaints/consumer cases are pending as on the end of financial year.

There are no consumer cases as on the end of financial year.

9.2 Does the company display product information on the product label, over and above what is mandated as per local laws? Yes/No/N.A. / Remarks (additional information)

Not Applicable, as the Company is in the business of IT and software related services.

9.3 Is there any case filed by any stakeholder against the company regarding unfair trade practices, irresponsible advertising and/or anti-competitive behavior during the last five years and pending as on end of financial year. If so, provide details thereof, in about 50 words, or so.

There are no cases alleging unfair trade practice, irresponsible advertising and/ or anti-competitive behavior.

9.4 Did your company carry out any consumer survey/ consumer satisfaction trends?

We interact with our clients on a regular basis and across multiple platforms. In addition, on an annual basis, we conduct a Consumer Satisfaction Survey through a third-party agency. This helps the organization in incorporating the feedback and take improvement actions accordingly.

For and on behalf of Board of Directors

Sd/-

Diwakar Nigam

Date: 26th May 2020
Place: New Delhi

Chairman & Managing Director
DIN: 00263222