



**NEWGEN™**

## **Newgen Software Technologies Limited**

CIN: L72200DL1992PLC049074

A-6, Satsang Vihar Marg, Qutab Institutional Area, New Delhi - 110 067, INDIA

Email: [corpmktg@newgensoft.com](mailto:corpmktg@newgensoft.com) URL: <https://newgensoft.com>

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**Date:** 19<sup>th</sup> June 2020

|                                                                                                    |                                                                                                                                                                 |
|----------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>To,</b><br><b>BSE Limited</b><br>Phiroze Jeejeebhoy Towers,<br>Dalal Street,<br>Mumbai – 400001 | <b>To,</b><br><b>National Stock Exchange of India Limited</b><br>Exchange Plaza, Plot No. C/1, G Block,<br>Bandra- Kurla Complex<br>Bandra (E), Mumbai – 400051 |
| Ref.: Newgen Software Technologies Limited<br>(NEWGEN/INE619B01017), Scrip Code - 540900           | Ref.: Newgen Software Technologies Limited<br>(NEWGEN/INE619B01017)                                                                                             |

**Sub: Disclosure of impact of COVID-19 pandemic on the business of the Company**

Dear Sir/ Ma'am,

With reference to SEBI advisory vide its circular no. SEBI/HO/CFD/CMDI/CIR/P/2020/84 dated 20<sup>th</sup> May, 2020 regarding advisory on disclosure of material impact of COVID-19 pandemic on listed entities under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, based on our evaluation of the impact of COVID-19 pandemic, we would like to submit the required details as per Annexure 'A'.

This is for your kind information and record.

Thanking you.

**Aman Mourya**  
**Company Secretary - Newgen Software Technologies Limited**



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**Annexure: A**

**1) Impact of the COVID-19 pandemic on the business: -**

In compliance with the directions issued by the Central / State Governments / Municipal Corporation with a view to prevent and contain the spread of COVID -19, our Company had triggered Business Continuity Plan well before official lock down was announced to ensure the safety and wellbeing of all its employees and stakeholders. The Company had proactively initiated the work from home as per the directions of the government at all its office locations which is still continuing.

**2) Ability to maintain operations including office spaces functioning and closed down: -**

Newgen's pre-emptive measures, business continuity processes and robust IT infrastructure ensured quick control and seamless transition to remote working environment. Today, 90% of the people are supporting from home. Requisite infrastructure and VPNs were put in place. The Company focused on health and safety of employees while fully supporting clients worldwide.

The Company has kept its support to the ongoing project as uninterrupted as possible and have been able to ensure no disruption to any of the customer operations. We also have in place all supporting infrastructure, which allows all our employees full remote access to all our systems to be able to service the needs efficiently, while ensuring the confidentiality and security of the project operations.

**3) Schedule, if any, for restarting the operations: -**

As aforesaid, the Company has extended remote work for all employees across all locations until further notice. As and when the Company is in position to resume its operations from its respective offices, if feasible, based on the directives the Government, it will ensure that all the necessary guidelines and the safety measures for reopening of the office are strictly followed. Further, all critical staff visiting the office, if required, would be instructed to ensure that they adhere to the required safety protocols.

**4) Steps taken to ensure smooth functioning of operations: -**

We provided the facility to all the employees of the Company to Work from Home under the work from home policy as per the guidelines of the Government. We have already published a SOP (Standard Operating Procedure) that has been shared with all employees. At a high level, this includes disinfection, social distancing, compulsory wearing of masks, use of sanitizers regularly are some of the key aspects of the SOP. All staff and employees have been briefed regarding safety measures to be followed. There are regular communications to all the employees encouraging them to adopt safe practises to contain the spread of COVID -19.

**5) Estimation of the future impact of CoVID-19 on its operations, capital and financial resources, profitability, liquidity position, ability to service debt and other financing**



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### **arrangements, assets, internal financial reporting and control, supply chain and demand for its products/ services: -**

In view of pandemic relating to COVID -19, the Company has considered internal and external information and has performed analysis based on current estimates in assessing the possible impact on the its operations. The Company has also assessed the impact of this whole situation on its capital and financial resources, profitability, liquidity position, internal financial reporting controls etc. and is of the view that based on its present assessment this situation does not materially impact operations of the Company. However, the actual impact of COVID-19 on the Company's operations may differ from that estimated and the Company will continue to closely monitor any material changes to future economic conditions.

As the company's operations is mainly development of software there is no major impact on Capital resources. While the Company believes strongly that it has a good portfolio of services to partner with customers, the impact on future revenue streams could come from

- the inability of our customers to continue their businesses due to financial resource constraints or their services no-longer being availed by their customers;
- prolonged lock-down situation resulting in its inability to deploy onsite resources at different locations due to restrictions in mobility;
- prolonged lock-down situation can decrease the chances of winning of new business due to inability of salesperson to travel to customer locations;
- customers postponing their discretionary spend due to change in priorities.

Newgen has a resilient business model in place with mission critical solutions deployed majorly across banking, financial services, healthcare, insurance, government and shared services verticals. Given that the financial year witnessed partial/ initial period of the pandemic, based on the current assessment, the Company does not ascertain material impact on Revenue Recognition. However, the impact assessment of COVID-19 is a continuing process given the uncertainties associated with its nature and duration and the Company will continue to monitor developments to identify significant uncertainties relating to revenue in future periods.

Till now all debts are serviced regularly. There is no impact on the assets of company. There is no impact, since the finance team is able to work remotely to ensure the process are strictly followed to adhere internal financial reporting and control.

Our requirement is limited to availability of water, electricity, internet, transportation, food outlets, purchase of laptops, communication facilities, stationaries and other similar things. If these get impacted — then it may affect our customer deliveries resulting in reduced revenue and profitability.

Being a critical solution, we don't foresee any impact on our business from existing customers. There could be impact on the new business and mining in future period which company will continue to monitor and evaluate as the impact assessment of COVID-19 is a continuing process given the uncertainties associated with its nature and duration.



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6) **Existing contracts/agreements where non-fulfilment of the obligations by any party will have significant impact on the listed entity's business: -**

While the management does not at this juncture anticipate any material impact on the business of the company due to this factor, as the full ramifications of the pandemic are yet unknown, the management will attempt to take all steps in its control to monitor the situation and mitigate any potential impact on its business on this account

7) **Other relevant material updates about the listed entity's business: -**

Presently, the company does not foresee any material/significant impact on the Company's operations. The Company is continuously monitoring the situation and impact of COVID-19 pandemic and the same will be communicated as and when the actual impact, if any, will be assessed.

**For Newgen Software Technologies Limited**

**Arun Kumar Gupta**  
**Chief Financial Officer**  
**Place: Noida**