



Corporate Social Responsibility

Revision No.:- 1.1

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(W.E.F: 01.11.2018)

Newgen Software Technologies Ltd.

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Revision History			
Release Date (DD-MM-YYYY)	Revision No.	Changes Summary (Mention Sections Affected)	Approved By (Designation)
18.09.2014	1.0	Formulation of CSR Policy	Board of Directors
01.11.2018	1.1	Amendment to scope/ of Areas of coverage under the Policy approved by the Board of Directors on 29 th October 2018	Board of Directors

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1. Preamble:

Corporate Social Responsibility (CSR) has gained prominence over the last few years. CSR is not charity or mere donations but a way of doing business in a manner that it creates shared value(s) and contributes to the social and environmental good. At Newgen, reaching out to underserved community is an integral part of its DNA. The Company continually maps the needs and requirements of such a community and fulfils its commitment of being a socially responsible Corporate Citizen.

The CSR program will be executed under the aegis of the CSR committee which is formulated and shall work in accordance with the Section 135 of the Companies Act 2013 as notified by the Ministry of Corporate Affairs from time to time.

2. Newgen's CSR Mission:

The CSR mission of the Company is to actively participate to the social and economic development of the communities in which it operates to build a better, sustainable way of living for the underserved sections of the society, thereby contributing in raising the country's Human Development Index.

3. Newgen's CSR Vision:

The CSR vision of the company is to be a socially responsible Corporate Citizen.

4. Objective:

The objective of this policy is:

- a. To make CSR a key business process of Newgen for sustainable development of the society in which it operates.
- b. To encourage the stakeholders to have a more active and meaningful engagement with the business rather than the often-prevalent one-sided expectation.

5. Abbreviations:

Sr. No	Abbreviation	Description
1.	CSR	Corporate Social Responsibility
2.	CFO	Chief Finance Officer
3.	PAN	Permanent Account Number

6. Program Coverage:

- a. Newgen's CSR program focuses on promoting an inclusive education system for the students of government schools and include digital education and alternative learning programs to enhance the soft skills through projects that supplement and secure the future of the targeted beneficiaries.
- b. The program is designed to create a special community comprising of peers of the targeted students and engage with them to improve their quality of life by undertaking participatory development activities such as behavior change, awareness generation, advocacy etc.
- c. The program may also be including personality development and career counseling workshops for the targeted beneficiaries thus help them building self-confidence, self-esteem and enhance the personality of the children.
- d. Newgen's CSR may extend support to other care centers for orphaned and abandoned children to grow in a nurturing environment where they are given complete development aid- education, health and psychological.
- e. The programs may also be designed to strengthen the distribution of mid-day meal amongst the students of government schools of Mathura or any other area as deemed fit, thus ensuring improved health status post the intake of nutritious meal.
- f. This may also include support to the victims of disasters and other natural calamities like but not limited to Earthquake, cyclone, drought and food scarcity etc. in any part of the country; and collection of old clothes and other measures/means from the employees and distribution in the nearby slums/ victim of disaster and below Poverty

line people by utilizing the platform of Mahila Sabha of the Company, Club (Executives & Non-executives) and Women in Public Sector.

- g. Grant / donation / financial assistance / NGOs, registered Trust or the Society vide Para 7.iii of the said policy.
- h. Contribution to the Prime Ministers' National Relief Fund or any other fund set up by the Central government for Socio-economic development and relief and welfare of the backward Classes people, minorities and women.
- i. The above list is illustrative and not exhaustive. The CSR activities not falling under the above list may also be included as and when deemed fit, on approval of the Board of Directors, subject to the activities as prescribed under the Companies Act, 2013 and rules made thereto.

7. Guidelines for the CSR Committee:

i. Role & Responsibilities of the CSR Committee:

The CSR Committee is established to:

- a. The CSR committee shall endeavor to spend at least 2% of the average net profit during the preceding three financial years on CSR activities as enumerated above. Any surplus arising out of the contribution made for CSR Activities shall not form part of the business profit of the Company and redeployed for such activities.
- b. Formulate & recommend to the Board of Directors a CSR Policy which shall provide an indicative list of broad activities aligned to the CSR Policy which shall be undertaken.
- c. To make recommendation to the Board of Directors for the budget/expenditure as may be needed for the full fiscal year.
- d. To institute a transparent monitoring mechanism for implementation of CSR Policy and to ensure the utilization of fund towards CSR activities.
- e. To recommend the modifications to the CSR Policy, as and when required time to time.

- f. The CSR Committee may decide to undertake for implementing CSR activities through third party registered trust, society, Non-Profit Organization under Companies Act, 2013, provided that such Trust, Society or organization shall have as established track record of three years in undertaking similar program or projects as may be provided in the CSR policy.
- g. To authorize any official/(s) of the Company in any form or to recruit a person/(s) in full time/ part time or on a consultant basis who will assist, look after and involve in the implementation of CSR related activities/projects/program and shall report to CSR committee as per the prescribed reporting format. To collaborate with other companies for undertaking projects or programs or CSR activities in such a manner that the CSR Committee of respective companies are able to report separately on such projects or programs in accordance with the applicable laws and rules.
- h. To provide regular updates and to submit a report to the Board of Directors on CSR activities and details of project, expenditures thereto etc. on yearly basis.
- i. Any deviation to this Policy requires an approval from CSR Committee. However, the Board reserves the right to modify this policy at any time without prior notice.

ii. Monitoring & Reporting Mechanisms:

- a. CSR Committee will be responsible for the monitoring CSR activities and report to the Board from time to time.
- b. The CSR Committee has the powers to:
 - Seek monitoring and implementation report from the Organizations receiving funds.
 - Delegate a designated company official to co-ordinate with the Organization receiving funds to inspect the activities undertaken and ensure information in a timely manner.

- Additionally, the Committee may empower the Managing Director, Whole-Time Director and CFO to spend such amount as they think appropriate for some other strategic CSR contingencies that may arise during any financial year. The amount spent as above shall be put up for ratification of the Committee at its next meeting and shall report to the Board accordingly.
- The Committee must obtain at least yearly report from official/(s), person or consultant, if appointed for implementation of CSR related activities, on the CSR projects.
- An annual report must be submitted to the Board by the CSR Committee. Such a report must also include the details of the projects / activities planned for the next year and its respective budgets.
- The Board of Directors of Newgen shall review the implementation of CSR activities on annual basis, as may think fit by the Board.

iii. Guidelines for granting Financial Assistance, Donations etc.:

- a. Registered Society/ Trust /Institutions/ Club/ Company which involve in upliftment of the standard of the society and promote Sports activities may be granted financial assistance and donations, based on the following terms:
- If such Registered Society/ Trust /Institutions/ Club/ Company shall have an established record of three years in undertaking in social welfare activities program and projects like the Company.
 - For payment of financial assistance / donation / sponsorship aforesaid third party shall furnish details as required i.e. their Registration, PAN No. etc. to establish their authenticity.
 - Aforesaid third party shall, along with a progress report, provide a duly audited financial utilization certificate with budget & actual expenditure on yearly basis and shall ensure publicity / coverage for corporate image building.
- b. Other important financial considerations:

The following activity/expenditure shall form a part of the CSR activities of the Company: -

- Expenses towards administrative overheads paid by the Companies to regular CSR staff as well as to volunteers of the companies in proportion to company's time /hour spent specifically on CSR can be factored into CSR projects cost as part of the CSR expenditure, up to the limit as prescribed time to time under the Companies Act, 2013 and Rules thereto.
- Contribution to Corpus of a Trust/ Society / Section 8 of Companies Act will qualify as CSR expenditure if (a) the Trust / Society / Section 8 Companies Act is created exclusively for undertaking CSR activities or (b) where the corpus is created exclusively for a purpose directly related to a subject covered in Schedule VII of the Companies Act, 2013.

8. Role & Responsibilities of the Board of Directors:

- i. To review recommendations made by the CSR Committee and approve the CSR Policy and amount of expenditure thereto.
- ii. To ensure that every financial year the funds committed by the Company for CSR activities are utilized effectively by regularly monitoring the implementation.
- iii. To disclose the content of the policy in the website of the Company as per the prescribed format.
- iv. To ensure that all the compliance related to CSR as prescribed in the Companies Act, 2013 are properly compliance.

9. Exclusion from CSR Activities:

The following activity shall not form part of the CSR activities of the Company: -

- i. The activities undertaken in pursuance of normal course of business of a company.
- ii. Projects/programs or activities that benefit only the employees of the Company and their families.

- iii. Any contribution directly/indirectly to political party or any funds directed towards political parties or political causes.
- iv. Projects/programs or activities undertaken outside India. One-off events such as marathons/ awards/ charitable contribution/ advertisement sponsorship of TV programs etc., would not be qualified as part of CSR expenditure.

10. Disclosure:

The Annual Report of the Company include a section on CSR outlining the CSR Policy, CSR committee, CSR initiatives undertaken by Company, the CSR spend during the financial year and other information as required by the prevailing law

Priyadarshini Nigam
(Chairperson of CSR Committee)

Diwakar Nigam
(Chairman & Managing Director)

Date: 29.10.2018
Place: New Delhi