



Policy on Code of Conduct
For
Directors and Senior Management Personnel

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Newgen Software Technologies Ltd.

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Table of Contents

1. Preface:	4
2. Objective:	4
3. Definition:	4
4. Policy Description/Guidelines:	5
4.1. Applicability	5
4.2. Honest and Ethical Conduct.....	5
4.3. Dealing with the Internal Customers.....	5
4.4. Dealing with the External Customers.....	5
4.5. Acceptable use of Newgen & client assets.....	5
4.6. Internal & External Communications.....	6
4.7. Confidentiality of Information	6
4.8. Insider Trading.....	6
4.9. Diversion of Business	6
4.10. Gifts and Donation.....	6
4.11. Compliance with Laws, Rules and Regulations	7
4.12. Bribery & Kickbacks	7
4.13. Conflict of Interest.....	7
4.14. Other Obligations	8
4.15. Duties of Directors Specified in Companies Act, 2013	8
4.16. SPECIFIC DUTIES OF INDEPENDENT DIRECTORS.....	9
4.17. Amendment.....	10
4.18. GENERAL.....	10

1. Preface:

This Code of Conduct for Board of Directors and Senior Management Personnel (hereinafter called as "**Code**") has been framed in compliance with the provisions of Companies Act, 2013, and Regulation 17 (5) & 26 (3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter called as "**Listing Regulations**"), in accordance with which it is mandatory that a separate legal and ethical standard of conduct is laid and be made applicable to all the Directors of the Board of Directors and all Senior Management Personnel of Newgen Software Technologies Limited ("**Newgen Software**" or "**the Company**").

The rationale of this Code is to conduct the business of the Company in accordance with the relevant laws, regulations, and rules. This Code broadly lays down the general principles to be followed by the Board of Directors and the Senior Management Personnel as a guide for making ethical decisions. This Code envisages that the Board of Directors of the Company and Senior Management Personnel should act within the framework of and in compliance with the applicable laws.

2. Objective:

The objectives of this Code is to enhance integrity, ethics & transparency in governance of the Company, and thereby reinforce the trust and confidence reposed in the Management of the Company by the shareholders and other stakeholders and to create an environment where all the Board Members & Senior Management of the Company maintain an ethical standard and compliance to the ethical standards that are laid down.

The Board Members and Senior Management Personnel are expected to familiarize themselves with this Code and to understand, adhere to, comply with and uphold the provisions of this Code and the standards laid down hereunder in their day-to-day functioning.

3. Definition:

- **Company** means "Newgen Software Technologies Limited or "Newgen Software".
- **Board** shall mean the Board of Directors of Newgen Software Technologies Limited as constituted from time to time mean the collective body of the Directors of the Company.
- **HRD** means human resources department or other department designated as HRD by the Company.
- **Whole-time Director** includes a director in the whole-time employment of the Company.
- **Listing Regulations** means Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and other SEBI regulation related with this policy.
- **Independent Director** shall mean an Independent Director as defined in section 2(47) and Section 149(6) and Regulation 16(1)(b) of the listing regulation.
- **Senior Management Personnel** shall mean employees of the Company who are members of its core management team excluding Board of Directors and would comprise all members of management one level below the executive directors, including all functional heads.
- **Relative** shall mean 'relative' as defined in Section 2 (77) of the Companies Act, 2013

and Rule 4 of the Companies (Specification of Definitions Details) Rules, 2014.

- **Related Party** means an entity which is a related party under Section 2(76) of the Act or under the applicable accounting standards.

4. Policy Description/Guidelines:

4.1. Applicability

This Code shall be applicable to:

1. All Directors (both executive and non-executive.) of the Company and its Subsidiaries.
2. All Senior Management Personnel of the Company and its subsidiaries.

4.2. Honest and Ethical Conduct

The Directors & Senior Management personnel are required to act in accordance with the highest standards of personal and professional integrity, honesty, ethical and legal conduct, when acting on behalf of the Company or in connection with the Company's business. An honest conduct is considered as such when a conduct is free from fraud or deception. The Directors and the Senior Management personnel shall:

- Act honestly, fairly, ethically, with integrity and loyalty and conduct themselves in a professional, & courteous and respectful manner;
- Act in the best interests of the Company and in a manner to enhance and maintain the reputation of the Company, and fulfil their fiduciary duties to the stakeholders of the Company;
- Act in good faith, with responsibility, due care, competence, diligence and independence;
- Treat their colleagues and other associates of the Company with dignity and shall not harass any of them in any manner.
- Abide with the Code of Ethics & Business Conduct Policy of the Company as formulated by HRD.
- Abide with the Newgen Policy on Prevention of Sexual Harassment at Workplace.

4.3. Dealing with the Internal Customers

The Directors and Senior Management shall practice and encourage the spirit of free discussion in the Company and shall show respect for all the co-workers, irrespective of their grade, position, pay, authority, caste, creed, race or sex. Everyone in the Company shall work with the values of trust, teamwork, mutuality, collaborate with objectivity, self – respect and human dignity.

4.4. Dealing with the External Customers

Each Director and Senior Management should deal fairly with clients and vendors. They should not take unfair advantage of anyone through manipulation, concealment, abuse of confidential, proprietary or trade secret information, misrepresentation of material facts, or any other unfair dealing-practices.

4.5. Acceptable use of Newgen & client assets

Each Director and Senior Management shall take all measures to safeguard all assets

of Newgen or its client's assets- both tangible as well as intangible. All assets shall be used only for their legitimated business purpose and shall protect them from any loss or unauthorized usage.

4.6. Internal & External Communications

Newgen Communication / Information systems shall only be used for business purposes. No asset shall be used to create, transmit, store, or display solicitations, messages, images or material for personal use and shall not contain any threatening, misleading, sexually explicit, harassing or demeaning content.

Sensitive information shall be labelled as Private, Confidential or Restricted. Information without a label shall be scrutinized and presumed to be sensitive. Adequate level of care shall be exercised to handle such information appropriately.

4.7. Confidentiality of Information

Confidential information, including commercial secrets, technologies, advertising and sales promotion plans, unpublished price sensitive information or any information concerning the Company's business, its customers, suppliers etc., which is not in public domain and to which the Directors or Senior Management have access, must be held in confidence. Directors or Senior Management shall not provide any information either formally or informally, to the press or any other publicity media, unless specifically authorized by the Chairman of the Board.

4.8. Insider Trading

Directors and Senior Management shall not derive benefit or assist others to derive benefit by giving investment advice on the basis of the access to and possession of insider / price sensitive information about the Company which is not in public domain. Directors and Senior Management shall comply with the code of conduct from prevention of insider trading of the Company.

4.9. Diversion of Business

Directors and Senior Management personnel shall not divert business opportunities of the Company, by exploiting for their own personal gain. However, the Directors and Senior Management personnel can pursue such business opportunities once they are fully disclosed to the company and the company declines to pursue such opportunities.

4.10. Gifts and Donation

The Directors and Senior Management personnel shall not accept lavish gifts or donation or gratuities or any offer, payment, promise to pay, or authorization to pay any money, donation or anything of value that could be interpreted to adversely affect business decisions or likely to compromise their personal or professional integrity. Gift items of nominal value, such as small promotional items, business meals, gifts received because of personal relationships and not because of official position, mementos received because of attending a widely held gatherings as panellist /speaker and other customary gifts are allowed. Gifts on behalf of the Company -Some business situations call for giving gifts as per policies of the Company and these gifts

shall be legal and reasonable.

4.11. Compliance with Laws, Rules and Regulations

Directors and Senior Management shall comply with all applicable laws, rules and regulations, in all areas and geographies where the Company operates. Company cannot accept practices which are unlawful or may be damaging Company's reputation. In order to assist the Company in promoting lawful and ethical behaviour, Directors and Senior Management must report any possible violation of law, rules, regulation or the Code to the Compliance officer. In the event, the implication of any law is not clear; the Compliance Officer shall be consulted for advice.

It is the duty and obligation of every Director and Senior Management person to comply with this code of conduct and he/she shall acknowledge and affirm ongoing compliance with the code on an annual basis. Any violation of the code shall be reported to the Chairman of the Board or to the Compliance Officer of the Company.

This code of conduct shall be posted on the website of the Company.

4.12. Bribery & Kickbacks

The Directors and Senior Management personnel shall Restricted from receiving, offering, promising, authorizing, directing or bribing or making payment of money or any other thing of value to improperly obtain business or any other advantage to Newgen by adopting unfair practices.

The Directors and Senior Management personnel shall refrain from offering or receiving any facilitation payments or kickbacks made to any government agency or any other organization, in return of a business advantage or favor on behalf of Newgen.

4.13. Conflict of Interest

The Directors and senior management personnel are expected to avoid and disclose any activity or association that creates or appears to create a conflict between the personal interests and the Company's business interests. A conflict of interest occurs when personal interest of a Director or Senior Management conflicts in any way, or even appears to conflict, with the interest of the Company as a whole. A conflict of interest also arises when a Director or Senior Management or a member of his or her immediate family is likely to receive undue personal benefit as a result of his or her position as a Director or Senior Management of the Company. Set forth, are illustratively some of the common circumstances that may lead to a conflict of interest, actual or potential, and need to be avoided.

- Engaging in any activity / employment that interferes with the performance or responsibility to the Company or is otherwise in conflict with or prejudicial to the Company.
- Material investment in customer, supplier, developer or competitor or in any activity that is likely to compromise their responsibility to the Company.
- Conducting Company's business with a relative or with a firm / company in which a relative / related party is associated in any significant role.

- Board Memberships Acceptance of Directorship on the Boards of other Companies, which compete, with the Company amounts to conflict of interest.

If any transactions which prima facie appear to be conflicting with the interest of the Company but are unavoidable, the Director or Senior Management involved in such transaction should first obtain approval from the Chairman of Audit Committee before such transaction is entered into. The application seeking such approval should be routed through Compliance Officer of the Company. The Chairman would consider the application on the basis of the size and nature of transaction, the Director's or Senior Management's ability to influence the Company's decisions, his or her access to confidential information of the Company or of the other company and the nature of relationship between the Company and the other party.

4.14. Other Obligations

The Directors and Senior Management shall:

- dedicate sufficient time, energy and attention to uplift and better the Company's performance.
- endeavor to attend all the meetings (including committee meetings, if any), proceedings and occasions as are required of the person in a constructive and active manner for the benefit, growth and development of the Company.
- not make any statement or any other commitment without proper authority or with full knowledge that it is false.
- never compromise the interest of the Company.
- pay sufficient attention and ensure that adequate deliberations are held before approving related party transactions and assure themselves that the same are in the interest of the Company.
- abide with the Code of Ethics & Business Conduct Policy of the Company as formulated by HRD.
- abide with the Code of Conduct formulated for Prevention of Insider Trading.
- the Compliance officer for the purposes of the Code, who will be available to Directors and Senior Management to answer questions arising out of the Code.

4.15. Duties of Directors Specified in Companies Act, 2013

The Companies Act, 2013 significantly specifies certain duties and responsibilities of the Directors of the Company. While the list of duties as per the provisions of the Companies Act, 2013 has been enumerated below, it should however, by no means be considered to be exhaustive:

- i. The Director shall act in accordance with the articles of the company, subject to the provisions of the Companies Act, 2013 as amended from time to time;
- ii. The Director shall devote sufficient time and attention to professional obligations for Informed and balanced decision making;
- iii. The Director shall act in good faith in order to promote the objects of the company for the benefit of its members as a whole, and in the best interests of the company, its employees, the shareholders, and the community and for the protection of environment;

- iv. The Director shall exercise his duties with due and reasonable care, skill and diligence and shall exercise independent judgment;
- v. The Directors shall be required to intimate the change in the directorships held within thirty days of such change and also inform the Company about the committee positions he or she occupies in other listed entities and notify changes as and when they take place;
- vi. The Directors shall ensure that the integrity of financial information and that financial controls and the systems of risk management are robust and defensible;
- vii. The Directors shall seek appropriate clarification or amplification of information and, where necessary, take and follow appropriate professional advice
- viii. The Directors shall strive to attend and participate constructively & actively, in all General Meetings, Meetings of the Board and its committees of which they are Chairman or member;
- ix. The Directors shall not assign his office of director of the company to another person;
- x. The Directors shall ensure that adequate deliberations are held before approving related party transactions and shall assure themselves that the same are in the best interest of the company;
- xi. The Directors shall not achieve or attempt to achieve any undue gain or advantage either to himself or to his relatives, partners, or associates and if such director is found guilty of making any undue gain, he shall be liable to pay an amount equal to that gain to the company.
- xii. The Directors shall be required to affirm compliance with this Code on an annual basis also. They shall submit an Annual Compliance Report within 30 days of close of every financial year to the CEO or Managing Director, in the form enclosed at Annexure-I.
- xiii. No Director shall hold office as a director, including any alternate directorship, in more than twenty companies at the same time. Provided that the maximum number of public companies in which a person can be appointed as a director shall not exceed ten. For reckoning the limit of public companies in which a person can be appointed as director, directorship in private companies that are either holding or subsidiary company of a public company shall be included.
- xiv. A director shall not be a member in more than ten committees or act as chairperson of more than five committees across all listed entities in which he is a director which shall be determined as follows:
 - (a) the limit of the committees on which a director may serve in all public limited companies, whether listed or not, shall be included and all other companies including private limited companies, foreign companies and companies under Section 8 of the Companies Act, 2013 shall be excluded;
 - (b) For the purpose of determination of limit, chairpersonship and membership of the audit committee and the Stakeholders' Relationship Committee alone shall be considered.

4.16. SPECIFIC DUTIES OF INDEPENDENT DIRECTORS

The independent directors shall—

- i. strive to attend all meetings of the Board of Directors and of the Board committees of which he is a member;
- ii. participate constructively and actively in the committees of the Board in which they are chairpersons or members;
- iii. strive to attend the general meetings of the company;

- iv. keep themselves well informed about the company and the external environment in which it operates;
- v. pay sufficient attention and ensure that adequate deliberations are held before approving related party transactions and assure themselves that the same are in the interest of the company;
- vi. ascertain and ensure that the company has an adequate and functional vigil mechanism and whistle Blower Policy and to ensure that the interests of a person who uses such mechanism are not prejudicially affected on account of such use;
- vii. report concerns about unethical behaviour, actual or suspected fraud or violation of the company's code of conduct or ethics policy;
- viii. acting within his authority, assist in protecting the legitimate interests of the company, shareholders and its employees;
- ix. shall not serve as an independent director in more than seven listed entities, provided that any person who is serving as a whole time director in any listed entity shall serve as an independent director in not more than three listed entities;
- x. the maximum tenure of independent directors shall be in accordance with the Companies Act, 2013 and rules made thereunder, in this regard, from time to time;
- xi. independent directors of the Company shall hold at least one meeting in a year, without the presence of non-independent directors and members of the management and all the independent directors shall strive to be present at such meeting.

4.17. Amendment

This policy can be amended, modified or revised anytime with the approval of Board of Directors.

4.18. GENERAL

All the words and expressions used in this Policy, unless defined hereafter, shall have meaning respectively assigned to them under the SEBI Regulation/(s) and in the absence of its definition or explanation therein, as per the Companies Act, 2013 ("Act") and the Rules, Notifications and Circulars made/issued thereunder, as amended, from time to time.

In the event of any conflict between the provisions of this Policy and of the Act or SEBI Regulation or any other statutory enactments, rules, the provisions of such Act or Listing Regulation or statutory enactments, rules shall prevail over this Policy.

Annexure I

**CODE OF BUSINESS CONDUCT AND ETHICS FOR BOARD MEMBERS AND SENIOR
MANAGEMENT PERSONNEL ANNUAL COMPLIANCE REPORT**

(to be submitted by 30th April each year)

I,.....(name),_____ _____
(designation) do hereby solemnly affirm to the best of my knowledge and belief that I have fully complied with the provisions of the Code of Business Conduct and Ethics for Board Members and Senior Management Personnel during the financial year ending 31st March

Signature :.....

Name :.....

Designation :.....

Date:.....

Place:.....