

Annexure - 7

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	:	1 st April 2020 to 31 st March 2021
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: United State of America, Canada APAC: Singapore, Australia EMEA: UK, Dubai (ii) Details of National Locations: New Delhi, Noida- Uttar Pradesh, Mumbai, 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

1.	Paid up Capital (INR)	:	6995.5701 Lakh
2.	Total Turnover (INR)	:	67,262.44 Lakh
3.	Total profit after taxes (INR)	:	12,648.23 Lakh
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 3 (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 6 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(ies)

Yes. All 6 (six) 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%]

Yes, 30-60% of the entities that the Company does business with, participate in the BR initiatives of the Company. We have a Purchase process management policy and a Supplier Code of Conduct policy, which extends to all suppliers who conduct business with us.

At the time of sharing aforesaid Code, in most of the cases, the officials of the Company conduct vendor meets and participates in various knowledge sharing platforms with an objective to share the BR initiatives with its suppliers.

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:

Sl. No.	Particulars	Details
i.	DIN	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, Whistle Blower Mechanism and Policy on Prevention of Sexual Harassment of Women at Workplace.

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, Policy on Environment Sustainability, Information Security Policy, Newgen's Quality Policy and other Policies/process as required by Newgen's ISMS and QMS.

P3: Businesses should respect and promote the well-being of all employees, including those in their value chains.

This is embedded in the Company's Code of Ethics and Business Conduct, Recruitment Policy, Compensation philosophy and promotion guidelines, Policy on Prevention of Sexual Harassment of Women at Workplace and Whistle Blower Mechanism.

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, CSR Policy, Policy on Environment Sustainability and Supplier Code of Conduct policy.

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 and make efforts to protect and 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 manner that is responsible and transparent.

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 promote inclusive growth and equitable development.

This is embedded in the CSR policy.

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

The Company has focused on continuous improvements in Customer engagements as well as internal operations leveraging best-in-class methodologies and information security practices. Cross-functional Teams monitor and optimize the processes & policies to meet the ever-growing demands of Newgen's engagements.

The Company's commitment towards customer satisfaction and resilient systems/services has resulted in the adaptation of related industry standards/acts namely PCI-DSS, HIPAA, SOC-1 Type-2 and SOC-2+HITRUST Type-2 attestation. The Company also drives the process and product improvements based on Voice of Customer, i.e. Customer Satisfaction Surveys (CSS).

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

Sl. 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} These policies have been devised in confirmation to respective regulations/ standards that come into effect, time to time.

^{#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 Newgen policies are uploaded on the NMS site on the Newgen intranet for the information & implementation by the internal stakeholder and also available on the Newgen's website, as per the statutory requirements.

(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?

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 ("Newgen" or "the Company"), but extends to its all the subsidiaries, suppliers, contractors and other persons 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 was received in the past financial year.

For details on shareholders/investor complaints, refer the Corporate Governance report, annexure 8 of this Annual Report.

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.

a) The client is a leading insurance company with more than 250 million customers across India. It was looking to increase its operational efficiency

by automating enterprise-wide processes and enhance customer experience with personalized communications. The client on-boarded Newgen and implemented our flagship products - intelligent process automation (BPM), contextual content services (ECM), and omnichannel customer engagement (CCM), along with the enterprise mobility framework. The insurer leveraged Newgen's solutions to achieve - reduced operational costs, improved policy record management, enhanced customer service, and many more benefits.

b) A New York-Based Bank ensured smooth and continued operations during COVID-19 using Newgen's Commercial Lending Solution. One of the largest banks in the United States with around 240 branch offices had implemented Newgen's commercial loan origination solution (CLOS) to streamline the overall lending process. Due to the outbreak of the COVID-19 epidemic, the bank needed to immediately enable employees to operate remotely without impacting the speed and quality of services. Using Newgen's CLOS application, the bank digitized its lending cycle and automated its operations, enabling a quick and hassle-free shift to the remote working environment.

c) The client is a leading financial institution in the Middle East, with nearly four decades of experience. It on boarded Newgen to automate its manual processes, offer premium digital services to its customers, and enhance their experience. With Newgen's retail lending software, the bank automated its end-to-end retail lending process, from pre-screening, application processing, and underwriting to disbursement in a paperless and electronically - driven workflow environment. By implementing the solution, it achieved substantial increase in the number of customer transactions in branches, increased the number of loans disbursed on the same day of application, reduced the turnaround time, improved process efficiency, enhanced visibility and control and delivered better customer experience.

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).

(a)	Reduction during sourcing/ production/ distribution achieved since the previous year throughout the value chain?	Not Applicable
(b)	Reduction during usage by consumers (energy, water) has been achieved since the previous year?	Not Applicable

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.

Newgen has a Purchase process management policy and the Supplier Code of Conduct Policy, which extends to all suppliers who conduct business with us. Newgen prefers suppliers with sustainable practices and ability to deliver on key strategic growth initiatives.

More than 90% our inputs are sources sustainability. Specifications of CAPEX 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?

Development of Local Vendors is a continuous process, and their empanelment is done, time to time, based on references, direct contacts and interactions with them.

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 such 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 wastewater 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 wastepaper 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 also took initiative 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 (standalone).

2921 employees (including employees under probation/ temporary/contractual)

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

420 employees.

3.3 Please indicate the Number of permanent women employees (standalone).

637 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.

Sl. 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	Nil	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: 205

- (a) Permanent Employees participant: 82%
- (b) Permanent Women Employees participant: 74%
- (c) Casual/Temporary/Contractual Employees: 11%
- (d) Employees with Disabilities: 100%

Principle 4:

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

Yes, the Company has mapped its internal and external stakeholders.

Internal Stakeholders of the Company include employees, senior leaders, managers, Board of Directors, and the support staff.

The external stakeholders include customers, investors, regulatory bodies, Banks, Suppliers, media and the communities the Company engages through its CSR programme.

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.

The Company aims to address the needs of the disadvantaged, vulnerable and marginalized sections of the society through its CSR programs. For detail description, kindly refer the annexure 6 of the Board's Report relating to the 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?

No complaint related to violation of fundamental human rights of individuals was received during the past financial year. However, for details of complaints related to shareholders/investor please refer question number 2 of Principle 1 of this report.

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. The policy and practices related to said principle extends to 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.

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.

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.
- c) Installed a PNG Gas pipeline, at Noida office, to the kitchen where meals for close to 1200 staff is prepared.

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 a member of Nasscom and CII. We are also a 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 external NGOs.

8.3 Have you done any impact assessment of your initiative?

Yes. For the core CSR initiative, Newgen Digital Discovery Paathshala, a comprehensive CSR yearly report was prepared in 2020-21. As for the partner programs, NGOs are liable to track the impact and yearly progress of the initiatives that are being implemented by 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 6 of the Board's Report relating to the 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 2020-21, online educational initiatives were taken to support beneficiaries and stakeholders. Spreading awareness of the pandemic, generating information about online platforms, providing support to enhance quality of life. Example, our NDDP program received enormous support from the parents of the students, 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?**

For financial year 2020-21, we have addressed all customer complaints/ cases and there are no major customer grievances pending as on 31st March 2021.

Customer success is our highest priority. We are focused on helping our customers achieve their digital transformation objectives while delivering value to their own customers. Enterprises globally trust us for our commitment toward our customers. Our customer centric culture spans across the organization ensuring better services, experience and a better value for money for our customers. Customer escalations and complaints are treated with utmost importance in the organization. A well-established system is in place for tracking all critical customer escalations and to expedite necessary actions required to close these complaints quickly.

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 has been no case filed by any stakeholder against Newgen regarding unfair trade practices, irresponsible advertising and/or anticompetitive behaviour during the last five years.

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

The Company's commitment towards improving customer satisfaction has led to the adoption of industry-standard measurements of Net Promoter Score (NPS) and Customer Satisfaction Score (CSAT). The Company captures NPS and CSAT at every milestone and major interaction with our customers, starting from the win/loss interview and user acceptance testing to the completion of successful implementations and support incidents. A neutral customer satisfaction survey is conducted by Kantar IMRB to measure overall customer NPS score and get qualitative and quantitative information for appropriate corrective action, if needed. This voice of customer also drives process and product improvements in the Company.

For and on behalf of Board of Directors

Diwakar Nigam

Date: 25th May 2021
Place: New Delhi

Chairman & Managing Director
DIN: 00263222