Newgen Software Technologies Limited
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Date: 30th May 2022

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

Sub.: Notice of 30th Annual General Meeting and Annual Report for the Financial Year 2021-22.

Dear Sir/ Ma'am,

This is to inform you that the 30th Annual General Meeting ("AGM") of the Company will be held on Thursday, 23rd June 2022 at 11:00 A.M. (IST) through Video Conferencing ("VC") or Other Audio-Visual Means ("OAVM") facility in accordance with the relevant circulars issued by Ministry of Corporate Affairs ("MCA") and Securities and Exchange Board of India ("SEBI").

Pursuant to Regulation 34(1) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we are submitting herewith the Notice of AGM along with Annual Report of the Company for the financial year 2021-22 which is being sent through electronic mode to the members who have registered their E-mail addresses with the Company/ Depositories. The AGM Notice and Annual Report are available on the Company's website at: https://newgensoft.com.

This is for your kind information and record.

Thanking you.
For Newgen Software Technologies Limited

Aman Mourya

Aman Mourya
Company Secretary

Encl.: a/a

Intelligent Automation for Every Enterprise

Annual Report **2021-22**

Forward-looking statement

This report contains forward-looking statements, which may be identified by their use of words like 'plans', 'expects', 'will', 'anticipates', 'believes', 'intends', 'projects', 'estimates' or other words with similar meaning. All statements that address expectations of projections about the future, including but not limited to statements about the Company's strategy for growth, product development, market position, expenditures and financial results, are forward-looking statements. Forward-looking statements are based on certain assumptions and expectations of future events. The Company cannot guarantee that these assumptions and expectations are accurate or will be realized. The Company's actual results, performance or achievements could thus differ materially from those projected in any such forward-looking statements. The Company assumes no responsibility to publicly amend, modify or revise any forward-looking statements, on the basis of any subsequent developments, information or events. The Company has sourced the industry information from the publicly available resources and has not verified that information independently.

Contents

To view this report online,
please visit: www.newgensoft.com

Newgen at a Glance

30 years of Innovation, Passion, and Excellence

Serving 530+ Active Customers[1] across banking, insurance, government, manufacturing and more

Direct Presence across 7 Countries – India, USA, Canada, UK, Australia, Dubai, and Singapore

Presence in 17 verticals with 5 core verticals

44 patents filed, 23 approved[4]

Consistently Recognized by Industry Analysts

YEARS

KEY FINANCIAL HIGHLIGHTS (FY'22)

Revenues

₹ 7,790 million
(16% YoY growth)

Annuity Revenues[2]

₹ 4,565 million
(18% YoY growth)

Subscription Revenues[3]

₹ 2,461 million
(23% YoY growth)

Profit after Tax

₹ 1,642 million
(30% YoY growth)

Cash, Bank Balance, and Investments

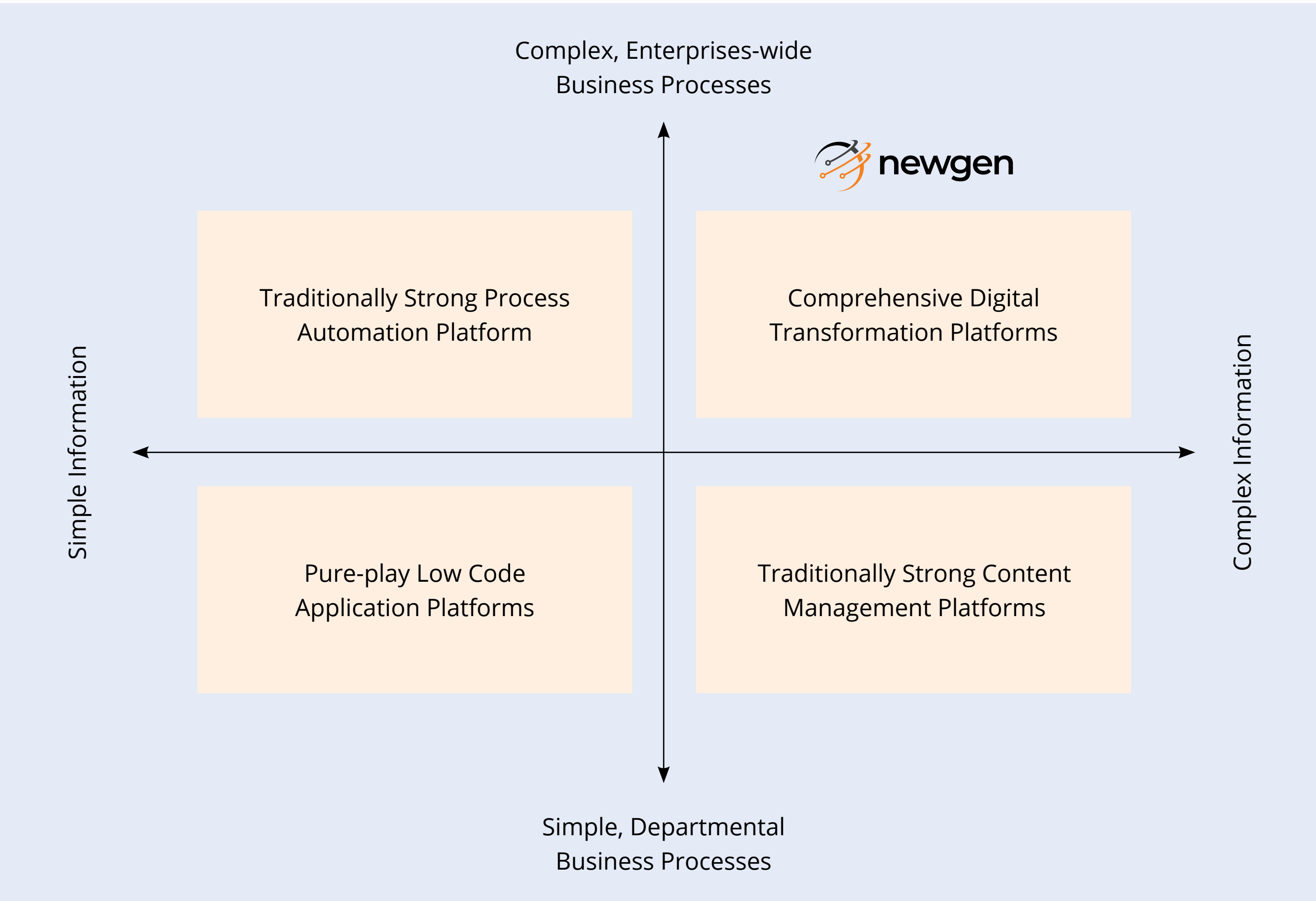
₹ 4,622 million

(1) Customers billed in the last 12 months
(2) Annuity revenues comprise ATS/AMC, Cloud and Support revenue streams
(3) Subscription revenues comprise ATS/AMC and Cloud revenue streams
(4) 44 Patent Filings, of which 23 patents are granted in India and US

Intelligent Automation for Every Enterprise

We are in an era of transformative change in business models across enterprises. Adapting to a fast-paced and changing world is not just about technology. Today's demand is to build a connected enterprise, where everyone (customers, workforce, partners, etc.) can transact and engage in an orchestrated manner - anytime, anywhere, and through any channel. To stay relevant and competitive, accelerated digital transformation is what an enterprise needs. 'Intelligent Automation' is a holistic approach that transforms enterprise-wide operations and allows the company to redefine business - focus on evolving business needs, regulatory compliances and deliver a delightful customer experience.

Newgen through its comprehensive AI/ML led digital transformation platform is uniquely positioned to serve the growing intelligent automation needs of enterprises with complex content and process requirements. We offer all the key components of intelligent automation in one, comprehensive platform — portal & application development tools, workflow and process automation engine, integrated content services at scale, wide integration catalogue, and open APIs, along with Intelligent Document Processing and statistical AI/ML modelling capabilities.



Introducing the NewgenONE Platform

- Simplify complex, content-driven business needs with one comprehensive low code platform

NewgenONE: Enterprise-wide unified digital transformation

Digitize	Process & Adapt	Communicate
Contextual Content Services (ECM) OmniDocs	**Low Code Process Automation (BPM) iBPS**	**Omnichannel Customer Engagement (CCM) OmniOMS**
Deliver contextual content for smarter decision-making and improved collaboration	Create smarter processes, empower knowledge workers and build responsive business	Create, personalize and deliver interactive communication to enhance customer experience

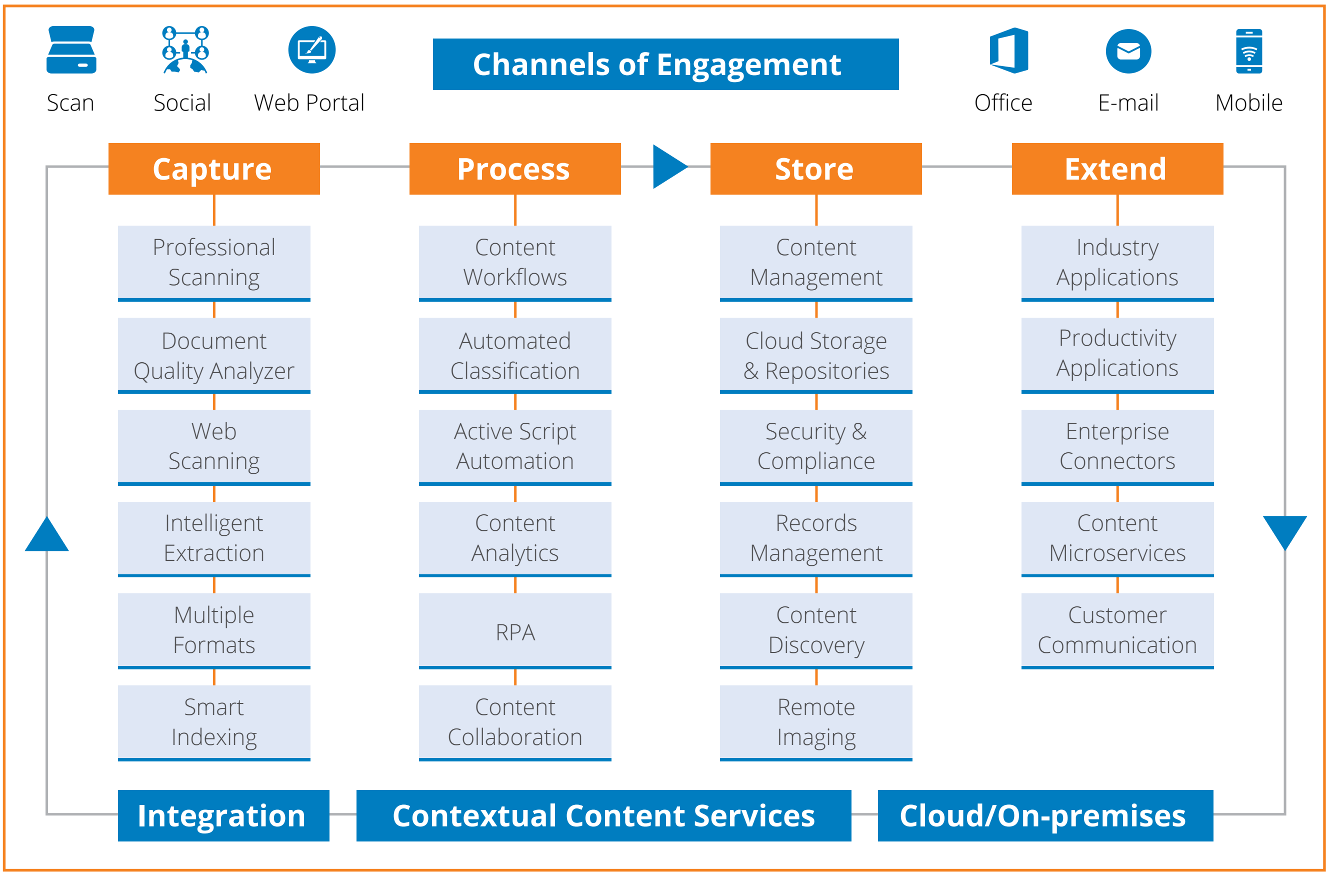
NewgenONE is a unified platform that offers native process automation, content services and communication management capabilities. Globally successful organizations rely on NewgenONE to rapidly develop and deploy complex, content driven and customer engaging business applications on the cloud. From customer onboarding to service requests, from lending to underwriting, and many more, NewgenONE unlocks simplicity with speed and agility.

NewgenONE digital transformation platform integrates multiple capabilities needed to build business applications across the spectrum through our proven products in low code process automation (BPM); contextual content services (ECM) and omnichannel customer engagement (CCM). We thus deliver a modern experience and empower users with information, while enabling professional IT developers with speed and agility. Our platform's capabilities, including mobility, social, analytics, cloud, Robotic Process Automation, and Artificial Intelligence/ Machine Learning, accelerate the digital journey of an enterprise, keeping it ahead of the curve.

Contextual Content Services (ECM)

Newgen's Contextual Content Services empower customers in **managing the end-to-end lifecycle of enterprise content,** from origination to disposition, and providing the flexibility to access and deliver digital content across all channels and devices. It leads to creating a connected and digital workplace to empower customers with contextual information for informed interactions with internal and external customers.

Digital Workplace with Contextual Automation, Compliance, and Intelligence – on Cloud



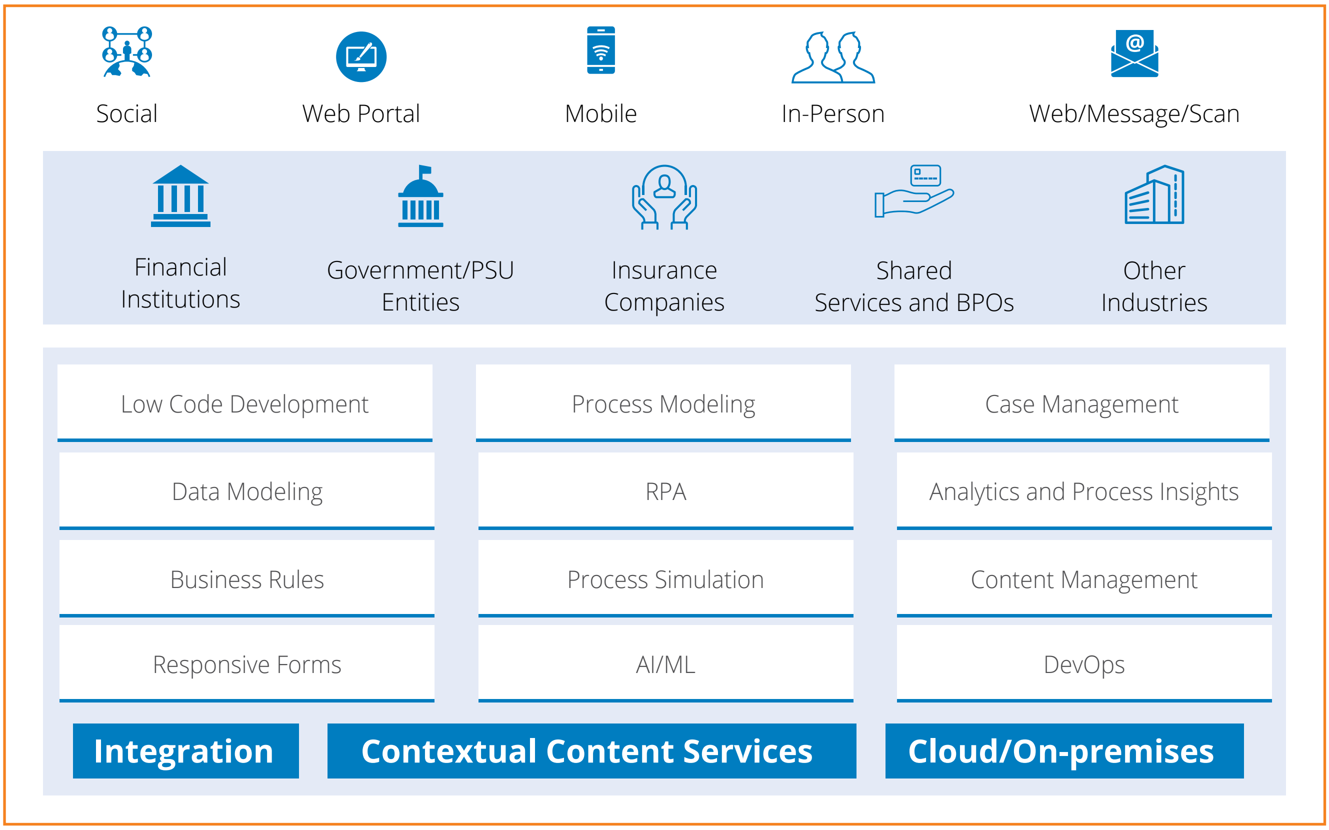
Case Study

A US-based Fortune 500 Insurer digitally transformed its Claims Department with Newgen's Contextual Content Services (ECM) System in collaboration with a leading Global System Integrator. This led to simplification of content-centric processes, instant access to critical documents, better process visibility and enhanced customer service.

Low Code Process Automation (BPM)

Newgen's low code process automation platform is a proven, intelligent platform to **develop complex, context-aware, and customer-centric business applications.** It enables rapid application development, end-to-end automation of business processes, and contextual engagement with customers across multiple touchpoints while driving continuous process improvement.

Rapid Application Development for Deep and Complex Business Applications – Across Devices



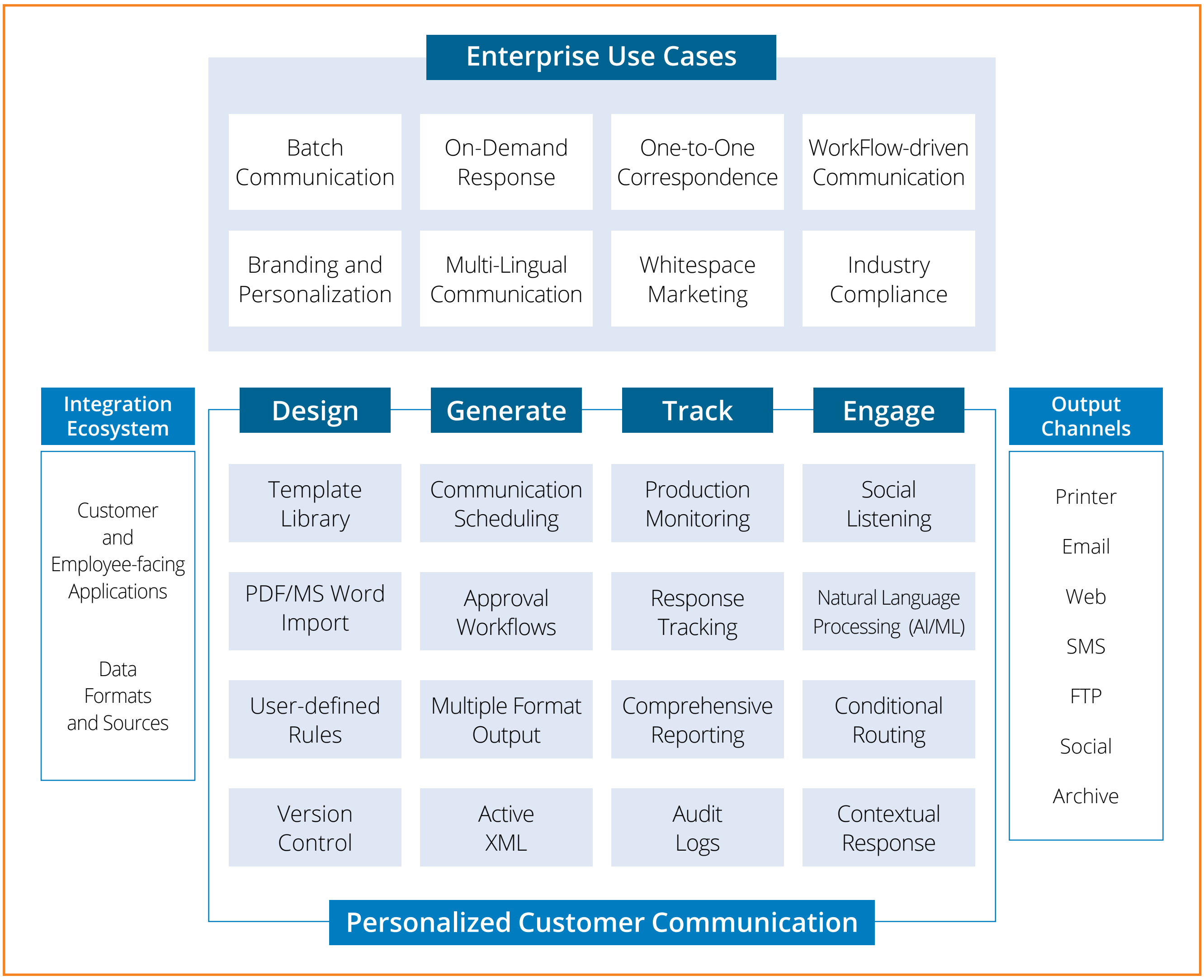
Case Study

A leading Islamic bank in the Middle East used Newgen's solution to transform its Commercial Loan Origination process. The solution, built on intelligent process automation (BPM), streamlined the bank's end-to-end processing of commercial loans, from initiating, sanctioning, storing to archiving documents.

Omnichannel Customer Engagement (CCM)

Newgen CCM enhances customer experience with **personalized, content-rich and consistent communication** across channels, while tapping into various cross and up-sell opportunities across touchpoints, such as e-mail, SMS, web, and print.

Use the Business Data and Manage the Communication Output – Personalized and at Scale



Case Study

A leading General Insurance Company in India, serving more than 1.5 million customers, leveraged Newgen's Omnichannel Customer Engagement Platform to deliver holistic and effective Customer Communications. The organization could reach customers through their preferred channels by delivering communications across multiple channels, such as SMS, e-mail, print, and web, through the unified communication platform.

The Year 2021-22 at Newgen

Streamlining of organization-wide management structure

With effect from 1st September, 2021, Virender Jeet was appointed as the Chief Executive Officer (CEO) while Tarun Nandwani was appointed as the Chief Operating Officer (COO). Both Virender Jeet and Tarun Nandwani have been integral to Newgen's evolution.
For the next growth phase, Newgen is strengthening its capabilities to capitalize on opportunities in the digital transformation space.

Unveiled NewgenONE platform

NewgenONE is a comprehensive, cloud-ready, low-code digital transformation platform, built natively on a unified architecture, that combines process automation, content services, and communication management capabilities.

Acquired Number Theory

To further strengthen Newgen's platform with AI/ML (artificial intelligence and machine learning) modeling and data analytics capabilities, Newgen acquired India-based **Number Theory, an AI/ML data science platform company.** Number Theory's platform, AI Studio, will equip Newgen's products and industry-specific solutions with AI/ML-based capabilities.

Unveiled new logo on 30th anniversary

Marking 30 years of Newgen's global journey in enterprise product space, the Company refreshed its brand identity by unveiling a new logo that **epitomises agility, connect, and transformation.**

Key Recognitions

FORRESTER

'Strong Performer' in Forrester Wave™. Content Platforms, Q2 2021 Report [1]

'Strong Performer' in Forrester Wave™. Digital Process Automation Software, Q4 2021 Report [2]

Gartner

A 'Visionary' in **Magic Quadrant for Content Services Platforms, 2021**, 18 October 2021, Michael Woodbridge et al [3]

A 'Niche Player' in **Magic Quadrant for Enterprise Low-Code Application Platforms, 2021** 20 September 2021, Jason Wong et al. [4]

ASPIRE CUSTOMER COMMUNICATIONS SERVICES

A 'Comprehensive' Customer Communication Management (CCM) vendor in 2021 CCM Vendor Aspire Leaderboard

Aragon Research

Recognized as a 'leader for enterprise content platforms, 2021' by Aragon Research

dun & bradstreet

Awarded with an indicative risk rating of 5A2 by Dun & Bradstreet and overall status on Composite Appraisal/Condition was certified as 'Good'

CRISIL RESEARCH

Provided a 'A2+' grade by CRISIL for Short Term Rating for Line of Credit

Key Awards

BankDhofar (Sultanate of Oman) and Newgen Software recognized for **'Best Enterprise Governance Risk and Compliance Implementation in Middle East'** at The Asian Banker Middle East and Africa Awards, 2021

Conferred with the **2021 Digital Innovator Award by** Intellyx, the analyst firm focussed on digital transformation

1. *Authored by Cheryl McKinnon with Srividya Sridharan, Danielle Jessee, June 14, 2021*
2. *Authored by Rob Koplowitz with Chris Gardner, John Bratincevic, Stephen Powers, Sara Sjoblom, Kara Hartig, December 14, 2021*

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3. *Gartner Magic Quadrant for Content Services Platforms, Michael Woodbridge, Marko Sillanpaa, Lane Severson, Tim Nelms, October 18, 2021*
4. *Gartner Magic Quadrant for Enterprise Low-Code Application Platforms, Jason Wong, Kimihiko Iijima, Adrian Leow, Akash Jain, Paul Vincent,20th September 2021.*

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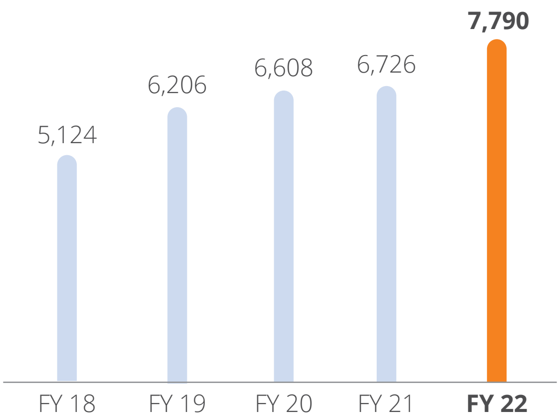
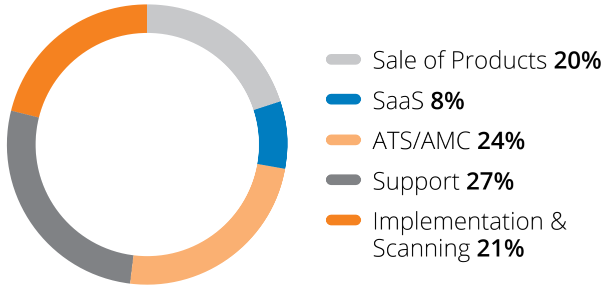
Financial Performance

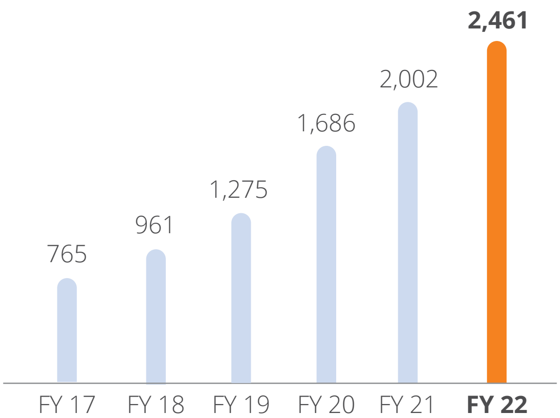
Revenue (₹ in Million)



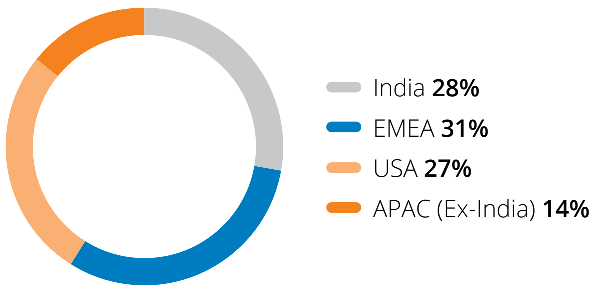
FY'22 Revenue Streams by Segment (%)



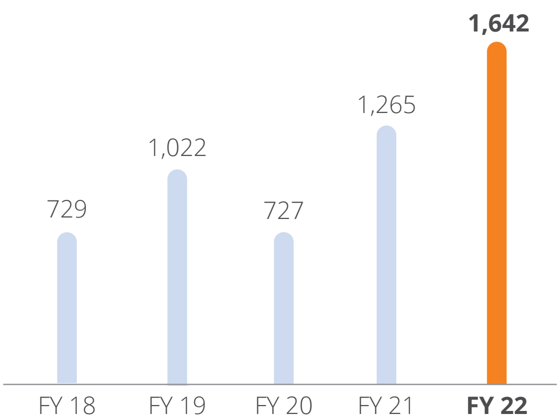
Subscription Revenues (₹ in Million)



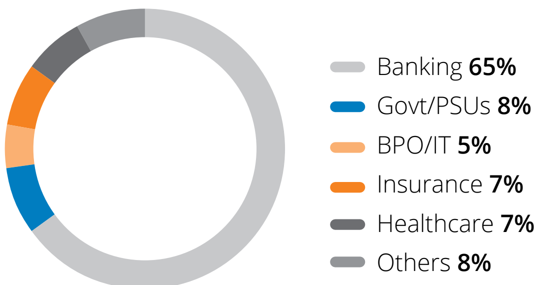
FY'22 Revenue Concentration by Geography (%)



PAT (₹ in Million)



FY'22 Revenue split by vertical (%)



Chairman's Message

"We have been able to achieve a smooth transition from license to cloud and subscription revenues, that are more long-term and multi-year in nature, along with accomplishing growth

Dear Shareholders,

As we close 2021-22, we complete 30 years of our journey in product innovation and helping our customers with their digital transformation needs. The last 30 years have been a testimony of our product capabilities and the dedication and hard work of our leadership team and employees. We have consistently focussed on serving our customers with quality solutions and implementations. This has resulted in building strong and lasting relationships across industries with our customers. Today, we are working with over 530 customers across the globe to meet their critical business needs.

The last year laid the foundation for some very important initiatives that will take Newgen to its next level. It marked the streamlining of the management structure with appointment of Virender Jeet as Chief Executive Officer and Tarun Nandwani as Chief Operating Officer. These changes are focussed towards creating a sustainable, growth-oriented, and future-ready organization. We also revealed our new brand identity during the year, a reflection of our beliefs - innovation, agility, and progress.

Future-ready product portfolio

During the year, we unveiled, NewgenONE, our unified digital transformation platform with native content services, process automation and communication management capabilities. NewgenONE enables end-to-end customer journeys and drives enterprise-wide transformation. The platform helps in deploying complex, content-driven, and customer-engaging business applications on the cloud.
We believe that Newgen has the most comprehensive and deep product stack for accelerating digital in enterprises.

Over the years, our products, have been consistently recognized by leading industry analysts across categories. Our R&D team has grown to about 580 employees and has been consistently working on strengthening capabilities on our platform. We now have 23 patent grants across India and US.

The industry is witnessing a substantial traction for AI/ML enabled solutions and capabilities in sectors such as BFSI, healthcare, industrial automation, and others. To further strengthen Newgen's low code digital transformation platform, with AI/ML modelling and data analytics capabilities, Newgen acquired Number Theory in January 2022. With this acquisition, we believe Newgen would be well-positioned to deliver cloud-native AI/ML capabilities to every enterprise.

Growth-oriented performance with focus on subscriptions revenues

We are happy to close the year with strong growth on both the top-line and bottom-line. We have been able to achieve a smooth transition from license to cloud and subscription revenues, that are more long-term and multi-year in nature, along with accomplishing growth. Our revenues grew to ₹ 779 crores, with a 16% YoY growth.

Our cloud and subscription revenues, continue to grow at a faster rate and witnessed a growth of 23% during the year.

We reported a Profit after Tax of ₹ 164 crores.

We are seeing increasing adoption of subscription and cloud across geographies with large orders in India, EMEA, APAC as well as Australia. We received our first few cloud orders from Australian market this year and will start getting revenues from coming year onwards.

We continue to build strong and long-term associations with our customers. The year witnessed several expansion deals with existing customers, as well as addition of 53 new logos. We are focussing more on large-sized customers with higher mining capability. We see a trend of growing average order sizes and billing from our customers.

Strengthening balance sheet

We have been generating healthy operating cash flows in business. As of March 31, 2022, our cash, bank balance, deposits and investments put together amount to ₹ 462 crores. Our trade receivables have also consistently followed a declining trend over the years.

We continue to invest on our long-term priorities, During the year, R&D expenses comprises about 10% of Revenues and Sales and Marketing expenses comprised 20% of revenues.

Focus on Employee welfare and retention

As a responsible and employee-friendly organization, the safety and health of our employees has always been a top priority. Especially in these difficult times of the pandemic, we have remained focussed on providing the necessary assistance, guidance, and support to Newgenites and their families to ensure safety, flexibility and productivity at the same time.

In the current dynamic environment, there has been elevated attrition which has impacted demand fulfilment across the industry. At Newgen, we are focussing on empowering our high potential employees with industry benchmarked remunerations. We are also coming out with ESOPs with wide coverage, for enabling our employees to participate in growth of the company through continued services.

Priorities for 2022-23

We will continue our drive to be a significant partner to our customers. The next phase of Newgen's journey will be led by AI/ML led digital automation for enterprises. Organizations are increasingly looking at end-to-end transformations and at leveraging data for deeper insights and accelerated growth.

We continue to focus on expanding in the mature markets of US, Europe and Australia along with getting deeper into the emerging markets, especially on the back of subscription-based model. Our sales and marketing team of 250+ employees are working across various in-person and digital initiatives and events, analyst and consultant engagements and customer interactions to further enhance our brand presence and visibility. We continue to work on enhancing our partner network, especially on building relationships with the Global System Integrators (GSI) for making in-roads into the 'Fortune 2000' customers in mature markets. We are working extensively with Sales and Delivery leaders and consulting arms of GSIs. Further, we are strengthening our partner support and enablement ecosystem to provide complete support to our partners through entire sales, implementation and support cycles.

We will continue to make disciplined investments to work towards our global expansion, improve our go-to-market, expand our platform capabilities to address the market opportunity.

As we embark on our next journey, I would like to thank our customers, employees, analysts and investors for their continuous support, feedback and suggestions in this journey. This helps us in constantly improving and evolving ourselves. We are looking forward to another exciting year ahead.

Diwakar Nigam
Chairman

CEO's Message

"In FY 2021-22, on business front, it has been a good year with strong and profitable growth. We strengthened our subscription business further while ensuring smooth transition from license heavy business model.

Dear Shareholders,

Hope all are well and keeping safe.

I am glad to be part of the Newgen journey in product innovation right from the beginning, and it's a privilege to get the opportunity to mentor the Company on its next growth phase. These are exciting times with acceleration in digital transformation across the globe and Newgen is a proud global software products organization redefining the way enterprises do business. Newgen's vision has always been that of unlocking simplicity in every level of business complexity, leveraging technology for transforming every enterprise, and delivering an unparalleled customer experience.

As I reflect on the years gone by, I have consistently seen that customer centricity and innovation have always been our priority and our key differentiators. We have been continuously investing on both these aspects. Further, our platform has always been built on the premise of low code, providing flexibility and adaptability in order to lower the total cost of ownership for our customers.

In FY'22, on business front, it has been a good year with strong and profitable growth. We strengthened our subscription business further while ensuring smooth transition from license heavy business model. We continue to build strong referencibility across the globe. Our products in banking, especially, have performed well with lending and trade finance accelerator picking up opening up opportunities for larger deal sizes. We believe we will be able to capitalize on the back of these accelerators in the coming years.

During the year, we acquired Number Theory which is present in the Artificial Intelligence/ Machine Learning (AI/ML) space. With Number Theory's intuitive AI studio, we will be able to enhance our products and application accelerators with AI/ML-based capability and solidify our position as an AI/ML innovator while tapping a larger share of the market. The decision strongly complements our low code approach and will further strengthen our reach to the area of data sciences. Furthermore, this aligns with our core business and is an extension of our existing digital transformation offerings.

"During the year, we acquired Number Theory which is present in the Artificial Intelligence/ Machine Learning (AI/ML) space. With Number Theory's intuitive AI studio, we will be able to enhance our products and application accelerators with AI/ML-based capability and solidify our position as an AI/ML innovator while tapping a larger share of the market. The decision strongly complements our low code approach and will further strengthen our reach to the area of data sciences.

We continue to build our partnerships and provide seamless support to deliver value to enterprises.

We at Newgen, successfully adapted and leveraged the change in environment to be more efficient and serve our customers in the challenging ecosystem. This has been possible due to the commitment and hard work of our employees, working tirelessly to achieve the common objective of the organization.

As we begin this year, we are all filled with great passion and energy to take Newgen to new heights. The platform has been set keeping the long-term vision in mind and we will continue to invest back in growth to achieve our strategic goals. I would like to express my gratitude to all our stakeholders and would request for their continued support in our endeavor to excel.

Virender Jeet
Chief Executive Officer

Accelerating Intelligent Automation through Organic and Inorganic Product Investments

Our journey of nearly three decades and our in-house developed, fully integrated digital transformation platform NewgenONE, with low code capability, excels at handling documents- and process-heavy needs of enterprises, while promising security and scalability. Top-tier global customers trust our platform with its mission-critical, content-centric, and customer-engaging business functions.

We continually invest in research and development activities to further amplify our customers digital transformation initiatives and keep them ahead of competition. This year, we have grown our patent portfolio across key content service technologies. As of 31st March, 2022, the Company has 44 patent filings to its credit, of which 23 have been granted in India and US. We have received the following patents:

580+
R&D Employees

44
Patent Filings *(with 23 Patents Granted)*

Acquisition of Number Theory

Key Patents Granted

- **Centralized Controlled Printing and Administration**
- **Integrated Capture and Analysis of Documents**
- **Online Collaborative Signing of Documents**
- **Method and System for Managing and Archiving Electronic Messages**

Leveraging NewgenONE to simplify every business complexity

With our unique and unified digital transformation platform you can:

Improve Customer and Employee Experience → Enable Rapid Application Development → Utilize Intelligent Automation → Enhance Scalability, Security, Manageability, and Deployability

During the year, the Company also made an important acquisition to strengthen its platform with AI/ML modelling and data analytics capabilities. It acquired Number Theory, an AI/ML data science platform company. Number Theory's platform, AI Studio, brings intuitive AI/ML to enterprises, while unifying the entire lifecycle of data engineering, from data preparation to model development and monitoring. Number Theory is expected to bring domain expertise, along with a powerful engine to extract actionable insights in real time. The platform improves productivity, enhances collaboration, and speeds up AI project execution to accelerate the data to insights journey.

Enhancing Brand Visibility and Partnerships

Newgen continues to focus on expanding its presence in the mature markets of US, Europe and Australia while making deeper penetration into the emerging markets. It uses both the direct sales channel and the partner network (including System Integrators) for its sales across the globe.

The Company has a sales and marketing team of 250+ employees across geographies which are supported by a robust partner network. Newgen makes disciplined investments towards improving the brand presence and go-to-market strategy including various in-person and digital initiatives and events, analyst and consultant engagements and customer interactions.

We continue to strengthen our partner ecosystem globally especially towards building deeper relationships with the System Integrators for making in-roads in the 'Fortune 2000' customers in mature markets. We are building a complete partner enablement ecosystem to provide continuous Sales, Marketing and Technical support.

"The Company has a sales and marketing team of 250+ employees across geographies which are supported by a large partner network.

Working Better Together: Reimagining Office and Work-Life after COVID-19

Navigating the COVID-19 pandemic and its aftermath has been one of the biggest business challenges of our times. Today, the world looks much different. Business prospects are brighter across the globe. In a shifting landscape, Newgen is trying to keep pace with changing demands and support its people through the accelerated changes.

We have critically thought through the development and execution of our return-to-work plans. Considering the evolving requirements of the workforce and the need to provide a safe work environment, we have chosen a hybrid work model. We are using technology to bridge the gap between people who regularly work in the office and those who work remotely besides introduction of flexible work arrangements. Collective growth and collaboration within teams and between departments as well as communication between the company and its customers and society at large continue to be the cornerstones of our work culture.

It has been a great 30 years of Newgen, not only because of the Company's successful growth, but also because of the relationships we have built across. As a responsible and employee-friendly organization, the safety and health of our employees has always been a top priority, especially over the past year. During the past one year, we have remained focussed on providing the necessary assistance, guidance, and support to Newgenites and their families.

Reimagining the Workplace

The last two years have significantly changed work models and ways in which organizations work to serve their customers. At Newgen, we have successfully adapted and leveraged the change by becoming more efficient and successfully serving our customers in a challenging environment.
We are effectively training new talent, building competencies, establishing strong connections within teams, and building strong bonds as a Newgen family.

It is now time for us to reboot and get the best of both worlds by making all our office locations fully operational and tapping into remote work models for access and flexibility. We need to ensure that going forward our work model offers flexible working, enhanced learning, and strongly connected teams to effectively serve our customers. The new ways of working need high level of collaboration digitally and in person.

Steering Change through Employee Engagement

With an increase in employee engagement levels, Newgen is determined to foster change and bring value to its people. Key actions have been identified. Improving the employee experience will be the centre of our focus through the coming year, which is expected to better talent retention outcomes.

Imbibing Values and Culture

Looking ahead, it would be critical to maintain Newgen's evolved work culture and trust amongst employees. As people adapt to new ways of working, propagating the corporate culture to support a new work model amongst new joiners and those who joined remotely during the pandemic is crucial.

Focussed on collective progress, the Company is providing challenging and creative growth opportunities to support innovation and further strengthen our product DNA.
To support growth, we empower Newgenites with training and greater responsibilities in the early stages of their careers. Their readiness to work and collaborate with all our customers and consultants enhances trust and confidence. Our open and

supportive work environment helps us to grow together and continually improve our offerings.

Newgen's culture promotes an 'open door' policy and encourages free-flowing, two-way communication through various formal and informal channels. Our key mantra is care, humility, and respect for all, thereby supporting and motivating our people to perform with pride and passion.

We also aim to constantly strengthen our communities and give back to society.

Enhancing Talent Management Including Learning and Development

Newgen is proud of its multi-talented employee base across developmental centres in Noida, New Delhi, Mumbai, and Chennai. We recognize the critical importance of human capital management in ensuring smooth and effective enterprise connectivity. We have hence remained focussed on building our capacity management through various initiatives, including attracting and retaining the industry's brightest talent through talent acquisition, internal job postings, and employee referrals.

With more than 580 people in our R&D team, supported by Newgenites in our sales, marketing and service delivery department, we continue to expand our frontiers and strengthen the Company's position as a market leader.

The concept of Learning and Development in the Company has undergone a marked change.

"It has been a great 30 years at Newgen, not only because of the Company's successful growth, but also because of the relationships we have built across

Online self-learning modules have been developed. Campus trainees have to undergo 3-6 months of training before they are put on projects. Instructor-led training, and mentorship programme for new joiners remain the mainstay of training.

We also provide regular in-house training and certifications for skill up-gradation under our iLearn, iEvolve, and weLearn initiatives. These include behavioural and technical training, such as:

- Newgen Certified Implementation Professional (NCIP) for Engineers
- Newgen B1 certification for Business Analysts
- Migrating various learning and development initiatives from the classroom to online modules, thereby supporting growth for Newgenites working from home

Steering Capability Management

In today's dynamic marketplace, Newgen remains focussed on enhancing the satisfaction level of its employees and clients by working proactively to drive an integrated approach towards competency development.

Newgenites are given the freedom to script their success with the Company's accelerated learning curve and numerous growth opportunities offered early in their careers.

Our key efforts related to capability management include:

- Improving the offer to joining ratio
- Making the onboarding process smoother for all new hires through structured programmes, such as Newgen's broad spectrum orientation, product training, elaborate on-the-job training (OJT), and special mentorship programmes
- Emphasis on career planning for various roles with clearly defined growth paths
- Strengthening leadership excellence through:
    - o 360-degree feedback assessments for our leadership team
    - o Newgen Emerge leadership development programme for mid-level leaders
    - o Soul of Leading Teams training programme for first-time managers
- Using a role-based goal assessment system to help align individuals' goals with the Company's mission and vision
- Providing access to Omnigyan, eLibrary, and other online forums for continued education and knowledge enhancement

Empowering People with Effective Engagement

Newgen's ability to empower clients in their digital transformation journey is driven by the collective excellence of our people. With special focus on leadership development and improving our employee experience, we have undertaken the following initiatives:

- Town Hall meetings with senior management to align all Newgenites with our shared vision
- Regular Open House meetings are organized to communicate a uniform strategy and showcase the

> **Focussed on collective progress, the Company is providing challenging and creative growth opportunities to support innovation and further strengthen our product DNA.**

role of each Newgenite in achieving our collective vision

- Strategic HR programmes to ensure that Newgen continues to be a thriving workplace - these programmes are developed based on inputs gathered from our annual Employee Engagement Survey and Service Satisfaction Surveys
- Online Reward and Recognition (R&R) programme to highlight outstanding contributions and drive engagement, coupled with incentives for performance excellence
- Online and offline campaigns to keep the organization connected and engaged, such as #WelcomeBacktoOffice #NewgenitesSpeak #UnleashYourTalent #EES #DidYouKnow
- Platforms, such as the Newgen Women's Forum and Newgen Employee Welfare Society (NEWS), give Newgenites a diverse forum to engage in collaborative discussions, activities, and celebrations
- A well-integrated system of internal communication is used to celebrate project success, build team spirit, and share proud moments with the Newgen family
- Cross-functional collaboration, quality circles for brainstorming, and platforms such as Accomplish Collective Excellence (ACE) allow Newgenites to contribute to the continual improvement of matters that directly affect them
- Hackathons and cross-functional task forces drive organizational value by developing our product DNA
- Employee stock options (ESOPs) are granted to encourage employees' growth in tandem with the Company

Committed to Ethics and Compliance

Newgen's responsible business mantra is rooted in its unwavering commitment to integrity and ethical practices.

We have undertaken various measures and initiatives to ensure compliance with our values and vision, including:

- Newgen's Code of Ethics and Business Conduct, which is shared and enforced to maintain our ethical focus
- Focussed awareness campaigns and robust complaint redressal mechanisms
- Gender-neutral internal policies to establish our 'Zero Tolerance to Sexual Harassment' philosophy at every level
- Newgen's Vigil Mechanism and Whistle Blower Policy was carried out through a third-party ombudsman
- New Internal Complaints Committee formed for all locations, including Bengaluru. All members have been trained by an external agency to conduct investigations effectively.

CSR - Making an Impact

Newgen's CSR mission is to actively contribute to the social and economic development of the communities in which we operate. The core philosophy is to empower lesser privileged sections of society through a holistic approach to help them realize their full potential and ensure a good quality of life.

Newgen's CSR initiatives have contributed toward two sustainable development goals of the United Nations:

- Goal 2 (Zero Hunger)
- Goal 4 (Quality Education)

Along with the successful implementation of CSR initiatives, there has been a conscious effort to revamp programs, systems, and processes. The execution pattern of the CSR activities was different for the year under review due to the COVID-19 pandemic.

CSR Thematic Area - Promotion of Education

Newgen Digital Discovery Paathshala (NDDP)

Newgen Digital Discovery Paathshala (NDDP), the flagship CSR initiative of the organization, is designed to impart knowledge to school children using web-based technology that transforms traditional classroom teachings into fun learning sessions. The initiative focusses on promoting quality and equitable digital learning among government school students.

The NDDP footprint extends across Government girls' schools in Harkesh Nagar and Tekhand, Delhi, and covers over 3,000 students from classes 6th to 8th.

For 2021-22, the NDDP program continued to execute the activities through online mode, which digitally empowered the target students. Under the aegis of NDDP, 800+ students have been provided digital devices that include iPads, tablets, and smartphones. Consequently, we ensured that online connectivity was made user-friendly and provided free of cost. The target students regularly attended and actively participated in the online sessions with the provided devices. Further, students' active participation was appreciated through periodic prize distribution.

NDDP Alumni Association Initiative

The NDDP alumni association, instituted in 2019, aims to strengthen and amplify the impact of the NDDP program. It reconnects the ex-NDDP beneficiaries (classes 9th to 12th) at project locations in Harkesh Nagar, Tekhand, Kalkaji, and Begumpur. The initiative actively engages the alumni with a flexible, informative, and empowering platform. The current batch consists of over 400 students for whom regular online classes are being conducted, covering the school syllabus, besides organizing sessions on personality development, life skills, and career counselling for their holistic growth.

Happiness Kits Distribution

With the COVID-19 pandemic, a large section of the population faced acute food shortage. Without adequate nutrition, it was not possible for students to focus on their education, thereby impacting growth. To prevent this, Newgen distributed 'Happiness Kits' twice a year, comprising monthly rations of non-perishable food items for students and their families. Over 1,000 happiness kits were distributed to students to support them in difficult times and give them hope for a better tomorrow.

Newgen Volunteers

Newgen volunteers contributed virtually to various CSR activities such as students' debate competitions, virtual kitchen tours, and special day celebrations throughout the year. The volunteers attended various programs as judges and shared their experiences, which guided NDDP students to understand how to approach studies and plan their careers for a bright future.

Stories from Our NDDP Students

Roli Yadav enrolled for NDDP online sessions in 2021 and has been a regular attendee. She continued her studies online using the NDDP device (tablet). The career counselling sessions helped Roli to understand her interests and align them with her skills. She aspires to be a lawyer and is working hard to attain her dreams.

Roli appreciates the innovative activities that are part of the NDDP sessions. She specifically mentioned that news reading and submitting assignments in the PPT format have helped her to hone her research skills. In addition, the personality development sessions have boosted her confidence. Her remarkable performance in the sessions enabled her to become the group's monitor, which boosted her self-belief.

Roli is currently studying in 11th standard at Government Girls Senior Secondary School, Tekhand.

Mohini expresses the impact of NDDP sessions on her regular studies. She says, 'History has become my favourite subject, and now I can memorize all the event dates because of the real-life examples and videos used during the NDDP sessions.'

Mohini, naturally timid, always felt underconfident. However, with encouragement from the NDDP facilitator and inspiration from her peers, she is ready to take on the world. She actively participates in the sessions as a quizmaster and newsreader.

She wants to become a teacher and role model for other children in her community. 'You will witness a new version of me,' says Mohini.

Mohini is currently studying in the 10th standard at Government Girls Senior Secondary School, Harkesh Nagar.

Remedial Education Program with KHUSHII

Newgen collaborated with the NGO KHUSHII (Kinship for Humanitarian, Social and Holistic Intervention in India) to offer remedial classes at MCD feeder schools for students from classes 1st to 10th. These classes have helped students to achieve their expected level of competency in core academic skills like literacy and numeracy, and prepared them for senior secondary education. The project locations are Harkesh Nagar, Tekhand, Sangam Vihar, Nandambakkam, and Chennai. In 2021-22, the project extended its reach to six new schools in the flood and rain-affected region of Ramgarh, Uttarakhand. Over 10,000 students have benefited from this program.

This initiative has augmented the impact of NDDP as the targeted students will be associated with Newgen CSR for an extended period of twelve years, thereby creating an opportunity to unlock their full potential. The sessions during 2021-22 were conducted online, partially online, and offline mode.

Holistic Education Program with KK Academy

Newgen collaborated with KK Academy to ensure that children from underprivileged families receive a holistic education. The academy is based in Lucknow and recognized by the State Board to cater to students from nursery up to 8th class. The focus of this project is to empower students from different marginalized backgrounds and help them become literate and confident, thereby bringing social transformation through education. In 2021-22, approximately 250 students benefited under this programme.

CSR Thematic Area - Eradication of Hunger, Poverty, and Malnutrition

Mid-Day Meal Program and Happiness Kits

Newgen supports The Akshaya Patra Foundation to provide mid-day meals to school students and work towards their overall development. This Newgen initiative ensures that healthy and nutritious meals are served to children to support their growth in the formative years.

In 2021-22, Newgen expanded its partnership with the Foundation to reach remote and interior areas in Kakinada, Andhra Pradesh, and Bhilai, Chhattisgarh. Earlier, the programme only catered to students in Vrindavan and Jhalawar. During the pandemic, the Foundation introduced 'Happiness Kits'. Each kit comprised non-perishable food items, including stationery, toothbrush, toothpaste, sanitary napkins, and soaps.

In Kakinada, over 3,00,000 mid-day meals were provided to children while Happiness Kits reached over 8,000 families in Vrindavan, Jhalawar, and Bhilai.

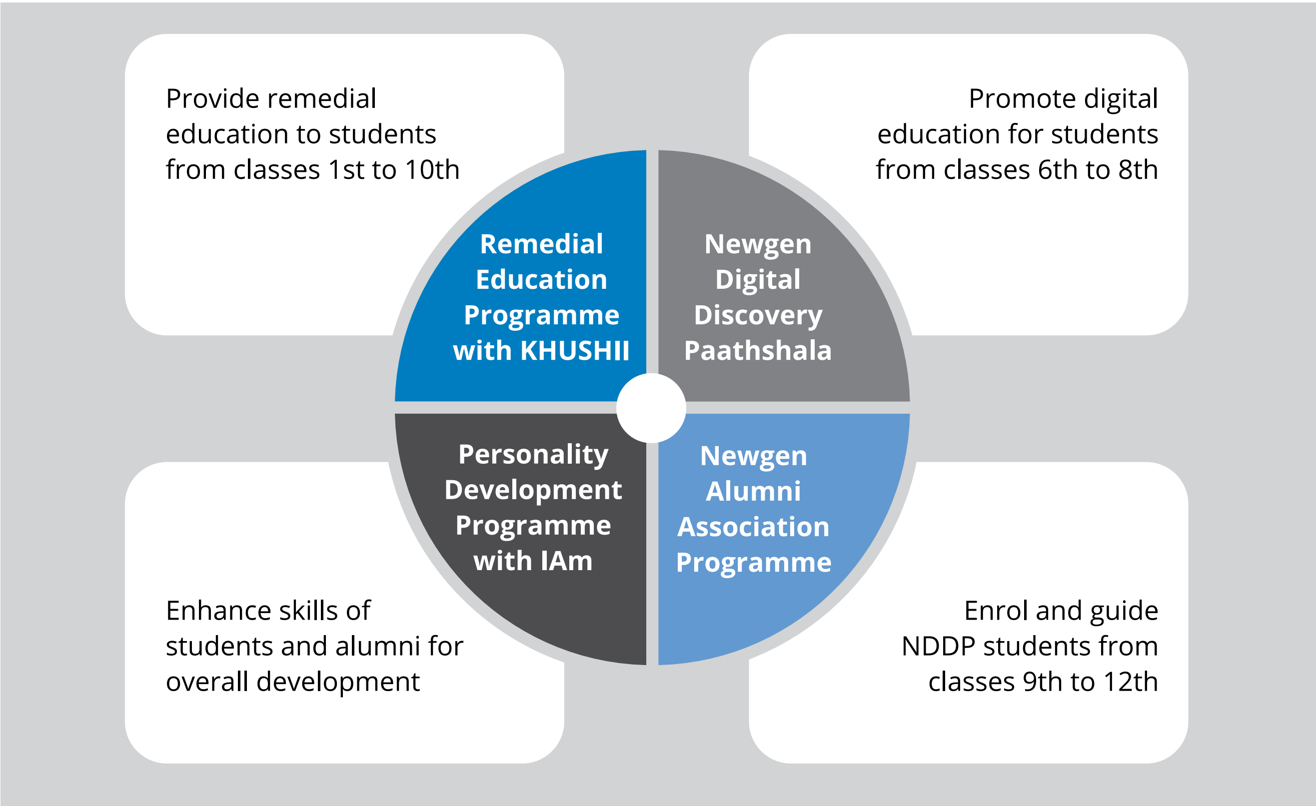
CSR Thematic Area - Holistic Development

Personality Development Sessions

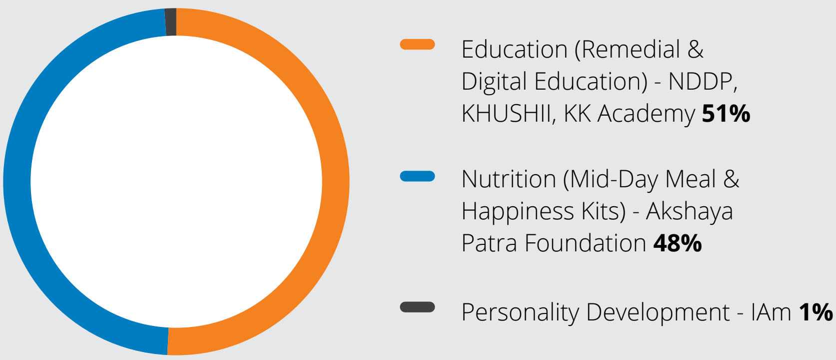
The Newgen CSR personality development programme focusses on the students' overall development and skill enhancement. The sessions aim to build self-confidence, develop soft skills, and provide career and personal guidance to students. The sessions, held in collaboration with the I-AM organization, are conducted on the third and fourth Wednesday of the month. In 2021-22, Newgen supported nearly 400 students through these sessions.

Connecting the Dots: Supporting Our Students Throughout Their Educational Trajectory

In 2021-22, Newgen re-aligned the implementation of its activities to foster the overall development of children. The NDDP program expanded its scope by including the NDDP alumni (class 9th-12th). The remedial and NDDP sessions were conducted online, providing a solid foundation for education and digital proficiency. Furthermore, the personality development sessions prepared them for higher education, enabling overall development for a bright future. The beneficiaries stay connected with Newgen throughout their educational journey.



Program-wise Allocation of CSR Budget (2021-22)



The Year That Was



NEWGEN

Welcome to 30th Anniversary Celebrations
newgen

Unlock Simple



NEWGEN


newgen


Board of Directors

Diwakar Nigam – Chairman and Managing Director

Diwakar Nigam co-founded Newgen in 1992. He is also a founding member of NASSCOM, India's apex information technology industry association and was a member of NASSCOM's Anti-piracy Task Group. Prior to joining Newgen, he founded Softek and was associated with the Company for 12 years.

Diwakar has served on Newgen's Board of Directors since 1993 and has more than 36 years of experience in the information technology industry.

He holds a Bachelor's degree in Science from the University of Allahabad; Master's degree in Science (Mathematics) from IIT, Delhi and Master's degree in Technology (Computer Science) from IIT, Madras.

T S Varadarajan – Whole-time Director

T.S. Varadarajan co-founded Newgen in 1992 and has been on the Company's Board of Directors since incorporation. Prior to Newgen, he promoted Softek Private Limited and was associated with it for about 12 years. He has more than 36 years of experience in the field of software designing and development. He did his Bachelor's in science from Bangalore University and engineering (electrical technology) from the Indian Institute of Science, Bengaluru. He holds a Master's degree in technology (computer science) from IIT, Madras.

Priyadarshini Nigam – Whole-time Director

Priyadarshini Nigam has served on Newgen's Board of Directors since 1997. Previously, she was a journalist with over 10 years of experience in the IT field. She has freelanced and published with the South-North News Service and Depthnews Press Foundation Asia. She holds a Bachelor's and a Master's degree in economics.

Kaushik Dutta – Independent Director

Kaushik Dutta is the founder and co-director of the Thought Arbitrage Research Institute with more than 25 years of experience in finance and accounting. He previously served as a partner at Lovelock and Lewes and then at Price Waterhouse. He has consulted as an expert with the Indian Institute of Corporate Affairs and the Serious Fraud Investigation Office within the Ministry of Corporate Affairs. Kaushik has authored books including The Handbook of Independent Directors: Upholding the Moral Compass; co-authored Corporate Governance: Myth to Reality; and India Means Business: How the Elephant Earned Its Stripes besides being a contributing author of CR Data and Company Law (VII Edition). He graduated in commerce from St. Xavier's College, University of Calcutta. He is a qualified chartered accountant and a fellow member of ICAI.

Saurabh Srivastava – Independent Director

Saurabh Srivastava is one of India's leading IT entrepreneurs, angel investors and venture capitalists. He has more than 40 years of experience in the field of Information Technology. He is a founder director of Indian Angel Network and a former chairman of NASSCOM. He has also been honoured with Padma Shri by the Government of India. He is an alumnus of the Indian Institute of Technology, Kanpur, and Harvard University, USA.

Padmaja Krishnan – Independent Director

Padmaja Krishnan has over 40 years of industry experience as a global business leader and innovator in the technology space. She has led multiple business portfolios for organizations like Tata Consultancy Services, CSC, Sopra-Steria, Dell-Perot Systems, and Genisys Group. She provides business mentoring services and is a certified executive coach at Marshall Goldsmith Stakeholder Centered Coaching. She is a certified Tick IT lead assessor from UK and a certified corporate director from Institute of Directors.

Subramaniam Ramnath Iyer – Independent Director

Subramaniam Ramnath Iyer is a founder partner of Amtrak Consultants LLP which provides financial and corporate law advisory services to various entities. He has over 40 years of post-qualification experience in the fields of finance, accounting, and corporate laws. He is qualified as a Chartered Accountant, Company Secretary, and Cost Accountant.

Management Team

Virender Jeet – Chief Executive Officer

Virender Jeet has been with Newgen for over 26 years and manages the overall strategic and operational functions for the company's entire portfolio of offerings. He oversees product development, global sales and marketing, besides business enablement. He has spearheaded the filing of various patents in India and the U.S. He holds a Bachelor's degree in Engineering from Savitribai Phule, Pune University.

Tarun Nandwani – Chief Operating Officer

Tarun Nandwani has been with Newgen for over 26 years and manages the company's existing customer and commercial business areas. He is responsible for customer relationship management, commercial activities, contract management, new business solutions, and application development, besides driving business from existing customers. He holds a Bachelor's degree in engineering from Delhi University.

S J Raj – Senior Vice President, HR Operations

Dr. SJ Raj has been with Newgen for over 25 years and manages the company's human resources (HR) strategy, global operations, and programmes aligned with HR strategy. Before joining Newgen, he worked with Eicher Goodearth, SRF Nippondenso, PCS Data Products, and Semiconductor Complex Limited. He holds a M.A., with specialization in social work, from Jamia Millia Islamia University and a Ph.D. from Chandigarh University.

Anand Raman – Executive Vice President and Chief Operating Officer, Newgen Software Inc.

Anand Raman has been with Newgen for over 25 years. He oversees Newgen's operations in the Americas and is responsible for driving the company's scale, growth, and profitability in the region. He is also a Director on the Board of Newgen Software Inc. Previously, Anand headed Newgen's sales and marketing, global marketing, and product development teams. He holds a Bachelor's in Computer Engineering from Pune University and a certificate in advanced management from the Wharton School at University of Pennsylvania.

Arvind Jha – Senior Vice President, Software Development

Arvind Jha is responsible for product development. He has over three decades of experience in software development and engineering and driving business model transformation strategy for global and Indian start-up companies. He is recognized by the Indian tech community as an innovator and community builder. Prior to Newgen, he was the CEO of Pariksha Labs. He has also led product development teams at Polaroid, Adobe, Monsoon Multimedia, and Movico Technologies. Arvind holds a Bachelor's degree in computer science from IIT Kharagpur.

Rajvinder Singh Kohli – Senior Vice President, Sales

Rajvinder Singh Kohli drives global sales with a focus on GSI relationships in his current role. With three decades of solution sales experience, he is keenly interested and has strong knowledge of existing and emerging technologies in digital process automation and transformation. He was associated with Newgen during 2002-09 in a sales leadership position for India and APAC. He has also been associated with Automation Anywhere, Microsoft, and IBM. He did his Master's in management from IRMA, Anand and global advance management programme from ISB-Kellogg.

Arun Kumar Gupta – Chief Financial Officer

Arun Kumar Gupta has been with Newgen since 2010. He oversees financial planning, treasury, global taxation, investor relations, business finance, compliances, and financial reporting. He has over 25 years of experience in finance, having previously worked with companies like Maersk, Thermax, and Satyam. He holds a Bachelor's degree in science from the University of Calcutta and is a qualified company secretary, cost and works accountant, and chartered accountant.

Management Team

Sunil Pandita
VP Sales (India)

Vivek Bhatnagar
VP Sales (EMEA)

R Krishna Kumar
VP Sales (Australia)

Prashant Sahai
VP Sales (Middle East)

Pramod Kumar
VP Sales (APAC)

Hemant Makhija
VP Marketing

Atin Kumar
VP Global Delivery

Ashok Kapoor
VP Customer Experience

Vivek Mani Tripathi
VP HRD & Operations

Anurag Shah
VP Product & Solutions (Americas)

Arpan Bansal
VP Marketing (Govt. & GSI Initiatives)

Dushyant Kumar
VP GSI Enablement

Nikhil Sawhney
VP Customer Relations (EMEA, APAC)

Manojit Majumdar
VP Channel Sales

Ritesh Varma
VP Product & Solutions (India, EMEA, APAC)

Shikha Bhatt
VP Delivery (India)

Mukesh Bhatnagar
VP International Operations

Corporate Information

Directors

Mr. Diwakar Nigam
Chairman & Managing Director

Mr. T.S. Varadarajan
Whole-time Director

Ms. Priyadarshini Nigam
Whole-time Director

Mr. Kaushik Dutta
Independent Director

Mr. Saurabh Srivastava
Independent Director

Mr. Subramaniam Ramnath Iyer
Independent Director

Ms. Padmaja Krishnan
Independent Director

Key Managerial Personnel

Mr. Virender Jeet
Chief Executive Officer

Dr. S.J. Raj
Senior Vice President
(HR Operations)

Mr. Tarun Nandwani
Chief Operating Officer

Mr. Arun Kumar Gupta
Chief Financial Officer

Mr. Aman Mourya
Company Secretary &
Compliance Officer

Bankers

Standard Chartered Bank

Citi Bank

Statutory Auditors

Walker Chandiok & Co LLP,
Chartered Accountants, Gurgaon
(Firm Registration No.: 001076N/N500013)

Secretarial Auditors

M/s Aijaz & Associates
Practicing Company Secretaries, Delhi
Membership No. F6563
C.P. No. 7040

Internal Auditors

PricewaterhouseCoopers Services LLP
Noida

Registered Office & Corporate Office

A-6, Satsang Vihar Marg,
Qutab Institutional Area,
New Delhi – 110067

Boards' Report

Dear Members,

The Board of Directors are pleased to present 30th Annual Report on Business and Operations of your Company Newgen Software Technologies Limited ("the Company" or "Newgen") along with the audited Standalone and Consolidated Financial Statements for the financial year ended 31st March 2022.

1. Company's Affairs and Financial Performance:

Newgen Software Technologies Limited is an enterprise software Company offering innovative cloud-based content services and low code process automation technologies- changing the way enterprises service their customers, enable their employees, and collaborate with their partners. The three core products of Newgen Digital Automation Platform are Contextual Content Services (ECM), Low Code Process Automation (BPM) and Omnichannel Customer Engagement (CCM). During the year, the Company also made an important acquisition to strengthen its platform with AI/ML modelling and data analytics capabilities. It acquired Number Theory Software Private Limited, an AI/ML data science platform company. Number Theory's platform, AI Studio, brings intuitive AI/ML to enterprises, while unifying the entire lifecycle of data engineering, from data preparation to model development and monitoring. Number Theory is expected to bring domain expertise, along with a powerful engine to extract actionable insights in real time. It lets fusion teams build, deploy, and collaborate on the entire modelling lifecycle in low code and on cloud. For more details, kindly refer the Management Discussion and Analysis Report highlighting the important aspects of the business of the Company as annexed with this Report.

Key highlights of the Financial Results of the Company prepared as per the Indian Accounting Standards (Ind-AS) for the financial year ended 31st March 2022 are as under. Wherever applicable, the Consolidated Financial Statement is also being presented in addition to the Standalone Financial Statement of the Company.

(₹ in Lakh)

Particulars	Standalone		Consolidated	
	Financial Year 2021-22	Financial Year 2020-21	Financial Year 2021-22	Financial Year 2020-21
Revenue from Operations	71,078.57	61,039.47	77,896.15	67,262.44
Other Income	2,993.38	1,430.95	2,991.20	1,503.74
Total Income	**74,071.95**	**62,470.42**	**80,887.35**	**68,766.18**
Operating Expenditure	52,966.60	43,114.97	58,429.80	48,071.93
Profit/ loss before Depreciation, Finance Costs, Exceptional items and Tax Expense	**21,105.35**	**19,355.45**	**22,457.55**	**20,694.26**
Less: Depreciation/ Amortisation/ Impairment	1,532.43	1,851.48	1,763.03	2,014.97
Less: Finance Costs	317.79	534.84	349.16	562.58
Profit /loss before Exceptional items and Tax Expenses	**19,255.13**	**16,969.13**	**20,345.36**	**18,116.70**
Add/(less): Exceptional items	-	-	-	-
Profit /loss before Tax Expense	**19,255.13**	**16,969.13**	**20,345.36**	**18,116.70**
Less: Provision for Current Tax	3,090.56	4,921.12	3,369.64	5,266.28
Less: Provision for deferred tax (credit)/charge	565.32	288.58	554.25	202.19
Profit after Tax (A)	**15,599.25**	**11,759.43**	**16,421.47**	**12,648.23**
Total Comprehensive Income/Loss (B)	(268.34)	115.78	(72.13)	233.47
Total (A+B)	**15,330.91**	**11,875.21**	**16,349.34**	**12,881.70**
Balance of profit /loss for earlier years	43,647.14	33,286.82	**46,362.60**	35,113.48
Less: Dividend paid on Equity Shares during the year for the previous financial year	2,448.45	1,399.11	2,448.45	1,399.11
Add: Adjustment of deferred tax	-	-	6.55	-
Profit available for Appropriation	**56,797.94**	**43,647.14**	**60,342.17**	**46,362.60**
Balance carried to Balance Sheet	**56,797.94**	**43,647.14**	**60,342.17**	**46,362.60**

- On a consolidated basis, the Company's revenue from operations stood at ₹ 77,896.15 lakh reflecting an increase of 16% in the financial year 2021-22 as against ₹ 67,262.44 lakh in the financial year 2020-21.
- The Company reported the EBITDA (adjusted for other income) of ₹ 19,466.35 lakh in the financial year 2021-22, stable as against ₹ 19,190.51 lakh in the financial year 2020-21.
- Consolidated Profit after Tax for the year stood at ₹ 16,349.34 lakh compared to ₹ 12,648.23 Lakh reflecting an increase of 30% in the financial year 2021-22.

2. Material Changes, if any, Affecting the Company:

There have been no material changes and commitments, which affect the financial position of the Company which has occurred between the end of the financial year to which the financial statements relate and the date of this Report. There is no change of nature of business of the Company during the financial year 2021-22.

3. Impact of Covid-19 Pandemic:

The ongoing Covid-19 pandemic has drastically changed the global economies and businesses. Newgen has also kept pace with the changing requirements of the industry, customers, employees and other stakeholders to fully support them in the uncertain environment. Newgen has a resilient business model in place with large annuity revenue streams i.e. recurring business from existing customers as well as diversification across verticals, clients and geographies. The Company continues to provide uninterrupted support to its customers at locations and remotely. Understanding the changing requirements of the workforce and the need to provide a safe work environment, the Company has chosen a hybrid work model supported by the Company's pre-emptive measures, business continuity processes and robust IT infrastructure. During the past one year we have remained focused on providing the necessary assistance, guidance, and support to Newgenite and their families. For more details, kindly refer the Management Discussion and Analysis Report as annexed with this Report.

4. Industry Overview:

For details on Industry overview, important changes in the industry, business outlook and economic outlook, kindly refer the Management Discussion and Analysis Report as annexed with this Report.

5. Transfer to General Reserve:

Your directors have decided not to transfer any amount to the general reserve during the financial year 2021-22.

6. Dividend:

Considering the Company's financial performance, your Board of Directors has recommended a payment of dividend at a rate of ₹ 4.5/- per equity share (i.e. 45% on the paid-up capital of the Company) for the financial year ended 31st March 2022 (dividend declared in previous year was ₹ 3.5 per equity share i.e. 35%), payable to shareholders whose names appear in the Register of Member as on Record Date, subject to the approval of the Members at the ensuing 30th Annual General Meeting ("AGM") of the Company. The total outgo for such dividend will amount to ₹ 3,148.01 Lakh.

The Company has formulated a Dividend Distribution Policy, which includes the circumstances under which the member may/ may not expect dividend, the financial parameters, internal and external factors, utilization of retained earnings, parameters with regard to different classes of shares. The provisions of this Policy are in line with Regulation 43A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") and the Policy is available on the website of the Company at https://newgensoft.com/.

The Details of unpaid and unclaimed amounts, related with earlier years, lying with the Company is uploaded on Company's website https://newgensoft.com/ and IEPF Authority website http://www.iepf.gov.in/.

Pursuant to the provisions of Section 124 of the Act, those dividend amounts which have remained unpaid or unclaimed for a period of seven consecutive years are required to be transferred to the Investor Education and Protection Fund ('IEPF') established pursuant to Section 125 of the Act. As on 31st March 2022, no such unpaid or unclaimed dividend amount is required to be transferred to IEPF. The contact details of the Nodal Officer, Mr. Aman Mourya, Company Secretary of the Company, as required under the provisions of IEPF rules, are available on the website of the Company https://newgensoft.com/.

7. Subsidiary Companies:

As on 31st March 2022, the Company has seven wholly - owned subsidiaries, as below. There has been no material change in the nature of the business of these subsidiaries.

1. Newgen Software Inc. USA. (Incorporated in USA)
2. Newgen Software Technologies Pte. Ltd. (Incorporated in Singapore)
3. Newgen Software Technologies Canada Ltd. (Incorporated in Canada)
4. Newgen Software Technologies (UK) Limited. (Incorporated in UK)
5. Newgen Software Technologies Pty Ltd. (Incorporated in Australia)
6. Newgen Computers Technologies Limited. (Incorporated in India).
7. Number Theory Software Private Limited. (Incorporated in India).

During the year, the Company acquired Number Theory Software Private Limited on 28th January 2022. There are no associate companies or joint venture companies within the meaning of Section 2(6) of the Companies Act, 2013 ("Act"). There are no such other companies that have become or ceased to be the subsidiary, associate or joint venture of the Company during the financial year 2021-22.

The Consolidated Financial Statements of the Company for the financial year ended 31st March 2022 are prepared in compliance with the applicable provisions of the Act, including Indian Accounting Standards specified under Section 133 of the Act. The audited Consolidated Financial Statements together with the Auditors' Report thereon forms part of this Report. The statement containing salient features of the financial statement of subsidiaries is enclosed herewith in form AOC-1 as **"Annexure -1"** to this Report.

Financial statements of the aforesaid subsidiary companies are kept open for inspection by the Members at the Registered Office of the Company during business hours on all days except Saturday & Sunday up to the date of the AGM as required under Section 136 of the Act. Any Member desirous of obtaining a copy of the said financial statements may write to the Company at its Registered Office or to the Compliance Officer of the Company. The financial statements of the subsidiaries including the Consolidated Financial Statements and all other documents required by law to be attached thereto have also been uploaded on the website of the Company at https://newgensoft.com.

To comply with the provisions of Regulation 16(c) of SEBI Listing Regulations, the Board of Directors of the Company have adopted a Policy for determining Material Subsidiary. The policy on Material Subsidiary has been uploaded on the website of the Company https://newgensoft.com.

8. Capital Structure:

During the financial year 2021-22, the Authorised Share Capital of the Company remains unchanged. During the financial year, the Company has not issued any shares or convertible securities. The issued, subscribed and paid-up equity share capital of the Company continue to stand at ₹ 69,95,57,010 divided into 6,99,55,701 equity shares of ₹ 10/- each, as on 31st March 2022.

The equity shares of the Company are listed on Bombay Stock Exchange (BSE) and National Stock Exchange of India (NSE).

9. Employee Share Based Scheme:

As on 31st March 2022, the Company has in place following Schemes: -

a) Newgen Employees Stock Option Scheme-2014 ("Newgen ESOP 2014"). Newgen ESOP 2014 is administered by the Nomination & Remuneration Committee of the Board, through Newgen ESOP Trust. The details on Options granted, exercised, vested and lapsed during the financial year 2021-22 and other particulars as required under the Act, read with its rules and SEBI (Share Based Employee Benefits & Sweat Equity) Regulations, 2021 in respect to this Scheme are enclosed herewith as **"Annexure – 2"** to this Report.

b) Newgen Software Technologies Restricted Stock Units Scheme – 2021 ("Newgen RSU – 2021"). Newgen RSU – 2021 is also operated and administered by the Nomination & Remuneration Committee of the Board, through Newgen RSU Trust. Particulars required under the Act, read with its rules and SEBI (Share Based Employee Benefits & Sweat Equity) Regulations, 2021 in respect to this scheme is enclosed herewith as "**Annexure - 2A"** to this Report.

10. Credit Rating and Liquidity:

As the Company has not issued any debt instruments or accepted any fixed deposits, the Company was not required to obtain credit ratings in respect of the same. The credit rating from CRISIL Limited during the financial year 2021-22 for bank facilities is CRISIL A2+ for the short term.

Our principal sources of liquidity are cash and cash equivalents and the cash flow that we generate from our operations. The Company follows a conservative investment policy and invests in high-quality debt instruments and bonds. As on 31st March 2022, on a standalone basis, cash and cash equivalents were ₹ 5,379.36 Lakh and in addition to that ₹ 9,237.76 Lakh was invested in mutual funds & bonds and ₹ 27,675.32 Lakh in current and non-current fixed deposits with Banks and NBFC.

As of 31st March 2022, on a consolidated basis, cash and cash equivalents were ₹ 10,363.99 Lakh and in addition to that ₹ 9,237.76 Lakh was invested in mutual funds & bonds and 27,675.32 Lakh in current and non-current fixed deposits with Banks and NBFC.

11. Directors and Key Managerial Personnel:

The Company has a professional Board with an optimum combination of executive and non-executive directors who bring to the table the right mix of knowledge, skills and expertise. The Board provides strategic guidance and direction to the Company in achieving its business objectives and protecting the interest of stakeholders.

In accordance with Section 152 of the Act, Mr. Diwakar Nigam (DIN:00263222), who has been longest in the office since inception, is liable to retire by rotation at the ensuing 30th Annual General Meeting and being eligible, seeks re-appointment. The Board recommends his appointment for the approval of the members of the Company in the ensuing 30th AGM.

Mr. Saurabh Srivastava has been appointed as an Independent Director with effect from 30th August 2017 for a first term of 5 (five) years and accordingly his first term as an Independent Director will be ended on 29th August 2022.

Mr. Subramaniam Ramnath Iyer has been appointed as an Independent Director of the Company with effect from for a first term of 5 (five) years and accordingly his first term as an Independent Director will be ended on 21st November 2022.

The Nomination and Remuneration Committee, on the basis of the performance evaluation of Mr. Saurabh Srivastava and Mr. Subramaniam Ramnath Iyer has recommended to the Board that the continued association of Mr. Saurabh Srivastava and Mr. Subramaniam Ramnath Iyer as Independent Directors would be beneficial to the Company. Based on the above and their performance evaluation, the Board recommends the re-appointment of Mr. Saurabh Srivastava and Mr. Subramaniam Ramnath Iyer as an Independent Directors for a second term of 5 (five) consecutive years commencing from 30th August 2022 to 29th August 2027 and 22nd November 2022 to 21st November 2027 respectively.

During the financial year 2021-22, The Board of Directors, with the recommendation of the Nomination & Remuneration Committee, has promoted and designated Mr. Virender Jeet as Chief Executive Officer ("CEO") and Mr. Tarun Nandwani as Chief Operating Officer ("COO"), of the Company with effect from 1st September 2021.

The details required pursuant to sub-section 12 of Section 197 of the Act read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and SEBI Listing Regulations in respect of employees of the Company, is enclosed herewith as "**Annexure - 3**" to this Report.

Declaration of Independence by Independent Directors

During the year under review, all Independent Directors have given declarations that they meet the criteria of independence as laid down under Section 149(6) of the Act and Regulation 16(1)(b) of the SEBI Listing Regulations. The Independent Directors have also given declaration of compliance with Rules 6(1) and 6(2) of the Companies (Appointment and Qualification of Directors) Rules, 2014, with respect to their name appearing in the data bank of Independent Directors maintained by the Indian Institute of Corporate Affairs. In the opinion of the Board of Directors, all the Independent Directors have relevant integrity, skills, expertise, experience and proficiency.

Board and Committee Meetings

The number and dates of meetings of the Board and its Committees are set out in the Corporate Governance Report which forms the part of this Report. The intervening gap between Board Meetings was within the period prescribed under the provisions of Section 173 of the Act and SEBI Listing Regulations.

The Composition of Audit Committee and other statutory committees constituted by the Board under the provisions of the Act, & SEBI Listing Regulations along with number and dates of meetings of such committees are set out in the Corporate Governance Report which forms the part of this Report.

All the recommendations by the Audit Committee and other statutory committees were accepted by the Board of Directors.

Salient feature of the Remuneration policy and criteria for selection of candidates for appointment as Directors and Senior Management Personnel.

The Company has in place a policy on Nomination & Remuneration of Directors, Key Managerial and Senior Management Personnel which is framed with the object of attracting, retaining and motivating talent which is required to run the Company successfully. It primarily lays down a framework in relation to remuneration of the Directors, Key Managerial Personnel (KMP), Senior Management Personnel as well as provide guidance to the Board of Directors (Board) and Nomination & Remuneration Committee (NRC) in relation to appointment/ removal to the said positions, which has been approved by the Board of Directors. The key objectives and purposes of the Policy inter alia are:

a) Formulating the criteria for determining qualifications, positive attributes and independence of a Director and recommend to the Board a policy/ framework relating to the remuneration of Directors, Key Managerial Personnel and Senior Management Personnel, and other employees.

b) To provide guidance to the Board and the Committee in relation to appointment/ removal of Directors, Key Managerial Personnel and Senior Management Personnel.

c) Formulating the criteria for evaluation of performance of Chairperson, Independent Directors, non-Independent Directors and the Board of Directors as a whole.

d) To devise a policy on diversity of Board of Directors and to build a Succession Plan for appointment to the Board of Directors, KMPs and Senior Management Personnel.

e) To retain, motivate and promote talent and to ensure long term sustainability of talented managerial persons and create competitive advantage.

Company's Policy on directors' appointment and remuneration including criteria for determining qualification, positive attributes, independence of a director and other matters provided under section 178(3) of the Act, is available on the website of the Company at https://newgensoft.com.

Board effectiveness

a) Familiarization program for Independent Directors

Over the years, the Company has developed a familiarization process for the newly appointed Directors with respect to their roles and responsibilities, way ahead of the prescription of the regulatory provisions. The process has been aligned with the requirements under the Act and other related regulations. This process inter alia includes providing an overview of the Company's business model, Industry, the risks and opportunities, the new products, Innovations, Sustainability measures etc.

b) Annual evaluation of the performance of the Board, its committees and of individual directors

The Board carries out annual performance evaluation of its own performance, the Directors individually, as well as the evaluation of the working of its various Committees as mandated under the Act and the SEBI Listing Regulations.

The details of training and familiarisation programmes and annual evaluation process for directors, Board and its Committees are set out in the Corporate Governance Report which forms the part of this Report.

12. Internal Control Systems and their Adequacy:

Based on the framework of internal financial controls and compliance systems established and maintained by the Company, the work performed by the internal, statutory and secretarial auditors and external consultants, including the audit of internal financial controls over financial reporting by the statutory auditors and the reviews performed by management and the relevant Board Committees, including the Audit Committee, the Board is of the opinion that the Company's internal financial controls were adequate and effective during the financial year 2021-22. For more description, kindly refer the Management Discussion and Analysis Report as annexed with this Report.

13. Quality Systems & Information Security Initiative:

Newgen has sustained its commitment to the highest levels of quality, robust information security and privacy management practices that have collectively helped in achieving a significant milestone during the financial year 2021-22. Newgen's Quality and Information Security system has been a steady journey starting from 1997. The same is evident from implementing and third-party certification against the best of industry standards, namely ISO 9001, ISO 27001, ISO 27017, ISO 27018, and CMMI Dev with process improvement and resulting Customer/ Employee benefits as the core objective. Emphasis has been on System driven, transparent process, which delivers exceptional quality first time right with the required level of security.

14. Audit Reports And Auditors:

Secretarial Auditor and its Report

The Board of Directors of your Company re-appointed M/s Aijaz & Associates, Company Secretaries in Practice, as Secretarial Auditors of the Company to conduct Secretarial Audit for the financial year 2021-22. The Secretarial Audit Report for the financial year ended 31st March 2022, is enclosed herewith as **"Annexure-4"** to this Report. The Secretarial Audit Report for the financial year 2021-22 does not contain any qualification, reservation or adverse remarks.

Statutory Auditors and its Report

M/s Walker Chandiok & Co LLP, Chartered Accountants (Firm Registration No 001076N/ N500013), have been appointed at the 29th Annual General Meeting to hold office as statutory auditors till the conclusion of the 34th AGM of the Company. There are no qualifications, reservation or adverse remarks or disclaimer in the Auditor's Report for the financial year ended 31st March 2022.

Cost Auditors.

In terms of Section 148 of the Act and the Companies (Cost Records and Audit) Rules, 2014, Cost Audit is not applicable to the Company for the financial year ended 31st March 2022.

15. Reporting of Frauds by Auditors:

During the financial year 2021-22, neither the statutory auditors nor the secretarial auditors have reported to the Audit Committee under sub-section (12) of section 143 of the Act, any instances of fraud committed against the Company by its officers or employees.

16. Deposits:

During the financial year 2021-22, the Company has not accepted any fixed deposit within the meaning of Section 73 of the Act and the rules made thereunder.

17. Particulars of Loans, Guarantees or Investments Under Section 186 of the Act:

The particulars of loans, guarantees and investments, if any, as per Section 186 of the Act by the Company, have been disclosed in the financial statements (refer note no. 21 and 43b).

18. Particulars of Contracts or Arrangements with Related Parties:

There were no contracts or arrangements, or transactions entered with related parties during the financial year 2021-22, which were not at arm's length basis. There are no material related party transactions made by the Company with Promoters, Directors, Key Managerial Personnel's or others which may have a potential conflict with the interest of the Company at large. None of the Directors and KMPs has any material pecuniary relationships or transactions vis-a-vis the Company except remuneration as per terms of their respective appointments. A statement giving details of all related party transactions is placed before the Audit Committee and the Board of Directors on a quarterly basis. The disclosure of related party transactions, as required under Section 134(3)(h) of the Act in Form AOC-2 is enclosed herewith as **"Annexure-5"** to this Report**.**

Disclosures in compliance with the applicable Accounting Standard on "Related Party Disclosures" and other transactions, if any, of the Company, with any person or entity belonging to the promoter/promoter group which hold(s) 10% or more shareholding in the Company, have been given in the financial statements.

The policy on Related Party Transactions as approved by the Board of Directors is uploaded on the website of the Company https://newgensoft.com

19. Details of CSR Policy and Initiative Taken During the Financial Year 2021-22:

Company's CSR Policy is established by the Board of Directors with the recommendation of the CSR Committee. Corporate social responsibility (CSR), for Newgen, goes beyond charity and volunteering. CSR is an integral part of our Company culture, rooted in our values as an organization. Newgen is committed to make efforts for the nation's social, economic, and environmental good. Objective of the CSR Policy is to make CSR a key business process for the sustainable development of whole communities. We aim to actively contribute to the holistic development of underprivileged children, specifically. Our efforts are concentrated on raising the human development index in India by enhancing children's quality of education and life. The CSR policy lays down the principles/ process on identification, selection, implementation of CSR activities & programmes keeping in mind the Company's CSR vision. It also provides the framework to monitor & evaluate the CSR activities & programmes in accordance with the provisions of the Act. Further brief outline on the initiatives undertaken by the Company on CSR activities during the financial year 2021-22, is enclosed herewith as **"Annexure-6"**. Other details regarding Company's CSR activities and CSR Policy are available on the website of the Company at: https://newgensoft.com.

20. Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo:

The particulars as prescribed under section 134 of the Act, read with the Companies (Accounts) Rules, 2014 are as follows:

a. Details of Conservation of energy.

The Company is committed to conserve the environment by adopting the "Go Green Initiatives" and being responsible for energy and water management in its area of operations and perform energy efficiency by consuming energy and water in an efficient, economical and environment friendly manner throughout all its premises. The operations of your Company do not consume high levels of energy. As the cost of energy consumed by your Company forms a very small portion of the total costs, the impact of changes in energy cost on total costs is not significant. Your Company is on a constant look out for newer and efficient energy conservation technologies and introduces them appropriately. Following initiatives have been taken by the Company time to time.

- Adequate measures have been taken to conserve energy by using energy-efficient computers, LED lightings and related equipment's with the latest technologies.
- Installation of PNG Genset capacity of 125 KVA for emergency efficiency.
- Installation of Solar panel for renewable energy.
- Installed a PNG Gas pipeline in the office kitchen/ cafeteria.
- Wastewater from the RO plant is being recycled to conserve water.
- Continuous monitoring of floor areas after normal working hours and switching off lights and air-conditioning.
- Installation of chillers graded with VFD in HVAC plant to reduce energy consumption immensely has been and is being done.
- Installation of auto controls over running hours of some AC equipment's in areas like Hub Rooms, UPS Rooms, Cafeteria, Audi, etc has been done.

Capital Investment on Energy conservation equipment during the year: Due to the COVID-19 Pandemic and work from home, the Company's energy consumption during 2021-22 was minimal. Hence, the Company did not make any further capital investment on energy conservation during this financial year.

b. Technology Absorption, Adaptation and Innovation.

The Company realises the importance of innovation and constant improvement in key areas of business. We are focused on driving innovation and adopting solutions in line with rapidly evolving technological trends. Our inherent culture of innovation has enabled us to develop a track record of product innovation, expand the range of our offerings and improve the delivery of our products and services. We have a dedicated team of skilled individuals with technical background and domain expertise in each of our industry verticals with a focus on evolving technologies. These teams follow a structured innovation and solutions development process and work with delivery functions to identify the key concerns of our customers and generate solutions, ideas and concepts to address such concerns.

Newgen continually invests in research and development related to the technologies that power digital transformation for organisations. This year we have grown our patent portfolio across key content services technologies, having obtained 5 patents taking the total to 23. Newgen, with its integrated, robust, and scalable digital automation platform, continues to enable its customers by helping them deliver process and content applications—ranging from simple and wide to deep and complex. The platform, with low code development capability, leverages our industry-recognized products – low code process automation (BPM), contextual content services (ECM), and omnichannel customer engagement (CCM)—to manage enterprise-wide processes, content, and communications. Newgen focuses on advanced application design and development capabilities to strengthen its offering, while also continuously enhancing its deployment technology stack, enabling compliance, security, and scalability for enterprise needs. In line with changing market requirements, we continually develop new business capabilities/modules/products to cater for the ever-changing businesses.

The Company acquired an AI/ML data science platform company, Number Theory Software Private Limited, in the financial year 2021-22. With this acquisition, Newgen will further enhance its low code digital transformation platform, NewgenONE, making it well-positioned to deliver cloud-native AI/ML capabilities to every enterprise

Information in case of imported technology (imports during the last five years) - Not applicable

c. Research and Development.

The Company has made and will continue to make, significant investments in software product research and development and related product opportunities. For fiscals 2021, 2020, 2019 and 2018, the Company spent 12.79%, 10.74%, 9.23% and 8.67% (as a proportion of our total expenditure) respectively on research and development. For fiscal 2022 under review, the Company had spent 13.14% (as a proportion of the total expenditure) on research and development. We believe that the industry, in which we compete, witnesses rapid technological advances in software development due to constantly evolving customer preferences and requirements. The Company believes that emphasis on R&D has enabled us to remain up-to-date with the technological developments, as well as to cater to the evolving needs of our customers.

d. Foreign Exchange Earnings and Outgo

(₹ in Lakh)

Particulars	31st March 2022	31st March 2021
Foreign Exchange Earnings	49,768.08	41,348.22
Foreign Exchange Outgo	9,886.33	7,865.10

21. Risk Management:

The Board of Directors of the Company have constituted a Risk Management Committee to, inter-alia, assist the Board in overseeing the responsibilities with regard to identification, evaluation and mitigation of operational, strategic and external environmental risks. The details of Risk Management Committee are included in the Corporate Governance Report which forms the part of this report.

The Company has also laid down a Risk Management Policy, defining Risk profiles involving Strategic, Technological, Operational, Financial, Organizational, Legal, and Regulatory risks within a well-defined framework. The Risk Management Policy acts as an enabler of growth for the Company by helping its businesses to identify the inherent risks, assess, evaluate and monitor these risks continuously and undertake effective steps to manage these risks. More details on Risk Management including identification of risks and their mitigation are covered in the Management Discussion & Analysis Report, which forms part of this report.

Risk Management policy is available on the website of the Company at: https://newgensoft.com.

22. Whistle Blower Policy/ Vigil Mechanism for Directors and Employees:

The Company has adopted a Whistle Blower Policy and Vigil Mechanism that provides a mechanism to report violations, any unethical behaviour, suspected or actual fraud, violation of the Code of Conduct, including providing adequate safeguards against victimisation. During the financial year 2021-22, no case was reported under Whistle Blower Policy of the Company.

The Company hereby affirms that it has not denied access to any person to the Audit Committee and that it has mechanism to provide protection to the Whistle Blower as per the Whistle Blower Policy of the Company.

Whistle Blower Policy/ Vigil Mechanism is available on the website of the Company at: https://newgensoft.com.

23. Details of Significant and Material Orders Passed by the Regulators or Courts or Tribunals Impacting the Going Concern Status and Company's Operations in Future:

Nil

24. Web Address for Annual Return:

In terms of Section 92(3) of the Act and Rule 12 of the Companies (Management and Administration) Rules, 2014, the Annual Return of the Company is available on the website of the Company at: https://newgensoft.com.

25. Business Responsibility Report:

At a time and age when enterprises are increasingly seen as critical components of the social system, they are accountable not merely to their shareholders from a revenue and profitability perspective but also to the larger society which is also its stakeholder. Business responsibility report describing the initiatives taken by the Company from an environmental, social and governance perspective, in the format as specified by SEBI is enclosed herewith as **"Annexure - 7"** to this Report.

26. Corporate Governance:

The report on Corporate Governance as stipulated under the SEBI Listing Regulations forms an integral part of this Report and the same is enclosed herewith as **"Annexure – 8"** to this Report**.** The requisite compliance certificate from Secretarial Auditor confirming compliance of conditions of Corporate Governance is also attached with the Corporate Governance Report.

27. Management Discussion and Analysis:

The Management Discussion and Analysis Report, highlighting the important aspects of the business of the Company is enclosed herewith as **"Annexure 9"** to this Report.

28. Other Disclosures:

a) Your Company has complied with the provisions, including relating to the Constitution of Internal Complaints Committee, of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. The details related with the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 is set out in the Corporate Governance Report which forms the part of this report.

b) No application was made or any proceeding pending under the Insolvency and Bankruptcy Code, 2016 (31 of 2016) during the financial year 2021-22.

c) the details of difference between amount of the valuation done at the time of one-time settlement and the valuation done while taking loan from the Banks or Financial Institutions along with the reasons thereof. – Not Applicable

d) No case/ complaint was reported under Child labour/ forced labour/ involuntary labour and Discriminatory employment related matters in the financial year 2021-22.

e) The Company complies with all applicable mandatory secretarial standards issued by the Institute of Company Secretaries of India.

29. Directors' Responsibility Statement:

In terms of Section 134(5) of the Act, the Directors would like to state that:

I. In the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures, if any.

II. The Directors had selected such accounting policies and applied them consistently and made judgments and estimates that were reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit or loss of the Company for the year under review.

III. The Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.

IV. The Directors had prepared the annual accounts on a going concern basis.

V. The Directors had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively.

VI. The Directors had devised proper system to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

30. Cautionary Statements:

Statements in the Board's Report and the Management Discussion & Analysis Report describing the Company's objectives, expectations or forecasts may be forward looking within the meaning of applicable laws and regulations. Actual results may differ materially from those expressed in the statements.

31. Appreciation:

Your directors take this opportunity to thank all the members, customers, vendors, investors, bankers and other stakeholders for their confidence and continued support during the financial year 2021-22. Directors place on record their appreciation of the contribution made by employees at all levels, which has continued to be the major strength of the Company.

For and on behalf of Board of Directors

Diwakar Nigam
Chairman & Managing Director
DIN: 00263222

Date: 03.05.2022
Place: New Delhi

Annexure 1

Form AOC-I

Statement containing salient features of the financial statement of subsidiaries
(Pursuant to first proviso to sub-section (3) Section 129 of the Companies Act, 2013 read with rule 5 of Companies (Accounts) Rules, 2014)

Part "A": Subsidiaries

(Information in respect of each subsidiary to be presented with amounts in ₹)

S. No.	1	2	3	4	5	6	7
Name of the subsidiary	**Number Theory Software Private Limited**	**Newgen Computers Technologies Limited**	**Newgen Software Technologies (UK) Ltd.**	**Newgen Software Inc. USA**	**Newgen Software Technologies Canada Ltd.**	**Newgen Software Technologies Pte Ltd.**	**Newgen Software Technologies Pty Ltd.**
The date since when subsidiary was acquired	28.01.2022	20.01.1993	24.09.2015	03.11.1997	25.04.2012	25.04.2012	30.04.2019
Reporting period for the subsidiary concerned, if different from the holding company's reporting period	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable
Reporting currency and Exchange rate as on the last date of the relevant financial year in the case of foreign subsidiaries.	INR	INR	GBP @ 99.83	USD @ 75.90	CAD @ 60.8	SGD @ 56.06	AUD @56.91
Share capital	5,00,000	21,00,000	1,99,66,000	91,080,000	60,80,000	1,40,15,000	5,69,10,000
Reserves & surplus	-2,99,05,785	51,17,211	1,03,53,968	248,219,336	2,42,96,756	9,98,41,290	65,70,316
Total Assets	71,99,922	75,02,267	8,86,60,720	984,253,099	5,93,65,728	33,34,47,963	9,25,93,424
Total Liabilities	3,66,05,707	2,85,056	5,83,40,752	644,953,737	2,89,88,954	21,95,91,673	2,91,13,107
Investments	-	-	-	-	-	-	-
Turnover	1,69,41,603	-	17,35,00,846	2,291,361,037	9,65,81,773	60,11,44,584	6,65,95,171
Profit before taxation	-2,40,61,263	-72,432	30,16,264	90,619,336	55,46,419	3,08,21,788	44,43,817
Provision for taxation	-11,380	1,74,862	5,70,628	21,101,442	14,87,229	43,44,874	11,08,948
Profit after taxation	-2,40,49,883	-2,47,295	24,45,635	69,517,893	40,59,190	2,64,76,914	33,34,869
Proposed Dividend	-	-	-	-	-	-	-
% of shareholding	100%	100%	100%	100%	100%	100%	100%

2. Names of subsidiaries which are yet to commence operations:

None

3. Names of subsidiaries which have been liquidated or sold during the year:

None

Part “B”: Associates and Joint Ventures

Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures

NOT APPLICABLE NOT APPLICABLE

Names of associates or joint ventures which are yet to commence operations:

None

Names of associates or joint ventures which are yet to commence operations:

None

For Newgen Software Technologies Limited

Diwakar Nigam
Chairman & Managing Director
DIN: 00263222

Arun Kumar Gupta
Chief Financial Officer
Membership No: 056859

T. S. Vardarajan
Whole-Time Director
DIN: 00263115

Aman Mourya
Company Secretary
FCS: 9975

Date.: 03.05.2022
Place: New Delhi

Annexure 2

Information regarding Employees Stock Option Scheme (ESOS) pursuant to Rule 12(9) of Companies (Share Capital and Debentures) Rules, 2014 and Regulation 14 of SEBI (Share Based Employee Benefits & Sweat Equity) Regulations, 2021.

1) Details related to the Scheme:

As on 31st March 2022, the Company has in place the Newgen Employees Stock Option Scheme – 2014 **("NEWGEN ESOP 2014").** This scheme is in compliance with the SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 ("Regulations") and Companies Act 2013. All the relevant details as prescribed under above Rule and Regulations are provided below and the same is also available on the website of the Company at https://newgensoft.com.

A. Relevant disclosures in terms of the 'Guidance note on accounting for employee share-based payments' issued by ICAI or any other relevant accounting standards as prescribed from time to time.

Please refer Note 35– Share Based Payment, of Notes to the Standalone Financial Statements forming part of the Annual Report.

B. Diluted EPS on issue of shares pursuant to the scheme covered under the regulations in accordance with 'Indian Accounting Standard (Ind AS) - 33 - Earnings Per Share' or any other relevant accounting standards as prescribed from time to time.

Fully diluted EPS pursuant to issue of Equity Shares on exercise of stock options calculated in accordance with Ind AS - 33 'Earning Per Share' (Consolidated)	Basic: 23.65 Diluted: 23.50

C. Other Details relating to Newgen ESOP 2014.

S. No.	Particulars	Fiscal 2022	Fiscal 2021	Fiscal 2020	Fiscal 2019	Fiscal 2018	Fiscal 2017	Fiscal 2016	Fiscal 2015
i.	a) Date of shareholders' approval	As on 31st March 2022, the Company has in place the Newgen Employee Stock Option Scheme – 2014 ("**NEWGEN ESOP 2014**"), as approved by the shareholders on 13th November 2014, which was further amended and modified on 28th July 2017 by the shareholders of the Company, to be compliant with the SEBI (Share Based Employee Benefits) Regulations, 2014 during IPO procedure. Post initial public offer of the Company, the shareholders ratified the Newgen ESOP 2014 on 9th August 2018, as required under SEBI (Share Based Employee Benefits) Regulations, 2014. This Scheme is further amended on 25th October 2021 by the Board of Directors of the Company, to be compliant with the SEBI (Share Based Employee Benefits & Sweat Equity) Regulations, 2021.							
	b) Total number of options approved	The maximum number of 37,83,800 shares can be issued under NEWGEN ESOP 2014.							
	c) Total number of options granted	NIL	2,33,000	NIL	NIL	5,62,550	NIL	NIL	36,53,525
	d) Vesting requirements	Set forth below is the vesting schedule, subject to there being a gap of at least one year between the date of grant of options and the vesting of such options.							

Number of options vested	Vesting schedule
10% of the options granted	One year from the date of grant
20% of the options granted	Two years from the date of grant
30% of the options granted	Three years from the date of grant
40% of the options granted	Four years from the date of grant

S. No.	Particulars	Fiscal 2022	Fiscal 2021	Fiscal 2020	Fiscal 2019	Fiscal 2018	Fiscal 2017	Fiscal 2016	Fiscal 2015
	e) Exercise price or pricing formula	₹ 63							
	f) Maximum term of options granted	Once the options have vested, such options have to be exercised within a period of five years from the date on which the last of the options vest. Vesting period shall be as stated in above point (d).							
	g) Source of shares (primary, secondary or combination)	Company uses Trust Route for implementing this Scheme. Source of Share to the Trust as on 31st March 2022 is Primary. For more information, please refer details related to Newgen ESOP Trust as provided in this disclosure.							
	h) Variation in terms of options	NIL							
ii.	Method used to account for NEWGEN ESOP 2014	Fair Value Method using Black-Scholes Model							
iii.	Difference between the employee compensation cost using the intrinsic value of stock options and the employee compensation cost that shall have been recognized if it had used the fair value of the options. The impact of this difference on profits and on EPS of the Company.	During the financial year 2021-22 Company followed fair value accounting of stock options.							

iv. Option movement during the year

Fiscal Year	2022	2021	2020	2019	2018	2017	2016	2015
Number of options outstanding at the beginning of the year	9,01,406	8,84,598	15,57,524	22,43,483	30,61,209	33,84,305	36,53,525	-
Number of options granted during the year	NIL	2,33,000	NIL	NIL	5,62,550	NIL	NIL	36,53,525
Number of options forfeited / lapsed during the year	64,008	NIL	40,723	1,12,466	1,26,096	1,66,525	2,13,175	NIL
Number of options vested during the year	1,68,777	1,34,171	90,605	12,68,724	9,43,211	7,77,170	2,88,188	NIL
Number of options exercised during the year	2,34,186	1,98,689	6,49,706	5,73,493	12,54,180	1,56,571	56,045	NIL
Number of shares arising as a result of exercise of options	2,34,186	2,16,192	6,32,203	5,73,493	12,54,180	1,56,571	56,045	NIL
Money realized by exercise of options (INR), if scheme is implemented directly by the company	1,47,53,718	1,25,17,407	40,93,1478	3,61,30,059	7,90,13,340	98,63,973	35,30,835	NIL
Loan repaid by the Trust during the year from exercise price received	1,52,82,434.99	NIL	2,04,75,000	1,48,05,000	8,53,02,000	1,82,10,000	19,50,000	NIL
Number of options outstanding at the end of the year	6,03,212	9,01,406	8,84,598	15,57,524	22,43,483	30,61,209	33,84,305	36,53,525
Number of options exercisable at the end of the year	4,20,012	4,89,498	5,71,519	11,22,797	4,45,616	7,77,170	2,88,188	36,53,525

v.	Weighted-average exercise prices and weighted-average fair values of options disclosed separately for options whose exercise price either equals or exceeds or is less than the market price of the stock.	• Weighted-average exercise prices: ₹ 63/- • Weighted-average fair values of options granted during the year: NA

vi. Employee wise details of the options granted:

a. Option granted to Senior Managerial Personnel & KMPs during the year		**Fiscal 2022**	**Fiscal 2021**	**Fiscal 2020**	**Fiscal 2019**	**Fiscal 2018**	**Fiscal 2017**	**Fiscal 2016**	**Fiscal 2015**
Name	**Designation**								
Virender Jeet	Chief Executive Officer	NIL	NIL	NIL	NIL	42,000	NIL	NIL	55,000
Surender Jeet Raj	Sr. Vice President (HR Operations)	NIL	NIL	NIL	NIL	39,000	NIL	NIL	55,000
Tarun Nandwani	Chief Operating Officer	NIL	NIL	NIL	NIL	22,000	NIL	NIL	55,000
Arun Kumar Gupta	Chief Financial Officer	NIL	NIL	NIL	NIL	13,000	NIL	NIL	35,000
Aman Mourya	Company Secretary	NIL	2,500	NIL	NIL	5,000	NIL	NIL	NIL
b. Any other employee who receives a grant in any one year of option amounting to 5% or more of option granted during that year		NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
c. Identified employees who were granted option during any one year equal to or exceeding 1% of the issued capital of the Company (excluding outstanding warrants and conversions) at the time of grant.		NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL

* The exercise price at which options were granted was ₹ 63/-

vii. A description of the method and significant assumptions used during the year to estimate the fair value of options including the following information:

Particulars	**Newgen ESOP 2014 Grant - V**
Date of grant	**25-Mar-2021**
Fair value of options at grant date	230.95
Share price at grant date	280.50
Exercise price	63.00
Expected volatility (weighted-average)	46.49%
Expected life (weighted-average)	6 years
Expected dividends	0.50%
Risk-free interest rate (based on government bonds)	5.80% - 6.19%

How expected volatility was determined, including an explanation of the extent to which expected volatility was based on historical volatility	Historical volatility for the entire period has been taken since the shares are listed in the stock exchange.
The method used and the assumptions made to incorporate the effects of expected early exercise	The fair value of the employee share options has been measured using the Black-Scholes formula which presumes the option will be exercised at the end of the term.
whether and how any other features of the option grant were incorporated into the measurement of fair value, such as a market condition	Yes. That has already taken effect through volatility and risk-free rate.

Expected option life of all the grants	**Grant Name**	**Grant Date**	**Number of options outstanding**	**Exercise Period**	**Remaining Life (In Years)**
	ESOP 2014/ Grant I	01-01-2015	2,49,326	31.12.2023	1.75
	ESOP 2014/ Grant II	01-07-2017	69,486	30.06.2026	4.25
	ESOP 2014/ Grant III	01-09-2017	60,600	31.08.2026	4.42
	ESOP 2014/ Grant IV	01-10-2017	19,800	30.09.2026	4.50
	ESOP 2014/ Grant V	25-03-2021	2,04,000	24.03.2030	7.99

2) Details Related to Trust:

Newgen ESOP 2014 will continue to be implemented through the Trust Route and accordingly, Newgen ESOP Trust was constituted for Newgen ESOP 2014. In Trust Route, the Trust will utilise the shares already held by it and will acquire the shares of the company either through fresh allotment from the company or by way of secondary acquisition, if any.

(i) Details:

S. No.	Particulars	Newgen ESOP Trust (For Newgen ESOP 2014)
1.	Name of the Trust	Newgen ESOP Trust
2.	Details of the Trustee (s)	Mr. Amarendra Kishore Sharan and Mr. Arvind Kaul
3.	Amount of loan disbursed by the company/ any company in the group during the year	NIL
4.	Amount of loan outstanding (repayable to company/ any company in the group) as at the end of the year	NIL
5.	Amount of loan, if any, taken from any other source for which the company or any company in the group has provided any security or guarantee	NIL
6.	Any other contribution made to the Trust during the year	NIL

(ii) Brief details of transactions in shares by the Trust:

S. No.	Particulars	Newgen ESOP Trust (For Newgen ESOP 2014)
1.	Number of shares held at the beginning of the year	6,49,696
2.	Number of shares acquired during the year through (i) primary issuance (ii) secondary acquisition, also as a percentage of paid-up equity capital as at the end of the previous financial year, along with information on weighted average cost of acquisition per share	NIL
3.	Number of shares transferred to the employees / sold along with the purpose thereof	2,34,186
4.	Number of shares held at the end of the year.	4,15,510

(iii) In case of secondary acquisition of shares by the Trust:

Number of shares	As a percentage of paid-up equity capital as at the end of the year immediately preceding the year in which shareholders' approval was obtained Newgen ESOP Trust
Held at the beginning of the year	NIL
Acquired during the year	NIL
Sold during the year	NIL
Transferred to the employees during the year	NIL
Held at the end of the year	NIL

For and on behalf of Board of Directors

Diwakar Nigam
Chairman & Managing Director
DIN: 00263222

Date: 03.05.2022
Place: New Delhi

Annexure 2A

Information regarding Restricted Stocks Units (RSU) pursuant to Rule 12(9) of Companies (Share Capital and Debentures) Rules, 2014 and Regulation 14 of SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021.

1) Details related to the Scheme:

As on 31st March 2022, the Company has also in place the Newgen Software Technologies Restricted Stock Units Scheme – 2021 ("Newgen RSU - 2021"). This scheme is in compliance with the SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 ("Regulations") and Companies Act 2013. All the relevant details as prescribed under the above Rule and Regulations are provided below and the same is also available on the website of the Company at https://newgensoft.com.

A. Relevant disclosures in terms of the 'Guidance note on accounting for employee share-based payments' issued by ICAI or any other relevant accounting standards as prescribed from time to time.

Please refer Note number 35 – Share-Based Payment, of Notes to the Standalone Financial Statements forming part of the Annual Report.

B. Diluted EPS on issue of shares pursuant to the scheme covered under the regulations in accordance with 'Indian Accounting Standard (Ind AS) - 33 - Earnings Per Share' or any other relevant accounting standards as prescribed from time to time:

Fully diluted EPS pursuant to issue of Equity Shares on exercise of RSUs calculated in accordance with Ind AS - 33 'Earning Per Share' (Consolidated)	Basic: 23.65 Diluted: 23.50

D. Other Details relating to Newgen RSU - 2021

S. No.	Particulars	FY 2021-22
i.	a) Date of shareholders' approval	As on 31st March 2022, the Company has in place Newgen Software Technologies Restricted Stock Units Scheme – 2021 ("Newgen RSU - 2021"), as approved by the shareholders on 26th December 2020, which was further amended on 25th October 2021 by the Board of Directors of the Company, to be compliant with the SEBI (Share Based Employee Benefits & Sweat Equity) Regulations, 2021.
	b) Total number of RSUs approved	The maximum number of 14,00,000 shares can be issued under this Scheme.
	c) Total number of RSUs granted	13,85,000
	d) Vesting requirements	Set forth below is the vesting schedule, subject to the performance matric and eligibility: **Time Period** — **% of RSUs to be vested** At the end of 3rd year from the grant date — 50% of the RSUs Granted At the end of 5th year from the grant date — 50% of the RSUs Granted *Vesting schedule is subject to the performance matric as defined in the Scheme.
	e) Exercise price or pricing formula	₹ 10/- each RSU
	f) Maximum term of RSUs granted	Once the RSUs have vested, such RSUs have to be exercised within a period of five years from the date on which the last of the RSUs vest. Vesting period shall be as stated in above point (d).
	g) Source of shares (primary, secondary or combination)	Company uses Trust Route for implementing this Scheme. For more information, please refer details related to Newgen RSU Trust as provided in this disclosure.

S. No.	Particulars	FY 2021-22
	h) Variation in terms of RSUs	NIL
ii.	Method used to account for NEWGEN RSU 2021	Fair value method
iii.	Difference between the employee compensation cost using the intrinsic value of RSUs and the employee compensation cost that shall have been recognized if it had used the fair value of the RSUs. The impact of this difference on profits and on EPS of the Company.	During the financial year 2021-22 Company followed fair value accounting of stock RSUs.

iv. RSUs movement during the year

S. No.	Fiscal Year	FY 2021-22
a	Number of RSUs outstanding at the beginning of the year	NIL
b	Number of RSUs granted during the year	13,85,000
c	Number of RSUs forfeited / lapsed during the year	25,000
d	Number of RSUs vested during the year	NIL
e	Number of RSUs exercised during the year	NIL
f	Number of shares arising as a result of exercise of RSUs	NIL
g	Money realized by exercise of RSUs (INR), if scheme is implemented directly by the Company	NIL
h	Loan repaid by the Trust during the year from exercise price received	NIL
i	Number of RSUs outstanding at the end of the year	13,60,000
j	Number of RSUs exercisable at the end of the year	NIL

v.	Weighted-average exercise prices and weighted-average fair values of RSUs disclosed separately for RSUs whose exercise price either equals or exceeds or is less than the market price of the stock.	Not Applicable

vi. i. Employee wise details of the RSUs granted:

a. RSUs granted to Senior Managerial Personnel & KMPs during the year		No. of RSUs granted during the year
Name	**Designation**	**RSU granted**
Mr. Virender Jeet	Chief Executive Officer	2,70,000
Mr. Tarun Nandwani	Chief Operating Officer	2,25,000
Mr. Arun Kumar Gupta	Chief Financial Officer	25,000

b. Any other employee who receives a grant in any one year of RSUs amounting to 5% or more of RSUs granted during that year.

Name	Designation	No. of RSUs during the year
Mr. Anand Raman	EVP & COO – Newgen Software Inc. (Subsidiary incorporated in USA)	90,000
Mr. Rajvinder Kohli	Sr. Vice President	90,000

c. Identified employees who were granted RSUs during any one year equal to or exceeding 1% of the issued capital of the Company (excluding outstanding warrants and conversions) at the time of grant.	NIL

vii. A description of the method and significant assumptions used during the year to estimate the fair value of RSUs including the following information:

Particulars	Newgen RSU – 2021 Grant - I	Newgen RSU – 2021 Grant - II
Date of grant	**23-Dec-2021**	**2-Mar-2022**
Fair value of options at grant date	554.29	470.62
Share price at grant date	583.30	499.40
Exercise price	10.00	10.00
Expected volatility (weighted-average)	44.91%	44.89%
Expected life (weighted-average)	6.5 years	6.5 years
Expected dividends	0.60%	0.70%
Risk-free interest rate (based on government bonds)	5.29% - 6.39%	5.60% - 6.69%

The method used and the assumptions made to incorporate the effects of expected early exercise	The fair value of the employee share RSUs has been measured using the Black-Scholes formula which presumes the RSUs will be exercised at the end of the term.
How expected volatility was determined, including an explanation of the extent to which expected volatility was based on historical volatility.	The fair value of the employee share options has been measured using the Black-Scholes formula which presumes the RSUs will be exercised at the end of the term
Whether and how any other features of the RSUs grant were incorporated into the measurement of fair value, such as a market condition	Yes. That has already taken effect through volatility and risk-free rate.

2) Details Related to Trust:

Newgen RSU - 2021 will continue to be implemented through the Trust Route and accordingly Newgen RSU Trust was constituted to implement the Scheme. In Trust Route, the Trust will acquire the shares of the Company either through fresh allotment from the Company or by way of secondary acquisition, if any.

(i) Details:

1.	Name of the Trust	Newgen RSU Trust
2.	Details of the Trustee (s)	Mr. Arvind Kaul Mr. Rajesh Pathak
3.	Amount of loan disbursed by the company/ any company in the group during the year	NIL
4.	Amount of loan outstanding (repayable to company/ any company in the group) as at the end of the year	NIL
5.	Amount of loan, if any, taken from any other source for which the company or any company in the group has provided any security or guarantee	NIL
6.	Any other contribution made to the Trust during the year	NIL

(ii) Brief details of transactions in shares by the Newgen RSU Trust:

1.	Number of shares held at the beginning of the year	NIL
2.	Number of shares acquired during the year through (i) primary issuance (ii) secondary acquisition, also as a percentage of paid-up equity capital as at the end of the previous financial year, along with information on weighted average cost of acquisition per share	NIL
3.	Number of shares transferred to the employees / sold along with the purpose thereof	NIL
4.	Number of shares held at the end of the year.	NIL

(iii) In case of secondary acquisition of shares by the Trust:

Number of shares	As a percentage of paid-up equity capital as at the end of the year immediately preceding the year in which shareholders' approval was obtained
	Newgen RSU Trust
Held at the beginning of the year	NIL
Acquired during the year	NIL
Sold during the year	NIL
Transferred to the employees during the year	NIL
Held at the end of the year	NIL

For and on behalf of Board of Directors

Diwakar Nigam
Chairman & Managing Director
DIN: 00263222

Date: 03.05.2022
Place: New Delhi

Annexure 3

Details pertaining to Remuneration as required to be disclosed under Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

i. Ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year 2021-22.

Sr. No.	Name of the Director	Ratio to the median remuneration of the employees
1.	Mr. Diwakar Nigam, Chairman & Managing Director	35.29
2.	Mr. T. S. Varadarajan, Whole - time Director	18.65
3.	Mrs. Priyadarshini Nigam, Whole - time Director	10.79
4.	Mr. Kaushik Dutta, Independent Director	4.17
5.	Mrs. Padmaja Krishnan, Independent Director	3.31
6.	Mr. Saurabh Srivastava, Independent Director	3.89
7.	Mr. Subramaniam Ramnath Iyer, Independent Director	4.17

ii. Percentage increase in remuneration of each Director, Chief Executive Officer, Chief Financial Officer and Company Secretary during the financial year 2021-22: -

Sr. No.	Name of the Person	% Increase in Remuneration
1.	Mr. Diwakar Nigam, Chairman & Managing Director	34.79%
2.	Mr. T. S. Varadarajan, Whole – time Director	31.78%
3.	Mrs. Priyadarshini Nigam, Whole – time Director	28.45%
4.	Mr. Kaushik Dutta, Independent Director	12.51%
5.	Mrs. Padmaja Krishnan, Independent Director	16.27%
6.	Mr. Saurabh Srivastava, Independent Director	7.57%
7.	Mr. Subramaniam Ramnath Iyer, Independent Director	12.51%
8.	Mr. Virender Jeet, Chief Executive Officer	8.44%
9.	Mr. Arun Kumar Gupta, Chief Financial Officer*	110.56%
10.	Mr. Aman Mourya, Company Secretary*	59.67%

Remuneration of Independent Directors includes sitting fee and commission on profit.

* The remuneration of Key Managerial Personnel includes ESOP perquisites, if any, to the extent options exercised during the year and includes the amount outstanding at year-end.

iii. The number of permanent employees on the rolls of the Company as on 31st March 2022 was 1909. The median remuneration of employees in the financial year 2021-22 has increased by 28%

iv. The average percentile increases already made in the salaries of employees other than the managerial personnel in the last financial year was 32.59 % and the average percentile increase in the remuneration of managerial personnel (executive directors) was 32.82 %. The increase in salaries during the year is based on the remuneration policy/reward philosophy of the Company and due to annual appraisals of employees.

v. The key parameters for any variable component of remuneration availed by the directors:

Executive Directors - Nomination & Remuneration Committee recommends to the Board the commission amount being the variable component of their compensation annually based on their individual responsibilities and contributions to the performance of the organization.

Non-Executive Directors – Board determines the variable compensation being commission, based on a few parameters such as involvement and time spent in carrying out duties and responsibilities, contributions in their areas of expertise, besides their activities in committees and allied areas for the benefit of the organization.

vi. The remuneration is in accordance with the Remuneration Policy of the Company which is available on the website of the Company at: https://newgensoft.com.

Statement of particulars under Section 197(12) of the Companies Act, 2013 and Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, for the year ended 31st March 2022 (also includes the details of top ten employees of the Company)

i. The names of top employees in terms of remuneration drawn (remuneration paid in the financial year 2021-22) and the name of every employee of the Company, who - if employed throughout the financial year 2021-22, was in receipt of remuneration which, in the aggregate, was not less than One Crore and Two Lakh rupees:

Sr. No.	Name	Designation	Nature of employment, whether contractual or otherwise	Remuneration Received	Age	Qualification	Experience in years	Last Employment	Date of Commencement of Employment
1.	Diwakar Nigam	Chairman & Managing Director	Permanent	3,70,71,290	64	MSC, M. Tech	37	NA	He has been on the Board of the Company since 01-04-1993
2.	Surender Jeet Raj	Sr. Vice President-HR Operations	Permanent	3,04,97,744	63	Ph. D.	40	PCS DG	16-08-1993
3.	Virender Jeet	CEO	Permanent	2,91,06,349	51	B.E	27	NIE - Jaipur	01-12-1992
4.	Tarun Nandwani	COO	Permanent	2,49,09,262	48	B.E	27	NA	15-07-1993
5.	T. S. Varadarajan	Whole-time Director	Permanent	1,95,94,673	68	M.Tech.	37	NA	He has been on the Board, since inception of the Company.
6.	Arun Kumar Gupta	CFO	Permanent	1,84,52,910	52	CA, CS, CMA	22	Interra Infotech	15-10-2010
7.	Prashant Sahai*	Vice President	Permanent	1,75,22,719	45	MBA	22	Vicisoft Technologies Pvt.Ltd	15-06-1998
8.	Rajvinder Singh Kohi	Sr.Vice President	Permanent	1,54,29,524	54	PGDRM	34	Tecnova	23-11-2020
9.	Arvind Jha	Sr. Vice President	Permanent	1,53,78,144	58	B.Tech	33	Pariksha Labs Pvt Ltd	23-11-2020
10.	Sunil Pandita	Vice President	Permanent	1,41,65,608	50	BE MBA	21	Samsung India Electronics Limited	03-06-2019
11.	Hemant Makhija	Vice President	Permanent	1,34,03,090	55	MBA	31	Plex Systems Inc.	01-08-2019
12.	Vivek Mani Tripathi	Vice President	Permanent	1,22,38,066	55	B.Sc PGDM	28	Biba Apparels Pvt Ltd	05-04-2021
13.	Dushyant Kumar	Vice President-Software Development	Permanent	1,17,52,522	60	B.E	38	Softek Ltd.	16-11-1999
14.	Priyadarshini Nigam	Whole-time Director	Permanent	1,13,29,278	65	Master's degree in Economics.	30	Not Applicable	20-09-1997
15.	Pramod Kumar	Vice President	Permanent	1,02,93,893	45	BE MBA	23	NA	03-06-1999

* Prashant Sahai posted & working in Dubai. He is getting remuneration in AED and his remuneration as given above is converted and reported in ₹.

Remuneration also includes provisions for bonuses, variable incentives and ESOP perquisites to the extent options exercised during the year and includes the amount outstanding at the year-end.

ii. Details of employee if employed for a part of the financial year, was in receipt of remuneration for any part of that year, at a rate which, in the aggregate, was not less than Eight Lakh and Fifty Thousand rupees per month.

NIL

iii. Particulars of Employees posted and working in a country outside India, not being Director or their relatives, drawing more than sixty lakh rupees per financial year 2021-22 or five lakh rupees per month:

Sr. No.	Name	Designation	Nature of employment, whether contractual or otherwise	Remuneration Received	Age	Qualification	Experience in years	Last Employment	Date of Commen-cement of Employment
1.	Prashant Sahai	Vice President	Permanent	1,75,22,719	45	MBA	22	Vicisoft Technologies Pvt.Ltd	15-06-1998
2.	Nese Salincakli	Regional Sales Manager	Permanent	1,01,17,552	47	MBA	24	ENKI SOFTWARE LIMITED	24-03-2021
3.	Mayank Sharma	Manager-Products & Solutions	Permanent	96,11,030	30	MBA	8	N.A	03-06-2013
4.	Anup Verma	Business Development Manager	Permanent	93,92,570	44	MBA	13	Oracle Inc	07-07-2019
5.	Glitty Paul	Sr. Business Development Manager	Permanent	77,75,380	37	MBA	12	Intertec System	23-02-2016
6.	Vivek Kumar Gupta	Senior Manager-Products & Solutions	Permanent	74,72,132	42	M.Tech	17	TCS	01-04-2010
7.	Zainual Bashar Bhutto	Manager-Products & Solutions	Permanent	70,64,712	35	MBA	10	NA	01-12-2011

* All above five employees are posted in Dubai and getting remuneration in AED. The given remunerations are converted and reported herewith in ₹.

Notes:

a) Above remunerations also include provisions for the bonus, variable incentives, and ESOP perquisites to the extent options exercised during the year and includes the amount outstanding, if any, at the year end.

b) Except Mr. Diwakar Nigam, Chairman & Managing Director (holding 22.41% of equity shares himself and 9.39% of equity shares through his spouse) and Mr. T.S. Varadarajan (holding 21.46% of equity shares himself and 1.90% of equity shares through his spouse), no other employees, as listed above, holding, by himself or herself along with his/her spouse and dependent children, 2% or more of equity shares of the Company.

c) None of the employees as listed above is a relative of the Director of the Company except below. Except below: -

- Mrs. Priyadarshini Nigam, Whole-time Director is the spouse of Mr. Diwakar Nigam, Chairman & Managing Director of the Company.

iv. Details of the employee if employed throughout the financial year 2021-22 or part thereof, was in receipt of remuneration in that year which is in excess of that drawn by the Managing Director and holds by himself or along with his spouse and dependent children, not less than two percent of the equity shares of the Company, except the details of employees forming part of this annexure.

NIL

For and on behalf of the Board of Directors

Diwakar Nigam
Chairman & Managing Director
DIN: 00263222

Date: 03.05.2022
Place: New Delhi

Annexure 4

SECRETARIAL AUDIT REPORT

(For the financial year ended 31st March 2022)

[Pursuant to section 204(1) of the Companies Act, 2013 and rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members
Newgen Software Technologies Limited
A-6, Satsang Vihar Marg, Qutab Institutional Area
New Delhi-110067

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Newgen Software Technologies Limited (hereinafter called "the Company"). Secretarial audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing us opinion, subject to Annexure 'A' to this report thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorised representatives during the conduct of secretarial audit and on the basis of the written representations/explanations received from the management, we hereby report that in our opinion the Company has, during the audit period covering the financial year ended on 31st March 2022 ('audit period') complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March 2022, according to the provisions of:

(i) The Companies Act, 2013 ('the Act') and the rules made thereunder;

(ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;

(iii) The Depositories Act, 1996 and the Regulations and bye-laws framed thereunder;

(iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of foreign direct investment, overseas direct investment ;

(v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ("SEBI Act"):

a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018; Not Applicable during the period under review.

d. The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021;

e. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; Not applicable during the period under review;

f. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;

g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021; Not applicable during the period under review

h. The Securities and Exchange Board of India (Buy-back of Securities) Regulations, 2018; Not applicable during the period under review

i. The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

(vi) The company carries business of software development and related activities for which it has registration with the SEZ Noida and the Management has identified and confirmed the following laws as specifically applicable to the Company:

a) The Information Technology Act, 2000;

b) The Special Economic Zone Act, 2005;

c) The Indian Copyright Act, 1957;

d) The Patents Act, 1970; and

e) The Trade Marks Act, 1999.

We have also examined compliance with the applicable clauses of the following:

(i) Secretarial Standards issued by The Institute of Company Secretaries of India;

(ii) The Listing Agreements entered into by the Company with Bombay Stock Exchange Limited and National Stock Exchange of India Limited.

During the period under review the company has complied with the provisions of the Acts, Rules, Regulations, Guidelines, Standards, etc., mentioned above.

We further report that:-

- the Board of directors of the company is duly constituted with proper balance of executive directors, non-executive directors and independent directors. The changes in the composition of the Board of Directors that took place during the audit period were carried out in compliance with the provisions of the Act.

- advance notice is given to all directors to schedule the board meetings, agenda and detailed notes on agenda (except items related to UPSI) were sent normally at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

- all decisions at Board Meetings and Committee Meetings are carried out unanimously as recorded in the minutes of the meetings of the Board or Committees of the Board, as the case may be.

- During the period under review, the Company has appointed M/s Walker Chandiok & Co LLP, Chartered Accountants (Firm Registration No 001076N/N500013) as Statutory Auditors of the Company for a period of 5(five) years.

- During the period under review, Mr. Virender Jeet and Mr. Tarun Nandwani promoted and designated as Chief Executive Officer and Chief Financial Officer of the Company respectively effective from 1st September 2021.

- During the period under review, PricewaterhouseCoopers Services LLP (LLPIN (Registration Number: AAI-8885) appointed as Internal Auditors of the Company for the financial year 2021-2022.

- During the period under review, Company has amended the ESOP & RSU scheme in order to align with the new Regulations viz. SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021.

- During the period under review, Board approved the acquisition of Number Theory Software Private Limited ('Target Company') as a wholly owned subsidiary company.

We further report that based on review of compliance mechanism established by the Company and on the basis of the Compliance Certificate(s) issued by the Company Secretary and taken on record by the Board of Directors at their meeting(s), we are of the opinion that there are adequate systems and processes in place in the Company which is commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the audit period there were no specific events/actions having a major bearing on Company's affairs in pursuance of the above-referred laws, rules, regulations, guidelines, standards, etc.

Signature
Name of Auditor: **M. Aijaz**
FCS No. : 6563
C.P. No. : 7040
UDIN: F006563D000223043

Date: 27.04.2022
Place: New Delhi

Annexure 'A'

To,
The Members
Newgen Software Technologies Limited
A-6, Satsang Vihar Marg, Qutab Institutional Area
New Delhi-110067

Our report of even date is to be read along with this Annexure.

1. Maintenance of secretarial record is the responsibility of the management of the company. Our responsibility is to express an opinion on these secretarial records based on our audit.

2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.

3. We have not verified the correctness and appropriateness of financial records and books of accounts of the company.

4. Where ever required, we have obtained the Management Representation about the compliance of laws, rules and regulations and happening of events, etc.

5. The compliance of the provisions of corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.

6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

Date: 27.04.2022
Place: New Delhi

Annexure 5

Form AOC-2

(Pursuant to clause (h) of sub-section (3) of section 134 of the Companies Act, 2013 and Rule 8(2) of the Companies (Accounts) Rules, 2014)

Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arms length transactions under third proviso thereto.

1. Details of contracts or arrangements or transactions not at arm's length basis:

Not Applicable. Newgen Software Technologies Limited (the Company) has not entered into any contract/ arrangement/transaction with its related parties which is not in ordinary course of business or not at arm's length during FY 2021-22.

2. Details of material contracts or arrangement or transactions at arm's length basis:

The details of transactions with wholly owned subsidiaries are set out in the standalone financial statements forming part of the Board's Report. The same may be referred for this purpose. The pricing of the transactions with wholly owned subsidiaries are based on the Independent Transfer Pricing Report given by Price Waterhouse & Co., Chartered Accountants which determined the arms-length pricing and are under ordinary course of business. All transactions, based on respective master service agreements, with wholly owned subsidiaries, were placed before the Audit Committee and the Board of Directors on quarterly basis for its review, approval and noting.

Name(s) of the related party and nature of relationship	Nature of contracts/ arrangements/ transactions	Duration of the contracts / arrangements/ transactions	Salient terms of the contracts or arrangements or transactions including the value, if any	Date(s) of approval by the Board, if any:	Aggregate Transaction Value during Financial Year (if Material) (Amount in Lakh)	Amount paid as advances, if any:
Newgen Software Inc. USA (Material Wholly Owned Subsidiary)	Sale of products and services	Ongoing (duration of transaction 1st April 2021- 31st March 2022)	Based on Transfer pricing guidelines	NA*	14,491.82	-
	Back office support services				167.76	-
	Sub-contracting expenses				2,853.00	-

Aggregated transaction with a related party shall be considered material if the transaction(s) entered during the financial year, exceeds ten percent of the annual consolidated turnover of the listed entity as per the last audited financial statements of the listed entity. Aggregate transactions, during the finanical year 2021-22 with other respective subisidaries are not material.

*Since these RPTs are in the ordinary course of business and are at the arm's length basis, approval of the members is not applicable. However, these are reported to the Audit Committee / Board at their quarterly meetings.

For and on behalf of the Board of Directors

Diwakar Nigam
Chairman & Managing Director
DIN: 00263222

Date: 03.05.2022
Place: New Delhi

Annexure 6

Annual Report on Corporate Social Responsibility ("CSR") Activities or Programmes pursuant to Section 135 of the Companies Act, 2013 and Rule 8 of the Companies (Corporate Social Responsibility Policy) Amendment Rules, 2021.

1. Brief outline on CSR Policy of the Company:

Newgen's CSR mission is to actively contribute to the social and economic development of the communities in which we operate. The core philosophy is to empower the lesser privileged sections of society through a holistic approach to help them realize their full potential and ensure a good quality of life.

In line with the sustainable development goals (SDGs) and nationwide outcry to promote education, Newgen contributes to the Schedule VII thematic areas of promotion of education and eradication of hunger, poverty, and malnutrition.

Newgen CSR Flagship Program:

a. Newgen Digital Discovery Paathshala (NDDP)

Newgen Digital Discovery Paathshala (NDDP) program is designed to impart knowledge to school children using web-based technology and transform traditional classroom teachings into fun learning sessions. Under the aegis of NDDP, nearly 800 students were provided digital devices that included iPads, tablets, and smartphones during the pandemic. This assisted in bridging the technology accessibility gap among the students. The skills of our NDDP beneficiaries were enhanced by creating a platform for them to research on the internet using these devices and develop creative content. It was ensured that online connectivity was made user-friendly and free of cost.

NDDP supports two schools in Delhi - Government Girls Senior Secondary Schools in Harkesh Nagar and Tekhand. Over 3,000 students of classes 6^{th} to 8^{th} benefit from the program. In the past year, the targeted students regularly attended and actively participated in the online sessions with the provided devices. The active participation of the students in interactive activities was appreciated through the periodic distribution of gifts, happiness boxes, and prizes.

The NDDP Alumni Association initiative was instituted in 2019 to strengthen the impact of digital education on the students. The program reconnects ex-NDDP beneficiaries (from class 9^{th} to 12^{th}) at the project locations of Harkesh Nagar, Tekhand, Begumpur, and Kalkaji. The initiative actively engages the alumni with a flexible and informative platform. The current batch consists of over 400 alumni students for whom regular online sessions are being conducted. The sessions cover the school curriculum and share insights on personality development, life skills, and career counseling.

With the COVID-19 pandemic, a large section of the population was affected by an acute foodshortage. Without proper nutrition, the target group of students possibly could not concentrate on their education, and their growth would be impacted. To prevent this, Newgen distributed 'Happiness Kits' twice a year, comprising monthly rations of non-perishable food items for students and their families. Over 1,000 happiness kits were distributed to the students to support them through a difficult time and give them hope for a better tomorrow.

b. Remedial Education Program.

Newgen collaborated with the NGO KHUSHII (Kinship for Humanitarian, Social and Holistic Intervention in India) to offer remedial classes at MCD feeder schools for students of classes 1^{st} to 10^{th} and prepare them for senior secondary education. The project locations are Harkesh Nagar, Tekhand, Sangam Vihar, Nandambakkam, and Chennai. In 2021-22, the project extended its reach to six new schools in the flood and rain-affected region of Ramgarh, Uttarakhand. Over 10,000 students benefit from this program.

This initiative has augmented the impact of NDDP as the targeted students will be associated with Newgen CSR for an extended period of twelve years, creating an opportunity to unlock their full potential. The sessions in 2021-22 were conducted through online, partially online and offline mode.

c. **Partnership with KK Academy, Lucknow**

Newgen collaborated with KK Academy to ensure that children from underprivileged families receive a complete education. The academy is based in Lucknow and is recognized by the State Board to cater to around 250 students from classes nursery to 8th. KK academy empowers students from different marginalized backgrounds and helps them become literate and confident, thereby bringing social transformation through digital holistic education.

d. **Mid-Day Meal Programme.**

To complement the growth and well-being of children in their formative years, Newgen in partnership with the Akshaya Patra Foundation supports the nutrition of government school students in the remote areas of Vrindavan and Jhalawar. In 2021-22, the program extended its reach to the remote areas of Bhilai and Kakinada.

During the pandemic, Newgen collaborated with Akshaya Patra Foundation to distribute 'Happiness Kits.' These kits primarily included a monthly ration of non-perishable food items. In Kakinada, over 300,000 mid-day meals were provided to the students. And Happiness Kits reached over 9,000 families in Vrindavan, Jhalawar, and Bhilai.

e. **Personality Development Sessions.**

The personality development program caters to children from economically weaker backgrounds and helps them build self-confidence, develop soft skills, and provide career counselling and personal guidance. The session is held twice every month by an organization called I-Am. In 2021-22, Newgen supported nearly 400 students through these sessions.

2. Composition of the CSR Committee:

Sl. No.	Name of Director	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1	Mrs. Priyadarshini Nigam	Whole-Time Director	1	1
2	Mr. Kaushik Dutta	Independent Director	1	1
3	Mr. T.S. Varadarajan	Whole-Time Director	1	1

3. Provide the web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the Company:

https://newgensoft.com/

4. Provide the details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable (attach the report):

Not Applicable

5. Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any:

Sl. No.	Financial Year	Amount available for set-off from preceding financial years (in ₹)	Amount required to be set-off for the financial year, if any (in ₹)
1.	2020-21	17,589.28	17,589.28

6. Average net profit of the company as per section 135(5): ₹ 1,22,91,39,404.05

7. (a) Two percent of average net profit of the company as approved by the Board: ₹ 2,45,82,788.08

(b) Surplus arising out of the CSR projects or programmes or activities of the previous financial years: ₹ 17,589.28

(c) Amount required to be set off for the financial year, if any: ₹ 17,589.28

(d) Total CSR obligation for the financial year (7a+7b-7c): ₹ 2,45,65,198.80

8. (a) CSR amount spent or unspent for the financial year:

Total Amount Spent for the Financial Year. (in ₹ Lakh)	Amount Unspent				
	Total Amount transferred to Unspent CSR Account as per section 135(6).		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5).		
	Amount	Date of transfer	Name of the Fund	Amount	Date of Transfer
Not Applicable					

(b) Details of CSR amount spent against ongoing projects for the financial year:

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	(9)	(10)	(11)	
Sl. No.	Name of the Project.	Item from the list of activities in Schedule VII of the Act.	Local area (Yes/ No).	Location of the project.		Project duration.	Amount allocated for the project	Amount spent in the current financial Year	Amount transferred to Unspent CSR Account for the project as per Section 135(6)	Mode of Implementation - Direct (Yes/No).	Mode of Implementation - Through Implementing Agency	
				State	District						Name	CSR Registration Number
Not Applicable												

(c) Details of CSR amount spent against other than ongoing projects for the financial year:

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	
Sl. No.	Name of the Project	Item from the list of activities in Schedule VII of the Act.	Local area (Yes/ No).	Location of the project.		Amount spent for the project (in ₹).	Mode of implementation - Direct (Yes/No).	Mode of implementation - Through implementing agency.	
				State	District			Name	CSR Registration Number
1	Newgen Digital Discovery Paathshala	Clause (ii) of Schedule VII: Promoting Education	Yes	New Delhi	South Delhi	74,04,543.28.00	Yes	NA	NA
2	Personality Development Sessions	Clause (ii) of Schedule VII: Promoting Education	Yes	New Delhi	South Delhi	2,22,220.00	Yes	NA	NA
3	Remedial Education Programme	Clause (ii) of Schedule VII: Promoting Education	No	Uttar Pradesh	Lucknow	15,00,000.00	No	Kiddy Kingdom Academy Samiti	CSR00002908
4	Remedial Education Programme	Clause (ii) of Schedule VII: Promoting Education	Yes	New Delhi	South Delhi	65,43,138.00	No	KHUSHII	CSR00001135
5	Remedial Education Programme	Clause (ii) of Schedule VII: Promoting Education	Yes	Tamil Nadu	Chennai	9,47,100.00	No	KHUSHII	CSR00001135
6	Remedial Education Programme	Clause (ii) of Schedule VII: Promoting Education	No	Uttarakhand	Ramgarh	11,13,070.00	No	KHUSHII	CSR00001135
7	Mid-Day Meal Programme	Clause (i) of Schedule VII: Eradicating hunger, poverty and malnutrition	No	Rajasthan	Jhalawar	29,00,000.00	No	Akshaya Patra Fundation	CSR00000286

(1) Sl. No.	(2) Name of the Project	(3) Item from the list of activities in Schedule VII of the Act.	(4) Local area (Yes/ No).	(5) Location of the project.		(6) Amount spent for the project (in ₹).	(7) Mode of implementation - Direct (Yes/No).	(8) Mode of implementation - Through implementing agency.	
				State	District			Name	CSR Registration Number
8	Mid-Day Meal Programme	Clause (i) of Schedule VII: Eradicating hunger, poverty and malnutrition	No	Uttar Pradesh	Vrindavan	11,58,300.00	No	Akshaya Patra Fundation	CSR00000286
9	Mid-Day Meal Programme	Clause (i) of Schedule VII: Eradicating hunger, poverty and malnutrition	No	Andhra Pradesh	Kakinada	15,00,000.00	No	Akshaya Patra Fundation	CSR00000286
10	Mid-Day Meal Programme	Clause (i) of Schedule VII: Eradicating hunger, poverty and malnutrition	No	Chhattisgarh	Bhilai	15,00,000.00	No	Akshaya Patra Fundation	CSR00000286
Total						**2,47,88,371.28**			

(d) Amount spent in Administrative Overheads: ₹ 96,626.00

(e) Amount spent on Impact Assessment, if applicable: Not Applicable

(f) Total amount spent for the Financial Year: ₹ 2,48,84,997.28
(8b+8c+8d+8e)

(g) Excess amount for set off, if any: ₹ 17,589.28

Sl. No.	Particular	Amount (in ₹)
(i)	Two percent of average net profit of the company as per section 135(5)	2,45,82,788.08/-
(ii)	Total amount spent for the Financial Year	2,48,84,997.28
(iii)	Excess amount spent for the financial year [(ii)-(i)]	3,19,798.48
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	Nil
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	3,19,798.48

9. (a) Details of Unspent CSR amount for the preceding three financial years:

Sl. No.	Preceding Financial Year.	Amount transferred to Unspent CSR Account under section 135 (6)	Amount spent in the reporting Financial Year	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any.			Amount remaining to be spent in succeeding financial years.
				Name of the Fund	Amount	Date of transfer	Amount remaining to be spent in succeeding financial years.
Not Applicable							

(b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial years:

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Sl. No.	Project ID	Name of the Project	Financial Year in which the project was commenced	Project duration	Total amount allocated for the project	Amount spent on the project in the reporting Financial Year	Cumulative amount spent at the end of reporting Financial Year	Status of the project - Completed /Ongoing.
Not Applicable								

10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year (asset-wise details).

(a) Date of creation or acquisition of the capital asset(s).

Not Applicable

(b) Amount of CSR spent for creation or acquisition of capital asset.

Not Applicable

(c) Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc.

Not Applicable

(d) Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset).

Not Applicable

11. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5):

Not Applicable

For Newgen Software Technologies Limited

Diwakar Nigam
Chairman & Managing Director
DIN: 00263222

Priyadarshini Nigam
Chairperson (CSR Committee)
DIN:00267100

Date: 03.05.2022
Place: New Delhi

Annexure 7

BUSINESS RESPONSIBILITY REPORT

The Business Responsibility Report is prepared pursuant to Regulation 34(2)(f) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. This Report includes our responses to questions on the Company practices and performance on key principles defined by the Regulation.

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 2021 to 31st March 2022
7.	**Sector(s) that the Company is engaged in (industrial activity code-wise)**	:	IT Software, Services and related activities NIC code of the product service: 9983
8.	**List three key products/services that the Company manufactures/provides (as in balance sheet)**	:	Product Solutions and Services in: (i) Contextual Content Services (ECM) (ii) Low Code Process Automation (BPM) (iii) Omnichannel Customer Communication (CCM). For a detailed description of 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 **(i) Details of National Locations:** New Delhi, Noida- Uttar Pradesh, Mumbai, Chennai.
10.	**Markets served by the Company - Local/State/ National/International**	:	The Company serves the Indian as well as international markets. For a 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)**	:	6,995.57 Lakh
2.	**Total Turnover (INR)**	:	71,078.57 Lakh
3.	**Total profit after taxes (INR)**	:	15,599.27 Lakh
4.	**Total Spending on Corporate Social Responsibility (CSR) as a percentage of profit after tax (%)**	:	2% of the 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/?**

   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 7(seven) 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 the aforesaid Code, in most cases, the officials of the Company conduct vendor meeting and participate 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 the 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	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) have 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, Whistle Blower Mechanism and CSR Policies.
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.
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, information security and privacy 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 Best of the industry standards/acts, namely PCI-DSS, HIPAA, SOC-1 Type-2 and SOC-2 Type-2 attestation. The Company's emphasis on customer feedback centric process improvement approach spread over the engagement lifecycle resulted in the formation of the "Customer experience Group": a central department, with more than 11 customer experience feedback points tightly coupled with the Delivery Lifecycle through Centralized systems in the form of Moment of truth surveys [MoTS].

(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 an 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 to confirm of respective regulations/ standards that come into effect, from 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 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 the 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 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 were 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 to 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.

At Newgen, innovatively solving any challenge at hand is at the heart of everything we do. Since its inception, we have been driven by the vision of "one world, one workplace," and after 30 years, our vision of the extended digital workplace is, in fact, stronger and ever more relevant.

We have been striving to align our enterprise objective with the larger goal of a sustainable future. This has led us to invest heavily into our offerings and develop products that have been instrumental in driving digital transformation in the country by innovatively connecting systems, processes, people, and things.

NewgenONE, our natively-built comprehensive digital transformation platform, combines process automation, content services, and communication management capabilities-

- Contextual content services – Modern content services platform, deployed on cloud, for managing, accessing, and utilizing enterprise-wide content, thereby enabling organization to become 100% paperless and carbon neutral
- Low code process automation - Intelligent process automation platform, deployed on cloud, for streamlining end-to-end, mission-critical, customer- and employee-facing journeys
- Omnichannel customer engagement - Customer communication platform, deployed on cloud, for generating and managing at-scale, personalized communications across all channels

While being a software product company, our products and services do not involve ESG risks, our digital transformation platform, deployed on the cloud, helps enterprises by eliminating the dependency on paper and driving end-to-end digitalization of processes across the enterprise. The cloud capability complements by significantly reducing power consumption and carbon emission.

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 products/ services, our products are not resource-intensive and hence reduction is negligible. However, being a responsible entity, we optimize the consumption of resources.

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 got a very effective, transparent Procurement Process Policy, efficient Vendor Monitoring System which ensures sustainability throughout the value chain. The sustainability Agenda is extended to the suppliers through the Supplier Code of Conduct to which all have to commit. The Internal Processes and procedures ensure adequate safety during transportation (wherever required) and Optimisation of logistics, which in turn, help to mitigate climate change also. The Environment, Health and Safety parameters are of paramount importance in selection of vendors for civil project works also.

This year also more than 90% of our inputs are procured from sustainable sources. Supplier selection, assessment and evaluation process includes elements of sustainability. Our supplier analysis also takes into account the sourcing strategy of the supplier and proximity of the supplier to the Material requisitioned location. Such supplies improve logistics and save 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 prospective.

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

Yes, the Company fosters local and small suppliers (MSMEs) for procurement of goods and services including communities in proximity to its offices/ locations. First Preference is given to local vendors to the maximum extent possible.

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

The Vendors are assessed from time to time and accordingly the feedbacks are shared with the Vendors for further improvements. Online counselling is also imparted to develop their capacity and capability for success in the business activities thereby improving their financial health.

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

a) The Company, continuously, has been taking Green initiatives to reduce the use of plastic and paper products. Electronic waste management is being done as per the guidelines established in E-waste Management Rules 2016.

b) Initiated a project to reuse wastewater from RO plants in our facilities. This water is used in mopping, cleaning, etc.

c) Towards minimizing the 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.

d) We have worked towards stopping single use plastic products and in our cafeteria, we are no more using plastic products for daily consumption.

e) Newgen also took initiative on preventing food wastage in the 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).

1,909 employees (including employees under probation/contractual/ trainee)

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

145 employees.

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

684 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?

Yes (NEWS)

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

This is extended to all employees of Newgen.

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	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?

Total Number of trainings during the year: 288

(a) Permanent Employees participant: 99%

(b) Permanent Women Employees participant: 99%

(c) Casual/Temporary/Contractual Employees: 84%

(d) Employees with Disabilities: 40%

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, the Board of Directors, and the support staff.

The external stakeholders include customers, vendors, 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?

This is an ongoing process.

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.

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 extend to the Group/Joint Ventures/Suppliers/Contractors/NGOs/others.

Yes. The policy and practices related to said principle extend 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 hyperlinks for the webpage etc.

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

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 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, and 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, the Company is committed to clean technology initiatives. Moreover, operations of the Company involve low energy consumption, but still the endeavor is to reduce electricity consumption and the resultant carbon footprint. For the measures taken by the Company for energy conservation, please refer to Directors' Report, which is part of this Annual Report.

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 including ABA and CUNA, 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 for internal usage. 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 the ground.

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

As per Section 135 of the Companies Act, 2013 two percent of the average net profits of the Company made during the three immediately preceding financial years, on prescribed CSR activities. For further details, kindly refer to 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.

Yes. Newgen's CSR mission is to actively contribute to the social and economic development of the communities in which we operate. The core philosophy is to empower the lesser privileged sections of society through a holistic approach to help them realize their full potential and ensure a good quality of life. In line with the sustainable development goals (SDGs) and nationwide outcry to promote education, Newgen contributes to the Schedule VII thematic areas of promotion of education and eradication of hunger, poverty, and malnutrition. For further details, kindly refer to Annexure 6 of the Board's Report relating to the CSR activities.

Principle 9:

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

For the financial year 2021-22, we have addressed all customer complaints/ cases and there are no customer grievances pending as of 31st March 2022.

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 behavior 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 every year by Kantar IMRB to measure overall customer NPS score and get qualitative and quantitative information for appropriate corrective action if needed. This voice of the customer also drives the process and product improvements in the Company.

For and on behalf of the Board of Directors

Diwakar Nigam
Chairman & Managing Director
DIN: 00263222

Date: 03.05.2022
Place: New Delhi

Annexure 8

REPORT ON CORPORATE GOVERNANCE

I. Company's Philosophy on Corporate Governance:

Your Company's philosophy on Corporate Governance envisages the accomplishment of a high level of transparency, integrity and accountability in the conduct of its businesses and accords importance to regulatory compliances. These principles have evolved, over the years, from the Company's culture of continuous innovation and rich experiences gathered from the past. The Company recognizes that good governance is a continuing exercise and reiterates its commitment to pursue the highest standards of corporate governance in the overall interest of its stakeholders.

Our core principles represent the edifice of our two-tier governance model, with the Board of Directors and the Committees of the Board at the apex, and the management structure at the operational level. The Board and its Committees guide, support and complement the management team's ideas and initiatives, which in turn assumes accountability, strives to achieve the set objectives and enhances value creation for all.

II. Board of Directors:

The composition of the Board is in conformity with the requirements of the Companies Act, 2013 (the "Act") including the rules framed thereunder and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"). The composition of the Board represents an optimal mix of professionalism, knowledge, experience and enables the Board to discharge its responsibilities and provide effective leadership to the business.

(i) As on 31st March 2022, the Board comprises of 7 (seven) Directors, out of which 3 (three) Directors are Executive Directors and 4 (four) Directors are Non-Executive Directors. 2 (two) Executive Directors are Promoter Directors, and 1 (one) Executive Director is the member of the promoter group. All the 4 (four) Non-Executive Directors are Independent Directors including 1 (one) woman Independent Director.

(ii) Based on the declarations received from the Independent Directors, the Board of Directors confirms that they meet the criteria of Independence as mandated by Regulation 16(1)(b) of the SEBI Listing Regulations and that they are independent of the management. The Company has issued formal letters of appointment to Independent Directors, whenever required, in the manner as provided in the Act and SEBI Listing Regulations.

(iii) None of the Directors on the Board holds directorships in more than 10 (ten) public companies (Listed or Unlisted). None of the Independent Directors serves as an independent director on more than 7 (seven) listed entities. Necessary disclosures about their Directorship(s) and status of Committee's Membership(s)/ Chairpersonship(s) in other Companies (Listed or Unlisted) have been made.

(iv) The names and categories of the Directors on the Board, their attendance at the last Annual General Meeting ("AGM"), number of Directorships(s) and the status of Committee Membership(s)/ Chairperson(s) held by them in other Companies (Listed or Unlisted), as at 31st March, 2022 are given hereinbelow:

Name of the Director	Category of Director	Whether attended last AGM held on 27th July 2021	Number of Directorship(s) in Companies other than Newgen #1	Number of Membership(s) of Committee(s) in other Companies#2	Chairmanship(s) of Committee(s) in other Companies#2
Mr. Diwakar Nigam	Promoter/ Executive/ Chairman and Managing Director	Yes	2	0	0
Mr. T. S. Varadarajan	Promoter/ Executive/ Whole - Time Director	Yes	4	0	0
Mrs. Priyadarshini Nigam	Promoter Group/ Executive/ Whole - Time Director	Yes	2	0	0

Name of the Director	Category of Director	Whether attended last AGM held on 27th July 2021	Number of Directorship(s) in Companies other than Newgen #1	Number of Membership(s) of Committee(s) in other Companies#2	Chairmanship(s) of Committee(s) in other Companies#2
Mr. Kaushik Dutta	Non – Executive/ Independent Director	Yes	9	7	3
Mr. Saurabh Srivastava	Non – Executive/ Independent Director	Yes	7	3	1
Mr. Subramaniam Ramnath Iyer	Non – Executive/ Independent Director	Yes	0	0	0
Mrs. Padmaja Krishnan	Non – Executive/ Independent Director	Yes	1	0	0

#1 Above list of other Directorship(s) is based on a declaration given by respective Director(s) and does not include Directorship(s) in foreign companies, Limited Liabilty Partnership (LLP) and Section 8 Company under the Act.

#2 Committees considered are the Audit committee & Stakeholders' Relationship Committee of Listed Company and Public Companies only, excluding that of Newgen Software Technologies Limited.

(v) Details of Directorship(s) held by the Directors on the Board in other Listed Companies during the financial year 2021-22:

Name of Director	Name of Other Listed Companies	Category of Directorship(s) in such other listed Companies
Mr. Diwakar Nigam	NIL	NIL
Mr. T.S. Varadarajan	NIL	NIL
Mrs. Priyadarshini Nigam	NIL	NIL
Mr. Kaushik Dutta	1. HCL Infosystems Limited 2. New Delhi Television Limited 3. PB Fintech Limited 4. Zomato Limited	1. Independent Director 2. Independent Director 3. Independent Director 4. Independent Director
Mr. Saurabh Srivastava	1. Dr. Lal Pathlabs Limited 2. Info Edge (India) Limited	1. Independent Director 2. Independent Director
Mr. Subramaniam Ramnath Iyer	NIL	NIL
Mrs. Padmaja Krishnan	NIL	NIL

(vi) During the financial year 2021-22, 6 (Six) meetings of the Board of Directors were held, the details of attendance of each Director at the Board meetings are given below:

Name of the Director	Category of the Director	Date(s) of the Board meeting#1					
		25-05-2021	20-07-2021	01-09-2021	25-10-2021	18-01-2022	26-03-2022
Mr. Diwakar Nigam	Promoter/ Executive/ Chairman and Managing Director	Yes	Yes	Yes	Yes	Yes	Yes
Mr. T.S. Varadarajan	Promoter/ Executive/ Whole - Time Director	Yes	Yes	Yes	Yes	Yes	Yes
Mrs. Priyadarshini Nigam	Promoter Group/ Executive/ Whole – Time Director	Yes	Yes	Yes	Yes	Yes	Yes
Mr. Kaushik Dutta	Non – Executive/ Independent Director	Yes	Yes	Yes	Yes	Yes	Yes
Mr. Saurabh Srivastava	Non – Executive/ Independent Director	Yes	Yes	Yes	Yes	Yes	Yes
Mr. Subramaniam Ramnath Iyer	Non – Executive/ Independent Director	Yes	Yes	Yes	Yes	Yes	Yes
Mrs. Padmaja Krishnan	Non – Executive/ Independent Director	Yes	Yes	Yes	Yes	Yes	Yes

#1 Including attendance by Videoconference.

(vii) The Board is updated on the discussions held at the Committee meetings and the recommendations made by various Committees.

(viii) Except for Mr. Diwakar Nigam and Mrs. Priyadarshini Nigam, none of the Directors is related to any other Director(s). Mrs. Priyadarshini Nigam a Whole-time Director is the spouse of Mr. Diwakar Nigam who is the Chairman & Managing Director of the Company.

(ix) As on 31st March 2022 none of the Non-Executive Directors holds Equity Shares of the Company, and the Company does not have any outstanding convertible instruments.

(x) The Board has identified the following skills/expertise/competencies fundamental for the effective functioning of the Company which are currently available with the Board:

Technology	Reasonable knowledge and experience in technology with an ability to foresee technological trends and changes, apply new technology and bring about innovations in business strategies.
Strategic Planning and Analysis	Ability to critically identify and assess strategic opportunities and threats and develop effective strategies in the context of long-term objectives and the organizations' relevant policies and priorities.
Financial Management	Wide-ranging knowledge and financial skills, oversight for risk management and internal controls and proficiency in financial management and financial reporting processes.
Global Business	Experience in driving business success in markets around the world, with an understanding of diverse business environments, economic conditions, cultures, and regulatory frameworks, and a broad perspective on global market opportunities.
Governance	Understanding of the various governance and compliance requirements under various applicable laws, supporting a strong Board base and management accountability, transparency, and protection of stakeholder interests.
Leadership	Leadership experience for understanding the needs of the organization, risk management systems and succession planning for the organization.
Diversity	Representation of gender, ethnic, geographic, cultural, or other perspectives that expand the Board's understanding of the needs and viewpoints of our customers, partners, employees, governments, and other stakeholders worldwide.

The table below expresses the specific areas of focus skills/ expertise/ competencies which are currently possessed by the Directors of the Company. However, the absence of a tick mark does not necessarily mean the member does not possess the corresponding skills/ expertise.

Name of Directors	Technology	Strategic Planning and Analysis	Financial Management	Global Business	Governance	Leadership	Diversity
Mr. Diwakar Nigam	✓	✓	✓	✓	✓	✓	✓
Mr. T S Varadarajan	✓	✓	✓	✓	✓	✓	✓
Mrs. Priyadarshini Nigam	-	✓	-	✓	✓	✓	✓
Mr. Kaushik Dutta	-	✓	✓	✓	✓	✓	✓
Mrs. Padmaja Krishnan	✓	✓	✓	✓	✓	✓	✓
Mr. Saurabh Srivastava	✓	✓	✓	✓	✓	✓	✓
Mr. Subramaniam Ramnath Iyer	-	✓	✓	✓	✓	✓	✓

The profiles of Directors are available on the Company's website: https://newgensoft.com and shall also be included in the Annual Report of the Company.

III. Independent Directors:

At Newgen, the appointment of Independent Directors is carried out in a structured manner in accordance with the provisions of the Act and the SEBI Listing Regulations. The Nomination & Remuneration Committee of the Board identifies candidates based on certain laid down criteria and takes into consideration the need for diversity of the Board and accordingly makes its recommendations to the Board.

Independent Directors play a significant role in the governance processes of the Board. By virtue of their varied experience & expertise, they enrich the Board's decision-making and prevent possible conflicts of interest that may emerge in such decision-making.

(i) Meeting of Independent Directors:

The Independent Directors met once in a financial year, without the presence of Non-Independent Directors or Management representatives. Independent Directors, inter alia, evaluated:

a) the performance of the Chairperson of the Company taking into account the views of the Executive and Non-executive Directors; and

b) the performance of Non-Independent Directors and the Board of Directors as a whole.

In addition, they also discussed the issues arising out of Committee Meetings and Board discussions including the quality, quantity and timely flow of information between the Company Management and the Board, which are essential for the Board members to effectively and reasonably perform their duties.

(ii) The details of the familiarisation programme for Independent Directors are given below:

With a view to familiarizing the Independent Directors, the Company arranges programs, time to time, to familiarize the Independent Directors with the Company, their roles, rights and responsibilities in the Company, nature of the industry in which the Company operates, the business model of the Company, etc.

The Company has divided the familiarization initiatives into two parts viz, orientation program upon induction of new Independent Director and other initiatives to update the directors on a continuing basis.

Meetings with Company's officials have been arranged as and when necessary, to understand the business and operations of the Company. The presentations at the Board meetings include updates on the industry, business operations and financial performance, working capital management, senior management changes, compliances, cash flow, budgets, and operation of the Company and of its subsidiaries.

The details of the familiarization program of the Independent Directors can be found on the Company's website: https://newgensoft.com.

IV. Composition of Committees of The Board:

The Committees of the Board play an indispensable role in the governance structure of the Company. These Committees are set up under the formal approval of the Board to carry out clearly defined roles that are considered to be performed by Members of the Board, as a part of good governance practice. The minutes of the meetings of all Committees are placed before the Board for noting. Special invitees are invited to join the meetings of the Committee as considered appropriate by the Chairman of the Committee.

There are a total 5 (five) Board Committees as on 31st March 2022 and 1 (one) non-statutory committee that have been constituted considering the best practices in Corporate Governance and in the best interest of the Company. These Committees review, discuss and monitor the activities falling within their terms of reference, the details of which are provided below:

1) Audit Committee:

The Committee is constituted in accordance with the provisions of the Act and the provisions of the SEBI Listing Regulations. All members of the Audit Committee are financially literate and bring in expertise in the fields of Finance, Taxation and business of the Company.

A. Terms of reference:

The terms of reference of the Audit Committee are as set forth below:

- **Powers of Audit Committee**

  The Audit Committee shall have powers, including the following:

(1) To investigate any activity within its terms of reference;

(2) To seek information from any employee;

(3) To obtain outside legal or other professional advice; and

(4) To secure attendance of outsiders with relevant expertise, if it considers necessary.

- **Role of Audit Committee**

The role of the Audit Committee shall include the following:

(1) Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible;

(2) Recommendation for appointment, re-appointment, replacement, remuneration and terms of appointment of auditors of the Company and the fixation of the audit fee;

(3) Approval of payment to statutory auditors for any other services rendered by the statutory auditors;

(4) Reviewing, the financial statements with respect to its unlisted Subsidiary(ies), in particular investments made by such subsidiary(ies) of the Company;

(5) Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the Board for approval, with particular reference to:

a) Matters required to be included in the Directors' Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 3 of section 134 of the Act;

b) Changes, if any, in accounting policies and practices and reasons for the same;

c) Major accounting entries involving estimates based on the exercise of judgment by management;

d) Significant adjustments made in the financial statements arising out of audit findings;

e) Compliance with listing and other legal requirements relating to financial statements;

f) Disclosure of any related party transactions; and

g) Modified opinion(s) in the draft audit report.

(6) Reviewing, with the management, the quarterly, half-yearly and annual financial statements before submission to the Board for approval;

(7) Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;

(8) Reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;

(9) Approval of any subsequent modification of transactions of the Company with related parties and omnibus approval for related party transactions proposed to be entered into by the Company, subject to the conditions as may be prescribed;

Explanation: The term "related party transactions" shall have the same meaning as provided in Clause 2(zc) of the SEBI Listing Regulations and/or the applicable Accounting Standards and/or the Act.

(10) Scrutiny of inter-corporate loans and investments;

(11) Valuation of undertakings or assets of the Company, wherever it is necessary;

(12) Evaluation of internal financial controls and risk management systems;

(13) Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;

(14) Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;

(15) Discussion with internal auditors of any significant findings and follow up there on;

(16) Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;

(17) Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;

(18) Looking into the reasons for substantial defaults in the payment to depositors, debenture holders, members (in case of non-payment of declared dividends) and creditors;

(19) Recommending to the board the appointment and removal of the external auditor, fixation of audit fees and approval for payment for any other services;

(20) Reviewing the functioning of the whistle blower mechanism;

(21) Overseeing the vigil mechanism established by the Company, with the Chairman of the Audit Committee directly hearing grievances of victimization of employees and directors, who used vigil mechanism to report genuine concerns in appropriate and exceptional cases;

(22) consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the listed entity and its shareholders;

(23) Carrying out any other functions required to be carried out by the audit committee in terms of applicable law.

The Audit Committee shall mandatorily review the following information:

a) Management discussion and analysis of financial condition and results of operations;

b) Statement of significant related party transactions (as defined by the audit committee), submitted by management;

c) Management letters / letters of internal control weaknesses issued by the statutory auditors;

d) Internal audit reports relating to internal control weaknesses;

e) The appointment, removal and terms of remuneration of the Chief Internal Auditor shall be subject to review by the Audit Committee; and

f) Statement of deviations in terms of the SEBI Listing Regulations.

B. Composition of the Audit Committee during the financial year 2021-22:

Name of the Committee Member	Category & Designation	Chairman/ Member
Mr. Kaushik Dutta	Non-Executive, Independent Director	Chairman
Mr. Saurabh Srivastava	Non-Executive, Independent Director	Member
Mr. Subramaniam Ramnath Iyer	Non-Executive, Independent Director	Member

C. Attendance of the members at the Audit Committee meeting held during the financial year 2021-22:

During the financial year 2021-22, 5 (five) meetings of the Audit Committee were held. The attendance of the members of the Committee at the meetings are as below:

Name of the Committee Member	Category & Designation	Date(s) of the meeting and attendance				
		24-05-2021	20-07-2021	25-10-2021	18-01-2022	26-03-2022
Mr. Kaushik Dutta	Non-Executive, Independent Director	Yes	Yes	Yes	Yes	Yes
Mr. Saurabh Srivastava	Non-Executive, Independent Director	Yes	Yes	Yes	Yes	Yes
Mr. Subramaniam Ramnath Iyer	Non-Executive, Independent Director	Yes	Yes	Yes	Yes	Yes

The necessary Quorum was present at all the meetings and all the meetings were held within prescribed time gap.

2) Nomination & Remuneration Committee:

The Committee is constituted in accordance with the provisions of Section 178(3) of the Act and Regulation 19(4) read with Part D of Schedule-II of the SEBI Listing Regulations.

A. The terms of reference of the Nomination & Remuneration Committee:

- Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board, a policy relating to the remuneration of the directors, key managerial personnel and other employees;

- The Nomination and Remuneration Committee, while formulating the above policy, should ensure that:
- the level and composition of remuneration be reasonable and sufficient to attract, retain and motivate directors of the quality required to run the Company successfully;
- relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
- remuneration to directors, key managerial personnel and senior management involves a balance between fixed and incentive pay reflecting short and long term performance objectives appropriate to the working of the Company and its goals.
- Formulation of criteria for evaluation of Independent Directors and the Board;
- Devising a policy on Board diversity;
- Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal and shall carry out evaluation of every director's performance (including Independent Director);
- For every appointment of an Independent Director, the Nomination and Remuneration Committee shall evaluate the balance of skills, knowledge and experience on the Board and on the basis of such evaluation, prepare a description of the role and capabilities required of an Independent Director. The person recommended to the Board for appointment as an Independent Director shall have the capabilities identified in such description. For the purpose of identifying suitable candidates, the Committee may:

  a. use the services of an external agencies, if required;

  b. consider candidates from a wide range of backgrounds, having due regard to diversity; and

  c. consider the time commitments of the candidates.

- Recommend to the Board, all remuneration, in whatever form, payable to senior management;
- Whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of directors; and
- Carrying out any other functions/ role as required to be undertaken by the Nomination and Remuneration Committee under applicable law and/ or by the Board of Directors of the Company;
- Administer and implement any Employee based benefit plan including but not limited to Stock Options Scheme (ESOP)/ Plan, RSU, SAR etc, including:

  a) Delegation of duties and powers in whole or in part as it determines, to one or more officers of the Company and/ or to any one or more sub-committees in respect of aforesaid Plan;

  b) To choose eligible employees for grant of options and formulate the detailed terms and conditions of the scheme or plan;

  c) To meet at such intervals as may be required for consideration of grant of options/units under aforesaid Plan;

  d) To take decision about the criteria of employees to whom shares, under any aforesaid Plan, to be directly issued or through transfer of shares from trust as may be set up under respective scheme or plan;

  e) To do all such other act and matters as may be provided in any aforesaid Plan and empowered by the Board of Directors time to time.

B. Composition of the Nomination & Remuneration Committee during the financial year 2021-22:

Name of the Committee Member	Category & Designation	Chairman/ Member
Mr. Subramaniam Ramnath Iyer	Non-Executive, Independent Director	Chairman
Mr. Saurabh Srivastava	Non-Executive, Independent Director	Member
Mr. Kaushik Dutta	Non-Executive, Independent Director	Member

C. Meetings and attendance of the Nomination & Remuneration Committee meeting held during the financial year 2021-22:

During the financial year 2021-22, 3 (three) meetings of the Nomination & Remuneration Committee were held. The attendance of the members of the Committee at the meetings is as below:

Name of the Committee Member	Category & Designation	Date(s) of the meeting/ Attendance		
		24-05-2021	01-09-2021	25-10-2021
Mr. Subramaniam Ramnath Iyer	Non-Executive, Independent Director	Yes	Yes	Yes
Mr. Saurabh Srivastava	Non-Executive, Independent Director	Yes	Yes	Yes
Mr. Kaushik Dutta	Non-Executive, Independent Director	Yes	Yes	Yes

The necessary Quorum was present at the meeting and all the meetings were held within the maximum prescribed time gap.

Nomination & Remuneration Committee also considered and approved the matters related to grants of RSU units under the Newgen RSU Scheme 2021, on 23rd December 2021 and 2nd March 2022.

D. Board Annual Evaluation:

Pursuant to the provisions of the Act and SEBI Listing Regulations, the Board of Directors in consultation with the Nomination & Remuneration Committee has carried out the annual performance evaluation of its own performance, Committees of the Board and Individual Director. The performance of the Board was evaluated by the Board itself after seeking inputs from all the directors on the basis of the criteria such as structure & composition of Board Culture, the effectiveness of Board processes, functioning, execution and performance of specific duties, obligations and governance etc. The performance of Committees was evaluated by the Board after seeking inputs from respective committee members on the basis of the criteria such as the composition of committees, effectiveness of committee meetings and quality of recommendation to the Board, etc.

The Board and the Nomination and Remuneration Committee reviewed the performance of the individual directors on the basis of the criteria such as the contribution of the individual director to the Board and Committee meetings like preparedness on the issues to be discussed, meaningful and constructive contribution and inputs in meetings, etc. In addition, the Chairman was also evaluated on the key aspects of his role. In a separate meeting of Independent Directors, the performance of Non-Independent Directors, the performance of the Board as a whole and the performance of the Chairman were evaluated, taking into account the views of executive directors and non-executive directors. The performance evaluation of the Independent Directors was carried out by the entire Board. All the Directors expressed their satisfaction with the evaluation process.

E. Details of the Remuneration of Directors:

(i) Pecuniary transactions with Non-Executive Directors:

The Non-Executive Directors are paid remuneration by way of sitting fee(s) for attending meetings of the Board & the Committees and commission on profit as approved by the Board of Directors, considering the performance of the Company, the current trends in the industry, the director's participation in Board and Committee meetings during the year and such other responsibilities associated with their respective position. The remuneration paid to the Non-Executive Directors is within the threshold limit prescribed under the provisions of the Companies Act and SEBI Listing Regulations.

(₹ in Lakh)

Name	Sitting Fees	Commission on Profit	Other Expenses reimbursed, if any
Mr. Kaushik Dutta	17,00,000	26,82,032	Nil
Mr. Saurabh Srivastava	14,00,000	26,82,032	Nil
Mr. Subramaniam Ramnath Iyer	17,00,000	26,82,032	Nil
Mrs. Padmaja Krishnan	8,00,000	26,82,032	Nil

The policy for setting out the criteria of making payments to Non-Executive Directors is available on the Company's website: https://newgensoft.com.

(ii) Executive Directors:

The remuneration drew by the Executive Directors during the financial year 2021-22 is set out below. The remuneration to Executive Director includes fixed salary, perquisites and commission on profit as determined by the Nomination & Remuneration Committee based on their individual responsibilities and contributions to the performance of the organization. The remuneration paid to the Executive Directors is in accordance with the provisions of the Act and SEBI Listing Regulations.

(₹ in Lakh)

Particulars	Name of the Executive Directors		
	Diwakar Nigam	T.S. Varadarajan	Priyadarshini Nigam
Salary	2,09,06,496	98,74,896	48,52,800
Benefits, Perquisites & Allowances	72,600	64,460	39,600
Commission on Profit	1,60,92,194	96,55,317	64,36,878
Total	**3,70,71,290**	**1,95,94,673**	**1,13,29,278**

The Company enters into service contracts with all Executive Directors for a period of 5 (five) years. The notice period is of 3 (three) months and the severance fee is the sum equivalent to remuneration for the notice period or part thereof in case of shorter notice. The details of the notice period and severance fees etc. are governed by the appointment letter issued to the respective Non-Executive Director at the time of his / her appointment. The aforesaid appointment letters are available on https://newgensoft.com

3) Stakeholders' Relationship Committee:

The constitution of the Committee and its composition follows the Act and SEBI Listing Regulations.

A. The terms of reference of the Stakeholders' Relationship Committee:

a) Considering and resolving grievances of security holders of the Company including complaints related to transfer/ transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/ duplicate certificates, general meetings etc.

b) Building mechanism to redress various aspect of interest of security holders including complaints in respect of allotment of Shares, transfer of Shares, non-receipt of declared dividends, annual reports, balance sheets of the Company, etc.;

c) To Issue duplicate certificates and new certificates on split/consolidation/ renewal, etc.; and delegate other officers of the Company to issue duplicate share certificates as it deems fit.

d) Review of adherence to the service standards adopted by the Company in respect of various services being rendered by the Registrar & Share Transfer Agent.

e) Review of the various measures and initiatives taken by the Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the members of the Company.

f) Review of measures taken for effective exercise of voting rights by the members.

g) Allotment of shares.

h) Carrying out any other functions as may be required from time to time to be undertaken by the Stakeholder's Relationship Committee under applicable law and Board of Directors.

B. Composition of the Stakeholders' Relationship Committee during the financial year 2021-22:

Name of the Committee Member	Category & Designation	Chairman/ Member
Mr. Subramaniam Ramnath Iyer	Non-Executive, Independent Director	Chairman
Mr. Diwakar Nigam	Chairman and Managing Director	Member
Mr. T.S. Varadarajan	Whole-time Director	Member

C. Meetings and attendance of the Stakeholders' Relationship Committee meeting held during the Financial Year 2021-22:

During the Financial Year 2021-22, 1 (one) Stakeholders' Relationship Committee meeting was held. The attendance of the members of the Committee at the meeting is as below:

Name of the Committee Member	Category & Designation	Date(s) of the meeting/ Attendance
		24-05-2021
Mr. Subramaniam Ramnath Iyer	Non-Executive, Independent Director	Yes
Mr. Diwakar Nigam	Chairman and Managing Director	Yes
Mr. T.S. Varadarajan	Whole-time Director	Yes

The necessary Quorum was present at the meeting.

Mr. Aman Mourya, Company Secretary functions as the Compliance Officer of the Company. He has also been appointed as the nodal officer in line with statutory requirements. During the financial year 2021-22, complaint was received from the Investors/ members. Members/Investors complaints and other correspondence are normally attended to within

30 (Thirty) working days. All the complaints have been redressed to the satisfaction of the Investors/ Shareholders and none of them were pending as on 31st March 2022. The number of pending share transfers and pending requests for dematerialization as on 31st March 2022 was.

Particulars	Complaints Received	Complaints Redressed
Non-receipt of Dividend	10	10
Non-receipt of Annual Report	Nil	Nil

The above table includes Complaints, if any, received from SEBI SCORES portal (an online redressal portal) by the Company.

4) Corporate Social Responsibility Committee (CSR):

The constitution of Corporate Social Responsibility Committee and its composition and terms of reference are in compliance with the provisions of Act.

A. The terms of reference of the Corporate Social Responsibility Committee:

a) To formulate and recommend to the Board, a Corporate Social Responsibility Policy which shall indicate the activities to be undertaken by the Company as specified in Schedule VII of the Act;

b) To recommend the amount of expenditure to be incurred on activities referred in the law;

c) formulate and recommend to the Board, an annual action plan in pursuance of its CSR policy, which shall include the following, namely:-

- To monitor the Corporate Social Responsibility Policy of the Company from time to time; and
- To take decisions and to spend the amount in CSR related activities and projects as defined in the CSR Policy of the Company

B. Composition of the Corporate Social Responsibility Committee during the financial year 2021-22:

Name of the Committee Member	Category & Designation	Chairperson/ Member
Mrs. Priyadarshini Nigam	Whole-time Director	Chairperson
Mr. Kaushik Dutta	Non-Executive, Independent Director	Member
Mr. T.S. Varadarajan	Whole-time Director	Member

C. Meetings and attendance of the Corporate Social Responsibility Committee meeting held during the financial year 2021-22:

During the Financial Year 2021-22, 1 (one) Corporate Social Responsibility Committee meeting was held. The attendance of the members of the Committee at the meeting is as below:

Name of the Committee Member	Category & Designation	Date(s) of the meeting/ Attendance
		24.05.2021
Mrs. Priyadarshini Nigam	Whole-time Director	Yes
Mr. Kaushik Dutta	Non-Executive, Independent Director	Yes
Mr. T.S. Varadarajan	Whole-time Director	Yes

The necessary Quorum was present at the meeting.

5) Risk Management Committee:

The Company has constituted the Risk Management Committee in compliance with SEBI (Listing Obligations and Disclosure Requirements) (Second Amendment) Regulations, 2021 read with SEBI Listing Regulations.

A. The terms of reference of the Risk Management Committee:

a) To formulate a detailed risk management policy which shall include:

(i) A framework for identification of internal and external risks specifically faced by the listed entity, in particular including financial, operational, sectoral, sustainability (particularly, ESG related risks), information, cyber security risks or any other risk as may be determined by the Committee.

(ii) Measures for risk mitigation including systems and processes for internal control of identified risks.

(iii) Business continuity plan.

b) To ensure that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company;

c) To monitor and oversee implementation of the risk management policy, including evaluating the adequacy of risk management systems;

d) To periodically review the risk management policy, at least once in two years, including by considering the changing industry dynamics and evolving complexity;

e) To keep the board of directors informed about the nature and content of its discussions, recommendations and actions to be taken;

f) The appointment, removal and terms of remuneration of the Chief Risk Officer (if any, as of now it is not mandatory) shall be subject to review by the Risk Management Committee.

g) The Committee shall have access to any internal information necessary to fulfil its oversight role. As and when required the Committee may assign tasks to the Internal Auditor, the Company's internal risk management team and any external expert advisors considered necessary for any task and they will provide their findings to the Committee.

h) Such other terms as may be specified by the Board of Directors from time to time.

i) Such other terms/ activities as may be prescribed under applicable laws and regulations, time to time.

B. Composition of the Risk Management Committee:

Name of Committee member	Designation	Chairman/ Member
Mrs. Padmaja Krishnan	Independent Director	Chairperson
Mr. Diwakar Nigam	Chairman and Managing Director	Member
Mr. Kaushik Dutta	Independent Director	Member
Mr. Subramaniam Ramnath Iyer	Independent Director	Member
Mr. Virender Jeet	Chief Executive Officer	Member
Mr. Surender Jeet Raj	Sr. VP – HR Operations	Member

During the financial year 2021-22, 2 (two) Risk Management Committee meeting were held. The attendance of the members of the Committee at the meeting is as below:

Name of the Committee Member	Category & Designation	Date(s) of the meeting/ Attendance	
		25-10-2021	26-03-2022
Mrs. Padmaja Krishnan	Independent Director	Yes	Yes
Mr. Diwakar Nigam	Chairman and Managing Director	Yes	Yes
Mr. Kaushik Dutta	Independent Director	Yes	Yes
Mr. Subramaniam Ramnath Iyer	Independent Director	Yes	Yes
Mr. Virender Jeet	Chief Executive Officer	Yes	Yes
Mr. Surender Jeet Raj	Sr. VP – HR Operations	Yes	Yes

6) Other Committees

Apart from the above statutory committees, the Board of Directors has constituted the following Committee to raise the level of governance and also to meet the specific business needs.

6.1. Finance and Operations Committee:

The Finance and Operations Committee has been constituted to oversee the Banking operations, a delegation of operational powers, dealing with the statutory bodies and other finance and routine operations that arise in the normal course of the business. The Committee reports to the Board and the minutes of these meetings are placed before the Board for information.

A. The terms of reference of the Finance and Operations Committee:

a) To provide the authorization for applying, negotiating and finalizing, with the existing/proposed Bankers, the sanctioning/renewal of the Temporary / Ad hoc / Regular Working Capital or Short-Term Finance / Loan requirements, whether fund based or non-fund based (LC/BG), interchangeable or otherwise in the ordinary course of business.

b) To provide authorization to open, operate and close the Bank Account/(s) of the Company, to change the Authorized Signatories therein from time to time; and to provide authorization in respect of executing/ submitting bank related documents.

c) To provide authorization to take on lease/ rent/or on Leave and license basis any premises in the ordinary course of business or for the purpose of guest house of the Company and execution of agreements, papers and other document thereto and to deal with any Government or semi-government departments/ authorities, local bodies and corporation for registration of such agreements/documents with Registrar or Sub- Registrar.

d) To act as per the Investment Policy approved by the Board of Directors.

e) To provide authorization to deal with State, Central Government or Government authorities, Statutory Corporations, government undertaking, local bodies.

B. Composition of the Finance and Operation Committee during financial year 2021-22:

Name of the Committee Member	Category & Designation	Chairman/ Member
Mr. T.S. Varadarajan	Whole-time Director	Chairman
Mr. Diwakar Nigam	Chairman & Managing Director	Member
Mrs. Priyadarshini Nigam	Whole-time Director	Member

Whereas Mr. Arun Kumar Gupta is the permanent invitee to this committee.

During the financial year 2021-22, 1 (one) Finance and Operation Committee meeting was held. The attendance of the members of the Committee at the meeting is as below:

Name of the Committee Member	Category & Designation	Date(s) of the meeting/ Attendance 25-10-2021
Mr. T.S. Varadarajan	Whole-time Director	Yes
Mr. Diwakar Nigam	Chairman & Managing Director	Yes
Mrs. Priyadarshini Nigam	Whole-time Director	Yes

V. General Body Meetings:

The Annual General Meeting ("AGM") of the Company during the preceding 3 (three) years was held at the following venues, dates and times, wherein the following special resolutions were passed:

AGM	Date & Time of AGM	Venue	Details of Special resolutions
27th AGM	07-08-2019 at 11:00 A.M.	NCUI Auditorium & Convention Centre, 3, Siri Institutional Area, August Kranti Marg, Hauz Khas, New Delhi – 110016	1. Re-appointment of Mr. T. S. Varadarajan (DIN: 00263115)) as Whole-time Director of the Company for a period of 5 (five) years and continuation of holding office by Mr. T. S. Varadarajan as Whole-time Director even after attaining the age of 70 (seventy) years during his tenure.
28th AGM	27-07-2020at 11:00 A.M.	Through Video Conferencing (VC)/ Other Audio-Visual Means (OAVM)	1. To consider the continuation of Directorship of Mr. Saurabh Srivastava (DIN: 00380453), Independent Director of the Company, post attaining the age of 75 (Seventy-five) during his present tenure.
29th AGM	27-07-2021at 11:00 A.M.	Through Video Conferencing (VC)/ Other Audio-Visual Means (OAVM)	Nil

No Extraordinary General Meeting and Postal Ballot were held during the year 2021-22.

VI. MEANS OF COMMUNICATION:

The quarterly results of the Company were published in an English daily newspaper (Financial Express) having nationwide circulation and in local Hindi daily newspaper (Jansatta) and also displayed at the Company's website at https://newgensoft.com.

All official press/ news releases, presentations made to analysts and institutional investors and other general information about the Company are also available on the Company's website. The presentations made to the institutional investors or analysts, if any, are not communicated individually to the shareholders of the Company. However, in addition to uploading the same on the website of the Company, the presentations are sent to the Stock Exchange for dissemination.

VII. General Shareholder Information:

A. 30th Annual General Meeting:

The date, time, and venue of the 30th (thirtieth) Annual General Meeting of the Company are provided hereunder:

Day & Date	:	Thursday, 23rd June 2022
Time	:	11:00 A.M.
Venue	:	Video Conferencing or Other Audio-Visual Means* Deemed Venue: Registered office of the Company situated at A-6, Satsang Vihar Marg, Qutab Institutional Area, New Delhi – 110067.

B. Financial Year:

The Company follows the financial year from 1st April to 31st March. The financial year was from 1st April 2021 to 31st March 2022.

C. Details related to Dividend:

Dividend on equity shares, if declared at the ensuing Annual General Meeting, will be credited on or before 20th July 2022. Members who hold shares in Demat mode should inform their depository participant, whereas Members holding shares in physical form should inform the Company's RTA of their banking account details. In cases where the banking account details are not available, the Company will issue the demand drafts stating the existing bank details available with the Company.

The cut-off date for the purpose of Dividend will be 16th June 2022.

Record date/ Book closure: 16th June 2022

D. Listing on Stock Exchanges:

The Company's equity shares are listed on the following Stock Exchanges and the annual listing fees have been duly paid to the stock exchanges.

Sr. No.	Name of the Stock Exchange	Address	Stock Code
1.	BSE Limited (BSE)	1st Floor, Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai 400 001	540900
2.	National Stock Exchange of India Limited (NSE)	Exchange Plaza, Bandra - Kurla Complex, Bandra (E), Mumbai 400 051	NEWGEN

International Securities Identification Number (ISIN):

INE619B01017.

E. Market Price Data:

The monthly high and low prices of shares of the Company at BSE Limited (BSE) and the National Stock Exchange of India Limited (NSE) for the financial year ended 31st March 2022 along with performance in comparison to such indices are tabled below:

Month	Newgen at BSE		BSE Sensex	
	High	Low	High	Low
Apr-21	340.95	285.60	50375.77	47204.5
May-21	436.00	312.85	52013.22	48028.07
Jun-21	658.00	399.60	53126.73	51450.58
Jul-21	754.70	568.15	53290.81	51802.73
Aug-21	618.50	538.00	57625.26	52804.08
Sep-21	635.15	561.00	60412.32	57263.9
Oct-21	644.60	560.30	62245.43	58551.14
Nov-21	632.00	507.80	61036.56	56382.93
Dec-21	631.80	545.35	59203.37	55132.68
Jan-22	671.00	528.60	61475.15	56409.63
Feb-22	592.90	446.80	59618.51	54383.2
Mar-22	534.00	464.00	58890.92	52260.82

Month	Newgen at NSE		NSE Nifty	
	High	Low	High	Low
Apr-21	342	288.40	15044.35	14151.4
May-21	437.00	311.25	15606.35	14416.25
Jun-21	658.00	399.00	15915.65	15450.9
Jul-21	755.00	569.90	15962.25	15513.45
Aug-21	617.55	540.10	17153.5	15834.65
Sep-21	635.15	560.00	17947.65	17055.05
Oct-21	645.00	560.00	18604.45	17452.9
Nov-21	634.80	506.85	18210.15	16782.4
Dec-21	634.00	545.00	17639.5	16410.2
Jan-22	671.70	528.05	18350.95	16836.8
Feb-22	589.00	435.65	17794.6	16203.25
Mar-22	534.50	464.00	17559.8	15671.45

F. Registrar and Share Transfer Agent ("RTA"):

KFin Technologies Limited (formerly known as KFin Technologies Private Limited) is our Registrar and Share Transfer Agent (RTA) to render services related to Share transfer/ Dematerialisation/ Rematerialisation/ Transmission, dividend payment and other activities thereto for both electronic and physical shareholdings. Members/ Investors are requested to forward share transfer documents, dematerialization/rematerialization requests, dividend payment-related queries and other related correspondence directly to the RTA of the Company.

Details for Correspondence:

KFin Technologies Limited (Formerly known as KFin Technologies Private Limited)

Selenium Building, Tower B, Plot No. 31 and 32,

Gachibowli Financial District, Nanakramguda, Hyderabad 500032

Toll free number - 1- 800-309-4001

Email: einward.ris@kfintech.com

Website: https://www.kfintech.com and / or https://ris.kfintech.com/

SEBI Registration No. INR000000221

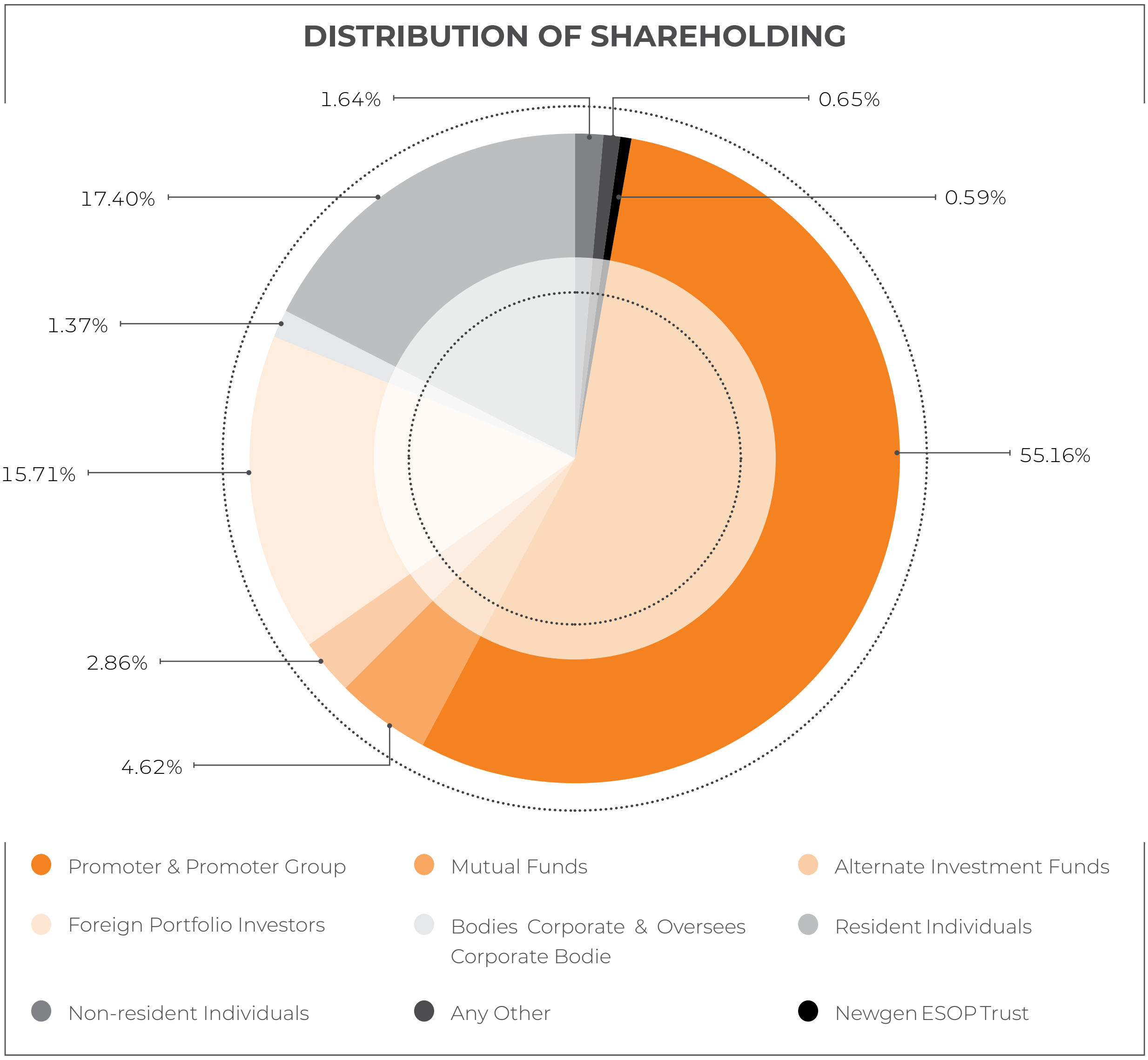
G. Share Transfer System:

Requests for transfer of Equity Shares in dematerialized form are done through depositories with no involvement of the Company. Transfer of shares held in physical form is not permitted after 31st March 2019 through statutory notifications. Accordingly, members holding equity shares in physical form are urged to have their shares dematerialized.

H. Distribution of Shareholding:

Tabled below is the shareholding distribution of Equity shares of the Company as on 31st March 2022:

Categories	Number of Shares	Percentage
Promoter & Promoter Group	3,85,86,300	55.16
Mutual Funds	32,34,393	4.62
Alternate Investment Funds	19,97,963	2.86
Foreign Portfolio Investors	1,09,91,359	15.71
Bodies Corporate & Oversees Corporate Bodies	9,57,449	1.37
Resident Individuals	1,21,73,639	17.40
Non-resident Indians	11,47,610	1.64
Any Other	4,51,478	0.65
Newgen ESOP Trust	4,15,510	0.59
Total	**6,99,55,701**	**100**



Distribution Schedule - Consolidated As on 31-03-2022					
Category (Amount)	**No. of Shareholders**	**% of Shareholders**	**Total number of Shares**	**Amount (in ₹)**	**% of Amount**
1-5000	96,404	97.186350	51,25,353	5,12,53,530	7.326569
5001- 10000	1,436	1.447654	11,02,601	1,10,26,010	1.576142
10001- 20000	687	0.692575	9,98,313	99,83,130	1.427065
20001- 30000	214	0.215737	5,33,156	53,31,560	0.762134
30001- 40000	90	0.090730	3,15,228	31,52,280	0.450611
40001- 50000	60	0.060487	2,79,920	27,99,200	0.400139
50001- 100000	121	0.121982	8,90,832	89,08,320	1.273423
100001& Above	183	0.184485	6,07,10,298	60,71,02,980	86.783918
Total	**99,195**	**100.00**	**6,99,55,701**	**69,95,57,010**	**100.00**

I. Dematerialization/ Rematerialisation of Shares and liquidity:

As on 31st March 2022, 99.96% of the total Equity Shares were held in dematerialized form with National Securities Depository Limited and Central Depository Services (India) Limited as on 31st March 2022. The market lot is one share and the trading in equity shares of the Company is permitted only in dematerialized form. The face value of share is ₹ 10/- (Rupees Ten only) per share.

During the financial year 2021-22, no case was received for dematerialisation as well as for rematerialisation of equity shares of the Company.

J. Details of Shares held in Demat Suspense Account:

Not Applicable.

K. Outstanding Convertible Instruments/ ADRs/ GDRs/ Warrants:

As on 31st March 2022, the Company did not have outstanding GDRs/ADRs/Warrants or any Convertible instruments (excluding ESOPs).

L. Commodity price risk or foreign exchange risk and hedging activities:

The Company had no exposure to commodity and commodity risks for the financial year 2021-22. For details related to foreign exchange risk and hedging activities, please refer the "Management and Discussion Analysis Report" which forms part of this Annual Report.

M. Plant Locations:

The Company being in software development business, does not require manufacturing plant. The addresses of the development centres/ offices of the Company are given in the annual report.

N. Address for Correspondence:

Members may write either to the Company or the RTA for redressal of queries and grievances. The address and contact details of the concerned officials are given below:

Registrar and Transfer Agent	Details of Compliance Officer/ Investors' complaints
KFin Technologies Limited (Formerly known as KFin Technologies Private Limited) Selenium Building, Tower B, Plot No. 31 and 32, Gachibowli Financial District, Nanakramguda, Hyderabad 500 032 **Toll Free No.:** 1- 800-309-4001 **Email:** einward.ris@kfintech.com	Newgen Software Technologies Limited E-44/13, Okhla Phase - II, New Delhi - 110020 **Contact person:** Mr. Aman Mourya, Company Secretary & Compliance Officer **Tel:** +91-11-46533200 **Fax:** +91-11-26383963 **E-mail:** investors@newgensoft.com

Members are requested to take note that all queries in connection with change in their residential address, bank account details, etc. are to be sent to their respective Depository Participants (DPs).

Analysts can reach our Investor Relations team for any queries and clarification on financial/investor relations related matters:

Newgen Software Technologies Limited
E-44/13, Okhla Phase - II, New Delhi - 110020
Contact person: Mrs. Deepti Mehra Chugh,
Head – Investor Relations
Tel: +91-11-46533200
Fax: +91-11-26383963
E-mail: ir@newgensoft.com

O Details of Credit ratings obtained by the Company:

The Company has not issued any debt instruments which necessitate any credit rating. The Credit Rating, from CRISIL Ratings Limited during the year 2021-22 for short-term Working Capital Facilities is CRISIL A2+. There has been no revision in the above rating.

P. Disclosure of 'Loans and advances in the nature of loans to firms/companies in which directors are interested in the name and amount:

Nil

VIII. Other Disclosures:

(a) Related Party Transactions:

There have been no materially significant related party transactions that may have a potential conflict with the interest of the Company at large. The Policy on Related Party Transactions is available on the Company's website at https://newgensoft.com

Based on the disclosures received from Senior Management Personnel of the Company, none of the officials have any personal interest in any of the financial or commercial transactions with the Company, except for their remuneration. The policy on related party transactions has been placed on the Company's website at https://newgensoft.com.

(b) Details of non-compliance, if any, by the Company, on any matter related to capital markets:

During the last 3 (three) years, there were no instances of non-compliance by the Company and no penalty or strictures were imposed on the Company by the Stock Exchanges or SEBI or any statutory authority, on any matter related to the capital markets.

(c) Code for Prevention of Insider Trading:

Pursuant to the provision of SEBI (Prohibition of Insider Trading) Regulations, 2015, the Company has formulated a Code of Conduct to Regulate and monitor trading in the securities of the Company ("the Code"). The aforesaid Newgen's Code are devised to regulate, monitor and report trading by Designated Persons and their Immediate Relatives under the SEBI (Prohibition of Insider Trading) Regulations, 2015. This Code of Conduct also includes code of practices and procedures for fair disclosure of unpublished price sensitive information which has been made available on the Company's website at https://newgensoft.com.

In addition to the above, the Company has put in place an adequate and effective system of internal controls to ensure compliance with the requirements of the Prohibition of Insider Trading Regulations. A structured in-house digital database is being maintained by the Company. The Board has also formulated a Policy for the determination of 'legitimate purposes' as a part of the Code of Fair Disclosure and Conduct as per the requirements of the SEBI (Prohibition of Insider Trading) Regulations, 2015.

Company Secretary has been appointed as the Compliance Officer for ensuring the implementation of the Code. Further, the Board, designated persons and other connected persons have affirmed compliance with the aforesaid Code.

(d) Whistle Blower Policy/ Vigil Mechanism:

Pursuant to the provisions of the Companies Act and SEBI Listing Regulations, the Company has adopted a policy on Whistle Blower mechanism. The Whistle Blower Policy includes vigil mechanism as mandated under the SEBI Listing Regulations and provides a mechanism for directors, employees and other stakeholder to raise concerns about unethical behaviour, actual or suspected fraud or violation of the Company's Code of Ethics & Business Conduct, etc.

At Newgen, we ensure that Directors, employees and other stakeholder are allowed to voice concern in a responsible and effective manner. Your Company has an Ombudsman as a channel for receiving and redressing complaints from directors, employees and other stakeholder under the Whistle Blower mechanism. All complaints, if any, are addressed to Ombudsman and investigative findings thereon are reviewed and reported to the Ethics Committee/ Chairman of Board of Directors or Chairman of Audit Committee, depending on case to case. The Company hereby affirms that no personnel had been denied access to the Audit Committee under the policy on Whistle Blower mechanism.

Directors, employees and other stakeholder may raise concern by writing to: whistleblower.newgen@arthaarbitrage.com or by postal mail/letter to: M/s Artha Arbitrage Consulting LLP C-16, 2nd Floor, Qutab Institutional Area, New Delhi- 110067. Mechanism followed under the Whistle Blower policy is appropriately communicated within the Company across all levels and is also available under the investor relations section on our website at: https://newgensoft.com.

(e) Code of Conduct for the Board members and Senior Management:

The Board of Directors has adopted a Code of Conduct for the Board members and Senior Management Personnel of the Company, in line with the amended SEBI Listing Regulations. The Code lays down the standard of conduct which is expected to be followed by the Board members and Senior Management personnel. On the basis of declarations received from the Board Members and the Senior Management Personnel, the Chief Executive Officer has given a declaration that the Board Members and Senior Management Personnel of the Company have affirmed compliance with the Code, with respect to the financial year 2021-22. The Code is available on the website of the Company at https://newgensoft.com.

(f) Sexual Harassment Policy:

Your Company has constituted Internal Complaints Committee as per the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and also has a policy and framework for employees to report sexual harassment cases at workplace and its process ensures complete anonymity and confidentiality of information. Adequate workshops and awareness programmes against sexual harassment are conducted across the organization.

Details of complaints received, redressed and pending during the financial year 2021-22 on Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 are tabled below:

Number of Complaints filed during the financial year	Nil
Number of complaints disposed of during the financial year	Nil
Number of Complaints pending as at the end of the financial year	Nil

(g) Policy for Determination of Material Subsidiary:

The Company has formulated a Policy for Determining Material Subsidiaries in terms of the SEBI Listing Regulations which has been uploaded on the Company's website at https://newgensoft.com.

As per the materiality policy, Newgen Software Inc. is our material subsidiary company incorporated in USA. Provisions to the extent applicable under the

SEBI Listing Regulations with reference to other subsidiary companies duly complied. Minutes of the Board meetings of subsidiary companies (including its material subsidiary) were regularly placed before the Board of Directors.

(h) Funds raised through preferential allotment or qualified institutions placement:

During the year under review, the Company has not raised funds through preferential allotment or qualified institutions placement as specified under Regulation 32(7A) of SEBI Listing Regulations.

(i) Compliance with Mandatory requirements:

During the financial year 2021-22, your Company has complied with all the mandatory Corporate Governance requirements under the SEBI Listing Regulations. your Company confirms compliance in respect of the Corporate Governance Report as stated under sub-paras (2) to (10) of section (C) of Schedule V to the SEBI Listing Regulations.

(j) Recommendations of the Committees of the Board:

During the financial year ended 31st March 2022, the Board of Directors has accepted all the recommendations of its Committees.

(k) Compliance with Discretionary requirements under Regulation 27(1) of the SEBI Listing Regulations:

The status of compliance with the non-mandatory requirements, as stated under Regulation 27(1) read with Part E of Schedule-II to the SEBI Listing Regulations:

i. **The Board:** The Chairman of the Company is an Executive Director and hence this provision is not applicable to us.

ii. **Shareholders' rights**: To ensure dissemination of Company's financial results to its shareholders, the Company publishes the quarterly and half-yearly results in newspapers having wide circulation in India and particularly in New Delhi, where the registered office of the Company is located. These results are also filed with stock exchanges and uploaded on Company's website immediately after the Board meeting. Company also conducts conference call/ investors / analyst meets, if any, to respond to any investor queries with regard to the financial results or operations of the Company.

iii. **Modified opinion(s) in audit report**: The Company confirms that its financial statements are with un-modified opinion.

iv. **Reporting of Internal Auditor**: The Internal Auditors report directly to the Audit Committee of the Board.

v. **Compliance with Secretarial Standards:** The Company has complied with the applicable Secretarial Standards (SS) issued by the Institute of Companies Secretaries of India, which have mandatory application during the year under review.

vi. **Accounting Standards:** The Company has adopted the relevant Accounting Standards notified by the Companies (Indian Accounting Standards) Rules, 2015 while preparing its Standalone and Consolidated Financial Statements for the financial year ended 31st March 2022.

(l) Fees paid by the Company or its subsidiaries to the Statutory Auditors and all entities in the network firm/network entity of which the statutory auditor is a part:

Total fee for Statutory Audit and Limited Review paid by the Company to M/s Walker Chandiok & Co LLP, Chartered Accountants, Statutory Auditor is ₹ 51,00,000 and ₹ 2,71,000 as reimbursement of expenses.

IX. Confirmation of Compliance With the Corporate Governance Requirements Specified Under Regulation 17 to 27 And Clauses (B) To (I) of Sub-Regulation 2 of Regulation 46 of SEBI Listing Regulations:

It is hereby confirmed that the Company has complied with the mandatory requirements of Corporate Governance as specified in Regulations 17 to 27 and 46(2) of SEBI Listing Regulations. The Certificate from the Chief Executive Officer and Chief Financial Officer of the Company, as stipulated in Regulation 17(8) of the SEBI Listing Regulations read with Part B of Schedule II was placed before the Board along with the financial statements for the financial year ended 31st March 2022 and the Board reviewed the same. The said Certificate is annexed with this Corporate Governance Report.

X. Certificate From Practicing Company Secretary on Compliance of Corporate Governance Under SEBI Listing Regulations:

The Company has obtained a certificate from M/s Aijaz & Associates, Practicing Company Secretary regarding compliance with the provisions relating to corporate governance laid down in Part C(10)(i) and E of Schedule V to the SEBI Listing Regulations and the same is annexed with this report.

Date: 03.05.2022
Place: New Delhi

Diwakar Nigam
Chairman & Managing Director
DIN: 00263222

DECLARATION TO COMPLIANCE OF CODE OF CONDUCT

This is to certify that the Company has laid down its Code of Conduct for all the Board Members and Senior Management Personnel of the Company and a copy of the same has been uploaded on the website of the Company https://newgensoft.com.

I hereby declare that all the Directors and Senior Managerial Personnel of the Company, have affirmed compliance with the aforesaid Code of Conduct and have given a confirmation thereto in this regard, in respect of the financial year ended 31st March 2022.

Virender Jeet
Chief Executive Officer
PAN: AAOPJ2433N

Date: 03.05.2022
Place: New Delhi

To
The Board of Director
Newgen Software Technologies Limited
New Delhi

Sub.: Certification by Chief Executive Officer and Chief Financial Officer, pursuant to regulation 17(8) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

We, Virender Jeet, Chief Executive Officer and Arun Kumar Gupta, Chief Financial Officer of Newgen Software Technologies Limited, hereby certify that: -

a) We have reviewed financial statements and cash flow statement for the year ended 31st March 2022 and that to the best of our knowledge and belief:

i. these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;

ii. these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.

b) There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's code of conduct.

c) We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.

d) We have indicated to the auditors and the Audit Committee: -

i. that there are no significant changes in internal control over financial reporting during the year;

ii. that there are no significant changes in accounting policies during the year; and

iii. that there are no instances of significant fraud of which we have become aware and that there is no involvement of the management or employee having a significant role in the Company's internal control system over financial reporting.

Date: 03.05.2022
Place: New Delhi

Virender Jeet
Chief Executive Officer
PAN: AAOPJ2433N

Arun Kumar Gupta
Chief Financial Officer
PAN: ADTPG6017D

CERTIFICATE ON COMPLIANCE OF CONDITIONS OF CORPORATE GOVERNANCE

To
The Members,
Newgen Software Technologies Limited
New Delhi-110067

We have examined the compliance of conditions of Corporate Governance by Newgen Software Technologies Limited ("the Company"), for the financial year ended 31st March 2022 as stipulated under regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) and Para C, D and E of Schedule V to the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations").

We have examined the relevant records and documents maintained by the Company for the purposes of providing reasonable assurance on the compliance with Corporate Governance requirements by the Company. The compliance of conditions of Corporate Governance is the responsibility of the management of the Company. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated under Regulations 17 to 27 and clauses (b) to (i) of Regulation 46(2) and Para C, D and E of Schedule V to the SEBI Listing Regulations.

We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For **M/s Aijaz & Associates**
Practicing Company Secretaries

Name: M. Aijaz
FCS No. 6563
C.P. No. 7040
UDIN: F006563D000223318

Date: 27.04.2022
Place: New Delhi

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

(Pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To
The Members,
Newgen Software Technologies Limited
New Delhi-110067

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of Newgen Software Technologies Limited having CIN L72200DL1992PLC049074 and having registered office at A-6, Satsang Vihar Marg, Qutab Institutional Area, New Delhi-110067 (hereinafter referred to as "the Company"), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C sub clause (i) of clause 10 of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications including [Directors Identification Number (DIN) status at the portal www.mca.gov.in] as considered necessary and explanations furnished to us by the Company & its officers, we hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31st March 2022 have been debarred or disqualified from being appointed or continuing as Directors of Companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority.

S. No.	Name of the Directors	Designation	DIN	Date of Initial Appointment in the Company
1.	Mr. Diwakar Nigam	Chairman & Managing Director	00263222	1st April 1993
2.	Mr. T.S. Varadarajan	Whole-time Director	00263115	5th June 1992
3.	Mrs. Priyadarshini Nigam	Whole-time Director	00267100	20th September 1997
4.	Mr. Kaushik Dutta	Independent Director	03328890	9th July 2014
5.	Mr. Saurabh Srivastava	Independent Director	00380453	30th August 2017
6.	Mr. Subramaniam Ramnath Iyer	Independent Director	00524187	22nd November 2017
7.	Mrs. Padmaja Krishnan	Independent Director	03155610	24th March 2020

Ensuring the eligibility for the appointment/continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based for our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For **M/s Aijaz & Associates**
Practicing Company Secretaries

Name: M. Aijaz
FCS No. 6563
C.P. No. 7040
UDIN: F006563D000223120

Date: 27.04.2022
Place: New Delhi

Management Discussion and Analysis

Company Overview

Newgen Software Technologies is the provider of enterprise-wide unified digital transformation platform with native process automation, content services, and communication management capabilities. The three core products of NewgenONE platform are Contextual Content Services (ECM), Low Code Process Automation (BPM) and Omnichannel Customer Engagement (CCM). Globally, successful enterprises rely on Newgen's industry-recognized low code application platform to develop and deploy complex, content-driven, and customer-engaging business applications on the cloud. The platform has a wide spectrum of use cases across industries from onboarding to service requests, lending to underwriting, and many more.

The NewgenONE platform is built on a unified architecture and thus is extremely compatible and seamlessly integrates, providing competitive differentiation from other market products. The platform has a cloud ready architecture on AWS and Azure and is well-suited for Fortune 2000 enterprises with multiple platform needs for their current and future solutions.

The Company, with its well-recognised products and solutions, deep domain expertise and global experience, is well positioned in the market and is transforming businesses for over 530 customers across 73 countries through its enterprise solutions over the last 30 years. It has clients across India, USA, Canada, UAE, Saudi Arabia, UK, Philippines, Indonesia, Singapore, Australia among others. It offers products and solutions across 17 industries and has been a preferred partner to some of the world's leading Banks, Insurance companies, Healthcare organisations, Governments, Telecom companies, Shared service centres, and BPOs among others. It also has partnerships with leading global system integrators for delivering value to enterprises with future ready solutions.

The Company has a resilient business model in place with large annuity revenue streams and diversification across customers and geographies. Moreover, the Company's solutions are of mission critical nature for the long-term customers which serve as the backbone to their operations. Newgen is actively helping customers to continue operations despite the disruptions caused by the pandemic and act as a catalyst of change by implementing future ready solutions.

Newgen continuously invests in research and development activities and areas of emerging technology to further amplify the digital transformation platform and be ahead of the market and its competitors. It has a strong team of 580+ employees which constantly focuses on various research & product development initiatives. This year, Newgen has grown its patent portfolio across key content services technologies, with being granted 5 patents taking the total to 23 patent grants as of March 2022 in India and US. The Company's constant endeavour is to work on enhancing the product portfolio to meet the evolving industry and technological developments, changes in customer requirements and competitive products and features, to seamlessly deliver according to customer needs while reducing their total cost of ownership. Newgen's focus is also on training the employees on new technology areas along with enhancing the Centres of Excellence (CoEs).

During the year, the company acquired Number Theory Software Pvt. Ltd, an AI/ML data science platform company, to strengthen its AI/ML and data analytics platform. This acquisition will further strengthen Newgen's low code digital transformation platform, NewgenONE, with AI/ML modeling and data analytics capabilities. Number Theory's platform, AI Studio, brings intuitive AI/ML to enterprises, while unifying the entire lifecycle of data engineering, from data preparation to model development and monitoring. Number Theory is expected to bring domain expertise, along with a powerful engine to extract actionable insights in real time.

Newgen's strong focus on product innovation makes it one of the few software products organizations which have attracted multiple recognitions from leading advisory and research firms from time to time.

It continues to extend its reach globally by expanding the direct and indirect sales network. Currently, the Company has a direct presence in 7 countries. Its global sales organisation is highly focussed and comprises of about 250 employees in Sales & Marketing targeting specific geographies, supported by a large network of channel partners and system integrators. The Company continues to develop and leverage the system integrator and partner network for further market expansion.

With the long-tem vision of growth, Newgen has made organisation wide management changes and appointed Virender Jeet as the Chief Executive Officer and Tarun Nandwani as the Chief Operating Officer, during the year. With these structural changes, Newgen is getting future-ready and strengthening its capabilities to capitalize the opportunities in the digital transformation space. The Company's strong team of professionals uphold the organization's core values in all endeavours and work together for growth.

Industry Overview

The Company's core addressable market can be broadly classified across low code, hyperautomation, global ECM, BPM and CCM market. Newgen has further expanded its addressable market by developing solution frameworks in key verticals including banking, government/PSU, BPO/IT, healthcare and insurance (addressed as the Application PaaS market). Over the last two years, Covid-19 pandemic has increased the relevance of digital transformation projects across the globe. They are triggering investments across front-end transformations and personalization of the customer experience, as well as at the back end, to operate seamlessly, simplify and digitize processes, reduce turnaround times for customer service requests and enhance the end-to-end customer journey.

According to Gartner Market Estimates, the global content services platform market is estimated at $7.4 billion in 2021. (*1) The business process management suits market is estimated at $2.6 billion in 2021. (*2) The all-encompassing Hyperautomation market is estimated at $ 25.1 billion in 2021.

It forecasts that Content services platform market will be $9.3 billion by 2026. (*1) The business process management suits market is estimated to reach $3.1 billion by 2026. (*2). The all-encompassing Hyperautomation market is estimated to be $46.3 billion by 2025.

Business Continuity during Covid-19 pandemic

The ongoing Covid-19 pandemic has drastically changed the global economies and businesses. Governments and central banks have responded with monetary and fiscal interventions to respond to the disruptions.

Newgen has also kept pace with the changing requirements of the industry, customers, employees and other stakeholders to fully support them in the uncertain environment. Newgen has a resilient business model in place with large annuity revenue streams i.e. recurring business from existing customers as well as diversification across verticals, clients and geographies. The Company provides uninterrupted support to its customers at locations as well as remotely. Understanding the changing requirements of the workforce and the need to provide a safe work environment, the Company has chosen a hybrid work model supported by the Company's pre-emptive measures, business continuity processes and robust IT infrastructure. During the past one year we have remained focused on providing the necessary assistance, guidance, and support to Newgenites and their families.

For our customers who have subscribed to our cloud services, we are adhering to the agreed-upon recovery point and recovery time objectives. Our operation centers are accessible from different cloud access zones, across geographies, to meet regulatory requirements. Our virtual cloud access zone is available for continued operations in case the physical cloud access zones become unavailable.

Financial Performance

Consolidated Financials in ₹ lakhs

(All amounts in INR lakhs, except per share data and unless otherwise stated)

	FY 2022	FY 2021
Revenue		
Revenue from operations	77,896.15	67,262.44
Other income	2,991.20	1,503.74
Total revenue	**80,887.35**	**68,766.18**
Expenses		
Employee benefits	40,901.36	32,761.76
Finance costs	349.16	562.58
Depreciation and amortisation	1,763.03	2,014.97
Other expenses	17,528.44	15,310.17
Total expenses	**60,541.99**	**50,649.48**
Profit before tax	**20,345.36**	**18,116.70**
Profit after tax for the year	**16,421.47**	**12,648.23**
Other comprehensive income/(loss) for the year, net of income tax	**-72.13**	**233.47**
Total comprehensive income for the year	**16,349.34**	**12,881.70**

Revenue from Operations

The Company's business has multiple revenue streams including:

- Annuity based revenue: recurring fees/charges from the following:
  - SaaS: subscription fees for licenses in relation to platform deployed on cloud; on-premise subscription
  - ATS/AMC: charges for annual technical support and maintenance (including updates) of licences, and installation

- o Support: charges for support and development services
- Sale of software products: one-time upfront license fees in relation to the platform deployed on-premise
- Sale of services: milestone-based charges for implementation and development, and charges for scanning services

On a consolidated basis, the Company's revenue from operations stood at ₹ 77,896.15 lakhs reflecting an increase of 16% in FY2022 as against ₹ 67,262.44 lakhs in FY2021. During the year, the Company has made continuous progression despite the uncertain environment and had significant incremental business from existing as well as new customers.

The Company has been focussing on expanding the recurring revenues in order to increase the predictable revenue streams. The Annuity revenues comprised 59% of the total revenues during the year. It has made substantial customer wins during the year and added 53 new logos, having an active customer base of about 530+ clients.

Segment-wise Performance

Revenue by geographical segment is the primary reporting segment for the Company. EMEA was the strongest growth centre for Newgen during the year witnessing 42% YoY growth, followed by APAC, India and US.

Given the current environment, the Company is focussing on SaaS based business model to provide digital transformation solutions to clients, helping them sustain operations despite the restrictions. The Company witnessed strong growth momentum in the subscription revenues (including ATS/AMC and SaaS) which grew by 23% during the year to reach ₹ 24,596.03 lakhs.

Newgen provides mission critical solutions across key verticals. Banking and Financial Services vertical continued to be our largest vertical comprising 65% of the revenues during the year followed by Government/ PSU (8%), Insurance (7%), Healthcare (7%) and BPO/IT (4%).

Profits and Margins

Operating Profits were stable on account of normalization of cost base compared to last year as well as increased remuneration to manage attrition. The Company continues to make investments in Research & Development and Sales & Marketing initiatives. The Company reported the EBITDA (adjusted for other income) of ₹ 19,466.35 lakhs in FY2022, stable as against ₹ 19,190.51 lakhs in FY2021. Profit after Tax stood at ₹ 16,421.47 lakhs in FY2022 witnessing a growth of 30% as against ₹ 12,648.23 lakhs in FY2021.

Share Capital

During the financial year, the Authorised Share Capital of the Company remained unchanged. The issued, subscribed and paid up equity share capital of the Company, as on 31st March, 2022 is ₹ 69,95,57,010 divided into 6,99,55,701 Equity shares of ₹ 10 each.

Other Equity

The total retained earnings as on 31st March, 2022 was ₹ 60,342.17 lakhs. During the year, the Company earned net profit of ₹ 16,421.47 lakhs. Newgen has proposed a dividend of ₹ 4.5 per share.

Securities Premium account stood at ₹ 10,280.39 lakhs.

Others comprised of Capital redemption reserve, General reserve, Capital reserve, Foreign currency translation reserve, Newgen ESOP Trust reserve, Share options outstanding reserve as well as items of other comprehensive income stood at ₹ 3,563.51 lakhs

Property, Plant & Equipment, Capital Work in Progress and Intangible Assets

As at 31st March, 2022, property, plant and equipment stood at ₹ 16,272.39 lakhs against ₹ 15,783.39 lakhs as on 31st March, 2021 largely on account of purchase of additional computers for normal business activities. The Right-of-use assets stood at ₹ 4,824.97 lakhs as against ₹ 4,647.42 lakhs as on 31st March, 2022.

The intangible assets of the Company are at ₹ 1,611.22 lakhs and goodwill is ₹ 283.31 lakhs on account of acquisition of Number Theory.

Investments

Investments comprise of investments in unquoted bonds and liquid funds. The aggregate fair value of these investments is ₹ 9,237.76 lakhs.

Trade Receivables

The trade receivables (net of allowances) as on 31st March, 2022 are ₹ 27,887.83 lakhs (allowances at ₹ 3,559.82 lakhs), against ₹ 23,854.30 lakhs (allowances at ₹ 4,366.11 lakhs) on 31st March, 2021.

During the year, Debtor Days (net) stood at 131 days as compared to 129 days in FY2021.

Other Financial Assets (Current)

Other Financial Assets (₹ 8,804.50 lakhs) largely comprise of unbilled revenues pertaining to amounts recognised based on services performed in advance of billing in accordance with contract terms to the extent of ₹ 7,793.16 lakhs.

Cash and Cash Equivalents and Other Bank Balances

Cash and Cash Equivalents stood at ₹ 10,357.07 lakhs and Other bank balances stood at ₹ 17,236.16 lakhs as of 31st March, 2022.

Current Liabilities

Current liabilities represent borrowings, trade payables, other financial liabilities, deferred income, short-term provisions and other current liabilities. As on 31st March, 2022, the Current liabilities are ₹ 23,880.01 lakhs (₹ 21,238.76 lakhs as on 31st March, 2021). Out of these, the deferred income comprises of ₹ 12,597.38 lakhs.

Cash Flow

The net cash generated from operating activities were at ₹ 14,277.28 lakhs during the year ended 31st March, 2022 compared to ₹ 21,569.90 during the year ended 31st March, 2021 on account of increase in debtors, tax payout and operating expenses.

Key Ratios

During the financial year, the Return on Average Net Worth was at 22.2% compared to 20.8% in the previous financial year. The Return on Average Capital Employed (adjusted) was at 23.6% compared to 28.3% in the previous year (adjusted for IPO proceeds utilisation).

Opportunities and Threats

The Company is likely to benefit from the emerging trends in digitalisation. Content management is at the core of digital transformation. The Company is well positioned to take advantage of the market opportunity with its strong product portfolio which endeavours to enable organisations to leverage the innovations in mobile, analytics, social and cloud technologies. Relevance of Digital transformation initiatives have increased further in these uncertain times and the Company has strategized new offerings pertaining to this.

The various threats that the Company addresses include uncertain global economic conditions; changes in fiscal, economic or political conditions in India and the currency risks; increasing competition; changing technologies and regulatory changes in the industry the company operates in.

Risk Review

Uncertain environment and business continuity risk: Natural calamities, man-made disasters, wars etc. may lead to disruption to the business, demand environment, and customer service. The company faces business continuity risk if the organization is unable to ensure continuity of its operations across clients, delivery locations, and enabling functions. As an organisation, it is Newgen's endeavour to continuously monitor, promptly and effectively respond to disruptive events in a complex and fast-changing global landscape.

Pandemic related risk: While the Company believes strongly that it has a good portfolio of services to partner with customers, the future business could be impacted due to the ongoing Covid-19 pandemic, outbreak of new variants and other infectious diseases and the restrictions imposed globally from time to time. Prolonged lock-down situation could decrease the chances of winning of new business as well as result in the Company's inability to deploy onsite resources at different locations given the restrictions on movement and business execution. Moreover, there is a possibility that our customers might not be able to continue their businesses due to financial resource constraints or their services no-longer being availed by their customers. Customers could also postpone their discretionary spend due to change in priorities. There could also be time and cost overruns on projects. The pandemic may produce long-term consequences on mental and physical health leading to loss in productivity and emotional availability among employees. Newgen has been quick in adapting to the changing environment with its pre-emptive measures, business continuity processes and robust IT infrastructure. During the past year, the company has been operating on a hybrid work model. The Company has changed its practices and systems while ensuring data security and has also reinvented new ways of working across the organisation. The Company has been successfully managing remote and cloud deployments. The Company is constantly evolving its systems and processes in order to respond quickly to manage the dynamic environment/ circumstances.

Technology/ obsolescence risk: Rapid technological advances, changing delivery models and evolving standards in computer software development and communications infrastructure, changing and increasingly sophisticated customer needs and frequent new product introductions and enhancements characterise the industry in which Newgen competes. Disruptive technologies such as Cloud, Big data, social and smart devices are changing the way business is done. With the ever-evolving technology landscape, there is continuous risk to the confidentiality, integrity and availability of data. The Company's success depends upon its ability to anticipate, design, develop, test, market, license and support new software products, services, and enhancements of current products and services on a timely basis in response to both competitive threats and evolving industry requirements and ensuring cyber security. However, its continuous investments in R&D and intellectual properties help the Company mitigate this risk.

Currency Risk: The Company derives about 70% of its revenues from international markets and thus is always exposed to unforeseen exchange rate fluctuations that can potentially impact the revenues and profits of the Company. To tackle this potential risk, the Company follows a well-defined hedging policy.

Market-specific risk: The IT spends in any market are affected by the domestic as well as global economic conditions. Considerable or a prolonged slowdown in a particular country or a region or industry within a region severely affects the IT spends. Similarly, uncertain environment and policy changes in global markets may also influence IT spending pattern. The Company can also be impacted by intense competition in the market. To deal with such market-specific risks, the Company endeavours to de-risk the geographical dependence and expand its clientele across geographies continuously. From about 48 countries in FY2013, the Company increased its presence across 73 countries in FY2022. Similarly, the Company now has close to 530 active clients in FY2022, adding 53 new clients during the year. To deal with policy challenges, the Company has been giving an emphasis on growing its regional presence and hiring local talent, without compromising on economies of scales and cost. To deal with environmental changes, the Company has adopted its business continuity plan.

Attrition Risk: The Company's business depends largely upon its highly skilled technology professionals and its ability to hire, attract, motivate, retain and train these personnel. Any inability to maintain a skilled and motivated team of professionals can affect the business. As a Company, there is strong focus on nurturing the existing workforce and attracting new talent through Newgen's various HR policies and initiatives. The Company also has a define Employee Stock Options and Restricted Stock Options scheme.

Credit Risk: Customer credit risk is the risk of default by the customers. The Company's credit risk is managed according to the Company's established policy, procedures and controls relating to customer credit risk management. Credit quality of a customer is assessed and individual credit limits are defined in accordance with this assessment. Outstanding customer receivables are regularly monitored. An impairment analysis is performed at each reporting date.

Acquisition related risks: As part of the inorganic growth strategy, the Company may acquire other Companies, businesses or products from time to time and the success of these acquisitions depends upon several factors. These include the effective integration of acquired employees with the rest of the company and the optimum realization of synergies between acquired business and the company. The Company is closely monitoring and reviewing the integration of acquired businesses, and taking corrective action when needed.

Our Strategies

Newgen's strategies are based on addressing the market opportunities in enterprise platforms for ECM, BPM and CCM products and the low code and hyper-automation market, creating domain rich solution frameworks on the platform and using low code platform capabilities to create solution frameworks. These include:

Focus on increasing the Annuity/ Subscription Revenue Streams including moving towards increasing SaaS deployments

The Company has been focusing on increasing the share of its stable revenue streams which would help in reducing the seasonality in business. Currently annuity revenues comprise 59% of revenues. The subscription revenues were ₹ 24,596.03 lakhs and witnessed a growth of 23% during the year. These revenue streams ensure higher predictability of business. Given the current uncertain environment, the Company is witnessing increasing acceptance for SaaS deployments across geographies – US, APAC, India, as well as EMEA region.

Expansion of business and geographical footprint

The Company plans to expand its market share across key geographies and solutions. Its platform is designed to be natively multi-lingual to address challenges in multi-national organizations. Newgen has been operating in 73 countries and believes that it has a significant opportunity to grow its international footprint. It is investing in direct and indirect sales channels, professional services, customer support and channel partners to expand the geographical footprint. The Company has a regional go-to-market strategy with specific strategies for mature markets such as USA, Europe, Canada and Australia, as well as, developing markets. Through its direct and indirect sales channels, it plans to further grow the brand presence and partner networks in these new markets.

The Company plans to grow through its differentiated 'land and expand' model. The customers receive the complete set of modules and functionality of the platform with their initial purchase/ subscription and can eventually build a number of applications on the platform due to an effective reduction in the per-user cost of each application and also save substantial costs of switching over to a new platform.

Newgen plans to develop new customer relationships by identifying potential customers that operate within the same verticals and engage in cross-selling of solutions. It also aims to begin developing new verticals.

The Company is also developing the global system integrator (GSI) ecosystem for long-term engagements and relationship building with leading GSIs.

Focus on attractive verticals in select mature markets

Newgen has a strong presence across regions in the banking and healthcare verticals and intends to continue to expand the customer base in these verticals in select mature markets, including USA and UK. The focus areas in these regions include banking and government/PSUs in partnership with consulting firms. Since fiscal 2016, as part of the strategy to increase the customer base in USA, the Company has made infrastructure and operational investments in USA including hiring of senior-level professionals in sales and marketing for the USA market. Further, the Company is now making in-roads in the Australian market.

Newgen plans to expand the product portfolio through investments in advanced features and technologies. It is constantly engaged in enhancement of R&D capabilities, particularly with a view to create solutions in emerging technologies that enhance the ability to develop tools for enabling entry into new areas and developing products that address customers in specific industries. Key focus areas include artificial intelligence/ machine learning, business intelligence and analytics, RPA, dev-ops and user experience. Newgen continues to work with customers in mature markets to build capabilities, both in domain and technology, for enhancing the product offering, strengthening the platform and expanding the number of features available to customers.

The Company has built high level domain expertise and created robust frameworks for Retail and Corporate lending in the Banking domain which are successfully operating across banks and geographies. It aims to increase customer penetration in these segments based on its strong credentials.

Expansion of strategic business applications to new verticals

The Company has used the platform to create vertical domain rich products in several verticals, including banking, government/PSU, BPO/IT, insurance and healthcare. While the platforms are industry-agnostic, investments have been made to enhance the expertise of sales and marketing for key industry verticals. Newgen believes that focusing on the digital transformation needs of organisations within these industry verticals can help drive adoption of the platform. It also plans to target new verticals.

Attract, develop and retain highly-skilled employees

The Company's employees are one of its most important assets. It focuses on the quality and level of service that the employees deliver by investing in recruitment, development, retention, maintenance of a culture of innovation and by creating both a challenging and rewarding work environment. Newgen's talent development strategy focuses on engaging, motivating and developing a high performing workforce and aims to create and sustain a positive workplace culture for employees. Safety of the employees is of utmost importance to the organization and the company has rapidly moved to a remote working environment with high engagement levels with the employees.

Expansion through inorganic route

The Company may also explore, with extreme care, the inorganic route for expansion of product capabilities or market presence from time to time.

Internal Controls Systems & their Adequacy

The Company has aligned its current systems of internal financial control with the requirement of Companies Act 2013. The explanation of the term 'Internal Financial Control' has been provided only in the context of section 134(5)(e). It includes policies and procedures adopted by the company for ensuring the orderly and efficient conduct of its business, thereby covering not only the controls pertaining to financial statements but also includes strategic and operational controls pervasive across the entire business.

Newgen internal controls are commensurate with its size and the nature of its operations. These have been designed to provide reasonable assurance with regard to recording and providing reliable financial and operational information, complying with applicable statutes, safeguarding assets from unauthorised use, executing transactions with proper authorisation and ensuring compliance of corporate policies. In view of the above, and for safeguarding the assets of the company, preventing and detecting fraud or other irregularities and maintaining proper books of account and to ensure adequate internal financial control, the Company is already pursuing various Standard Operating Procedures (SOPs), Vigil Mechanism and Audit Mechanism (through Internal Audit for Financial year 2021-22, Secretarial Audit and Statutory Audit). Newgen also undergoes periodic audit by specialised third party consultants and professionals for business specific compliances such as Quality Management, Information Security Management, among others. It has continued its efforts to align all its processes and controls with global best practices. Our management assessed the effectiveness of the Company's internal control over financial reporting as of 31st March, 2022. Walker Chandiok & Co LLP, Chartered Accountants, the statutory auditors of Newgen have audited the financial statements included in this annual report and also reported on our internal control over financial reporting (as defined in section 143 of Companies Act 2013).

The Audit Committee reviews reports submitted by the management and audit reports submitted by PricewaterhouseCoopers Services LLP, internal auditors, and Walker Chandiok & Co LLP, statutory auditors. The audit committee also meets Newgen's Statutory Auditors as well as Internal Auditors to ascertain, inter alia, their views on the adequacy of internal control systems and keeps the Board of directors informed of its major observations periodically. Based on its evaluation (as defined in section 177 of Companies Act 2013), the audit committee has concluded that, as of 31st March, 2022, the internal financial controls were adequate and operating effectively.

Human Resources

The Company follows the philosophy of achieving mutually beneficial and all-inclusive growth and thus values its human resources as its biggest asset. The employees are provided a fair environment supported by transparent policies to foster their personal growth along with attainment of corporate objectives. It encourages all employees to strike a perfect worklife balance. The Company's policies are employee centric and aim at keeping its personnel motivated and satisfied. Nonetheless, the Company has formed disciplinary policies and a code of due diligence to ensure smooth functioning of the business.

During the pandemic, the Company has ensured that it provided a safe remote working environment to its employees and continued to support them. It is slowly moving towards a hybrid work model, ensuring balance between effective collaboration and flexibility along with safety.

During the year, critical functions of the organisation were strengthened to build a strong team aligned to the Company's fundamentals and culture. Particular emphasis was given on attracting, developing and retaining talent and fostering a unique performance culture. The HR function launched numerous initiatives to ensure a high-performing and engaged workforce.

As on 31st March, 2022, on a consolidated basis, the Company had 3,285 personnel, including that of its subsidiaries. As a result of its visionary human resource policies, the Company has managed to attract and retain talent.

Outlook

Accelerated digital transformation has been a top priority for enterprises post pandemic. Its significance continues to grow as enterprises strive to address evolving needs of their customers, employees, and partners while ensuring revenue growth, enabling new digital businesses, and reducing overall risk. The future belongs to simplifying the way we work. This includes offering enhanced self-service experiences, handling business complexities with full context and simplicity, automating processes with higher straight-through-processing decisions, eliminating paper and manual interventions as much as possible, and using data insights to offer personalized services and products. Organisations have increased their focus on investments across front-end transformations and personalization of the customer experience, as well as at the back end, to operate seamlessly, simplify and digitize processes, reduce turnaround time for customer service requests and enhance the end-to-end customer journey.

Newgen's endeavour is to provide transformative experience to its customers through the Company's cutting-edge enterprise solutions in order to change the way organisations work.

Newgen is pursuing its long-term growth strategies to expand its market share across key geographies and solutions. The Company believes that focusing on the digital transformation needs of organisations within key industry verticals can help drive adoption of its platform. It continues to invest in direct and indirect sales channels, professional services, customer support and channel partners and global system integrator relationships to expand its geographical footprint. To address the market opportunities arising from digitisation, Newgen seeks to continue to enhance its product portfolio and is currently working on several new projects. It also constantly invests in hiring, training and reskilling of its employees on a regular basis. It continues to work on strengthening its management team to meet the growing business needs.

With these measures, the Company would continue to work towards creating significant value for all its stakeholders moving forward.

Cautionary Statement

Management's discussion and analysis of the financial condition and results of operations include forward-looking statements based on certain assumptions and expectations of future events. The Company cannot assure that these assumptions and expectations are accurate. Although the Management has considered future risks as part of the discussions, future uncertainties are not limited to Management perceptions.

Please note that all figures used are Consolidated Figures in ₹ lakhs

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*1 Gartner's 'Market Forecast: Enterprise Application Software Markets, Worldwide, 2020-2026' report published on 30th March, 2022. Authors: Amarendra., Neha Gupta, Craig Roth, Jim Hare, Alys Woodward, Julian Poulter, John Kostoulas, Balaji Abbabatulla, Eric Hunter, Kevin Quinn, Yanna Dharmasthira, Chris Pang

2 Gartner's 'Market Forecast: Infrastructure Software Markets, Worldwide, 2020-2026' report published on 30th March, 2022. Authors: Amarendra., Laurie Wurster, Fabrizio Biscotti, Brandon Medford, Sharat Menon, Shailendra Upadhyay, Rahul Yadav, Chandra Mukhyala, Robin Schumacher

3 'Forecast Analysis: Hyperautomation Enablement Software, Worldwide' report published by Gartner on 22nd March, 2021. Authors: Cathy Tornbohm, Fabrizio Biscotti, Rachel Chippendale

Independent Auditor's Report

To the Members of Newgen Software Technologies Limited

Report on the Audit of the Standalone Financial Statements

Opinion

1. We have audited the accompanying standalone financial statements of Newgen Software Technologies Limited ('the Company'), which comprise the Balance Sheet as at 31 March 2022, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Cash Flow and the Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information.

2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ('the Act') in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards ('Ind AS') specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015 and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2022, and its profit (including other comprehensive income), its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

3. We conducted our audit in accordance with the Standards on Auditing specified under section 143(10) of the Act. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ('ICAI') together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

4. Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

5. We have determined the matters described below to be the key audit matters to be communicated in our report.

Key audit matter	How our audit addressed the key audit matter
A. Revenue recognition for software implementation services Refer Note 3(i)(ii) for accounting policy and 27 of notes forming part of the Standalone Financial Statements. The Company earns revenue from software implementation services wherein it has entered into various fixed-price contracts, for which revenue is recognised by the Company using the percentage of completion computed as per the Input method prescribed under Ind AS 115, Revenue from Contracts with Customers. The said revenue recognition accounting policy involves exercise of significant judgement by the management and the following factors requiring significant auditor attention: • High estimation uncertainty relating to determination of the progress of each contract, efforts incurred till date and additional efforts required to complete satisfaction of the performance obligation • Determination of unbilled revenue receivables and unearned revenue related to these contracts as at the end of reporting period	Our audit work included but was not restricted to the following procedures: a) Obtained an understanding of the systems, processes and controls implemented by management for recording and calculating revenue, and the associated unbilled revenue, unearned revenue and deferred revenue balances. b) Tested the design and operating effectiveness of related manual controls and involved auditor's experts to assess key information technology (IT) controls over the IT environment in which the business systems operate, including access controls, segregation of duties, program change controls, program development controls and IT operation controls; c) Selected a sample of contracts and performed a performed the following procedures: - Inspected key terms, including price, deliverables, timetable and milestones set out in the contract for selected sample of contracts and identified the distinct performance obligations. - Tested project management tool for budgeted efforts and related percentage completion milestones and establishing accuracy of milestones based on actualisation of efforts for delivered projects.

Key audit matter	How our audit addressed the key audit matter
Considering the materiality of the amounts involved and significant degree of judgement and subjectivity involved in the estimates as mentioned above, we have identified revenue recognition from fixed price contracts as a key audit matter for the current year audit.	- Tested the details of activities completed with those stated in the customer contract, details of activities completed as provided by the project head and confirmation/acceptance of completion of such activities by the customer. d) Evaluated the appropriateness of disclosures made in the financial statements with respect to revenue recognised during the year as required by applicable Indian Accounting Standards.
B. Trade receivables and provision for expected credit losses Refer note 3(e) for significant accounting policy and note 43(C)(ii) for credit risk disclosures. Trade receivables and unbilled revenue comprise a significant portion of the current financial assets of the Company. As at 31 March 2022, the Company has reported trade receivable of ₹ 18,864.30 lacs (net of provision for expected credit loss of ₹ 3,134.11 lacs). The Company applies simplified approach permitted by Ind AS 109 - Financial Instruments, which requires lifetime expected credit losses to be recognised from the date of initial recognition of receivables. The Company analyses the trend of trade receivables under different ageing bracket for previous years and calculate weighted average loss rate basis such movement in ageing brackets. The estimate of expected credit loss involves judgement as the management factors the past history as above, market conditions and forward looking estimates as at each reporting date. Considering this area inherently involves significant area of judgement and subjectivity followed with discussions with TCWG at regular intervals, we have identified this as a key audit matter.	Our audit work included but was not restricted to the following procedures: a) Obtained an understanding of the process adopted and controls implemented by the Company for calculation, recording and monitoring of the impairment loss recognised for expected credit loss; b) Assessed and tested the design and operating effectiveness of key controls over completeness and accuracy of the key inputs and assumptions considered for calculation, recording and monitoring of the impairment loss recognised. Also, evaluated the controls over the modelling process, validation of data and related approvals; c) Considered the Company's accounting policies for estimation of expected credit loss on trade receivables and unbilled revenue and assessing compliance with the policies in terms of Ind AS 109; d) Inquired with management about the conditions leading to, and their assessment of recoverability of dues from the customers and also referred to the available communication, if any, between them. e) Assessed, on a sample basis that items in the receivables ageing report were classified within the correct ageing bracket by comparing individual items in the report with underlying documentation, which included sales invoices, proof of delivery and customers sign offs; f) Analysed the methodology used by the management and considered the credit and payment history of specific parties to determine the trend used for arriving at the expected credit loss provision and co-related to our understanding of the debtor's financial condition, the industry in which debtor operates. g) Since the assumptions and inputs used for calculating ECL is based on historical data, we assessed whether such historical experience was representative of current circumstances. h) Tested the accuracy and completeness of underlying data for "expected credit loss model". i) Evaluated responses to direct confirmation request circulated to customers and ensured the reconciling items have been adequately recorded in the books of account; j) Obtained written representations from management and those charged with governance on whether they believe significant assumptions used in calculation of expected credit losses are reasonable. k) Assessed the adequacy of disclosures made by the management in the financial statements to reflect the expected credit loss provision, trade and other receivables.

Information other than the Financial Statements and Auditor's Report thereon

6. The Company's Board of Directors are responsible for the other information. The other information comprises the information included in the Annual Report, but does not include the standalone financial statements and our auditor's report thereon.

   Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

   In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Standalone Financial Statements

7. The accompanying standalone financial statements have been approved by the Company's Board of Directors. The Company's Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to the preparation and presentation of these standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, changes in equity and cash flows of the Company in accordance with the Ind AS specified under section 133 of the Act and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

8. In preparing the financial statements, the Board of Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intend to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

9. Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Standalone Financial Statements

10. Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.

11. As part of an audit in accordance with Standards on Auditing, specified under section 143(10) of the Act we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

    - Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;

    - Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system with reference to standalone financial statements in place and the operating effectiveness of such controls;

    - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management;

    - Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern;

- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation;

- Obtain sufficient appropriate audit evidence regarding the standalone financial statements of the Company to express an opinion on the financial statements.

12. We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

13. We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

14. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matter

15. The standalone financial statements of the Company for the year ended 31 March 2021 were audited by the predecessor auditor, B S R & Associates LLP (Chartered Accountants), who have expressed an unmodified opinion on those standalone financial statements vide their audit report dated 25 May 2021.

Report on Other Legal and Regulatory Requirements

16. As required by section 197(16) of the Act based on our audit, we report that the Company has paid remuneration to its directors during the year in accordance with the provisions of and limits laid down under section 197 read with Schedule V to the Act.

17. As required by the Companies (Auditor's Report) Order, 2020 ('the Order') issued by the Central Government of India in terms of section 143(11) of the Act we give in the Annexure I a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

18. Further to our comments in Annexure I, as required by section 143(3) of the Act based on our audit, we report, to the extent applicable, that:

    a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit of the accompanying standalone financial statements;

    b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;

    c) The standalone financial statements dealt with by this report are in agreement with the books of account;

    d) In our opinion, the aforesaid standalone financial statements comply with Ind AS specified under section 133 of the Act;

    e) On the basis of the written representations received from the directors and taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2022 from being appointed as a director in terms of section 164(2) of the Act;

    f) With respect to the adequacy of the internal financial controls with reference to standalone financial statements of the Company as on 31 March 2022 and the operating effectiveness of such controls, refer to our separate Report in Annexure II wherein we have expressed an unmodified opinion; and

    g) With respect to the other matters to be included in the Auditor's Report in accordance with rule 11 of the Companies (Audit and Auditors) Rules, 2014 (as amended), in our opinion and to the best of our information and according to the explanations given to us:

i. the Company does not have any pending litigations which would impact its financial position as at 31 March 2022;

ii. the Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses as at 31 March 2022;

iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company during the year ended 31 March 2022;

iv. a. The management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or securities premium or any other sources or kind of funds) by the Company to or in any persons or entities, including foreign entities ('the intermediaries'), with the understanding, whether recorded in writing or otherwise, that the intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ('the Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf the Ultimate Beneficiaries;

b. The management has represented that, to the best of its knowledge and belief, no funds have been received by the Company from any persons or entities, including foreign entities ('the Funding Parties'), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ('Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

c. Based on such audit procedures performed as considered reasonable and appropriate in the circumstances, nothing has come to our attention that causes us to believe that the management representations under sub-clauses (a) and (b) above contain any material misstatement.

v. The dividend declared or paid during the year ended 31 March 2022 by the Company is in compliance with section 123 of the Act

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013

Neeraj Goel
Partner
Membership No.: 099514
UDIN: 22099514AIHYBB9827

Place: Gurugram
Date: 03 May 2022

Annexure I

referred to in Paragraph 17 of the Independent Auditor's Report of even date to the members of Newgen Software Technologies Limited on the standalone financial statements for the year ended 31 March 2022

In terms of the information and explanations sought by us and given by the Company and the books of account and records examined by us in the normal course of audit, and to the best of our knowledge and belief, we report that:

(i) (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment and right of use assets.

(B) The Company has maintained proper records showing full particulars of intangible assets.

(b) The Company has a regular program of physical verification of its property, plant and equipment and right of use assets under which the assets are physically verified in a phased manner over a period of two years, which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. In accordance with this program, certain property, plant and equipment and right of use assets were verified during the year and no material discrepancies were noticed on such verification.

(c) The title deeds of all the immovable properties held by the Company (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) are held in the name of the Company.

(d) The Company has not revalued its Property, Plant and Equipment and right of use assets or intangible assets during the year.

(e) No proceedings have been initiated or are pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder. Accordingly, reporting under clause 3(i)(e) of the Order is not applicable to the Company.

(ii) (a) The Company does not hold any tangible inventory. Accordingly, reporting under clause 3(ii) (a) of the Order is not applicable to the Company.

(b) The Company has a working capital limit in excess of ₹ 5 crore sanctioned by banks based on the security of current assets. The quarterly returns/statements, in respect of the working capital limits have been filed by the Company with such banks and such returns/statements are in agreement with the books of account of the Company for the respective periods, which were not subject to audit/review.

(iii) (a) The Company has provided loans or advances in the nature of loans to 1 company. The details of the same are given below:

Particulars	Guarantees	Security	Loans	Advances in nature of loans
Aggregate amount during the year Subsidiaries	-	-	34,450,000	-
Balance outstanding as at balance sheet date - Subsidiaries	-	-	34,450,000	-

(b) The investments made and terms and conditions of the grant of all loans are not, prima facie, prejudicial to the Company's interest.

(c) In respect of loans granted by the Company, the schedule of repayment of principal and the payment of the interest has not been stipulated and accordingly, we are unable to comment as to whether the repayments/receipts of principal interest are regular.

(d) There is no overdue amount in respect of loans or advances in the nature of loans granted to such companies, firms, LLPs or other parties.

(e) The Company has not granted any loan or advance in the nature of loan which has fallen due during the year. Further, no fresh loans were granted to any party to settle the overdue loans/advances in nature of loan.

(f) The Company has granted loan which are repayable on demand or without specifying any terms or period of repayment, as per details below:

Particulars	All Parties	Promoters	Related Parties
Aggregate of loans/ advances in nature of loan			
• Repayable on demand (A)	34,450,000	-	34,450,000
• Agreement does not specify any terms or period of repayment (B)	-	-	-
Total (A+B)	34,450,000	-	34,450,000
Percentage of loans/ advances in nature of loan to the total loans	100%	-	100%

(iv) In our opinion, and according to the information and explanations given to us, the Company has complied with the provisions of section 186 of the Act in respect of loans, investments, guarantees and security, as applicable. Further, the Company has not entered into any transaction covered under section 185.

(v) In our opinion, and according to the information and explanations given to us, the Company has not accepted any deposits or there is no amount which has been considered as deemed deposit within the meaning of sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, reporting under clause 3(v) of the Order is not applicable to the Company.

(vi) The Central Government has not specified maintenance of cost records under sub-section (1) of section 148 of the Act, in respect of Company's products/business activity. Accordingly, reporting under clause 3(vi) of the Order is not applicable.

(vii) (a) In our opinion, and according to the information and explanations given to us, the Company is regular in depositing undisputed statutory dues including goods and services tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues, as applicable, with the appropriate authorities. Further, no undisputed amounts payable in respect thereof were outstanding at the year-end for a period of more than six months from the date they became payable.

(b) According to the information and explanations given to us, there are no statutory dues referred to in subclause (a) above that have not been deposited with the appropriate authorities on account of any dispute.

(viii) According to the information and explanations given to us, no transactions were surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961) which have not been recorded in the books of accounts.

(ix) (a) According to the information and explanations given to us, the Company does not have any loans or other borrowings from any lender. Accordingly, reporting under clause 3(ix) of the Order is not applicable to the Company.

(b) According to the information and explanations given to us including representation received from the management of the Company, and on the basis of our audit procedures, we report that the Company has not been declared a willful defaulter by any bank or financial institution or other lender.

(c) In our opinion and according to the information and explanations given to us, the Company has not raised any money by way of term loans during the year and there has been no utilisation during the current year of the term loans obtained by the Company during any previous years. Accordingly, reporting under clause 3(ix)(c) of the Order is not applicable to the Company.

(d) In our opinion and according to the information and explanations given to us, the Company has not raised any funds on short term basis during the year or in any previous year. Accordingly, reporting under clause 3(ix) (d) of the Order is not applicable to the Company.

(e) According to the information and explanations given to us and on an overall examination of the financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries.

(f) According to the information and explanations given to us, the Company has not raised any loans during the year on the pledge of securities held in its subsidiaries.

(x) (a) The Company has not raised any money by way of initial public offer or further public offer (including debt instruments), during the year. Accordingly, reporting under clause 3(x)(a) of the Order is not applicable to the Company.

(b) According to the information and explanations given to us, the Company has not made any preferential allotment or private placement of shares or (fully, partially or optionally) convertible debentures during the year. Accordingly, reporting under clause 3(x)(b) of the Order is not applicable to the Company.

(xi) (a) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company or on the Company has been noticed or reported during the period covered by our audit.

(b) No report under section 143(12) of the Act has been filed with the Central Government for the period covered by our audit.

(c) According to the information and explanations given to us including the representation made to us by the management of the Company, there are no whistle-blower complaints received by the Company during the year..

(xii) The Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it. Accordingly, reporting under clause 3(xii) of the Order is not applicable to the Company.

(xiii) The Company has not entered into any transactions with the related parties covered under Section 177 or Section 188 of the Act. Accordingly, reporting under clause 3(xiii) of the Order is not applicable to the Company.

(xiv) (a) In our opinion and according to the information and explanations given to us, the Company has an internal audit system as required under section 138 of the Act which is commensurate with the size and nature of its business.

(b) We have considered the reports issued by the Internal Auditors of the Company till date for the period under audit.

(xv) According to the information and explanation given to us, the Company has not entered into any non-cash transactions with its directors or persons connected with them and accordingly, provisions of section 192 of the Act are not applicable to the Company.

(xvi) (a) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, reporting under clause 3(xvi) of the Order is not applicable to the Company.

(b) The Company has not conducted any Non-Banking Financial or Housing Finance activities during the year without a valid Certificate of Registration (CoR) from the RBI as per the Reserve Bank of India Act, 1934.

(c) According to the information and explanations given to us, the Company is not a Core Investment Company (CIC) as defined in the regulations made by the RBI. Accordingly, reporting under clause 3(xvi)(c) of the Order is not applicable to the Company.

(d) Based on the information and explanations given to us and as represented by the management of the Company, the Group (as defined in Core Investment Companies (Reserve Bank) Directions, 2016) does not have any CIC.

(xvii) The Company has not incurred any cash loss in the current as well as the immediately preceding financial year.

(xviii) There has been no resignation of the statutory auditors during the year. Accordingly, reporting under clause 3(xviii) of the Order is not applicable to the Company.

(xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the standalone financial statements, our knowledge of the plans of the Board of Directors and management, we are of the opinion that no material uncertainty exists as on the date of the audit report that Company is capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the company as and when they fall due.

(xx) According to the information and explanations given to us, the Company does not have any unspent amount in respect of any ongoing or other than ongoing project as at the expiry of the financial year. Accordingly, reporting under clause 3(xx) of the Order is not applicable to the Company.

(xxi) The reporting under clause 3(xxi) is not applicable in respect of audit of standalone financial statements of the Company. Accordingly, no comment has been included in respect of said clause under this report.

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013

Neeraj Goel
Partner
Membership No.: 099514
UDIN : 22099514AIHYBB9827

Place: Gurugram
Date: 03 May 2022

Annexure II

Independent Auditor's Report on the internal financial controls with reference to the standalone financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ('the Act')

1. In conjunction with our audit of the standalone financial statements of Newgen Software Technologies Limited ('the Company') as at and for the year ended 31 March 2022, we have audited the internal financial controls with reference to financial statements of the Company as at that date.

Responsibilities of Management and Those Charged with Governance for Internal Financial Controls

2. The Company's Board of Directors is responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to standalone financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting ('the Guidance Note') issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of the Company's business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility for the Audit of the Internal Financial Controls with Reference to Standalone Financial Statements

3. Our responsibility is to express an opinion on the Company's internal financial controls with reference to standalone financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the ICAI prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to standalone financial statements, and the Guidance Note issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to standalone financial statements were established and maintained and if such controls operated effectively in all material respects.

4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to standalone financial statements and their operating effectiveness. Our audit of internal financial controls with reference to standalone financial statements includes obtaining an understanding of such internal financial controls, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the standalone financial statements, whether due to fraud or error.

5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls with reference to standalone financial statements.

Meaning of Internal Financial Controls with Reference to Standalone Financial Statements

6. A company's internal financial controls with reference to standalone financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of standalone financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to standalone financial statements include those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of standalone financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls with Reference to Standalone Financial Statements

7. Because of the inherent limitations of internal financial controls with reference to standalone financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to standalone financial statements to future periods are subject to the risk that the internal financial controls with reference to standalone financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

8. In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to standalone financial statements and such controls were operating effectively as at 31 March 2022, based on the internal financial controls with reference to standalone financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013

Neeraj Goel
Partner
Membership No.: 099514
UDIN: 22099514AIHYBB9827

Place: Gurugram
Date: 03 May 2022

Standalone Balance Sheet

as at 31 March 2022

(All amounts are in lakhs of Indian Rupees, unless otherwise stated)

	Note	As at 31 March 2022	As at 31 March 2021
ASSETS			
Non-current assets			
Property, plant and equipment	4	16,171.37	15,682.11
Right-of-use assets	19	4,412.87	4,239.66
Intangible assets	5	13.09	64.12
Investment in subsidiaries	6	2,786.27	1,420.34
Financial assets			
Other Financial assets	7	10,087.33	3,684.13
Deferred tax assets (net)	33	1,488.54	1,913.69
Income tax assets (net)	8	1,289.90	985.84
Other non-current assets	9	18.15	6.83
Total non-current assets		**36,267.52**	**27,996.72**
Current assets			
Financial assets			
Investments	10	9,237.76	8,317.46
Trade receivables	11	18,864.30	17,541.07
Cash and cash equivalents	12	5,379.36	2,869.61
Other bank balances	13	17,236.15	17,003.77
Loans	14	365.75	9.04
Other financial assets	15	12,537.67	9,967.56
Other current assets	16	861.66	591.65
Total current assets		**64,482.65**	**56,300.16**
TOTAL ASSETS		**1,00,750.17**	**84,296.88**
EQUITY AND LIABILITIES			
Equity			
Share capital	17	6,954.02	6,930.60
Other equity	18	69,940.50	56,418.49
Total equity attributable to the owners of the Company		**76,894.52**	**63,349.09**
Non-current liabilities			
Financial liabilities			
- Borrowings	20	430.18	-
- Lease liabilities	19	1,231.03	1,091.74
Provisions	21	3,330.84	2,844.25
Total non-current liabilities		**4,992.05**	**3,935.99**
Current liabilities			
Financial liabilities			
Borrowings	20	188.55	-
Lease liabilities	19	494.45	475.32
Trade payables	22		
- Total outstanding dues to micro enterprises and small enterprises		75.27	-
- Total outstanding dues to creditors other than micro and small enterprises		4,024.63	2,387.20
Other financial liabilities	23	3,767.43	4,319.47
Deferred income	24	7,862.92	6,542.05
Other current liabilities	25	1,139.12	1,218.02
Provisions	26	627.02	446.52
Income tax liabilities (net)	9A	684.21	1,623.22
Total current liabilities		**18,863.60**	**17,011.80**
Total liabilities		**23,855.65**	**20,947.79**
TOTAL EQUITY AND LIABILITIES		**1,00,750.17**	**84,296.88**
Summary of significant accounting policies	3		

The accompanying notes are an integral part of the Standalone Financial Statements

As per our report of even date

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm Registration No.: 001076N/N500013

For and on behalf of the Board of Directors of
Newgen Software Technologies Limited

Neeraj Goel
Partner
Membership No.: 099514
Place: Gurugram
Date: 03 May 2022

Diwakar Nigam
Chairman & Managing Director
DIN: 00263222
Place: New Delhi
Date: 03 May 2022

T. S. Varadarajan
Whole Time Director
DIN: 00263115
Place: Noida
Date: 03 May 2022

Arun Kumar Gupta
Chief Financial Officer
Membership No.: 056859
Place: Noida
Date: 03 May 2022

Aman Mourya
Company Secretary
Membership No: F9975
Place: Noida
Date: 03 May 2022

Standalone Statement of Profit and Loss

for the year ended 31 March 2022

(All amounts are in lakhs of Indian Rupees, unless otherwise stated)

	Note	For the year ended 31 March 2022	For the year ended 31 March 2021
Income			
Revenue from operations	27	71,078.57	61,039.47
Other income	28	2,993.38	1,430.95
Total income		**74,071.95**	**62,470.42**
Expenses			
Employee benefits expense	29	34,890.01	27,926.06
Finance costs	30	317.79	534.84
Depreciation and amortisation expenses	31	1,532.43	1,851.48
Other expenses	32	18,076.59	15,188.91
Total expenses		**54,816.82**	**45,501.29**
Profit before tax		**19,255.13**	**16,969.13**
Tax expense	33		
Current tax		3,090.56	3,632.26
Tax expense for earlier years		-	1,288.86
Deferred tax expense		565.32	288.58
Income tax expense		**3,655.88**	**5,209.70**
Profit for the year		**15,599.25**	**11,759.43**
Other comprehensive income / (loss)			
Items that will not be reclassified subsequently to profit or loss			
Remeasurement of defined benefit liability (asset)		(316.59)	102.73
Income tax relating to items that will not be reclassified to profit or loss		110.63	(35.90)
Net other comprehensive (loss)/ income not to be reclassified subsequently to profit or loss		**(205.96)**	**66.83**
Items that will be reclassified subsequently to profit or loss			
Financial assets or investments carried at fair value through other comprehensive income		(95.89)	75.25
Income tax relating to items that will be reclassified to profit or loss		33.51	(26.30)
Net other comprehensive (loss)/ income to be reclassified subsequently to profit or loss		**(62.38)**	**48.95**
Other comprehensive (loss)/ income for the year, net of income tax		**(268.34)**	**115.78**
Total comprehensive income for the year		**15,330.91**	**11,875.21**
Profit attributable to:			
Owners of the Company		15,599.25	11,759.43
Profit for the year		**15,599.25**	**11,759.43**
Other comprehensive income / (loss) attributable to:			
Owners of the Company		(268.34)	115.78
Other comprehensive (loss)/ income for the year		**(268.34)**	**115.78**
Total comprehensive income attributable to:			
Owners of the Company		15,330.91	11,875.21
Total comprehensive income for the year		**15,330.91**	**11,875.21**
Earnings per equity share	34		
Nominal value of share INR 10 (31 March 2021: INR 10)			
Basic earning per share (INR)		22.47	17.00
Diluted earning per share (INR)		22.32	16.82
Summary of significant accounting policies	3		

The accompanying notes are an integral part of the Standalone Financial Statements

As per our report of even date attached

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm Registration No.:
001076N/N500013

For and on behalf of the Board of Directors of
Newgen Software Technologies Limited

Neeraj Goel
Partner
Membership No.: 099514

Place: Gurugram
Date: 03 May 2022

Diwakar Nigam
Chairman & Managing Director
DIN: 00263222

Place: New Delhi
Date: 03 May 2022

T. S. Varadarajan
Whole Time Director
DIN: 00263115

Place: Noida
Date: 03 May 2022

Arun Kumar Gupta
Chief Financial Officer
Membership No.: 056859

Place: Noida
Date: 03 May 2022

Aman Mourya
Company Secretary
Membership No: F9975

Place: Noida
Date: 03 May 2022

Standalone Statement of Changes in Equity

for the year ended 31 March 2022

(All amounts are in lakhs of Indian Rupees, unless otherwise stated)

a. Share capital

Particulars	Equity share capital		Total share capital
	Number	Amount	Amount
Balance as at 1 April 2020	**6,99,55,701**	**6,995.57**	**6,995.57**
Less: Shares held by Newgen ESOP Trust	6,49,696	64.97	64.97
Total Share capital as at 31 March 2021	**6,93,06,005**	**6,930.60**	**6,930.60**
Balance as at 1 April 2021	**6,99,55,701**	**6,995.57**	**6,995.57**
Less: Shares held by Newgen ESOP Trust	4,15,510	41.55	41.55
Balance as at 31 March 2022	**6,95,40,191**	**6,954.02**	**6,954.02**

b. Other equity*

Particulars	Securities premium	Retained earnings	Others				Items of Other comprehensive income		Total attributable to owners of the Company
			Capital redemption reserve	General reserve	Newgen ESOP Trust reserve	Share options outstanding reserve	Remeasurement of defined benefit liability	Debt instruments through OCI	
Balance as at 1 April 2020	**10,314.50**	**33,286.82**	**87.95**	**1,731.39**	**297.47**	**405.75**	**(96.29)**	**0.89**	**46,028.48**
Total comprehensive income for the year ended 31 March 2021									
Profit for the year	-	11,759.43	-	-	-	-	-	-	11,759.43
Other comprehensive income/ (loss) (net of tax)	-	-	-	-	-	-	66.83	48.95	115.78
Transactions with owners, recorded directly in equity									
Addition to Newgen ESOP Trust reserve	-	-	-	-	106.85	-	-	-	106.85
Dividend on equity shares	-	(1,399.11)	-	-	-	-	-	-	(1,399.11)
Employee stock compensation expense	-	-	-	-	-	64.59	-	-	64.59
Loss of debt instrument transferred to Statement of Profit and Loss	-	-	-	-	-	-	-	9.00	9.00
Transferred to securities premium account on exercise of stock options	104.00	-	-	-	-	(125.62)	-	-	(21.62)
Balance as at 31 March 2021	**10,418.50**	**43,647.14**	**87.95**	**1,731.39**	**404.32**	**344.72**	**(29.46)**	**58.84**	**56,663.40**
Less: Securities premium on shares held by Newgen ESOP Trust	244.91								244.91
Balance as at 31 March 2021	**10,173.59**	**43,647.14**	**87.95**	**1,731.39**	**404.32**	**344.72**	**(29.46)**	**58.84**	**56,418.49**
Balance as at 1 April 2021	**10,418.50**	**43,647.14**	**87.95**	**1,731.39**	**404.32**	**344.72**	**(29.46)**	**58.84**	**56,663.40**

Standalone Statement of Changes in Equity

for the year ended 31 March 2022

(All amounts are in lakhs of Indian Rupees, unless otherwise stated)

Particulars	Securities premium	Retained earnings	Others				Items of Other comprehensive income		Total attributable to owners of the Company
			Capital redemption reserve	General reserve	Newgen ESOP Trust reserve	Share options outstanding reserve	Remeasurement of defined benefit liability	Debt instruments through OCI	
Total comprehensive income for the year ended 31 May 2021									
Profit for the year	-	15,599.25	-	-	-	-	-	-	15,599.25
Other comprehensive income/(loss) (net of tax)	-	-	-	-	-	-	(205.96)	(62.38)	(268.34)
Transactions with owners, recorded directly in equity									
Addition to Newgen ESOP Trust reserve	-	-	-	-	107.39	-	-	-	107.39
Contributions by and distributions to owners									
Dividend on equity shares	-	(2,448.45)	-	-	-	-	-	-	(2,448.45)
Employee stock compensation expense	-	-	-	-	-	548.26	-	-	548.26
(Loss) of debt instrument transferred to Statement of Profit and Loss	-	-	-	-	-	-	-	7.35	7.35
Transferred to securities premium account on exercise of stock options	106.76	-	-	-	-	(130.21)	-	-	(23.45)
Balance as at 31 March 2022	**10,525.26**	**56,797.94**	**87.95**	**1,731.39**	**511.71**	**762.77**	**(235.42)**	**3.81**	**70,185.41**
Less: Securities premium on shares held by Newgen ESOP Trust	244.91	-	-	-	-	-	-	-	244.91
Balance as at 31 March 2022	**10,280.35**	**56,797.94**	**87.95**	**1,731.39**	**511.71**	**762.77**	**(235.42)**	**3.81**	**69,940.50**

* Refer note 18

Summary of significant accounting policies — Note 3

The accompanying notes are an integral part of the Standalone Financial Statements

As per our report of even date attached

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm Registration No.:
001076N/N500013

For and on behalf of the Board of Directors of
Newgen Software Technologies Limited

Neeraj Goel
Partner
Membership No.: 099514

Place: Gurugram
Date: 03 May 2022

Diwakar Nigam
Chairman & Managing Director
DIN: 00263222

Place: New Delhi
Date: 03 May 2022

T. S. Varadarajan
Whole Time Director
DIN: 00263115

Place: Noida
Date: 03 May 2022

Arun Kumar Gupta
Chief Financial Officer
Membership No.: 056859

Place: Noida
Date: 03 May 2022

Aman Mourya
Company Secretary
Membership No: F9975

Place: Noida
Date: 03 May 2022

Standalone Statement of Cash Flows

for the year ended 31 March 2022

(All amounts are in lakhs of Indian Rupees, unless otherwise stated)

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
A. Cash flows from operating activities		
Net profit before tax	**19,255.13**	**16,969.13**
Adjustments for:		
Depreciation and amortisation	1,532.43	1,851.48
Gain on sale of property, plant and equipment	(8.05)	(10.16)
Loss allowance on trade receivables & unbilled revenue	1,804.50	2,149.62
Liabilities/ provision no longer required written back	(64.71)	(7.27)
Unrealised foreign exchange gain	(297.92)	(10.61)
Share based payment - equity settled	488.74	61.90
Finance cost	195.39	465.37
Fair value changes of financial assets at FVTPL	(75.39)	(70.60)
Profit on sale of mutual funds (net) at FVTPL	(146.79)	(125.98)
Loss on redemption ofbonds at FVTOCI	24.80	27.78
Interest income	(1,511.60)	(1,034.23)
Gain on lease termination	(0.43)	(87.49)
Operating cash flow before working capital changes	**21,196.10**	**20,178.94**
(Increase)/decrease in trade receivables	(2,768.12)	4,133.12
(Increase)/decrease in loans	(12.21)	74.50
Increase in other financial assets	(2,759.72)	(1,350.05)
(Increase)/decrease in other assets	(267.62)	84.94
Increase in provisions	350.50	665.30
(Decrease)/increasein other financial liabilities	(731.06)	727.25
Increase in other liabilities	1,241.98	585.63
Increase/(decrease) in trade payables	1,777.31	(754.59)
Cash generated from operations	**18,027.16**	**24,345.03**
Income taxes paid (net)	(4,333.60)	(2,855.62)
Net cash generated from operating activities (A)	**13,693.56**	**21,489.41**
B. Cash flows from investing activities		
Acquisition or construction of property plant and equipment including intangible assets, capital work-in-progress and capital advances	(1,251.06)	(1,166.15)
Proceeds from sale of property plant and equipment	9.64	12.33
Purchase of mutual funds and bonds	(16,374.16)	(14,893.36)
Proceeds from redemption of mutual funds and bonds	15,408.22	14,444.43
Loan to body corporate	(341.00)	-
Interest received from bonds	259.74	168.20
Interest received from bank deposits	1,156.96	626.40
Investment in subsidiary company	(702.73)	-
Investment in bank deposits (net of maturities)	(6,322.49)	(13,487.76)
Net cash used in investing activities (B)	**(8,156.88)**	**(14,295.91)**

Standalone Statement of Cash Flows

for the year ended 31 March 2022

(All amounts are in lakhs of Indian Rupees, unless otherwise stated)

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
C. Cash flows from financing activities		
(Repayment of) / proceeds from short-term borrowings (net)	-	(7,453.21)
Repayment oflease liabilities	(689.01)	(1,297.51)
Dividend paid	(2,445.31)	(1,399.11)
Interest paid	-	(86.71)
Gain on transfer of equity shares by Newgen ESOP trust	107.39	153.94
Net cash used in financing activities (C)	**(3,026.93)**	**(10,082.60)**
Net increase/(decrease) in cash and cash equivalents (A + B + C)	**2,509.75**	**(2,889.10)**
Cash and cash equivalents at the beginning of the year	**2,869.61**	**5,758.70**
Cash and cash equivalents at the end of the year	**5,379.36**	**2,869.61**
Components of cash and cash equivalents:(refer note 12)		
Cash in hand	3.51	3.08
Balances with banks:		
- in current accounts	4,309.46	2,706.53
- balances with scheduled banks in deposit accounts with original maturity of less than 3 months	1,066.39	160.00
	5,379.36	**2,869.61**

Notes:

1. The cash flow statement has been prepared under the indirect method as set out in the Ind AS 7 “Statement of Cash Flows”

The accompanying notes are an integral part of the Standalone Financial Statements

As per our report of even date attached

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm Registration No.: 001076N/N500013

For and on behalf of the Board of Directors of
Newgen Software Technologies Limited

Neeraj Goel
Partner
Membership No.: 099514

Diwakar Nigam
Chairman & Managing Director
DIN: 00263222

T. S. Varadarajan
Whole Time Director
DIN: 00263115

Arun Kumar Gupta
Chief Financial Officer
Membership No.: 056859

Aman Mourya
Company Secretary
Membership No: F9975

Place: Gurugram
Date: 03 May 2022

Place: New Delhi
Date: 03 May 2022

Place: Noida
Date: 03 May 2022

Place: Noida
Date: 03 May 2022

Place: Noida
Date: 03 May 2022

Notes

to the Standalone Financial Statements for the year ended 31 March 2022

(All amounts are in lakhs of Indian Rupees, unless otherwise stated)

1. Background

Newgen Software Technologies Limited ('Newgen' or 'the Company') is a public company domiciled and incorporated under the provisions of the Companies Act applicable in India. The registered office of the Company is situated at A-6, Satsang Vihar Marg, Qutab Institutional Area, New Delhi - 110067. The Company raised money by way of initial public offer during the year ended 31 March 2018 and its shares were listed on the National Stock Exchange (NSE) and Bombay Stock Exchange (BSE) of India.

The Company is a global software Company and is engaged in the business of software product development including designing and delivering end-to-end software solutions covering the entire spectrum of software services from workflow automation to Document management to imaging. Newgen provides a complete range of software that helps automate business processes. Newgen's solutions enable document intensive organizations/ industries such as Finance and Banking, Insurance and government departments to improve productivity through better document management and workflow implementation.

2. Basis of Preparation

A. Statement of compliance

The financial statements of the Company have been prepared in accordance with Indian Accounting Standards ("Ind AS") notified under the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016. The financial statements for the year ended 31 March 2018 were the first financial statements that the Company had prepared in accordance with Ind AS.

The financial statements were authorised for issue by the Company's Board of Directors on 03 May 2022.

Details of the Company's accounting policies are included in Note 3.

B. Functional and presentation currency

These financial statements are presented in Indian Rupees (INR), which is also the Company's functional currency. All amounts have been rounded-off to the nearest lakhs, unless otherwise indicated.

C. Basis of measurement

The financial statements have been prepared on the historical cost basis except for the following items:

Items	Measurement basis
Certain financial assets and liabilities	Fair value
Net defined benefit (asset)/ liability	Fair value of plan assets less present value of defined benefit obligations

D. Use of estimates and judgements

The preparation of financial statements in conformity with Ind AS requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses and the accompanying disclosures. Uncertainty about the assumptions and estimates could result in outcomes that may require material adjustment to the carrying value of assets or liabilities affected in future periods.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected.

Judgements

Information about judgements made in applying accounting policies that have the most significant effects on the amounts recognised in the financial statements is included in the following notes:

- Note 3(i) and Note 27 – revenue recognition from fixed price contracts of software implementation services: percentage of completion method to estimate the efforts or costs expended to date as a proportion of the total efforts or costs to be expended.
- Note 3(l) and Note 19 – determination of lease term;

Assumptions and estimation uncertainties

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment in the year ending 31 March 2022 is included in the following notes:

- Note 3(c)(iii) –Estimation of Useful lives of intangible assets and Property, plant and equipment

Notes

to the Standalone Financial Statements for the year ended 31 March 2022

(All amounts are in lakhs of Indian Rupees, unless otherwise stated)

- Note 29 – Measurement of defined benefit obligations: key actuarial assumptions;
- Note 33 – Recognition of deferred tax assets: availability of future taxable profit against which tax losses carried forward can be used;
- Note 35 –Fair value of share based payments
- Note 43 – Impairment of trade receivables and financial assets.
- Note 19 – Recognition of right of use asset and lease liability

E. Current and non-current classification

The Company presents assets and liabilities in the balance sheet based on current / non-current classification.

An asset is classified as current when it satisfies any of the following criteria:

- it is expected to be realized in, or is intended for sale or consumption in, the Company's normal operating cycle.
- it is held primarily for the purpose of being traded;
- it is expected to be realized within 12 months after the reporting date; or
- it is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least 12 months after the reporting date.

A liability is classified as current when it satisfies any of the following criteria:

- it is expected to be settled in the Company's normal operating cycle;
- it is held primarily for the purpose of being traded;
- it is due to be settled within 12 months after the reporting date; or
- the Company does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting date. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

Current assets/liabilities include current portion of non-current financial assets/liabilities respectively. All other assets/ liabilities are classified as non-current. Deferred tax assets and liabilities (if any) are classified as non-current assets and liabilities.

Operating cycle

Based on the nature of the operations and the time between the acquisition of assets for processing and their realization in cash or cash equivalents, the Company has ascertained its operating cycle as twelve months for the purpose of current/non-current classification of assets and liabilities.

F. Measurement of fair values

A number of the Company's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities. The Company has an established control framework with respect to the measurement of fair values. The finance team has overall responsibility for overseeing all significant fair value measurements, including Level 3 fair values, and reports directly to the chief financial officer. The Company regularly reviews significant unobservable inputs and valuation adjustments. If third party information, such as broker quotes or pricing services, is used to measure fair values, then the Company assesses the evidence obtained from the third parties to support the conclusion that these valuations meet the requirements of Ind AS, including the level in the fair value hierarchy in which the valuations should be classified.

Significant valuation issues are reported to the Company's audit committee.

Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows.

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3: inputs for the asset or liability that are not based on observable market data (Unobservable inputs).

When measuring the fair value of an asset or a liability, the Company uses observable market data as far as possible. If the inputs used to measure the fair value of an asset or a liability fall into different levels of the

Notes

to the Standalone Financial Statements for the year ended 31 March 2022

(All amounts are in lakhs of Indian Rupees, unless otherwise stated)

fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Company recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

Further information about the assumptions made in measuring fair values is included in the following notes:

Note 35 – Share-based payment arrangements; and

Note 43 – Financial instruments.

3. Significant Accounting Policies

a. Foreign currency

i. Functional currency

The Company's financial statements are presented in INR, which is also the Company's functional currency.

ii. Foreign currency transactions

Transactions in foreign currencies are translated into INR, the functional currency of the Company, at the exchange rates at the dates of the transactions or an average rate if the average rate approximates the actual rate at the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate at the reporting date. Non-monetary assets and liabilities that are measured at fair value in a foreign currency are translated into the functional currency at the exchange rate when the fair value was determined. Non-monetary assets and liabilities that are measured based on historical cost in a foreign currency are translated at the exchange rate at the date of the transaction.

b. Financial instruments

i. Recognition and initial measurement

Trade receivables and debt securities issued are initially recognised when they are originated. All other financial assets and financial liabilities are initially recognised when the Company becomes a party to the contractual provisions of the instrument.

A financial asset or financial liability is initially measured at fair value plus, for an item not at fair value through profit and loss (FVTPL), transaction costs that are directly attributable to its acquisition or issue.

ii. Classification and subsequent measurement

Financial assets:

On initial recognition, a financial asset is classified as measured at

- Amortised cost;
- Fair value through Other Comprehensive Income (FVOCI) – debt investment;
- Fair Value through Other Comprehensive Income (FVOCI) – equity investment; or
- FVTPL

Financial assets are not reclassified subsequent to their initial recognition, except if and in the period the Company changes its business model for managing financial assets.

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as FVTPL:

- the asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

A debt investment is measured at FVOCI if it meets both of the following conditions and is not designated as FVTPL:

- the asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

All financial assets not classified as measured at amortised cost or FVOCI as described above are measured at FVTPL. On initial recognition, the

Notes

to the Standalone Financial Statements for the year ended 31 March 2022

(All amounts are in lakhs of Indian Rupees, unless otherwise stated)

Company may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Financial assets: Business model assessment

The Company makes an assessment of the objective of the business model in which a financial asset is held at a portfolio level because this best reflects the way the business is managed and information is provided to management, for instance the stated policies and objectives for the portfolio, frequency, volume and timing of sales of financial assets in prior periods, the reasons for such sales and expectations about future sales activity.

Transfers of financial assets to third parties in transactions that do not qualify for derecognition are not considered sales for this purpose, consistent with the Company's continuing recognition of the assets.

Financial assets that are held for trading or are managed and whose performance is evaluated on a fair value basis are measured at FVTPL.

Financial assets: Assessment whether contractual cash flows are solely payments of principal and Interest.

For the purposes of this assessment, 'principal' is defined as the fair value of the financial asset on initial recognition. 'Interest' is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs (e.g. liquidity risk and administrative costs), as well as a profit margin.

In assessing whether the contractual cash flows are solely payments of principal and interest, the Company considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition. In making this assessment, the Company considers:

- contingent events that would change the amount or timing of cash flows;
- terms that may adjust the contractual coupon rate, including variable interest rate features;
- prepayment and extension features; and

Basis the above classification criteria, Company's investments are classified as below:-

- Investments in government and other bonds have been classified as FVOCI.
- Investments in Mutual funds have been classified as FVTPL.

Financial assets: Subsequent measurement and gains and losses

Financial assets at FVTPL

These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in profit or loss.

Financial assets at amortised cost

These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain or loss on derecognition is recognised in profit or loss.

Debt investments at FVOCI

These assets are subsequently measured at fair value. Interest income under the effective interest method, foreign exchange gains and losses and impairment are recognised in profit or loss. Other net gains and losses are recognised in OCI. On derecognition, gains and losses accumulated in OCI are reclassified to profit or loss.

Equity investments at FVOCI

These assets are subsequently measured at fair value. Dividends are recognized as income in Statement of profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognised in OCI and are not reclassified to Statement of profit or loss.

Financial liabilities: Classification, subsequent measurement and gains and losses

Financial liabilities are classified as measured at amortised cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held-for-trading, or it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in profit or loss. Other financial liabilities are subsequently measured at amortised cost using

Notes

to the Standalone Financial Statements for the year ended 31 March 2022

(All amounts are in lakhs of Indian Rupees, unless otherwise stated)

the effective interest method. Interest expense and foreign exchange gains and losses are recognised in profit or loss. Any gain or loss on derecognition is also recognised in profit or loss.

iii. Derecognition

Financial assets

The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Company neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control of the financial asset.

If the Company enters into transactions whereby it transfers assets recognised on its balance sheet, but retains either all or substantially all of the risks and rewards of the transferred assets, the transferred assets are not derecognised.

Financial liabilities

The Company derecognises a financial liability when its contractual obligations are discharged or cancelled, or expire.

The Company also derecognises a financial liability when its terms are modified and the cash flows under the modified terms are substantially different. In this case, a new financial liability based on the modified terms is recognised at fair value. The difference between the carrying amount of the financial liability extinguished and the new financial liability with modified terms is recognised in profit or loss.

iv. Offsetting

Financial assets and financial liabilities are offset and the net amount presented in the balance sheet when, and only when, the Company currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

v. Derivatives and Embedded derivatives

Derivatives are initially measured at fair value. Subsequent to initial recognition, derivatives are measured at fair value, and changes therein are generally recognised in profit or loss.

Embedded derivatives are separated from the host contract and accounted for separately if the host contract is not a financial asset and certain criteria are met.

c. Property, plant and equipment

i. Recognition and measurement

Items of property, plant and equipment are measured at cost less accumulated depreciation and accumulated impairment losses, if any.

Cost of an item of property, plant and equipment comprises its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates, any directly attributable cost of bringing the item to its working condition for its intended use and estimated costs of dismantling and removing the item and restoring the site on which it is located.

The cost of a self-constructed item of property, plant and equipment comprises the cost of materials and direct labor, any other costs directly attributable to bringing the item to working condition for its intended use, and estimated costs of dismantling and removing the item and restoring the site on which it is located.

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment.

Any gain or loss on disposal of an item of property, plant and equipment is recognised in Statement of profit or loss.

Advances paid towards the acquisition of property, plant and equipment outstanding at each Balance Sheet date is classified as capital advances under other non-current assets and the cost of assets not ready to use before such date are disclosed under 'Capital work-in-progress.

ii. Subsequent expenditure

Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Company.

Notes

to the Standalone Financial Statements for the year ended 31 March 2022

(All amounts are in lakhs of Indian Rupees, unless otherwise stated)

iii. Depreciation

Depreciation is calculated on cost of items of property, plant and equipment less their estimated residual values over their estimated useful lives using the straight-line method, and is generally recognised in the statement of profit and loss. Assets acquired under finance leases are depreciated over the shorter of the lease term and their useful lives unless it is reasonably certain that the Company will obtain ownership by the end of the lease term. Freehold land is not depreciated.

The estimated useful lives of items of property, plant and equipment for the current and comparative periods are as follows:

Category of property, plant and equipment	Estimated useful life (Years)
Building	60
Plant and equipment	15
LeaseholdImprovements*	3
Office equipment**	10
Furniture and Fixtures	10
Vehicles	8
Computer hardware	
- servers and networks	6
- Computers**	3-5

Depreciation method, useful lives and residual values are reviewed at each financial year-end and adjusted if appropriate.

Depreciation on addition (disposal) is provided on a pro-rata basis i.e. from (upto) the date on which asset is ready for use (disposed off).

* Leasehold improvements are depreciated over the period of the lease term of the respective property or 3 years whichever is lower.

Leasehold land is amortised over the lease period of 90 years.

** Based on an internal technical assessment, the management believes that the useful lives as given above best represents the period over which management expects to use its assets. Hence, the useful life of plant and equipment is different from the useful life as prescribed under Part C of Schedule II of Companies Act, 2013.

d. Intangible assets

Recognition and measurement

Intangible assets that are acquired by the Company are measured initially at cost. After initial recognition, an intangible asset is carried at its cost less accumulated amortisation and accumulated impairment loss, if any.

Subsequent expenditure

Subsequent expenditure is capitalised only when it increases the future economic benefits from the specific asset to which it relates.

Amortization

Intangible assets of the Company represents computer software and are amortized using the straight-line method over the estimated useful life (at present 3-4 years) or the tenure of the respective software license, whichever is lower. The amortization period and the amortization method are reviewed at least at each financial year end. If the expected useful life of the asset is significantly different from previous estimates, the amortization period is changed accordingly.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the Statement of profit or loss when the asset is derecognized.

e. Impairment

i. Impairment of financial instruments

The Company recognises loss allowances for expected credit losses on:

- financial assets measured at amortised cost; and
- financial assets measured at FVOCI- debt investments.

At each reporting date, the Company assesses whether financial assets carried at amortised cost and debt securities at FVOCI are credit-impaired. A financial asset is 'credit- impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

The Company measures loss allowances at an amount equal to lifetime expected credit losses.

Loss allowances for trade receivables are always measured at an amount equal to lifetime expected credit losses. Lifetime expected credit losses are the expected credit losses that result from all possible default events over the expected life of a financial instrument.

Notes

to the Standalone Financial Statements for the year ended 31 March 2022

(All amounts are in lakhs of Indian Rupees, unless otherwise stated)

12-month expected credit losses are the portion of expected credit losses that result from default events that are possible within 12 months after the reporting date (or a shorter period if the expected life of the instrument is less than 12 months).

In all cases, the maximum period considered when estimating expected credit losses is the maximum contractual period over which the Company is exposed to credit risk.

The Company assumes that the credit risk on a financial asset has increased significantly if it is more than 30 days past due.

The Company considers a financial asset to be in default when:

- the borrower is unlikely to pay its credit obligations to the Company in full, without recourse by the Company to actions such as realising security (if any is held); or
- the financial asset is 90 days or more past due.

The Company considers a debt security to have low credit risk when its credit risk rating is equivalent to 'investment grade' e.g. BBB or higher as per renowned rating agencies.

Measurement of expected credit losses

Expected credit losses are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the Company in accordance with the contract and the cash flows that the Company expects to receive).

As a practical expedient, the Company uses a provision matrix to determine impairment loss allowance on portfolio of its trade receivables. The provision matrix is based on its historically observed default rates over the expected life of the trade receivables and is adjusted for forward-looking estimates. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed.

Presentation of allowance for expected credit losses in the balance sheet

Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the assets.

For debt securities at FVOCI, the loss allowance is charged to profit or loss.

Write-off

The gross carrying amount of a financial asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. This is generally the case when the Company determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Company's procedures for recovery of amounts due.

ii. Impairment of Non-financial assets

The carrying amounts of assets are reviewed at each reporting date if there is any indication of impairment based on internal/external factors. An impairment loss is recognized wherever the carrying amount of an asset (or cash generating unit) exceeds its recoverable amount. The recoverable amount is the greater of the asset's (or cash generating unit's) net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and risks specific to the asset (or cash generating unit).

An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined net of depreciation or amortisation, if no impairment loss had been recognised

f. Employee benefits

i. Short-term employee benefits

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognised for the amount expected to be paid, if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee, and the amount of obligation can be estimated reliably.

Notes

to the Standalone Financial Statements for the year ended 31 March 2022

(All amounts are in lakhs of Indian Rupees, unless otherwise stated)

ii. **Share-based payment transactions**

The grant date fair value of equity settled share-based payment awards granted to employees of the Company and subsidiaries of the Company is recognised as an employee expense and deemed investment, with a corresponding increase in equity, over the period that the employees unconditionally become entitled to the awards. The amount recognised as expense/deemed investment is based on the estimate of the number of awards for which the related service and non-market vesting conditions are expected to be met, such that the amount ultimately recognised as an expense/dement investment is based on the number of awards that do meet the related service and non-market vesting conditions at the vesting date. For share-based payment awards with non-vesting conditions, the grant date fair value of the share-based payment is measured to reflect such conditions and there is no true-up for differences between expected and actual outcomes.

iii. **Defined contribution plans**

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. The Company makes specified monthly contributions towards Government administered provident fund scheme. Obligations for contributions to defined contribution plans are recognized as an employee benefit expense in profit or loss in the periods during which the related services are rendered by employees.

Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in future payments is available.

iv. **Defined benefit plans**

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. The Company's gratuity scheme is a defined benefit plan. The present value of obligations under such defined benefit plans are determined based on actuarial valuation carried out by an independent actuary using the Projected Unit Credit Method, which recognizes each period of service as giving rise to an additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation.

The obligation is measured at the present value of estimated future cash flows. The discount rates used for determining the present value of obligation under defined benefit plans, are based on the market yields on government securities as at the balance sheet date, having maturity period approximating to the terms of related obligations

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognized in the period in which they occur, directly in other comprehensive income and are never reclassified to profit or loss. Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognized immediately in the profit or loss as past service cost.

v. **Other long-term employee benefits**

The Company's net obligation in respect of long-term employee benefits other than post-employment benefits is the amount of future benefit that employees have earned in return for their service in the current and prior periods; that benefit is discounted to determine its present value, and the fair value of any related assets is deducted.

The employees can carry-forward a portion of the unutilized accrued compensated absences and utilize it in future service periods or receive cash compensation on termination of employment. Since the compensated absences do not fall due wholly within twelve months after the end of the period in which the employees render the related service and are also not expected to be utilized wholly within twelve months after the end of such period, the benefit is classified as a long-term employee benefit. The Company records an obligation for such compensated absences in the period in which the employee renders the services that increase this entitlement. The obligation is measured on the basis of independent actuarial valuation using the projected unit credit method. Re measurements as a result of experience adjustments and changes in actuarial assumptions are recognized in the profit or loss

Notes

to the Standalone Financial Statements for the year ended 31 March 2022

(All amounts are in lakhs of Indian Rupees, unless otherwise stated)

g. Provisions (other than for employee benefits)

A provision is recognised if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows (representing the best estimate of the expenditure required to settle the present obligation at the balance sheet date) at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognised as finance cost. Expected future operating losses are not provided for. Provisions are reviewed by the management at each reporting date and adjusted to reflect the current best estimates.

Onerous contracts

A contract is considered to be onerous when the expected economic benefits to be derived by the Company from the contract are lower than the unavoidable cost of meeting its obligations under the contract. The provision for an onerous contract is measured at the present value of the lower of the expected cost of terminating the contract and the expected net cost of continuing with the contract. Before such a provision is made, the Company recognises any impairment loss on the assets associated with that contract.

h. Contingent liabilities

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognised because it is not probable that an outflow of resources will be required to settle the obligation, or a present obligation whose amount cannot be estimated reliably. The Company does not recognize a contingent liability but discloses its existence in the financial statements

i. Revenue

Effective 1 April 2018, the Company has applied Ind AS 115 which establishes a comprehensive framework for determining whether, how much and when revenue is to be recognised. Ind AS 115 replaces Ind AS 18 Revenue and Ind AS 11 Construction Contracts. The Company has adopted Ind AS 115 using the cumulative effect method. The adoption of the standard did not have any material impact to the Standalone financial statements of the Company.

Revenues from customer's contracts are considered for recognition and measurement when the contract has been approved by the parties, in writing, to the contract, the parties to contract are committed to perform their respective obligations under the contract, and the contract is legally enforceable. Revenue is recognized upon transfer of control of promised products or services ("performance obligations") to customers in an amount that reflects the consideration the Company has received or expects to receive in exchange for these products or services ("transaction price"). When there is uncertainty as to collectability, revenue recognition is postponed until such uncertainty is resolved.

i. Sale of License

Revenue from sale of licenses for software products is recognised when the significant risks and rewards of ownership have been transferred to the buyer which generally coincides with delivery of licenses to the customers, recovery of the consideration is probable, the associated costs and possible return of software sold can be estimated reliably, there is no continuing effective control over, or managerial involvement with the licenses transferred and the amount of revenue can be measured reliably.

ii. Rendering of services

Revenue from services rendered is recognized in proportion to the stage of completion of the transaction at the reporting date. Efforts or costs expended have been used to measure progress towards completion as there is a direct relationship between input and productivity.

Software Implementation Services

The revenue from fixed price contracts for software implementation is recognized based on proportionate completion method based on hours expended, and foreseeable losses on the completion of contract, if any are recognized immediately. Efforts or costs expended have been used to determine progress towards completion as there is a direct relationship between input and productivity. Progress towards completion is measured as the ratio of costs or efforts incurred to date (representing work performed) to the estimated total costs or efforts. Estimates of transaction price and total

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(All amounts are in lakhs of Indian Rupees, unless otherwise stated)

costs or efforts are continuously monitored over the lives of the contracts and are recognized in profit or loss in the period when these estimates change or when the estimates are revised. Revenues and the estimated total costs or efforts are subject to revision as the contract progresses. Provisions for estimated losses, if any, on uncompleted contracts are recorded in the period in which such losses become probable based on the estimated efforts or costs to complete the contract.

The Company is also involved in time and material contracts and recognizes revenue as the services are performed.

Digitization services

Revenue from digitization services is recognized as services are rendered to the customer.

Annual Technical services

Revenue from annual technical service and maintenance contracts is recognised ratably over the term of the underlying maintenance arrangement.

iii. Sale of right to use software

Software-as-a-service, that is, a right to access software functionality in a cloud-based-infrastructure provided by the Company. Revenue from arrangements where the customer obtains a "right to access" is recognized over the access period.

Revenue from client training, support and other services arising due to the sale of license is recognized as the performance obligations are satisfied.

Revenue is recognised, net of returns, trade discounts and volume rebates. This inter alia involves discounting of the consideration due to the present value if payment extends beyond normal credit terms. Reimbursements of out-of-pocket expenses received from customers have been netted off with expense.

Amounts received or billed in advance of services to be performed are recorded as advance from customers/unearned revenue. Unbilled revenue represents amounts recognized based on services performed in advance of billing in accordance with contract terms.

iv. Multiple deliverable arrangements

When two or more revenue generating activities or deliverables are provided under a single arrangement, the Company has applied the guidance in Ind AS 115, Revenue from contract with customer, by applying the revenue recognition criteria for each distinct performance obligation. The arrangements with customers generally meet the criteria for considering license for software products and related services as distinct performance obligations. For allocating the transaction price, the Company has measured the revenue in respect of each performance obligation of a contract at its relative standalone selling price. The price that is regularly charged for an item when sold separately is the best evidence of its standalone selling price. In cases where the company is unable to determine the standalone selling price, the company uses the expected cost plus margin approach in estimating the standalone selling price.

Arrangements to deliver software products generally have three elements license, implementation and Annual Technical Services (ATS). The company has applied the principles under Ind AS 115 to account for revenues from these performance obligations. When implementation services are provided in conjunction with the licensing arrangement and the license and implementation have been identified as two separate performance obligations, the transaction price for such contracts are allocated to each performance obligation of the contract based on their relative standalone selling prices. In the absence of standalone selling price for implementation, the performance obligation is estimated using the expected cost plus margin approach.

Deferred contract costs are incremental costs of obtaining a contract which are recognized as assets and amortized over the term of the contract.

Revenue from subsidiaries is recognised based on transaction price which is at arm's length.

Contract assets are recognised when there is excess of revenue earned over billings on contracts. Contract assets are classified as

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unbilled receivables (only act of invoicing is pending) when there is unconditional right to receive cash, and only passage of time is required, as per contractual terms.

Unearned and deferred revenue ("contract liability") is recognised when there is billings in excess of revenues.

j. Recognition of dividend income, interest income or expense

Dividend income is recognised in Statement of profit or loss on the date on which the Company's right to receive payment is established.

Interest income or expense is recognised using the effective interest method.

The 'effective interest rate' is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument to:

- the gross carrying amount of the financial asset; or
- the amortised cost of the financial liability.

In calculating interest income and expense, the effective interest rate is applied to the gross carrying amount of the asset (when the asset is not credit-impaired) or to the amortised cost of the liability. However, for financial assets that have become credit-impaired subsequent to initial recognition, interest income is calculated by applying the effective interest rate to the amortised cost of the financial asset. If the asset is no longer credit-impaired, then the calculation of interest income reverts to the gross basis.

k. Sale of investments

Profit on sale of investments is recorded on transfer of title from the Company and is determined as the difference between the sales price and the carrying value of the investment

l. Leases

The Company as a lessee

The Company's lease asset classes primarily consist of leases for land and buildings. The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether: (1) the contract involves the use of an identified asset (2) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and (3) the Company has the right to direct the use of the asset.

At the date of commencement of the lease, the Company recognizes a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

Certain lease arrangements includes the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised. In assessing whether the Company is reasonably certain to exercise an option to extend a lease, or not to exercise an option to terminate a lease, it considers all relevant facts and circumstances that create an economic incentive for the Company to exercise the option to extend the lease, or not to exercise the option to terminate the lease. The Company revises the lease term if there is a change in the non-cancellable period of a lease.

The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset.

Right of use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of

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those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of these leases. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the Company changes its assessment if whether it will exercise an extension or a termination option. The discount rate is generally based on the incremental borrowing rate specific to the lease being evaluated or for a portfolio of leases with similar characteristics.

Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

m. Income tax

Income tax comprises current and deferred tax. It is recognised in profit or loss except to the extent that it relates to an item recognised directly in equity or in other comprehensive income.

i. Current tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax reflects the best estimate of the tax amount expected to be paid or received after considering the uncertainty, if any, related to income taxes. It is measured using tax rates (and tax laws) enacted or substantively enacted by the reporting date.

Current tax assets and current tax liabilities are offset only if there is a legally enforceable right to set off the recognised amounts, and it is intended to realise the asset and settle the liability on a net basis or simultaneously.

ii. Deferred tax

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the corresponding amounts used for taxation purposes. Deferred tax is also recognised in respect of carried forward tax losses and tax credits. Deferred tax is not recognised for:

- temporary differences arising on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss at the time of the transaction;

Deferred tax assets are recognised to the extent that it is probable that future taxable profits will be available against which they can be used. Deferred tax assets – unrecognised or recognised, are reviewed at each reporting date and are recognised/ reduced to the extent that it is probable/ no longer probable respectively that the related tax benefit will be realized.

Deferred tax is measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on the laws that have been enacted or substantively enacted by the reporting date.

The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Company expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

Minimum Alternative Tax ('MAT') under the provisions of the Income-tax Act, 1961 is recognised as current tax in the Statement of Profit and Loss. The credit available under the Act in respect of MAT paid is recognised as an asset only when and to the extent there is convincing evidence that the company will pay normal income tax during the period for which the MAT credit can be carried forward for set-off against the normal tax liability. MAT credit recognised as an asset is reviewed at each balance sheet date and written down to the extent the aforesaid convincing evidence no longer exists.

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n. Cash and cash equivalents

Cash and short-term deposits in the Balance Sheet comprise cash at banks and cash in hand and short-term deposits with an original maturity of three months or less, which are subject to insignificant risk of changes in value.

o. Earnings per share ("EPS")

Basic earnings per share is calculated by dividing the profit attributable to the owners of the Company by the weighted average number of equity shares outstanding during the year.

Diluted earnings per share is computed using the net profit or loss for the year attributable to equity shareholders and the weighted average number of common and dilutive common equivalent shares outstanding during the year but including share options, compulsory convertible preference shares except where the result would be anti-dilutive.

p. Share Capital

Equity Shares

Equity shares are classified as equity. Incremental costs directly attributable to the issuance of new equity shares are recognized as a deduction from equity.

Dividends

The final dividend on shares is recorded as a liability on the date of approval by the shareholders, and interim dividend are recorded as a liability on the date of declaration by the Company's Board of Directors.

q. Basis of segmentation

Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker (CODM).

Identification of segments:

All operating segments' results are reviewed regularly by the Board of Directors, who have been identified as the CODM, to allocate resources to the segments and assess their performance. Refer note 45 for segment information.

r. ESOP Trust

The ESOP trust has been treated as an extension of the Company and accordingly shares held by ESOP Trust are netted off from the total share capital. Consequently, all the assets, liabilities, income and expenses of the trust are accounted for as assets and liabilities of the Company, except for profit / loss on issue of shares to the employees and dividend received by trust which are directly adjusted in the Newgen ESOP Trust reserve.

s. Rounding of amounts

All amounts disclosed in the financial statements and notes have been rounded off to the nearest lakhs as per the requirement of Schedule III, unless otherwise stated.

t. Standards issued but not yet effective

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards. There is no such notification which would have been applicable from 1 April 2022.

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to the Standalone Financial Statements for the year ended 31 March 2022

(All amounts are in lakhs of Indian Rupees, unless otherwise stated)

4. Property, plant and equipment

	Freehold land	Buildings	Plant and machinery	Leasehold improvements	Vehicles	Office equipment	Furniture and fixtures	Computer and servers	Total	Capital work-in-progress
Cost										
Balance as at 1 April 2020	**4.28**	**4,092.42**	**458.84**	**5.99**	**244.85**	**1,160.28**	**347.63**	**1,746.23**	**8,060.52**	**9,072.62**
Additions during the year	-	8,802.73	299.31	-	-	171.46	283.97	284.12	9,841.59	437.91
Capitalised during the year	-	-	-	-	-	-	-	-	-	(9,510.53)
Less: Disposals during the year	-	-	16.08	-	16.20	16.44	16.71	82.41	147.84	-
Balance as at 31 March 2021	**4.28**	**12,895.15**	**742.07**	**5.99**	**228.65**	**1,315.30**	**614.89**	**1,947.94**	**17,754.27**	**-**
Additions during the year	-	-	2.07	-	275.83	40.11	1.12	1,088.89	1,408.02	-
Less: Disposals during the year	-	-	22.03	-	27.39	3.71	0.16	37.01	90.30	-
Balance as at 31 March 2022	**4.28**	**12,895.15**	**722.11**	**5.99**	**477.09**	**1,351.70**	**615.85**	**2,999.82**	**19,071.99**	**-**
Accumulated Depreciation										
Balance as at 1 April 2020	**-**	**112.53**	**134.90**	**5.99**	**111.01**	**209.25**	**121.25**	**844.87**	**1,539.80**	**-**
Additions during the year	-	106.56	54.56	-	34.49	128.61	45.51	308.30	678.03	-
Less: Disposals during the year	-	-	15.49	-	16.20	16.25	15.54	82.19	145.67	-
Balance as at 31 March 2021	**-**	**219.09**	**173.97**	**5.99**	**129.30**	**321.61**	**151.22**	**1,070.98**	**2,072.16**	**-**
Additions during the year	-	217.02	70.49	-	36.37	136.51	62.39	394.39	917.17	-
Less: Disposals during the year	-	-	21.75	-	27.39	3.00	0.16	36.41	88.71	-
Balance as at 31 March 2022	**-**	**436.11**	**222.71**	**5.99**	**138.28**	**455.12**	**213.45**	**1,428.96**	**2,900.62**	**-**
Carrying amount (net)										
Balance as at 31 March 2021	**4.28**	**12,676.06**	**568.10**	**-**	**99.35**	**993.69**	**463.67**	**876.96**	**15,682.11**	**-**
Balance as at 31 March 2022	**4.28**	**12,459.04**	**499.40**	**-**	**338.81**	**896.58**	**402.40**	**1,570.86**	**16,171.37**	**-**

As at 31 March 2022 properties with a carrying amount of INR 366.49 lakhs (31 March 2021 :INR 374.60 lakhs) are subject to first charge to working capital limit from banks.

Capital commitment as on 31 March 2022 is NIL (31 March 2021: NIL)

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to the Standalone Financial Statements for the year ended 31 March 2022

(All amounts are in lakhs of Indian Rupees, unless otherwise stated)

5. Intangible assets

	Computer software
Cost	
Balance as at 1 April 2020	**401.94**
Additions during the year	8.57
Balance as at 31 March 2021	**410.51**
Additions during the year	2.10
Balance as at 31 March 2022	**412.61**
Accumulated Amortisation	
Balance as at 1 April 2020	**262.38**
Additions during the year	84.01
Balance as at 31 March 2021	**346.39**
Additions during the year	53.13
Balance as at 31 March 2022	**399.52**
Carrying amount (net)	
Balance as at 31 March 2021	**64.12**
Balance as at 31 March 2022	**13.09**

6. Investment in subsidiaries

	As at 31 March 2022	As at 31 March 2021
Investments in equity instruments - at cost (unquoted)		
6,000 (31 March 2021: 6,000)common shares of USD 200 each, fully paid up of Newgen Software Inc.	567.79	530.09
1,000,000 (31 March 2021: 1,000,000) common shares of CAD 0.10 each, fully paid up of Newgen Software Technologies Canada, Limited.	58.86	56.52
250,000 (31 March 2021: 250,000) ordinary shares of SGD 1 each, fully paid up of Newgen Software Technologies Pte. Limited.	119.18	117.44
210,000 (31 March 2021: 210,000) equity shares of INR 10 each, fully paid up of Newgen Computers Technologies Limited.	46.50	46.50
20,000,000 (31 March 2021: 20,000,000)common stock of GBP 0.01 each, fully paid up of Newgen Software Technologies (UK) Ltd.	182.86	178.74
1,000,000 (31 March 2021: 1,000,000)common shares of AUD 1 each, fully paid up of Newgen Software Technologies Pty Ltd.	497.92	491.05
50,000 (31 March 2021: Nil) equity shares of INR 10 each, fully paid up of Number Theory Software Private Limited	1,313.16	-
	2,786.27	**1,420.34**
Aggregate book value of unquoted investments	2,786.27	1,420.34

Increase in investment represents investment in Number Theory Software Private Limited (Newly acquired company) and deemed investment on account of share based payment awards granted to the employees of subsidiaries of the Company.

Company entered into Share Purchase Agreement (SPA) with shareholders of Number Theory Software Private Limited (NTSPL) in January 2022 to acquire 100% stake. Pursuant to SPA, the Company made an investment of INR.1,405.47 lakhs of which INR 703.72 lakhs were paid on the acquisition completion date i.e. 28 January, 2022 and the remaining will be paid over next three years equally. Consequent to the acquisition, a Scheme of Amalgamation u/s 230-232 of

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the Companies Act, 2013 which provides for merger of Number Theory Software Private Limited (NTSPL) with Newgen Software Technologies Limited (NSTL) ("Scheme"), has been approved by the respective Board of Directors of companies at their meeting held on 3 May 2022, subject to requisite approval(s). The application will be filed under Regulation 37 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 with NCLT for their approval. As the approval is yet to be filed, therefore pending sanctions, impact of the Scheme has not been considered in standalone financials of NSTL for FY 2021-22.

7. Other financial assets (non-current)

	As at 31 March 2022	As at 31 March 2021
Bank deposits*		
- Deposits with maturity of more than 12 months	6,000.00	-
- pledged with tax authorities	4.42	4.42
- held as margin money	3,375.26	3,282.03
Interest accrued on deposits	262.69	47.10
Security deposits	408.43	338.30
Earnest money deposits		
- Unsecured, considered good	36.53	12.28
- Unsecured, considered doubtful	164.75	164.75
- Less: Loss allowance for doubtful deposits	(164.75)	(164.75)
	10,087.33	**3,684.13**

*Bank deposits held as margin money represents deposits made on account of guarantees issued to government customers amounting to INR 296.62 lakhs (31 March 2021: INR 282.03 lakhs) and deposits made to avail overdraft facilities amounting to INR 3,078.64 lakhs (31 March 2021: INR 3,000 Lakhs)

Information about Company's exposure to credit and market risks and fair value measurement is included in Note 43.

8. Income tax assets (net)

	As at 31 March 2022	As at 31 March 2021
Advance income tax (net of provision of INR 13,990.61 lakhs (31 March 2021: INR 5,453.20 lakhs))	1,289.90	985.84
	1,289.90	**985.84**

8A. Income tax liabilities (net)

	As at 31 March 2022	As at 31 March 2021
Provision for tax (net of advance tax of INR 2,657.57 lakhs (31 March 2021: INR 7,084.45 lakhs))	684.21	1,623.22
	684.21	**1,623.22**

9. Other non-current assets

	As at 31 March 2022	As at 31 March 2021
Prepaid expenses	4.43	6.83
Capital advances	13.72	-
	18.15	**6.83**

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to the Standalone Financial Statements for the year ended 31 March 2022

(All amounts are in lakhs of Indian Rupees, unless otherwise stated)

10. Investments (refer note 41)

	As at 31 March 2022	As at 31 March 2021
Investments in bonds (unquoted)		
Bonds at FVOCI		
- Investment in government bonds	6,468.06	3,561.72
	6,468.06	**3,561.72**
Investments in mutual funds (unquoted)		
Mutual funds at FVTPL	2,769.70	4,755.74
	2,769.70	**4,755.74**
	9,237.76	**8,317.46**
Aggregate book value of unquoted investments	9,237.76	8,317.46

Investments in bonds measured at FVOCI have stated interest rates of 7.04% to 8.63%. Information about Company's exposure to credit and market risks and fair value measurement is included in Note 43(c).

11. Trade receivables

	As at 31 March 2022	As at 31 March 2021
- Unsecured, considered good	20,967.48	19,091.07
- Trade receivable - Credit impaired	1,030.93	2,439.38
	21,998.41	**21,530.45**
Allowance for bad and doubtful debts		
- Unsecured,considered good	(2,103.18)	(1,550.00)
- Trade receivable - Credit impaired	(1,030.93)	(2,439.38)
	18,864.30	**17,541.07**

Trade Receivable Ageing Schedule

	Current but not due	Outstanding for following periods from due date of payment					Total
		Less than 6 months	6 months to 1 years	1-2 Years	2-3 Years	More Than 3 years	
As at 31 March 2022							
Undisputed Trade Receivables- Considered good	13,754.50	5,357.93	1,222.10	632.95	-	-	20,967.48
Undisputed Trade Receivables- Which have significant increase in credit risk	-	-	-	-	-	-	-
Undisputed Trade Receivables- credit impaired	-	-	-	494.07	536.86	-	1,030.93
Disputed Trade Receivables- Considered good	-	-	-	-	-	-	-
Disputed Trade Receivables- Which have significant increase in credit risk	-	-	-	-	-	-	-
Disputed Trade Receivables- credit impaired	-	-	-	-	-	-	-
	13,754.50	**5,357.93**	**1,222.10**	**1,127.02**	**536.86**	**-**	**21,998.41**

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(All amounts are in lakhs of Indian Rupees, unless otherwise stated)

	Current but not due	Outstanding for following periods from due date of payment					Total
		Less than 6 months	6 months to 1 years	1-2 Years	2-3 Years	More Than 3 years	
As at 31 March 2021							
Undisputed Trade Receivables- Considered good	12,466.43	4,840.42	1,125.85	658.37	-	-	19,091.07
Undisputed Trade Receivables- Which have significant increase in credit risk	-	-	-	-	-	-	-
Undisputed Trade Receivables- credit impaired	-	-	-	29.47	888.44	1,521.47	2,439.38
Disputed Trade Receivables- Considered good	-	-	-	-	-	-	-
Disputed Trade Receivables- Which have significantincrease in credit risk	-	-	-	-	-	-	-
Disputed Trade Receivables- credit impaired	-	-	-	-	-	-	-
	12,466.43	**4,840.42**	**1,125.85**	**687.84**	**888.44**	**1,521.47**	**21,530.46**

*Includes balance receivables from related parties. For details refer note 42

No trade or other receivables are due from directors or other officers of the Company either severally or jointly with any other person. Nor any trade or other receivables are due from firms or private companies respectively in which any director is a partner, director or a member.

Trade receivables are non-interest bearing and are generally on terms of 30-90 days.

The Company's exposure to credit and currency risks and loss allowances related to trade receivables are discussed in note 43(c).

12. Cash and cash equivalents

	As at 31 March 2022	As at 31 March 2021
Cash on hand	3.51	3.08
Balances with banks		
- in current accounts*	4,309.46	2,706.53
- Balances with scheduled banks in deposit accounts with original maturity of less than three months	1,066.39	160.00
	5,379.36	**2,869.61**

*Current account balances with banks include INR 48.10 lakhs (31 March 2021: INR 142.43 lakhs) held at a foreign branch.

Short term deposits are from varying periods of between one day and three months, depending upon the immediate cash requirements of the group, and earn interest at the respective short term deposit rates.

13. Other bank balances

	As at 31 March 2022	As at 31 March 2021
Balances with scheduled banks in deposit accounts		
- Original maturity of less than 12 months	17,229.24	17,000.00
- Unclaimed dividend account*	6.91	3.77
	17,236.15	**17,003.77**

*These balances are not available for use by the Company as they represent corresponding unclaimed liabilities.

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14. Current financial assets - Loans

	As at 31 March 2022	As at 31 March 2021
Loans to employees*	21.25	9.04
Loan to a related party	344.50	-
	365.75	**9.04**

*These are interest bearing loans - repayable within one year given to employees, chargeable at the rate of 12% p.a.

Disclosure for loan given on demand

Type of borrower	As at 31 March 2022		As at 31 March 2021	
	Amount outstanding*	% of total advance	Amount outstanding	% of total advance
Promoters	-	-	-	-
Directors	-	-	-	-
KMP	-	-	-	-
Other related party	344.50	94.19%	-	-

The Company has provided following loans in persuant to section 186 (4) of Companies Act, 2013.

Name of the entity	Balance as at 31 March 2021	Loan given*	Loan repaid	Loan provided for	Balance as at 31 March 2022
Number Theory Software Private Limited (subsidiary company)	-	344.50	-	-	344.50
	-	**344.50**	**-**	**-**	**344.50**

Disclosure persuant to schedule V ofSecurities and Exchange Board of India (Listing Obligation and Disclosure requirements) regulations, 2015

Name of Enterprise	Rate of Interest	Secured/ Unsecured	Balance as at 31 March 2022*	Maximum O/S during the year 21-22	Balance as at 31 March 2021	Maximum O/S during the year 20-21
Loans and Advances in the nature of loan given to subsidiary						
Number Theory Software Private Limited	6%	Unsecured	344.50	344.50	-	-
			344.50		**-**	

* Includes interest INR 3.50 lakhs.

15. Current financial assets - Others

	As at 31 March 2022	As at 31 March 2021
(unsecured considered good, unless otherwise stated)		
Interest accrued on deposits	378.27	519.11
Interest accrued but not due on government bonds	307.04	158.87
Derivatives assets	211.73	-
Security deposits	75.38	150.40
Other receivable from related party	3.14	-
Unbilled revenue*		
- other than related parties	8,064.49	6,926.03
Less: Provision for loss allowance	(273.39)	-
- related parties (refer note 42)	3,771.01	2,213.15
	12,537.67	**9,967.56**

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to the Standalone Financial Statements for the year ended 31 March 2022

(All amounts are in lakhs of Indian Rupees, unless otherwise stated)

*Unbilled revenue represents amounts recognised based on services performed in advance of billing in accordance with contract terms.

*Changes in unbilled revenue is as follows:

	As at 31 March 2022	As at 31 March 2021
Balance at the beginning of the year	9,139.18	7,767.02
Less: Amount of revenue billed during the year	(5,470.19)	(3,224.27)
Add: Addition during the year	8,166.51	4,596.43
Balance at the end of the year	**11,835.50**	**9,139.18**

16. Other current assets

	As at 31 March 2022	As at 31 March 2021
Advances to vendors	54.11	12.65
Deferred contract cost	109.68	93.90
Advance to employees	52.44	24.52
Prepaid expenses	645.43	460.58
	861.66	**591.65**

17. Share capital

	As at 31 March 2022		As at 31 March 2021	
	Number of shares	Amount	Number of shares	Amount
Authorised share capital				
Equity shares of INR 10 each	9,80,00,200	9,800.02	9,80,00,200	9,800.02
0.01% Compulsory convertible preference shares of INR 10 each	1,19,99,800	1,199.98	1,19,99,800	1,199.98
	11,00,00,000	**11,000.00**	**11,00,00,000**	**11,000.00**

	As at 31 March 2022		As at 31 March 2021	
	Number of shares	Amount	Number of shares	Amount
Issued, subscribed and paid up				
Equity share capital of INR 10 each, fully paid up	6,99,55,701	6,995.57	6,99,55,701	6,995.57
Add: Issued during the year to Newgen ESOP Trust	-	-	-	-
Balance	**6,99,55,701**	**6,995.57**	**6,99,55,701**	**6,995.57**
Less : Shares held by Newgen ESOP Trust	4,15,510	41.55	6,49,696	64.97
Total Share capital	**6,95,40,191**	**6,954.02**	**6,93,06,005**	**6,930.60**

Reconciliation of shares outstanding at the beginning and at the end at the reporting year.

	As at 31 March 2022		As at 31 March 2021	
	Number of shares	Amount	Number of shares	Amount
Equity share capital of INR 10 each, fully paid up				
At the beginning of the year	6,99,55,701	6,995.57	6,99,55,701	6,995.57
Add: Issued during the year to Newgen ESOP Trust	-	-	-	-
At the end of the year	**6,99,55,701**	**6,995.57**	**6,99,55,701**	**6,995.57**
Less: Shares held by Newgen ESOP Trust	4,15,510	41.55	6,49,696	64.97
Total equity share capital	**6,95,40,191**	**6,954.02**	**6,93,06,005**	**6,930.60**

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to the Standalone Financial Statements for the year ended 31 March 2022

(All amounts are in lakhs of Indian Rupees, unless otherwise stated)

Terms/rights attached to equity shares

In case of equity shares, each equity shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing annual general meeting, except in case of interim dividend, if any. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their respective shareholding.

17A. Details of shareholders holding more than 5% shares in the Company

Equity shares of INR 10 each, fully paid up held by:	As at 31 March 2022		As at 31 March 2021	
	Number of shares	% Holding	Number of shares	% Holding
- Mr. Diwakar Nigam	1,56,74,732	22.41%	1,84,72,406	26.41%
- Mr. T.S. Varadarajan	1,50,09,306	21.46%	1,50,09,306	21.46%
- Mrs. Priyadarshini Nigam	65,69,792	9.39%	79,68,906	11.39%
- Mrs. Usha Varadarajan	13,32,320	1.90%	45,28,320	6.47%
- Malabar India Fund Limited	18,35,083	2.62%	49,78,931	7.12%

17B. Details of shares held by promoters and promoters group

Equity shares of INR 10 each, fully paid up held by:	As at 31 March 2022			As at 31 March 2021	
	Number of shares	% of total shares	% change during the year	Number of shares	% of total shares
- Mr. Diwakar Nigam	1,56,74,732	22.41%	-15.1%	1,84,72,406	26.41%
- Mr. T.S. Varadarajan	1,50,09,306	21.46%	0.0%	1,50,09,306	21.46%
- Mrs. Priyadarshini Nigam	65,69,792	9.39%	-17.6%	79,68,906	11.39%
- Mrs. Usha Varadarajan	13,32,320	1.90%	-70.6%	45,28,320	6.47%
- Mrs. Ragini Goorha	50	0.00%	0.0%	50	0.00%
- Mrs. Sudha Sairaj	100	0.00%	0.0%	-	-

17 C. Shares reserved for issue under Employee stock option plan and RSU Scheme

Terms attached to stock options granted to employees are described in note 35 regarding share based payments.

17 D. Aggregate number of shares issued for consideration other than cash during the period of five years immediately preceding the reporting date.

(i) Equity shares have been issued under Employee stock options plans to trust for which only exercise price has been received in cash.

	For the year ended 31 March 2022	For the year ended 31 March 2021	For the year ended 31 March 2020	For the year ended 31 March 2019	For the year ended 31 March 2018
Equity shares of INR 10 each	-	-	3,70,000	3,50,000	10,50,000

(ii) Other than aforementioned, no shares has been alloted by way of bonus issues and no shares has been bought back in the current year and preceding 5 years.

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to the Standalone Financial Statements for the year ended 31 March 2022

(All amounts are in lakhs of Indian Rupees, unless otherwise stated)

18. Other equity

	As at 31 March 2022	As at 31 March 2021
Securities premium	10,280.35	10,173.59
Retained earnings	56,797.94	43,647.14
Capital redemption reserve	87.95	87.95
General reserve	1,731.39	1,731.39
Newgen ESOP Trust reserve	511.71	404.32
Share options outstanding reserve	762.77	344.72
Other comprehensive gain/ (loss)	(231.61)	29.38
	69,940.50	**56,418.49**

Securities premium (refer note (i) below)	As at 31 March 2022	As at 31 March 2021
Balance as at beginning of the year	10,418.50	10,314.50
Transferred from share options outstanding reserve on exercise of stock options	106.76	104.00
Balance as at end of the year	**10,525.26**	**10,418.50**
Less: Securities premium on shares held by Newgen ESOP Trust	244.91	244.91
Balance as at end of the year	**10,280.35**	**10,173.59**

Retained earnings (refer note (ii) below)	As at 31 March 2022	As at 31 March 2021
Balance as at beginning of the year	43,647.14	33,286.82
Profit for the year	15,599.25	11,759.43
Dividend on equity shares	(2,448.45)	(1,399.11)
Balance as at end of the year	**56,797.94**	**43,647.14**

Capital redemption reserve	As at 31 March 2022	As at 31 March 2021
Balance as at beginning of the year	87.95	87.95
Balance as at end of the year	**87.95**	**87.95**

General reserve	As at 31 March 2022	As at 31 March 2021
Balance as at beginning of the year	1,731.39	1,731.39
Balance as at end of the year	**1,731.39**	**1,731.39**

Newgen ESOP Trust reserve (refer note (iii) below)	As at 31 March 2022	As at 31 March 2021
Balance as at beginning of the year	404.32	297.47
Addition to Newgen ESOP Trust reserve	107.39	106.85
Balance as at end of the year	**511.71**	**404.32**

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to the Standalone Financial Statements for the year ended 31 March 2022

(All amounts are in lakhs of Indian Rupees, unless otherwise stated)

Share options outstanding reserve (refer note (iv) below)	As at 31 March 2022	As at 31 March 2021
Balance as at beginning of the year	344.72	405.75
Employee stock compensation expense	548.26	64.59
Transferred to securities premium account on exercise of stock options	(130.21)	(125.62)
Balance as at end of the year	**762.77**	**344.72**

Other comprehensive income/(loss) (refer note (v) below)	As at 31 March 2022	As at 31 March 2021
Remeasurement of defined benefit liability		
Balance as at beginning of the year	(29.46)	(96.29)
Other comprehensive income (loss) (net of tax)	(205.96)	66.83
Balance as at end of the year	**(235.42)**	**(29.46)**

Financial assets or investments carried at fair value through other comprehensive income	As at 31 March 2022	As at 31 March 2021
Balance as at beginning of the year	58.84	0.89
Other comprehensive income (net of tax)	(62.38)	48.95
(Profit)/loss on sale of debt instrument transferred to profit and loss	7.35	9.00
Balance as at end of the year	**3.81**	**58.84**

(i) Securities premium is used to record the premium received on issue of shares. It will be utilised in accordance with the provisions of the Companies Act, 2013.

(ii) Retained earnings represents accumulated balances of profits over the years after appropriations for general reserves and adjustments of dividend.

(iii) Newgen ESOP Trust has been treated as an extension of the Company and accordingly shares held by Newgen ESOP Trust are netted off from the total share capital. Consequently, all the assets, liabilities, income and expenses of the trust are accounted for as assets and liabilities of the Company, except for profit / loss on issue of shares to the employees and dividend received by trust which are directly adjusted in the Newgen ESOP Trust reserve.

(iv) The Company has established various equity-settled share-based payment plans for certain employees of the Company. Refer to note 35 for further details on these plans.

(v) Refer Statement of Changes in Equity for analysis of other comprehensive income, net of tax.

19. Right-of-use assets

Changes in the carrying value of right of use assets for the year ended 31 March 2021

Particulars	Category of ROU asset		Total
	Leasehold land	Buildings	
Balance as at 1 April 2020	3,365.78	2,641.23	6,007.01
Termination of leases	-	(677.91)	(677.91)
Depreciation	(39.30)	(1,050.14)	(1,089.44)
Balance as at 31 March 2021	**3,326.48**	**913.18**	**4,239.66**

Notes

to the Standalone Financial Statements for the year ended 31 March 2022

(All amounts are in lakhs of Indian Rupees, unless otherwise stated)

Changes in the carrying value of right of use assets for the period ended 31 March 2022

Particulars	Category of ROU asset		Total
	Leasehold land	Buildings	
Balance as at 1 April 2021	3,326.48	913.18	4,239.66
Addition	-	739.97	739.97
Termination of leases	-	(4.63)	(4.63)
Depreciation	(39.30)	(522.83)	(562.13)
Balance as at 31 March 2022	**3,287.18**	**1,125.69**	**4,412.87**

*Right of use assets recognised in the balance sheet at the date of initial recognition.

The aggregate depreciation expense on ROU assets is included under depreciation and amortisation expense in the Statement of Profit and Loss.(refer note 31)

Lease liabilities

Break up of current and non-current lease liabilities:

Particulars	As at 31 March 2022	As at 31 March 2021
Non-current lease liabilities	1,231.03	1,091.74
Current lease liabilities	494.45	475.32
Total	**1,725.48**	**1,567.06**

Movement in lease liabilities during the year ended 31 March 2021

Particulars	As at 31 March 2021
Balance as at 1 April 2020	3,347.03
Addition	-
Finance cost	272.63
Termination of leases	(755.09)
Payment of lease liabilities	(1,297.51)
Balance as at 31 March 2021	**1,567.06**

Movement in lease liabilities during the year ended 31 March 2022

Particulars	As at 31 March 2022
Balance as at 1 April 2021	1,567.06
Addition	672.16
Finance cost	180.33
Termination of leases	(5.06)
Payment of lease liabilities	(689.01)
Balance as at 31 March 2022	**1,725.48**

The Company does not face a significant liquidity risk with regard to its lease liabilities as the current assets are sufficient to meet the obligations related to lease liabilities as and when they fall due.

Rental expense recorded for short-term leases was INR 448.81 lakhs for the year ended 31 March 2022 (31 March 2021: INR 94.31 lakhs)

For detail regarding the undiscounted contractual maturities of lease liabilities. (refer note 43)

Notes

to the Standalone Financial Statements for the year ended 31 March 2022

(All amounts are in lakhs of Indian Rupees, unless otherwise stated)

20. Borrowings

	As at 31 March 2022	As at 31 March 2021
Non Current Borrowings		
- Deferred payment liabilities (refer note 6)	430.18	-
	430.18	**-**
Current Borrowings		
Current maturities of deferred payment liabilities (refer note 6)	188.55	-
	188.55	**-**

21. Non-current provisions

	As at 31 March 2022	As at 31 March 2021
Provision for employee benefits (refer note 29)		
- provision for gratuity	2,633.00	2,196.75
- provision for compensated absences	697.84	647.50
	3,330.84	**2,844.25**

22. Trade payables

	As at 31 March 2022	As at 31 March 2021
- Total outstanding dues to micro enterprises and small enterprises	75.27	-
- Total outstanding dues to creditors other than micro and small enterprises	4,024.63	2,387.20
	4,099.90	**2,387.20**

Trade payables Ageing Schedule

	Less than 1 year	Outstanding for following periods from due date of payment				Total
		1-2 Years	2-3 Years	More Than 3 years	Unbilled-payable	
As at 31 March 2022						
Total outstanding dues of Micro enterprises and small enterprises	75.27	-	-	-	-	75.27
Total outstanding dues of creditors other than Micro enterprises and small enterprises	253.68	-	-	-	3,414.67	3,668.35
Disputed Dues of Micro enterprises and small enterprises	-	-	-	-	-	-
Disputed Dues of creditors other than Micro enterprises and small enterprises	-	-	-	-	356.28	356.28
	328.95	**-**	**-**	**-**	**3,770.95**	**4,099.90**
As at 31 March 2021						
Total outstanding dues of Micro enterprises and small enterprises	-	-	-	-	-	-
Total outstanding dues of creditors other than Micro enterprises and small enterprises	583.59	0.23	-	-	1,803.38	2,387.20
Disputed Dues of Micro enterprises and small enterprises	-	-	-	-	-	-
Disputed Dues of creditors other than Micro enterprises and small enterprises	-	-	-	-	-	-
	583.59	**0.23**	**-**	**-**	**1,803.38**	**2,387.20**

Notes

to the Standalone Financial Statements for the year ended 31 March 2022

(All amounts are in lakhs of Indian Rupees, unless otherwise stated)

Trade payables are non-interest bearing and are generally on terms of 30-45 days.

a) Refer note 37 for disclosures under Micro, Small and Medium Enterprises Development Act, 2006 (MSMED).

b) Refer note 42 for dues to related parties.

c) The Company's exposure to liquidity risk and currency risks related to trade payables is disclosed in note 43(b) & (c).

23. Current financial liabilities - Others

	As at 31 March 2022	As at 31 March 2021
Employee related payables	3,441.95	4,169.87
Payable in respect of retention money	-	127.82
Earnest money deposits	1.00	1.00
Payable for capital assets#	317.57	17.01
Unpaid dividends*	6.91	3.77
	3,767.43	**4,319.47**

Refer note 37 for amount payable to Micro, Small and Medium Enterprises.

* Unpaid dividends amount is not due for deposit to the Investor Education & Protection fund.

24. Deferred income

	As at 31 March 2022	As at 31 March 2021
Unearned revenue*	7,862.92	6,542.05
	7,862.92	**6,542.05**

* Changes in deferred income is as follows:

	As at 31 March 2022	As at 31 March 2021
Balance at the beginning of the year	6,542.05	5,940.17
Revenue recognised that was included in deferred income at the beginning of the year	(6,388.62)	(5,739.60)
Increase due to invoicing during the year, excluding amount recognised as revenue during the year	7,709.49	6,341.48
Balance at the end of the year	**7,862.92**	**6,542.05**

25. Other current liabilities

	As at 31 March 2022	As at 31 March 2021
Statutory dues payable	1,114.79	1,185.09
Advance from employees for share options	1.65	0.26
Other current liabilities	1.00	(0.00)
Advance from customers	21.68	32.67
	1,139.12	**1,218.02**

Notes

to the Standalone Financial Statements for the year ended 31 March 2022

(All amounts are in lakhs of Indian Rupees, unless otherwise stated)

26. Current provisions

	As at 31 March 2022	As at 31 March 2021
Provision for employee benefits (refer note 29)		
- provision for gratuity	460.68	313.84
- provision for compensated absences	166.34	132.68
	627.02	**446.52**

27. Revenue from operations

	For the year ended 31 March 2022	For the year ended 31 March 2021
Sale of products - softwares	14,977.63	11,857.65
Sale of services		
- Implementation	13,908.52	13,253.68
- Scanning	746.03	702.82
- AMC/ATS	17,532.14	14,396.97
- Support	19,055.47	16,900.50
- SaaS revenue	4,858.78	3,927.85
	71,078.57	**61,039.47**

Performance obligations and remaining performance obligations

“The remaining performance obligation disclosure provides the aggregate amount of the transaction price yet to be recognised as at the end of the reporting period and an explanation as to when the Company expects to recognise these amounts in revenue. Applying the practical expedient as given in Ind AS 115, the Company has not disclosed the remaining performance obligation related disclosures for contracts where :

(i) The performance obligation is part of a contract that has an original expected duration of one year or less.

(ii) The revenue recognised corresponds directly with the value to the customer of the entity’s performance completed to date, typically those contracts where invoicing is on time and material basis.

Remaining performance obligation estimates are subject to change and are affected by several factors, including terminations, changes in the scope of contracts, periodic revalidations, adjustment for revenue that has not materialised and adjustments for currency.

The aggregate value of performance obligations that are completely or partially unsatisfied as at 31 March 2022, other than those meeting the exclusion criteria mentioned above is INR Nil (31 March 2021 INR Nil).

28. Other income

	For the year ended 31 March 2022	For the year ended 31 March 2021
Interest income under the effective interest rate method:		
- on security deposits at amortised cost	26.90	38.69
- government and other bonds at FVOCI	249.49	240.64
Interest income on deposit with banks	1,231.71	754.90
Gain on lease termination	0.43	87.49
Gain on sale of property, plant and equipment	8.05	10.16
Profit on sale of mutual funds (net) at FVTPL	146.79	132.79
Fair value changes of financial assets at FVTPL	75.39	70.60
Liabilities / provision no longer required written back	64.71	7.27
Net foreign exchange fluctuation gain	1,164.53	-
Bad debts recovered	5.00	43.10
Miscellaneous income	20.38	45.31
	2,993.38	**1,430.95**

Notes

to the Standalone Financial Statements for the year ended 31 March 2022

(All amounts are in lakhs of Indian Rupees, unless otherwise stated)

29. Employee benefits expense

	For the year ended 31 March 2022	For the year ended 31 March 2021
Salaries, wages and bonus	32,063.29	25,747.74
Contribution to provident funds (refer note i below)	1,104.02	995.96
Expenses related to compensated absences (refer note ii below)	535.95	419.26
Share based payment - equity settled	488.74	61.90
Expense related to defined benefit plan (refer note iii below)	526.54	614.89
Staff welfare expenses	171.47	86.31
	34,890.01	**27,926.06**

(i) Defined contribution plans:

The Company makes contributions, determined as a specified percentage of the employee salaries in respect of qualifying employees towards provident fund, which is a defined contribution plan. The amount recognised as an expense towards contribution to provident fund for the year aggregated to INR 1,104.02 lakhs (31 March 2021: INR 995.96 lakhs). The amount recognised as an expense towards employee state insurance aggregated to INR 0.29 lakhs (31 March 2021: INR 0.88 lakhs).

(ii) Compensated absences:

The Principal assumptions used in determining the compensated absences benefit obligation are as given below:

	31 March 2022	31 March 2021
Discounting rate (p.a.)	3.55% - 7.18%	3.20% - 6.88%
Future salary increase (p.a.)	5.00% -7.00%	5.00% - 6.00%

(iii) Defined Benefit Plan:

Gratuity scheme - This is an unfunded defined benefit plan and it entitles an employee, who has rendered atleast 5 years of continuous service, to receive one-half month's salary for each year of completed service at the time of retirement/exit.

i) On normal retirement / early retirement / withdrawal / resignation: As per the provisions of the Payment of Gratuity Act, 1972 with vesting period of 5 years of service.

ii) On death in service: As per the provisions of the Payment of Gratuity Act, 1972 without any vesting period.

Gratuity payable to employee in case (i) and (ii), as mentioned above, is computed as per the Payment of Gratuity Act, 1972 except the Company does not have any limit on gratuity amount.

A. Movement in net defined benefit (asset) liability

The following table shows a reconciliation from the opening balances to the closing balances for net defined benefit (asset) liability and its components.

Particulars	As at 31 March 2022	As at 31 March 2021
Balance at the beginning of the year	**2,510.58**	**2,077.89**
Benefits paid	(260.03)	(123.72)
Current service cost	361.46	471.52
Interest cost	165.08	143.37
Actuarial (gains) / losses recognised in OCI		
change in demographic assumptions	1.84	20.87
change in financial assumptions	116.71	3.28
experience adjustments	198.04	(82.63)
Balance at the end of the year	**3,093.68**	**2,510.58**

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(All amounts are in lakhs of Indian Rupees, unless otherwise stated)

B. i) Expense recognised in profit and loss

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Current service cost	361.46	471.52
Interest cost	165.08	143.37
Total expense recognised in Statement of profit and loss	**526.54**	**614.89**

ii) Remeasurements recoginsed in other comprehensive income

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Actuarial loss on defined benefit obligation	316.59	(58.48)
Total remeasurements recognised in other comprehensive income	**316.59**	**(58.48)**

C. Defined benefit obligations

i. Actuarial assumptions

The following were the principal actuarial assumptions at the reporting date:

	For the year ended 31 March 2022	For the year ended 31 March 2021
Discount rate	3.55% - 7.18%	3.25% - 6.88%
Salary escalation rate	5.00% -7.00%	5.00% - 6.00%
Mortality rate	100% of IALM (2012- 14)	100% of IALM (2012- 14)

ii. Sensitivity analysis

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below.

	31 March 2022		31 March 2021	
	Increase	Decrease	Increase	Decrease
Discount rate (0.50% movement)	(105.20)	114.82	(77.78)	83.10
Future salary growth (0.50% movement)	113.90	(105.64)	83.40	(78.76)

Sensitivities due to mortality & withdrawals are not material & hence impact of change not calculated.

Sensitivities as to rate of inflation, rate of increase of pensions in payment, rate of increase of pensions before retirement and life expectancy are not applicable being a lump sum benefit on retirement.

Although the analysis does not take account of the full distribution of cash flows expected under the plan, it does provide an approximation of the sensitivity of the assumptions shown.

Based on the actuarial valuation obtained in this respect, the following table sets out the status of the gratuity plan and the amounts recognised in the Company's financial statements as at balance sheet date:

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(All amounts are in lakhs of Indian Rupees, unless otherwise stated)

iii. Maturity profile of defined benefit obligation:

	As at 31 March 2022	As at 31 March 2021
Within the next 12 months (next annual reporting period)	460.68	313.84
Between 2 and 5 years	1,049.38	790.86
Beyond 5 years	1,622.50	1,430.20
Net defined benefit liability		
Liability for gratuity	3,093.68	2,510.58
Liability for compensated absences	864.18	780.17
Total employee benefit liabilities	**3,957.86**	**3,290.75**
Non-current:		
Gratuity	2,633.00	2,196.75
Compensated absences	697.84	647.50
Current:		
Gratuity	460.68	313.84
Compensated absences	166.34	132.68

The Code on Social Security, 2020 ('Code') relating to employee benefits during employment and post-employment benefits received Presidential assent in September 2020. The Code has been published in the Gazette of India. However, the date on which the Code will come into effect has not been notified. The Company will assess the impact of the Code when it comes into effect and will record any related impact in the period the Code becomes effective.

30. Finance costs

	For the year ended 31 March 2022	For the year ended 31 March 2021
Finance cost on lease liabilities	180.33	272.67
Interest expense on borrowings	15.05	86.71
Other finance costs	122.41	175.46
	317.79	**534.84**

31. Depreciation and amortisation

	For the year ended 31 March 2022	For the year ended 31 March 2021
Depreciation of property, plant and equipment (refer note 4)	917.17	678.03
Depreciation of right-of use assets (refer note 19)	562.13	1,089.44
Amortisation of intangible assets (refer note 5)	53.13	84.01
	1,532.43	**1,851.48**

Notes

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(All amounts are in lakhs of Indian Rupees, unless otherwise stated)

32. Other expenses

	For the year ended 31 March 2022	For the year ended 31 March 2021
Rent	448.81	94.31
Repairs and maintenance	319.38	261.85
Rates and taxes	324.65	426.49
Travelling and conveyance	974.82	773.16
Legal and professional fees	2,327.33	2,140.17
Outsourced technical services expense (refer note 42)	4,100.05	3,219.84
Cloud hosting services	1,402.26	1,245.75
Payment to auditors*	66.95	72.31
Electricity and water	310.75	355.98
Advertising and sales promotion	843.23	399.33
Membership and subscription fee	275.82	250.00
Brokerage and commission	1,466.61	861.77
Communication costs	229.00	233.69
Software and license maintenance	1,085.03	790.09
Expenditure on corporate social responsibility (refer note 39)	248.85	201.27
Donation	30.82	29.00
Recruitment charges	398.49	115.53
Insurance	494.09	385.02
Operation and maintenance	249.13	418.65
Printing, stationery and scanning charges	400.48	293.12
Loss allowance on trade receivables	1,804.50	2,149.62
(net of adjustment for bad debts written off of INR 2,386.38 lakhs (previous year INR 2991.03 lakhs). Loss allowance on trade receivables includes loss allowance created on unbilled revenue amounting to INR 273.39 lakhs)		
Security charges	201.62	229.12
Net foreign exchange fluctuation loss	-	141.98
Loss on redemption of bonds (net) at FVOCI	24.80	27.78
Miscellaneous expenses	49.12	73.08
	18,076.59	**15,188.91**
***Payment to auditors**		
As auditor:		
- Statutory audit fee	37.00	39.50
- Limited review fee	21.50	22.50
- Certification fee	5.25	6.95
- Reimbursement of expenses	3.20	3.36
	66.95	**72.31**

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(All amounts are in lakhs of Indian Rupees, unless otherwise stated)

33. Income Tax

A. The major components of income tax income recognised in Statement of Profit or Loss

	For the year ended 31 March 2022	For the year ended 31 March 2021
Tax expense	3,090.56	3,632.26
Tax expense for earlier years	-	1,288.86
Deferred tax expense	565.32	288.58
Total	**3,655.88**	**5,209.70**
Recognised in Other comprehensive income		
Tax impact on		
- Re-measurement on defined benefit plan	110.63	(35.90)
- Financial assets or investments carried at fair value through other comprehensive income	33.51	(26.30)
Total	**144.14**	**(62.20)**

B. Reconciliation of effective tax rate

	31 March 2022		31 March 2021	
Profit before tax		19,255.13		16,969.13
Tax using the Company's tax rate	34.94%	6,728.51	34.94%	5,929.69
Effect of deduction under section 10AA of the Income tax Act, 1961	-15.69%	(3,020.28)	-13.38%	(2,270.61)
Effect of expenses permanently disallowed under the Income Tax Act, 1961	0.70%	135.56	0.25%	41.98
Effect of income exempt/ non taxable/ taxed on lower rate	-0.60%	(116.38)	-0.68%	(114.75)
Effect of profit on redemption of mutual funds	-0.16%	(30.67)	0.66%	111.75
Tax expense for earlier years	-1.30%	(251.22)	7.60%	1,288.86
Others	1.09%	210.36	1.31%	222.78
Income tax recognised in statement of profit and loss for the current year	18.99%	3,655.88	30.70%	5,209.70

C. Deferred tax asset /(liabilities) and movement in temporary differences

31 March 2022

Particulars	Balance as at 1 April 2021	Recognised in Statement of Profit or Loss during the year	Recognised in OCI during the year	Balance as at 31 March 2022
Investments at fair value through OCI	(29.73)	-	29.54	(0.19)
Remeasurement of defined benefit liability (asset)	15.47	-	110.63	126.10
Property, plant and equipment	(606.72)	(390.04)	-	(996.76)
Loss allowance on other financial assets	57.57	-	-	57.57
Loss allowance on trade receivables	1,394.05	(307.44)	-	1,086.61
Provision for employee benefits	1,214.87	51.02	-	1,265.89
Lease liabilities	39.00	(31.13)	-	7.87
MAT credit entitlement	-	139.18		139.18
Others	(170.82)	(26.91)	-	(197.73)
Total	**1,913.69**	**(565.32)**	**140.17**	**1,488.54**

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(All amounts are in lakhs of Indian Rupees, unless otherwise stated)

31 March 2021

Particulars	Balance as at 1 April 2020	Recognised in Statement of Profit or Loss during the year	Recognised in OCI during the year	Balance as at 31 March 2021
Investments at fair value through OCI	1.42	-	(31.15)	(29.73)
Remeasurement of defined benefit liability (asset)	51.37	-	(35.90)	15.47
Property, plant and equipment	(373.98)	(232.74)	-	(606.72)
Loss allowance on other financial assets	57.57	-	-	57.57
Loss allowance on trade receivables	1,688.07	(294.02)	-	1,394.05
Provision for employee benefits	931.23	283.64	-	1,214.87
Lease liabilities	58.84	(19.84)	-	39.00
Others	(145.20)	(25.62)	-	(170.82)
Total	**2,269.32**	**(288.58)**	**(67.05)**	**1,913.69**

34. Earnings per share (EPS)

Basic EPS amounts are calculated by dividing the profit for the year attributable to equity holders of the Company by the weighted average number of equity shares outstanding during the year.

Diluted EPS amounts are calculated by dividing the profit attributable to equity holders of the Company by the weighted average number of equity shares outstanding during the year plus the weighted average number of Equity shares that would be issued on conversion of all the dilutive potential equity shares into equity shares.

i. Profit attributable to Equity holders of the Company

	For the year ended 31 March 2022	For the year ended 31 March 2021
Profit attributable to equity holders of the Company	15,599.25	11,759.43
Profit attributable to equity holders of the Company for basic and diluted earnings	**15,599.25**	**11,759.43**

ii. Weighted average number of ordinary shares

	For the year ended 31 March 2022	For the year ended 31 March 2021
Opening balance of equity's shares	6,93,06,005	6,90,89,813
Effect of share options exercised	1,15,752	1,00,973
Weighted average number of shares for basic EPS	**6,94,21,757**	**6,91,90,786**
Effect of dilution:		
Add: Weighted average number of potential equity shares on account of employees stock options	4,67,801	7,02,162
Weighted average number of shares for diluted EPS	**6,98,89,558**	**6,98,92,948**

Basic and diluted earnings per share

	For the year ended 31 March 2022 INR	For the year ended 31 March 2021 INR
Basic earnings per share	22.47	17.00
Diluted earnings per share	22.32	16.82

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(All amounts are in lakhs of Indian Rupees, unless otherwise stated)

35. Share-based payment arrangements:

A. Description of share-based payment arrangements

i. Share option programmes (equity-settled)

The Company established Newgen Employees Stock Option Scheme 2014 (Newgen ESOP 2014) in the year 2014-15, administered through a new Trust 'Newgen ESOP Trust'. The maximum numbers of shares to be issued under this Scheme shall be limited to 3,783,800 equity shares of the Company. Pursuant to the scheme, during the year 2014-15, the Company has granted 3,653,525 options at an exercise price of INR 63 per option, to the employees of the Company. Further,during the year 2017-18 grant of options 353,000, 130,000, and 79,250 through grant II, III and IV on1 Jul 2017, 1 Sep 2017 and 1 Oct 2017 respectively under the same scheme and with same vesting conditions was made. During the year 2020-21, the Company has granted 2,33,000 options under Newgen ESOP 2014 on 25 March 2021.Under the terms of the plans, these options are vested on a graded vesting basis over a maximum period of four years from the date of grant and are to be exercised either in part(s) or full, within a maximum period of five from the date of last vesting.

During the year 2020-21, the Company has established Newgen Software Technologies Restricted Stock Units Scheme – 2021 (Newgen RSU – 2021), administered through a new trust "Newgen RSU Trust" The maximum numbers of shares to be issued under this Scheme shall be limited to 14,00,000 equity shares of the Company During the year 2021-22, the Company has granted 12,11,500 and 1,73,500 options through grant I and II respectively under this scheme at an exercise price of INR 10 per option, to the employees of the Company. Under the terms of the scheme, these options are vested on a graded vesting basis over a maximum period of five years from the date of grant and are to be exercised either in part(s) or full, within a maximum period of five from the date of last vesting.

Particulars	Newgen ESOP 2014	Newgen RSU – 2021
Maximum number of shares under the plan	37,83,800	14,00,000
Method of settlement (cash/equity)	Equity	Cash/ Equity
Vesting period (maximum)	4 years 1 year - 10% 2 year - 20% 3year- 30% 4year-40%	5 years at the end of 3rd year - 50% at the end of 5th year - 50%
Exercise period from the date of vesting (maximum)	5 year from last vesting	5 year from last vesting
Vesting conditions	Service period	Service period & Performance based

Newgen ESOP trust has been treated as an extension of the Company and accordingly shares held by Newgen ESOP Trust are netted off from the total share capital. Consequently, all the assets, liabilities, income and expenses of the trust are accounted for as assets and liabilities of the Company, except for profit / loss on issue of shares to the employees and dividend received by trust which are directly adjusted in the Newgen ESOP Trust reserve.

Following table represents general terms of the grants for the ESOP outstanding as on 31 March 2022.

ESOP schemes	Grant Date	No. of Options Outstanding	Exercise Price	Weighted average remaining life	Vesting Period
Newgen Employees Stock Option Scheme 2014 (Newgen ESOP 2014)	1-Jan-2015	2,49,326	INR 63.00	1.75	4 years
Newgen Employees Stock Option Scheme 2014 (Newgen ESOP 2014)	1-Jul-2017	69,486	INR 63.00	4.25	4 years

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(All amounts are in lakhs of Indian Rupees, unless otherwise stated)

ESOP schemes	Grant Date	No. of Options Outstanding	Exercise Price	Weighted average remaining life	Vesting Period
Newgen Employees Stock Option Scheme 2014 (Newgen ESOP 2014)	1-Sep-2017	60,600	INR 63.00	4.42	4 years
Newgen Employees Stock Option Scheme 2014 (Newgen ESOP 2014)	1-Oct-2017	19,800	INR 63.00	4.50	4 years
Newgen Employees Stock Option Scheme 2014 (Newgen ESOP 2014)	25-Mar-2021	2,04,000	INR 63.00	7.99	4 years

Following table represents general terms of the grants for the RSU outstanding as on 31 March 2022.

ESOP schemes	Grant Date	No. of Options Outstanding	Exercise Price	Weighted average remaining life	Vesting Period
Newgen Software Technologies Restricted Stock Units Scheme – 2021 (Newgen RSU – 2021)	23-Dec-2021	11,86,500	INR 10.00	9.73	5 years
Newgen Software Technologies Restricted Stock Units Scheme – 2021 (Newgen RSU – 2021)	2-Mar-2022	1,73,500	INR 10.00	9.93	5 years

B. Measurement of fair values

i. Equity-settled share-based payment arrangements

The fair value of the employee share optionshas been measured using the Black-Scholes formula. The fair value of options and the inputs used in the measurement of the grant date fair values of the equity-settled share based payment plans are as follows:

Particulars	Newgen ESOP 2014 Grant - V	Newgen RSU – 2021 Grant - I	Newgen RSU – 2021 Grant - II
Date of grant	**25-Mar-2021**	**23-Dec-2021**	**2-Mar-2022**
Fair value of options at grant date	230.95	554.29	470.62
Share price at grant date	280.50	583.30	499.40
Exercise price	63.00	10.00	10.00
Expectedvolatility (weighted-average)	46.49%	44.91%	44.89%
Expected life (weighted-average)	6 years	6.5 years	6.5 years
Expected dividends	0.50%	0.60%	0.70%
Risk-free interest rate (based on government bonds)	5.80% - 6.19%	5.29% - 6.39%	5.60% - 6.69%

C. Reconciliation of outstanding share options

The number and weighted-average exercise prices of share options under the share option programmes were as follows.

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(All amounts are in lakhs of Indian Rupees, unless otherwise stated)

Newgen Employees Stock Option Scheme 2014 (Newgen ESOP 2014)

	Number of options	Weighted average exercise price	Number of options	Weighted average exercise price
	31 March 2022	31 March 2022	31 March 2021	31 March 2021
Options outstanding as at the beginning of the year	9,01,406	INR 63.00	8,84,598	INR 63.00
Add: Options granted during the year	-	INR 63.00	2,33,000	-
Less: Options lapsed during the year	64,008	-	-	INR 63.00
Less: Options exercised during the year	2,34,186	INR 63.00	2,16,192	INR 63.00
Options outstanding as at the year end	**6,03,212**	**INR 63.00**	**9,01,406**	**INR 63.00**
Exercisable as at year end	**4,20,012**		**4,89,498**	
Weighted - average contractual life	4.51 years		5.20 years	

Newgen Software Technologies Restricted Stock Units Scheme – 2021 (Newgen RSU – 2021)

	Number of options	Weighted average exercise price	Number of options	Weighted average exercise price
	31 March 2022	31 March 2022	31 March 2021	31 March 2021
Options outstanding as at the beginning of the year	-	INR 10.00	-	-
Add: Options granted during the year	13,85,000	INR 10.00	-	-
Less: Options lapsed during the year	25,000	INR 10.00	-	-
Less: Options exercised during the year	-	INR 10.00	-	-
Options outstanding as at the year end	**13,60,000**	**INR 10.00**	**-**	**-**
Exercisable as at year end	**-**			
Weighted - average contractual life	9.76 years			

D. Expense recognised in Statement of Profit and Loss

For details on the employee benefits expense, refer note 29

36. Contingent liabilities and commitments (to the extent not provided for)

The Company is committed to operationally, technically and financially support the operations of its certain subsidiary companies.

37. Details of dues to Micro, Small and Medium Enterprises as defined under the MSMED Act, 2006

The Ministry of Micro, Small and Medium Enterprises has issued an Office Memorandum dated 26 August 2008 which recommends that the Micro and Small Enterprises should mention in their correspondence with its customers the Entrepreneurs Memorandum Number as allocated after filing of the Memorandum.

Disclosure in respect of the amounts payable to such enterprises as on 31 March 2022 and 31 March 2021based on information received and available with the Company.

Particulars	31 March 2022	31 March 2021
Principal Amount*	382.62	-
Interest due thereon at the end of the accounting year.	-	-
the amount of interest paid by the buyer in terms of section 16,of the MSMED Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year.	-	-

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Particulars	31 March 2022	31 March 2021
the amount of interest due and payable for the year for delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act, 2006).	-	-
The amount of interest accrued and remaining unpaid at the end of the accounting year.	-	-
the amount of further interest remaining due and payable even in the succeeding years untill such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under section 23 of MSMED Act, 2006.	-	-

* Includes INR 307.35 lakhs on account of capital creditor

38. After the reporting date the following dividend were proposed by the Board of Directors, subject to the approval of shareholders at Annual General Meeting; Accordingly, the dividends have not been recognised as liabilities.

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Final dividend of INR 4.50 per share (31 March 2021: INR 3.50/- per share)	3,148.01	2,448.45

39. Utilisation of Corporate Social Responsibility expenses

As per Section 135 of the Companies Act 2013, the following is the detail of CSR expenses incurred by the Company: Gross amount required to be spent by the Company during the year ended 31 March 2022 is INR 245.65 lakhs as approved by the board of directors (previous year INR. 201.09 lakhs). Amount spent during the year ended 31 March 2022:

Particulars	Amount spent during the year	shortfall at the end of year	Total of previous year shortfall	Reason for shortfall
i) For construction / acquisition of any asset	-	-	-	NA
ii) For purpose other than (i) above*	248.85	-	-	NA

* The areas for CSR activities are promoting education, health care, sanitation, digital literacy and livelihood enhancement. The funds were primarily utilized through the year on the activities which are specified in Schedule VII of the Companies Act, 2013.

40. The Company has established a comprehensive system of maintenance of information and documents as required by the transfer pricing legislation under sections 92-92F of the Income-tax Act, 1961. Since the law requires existence of such information and documentation to be contemporaneous in nature, the Company has got the updated documentation for the international transactions entered into with the associated enterprises during the financial year. The management is of the opinion that its international transactions are at arm's length so that the aforesaid legislation will not have any impact on the financial statements, particularly on the amount of tax expense and that of provision for taxation.

41. Details of current Investments (refer note 10)

Particulars	Number of units as at		Amount in lakhs as at	
	31 March 2022	31 March 2021	31 March 2022	31 March 2021
Investment in mutual funds -FVTPL				
Aditya Birla Sun Life Liquid Fund -Growth-Regular Plan	4,04,905.14	1,94,248.97	661.29	639.68
Bharat bonds ETF	20,000.00	20,000.00	240.62	226.87
Aditya Birla Liquid Fund Direct plan Growth option	1,70,596.77	4,72,293.51	585.36	1,565.81
ICICI Prudential Liquid Fund Growth	-	4,92,315.98	-	1,500.27
HDFC Liquid Fund -Direct Growth	7,622.95	7,622.95	319.00	308.39
IDFC Cash Fund - Growth- Direct Plan	-	20,704.45	-	514.71

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(All amounts are in lakhs of Indian Rupees, unless otherwise stated)

Particulars	Number of units as at		Amount in lakhs as at	
	31 March 2022	31 March 2021	31 March 2022	31 March 2021
Axis Money Market Fund	83,644.96	-	963.43	-
Investment in government bonds-FVTOCI				
8.40% IRFC 15YRS SR2A 18022029 (18-Feb-2029)	40,000.00	40,000.00	484.14	494.26
7.35% NHAI LTD Tax free Bond 15YRS SR2A Annual (11-Jan-2031)	2,15,000.00	45,000.00	2,543.76	539.85
8.54% PFC Tax free Bonds (Series 2A) 16/11/2028	16,500.00	16,500.00	199.74	204.13
7.04% IRFC Bond 03/03/2026	15.00	15.00	162.00	164.73
8.3% NHAI Tax free Bonds 25/01/2027	30,000.00	30,000.00	344.85	352.97
8.63% IRFC Bonds 26/03/2029	22,000.00	22,000.00	269.72	275.62
8.30% IRFC Bonds 23/02/2027	87,000.00	87,000.00	994.49	1,016.65
8.20% NHAI Bonds 25/01/2022	-	50,000.00	-	513.51
7.34% IRFC Bonds 19/02/2028	1,30,000.00	-	1,469.36	-
			9,237.76	**8,317.46**

42. Related party transactions

A. List of subsidiaries

Set out below is the list of subsidiaries:

Name of the company	Country of incorporation	Ownership interest	
		31 March 2022	31 March 2021
Newgen Software Inc.	United States of America	100%	100%
Newgen Software Technologies Pte Ltd.	Singapore	100%	100%
Newgen Software Technologies Canada Limited	Canada	100%	100%
Newgen Software Technologies (UK) Ltd.	United Kingdom	100%	100%
Newgen Software Technologies Pty Ltd.	Australia	100%	100%
Newgen Computers Technologies Limited	India	100%	100%
Number Theory Software Private Limited*	India	100%	-

The principal place of business of all the entities listed above is the same as the respective country of incorporation.

The company acquired control of Number Theory Software Private Limited during the year on 28 January 2022.

B. Transactions with Key Management Personnel

A number of key management personnel, or their related parties hold positions in other entities that result in them having control or significant influence over those entities.

Compensation of the Company's key managerial personnel includes salaries, non-cash benefits and contributions to post - employment defined benefit plan (see note 29)

Executive officers also participate in the Company's share option plan as per the conditions laid down in that scheme (see note 29 and note 35).

List of key management personnel and their relatives

Diwakar Nigam - Managing Director

T.S. Varadarajan - Whole Time Director

Priyadarshini Nigam - Whole Time Director

Arun Kumar Gupta - Chief Financial Officer

Virender Jeet - Chief Executive Officer

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(All amounts are in lakhs of Indian Rupees, unless otherwise stated)

List of key management personnel and their relatives

Surender Jeet Raj - Senior Vice President (HR/Operations)

Tarun Nandwani - Chief Operating Officer

Usha Varadarajan - Relative of Whole Time Director - T.S. Varadarajan

Aman Mourya- Company Secretary

List of non-executive and independent directors

Kaushik Dutta - Independent Director

Saurabh Srivastava - Independent Director

Subramaniam R Iyer - Independent Director

Padmaja Krishnan - Independent Director

Key management personnel compensation

	Transaction value		Balance payable	
	For the year ended 31 March 2022	For the year ended 31 March 2021	As at 31 March 2022	As at 31 March 2021
Salaries, wages and bonus*	**1,737.36**	**1,236.05**	**786.29**	**675.20**
Diwakar Nigam	370.71	275.03	160.92	154.62
T.S. Varadarajan	195.95	148.70	96.55	91.61
Priyadarshini Nigam	113.29	88.20	64.37	60.25
Arun Kumar Gupta	184.53	87.64	48.16	41.33
Virender Jeet	291.06	268.40	160.53	118.78
Surender Jeet Raj	304.98	177.67	129.15	112.65
Tarun Nandwani	249.09	173.04	126.61	94.68
Aman Mourya	27.74	17.38	-	1.27
Dividend paid (excluding dividend distribution tax)	**1,379.87**	**935.81**	**-**	**-**
Diwakar Nigam	548.60	369.45	-	-
T.S. Varadarajan	525.33	300.19	-	-
Priyadarshini Nigam	229.94	159.38	-	-
Arun Kumar Gupta	1.02	1.10	-	-
Virender Jeet	10.37	4.98	-	-
Surender Jeet Raj	8.73	4.99	-	-
Tarun Nandwani	9.24	5.14	-	-
Usha Varadarajan	46.63	90.57	-	-
Aman Mourya	0.01	0.03	-	-
Share-based payments	**161.34**	**99.83**	-	-
Arun Kumar Gupta	59.60	-	-	-
Virender Jeet	-	77.72	-	-
Surender Jeet Raj	76.60	-	-	-
Tarun Nandwani	15.24	19.75	-	-
Aman Mourya	9.89	2.37		

* It includes share-based payments and commission but excludes provision for gratuity and compensated absences, as these are determined on the basis of actuarial valuation for the Company as a whole.

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	Transaction value		Balance payable	
	For the year ended 31 March 2022	For the year ended 31 March 2021	As at 31 March 2022	As at 31 March 2021
Sitting fees to independent director	**56.00**	**50.00**	-	-
Kaushik Dutta	17.00	15.00	-	-
Saurabh Srivastava	14.00	14.00	-	-
Subramaniam R Iyer	17.00	15.00	-	-
Padmaja Krishnan	8.00	6.00	-	-
Commission to independent director	**107.28**	**95.79**	**96.55**	**88.60**
Kaushik Dutta	26.82	23.95	24.14	22.15
Saurabh Srivastava	26.82	23.95	24.14	22.15
Subramaniam R Iyer	26.82	23.95	24.14	22.15
Padmaja Krishnan	26.82	23.95	24.14	22.15

C. Related party transactions other than those with key management personnel

The transactions with related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the year-end are unsecured and settlement occurs in cash.

For the year ended 31 March 2022 and 31 March 2021, the Company has not recorded any impairment of receivables relating to amounts owed by related parties. This assessment is undertaken at each reporting period.

	Transaction value		Balance receivable	
	For the year ended 31 March 2022	For the year ended 31 March 2021	As at 31 March 2022	As at 31 March 2021
Sale of products and services*				
Subsidiaries				
Newgen Software Inc., USA	14,538.16	14,740.62	-	731.70
Newgen Software Technologies Pte Ltd.	4,639.68	4,099.33	-	0.03
Newgen Software Technologies Canada Limited	425.19	423.87	-	1.58
Newgen Software Technologies (UK) Ltd.	1,206.23	1,019.49	-	3.17
* It includes unbilled revenues as follows:				
Unbilled revenue				
Newgen Software Inc., USA	2,266.46	1,085.72		
Newgen Software Technologies Pte Ltd.	1,211.13	699.26		
Newgen Software Technologies Canada Limited	11.32	115.09		
Newgen Software Technologies (UK) Ltd.	268.64	283.85		
Sale of services-back office support cost #				
Subsidiaries				

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(All amounts are in lakhs of Indian Rupees, unless otherwise stated)

	Transaction value		Balance receivable	
	For the year ended 31 March 2022	For the year ended 31 March 2021	As at 31 March 2022	As at 31 March 2021
Newgen Software Inc., USA	168.81	145.70	-	-
Newgen Software Technologies Pte Ltd.	36.79	37.30	-	-
Newgen Software Technologies Canada Limited	19.17	20.23	-	4.60
Newgen Software Technologies (UK) Ltd.	11.07	11.33	-	-
Newgen Software Technologies Pty Ltd.	8.95	6.40	-	-
# It includes unbilled revenues as follows:				
Unbilled revenue				
Newgen Software Inc., USA	10.54	17.67		
Newgen Software Technologies Pte Ltd.	1.41	4.70		
Newgen Software Technologies Canada Limited	0.98	4.02		
Newgen Software Technologies (UK) Ltd.	0.18	1.88		
Newgen Software Technologies Pty Ltd.	0.35	0.95		
Expense-Outsourced technical services @				
Subsidiaries				
Newgen Software Inc., USA	2874.09	2,401.65	-	-
Newgen Software Technologies Pte Ltd.	357.63	115.11	-	27.28
Expense-Marketing support services @				
Subsidiary				
Newgen Software Technologies Pty Ltd.	634.53	511.66	-	-
@ It includes unbilled payable as follows:				
Unbilled payable				
Newgen Software Inc., USA	520.84	346.00		
Newgen Software Technologies Pte Ltd.	57.41	19.40		
Newgen Software Technologies Pty Ltd.	181.75	97.89		
Rent expense				
Subsidiary				
Newgen Computers Technologies Limited	7.92	7.92	-	-
Inter-Company Deposit Given and Interest thereon				
Subsidiary				

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(All amounts are in lakhs of Indian Rupees, unless otherwise stated)

	Transaction value		Balance receivable	
	For the year ended 31 March 2022	For the year ended 31 March 2021	As at 31 March 2022	As at 31 March 2021
Number Theory Software Private Limited	344.50	0.00	344.50	-
Paid on behalf of				
Subsidiary				
Newgen Computers Technologies Limited	2.56	1.25	2.56	-
Newgen Software Technologies Pte Ltd.	-	0.22	-	-
Number Theory Software Private Limited	3.14	-	3.14	-
Bank Guarantee issued on behalf of				
Subsidiary				
Newgen Software Technologies Pte Ltd.	0.00	65.71	-	-
Recovered from				
Subsidiary				
Newgen Computers Technologies Limited	1.25	0.00	-	-
Newgen Software Technologies Pte Ltd.	0.00	0.22		
Investment in subsidiaries - share based payment				
Newgen Software Inc., USA	37.70	1.99	-	-
Newgen Software Technologies Pte Ltd.	1.74	0.70	-	-
Newgen Software Technologies Canada Limited	2.34	-	-	-
Newgen Software Technologies (UK) Ltd.	4.12	-	-	-
Newgen Software Technologies Pty Ltd.	6.87	-	-	-
Number Theory Software Private Limited	6.75	-	-	-

D. Investment in subsidiaries

Subsidiary Company	As at 31 March 2022	As at 31 March 2021
Newgen Software Inc. USA	567.79	530.09
Newgen Software Technologies Canada Limited	58.86	56.52
Newgen Software Technologies Pte. Ltd.	119.18	117.44
Newgen Computers Technologies Limited	46.50	46.50
Newgen Software Technologies Pty Ltd.	497.92	491.05
Newgen Software Technologies (UK) Ltd.	182.86	178.74
Number Theory Software Private Limited	1,313.16	-
	2,786.27	**1,420.34**

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43. Financial instruments – Fair values and risk management

A. Accounting classification and fair values

The following table shows the carrying amounts and fair value of financial assets and financial liabilities, including their levels in the fair value hierarchy.

31 March 2022	Carrying amount					Fair value			
	Note	FVTPL	FVTOCI	Amortised Cost	Total	Level 1	Level 2	Level 3	Total
Financial assets									
Financial assets measured at fair value									
Investments in mutual funds	10	2,769.70	-	-	2,769.70	2,769.70	-	-	2,769.70
Investments in bonds	10	-	6,468.06	-	6,468.06	6,468.06	-	-	6,468.06
Financial assets not measured at fair value									
Other non-current financial asset	7	-	-	10,087.33	10,087.33	-	-	-	-
Trade receivables	11	-	-	18,864.30	18,864.30	-	-	-	-
Cash and cash equivalents	12	-	-	5,379.36	5,379.36	-	-	-	-
Other bank balances	13	-	-	17,236.15	17,236.15				
Loans	14	-	-	365.75	365.75	-	-	-	-
Other financial assets	15	-	-	12,537.67	12,537.67	-	-	-	-
		2,769.70	**6,468.06**	**64,470.56**	**73,708.32**	**9,237.76**	**-**	**-**	**9,237.76**
Financial liabilities									
Financial liabilities not measured at fair value									
Lease liabilities	19	-	-	1,725.48	1,725.48	-	-	-	-
Borrowings	20	-	-	618.73	618.73	-	-	-	-
Trade payables	22	-	-	4,099.90	4,099.90	-	-	-	-
Other financial liabilities	23	-	-	3,767.43	3,767.43	-	-	-	-
		-	**-**	**10,211.53**	**10,211.53**	**-**	**-**	**-**	**-**

31 March 2021	Carrying amount					Fair value			
	Note	FVTPL	FVTOCI	Amortised Cost	Total	Level 1	Level 2	Level 3	Total
Financial assets									
Financial assets measured at fair value									
Investments in debt mutual funds	10	4,755.74	-	-	4,755.74	4,755.74	-	-	4,755.74
Investments in bonds	10	-	3,561.72	-	3,561.72	3,561.72	-	-	3,561.72
Financial assets not measured at fair value									
Other non-current financial asset	7	-	-	3,684.13	3,684.13	-	-	-	-
Trade receivables	11	-	-	17,541.07	17,541.07	-	-	-	-
Cash and cash equivalents	12	-	-	2,869.61	2,869.61	-	-	-	-
Other bank balances	13	-	-	17,003.77	17,003.77				
Loans	14	-	-	9.04	9.04	-	-	-	-
Other financial assets	15	-	-	9,967.56	9,967.56	-	-	-	-
		4,755.74	**3,561.72**	**51,075.18**	**59,392.64**	**8,317.46**	**-**	**-**	**8,317.46**

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(All amounts are in lakhs of Indian Rupees, unless otherwise stated)

31 March 2021	Carrying amount					Fair value			
	Note	FVTPL	FVTOCI	Amortised Cost	Total	Level 1	Level 2	Level 3	Total
Financial liabilities									
Financial liabilities not measured at fair value									-
Long-term maturities of finance lease obligations (secured)	19	-	-	1,567.06	1,567.06	-	-	-	-
Trade payables	22	-	-	2,387.20	2,387.20	-	-	-	-
Other financial liabilities	23	-	-	4,319.47	4,319.47	-	-	-	-
		-	**-**	**8,273.73**	**8,273.73**	**-**	**-**	**-**	**-**

The fair value of trade receivables, cash and cash equivalents, other bank balances, loans, other current financial assets, current borrowings, trade payables and other current financial liabilities approximate their carrying amounts, due to their short-term nature. Fair value of bank deposits included in non-current other financial assets are equivalent to their carrying amount, as the interest rate on them is equivalent to market rate.

B. Measurement of fair values

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities

Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable inputs

Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

Particulars	Fair value hierarchy	Valuation technique	Significant unobservable inputs	Inter-relationship between unobservable inputs and fair value measurement
Financial assets measured at FVTPL				
Investments in mutual funds	Level 1	Market valuation technique: Investments traded in active markets are determined by reference to quotes from the financial institutions; for example: Net asset value (NAV) for investments in mutual funds declared by mutual fund house, quoted price of equity shares in the stock exchange etc.	Not applicable	Not applicable
Financial assets measured at FVTOCI				
Investments in bonds	Level 1	Market valuation technique: The fair value of bonds is based on direct and market observable inputs.	Not applicable	Not applicable
Financial liabilities measured at Amortised cost				
Long term borrowings	Level 2	Discounted cash flow: The valuation model considers the present value of expected payment, discounted using a risk adjusted discount rate	Not applicable	Not applicable
Short term borrowings	Level 2			

There have been no transfers in either direction for the years ended 31 March 2022 and 31 March 2021.

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(All amounts are in lakhs of Indian Rupees, unless otherwise stated)

C. Financial risk management

The Company's activities expose it to a variety of financial risks: market risk (including foreign exchange risk and interest rate risk), credit risk and liquidity risk.

i. Risk management framework

The Company's board of directors has framed a Risk Management Policy and plan for enabling the Company to identify elements of risk as contemplated by the provisions of the Section 134 of the Companies Act 2013. The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities. The Company, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

The Company's audit committee oversees how management monitors compliance with the Company's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Company. The audit committee is assisted in its oversight role by internal audit.

ii. Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations and arises partially from the Company's receivables from customers, loans and investment in debt securities. The carrying amount of financial assets represent the maximum credit risk exposure. The Company has credit policies in place and the exposures to these credit risks are monitored on an ongoing basis.

The carrying amount of financial assets represent the maximum credit risk exposure. The maximum exposure to credit risk at the reporting was:

Particulars	As at 31 March 2022	As at 31 March 2021
Other financials assets-non current	10,087.33	3,684.13
Investments	9,237.76	8,317.46
Trade receivables	18,864.30	17,541.07
Loans	365.75	9.04
Cash and cash equivalents	5,379.36	2,869.61
Other bank balances	17,236.15	17,003.77
Other financials assets-current	12,537.67	9,967.56
	73,708.32	**59,392.64**

To cater to the credit risk for investments in mutual funds and bonds, only high rated mutual funds/bonds are accepted.

The Company has given security deposits to vendors for rental deposits for office properties, securing services from them, government departments. The Company does not expect any default from these parties and accordingly the risk of default is negligible or nil.

Trade receivables and unbilled revenues are typically unsecured and derived from revenue earned from customers primarily located in India, USA, EMEA and APAC.

Credit risk has always been managed by the Company through credit approval, establishing credit limits and continuously monitoring the credit worthiness of customers to which the Company grants credit term in normal course of business. Credit limits are established for each customers and received quarterly. Any sales/services exceeding these limits require approval from the risk management committee.

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(All amounts are in lakhs of Indian Rupees, unless otherwise stated)

The Company establishes an allowance for impairment that represents its expected credit losses in respect of trade receivables. The management uses a simplified approach for the purpose of computation of expected credit loss for trade receivables. In monitoring customer credit risk, customers are grouped according to their credit characteristics, including whether they are an individual or legal entity, industry and existence of previous financial difficulties, if any.

Trade and other receivables

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. However, management also considers the factors that may influence the credit risk of its customer base, including the default risk of the industry and country in which customers operate.

The Company establishes an allowance for impairment that represents its expected credit losses in respect of trade and other receivables. The management establishes an allowance for impairment that represents its estimate of expected losses in respect of trade and other receivables. An impairment analysis is performed at each reporting date.

The Company's exposure to credit risk for trade receivables by geographic region is as follows:

	Carrying amount	
	As at 31 March 2022	As at 31 March 2021
India	6,739.96	6,086.63
USA	68.15	770.54
EMEA	10,061.11	8,586.97
APAC	1,995.08	2,096.93
	18,864.30	**17,541.07**

The following table provides information about the exposure to credit risk and expected credit loss for trade receivables from individual customers:

As at 31 March 2022	Gross carrying amount	Weighted-average loss rate	Loss allowance
0-3 months past due	16,634.55	3.28%	545.22
3-6 months past due	1,582.58	11.62%	183.89
6-9 months past due	1,038.84	25.99%	269.98
9-12 months past due	496.85	45.89%	227.99
12-15 months past due	586.03	63.85%	374.16
15-18 months past due	208.22	78.94%	164.36
18-21 months past due	257.41	89.38%	230.07
21-24 months past due	174.07	87.94%	153.08
above 24 months past due	1,019.86	96.62%	985.36
	21,998.41		**3,134.11**

As at 31 March 2021	Gross carrying amount	Weighted-average loss rate	Loss allowance
0-3 months past due	16,097.90	2.89%	465.75
3-6 months past due	614.74	10.05%	61.80
6-9 months past due	647.86	21.86%	141.60
9-12 months past due	411.58	36.89%	151.85

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to the Standalone Financial Statements for the year ended 31 March 2022

(All amounts are in lakhs of Indian Rupees, unless otherwise stated)

As at 31 March 2021	Gross carrying amount	Weighted-average loss rate	Loss allowance
12-15 months past due	666.53	50.64%	337.52
15-18 months past due	459.03	56.55%	259.57
18-21 months past due	153.09	65.94%	100.94
21-24 months past due	34.49	72.84%	25.12
above 24 months past due	2,445.22	100.00%	2,445.22
	21,530.45		**3,989.38**

Ageing for expected credit loss has been considered from invoice date	
Balance as at 1 April 2020	**4,830.79**
Impairment loss recognised	2,149.62
Amounts written off	2,991.03
Balance as at 31 March 2021	**3,989.38**
Impairment loss recognised	1,531.11
Amounts written off	2,386.38
Balance as at 31 March 2022	**3,134.11**

The impairment provisions for financial assets disclosed above are based on assumptions about risk of default and expected loss rates. The Company uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on the Company's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

Debt securities

The Company limits its exposure to credit risk by investing only in liquid debt securities and only with counterparties that have a credit rating AA to AAA from renowned rating agencies.

The Company monitors changes in credit risk by tracking published external credit ratings. For its investment in bonds, Company also reviews changes in government bond yields together with available press and regulatory information about issuers

The exposure to credit risk for debt securities at FVTOCI and at FVTPL is as follows:-

	Net carrying amount	
	As at 31 March 2021	As at 31 March 2021
India	9,237.76	8,317.45
	9,237.76	**8,317.45**

Basis experienced credit judgement, no risk of loss is indicative on Company's investment in mutual funds and government bonds.

Cash and cash equivalents and other bank balances

The Company held cash and cash equivalents of INR 5,379.36 lakhs at 31 March 2022 (31 March 2021: INR 2,869.71 lakhs) and other bank balances of INR 17,236.15 lakhs as at 31 March 2022 (31 March 2021: INR 17,003.77 lakhs). The cash and cash equivalents are held with bank and financial institution counterparties, which are rated AA- to AAA, based on renowned rating agencies.

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(All amounts are in lakhs of Indian Rupees, unless otherwise stated)

iii. Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the company's reputation.

The Company's primary sources of liquidity include cash and bank balances, deposits, undrawn borrowings and cash flow from operating activities. As at 31 March 2022, the Company had a working capital of INR 45,619.08 lakhs (31 March 2021: INR 39,408.60 lakhs) including cash and cash equivalent of INR 5,379.36 lakhs (31 March 2021: INR 2,869.61 lakhs), other bank balances of INR 17,236.15 lakhs (31 March 2021: 17,003.77 lakhs) and current investments of INR 9,237.76 lakhs (31 March 2021: INR 8,317.46 lakhs).

Consequently, the Company believes its revenue, along with proceeds from financing activities will continue to provide the necessary funds to cover its short term liquidity needs. In addition, the Company projects cash flows and considering the level of liquid assets necessary to meet liquidity requirement.

In addition, the Company had access to the following undrawn borrowing facilities at the end of the reporting year

Particulars	Total	2 months or less	2-12 months	1-2 years	2-5 years	More than 5 years
As at 31 March 2022	10,206.00	-	10,206.00			
As at 31 March 2021	10,553.00	-	10,553.00	-	-	-

Exposure to liquidity risk

The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted, and include estimated interest payments and exclude the impact of netting agreements.

31 March 2022	Contractual cash flows						
	Carrying amount	Total	2 months or less	2-12 months	1-2 years	2-5 years	More than 5 years
Non-derivative financial liabilities							
Finance lease obligations (including current maturities)	1,725.48	6,812.39	64.47	397.38	475.46	739.14	5,135.94
Borrowings	618.73	702.73	-	234.24	234.24	234.25	-
Unpaid dividends	6.91	6.91	6.91	-	-	-	-
Employee related payables	3,441.95	3,441.95	280.16	3,061.83	99.96	-	-
Trade and other payables	4,099.90	4,099.90	2,513.13	1,586.77	-	-	-
Earnest money deposits	1.00	1.00	-	1.00	-	-	-
Payable for capital assets	317.57	317.57	-	317.57	-	-	-
Total	**10,211.54**	**15,382.45**	**2,864.67**	**5,598.79**	**809.66**	**973.39**	**5,135.94**

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to the Standalone Financial Statements for the year ended 31 March 2022

(All amounts are in lakhs of Indian Rupees, unless otherwise stated)

31 March 2021	Contractual cash flows						
	Carrying amount	Total	2 months or less	2-12 months	1-2 years	2-5 years	More than 5 years
Non-derivative financial liabilities							
Finance lease obligations (including current maturities)	1,567.06	6,703.87	99.15	456.13	283.55	663.24	5,201.79
Unpaid dividends	3.77	3.77	3.77	-	-	-	-
Employee related payables	4,169.87	4,169.87	2,533.13	1,540.59	96.16	-	-
Trade and other payables	2,387.20	2,387.20	2,387.20	-	-	-	-
Payable in respect of retention money	127.82	127.82	-	127.82	-	-	-
Earnest money deposits	1.00	1.00	-	1.00	-	-	-
Payable for capital assets	17.01	17.01	-	17.00	-	-	-
Total	**8,273.73**	**13,410.54**	**5,023.25**	**2,142.54**	**379.70**	**663.24**	**5,201.79**

Interest payment on variable interest rate loan in the table above reflect market forward interest rates at the reporting dates and these amount may change as market interest changes.

iv. Market risk

Market risk is the risk that changes in market prices – such as foreign exchange rates, interest rates and equity prices – will affect the company's income or the value of its holdings of financial instruments. Market risk is attributable to all market risk sensitive financial instruments including foreign currency receivables and payables and long term debt. We are exposed to market risk primarily related to foreign exchange rate risk, interest rate risk and the market value of our investments. Thus, our exposure to market risk is a function of investing and borrowing activities and revenue generating and operating activities in foreign currency. The objective of market risk management is to avoid excessive exposure in our foreign currency revenues and costs.

I. Currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company is exposed to currency risk on account of its borrowings, receivables and other payables in foreign currency. The functional currency of the Company is Indian Rupee.

The Management endeavours to minimize economic and transactional exposures arising from currency movements against the US Dollar, Euro, Great Britain Pound, Canadian dollar, United Arab Emirates Dhiram, Saudi Riyal, Singapore dollar, Australian dollar and Malaysian Ringgit making all the US dollar payments through EEFC account for avoiding exchange risk. The Company manages the risk by netting off naturally-occurring opposite exposures wherever possible, and then dealing with any material residual foreign currency exchange risks if any.

The Company has entered into foreign exchange forward contracts to mitigate the risks involved in foreign exchange transactions and has booked 23 forward contracts for USD 2.5 million per month during the period from April 2021 to March 2022. The hedging gain of INR 638.95 lakhs is on account of mark to market gain (realised gain is 427.23 lakhs and unrealised gain is 211.72 lakhs) on foreign exchange forward contracts which do not qualify for hedge accounting as per Ind As-109, have been recognized in the profit and loss account in the financial statement for the period ended 31 March 2022.

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(All amounts are in lakhs of Indian Rupees, unless otherwise stated)

Exposure to currency risk

The currency profile of financial assets and financial liabilities as at 31 March 2022 and 31 March 2021 are as below:

Particulars	Currency	31 March 2022		31 March 2021	
		Amount in foreign currency (lakhs)	Amount in local currency (lakhs)	Amount in foreign currency (lakhs)	Amount in local currency (lakhs)
Financial assets					
Trade and other receivables*					
	USD	188.12	14,278.16	167.49	12,255.57
	AED	5.61	115.94	4.05	80.62
	CAD	-	-	0.47	27.12
	EUR	-	-	1.21	104.02
	GBP	0.64	63.58	0.11	11.00
	SAR	2.08	42.00	-	-
	SGD	-	-	0.01	0.41
	MYR	2.02	36.39	9.80	172.99
Bank balance-Dubai	AED	2.33	48.10	7.15	142.43
Bank balance-EEFC	USD	46.03	3,493.93	16.43	1,202.38
Financial liabilities					
Trade and other payables					
	USD	(35.01)	(2,606.45)	(17.74)	(1,277.36)
	SGD	(1.35)	(75.82)	(0.86)	(47.04)
	SAR	(1.24)	(24.88)	-	-
	EURO	(0.04)	(3.02)	-	-
	AUD	(3.19)	(181.75)	(1.76)	(97.89)
	AED	(1.29)	(26.33)	-	-

* gross of loss allowance

Sensitivity analysis

A reasonably possible strengthening / weakening of the Indian Rupee against US Dollar, Euro, Great Britain Pound, Canadian dollar, United Arab Emirates Dhiram, Saudi Riyal, Singapore Dollar, Australian Dollor and Malaysian Ringgit at reporting date would have affected the measurement of financial instruments denominated in foreign currencies and affected equity and profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular interest rates, remain constant and ignores any impact of forecast sales and purchases.

Effect in Lakhs of INR	For the year ended 31 March 2022		For the year ended 31 March 2021	
	Strengthening	Weakening	Strengthening	Weakening
1 % movement				
USD	151.15	(151.15)	121.60	(121.60)
EUR1	(0.03)	0.03	1.04	(1.04)
GBP1	0.64	(0.64)	0.11	(0.11)
CAD1	-	-	0.27	(0.27)
SGD1	(0.76)	0.76	(0.46)	0.46
AED1	1.37	(1.37)	2.23	(2.23)
SAR1	0.17	(0.17)	-	-
MYR1	0.36	(0.36)	1.73	(1.73)
AUD1	(1.82)	1.82	(0.98)	0.98
	151.10	**(151.10)**	**125.54**	**(125.54)**

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(All amounts are in lakhs of Indian Rupees, unless otherwise stated)

II. Interest rate risk

Interest rate risk can be either fair value interest rate risk or cash flow interest rate risk. Fair value interest rate risk is the risk of changes in fair values of fixed interest bearing investments because of fluctuations in the interest rates. Cash flow interest rate risk is the risk that the future cash flows of floating interest bearing investments will fluctuate because of fluctuations in the interest rates.

a) Exposure to interest rate risk

The Company is exposed to both fair value interest rate risk as well as cash flow interest rate risk arising both on short-term and long-term floating rate instruments.

The interest rate profile of the Company's interest-bearing financial instruments is as follows:

	Nominal amount in INR	
	31 March 2022	**31 March 2021**
Fixed-rate instruments		
Financial assets	34,509.13	24,017.21
Financial liabilities	2,344.20	1,567.06
Total	**36,853.33**	**25,584.27**

There is no balance in variable rate instruments

b) Sensitivity analysis

Fair value sensitivity analysis for fixed-rate instruments

The Company accounts for investments in government and other bonds as fair value through other comprehensive income. Therefore, a change in interest rate at the reporting date would have impact on equity.

A reasonably possible change of 100 basis points in interest rates at the reporting date would have increased (decreased) equity by INR 42.04 lakhs after tax (31 March 2021: INR 23.15 lakhs).

Cash flow sensitivity analysis for variable-rate instruments

A reasonably possible change of 100 basis points in interest rates at the reporting date would have increased (decreased) profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular foreign currency exchange rates, remain constant.

There is no variable rate linked instrument and therefore, there is no cash flow sensitivity.

Market price risk

a) Exposure
The Company's exposure to mutual funds and bonds price risk arises from investments held by the Company and classified in the balance sheet as fair value through profit and loss and at fair value through other comprehensive income respectively.

To manage its price risk arising from investments, the Company diversifies its portfolio. Diversification of the portfolio is done in Accordance with the limits set by the Company.

b) Sensitivity analysis
Company is having investment in mutual funds, government bonds, other bonds and investment in subsidiaries. For such investments classified at Fair value through other comprehensive income, a 2% increase in their fair value at the reporting date would have increased equity by INR 84.08 lakhs after tax (31 March, 2021: INR 46.30 lakhs). An equal change in the opposite direction would have decreased equity by INR 84.08 lakhs after tax (31 March, 2021: INR 46.30 lakhs)

For such investments classified at Fair value through profit or loss, the impact of a 2% increase in their fair value at the reporting date on profit or loss would have been an increase of INR 36.01 lakhs after tax (31 March, 2021: INR 61.82 lakhs). An equal change in the opposite direction would have decreased profit or loss by INR 36.01 lakhs after tax (31 March, 2021: INR 61.82 lakhs)

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(All amounts are in lakhs of Indian Rupees, unless otherwise stated)

44. Capital Management

The Company's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. Management monitors the return on capital as well as the level of dividends to equity shareholders.

The Company manages its capital structure and makes adjustments to it as and when required. To maintain or adjust the capital structure, the company may pay dividend or repay debts, raise new debt or issue new shares. No major changes were made in the objectives, policies or processes for managing capital during the year ended 31 March 2022 and 31 March 2021.

The Company monitors capital using a ratio of 'adjusted net debt' to 'adjusted equity'. For this purpose, adjusted net debt is defined as total liabilities comprising interest bearing loans and borrowings and obligations under finance leases, less cash and cash equivalents. Adjusted equity comprises all components of equity

The Company capital consists of equity attributable to equity holders that includes equity share capital, retained earnings and long term borrowings.

	As at 31 March 2022	As at 31 March 2021
Total liabilities	2,344.20	1,567.06
Less: Cash & Cash equivalent	5,379.36	2,869.61
Adjusted net debt (a)	(3,035.16)	(1,302.55)
Total equity (b)	76,894.52	63,349.09
Total equity and net debt (a+b) = c	73,859.36	62,046.55
Capital gearing ratio (a/c)	-4.11%	-2.10%

As a part of its capital management policy the Company ensures compliance with all covenants and other capital requirements related to its contractual obligations.

45. Segment reporting

A. Basis for segmentation

An operating segment is a component of the Company that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the Company's other components, and for which discrete financial information is available.

The Company's board of directors have been identified as the Chief Operating Decision Makers (CODM) since they are responsible for all major decisions in respect of allocation of resources and assessment of the performance on the basis of the internal reports/ information provided by functional heads. The board examines the performance of the Company based on such internal reports which are based on operations in various geographies and accordingly, have identified the following reportable segments:

- India
- Europe, Middle East and Africa (EMEA)
- Asia Pacific and Australia (APAC)
- United States of America (USA)

Notes

to the Standalone Financial Statements for the year ended 31 March 2022

(All amounts are in lakhs of Indian Rupees, unless otherwise stated)

B. Information about reportable segments

Particulars	Reportable segments				
	India	EMEA	APAC	USA	Total Segment
Revenue					
External revenue	21,446.17	23,886.09	9,878.34	15,867.97	71,078.57
Inter-segment revenue	-	-	-	-	-
Total Segment Revenue	**21,446.17**	**23,886.09**	**9,878.34**	**15,867.97**	**71,078.57**
Segment profit/(loss) before income tax	4,203.26	8,116.39	3,157.92	2,914.09	18,391.66
Segment assets	11,189.09	13,633.07	5,082.23	4,927.68	34,832.07
Segment liabilities	5,890.47	9,047.26	2,070.61	2,375.89	19,384.23
Capital expenditure during the year	1,410.12	-	-	-	1,410.12

Year ended 31 March 2021

Particulars	Reportable segments				
	India	EMEA	APAC	USA	Total Segment
Revenue					
External revenue	19,723.17	16,770.68	8,453.08	16,092.54	61,039.47
Inter-segment revenue	-	-	-	-	-
Total Segment Revenue	**19,723.17**	**16,770.68**	**8,453.08**	**16,092.54**	**61,039.47**
Segment profit before income tax	4,545.60	4,963.27	3,509.41	5,250.09	18,268.37
Segment assets	9,245.75	11,635.05	4,304.78	4,023.53	29,209.11
Segment liabilities	5,591.38	6,634.20	1,987.77	2,209.21	16,422.56
Capital expenditure during the year	9,850.16	-	-	-	9,850.16

C. Reconciliations of information on reportable segments to Ind AS

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
(a) Revenue		
Total revenue for reportable segments	71,078.57	61,039.47
Elimination of inter-segment revenue	-	-
Total revenue	**71,078.57**	**61,039.47**
(b) Profit / (loss) before tax		
Total profit before tax for reportable segments	18,391.66	18,268.37
Unallocated amounts:		
- Unallocated income	2,993.38	1,430.95
- Other corporate expenses	2,129.91	2,730.19
Total profit before tax from operations	**19,255.13**	**16,969.13**
(c) Assets		
Total assets for reportable segments	34,832.07	29,209.11
Other unallocated amounts	65,918.10	55,087.77
Total assets	**1,00,750.17**	**84,296.88**
(d) Liabilities		
Total liabilities for reportable segments	19,384.23	16,422.56
Other unallocated amounts	4,471.42	4,525.23
Total liabilities	**23,855.65**	**20,947.79**

Notes

to the Standalone Financial Statements for the year ended 31 March 2022

(All amounts are in lakhs of Indian Rupees, unless otherwise stated)

D. Information about major customers

No customer individually accounted for more than 10% of the revenues in the year ended 31 March 2022 and 31 March 2021.

E. Unallocated assets, liabilities, revenue and expenses

Certain assets, liabilities, revenue and expenses are not specifically allocable to individual segments as the underlying services are used interchangeably. The Company believes that it is not practicable to provide segment disclosures relating to such assets, liabilities, revenue and expenses and accordingly such assets, liabilities, revenue and expenses are separately disclosed as 'unallocated'.

F. The Company, during the year ended 31 March 2022, changed the segment classification for one geography which was earlier reported as part of Australia segment, has been reclassed in APAC segment. Impact of this change is immaterial for operating results of both the segments. Prior period figures have also been restated to conform the current period composition of the operating segments.

46. Ratios as per Schedule III requirements

Ratio	Numerator	Denominator	Unit	31-Mar-22	31-Mar-21	% variance	Reason for variance
Current ratio	Current assets	Current liabilities	Times	3.42	3.31	3.29%	-
Debt- Equity Ratio	Total Debt (refer note 1 below)	Shareholder's Equity	Times	0.03	0.02	23.24%	-
Debt Service Coverage ratio	Earnings for debt service = Net profit after taxes + Non-cash operating expenses (refer note 2 below)	Debt service (refer note 3 below)	Times	28.04	1.85	1415.00%	Increase due to zero borrowings from bank during the year
Return on Equity ratio	Net Profits after taxes – Preference Dividend	Average Shareholder's Equity	%	22.25%	20.27%	9.76%	-
Inventory Turnover ratio	Cost of goods sold	Average Inventory	Times	NA	NA	NA	Not applicable for the business of the company
Trade Receivable Turnover Ratio	Net credit sales = Gross credit sales - sales return (refer note 4 below)	Average Trade Receivable	Times	3.84	2.91	31.89%	Increase due to increase in sales and better management of its collection as compared to previous year
Trade Payable Turnover Ratio	Net credit purchases = Gross credit purchases - purchase return	Average Trade Payables	Times	NA	NA	NA	Not applicable for the business of the company
Net Capital Turnover Ratio	Net sales = Total sales - sales return	Working capital = Current assets – Current liabilities	Times	1.56	1.55	0.29%	-
Net Profit ratio	Net Profit	Net sales = Total sales - sales return	%	21.95%	19.27%	13.92%	-
Return on Capital Employed	Earnings before interest and taxes (refer note 5 below)	Capital Employed (refer note 6 below)	%	23.36%	27.87%	-16.18%	-
Return on Investment	Interest (Finance Income)	Average investment	%	4.00%	6.17%	-35.21%	Decrease due to increased investment in liquid funds and mark to market loss in bonds at the end of the year

Notes

to the Standalone Financial Statements for the year ended 31 March 2022

(All amounts are in lakhs of Indian Rupees, unless otherwise stated)

Notes:

1. Total debts consists of borrowings and lease liabilities.
2. Earning available for debt services=profit for the year + depreciation, amortization and impairment + finance cost + provision for doubtful debts + share based payment to employees + non cash charges.
3. Debt service = Interest + payment for lease liabilities + principal repayments.
4. Credit sales = Total Revenue + opening unbilled revenue - closing unbilled revenue - opening deferred revenue + closing deferred revenue.
5. Earnings before interest and taxes = profit before tax + finance cost - other income
6. Capital Employed = Average tangible net worth + Total debt + Deferred tax.
7. Average is calculated on the basis of opening and closing balances.

Schedule III require explanation where the change in the ratio is more than 25% as compared to the preceding year. Since there are only three instances where the change is more than 25% i.e. Debt Service Coverage ratio , Trade receivable turnover ratio and Return on Investment, hence explanation is given only for the said ratios.

47. As at 31 March 2022, the Company has gross foreign currency receivables amounting to INR 14,532.92 lakhs (previous year INR 12,651.72 lakhs). Out of these receivables, INR 2036.07 lakhs (previous year INR 492.42 lakhs) is outstanding for more than 9 months. As per circular RBI/2019-20/206 A. P. (DIR series) circular no. 27, receipt for export goods should be realized within a period of 9 months from the date of export. The Company must file extension with AD Bank & as per the requirements of circular no. RBI/2015-16/395 A. P. (DIR series) Circular no. 68 dated May12, 2016, in one calendar year, the Company is allowed to seek extension for an amount equivalent to 10% of the average export collection of the last 3 years only and pursuant to the same, the company has applied for an extension of all the foreign currency receivables outstanding for more than 9 months. The management is of the view that the Company will be able to obtain approvals from the authorities for realizing such funds beyond the stipulated timeline without levy of any penalties as it had bonafide reasons that caused the delays in realization.

48. Other statutory informations

i. The Company do not have any Benami property, where any proceeding has been initiated or pending against the Group for holding any Benami property.

ii The Company do not have any transactions with companies struck off.

iii The Company do not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.

iv The Company have not traded or invested in Crypto currency or Virtual Currency during the financial year.

v The Company have not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries) or

(b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

vi The Company have not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries) or

(b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

Notes

to the Standalone Financial Statements for the year ended 31 March 2022

(All amounts are in lakhs of Indian Rupees, unless otherwise stated)

vii The Company have not any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961.

viii The company has sanctioned working capital amounts from banks on the basis of security of Trade Receivables and Fixed Deposits. The quarterly returns being filed by company with banks are in line with the books of accounts.

49. Previous period's figures have been regrouped/reclassified wherever necessary to correspond with the current period's classification/disclosure.

As per our report of even date attached

For **Walker Chandiok & Co LLP** Chartered Accountants Firm Registration No.: 001076N/N500013	For and on behalf of the Board of Directors of **Newgen Software Technologies Limited**			
Neeraj Goel Partner Membership No.: 099514	**Diwakar Nigam** Chairman & Managing Director DIN: 00263222	**T. S. Varadarajan** Whole Time Director DIN: 00263115	**Arun Kumar Gupta** Chief Financial Officer Membership No.: 056859	**Aman Mourya** Company Secretary Membership No: F9975
Place: Gurugram Date: 03 May 2022	Place: New Delhi Date: 03 May 2022	Place: Noida Date: 03 May 2022	Place: Noida Date: 03 May 2022	Place: Noida Date: 03 May 2022

Independent Auditor's Report

To the Members of Newgen Software Technologies Limited

Report on the Audit of the Consolidated Financial Statements

Opinion

1. We have audited the accompanying consolidated financial statements of Newgen Software Technologies Limited ('the Holding Company') and its subsidiaries (the Holding Company and its subsidiaries together referred to as 'the Group'), as listed in Annexure 1, which comprise the Consolidated Balance Sheet as at 31 March 2022, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Cash Flow Statement and the Consolidated Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information.

2. In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the reports of the other auditors on separate financial statements and on the other financial information of the subsidiaries the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ('the Act') in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards ('Ind AS') specified under section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, and other accounting principles generally accepted in India of the consolidated state of affairs of the Group, as at 31 March 2022, and their consolidated profit (including other comprehensive income), consolidated cash flows and the consolidated changes in equity for the year ended on that date.

Basis for Opinion

3. We conducted our audit in accordance with the Standards on Auditing specified under section 143(10) of the Act. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ('ICAI') together with the ethical requirements that are relevant to our audit of the consolidated financial statements under the provisions of the Act and the rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained together with the audit evidence obtained by the other auditors in terms of their reports referred to in paragraph 15 of the Other Matters section below, is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

4. Key audit matters are those matters that, in our professional judgment and based on the consideration of the reports of the other auditors on separate financial statements of the subsidiaries, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

5. We have determined the matters described below to be the key audit matters to be communicated in our report.

Key audit matter	How our audit addressed the key audit matter
A. Revenue recognition for software implementation services Refer Note 3(i)(ii) for accounting policy and 26 of notes forming part of the Consolidated Financial Statements. The Group earns revenue from software implementation services wherein it has entered into various fixed-price contracts, for which revenue is recognised by the Group using the percentage of completion computed as per the Input method prescribed under Ind AS 115, Revenue from Contracts with Customers. The said revenue recognition accounting policy involves exercise of significant judgement by the management and the following factors requiring significant auditor attention:	Our audit work included but was not restricted to the following procedures: a) Obtained an understanding of the systems, processes and controls implemented by management for recording and calculating revenue, and the associated unbilled revenue, unearned revenue and deferred revenue balances. b) Tested the design and operating effectiveness of related manual controls and involved auditor's experts to assess key information technology (IT) controls over the IT environment in which the business systems operate, including access controls, segregation of duties, program change controls, program development controls and IT operation controls; c) Selected a sample of contracts and performed a performed the following procedures:

Key audit matter	How our audit addressed the key audit matter
• High estimation uncertainty relating to determination of the progress of each contract, efforts incurred till date and additional efforts required to complete satisfaction of the performance obligation • Determination of unbilled revenue receivables and unearned revenue related to these contracts as at the end of reporting period • Considering the materiality of the amounts involved and significant degree of judgement and subjectivity involved in the estimates as mentioned above, we have identified revenue recognition from fixed price contracts as a key audit matter for the current year audit.	- Inspected key terms, including price, deliverables, timetable and milestones set out in the contract for selected sample of contracts and identified the distinct performance obligations. - Tested project management tool for budgeted efforts and related percentage completion milestones and establishing accuracy of milestones based on actualisation of efforts for delivered projects. - Tested the details of activities completed with those stated in the customer contract, details of activities completed as provided by the project head and confirmation/acceptance of completion of such activities by the customer. d) Evaluated the appropriateness of disclosures made in the financial statements with respect to revenue recognised during the year as required by applicable Indian Accounting Standards.
B. Trade receivables and provision for expected credit losses Refer note 3(e) for significant accounting policy and note 40(c)(ii) for credit risk disclosures. Trade receivables and unbilled revenue comprise a significant portion of the current financial assets of the Group. As at 31 March 2022, the Group has reported trade receivable of ₹ 27,887.83 lacs (net of provision for expected credit loss of ₹ 3,559.82 lacs. The Group applies simplified approach permitted by Ind AS 109 - Financial Instruments, which requires lifetime expected credit losses to be recognised from the date of initial recognition of receivables. The Group analyses the trend of trade receivables under different ageing bracket for previous years and calculate weighted average loss rate basis such movement in ageing brackets. The estimate of expected credit loss involves judgement as the management factors the past history as above, market conditions and forward looking estimates as at each reporting date. Considering this area inherently involves significant area of judgement and subjectivity followed with discussions with TCWG at regular intervals, we have identified this as a key audit matter.	Our audit work included but was not restricted to the following procedures: a) Obtained an understanding of the process adopted and controls implemented by the Group for calculation, recording and monitoring of the impairment loss recognised for expected credit loss; b) Assessed and tested the design and operating effectiveness of key controls over completeness and accuracy of the key inputs and assumptions considered for calculation, recording and monitoring of the impairment loss recognised. Also, evaluated the controls over the modelling process, validation of data and related approvals; c) Considered the Group's accounting policies for estimation of expected credit loss on trade receivables and unbilled revenue and assessing compliance with the policies in terms of Ind AS 109; d) Inquired with management about the conditions leading to, and their assessment of recoverability of dues from the customers and also referred to the available communication, if any, between them. e) Assessed, on a sample basis that items in the receivables ageing report were classified within the correct ageing bracket by comparing individual items in the report with underlying documentation, which included sales invoices, proof of delivery and customers sign offs; f) Analysed the methodology used by the management and considered the credit and payment history of specific parties to determine the trend used for arriving at the expected credit loss provision and co-related to our understanding of the debtor's financial condition, the industry in which debtor operates. g) Since the assumptions and inputs used for calculating ECL is based on historical data, we assessed whether such historical experience was representative of current circumstances. h) Tested the accuracy and completeness of underlying data for "expected credit loss model". i) Evaluated responses to direct confirmation request circulated to customers and ensured the reconciling items have been adequately recorded in the books of account; j) Obtained written representations from management and those charged with governance on whether they believe significant assumptions used in calculation of expected credit losses are reasonable. k) Assessed the adequacy of disclosures made by the management in the financial statements to reflect the expected credit loss provision, trade and other receivables.

Information other than the Consolidated Financial Statements and Auditor's Report thereon

6. The Holding Company's Board of Directors are responsible for the other information. The other information comprises the information included in the Annual Report, but does not include the consolidated financial statements and our auditor's report thereon.

   Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

   In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

7. The accompanying consolidated financial statements have been approved by the Holding Company's Board of Directors. The Holding Company's Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to the preparation and presentation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated changes in equity and consolidated cash flows of the Group in accordance with the Ind AS specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, and other accounting principles generally accepted in India. The Holding Company's Board of Directors are also responsible for ensuring accuracy of records including financial information considered necessary for the preparation of consolidated Ind AS financial statements. Further, in terms of the provisions of the Act the respective Board of Directors of the companies included in the Group covered under the Act are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error. These consolidated financial statements have been used for the purpose of preparation of the consolidated financial statements by the Board of Directors of the Holding Company, as aforesaid.

8. In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intend to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

9. Those respective Board of Directors are also responsible for overseeing the financial reporting process of the companies included in the Group.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

10. Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

11. As part of an audit in accordance with Standards on Auditing specified under section 143(10) of the Act we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

    - Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act we are also responsible for expressing our opinion on whether the Holding Company has adequate internal financial controls system with reference to financial statements in place and the operating effectiveness of such controls;

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management;

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern;

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation; and

- Obtain sufficient appropriate audit evidence regarding the financial statements of the entities or business activities within the Group, to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of financial statements of such entities included in the financial statements, of which we are the independent auditors. For the other entities included in the financial statements, which have been audited by the other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

12. We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

13. We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

14. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matters

15. We did not audit the financial statements of 7 subsidiaries, whose financial statements reflects total assets of ₹ 15,730.29 lacs and net assets of ₹ 5,551.45 lacs as at 31 March 2022, total revenues of ₹ 31,771.79 lacs and net cash inflows amounting to ₹ 529.57 lacs for the year ended on that date, as considered in the consolidated financial statements. These financial statements have been audited by other auditors whose reports have been furnished to us by the management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, and our report in terms of sub-section (3) of section 143 of the Act in so far as it relates to the aforesaid subsidiaries, are based solely on the reports of the other auditors.

    Further, of these subsidiaries, 5 subsidiaries are located outside India whose financial statements and other financial information have been prepared in accordance with accounting principles generally accepted in their respective countries and which have been audited by other auditors under generally accepted auditing standards applicable in their respective countries. The Holding Company's management has converted the financial statements of such subsidiaries located outside India from accounting principles generally accepted in their respective countries to accounting principles generally accepted in India. We have audited these conversion adjustments made by the Holding Company's management. Our opinion on the consolidated financial statements, in so far as it relates to the balances and affairs of such subsidiaries located outside India, is based on the report of other auditors and the conversion adjustments prepared by the management of the Holding Company and audited by us.

Our opinion above on the consolidated financial statements, and our report on other legal and regulatory requirements below, are not modified in respect of the above matters with respect to our reliance on the work done by and the reports of the other auditors.

16. The consolidated financial statements of the Group for the year ended 31 March 2021 were audited by the predecessor auditor, B S R & Associates LLP (Chartered Accountants), who have expressed an unmodified opinion on those consolidated financial statements vide their audit report dated 25 May 2021.

Report on Other Legal and Regulatory Requirements

17. As required by section 197(16) of the Act based on our audit and on the consideration of the reports of the other auditors, referred to in paragraph 15, on separate financial statements of the subsidiaries, we report that the Holding Company covered under the Act paid remuneration to its directors during the year in accordance with the provisions of and limits laid down under section 197 read with Schedule V to the Act. Further, we report that 2 subsidiary companies covered under the Act have not paid or provided for any managerial remuneration during the year. Accordingly, reporting under section 197(16) of the Act is not applicable in respect of such subsidiary companies.

18. As required by clause (xxi) of paragraph 3 of Companies (Auditor's Report) Order, 2020 ('the Order') issued by the Central Government of India in terms of section 143(11) of the Act based on the consideration of the Order reports issued by us and by the respective other auditors as mentioned in paragraph 15 above, of companies included in the consolidated financial statements and covered under the Act we report that there are no qualifications or adverse remarks reported in the respective Order reports of such companies.

19. As required by section 143(3) of the Act, based on our audit and on the consideration of the reports of the other auditors on separate financial statements and other financial information of the subsidiaries, we report, to the extent applicable, that:

a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit of the aforesaid consolidated financial statements;

b) In our opinion, for all the companies covered under the Act, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors;

c) The consolidated financial statements dealt with by this report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements;

d) in our opinion, the aforesaid consolidated financial statements comply with Ind AS specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015;

e) On the basis of the written representations received from the directors of the Holding Company and its subsidiary companies and taken on record by the Board of Directors of the Holding Company and its subsidiary companies, and the reports of the statutory auditors of its subsidiary companies, covered under the Act, none of the directors of the Group companies covered under the Act, are disqualified as on 31 March 2022 from being appointed as a director in terms of section 164(2) of the Act.

f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Holding Company, and its subsidiary companies covered under the Act, and the operating effectiveness of such controls, refer to our separate report in 'Annexure II' wherein we have expressed an unmodified opinion; and

g) With respect to the other matters to be included in the Auditor's Report in accordance with rule 11 of the Companies (Audit and Auditors) Rules, 2014 (as amended), in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the report of the other auditors on separate financial statements as also the other financial information of the subsidiaries:

i. There were no pending litigations as at 31 March 2022 which would impact the consolidated financial position of the Group;

ii. The Holding Company and its subsidiary companies did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses as at 31 March 2022;

iii. there were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company and its subsidiary companies covered under the Act, during the year ended 31 March 2022;

iv. a. The management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or securities premium or any other sources or kind of funds) by the Group to or in any persons or entities, including foreign entities ('the intermediaries'), with the understanding, whether recorded in writing or otherwise, that the intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Group ('the Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf the Ultimate Beneficiaries;

b. The management has represented that, to the best of its knowledge and belief, no funds have been received by the Group, from any persons or entities, including foreign entities ('the Funding Parties'), with the understanding, whether recorded in writing or otherwise, that the Group shall, whether directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ('Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

c. Based on such audit procedures performed, as considered reasonable and appropriate in the circumstances, nothing has come to our attention that causes us to believe that the management representations under sub-clauses (a) and (b) above contain any material misstatement.

v. The dividend declared or paid during the year ended 31 March 2022 by the Holding Company and its subsidiary companies is in compliance with section 123 of the Act.

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013

Neeraj Goel
Partner
Membership No.: 099514
UDIN: 22099514AIHXZM1557

Place: Gurugram
Date: 03 May 2022

Annexure I

List of subsidiary companies:

1. Newgen Software, Inc.
2. Newgen Computers Technologies Limited
3. Newgen Software Technologies PTE. Ltd.
4. Newgen Software Technologies (UK) Limited
5. Newgen Software Technologies Canada, Ltd.
6. Newgen Software Technologies Pty Ltd
7. Number Theory Software Private Limited

Annexure II

Independent Auditor's Report on the internal financial controls with reference to consolidated financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ('the Act')

1. In conjunction with our audit of the consolidated financial statements of Newgen Software Technologies Limited ('the Holding Company') and its subsidiaries (the Holding Company and its subsidiaries together referred to as 'the Group') as at and for the year ended 31 March 2022, we have audited the internal financial controls with reference to financial statements of the Holding Company and its subsidiary companies, which are companies covered under the Act, as at that date.

Responsibilities of Management and Those Charged with Governance for Internal Financial Controls

2. The respective Board of Directors of the Holding Company and its subsidiary companies, which are companies covered under the Act, are responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting ('the Guidance Note') issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of the Company's business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility for the Audit of the Internal Financial Controls with Reference to Financial Statements

3. Our responsibility is to express an opinion on the internal financial controls with reference to financial statements of the Holding Company and its subsidiary companies, as aforesaid, based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the ICAI prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements, and the Guidance Note issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to consolidated financial statements were established and maintained and if such controls operated effectively in all material respects.

4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to consolidated financial statements and their operating effectiveness. Our audit of internal financial controls with reference to consolidated financial statements includes obtaining an understanding of such internal financial controls, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on

the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

5. We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matter paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to financial statements of the Holding Company and its subsidiary companies as aforesaid.

Meaning of Internal Financial Controls with Reference to Consolidated Financial Statements

6. A company's internal financial controls with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to financial statements include those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls with Reference to Consolidated Financial Statements

7. Because of the inherent limitations of internal financial controls with reference to consolidated financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to consolidated financial statements to future periods are subject to the risk that the internal financial controls with reference to consolidated financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

8. In our opinion and based on the consideration of the reports of the other auditors on internal financial controls with reference to financial statements of the subsidiary companies, the Holding Company and its subsidiary companies, which are companies covered under the Act, have in all material respects, adequate internal financial controls with reference to financial statements and such controls were operating effectively as at 31 March 2022, based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

Other Matter

9. We did not audit the internal financial controls with reference to financial statements insofar as it relates to 2 subsidiary companies, which are companies covered under the Act, whose financial statements reflect total assets of ₹ 147.02 lacs and net assets of ₹ (221.89) lacs as at 31 March 2022, total revenues of ₹ 8.90 lacs and net cash inflows amounting to ₹ 13.86 lacs for the year ended on that date, as considered in the consolidated financial statements. The internal financial controls with reference to financial statements in so far as it relates to such subsidiary companies have been audited by other auditors whose reports have been furnished to us by the management and our report on the adequacy and operating effectiveness of the internal financial controls with reference to financial statements for the Holding Company and its subsidiary companies, as aforesaid, under Section 143(3)(i) of the Act in so far as it relates to such subsidiary companies is based solely on the reports of the auditors of such companies. Our opinion is not modified in respect of this matter with respect to our reliance on the work done by and on the reports of the other auditors.

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013

Neeraj Goel
Partner
Membership No.: 099514
UDIN: 22099514AIHXZM1557

Place: Gurugram
Date: 03 May 2022

Consolidated Balance Sheet

as at 31 March 2022

(All amounts are in lakhs of Indian Rupees, unless otherwise stated)

	Note	As at 31 March 2022	As at 31 March 2021
ASSETS			
Non-current assets			
Property, plant and equipment	4	16,272.39	15,783.39
Right-of-use assets	18	4,824.97	4,647.42
Goodwill	4A	283.31	-
Intangible assets	5	1,611.22	64.12
Financial assets			
Other Financial assets	6	10,111.30	3,697.21
Deferred tax assets (net)	32	1,587.83	1,979.74
Income tax assets (net)	7	1,362.87	985.82
Other non-current assets	8	18.15	6.83
Total non-current assets		**36,072.04**	**27,164.53**
Current assets			
Financial assets			
Investments	9	9,237.76	8,317.46
Trade receivables	10	27,887.83	23,854.30
Cash and cash equivalents	11	10,357.07	7,171.17
Other bank balances	12	17,236.16	17,003.77
Loans	13	20.92	9.04
Other financial assets	14	8,804.50	7,796.09
Other current assets	15	1,087.31	741.32
Total current assets		**74,631.55**	**64,893.15**
TOTAL ASSETS		**1,10,703.59**	**92,057.68**
EQUITY AND LIABILITIES			
Equity			
Share capital	16	6,954.02	6,930.60
Other equity	17	74,186.09	59,639.07
Total equity attributable to the owners of the Holding Company		**81,140.11**	**66,569.67**
Non-current liabilities			
Financial liabilities			
- Borrowings	19	430.18	-
- Lease liabilities	18	1,493.52	1,391.36
Deferred tax liabilities	32	414.66	-
Provisions	20	3,345.11	2,857.89
Total non-current liabilities		**5,683.47**	**4,249.25**
Current liabilities			
Financial liabilities			
Borrowings	19	188.55	-
Lease liabilities	18	670.09	617.76
Trade payables			
- Total outstanding dues to micro enterprises and small enterprises	21	75.27	-
- Total outstanding dues to creditors other than micro and small enterprises	21	3,570.00	2,264.31
Other financial liabilities	22	4,110.61	4,386.81
Deferred income	23	12,597.37	10,358.98
Other current liabilities	24	1,271.53	1,377.21
Provisions	25	648.51	461.58
Income tax liabilities (net)	7A	748.08	1,772.11
Total current liabilities		**23,880.01**	**21,238.76**
Total liabilities		**29,563.48**	**25,488.01**
TOTAL EQUITY AND LIABILITIES		**1,10,703.59**	**92,057.68**
Summary of significant accounting policies	3		

The accompanying notes are an integral part of the Consolidated Financial Statements

As per our report of even date attached

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm Registration No.: 001076N/N500013

For and on behalf of the Board of Directors of
Newgen Software Technologies Limited

Neeraj Goel
Partner
Membership No.: 099514
Place: Gurugram
Date: 03 May 2022

Diwakar Nigam
Chairman & Managing Director
DIN: 00263222
Place: New Delhi
Date: 03 May 2022

T. S. Varadarajan
Whole Time Director
DIN: 00263115
Place: Noida
Date: 03 May 2022

Arun Kumar Gupta
Chief Financial Officer
Membership No.: 056859
Place: Noida
Date: 03 May 2022

Aman Mourya
Company Secretary
Membership No: F9975
Place: Noida
Date: 03 May 2022

Consolidated Statement of Profit and Loss

for the year ended 31 March 2022

(All amounts are in lakhs of Indian Rupees, unless otherwise stated)

	Note	For the year ended 31 March 2022	For the year ended 31 March 2021
Income			
Revenue from operations	26	77,896.15	67,262.44
Other income	27	2,991.20	1,503.74
Total income		**80,887.35**	**68,766.18**
Expenses			
Employee benefits expense	28	40,901.36	32,761.76
Finance costs	29	349.16	562.58
Depreciation and amortisation expenses	30	1,763.03	2,014.97
Other expenses	31	17,528.44	15,310.17
Total expenses		**60,541.99**	**50,649.48**
Profit before tax		**20,345.36**	**18,116.70**
Tax expense	33		
Current tax		3,369.64	3,977.42
Tax expense for earlier years		-	1,288.86
Deferred tax expense		554.25	202.19
Income tax expense		**3,923.89**	**5,468.47**
Profit for the year		**16,421.47**	**12,648.23**
Other comprehensive income / (loss)			
Items that will not be reclassified subsequently to profit or loss			
Remeasurement of defined benefit liability (asset)		(316.59)	102.73
Income tax relating to items that will not be reclassified to profit or loss		110.63	(35.90)
Net other comprehensive (loss)/income not to be reclassified subsequently to profit or loss		**(205.96)**	**66.83**
Items that will be reclassified subsequently to profit or loss			
Financial assets or investments carried at fair value through other comprehensive income		(95.89)	75.25
Income tax relating to items that will be reclassified to profit or loss		33.51	(26.30)
Exchange differences on translation of foreign operations		196.21	117.69
Net other comprehensive income to be reclassified subsequently to profit or loss		**133.83**	**166.64**
Other comprehensive (loss)/income for the year, net of income tax		**(72.13)**	**233.47**
Total comprehensive income for the year		**16,349.34**	**12,881.70**
Profit attributable to:			
Owners of the Holding Company		16,421.47	12,648.23
Profit for the year		**16,421.47**	**12,648.23**
Other comprehensive income / (loss) attributable to:			
Owners of the Holding Company		(72.13)	233.47
Other comprehensive (loss)/income for the year		**(72.13)**	**233.47**
Total comprehensive income attributable to:			
Owners of the Holding Company		16,349.34	12,881.70
Total comprehensive income for the year		**16,349.34**	**12,881.70**
Earnings per equity share	34		
Nominal value of share INR 10 (31 March 2021: INR 10)			
Basic earning per share (INR)		23.65	18.28
Diluted earning per share (INR)		23.50	18.10
Summary of significant accounting policies	3		

The accompanying notes are an integral part of the Consolidated Financial Statements

As per our report of even date attached

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm Registration No.: 001076N/N500013

For and on behalf of the Board of Directors of
Newgen Software Technologies Limited

Neeraj Goel
Partner
Membership No.: 099514
Place: Gurugram
Date: 03 May 2022

Diwakar Nigam
Chairman & Managing Director
DIN: 00263222
Place: New Delhi
Date: 03 May 2022

T. S. Varadarajan
Whole Time Director
DIN: 00263115
Place: Noida
Date: 03 May 2022

Arun Kumar Gupta
Chief Financial Officer
Membership No.: 056859
Place: Noida
Date: 03 May 2022

Aman Mourya
Company Secretary
Membership No: F9975
Place: Noida
Date: 03 May 2022

Consolidated Statement of Changes in Equity

for the year ended 31 March 2022

(All amounts are in lakhs of Indian Rupees, unless otherwise stated)

a. Share capital

Particulars	Equity share capital		Total share capital
	Number	Amount	Amount
Balance as at 1 April 2020	**6,99,55,701**	**6,995.57**	**6,995.57**
Less: Shares held by Newgen ESOP Trust	6,49,696	64.97	64.97
Total Share capital as at 31 March 2021	**6,93,06,005**	**6,930.60**	**6,930.60**
Balance as at 1 April 2021	**6,99,55,701**	**6,995.57**	**6,995.57**
Less: Shares held by Newgen ESOP Trust	4,15,510	41.55	41.55
Total Share capital as at 31 March 2022	**6,95,40,191**	**6,954.02**	**6,954.02**

b. Other equity*

Particulars	Securities premium	Retained earnings	Others					Items of Other comprehensive income			Total attributable to owners of the Group
			Capital redemption reserve	General reserve	Capital reserve	Newgen ESOP Trust reserve	Share options outstanding reserve	Foreign currency translation reserve	Remeasurement of defined benefit liability	Debt instruments through OCI	
Balance as at 1 April 2020	**10,314.50**	**35,113.48**	**87.95**	**1,731.39**	**0.21**	**297.47**	**405.75**	**387.20**	**(96.29)**	**0.89**	**48,242.55**
Total comprehensive income for the year ended 31 March 2021	-	-	-	-	-	-	-	-	-	-	
Profit for the year	-	12,648.23	-	-	-	-	-	-	-	-	12,648.23
Other comprehensive income/(loss) (net of tax)	-	-	-	-	-	-	-	117.69	66.83	48.95	233.47
Transactions with owners, recorded directly in equity											
Addition to Newgen ESOP Trust reserve	-	-	-	-	-	106.85	-	-	-	-	106.85
Contributions by and distributions to owners											
Dividend on equity shares	-	(1,399.11)	-	-	-	-	-	-	-	-	(1,399.11)
Employee stock compensation expense	-	-	-	-	-	-	64.59	-	-	-	64.59
Loss of debt instrument transferred to Statement of Profit and Loss	-	-	-	-	-	-	-	-	-	9.00	9.00
Transferred to securities premium account on exercise of stock options	104.02	-	-	-	-	-	(125.62)	-	-	-	(21.60)
Balance as at 31 March 2021	**10,418.52**	**46,362.60**	**87.95**	**1,731.39**	**0.21**	**404.32**	**344.72**	**504.89**	**(29.46)**	**58.84**	**59,883.98**
Less: Securities premium on shares held by Newgen ESOP Trust	244.91	-	-	-	-	-	-	-	-	-	244.91
Balance as at 31 March 2021	**10,173.61**	**46,362.60**	**87.95**	**1,731.39**	**0.21**	**404.32**	**344.72**	**504.89**	**(29.46)**	**58.84**	**59,639.07**
Balance as at 1 April 2021	**10,418.52**	**46,362.60**	**87.95**	**1,731.39**	**0.21**	**404.32**	**344.72**	**504.89**	**(29.46)**	**58.84**	**59,883.98**
Total comprehensive income for the year ended 31 March 2022	-	-	-	-	-	-	-	-	-	-	
Profit for the year	-	16,421.47	-	-	-	-	-	-	-	-	16,421.47

Consolidated Statement of Changes in Equity

for the year ended 31 March 2022

(All amounts are in lakhs of Indian Rupees, unless otherwise stated)

Particulars	Securities premium	Retained earnings	Others					Items of Other comprehensive income			Total attributable to owners of the Group
			Capital redemption reserve	General reserve	Capital reserve	Newgen ESOP Trust reserve	Share options outstanding reserve	Foreign currency translation reserve	Remeasurement of defined benefit liability	Debt instruments through OCI	
Other comprehensive income/ (loss) (net of tax)	-	-	-	-	-	-	-	196.21	(205.96)	(62.38)	(72.13)
Transactions with owners, recorded directly in equity											
Addition to Newgen ESOP Trust reserve	-	-	-	-	-	107.39	-	-	-	-	107.39
Opening adjustment of deferred tax	-	6.60	-	-	-	-	-	-	-	-	6.60
Contributions by and distributions to owners											
Dividend on equity shares	-	(2,448.45)	-	-	-	-	-	-	-	-	(2,448.45)
Employee stock compensation expense	-	-	-	-	-	-	548.26	-	-	-	548.26
Loss of debt instrument transferred to Statement of Profit and Loss	-	-	-	-	-	-	-	-	-	7.35	7.35
Transferred to securities premium account on exercise of stock options	106.74	-	-	-	-	-	(130.21)	-	-	-	(23.47)
Balance as at 31 March, 2022	**10,525.26**	**60,342.22**	**87.95**	**1,731.39**	**0.21**	**511.71**	**762.77**	**701.10**	**(235.42)**	**3.81**	**74,431.00**
Less: Securities premium on shares held by Newgen ESOP Trust	244.91	-	-	-	-	-	-	-	-	-	244.91
Balance as at 31 March 2022	**10,280.35**	**60,342.22**	**87.95**	**1,731.39**	**0.21**	**511.71**	**762.77**	**701.10**	**(235.42)**	**3.81**	**74,186.09**
* Refer Note 17											
Summary of significant accounting policies	Note 3										

The accompanying notes are an integral part of the Consolidated Financial Statements

As per our report of even date attached

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm Registration No.:
001076N/N500013

For and on behalf of the Board of Directors of
Newgen Software Technologies Limited

Neeraj Goel
Partner
Membership No.: 099514

Place: Gurugram
Date: 03 May 2022

Diwakar Nigam
Chairman & Managing Director
DIN: 00263222

Place: New Delhi
Date: 03 May 2022

T. S. Varadarajan
Whole Time Director
DIN: 00263115

Place: Noida
Date: 03 May 2022

Arun Kumar Gupta
Chief Financial Officer
Membership No.: 056859

Place: Noida
Date: 03 May 2022

Aman Mourya
Company Secretary
Membership No: F9975

Place: Noida
Date: 03 May 2022

Consolidated Statement of Cash Flows

for the year ended 31 March 2022

(All amounts are in lakhs of Indian Rupees, unless otherwise stated)

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
A. Cash flows from operating activities		
Net profit before tax	**20,345.36**	**18,116.70**
Adjustments for:		
Depreciation and amortisation	1,763.02	2,014.97
Gain on sale of property, plant and equipment	(8.05)	(10.16)
Loss allowance on trade receivables & unbilled revenue	1,896.93	3,061.38
Liabilities/ provision no longer required written back	(56.96)	(7.27)
Unrealised foreign exchange gain	(279.91)	(13.71)
Share based payment - equity settled	548.26	64.59
Finance costs	207.04	475.45
Fair value changes of financial assets at FVTPL	(75.39)	(70.60)
Profit on sale of mutual funds (net) at FVTPL	(146.79)	(125.98)
Loss on redemption ofbonds at FVTOCI	24.80	27.78
Interest income	(1,508.53)	(1,039.93)
Gain on lease termination	(0.43)	(87.49)
Operating cash flow before working capital changes	**22,709.35**	**22,405.73**
(Increase) in trade receivables	(5,312.11)	(55.23)
(Increase)/decrease in loans	(12.21)	74.50
(Increase)/decrease in other financial assets	(1,199.13)	868.46
(Increase)/decrease in other assets	(290.94)	50.67
Increase in provisions	355.68	679.37
(Decrease)/increasein other financial liabilities	(635.16)	723.70
Increase in other liabilities	1,965.88	460.19
Increase/(decrease) in trade payables	1,486.23	(489.97)
Cash generated from operations	**19,067.59**	**24,717.42**
Income taxes paid (net)	(4,790.31)	(3,147.52)
Net cash generated from operating activities (A)	**14,277.28**	**21,569.90**
B. Cash flows from investing activities		
Acquisition or construction of property plant and equipment including intangible assets, capital work-in-progress and capital advances	(1,269.09)	(1,171.15)
Proceeds from sale of property plant and equipment	10.74	12.33
Purchase of mutual funds and bonds	(16,374.16)	(14,893.34)
Proceeds from redemption of mutual funds and bonds	15,408.22	14,444.43
Loan to body corporate	(241.00)	-
Interest received from bonds	259.74	168.20
Interest received from bank deposits	1,157.39	627.36
Investment in subsidiary company, net of cash acquired	(688.58)	-
Investment in bank deposits (net of maturities)	(6,322.48)	(13,487.76)
Net cash used in investing activities (B)	**(8,059.22)**	**(14,299.93)**

Consolidated Statement of Cash Flows

for the year ended 31 March 2022

(All amounts are in lakhs of Indian Rupees, unless otherwise stated)

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
C. Cash flows from financing activities		
(Repayment of) / proceeds from short-term borrowings (net)	-	(7,453.21)
Repayment of lease liabilities	(859.46)	(1,446.13)
Dividend paid	(2,445.31)	(1,399.11)
Interest paid	-	(86.71)
Gain on transfer of equity shares by Newgen ESOP trust	107.39	153.95
Net cash used in financing activities (C)	**(3,197.38)**	**(10,231.21)**
Net increase/(decrease) in cash and cash equivalents (A + B + C)	**3,020.68**	**(2,961.24)**
Cash and cash equivalents at the beginning of the year	**7,171.17**	**10,011.04**
Effect of exchange differences on translation of foreign currency cash and cash equivalents	**165.22**	**121.37**
Cash and cash equivalents at the end of the year	**10,357.07**	**7,171.17**
Components of cash and cash equivalents:(refer note 11)		
Cash in hand	3.58	3.08
Balances with banks:		
- in current accounts	9,287.10	7,008.09
- balances with scheduled banks in deposit accounts with original maturity of less than 3 months	1,066.39	160.00
	10,357.07	**7,171.17**

Notes:

1. The cash flow statement has been prepared under the indirect method as set out in the Ind AS 7 "Statement of Cash Flows"

The accompanying notes are an integral part of the Consolidated Financial Statements

As per our report of even date attached

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm Registration No.: 001076N/N500013

For and on behalf of the Board of Directors of
Newgen Software Technologies Limited

Neeraj Goel
Partner
Membership No.: 099514

Place: Gurugram
Date: 03 May 2022

Diwakar Nigam
Chairman & Managing Director
DIN: 00263222

Place: New Delhi
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T. S. Varadarajan
Whole Time Director
DIN: 00263115

Place: Noida
Date: 03 May 2022

Arun Kumar Gupta
Chief Financial Officer
Membership No.: 056859

Place: Noida
Date: 03 May 2022

Aman Mourya
Company Secretary
Membership No: F9975

Place: Noida
Date: 03 May 2022

Notes

to the Consolidated Financial Statements for the year ended 31 March 2022

(All amounts are in lakhs of Indian Rupees, unless otherwise stated)

1. Background

Newgen Software Technologies Limited ('Newgen' or 'the Company' or "the holding company") and its subsidiaries (the Holding company and its subsidiaries together referred to as "the group") is a public company domiciled and incorporated under the provisions of the Companies Act applicable in India. The registered office of the Company is situated at A-6, Satsang Vihar Marg, Qutab Institutional Area, New Delhi - 110067. The Company raised money by way of initial public offer during the year ended 31 March 2018 and its shares were listed on the National Stock Exchange (NSE) and Bombay Stock Exchange (BSE) of India.

The Company is a global software Company and is engaged in the business of software product development including designing and delivering end-to-end software solutions covering the entire spectrum of software services from workflow automation to Document management to imaging. Newgen provides a complete range of software that helps automate business processes. Newgen's solutions enable document intensive organizations/ industries such as Finance and Banking, Insurance and government departments to improve productivity through better document management and workflow implementation.

2. Basis of Preparation

A. Statement of compliance

The consolidated financial statements have been prepared in accordance with Indian Accounting Standards ("Ind AS") notified under the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016. The consolidated financial statements for the year ended 31 March 2018 were the first financial statements that the Group had prepared in accordance with Ind AS.

The consolidated financial statements were authorised for issue by the Company's Board of Directors on 03 May 2022.

Details of the Group's accounting policies are included in Note 3.

B. Basis of Consolidation

The Consolidated financial statements have been prepared in accordance with Ind AS notified under the Companies (Indian Accounting standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016.

Name of Subsidiaries	Country of Incorporation	Effective Shareholding (%)
Newgen Software Inc.	U.S.A	100
Newgen Software Technologies Canada, Limited	Canada	100
Newgen Software Technologies PTY Limited.	Australia	100
Newgen Software Technologies PTE, Limited	Singapore	100
Newgen Software Technologies (UK) Limited	United Kingdom	100
Number Theory Software Private Limited	India	100
Newgen Computers Technologies Limited	India	100

The consolidated financial statements have been prepared on the following basis:

The financial statements of the Holding Company and its subsidiary companies are combined on a line-by-line basis by adding the book values of like items of assets, liabilities, income and expenses after eliminating intra-group balances/transactions and unrealized profits in full in accordance with Ind AS 110 – "Consolidated Financial Statements". The amounts shown in respect of reserves comprise the amount of the relevant reserves as per the balance sheet of the parent company and its share in the post-acquisition increase/decrease in the reserves of the consolidated entities.

The excess/deficit of cost to the parent company of its investment over its portion of net worth in the consolidated entities at the respective dates on which investment in such entities was made is recognized in the consolidated financial statements as goodwill/capital reserve. The parent company's portion of net worth in such entities is determined on the basis of book values of assets and liabilities as per the financial statements of the entities as on the date of investment and if not available, the financial statements for the immediately preceding period adjusted for the effects of significant changes.

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to the Consolidated Financial Statements for the year ended 31 March 2022

(All amounts are in lakhs of Indian Rupees, unless otherwise stated)

The financial statements of the foreign non integral subsidiaries (collectively referred to as the 'foreign non integral operations') are translated into Indian rupees as follows:-

i. Share capital and opening reserves and surplus are carried at historical cost.

ii. All assets and liabilities, both monetary and non-monetary, (excluding share capital, opening reserves and surplus) are translated using the year-end rates.

iii. Profit and loss items are translated at the respective weighted average rates or the exchange rate that approximates the actual exchange rate on date of specific transactions.

iv. The resulting net exchange difference is credited or debited to the foreign currency translation reserve.

C. Business combinations and goodwill

Business combinations are accounted for using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred measured at acquisition date fair value and the amount of any non-controlling interests in the acquiree. For each business combination the Group elects whether to measure the non-controlling interests in the acquiree at fair value or at the proportionate share of the acquiree's identifiable net assets. Acquisition-related costs are expensed as incurred.

At the acquisition date, the identifiable assets acquired, and the liabilities assumed are recognised at their acquisition date fair values. For this purpose, the liabilities assumed include contingent liabilities representing present obligation and they are measured at their acquisition fair values irrespective of the fact that outflow of resources embodying economic benefits is not probable.

However, deferred tax assets or liabilities, and the assets or liabilities related to employee benefit arrangements are recognised and measured in accordance with Ind AS 12 'Income Taxes' and Ind AS 19 'Employee Benefits' respectively. When a liability assumed is recognised at the acquisition date, but the related costs are not deducted in determining taxable profits until a later period, a deductible temporary difference arises which results in a deferred tax asset. A deferred tax asset also arises when the fair value of an identifiable asset acquired is less than its tax base.

When the Group acquires a business, it assesses the financial assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions as at the acquisition date.

If the business combination is achieved in stages, any previously held equity interest is re-measured at its acquisition date fair value and any resulting gain or loss is recognised in profit or loss or OCI, as appropriate.

Any contingent consideration to be transferred by the acquirer is recognised at fair value at the acquisition date. Contingent consideration classified as an asset or liability that is a financial instrument and within the scope of Ind-AS 109 Financial Instruments, is measured at fair value with changes in fair value recognised in profit or loss. If the contingent consideration is not within the scope of Ind-AS 109, it is measured in accordance with the appropriate Ind-AS. Contingent consideration that is classified as equity is not re-measured at subsequent reporting dates and subsequent its settlement is accounted for within equity.

Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred and the amount recognised for non-controlling interests, and any previous interest held, over the net identifiable assets acquired and liabilities assumed. If the fair value of the net assets acquired is in excess of the aggregate consideration transferred, the Group re-assesses whether it has correctly identified all of the assets acquired and all of the liabilities assumed and reviews the procedures used to measure the amounts to be recognised at the acquisition date. If the reassessment still results in an excess of the fair value of net assets acquired over the aggregate consideration transferred, then the gain is recognised in OCI and accumulated in equity as capital reserve.

After initial recognition, goodwill is measured at cost less any accumulated impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash-generating units that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units.

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(All amounts are in lakhs of Indian Rupees, unless otherwise stated)

A cash generating unit to which goodwill has been allocated is tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro rata based on the carrying amount of each asset in the unit.

Any impairment loss for goodwill is recognised in consolidated statement of profit or loss. An impairment loss recognised for goodwill is not reversed in subsequent periods.

Where goodwill has been allocated to a cash generating unit and part of the operation within that unit is disposed off, the goodwill associated with the disposed operation is included in the carrying amount of the operation when determining the gain or loss on disposal. Goodwill disposed in these circumstances is measured based on the relative values of the disposed operation and the portion of the cash-generating unit retained.

If the initial accounting for a business combination is incomplete by the end of the reporting period in which the combination occurs, the Group reports provisional amounts for the items for which the accounting is incomplete. Those provisional amounts are adjusted through goodwill during the measurement period, or additional assets or liabilities are recognised, to reflect new information obtained about facts and circumstances that existed at the acquisition date that, if known, would have affected the amounts recognized at that date. These adjustments are called as measurement period adjustments. The measurement period does not exceed one year from the acquisition date.

D. Functional and presentation currency

These financial statements are presented in Indian Rupees (INR), which is also the Company's functional currency. All amounts have been rounded-off to the nearest lakhs, unless otherwise indicated.

E. Basis of measurement

The financial statements have been prepared on the historical cost basis except for the following items:

Items	Measurement basis
Certain financial assets and liabilities	Fair value
Net defined benefit (asset)/ liability	Fair value of plan assets less present value of defined benefit obligations

F. Use of estimates and judgments

The preparation of financial statements in conformity with Ind AS requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses and the accompanying disclosures. Uncertainty about the assumptions and estimates could result in outcomes that may require material adjustment to the carrying value of assets or liabilities affected in future periods.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected.

Judgments

Information about judgments made in applying accounting policies that have the most significant effects on the amounts recognised in the financial statements is included in the following notes:

- Note 3(i) and Note 26 – revenue recognition from fixed price contracts of software implementation services: percentage of completion method to estimate the efforts or costs expended to date as a proportion of the total efforts or costs to be expended.

- Note 3(l) and Note 18 – determination of lease term;

Assumptions and estimation uncertainties

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment in the year ending 31 March 2022 is included in the following notes:

- Note 3(c)(iii) –Estimation of Useful lives of intangible assets and Property, plant and equipment

- Note 28 – Measurement of defined benefit obligations: key actuarial assumptions;

Notes

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- Note 32 – Recognition of deferred tax assets: availability of future taxable profit against which tax losses carried forward can be used;
- Note 34 –Fair value of share based payments
- Note 40(c)(iii) – Impairment of trade receivables and financial assets.
- Note 18 – Recognition of right of use asset and lease liability

G. Current and non-current classification

The Group presents assets and liabilities in the balance sheet based on current / non-current classification.

An asset is classified as current when it satisfies any of the following criteria:

- it is expected to be realized in, or is intended for sale or consumption in, the Group's normal operating cycle.
- it is held primarily for the purpose of being traded;
- it is expected to be realized within 12 months after the reporting date; or
- it is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least 12 months after the reporting date.

A liability is classified as current when it satisfies any of the following criteria:

- it is expected to be settled in the Group's normal operating cycle;
- it is held primarily for the purpose of being traded;
- it is due to be settled within 12 months after the reporting date; or
- the Group does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting date. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

Current assets/liabilities include current portion of non-current financial assets/liabilities respectively. All other assets/ liabilities are classified as non-current. Deferred tax assets and liabilities (if any) are classified as non-current assets and liabilities.

Operating cycle

Based on the nature of the operations and the time between the acquisition of assets for processing and their realization in cash or cash equivalents, the Group has ascertained its operating cycle as twelve months for the purpose of current/non-current classification of assets and liabilities.

H. Measurement of fair values

A number of the Group's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities. The Group has an established control framework with respect to the measurement of fair values. The finance team has overall responsibility for overseeing all significant fair value measurements, including Level 3 fair values, and reports directly to the chief financial officer. The Group regularly reviews significant unobservable inputs and valuation adjustments. If third party information, such as broker quotes or pricing services, is used to measure fair values, then the Group assesses the evidence obtained from the third parties to support the conclusion that these valuations meet the requirements of Ind AS, including the level in the fair value hierarchy in which the valuations should be classified.

Significant valuation issues are reported to the Group's audit committee.

Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows.

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3: inputs for the asset or liability that are not based on observable market data (Unobservable inputs).

When measuring the fair value of an asset or a liability, the Group uses observable market data as far as possible. If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

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The Group recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

Further information about the assumptions made in measuring fair values is included in the following notes:

Note 34 – Share-based payment arrangements; and

Note 40 – Financial instruments.

3. Significant Accounting Policies

a. Foreign currency

i. Functional currency

The Group financial statements are presented in INR, which is also the Group's functional currency.

ii. Foreign currency transactions

Transactions in foreign currencies are translated into INR, the functional currency of the Group, at the exchange rates at the dates of the transactions or an average rate if the average rate approximates the actual rate at the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate at the reporting date. Non-monetary assets and liabilities that are measured at fair value in a foreign currency are translated into the functional currency at the exchange rate when the fair value was determined. Non-monetary assets and liabilities that are measured based on historical cost in a foreign currency are translated at the exchange rate at the date of the transaction.

b. Financial instruments

i. Recognition and initial measurement

Trade receivables and debt securities issued are initially recognised when they are originated. All other financial assets and financial liabilities are initially recognised when the Group becomes a party to the contractual provisions of the instrument.

A financial asset or financial liability is initially measured at fair value plus, for an item not at fair value through profit and loss (FVTPL), transaction costs that are directly attributable to its acquisition or issue.

ii. Classification and subsequent measurement

Financial assets:

On initial recognition, a financial asset is classified as measured at

- Amortised cost;
- Fair value through Other Comprehensive Income (FVOCI) – debt investment;
- Fair Value through Other Comprehensive Income (FVOCI) – equity investment; or
- FVTPL

Financial assets are not reclassified subsequent to their initial recognition, except if and in the period the Group changes its business model for managing financial assets.

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as FVTPL:

- the asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

A debt investment is measured at FVOCI if it meets both of the following conditions and is not designated as FVTPL:

- the asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

All financial assets not classified as measured at amortised cost or FVOCI as described above are measured at FVTPL. On initial recognition, the Group may irrevocably designate a financial asset that otherwise meets the requirements to be measured

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at amortised cost or at FVOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Financial assets: Business model assessment

The Group makes an assessment of the objective of the business model in which a financial asset is held at a portfolio level because this best reflects the way the business is managed and information is provided to management, for instance the stated policies and objectives for the portfolio, frequency, volume and timing of sales of financial assets in prior periods, the reasons for such sales and expectations about future sales activity.

Transfers of financial assets to third parties in transactions that do not qualify for de-recognition are not considered sales for this purpose, consistent with the Group's continuing recognition of the assets.

Financial assets that are held for trading or are managed and whose performance is evaluated on a fair value basis are measured at FVTPL.

Financial assets: Assessment whether contractual cash flows are solely payments of principal and Interest.

For the purposes of this assessment, 'principal' is defined as the fair value of the financial asset on initial recognition. 'Interest' is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs (e.g. liquidity risk and administrative costs), as well as a profit margin.

In assessing whether the contractual cash flows are solely payments of principal and interest, the Group considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition. In making this assessment, the Group considers:

- contingent events that would change the amount or timing of cash flows;
- terms that may adjust the contractual coupon rate, including variable interest rate features;
- prepayment and extension features; and

Basis the above classification criteria, Group's investments are classified as below:-

- Investments in government and other bonds have been classified as FVOCI.
- Investments in Mutual funds have been classified as FVTPL.

Financial assets: Subsequent measurement and gains and losses

Financial assets at FVTPL

These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in profit or loss.

Financial assets at amortised cost

These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain or loss on de-recognition is recognised in profit or loss.

Debt investments at FVOCI

These assets are subsequently measured at fair value. Interest income under the effective interest method, foreign exchange gains and losses and impairment are recognised in profit or loss. Other net gains and losses are recognised in OCI. On de-recognition, gains and losses accumulated in OCI are reclassified to profit or loss.

Equity investments at FVOCI

These assets are subsequently measured at fair value. Dividends are recognized as income in profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognised in OCI and are not reclassified to Statement of profit or loss.

Financial liabilities: Classification, subsequent measurement and gains and losses

Financial liabilities are classified as measured at amortised cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held-for-trading, or it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in profit or loss. Other financial liabilities

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are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in profit or loss. Any gain or loss on de-recognition is also recognised in profit or loss.

iii. Derecognition

Financial assets

The Group de-recognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Group neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control of the financial asset.

If the Group enters into transactions whereby it transfers assets recognised on its balance sheet, but retains either all or substantially all of the risks and rewards of the transferred assets, the transferred assets are not de-recognised.

Financial liabilities

The Group de-recognises a financial liability when its contractual obligations are discharged or cancelled, or expire.

The Group also de-recognises a financial liability when its terms are modified and the cash flows under the modified terms are substantially different. In this case, a new financial liability based on the modified terms is recognised at fair value. The difference between the carrying amount of the financial liability extinguished and the new financial liability with modified terms is recognised in profit or loss.

iv. Offsetting

Financial assets and financial liabilities are offset and the net amount presented in the balance sheet when, and only when, the Group currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

v. Derivatives and Embedded derivatives

Derivatives are initially measured at fair value. Subsequent to initial recognition, derivatives are measured at fair value, and changes therein are generally recognised in profit or loss.

Embedded derivatives are separated from the host contract and accounted for separately if the host contract is not a financial asset and certain criteria are met.

c. Property, plant and equipment

i. Recognition and measurement

Items of property, plant and equipment are measured at cost less accumulated depreciation and accumulated impairment losses, if any.

Cost of an item of property, plant and equipment comprises its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates, any directly attributable cost of bringing the item to its working condition for its intended use and estimated costs of dismantling and removing the item and restoring the site on which it is located.

The cost of a self-constructed item of property, plant and equipment comprises the cost of materials and direct labor, any other costs directly attributable to bringing the item to working condition for its intended use, and estimated costs of dismantling and removing the item and restoring the site on which it is located.

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment.

Any gain or loss on disposal of an item of property, plant and equipment is recognised in Statement of profit or loss.

Advances paid towards the acquisition of property, plant and equipment outstanding at each Balance Sheet date is classified as capital advances under other non-current assets and the cost of assets not ready to use before such date are disclosed under 'Capital work-in-progress.

ii. Subsequent expenditure

Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Group.

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iii. Depreciation

Depreciation is calculated on cost of items of property, plant and equipment less their estimated residual values over their estimated useful lives using the straight-line method, and is generally recognised in the statement of profit and loss. Assets acquired under finance leases are depreciated over the shorter of the lease term and their useful lives unless it is reasonably certain that the Group will obtain ownership by the end of the lease term. Freehold land is not depreciated.

The estimated useful lives of items of property, plant and equipment for the current and comparative periods are as follows:

Category of Property, plant and equipment	Estimated useful life (Years)
Building	60
Plant and equipment	15
Leasehold Improvements*	3
Office equipment**	10
Furniture and Fixtures	10
Vehicles	8
Computer hardware	
- servers and networks	6
- Computers**	3-5

Depreciation method, useful lives and residual values are reviewed at each financial year-end and adjusted if appropriate.

Depreciation on addition (disposal) is provided on a pro-rata basis i.e. from (upto) the date on which asset is ready for use (disposed off).

* Leasehold improvements are depreciated over the period of the lease term of the respective property or 3 years whichever is lower.

Leasehold land is amortised over the lease period of 90 years.

**Based on an internal technical assessment, the management believes that the useful lives as given above best represents the period over which management expects to use its assets. Hence, the useful life of plant and equipment is different from the useful life as prescribed under Part C of Schedule II of Companies Act, 2013.

d. Intangible assets

Recognition and measurement

Intangible assets are initially recognised at:

(a) In case the assets are acquired separately then at cost,

(b) In case the assets are acquired in a business combination or under any asset purchase agreement at fair value.

Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment loss.

Intangible assets with finite useful life are assessed for impairment whenever there is an indication that the intangible assets may be impaired.

Subsequent expenditure

Subsequent expenditure is capitalised only when it increases the future economic benefits from the specific asset to which it relates.

Amortization

Amortisation of intangible assets are amortised on a straight-line basis using the estimated useful life as follows:

Intangible assets	Useful lives (years)
Computer Software	3-4 Years
AI Platform	5 Years

The amortization period and the amortization method are reviewed at least at each financial year end. If the expected useful life of the asset is significantly different from previous estimates, the amortization period is changed accordingly.

Gains or losses arising from de-recognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the Statement profit or loss when the asset is derecognized.

e. Impairment

i. Impairment of financial instruments

The Group recognises loss allowances for expected credit losses on:

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(All amounts are in lakhs of Indian Rupees, unless otherwise stated)

- financial assets measured at amortised cost; and
- financial assets measured at FVOCI- debt investments.

At each reporting date, the Group assesses whether financial assets carried at amortised cost and debt securities at FVOCI are credit-impaired. A financial asset is 'credit- impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

The Group measures loss allowances at an amount equal to lifetime expected credit losses.

Loss allowances for trade receivables are always measured at an amount equal to lifetime expected credit losses. Lifetime expected credit losses are the expected credit losses that result from all possible default events over the expected life of a financial instrument.

12-month expected credit losses are the portion of expected credit losses that result from default events that are possible within 12 months after the reporting date (or a shorter period if the expected life of the instrument is less than 12 months).

In all cases, the maximum period considered when estimating expected credit losses is the maximum contractual period over which the Group is exposed to credit risk.

The Group assumes that the credit risk on a financial asset has increased significantly if it is more than 30 days past due.

The Group considers a financial asset to be in default when:

- the borrower is unlikely to pay its credit obligations to the Group in full, without recourse by the Group to actions such as realising security (if any is held); or
- the financial asset is 90 days or more past due.

The Group considers a debt security to have low credit risk when its credit risk rating is equivalent to 'investment grade' e.g. BBB or higher as per renowned rating agencies.

Measurement of expected credit losses

Expected credit losses are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the Group in accordance with the contract and the cash flows that the Group expects to receive).

As a practical expedient, the Group uses a provision matrix to determine impairment loss allowance on portfolio of its trade receivables. The provision matrix is based on its historically observed default rates over the expected life of the trade receivables and is adjusted for forward-looking estimates. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed.

Presentation of allowance for expected credit losses in the balance sheet

Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the assets.

For debt securities at FVOCI, the loss allowance is charged to profit or loss.

Write-off

The gross carrying amount of a financial asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. This is generally the case when the Group determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Group's procedures for recovery of amounts due.

ii. Impairment of Non-financial assets

The carrying amounts of assets are reviewed at each reporting date if there is any indication of impairment based on internal/external factors. An impairment loss is recognized wherever the carrying amount of an asset (or cash generating unit) exceeds its recoverable amount. The recoverable amount is the greater of the asset's (or cash generating units) net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and risks specific to the asset (or cash generating unit).

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An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined net of depreciation or amortisation, if no impairment loss had been recognised

f. Employee benefits

i. Short-term employee benefits

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognised for the amount expected to be paid, if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee, and the amount of obligation can be estimated reliably.

ii. Share-based payment transactions

The grant date fair value of equity settled share-based payment awards granted to employees of the Group and subsidiaries of the Group is recognised as an employee expense and deemed investment, with a corresponding increase in equity, over the period that the employees unconditionally become entitled to the awards. The amount recognised as expense/deemed investment is based on the estimate of the number of awards for which the related service and non-market vesting conditions are expected to be met, such that the amount ultimately recognised as an expense/dement investment is based on the number of awards that do meet the related service and non-market vesting conditions at the vesting date. For share-based payment awards with non-vesting conditions, the grant date fair value of the share-based payment is measured to reflect such conditions and there is no true-up for differences between expected and actual outcomes.

iii. Defined contribution plans

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. The Group makes specified monthly contributions towards Government administered provident fund scheme. Obligations for contributions to defined contribution plans are recognized as an employee benefit expense in profit or loss in the periods during which the related services are rendered by employees.

Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in future payments is available.

iv. Defined benefit plans

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. The Group's gratuity scheme is a defined benefit plan. The present value of obligations under such defined benefit plans are determined based on actuarial valuation carried out by an independent actuary using the Projected Unit Credit Method, which recognizes each period of service as giving rise to an additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation.

The obligation is measured at the present value of estimated future cash flows. The discount rates used for determining the present value of obligation under defined benefit plans, are based on the market yields on government securities as at the balance sheet date, having maturity period approximating to the terms of related obligations

Re-measurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognized in the period in which they occur, directly in other comprehensive income and are never reclassified to profit or loss. Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognized immediately in the profit or loss as past service cost.

v. Other long-term employee benefits

The Group's net obligation in respect of long-term employee benefits other than post-employment benefits is the amount of future benefit that employees have earned in return for their service in the current and prior periods; that benefit is discounted to determine its present value, and the fair value of any related assets is deducted.

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The employees can carry-forward a portion of the unutilized accrued compensated absences and utilize it in future service periods or receive cash compensation on termination of employment. Since the compensated absences do not fall due wholly within twelve months after the end of the period in which the employees render the related service and are also not expected to be utilized wholly within twelve months after the end of such period, the benefit is classified as a long-term employee benefit. The Group records an obligation for such compensated absences in the period in which the employee renders the services that increase this entitlement. The obligation is measured on the basis of independent actuarial valuation using the projected unit credit method. Re measurements as a result of experience adjustments and changes in actuarial assumptions are recognized in the profit or loss.

g. Provisions (other than for employee benefits)

A provision is recognised if, as a result of a past event, the Group has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows (representing the best estimate of the expenditure required to settle the present obligation at the balance sheet date) at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognised as finance cost. Expected future operating losses are not provided for. Provisions are reviewed by the management at each reporting date and adjusted to reflect the current best estimates.

Onerous contracts

A contract is considered to be onerous when the expected economic benefits to be derived by the Group from the contract are lower than the unavoidable cost of meeting its obligations under the contract. The provision for an onerous contract is measured at the present value of the lower of the expected cost of terminating the contract and the expected net cost of continuing with the contract. Before such a provision is made, the Group recognises any impairment loss on the assets associated with that contract.

h. Contingent liabilities

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Group or a present obligation that is not recognised because it is not probable that an outflow of resources will be required to settle the obligation, or a present obligation whose amount cannot be estimated reliably. The Group does not recognize a contingent liability but discloses its existence in the financial statements

i. Revenue

Effective 1 April 2018, the Group has applied Ind AS 115 which establishes a comprehensive framework for determining whether, how much and when revenue is to be recognised. Ind AS 115 replaces Ind AS 18 Revenue and Ind AS 11 Construction Contracts. The Group has adopted Ind AS 115 using the cumulative effect method. The adoption of the standard did not have any material impact to the consolidated financial statements of the Group.

Revenues from customer's contracts are considered for recognition and measurement when the contract has been approved by the parties, in writing, to the contract, the parties to contract are committed to perform their respective obligations under the contract, and the contract is legally enforceable. Revenue is recognized upon transfer of control of promised products or services ("performance obligations") to customers in an amount that reflects the consideration the Group has received or expects to receive in exchange for these products or services ("transaction price"). When there is uncertainty as to collectability, revenue recognition is postponed until such uncertainty is resolved.

i. Sale of License

Revenue from sale of licenses for software products is recognised when the significant risks and rewards of ownership have been transferred to the buyer which generally coincides with delivery of licenses to the customers, recovery of the consideration is probable, the associated costs and possible return of software sold can be estimated reliably, there is no continuing effective control over, or managerial involvement with the licenses transferred and the amount of revenue can be measured reliably.

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(All amounts are in lakhs of Indian Rupees, unless otherwise stated)

ii. Rendering of services

Revenue from services rendered is recognized in proportion to the stage of completion of the transaction at the reporting date. Efforts or costs expended have been used to measure progress towards completion as there is a direct relationship between input and productivity.

Software Implementation Services

The revenue from fixed price contracts for software implementation is recognized based on proportionate completion method based on hours expended, and foreseeable losses on the completion of contract, if any are recognized immediately. Efforts or costs expended have been used to determine progress towards completion as there is a direct relationship between input and productivity. Progress towards completion is measured as the ratio of costs or efforts incurred to date (representing work performed) to the estimated total costs or efforts. Estimates of transaction price and total costs or efforts are continuously monitored over the lives of the contracts and are recognized in profit or loss in the period when these estimates change or when the estimates are revised. Revenues and the estimated total costs or efforts are subject to revision as the contract progresses. Provisions for estimated losses, if any, on uncompleted contracts are recorded in the period in which such losses become probable based on the estimated efforts or costs to complete the contract.

The Group is also involved in time and material contracts and recognizes revenue as the services are performed.

Digitization services

Revenue from digitization services is recognized as services are rendered to the customer.

Annual Technical services

Revenue from annual technical service and maintenance contracts is recognised ratably over the term of the underlying maintenance arrangement.

iii. Sale of right to use software

Software-as-a-service, that is, a right to access software functionality in a cloud-based-infrastructure provided by the Group. Revenue from arrangements where the customer obtains a “right to access” is recognized over the access period.

Revenue from client training, support and other services arising due to the sale of license is recognized as the performance obligations are satisfied.

Revenue is recognised, net of returns, trade discounts and volume rebates. This inter alia involves discounting of the consideration due to the present value if payment extends beyond normal credit terms. Reimbursements of out-of-pocket expenses received from customers have been netted off with expense.

Amounts received or billed in advance of services to be performed are recorded as advance from customers/unearned revenue. Unbilled revenue represents amounts recognized based on services performed in advance of billing in accordance with contract terms.

iv. Multiple deliverable arrangements

When two or more revenue generating activities or deliverables are provided under a single arrangement, the Group has applied the guidance in Ind AS 115, Revenue from contract with customer, by applying the revenue recognition criteria for each distinct performance obligation. The arrangements with customers generally meet the criteria for considering license for software products and related services as distinct performance obligations. For allocating the transaction price, the Group has measured the revenue in respect of each performance obligation of a contract at its relative standalone selling price. The price that is regularly charged for an item when sold separately is the best evidence of its standalone selling price. In cases where the Group is unable to determine the standalone selling price, the Group uses the expected cost plus margin approach in estimating the standalone selling price.

Arrangements to deliver software products generally have three elements license, implementation and Annual Technical Services (ATS). The Group has applied the principles under Ind AS 115 to account for revenues from these performance obligations. When implementation services are provided in conjunction with the licensing arrangement and the license and implementation have been identified as

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two separate performance obligations, the transaction price for such contracts are allocated to each performance obligation of the contract based on their relative standalone selling prices. In the absence of standalone selling price for implementation, the performance obligation is estimated using the expected cost plus margin approach.

Deferred contract costs are incremental costs of obtaining a contract which are recognized as assets and amortized over the term of the contract.

Contract assets are recognised when there is excess of revenue earned over billings on contracts. Contract assets are classified as unbilled receivables (only act of invoicing is pending) when there is unconditional right to receive cash, and only passage of time is required, as per contractual terms.

Unearned and deferred revenue ("contract liability") is recognised when there is billings in excess of revenues.

j. Recognition of dividend income, interest income or expense

Dividend income is recognised in statement profit or loss on the date on which the Group's right to receive payment is established.

Interest income or expense is recognised using the effective interest method.

The 'effective interest rate' is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument to:

- the gross carrying amount of the financial asset; or
- the amortised cost of the financial liability.

In calculating interest income and expense, the effective interest rate is applied to the gross carrying amount of the asset (when the asset is not credit-impaired) or to the amortised cost of the liability. However, for financial assets that have become credit-impaired subsequent to initial recognition, interest income is calculated by applying the effective interest rate to the amortised cost of the financial asset. If the asset is no longer credit-impaired, then the calculation of interest income reverts to the gross basis.

k. Sale of investments

Profit on sale of investments is recorded on transfer of title from the Group and is determined as the difference between the sales price and the carrying value of the investment.

l. Leases

The Group as a lessee

The Group's lease asset classes primarily consist of leases for land and buildings. The group assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the group assesses whether: (1) the contract involves the use of an identified asset (2) the group has substantially all of the economic benefits from use of the asset through the period of the lease and (3) the group has the right to direct the use of the asset.

At the date of commencement of the lease, the Group recognizes a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short term and low value leases, the Group recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

Certain lease arrangements includes the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised.

The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset.

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Right of use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of these leases. Lease liabilities are re-measured with a corresponding adjustment to the related right of use asset if the group changes its assessment if whether it will exercise an extension or a termination option.

Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

m. Income tax

Income tax comprises current and deferred tax. It is recognised in profit or loss except to the extent that it relates to an item recognised directly in equity or in other comprehensive income.

i. Current tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax reflects the best estimate of the tax amount expected to be paid or received after considering the uncertainty, if any, related to income taxes. It is measured using tax rates (and tax laws) enacted or substantively enacted by the reporting date.

Current tax assets and current tax liabilities are offset only if there is a legally enforceable right to set off the recognised amounts, and it is intended to realise the asset and settle the liability on a net basis or simultaneously.

ii. Deferred tax

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the corresponding amounts used for taxation purposes. Deferred tax is also recognised in respect of carried forward tax losses and tax credits. Deferred tax is not recognised for:

- temporary differences arising on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss at the time of the transaction;

Deferred tax assets are recognised to the extent that it is probable that future taxable profits will be available against which they can be used. Deferred tax assets – unrecognised or recognised, are reviewed at each reporting date and are recognised/ reduced to the extent that it is probable/ no longer probable respectively that the related tax benefit will be realized.

Deferred tax is measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on the laws that have been enacted or substantively enacted by the reporting date.

The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Group expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

Minimum Alternative Tax ('MAT') under the provisions of the Income-tax Act, 1961 is recognised as current tax in the Statement of Profit and Loss. The credit available under the Act in respect of MAT paid is recognised as an asset

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only when and to the extent there is convincing evidence that the Group will pay normal income tax during the period for which the MAT credit can be carried forward for set-off against the normal tax liability. MAT credit recognised as an asset is reviewed at each balance sheet date and written down to the extent the aforesaid convincing evidence no longer exists.

n. Cash and cash equivalents

Cash and short-term deposits in the Balance Sheet comprise cash at banks and cash in hand and short-term deposits with an original maturity of three months or less, which are subject to insignificant risk of changes in value.

o. Earnings per share ("EPS")

Basic earnings per share is calculated by dividing the profit attributable to the owners of the Groupby the weighted average number of equity shares outstanding during the year.

Diluted earnings per share is computed using the net profit or loss for the year attributable to equity shareholders and the weighted average number of common and dilutive common equivalent shares outstanding during the year but including share options, compulsory convertible preference shares except where the result would be anti-dilutive.

p. Share Capital

Equity Shares

Equity shares are classified as equity. Incremental costs directly attributable to the issuance of new equity shares are recognized as a deduction from equity.

Dividends

The final dividend on shares is recorded as a liability on the date of approval by the shareholders, and interim dividend are recorded as a liability on the date of declaration by the Company's Board of Directors.

q. Basis of segmentation

Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker (CODM).

Identification of segments:

All operating segments' results are reviewed regularly by the Board of Directors, who have been identified as the CODM, to allocate resources to the segments and assess their performance. Refer note 42 for segment information.

r. ESOP Trust

The ESOP Trust has been treated as an extension of the Company and accordingly shares held by ESOP Trust are netted off from the total share capital. Consequently, all the assets, liabilities, income and expenses of the trust are accounted for as assets and liabilities of the Company, except for profit / loss on issue of shares to the employees and dividend received by trust which are directly adjusted in the Newgen ESOP Trust reserve.

s. Rounding of amounts

All amounts disclosed in the financial statements and notes have been rounded off to the nearest lakhs as per the requirement of Schedule III, unless otherwise stated

t. Standards issued but not yet effective

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards. There is no such notification which would have been applicable from 1 April 2022.

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(All amounts are in lakhs of Indian Rupees, unless otherwise stated)

4. Property, plant and equipment

	Freehold land	Buildings	Plant and machinery	Leasehold improvements	Vehicles	Office equipment	Furniture and fixtures	Computer and servers	Total	Capital work-in-progress
Cost										
Balance as at 1 April 2020	**4.28**	**4,114.40**	**471.95**	**5.99**	**244.85**	**1,161.17**	**443.10**	**1,797.72**	**8,243.46**	**9,072.62**
Additions during the year	-	8,802.73	299.31	-	-	171.47	283.97	289.11	9,846.59	437.91
Translation exchange difference during the year	-	-	-	-	-	(0.01)	(1.92)	(0.08)	(2.01)	-
Capitalised during the year	-	-	-	-	-	-	-	-	-	(9,510.53)
Less: Disposals during the year	-	-	16.08	-	16.20	16.44	16.71	82.41	147.84	-
Balance as at 31 March 2021	**4.28**	**12,917.13**	**755.18**	**5.99**	**228.65**	**1,316.19**	**708.44**	**2,004.34**	**17,940.20**	**-**
Additions during the year	-	-	2.07	-	275.83	40.44	1.12	1,106.90	1,426.36	-
Acquisition of subsidiary (refer note 46)	-	-	-	-		5.87	0.88	9.20	15.95	-
Translation exchange difference during the year	-	-	-	-	-	(0.06)	1.92	0.68	2.54	-
Less: Disposals during the year	-	-	22.03	-	27.39	3.71	0.16	38.15	91.44	-
Balance as at 31 March 2022	**4.28**	**12,917.13**	**735.22**	**5.99**	**477.09**	**1,358.73**	**712.20**	**3,082.97**	**19,293.61**	**-**
Accumulated Depreciation										
Balance as at 1 April 2020	**-**	**115.49**	**135.45**	**5.99**	**111.01**	**209.64**	**149.53**	**875.03**	**1,602.14**	**-**
Depreciation during the year	-	107.30	54.56	-	34.49	128.84	57.59	317.80	700.58	-
Translation exchange difference during the year	-	-	-	-	-	(0.10)	(0.14)	0.00	(0.24)	-
Less: Disposals during the year	-	-	15.49	-	16.20	16.25	15.54	82.19	145.67	-
Balance as at 31 March 2021	**-**	**222.79**	**174.52**	**5.99**	**129.30**	**322.13**	**191.44**	**1,110.64**	**2,156.81**	**-**
Depreciation during the year	-	217.76	70.49	-	36.37	136.97	74.55	405.98	942.12	-
Acquisition of subsidiary (refer note 46)	-	-	-	-	-	2.83	0.52	7.18	10.53	-
Translation exchange difference during the year	-	-	-	-	-	0.01	0.25	0.21	0.47	-
Less: Disposals during the year	-	-	21.75	-	27.39	3.00	0.16	36.41	88.71	-
Balance as at 31 March 2022	**-**	**440.55**	**223.26**	**5.99**	**138.28**	**458.94**	**266.60**	**1,487.60**	**3,021.22**	**-**
Carrying amount (net)										
Balance as at 31 March 2021	**4.28**	**12,694.34**	**580.66**	**-**	**99.35**	**994.06**	**517.00**	**893.70**	**15,783.39**	**-**
Balance as at 31 March 2022	**4.28**	**12,476.58**	**511.96**	**-**	**338.81**	**899.79**	**445.60**	**1,595.37**	**16,272.39**	**-**

As at 31 March 2022 properties with a carrying amount of INR 366.49 lakhs (31 March 2021 : INR 374.60 lakhs) are subject to first charge to working capital limits from banks.

Capital commitment as on 31 March 2022 is NIL (31 March 2021: NIL)

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4A. Goodwill

	As at 31 March 2022	As at 31 March 2021
Opening Balance	-	-
Acquisition of subsidiary (refer note 46)	283.31	-
Impairment of goodwill	-	-
Closing Balance	**283.31**	**-**

5. Intangible assets

	Computer software	AI Platform	Total
Cost			
Balance as at 1 April 2020	**401.94**	**-**	**401.94**
Additions during the year	8.57	-	8.57
Balance as at 31 March 2021	**410.51**	**-**	**410.51**
Additions during the year	2.10	-	2.10
Acquisition of subsidiary (refer note 46)	-	1,654.33	1,654.33
Balance as at 31 March 2022	**412.61**	**1,654.33**	**2,066.94**
Accumulated Amortisation			
Balance as at 1 April 2020	**262.38**	**-**	**262.38**
Additions during the year	84.01	-	84.01
Balance as at 31 March 2021	**346.39**	**-**	**346.39**
Additions during the year	53.13	56.20	109.33
Balance as at 31 March 2022	**399.52**	**56.20**	**455.72**
Carrying amount (net)			
Balance as at 31 March 2021	**64.12**	**-**	**64.12**
Balance as at 31 March 2022	**13.09**	**1,598.13**	**1,611.22**

6. Other financial assets (non-current)

	As at 31 March 2022	As at 31 March 2021
Bank deposits*		
- Original maturity of more than 12 months	6,000.00	-
- pledged with tax authorities	4.42	4.42
- held as margin money	3,382.94	3,289.36
Interest accrued on deposits	263.08	47.40
Security deposits	424.33	343.75
Earnest money deposits		
- Unsecured, considered good	36.53	12.28
- Unsecured, considered doubtful	164.75	164.75
- Less: Loss allowance for doubtful deposits	(164.75)	(164.75)
	10,111.30	**3,697.21**

* Bank deposits held as margin money represents deposits made on account of guarantees issued to government customers amounting to INR 304.3 lakhs (31 March 2021: INR 282.03 lakhs) and deposits made to avail overdraft facilities amounting to INR 3,078.64 lakhs (31 March 2021: INR 3,000 Lakhs)

Information about Group's exposure to credit and market risks and fair value measurement is included in Note 40(c).

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7. Income tax assets (net)

	As at 31 March 2022	As at 31 March 2021
Advance income tax (net of provision of INR 13,990.61 lakhs (31 March 2021: INR 5,453.20 lakhs))	1,362.87	985.82
	1,362.87	**985.82**

7A. Income tax liabilities (net)

	As at 31 March 2022	As at 31 March 2021
Provision for tax (net of advance tax of INR 2,657.57 lakhs (31 March 2021: INR 7,084.45 lakhs))	748.08	1,772.11
	748.08	**1,772.11**

8. Other non-current assets

	As at 31 March 2022	As at 31 March 2021
Prepaid expenses	4.43	6.83
Capital advances	13.72	-
	18.15	**6.83**

9. Investments (refer note 38)

	As at 31 March 2022	As at 31 March 2021
Investments in bonds (unquoted)		
Bonds at FVOCI		
- Investment in government bonds	6,468.06	3,561.72
	6,468.06	**3,561.72**
Investments in mutual funds (unquoted)		
Mutual funds at FVTPL	2,769.70	4,755.74
	2,769.70	**4,755.74**
	9,237.76	**8,317.46**
Aggregate book value of unquoted investments	9,237.76	8,317.46

Investments in bonds measured at FVOCI have stated interest rates of 7.04% to 8.63%. Information about Group's exposure to credit and market risks and fair value measurement is included in Note 40(c).

10. Trade receivables

	As at 31 March 2022	As at 31 March 2021
- Unsecured, considered good	30,416.72	25,781.03
- Trade receivable - Credit impaired	1,030.93	2,439.38
	31,447.65	**28,220.41**
Allowance for bad and doubtful debts		
- Unsecured, considered doubtful	(2,528.89)	(1,926.73)
- Trade receivable - Credit impaired	(1,030.93)	(2,439.38)
	27,887.83	**23,854.30**

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Trade Receivable Ageing Schedule

	Current but not due	Outstanding for following periods from due date of payment					Total
		Less than 6 months	6 months to 1 years	1-2 Years	2-3 Years	More Than 3 years	
As at 31 March 2022							
Undisputed Trade Receivables- Considered good	20,019.19	8,003.49	1,511.29	671.51	211.24	-	30,416.72
Undisputed Trade Receivables- Which have significant increase in credit risk		-	-	-	-	-	-
Undisputed Trade Receivables- credit impaired	-	-	-	494.07	536.86	-	1,030.93
Disputed Trade Receivables- Considered good	-	-	-	-	-	-	-
Disputed Trade Receivables- Which have significant increase in credit risk	-	-	-	-	-	-	-
Disputed Trade Receivables- credit impaired	-	-	-	-	-	-	-
	20,019.19	**8,003.49**	**1,511.29**	**1,165.58**	**748.10**	**-**	**31,447.65**
As at 31 March 2021							
Undisputed Trade Receivables- Considered good	17,516.51	6,010.73	1,130.24	1,123.55	-	-	25,781.03
Undisputed Trade Receivables- Which have significant increase in credit risk	-	-	-	-	-	-	-
Undisputed Trade Receivables- credit impaired	-	-	-	29.47	888.44	1,521.47	2,439.38
Disputed Trade Receivables- Considered good	-	-	-	-	-	-	-
Disputed Trade Receivables- Which have significant increase in credit risk	-	-	-	-	-	-	-
Disputed Trade Receivables- credit impaired	-	-	-	-	-	-	-
	17,516.51	**6,010.73**	**1,130.24**	**1,153.02**	**888.44**	**1,521.47**	**28,220.41**

No trade or other receivables are due from directors or other officers of the Group either severally or jointly with any other person. Nor any trade or other receivables are due from firms or private companies respectively in which any director is a partner, director or a member.

Trade receivables are non-interest bearing and are generally on terms of 30-90 days.

The Group's exposure to credit and currency risks and loss allowances related to trade receivables are discussed in note 40(c).

11. Cash and cash equivalents

	As at 31 March 2022	As at 31 March 2021
Cash on hand	3.58	3.08
Balances with banks		
- in current accounts*	9,287.10	7,008.09
- Balances with scheduled banks in deposit accounts with original maturity of less than three months	1,066.39	160.00
	10,357.07	**7,171.17**

*Current account balances with banks include INR 48.10 lakhs (31 March 2021: INR 142.43 lakhs) held at a foreign branch.

Short term deposits are from varying periods of between one day and three months, depending upon the immediate cash requirements of the group, and earn interest at the respective short term deposit rates.

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(All amounts are in lakhs of Indian Rupees, unless otherwise stated)

12. Other bank balances

	As at 31 March 2022	As at 31 March 2021
Balances with scheduled banks in deposit accounts		
- Original maturity of less than 12 months	17,229.25	17,000.00
- Unclaimed dividend account*	6.91	3.77
	17,236.16	**17,003.77**

*These balances are not available for use by the Group as they represent corresponding unclaimed liabilities.

13. Current financial assets - Loans

	As at 31 March 2022	As at 31 March 2021
Loans to employees*	20.92	9.04
	20.92	**9.04**

*These are interest bearing loans - repayable within one year given to employees, chargeable at the rate of 12% p.a.

14. Current financial assets - Others

	As at 31 March 2022	As at 31 March 2021
(unsecured considered good, unless otherwise stated)		
Interest accrued on deposits	378.27	519.11
Interest accrued but not due on government bonds	307.04	158.87
Derivatives assets	211.73	-
Security deposits	114.30	192.07
Unbilled revenue*		
- other than related parties	8,066.55	6,926.04
Less: Provision for loss allowance	(273.39)	-
	8,804.50	**7,796.09**

*Unbilled revenue represents amounts recognised based on services performed in advance of billing in accordance with contract terms.

*Changes in unbilled revenue is as follows:

	As at 31 March 2022	As at 31 March 2021
Balance at the begining of the year	6,926.04	7,767.02
Less: Amount of revenue billed during the year	(3,254.99)	(3,224.27)
Add: Addition during the year	4,395.50	2,383.29
Balance at the end of the year	**8,066.55**	**6,926.04**

15. Other current assets

	As at 31 March 2022	As at 31 March 2021
Advances to vendors	54.11	20.85
Balances with government authorities	21.12	-
Deferred contract cost	109.68	93.90
Advance to employees	74.16	51.67
Prepaid expenses	785.95	569.89
Other current assets	42.29	5.01
	1,087.31	**741.32**

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(All amounts are in lakhs of Indian Rupees, unless otherwise stated)

16. Share capital

	As at 31 March 2022		As at 31 March 2021	
	Number of shares	Amount	Number of shares	Amount
Authorised share capital				
Equity shares of INR 10 each	9,80,00,200	9,800.02	9,80,00,200	9,800.02
0.01% Compulsory convertible preference shares of INR 10 each	1,19,99,800	1,199.98	1,19,99,800	1,199.98
	11,00,00,000	**11,000.00**	**11,00,00,000**	**11,000.00**

	As at 31 March 2022		As at 31 March 2021	
	Number of shares	Amount	Number of shares	Amount
Issued, subscribed and paid up				
Equity share capital of INR 10 each, fully paid up	6,99,55,701	6,995.57	6,99,55,701	6,995.57
Add: Issued during the year to Newgen ESOP Trust	-	-	-	-
Balance	**6,99,55,701**	**6,995.57**	**6,99,55,701**	**6,995.57**
Less : Shares held by Newgen ESOP Trust	4,15,510	41.55	6,49,696	64.97
Total Share capital	**6,95,40,191**	**6,954.02**	**6,93,06,005**	**6,930.60**

Reconciliation of shares outstanding at the beginning and at the end at the reporting year

	As at 31 March 2022		As at 31 March 2021	
	Number of shares	Amount	Number of shares	Amount
Equity share capital of INR 10 each, fully paid up				
At the beginning of the year	6,99,55,701	6,995.57	6,99,55,701	6,995.57
Add: Issued during the year to Newgen ESOP Trust	-	-	-	-
At the end of the year	**6,99,55,701**	**6,995.57**	**6,99,55,701**	**6,995.57**
Less: Shares held by Newgen ESOP Trust	4,15,510	41.55	6,49,696	64.97
Total equity share capital	**6,95,40,191**	**6,954.02**	**6,93,06,005**	**6,930.60**

Terms/rights attached to equity shares

In case of equity shares, each equity shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing annual general meeting, except in case of interim dividend, if any. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Holding Company after distribution of all preferential amounts, in proportion to their respective shareholding.

16A. Details of shareholders holding more than 5% shares in the Holding Company

Equity shares of INR 10 each, fully paid up held by:	As at 31 March 2022		As at 31 March 2021	
	Number of shares	% Holding	Number of shares	% Holding
- Mr. Diwakar Nigam	1,56,74,732	22.41%	1,84,72,406	26.41%
- Mr. T.S. Varadarajan	1,50,09,306	21.46%	1,50,09,306	21.46%
- Mrs. Priyadarshini Nigam	65,69,792	9.39%	79,68,906	11.39%
- Mrs. Usha Varadarajan	13,32,320	1.90%	45,28,320	6.47%
- Malabar India Fund Limited	18,35,083	2.62%	49,78,931	7.12%

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(All amounts are in lakhs of Indian Rupees, unless otherwise stated)

16B. Details of shares held by promoters and promoter's Group

Equity shares of INR 10 each, fully paid up held by:	As at 31 March 2022			As at 31 March 2021	
	Number of shares	% of total shares	% change during the year	Number of shares	% of total shares
- Mr. Diwakar Nigam	1,56,74,732	22.41%	-15.1%	1,84,72,406	26.41%
- Mr. T.S. Varadarajan	1,50,09,306	21.46%	0.0%	1,50,09,306	21.46%
- Mrs. Priyadarshini Nigam	65,69,792	9.39%	-17.6%	79,68,906	11.39%
- Mrs. Usha Varadarajan	13,32,320	1.90%	-70.6%	45,28,320	6.47%
- Mrs. Ragini Goorha	50	0.00%	0.0%	50	0.00%
- Mrs. Sudha Sairaj	100	0.00%	0.0%	-	-

16 C. Shares reserved for issue under Employee stock option plan and RSU Scheme

Terms attached to stock options granted to employees are described in note 34 regarding share based payments.

16 D. Aggregate number of shares issued for consideration other than cash during the period of five years immediately preceding the reporting date.

(i) Equity shares have been issued under Employee stock options plans to trust for which only exercise price has been received in cash.

	For the year ended 31 March 2022	For the year ended 31 March 2021	For the year ended 31 March 2020	For the year ended 31 March 2019	For the year ended 31 March 2018
Equity shares of INR 10 each	-	-	3,70,000	3,50,000	10,50,000

(ii) Other than aforementioned, no shares has been alloted by way of bonus issues and no shares has been bought back in the current year and preceding 5 years.

17. Other equity

	As at 31 March 2022	As at 31 March 2021
Securities premium	10,280.35	10,173.61
Retained earnings	60,342.22	46,362.60
Capital redemption reserve	87.95	87.95
Capital reserve	0.21	0.21
General reserve	1,731.39	1,731.39
Newgen ESOP Trust reserve	511.71	404.32
Share options outstanding reserve	762.77	344.72
Foreign currency translation reserve	701.10	504.89
Other comprehensive gain/ (loss)	(231.61)	29.38
	74,186.09	**59,639.07**

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Securities premium (refer note (i) below)	As at 31 March 2022	As at 31 March 2021
Balance as at beginning of the year	10,418.52	10,314.50
Securities premium on issue of shares to Newgen ESOP Trust	-	
Transferred from share options outstanding reserve on exercise of stock options	106.74	104.02
Balance as at end of the year	**10,525.26**	**10,418.52**
Less: Securities premium on shares held by Newgen ESOP Trust	244.91	244.91
Balance as at end of the year	**10,280.35**	**10,173.61**

Retained earnings (refer note (ii) below)	As at 31 March 2022	As at 31 March 2021
Balance as at beginning of the year	46,362.60	35,113.48
Opening adjustment of deferred tax	6.60	-
Profit for the year	16,421.47	12,648.23
Dividend on equity shares	(2,448.45)	(1,399.11)
Balance as at end of the year	**60,342.22**	**46,362.60**

Capital redemption reserve	As at 31 March 2022	As at 31 March 2021
Balance as at beginning of the year	87.95	87.95
Balance as at end of the year	**87.95**	**87.95**

General reserve	As at 31 March 2022	As at 31 March 2021
Balance as at beginning of the year	1,731.39	1,731.39
Balance as at end of the year	**1,731.39**	**1,731.39**

Capital reserve	As at 31 March 2022	As at 31 March 2021
Balance as at beginning of the year	0.21	0.21
Balance as at end of the year	**0.21**	**0.21**

Newgen ESOP Trust reserve (refer note (iii) below)	As at 31 March 2022	As at 31 March 2021
Balance as at beginning of the year	404.32	297.47
Addition to Newgen ESOP Trust reserve	107.39	106.85
Balance as at end of the year	**511.71**	**404.32**

Share options outstanding reserve (refer note (iv) below)	As at 31 March 2022	As at 31 March 2021
Balance as at beginning of the year	344.72	405.75
Employee stock compensation expense	548.26	64.59
Transferred to securities premium account on exercise of stock options	(130.21)	(125.62)
Balance as at end of the year	**762.77**	**344.72**

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Other comprehensive income/(loss) (refer note (v) below)	As at 31 March 2022	As at 31 March 2021
Remeasurement of defined benefit liability		
Balance as at beginning of the year	(29.46)	(96.29)
Other comprehensive income (loss) (net of tax)	(205.96)	66.83
Balance as at end of the year	**(235.42)**	**(29.46)**

Debt instruments through other comprehensive income	As at 31 March 2022	As at 31 March 2021
Balance as at beginning of the year	58.84	0.89
Other comprehensive income (net of tax)	(62.38)	48.95
(Profit)/loss on sale of debt instrument transferred to profit and loss	7.35	9.00
Balance as at end of the year	**3.81**	**58.84**

Foreign currency translation reserve (refer note (vi) below)	As at 31 March 2022	As at 31 March 2021
Remeasurement of defined benefit liability		
Balance as at beginning of the year	504.89	387.20
Other comprehensive income (net of tax)	196.21	117.69
Balance as at end of the year	**701.10**	**504.89**

(i) Securities premium is used to record the premium received on issue of shares. It will be utilised in accordance with the provisions of the Companies Act, 2013.

(ii) Retained earnings represents accumulated balances of profits over the years after appropriations for general reserves and adjustments of dividend.

(iii) Newgen ESOP Trust has been treated as an extension of the Holding Company and accordingly shares held by Newgen ESOP Trust are netted off from the total share capital. Consequently, all the assets, liabilities, income and expenses of the trust are accounted for as assets and liabilities of the Holding Company, except for profit / loss on issue of shares to the employees and dividend received by trust which are directly adjusted in the Newgen ESOP Trust reserve.

(iv) The Group has established various equity-settled share-based payment plans for certain employees of the Group. Refer to note 34 for further details on these plans.

(v) Refer Statement of Changes in Equity for analysis of other comprehensive income, net of tax.

(vi) Foreign currency translation reserve comprises of all exchange differences arising from translation of financial statements of foreign subsidiaries into functional and presentational currency.

18. Right-of-use assets

Changes in the carrying value of right of use assets for the year ended 31 March 2021

Particulars	Category of ROU asset		Total
	Leasehold land	Buildings	
Balance as at 1 April 2020	3,365.78	2,886.52	6,252.30
Addition	-	320.58	320.58
Termination of leases	-	(689.48)	(689.48)
Translation exchange difference	-	(5.60)	(5.60)
Depreciation	(39.30)	(1,191.08)	(1,230.38)
Balance as at 31 March 2021	**3,326.48**	**1,320.94**	**4,647.42**

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(All amounts are in lakhs of Indian Rupees, unless otherwise stated)

Changes in the carrying value of right of use assets for the period ended 31 March 2022

Particulars	Category of ROU asset		Total
	Leasehold land	Buildings	
Balance as at 1 April 2021	3,326.48	1,320.94	4,647.42
Addition	-	885.06	885.06
Termination of leases	-	(4.63)	(4.63)
Reduction due to rent concession	-	(3.44)	(3.44)
Translation exchange difference	-	12.14	12.14
Depreciation	(39.30)	(672.28)	(711.58)
Balance as at 31 March 2022	**3,287.18**	**1,537.79**	**4,824.97**

* Right of use assets recognised in the balance sheet at the date of initial recognition.

The aggregate depreciation expense on ROU assets is included under depreciation and amortisation expense in the Statement of Profit and Loss.(refer note 30)

Lease liabilities

Break up of current and non-current lease liabilities:

Particulars	As at 31 March 2022	As at 31 March 2021
Non-current lease liabilities	1,493.52	1,391.36
Current lease liabilities	670.09	617.76
Total	**2,163.61**	**2,009.12**

Movement in lease liabilities during the year ended 31 March 2021

Particulars	As at 31 March 2021
Balance as at 1 April 2020	3,630.29
Addition	320.58
Finance cost	282.75
Termination of leases	(771.61)
Translation exchange difference	(8.46)
Payment of lease liabilities	(1,444.43)
Balance as at 31 March 2021	**2,009.12**

Movement in lease liabilities during the year ended 31 March 2022

Particulars	As at 31 March 2022
Balance as at 1 April 2021	2,009.12
Addition	817.25
Finance cost	192.02
Termination of leases	(5.06)
Translation exchange difference	16.70
Reduction due to rent concession	(3.45)
Payment of lease liabilities	(862.97)
Balance as at 31 March 2022	**2,163.61**

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The Group does not face a significant liquidity risk with regard to its lease liabilities as the current assets are sufficient to meet the obligations related to lease liabilities as and when they fall due.

Rental expense recorded for short-term leases was INR 616.35 lakhs for the year ended 31 March 2022 (31 March 2021: INR 249.91 lakhs).

For detail regarding the undiscounted contractual maturities of lease liabilities refer note 40(c)(iii).

19. Borrowings

	As at 31 March 2022	As at 31 March 2021
Non Current Borrowings		
- Deferred payment liabilities	430.18	-
	430.18	**-**
Current Borrowings		
Current maturities of deferred payment liabilities	188.55	-
	188.55	**-**

20. Non-current provisions

	As at 31 March 2022	As at 31 March 2021
Provision for employee benefits (refer note 28)		
- provision for gratuity	2,633.00	2,196.75
- provision for compensated absences	712.11	661.14
	3,345.11	**2,857.89**

21. Trade payables

	As at 31 March 2022	As at 31 March 2021
- Total outstanding dues to micro enterprises and small enterprises	75.27	-
- Total outstanding dues to creditors other than micro and small enterprises	3,570.00	2,264.31
	3,645.27	**2,264.31**

Trade payables Ageing Schedule

	Outstanding for following periods from due date of payment					Total
	Less than 1 year	1-2 Years	2-3 Years	More Than 3 years	Unbilled-payable	
As at 31 March 2022						
Total outstanding dues of Micro enterprises and small enterprises	75.27	-	-	-	-	75.27
Total outstanding dues of creditors other than Micro enterprises and small enterprises	253.68	-	-	-	2,960.04	3,213.72
Disputed Dues of Micro enterprises and small enterprises	-	-	-	-	-	-
Disputed Dues of creditors other than Micro enterprises and small enterprises	-	-	-	-	356.28	356.28
	328.95	**-**	**-**	**-**	**3,316.32**	**3,645.27**

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(All amounts are in lakhs of Indian Rupees, unless otherwise stated)

	Outstanding for following periods from due date of payment					Total
	Less than 1 year	1-2 Years	2-3 Years	More Than 3 years	Unbilled-payable	
As at 31 March 2021						
Total outstanding dues of Micro enterprises and small enterprises		-				-
Total outstanding dues of creditors other than Micro enterprises and small enterprises	583.59	0.23			1,680.49	2,264.31
Disputed Dues of Micro enterprises and small enterprises						-
Disputed Dues of creditors other than Micro enterprises and small enterprises						-
	583.59	**0.23**	**-**	**-**	**1,680.49**	**2,264.31**

Trade payables are non-interest bearing and are generally on terms of 30-45 days

a) Refer note 35 for disclosures under Micro, Small and Medium Enterprises Development Act, 2006 (MSMED)

b) The Group's exposure to currency and liquidity risks related to trade payables is disclosed in note 40(c).

22. Current financial liabilities - Others

	As at 31 March 2022	As at 31 March 2021
Employee related payables	3,785.13	4,237.22
Payable in respect of retention money	-	127.82
Earnest money deposits	1.00	1.00
Payable for capital assets	317.57	17.00
Unclaimed dividends*	6.91	3.77
	4,110.61	**4,386.81**

Refer note 35 for amount payable to Micro, Small and Medium Enterprises.

* Unclaimed dividends amount is not due for deposit to the Investor Education & Protection fund

23. Deferred income

	As at 31 March 2022	As at 31 March 2021
Unearned revenue*	12,597.37	10,358.98
	12,597.37	**10,358.98**

* Changes in deferred income is as follows:

	As at 31 March 2022	As at 31 March 2021
Balance at the beginning of the year	10,358.98	10,058.34
Revenue recognised that was included in deferred income at the beginning of the year	(10,265.11)	(9,812.25)
Increase due to invoicing during the year, excluding amount recognised as revenue during the year	12,442.68	10,153.54
Foreign Currency Translation Reserve	60.82	(40.65)
Balance at the end of the year	**12,597.37**	**10,358.98**

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24. Other current liabilities

	As at 31 March 2022	As at 31 March 2021
Statutory dues payable	1,247.20	1,344.27
Advance from employees for share options	1.65	0.26
Advance from customers	21.68	32.68
Other current liabilities	1.00	-
	1,271.53	**1,377.21**

25. Current provisions

	As at 31 March 2022	As at 31 March 2021
Provision for employee benefits (refer note 28)		
- provision for gratuity	460.68	313.84
- provision for compensated absences	187.83	147.74
	648.51	**461.58**

26. Revenue from operations

	For the year ended 31 March 2022	For the year ended 31 March 2021
Sale of products - softwares	16,095.45	13,049.26
Sale of services		
- Implementation	15,408.52	14,799.48
- Scanning	746.03	702.82
- AMC/ATS	18,433.75	15,060.29
- Support	21,032.79	18,689.20
- SaaS revenue	6,179.61	4,961.39
	77,896.15	**67,262.44**

Performance obligations and remaining performance obligations

The remaining performance obligation disclosure provides the aggregate amount of the transaction price yet to be recognised as at the end of the reporting period and an explanation as to when the Group expects to recognise these amounts in revenue. Applying the practical expedient as given in Ind AS 115, the Group has not disclosed the remaining performance obligation related disclosures for contracts where :

(i) The performance obligation is part of a contract that has an original expected duration of one year or less.

(ii) The revenue recognised corresponds directly with the value to the customer of the entity's performance completed to date, typically those contracts where invoicing is on time and material basis.

Remaining performance obligation estimates are subject to change and are affected by several factors, including terminations, changes in the scope of contracts, periodic revalidations, adjustment for revenue that has not materialised and adjustments for currency.

The aggregate value of performance obligations that are completely or partially unsatisfied as at 31 March 2022, other than those meeting the exclusion criteria mentioned above is INR Nil (31 March 2021 INR Nil).

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27. Other income

	For the year ended 31 March 2022	For the year ended 31 March 2021
Interest income under the effective interest rate method:		
- on security deposits at amortised cost	26.90	38.69
- government and other bonds at FVOCI	249.49	240.64
Interest income on deposit with banks	1,232.14	755.81
Gain on lease termination	0.43	87.49
Gain on sale of property, plant and equipment	8.05	10.16
Profit on sale of mutual funds (net) at FVTPL	146.79	132.79
Fair value changes of financial assets at FVTPL	75.39	70.60
Liabilities / provision no longer required written back	56.96	7.27
Net foreign exchange fluctuation gain	1,120.66	-
Bad debts recovered	9.48	43.10
Miscellaneous income	64.91	117.19
	2,991.20	**1,503.74**

28. Employee benefits expense

	For the year ended 31 March 2022	For the year ended 31 March 2021
Salaries, wages and bonus	37,993.01	30,555.65
Contribution to provident funds (refer note i below)	1,104.02	995.96
Expenses related to compensated absences (refer note ii below)	558.18	444.36
Share based payment - equity settled	548.26	64.59
Expense related to defined benefit plan (refer note iii below)	526.54	614.89
Staff welfare expenses	171.35	86.31
	40,901.36	**32,761.76**

(i) Defined contribution plans:

The Group makes contributions, determined as a specified percentage of the employee salaries in respect of qualifying employees towards provident fund, which is a defined contribution plan. The amount recognised as an expense towards contribution to provident fund for the year aggregated to INR 1,104.02 lakhs (31 March 2021: INR 995.96 lakhs). The amount recognised as an expense towards employee state insurance aggregated to INR 0.29 lakhs (31 March 2021: INR 0.88 lakhs).

(ii) Compensated absences:

The Principal assumptions used in determining the compensated absences benefit obligation are as given below:

	31 March 2022	31 March 2021
Discounting rate (p.a.)	3.55% - 7.18%	3.20% - 6.88%
Future salary increase (p.a.)	5.00% -7.00%	5.00% - 6.00%

(iii) Defined Benefit Plan:

Gratuity scheme - This is an unfunded defined benefit plan and it entitles an employee, who has rendered at least 5 years of continuous service, to receive one-half month's salary for each year of completed service at the time of retirement/exit.

i) On normal retirement / early retirement / withdrawal / resignation: As per the provisions of the Payment of Gratuity Act, 1972 with vesting period of 5 years of service.

ii) On death in service: As per the provisions of the Payment of Gratuity Act, 1972 without any vesting period.

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(All amounts are in lakhs of Indian Rupees, unless otherwise stated)

Gratuity payable to employee in case (i) and (ii), as mentioned above, is computed as per the Payment of Gratuity Act, 1972 except the Group does not have any limit on gratuity amount.

A. Movement in net defined benefit (asset) liability

The following table shows a reconciliation from the opening balances to the closing balances for net defined benefit (asset) liability and its components

Particulars	As at 31 March 2022	As at 31 March 2021
Balance at the beginning of the year	**2,510.58**	**2,077.89**
Benefits paid	(260.03)	(123.72)
Current service cost	361.46	471.52
Interest cost	165.08	143.37
Actuarial (gains) losses recognised in OCI		
change in demographic assumptions	1.84	20.87
change in financial assumptions	116.71	3.28
experience adjustments	198.04	(82.63)
Balance at the end of the year	**3,093.68**	**2,510.58**

B. i) Expense recognised in profit and loss

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Current service cost	361.46	471.52
Interest cost	165.08	143.37
Total expense recognised in Statement of profit and loss	**526.54**	**614.89**

ii) Remeasurements recoginsed in other comprehensive income

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Actuarial loss on defined benefit obligation	316.59	(58.48)
Total remeasurements recognised in other comprehensive income	**316.59**	**(58.48)**

C. Defined benefit obligations

i. Actuarial assumptions

The following were the principal actuarial assumptions at the reporting date:

	For the year ended 31 March 2022	For the year ended 31 March 2021
Discount rate	3.55% - 7.18%	3.25% - 6.88%
Salary escalation rate	5.00% -7.00%	5.00% - 6.00%
Mortality rate	100% of IALM (2012- 14)	100% of IALM (2012- 14)

ii. Sensitivity analysis

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below.

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(All amounts are in lakhs of Indian Rupees, unless otherwise stated)

	31 March 2022		31 March 2021	
	Increase	Decrease	Increase	Decrease
Discount rate (0.50% movement)	(105.20)	114.82	(77.78)	83.10
Future salary growth (0.50% movement)	113.90	(105.64)	83.40	(78.76)

Sensitivities due to mortality & withdrawals are not material & hence impact of change not calculated.

Sensitivities as to rate of inflation, rate of increase of pensions in payment, rate of increase of pensions before retirement and life expectancy are not applicable being a lump sum benefit on retirement.

Although the analysis does not take account of the full distribution of cash flows expected under the plan, it does provide an approximation of the sensitivity of the assumptions shown.

Based on the actuarial valuation obtained in this respect, the following table sets out the status of the gratuity plan and the amounts recognised in the Group's financial statements as at balance sheet date:

iii. Maturity profile of defined benefit obligation:

	As at 31 March 2022	As at 31 March 2021
Within the next 12 months (next annual reporting period)	460.68	313.84
Between 2 and 5 years	1,049.38	790.86
Beyond 5 years	1,622.50	1,430.20
Net defined benefit liability		
Liability for gratuity	3,093.68	2,510.58
Liability for compensated absences	899.94	650.31
Total employee benefit liabilities	**3,993.62**	**3,160.89**
Non-current:		
Gratuity	2,633.00	2,196.75
Compensated absences	712.11	661.14
Current:		
Gratuity	460.68	313.84
Compensated absences	187.83	147.14

The Code on Social Security, 2020 ('Code') relating to employee benefits during employment and post-employment benefits received Presidential assent in September 2020. The Code has been published in the Gazette of India. However, the date on which the Code will come into effect has not been notified. The Group will assess the impact of the Code when it comes into effect and will record any related impact in the period the Code becomes effective.

29. Finance costs

	For the year ended 31 March 2022	For the year ended 31 March 2021
Finance cost on lease liabilities	192.02	282.75
Interest expense on borrowings	15.05	86.71
Other finance costs	142.09	193.12
	349.16	**562.58**

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(All amounts are in lakhs of Indian Rupees, unless otherwise stated)

30. Depreciation and amortisation

	For the year ended 31 March 2022	For the year ended 31 March 2021
Depreciation of property, plant and equipment (refer note 4)	942.11	700.58
Depreciation of right-of use assets (refer note 18)	711.58	1,230.38
Amortisation of intangible assets (refer note 5)	109.34	84.01
	1,763.03	**2,014.97**

31. Other expenses

	For the year ended 31 March 2022	For the year ended 31 March 2021
Rent	616.35	249.91
Repairs and maintenance	319.38	261.90
Rates and taxes	444.99	488.74
Travelling and conveyance	1,139.24	865.55
Legal and professional fees	3,159.63	2,857.97
Outsourced technical services expense	229.79	-
Cloud hosting services	1,402.84	1,245.75
Payment to auditors*	66.95	72.31
Electricity and water	310.75	355.98
Advertising and sales promotion	1,349.47	463.01
Membership and subscription fee	442.22	408.23
Brokerage and commission	1,535.67	910.07
Communication costs	343.88	349.25
Software and license maintenance	1,110.13	795.12
Expenditure on corporate social responsibility(refer note 37)	248.85	201.27
Donation	30.82	29.00
Recruitment charges	480.71	123.28
Insurance	1,312.74	1,131.21
Operation and maintenance	307.98	464.56
Printing, stationery and scanning charges	400.48	293.12
Loss allowance on trade receivables	1,896.93	3,061.38
(net of adjustment for bad debts written off of INR 2,443.63 lakhs (previous year INR 4,183.76 lakhs). Loss allowance on trade receivables includes loss allowance created on unbilled revenue amounting to INR 273.39 lakhs)		
Security charges	201.62	229.12
Net foreign exchange fluctuation loss	-	168.75
Loss on redemption of bonds (net) at FVOCI	24.80	27.78
Miscellaneous expenses	152.22	256.91
	17,528.44	**15,310.17**
***Payment to auditors**		
As auditor:		
- Statutory audit fee	37.00	39.50
- Limited review fee	21.50	22.50
- Certification fee	5.25	6.95
- Reimbursement of expenses	3.20	3.36
	66.95	**72.31**

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(All amounts are in lakhs of Indian Rupees, unless otherwise stated)

32. Income Tax

A. The major components of income tax income recognised in Statement of Profit or Loss

	For the year ended 31 March 2022	For the year ended 31 March 2021
Tax expense	3,369.64	3,977.42
Tax expense for earlier years	-	1,288.86
Deferred tax expense	554.25	202.19
Total	**3,923.89**	**5,468.47**
Recognised in Other comprehensive income		
Tax impact on		
- Re-measurement on defined benefit plan	110.63	(35.90)
- Financial assets or investments carried at fair value through other comprehensive income	33.51	(26.30)
Total	**144.14**	**(62.20)**

B. Reconciliation of effective tax rate

	31 March 2022		31 March 2021	
Profit before tax		20,345.36		18,116.70
Tax using the Company's tax rate	34.94%	7,109.48	34.94%	6,330.70
Impact of different rate in each jurisdiction	-0.55%	(112.89)	-0.79%	(142.26)
Effect of deduction under section 10AA of the Income tax Act, 1961	-14.85%	(3,020.28)	-12.53%	(2,270.61)
Effect of expenses permanently disallowed under the Income Tax Act, 1961	0.67%	135.56	0.23%	41.98
Effect of income exempt/ non taxable/ taxed on lower rate	-0.57%	(116.38)	-0.63%	(114.75)
Effect of profit on redemption of mutual funds	-0.15%	(30.67)	0.62%	111.75
Tax expense for earlier years	-1.23%	(251.22)	7.11%	1,288.86
Others	1.03%	210.29	1.23%	222.80
Income tax recognised in statement of profit and loss for the current year	19.29%	3,923.89	30.18%	5,468.47

C. Deferred tax asset/(liabilities) and movement in temporary differences

31 March 2022

Particulars	Balance as at 1 April 2021	Translation exchange difference	Recognised in Statement of Profit or Loss during the year	Recognised in OCI during the year	Balance as at 31 March 2022
Deferred tax liabilities (net)					
Property, plant and equipment	13.93	0.48	(2.00)	-	12.41
Intangible assets on AI Platform (acquisition of subsidiary-refer note 46)	-	-	-	-	402.25
Total	**13.93**	**0.48**	**(2.00)**	**-**	**414.66**
Deferred tax assets (net)					
Investments at fair value through OCI	(29.73)	-	-	29.55	(0.17)
Remeasurement of defined benefit liability (asset)	15.47	-	-	110.63	126.10

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(All amounts are in lakhs of Indian Rupees, unless otherwise stated)

Particulars	Balance as at 1 April 2021	Translation exchange difference	Recognised in Statement of Profit or Loss during the year	Recognised in OCI during the year	Balance as at 31 March 2022
Property, plant and equipment	(606.72)	0.36	(389.94)	-	(996.30)
Loss allowance on other financial assets	57.57	-	-	-	57.57
Loss allowance on trade receivables	1,466.39	9.63	(300.79)	-	1,175.23
Provision for employee benefits	1,222.51	0.24	53.34	-	1,276.09
Lease liabilities	39.00	-	(31.13)	-	7.87
MAT credit entitlement	-	-	139.19	-	139.19
Others	(170.82)	-	(26.92)	-	(197.74)
Total	**1,993.67**	**10.23**	**(556.25)**	**140.18**	**1,587.83**

31 March 2021

Particulars	Balance as at 1 April 2020	Translation exchange difference	Recognised in Statement of Profit or Loss during the year	Recognised in OCI during the year	Balance as at 31 March 2021
Deferred tax liabilities (net)					
Property, plant and equipment	17.39	-	(3.46)	-	13.93
Total	**17.39**	**-**	**(3.46)**	**-**	**13.93**
Deferred tax assets (net)					
Investments at fair value through OCI	1.42	-	-	(31.15)	(29.73)
Remeasurement of defined benefit liability (asset)	51.37	-	-	(35.90)	15.47
Property, plant and equipment	(373.98)	-	(232.75)	-	(606.72)
Loss allowance on other financial assets	57.57	-	-	-	57.57
Loss allowance on trade receivables	1,681.52	-	(215.13)	-	1,466.39
Provision for employee benefits	934.43	-	288.08	-	1,222.51
Lease liabilities	58.84	-	(19.84)	-	39.00
Others	(145.20)	0.39	(26.01)	-	(170.82)
Total	**2,265.97**	**0.39**	**(205.65)**	**(67.05)**	**1,993.67**

33. Earnings per share (EPS)

Basic EPS amounts are calculated by dividing the profit for the year attributable to equity holders of the Holding Company by the weighted average number of equity shares outstanding during the year.

Diluted EPS amounts are calculated by dividing the profit attributable to equity holders of the Holding Company by the weighted average number of equity shares outstanding during the year plus the weighted average number of Equity shares that would be issued on conversion of all the dilutive potential equity shares into equity shares.

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to the Consolidated Financial Statements for the year ended 31 March 2022

(All amounts are in lakhs of Indian Rupees, unless otherwise stated)

i. Profit attributable to Equity holders of the Holding Company

	For the year ended 31 March 2022	For the year ended 31 March 2021
Profit attributable to equity holders of the Holding Company	16,421.47	12,648.23
Profit attributable to equity holders of the Holding Company for basic and diluted earnings	**16,421.47**	**12,648.23**

ii. Weighted average number of ordinary shares

	For the year ended 31 March 2022	For the year ended 31 March 2021
Opening balance of equity's shares	6,93,06,005	6,90,89,813
Effect of share options exercised	1,15,752	1,00,973
Weighted average number of shares for basic EPS	**6,94,21,757**	**6,91,90,786**
Effect of dilution:		
Add: Weighted average number of potential equity shares on account of employees stock options	4,67,801	7,02,162
Weighted average number of shares for diluted EPS	**6,98,89,558**	**6,98,92,948**

Basic and diluted earnings per share

	For the year ended 31 March 2022 INR	For the year ended 31 March 2021 INR
Basic earnings per share	23.65	18.28
Diluted earnings per share	23.50	18.10

34. Share-based payment arrangements:

A. Description of share-based payment arrangements

i. Share option programmes (equity-settled)

The Group established Newgen Employees Stock Option Scheme 2014 (Newgen ESOP 2014) in the year 2014-15, administered through a new Trust 'Newgen ESOP Trust'. The maximum numbers of shares to be issued under this Scheme shall be limited to 3,783,800 equity shares of the Group. Pursuant to the scheme, during the year 2014-15, the Group has granted 3,653,525 options at an exercise price of INR 63 per option, to the employees of the Group. Further, during the year 2017-18 grant of options 353,000, 130,000, and 79,250 through grant II, III and IV on 1 Jul 2017, 1 Sep 2017 and 1 Oct 2017 respectively under the same scheme and with same vesting conditions was made. During the year 2020-21, the Group has granted 2,33,000 options under Newgen ESOP 2014 on 25 March 2021.Under the terms of the plans, these options are vested on a graded vesting basis over a maximum period of four years from the date of grant and are to be exercised either in part(s) or full, within a maximum period of five from the date of last vesting.

During the year 2020-21, the Group has established Newgen Software Technologies Restricted Stock Units Scheme – 2021 (Newgen RSU – 2021), administered through a new trust "Newgen RSU Trust" The maximum numbers of shares to be issued under this Scheme shall be limited to 14,00,000 equity shares of the Group. During the year 2021-22, the Group has granted 12,11,500 and 1,73,500 options through grant I and II respectively under this scheme at an exercise price of INR 10 per option, to the employees of the Group. Under the terms of the scheme, these options are vested on a graded vesting basis over a maximum period of five years from the date of grant and are to be exercised either in part(s) or full, within a maximum period of five from the date of last vesting.

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(All amounts are in lakhs of Indian Rupees, unless otherwise stated)

Particulars	Newgen ESOP 2014	Newgen RSU – 2021
Maximum number of shares under the plan	37,83,800	14,00,000
Method of settlement (cash/equity)	Equity	Cash/ Equity
Vesting period (maximum)	4 years 1 year - 10% 2 year - 20% 3year- 30% 4year-40%"	5 years at the end of 3rd year - 50% at the end of 5th year - 50%
Exercise period from the date of vesting (maximum)	5 year from last vesting	5 year from last vesting
Vesting conditions	Service period	Service period & Performance based

Newgen ESOP trust has been treated as an extension of the Group and accordingly shares held by Newgen ESOP Trust are netted off from the total share capital. Consequently, all the assets, liabilities, income and expenses of the trust are accounted for as assets and liabilities of the Group, except for profit / loss on issue of shares to the employees and dividend received by trust which are directly adjusted in the Newgen ESOP Trust reserve.

Following table represents general terms of the grants for the ESOP outstanding as on 31 March 2022.

ESOP schemes	Grant Date	No. of Options Outstanding	Exercise Price	Weighted average remaining life	Vesting Period
Newgen Employees Stock Option Scheme 2014 (Newgen ESOP 2014)	1-Jan-2015	2,49,326	INR 63.00	1.75	4 years
Newgen Employees Stock Option Scheme 2014 (Newgen ESOP 2014)	1-Jul-2017	69,486	INR 63.00	4.25	4 years
Newgen Employees Stock Option Scheme 2014 (Newgen ESOP 2014)	1-Sep-2017	60,600	INR 63.00	4.42	4 years
Newgen Employees Stock Option Scheme 2014 (Newgen ESOP 2014)	1-Oct-2017	19,800	INR 63.00	4.50	4 years
Newgen Employees Stock Option Scheme 2014 (Newgen ESOP 2014)	25-Mar-2021	2,04,000	INR 63.00	7.99	4 years

Following table represents general terms of the grants for the RSU outstanding as on 31 March 2022.

ESOP schemes	Grant Date	No. of Options Outstanding	Exercise Price	Weighted average remaining life	Vesting Period
Newgen Software Technologies Restricted Stock Units Scheme – 2021 (Newgen RSU – 2021)	23-Dec-2021	11,86,500	INR 10.00	9.73	5 years
Newgen Software Technologies Restricted Stock Units Scheme – 2021 (Newgen RSU – 2021)	2-Mar-2022	1,73,500	INR 10.00	9.93	5 years

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(All amounts are in lakhs of Indian Rupees, unless otherwise stated)

B. Measurement of fair values

i. Equity-settled share-based payment arrangements

The fair value of the employee share options has been measured using the Black-Scholes formula. The fair value of options and the inputs used in the measurement of the grant date fair values of the equity-settled share based payment plans are as follows:

Particulars	Newgen ESOP 2014 Grant - V	Newgen RSU – 2021 Grant - I	Newgen RSU – 2021 Grant - II
Date of grant	**25-Mar-2021**	**23-Dec-2021**	**2-Mar-2022**
Fair value of options at grant date	230.95	554.29	470.62
Share price at grant date	280.50	583.30	499.40
Exercise price	63.00	10.00	10.00
Expectedvolatility (weighted-average)	46.49%	44.91%	44.89%
Expected life (weighted-average)	6 years	6.5 years	6.5 years
Expected dividends	0.50%	0.60%	0.70%
Risk-free interest rate (based on government bonds)	5.80% - 6.19%	5.29% - 6.39%	5.60% - 6.69%

C. Reconciliation of outstanding share options

The number and weighted-average exercise prices of share options under the share option programmes were as follows.

Newgen Employees Stock Option Scheme 2014 (Newgen ESOP 2014)

	Number of options 31 March 2022	Weighted average exercise price 31 March 2022	Number of options 31 March 2021	Weighted average exercise price 31 March 2021
Options outstanding as at the beginning of the year	9,01,406	INR 63.00	8,84,598	INR 63.00
Add: Options granted during the year	-	-	2,33,000	INR 63.00
Less: Options lapsed during the year	64,008	INR 63.00	-	-
Less: Options exercised during the year	2,34,186	INR 63.00	2,16,192	INR 63.00
Options outstanding as at the year end	**6,03,212**	**INR 63.00**	**9,01,406**	**INR 63.00**
Exercisable as at year end	**4,20,012**		**4,89,498**	
Weighted - average contractual life	4.51 years		5.20 years	

Newgen Software Technologies Restricted Stock Units Scheme – 2021 (Newgen RSU – 2021)

	Number of options 31 March 2022	Weighted average exercise price 31 March 2022	Number of options 31 March 2021	Weighted average exercise price 31 March 2021
Options outstanding as at the beginning of the year	-	INR 10.00	-	-
Add: Options granted during the year	13,85,000	INR 10.00	-	-
Less: Options lapsed during the year	25,000	INR 10.00	-	-
Less: Options exercised during the year	-	INR 10.00	-	-
Options outstanding as at the year end	**13,60,000**	**INR 10.00**	**-**	**-**
Exercisable as at year end	**-**			
Weighted - average contractual life	9.76 years			

D. Expense recognised in Statement of Profit and Loss

For details on the employee benefits expense, refer note 28

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35. Details of dues to Micro, Small and Medium Enterprises as defined under the MSMED Act, 2006

The Ministry of Micro, Small and Medium Enterprises has issued an Office Memorandum dated 26 August 2008 which recommends that the Micro and Small Enterprises should mention in their correspondence with its customers the Entrepreneurs Memorandum Number as allocated after filing of the Memorandum.

Disclosure in respect of the amounts payable to such enterprises as on 31 March 2022 and 31 March 2021 based on information received and available with the Group.

Particulars	31 March 2022	31 March 2021
Principal Amount*	382.62	-
Interest due thereon at the end of the accounting year.	-	-
the amount of interest paid by the buyer in terms of section 16,of the MSMED Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year.	-	-
the amount of interest due and payable for the year for delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act, 2006).	-	-
The amount of interest accrued and remaining unpaid at the end of the accounting year.	-	-
the amount of further interest remaining due and payable even in the succeeding years until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under section 23 of MSMED Act, 2006.	-	-

* Includes INR 307.35 lakhs on account of capital creditor

36. After the reporting date the following dividend were proposed by the Board of Directors, subject to the approval of shareholders at Annual General Meeting; Accordingly, the dividends have not been recognised as liabilities.

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Final dividend of INR 4.50 per share (31 March 2021: INR 3.50 per share)	3,148.01	2,448.45

37. Utilisation of Corporate Social Responsibility expenses

As per Section 135 of the Companies Act 2013, the following is the detail of CSR expenses incurred by the Group: Gross amount to be spent by the Group during the year ended 31 March 2022 is INR 245.65 lakhs as approved by the board of directors (previous year INR. 201.09 lakhs). Amount spent during the year ended 31 March 2022:

Particulars	Amount spent during the year	shortfall at the end of year	Total of previous year shortfall	Reason for shortfall
i) For construction / acquisition of any asset	-	-	-	NA
ii) For purpose other than (i) above*	248.85	-	-	NA

* The areas for CSR activities are promoting education, health care, sanitation, digital literacy and livelihood enhancement. The funds were primarily utilized through the year on the activities which are specified in Schedule VII of the Companies Act, 2013.

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(All amounts are in lakhs of Indian Rupees, unless otherwise stated)

38. Details of current Investments (refer note 9)

Particulars	Number of units as at		Amount in lakhs as at	
	31 March 2022	31 March 2021	31 March 2022	31 March 2021
Investment in mutual funds -FVTPL				
Aditya Birla Sun Life Liquid Fund -Growth-Regular Plan	4,04,905.14	1,94,248.97	661.29	639.68
Bharat bonds ETF	20,000.00	20,000.00	240.62	226.87
Aditya Birla Liquid Fund Direct plan Growth option	1,70,596.77	4,72,293.51	585.36	1,565.81
ICICI Prudential Liquid Fund Growth	-	4,92,315.98	-	1,500.27
HDFC Liquid Fund -Direct Growth	7,622.95	7,622.95	319.00	308.39
IDFC Cash Fund - Growth- Direct Plan	-	20,704.45	-	514.71
Axis Money Market Fund	83,644.96	-	963.43	-
Investment in government bonds-FVTOCI				
8.40% IRFC 15YRS SR2A 18022029 (18-Feb-2029)	40,000.00	40,000.00	484.14	494.26
7.35% NHAI LTD Tax free Bond 15YRS SR2A Annual (11-Jan-2031)	2,15,000.00	45,000.00	2,543.76	539.85
8.54% PFC Tax free Bonds (Series 2A) 16/11/2028	16,500.00	16,500.00	199.74	204.13
7.04% IRFC Bond 03/03/2026	15.00	15.00	162.00	164.73
8.3% NHAI Tax free Bonds 25/01/2027	30,000.00	30,000.00	344.85	352.97
8.63% IRFC Bonds 26/03/2029	22,000.00	22,000.00	269.72	275.62
8.30% IRFC Bonds 23/02/2027	87,000.00	87,000.00	994.49	1,016.65
8.20% NHAI Bonds 25/01/2022	-	50,000.00	-	513.51
7.34% IRFC Bonds 19/02/2028	1,30,000.00	-	1,469.36	-
			9,237.76	**8,317.46**

39. Related party transactions

Transactions with Key Management Personnel

A number of key management personnel, or their related parties hold positions in other entities that result in them having control or significant influence over those entities.

Compensation of the Group's key managerial personnel includes salaries, non-cash benefits and contributions to post - employment defined benefit plan(see note 28)

Executive officers also participate in the Group's share option plan as per the conditions laid down in that scheme (see note 28 and note 34).

List of key management personnel and their relatives

Diwakar Nigam - Managing Director

T.S. Varadarajan - Whole Time Director

Priyadarshini Nigam - Whole Time Director

Arun Kumar Gupta - Chief Financial Officer

Virender Jeet - Chief Executive Officer

Surender Jeet Raj - Senior Vice President (HR/Operations)

Tarun Nandwani - Chief Operating Officer

Usha Varadarajan - Relative of Whole Time Director - T.S. Varadarajan

Shubhi Nigam - Relative of Managing Director

Aman Mourya- Company Secretary

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(All amounts are in lakhs of Indian Rupees, unless otherwise stated)

List of non-executive and independent directors

Kaushik Dutta - Independent Director

Saurabh Srivastava - Independent Director

Subramaniam R Iyer - Independent Director

Padmaja Krishnan - Independent Director

Key management personnel compensation

	Transaction value		Balance payable	
	For the year ended 31 March 2022	For the year ended 31 March 2021	As at 31 March 2022	As at 31 March 2021
Salaries, wages and bonus*	**1,806.90**	**1,328.59**	**786.29**	**675.19**
Diwakar Nigam	370.71	275.03	160.92	154.62
T.S. Varadarajan	195.95	148.70	96.55	91.61
Priyadarshini Nigam	113.29	88.20	64.37	60.25
Arun Kumar Gupta	184.53	87.64	48.16	41.33
Virender Jeet	291.06	268.40	160.53	118.78
Surender Jeet Raj	304.98	177.67	129.15	112.65
Tarun Nandwani	249.09	173.04	126.61	94.68
Aman Mourya	27.74	17.38	-	1.27
Shubhi Nigam	69.54	92.53		
Dividend paid	**1,379.87**	**935.83**	**-**	**-**
Diwakar Nigam	548.60	369.45	-	-
T.S. Varadarajan	525.33	300.19	-	-
Priyadarshini Nigam	229.94	159.38	-	-
Arun Kumar Gupta	1.02	1.10	-	-
Virender Jeet	10.37	4.98	-	-
Surender Jeet Raj	8.73	4.99	-	-
Tarun Nandwani	9.24	5.14	-	-
Usha Varadarajan	46.63	90.57	-	-
Aman Mourya	0.01	0.03	-	-
Share-based payments	**161.33**	**99.84**	-	-
Arun Kumar Gupta	59.60	-	-	-
Virender Jeet	-	77.72	-	-
Surender Jeet Raj	76.60	-	-	-
Tarun Nandwani	15.24	19.75	-	-
Aman Mourya	9.89	2.37		

* It includes share-based payments and commission but excludes provision for gratuity and compensated absences, as these are determined on the basis of actuarial valuation for the Group as a whole.

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(All amounts are in lakhs of Indian Rupees, unless otherwise stated)

	Transaction value		Balance payable	
	For the year ended 31 March 2022	For the year ended 31 March 2021	As at 31 March 2022	As at 31 March 2021
Sitting fees to independent director	**56.00**	**50.00**	-	-
Kaushik Dutta	17.00	15.00	-	-
Saurabh Srivastava	14.00	14.00	-	-
Subramaniam R Iyer	17.00	15.00	-	-
Padmaja Krishnan	8.00	6.00	-	-
Commission to independent director	**107.28**	**95.80**	**96.56**	**88.60**
Kaushik Dutta	26.82	23.95	24.14	22.15
Saurabh Srivastava	26.82	23.95	24.14	22.15
Subramaniam R Iyer	26.82	23.95	24.14	22.15
Padmaja Krishnan	26.82	23.95	24.14	22.15

40. Financial instruments – Fair values and risk management

A. Accounting classification and fair values

The following table shows the carrying amounts and fair value of financial assets and financial liabilities, including their levels in the fair value hierarchy.

31 March 2022	Carrying amount					Fair value			
	Note	FVTPL	FVTOCI	Amortised Cost	Total	Level 1	Level 2	Level 3	Total
Financial assets									
Financial assets measured at fair value									
Investments in mutual funds	9	2,769.70	-	-	2,769.70	2,769.70	-	-	2,769.70
Investments in bonds	9	-	6,468.06	-	6,468.06	6,468.06	-	-	6,468.06
Financial assets not measured at fair value									
Other non-current financial asset	6	-	-	10,111.30	10,111.30	-	-	-	-
Trade receivables	10	-	-	27,887.83	27,887.83	-	-	-	-
Cash and cash equivalents	11	-	-	10,357.07	10,357.07	-	-	-	-
Other bank balances	12	-	-	17,236.16	17,236.16				
Loans	13	-	-	20.92	20.92	-	-	-	-
Other financial assets	14	-	-	8,804.50	8,804.50	-	-	-	-
		2,769.70	**6,468.06**	**74,417.78**	**83,655.54**	**9,237.76**	**-**	**-**	**9,237.76**
Financial liabilities				`					
Financial liabilities not measured at fair value									
Lease liabilities	18	-	-	2,163.61	2,163.61	-	-	-	-
Borrowings	19	-	-	618.73	618.73	-	-	-	-
Trade payables	21	-	-	3,645.27	3,645.27	-	-	-	-
Other financial liabilities	22	-	-	4,110.61	4,110.61	-	-	-	-
		-	**-**	**10,538.22**	**10,538.22**	**-**	**-**	**-**	**-**

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(All amounts are in lakhs of Indian Rupees, unless otherwise stated)

31 March 2021	Carrying amount					Fair value			
	Note	FVTPL	FVTOCI	Amortised Cost	Total	Level 1	Level 2	Level 3	Total
Financial assets									
Financial assets measured at fair value									
Investments in debt mutual funds	9	4,755.74	-	-	4,755.74	4,755.74	-	-	4,755.74
Investments in bonds	9	-	3,561.72	-	3,561.72	3,561.72	-	-	3,561.72
Financial assets not measured at fair value									
Other non-current financial asset	6	-	-	3,697.21	3,697.21	-	-	-	-
Trade receivables	10	-	-	23,854.30	23,854.30	-	-	-	-
Cash and cash equivalents	11	-	-	7,171.17	7,171.17	-	-	-	-
Other bank balances	12	-	-	17,003.77	17,003.77				
Loans	13	-	-	9.04	9.04	-	-	-	-
Other financial assets	14	-	-	7,796.09	7,796.09	-	-	-	-
		4,755.74	**3,561.72**	**59,531.58**	**67,849.04**	**8,317.46**	**-**	**-**	**8,317.46**
Financial liabilities									
Financial liabilities not measured at fair value									-
Long-term maturities of finance lease obligations (secured)	18	-	-	2,009.12	2,009.12	-	-	-	-
Trade payables	21	-	-	2,264.31	2,264.31	-	-	-	-
Other financial liabilities	22	-	-	4,386.81	4,386.81	-	-	-	-
		-	**-**	**8,660.24**	**8,660.24**	**-**	**-**	**-**	**-**

The fair value of trade receivables, cash and cash equivalents, other bank balances, loans, other current financial assets, current borrowings, trade payables and other current financial liabilities approximate their carrying amounts, due to their short-term nature. Fair value of bank deposits included in non-current other financial assets are equivalent to their carrying amount, as the interest rate on them is equivalent to market rate.

B. Measurement of fair values

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities

Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable inputs

Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

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(All amounts are in lakhs of Indian Rupees, unless otherwise stated)

Particulars	Fair value hierarchy	Valuation technique	Significant unobservable inputs	Inter-relationship between unobservable inputs and fair value measurement
Financial assets measured at FVTPL				
Investments in mutual funds	Level 1	'Market valuation technique: Investments traded in active markets are determined by reference to quotes from the financial institutions; for example: Net asset value (NAV) for investments in mutual funds declared by mutual fund house, quoted price of equity shares in the stock exchange etc.	Not applicable	Not applicable
Financial assets measured at FVTOCI		'Market valuation technique: The fair value of bonds is based on direct and market observable inputs.	Not applicable	Not applicable
Investments in bonds	Level 1			
Financial liabilities measured at Amortised cost				
Long term borrowings	Level 2	Discounted cash flow: The valuation model considers the present value of expected payment, discounted using a risk adjusted discount rate	Not applicable	Not applicable
Short term borrowings	Level 2			

There have been no transfers in either direction for the years ended 31 March 2022 and 31 March 2021.

C. Financial risk management

The Group's activities expose it to a variety of financial risks: market risk (including foreign exchange risk and interest rate risk), credit risk and liquidity risk.

i. Risk management framework

The Group's board of directors has framed a Risk Management Policy and plan for enabling the Group to identify elements of risk as contemplated by the provisions of the Section 134 of the Companies Act 2013. The Group's risk management policies are established to identify and analyse the risks faced by the Group, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Group's activities. The Group, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

The Group's audit committee oversees how management monitors compliance with the Group's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Group. The audit committee is assisted in its oversight role by internal audit.

ii. Credit risk

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations and arises partially from the Group's receivables from customers, loans and investment in debt securities. The carrying amount of financial assets represent the maximum credit risk exposure. The Group has credit policies in place and the exposures to these credit risks are monitored on an ongoing basis.

The carrying amount of financial assets represent the maximum credit risk exposure. The maximum exposure to credit risk at the reporting was:

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(All amounts are in lakhs of Indian Rupees, unless otherwise stated)

Particulars	As at 31 March 2022	As at 31 March 2021
Other financials assets-non current	10,111.30	3,697.21
Investments	9,237.76	8,317.46
Trade receivables	27,887.83	23,854.30
Loans	20.92	9.04
Cash and cash equivalents	10,357.07	7,171.17
Other bank balances	17,236.16	17,003.77
Other financials assets-current	8,804.50	7,796.09
	83,655.54	**67,849.04**

To cater to the credit risk for investments in mutual funds and bonds, only high rated mutual funds/bonds are accepted.

The Group has given security deposits to vendors for rental deposits for office properties, securing services from them, government departments. The Group does not expect any default from these parties and accordingly the risk of default is negligible or nil.

Trade receivables and unbilled revenues are typically unsecured and derived from revenue earned from customers primarily located in India, USA, EMEA and APAC.

Credit risk has always been managed by the Group through credit approval, establishing credit limits and continuously monitoring the credit worthiness of customers to which the Group grants credit term in normal course of business. Credit limits are established for each customers and received quarterly. Any sales/services exceeding these limits require approval from the risk management committee.

The Group establishes an allowance for impairment that represents its expected credit losses in respect of trade receivables. The management uses a simplified approach for the purpose of computation of expected credit loss for trade receivables. In monitoring customer credit risk, customers are grouped according to their credit characteristics, including whether they are an individual or legal entity, industry and existence of previous financial difficulties, if any.

Trade and other receivables

The Group's exposure to credit risk is influenced mainly by the individual characteristics of each customer. However, management also considers the factors that may influence the credit risk of its customer base, including the default risk of the industry and country in which customers operate.

The Group establishes an allowance for impairment that represents its expected credit losses in respect of trade and other receivables. The management establishes an allowance for impairment that represents its estimate of expected losses in respect of trade and other receivables. An impairment analysis is performed at each reporting date.

The Group's exposure to credit risk for trade receivables by geographic region is as follows

	Carrying amount	
	As at 31 March 2022	As at 31 March 2021
India	6,737.40	6,086.63
USA	6,299.50	770.54
EMEA	10,410.74	8,586.97
APAC	4,440.19	2,096.93
	27,887.83	**17,541.07**

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(All amounts are in lakhs of Indian Rupees, unless otherwise stated)

The following table provides information about the exposure to credit risk and expected credit loss for trade receivables from individual customers:

As at 31 March 2022	Gross carrying amount	Weighted-average loss rate	Loss allowance
0-3 months past due	25,014.00	2.51%	628.17
3-6 months past due	2,150.80	10.51%	226.08
6-9 months past due	1,290.61	26.47%	341.61
9-12 months past due	496.85	45.89%	227.99
12-15 months past due	624.58	64.55%	403.19
15-18 months past due	208.22	78.94%	164.36
18-21 months past due	257.41	89.38%	230.07
21-24 months past due	174.07	87.94%	153.08
above 24 months past due	1,231.11	96.28%	1,185.27
	31,447.65		**3,559.82**

As at 31 March 2021	Gross carrying amount	Weighted-average loss rate	Loss allowance
0-3 months past due	21,991.89	2.44%	537.52
3-6 months past due	941.15	7.83%	73.67
6-9 months past due	652.25	21.87%	142.66
9-12 months past due	411.58	36.89%	151.85
12-15 months past due	784.53	51.49%	403.95
15-18 months past due	502.46	56.93%	286.06
18-21 months past due	443.03	65.64%	290.79
21-24 months past due	48.30	71.19%	34.39
above 24 months past due	2,445.22	100.00%	2,445.22
	28,220.41		**4,366.11**

Ageing for expected credit loss has been considered from invoice date.	
Balance as at 1 April 2020	**5,488.49**
Impairment loss recognised	3,061.38
Amounts written off	4,183.76
Balance as at 31 March 2021	**4,366.11**
Impairment loss recognised	1,637.34
Amounts written off	2,443.63
Balance as at 31 March 2022	**3,559.82**

The impairment provisions for financial assets disclosed above are based on assumptions about risk of default and expected loss rates. The Group uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on the Group's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

Debt securities

The Group limits its exposure to credit risk by investing only in liquid debt securities and only with counterparties that have a credit rating AA to AAA from renowned rating agencies.

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to the Consolidated Financial Statements for the year ended 31 March 2022

(All amounts are in lakhs of Indian Rupees, unless otherwise stated)

The Group monitors changes in credit risk by tracking published external credit ratings. For its investment in bonds, Group also reviews changes in government bond yields together with available press and regulatory information about issuers

The exposure to credit risk for debt securities at FVTOCI and at FVTPL is as follows:-

	Net carrying amount	
	As at 31 March 2021	As at 31 March 2021
India	9,237.76	8,317.46
	9,237.76	**8,317.46**

Basis experienced credit judgement, no risk of loss is indicative on Group's investment in mutual funds and government bonds.

Cash and cash equivalents and other bank balances

The Group held cash and cash equivalents of INR 10357.07 lakhs at 31 March 2022 (31 March 2021: INR 7,171.17 lakhs) and other bank balances of INR 17,236.16 lakhs as at 31 March 2022 (31 March 2021: INR 17,003.77 lakhs). The cash and cash equivalents are held with bank and financial institution counterparties, which are rated AA- to AAA, based on renowned rating agencies.

iii. Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Group's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation.

The Group's primary sources of liquidity include cash and bank balances, deposits, undrawn borrowings and cash flow from operating activities. As at 31 March 2022, the Group had a working capital of INR 50,751.54 lakhs (31 March 2021: INR 43,654.39 lakhs) including cash and cash equivalent of INR 10,357.07 lakhs (31 March 2021: INR 7,171.17 lakhs), other bank balances of INR 17,236.16 lakhs (31 March 2021: 17,003.77 lakhs) and current investments of INR 9,237.76 lakhs (31 March 2021: INR 8,317.46 lakhs).

Consequently, the Group believes its revenue, along with proceeds from financing activities will continue to provide the necessary funds to cover its short term liquidity needs. In addition, the Group projects cash flows and considering the level of liquid assets necessary to meet liquidity requirement.

In addition, the Group had access to the following undrawn borrowing facilities at the end of the reporting year

Particulars	Total	2 months or less	2-12 months	1-2 years	2-5 years	More than 5 years
As at 31 March 2022	10,206.00	-	10,206.00			
As at 31 March 2021	10,553.00	-	10,553.00	-	-	-

Exposure to liquidity risk

The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted, and include estimated interest payments and exclude the impact of netting agreements.

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(All amounts are in lakhs of Indian Rupees, unless otherwise stated)

31 March 2022	Contractual cash flows						
	Carrying amount	Total	2 months or less	2-12 months	1-2 years	2-5 years	More than 5 years
Non-derivative financial liabilities				`			
Finance lease obligations (including current maturities)	2,163.61	7,290.50	116.63	575.38	569.74	892.81	5,135.95
Borrowings	618.73	702.73	-	234.24	234.24	234.25	-
Unpaid dividends	6.91	6.91	6.91	-	-	-	-
Employee related payables	3,785.13	3,785.13	419.79	3,265.37	99.97	-	-
Trade and other payables	3,645.27	3,645.27	2,058.50	1,586.76	-	-	-
Payable in respect of retention money	-	-	-	-	-	-	-
Earnest money deposits	1.00	1.00	-	1.00	-	-	-
Payable for capital assets	317.57	317.57	-	317.57	-	-	-
Total	**10,538.22**	**15,749.11**	**2,601.83**	**5,980.32**	**903.95**	**1,127.06**	**5,135.95**

31 March 2021	Contractual cash flows						
	Carrying amount	Total	2 months or less	2-12 months	1-2 years	2-5 years	More than 5 years
Non-derivative financial liabilities				`			
Finance lease obligations (including current maturities)	2,009.12	7,210.62	145.84	605.97	432.54	824.46	5,201.79
Unpaid dividends	3.77	3.77	3.77	-	-	-	-
Employee related payables	4,237.22	4,237.22	2,533.13	1,540.59	96.16	-	-
Trade and other payables	2,264.31	2,264.31	2,387.20	-	-	-	-
Payable in respect of retention money	127.82	127.82	-	127.82	-	-	-
Earnest money deposits	1.00	1.00	-	1.00	-	-	-
Payable for capital assets	17.00	17.00	-	17.00	-	-	-
Total	**8,660.24**	**13,861.74**	**5,069.94**	**2,292.38**	**528.70**	**824.46**	**5,201.79**

Interest payment on variable interest rate loan in the table above reflect market forward interest rates at the reporting dates and these amount may change as market interest changes

iv. Market risk

Market risk is the risk that changes in market prices – such as foreign exchange rates, interest rates and equity prices – will affect the Group's income or the value of its holdings of financial instruments. Market risk is attributable to all market risk sensitive financial instruments including foreign currency receivables and payables and long term debt. We are exposed to market risk primarily related to foreign exchange rate risk, interest rate risk and the market value of our investments. Thus, our exposure to market risk is a function of investing and borrowing activities and revenue generating and operating activities in foreign currency. The objective of market risk management is to avoid excessive exposure in our foreign currency revenues and costs.

I. Currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Group is exposed to currency risk on account of its borrowings, receivables and other payables in foreign currency. The functional currency of the Group is Indian Rupee.

The Management endeavours to minimise economic and transactional exposures arising from currency movements against the US Dollar, Euro, Great Britain Pound, Canadian dollar, United Arab Emirates Dhiram, Saudi Riyal, Singapore dollar, Australian dollar and Malaysian Ringgit making all the US dollar payments through EEFC account for avoiding exchange risk. The Group manages the risk by netting off naturally-occurring opposite exposures wherever possible, and then dealing with any material residual foreign currency exchange risks if any.

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to the Consolidated Financial Statements for the year ended 31 March 2022

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The Group has entered into foreign exchange forward contracts to mitigate the risks involved in foreign exchange transactions and has booked 23 forward contracts for USD 2.5 million per month during the period from April 2021 to March 2022. The hedging gain of INR 638.95 lakhs is on account of mark to market gain (realised gain is 427.23 lakhs and unrealised gain is 211.72 lakhs) on foreign exchange forward contracts which do not qualify for hedge accounting as per Ind As-109, have been recognised in the profit and loss account in the financial statement for the period ended 31 March 2022.

Exposure to currency risk

The currency profile of financial assets and financial liabilities as at 31 March 2022 and 31 March 2021 are as below:

Particulars	Currency	31 March 2022		31 March 2021	
		Amount in foreign currency (lakhs)	Amount in local currency (lakhs)	Amount in foreign currency (lakhs)	Amount in local currency (lakhs)
Financial assets					
Trade and other receivables*					
	USD	188.12	14,278.16	167.49	12,255.57
	AED	5.61	115.94	4.05	80.62
	CAD	-	-	0.47	27.12
	EUR	-	-	1.21	104.02
	GBP	0.64	63.58	0.11	11.00
	SAR	2.08	42.00	-	-
	SGD	-	-	0.01	0.41
	MYR	2.02	36.39	9.80	172.99
Bank balance-Dubai	AED	2.33	48.10	7.15	142.43
Bank balance-EEFC	USD	46.03	3,493.93	16.43	1,202.38
Financial liabilities					
Trade and other payables					
	USD	(28.14)	(2,085.61)	(13.01)	(931.38)
	SGD	(0.33)	(18.41)	-	-
	SAR	(1.24)	(24.88)	-	-
	EURO	(0.04)	(3.02)	-	-
	AED	(1.29)	(26.33)	-	-

* gross of loss allowance

Sensitivity analysis

A reasonably possible strengthening (weakening) of the Indian Rupee against US Dollar, Euro, Great Britain Pound, Canadian Dollar, United Arab Emirates Dhiram, Saudi Riyal, Singapore Dollar, Australian Dollar and Malaysian Ringgit at reporting date would have affected the measurement of financial instruments denominated in foreign currencies and affected equity and profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular interest rates, remain constant and ignores any impact of forecast sales and purchases.

Effect in Lakhs of INR	For the year ended 31 March 2022		For the year ended 31 March 2021	
	Strengthening	Weakening	Strengthening	Weakening
1 % movement				
USD	151.15	(151.15)	125.06	(125.06)
EUR1	(0.03)	0.03	1.04	(1.04)
GBP1	0.64	(0.64)	0.11	(0.11)
CAD1	-	-	0.27	(0.27)
SGD1	(0.76)	0.76	0.00	(0.00)
AED1	1.37	(1.37)	2.23	(2.23)
SAR1	0.17	(0.17)	-	-
MYR1	0.36	(0.36)	1.73	(1.73)
AUD1	(1.82)	1.82	-	-
	151.10	**(151.10)**	**130.45**	**(130.45)**

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to the Consolidated Financial Statements for the year ended 31 March 2022

(All amounts are in lakhs of Indian Rupees, unless otherwise stated)

II. Interest rate risk

Interest rate risk can be either fair value interest rate risk or cash flow interest rate risk. Fair value interest rate risk is the risk of changes in fair values of fixed interest bearing investments because of fluctuations in the interest rates. Cash flow interest rate risk is the risk that the future cash flows of floating interest bearing investments will fluctuate because of fluctuations in the interest rates.

a) Exposure to interest rate risk

The Group is exposed to both fair value interest rate risk as well as cash flow interest rate risk arising both on short-term and long-term floating rate instruments.

The interest rate profile of the Group's interest-bearing financial instruments is as follows:

	Nominal amount in INR	
	31 March 2022	31 March 2021
Fixed-rate instruments		
Financial assets	34,171.98	24,216.61
Financial liabilities	2,782.34	3,630.29
Total	**36,954.32**	**27,846.90**

There is no balance in variable rate instruments.

b) Sensitivity analysis

Fair value sensitivity analysis for fixed-rate instruments

The Group accounts for investments in government and other bonds as fair value through other comprehensive income. Therefore, a change in interest rate at the reporting date would have impact on equity.

A reasonably possible change of 100 basis points in interest rates at the reporting date would have increased (decreased) equity by INR 42.04 lakhs after tax (31 March 2021: INR 23.15 lakhs).

Cash flow sensitivity analysis for variable-rate instruments

A reasonably possible change of 100 basis points in interest rates at the reporting date would have increased (decreased) profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular foreign currency exchange rates, remain constant.

There is no variable rate linked instrument and therefore, there is no cash flow sensitivity.

Market price risk

a) Exposure

The Group's exposure to mutual funds and bonds price risk arises from investments held by the Group and classified in the balance sheet as fair value through profit and loss and at fair value through other comprehensive income respectively.

To manage its price risk arising from investments, the Group diversifies its portfolio. Diversification of the portfolio is done in accordance with the limits set by the Group.

b) Sensitivity analysis

Group is having investment in mutual funds, government bonds, other bonds and investment in subsidiaries.

For such investments classified at Fair value through other comprehensive income, a 2% increase in their fair value at the reporting date would have increased equity by INR 84.08 lakhs after tax (31 March, 2021: INR 46.30 lakhs). An equal change in the opposite direction would have decreased equity by INR 84.08 lakhs after tax (31 March, 2021: INR 46.30 lakhs)

For such investments classified at Fair value through profit or loss, the impact of a 2% increase in their fair value at the reporting date on profit or loss would have been an increase of INR 36.01 lakhs after tax (31 March, 2021: INR 61.82 lakhs). An equal change in the opposite direction would have decreased profit or loss by INR 36.01 lakhs after tax (31 March, 2021: INR 61.82 lakhs)

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41. Capital Management

The Group's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. Management monitors the return on capital as well as the level of dividends to equity shareholders.

The Group manages its capital structure and makes adjustments to it as and when required. To maintain or adjust the capital structure, the Group may pay dividend or repay debts, raise new debt or issue new shares. No major changes were made in the objectives, policies or processes for managing capital during the year ended 31 March 2022 and 31 March 2021.

The Group monitors capital using a ratio of 'adjusted net debt' to 'adjusted equity'. For this purpose, adjusted net debt is defined as total liabilities comprising interest bearing loans and borrowings and obligations under finance leases, less cash and cash equivalents. Adjusted equity comprises all components of equity

The Group capital consists of equity attributable to equity holders that includes equity share capital, retained earnings and long term borrowings.

	As at 31 March 2022	As at 31 March 2021
Total liabilities	2,782.33	2,009.12
Less: Cash & Cash equivalent	10,357.07	7,171.17
Adjusted net debt (a)	(7,574.74)	(5,162.05)
Total equity (b)	81,140.11	66,569.67
Total equity and net debt (a+b) = c	73,565.37	61,407.62
Capital gearing ratio (a/c)	-10.30%	-8.41%

As a part of its capital management policy the Group ensures compliance with all covenants and other capital requirements related to its contractual obligations.

42. Segment reporting

A. Basis for segmentation

An operating segment is a component of the Group that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the Group's other components, and for which discrete financial information is available.

The Group's board of directors have been identified as the Chief Operating Decision Makers (CODM) since they are responsible for all major decisions in respect of allocation of resources and assessment of the performance on the basis of the internal reports/ information provided by functional heads. The board examines the performance of the Group based on such internal reports which are based on operations in various geographies and accordingly, have identified the following reportable segments:

- India
- Europe, Middle East and Africa (EMEA)
- Asia Pacific and Australia (APAC)
- United States of America (USA)

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(All amounts are in lakhs of Indian Rupees, unless otherwise stated)

B. Information about reportable segments

Particulars	Reportable segments				
	India	EMEA	APAC	USA	Total Segment
Revenue					
External revenue	21,446.15	24,368.99	10,755.83	21,325.18	77,896.15
Inter-segment revenue	-	-	-	-	-
Total Segment Revenue	**21,446.15**	**24,368.99**	**10,755.83**	**21,325.18**	**77,896.15**
Segment profit/(loss) before income tax	4,073.79	8,109.57	3,471.05	3,829.64	19,484.05
Segment assets	11,507.93	14,068.00	7,266.85	11,942.72	44,785.50
Segment liabilities	6,311.42	9,361.85	3,099.21	6,319.65	25,092.13
Capital expenditure during the year	1,417.31	1.36	5.37	9.83	1,433.87

Year ended 31 March 2021

Particulars	Reportable segments				
	India	EMEA	APAC	USA	Total Segment
Revenue					
External revenue	19,723.17	17,146.49	9,213.83	21,178.95	67,262.44
Inter-segment revenue	-	-	-	-	-
Total Segment Revenue	**19,723.17**	**17,146.49**	**9,213.83**	**21,178.95**	**67,262.44**
Segment profit before income tax	4,552.39	4,965.95	3,748.86	6,075.94	19,343.14
Segment assets	9,275.72	11,922.12	5,584.83	10,187.25	36,969.92
Segment liabilities	5,593.20	6,818.10	2,439.25	6,112.25	20,962.80
Capital expenditure during the year	9,850.16	0.75	0.74	3.51	9,855.16

C. Reconciliations of information on reportable segments to Ind AS

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
(a) Revenue		
Total revenue for reportable segments	77,896.15	67,262.44
Elimination of inter-segment revenue		-
Total revenue	**77,896.15**	**67,262.44**
(b) Profit / (loss) before tax		
Total profit before tax for reportable segments	19,484.05	19,343.14
Unallocated amounts:		
- Unallocated income	2,991.20	1,503.74
- Other corporate expenses	2,129.89	2,730.18
Total profit before tax from operations	**20,345.36**	**18,116.70**
(c) Assets		
Total assets for reportable segments	44,785.50	36,969.92
Other unallocated amounts	65,918.09	55,087.76
Total assets	**1,10,703.59**	**92,057.68**
(d) Liabilities		
Total liabilities for reportable segments	25,092.13	20,962.80
Other unallocated amounts	4,471.35	4,525.21
Total liabilities	**29,563.48**	**25,488.01**

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(All amounts are in lakhs of Indian Rupees, unless otherwise stated)

D. Information about major customers

No customer individually accounted for more than 10% of the revenues in the year ended 31 March 2022 and 31 March 2021.

E. Unallocated assets, liabilities, revenue and expenses

Certain assets, liabilities, revenue and expenses are not specifically allocable to individual segments as the underlying services are used interchangeably. The Group believes that it is not practicable to provide segment disclosures relating to such assets, liabilities, revenue and expenses and accordingly such assets, liabilities, revenue and expenses are separately disclosed as 'unallocated'.

F. The Group, during the year ended 31 March 2022, changed the segment classification for one geography which was earlier reported as part of Australia segment, has been reclassed in APAC segment. Impact of this change is immaterial for operating results of both the segments. Prior period figures have also been restated to conform the current period composition of the operating segments.

43. Ratios as per Schedule III requirements

Ratio	Numerator	Denominator	Unit	31-Mar-22	31-Mar-21	% variance	Reason for variance
Current ratio	Current assets	Current liabilities	Times	3.13	3.06	2.29%	-
Debt- Equity Ratio	Total Debt (refer note 1 below)	Shareholder's Equity	Times	0.03	0.03	13.62%	-
Debt Service Coverage ratio	Earnings for debt service = Net profit after taxes + Non-cash operating expenses (refer note 2 below)	Debt service = Interest & Lease Payments + Principal Repayments	Times	23.99	2.04	1074.64%	Increase due to zero borrowings from banks during the year
Return on Equity ratio	Net Profits after taxes – Preference Dividend	Average Shareholder's Equity	%	22.23%	20.82%	6.77%	-
Inventory Turnover ratio	Cost of goods sold	Average Inventory	Times	NA	NA	NA	Not applicable for business of the Group
Trade Receivable Turnover Ratio	Net credit sales = Gross credit sales - sales return (refer note 4 below)	Average Trade Receivable	Times	3.06	2.69	13.76%	-
Trade Payable Turnover Ratio	Net credit purchases = Gross credit purchases - purchase return	Average Trade Payables	Times	NA	NA	NA	Not applicable for business of the Group
Net Capital Turnover Ratio	Net sales = Total sales - sales return	Working capital = Current assets – Current liabilities	Times	1.53	1.54	-0.39%	-
Net Profit ratio	Net Profit	Net sales = Total sales - sales return	%	21.08%	18.80%	12.11%	-
Return on Capital Employed	Earnings before interest and taxes (refer note 5 below)	Capital Employed (refer note 6 below)	%	23.59%	28.26%	-16.54%	-
Return on Investment	Interest (Finance Income)	Average Investment	%	4.00%	6.17%	-35.21%	Decrease due to increased investment in liquid funds and mark to market loss in bonds at the end of the year.

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to the Consolidated Financial Statements for the year ended 31 March 2022

(All amounts are in lakhs of Indian Rupees, unless otherwise stated)

Notes:

1. Total debts consists of borrowings and lease liabilities.
2. Earning availables for debt services=profit for the year + depreciation, amortization and impairment + finance cost + provision for doubtful debts + share based payment to employees + non cash charges.
3. Debt service = Interest + payment for lease liabilities + principal repayments.
4. Credit sales = Total Revenue + opening unbilled revenue - closing unbilled revenue - opening deferred revenue + closing deferred revenue.
5. Earnings before interest and taxes = profit before tax + finance cost - other income
6. Capital Employed = Tangible net worth includes acquired goodwill and other intangibles assets + total debt - deferred tax assets.
7. Average is calculated on the basis of opening and closing balances.

Schedule III require explanation where the change in the ratio is more than 25% as compared to the preceding year. Since there are only two instances where the change is more than 25% i.e. Debt Service Coverage ratio and Return on Investment, hence explanation is given only for the said ratios.

44. As at 31 March 2022, the Group has gross foreign currency receivables amounting to INR 14,532.92 lakhs (previous year INR 12,651.72 lakhs). Out of these receivables, INR 2036.07 lakhs (previous year INR 492.42 lakhs) is outstanding for more than 9 months. As per circular RBI/2019-20/206 A. P. (DIR series) circular no. 27, receipt for export goods should be realized within a period of 9 months from the date of export. The Group must file extension with AD Bank & as per the requirements of circular no. RBI/2015-16/395 A. P. (DIR series) Circular no. 68 dated May12, 2016, in one calendar year, the Group is allowed to seek extension for an amount equivalent to 10% of the average export collection of the last 3 years only and pursuant to the same, the Group has applied for an extension of all the foreign currency receivables outstanding for more than 9 months. The management is of the view that the Group will be able to obtain approvals from the authorities for realizing such funds beyond the stipulated timeline without levy of any penalties as it had bonafide reasons that caused the delays in realization.

45. Other statutory informations

i. The Group do not have any Benami property, where any proceeding has been initiated or pending against the Group for holding any Benami property.

ii The Group do not have any transactions with companies struck off.

iii The Group do not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.

iv The Group have not traded or invested in Crypto currency or Virtual Currency during the financial year.

v The Group have not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall

  (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Group (Ultimate Beneficiaries) or

  (b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries

vi The Group have not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Group shall

  (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Group (Ultimate Beneficiaries) or

  (b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries

vii The Group have not any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).

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to the Consolidated Financial Statements for the year ended 31 March 2022

(All amounts are in lakhs of Indian Rupees, unless otherwise stated)

viii The Group has sanctioned working capital limits from banks on the basis of security of trade receivables and fixed deposits. The quarterly returns being filed by Group with banks are in line with the books of accounts.

46. Business Combination

Acquisition of Number Theory Software Private Limited

On 18 January 2022, Newgen Software Technologies Limited (NSTL or “”the Holding Company””) entered into Share Purchase Agreement (SPA) with existing shareholders of Number Theory Software Private Limited (“”Number Theory””) to acquire 100% stake. Pursuant to SPA, the Holding Company has made investment of INR 1405.47 Lakhs in Number Theory (which has become wholly owned subsidiary of the Holding Company effective from 28 January 2022).

Consequent to the acquisition, A Scheme of Amalgamation u/s 230-232 of the Companies Act, 2013 which provides for merger of Number Theory with NSTL (“Scheme”), has been approved by the respective Board of Directors of companies at their meeting held on 3 May 2022, subject to requisite approval(s). The application will be filed under Regulation 37 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 with NCLT for their approval.

Number Theory Software Private Limited (‘Number Theory’) is engaged in providing Artificial Intelligence (‘AI’) platforms to various enterprises through its enterprise AI platform and data science capabilities.

Details of the purchase consideration, the net assets acquired and goodwill are as follows:

Particulars	Amount
Cash paid	702.73
Deferred payment liabilities	603.68
Total purchase consideration	**1,306.41**

The assets and liabilities recognised as a result of the acquisition are as follows:

Particulars	Fair Value
Assets	
Property, plant and equipment	5.42
Intangible assets	1,654.33
Cash and cash equivalents	14.15
Other current assets	42.82
Total Assets (a)	**1,716.72**
Liabilities	
Trade payables	5.64
Short term provisions	10.09
Other current liabilities	20.78
Deferred tax liability	416.11
Long term borrowings	241.00
Total Liabilities (b)	**693.62**
Net identifiable net assets at fair value (a-b)	1,023.10

Calculation of goodwill:

Particulars	Amount
Purchase consideration	1,306.41
Less: Net identifiable net assets acquired	(1,023.10)
Goodwill	**283.31**

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to the Consolidated Financial Statements for the year ended 31 March 2022

(All amounts are in lakhs of Indian Rupees, unless otherwise stated)

The goodwill comprises the value of expected synergies arising from the acquisition, customer contracts / relationships,non-compete agreement and Number Theory's Artificial Intelligence that do not qualify for separate recognition. None of the goodwill recognised is expected to be deductible for income tax purposes.

Transaction costs were expensed and are included in other expenses.

From the date of acquisition, Number Theory has contributed Nil of revenue and INR 79.21 lakhs of loss before tax to the Group for year ended 31 March 2022.

Purchase consideration - cash outflow

Particulars	Amount
Outflow of cash to acquire subsidiary, net of cash acquired:	
Net cash and cash equivalent acquired with the subsidiary	14.15
Cash paid	(702.73)
Net outflow of cash - investing activities	**(688.58)**

47. Additional information pursuant to Para 2 of general instruction for the preparation of consolidated financial statement

Particulars	Net assets i.e. total assets minus total liabilities		Share in Profit or (Loss)		Share in other Comprehensive income		Share in total Comprehensive income/ (loss)	
	As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount	As % of consolidated other comprehensive income	Amount	As % of total comprehensive income	Amount
As on 31 March,2022								
Parent	94.77%	76,894.52	94.99%	15,599.25	372.01%	-268.34	93.77%	15,330.91
Newgen Software Technologies Limited								
Indian Subsidiary								
Newgen Computers Technologies Limited	0.09%	72.17	(0.02%)	(2.47)	0.00%	-	(0.02%)	(2.47)
Number Theory Software Private Limited	(0.36%)	(294.06)	(0.48%)	(79.21)	0.00%	-	(0.48%)	(79.21)
Foreign Subsidiaries								
Newgen Software Inc. USA.	4.18%	3,393.04	4.15%	681.16	(190.36%)	137.32	5.01%	818.48
Newgen Software Technologies UK Ltd.	0.37%	303.20	0.15%	24.89	21.77%	(15.70)	0.06%	9.19
Newgen Software Technologies Canada Ltd.	0.37%	303.77	0.24%	39.60	(15.41%)	11.11	0.31%	50.71
Newgen Software technologies PTE Ltd	1.40%	1,138.56	1.59%	260.38	(69.80%)	50.35	1.90%	310.73
Newgen Software technologies PTY Ltd	0.78%	634.80	0.20%	32.21	(18.20%)	13.13	0.28%	45.34
Adjustment arising out of consolidation	(1.61%)	(1,305.89)	(0.82%)	(134.34)	0.00%	-	(0.82%)	(134.34)
Total	**100.00%**	**81,140.11**	**100.00%**	**16,421.47**	**100.00%**	**(72.13)**	**100.00%**	**16,349.34**

Notes

to the Consolidated Financial Statements for the year ended 31 March 2022

(All amounts are in lakhs of Indian Rupees, unless otherwise stated)

Particulars	Net assets i.e. total assets minus total liabilities		Share in Profit or (Loss)		Share in other Comprehensive income		Share in total Comprehensive income/ (loss)	
	As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount	As % of consolidated other comprehensive income	Amount	As % of total comprehensive income	Amount
As on 31 March, 2021								
Parent	95.16%	63,349.09	92.97%	11,759.43	49.59%	115.78	92.19%	11,875.21
Newgen Software Technologies Limited								
Indian Subsidiary								
Newgen Computers Technologies Limited	0.11%	74.65	0.05%	5.81	0.00%	-	0.05%	5.81
Number Theory Software Private Limited	0.00%	-	0.00%	-	0.00%	-	0.00%	-
Foreign Subsidiaries								
Newgen Software Inc. USA.	3.91%	2,600.79	5.01%	633.26	(42.58%)	(99.42)	4.14%	533.84
Newgen Software Technologies UK Ltd.	0.42%	281.90	0.16%	19.75	18.68%	43.61	0.49%	63.36
Newgen Software Technologies Canada Ltd.	0.38%	251.92	0.30%	38.05	10.49%	24.49	0.49%	62.54
Newgen Software technologies PTE Ltd	1.27%	848.39	2.02%	254.94	26.10%	60.94	2.45%	315.88
Newgen Software technologies PTY Ltd	0.88%	588.67	0.12%	14.65	37.72%	88.07	0.80%	102.72
Adjustment arising out of consolidation	(2.14%)	(1,425.74)	(0.61%)	(77.66)	0.00%	-	(0.60%)	(77.66)
Total	**100.00%**	**66,569.67**	**100.00%**	**12,648.23**	**100.00%**	**233.47**	**100.00%**	**12,881.70**

48. Previous period's figures have been regrouped/reclassified wherever necessary to correspond with the current period's classification/disclosure.

As per our report of even date attached

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm Registration No.:
001076N/N500013

For and on behalf of the Board of Directors of
Newgen Software Technologies Limited

Neeraj Goel
Partner
Membership No.: 099514

Place: Gurugram
Date: 03 May 2022

Diwakar Nigam
Chairman & Managing Director
DIN: 00263222

Place: New Delhi
Date: 03 May 2022

T. S. Varadarajan
Whole Time Director
DIN: 00263115

Place: Noida
Date: 03 May 2022

Arun Kumar Gupta
Chief Financial Officer
Membership No.: 056859

Place: Noida
Date: 03 May 2022

Aman Mourya
Company Secretary
Membership No: F9975

Place: Noida
Date: 03 May 2022

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Our Global Offices

Map not to scale. For illustrative purposes only.

Newgen Software Technologies Limited
https://www.newgensoft.com

Concept, Content & Design
WYATT Prism COMMUNICATIONS (info@wyatt.co.in)