



**Code of practices & Procedure for fair Disclosures**

**AND**

**Code of Conduct to Regulate and monitor trading.**

*Revision No.:- 1.2*

*Reference Number: Finance/ PIT Code/ 01*

**Newgen Software Technologies Ltd.**

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## 1. Preface:

Pursuant to Regulation 8 and Regulation 9 of the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 ("**SEBI Regulation**"), Newgen Software Technologies Limited ("**Newgen Software**" or "**the Company**") is required to formulate, a) Code of practice & procedure for fair disclosure of unpublished price sensitive information and b) Code of conduct to regulate, monitor and report trading by its employees & other connected persons towards achieving compliance and enforce a Code of internal procedures and conduct based on the standard specified in the SEBI Regulation.

Accordingly, with this view, the Board of Directors ("Board") has framed this Code which contains two Codes viz.:

- 1) Code of practice & procedure for fair disclosure of unpublished price sensitive information
- 2) Code of Conduct to Regulate, monitor and trading by its employees and connected persons towards achieving compliance with this SEBI Regulations.

and shall collectively referred to as the "**Code**").

## 2. Objective:

The Code for Fair Disclosure is aimed at defining the Company's responsibility to follow principles of timely and adequate disclosure of unpublished price sensitive information which would impact the price of the Company's securities, maintaining uniformity, transparency and fairness in dealings with all stakeholders and ensuring adherence to applicable laws and regulations. The Code for Trading is aimed to enable the Company to regulate, monitor and report trading by insiders towards achieving compliance with the Regulations, adopting the minimum standards set out in the Code without diluting the provisions of the Regulations in any manner. The objective of the Code is not to discourage Employees from buying or selling shares, but to:

- Ensure that the Employees do not take advantage on unpublished, price sensitive inside information which is received by them during the regular course of their duties;
- Employees do not indulge in 'fraudulent' or 'manipulative' transactions;
- Encourage long-term investments by Employees and shareholders;
- Ensure proper safeguards to Newgen Software Technologies Limited;

## 3. Definitions:

For the purpose of this Insider Trading Policy:

Pursuant to the SEBI Regulations, unless the context otherwise requires, the following words, expressions and derivations there of shall

have the meanings assigned to them as under:

- **Board** means Board of Directors of Newgen Software Technologies Limited.
- **Company** means Newgen Software Technologies Limited.
- **Compliance Officer** means the Company Secretary of the Company or any other person designated by the Board of Directors as Compliance Officer from time to time.
- **Connected person** means –
  - A. any person who is or has during the six months prior to the concerned act been associated with the Company, directly or indirectly, in any capacity including by reason of frequent communication with its officers or by being in any contractual, fiduciary or employment relationship or by being a Director, officer or an employee of the Company or holds any position including a professional or business relationship between himself and the Company whether temporary or permanent, that allows such person, directly or indirectly, access to unpublished price sensitive information or is reasonably expected to allow such access.
  - B. Without prejudice to the generality of the foregoing, the persons falling within the following categories shall be deemed to be connected persons unless the contrary is established, -
    - i. an immediate relative of connected persons specified in clause 3(A); or
    - ii. a subsidiary Company or associate Company or holding Company
    - iii. an intermediary as specified in section 12 of the SEBI Act or an employee or Director thereof; or
    - iv. an investment Company, trustee Company, asset management Company or an employee or Director thereof; or
    - v. an official of a stock exchange or of clearing house or corporation; or
    - vi. a member of board of trustees of a mutual fund or a member of the board of Directors of the asset management Company of a mutual fund or is an employee thereof; or
    - vii. a member of the board of Directors or an employee, of a public financial institution as defined in section 2 (72) of the Companies Act, 2013; or
    - viii. an official or an employee of a self-regulatory organization recognized or authorized by SEBI ; or
    - ix. banker of the Company; or
    - x. a concern, firm, trust, Hindu undivided family, Company or association of persons wherein a Director of a Company or his immediate relative or banker of the Company, has more than ten per cent. of the holding or interest;
- **Designated Employee** shall mean: - (i) Managing Director, Whole-time Director, Key Managerial Personnel and All employees in the grade of Associate Vice President ("AVP") and above (ii) Notified employees in the Finance, Compliance and Legal Departments and (iii) any other employees as designated by the Compliance Officer in consultation with

the Managing Director of the Company.

- **“Designated Persons”** means, collectively, the Director(s), Promoters and Promoter Group, Designated Employees and the Connected Person(s) designated on the basis of their functional role in the Company.
- **Free Period or Trading Window** means the period when trading in the securities of the Company is permitted and it is not a window closure period.
- **Generally available information** means information that is accessible to the public on a non- discriminatory basis;
- **Immediate relative** means a spouse of a person, and includes parent, sibling, and child of such person or of the spouse, any of whom is either dependent financially on such person, or consults such person in taking decisions relating to trading in securities;
- **Insider** means any person who is:
  - A. connected person; or
  - B. in possession of or having access to unpublished price sensitive information.

*it is intended that anyone in possession of or having access to unpublished price sensitive information should be considered an “insider” regardless of how one came in possession of or had access to such information.*
- **Insider Trading** means when insiders use unpublished price sensitive information to arrive at securities trading (including buying as well as selling) decisions.
- **Key Managerial Person in relation to Company** means:-
  - (i) the Chief Executive Officer or the Managing Director (ii) the Company Secretary;
  - (iii) the Whole-time Director;
  - (iv) the Chief Financial Officer;
  - (v) such other officer, not more than one level below the directors who is in whole-time employment, designated as key managerial personnel by the Board.
- **Need to know basis** means that unpublished price sensitive information should be disclosed only to those within the Company who need the information to discharge their duty and whose possession of such information will not give rise to a conflict of interest or appearance of misuse of the information.
- **Officer means** officer as defined under the Companies Act, 2013 and includes Auditors of the Company;
- **Promoter** shall have the meaning assigned to it under the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 or any modification thereof;
- **Promoter Group** shall have the meaning assigned to it under the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 or any modification thereof;
- **Securities** shall have the meaning assigned to it under the Securities Contracts (Regulation) Act, 1956 (42 of 1956) or any modification thereof except units of a mutual fund;
- **Trading means** and includes subscribing, buying, selling, dealing, or agreeing to subscribe, buy, sell, deal in any securities of the Company, and "trade" shall be construed accordingly;

*it is intended to widely define the term “trading” to include dealing. Such a construction is*

*intended to curb the activities based on unpublished price sensitive information which are strictly not buying, selling or subscribing, such as pledging etc when in possession of unpublished price sensitive information.*

- **Trading day** means a day on which the concerned stock exchanges are open for trading where the securities of the Company is listed.
- **"Unpublished price sensitive information"** also referred as **"UPSI"** means any information, relating to a Company or its securities, directly or indirectly, that is not generally available which upon becoming generally available, is likely to materially affect the price of the securities and shall, ordinarily, include but not restricted to, information relating to the following: –
  - i. financial results;
  - ii. dividends;
  - iii. change in capital structure;
  - iv. mergers, de-mergers, acquisitions, de-listings, disposals
  - v. business plan, expansion plans, growth plans, and such other transactions;
  - vi. changes in key managerial personnel; and
  - vii. material events in accordance with the SEBI Regulations.

#### **4. Policy Description/Guidelines:**

##### **4.1. Applicability of this Policy:**

This Policy is applicable to all the Promoters, Promoters group, Directors & Employees of the Company and its subsidiaries, associates, if any, (referred as Newgen Group Companies) along with his/her immediate relatives and connected persons including Insiders. All the persons as aforesaid are required to read this Policy and comply with its provisions. Failure to comply with any of these provisions, shall constitute grounds for action, as deemed fit by the Management, including reference to the relevant Government / Regulatory authorities. Even when an employee has ceased, for whatever reason, to be in the employment of the Company including Newgen Group Companies, he/she must maintain the secrecy of confidential information that he/she may have had access to during his/her employment or affiliation with the Company including Newgen Group Companies. The provisions of this Policy would continue to be applicable for a period of six months even after the cessation of employment on connected persons.

The Company may, from time to time, amend this Policy or stipulate additional policies, as the Board may decide from time to time. Company and all the aforesaid persons are bound by such changes/additions in the Policy as and when it comes into force.

#### **5. Role of Compliance Officer:**

- a) The Compliance Officer shall report on insider trading to the Board of Directors of the Company and in particular, shall also provide reports to the Audit Committee on quarterly basis or at such other frequency as may be stipulated by the Board of Directors.
- b) The Compliance Officer shall inform about the window closure period to all the concerned including Designated Persons and

Promoters about window closure period from time to time.

- c) Compliance Officer shall act as the focal point for dealing with the SEBI in connection with all the matters relating to the compliance and effective implementing of the SEBI Regulations and this Code under the overall supervision of the Board of Directors.
- d) The Compliance Officer shall maintain the list of the Designated Persons and changes thereto time to time. The Compliance Officer is authorized to require the Designated Person to provide details in annexure 1.
- e) The Compliance Officer shall assist all the Designated Person and all other employees in addressing any queries regarding the SEBI Regulations and the Company's aforesaid Code. All information shall be handled within the organization on a need-to-know basis and no unpublished price sensitive information shall be communicated to any person except in furtherance of the insider's legitimate purposes, performance of duties or discharge of his legal obligations.

#### **6. Principle of Fair Disclosure for the purpose of Code of Practices & Procedures for Fair Disclosure of Unpublished Price Sensitive Information:**

To ensure timely and adequate disclosure of price sensitive information, the following principles shall be followed:

- a) The Company will endeavor to make prompt public disclosure of unpublished price sensitive information that would impact price discovery no sooner than credible and concrete information comes into being in order to make such information generally available.
- b) The Company will ensure uniform and universal dissemination of unpublished price sensitive information to avoid selective disclosure. Compliance Officer, Investor Relation - Head and Chief Financial Officer are severally authorized to deal with dissemination of information and disclosure of unpublished price sensitive information.
- c) Officials as mentioned in the above clause 6(b) are severally authorized to make prompt dissemination of unpublished price sensitive information that gets disclosed selectively, inadvertently or otherwise to make such information generally available.
- d) The Compliance Officer shall, subject to non-disclosure obligations, promptly respond to any queries, news, report or requests for verification of market rumors by exchanges or any other regulatory authority. He shall, in consultation with the Investor Relation - Head and Chief Financial Officer, decide whether a public announcement is necessary for verifying or denying rumors and then making the disclosure. He/she shall also provide appropriate assistance and fair response to the regulatory authorities including the stock exchanges for verification of news reports and market rumors. Such disclosures/replies to market rumors shall be signed by any one of the Officials as mentioned in the above clause 6(b). A



copy of such disclosure/reply shall also be kept on the website of the Company.

- e) The Company will handle all unpublished price sensitive information on a need-to-know basis for legitimate purposes only.
- f) The Company will ensure that information shared with analysts and research personnel is not unpublished price sensitive information.
- g) The following guidelines shall be followed while dealing with analysts and institutional investors: (i) only public information to be provided. The Company shall not provide any UPSI to the analyst/research persons/large investors like institutions. The scope of discussions at any such meetings with analysts/research persons/large investors shall be confined to the matters arising out of the Corporate Presentation put on the Company's website and the information generally available in the public domain or matters outside the purview of UPSI. If any information which is not generally available but considered as UPSI is given to the analyst etc. the person sharing such information shall immediately inform the Compliance Officer who shall take steps to make the information public at the earliest. (ii) The Company would usually hold the conference call with the analyst/shareholders/public post declaration of financial results every quarter. Whenever the Company organizes conference call with analysts etc. it shall post relevant information about such conference call having been organized on its website and shall also post the transcript/audio file of the call after every such meet. (iii) The Company shall not answer analysts' questions during aforesaid call that raise issues outside the intended scope of discussion. Unanticipated questions, answers to which may involve disclosure of material price sensitive information, shall be taken on notice and a considered response given later. If the answer includes material price sensitive information, a public announcement shall be made before responding. The answers given at a later date to any such unanticipated questions shall be appended to the transcript/recording of the said conference disclosed on the website of the Company.
- h) The Company will also promptly intimate any amendment to this Code for Fair Disclosure to the stock exchanges, as required under the SEBI Regulations.

## **7. Prohibition on Communicating or Procuring Unpublished Price Sensitive Information:**

The 'Code' contains norms for appropriate "Chinese Wall" procedures and processes for permitting any Designated Person to 'cross the wall'. The term "Chinese Wall" refers to separation of those areas of the organization which routinely have access to confidential information considered "inside areas" from other areas or departments considered "public areas". Designated Persons will be treated as persons belonging to the 'Inside areas'. In terms of "Chinese Wall", the Designated Persons in the inside area shall not communicate any UPSI to anyone in public area. In exceptional circumstances, employees from the public areas may be brought "over the wall" and given confidential information on the basis of

"need to know" criteria, under intimation to Compliance Officer. If the Compliance Officer is reported of any breach committed/accidental crossing of 'Chinese Wall' by an Insider, immediate action will be initiated to stop the information from being further misused

All information shall be handled within the organization on a need-to-know basis and no unpublished price sensitive information shall be communicated to any person. No Insider and Designated Employees shall:-

- i. Communicate, provide, or allow access to any unpublished price sensitive information, to any person including other Insiders.
- ii. No person shall procure from or cause the communication by any Insider of unpublished price sensitive information relating to the Company or securities listed.

Provided that nothing contained above shall be applicable when an unpublished price sensitive information is communicated, provided, allowed access to or procured:

- i. in furtherance of legitimate purposes, performance of duties or discharge of legal obligations; or
- ii. in pursuant to appropriate confidentiality and non-disclosure agreements being executed; or
- iii. in the event the Board of Directors direct or cause the public disclosure of unpublished price sensitive information in the best interest of the Company and the information that constitute unpublished price sensitive information is disseminated to be made generally available at least two trading days prior to the proposed transaction being affected in such form as the Board of Directors may determine.

## **8. Preservation of Price Sensitive Information:**

Every Insider shall maintain the confidentiality of unpublished Price Sensitive Information and shall not pass on such information to any person directly or indirectly by way of making a recommendation for the purchase or sale of securities.

Provided that the Insider may prove his innocence by demonstrating the circumstances including the following:-

- I. the transaction is an off-market inter-se transfer between promoters who were in possession of the same unpublished price sensitive information without being in breach any regulation and both parties had made a conscious and informed trade decision;
- II. in the case of non-individual insider(s): –
  - a. the individuals who were in possession of such unpublished price sensitive information were different from the individuals taking trading decisions and such decision-making individuals were not in possession of such unpublished price sensitive information when they took the decision to trade; and
  - b. appropriate and adequate arrangements were in place to ensure that the SEBI regulations are not violated and no unpublished price sensitive information was communicated by the individuals possessing the information to the individuals taking trading

decisions and there is no evidence of such arrangements having been breached;

- c. The trades were pursuant to a trading plan.
- d. Unpublished Price Sensitive Information is to be handled on a "need to know" basis, i.e., Price Sensitive Information should be disclosed only to those within the Company who need the information to discharge their duty and whose possession of such information will not give rise to a conflict of interest or appearance of misuse of information.

## 9. Trading Plan:

- A. An Insider shall be entitled to formulate a trading plan and present it to the Compliance Officer for approval and public disclosure pursuant to which trades may be carried out on his behalf in accordance with such plan. Such trading plan shall
  - i. Not entail commencement of trading on behalf of the Insider earlier than six months from the public disclosure of the plan;
  - ii. Not entail trading for the period between the twentieth trading day prior to the last day of any financial period for which results are required to be announced by the Company and the second trading day after the disclosure of such financial results;
  - iii. entail trading for a period of not less than twelve months;
  - iv. not overlap of any period for which another trading plan is already in existence;
  - v. set out either the value of trades to be affected or the number of securities to be traded along with the nature of the trade and the intervals at, or dates on which such trades shall be affected; and
  - vi. not trading in securities for market abuse.
- B. The Compliance Officer shall review the Trading Plan to assess whether the plan would have any potential for violation of the SEBI Regulations, and this Code and shall be entitled to seek such express undertakings as may be necessary to enable such assessment and to approve and monitor the implementation of the plan.
- C. The trading plan has to be approved by the matrix as stated in clause 12. Compliance Officer shall review the trading plan and seek such express undertaking as may be necessary to approve and monitor the implantation of the plan.
- D. The trading plan once approved shall be irrevocable and the Insider shall mandatorily have to implement the plan, without being entitled to either deviate from it or to execute any trade in the securities outside the scope of the trading plan.

However, the implementation of the trading plan shall not be commenced, if at the time of formulation of the plan, the Insider is in possession of any Unpublished Price Sensitive Information and the said information has not become generally available at the time of the commencement of implementation. The commencement of the Plan shall be deferred until such Unpublished Price Sensitive Information becomes generally available information. Further, the Insider shall

also not be allowed to deal in securities of the Company, if the date of trading in securities of the Company, as per the approved Trading Plan, coincide coincides with the date of closure of Trading Window announced by the Compliance Officer.

- E. Upon approval of the trading plan, the Compliance Officer shall notify the plan to the stock exchanges on which the securities of the Company are listed.

## **10. Pre-Clearance of Transactions:**

- i. When the trading window is open, trading by Designated Persons and their immediate relatives shall be subject to pre-clearance by the Compliance Officer, if that person intends to deal in the securities of the Company in excess of value of Rs. Ten lakhs in one transaction or a series of transactions over a calendar quarter, in any manner whatsoever. Requirement of obtaining approval will also be applicable where the Designated Person and his immediate relatives intends to pledge the shares of the Company, subject to the aforesaid limits, as a collateral security for any purpose including but not limited to loans & guarantee.
- ii. For the purpose of obtaining a Pre-Clearance as aforesaid, the concerned Designated Person and their immediate relatives shall make an application in the prescribed Form as Annexure 2 to the Compliance Officer together with necessary undertakings as prescribed in the annexure 3 and such other declaration and documents as may be required by the Compliance Officer.
- iii. The Compliance Officer shall grant the approval or reject the application within Two Trading Days from the date of the receiving Complete & Final application along with all required undertakings and documents. Application with incorrect or partial details or without undertaking or without required annexures/ documents shall not be treated as complete and final application. The approval and rejection shall be in the form prescribed in Annexure 4. The Compliance Officer at his sole discretion may revise or modify the format of Annexure 4 as he may deem fit and necessary for approval or rejection. The Compliance Officer shall not approve any proposed trade by Designated Person and his/her immediate relatives if the Compliance Officer determines that such Designated Person is in possession of UPSI even though the trading window is open.
- iv. Such Designated Person shall execute the order for which pre - clearance has been obtained within Seven Trading Days of such approval. The details of the transaction shall be communicated to the Compliance Officer within two Trading Days thereof. In case, the person is unable to execute the order within Seven Trading Days after the approval, a fresh application for pre-clearance (as mentioned above) shall be made. The Designated Person and Immediate Relatives are also required to report on the decisions not to trade after securing pre-clearance, recording of reasons for such decisions to the Compliance Officer. The aforesaid report shall be in

the prescribed form as annexure 5.

- v. Any Designated Person and immediate relatives who trades in the securities without complying with the pre-clearance procedure as envisaged in this Code or gives false undertakings and/or makes misrepresentations in the undertakings executed by him/her while complying with the pre-clearance procedure shall be subjected to the penalties as envisaged in the SEBI Regulations and this Code.

#### **11. Minimum Holding Period:**

- i. Designated Person and his/her immediate relative who buys or sells any number of shares of the Company shall not enter into any contra trade i.e. sell or buy any number of shares during the next six months period, which is the minimum holding period, following the prior transaction. The Compliance Officer is empowered to grant relaxation from strict application of such restriction for reasons to be recorded in writing provided that such relaxation does not violate the SEBI Regulations and the Code. Designated Persons and their immediate relatives shall also not take positions in derivative transactions in the shares of the Company at any time. It may be noted that should a contra trade be executed, inadvertently or otherwise in violation of such a restriction, the profits from such trade shall be liable to be disgorged for remittance to the SEBI for credit to Investor Protection and Education Fund set up by the SEBI.
- ii. It may be noted that acquisition of shares on Exercise of Stock Options under Newgen ESOP Schemes shall not be considered Trading. The designated employees can exercise their options as vested even if he/she has sold shares during previous six months period. However, sale of shares acquired on exercise of stock options is considered as trading of shares.

#### **12. Procedure for Approval of Trading plan and Pre-clearance:**

##### **12.1. Application for Trading Plan and Pre-Clearance & Appeal Mechanism in case of denial of permission at first level.**

Designated Persons or their immediate relatives intending to deal in the securities of the Company beyond the threshold Limit as defined and provided herein may do so only after obtaining pre-clearance as per the approval & appeal matrix.

Designated Person

S. no.	Trading plan/ Pre-Clearance Category	Approving Authority	Consulting authorities

1	Trading Plan / Pre-clearance of trade of all the Directors, except Chairman of Audit Committee	Compliance Officer	Compliance Officer may consult the Chairman of the Audit Committee for granting and rejecting approvals.
2	Trading plan/ Pre-clearance of trade of Chairman - Audit Committee or Company Secretary	Chairman of the Board Director	The Chairman may consult one or more Independent Director for granting and rejecting approvals.
3	Trading plan / Pre-clearance of trade of Key Managerial Personnel, connected person and Designated employees except Directors and Company Secretary	Compliance Officer	Compliance Officer may consult the Chairman of the Board or the Chairman of the Audit Committee for granting and rejecting approvals.
4	Trading plan of trade by any other Insider not covered above	Compliance Officer/	Compliance Officer may consult the Chairman of the Board or the Chairman of the Audit Committee for granting and rejecting approvals.

Provided further that the application in prescribed format shall be made to Compliance Officer and the Compliance Officer shall forward the same to the respective approving authorities.

## 12.2. Some of the grounds of rejection of Pre-clearance could be as under-

- a) In case the Insider is having a prior knowledge which is not in public domain relating to the following, the Approving Authority may refuse the pre-clearance:- i) Periodical financial results of the Company; ii) Intended declaration of dividends (Interim and / or Final); iii) Issue of Securities or Buy-back of Securities; iv) Any major expansion plans or execution of new projects; v) Amalgamation, merger or takeover; vi) Disposal of the whole or substantially the whole of the undertaking; vii) Any Material event or information as specified in the Determination of Material event policy viii) Any significant changes in policies, plans or operations of the Company having material impact on the financials of the Company; Significant alliances, joint ventures etc.; ix) Any Capital Structuring e.g. bonus, sub-division etc.
- b) The Approving Authority shall not approve any pre-clearance application during Trading Window Closure Period.
- c) The Approving Authority shall reject the pre-clearance application, if he/ she thinks that the applicant is having any UPSI relating to the Company and its securities.

### 13. Trading Window and Trading Restrictions:

Designated Persons and their immediate relatives), shall conduct all their dealings in the securities of the Company only in a valid trading window and must not enter into any transaction in the Company's securities during the period when 'Trading Window' is Closed.

- A. No Designated Person and his/her immediate relative shall apply for pre-clearance of any proposed trade if such Person is in possession of unpublished price sensitive information even if the trading window is not closed.
- B. The Trading Window requirements under this Code shall also be applicable to any person having contractual or fiduciary relation with the Company, such as auditors, accountancy firms, law firms, analysts, consultants etc., assisting or advising the Company.
- C. Additionally, the trading window can be closed in particular for a Designated Person or class of designated person and their immediate relatives when the Compliance Officer determines that such Designated Person or class of Designated Persons can reasonably be expected to have possession of UPSI, for such periods as determined by the Compliance Officer.
- D. The "Trading Window" shall be closed during the time the information referred to hereunder is unpublished or not communicated to the Stock Exchanges. This period can also be termed as "Black-out Period" or "Silent Period".

The "Trading Window" shall, inter-alia, be closed –

Events	Timeframe
Declaration of financial results	Closing of trading window from the period of fifteen days prior to the date of the Board Meeting where such Financials are to be considered and up to 48 hours after communication of the quarterly financial results to the Stock Exchanges.  Provided that in case the Board Meeting date is not finalized before fifteen days of the board meeting date, but finalized before clear seven days of the board meeting, then the Closure of trading window shall start from such seven days.
Proposal in respect of interim / final dividend	
Proposal in respect of issue of securities by way of public/ Rights / bonus/ sub-division/ split etc.	Closing of trading window from the period of seven days prior to the date of the Board Meeting where such UPSI is to be considered and/or from the date on which the notice of Board Meeting is sent to Stock Exchanges, as the case may be, or from such other date, as may be decided by the
Proposal in respect of significant expansion plans or execution of new large projects	

Proposal in respect of amalgamation, mergers, takeovers	Compliance Officer, in consultation with the Chairman/ Managing Director, with reference to any particular event, whichever is longer.
Proposal in respect of disposal of whole or substantially the whole of the undertaking	
Any changes in policies, plans or operations having significant impact on the Company.	
Meeting of Board of Directors of the Company to consider any price sensitive information which will be informed to Stock Exchanges.	

"Trading Window" may be closed by the Compliance Officer Company during such time in addition to the above period, as it may deem fit from time to time. The Trading Window shall be opened 48 hours after the information is made public.

- i) Designated Employees can exercise their options, under Newgen ESOP Schemes, during the period when the Trading Window is closed. However, sale of shares allocated on exercise of ESOPs shall not be allowed when Trading Window is closed.

#### **14. Disclosure Requirements:**

##### **A. Disclosures to be made by any person under this Clause shall include those relating to trading by such person's immediate relatives, and by any other person for whom such person takes trading decisions:**

- i. Every Promoter, Key Managerial Personnel, Director of the Company and each of their Immediate Relatives shall disclose his holding of securities of the Company within thirty days of this Code taking effect as per Form A set out in Annexure 6.
- ii. Every person on appointment as a Key Managerial Personnel or a Director of the Company or upon becoming a Promoter shall disclose his / her and Immediate Relatives' holding of securities of the Company as on the date of appointment or becoming a promoter, to the Company within seven days of such appointment or becoming a promoter, as per Form B set out in Annexure 7.

##### **B. Continual Disclosure:**

- i. Every Promoter, employee, Director of the Company shall disclose as per Form C set out in Annexure 8 to the Company the number of such securities acquired or disposed of within two trading days of such transaction if the value of the securities traded, whether in one transaction or a series of transactions over any calendar quarter, aggregates to a traded value in excess of Rs. 10,00,000 (Rupees Ten Lakhs) or such other value as may be specified time to time.  
It is clarified for the avoidance of doubts that the disclosure of the



incremental transactions after any disclosure under this continual disclosure, shall be made when the transactions effected after the prior disclosure cross the threshold specified in the Continual Disclosure.

### **C. Disclosures by other Connected Persons:**

The Company may, at its own discretion require any other connected person or class of connected persons to make disclosures of holdings and trading in securities of the Company in such form and at such frequency as may be determined by the Company in order to monitor compliance with these regulations. Form D set out in Annexure 9

### **15. Records of Disclosures Received by The Company:**

The Compliance Officer shall maintain records of all the declarations in the appropriate form given by the aforesaid persons for a minimum period of five years. The Compliance Officer shall place before the Audit Committee on quarterly basis, the status reports on trading by designated persons in accordance with the pre-clearance approval.

The Compliance Officer shall notify the stock exchanges, particulars of the Trades, within two trading days of the receipt of the Continual Disclosure or from becoming aware of such information.

### **16. Penalty for Contravention for Insider Trading:**

- a) Every Designated Person and employee shall be individually responsible for complying with the provisions of the Regulations and this Code including to the extent the provisions hereof are applicable to his/her immediate relatives.
- b) Every Designated Person and other Employee who violate this Code shall, in addition to any other penal action that may be taken pursuant to law, also be subject to disciplinary action by the Company after giving reasonable opportunity to them to show-cause. The disciplinary action by the Company may include salary freeze, suspension, and ineligibility for future participation in ESOP or termination of employment.
- c) Action taken by the Company for violation of the Regulations and the Code against any such Designated Person and other Employee will not preclude SEBI from taking any action for violation of the Regulations or any other applicable laws/rules/regulations.
- d) Under Section 15G of the Securities and Exchange Board of India Act, 2015, any insider who indulges in insider trading in contravention of the Regulations, is liable to a penalty not exceeding Rs. 25 crores or three times the amount of profits made out of insider trading, whichever is higher. Under Section 24 of the Securities and Exchange Board of India Act, 2015, anyone who contravenes the Regulations is punishable with imprisonment for a maximum period of ten (10) years or with fine extending upto Rs.25

crores or both.

- e) In case it is observed by the Compliance Officer or by the Chairman of the Board that there has been a violation of the Regulations by any Designated Person/other Employees, he shall forthwith inform the Chairman of the Audit Committee of the Company about the violation. Necessary action will be initiated on obtaining suitable directions from the Audit Committee. The Compliance Officer shall simultaneously inform SEBI about such violation.
- f) The Designated Person against whom information has been furnished by the Company/Compliance Officer to SEBI for violations of the Regulations/Code, shall provide all information and render necessary co-operation as may be required by the Company/Compliance Officer or SEBI in this connection.

### **17. Clarification and Enquiries:**

The Compliance Officer may be contacted for any assistance as to the interpretation and application of this Code.

### **18. Amendment:**

Any or all provisions of the Codes would be subject to revision/amendment in accordance with the guidelines on the subject as may be issued by the SEBI and other Government Regulatory Authorities, from time to time.

### **19. 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 there under, 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 1

**INITIAL DISCLOSURE BY DESIGNATED PERSON**

**To**  
**The Company Secretary & Compliance Officer**  
**Newgen Software Technologies Limited**  
**E-44/13, Okhla Phase - II,**  
**New Delhi - 110020**

I, \_\_\_\_\_, having PAN \_\_\_\_\_ in my capacity as a Designated Person of the Company hereby submit the following details of securities held in Newgen Software Technologies Limited (“Company”).

**I. Details of equity shares held by me in the Company:**

<b>No. of Equity Shares held</b>	<b>Client ID &amp; DP ID</b>	<b>Folio No. (if held in physical mode)</b>

**II. Details of immediate relatives:**

Pursuant to the provisions of SEBI (Prohibition of Insider Trading) Regulations, 2015 ("Regulation") and the Company's Code of Practices for fair Disclosure and Code of Conduct to regulate and monitor trading (**the "Codes"**), I hereby declare the list of immediate relatives\* and their shareholding in the Company.

<b>S. No.</b>	<b>Name of the Immediate Relative</b>	<b>PAN</b>	<b>Relationship with the Designated Person</b>	<b>No. of Equity shares held</b>	<b>Client ID &amp; DP ID</b>

*\*"Immediate relatives" means parent, sibling, and child of such person or of the spouse, any of whom is either dependent financially on such person, or consults such person in taking decisions relating to trading in securities.*

I hereby undertake to ensure compliances, required by me, as enumerated in the Codes as aforesaid.

Date: \_\_\_\_\_  
Place: \_\_\_\_\_

Signature : .....  
Employee Name :  
Employee Code :  
Designation :  
Contact No. :

**ANNEXURE 2**  
**APPLICATION FOR PRE-TRADING APPROVAL**

**To**  
**The Company Secretary & Compliance Officer**  
**Newgen Software Technologies Limited**  
**E-44/13, Okhla Phase - II,**  
**New Delhi - 110020**

Pursuant to the SEBI (Prohibition of Insider Trading) Regulations, 2015 and the Newgen's Code Company thereto, I hereby seek approval to trade in the securities of the Company as per details given below:

1.	Name of the applicant	
2.	Designation	
3.	Number of securities held as on date	
4.	DP ID / Client ID No.	
5.	The proposal is for Purchase/ sale/ subscription / other dealing <i>In case other dealing please specify</i>	
6.	Proposed date of trading in securities	
7.	Estimated number of securities proposed to be trade	
8.	Current market price (as on date of application)	
9.	Whether the proposed transaction will be through stock exchange or off-market trade	
10.	Folio No. / DP ID / Client ID No. where the securities will be credited / debited	

I declare that:

1. the order for trading shall be executed within 7 (seven) trading days after approval is granted to me and an intimation of the same will be given to the Compliance Officer within 2 (two) Trading Days thereof.

2. if the order for trading is not executed within 7 (seven) trading days after the approval is granted to me, a fresh approval will be taken in that behalf.

You are requested kindly to give your permission to trade in the equity shares/ other securities of the Company as requested above. I enclose herewith the Undertaking signed by me.

Signature: \_\_\_\_\_

Name:

Designation:

Contact details:

Date:

Place:

**Annexure 3**  
**UNDERTAKING TO BE ACCOMPANIED WITH THE APPLICATION FOR PRE-CLEARANCE**

**To**  
**The Company Secretary & Compliance Officer**  
**Newgen Software Technologies Limited**  
**E-44/13, Okhla Phase - II,**  
**New Delhi - 110020**

I, \_\_\_\_\_ of the Company residing at \_\_\_\_\_, am desirous of trading in \_\_\_\_\_ shares of the Company as mentioned in my application dated \_\_\_\_\_ for pre-clearance of the transaction.

I further declare that I am not in possession of any unpublished price sensitive information up to the time of signing this Undertaking and making the application for pre-clearance.

In the event that I have access to or receive any unpublished price sensitive information after the signing of this undertaking but before executing the transaction for which approval is sought, I shall inform the Compliance Officer of the same and shall completely refrain from trading in the securities of the Company until such information becomes public.

I declare that I have not contravened the provisions of the Code as notified by the Company from time to time.

In the event of this transaction being in violation of the Code or the applicable laws, (a) I will, unconditionally, release, hold harmless and indemnify to the fullest extent, the Company and its Directors and officers, (the 'indemnified persons') for all losses, damages, fines, expenses, suffered by the indemnified persons, (b) I will compensate the indemnified persons for all expenses incurred in any investigation, defense, crisis management or public relations activity in relation to this transaction and (c) I authorize the Company to recover from me, the profits arising from this transaction and remit the same to the SEBI for credit of the Investor Protection and Education Fund administered by the SEBI.

I undertake to submit the necessary report within two trading days of execution of the transaction / a 'Nil' report if the transaction is not undertaken along with reason for no execution.

If approval is granted, I shall execute the trade within seven days of the receipt of approval failing which I shall seek pre-clearance afresh.

I declare that I have made full and true disclosure in the matter.

Signature : \_\_\_\_\_

Name:

Designation:

Contact details:

Date :

Place:

**Annexure - 4**

1) For Approval

To,

Name:

Designation:

Sub.: Pre-clearance approval Number .....

Reference: Your application dated \_\_\_\_\_

**PRE-CLEARANCE ORDER**

This is to inform you that your request for dealing in \_\_\_\_\_ (numbers) Equity Shares of the Company comprised in your application dated \_\_\_\_\_ , pursuant to Newgen's Code, is approved.

Please note that the said transaction must be completed within seven trading days from the date of this approval. You shall report trades executed or decisions not to trade after securing pre-clearance along with recording of reasons for such decisions by submitting a declaration to the Compliance Officer as per Annexure 5 of the Code. If you fail to complete the transaction within the stipulated period, you will be required to make an application for the pre-clearance of the said transaction afresh.

You shall not enter into one counter trade i.e. selling or buying of shares within six months of date of such buying or selling respectively.

1) For Rejection

**PRE-CLEARANCE ORDER**

This is to inform you that your request for dealing in \_\_\_\_\_ (numbers) Equity Shares of the Company comprised in your application dated \_\_\_\_\_ , pursuant to Newgen's Code, has been rejected due to the following reasons:

1. ....
2. ....

For any further clarification you may contact the undersigned.

For Newgen Software Technologies Limited

Compliance Officer

**Annexure 5**  
**DISCLOSURE OF TRANSACTIONS**  
**(To be submitted within 2 trading days of transaction / trading in securities of the Company)**

**To**  
**The Company Secretary & Compliance Officer**  
**Newgen Software Technologies Limited**  
**E-44/13, Okhla Phase - II,**  
**New Delhi - 110020**

Sub.: Details of Dealings  
 Ref. Your Approval letter No. .... dated.....

Dear Sir,

Pursuant to the aforesaid approvals, I hereby inform that:

I /my immediate relative have traded in the securities of the Company as mentioned below:

- )  
 (strike out whichever is not applicable)

Name of holder	No. of securities traded	Bought/ sold/ subscribed/ Other dealing (please specify)	DP ID/ Client ID/ Folio No.	Price (Rs.)	Trading in NSE/BSE or Off Market

OR

I/my immediate relative ..... Did not execute the transactions pre-approved by the Compliance Officer due to .....

I declare that the above information is correct and that no provisions of the Company's Code and/or applicable laws/regulations have been contravened for effecting the above said transactions(s).

I acknowledge that I / my immediate relative, as mentioned above, is prohibited to enter into an contra trade i.e sell or buy respectively any number of securities during the next six months following the aforesaid transaction

Signature: \_\_\_\_\_  
 Name:  
 Date:



## Annexure 6

## FORM A

## SEBI (Prohibition of Insider Trading) Regulations, 2015

## [Regulation 7 (1) (a) read with Regulation 6 (2) – Initial disclosure to the Company]

Name of the Company: \_\_\_\_\_

ISIN of the Company: \_\_\_\_\_

**Details of Securities held by Promoter, Key Managerial Personnel (KMP), Director and other such persons as mentioned in Regulation 6(2)**

Name, PAN, CIN/DIN & address with contact nos.	Category of Person (Promoters/ KMP/ Directors/ Immediate relatives/ others etc.)	Securities held as on the date of regulation coming into force		% of Shareholding
		Type of security (For e.g. – Shares, Warrants, Convertible Debentures etc.)	No.	

**Note:** “Securities” shall have the meaning as defined under regulation 2(1)(i) of SEBI (Prohibition of Insider Trading) Regulations, 2015.

Name &amp; Signature:

Designation:

Date:

Place:

## Annexure 7

**FORM B**

**SEBI (Prohibition of Insider Trading) Regulations, 2015**  
**[Regulation 7 (1) (b) read with Regulation 6(2) – Disclosure on becoming a**  
**Director/KMP/Promoter]**

Name of the Company: \_\_\_\_\_

ISIN of the Company: \_\_\_\_\_

**Details of Securities held on appointment of Key Managerial Personnel (KMP) or Director or upon becoming a Promoter of a listed Company and other such persons as mentioned in Regulation 6(2).**

Name, PAN, CIN/DIN & address with contact nos.	Category of Person (Promoters/ KMP/ Directors/ Immediate relatives/ others etc.)	Date of appointment of Director/ KMP or Date of becoming Promoter	Securities held		% of Shareholding
			Type of security (For e.g. – Shares, Warrants, Convertible Debentures etc.)	No.	

**Note:** “Securities” shall have the meaning as defined under regulation 2(1)(i) of SEBI (Prohibition of Insider Trading) Regulations, 2015.

**Note:** In case of Options, notional value shall be calculated based on premium plus strike price of options.

Name &amp;

Signature:

Designation:

Date:

Place:



				etc.)									

*Note: "Securities" shall have the meaning as defined under regulation 2(1)(i) of SEBI (Prohibition of Insider Trading) Regulations, 2015*

Name & Signature:

Designation:

Date:

Place:

Annexure 9

**FORM D**

SEBI (Prohibition of Insider Trading) Regulations, 2015 [Regulation 7 (3)-Transactions by Other connected persons as identified by the Company

Name of the Company: \_\_\_\_\_

ISIN of the Company: \_\_\_\_\_

**Details of trading in securities by other connected persons as identified by the Company.**

Name,  PAN, CIN/DIN, &  address with contact nos. of connected persons as identified by the Company	Connection with Company	Securities held  prior to acquisition/dispo  Sal	Securities acquired/Disposed				Securities held post  acquisition/disposal		Date of allotment/ advice/ acquisitions of shares/ sale of shares specify	From	To	Date of intimation to Company	Mode of acquisition / disposal (on market/public/ rights/ preferential offer / off market/ Inter-se transfer, ESOPs etc.)
			Type of security (For eg.	No. and % of	Type of security (For eg.	No.	Value	Transact ion Type (Buy/					

		- Shares, Warrants, Convertible Debentures etc.)	Shareholding	- Shares, Warrants, Convertible Debentures etc.)			Sale/ Pledge / Revoke/ Invoke)	- Shares, Warrants, Convertible Debentures etc.)	ng				

**Note:** "Securities" shall have the meaning as defined under regulation 2(1)(i) of SEBI (Prohibition of Insider Trading) Regulations, 2015

Name & Signature:

Date:

Place: