Walker Chandiok & Co LLP

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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 Standalone Balance Sheet as at 31 March 2025, the Standalone Statement of Profit and Loss (including Other Comprehensive Income), the Standalone Statement of Cash Flow and the Standalone Statement of Changes in Equity for the year then ended, and notes to the standalone financial statements, including material accounting policy information 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 2025, 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 standalone 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 Matter

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 standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

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5. We have determined the matter described below to be the key audit matter 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 material accounting policy information 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 ('Ind AS 115'). Revenue recognition in such contracts 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 contract assets 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.	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 revenue, and the associated contract assets, unearned revenue balances. b) Evaluated the appropriateness of accounting policy adopted by the management in accordance with the requirements of Ind AS 115. c) 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; d) Selected a sample of contracts and 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. - Tested the details of activities completed as provided by the project head and confirmation/acceptance of completion of such activities by the customer. - Performed a retrospective review of efforts incurred with estimated efforts to identify significant variations, if any and verified whether those variations have been considered in estimating the remaining efforts to complete the contract. - Tested the mathematical accuracy of the workings performed by the management to determine amount recognised as revenue during the current year and resultant contract assets/unearned revenue outstanding as at year end. e) 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.

Information other than the Standalone 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. The Annual Report is expected to be made available to us after the date of this auditor's report.

   Our opinion on the standalone financial statements does not cover the other information and we will 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 identified above when it becomes available 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.

   When we read the Annual Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

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 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 standalone financial statements, the Board of Directors is 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 intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

9. The Board of Directors is 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.

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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 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 Board of Directors' 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 standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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.

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Independent Auditor's Report to the members of Newgen Software Technologies Limited on the standalone financial statements for the year ended 31 March 2025 (Cont'd)

Report on Other Legal and Regulatory Requirements

15. 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.

16. 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.

17. 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 2025 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 Company as on 31 March 2025 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, as detailed in note 36 to the standalone financial statements, has disclosed the impact of pending litigations on its financial position as at 31 March 2025;

        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 2025;

        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 2025;

        iv.

            a. The management has represented that, to the best of its knowledge and belief, as disclosed in note 48(v) to the standalone financial statements, 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 person(s) or entity(ies), 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;

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b. The management has represented that, to the best of its knowledge and belief, as disclosed in note 48(vi) to the standalone financial statements, no funds have been received by the Company from any person(s) or entity(ies), 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 notice that has caused us to believe that the management representations under sub-clauses (a) and (b) above contain any material misstatement.

v. The final dividend paid by the Company during the year ended 31 March 2025 in respect of such dividend declared for the previous year is in accordance with section 123 of the Act to the extent it applies to payment of dividend and as stated in note 38 to the accompanying standalone financial statements, the Board of Directors of the Company have proposed final dividend for the year ended 31 March 2025 which is subject to the approval of the members at the ensuing Annual General Meeting. The dividend declared is in accordance with section 123 of the Act to the extent it applies to declaration of dividend.

vi. Based on our examination which included test checks, the Company, in respect of financial year commencing on 1 April 2024, has used an accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has been operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with. Furthermore, the audit trail has been preserved by the Company as per the statutory requirements for record retention.

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013

Ankit Mehra
Partner
Membership No.: 507429
UDIN: 25507429BMIXFA1397

WALKER CHANDIOK & CO LLP * CHARTERED ACCOUNTANTS

Place: Gurugram
Date: 2 May 2025

Annexure I referred to in paragraph 16 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 2025

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 relevant details of right-of-use assets.

(B) The Company has maintained proper records showing full particulars of intangible assets.

(b) The Company has a regular programme of physical verification of its property, plant and equipment and relevant details of 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 programme, certain property, plant and equipment and relevant details of 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), disclosed in Note 48(ix) to the standalone financial statements, are held in the name of the Company.

(d) The Company has adopted cost model for its Property, Plant and Equipment including right-of-use assets and intangible assets. Accordingly, reporting under clause 3(i)(d) of the Order is not applicable to the Company.

(e) No proceedings have been initiated or are pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 (as amended) and rules made thereunder.

(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) As disclosed in Note 48(viii) to the standalone financial statements, the Company has been sanctioned a working capital limit in excess of Rs. 500 lacs by banks based on the security of current assets. The quarterly returns, in respect of the working capital limits have been filed by the Company with such banks and such returns are in agreement with the books of account of the Company for the respective periods, which were not subject to audit/review.

(iii) The Company has not made any investment in, provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured to companies, firms, Limited Liability Partnerships (LLPs) or any other parties during the year. Accordingly, reporting under clause 3(iii) of the Order is not applicable to the Company.

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 and investments made and guarantees and security provided by it, as applicable. Further, the Company has not entered into any transaction covered under section 185 of the Act.

(v) In our opinion, and according to the information and explanations given to us, the Company has not accepted any deposits or there are no amounts which have been deemed to be deposits 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/ services / business activities. Accordingly, reporting under clause 3(vi) of the Order is not applicable.

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Annexure I referred to in Paragraph 16 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 2025

(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 in sub-clause (a) which have not been deposited with the appropriate authorities on account of any dispute except for the following:

Name of the statute	Nature of dues	Gross Amount (Rs.in lacs)	Amount paid under Protest (Rs.)	Period to which the amount relates	Forum where dispute is pending	Remarks, if any
Income Tax Act, 1961	Income Tax and Interest	117.59	-	AY 2020-21	CIT(A)	
Income Tax Act, 1961	Income Tax and Interest	67.55	-	AY 2021-22	CIT(A)	

(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 previously recorded in the books of accounts.

(ix) 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.

(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 and on the basis of our examination of the records of the Company, 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 no fraud on the Company has been noticed or reported during the period covered by our audit.

(b) According to the information and explanations given to us including the representation made to us by the management of the Company, no report under sub-section 12 of section 143 of the Act has been filed by the auditors in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014, with the Central Government for the period covered by our audit.

(c) According to the information and explanations given to us, the Company has received whistle blower complaint during the year, which have been considered by us while determining the nature, timing and extent of audit procedures.

(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.

WALKER CHANDIOK & CO LLP
CHARTERED ACCOUNTANTS

Annexure I referred to in Paragraph 16 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 2025

(xiii) In our opinion and according to the information and explanations given to us, all transactions entered into by the Company with the related parties are in compliance with sections 177 and 188 of the Act, where applicable. Further, the details of such related party transactions have been disclosed in the standalone financial statements, as required under Indian Accounting Standard (Ind AS) 24, Related Party Disclosures specified in Companies (Indian Accounting Standards) Rules 2015 as prescribed under section 133 of the Act.

(xiv) (a) In our opinion and according to the information and explanations given to us, the Company has an internal audit system which is commensurate with the size and nature of its business as required under the provisions of section 138 of the Act.

(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 its directors and accordingly, reporting under clause 3(xv) of the Order with respect to compliance with the 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 clauses 3(xvi)(a), (b) and (c) of the Order are not applicable to the Company.

(b) 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 losses in the current financial year 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 in the standalone financial statements, our knowledge of the plans of the Board of Directors and management and based on our examination of the evidence supporting the assumptions , nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not 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 amounts towards Corporate Social Responsibility in respect of any ongoing or other than ongoing project as at the end of the financial year. Accordingly, reporting under clause 3(xx) of the Order is not applicable to the Company.

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WALKER CHANDIOK & CO LLP * CHARTERED ACCOUNTANTS *

Annexure I referred to in Paragraph 16 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 2025

(xxi) The reporting under clause 3(xxi) of the Order 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

Ankit Mehra
Partner
Membership No.: 507429
UDIN: 25507429BMIXFA1397

Place: Gurugram
Date: 2 May 2025

Annexure II to 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 2025

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 2025, 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.

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Annexure II to 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 2025

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 2025, 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

WALKER CHANDIOK & CO LLP
CHARTERED ACCOUNTANTS

Ankit Mehra
Partner
Membership No.: 507429
UDIN: 25507429BMIXFA1397

Place: Gurugram
Date: 2 May 2025

Newgen Software Technologies Limited
CIN: L72200DL1992PLC049074
Standalone Balance Sheet as at 31 March 2025
(All amounts are in lakhs of Indian Rupees, unless otherwise stated)

	Note	As at 31 March 2025	As at 31 March 2024
ASSETS			
Non-current assets			
Property, plant and equipment	4	17,136.91	16,371.65
Capital work-in-progress	4	-	279.53
Right-of-use assets	19	7,264.90	6,392.60
Goodwill	4A	283.31	283.31
Intangible assets	5	648.11	1,022.03
Financial assets			
Investment in subsidiaries	6	3,040.56	2,858.20
Other Financial assets	7	9,092.31	8,371.40
Deferred tax assets (net)	33	1,829.77	2,658.84
Income tax assets (net)	8	1,922.51	1,501.44
Other non-current assets	9	47.61	17.86
Total non-current assets		**41,265.99**	**39,756.86**
Current assets			
Financial assets			
Investments	10	50,839.62	36,498.89
Trade receivables	11	36,077.43	31,535.97
Cash and cash equivalents	12	4,504.64	4,990.98
Bank balances other than cash and cash equivalents	13	20,139.43	20,022.60
Loans	14	53.11	11.73
Other financial assets	15	1,857.44	2,218.59
Contract Assets	16A	26,049.20	13,847.80
Other current assets	16B	3,334.31	2,429.04
Total current assets		**1,42,855.18**	**1,11,555.60**
TOTAL ASSETS		**1,84,121.17**	**1,51,312.46**
EQUITY AND LIABILITIES			
Equity			
Equity Share capital	17	14,021.30	13,977.93
Other equity	18	1,27,289.35	1,00,779.78
Total equity attributable to owners of the company		**1,41,310.65**	**1,14,757.71**
Non-current liabilities			
Financial liabilities			
Lease liabilities	19	3,738.51	2,996.53
Provisions	21	5,148.51	4,750.66
Total non-current liabilities		**8,887.02**	**7,747.19**
Current liabilities			
Financial liabilities			
Borrowings	20	-	219.92
Lease liabilities	19	1,110.74	952.25
Trade payables			
- Total outstanding dues to micro enterprises and small enterprises	22	277.92	632.13
- Total outstanding dues to creditors other than micro and small enterprises	22	8,090.96	5,563.14
Other financial liabilities	23	5,177.53	4,720.30
Deferred income	24	11,886.26	11,807.67
Other current liabilities	25	3,733.50	2,694.55
Provisions	26	962.71	908.16
Income tax liabilities (net)	8A	2,683.88	1,309.44
Total current liabilities		**33,923.50**	**28,807.56**
Total liabilities		**42,810.52**	**36,554.75**
TOTAL EQUITY AND LIABILITIES		**1,84,121.17**	**1,51,312.46**

Summary of material accounting policies information — 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

Anil Mohan
Partner
Membership No.: 507429

Place: Gurugram
Date: 02 May 2025

WALKER CHANDIOK & CO LLP
CHARTERED ACCOUNTANTS

For and on behalf of the Board of Directors of
Newgen Software Technologies Limited

Diwakar Nigam
Chairman & Managing Director
DIN: 00263222

Place: Delhi
Date: 02 May 2025

T.S.Varadarajan
Whole Time Director
DIN: 00263115

Place: Delhi
Date: 02 May 2025

Virender Jeet
Chief Executive Officer
PAN: AAOPJ2433N

Place: Delhi
Date: 02 May 2025

Arun Kumar Gupta
Chief Financial Officer
Membership No: 056859

Place: Delhi
Date: 02 May 2025

Aman Mourya
Company Secretary
Membership No: F9975

Place: Delhi
Date: 02 May 2025

Newgen Software Technologies Limited
CIN: L72200DL1992PLC049074

Standalone Statement of Profit and Loss for the year ended 31 March 2025

(All amounts are in lakhs of Indian Rupees, unless otherwise stated)

	Note	For the year ended 31 March 2025	For the year ended 31 March 2024
Income			
Revenue from operations	27	1,35,435.39	1,13,611.93
Other income	28	5,967.66	4,550.01
Total income		**1,41,403.05**	**1,18,161.94**
Expenses			
Employee benefits expense	29	61,654.47	53,931.47
Finance costs	30	452.80	410.65
Depreciation and amortisation expenses	31	3,067.26	2,585.09
Other expenses	32	38,925.71	32,799.68
Total expenses		**1,04,100.24**	**89,726.89**
Profit before tax		**37,302.81**	**28,435.05**
Tax expense	33		
Current tax		9,062.27	5,270.70
Deferred tax credit		(1,086.75)	(569.20)
Income tax expense		**7,975.52**	**4,701.50**
Profit for the year		**29,327.29**	**23,733.55**
Other comprehensive loss			
Items that will not be reclassified subsequently to profit or loss			
Re-measurement losses on defined benefit plans		(109.52)	(467.22)
Income tax relating to items that will not be reclassified to profit or loss		38.27	163.26
Net other comprehensive loss not to be reclassified subsequently to profit or loss		**(71.25)**	**(303.96)**
Items that will be reclassified subsequently to profit or loss			
Financial assets or investments carried at fair value through other comprehensive income		(151.35)	(67.18)
Income tax relating to items that will be reclassified to profit or loss		35.26	15.65
Net other comprehensive loss to be reclassified subsequently to profit or loss		**(116.09)**	**(51.53)**
Other comprehensive loss for the year, net of income tax		**(187.34)**	**(355.49)**
Total comprehensive income for the year		**29,139.95**	**23,378.06**
Earnings per equity share	34		
Nominal value of share INR 10 (31 March 2024: INR 10)			
Basic earning per share (INR)		20.96	17.00
Diluted earning per share (INR)		20.37	16.51
Summary of material accounting policies information	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

Ankit Mehra
Partner
Membership No.: 507429

Place: Gurugram
Date: 02 May 2025

WALKER CHANDIOK & CO LLP • CHARTERED ACCOUNTANTS •

For and on behalf of the Board of Directors of
Newgen Software Technologies Limited

Diwakar Nigam
Chairman & Managing Director
DIN: 00263222

Place: Delhi
Date: 02 May 2025

T.S.Varadarajan
Whole Time Director
DIN: 00263115

Place: Delhi
Date: 02 May 2025

Virender Jeet
Chief Executive Officer
PAN: AAOPJ2433N

Place: Delhi
Date: 02 May 2025

Arun Kumar Gupta
Chief Financial Officer
Membership No: 056839

Place: Delhi
Date: 02 May 2025

Aman Mourya
Company Secretary
Membership No: F9975

Place: Delhi
Date: 02 May 2025

Newgen Software Technologies Limited
CIN: L72200DL1992PLC049074
Standalone Statement of Cash Flows for the year ended 31 March 2025
(All amounts are in lakhs of Indian Rupees, unless otherwise stated)

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
A. Cash flows from operating activities		
Net profit before tax	**37,302.81**	**28,435.05**
Adjustments for:		
Depreciation and amortisation expense	3,067.26	2,585.09
Gain on sale of property, plant and equipment	(13.44)	(13.35)
Loss allowance on trade receivables and contract assets	3,047.03	2,345.16
Liabilities/ provision no longer required written back	(476.46)	(120.68)
Unrealised foreign exchange loss /(Gain)	195.33	(372.28)
Share based payment - equity settled	2,357.07	2,137.51
Finance costs	442.25	328.57
Fair value changes of financial assets at FVTPL	(1,083.29)	(1,359.54)
Profit on sale of mutual funds (net) at FVTPL	(913.75)	(254.94)
Interest income	(2,388.74)	(2,352.06)
Gain on lease termination	(127.05)	-
Operating cash flow before working capital changes	**40,509.92**	**31,358.53**
Increase in trade receivables	(7,455.33)	(2,571.47)
Increase in loans	(41.38)	(4.73)
Increase in other financial assets	(712.40)	(507.98)
Increase in contract assets	(12,349.87)	(1,724.03)
Increase in other assets	(935.02)	(1,178.27)
Increase in provisions	342.88	801.72
Increase in other financial liabilities	573.92	997.80
Increase in other liabilities and deferred income	1,117.54	3,514.13
Increase in trade payables	2,650.03	795.66
Cash generated from operations	**23,700.23**	**31,481.36**
Income taxes paid (net)	(6,119.55)	(5,094.41)
Net cash generated from operating activities (A)	**17,580.68**	**26,386.95**
B. Cash flows from investing activities		
Acquisition or construction of property plant and equipment including intangible assets, capital work-in-progress, capital advances and payable for capital assets	(2,308.19)	(1,361.99)
Proceeds from sale of property plant and equipment	26.17	17.60
Purchase of mutual funds and bonds	(41,176.58)	(36,199.38)
Proceeds from redemption of mutual funds and bonds	29,581.56	14,386.59
Interest received from bonds	425.60	426.36
Interest received from bank deposits	2,453.60	1,127.55
Investment in subsidiary company	-	(222.48)
Investment in bank deposits (net of maturities)	(482.72)	240.48
Net cash used in investing activities (B)	**(11,480.56)**	**(21,585.27)**
C. Cash flows from financing activities		
Repayment of short-term borrowings	(219.02)	(203.63)
Interest paid on borrowings	(14.32)	(30.61)
Repayment of lease liabilities	(800.95)	(717.32)
Interest paid on finance lease	(427.03)	(297.05)
Proceeds from issue of equity shares under ESOP scheme	485.23	212.62
Dividend paid	(5,608.57)	(3,495.63)
Net cash used in financing activities (C)	**(6,586.46)**	**(4,532.52)**
Net (decrease)/ increase in cash and cash equivalents (A + B + C)	**(486.34)**	**269.16**
Cash and cash equivalents at the beginning of the year	**4,990.98**	**4,721.82**
Cash and cash equivalents at the end of the year	**4,504.64**	**4,990.98**
Components of cash and cash equivalents: (refer note 12)		
Cash in hand	5.47	6.45
Balances with banks:		
- in current accounts	4,497.78	3,583.14
- balances with scheduled banks in deposit accounts with original maturity of less than 3 months	1.39	1,401.39
	4,504.64	**4,990.98**

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"
2. Refer note 19 and note 20 for reconciliation of liabilities arising from financing activities.

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

Aashi Mehra
Partner
Membership No.: 507429

Place: Gurugram
Date: 02 May 2025

For and on behalf of the Board of Directors of
Newgen Software Technologies Limited

Diwakar Nigam
Chairman & Managing Director
DIN: 00263222

Place: Delhi
Date: 02 May 2025

T.S.Varadarajan
Whole Time Director
DIN: 00263115

Place: Delhi
Date: 02 May 2025

Virender Jeet
Chief Executive Officer
PAN: AACPJ2433N

Place: Delhi
Date: 02 May 2025

Arun Kumar Gupta
Chief Financial Officer
Membership No: 056859

Place: Delhi
Date: 02 May 2025

Aman Mourya
Company Secretary
Membership No: F9975

Place: Delhi
Date: 02 May 2025

Newgen Software Technologies Limited
CIN: L72200DL1992PLC049074
Standalone Statement of Changes in Equity for the year ended 31 March 2025
(All amounts are in lakhs of Indian Rupees, unless otherwise stated)

a. Share capital

Particulars	Equity share capital Number	Equity share capital Amount	Total share capital Amount
Balance as at 1 April 2023	6,99,55,701	6,995.57	6,995.57
Add: Issued during the year to Newgen ESOP Trust before bonus issue	1,13,700	11.37	11.37
Balance shares before bonus issue	7,00,69,401	7,006.94	7,006.94
Add: Bonus Share issued during the year	7,00,69,401	7,006.94	7,006.94
Add: Issued during the year to Newgen ESOP Trust after bonus issue	1,53,000	15.30	15.30
Total Share Capital as on 31 March 2024	14,02,91,802	14,029.18	14,029.18
Less: Shares held by Newgen ESOP Trust	5,12,483	51.25	51.25
Balance as at 31 March 2024	13,97,79,319	13,977.93	13,977.93
Balance as at 1 April 2024	14,02,91,802	14,029.18	14,029.18
Add: Issued during the year to Newgen ESOP Trust	3,93,385	39.34	39.34
Add: Issued during the year to Newgen RSU Trust	9,40,000	94.00	94.00
Total Share Capital as on 31 March 2025	14,16,25,187	14,162.52	14,162.52
Less: Shares held by Newgen ESOP Trust	5,77,215	57.72	57.72
Less: Shares held by Newgen RSU Trust	8,35,025	83.50	83.50
Balance as at 31 March 2025	14,02,12,947	14,021.30	14,021.30

b. Other equity*

Particulars	Securities premium	Retained earnings	Others: Capital redemption reserve	Others: General reserve	Others: Capital Reserve	Others: Newgen ESOP Trust reserve	Others: Share options outstanding reserve	Items of Other comprehensive income: Remeasurement of defined benefit liability	Items of Other comprehensive income: Debt instruments through OCI	Total attributable to owners of the Company
Balance as at 1 April 2023	10,605.31	70,401.56	87.95	1,731.38	416.38	540.35	2,142.08	(246.01)	(232.36)	85,446.64
Total comprehensive income for the year ended 31 March 2024										
Profit for the year	-	23,733.55	-	-	-	-	-	-	-	23,733.55
Other comprehensive loss (net of tax)	-	-	-	-	-	-	-	(301.96)	(31.43)	(333.39)
Securities premium on issue of bonus shares	(7,006.94)	-	-	-	-	-	-	-	-	(7,006.94)
Transactions with owners, recorded directly in equity										
Addition to Newgen ESOP Trust reserve	-	-	-	-	-	12.94	-	-	-	12.94
Shares allotted to Newgen ESOP Trust	484.41	-	-	-	-	-	-	-	-	484.41
Contributions by and distributions to owners										
Dividend on equity shares	-	(3,497.39)	-	-	-	-	-	-	-	(3,497.39)
Employee stock compensation expense	-	-	-	-	-	-	2,437.92	-	-	2,437.92
Transferred to securities premium account on exercise of stock options	132.79	-	-	-	-	-	(132.79)	-	-	-
Balance as at 31 March 2024	4,215.57	90,637.72	87.95	1,731.38	416.38	553.29	4,447.21	(547.97)	(263.79)	1,01,277.74
Less: Securities premium on shares held by Newgen ESOP Trust	497.98									497.98
Balance as at 31 March 2024	3,717.59	90,637.72	87.95	1,731.38	416.38	553.29	4,447.21	(547.97)	(263.79)	1,00,779.76
Balance as at 1 April 2024	4,215.57	90,637.72	87.95	1,731.38	416.38	553.29	4,447.21	(547.97)	(263.79)	1,01,277.74
Total comprehensive income for the year ended 31 March 2025										
Profit for the year	-	29,327.29	-	-	-	-	-	-	-	29,327.29
Other comprehensive loss (net of tax)	-	-	-	-	-	-	-	(71.25)	(116.09)	(187.34)
Transactions with owners, recorded directly in equity										
Addition to Newgen ESOP Trust reserve	-	-	-	-	-	(7.57)	-	-	-	(7.57)
Shares allotted to Newgen ESOP Trust	939.40	-	-	-	-	-	-	-	-	939.40
Contributions by and distributions to owners										
Dividend on equity shares	-	(5,611.67)	-	-	-	-	-	-	-	(5,611.67)
Employee stock compensation expense	-	-	-	-	-	-	2,539.42	-	-	2,539.42
Transferred to securities premium account on exercise of stock options	517.46	-	-	-	-	-	(517.46)	-	-	-
Balance as at 31 March 2025	5,672.43	1,14,353.34	87.95	1,731.38	416.38	545.72	6,469.17	(619.22)	(379.88)	1,28,277.27
Less: Securities premium on shares held by Newgen ESOP / RSU Trust	987.94	-	-	-	-	-	-	-	-	987.94
Balance as at 31 March 2025	4,684.49	1,14,353.34	87.95	1,731.38	416.38	545.72	6,469.17	(619.22)	(379.88)	1,27,289.33

* Refer note 18

Summary of material accounting policies information — 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

[illegible]
Partner
Membership No.: 507429

Place: Gurugram
Date: 02 May 2025

For and on behalf of the Board of Directors of
Newgen Software Technologies Limited

Diwakar Nigam
Chairman & Managing Director
DIN: 00263222

Place: Delhi
Date: 02 May 2025

T.S. Varadarajan
Whole Time Director
DIN: 00263115

Place: Delhi
Date: 02 May 2025

Virender Jeet
Chief Executive Officer
PAN: [illegible]

Place: Delhi
Date: 02 May 2025

Arun Kumar Gupta
Chief Financial Officer
Membership No: 056859

Place: Delhi
Date: 02 May 2025

Aman Mourya
Company Secretary
Membership No: 49095

Place: Delhi
Date: 02 May 2025

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 E-44/13, Okhla Phase II, New Delhi - 110020. 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 amended, and other relevant provisions of the Act and guidelines issued by the Securities and Exchange Board of India (SEBI). 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 authorized for issue by the Company's Board of Directors on 2 May 2025.

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
Defined Benefit Liability	Present value of defined benefit obligations

D. 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 Company 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

WALKER CHANDIOK & CO LLP CHARTERED ACCOUNTANTS

Newgen Software Technologies Limited

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 Company 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 Company 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 Company'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.

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 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.

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Newgen Software Technologies Limited

If the initial accounting for a business combination is incomplete by the end of the reporting period in which the combination occurs, the Company 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.

E. 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 material 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 2025. is included in the following notes:

- Note 3(c)(iii) –Estimation of Useful lives of intangible assets and Property, plant and equipment.
- 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

F. 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.

WALKER CHANDIOK & CO LLP * CHARTERED ACCOUNTANTS

Newgen Software Technologies Limited

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.

G. 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 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.

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H. Recent accounting pronouncements

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. For the year ended 31 March 2025, MCA has not notified any new standards or amendments to the existing standards applicable to the company.

I. Application of new standards and amendments

The Ministry of Corporate Affairs notified new standards or amendment to existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. The Company applied following amendments for the first-time during the current year which are effective from 1 April 2024.

Ind AS 116 - Lease liability in a sale and leaseback: The amendments require an entity to recognise lease liability including variable lease payments which are not linked to index or a rate in a way it does not result into gain on Right of Use asset it retains. The amendment did not have any material impact on the financial statements of the company.

Introduction of Ind AS 117: MCA notified Ind AS 117, a comprehensive standard that prescribe, recognition, measurement and disclosure requirements, to avoid diversities in practice for accounting insurance contracts and it applies to all companies i.e., to all "insurance contracts" regardless of the issuer. However, Ind AS 117 is not applicable to the entities which are insurance companies registered with IRDAI.

The Company has reviewed the new pronouncements and based on its evaluation has determined that these amendments do not have a significant impact on the Company's Financial Statements.

3. Material Accounting Policies Information

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.

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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. However, trade receivables that do not contain a significant financing component are measured at transaction price.

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
- 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 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

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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 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.

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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.

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
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.

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 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.

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Amortization

Intangible assets of the Company represents computer software and AI Platform , are amortized using the straight-line method over the estimated useful life 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.

The estimated useful lives of Intangible Assets for the current and comparative periods are as follows:

Intangible Assets	Estimated Useful Life (Years)
AI Platform	5
Other Intangibles	4-5

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**

In accordance with Ind AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

a. Financial assets that are debt instruments, and are measured at amortised cost e.g., loans, debt securities, deposits, trade receivables and bank balance
b. Financial assets that are debt instruments and are measured as at FVTOCI
c. Lease receivables under Ind AS 116
d. Trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 115
e. Loan commitments which are not measured as at FVTPL
f. Financial guarantee contracts which are not measured as at FVTPL

The Company follows 'simplified approach' for recognition of impairment loss allowance on:
• Trade receivables or contract revenue receivables; and
• All lease receivables resulting from transactions within the scope of Ind AS 116

The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

For recognition of impairment loss on other financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognising impairment loss allowance based on 12-month ECL.

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date.

ECL is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the entity expects to receive (i.e., all cash shortfalls), discounted at the original EIR.

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ECL impairment loss allowance (or reversal) recognized during the period is recognized as income/ expense in the statement of profit and loss (P&L). This amount is reflected under the head 'other expenses' in the P&L. The balance sheet presentation for various financial instruments is described below:

- Financial assets measured as at amortised cost, contractual revenue receivables and lease receivables: ECL is presented as an allowance, i.e., as an integral part of the measurement of those assets in the balance sheet. The allowance reduces the net carrying amount. Until the asset meets write-off criteria, the Company does not reduce impairment allowance from the gross carrying amount.

- Loan commitments and financial guarantee contracts: ECL is presented as a provision in the balance sheet, i.e. as a liability. Debt instruments measured at FVTOCI: For debt instruments measured at FVOCI, the expected credit losses do not reduce the carrying amount in the balance sheet, which remains at fair value. Instead, an amount equal to the allowance that would arise if the asset was measured at amortised cost is recognised in other comprehensive income as the "accumulated impairment amount".

The Company does not have any purchased or originated credit-impaired (POCI) financial assets, i.e., financial assets which are credit impaired on purchase/ origination.

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 recognized.

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.

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.

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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.

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.

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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**

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. Based on the assessment of contractual arrangements, there are no discounts, rebates, incentives, or other forms of variable consideration applicable to the revenue recognized during the reporting period.

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 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.

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The Company is also involved in time and material contracts and recognizes revenue as the services are performed.

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.

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. A contract asset arises when the company has performed under a contract but has not yet met the conditions required to bill the customer. The right to receive cash is conditional upon further performance obligations.

Unearned and deferred revenue ("contract liability") is recognised when there is billings in excess of revenues.

Trade Receivables

Trade receivables are amounts due from customers for sale of license or rendering of services in the ordinary course of business. They are generally due for settlement within one year and therefore are all classified as current. Where the settlement is due after one year, they are classified as non-current. Trade receivables are disclosed in Note 11.

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Impairment

An impairment is recognised to the extent that the carrying amount of receivable or asset relating to contracts with customers (a) the remaining amount of consideration that the Company expects to receive in exchange for sale of license or rendering of services to which such asset relates; less (b) the costs that relate directly to providing those sale of license or rendering of services and that have not been recognised as expenses.

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.

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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 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.

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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 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 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.

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. Statement of Cash flows

Cash flows are reported using the indirect method, whereby profit for the period is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash from operating, investing and financing activities of the company are segregated.

t. 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.

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4 Property, plant and equipment

	Freehold land	Buildings	Plant and equipment	Leasehold improvements	Vehicles	Office equipment	Furniture and fixtures	Computer and servers	Total	Capital work-in-progress
Cost										
Balance as at 1 April 2023	4.28	12,895.15	693.32	649.10	534.89	1,368.91	616.81	2,933.31	19,695.77	-
Additions during the year	-	-	35.25	-	413.11	76.17	23.99	748.19	1,296.71	279.53
Capitalised during the year	-	-	-	-	-	-	-	-	-	-
Less: Disposals during the year	-	-	86.12	-	8.36	73.12	26.16	302.28	496.04	-
Balance as at 31 March 2024	4.28	12,895.15	642.45	649.10	939.64	1,371.96	614.64	3,379.22	20,496.44	279.53
Additions during the year	-	-	192.05	-	-	179.61	50.50	575.04	997.20	1,075.68
Capitalised during the year	-	-	9.17	1,179.91	-	63.14	102.99	-	1,355.21	(1,355.21)
Less: Disposals during the year	-	-	24.01	-	46.65	21.17	13.63	339.69	445.15	-
Balance as at 31 March 2025	4.28	12,895.15	819.66	1,829.01	892.99	1,593.54	754.50	3,614.57	22,403.70	-
Accumulated Depreciation										
Balance as at 1 April 2023	-	653.13	251.40	58.81	160.20	575.05	273.72	1,339.64	3,311.95	-
Depreciation during the year	-	217.64	63.84	214.81	66.03	131.41	61.55	549.31	1,304.59	-
Less: Disposals during the year	-	-	85.37	-	8.36	72.23	20.37	305.42	491.75	-
Balance as at 31 March 2024	-	870.77	229.87	273.62	217.87	634.23	314.90	1,583.53	4,124.79	-
Depreciation during the year	-	217.05	70.81	303.25	112.09	150.24	69.79	651.19	1,574.42	-
Less: Disposals during the year	-	-	22.73	-	46.65	18.91	13.63	330.50	432.42	-
Balance as at 31 March 2025	-	1,087.82	277.95	576.87	283.31	765.56	371.06	1,904.22	5,266.79	-
Carrying amount (net)										
Balance as at 31 March 2024	4.28	12,024.38	412.58	375.48	721.77	737.73	299.74	1,795.69	16,371.65	279.53
Balance as at 31 March 2025	4.28	11,807.33	541.71	1,252.14	609.68	827.98	383.44	1,710.35	17,136.91	-

As at 31 March 2025 properties with a carrying amount of INR 342.15 lakhs (31 March 2024 : INR 350.20 lakhs) are subject to first charge to working capital limits from banks.
Capital commitment as on 31 March 2025 is INR NIL (31 March 2024: INR 422.57 lakhs)

Ageing of Capital work-in progress

There is no capital work in progress as on 31 march 2025.

As at 31 March 2024 Capital work-in progress	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	279.53	-	-	-	279.53
Projects temporarily suspended	-	-	-	-	-
Total	279.53	-	-	-	279.53

There are no projects whose completion is overdue or has exceeded its cost compared to its original plan as at 31 March 2024

4A Goodwill

	As at 31 March 2025	As at 31 March 2024
Opening Balance	283.31	283.31
Impairment of goodwill	-	-
Closing Balance	283.31	283.31

On 18 January 2022, Newgen Software Technologies Limited (NSTL) entered into Share Purchase Agreement (SPA) with existing shareholders of Number Theory Software Private Limited ("Number Theory") to acquire 100% stake. Purchase consideration was Rs 1,306.41 lacs and Net identifiable net assets acquired was Rs 1,023.10 lacs resulting in goodwill of Rs 283.31 lacs. 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. However, a Scheme of Amalgamation u/s 230-232 of the Companies Act, 2013 which provides for the merger of Number Theory was filed with the Delhi Bench of National Company Law Tribunal (NCLT). NCLT through its Order dated 27th September 2023 approved the aforesaid Scheme and Number Theory got merged with NSTL.

The AI business has been subsumed into the broader Newgen One ecosystem rather than existing as an independent business unit. Since AI functionalities are embedded within the Unified Low-Code Platform, they do not constitute a separate Cash Generating Unit (CGU). The carrying amount of goodwill remains fully recoverable, as the recoverable amount exceeds the carrying amount. Consequently, no impairment loss has been recognized for the reporting period.

5 Intangible assets

	Computer software	AI Platform	Total
Cost			
Balance as at 1 April 2023	468.79	1,654.33	2,123.12
Additions during the year	72.18	-	72.18
Balance as at 31 March 2024	540.97	1,654.33	2,195.30
Additions during the year	-	-	-
Balance as at 31 March 2025	540.97	1,654.33	2,195.30
Accumulated Amortisation			
Balance as at 1 April 2023	421.10	387.07	808.17
Amortisation during the year	33.33	331.77	365.10
Balance as at 31 March 2024	454.43	718.84	1,173.27
Amortisation during the year	43.05	330.87	373.92
Balance as at 31 March 2025	497.48	1,049.71	1,547.19
Carrying amount (net)			
Balance as at 31 March 2024	86.54	935.49	1,022.03
Balance as at 31 March 2025	43.49	604.62	648.11

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6 Investment in subsidiaries	As at 31 March 2025	As at 31 March 2024
Investments in equity instruments - at cost (unquoted)		
6,000 (31 March 2024: 6,000) common shares of USD 200 each, fully paid up of Newgen Software Inc.	1,021.56	902.29
1,000,000 (31 March 2024: 1,000,000) common shares of CAD 0.10 each, fully paid up of Newgen Software Technologies Canada, Limited.	92.35	80.87
250,000 (31 March 2024: 250,000) ordinary shares of SGD 1 each, fully paid up of Newgen Software Technologies Pte. Limited.	177.93	159.47
210,000 (31 March 2024: 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 2024: 20,000,000) common stock of GBP 0.01 each, fully paid up of Newgen Software Technologies (UK) Ltd.	226.37	216.79
1,000,000 (31 March 2024: 1,000,000) common shares of AUD 1 each, fully paid up of Newgen Software Technologies Pty Ltd.	570.91	554.50
3,000 (31 March 2024: 3,000) equity shares of AED 1000 each, fully paid up of Newgen Software Technologies LLC	680.15	675.30
100,000 (31 March 2024: 100,000) equity shares of SAR 10 each, fully paid up of Newgen Software Technologies Company Limited	224.79	222.48
	3,040.56	2,858.20
Aggregate book value of unquoted investments	3,040.56	2,858.20

Increase in investment represents deemed investment on account of share based payment awards granted to the employees of subsidiaries.

7 Other financial assets (non-current)	As at 31 March 2025	As at 31 March 2024
Bank deposits		
- Deposits with maturity of more than 12 months	2,125.98	2,990.85
- pledged with tax authorities	5.39	6.02
- held as margin money*	5,600.51	4,366.02
Interest accrued on deposits	482.90	394.37
Security deposits	749.01	476.89
Earnest money deposits		
-Unsecured, considered good	128.52	137.25
-Unsecured, considered doubtful	147.33	164.75
-Less: Loss allowance for doubtful deposits	(147.33)	(164.75)
	9,092.31	8,371.40

*Bank deposits held as margin money represents deposits made on account of guarantees issued to government customers amounting to INR 2,225.38 lakhs (31 March 2024: INR 1734.43 lakhs) and deposits made to avail overdraft facilities amounting to INR 3,380.51 lakhs (31 March 2024: INR 2,631.59 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 2025	As at 31 March 2024
Advance income tax (net of provision of INR 14,201.90 lakhs (31 March 2024: INR 9,403.22 lakhs))	1,922.51	1,501.44
	1,922.51	1,501.44

8A Income tax liabilities (net)	As at 31 March 2025	As at 31 March 2024
Provision for tax (net of advance tax of INR 4,303.28 lakhs (31 March 2024 INR 3,543.93 lakhs)). MAT credit utilised of INR 1980.35 lakhs (31 March 2024: Nil)	2,683.88	1,309.44
	2,683.88	1,309.44

9 Other non-current assets	As at 31 March 2025	As at 31 March 2024
Prepaid expenses	47.61	17.86
	47.61	17.86

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10 Investments (refer note 41)	As at 31 March 2025	As at 31 March 2024
Investments in bonds (unquoted)		
Bonds at FVOCI		
-Investment in government bonds	6,519.09	6,119.17
	6,519.09	6,119.17
Investments in mutual funds (unquoted)		
Mutual funds at FVTPL	44,320.53	30,379.72
	44,320.53	30,379.72
	50,839.62	36,498.89
Aggregate book value of unquoted investments	50,839.62	36,498.89

Investments in bonds measured at FVOCI have stated interest rates of 6.40% to 8.63%. Information about Company's exposure to credit and market risks and fair value measurement is included in Note 43.

11 Trade receivables	As at 31 March 2025	As at 31 March 2024
- Trade receivables - Unsecured, considered good	41,855.52	34,725.01
- Trade receivables - Credit impaired	727.15	416.73
	42,582.67	35,141.74
Allowance for bad and doubtful debts		
- Trade receivables - Unsecured, considered good	(5,778.09)	(3,189.04)
- Trade receivables - Credit impaired	(727.15)	(416.73)
	36,077.43	31,535.97

Trade Receivable Ageing Schedule

	Outstanding for following periods from due date of payment						
	Current but not due	Less than 6 months	6 months to 1 years	1-2 Years	2-3 Years	More Than 3 years	Total
As at 31 March 2025							
Undisputed Trade Receivables- Considered good	25,219.40	9,942.76	3,468.32	2,218.58	569.02	437.44	41,855.52
Undisputed Trade Receivables- Which have significant increase in credit risk	-	-	-	-	-	-	-
Undisputed Trade Receivables- credit impaired	-	-	-	85.01	642.14	-	727.15
Disputed Trade Receivables- Considered good	-	-	-	-	-	-	-
Disputed Trade Receivables- Which have significant increase in credit risk	-	-	-	-	-	-	-
Disputed Trade Receivables- credit impaired	-	-	-	-	-	-	-
	25,219.40	9,942.76	3,468.32	2,303.59	1,211.16	437.44	42,582.67

	Outstanding for following periods from due date of payment						
Particulars	Current but not due	Less than 6 months	6 months to 1 years	1-2 Years	2-3 Years	More Than 3 years	Total
As at 31 March 2024							
Undisputed Trade Receivables- Considered good	22,955.16	8,975.22	1,195.99	989.22	461.94	147.48	34,725.01
Undisputed Trade Receivables- Which have significant increase in credit risk	-	-	-	-	-	-	-
Undisputed Trade Receivables- credit impaired	-	-	-	416.73	-	-	416.73
Disputed Trade Receivables- Considered good	-	-	-	-	-	-	-
Disputed Trade Receivables- Which have significant increase in credit risk	-	-	-	-	-	-	-
Disputed Trade Receivables- credit impaired	-	-	-	-	-	-	-
	22,955.16	8,975.22	1,195.99	1,405.95	461.94	147.48	35,141.74

Trade receivables also 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 15-90 days.

The Company's exposure to credit and currency risks and loss allowances related to trade receivables are discussed in note 43C (ii) & 43C (v).

12 Cash and cash equivalents	As at 31 March 2025	As at 31 March 2024
Cash on hand	5.47	6.45
Balances with banks		
- in current accounts*	4,497.78	3,583.14
-Balances with scheduled banks in deposit accounts with original maturity of less than three months	1.39	1,401.39
	4,504.64	4,990.98

*Current account balances with banks include INR Nil (31 March 2024: INR 180.76 lakhs) held at a foreign branch.

Short term deposits are varying from periods of between one day to three months, depending upon the immediate cash requirements of the Company, and earn interest at the respective short term deposit rates.

There are no repatriation restrictions with regard to cash and cash equivalents as at the end of the reporting period and prior periods.

13 Bank balances other cash and cash equivalents	As at 31 March 2025	As at 31 March 2024
Balances with scheduled banks in deposit accounts		
- Original maturity of less than 12 months	20,127.60	20,013.87
- Unclaimed dividend account*	11.83	8.73
	20,139.43	20,022.60

*These balances are not available for use by the Company as they represent corresponding unclaimed liabilities.

14 Current financial assets - Loans	As at 31 March 2025	As at 31 March 2024
Loans to employees*	53.11	11.73
	53.11	11.73

*These are interest bearing loans - repayable within one year given to employees, chargeable at the rate of 12% p.a.

15 Current financial assets - Others	As at 31 March 2025	As at 31 March 2024
(unsecured considered good, unless otherwise stated)		
Interest accrued on deposits	898.39	1,526.43
Interest accrued but not due on government bonds	307.04	307.82
Derivatives assets	-	68.47
Security deposits	85.06	192.77
Other receivable		
- related parties (refer note 42)	48.85	-
- others	518.10	123.10
	1,857.44	2,218.59

16A Contract assets*	As at 31 March 2025	As at 31 March 2024
Contract assets		
- other than related parties	11,379.85	7,288.42
Less: Provision for loss allowance	(356.19)	(207.72)
- related parties (refer note 42)	15,025.54	6,767.10
	26,049.20	13,847.80

*Contract assets (unbilled revenue) represents amounts recognised based on services performed in advance of billing in accordance with contract terms.

*Changes in contract assets (unbilled revenue) is as follows:

	As at 31 March 2025	As at 31 March 2024
Balance at the beginning of the year	14,055.52	12,331.49
Less: Amount of revenue billed during the year	(11,937.06)	(10,185.44)
Add: Addition during the year	24,286.93	11,909.47
Balance at the end of the year	26,405.39	14,055.52

Loss allowance on contract assets	As at 31 March 2025	As at 31 March 2024
Opening Balance of expected credit loss	207.72	225.78
Impairment loss recognised	148.47	(18.06)
Balance at the end of the year	356.19	207.72

16B Other current assets	As at 31 March 2025	As at 31 March 2024
Advances to vendors	55.00	103.43
Balances with government authorities	1,935.99	1,109.78
Deferred contract cost	148.95	151.96
Advance to employees	135.89	168.82
Prepaid expenses	1,058.48	895.05
	3,334.31	2,429.04

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17 Equity Share capital

	As at 31 March 2025		As at 31 March 2024	
	Number of shares	Amount	Number of shares	Amount
Authorised share capital				
Equity shares of INR 10 each	16,81,00,200	16,810.02	9,80,00,200	9,800.02
Add: Equity share capital of INR 10 each	-	-	7,01,00,000	7,010.00
0.01% Compulsory convertible preference shares of INR 10 each	1,19,99,800	1,199.98	1,19,99,800	1,199.98
	18,01,00,000	18,010.00	18,01,00,000	18,010.00

Issued, subscribed and paid up	As at 31 March 2025		As at 31 March 2024	
	Number of shares	Amount	Number of shares	Amount
Equity share capital of INR 10 each, fully paid up	14,02,91,802	14,029.18	6,99,55,701	6,995.57
Add: Issued during the year to Newgen ESOP Trust before bonus issue	-	-	1,13,700	11.37
Add: Bonus shares issued during the year	-	-	7,00,69,401	7,006.94
Add: Issued during the year to Newgen ESOP Trust	3,93,385	39.34	1,53,000	15.30
Add: Issued during the year to Newgen RSU Trust	9,40,000	94.00	-	-
Total after bonus issue	14,16,25,187	14,162.52	14,02,91,802	14,029.18
Less : Shares held by Newgen ESOP Trust	5,77,215	57.72	5,12,483	51.25
Less : Shares held by Newgen RSU Trust	8,35,025	83.50	-	-
Total equity share capital	14,02,12,947	14,021.30	13,97,79,319	13,977.93

Reconciliation of shares outstanding at the beginning and at the end of the reporting year.

Equity share capital of INR 10 each, fully paid up	As at 31 March 2025		As at 31 March 2024	
	Number of shares	Amount	Number of shares	Amount
At the beginning of the year	14,02,91,802	14,029.18	6,99,55,701	6,995.57
Add: Issued during the year to Newgen ESOP Trust before bonus issue	-	-	1,13,700	11.37
Add: Bonus shares issued during the year	-	-	7,00,69,401	7,006.94
Add: Issued during the year to Newgen ESOP Trust	3,93,385	39.34	1,53,000	15.30
Add: Issued during the year to Newgen RSU Trust	9,40,000	94.00	-	-
At the end of the year	14,16,25,187	14,162.52	14,02,91,802	14,029.18
Less: Shares held by Newgen ESOP Trust	5,77,215	57.72	5,12,483	51.25
Less: Shares held by Newgen RSU Trust	8,35,025	83.50	-	-
Total equity share capital	14,02,12,947	14,021.30	13,97,79,319	13,977.93

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.

17 A 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 2025		As at 31 March 2024	
	Number of shares	% Holding	Number of shares	% Holding
- Mr. Diwakar Nigam	3,13,49,464	22.14%	3,13,49,464	22.35%
- Mr. T.S. Varadarajan	3,16,83,252	22.37%	3,00,18,612	21.40%
- Mrs. Priyadarshini Nigam	1,31,39,584	9.28%	1,31,39,584	9.37%
- Marathon Edge India Fund I	77,05,278	5.44%	77,05,278	5.49%

17 B Details of shares held by promoters

Equity shares of INR 10 each, fully paid up held by:

	As at 31 March 2025			As at 31 March 2024	
	Number of shares	% of total shares	% change during the year	Number of shares	% of total shares
- Mr. Diwakar Nigam	3,13,49,464	22.14%	0.00%	3,13,49,464	22.35%
- Mr. T.S. Varadarajan	3,16,83,252	22.37%	5.55%	3,00,18,612	21.40%
- Mrs. Priyadarshini Nigam	1,31,39,584	9.28%	0.00%	1,31,39,584	9.37%
- Mrs. Usha Varadarajan*	-	0.00%	(100.00%)	26,64,640	1.90%

*During the financial year 2024-25, 16,64,640 shares were transferred to Mr. T S Varadarajan. This transfer was conducted off-market as an inter-se transfer by way of gift. Further 10,00,000 shares were sold through an open market sale.

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 2025	For the year ended 31 March 2024	For the year ended 31 March 2023	For the year ended 31 March 2022	For the year ended 31 March 2021
Equity shares of INR 10 each	13,33,385	2,66,700	-	-	-
Bonus shares of INR 10 each	-	2,00,193	-	-	-
	13,33,385	4,66,893	-	-	-

(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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18 Other equity

	As at 31 March 2025	As at 31 March 2024
Securities premium	4,684.49	3,717.59
Retained earnings	1,14,353.34	90,637.72
Capital redemption reserve	87.95	87.95
Capital reserve	416.39	416.39
General reserve	1,731.39	1,731.39
Newgen ESOP Trust reserve	545.72	553.29
Share options outstanding reserve	6,469.17	4,447.21
Other comprehensive loss	(999.10)	(811.76)
	1,27,289.35	1,00,779.78

Securities premium (refer note (i) below)	As at 31 March 2025	As at 31 March 2024
Balance as at beginning of the year	4,215.57	10,605.31
Securities premium on issue of shares to Newgen ESOP Trust	939.40	484.41
Transferred from share options outstanding reserve on exercise of stock options	517.46	132.79
Balance as at end of the year	5,672.43	11,222.51
Less: Securities premium on shares held by Newgen ESOP Trust	987.94	497.98
Less: Securities premium on issue of Bonus shares	-	7,006.94
Balance as at end of the year	4,684.49	3,717.59

Retained earnings (refer note (ii) below)	As at 31 March 2025	As at 31 March 2024
Balance as at beginning of the year	90,637.72	70,401.96
Profit for the year	29,327.29	23,733.55
Dividend on equity shares	(5,611.67)	(3,497.79)
Balance as at end of the year	1,14,353.34	90,637.72

Capital reserve (refer note (vi) below)	As at 31 March 2025	As at 31 March 2024
Balance as at beginning of the year	416.39	416.39
Balance as at end of the year	416.39	416.39

Capital redemption reserve	As at 31 March 2025	As at 31 March 2024
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 2025	As at 31 March 2024
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 2025	As at 31 March 2024
Balance as at beginning of the year	553.29	540.35
Addition to Newgen ESOP Trust reserve	(7.57)	12.94
Balance as at end of the year	545.72	553.29

Share options outstanding reserve (refer note (iv) below)	As at 31 March 2025	As at 31 March 2024
Balance as at beginning of the year	4,447.21	2,142.08
Employee stock compensation expense	2,539.42	2,437.92
Transferred to securities premium account on exercise of stock options	(517.46)	(132.79)
Balance as at end of the year	6,469.17	4,447.21

Other comprehensive loss (refer note (v) below)

Remeasurement of defined benefit liability	As at 31 March 2025	As at 31 March 2024
Balance as at beginning of the year	(547.97)	(244.01)
Other comprehensive loss (net of tax)	(71.25)	(303.96)
Balance as at end of the year	(619.22)	(547.97)

Financial assets or investments carried at fair value through other comprehensive income	As at 31 March 2025	As at 31 March 2024
Balance as at beginning of the year	(263.79)	(212.26)
Other comprehensive loss (net of tax)	(116.09)	(51.53)
Balance as at end of the year	(379.88)	(263.79)

(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.

(vi) Capital reserve created on account of merger of Number Theory Software Private Limited ("Number Theory").

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19 Right-of-use assets and lease liabilities

Changes in the carrying value of right of use assets for the year ended 31 March 2025

Particulars	Category of ROU asset		Total
	Leasehold land	Buildings	
Balance as at 1 April 2024	3,208.48	3,184.12	6,392.60
Addition	-	2,845.93	2,845.93
Termination of leases	-	(854.71)	(854.71)
Depreciation	(39.30)	(1,079.62)	(1,118.92)
Balance as at 31 March 2025	3,169.18	4,095.72	7,264.90

Changes in the carrying value of right of use assets for the year ended 31 March 2024

Particulars	Category of ROU asset		Total
	Leasehold land	Buildings	
Balance as at 1 April 2023	3,247.88	2,787.05	6,034.93
Addition	-	1,273.07	1,273.07
Depreciation	(39.40)	(876.00)	(915.40)
Balance as at 31 March 2024	3,208.48	3,184.12	6,392.60

*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 2025	As at 31 March 2024
Non-current lease liabilities	3,738.51	2,996.53
Current lease liabilities	1,110.74	952.25
Total	4,849.25	3,948.78

Movement in lease liabilities during the year ended 31 March 2025

Particulars	As at 31 March 2025
Balance as at 1 April 2024	3,948.78
Addition	2,651.85
Finance cost	427.93
Termination of leases	(950.43)
Payment of lease liabilities	(1,228.88)
Balance as at 31 March 2025	4,849.25

Movement in lease liabilities during the year ended 31 March 2024

Particulars	As at 31 March 2024
Balance as at 1 April 2023	3,464.98
Addition	1,201.12
Finance cost	297.95
Payment of lease liabilities	(1,015.27)
Balance as at 31 March 2024	3,948.78

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.

Changes in liabilities arising from financing activities

Particulars	As at 31 March 2025	As at 31 March 2024
Balance as at the beginning of the year	3,948.78	3,464.98
Cash flows :		
-Repayment	(1,228.88)	(1,015.27)
Non Cash		
-Interest expense	427.93	297.95
-Addition of lease liability	2,651.85	1,201.12
-Termination of leases	(950.43)	-
Balance as at the end of the year	4,849.25	3,948.78

Rental expense recorded for short-term leases was INR 102.45 lakhs for the year ended 31 March 2025 (31 March 2024: INR 110.03 lakhs)

For detail regarding the undiscounted contractual maturities of lease liabilities. (refer note 43 C (iii))

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20 Borrowings

	As at 31 March 2025	As at 31 March 2024
Current Borrowings		
Current maturities of deferred payment liabilities	-	219.92
	-	219.92

Reconciliation between the opening and closing balances in the balance sheet for liabilities arising from financing activities. For reconciliation of lease liabilities refer note 19.

As at 31 March 2025

Name of the entity	Balance as at 1 April 2024	Interest Accrued	Loan repayments	Other non cash changes	Balance as at 31 March 2025
Erstwhile shareholders of Number Theory Software Private Limited	219.92	14.32	(234.24)	-	-
	219.92	14.32	(234.24)	-	-

As at 31 March 2024

Name of the entity	Balance as at 1 April 2023	Interest Accrued	Loan repayments	Other non cash changes	Balance as at 31 March 2024
Erstwhile shareholders of Number Theory Software Private Limited	423.55	30.61	(234.24)	-	219.92
	423.55	30.61	(234.24)	-	219.92

(a) Deferred payment liability is discounted at the rate of 8%. Per annum.
(b) The liability was payable in three equal annual instalment of Rs. 234.24 lakhs. The repayment of installment has commenced from January 2023 and ended on January 2025.

21 Non-current provisions

	As at 31 March 2025	As at 31 March 2024
Provision for employee benefits (refer note 29)		
- provision for gratuity	4,003.49	3,723.87
- provision for compensated absences	1,145.02	1,026.79
	5,148.51	4,750.66

22 Trade payables

	As at 31 March 2025	As at 31 March 2024
- Total outstanding dues to micro enterprises and small enterprises	277.92	632.13
- Total outstanding dues to creditors other than micro and small enterprises	8,090.96	5,563.14
	8,368.88	6,195.27

Trade payables Ageing Schedule

As at 31 March 2025

	Outstanding for following periods from due date of payment					
	Less than 1 year	1-2 Years	2-3 Years	More Than 3 years	Unbilled payable	Total
Total outstanding dues of Micro enterprises and small enterprises	236.06	41.86	-	-	-	277.92
Total outstanding dues of creditors other than Micro enterprises and small enterprises	2,072.23	683.61	-	-	5,335.12	8,090.96
Disputed Dues of Micro enterprises and small enterprises	-	-	-	-	-	-
Disputed Dues of creditors other than Micro enterprises and small enterprises	-	-	-	-	-	-
	2,308.29	725.47	-	-	5,335.12	8,368.88

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As at 31 March 2024

Particulars	Outstanding for following periods from due date of payment					
	Less than 1 years	1-2 Years	2-3 Years	More Than 3 years	Unbilled payable	Total
Total outstanding dues of Micro enterprises and small enterprises	632.13	-	-	-	-	632.13
Total outstanding dues of creditors other than Micro enterprises and small enterprises	757.43	-	-	-	4,805.71	5,563.14
Disputed Dues of Micro enterprises and small enterprises	-	-	-	-	-	-
Disputed Dues of creditors other than Micro enterprises and small enterprises	-	-	-	-	-	-
	1,389.56	-	-	-	4,805.71	6,195.27

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 43C(iii) & 43C(v).

23 Current financial liabilities - Others

	As at 31 March 2025	As at 31 March 2024
Employee related payables	4,968.44	4,391.42
Derivatives liabilities	112.43	-
Earnest money deposits	1.00	1.00
Payable for capital assets#	83.83	310.15
Unpaid dividends*	11.83	8.73
	5,177.53	4,720.30

Refer note 37 for amount payable to Micro and Small Enterprises. It includes payable in respect of capital assets amounting to INR77.89 lakhs (31 March 2024 : INR 13.78 lakhs).
*Unpaid dividends amount is not due for deposit to the Investor Education & Protection fund.

24 Deferred income

	As at 31 March 2025	As at 31 March 2024
Unearned revenue*	11,886.26	11,807.67
	11,886.26	11,807.67

*Changes in unearned revenue is as follows:

	As at 31 March 2025	As at 31 March 2024
Balance at the beginning of the year	11,807.67	9,695.94
Revenue recognised that was included in deferred income at the beginning of the year	(11,594.70)	(9,650.46)
Increase due to invoicing during the year, excluding amount recognised as revenue during the year	11,673.29	11,762.19
Balance at the end of the year	11,886.26	11,807.67

25 Other current liabilities

	As at 31 March 2025	As at 31 March 2024
Statutory dues payable	3,648.98	2,692.22
Advance from employees for share options	5.13	1.83
Revenue received in advance	78.89	-
Other current liabilities	0.50	0.50
	3,733.50	2,694.55

26 Current provisions

	As at 31 March 2025	As at 31 March 2024
Provision for employee benefits (refer note 29)		
- provision for gratuity	684.57	659.22
- provision for compensated absences	278.14	248.94
	962.71	908.16

27 Revenue from operations

	For the year ended 31 March 2025	For the year ended 31 March 2024
Sale of products - softwares	29,083.09	20,623.01
Sale of services		
- Implementation	30,098.35	23,574.49
- Scanning & Hardware	735.05	1,363.23
- AMC/ATS	26,066.85	23,349.15
- Support	37,426.41	34,208.37
- SaaS revenue	12,025.64	10,433.68
	1,35,435.39	1,13,611.93

(i)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 2025, other than those meeting the exclusion criteria mentioned above is INR Nil (31 March 2024 INR Nil).

(ii)Reconciliation of revenue recognised with contract price

	For the year ended 31 March 2025	For the year ended 31 March 2024
Contract Price	1,35,435.39	1,13,611.93
Discounts	-	-
Other Variable considerations	-	-
	1,35,435.39	1,13,611.93

28 Other Income

	For the year ended 31 March 2025	For the year ended 31 March 2024
Interest income under the effective interest rate method:		
- on security deposits at amortised cost	49.83	30.96
- government and other bonds at FVOCI	424.82	426.00
Interest income on deposit with banks	1,914.09	1,895.10
Gain on lease termination	127.05	-
Gain on sale of property, plant and equipment	13.44	13.35
Profit on sale of mutual funds (net) at FVTPL	913.75	254.94
Fair value changes of financial assets at FVTPL	1,983.29	1,359.54
Liabilities / provision no longer required written back	476.46	120.68
Net foreign exchange fluctuation gain	12.72	383.21
Miscellaneous income	52.21	66.23
	5,967.66	4,550.01

29 Employee benefits expense

	For the year ended 31 March 2025	For the year ended 31 March 2024
Salaries, wages and bonus	54,777.83	47,961.29
Contribution to provident funds (refer note i below)	1,933.05	1,618.57
Expenses related to compensated absences (refer note ii below)	764.89	647.58
Share based payment - equity settled (refer note 35)	2,323.85	2,094.72
Expense related to defined benefit plan (refer note iii below)	814.99	751.50
Staff welfare expenses	1,039.86	857.81
	61,654.47	53,931.47

(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 1,933.05 lakhs (31 March 2024: INR 1,618.57 lakhs). The amount recognised as an expense towards employee state insurance aggregated to INR 0.07 lakhs (31 March 2024: INR 0.10 lakhs).

(ii) Compensated absences:

The Principal assumptions used in determining the compensated absences benefit obligation are as given below:

	31 March 2025	31 March 2024
Discounting rate (p.a.)	7.04%	4.85% - 7.22%
Future salary increase (p.a.)	8.00%	5.00% -8.00%
Leave availment rate	3.00%	3.00%
Attrition Rate (withdrawal rate%)		
Up to 30 years	20.00%	20.00%
From 31 to 44 years	20.00%	20.00%
Above 44 years	10.00%	10.00%

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(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 2025	As at 31 March 2024
Balance at the beginning of the year	4,383.09	3,379.10
Benefits paid*	(619.54)	(214.73)
Current service cost	552.23	541.94
Interest cost	283.94	237.88
Reversal of opening provision of Number Theory	-	(28.32)
Reversal of opening provision of Dubai Branch	(21.18)	-
Actuarial losses/(gains) recognised in OCI		
change in demographic assumptions	-	47.33
change in financial assumptions	279.12	190.67
experience adjustments	(169.60)	229.22
Balance at the end of the year	4,688.06	4,383.09

*It includes INR 450.35 lakhs (31 March 2024: NIL) paid to employees of Dubai as full & final settlement as company has closed the dubai branch office.

B. i) Expense recognised in profit and loss

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Current service cost	552.23	541.94
Interest cost	283.94	237.88
Reversal of opening provision of Number Theory	-	(28.32)
Reversal of opening provision of Dubai Branch	(21.18)	-
Total expense recognised in Statement of profit and loss	**814.99**	**751.50**

ii) Remeasurements recognised in other comprehensive income

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Actuarial loss on defined benefit obligation	109.52	467.22
Total remeasurements recognised in other comprehensive income	**109.52**	**467.22**

C. Defined benefit obligations

i. Actuarial assumptions

The following were the principal actuarial assumptions at the reporting date:

	For the year ended 31 March 2025	For the year ended 31 March 2024
Discount rate	7.04%	5.25% - 7.22%
Salary escalation rate	8.00%	5.00% - 8.00%
Mortality rate	100% of IALM (2012- 14)	100% of IALM (2012- 14)
Attrition Rate (withdrawal rate%)		
Up to 30 years	20.00%	20.00%
From 31 to 44 years	20.00%	20.00%
Above 44 years	10.00%	10.00%

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 2025		31 March 2024	
	Increase	Decrease	Increase	Decrease
Discount rate (0.50% movement)	(123.58)	130.29	(77.95)	79.11
Future salary growth (0.50% movement)	128.49	(123.06)	78.03	(77.42)

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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iii. Maturity profile of defined benefit obligation:	As at 31 March 2025	As at 31 March 2024
Within the next 12 months (next annual reporting period)	684.57	661.82
Between 1 and 5 years	2,009.17	1,805.57
Beyond 5 years	1,994.32	1,998.94

	As at 31 March 2025	As at 31 March 2024
Net defined benefit liability		
Liability for gratuity	4,688.06	4,383.09
Liability for compensated absences	1,423.16	1,275.73
Total employee benefit liabilities	6,111.22	5,658.82
Non-current:		
Gratuity	4,003.49	3,723.87
Compensated absences	1,145.02	1,026.79
Current:		
Gratuity	684.57	659.22
Compensated absences	278.14	248.94

30 Finance costs	For the year ended 31 March 2025	For the year ended 31 March 2024
Finance cost on lease liabilities	427.93	297.95
Interest expense on borrowings	14.32	30.61
Other finance costs	10.55	82.09
	452.80	410.65

31 Depreciation and amortisation	For the year ended 31 March 2025	For the year ended 31 March 2024
Depreciation of property, plant and equipment (refer note 4)	1,574.42	1,304.59
Depreciation of right-of use assets (refer note 19)	1,118.92	915.40
Amortisation of intangible assets (refer note 5)	373.92	365.10
	3,067.26	2,585.09

32 Other expenses	For the year ended 31 March 2025	For the year ended 31 March 2024
Rent	102.45	110.03
Repairs and maintenance	621.79	561.78
Rates and taxes	1,185.48	1,001.45
Travelling and conveyance	7,692.13	5,422.79
Legal and professional fees	5,795.56	5,365.12
Payment to auditors*	72.25	68.17
Outsourced technical services expense (refer note 42)	9,276.87	7,644.47
Cloud hosting services	2,989.69	2,457.36
Electricity and water	442.86	432.85
Advertising and sales promotion	1,291.81	971.55
Membership and subscription fee	438.89	298.99
Brokerage and commission	582.30	992.94
Communication costs	258.14	299.32
Software and license maintenance	2,006.52	1,560.27
Expenditure on corporate social responsibility (refer note 39)	436.10	378.91
Donation	38.70	39.75
Recruitment charges	240.64	288.60
Insurance	811.70	775.21
Operation and maintenance	727.45	527.10
Printing, stationery and scanning charges	437.79	382.09
Sub-contracting expenses	25.68	494.51
Loss allowance on trade receivables	3,047.03	2,345.16
(Loss allowance on trade receivables includes loss allowance created on contract assets amounting to INR (148.47) lakhs (31 March 2024: INR (18.06) lakhs))		
Security charges	284.27	250.58
Miscellaneous expenses	118.71	130.68
	38,925.71	32,799.68

*Payment to auditors		
As auditor:		
- Statutory audit fee	43.00	37.00
- Limited review fee	21.00	21.00
- Certification fee	6.15	7.32
- Reimbursement of expenses	2.10	2.85
	72.25	68.17

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(All amounts are in lakhs of Indian Rupees, unless otherwise stated)

	For the year ended 31 March 2025	For the year ended 31 March 2024
33 Income Tax		
A. The major components of income tax income recognised in Statement of Profit or Loss		
Tax expense	9,062.27	5,270.70
Deferred tax credit	(1,086.75)	(569.20)
Total	7,975.52	4,701.50
Recognised in Other comprehensive income		
Tax impact on		
- Re-measurement on defined benefit plan	38.27	163.26
- Financial assets or investments carried at fair value through other comprehensive income	35.26	15.65
Total	73.53	178.91

B. Reconciliation of effective tax rate

	31 March 2025		31 March 2024	
Profit before tax		37,302.81		28,435.05
Tax using the Company's tax rate	34.94%	13,035.09	34.94%	9,936.35
Effect of deduction under section 10AA of the Income tax Act, 1961	(11.54%)	(4,305.67)	(17.06%)	(4,849.61)
Effect of expenses permanently disallowed under the Income Tax Act, 1961	0.53%	197.23	0.69%	197.58
Effect of income exempt/ non taxable/ taxed on lower rate	(0.22%)	(80.24)	(0.64%)	(182.58)
Effect of profit on redemption of mutual funds			0.00%	-
Tax expense for earlier years	(1.87%)	(698.46)	(0.58%)	(165.66)
Others	(0.46%)	(172.43)	(0.82%)	(234.58)
Income tax recognised in statement of profit and loss for the current year	21.38%	7,975.52	16.53%	4,701.50

C. Deferred tax asset / (liabilities) and movement in temporary differences

31 March 2025

Particulars	Balance as at 1 April 2024	Recognised in Statement of Profit or Loss during the year	Recognised in OCI during the year	Balance as at 31 March 2025
Investments at fair value through OCI	85.06	-	35.26	120.32
Remeasurement of defined benefit liability (asset)	293.97	-	38.27	332.24
Property, plant and equipment	(1,477.10)	(167.76)	-	(1,644.86)
Loss allowance on other financial assets	57.57	(6.09)	-	51.48
Loss allowance on trade receivables	1,056.66	625.58	-	1,682.24
Provision for employee benefits	1,817.53	78.18	-	1,895.71
Lease liabilities	45.65	108.95	-	154.60
MAT credit entitlement	1,330.25	784.23	-	2,114.48
Disallowance on account of delayed payment to MSME Vendor	125.15	(53.48)	-	71.67
Fair Value gain on mutual funds	(675.90)	(282.86)	-	(958.76)
Total	2,658.84	1,086.75	73.53	3,819.12
MAT credit utilised				(1,989.35)
Total	2,658.84	1,086.75	73.53	1,829.77

31 March 2024

Particulars	Balance as at 1 April 2023	Recognised in Statement of Profit or Loss during the year	Recognised in OCI during the year	Balance as at 31 March 2024
Investments at fair value through OCI	69.41	-	15.65	85.06
Remeasurement of defined benefit liability (asset)	130.71	-	163.26	293.97
Property, plant and equipment	(1,344.77)	(132.33)	-	(1,477.10)
Loss allowance on other financial assets	57.57	-	-	57.57
Loss allowance on trade receivables	1,162.90	(106.24)	-	1,056.66
Provision for employee benefits	1,406.64	410.89	-	1,817.53
Lease liabilities	28.57	17.08	-	45.65
MAT credit entitlement	630.59	699.66	-	1,330.25
Disallowance on account of delayed payment to MSME Vendor	-	125.15	-	125.15
Fair Value gain on mutual funds	(230.90)	(445.00)	-	(675.90)
Total	1,910.72	569.20	178.91	2,658.84

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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 2025	For the year ended 31 March 2024
Profit attributable to equity holders of the Company	29,327.29	23,733.55
Profit attributable to equity holders of the Company for basic and diluted earnings	**29,327.29**	**23,733.55**

ii. Weighted average number of ordinary shares

	For the year ended 31 March 2025	For the year ended 31 March 2024
Opening balance of equity shares	13,97,79,319	6,96,55,676
Effect of share options exercised	1,48,942	1,00,308
Addition of Bonus shares issued (net of bonus shares issued to trust)	-	6,98,69,208
Weighted average number of shares for basic EPS	**13,99,28,261**	**13,96,25,192**
Effect of dilution:		
Add: Weighted average number of potential equity shares on account of employees stock options	40,71,297	41,28,440
Weighted average number of shares for diluted EPS	**14,39,99,558**	**14,37,53,632**

Basic and diluted earnings per share

	For the year ended 31 March 2025 INR	For the year ended 31 March 2024 INR
Basic earnings per share	20.96	17.00
Diluted earnings per share	20.37	16.51

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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 3,907,023 equity shares of the company. Pursuant to the scheme, during the year 2014-15, the company has granted 3,653,325 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 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 company has granted 2,33,000 options through grant V under Newgen ESOP 2014 on 25 March 2021. During the year 2022-23, the company has granted 20,000 options through grant VI under Newgen ESOP 2014 on 17 January 2023. During the year 2023-24, the company has granted 5,000 options through grant VII under Newgen ESOP 2014 on 2 May 2023. 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 years from the date of last vesting. Consequent to bonus issue in the ratio of 1:1 during the financial year ended 31 March 2024, all the outstanding options and excercise price before the record date of 12 January 2024 have been adjusted to consider the bonus issue impact. During the year 2024-25, the company has granted 43,000 options through grant VIII under Newgen ESOP 2014 on 18 July 2024.

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 28,00,000 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. During the year 2022-23, the company has granted 35,000 options through grant III under this scheme at an exercise price of INR 10 per option, to the employees of the company. During the year 2023-24, the company has granted 10,000 and 20,000 options through grant IV and V 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 years from the date of last vesting.Consequent to bonus issue in the ratio of 1:1 during the financial year ended 31 March 2024, all the outstanding options before the record date of 12 January 2024 have been adjusted to consider the bonus issue impact.

During the year 2022-23, the company has established Newgen Employee Stock Option Scheme – 2022 (Newgen ESOP – 2022), administered through a trust "Newgen ESOP Trust" The maximum numbers of shares to be issued under this Scheme shall be limited to 42,00,000 equity shares of the company. During the year 2022-23, the company has granted 9,41,800 options through grant I under this scheme at an exercise price of INR 364.20 per option, to the employees of the company. During the year 2023-24, the company has granted 1,58,750, 68,150 and 3,86,500 options through grant II, III and IV on 2 May 2023, 19 July 2023 and 20 March 2024 under this scheme at an excercise price of INR 452, INR 615 and INR 640.10 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 four years from the date of grant and are to be exercised either in part(s) or full, within a maximum period of five years from the date of vesting. Consequent to bonus issue in the ratio of 1:1 during the financial year ended 31 March 2024, all the outstanding options and excercise prices before the record date of 12 January 2024 have been adjusted to consider the bonus issue impact. During the year 2024-25, the company has granted 1,91,400, 40,850, 5,30,100 and 73,050 options through grant V, VI, VII and VIII on 30 April 2024, 18 July 2024, 15 October 2024 and 20 January 2025 under this scheme at an excercise price of INR 780, INR 944.15, INR 1,216 and INR 14,27.50 per option respectively to the employees of the company.

Particulars	Newgen ESOP 2014	Newgen RSU – 2021	Newgen ESOP 2022
Maximum number of shares under the plan	3907023#	2800000##	4200000###
Method of settlement (cash/equity)	Equity	Equity	Equity
Vesting period (maximum)	4 years 1 year - 10% 2 year - 20% 3 year- 30% 4 year- 40%	5 years at the end of 3rd year - 50% at the end of 5th year - 50%	4 years 1 year - 10% 2 year - 20% 3 year- 30% 4 year- 40%
Exercise period from the date of vesting (maximum)	5 year from last vesting	5 year from last vesting	5 year from vesting date
Vesting conditions	Service period	Service period & Performance based	Service period

#Consequent to the adjustment related to the Bonus issue in the ratio of 1:1, as approved by the shareholders of the company on 2 January 2024, the pool of the Scheme was increased by 1,23,223 ESOPs convertible into the equal number of equity shares.

##Consequent to the adjustment related to the Bonus issue in the ratio of 1:1, as approved by the shareholders of the company on 2 January 2024, the pool of the Scheme was increased from 14,00,000 to 28,00,000 RSUs convertible into the equal number of equity shares.

###Consequent to the adjustment related to the Bonus issue in the ratio of 1:1, as approved by the shareholders of the company on 2 January 2024, the pool of the Scheme was increased from 14,00,000 to 28,00,000 ESOPs convertible into the equal number of equity shares. The company further added 14,00,000 shares in the Scheme with the approval of shareholders on 25 July 2024.

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.

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Following table represents general terms of the grants for the ESOP outstanding as on 31 March 2025.

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-Jul-2017	52,080	INR 31.50	1.25	4 years
Newgen Employees Stock Option Scheme 2014 (Newgen ESOP 2014)	1-Sep-2017	80,500	INR 31.50	1.42	4 years
Newgen Employees Stock Option Scheme 2014 (Newgen ESOP 2014)	1-Oct-2017	4,000	INR 31.50	1.50	4 years
Newgen Employees Stock Option Scheme 2014 (Newgen ESOP 2014)	25-Mar-2021	1,39,500	INR 31.50	4.98	4 years
Newgen Employees Stock Option Scheme 2014 (Newgen ESOP 2014)	17-Jan-2023	24,700	INR 31.50	6.80	4 years
Newgen Employees Stock Option Scheme 2014 (Newgen ESOP 2014)	2-May-2023	9,000	INR 31.50	7.09	4 years
Newgen Employees Stock Option Scheme 2014 (Newgen ESOP 2014)	18-Jul-2024	43,000	INR 63.00	8.30	4 years
Newgen Employees Stock Option Scheme 2022 (Newgen ESOP 2022)	17-Jan-2023	12,96,474	INR 183.10	5.80	4 years
Newgen Employees Stock Option Scheme 2022 (Newgen ESOP 2022)	2-May-2023	2,28,530	INR 226.00	6.09	4 years
Newgen Employees Stock Option Scheme 2022 (Newgen ESOP 2022)	19-Jul-2023	1,05,040	INR 307.50	6.30	4 years
Newgen Employees Stock Option Scheme 2022 (Newgen ESOP 2022)	20-Mar-2024	3,28,600	INR 640.10	6.97	4 years
Newgen Employees Stock Option Scheme 2022 (Newgen ESOP 2022)	30-Apr-2024	1,63,950	INR 780.00	7.06	4 years
Newgen Employees Stock Option Scheme 2022 (Newgen ESOP 2022)	18-Jul-2024	37,400	INR 944.15	7.30	4 years
Newgen Employees Stock Option Scheme 2022 (Newgen ESOP 2022)	15-Oct-2024	5,14,550	INR 1,216.00	7.54	4 years
Newgen Employees Stock Option Scheme 2022 (Newgen ESOP 2022)	20-Jan-2025	69,050	INR 1,427.50	7.81	4 years

Following table represents general terms of the grants for the RSU outstanding as on 31 March 2025.

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	22,27,024	INR 10.00	6.73	5 years
Newgen Software Technologies Restricted Stock Units Scheme – 2021 (Newgen RSU – 2021)	2-Mar-2022	1,72,001	INR 10.00	6.92	5 years
Newgen Software Technologies Restricted Stock Units Scheme – 2021 (Newgen RSU – 2021)	18-Oct-2022	70,000	INR 10.00	7.55	5 years
Newgen Software Technologies Restricted Stock Units Scheme – 2021 (Newgen RSU – 2021)	2-May-2023	20,000	INR 10.00	8.09	5 years
Newgen Software Technologies Restricted Stock Units Scheme – 2021 (Newgen RSU – 2021)	19-Jul-2023	40,000	INR 10.00	8.30	5 years

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 granted during the year and the inputs used in the measurement of the fair values of the equity-settled share based payment plans are as follows:

Particulars	Newgen ESOP 2014 Grant - VIII	Newgen ESOP 2022 Grant - V	Newgen ESOP 2022 Grant - VI	Newgen ESOP 2022 Grant - VII	Newgen ESOP 2022 Grant - VIII
Date of grant	18-Jul-2024	30-Apr-2024	18-Jul-2024	15-Oct-2024	20-Jan-2025
Fair value of options at grant date	955.03	439.45	535.76	688.34	809.21
Share price at grant date	1,049.05	866.45	1,049.05	1,350.85	1,586.10
Exercise price	63.00	780.00	944.15	1,216.00	1,427.50
Expected volatility (weighted-average)	46.04%	45.38%	46.04%	46.37%	46.39%
Expected life (weighted-average)	5 years	5 years	5 years	5 years	5 years
Expected dividends	0.85%	0.95%	0.85%	0.85%	0.85%
Risk-free interest rate (based on government bonds)	6.83% - 6.84%	7.08%-7.12%	6.80% - 6.84%	6.57% - 6.65%	6.63% - 6.67%

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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 2025	Weighted average exercise price 31 March 2025	Number of options 31 March 2024	Weighted average exercise price 31 March 2024
Options outstanding as at the beginning of the year	4,25,180	INR 31.50	4,49,102	INR 31.50
Add: Options granted during the year	43,000	INR 63.00	5,000	INR 31.50
Add: Bonus issue during the year in (1:1)	-	INR 31.50	2,15,690	INR 31.50
Less: Options lapsed during the year	-	INR 31.50	24,880	INR 31.50
Less: Options exercised during the year	1,15,400	INR 31.50	2,19,732	INR 31.50
Options outstanding as at the year end	3,52,780	INR 35.34	4,25,180	INR 31.50
Exercisable as at year end	2,79,780		2,80,980	
Weighted - average contractual life	4.16 years		4.61 years	

Newgen Software Technologies Restricted Stock Units Scheme – 2021 (Newgen RSU – 2021)	Number of options 31 March 2025	Weighted average exercise price 31 March 2025	Number of options 31 March 2024	Weighted average exercise price 31 March 2024
Options outstanding as at the beginning of the year	26,40,000	INR 10.00	13,05,000	INR 10.00
Add: Options granted during the year	-	INR 10.00	30,000	INR 10.00
Add: Bonus issue during the year in (1:1)	-	INR 10.00	13,20,000	INR 10.00
Less: Options lapsed during the year	6,000	INR 10.00	15,000	INR 10.00
Less: Options exercised during the year	1,04,975	INR 10.00	-	INR 10.00
Options outstanding as at the year end	25,29,025	INR 10.00	26,40,000	INR 10.00
Exercisable as at year end	11,47,025		-	
Weighted - average contractual life	6.80 years		7.80 years	

Newgen Employees Stock Option Scheme 2022 (Newgen ESOP 2022)	Number of options 31 March 2025	Weighted average exercise price 31 March 2025	Number of options 31 March 2024	Weighted average exercise price 31 March 2024
Options outstanding as at the beginning of the year	24,05,927	INR 364.20	9,17,650	INR 182.10
Add: Options granted during the year	8,35,400	INR 780-INR 1427.50	6,13,400	INR 326-INR 640.10
Add: Bonus issue during the year in (1:1)	-	-	10,41,150	INR 182.10-INR 307.50
Less: Options lapsed during the year	2,84,480	NR 182.10-INR 1427.5	1,31,570	INR 182.10-INR 640.10
Less: Options exercised during the year	2,13,253	INR 182.10-INR308	34,703	INR 182.10
Options outstanding as at the year end	27,43,594	INR 516.84	24,05,927	INR 364.20
Exercisable as at year end	2,90,714		1,31,737	
Weighted - average contractual life	6.46 years		7.05 years	

D. Expense recognised in Statement of Profit and Loss

For details on the employee benefits expense, refer note 29

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36 Contingent liabilities and commitments (to the extent not provided for)

a) Claims against the company (including unasserted claims) not acknowledged as debt

Particulars	Assessment Year	31 March 2025	31 March 2024
Demands raised by the income tax authorities :			
- demand raised on account of inadmissible foreign withholding tax	2020-21	117.59	117.59
- demand raised on account of inadmissible foreign withholding tax	2021-22	67.55	67.55
Total		185.14	185.14

The assessing officer passed an order dated 29 September 2023 and 30 December 2023 under section 143(3) of the Income Tax Act, 1961 in respect inadmissible foreign withholding tax adjustment claimed as business expenditure under Sec 37 of Income Tax Act, 1961 amounting to INR 336.51 lakhs and INR 193.31 lakhs for assessment year 2020-21 and 2021-22 respectively. An appeal was filed with the commissioner of income tax (appeals) against the order of the assessing officer on 7 October 2023 and 23 January 2024 for assessment year 2020-21 and 2021-22 respectively and order of CIT(A) is awaited.

b) Capital Commitments

Particulars	31 March 2025	31 March 2024
Estimated amount of contracts remaining to be executed on capital account (net of advances)	-	422.57
Total	-	422.57

c) The Company is committed to operationally, technically and financially support the operations of its certain subsidiary companies.

37 Details of dues to Micro and Small 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 2025 and 31 March 2024 based on information received and available with the Company.

Particulars	31 March 2025	31 March 2024
Principal Amount*	341.41	746.60
Interest due thereon at the end of the accounting year .	14.40	27.40
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 77.89 lakhs (31 March 2024 : INR 141.93 lakhs) on account of capital creditors.

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 2025	For the year ended 31 March 2024
Final dividend of INR 5.00 per share (31 March 2024: INR 4.00 per share)	7,081.26	5,611.67

39 Utilisation of Corporate Social Responsibility expenses

As per Section 135 of the Companies Act 2013, read with guidelines issued by Department of Public Enterprises ("DPE"), the company is required to spend in every financial year atleast two percent of the average net profits of the company made during the three immediately preceeding financial years in accordance with its CSR policy. The details of CSR expenses for the year are as under:

Particulars	31 March 2025	31 March 2024
Amount required to be spend during the year	442.02	375.92
Amount of expenditure incurred		
(i) Construction/acquisition of any asset	-	-
(ii) On purposes other than (i) above	436.10	378.91
Amount of shortfall for the year	5.92	-
Amount of cumulative shortfall at the end of the year	-	-

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. There was cumulative excess amount spent on CSR amounting to INR 6.28 lakhs which has been adjusted in current financial year against shortfall of INR 5.92 lakhs. There is no unspent balance in respect of ongoing projects for which information is required to be disclosed.

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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 2025	31 March 2024	31 March 2025	31 March 2024
Investment in Debt mutual funds -FVTPL				
ABSL Crisil IBX Gilt Apr 2029 Index Fund Dir Growth	57,75,217.32	57,75,217.32	710.58	651.18
ABSL Government Securities Fund Growth-Regular	10,22,684.60	10,22,684.60	824.35	758.15
Bandhan CRISIL IBX Gilt June 2027 Index Fund Direct Plan-Growth	1,65,12,803.06	1,65,12,803.06	2,097.47	1,937.23
HDFC Nifty G-Sec Dec 2026 Index Fund-Direct-G	68,18,815.04	68,18,815.04	813.42	754.29
HDFC Nifty G-Sec Jul 2031 Index Fund-Direct-G	1,36,18,551.96	1,36,18,551.96	1,674.43	1,522.35
Bharat bonds ETF	20,000.00	20,000.00	295.37	270.91
HDFC Short Term Debt Fund-Growth option	9,75,997.08	-	315.19	-
ICICI Pru Short Term Direct-G	5,73,039.68	-	307.09	-
ICICI Prudential corporate bond fund	8,18,055.93	-	249.95	-
Nippon India Corporate Bond Fund Growth	1,97,338.46	-	121.29	-
SBI Short Term Debt Fund-Growth	14,17,986.28	-	472.35	-
Investment in Liquid mutual funds -FVTPL				
Aditya Birla Sun Life Money Manager Fund - Growth-Direct Plan	14,24,916.26	11,04,551.98	5,238.99	1,625.04
Canara Robeco Ultra Short Term Direct-G	39,219.44	25,921.90	1,555.03	805.75
DSP Ultra Short Direct-G	18,917.58	8,935.10	687.25	300.72
Edelweiss Money Market Direct-G	10,54,369.68	10,54,369.68	324.17	300.72
HDFC LIQUID Fund-DIRECT GROWTH	1,379.00	7,622.95	70.24	361.61
HDFC Low Duration Direct-G	21,10,649.71	10,62,555.07	1,293.19	537.03
ICICI Pru Savings Direct -G	4,49,528.40	1,21,384.95	2,425.75	408.81
Kotak Liquid Fund Direct Plan Growth	-	70,340.51	-	1,566.92
Kotak Money Market Fund - Direct Plan - Growth	82,433.94	63,954.89	3,604.49	2,636.55
Kotak Savings Direct-G	41,80,711.15	25,37,715.22	1,841.62	824.10
Nippon India Money Market Direct	8,106.39	13,128.13	334.14	486.61
Nippon India Ultra Short Duration Fund	4,814.72	25,070.79	209.67	1,010.89
Quant Liquid Direct-G	15,63,764.10	53,19,615.54	651.91	2,040.85
SBI Savings Direct-G	15,36,860.91	21,19,840.54	670.13	639.38
Tata Liquid Fund Direct Plan - Growth	-	90,088.94	-	1,227.89
Tata Money Market Fund Direct Plan - Growth	97,381.97	30,253.33	4,592.84	1,320.56
ICICI Prudential Liquid Direct Growth	55,315.56	-	212.35	-
Investment in Hybrid mutual funds -FVTPL				
Canara Robeco Equity Hybrid Direct-G	3,00,913.30	1,75,492.77	1,138.33	607.22
DSP Equity & Bond Fund - Growth	2,98,607.76	1,55,312.74	1,140.54	501.95
HDFC Balanced Advantage Direct-G	1,89,987.67	1,76,813.51	1,005.04	856.01
ICICI Pru Balanced Advantage Direct-G	14,30,169.40	17,93,496.98	1,105.13	1,279.46
ICICI Prudential Equity & Debt Fund	1,37,544.58	1,95,852.75	561.64	726.34
Kotak Balanced Advantage Direct-G	65,21,238.89	26,44,536.53	1,368.68	505.61
SBI Balanced Advantage Fund-Growth	38,50,247.01	58,25,424.91	585.34	817.67
SBI Equity Hybrid Direct-G	1,61,377.58	2,11,518.49	499.73	584.39
Investment in Equity mutual funds -FVTPL				
HDFC Flexi Cap Fund	19,464.04	17,913.66	292.11	311.78
HDFC Index S&P BSE Sensex Direct	80,836.79	22,006.87	589.87	151.38
ICICI Pru Nifty Next 50 Index Direct-G	46,783.44	4,34,205.93	27.24	242.95
ICICI Prudential Blue-chip Fund	3,01,371.31	3,01,371.31	340.04	315.84
Kotak Equity Opportunities Direct-G	1,23,212.06	75,402.28	438.49	244.59
Nippon India Growth Direct-G	12,561.73	3,795.94	509.39	134.24
Nippon India Large Cap Fund	9,75,373.04	3,68,569.52	905.83	317.83
Quant Active Direct-G	59,954.98	30,905.25	380.47	205.13
Quant Small Cap Direct-G	44,056.67	32,723.97	109.46	80.70
SBI Banking & Financial Services Fund - Dir - Growth	4,66,481.64	8,35,112.68	200.69	302.61
SBI Contra Direct-G	1,67,546.22	57,144.15	654.27	206.51
HDFC Focused 30 Direct growth	70,203.46	-	149.77	-
HDFC small Cap Direct - G	1,17,153.13	-	161.17	-
ICICI Pru Nifty 50 Index Direct-G	1,32,300.19	-	324.15	-
Investment in government bonds-FVTOCI				
7.04% IRFC Bond 03/03/2026	15.00	15.00	152.24	155.06
8.40% IRFC 15YRS SR2A 18022029 (18-Feb-2029)	40,000.00	40,000.00	441.42	454.44
7.35% NHAI LTD Tax free Bond 15YRS SR2A Annual (11-Jan-2031)	2,15,000.00	2,15,000.00	2,354.06	2,408.84
8.54% PFC Tax free Bonds (Series 2A) 16/11/2028	16,500.00	16,500.00	181.69	187.29
8.3% NHAI Tax free Bonds 25/01/2027	30,000.00	30,000.00	314.93	324.94
8.63% IRFC Bonds 26/03/2029	22,000.00	22,000.00	245.04	252.64
8.10% IRFC Bonds 23/02/2027	87,000.00	87,000.00	912.06	939.49
7.34% IRFC Bonds 19/02/2028	1,30,000.00	1,30,000.00	1,366.38	1,396.47
6.4% REC limited SR 239 BD Bonds 03/11/2034	1,000.00	-	551.27	-
			50,839.62	36,498.89

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Newgen Software Technologies Limited

(All amounts are in lakhs of Indian Rupees, unless otherwise stated)

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 2025	31 March 2024
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%
Newgen Software Technologies LLC	UAE	100%	100%
Newgen Software Technologies Company Limited	Saudi Arabia	100%	100%

The principal place of business of all the entities listed above is the same as the respective country of incorporation.

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 these 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 35).

*List of key management personnel and their close members.**

Diwakar Nigam - Chairman & 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 - EVP Global Business Strategy & HR
Tarun Nandwani - Chief Operating Officer
Usha Varadarajan - Relative of Whole Time Director - T.S. Varadarajan
Aman Mourya- Company Secretary

* Close members of the family of a person are those family members who may be expected to influence, or be influenced by, that person in their dealings with the entity including:
(a) that person's children, spouse or domestic partner, brother , sister, father and mother;
(b) children of that person's spouse or domestic partner and
(c) dependent of that person or that person's spouse or domestic partner.

List of non-executive and independent directors

Kaushik Dutta - Independent Director#
Saurabh Srivastava - Independent Director
Subramaniam R Iyer - Independent Director
Padmaja Krishnan - Independent Director
Sudhir Kumar Sethi - Independent Director#

Mr. Kaushik Dutta worked till 8 July 2024 as Independent Director and Mr Sudhir Kumar Sethi joined as Independent Director on 30 July 2024.

Key management personnel compensation

	Transaction value		Balance payable	
	For the year ended 31 March 2025	For the year ended 31 March 2024	As at 31 March 2025	As at 31 March 2024
Salaries, wages and bonus*	2,980.65	2,270.86	1,850.21	1,299.56
Diwakar Nigam	778.05	553.96	482.10	304.00
T.S. Varadarajan	429.58	301.05	289.26	182.40
Priyadarshini Nigam	261.74	179.83	192.84	121.60
Arun Kumar Gupta	188.12	164.15	96.10	75.80
Virender Jeet	475.29	399.70	297.39	234.48
Surender Jeet Raj	425.40	314.71	254.02	106.32
Tarun Nandwani	384.10	320.70	234.66	184.96
Aman Mourya	38.37	36.76	3.84	-
Dividend paid (excluding dividend distribution tax)	3,104.42	1,971.75	-	-
Diwakar Nigam	1,253.98	783.74	-	-
T.S. Varadarajan	1,200.74	750.47	-	-
Priyadarshini Nigam	525.58	328.49	-	-
Arun Kumar Gupta	1.65	2.04	-	-
Virender Jeet	19.70	14.81	-	-
Surender Jeet Raj	17.35	12.80	-	-
Tarun Nandwani	18.76	12.68	-	-
Usha Varadarajan	66.59	66.62	-	-
Aman Mourya	0.07	0.10	-	-

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	Transaction value		Balance payable	
	For the year ended 31 March 2025	For the year ended 31 March 2024	As at 31 March 2025	As at 31 March 2024
Share-based payments	48.38	-	-	-
Surender Jeet Raj	48.38	-	-	-
Tarun Nandwani	-	-	-	-
Aman Mourya	-	-	-	-

*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.

Sitting fees to independent director	63.00	67.00	4.00	-
Kaushik Dutta	6.00	21.00	-	-
Saurabh Srivastava	16.00	15.00	1.00	-
Subramaniam R Iyer	20.00	21.00	1.00	-
Padmaja Krishnan	17.00	10.00	1.00	-
Sudhir Kumar Sethi	4.00	-	1.00	-
Commission to independent director	347.10	267.68	312.40	240.92
Kaushik Dutta	23.88	66.92	21.49	60.23
Saurabh Srivastava	88.04	66.92	79.24	60.23
Subramaniam R Iyer	88.04	66.92	79.24	60.23
Padmaja Krishnan	88.04	66.92	79.24	60.23
Sudhir Kumar Sethi	59.10	-	53.19	-

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 2025 and 31 March 2024, 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 2025	For the year ended 31 March 2024	As at 31 March 2025	As at 31 March 2024
Sale of products and services*				
Subsidiaries				
Newgen Software Inc., USA	22,985.40	18,120.11	-	-
Newgen Software Technologies Pte Ltd.	11,200.86	7,072.84	955.00	-
Newgen Software Technologies Canada Limited	102.00	179.97	-	-
Newgen Software Technologies (UK) Ltd.	1,413.36	1,849.46	-	210.46
Newgen Software Technologies LLC	2,743.90	3,843.47	-	-
Newgen Software Technologies Company Limited	7,072.18	982.74	-	-
* It includes contract assets as follows:				
Contract assets				
Newgen Software Inc., USA	5,179.90	3,211.21	-	-
Newgen Software Technologies Pte Ltd.	870.57	1,216.19	-	-
Newgen Software Technologies Canada Limited	102.00	-	-	-
Newgen Software Technologies (UK) Ltd.	494.09	282.06	-	-
Newgen Software Technologies LLC	1,869.70	771.87	-	-
Newgen Software Technologies Company Limited	5,980.68	982.74	-	-
Sale of services-back office support cost #				
Subsidiaries				
Newgen Software Inc., USA	208.79	180.00	-	-
Newgen Software Technologies Pte Ltd.	94.49	51.38	-	-
Newgen Software Technologies Canada Limited	22.41	47.11	-	-
Newgen Software Technologies (UK) Ltd.	13.20	9.09	-	-
Newgen Software Technologies Pty Ltd.	11.41	11.39	-	-
Newgen Software Technologies LLC	52.03	29.85	-	-
Newgen Software Technologies Company Limited	61.57	29.14	-	-

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# It includes contract assets as follows:				
Contract assets				
Newgen Software Inc., USA	106.38	36.88	-	-
Newgen Software Technologies Pte Ltd.	49.67	17.32	-	-
Newgen Software Technologies Canada Limited	1.98	10.01	-	-
Newgen Software Technologies (UK) Ltd.	8.21	2.38	-	-
Newgen Software Technologies Pty Ltd.	1.90	-	-	-
Newgen Software Technologies LLC	11.84	0.18	-	-
Newgen Software Technologies Company Limited	17.11	29.14	-	-
Management Support Service Cost ^				
Newgen Software Inc., USA	615.90	422.93	-	-
Newgen Software Technologies Pte Ltd.	268.64	149.74	-	-
Newgen Software Technologies Canada Limited	28.50	25.22	-	-
Newgen Software Technologies (UK) Ltd.	44.00	47.21	-	-
Newgen Software Technologies Pty Ltd.	17.85	8.06	-	-
Newgen Software Technologies LLC	95.68	84.46	-	-
Newgen Software Technologies Company Limited	165.12	18.32	-	-
^ It includes contract assets as follows:				
Contract assets				
Newgen Software Inc., USA	166.20	73.31	-	-
Newgen Software Technologies Pte Ltd.	81.43	35.43	-	-
Newgen Software Technologies Canada Limited	5.75	3.16	-	-
Newgen Software Technologies (UK) Ltd.	13.19	10.61	-	-
Newgen Software Technologies Pty Ltd.	4.54	1.46	-	-
Newgen Software Technologies LLC	25.80	12.17	-	-
Newgen Software Technologies Company Limited	9.51	18.32	-	-
Compensation for transfer of employees				
Subsidiaries @				
Newgen Software Inc., USA	41.72	29.90	-	-
Newgen Software Technologies Pte Ltd.	93.66	20.07	-	-
Newgen Software Technologies Canada Limited	-	25.64	-	-
Newgen Software Technologies LLC	95.51	38.70	-	-
Newgen Software Technologies Company Limited	22.67	23.61	-	-
@ It includes contract assets as follows:				
Contract assets				
Newgen Software Inc., USA	7.09	-	-	-
Newgen Software Technologies Pte. Ltd.	26.72	20.07	-	-
Newgen Software Technologies LLC	-	-	-	-
Newgen Software Technologies Company Limited	10.66	23.61	-	-
Newgen Software Technologies Canada Limited	-	-	-	-
Travel Reimbursement				
Subsidiary $				
Newgen Software Technologies (UK) Ltd.	48.85	-	48.85	-
Rent Income				
Subsidiary				
Newgen Computers Technologies Limited	2.40	2.40	-	1.54

	Transaction value		Balance payable	
	For the year ended 31 March 2025	For the year ended 31 March 2024	As at 31 March 2025	As at 31 March 2024
Expense-Outsourced technical services @				
Subsidiaries				
Newgen Software Inc., USA	4,963.31	5,422.15	854.32	-
Newgen Software Technologies Pte Ltd.	1,403.65	429.86	-	-
Newgen Software Technologies LLC	1,248.71	-	-	-
Newgen Software Technologies Company Limited	900.55	164.10	-	-

(All amounts are in lakhs of Indian Rupees, unless otherwise stated)

Expense-Marketing support services@				
Subsidiary				
Newgen Software Technologies Pty Ltd.	390.64	692.79	-	-
Newgen Software Technologies Canada Ltd.	-	116.81	-	-
@ It includes unbilled payable as follows:				
Unbilled payable				
Newgen Software Inc., USA	1,130.16	1,281.92	-	-
Newgen Software Technologies Pte Ltd.	565.13	182.80	-	-
Newgen Software Technologies Pty Ltd.	390.64	418.50	-	-
Newgen Software Technologies Canada Ltd.	-	116.81	-	-
Newgen Software Technologies LLC	788.39	-	-	-
Newgen Software Technologies Company Limited	563.40	164.10	-	-
Rent expense				
Subsidiary				
Newgen Computers Technologies Limited	7.92	7.92	-	-
Paid on behalf of				
Subsidiary				
Newgen Computers Technologies Limited	2.29	1.09	-	-
Newgen Software Technologies Company Limited	-	28.24	-	-
Bank Guarantee issued on behalf of				
Subsidiary				
Newgen Software Technologies LLC	111.06	123.89	-	-
Investment in subsidiaries - share based payment	182.36	300.42	-	-
Newgen Software Inc., USA	119.27	200.68	-	-
Newgen Software Technologies Pte Ltd.	18.46	35.17	-	-
Newgen Software Technologies Canada Limited	11.48	13.13	-	-
Newgen Software Technologies (UK) Ltd.	9.38	19.28	-	-
Newgen Software Technologies Pty Ltd.	16.41	32.16	-	-
Newgen Software Technologies LLC	4.85	-	-	-
Newgen Software Technologies Company Limited	2.31	-	-	-

D. Investment in subsidiaries

Subsidiary Company	As at 31 March 2025	As at 31 March 2024
Newgen Software Inc. USA	1,021.56	902.29
Newgen Software Technologies Canada Limited	92.35	80.87
Newgen Software Technologies Pte. Ltd.	177.93	159.47
Newgen Computers Technologies Limited	46.50	46.50
Newgen Software Technologies (UK) Ltd.	226.37	216.79
Newgen Software Technologies Pty Ltd.	570.91	554.50
Newgen Software Technologies LLC	680.15	675.30
Newgen Software Technologies Company Limited	224.79	222.48
	3,040.56	2,858.20

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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.

		Carrying amount				Fair value			
31 March 2025	**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	44,320.53	-	-	44,320.53	44,320.53	-	-	44,320.53
Investments in bonds	10	-	6,519.09	-	6,519.09	6,519.09	-	-	6,519.09
Financial assets not measured at fair value									
Other non-current financial asset	7	-	-	9,092.31	9,092.31	-	-	-	-
Trade receivables	11	-	-	36,077.43	36,077.43	-	-	-	-
Cash and cash equivalents	12	-	-	4,504.64	4,504.64	-	-	-	-
Bank balances other than cash and cash equivalents	13	-	-	20,139.43	20,139.43	-	-	-	-
Loans	14	-	-	53.11	53.11	-	-	-	-
Other financial assets	15	-	-	1,857.44	1,857.44	-	-	-	-
		44,320.53	6,519.09	71,724.36	1,22,563.98	50,839.62	-	-	50,839.62
Financial liabilities									
Financial liabilities not measured at fair value									
Lease liabilities	19	-	-	4,849.25	4,849.25	-	-	-	-
Trade payables	22	-	-	8,368.88	8,368.88	-	-	-	-
Other financial liabilities	23	-	-	5,177.53	5,177.53	-	-	-	-
		-	-	18,395.66	18,395.66	-	-	-	-

		Carrying amount				Fair value			
31 March 2024	**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	30,379.72	-	-	30,379.72	30,379.72	-	-	30,379.72
Investments in bonds	10	-	6,119.17	-	6,119.17	6,119.17	-	-	6,119.17
Financial assets not measured at fair value									
Other non-current financial asset	7	-	-	8,371.40	8,371.40	-	-	-	-
Trade receivables	11	-	-	31,535.97	31,535.97	-	-	-	-
Cash and cash equivalents	12	-	-	4,990.98	4,990.98	-	-	-	-
Bank balances other than cash and cash equivalents	13	-	-	20,022.60	20,022.60	-	-	-	-
Loans	14	-	-	11.73	11.73	-	-	-	-
Other financial assets	15	-	-	2,218.59	2,218.59	-	-	-	-
		30,379.72	6,119.17	67,151.27	1,03,650.16	36,498.89	-	-	36,498.89

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Newgen Software Technologies Limited

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Financial liabilities									
Financial liabilities not measured at fair value									-
Lease liabilities	19	-	-	3,948.78	3,948.78	-	-	-	-
Borrowings	20	-	-	219.92	219.92	-	-	-	-
Trade payables	22	-	-	6,195.27	6,195.27	-	-	-	-
Other financial liabilities	23	-	-	4,720.30	4,720.30	-	-	-	-
		-	-	15,084.27	15,084.27	-	-	-	-

The fair value of trade receivables, cash and cash equivalents, bank balances other than cash and cash equivalents, 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 amounts, 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

There have been no transfers in either direction for the years ended 31 March 2025 and 31 March 2024.

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Financial instruments – Fair values and risk management (continued)

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 2025	As at 31 March 2024
Other financials assets-non current	9,092.31	8,371.40
Investments	50,839.62	36,498.89
Trade receivables	36,077.43	31,535.97
Loans	53.11	11.73
Cash and cash equivalents	4,504.64	4,990.98
Bank balances other than cash and cash equivalents	20,139.43	20,022.60
Other financials assets-current	1,857.44	2,218.59
	1,22,563.98	1,03,650.16

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 contract assets 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 terms in normal course of business. Credit limits are established for each customers and received quarterly.

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 2025	As at 31 March 2024
India	16,342.94	13,646.56
USA	31.87	-
EMEA	13,827.96	15,206.66
APAC	5,874.66	2,682.75
	36,077.43	31,535.97

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Newgen Software Technologies Limited

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 2025	Gross carrying amount	Weighted- average loss rate	Loss allowance
0-3 months past due	30,976.39	2.17%	671.48
3-6 months past due	1,548.32	9.24%	143.07
6-9 months past due	2,786.45	22.46%	625.86
9-12 months past due	1,908.38	36.28%	692.36
12-15 months past due	1,493.54	60.09%	897.43
15-18 months past due	406.03	67.77%	275.16
18-21 months past due	1,376.75	82.96%	1,142.10
21-24 months past due	129.66	85.55%	110.92
above 24 months past due	1,957.15	99.47%	1,946.86
	42,582.67		6,505.24

As at 31 March 2024	Gross carrying amount	Weighted- average loss rate	Loss allowance
0-3 months past due	25,540.12	2.02%	515.90
3-6 months past due	4,421.39	8.63%	381.63
6-9 months past due	1,425.69	19.87%	283.25
9-12 months past due	336.50	23.68%	79.69
12-15 months past due	667.04	42.02%	280.27
15-18 months past due	1,128.01	60.49%	682.36
18-21 months past due	64.02	68.48%	43.84
21-24 months past due	164.04	69.65%	114.25
above 24 months past due	1,394.93	87.79%	1,224.58
	35,141.74		3,605.77

Ageing for expected credit loss has been considered from invoice date

Balance as at 1 April 2023	3,909.77
Impairment loss recognised	2,406.37
Amounts written off	2,710.37
Balance as at 31 March 2024	3,605.77
Impairment loss recognised	2,899.47
Amounts written off	-
Balance as at 31 March 2025	6,505.24

For movement of loss allowance on contract assets refer note 16A

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 2025	As at 31 March 2024
India	50,839.62	36,498.89
	50,839.62	36,498.89

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 bank balances other than cash and cash equivalents

The Company held cash and cash equivalents of INR 4,504.64 lakhs at 31 March 2025 (31 March 2024: INR 4,930.98 lakhs) and bank balances other than cash and cash equivalents of INR 20,139.43 lakhs as at 31 March 2025 (31 March 2024: INR 20,022.60 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.

Financial instruments – Fair values and risk management (continued)

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 2025, the Company had a working capital of INR 108,931.68 lakhs (31 March 2024: INR 82,748.05 lakhs) including cash and cash equivalent of INR 4,504.64 lakhs (31 March 2024: INR 4,990.98 lakhs), bank balances other than cash and cash equivalents of INR 20,139.43 lakhs (31 March 2024: 20,022.60 lakhs) and current investments of INR 50,839.62 lakhs (31 March 2024: INR 36,498.89 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 2025	5,760.53	-	5,760.53			
As at 31 March 2024	6,448.52	-	6,448.52	-	-	-

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 2025	Carrying amount	Total	Contractual cash flows: 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)	4,849.25	10,657.78	301.85	1,472.53	1,401.09	2,543.90	4,938.41
Unpaid dividends	11.83	11.83	11.83	-	-	-	-
Employee related payables	4,968.44	4,968.44	190.00	4,535.67	242.77	-	-
Trade and other payables	8,368.88	8,368.88	7,263.06	1,105.82	-	-	-
Earnest money deposits	1.00	1.00	-	1.00	-	-	-
Payable for capital assets	83.83	83.83	83.83	-	-	-	-
Total	18,283.23	24,091.76	7,850.57	7,115.02	1,643.86	2,543.90	4,938.41

31 March 2024	Carrying amount	Total	Contractual cash flows: 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)	3,948.78	9,352.33	213.86	1,064.77	1,055.80	1,919.32	5,098.58
Borrowings	219.92	234.24	-	234.24	-	-	-
Unpaid dividends	8.73	8.73	8.73	-	-	-	-
Employee related payables	4,391.42	4,391.42	195.18	4,037.21	159.03	-	-
Trade and other payables	6,195.27	6,195.27	4,924.06	1,271.21	-	-	-
Earnest money deposits	1.00	1.00	-	1.00	-	-	-
Payable for capital assets	319.15	319.15	319.15	-	-	-	-
Total	15,084.27	20,502.14	5,660.98	6,608.43	1,214.83	1,919.32	5,098.58

Financial instruments – Fair values and risk management

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.

v. 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 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 forward contracts for USD 39.00 million during the year from April 2024 to March 2025.The hedging loss of INR 278.13 lakhs is on account of mark to market loss (realised loss is INR 97.23 lakhs, unrealised loss is INR 112.43 lakhs and loss of INR 68.47 lakhs on account of reversal of last year mark to market loss) 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 year ended 31 March 2025.

Exposure to currency risk

The currency profile of financial assets and financial liabilities as at 31 March 2025 and 31 March 2024 are as below:

Particulars	Currency	31 March 2025		31 March 2024	
		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	273.76	23,387.65	236.97	19,751.24
	AED	-	-	0.65	14.70
	EUR	0.82	75.69	0.49	44.11
	GBP	-	-	2.00	210.46
	SGD	15.00	955.05	-	-
	MYR	4.74	91.34	0.39	6.89
Bank balance-Dubai	AED	-	-	7.97	180.76
Bank balance-EEFC	USD	13.71	1,171.35	24.59	2,049.26
Financial liabilities					
Trade and other payables					
	USD	(38.10)	(3,233.55)	(39.56)	(3,258.75)
	SGD	(9.58)	(609.72)	(3.09)	(190.71)
	SAR	(24.73)	(563.40)	(8.55)	(189.46)
	EUR	(0.07)	(6.24)	(0.18)	(16.75)
	AUD	(7.32)	(390.64)	(7.70)	(418.50)
	AED	(33.89)	(788.39)	-	-
	CAD	-	-	(1.90)	(116.81)
	GBP	(0.02)	(2.38)	-	-

* 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 2025		For the year ended 31 March 2024	
	Strengthening	Weakening	Strengthening	Weakening
	5 % movement		5% movement	
USD	1,065.20	(1,065.20)	925.16	(925.16)
EUR	3.47	(3.47)	1.39	(1.39)
GBP	(0.13)	0.13	10.52	(10.52)
CAD	-	-	(5.84)	5.84
SGD	17.26	(17.26)	(9.54)	9.54
AED	(39.41)	39.41	9.77	(9.77)
SAR	(28.17)	28.17	(9.51)	9.51
MYR	4.57	(4.57)	0.34	(0.34)
AUD	(19.53)	19.53	(20.93)	20.93
	1,003.26	(1,003.26)	901.36	(901.36)

Financial instruments – Fair values and risk management (continued)

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 2025	31 March 2024
Fixed-rate instruments		
Financial assets	34,433.07	34,909.04
Financial liabilities	4,849.25	4,168.70
Total	39,282.32	39,077.74

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 42.41 lakhs after tax (31 March 2024: INR 39.81 lakhs) and PBT by INR 65.19 lakhs (31 March 2024: INR 61.19 lakhs).

Cash flow sensitivity analysis for variable-rate instruments

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 84.82 lakhs after tax (31 March, 2024: INR 79.62 lakhs) and PBT by INR 130.38 lakhs (31 March, 2024: INR 122.38 lakhs). An equal change in the opposite direction would have decreased equity by INR 84.82 lakhs after tax (31 March, 2024: INR 79.62 lakhs) and PBT by INR 130.38 lakhs (31 March, 2024: INR 122.38 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 576.70 lakhs after tax (31 March, 2024: INR 391.78 lakhs) and PBT by INR 886.41 lakhs (31 March, 2024: INR 602.18 lakhs) . An equal change in the opposite direction would have decreased profit or loss by INR 576.70 lakhs after tax (31 March, 2024: INR 391.78 lakhs) and PBT by INR 886.41 lakhs (31 March, 2024: INR 602.18 lakhs) .

(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 2025 and 31 March 2024.

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 and retained earnings.

	As at 31 March 2025	As at 31 March 2024
Total liabilities	4,849.25	4,168.70
Less: Cash & Cash equivalent	4,504.64	4,990.98
Adjusted net debt (a)	344.61	(822.28)
Total equity (b)	1,41,310.65	1,14,757.71
Total equity and net debt (a+b) = c	1,41,655.26	1,13,935.43
Capital gearing ratio (a/c)	0.24%	(0.72%)

As a part of its capital management policy the Company ensures compliance with all covenants and other capital requirements related to its contractual obligations.

WALKER CHANDIOK & CO LLP * CHARTERED ACCOUNTANTS

Newgen Software Technologies Limited

Newgen Software Technologies Limited
CIN: L72200DL1992PLC049074
Notes to the standalone financial statements for the year ended 31 March 2025
(All amounts are in lakhs of Indian Rupees, unless otherwise stated

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)

B. Information about reportable segments

Year ended 31 March 2025

Particulars	Reportable segments				
	India	EMEA	APAC	USA	Total Segment
Revenue External revenue Inter-segment revenue	45,868.41 -	44,865.87 -	20,625.16 -	24,075.95 -	1,35,435.39 -
Total Segment Revenue	45,868.41	44,865.87	20,625.16	24,075.95	1,35,435.39
Employee Benefit Expense	31,936.51	14,748.26	6,245.92	8,723.78	61,654.47
Segment profit before income tax	7,216.62	14,403.24	7,624.37	6,086.29	35,330.52
Segment assets	25,665.53	26,902.26	8,338.63	8,177.27	69,083.69
Segment liabilities	11,768.04	11,751.21	4,396.50	3,610.37	31,526.12
Capital expenditure during the year	2,352.41	-	-	-	2,352.41

Year ended 31 March 2024

Particulars	Reportable segments				
	India	EMEA	APAC	USA	Total Segment
Revenue External revenue Inter-segment revenue	40,188.55 -	41,414.54 -	12,658.31 -	19,350.53 -	1,13,611.93 -
Total Segment Revenue	40,188.55	41,414.54	12,658.31	19,350.53	1,13,611.93
Employee Benefit Expense	26,228.24	14,829.95	5,196.60	7,676.68	53,931.47
Segment profit before income tax	8,135.25	13,850.68	2,861.43	2,452.39	27,299.75
Segment assets	20,009.26	20,706.38	5,355.25	5,737.22	51,808.11
Segment liabilities	10,432.45	10,952.56	3,395.87	3,272.31	28,053.19
Capital expenditure during the year	1,368.89	-	-	-	1,368.89

C. Reconciliations of information on reportable segments to Ind AS

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
(a) Revenue*		
Total revenue for reportable segments	1,35,435.39	1,13,611.93
Elimination of inter-segment revenue	-	-
Total revenue	1,35,435.39	1,13,611.93
(b) Profit before tax		
Total profit before tax for reportable segments	35,330.52	27,299.75
Unallocated amounts:		
- Unallocated income	5,967.66	4,550.01
- Other corporate expenses	3,995.37	3,414.71
Total profit before tax from operations	37,302.81	28,435.05
(c) Assets		
Total assets for reportable segments	69,083.69	51,808.11
Other unallocated amounts	1,15,037.48	99,504.35
Total assets	1,84,121.17	1,51,312.46
(d) Liabilities		
Total liabilities for reportable segments	31,526.12	28,053.19
Other unallocated amounts	11,284.40	8,501.56
Total liabilities	42,810.52	36,554.75

* For information about products & services, refere Note 27.

D. Information about major customers

No customer individually accounted for more than 10% of the revenues in the year ended 31 March 2025 and 31 March 2024.

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'.

WALKER CHANDIOK & CO LLP * CHARTERED ACCOUNTANTS *

(All amounts are in lakhs of Indian Rupees, unless otherwise stated)

46. Ratios as per Schedule III requirements

Ratio	Numerator	Denominator	Unit	31-Mar-25	31-Mar-24	% variance	Reason for variance
Current ratio	Current assets	Current liabilities	Times	4.21	3.87	8.75%	-
Debt- Equity Ratio	Total Debt (refer note 1 below)	Shareholder's Equity	Times	0.03	0.04	(5.53%)	-
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	26.14	24.38	7.23%	-
Return on Equity ratio	Net Profits after taxes – Preference Dividend	Average Shareholder's Equity	%	22.91%	22.93%	(0.12%)	-
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	3.05	3.03	0.40%	-
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	1.24	1.37	(9.45%)	-
Net Profit ratio	Net Profit	Net sales = Total sales - sales return	%	21.65%	20.89%	3.66%	-
Return on Capital Employed	Earnings before interest and taxes (refer note 5 below)	Capital Employed (refer note 6 below)	%	24.26%	23.14%	4.83%	-
Return on Investment	Interest (Finance Income)	Average Investment	%	7.26%	7.95%	(8.69%)	-

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 contract assets - closing contract assets - 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 no instances where the change is more than 25% , hence no explanation is given.

47 As at 31 March 2025, the Company has gross foreign currency receivables amounting to INR 24,509.73 lakhs (previous year INR 20,027.40 lakhs). Out of these receivables, INR 5,108.22 lakhs (previous year INR 1,955.12 lakhs) is outstanding for more than 9 months. As per FED Master Direction No. 16/2015-16, 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, in one calendar year, the Company is allowed to seek extension for an amount equivalent to USD one million or 10% of the average export collection of the last 3 years only, whichever is higher and pursuant to the same, the company has applied for an extension of all the foreign currency receivables outstanding for more than 6 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.

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.

ix All title deeds of Immovable Property are held in the name of the Company.

x The Company has not defaulted on any of the loan taken from banks, financial institutions or other lender.

xi The Company has not revalued its property, plant and equipment (including right-of-use assets) or intangible assets or both during the current or previous year.

xii The Company has complied with the number of layers prescribed under Companies Act, 2013.

49 Previous period's figures have been regrouped/reclassified wherever necessary to correspond with the current period's classification/disclosure, which are not considered material to these financial statements.

As per our report of even date attached

For Walker Chandiok & Co LLP
Chartered Accountants
Firm Registration No.: 001076N/N500013

WALKER CHANDIOK & CO LLP CHARTERED ACCOUNTANTS

Ankit Mehra
Partner
Membership No.: 507429

Place: Gurugram
Date: 02 May 2025

For and on behalf of the Board of Directors of
Newgen Software Technologies Limited

Diwakar Nigam
Chairman & Managing Director
DIN: 00263222

Place: Delhi
Date: 02 May 2025

T.S.Varadarajan
Whole Time Director
DIN: 00263115

Place: Delhi
Date: 02 May 2025

Virender Jeet
Chief Executive Officer
PAN: AAOPJ2433N

Place: Delhi
Date: 02 May 2025

Arun Kumar Gupta
Chief Financial Officer
Membership No: 056859

Place: Delhi
Date: 02 May 2025

Aman Mourya
Company Secretary
Membership No: F9975

Place: Delhi
Date: 02 May 2025

Walker Chandiok & Co LLP
21st Floor, DLF Square
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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 2025, 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 notes to the consolidated financial statements, including material accounting policy information 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 2025, 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 Matter section below, is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matter

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 matter described below to be the key audit matter 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 material accounting policy information 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 ('Ind AS 115'). Revenue recognition in such contracts 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 contract assets 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.	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 revenue, and the associated contract assets, unearned revenue balances. b) Evaluated the appropriateness of accounting policy adopted by the management in accordance with the requirements of Ind AS 115. c) 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; d) Selected a sample of contracts and 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. - Tested the details of activities completed as provided by the project head and confirmation/acceptance of completion of such activities by the customer. - Performed a retrospective review of efforts incurred with estimated efforts to identify significant variations, if any and verified whether those variations have been considered in estimating the remaining efforts to complete the contract. - Tested the mathematical accuracy of the workings performed by the management to determine amount recognised as revenue during the current year and resultant contract assets/unearned revenue outstanding as at year end. e) 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.

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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. The Annual Report is expected to be made available to us after the date of this auditor's report.

   Our opinion on the consolidated financial statements does not cover the other information and we will 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 identified above when it becomes available 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.

   When we read the Annual Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

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 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

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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 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 Board of Directors' 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 consolidated 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 consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation; and

    - Obtain sufficient appropriate audit evidence regarding the financial information 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 consolidated financial statements, of which we are the independent auditors. For the other entities included in the consolidated 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 consolidated 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

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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. We did not audit the financial statements of 7 subsidiaries, whose financial statements reflects total assets of ₹ 22,410.81 lacs as at 31 March 2025, total revenues of ₹34,854.01 lacs and net cash inflows amounting to ₹ 914.40 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, 6 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 amounts and disclosures included in respect 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.

Report on Other Legal and Regulatory Requirements

16. 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, incorporated in India whose financial statements have been audited under the Act have paid remuneration to their respective 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 1 subsidiary, incorporated in India whose financial statements have been audited 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.

17. 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 auditor 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.

18. As required by section 143(3) of the Act, based on our audit and on the consideration of the report of the other auditor on separate financial statements and other financial information of the subsidiary incorporated in India whose financial statements have been audited under the Act, 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;

WALKER CHANDIOK & CO LLP CHARTERED ACCOUNTANTS

b) In our opinion, 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 report of the other auditor;

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 the report of the statutory auditor of its subsidiary, covered under the Act, none of the directors of the Holding Company and its subsidiary, are disqualified as on 31 March 2025 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, 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 auditor on separate financial statements and other financial information of the subsidiary incorporated in India whose financial statements have been audited under the Act:

i. The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group, as detailed in Note 35 to the consolidated financial statements;

ii. The Holding Company, its subsidiary, did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses as at 31 March 2025.;

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 covered under the Act, during the year ended 31 March 2025.;

iv.

a. The respective managements of the Holding Company and its subsidiary incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditor of such subsidiary respectively that, to the best of their knowledge and belief, on the date of this audit report as disclosed in note 46 (v) to the consolidated financial statements, 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 Holding Company or its subsidiary, to or in any person(s) or entity(ies), 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 Holding Company, or any such subsidiary ('the Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf the Ultimate Beneficiaries;

b. The respective managements of the Holding Company and its subsidiary incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditor of such subsidiary respectively that, to the best of their knowledge and belief, on the date of this audit report as disclosed in the note 46(vi) to the accompanying consolidated financial statements, no funds have been received by the Holding Company or its subsidiary, from any person(s) or entity(ies), including foreign entities ('the Funding

Parties'), with the understanding, whether recorded in writing or otherwise, that the Holding Company, or any such subsidiary 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 by us and that performed by the auditor of the subsidiary, as considered reasonable and appropriate in the circumstances, nothing has come to our or other auditors' notice that has caused us or the other auditor to believe that the management representations under sub-clauses (a) and (b) above contain any material misstatement.

v. The final dividend paid by the Holding Company during the year ended 31 March 2025 in respect of such dividend declared for the previous year is in accordance with section 123 of the Act to the extent it applies to payment of dividend and as stated in note 37 to the accompanying consolidated financial statements, the Board of Directors of the Holding Company have proposed final dividend for the year ended 31 March 2025 which is subject to the approval of the members at the ensuing Annual General Meeting. The dividend declared is in accordance with section 123 of the Act to the extent it applies to declaration of dividend.

vi. Based on our examination which included test checks and that performed by the respective auditor of the subsidiary, the Holding Company and its subsidiary, in respect of financial year commencing on or after 1 April 2024, have used an accounting software for maintaining their books of account which has a feature of recording audit trail (edit log) facility and the same has been operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit we and respective auditor of the above referred subsidiary did not come across any instance of audit trail feature being tampered with. Furthermore, the audit trail has been preserved by the Holding Company and above referred subsidiary as per the statutory requirements for record retention.

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013

WALKER CHANDIOK & CO LLP CHARTERED ACCOUNTANTS

Ankit Mehra
Partner
Membership No.: 507429
UDIN: 25507429BMIXFB7853

Place: Gurugram
Date: 2 May 2025

Annexure 1

List of entities included in the Statement

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. Newgen Software Technologies L.L.C.
8. Newgen Software Technologies Company Limited

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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 subsidiary (the Holding Company and its subsidiary together referred to as 'the Group') as at and for the year ended 31 March 2025, we have audited the internal financial controls with reference to financial statements of the Holding Company and its subsidiary company, 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 company, 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 company, 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 auditor 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 company 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 report of the other auditor on internal financial controls with reference to financial statements of the subsidiary company, the Holding Company and its subsidiary company, 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 2025, 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 in so far as it relates to 1 subsidiary company, which is company covered under the Act, whose financial statements reflect total assets of ₹ 82.25 lacs and net assets of ₹ 81.76 lacs as at 31 March 2025, total revenues of ₹ Nil and net cash inflows amounting to ₹ 0.77 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 company have been audited by other auditor whose report 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 company, as aforesaid, under Section 143(3)(i) of the Act in so far as it relates to such subsidiary company is based solely on the reports of the auditor of such company. 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 auditor.

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013

WALKER CHANDIOK & CO LLP
CHARTERED ACCOUNTANTS

Ankit Mehra
Partner
Membership No.: 507429
UDIN: 25507429BMIXFB7853

Place: Gurugram
Date: 2 May 2025

Newgen Software Technologies Limited
CIN: L72200DL1992PLC049074
Consolidated Balance Sheet as at 31 March 2025
(All amounts are in lakhs of Indian Rupees, unless otherwise stated)

	Note	As at 31 March 2025	As at 31 March 2024
ASSETS			
Non-current assets			
Property, plant and equipment	4	17,216.45	16,452.32
Capital work-in-progress	4	-	279.53
Right-of-use assets	18	7,742.66	7,063.44
Goodwill	4A	283.31	283.31
Intangible assets	5	648.11	1,022.03
Financial assets			
Other Financial assets	6	9,490.12	8,382.97
Deferred tax assets (net)	32	2,134.78	2,846.57
Income tax assets (net)	7	2,156.48	1,697.90
Other non-current assets	8	47.61	17.86
Total non-current assets		**39,719.52**	**38,045.93**
Current assets			
Financial assets			
Investments	9	50,839.62	36,498.89
Trade receivables	10	55,607.98	44,353.35
Cash and cash equivalents	11	10,377.00	12,457.31
Bank balances other than cash and cash equivalents	12	31,173.10	25,136.83
Loans	13	53.11	11.73
Other financial assets	14	1,959.24	2,381.38
Contract Assets	15A	11,023.66	7,080.70
Other current assets	15B	3,684.60	2,681.64
Total current assets		**1,64,788.31**	**1,30,601.83**
TOTAL ASSETS		**2,04,507.83**	**1,68,647.76**
EQUITY AND LIABILITIES			
Equity			
Equity share capital	16	14,021.30	13,977.93
Other equity	17	1,37,621.91	1,08,373.58
Total equity attributable to the owners of the Holding Company		**1,51,643.21**	**1,22,351.51**
Non-current liabilities			
Financial liabilities			
- Lease liabilities	18	4,081.21	3,464.28
Provisions	20	5,552.79	4,873.07
Total non-current liabilities		**9,634.00**	**8,337.35**
Current liabilities			
Financial liabilities			
Borrowings	19	-	219.92
Lease liabilities	18	1,267.27	1,166.55
Trade payables			
- Total outstanding dues to micro enterprises and small enterprises	21	277.92	632.13
- Total outstanding dues to creditors other than micro and small enterprises	21	4,769.26	4,129.40
Other financial liabilities	22	6,131.78	5,334.66
Deferred income	23	22,006.42	20,513.58
Other current liabilities	24	4,776.59	3,285.26
Provisions	25	962.71	915.76
Income tax liabilities (net)	7A	3,038.67	1,761.64
Total current liabilities		**43,230.62**	**37,958.90**
Total liabilities		**52,864.62**	**46,296.25**
TOTAL EQUITY AND LIABILITIES		**2,04,507.83**	**1,68,647.76**
Summary of material accounting policies information	3		

The accompanying notes are an integral part of the Consolidated Financial Statements
As per our report of even date

For Walker Chandiok & Co LLP
Chartered Accountants
Firm Registration No.: 001076N/N500013

Anku Mehra
Partner
Membership No.: 507429
Place: Gurugram
Date: 02 May 2025

WALKER CHANDIOK & CO LLP CHARTERED ACCOUNTANTS

For and on behalf of the Board of Directors of
Newgen Software Technologies Limited

Diwakar Nigam
Chairman & Managing Director
DIN: 00263222
Place: New Delhi
Date: 02 May 2025

T.S.Varadarajan
Whole Time Director
DIN: 00263115
Place: New Delhi
Date: 02 May 2025

Virender Jeet
Chief Executive Officer
PAN: AAOPJ2433N
Place: New Delhi
Date: 02 May 2025

Arun Kumar Gupta
Chief Financial Officer
Membership No: 056839
Place: New Delhi
Date: 02 May 2025

Aman Mourya
Company Secretary
Membership No: F9975
Place: New Delhi
Date: 02 May 2025

Newgen Software Technologies Limited
CIN: L72200DL1992PLC049074
Consolidated Statement of Profit and Loss for the year ended 31 March 2025
(All amounts are in lakhs of Indian Rupees, unless otherwise stated)

	Note	For the year ended 31 March 2025	For the year ended 31 March 2024
Income			
Revenue from operations	26	1,48,687.92	1,24,382.86
Other income	27	6,357.59	4,806.43
Total income		**1,55,045.51**	**1,29,189.29**
Expenses			
Employee benefits expenses	28	74,104.38	62,831.43
Finance costs	29	477.20	418.18
Depreciation and amortisation expenses	30	3,304.13	2,796.77
Other expenses	31	36,963.01	32,720.42
Total expenses		**1,14,848.72**	**98,766.80**
Profit before tax		**40,196.79**	**30,422.49**
Tax expense			
Current tax		9,872.01	5,953.49
Deferred tax credit		(1,199.46)	(691.50)
Income tax expense		**8,672.55**	**5,261.99**
Profit for the year		**31,524.24**	**25,160.50**
Other comprehensive income / (loss)			
Items that will not be reclassified subsequently to profit or loss			
Re-measurement losses on defined benefit plans		(109.52)	(467.22)
Income tax relating to items that will not be reclassified to profit or loss		38.27	163.26
Net other comprehensive loss not to be reclassified subsequently to profit or loss		**(71.25)**	**(303.96)**
Items that will be reclassified subsequently to profit or loss			
Financial assets or investments carried at fair value through other comprehensive income		(151.35)	(67.18)
Income tax relating to items that will be reclassified to profit or loss		35.26	15.65
Exchange differences on translation of foreign operations		541.83	140.57
Net other comprehensive income to be reclassified subsequently to profit or loss		**425.74**	**89.04**
Other comprehensive income / (loss) for the year, net of income tax		**354.49**	**(214.92)**
Total comprehensive income for the year		**31,878.73**	**24,945.58**
Profit attributable to:			
Owners of the Holding Company		31,524.24	25,160.50
Profit for the year		**31,524.24**	**25,160.50**
Other comprehensive income / (loss) attributable to:			
Owners of the Holding Company		354.49	(214.92)
Other comprehensive income / (loss) for the year		**354.49**	**(214.92)**
Total comprehensive income attributable to:			
Owners of the Holding Company		31,878.73	24,945.58
Total comprehensive income for the year		**31,878.73**	**24,945.58**
Earnings per equity share	33		
Nominal value of share INR 10 (31 March 2024: INR 10)			
Basic earning per share (INR)		22.33	18.02
Diluted earning per share (INR)		21.89	17.50
Summary of material accounting policies information	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

Ashish Mehra
Partner
Membership No.: 507429

Place: Gurugram
Date: 02 May 2025

WALKER CHANDIOK & CO LLP
CHARTERED ACCOUNTANTS

For and on behalf of the Board of Directors of
Newgen Software Technologies Limited

Diwakar Nigam
Chairman & Managing Director
DIN: 00263222
Place: New Delhi
Date: 02 May 2025

T.S. Varadarajan
Whole Time Director
DIN: 00263115
Place: New Delhi
Date: 02 May 2025

Virender Jeet
Chief Executive Officer
PAN: AAOPJ2433N
Place: New Delhi
Date: 02 May 2025

Arun Kumar Gupta
Chief Financial Officer
Membership No: 056859
Place: New Delhi
Date: 02 May 2025

Aman Mourya
Company Secretary
Membership No: F9975
Place: New Delhi
Date: 02 May 2025

Newgen Software Technologies Limited
CIN: L72200DL1992PLC049074
Consolidated Statement of Cash Flows for the year ended 31 March 2025
(All amounts are in lakhs of Indian Rupees, unless otherwise stated)

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
A. Cash flows from operating activities		
Net profit before tax	40,196.79	30,422.49
Adjustments for:		
Depreciation and amortisation expenses	3,304.13	2,796.11
Gain on sale of property, plant and equipment	(13.60)	(15.33)
Loss allowance on trade receivables and contract assets	3,667.80	1,283.98
Liabilities/ provision no longer required written back	(476.46)	(120.68)
Unrealised foreign exchange loss/(gain)	181.88	(399.07)
Share based payment - equity settled	2,339.42	1,437.91
Finance costs	466.65	335.90
Fair value changes of financial assets at FVTPL	(1,983.29)	(1,359.14)
Profit on sale of mutual funds (net) at FVTPL	(913.75)	(254.94)
Interest income	(2,781.35)	(2,604.61)
Gain on lease termination	(127.05)	-
Operating cash flow before working capital changes	44,061.33	34,504.86
Increase in trade receivables	(14,367.36)	(8,302.00)
Increase in loans	(41.38)	(4.73)
Increase in other financial assets	(719.85)	(516.50)
(Increase)/decrease in contract assets	(4,085.33)	663.83
Increase in other assets	(1,099.13)	(1,166.34)
Increase in provisions	697.32	869.33
Increase in other financial liabilities	866.12	1,263.77
Increase in other liabilities and deferred income	2,599.69	5,357.31
Increase in trade payables	624.49	1,393.34
Cash generated from operations	28,575.98	33,663.07
Income taxes paid (net)	(7,078.23)	(5,522.00)
Net cash generated from operating activities (A)	21,497.67	28,141.07
B. Cash flows from investing activities		
Acquisition or construction of property plant and equipment including intangible assets, capital work-in-progress, capital advances and payable for capital assets	(2,535.00)	(1,380.77)
Proceeds from sale of property plant and equipment	26.17	17.60
Purchase of mutual funds and bonds	(41,176.38)	(36,199.38)
Proceeds from redemption of mutual funds and bonds	29,581.56	14,386.59
Interest received from bonds	425.60	426.36
Interest received from bank deposits	2,860.64	1,322.38
Investment in bank deposits (net of maturities)	(6,394.29)	(453.66)
Net cash used in investing activities (B)	(17,211.90)	(21,880.88)
C. Cash flows from financing activities		
Repayment of short-term borrowings	(219.92)	(303.63)
Interest paid on borrowings	(14.32)	(30.61)
Repayment of lease liabilities	(998.72)	(822.97)
Interest paid on finance lease	(452.33)	(305.29)
Proceeds from issue of equity shares under ESOP scheme	485.23	212.62
Dividend paid	(5,608.57)	(3,495.63)
Net cash used in financing activities (C)	(6,808.63)	(4,745.51)
Net (decrease)/increase in cash and cash equivalents (A + B + C)	(2,522.86)	1,514.68
Cash and cash equivalents at the beginning of the year	12,457.31	10,802.06
Effect of exchange differences on translation of foreign currency cash and cash equivalents	442.55	140.57
Cash and cash equivalents at the end of the year	10,377.00	12,457.31
Components of cash and cash equivalents: (refer note 11)		
Cash in hand	5.47	6.45
Balances with banks:		
- In current accounts	10,370.14	11,049.47
- balances with scheduled banks in deposit accounts with original maturity of less than 3 months	1.39	1,401.39
	10,377.00	12,457.31

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"
2. Refer note 18 and note 19 for reconciliation of liabilities arising from financing activities.

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

WALKER CHANDIOK & CO LLP * CHARTERED ACCOUNTANTS *

[illegible]
Partner
Membership No.: 507429

Place: Gurugram
Date: 02 May 2025

For and on behalf of the Board of Directors of
Newgen Software Technologies Limited

Diwakar Nigam
Chairman & Managing Director
DIN: 00263222

Place: New Delhi
Date: 02 May 2025

T.S.Varadarajan
Whole Time Director
DIN: 00263115

Place: New Delhi
Date: 02 May 2025

Virender Jeet
Chief Executive Officer
PAN: AAOPJ2430N

Place: New Delhi
Date: 02 May 2025

Arun Kumar Gupta
Chief Financial Officer
Membership No: 056859

Place: New Delhi
Date: 02 May 2025

Aman Mourya
Company Secretary
Membership No: F9975

Place: New Delhi
Date: 02 May 2025

Newgen Software Technologies Limited
CIN: L72200DL1992PLC049074
Consolidated Statement of Changes in Equity for the year ended 31 March 2025
(All amounts are in lakhs of Indian Rupees, unless otherwise stated)

a. Equity share capital

Particulars	Equity share capital		Total share capital
	Number	Amount	Amount
Balance as at 1 April 2022	6,99,55,701	6,995.57	6,995.57
Add: Issued during the year to Newgen ESOP Trust before bonus issue	1,13,700	11.37	11.37
Balance shares before bonus issue	7,00,69,401	7,006.94	7,006.94
Add: Bonus Share issued during the year	7,00,69,401	7,006.94	7,006.94
Add: Issued during the year to Newgen ESOP Trust after bonus issue	1,53,000	15.30	15.30
Total Share capital as at 31 March 2024	14,02,91,802	14,029.18	14,029.18
Less: Shares held by Newgen ESOP Trust	3,12,483	31.25	31.25
Balance as at 31 March 2024	13,99,79,319	13,997.93	13,997.93
Balance as at 1 April 2024	14,02,91,802	14,029.18	14,029.18
Add: Issued during the year to Newgen ESOP Trust	3,93,385	39.34	39.34
Add: Issued during the year to Newgen RSU Trust	9,40,000	94.00	94.00
Total Share capital as at 31 March 2025	14,16,25,187	14,162.52	14,162.52
Less: Shares held by Newgen ESOP Trust	5,77,215	57.72	57.72
Less: Shares held by Newgen RSU Trust	8,35,025	83.50	83.50
Total Share capital as at 31 March 2025	14,02,12,947	14,021.30	14,021.30

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 2023	10,605.24	74,981.21	87.95	1,731.39	416.59	540.35	2,142.88	1,446.63	(244.01)	(212.26)	91,495.34
Total comprehensive income for the year ended 31 March 2024											
Profit for the year	-	25,160.60	-	-	-	-	-	-	-	-	25,160.60
Other comprehensive income/(loss) (net of tax)	-	-	-	-	-	-	-	140.57	(303.96)	(51.53)	(214.92)
Securities premium on issue of bonus shares	(7,006.94)	-	-	-	-	-	-	-	-	-	(7,006.94)
Transactions with owners, recorded directly in equity											
Addition to Newgen ESOP Trust reserve	-	-	-	-	-	12.94	-	-	-	-	12.94
Shares alloted to Newgen ESOP Trust	484.41	-	-	-	-	-	-	-	-	-	484.41
Contributions by and distributions to owners											
Dividend on equity shares	-	(3,497.79)	-	-	-	-	-	-	-	-	(3,497.79)
Employee stock compensation expense	-	-	-	-	-	-	2,457.92	-	-	-	2,457.92
Transferred to securities premium account on exercise of stock options	132.79	-	-	-	-	-	(132.79)	-	-	-	-
Balance as at 31 March 2024	4,215.57	96,644.02	87.95	1,731.39	416.59	553.29	4,447.21	1,587.20	(547.97)	(263.79)	1,08,871.46
Less: Securities premium on shares held by Newgen ESOP Trust	497.88	-	-	-	-	-	-	-	-	-	497.88
Balance as at 31 March 2024	3,717.69	96,644.02	87.95	1,731.39	416.59	553.29	4,447.21	1,587.20	(547.97)	(263.79)	1,08,373.58
Balance as at 1 April 2024	4,215.57	96,644.02	87.95	1,731.39	416.59	553.29	4,447.21	1,587.20	(547.97)	(263.79)	1,08,871.46
Total comprehensive income for the year ended 31 March 2025											
Profit for the year	-	31,524.24	-	-	-	-	-	-	-	-	31,524.24
Other comprehensive income/(loss) (net of tax)	-	-	-	-	-	-	-	541.83	(71.25)	(116.09)	354.49
Transactions with owners, recorded directly in equity											
Addition to Newgen ESOP Trust reserve	-	-	-	-	-	(7.57)	-	-	-	-	(7.57)
Shares alloted to Newgen ESOP Trust	939.40	-	-	-	-	-	-	-	-	-	939.40
Contributions by and distributions to owners											
Dividend on equity shares	-	(5,611.67)	-	-	-	-	-	-	-	-	(5,611.67)
Employee stock compensation expense	-	-	-	-	-	-	2,559.42	-	-	-	2,559.42
Transferred to securities premium account on exercise of stock options	517.46	-	-	-	-	-	(517.46)	-	-	-	-
Balance as at 31 March 2025	5,672.43	1,22,556.59	87.95	1,731.39	416.59	545.72	6,469.17	2,129.03	(619.22)	(379.88)	1,38,609.77
Less: Securities premium on shares held by Newgen ESOP Trust	987.86	-	-	-	-	-	-	-	-	-	987.86
Balance as at 31 March 2025	4,684.57	1,22,556.59	87.95	1,731.39	416.59	545.72	6,469.17	2,129.03	(619.22)	(379.88)	1,37,621.91

* Refer Note 17

Summary of material accounting policies information — 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

Anil Mehra
Partner
Membership No.: 507425

Place: Gurugram
Date: 02 May 2025

For and on behalf of the Board of Directors of
Newgen Software Technologies Limited

Diwakar Nigam	T.S.Varadarajan	Virender Jeet	Arun Kumar Gupta	Aman Mourya
Chairman & Managing Director	Whole Time Director	Chief Executive Officer	Chief Financial Officer	Company Secretary
DIN: 00263222	DIN: 00263115	PAN: AAOPJ2489N	Membership No.: 056850	Membership No.: 59975
Place: New Delhi	Place: New Delhi	Place: New Delhi	Place: New Delhi	Place: New Delhi
Date: 02 May 2025	Date: 02 May 2025	Date: 02 May 2025	Date: 02 May 2025	Date: 02 May 2025

(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 E-44/13, Okhla Phase II, New Delhi 110020. 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, amended and other relevant provisions of the Act and guidelines issued by the Securities and Exchange Board of India (SEBI). 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 2 May 2025.

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, amended, and other relevant provisions of the Act and guidelines issued by the Securities and Exchange Board of India (SEBI).

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
Newgen Computers Technologies Limited	India	100
Newgen Software Technologies L.L.C.	UAE	100
Newgen Software Technologies Company Limited	Saudi Arabia	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.

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Technologies Limited

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.

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.

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Newgen Technologies Limited

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.

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
Defined benefit liability	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 material 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 2025 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;
- 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 41– 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.

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Newgen Software Technologies Limited

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.

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 41 – Financial instruments.

l. Recent accounting pronouncements

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. For the year ended 31 March 2025, MCA has not notified any new standards or amendments to the existing standards applicable to the Group.

Application of new standards and amendments

The Ministry of Corporate Affairs notified new standards or amendment to existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. The Group applied following amendments for the first-time during the current year which are effective from 1 April 2024.

Ind AS 116 - Lease liability in a sale and leaseback: The amendments require an entity to recognise lease liability including variable lease payments which are not linked to index or a rate in a way it does not result into gain on Right of Use asset it retains. The amendment did not have any material impact on the financial statements of the Group.

Introduction of Ind AS 117: MCA notified Ind AS 117, a comprehensive standard that prescribe, recognition, measurement and disclosure requirements, to avoid diversities in practice for accounting insurance contracts and it applies to all companies i.e., to all "insurance contracts" regardless of the issuer. However, Ind AS 117 is not applicable to the entities which are insurance companies registered with IRDAI.

The Group has reviewed the new pronouncements and based on its evaluation has determined that these amendments do not have a significant impact on the Company's Financial Statements

3. Material Accounting Policies Information

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. However, trade receivables that do not contain a significant financing component are measured at transaction price.

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 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.

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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 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	7-8
Computer hardware	
- servers and networks	6
- Computers**	3-7

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.

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 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.

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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**

In accordance with Ind AS 109, the Group applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

a. Financial assets that are debt instruments, and are measured at amortised cost e.g., loans, debt securities, deposits, trade receivables and bank balance
b. Financial assets that are debt instruments and are measured as at FVTOCI
c. Lease receivables under Ind AS 116
d. Trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 115
e. Loan commitments which are not measured as at FVTPL
f. Financial guarantee contracts which are not measured as at FVTPL

The Group follows 'simplified approach' for recognition of impairment loss allowance on:
• Trade receivables or contract revenue receivables; and
• All lease receivables resulting from transactions within the scope of Ind AS 116

The application of simplified approach does not require the Group to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

For recognition of impairment loss on other financial assets and risk exposure, the Group determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognising impairment loss allowance based on 12-month ECL.

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date.

ECL is the difference between all contractual cash flows that are due to the Group in accordance with the contract and all the cash flows that the entity expects to receive (i.e., all cash shortfalls), discounted at the original EIR.

ECL impairment loss allowance (or reversal) recognized during the period is recognized as income/ expense in the statement of profit and loss (P&L). This amount is reflected under the head 'other expenses' in the P&L. The balance sheet presentation for various financial instruments is described below:

- Financial assets measured as at amortised cost, contractual revenue receivables and lease receivables: ECL is presented as an allowance, i.e., as an integral part of the measurement of those assets in the balance sheet. The allowance reduces the net carrying amount. Until the asset meets write-off criteria, the Group does not reduce impairment allowance from the gross carrying amount.

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- Loan commitments and financial guarantee contracts: ECL is presented as a provision in the balance sheet, i.e. as a liability. Debt instruments measured at FVTOCI: For debt instruments measured at FVOCI, the expected credit losses do not reduce the carrying amount in the balance sheet, which remains at fair value. Instead, an amount equal to the allowance that would arise if the asset was measured at amortised cost is recognised in other comprehensive income as the "accumulated impairment amount".

The Group does not have any purchased or originated credit-impaired (POCI) financial assets, i.e., financial assets which are credit impaired on purchase/ origination.

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).

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.

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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.

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

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. Based on the assessment of contractual arrangements, there are no discounts, rebates, incentives, or other forms of variable consideration applicable to the revenue recognized during the reporting period.

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 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.

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.

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 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. A contract asset arises when the Group has performed under a contract but has not yet met the conditions required to bill the customer. The right to receive cash is conditional upon further performance obligations.

Unearned and deferred revenue ("contract liability") is recognised when there is billings in excess of revenues.

v. *Trade Receivables*

Trade receivables are amounts due from customers for sale of license or rendering of services in the ordinary course of business. They are generally due for settlement within one year and therefore are all classified as current. Where the settlement is due after one year, they are classified as non-current. Trade receivables are disclosed in Note 10.

vi. *Impairment*

An impairment is recognised to the extent that the carrying amount of receivable or asset relating to contracts with customers (a) the remaining amount of consideration that the Group expects to receive in exchange for sale of license or rendering of services to which such asset relates; less (b) the costs that relate directly to providing those sale of license or rendering of services and that have not been recognised as expenses.

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.

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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.

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.

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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 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 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 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 43 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. **Statement of cash flows**

Cash flows are reported using the indirect method, whereby profit for the period is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash from operating, investing and financing activities of the Group are segregated.

t. **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.

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4 Property, plant and equipment

	Freehold land	Buildings	Plant and equipment	Leasehold improvements	Vehicles	Office equipment	Furniture and fixtures	Computer and servers	Total	Capital work-in-progress
Cost										
Balance as at 1 April 2023	4.28	12,917.13	706.43	649.10	534.89	1,377.49	715.63	3,021.20	19,926.15	-
Additions during the year	-	-	35.25	-	413.11	76.17	23.99	766.14	1,314.66	279.53
Translation exchange difference during the year	-	-	-	-	-	0.10	0.47	0.44	1.01	-
Less: Disposals during the year	-	-	86.12	-	8.36	73.12	26.16	302.28	496.04	-
Balance as at 31 March 2024	4.28	12,917.13	655.56	649.10	939.64	1,380.64	713.93	3,485.50	20,745.78	279.53
Balance as at 1 April 2024	4.28	12,917.13	655.56	649.10	939.64	1,380.64	713.93	3,485.50	20,745.78	279.53
Additions during the year	-	-	192.05	-	-	179.61	50.50	602.23	1,024.39	1,075.68
Capitalised during the year	-	-	9.17	1,179.91	-	63.14	102.99	-	1,355.21	(1,355.21)
Translation exchange difference during the year	-	-	-	-	-	0.13	0.46	0.50	1.09	-
Less: Disposals during the year	-	-	24.01	-	46.65	21.17	13.63	339.69	445.15	-
Balance as at 31 March 2025	4.28	12,917.13	832.77	1,829.01	892.99	1,602.35	854.25	3,748.54	22,681.32	-
Accumulated Depreciation										
Balance as at 1 April 2023	-	657.55	251.93	58.81	160.20	577.28	339.62	1,404.49	3,449.88	-
Depreciation during the year	-	218.36	63.84	214.81	66.03	135.06	74.56	562.61	1,335.27	-
Translation exchange difference during the year	-	-	-	-	-	0.01	0.09	0.08	0.18	-
Less: Disposals during the year	-	-	85.37	-	8.36	74.35	20.37	303.42	491.87	-
Balance as at 31 March 2024	-	875.91	230.40	273.62	217.87	638.00	393.90	1,663.76	4,293.46	-
Depreciation during the year	-	217.79	70.81	303.25	112.09	151.78	79.44	668.47	1,603.63	-
Translation exchange difference during the year	-	-	-	-	-	0.02	0.10	0.08	0.20	-
Less: Disposals during the year	-	-	22.73	-	46.65	18.91	13.63	330.50	432.42	-
Balance as at 31 March 2025	-	1,093.70	278.48	576.87	283.31	770.89	459.81	2,001.81	5,464.87	-
Carrying amount (net)										
Balance as at 31 March 2024	4.28	12,041.22	425.16	375.48	721.77	742.64	320.03	1,821.74	16,452.32	279.53
Balance as at 31 March 2025	4.28	11,823.43	554.29	1,252.14	609.68	831.46	394.44	1,746.73	17,216.45	-

As at 31 March 2025 properties with a carrying amount of INR 342.13 lakhs (31 March 2024 : INR 350.26 lakhs) are subject to first charge to working capital limits from banks.
Capital commitment as on 31 March 2025 is INR Nil (31 March 2024: INR 422.57 lakhs)

Ageing of Capital work-in progress

As at 31 March 2025

There is no capital work in progress as on 31 march 2025.

As at 31 March 2024

Capital work-in progress	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	279.53	-	-	-	279.53
Projects temporarily suspended	-	-	-	-	-
Total	**279.53**	-	-	-	**279.53**

There are no projects whose completion is overdue or has exceeded its cost compared to its original plan as at 31 March 2024

4A Goodwill

	As at 31 March 2025	As at 31 March 2024
Opening Balance	283.31	283.31
Impairment of goodwill	-	-
Closing Balance	**283.31**	**283.31**

On 18 January 2022, Newgen Software Technologies Limited ("Holding company") entered into Share Purchase Agreement (SPA) with existing shareholders of Number Theory Software Private Limited ("Number Theory") to acquire 100% stake. Purchase consideration was Rs 1,306.41 lacs and Net identifiable net assets acquired was Rs 1,023.10 lacs resulting in goodwill of Rs 283.31 lacs. 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. However, a Scheme of Amalgamation u/s 230-232 of the Companies Act, 2013 which provides for the merger of Number Theory was filed with the Delhi Bench of National Company Law Tribunal (NCLT). NCLT through its Order dated 27th September 2023 approved the aforesaid Scheme and Number Theory got merged with the holding company .

The AI business has been subsumed into the broader Newgen One ecosystem rather than existing as an independent business unit. Since AI functionalities are embedded within the Unified Low-Code Platform, they do not constitute a separate Cash Generating Unit (CGU). The carrying amount of goodwill remains fully recoverable, as the recoverable amount exceeds the carrying amount. Consequently, no impairment loss has been recognised for the reporting period.

5 Intangible assets

	Computer software	AI Platform	Total
Cost			
Balance as at 1 April 2023	468.79	1,654.33	2,123.12
Additions during the year	72.18	-	72.18
Balance as at 31 March 2024	540.97	1,654.33	2,195.30
Additions during the year	-	-	-
Balance as at 31 March 2025	540.97	1,654.33	2,195.30
Accumulated Amortisation			
Balance as at 1 April 2023	421.10	387.07	808.17
Amortisation during the year	33.33	331.77	365.10
Balance as at 31 March 2024	454.43	718.84	1,173.27
Amortisation during the year	43.05	330.87	373.92
Balance as at 31 March 2025	497.48	1,049.71	1,547.19
Carrying amount (net)			
Balance as at 31 March 2024	86.54	935.49	1,022.03
Balance as at 31 March 2025	43.49	604.62	648.11

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6 Other financial assets (non-current)	**As at 31 March 2025**	**As at 31 March 2024**
Bank deposits		
- Deposits with maturity of more than 12 months	2,125.98	2,990.85
- pledged with tax authorities	5.39	6.02
- held as margin money*	5,969.46	4,366.85
Interest accrued on deposits	482.93	394.02
Security deposits	777.84	487.97
Earnest money deposits		
-Unsecured, considered good	128.52	137.26
-Unsecured, considered doubtful	147.33	164.75
-Less: Loss allowance for doubtful deposits	(147.33)	(164.75)
	9,490.12	8,382.97

*Bank deposits held as margin money represents deposits made on account of guarantees issued to government customers amounting to INR 2,225.38 lakhs (31 March 2024: INR 1,734.43 lakhs) and deposits made to avail overdraft facilities amounting to INR 3,744.08 lakhs (31 March 2024: INR 2,631.59 Lakhs)

Information about Group's exposure to credit and market risks and fair value measurement is included in Note 41.

7 Income tax assets (net)	**As at 31 March 2025**	**As at 31 March 2024**
Advance income tax (net of provision of INR 14,201.90 lakhs (31 March 2024: INR 9,403.22 lakhs))	2,156.48	1,697.90
	2,156.48	1,697.90

7A Income tax liabilities (net)	**As at 31 March 2025**	**As at 31 March 2024**
Provision for tax (net of advance tax of INR 4,303.28 lakhs (31 March 2024 INR 3,543.93 lakhs))	3,038.67	1,761.64
MAT credit utilised of INR 1,989.35 lakhs (31 March 2024: Nil)		
	3,038.67	1,761.64

8 Other non-current assets	**As at 31 March 2025**	**As at 31 March 2024**
Prepaid expenses	47.61	17.86
	47.61	17.86

9 Investments (refer note 29)	**As at 31 March 2025**	**As at 31 March 2024**
Investments in bonds (unquoted)		
Bonds at FVOCI		
Investment in government bonds	6,519.09	6,119.17
	6,519.09	6,119.17
Investments in mutual funds (unquoted)		
Mutual funds at FVTPL	44,320.53	30,379.72
	44,320.53	30,379.72
	50,839.62	36,498.89
Aggregate book value of unquoted investments	50,839.62	36,498.89

Investments in bonds measured at FVOCI have stated interest rates of 6.40% to 8.63%. Information about Group's exposure to credit and market risks and fair value measurement is included in Note 41.

10 Trade receivables	**As at 31 March 2025**	**As at 31 March 2024**
- Trade receivables - Unsecured, considered good	62,323.96	47,815.12
- Trade receivables - Credit	1,252.88	902.36
	63,576.84	48,717.48
Allowance for bad and doubtful debts		
- Trade receivables- Unsecured, considered good	(6,655.98)	(3,461.77)
- Trade receivables - Credit impaired	(1,252.88)	(902.36)
	55,667.98	44,353.35

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Trade Receivables Ageing Schedule

Particulars	Outstanding for following periods from due date of payment						Total
	Current but not due	Less than 6 months	6 months to 1 years	1-2 Years	2-3 Years	More Than 3 years	
As at 31 March 2025							
Undisputed Trade Receivables- Considered good	36,820.94	15,597.59	5,655.09	3,102.21	710.69	437.44	62,323.96
Undisputed Trade Receivables- Which have significant increase in credit risk	-	-	-	-	-	-	-
Undisputed Trade Receivables- credit impaired	-	-	-	85.01	1,167.87	-	1,252.88
Disputed Trade Receivables- Considered good	-	-	-	-	-	-	-
Disputed Trade Receivables- Which have significant increase in credit risk	-	-	-	-	-	-	-
Disputed Trade Receivables- credit impaired	-	-	-	-	-	-	-
	36,820.94	**15,597.59**	**5,655.09**	**3,187.22**	**1,878.56**	**437.44**	**63,576.84**

Particulars	Outstanding for following periods from due date of payment						Total
	Current but not due	Less than 6 months	6 months to 1 years	1-2 Years	2-3 Years	More Than 3 years	
As at 31 March 2024							
Undisputed Trade Receivables- Considered good	32,768.30	11,766.51	1,465.24	1,205.65	461.94	147.48	47,815.12
Undisputed Trade Receivables- Which have significant increase in credit risk	-	-	-	-	-	-	-
Undisputed Trade Receivables- credit impaired	-	-	-	416.73	485.63	-	902.36
Disputed Trade Receivables- Considered good	-	-	-	-	-	-	-
Disputed Trade Receivables- Which have significant increase in credit risk	-	-	-	-	-	-	-
Disputed Trade Receivables- credit impaired	-	-	-	-	-	-	-
	32,768.30	**11,766.51**	**1,465.24**	**1,622.38**	**947.57**	**147.48**	**48,717.48**

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 15-90 days.
The Group's exposure to credit and currency risks and loss allowances related to trade receivables are discussed in note 41(C)(ii) and 41(C)(v).

11 Cash and cash equivalents

	As at 31 March 2025	As at 31 March 2024
Cash on hand	5.47	6.45
Balances with banks		
- in current accounts*	10,370.14	11,049.47
-Balances with scheduled banks in deposit accounts with original maturity of less than three months	1.39	1,401.39
	10,377.00	**12,457.31**

*Current account balances of Holding Company with banks include INR Nil (31 March 2024: INR 180.76 lakhs) held at a foreign branch.
Short term deposits are from varying periods of between one day to three months, depending upon the immediate cash requirements of the group, and earn interest at the respective short term deposit rates.

There are no repatriation restrictions with regard to cash and cash equivalents as at the end of the reporting period and prior periods.

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12 Bank balances other than cash and cash equivalents

	As at 31 March 2025	As at 31 March 2024
Balances with scheduled banks in deposit accounts		
- Original maturity of less than 12 months	31,161.27	25,128.10
- Unclaimed dividend account*	11.83	8.73
	31,173.10	**25,136.83**

*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 2025	As at 31 March 2024
Loans to employees*	53.11	11.73
	53.11	**11.73**

*These are interest bearing loans - repayable within one year, chargeable at the rate of 12% p.a.

14 Current financial assets - Others

	As at 31 March 2025	As at 31 March 2024
(unsecured considered good, unless otherwise stated)		
Interest accrued on deposits	992.73	1,633.76
Interest accrued but not due on government bonds	307.04	307.82
Derivatives assets	-	68.47
Security deposits	151.37	251.02
Other receivable	518.10	120.31
	1,969.24	**2,381.38**

15A Contract assets*

	As at 31 March 2025	As at 31 March 2024
Contract assets		
- other than related parties	11,379.85	7,288.42
Less: Provision for loss allowance	(356.19)	(207.72)
	11,023.66	**7,080.70**

*Contract assets (unbilled revenue) represents amounts recognised based on services performed in advance of billing in accordance with contract terms.

***Changes in contract assets (unbilled revenue) is as follows:**

	As at 31 March 2025	As at 31 March 2024
Balance at the beginning of the year	7,288.42	7,949.95
Less: Amount of revenue billed during the year	(5,169.96)	(5,803.90)
Add: Addition during the year	9,261.39	5,142.37
Balance at the end of the year	**11,379.85**	**7,288.42**

Changes in loss allowance on contract assets is as follows:

	As at 31 March 2025	As at 31 March 2024
Balance at the beginning of the year	**207.72**	**225.78**
Impairment loss recognised	148.47	(18.06)
Balance at the end of the year	**356.19**	**207.72**

15B Other current assets

	As at 31 March 2025	As at 31 March 2024
Advances to vendors	55.00	103.43
Balances with government authorities	1,935.99	1,109.78
Deferred contract cost	169.59	175.85
Advance to employees	187.02	191.13
Prepaid expenses	1,337.00	1,097.10
Other current assets	-	4.35
	3,684.60	**2,681.64**

(All amounts are in lakhs of Indian Rupees, unless otherwise stated)

16 Equity share capital

	As at 31 March 2025		As at 31 March 2024	
	Number of shares	Amount	Number of shares	Amount
Authorised share capital				
Equity shares of INR 10 each	16,81,00,200	16,810.02	9,80,00,200	9,800.02
Add: Equity share capital of INR 10 each	-	-	7,01,00,000	7,010.00
0.01% Compulsory convertible preference shares of INR 10 each	1,19,99,800	1,199.98	1,19,99,800	1,199.98
	18,01,00,000	**18,010.00**	**18,01,00,000**	**18,010.00**

	As at 31 March 2025		As at 31 March 2024	
Issued, subscribed and paid up	Number of shares	Amount	Number of shares	Amount
Equity share capital of INR 10 each, fully paid up	14,02,91,802	14,029.18	6,99,55,701	6,995.57
Add: Issued during the year to Newgen ESOP Trust before bonus issue	-	-	1,13,700	11.37
Add: Bonus shares issued during the year	-	-	7,00,69,401	7,006.94
Add: Issued during the year to Newgen ESOP Trust	3,93,385	39.34	1,53,000	15.30
Add: Issued during the year to Newgen RSU Trust	9,40,000	94.00	-	-
Total after bonus issue	**14,16,25,187**	**14,162.52**	**14,02,91,802**	**14,029.18**
Less : Shares held by Newgen ESOP Trust	5,77,215	57.72	5,12,483	51.25
Less : Shares held by Newgen RSU Trust	8,35,025	83.50	-	-
Total equity share capital	**14,02,12,947**	**14,021.30**	**13,97,79,319**	**13,977.93**

Reconciliation of shares outstanding at the beginning and at the end at the reporting year.

	As at 31 March 2025		As at 31 March 2024	
Equity share capital of INR 10 each, fully paid up	Number of shares	Amount	Number of shares	Amount
At the beginning of the year	14,02,91,802	14,029.18	6,99,55,701	6,995.57
Add: Issued during the year to Newgen ESOP Trust before bonus issue	-	-	1,13,700	11.37
Add: Bonus shares issued during the year	-	-	7,00,69,401	7,006.94
Add: Issued during the year to Newgen ESOP Trust	3,93,385	39.34	1,53,000	15.30
Add: Issued during the year to Newgen RSU Trust	9,40,000	94.00	-	-
At the end of the year	**14,16,25,187**	**14,162.52**	**14,02,91,802**	**14,029.18**
Less: Shares held by Newgen ESOP Trust	5,77,215	57.72	5,12,483	51.25
Less: Shares held by Newgen RSU Trust	8,35,025	83.50	-	-
Total equity share capital	**14,02,12,947**	**14,021.30**	**13,97,79,319**	**13,977.93**

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.

16 A Details of shareholders holding more than 5% shares in the Group

Equity shares of INR 10 each, fully paid up held by:

	As at 31 March 2025		As at 31 March 2024	
	Number of shares	% Holding	Number of shares	% Holding
- Mr. Diwakar Nigam	3,13,49,464	22.14%	3,13,49,464	22.35%
- Mr. T.S. Varadarajan	3,16,83,252	22.37%	3,00,18,612	21.40%
- Mrs. Priyadarshini Nigam	1,31,39,584	9.28%	1,31,39,584	9.37%
- Marathon Edge India Fund I	77,05,278	5.44%	77,05,278	5.49%

16 B Details of shares held by promoters

Equity shares of INR 10 each, fully paid up held by:

	As at 31 March 2025			As at 31 March 2024	
	Number of shares	% of total shares	% change during the year	Number of shares	% of total shares
- Mr. Diwakar Nigam	3,13,49,464	22.14%	0.00%	3,13,49,464	22.35%
- Mr. T.S. Varadarajan	3,16,83,252	22.37%	5.55%	3,00,18,612	21.40%
- Mrs. Priyadarshini Nigam	1,31,39,584	9.28%	0.00%	1,31,39,584	9.37%
- Mrs. Usha Varadarajan*	-	0.00%	(100.00%)	26,64,640	1.90%

*During the financial year 2024-25, 16,64,640 shares were transferred to Mr. T S Varadarajan. This transfer was conducted off-market as an inter-se transfer by way of gift. Further 10,00,000 shares were sold through an open market sale.

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.

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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	For the year ended	For the year ended	For the year ended	For the year ended
Equity shares of INR 10 each	13,33,385	2,66,700	-	-	-
Bonus shares of INR 10 each	-	2,00,193	-	-	-
	13,33,385	4,66,893	-	-	-

(ii) Other than aforementioned, no shares has been allotted 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 2025	As at 31 March 2024
Securities premium	4,684.57	3,717.69
Retained earnings	1,22,556.59	96,644.02
Capital redemption reserve	87.95	87.95
Capital reserve	416.59	416.59
General reserve	1,731.39	1,731.39
Newgen ESOP Trust reserve	545.72	553.29
Share options outstanding reserve	6,469.17	4,447.21
Foreign currency translation reserve	2,129.03	1,587.20
Other comprehensive loss	(999.10)	(811.76)
	1,37,621.91	1,08,373.58

Securities premium (refer note (i) below)	As at 31 March 2025	As at 31 March 2024
Balance as at beginning of the year	4,215.57	10,605.31
Securities premium on issue of shares to Newgen ESOP Trust	939.40	484.41
Transferred from share options outstanding reserve on exercise of stock options	517.46	132.79
Balance as at end of the year	5,672.43	11,222.51
Less: Securities premium on shares held by Newgen ESOP Trust	987.86	497.88
Less: Securities premium on issue of bonus shares	-	7,006.94
Balance as at end of the year	4,684.57	3,717.69

Retained earnings (refer note (ii) below)	As at 31 March 2025	As at 31 March 2024
Balance as at beginning of the year	96,644.02	74,981.31
Profit for the year	31,524.24	25,160.50
Dividend on equity shares	(5,611.67)	(3,497.79)
Balance as at end of the year	1,22,556.59	96,644.02

Capital redemption reserve	As at 31 March 2025	As at 31 March 2024
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 2025	As at 31 March 2024
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 (refer note (vii) below)	As at 31 March 2025	As at 31 March 2024
Balance as at beginning of the year	416.59	416.59
Balance as at end of the year	416.59	416.59

Newgen ESOP Trust reserve (refer note (iii) below)	As at 31 March 2025	As at 31 March 2024
Balance as at beginning of the year	553.29	540.35
Addition to Newgen ESOP Trust reserve	(7.57)	12.94
Balance as at end of the year	545.72	553.29

Share options outstanding reserve (refer note (iv) below)	As at 31 March 2025	As at 31 March 2024
Balance as at beginning of the year	4,447.21	2,142.08
Employee stock compensation expense	2,539.42	2,437.92
Transferred to securities premium account on exercise of stock options	(517.46)	(132.79)
Balance as at end of the year	6,469.17	4,447.21

(All amounts are in lakhs of Indian Rupees, unless otherwise stated)

Other comprehensive loss (refer note (v) below)

Remeasurement of defined benefit liability	**As at 31 March 2025**	**As at 31 March 2024**
Balance as at beginning of the year	(547.97)	(244.01)
Other comprehensive loss (net of tax)	(71.25)	(303.96)
Balance as at end of the year	(619.22)	(547.97)

Financial assets or investments carried at fair value through other comprehensive income	**As at 31 March 2025**	**As at 31 March 2024**
Balance as at beginning of the year	(263.79)	(212.26)
Other comprehensive loss (net of tax)	(116.09)	(51.53)
Balance as at end of the year	(379.88)	(263.79)

Foreign currency translation reserve (refer note (vi) below)	**As at 31 March 2025**	**As at 31 March 2024**
Balance as at beginning of the year	1,587.20	1,446.63
Other comprehensive income (net of tax)	541.83	140.57
Balance as at end of the year	2,129.03	1,587.20

(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 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 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 Company. 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.

(vii) Capital reserve created on account of merger of Number Theory Software Private Limited ("Number Theory").

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18 Right-of-use assets and lease liabilities

Changes in the carrying value of right of use assets for the year ended 31 March 2025

Particulars	Category of ROU asset		Total
	Leasehold land	Buildings	
Balance as at 1 April 2024	**3,208.48**	**3,854.96**	**7,063.44**
Addition	-	2,845.93	2,845.93
Termination of leases	-	(854.71)	(854.71)
Translation exchange difference	-	14.58	14.58
Depreciation	(39.30)	(1,287.28)	(1,326.58)
Balance as at 31 March 2025	**3,169.18**	**4,573.48**	**7,742.66**

Changes in the carrying value of right of use assets for the year ended 31 March 2024

Particulars	Category of ROU asset		Total
	Leasehold land	Buildings	
Balance as at 1 April 2023	3,247.88	3,135.76	6,383.64
Addition	-	1,772.18	1,772.18
Translation exchange difference	-	4.02	4.02
Depreciation	(39.40)	(1,057.00)	(1,096.40)
Balance as at 31 March 2024	**3,208.48**	**3,854.96**	**7,063.44**

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 2025	As at 31 March 2024
Non-current lease liabilities	4,081.21	3,464.28
Current lease liabilities	1,267.27	1,166.55
Total	**5,348.48**	**4,630.83**

Movement in lease liabilities during the year ended 31 March 2025

Particulars	As at 31 March 2025
Balance as at 1 April 2024	4,630.83
Addition	2,651.85
Finance cost	452.33
Translation exchange difference	14.95
Termination of leases	(950.43)
Payment of lease liabilities	(1,451.05)
Balance as at 31 March 2025	**5,348.48**

Movement in lease liabilities during the year ended 31 March 2024

Particulars	As at 31 March 2024
Balance as at 1 April 2023	3,847.75
Addition	1,700.22
Finance cost	305.29
Translation exchange difference	5.83
Payment of lease liabilities	(1,228.26)
Balance as at 31 March 2024	**4,630.83**

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.

Changes in liabilities arising from financing activities

Particulars	As at 31 March 2025	As at 31 March 2024
Balance as at the beginning of the year	4,630.83	3,847.75
Cash flows :		
-Repayment	(1,451.05)	(1,228.26)
Non Cash		
-Interest expense	452.33	305.29
-Translation exchange difference	14.95	5.83
-Addition of lease liability	2,651.85	1,700.22
-Termination of leases	(950.43)	-
Balance as at the end of the year	**5,348.48**	**4,630.83**

Rental expense recorded for short-term leases was INR 453.45 lakhs for the year ended 31 March 2024 (31 March 2024: INR 338.95 lakhs)

For detail regarding the undiscounted contractual maturities of lease liabilities. (refer note 41(C)(ii))

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19 Borrowings

	As at 31 March 2025	As at 31 March 2024
Current Borrowings		
Current maturities of deferred payment liabilities	-	219.92
	-	219.92

Reconciliation between the opening and closing balances in the balance sheet for liabilities arising from financing activities

As at 31 March 2025

Name of the entity	Balance as at 1 April 2024	Interest Accrued	Loan repayments	Other non cash changes	Balance as at 31 March 2025
Erstwhile shareholders of Number Theory Software Private Limited	219.92	14.32	(234.24)	-	-
	219.92	14.32	(234.24)	-	-

As at 31 March 2024

Name of the entity	Balance as at 1 April 2023	Interest Accrued	Loan repayments	Other non cash changes	Balance as at 31 March 2024
Erstwhile shareholders of Number Theory Software Private Limited	423.55	30.61	(234.24)	-	219.92
	423.55	30.61	(234.24)	-	219.92

(a) Deferred payment liability is discounted at the rate of 8%. Per annum.
(b) The liability is payable in three equal annual instalment of Rs. 234.24 lakhs. The repayment of instalment has commenced from January, 2023 and ended on January, 2025

20 Non-current provisions

	As at 31 March 2025	As at 31 March 2024
Provision for employee benefits (refer note 28)		
- provision for gratuity	4,082.81	3,729.50
- provision for compensated absences	1,469.98	1,143.57
	5,552.79	4,873.07

21 Trade payables

	As at 31 March 2025	As at 31 March 2024
- Total outstanding dues to micro enterprises and small enterprises	277.92	632.13
- Total outstanding dues to creditors other than micro and small enterprises	4,769.26	4,129.40
	5,047.18	4,761.53

Trade payables Ageing Schedule

As at 31 March 2025

	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	
Total outstanding dues of Micro enterprises and small enterprises	236.06	41.86	-	-	-	277.92
Total outstanding dues of creditors other than Micro enterprises and small enterprises	1,318.56	683.61	-	-	2,767.09	4,769.26
Disputed Dues of Micro enterprises and small enterprises	-	-	-	-	-	-
Disputed Dues of creditors other than Micro enterprises and small enterprises	-	-	-	-	-	-
	1,554.62	725.47	-	-	2,767.09	5,047.18

As at 31 March 2024

Particulars	Outstanding for following periods from due date of					Total
	Less than 1 years	1-2 Years	2-3 Years	More Than 3 years	Unbilled payable	
Total outstanding dues of Micro enterprises and small enterprises	632.13	-	-	-	-	632.13
Total outstanding dues of creditors other than Micro enterprises and small enterprises	879.26	-	-	-	3,250.14	4,129.40
Disputed Dues of Micro enterprises and small enterprises	-	-	-	-	-	-
Disputed Dues of creditors other than Micro enterprises and small enterprises	-	-	-	-	-	-
	1,511.39	-	-	-	3,250.14	4,761.53

Trade payables are non-interest bearing and are generally on terms of 30-45 days.
a) Refer note 36 for disclosures under Micro, Small and Medium Enterprises Development Act, 2006 (MSMED).
b) The Group's exposure to liquidity risk and currency risks related to trade payables is disclosed in note 41(C)(iii) & 41(C)(v).

22 Current financial liabilities - Others

	As at 31 March 2025	As at 31 March 2024
Employee related payables	5,922.69	5,005.78
Derivatives liabilities	112.43	-
Earnest money deposits	1.00	1.00
Payable for capital assets#	83.83	319.15
Unpaid dividends*	11.83	8.73
	6,131.78	**5,334.66**

#Refer note 36 for amount payable to Micro and small enterprises. It includes payable in respect of capital assets amounting to INR 77.89 lakhs (31 March 2024 INR 13.78 lakhs).
*Unpaid dividends amount is not due for deposit to the Investor Education & Protection fund.

23 Deferred income

	As at 31 March 2025	As at 31 March 2024
Unearned revenue*	22,006.42	20,513.58
	22,006.42	**20,513.58**

*Changes in unearned revenue is as follows:

	As at 31 March 2025	As at 31 March 2024
Balance at the beginning of the year	20,513.58	16,803.94
Revenue recognised that was included in deferred income at the beginning of the year	(20,435.68)	(16,802.16)
Increase due to invoicing during the year, excluding amount recognised as revenue during the year	21,793.45	20,468.10
Foreign Currency Translation Reserve	135.07	43.70
Balance at the end of the year	**22,006.42**	**20,513.58**

24 Other current liabilities

	As at 31 March 2025	As at 31 March 2024
Statutory dues payable	4,692.07	3,285.93
Advance from employees for share options	5.13	1.83
Revenue received in advance	78.89	-
Other current liabilities	0.50	0.50
	4,776.59	**3,288.26**

25 Current provisions

	As at 31 March 2025	As at 31 March 2024
Provision for employee benefits (refer note 28)		
- provision for gratuity	684.57	659.22
- provision for compensated absences	278.14	256.54
	962.71	**915.76**

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26 Revenue from operations

	For the year ended 31 March 2025	For the year ended 31 March 2024
Sale of products - softwares	31,382.95	22,213.05
Sale of services		
- Implementation	33,195.07	25,825.00
- Scanning and Hardware	735.05	1,363.23
- AMC/ATS	27,810.62	24,899.39
- Support	40,923.94	37,270.86
- SaaS revenue	14,640.29	12,811.33
	1,48,687.92	1,24,382.86

(i) 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 so 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 2025, other than those meeting the exclusion criteria mentioned

(ii) Reconciliation of revenue recognised with contract price

	For the year ended 31 March 2025	For the year ended 31 March 2024
Contract Price	1,48,687.92	1,24,382.86
Discounts	-	-
Other Variable considerations	-	-
	1,48,687.92	1,24,382.86

27 Other income

	For the year ended 31 March 2025	For the year ended 31 March 2024
Interest income under the effective interest rate method:		
- on security deposits at amortised cost	49.83	30.96
- government and other bonds at FVOCI	424.82	426.00
Interest income on deposit with banks	2,306.71	2,147.65
Gain on lease termination	127.05	-
Gain on sale of property, plant and equipment	13.44	13.35
Profit on sale of mutual funds (net) at FVTPL	913.75	254.94
Fair value changes of financial assets at FVTPL	1,983.29	1,359.54
Liabilities / provision no longer required written back	476.46	120.68
Net foreign exchange fluctuation gain	-	359.04
Miscellaneous income	62.24	94.27
	6,357.59	4,806.43

28 Employee benefits expense

	For the year ended 31 March 2025	For the year ended 31 March 2024
Salaries, wages and bonus	66,854.80	56,463.30
Contribution to provident funds (refer note i below)	1,933.05	1,618.57
Expenses related to compensated absences (refer note ii below)	877.67	739.53
Share based payment - equity settled (refer note 34)	2,506.20	2,395.12
Expense related to defined benefit plan (refer note iii below)	892.80	757.10
Staff welfare expenses	1,039.86	857.81
	74,104.38	62,831.43

(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 1,933.05 lakhs (31 March 2024: INR 1,618.57 lakhs). The amount recognised as an expense towards employee state insurance aggregated to INR 0.07 lakhs (31 March 2024: INR 0.10 lakhs).

(ii) Compensated absences:

The Principal assumptions used in determining the compensated absences benefit obligation are as given below:

	31 March 2025	31 March 2024
Discounting rate (p.a.)	7.04%	4.85% - 7.22%
Future salary increase (p.a.)	8.00%	5.00% -8.00%
Leave availment rate	3.00%	3.00%
Attrition Rate (withdrawal rate%)		
Up to 30 years	20.00%	20.00%
From 31 to 44 years	20.00%	20.00%
Above 44 years	10.00%	10.00%

(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 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 2025	As at 31 March 2024
Balance at the beginning of the year	4,388.72	3,379.10
Benefits paid*	(623.66)	(214.70)
Current service cost	630.04	547.54
Interest cost	283.94	237.88
Reversal of opening provision of Number Theory	-	(28.32)
Reversal of opening provision of Dubai Branch	(21.18)	-
Actuarial losses recognised in OCI		
change in demographic assumptions	-	47.33
change in financial assumptions	279.12	190.67
experience adjustments	(169.60)	229.22
Balance at the end of the year	4,767.38	4,388.72

*It includes INR 450.35 lakhs (31 March 2024: NIL) paid to employees of Dubai as full & final settlement as Holding company has closed the dubai branch office.

B. i) Expense recognised in profit and loss

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Current service cost	630.04	547.54
Interest cost	283.94	237.88
Reversal of opening provision of Number Theory	-	(28.32)
Reversal of opening provision of Dubai Branch	(21.18)	-
Total expense recognised in Statement of profit and loss	892.80	757.10

ii) Remeasurements recognised in other comprehensive income

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Actuarial loss on defined benefit obligation	109.52	467.22
Total remeasurements recognised in other comprehensive income	109.52	467.22

C. Defined benefit obligations

i. Actuarial assumptions

The following were the principal actuarial assumptions at the reporting date:

	For the year ended 31 March 2025	For the year ended 31 March 2024
Discount rate	7.04%	5.25% - 7.22%
Salary escalation rate	8.00%	5.00% -8.00%
Mortality rate	100% of IALM (2012- 14)	100% of IALM (2012- 14)
Attrition Rate (withdrawal rate%)		
Up to 30 years	20.00%	20.00%
From 31 to 44 years	20.00%	20.00%
Above 44 years	10.00%	10.00%

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 2025		31 March 2024	
	Increase	Decrease	Increase	Decrease
Discount rate (0.50% movement)	(123.58)	130.29	(77.95)	79.11
Future salary growth (0.50% movement)	128.44	(123.06)	78.05	(77.42)

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 2025	As at 31 March 2024
Within the next 12 months (next annual reporting	684.57	661.82
Between 1 and 5 years	2,088.49	1,805.57
Beyond 5 years	1,994.32	1,988.94

Net defined benefit liability	31 March 2025	31 March 2024
Liability for gratuity	4,767.38	4,388.72
Liability for compensated absences	1,748.12	1,400.11
Total employee benefit liabilities	**6,515.50**	**5,788.83**
Non-current:		
Gratuity	4,082.81	3,729.50
Compensated absences	1,469.98	1,143.57
Current:		
Gratuity	684.57	659.22
Compensated absences	278.14	256.54

29 Finance costs

	For the year ended 31 March 2025	For the year ended 31 March 2024
Finance cost on lease liabilities	452.33	305.29
Interest expense on borrowings	14.32	30.61
Other finance costs	10.55	82.28
	477.20	**418.18**

30 Depreciation and amortisation

	For the year ended 31 March 2025	For the year ended 31 March 2024
Depreciation of property, plant and equipment (refer note 4)	1,603.63	1,335.27
Depreciation of right-of use assets (refer note 18)	1,326.58	1,096.40
Amortisation of intangible assets (refer note 5)	373.92	365.10
	3,304.13	**2,796.77**

31 Other expenses

	For the year ended 31 March 2025	For the year ended 31 March 2024
Rent	453.45	338.95
Repairs and maintenance	621.79	561.78
Rates and taxes	1,300.41	1,094.36
Travelling and conveyance	8,310.51	6,098.12
Legal and professional fees	7,354.98	6,902.12
Payment to auditors*	72.25	68.17
Outsourced technical services expense	370.02	878.31
Cloud hosting services	2,989.69	2,457.36
Electricity and water	442.86	432.85
Advertising and sales promotion	2,562.74	1,591.99
Membership and subscription fee	707.93	585.15
Brokerage and commission	1,112.38	1,560.06
Communication costs	440.08	425.85
Software and license maintenance	2,071.35	1,663.81
Expenditure on corporate social responsibility (refer note 38)	436.10	378.91
Donation	38.70	39.75
Recruitment charges	349.82	402.06
Insurance	1,738.43	1,975.63
Operation and maintenance	813.30	577.82
Printing, stationery and scanning charges	437.79	382.09
Sub - contracting expenses	25.68	494.51
Loss allowance on trade receivables (Loss allowance on trade receivables includes loss allowance created on contract assets amounting to (INR 148.47 lakhs) (31 March 2024 (INR 18.06 lakhs)).	3,667.80	3,263.98
Security charges	284.27	250.58
Net foreign exchange fluctuation loss	39.69	-
Miscellaneous expenses	300.99	296.22
	36,963.01	**32,720.42**

*Payment to auditors		
As auditor:		
- Statutory audit fee	43.00	37.00
- Limited review fee	21.00	21.00
- Certification fee	6.15	7.32
- Reimbursement of expenses	2.10	2.85
	72.25	**68.17**

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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 2025	For the year ended 31 March 2024
Tax expense	9,872.01	5,953.49
Deferred tax credit	(1,199.46)	(691.50)
Total	**8,672.55**	**5,261.99**
Recognised in Other comprehensive income		
Tax impact on		
- Re-measurement on defined benefit plan	38.27	163.26
- Financial assets or investments carried at fair value through other comprehensive income	35.26	15.65
Total	**73.53**	**178.91**

B. Reconciliation of effective tax rate

	31 March 2025		31 March 2024	
Profit before tax		**40,196.79**		**30,422.49**
Tax using the Group's tax rate	34.94%	14,046.37	34.94%	10,630.84
Impact of different rate in each jurisdiction	(0.78%)	(314.25)	(0.44%)	(134.01)
Effect of deduction under section 10AA of the Income tax Act, 1961	(10.71%)	(4,305.67)	(15.94%)	(4,849.61)
Effect of expenses permanently disallowed under the Income Tax Act.	0.49%	197.23	0.65%	197.58
Effect of income exempt/ non taxable/ taxed on lower	(0.20%)	(80.24)	(0.60%)	(182.58)
Tax expense for earlier years	(1.74%)	(698.46)	(0.54%)	(165.66)
Others	(0.43%)	(172.43)	(0.77%)	(234.57)
Income tax recognised in statement of profit and loss for the current year	**21.58%**	**8,672.55**	**17.30%**	**5,261.99**

C. Deferred tax asset /(liabilities) and movement in temporary differences

31 March 2025

Particulars	Balance as at 1 April 2024	Translation exchange difference	Recognised in Statement of Profit or Loss during the year	Recognised in OCI during the year	Balance as at 31 March 2025
Deferred tax assets (net)					
Investments at fair value through OCI	85.06	-	-	35.26	120.32
Remeasurement of defined benefit liability (asset)	293.97	-	-	38.27	332.24
Property, plant and equipment	(1,488.33)	(0.26)	(164.60)	-	(1,653.19)
Loss allowance on other financial assets	57.57	-	(6.09)	-	51.48
Loss allowance on trade receivables	1,233.86	4.83	724.61	-	1,963.30
Provision for employee benefits	1,839.76	-	88.70	-	1,928.46
Lease liabilities	45.65	-	108.95	-	154.60
MAT credit entitlement	1,330.25	-	784.23	-	2,114.48
Disallowance on account of delayed payment to MSME	125.15	-	(53.48)	-	71.67
Fair value gain on mutual funds	(676.37)	-	(282.86)	-	(959.23)
Total	**2,846.57**	**4.57**	**1,199.46**	**73.53**	**4,124.13**
MAT credit utilised	-	-	-	-	**(1,989.35)**
Total	**2,846.57**	**4.57**	**1,199.46**	**73.53**	**2,134.78**

31 March 2024

Particulars	Balance as at 1 April 2023	Translation exchange difference	Recognised in Statement of Profit or Loss during the year	Recognised in OCI during the year	Balance as at 31 March 2024
Deferred tax liabilities (net)					
Property, plant and equipment	11.76	-	(11.76)	-	-
Total	**11.76**	**-**	**(11.76)**	**-**	**-**
Deferred tax assets (net)					
Investments at fair value through OCI	69.41	-	-	15.65	85.06
Remeasurement of defined benefit liability (asset)	130.71	-	-	163.26	293.97
Property, plant and equipment	(1,345.41)	(0.18)	(142.74)	-	(1,488.33)
Loss allowance on other financial assets	57.57	-	-	-	57.57
Loss allowance on trade receivables	1,222.50	1.68	9.68	-	1,233.86
Provision for employee benefits	1,423.61	(0.21)	416.36	-	1,839.76
Lease liabilities	28.57	-	17.08	-	45.65
MAT credit entitlement	630.59	-	699.66	-	1,330.25
Disallowance on account of delayed payment to MSME	-	-	125.15	-	125.15
Fair value gain on mutual funds	(230.92)	-	(445.45)	-	(676.37)
Total	**1,986.63**	**1.29**	**679.74**	**178.91**	**2,846.57**

(All amounts are in lakhs of Indian Rupees, unless otherwise stated)

33 Earnings per share (EPS)

Basic EPS amounts are calculated by dividing the profit for the year attributable to equity holders of the Group 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 Group 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 Group

	For the year ended 31 March 2025	For the year ended 31 March 2024
Profit attributable to equity holders of the Group	31,524.24	25,160.50
Profit attributable to equity holders of the Group for basic and diluted earnings	**31,524.24**	**25,160.50**

ii. Weighted average number of ordinary shares

	For the year ended 31 March 2025	For the year ended 31 March 2024
Opening balance of equity's shares	13,97,79,319	6,96,55,676
Effect of share options exercised	1,48,942	1,00,308
Addition of Bonus shares issued (net of bonus shares issued to trust)	-	6,98,69,208
Weighted average number of shares for basic EPS	**13,99,28,261**	**13,96,25,192**
Effect of dilution:		
Add: Weighted average number of potential equity shares on account of employees stock options	40,71,297	41,28,440
Weighted average number of shares for diluted EPS	**14,39,99,558**	**14,37,53,632**

Basic and diluted earnings per share

	For the year ended 31 March 2025 INR	For the year ended 31 March 2024 INR
Basic earnings per share	22.53	18.02
Diluted earnings per share	21.89	17.50

WALKER CHANDIOK & CO LLP * CHARTERED ACCOUNTANTS *

Newgen Software Technologies Limited *

(All amounts are in lakhs of Indian Rupees, unless otherwise stated)

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 3,907,023 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 553,000, 130,000, and 79,750 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 through grant V under Newgen ESOP 2014 on 25 March 2021. During the year 2022-23, the Group has granted 20,000 options through grant VI under Newgen ESOP 2014 on 17 January 2023. During the year 2023-24, the Group has granted 5,000 options through grant VII under Newgen ESOP 2014 on 2 May 2023. 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 years from the date of last vesting. Consequent to bonus issue in the ratio of 1:1 during the financial year ended 31 March 2024, all the outstanding options and excercise price before the record date of 12 January 2024 have been adjusted to consider the bonus issue impact. During the year 2024-25, the Group has granted 43,000 options through grant VIII under Newgen ESOP 2014 on 18 July 2024.

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 28,00,000 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. During the year 2022-23, the Group has granted 35,000 options through grant III under this scheme at an exercise price of INR 10 per option, to the employees of the Group. During the year 2023-24, the Group has granted 10,000 and 20,000 options through grant IV and V 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 years from the date of last vesting.Consequent to bonus issue in the ratio of 1:1 during the financial year ended 31 March 2024, all the outstanding options before the record date of 12 January 2024 have been adjusted to consider the bonus issue impact.

During the year 2022-23, the Group has established Newgen Employee Stock Option Scheme – 2022 (Newgen ESOP – 2022), administered through a trust "Newgen ESOP Trust" The maximum numbers of shares to be issued under this Scheme shall be limited to 42,00,000 equity shares of the Group. During the year 2022-23, the Group has granted 9,41,800 options through grant I under this scheme at an exercise price of INR 364.20 per option, to the employees of the Group. During the year 2023-24, the Group has granted 1,58,750, 68,150 and 3,86,500 options through grant II, III and IV on 2 May 2023, 19 July 2023 and 20 March 2024 under this scheme at an excercise price of INR 452, INR 615 and INR 640.10 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 four years from the date of grant and are to be exercised either in part(s) or full, within a maximum period of five years from the date of vesting. Consequent to bonus issue in the ratio of 1:1 during the financial year ended 31 March 2024, all the outstanding options and excercise prices before the record date of 12 January 2024 have been adjusted to consider the bonus issue impact. During the year 2024-25, the Group has granted 1,91,400, 40,850, 5,30,100 and 73,050 options through grant V, VI, VII and VIII on 30 April 2024, 18 July 2024, 15 October 2024 and 20 January 2025 under this scheme at an excercise price of INR 780, INR 944.15, INR 1,216 and INR 14,27.50 per option respectively to the employees of the Group.

Particulars	Newgen ESOP 2014	Newgen RSU – 2021	Newgen ESOP 2022
Maximum number of shares under the plan	3907023*	2800000**	4200000***
Method of settlement (cash/equity)	Equity	Equity	Equity
Vesting period (maximum)	4 years 1 year - 10% 2 year - 20% 3 year- 30% 4 year- 40%	5 years at the end of 3rd year - 50% at the end of 5th year - 50%	4 years 1 year - 10% 2 year - 20% 3 year- 30% 4 year- 40%
Exercise period from the date of vesting (maximum)	5 year from last vesting	5 year from last vesting	5 year from vesting date
Vesting conditions	Service period	Service period & Performance based	Service period

*Consequent to the adjustment related to the Bonus issue in the ratio of 1:1, as approved by the shareholders of the Group on 2 January 2024, the pool of the Scheme was increased by 1,23,225 ESOPs convertible into the equal number of equity shares.

**Consequent to the adjustment related to the Bonus issue in the ratio of 1:1, as approved by the shareholders of the Group on 2 January 2024, the pool of the Scheme was increased from 14,00,000 to 28,00,000 RSUs convertible into the equal number of equity shares.

***Consequent to the adjustment related to the Bonus issue in the ratio of 1:1, as approved by the shareholders of the Group on 2 January 2024, the pool of the Scheme was increased from 14,00,000 to 28,00,000 ESOPs convertible into the equal number of equity shares. The Group further added 14,00,000 shares in the Scheme with the approval of shareholders on 25 July 2024.

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 2025.

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-Jul-2017	52,080	INR 31.50	1.25	4 years
Newgen Employees Stock Option Scheme 2014 (Newgen ESOP 2014)	1-Sep-2017	80,500	INR 31.50	1.42	4 years
Newgen Employees Stock Option Scheme 2014 (Newgen ESOP 2014)	1-Oct-2017	4,000	INR 31.50	1.50	4 years
Newgen Employees Stock Option Scheme 2014 (Newgen ESOP 2014)	25-Mar-2021	1,39,500	INR 31.50	4.98	4 years
Newgen Employees Stock Option Scheme 2014 (Newgen ESOP 2014)	17-Jan-2023	24,700	INR 31.50	6.81	4 years
Newgen Employees Stock Option Scheme 2014 (Newgen ESOP 2014)	2-May-2023	9,000	INR 31.50	7.09	4 years
Newgen Employees Stock Option Scheme 2014 (Newgen ESOP 2014)	18-Jul-2024	43,000	INR 63.00	8.30	4 years
Newgen Employees Stock Option Scheme 2022 (Newgen ESOP 2022)	17-Jan-2023	12,96,474	INR 182.10	5.80	4 years
Newgen Employees Stock Option Scheme 2022 (Newgen ESOP 2022)	2-May-2023	2,28,830	INR 226.00	6.09	4 years
Newgen Employees Stock Option Scheme 2022 (Newgen ESOP 2022)	19-Jul-2023	1,05,040	INR 307.50	6.30	4 years
Newgen Employees Stock Option Scheme 2022 (Newgen ESOP 2022)	20-Mar-2024	3,28,600	INR 640.10	6.97	4 years
Newgen Employees Stock Option Scheme 2022 (Newgen ESOP 2022)	30-Apr-2024	1,63,950	INR 780.00	7.08	4 years
Newgen Employees Stock Option Scheme 2022 (Newgen ESOP 2022)	18-Jul-2024	37,400	INR 944.15	7.30	4 years
Newgen Employees Stock Option Scheme 2022 (Newgen ESOP 2022)	15-Oct-2024	5,14,550	INR 1,216.00	7.54	4 years
Newgen Employees Stock Option Scheme 2022 (Newgen ESOP 2022)	20-Jan-2025	69,050	INR 1,427.50	7.81	4 years

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Notes to the standalone financial statements for the year ended 31 March 2025
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Following table represents general terms of the grants for the RSU outstanding as on 31 March 2025.

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	22,27,024	INR 10.00	6.73	5 years
Newgen Software Technologies Restricted Stock Units Scheme – 2021 (Newgen RSU – 2021)	2-Mar-2022	1,72,001	INR 10.00	6.92	5 years
Newgen Software Technologies Restricted Stock Units Scheme – 2021 (Newgen RSU – 2021)	18-Oct-2022	70,000	INR 10.00	7.55	5 years
Newgen Software Technologies Restricted Stock Units Scheme – 2021 (Newgen RSU – 2021)	2-May-2023	20,000	INR 10.00	8.09	5 years
Newgen Software Technologies Restricted Stock Units Scheme – 2021 (Newgen RSU – 2021)	10-Jul-2023	40,000	INR 10.00	8.30	5 years

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 granted during the year and the inputs used in the measurement of the fair values of the equity-settled share based payment plans are as follows:

Particulars	Newgen ESOP 2014 Grant - VIII	Newgen ESOP 2022 Grant - V	Newgen ESOP 2022 Grant - VI	Newgen ESOP 2022 Grant - VII	Newgen ESOP 2022 Grant - VIII
Date of grant	18-Jul-2024	30-Apr-2024	18-Jul-2024	15-Oct-2024	30-Jan-2025
Fair value of options at grant date	955.03	439.45	335.76	688.34	809.21
Share price at grant date	1,049.05	866.45	1,049.05	1,350.85	1,386.10
Exercise price	63.00	700.00	944.15	1,216.00	1,427.50
Expected volatility (weighted-average)	46.04%	45.38%	46.04%	46.37%	46.39%
Expected life (weighted-average)	5 years	5 years	5 years	5 years	5 years
Expected dividends	0.85%	0.93%	0.85%	0.85%	0.85%
Risk-free interest rate (based on government bonds)	6.83% - 6.84%	7.08%-7.12%	6.80% - 6.84%	6.57% - 6.65%	6.63% - 6.67%

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 2025	Weighted average exercise price 31 March 2025	Number of options 31 March 2024	Weighted average exercise price 31 March 2024
Options outstanding as at the beginning of the year	4,25,180	INR 31.50	4,49,102	INR 31.50
Add: Options granted during the year	45,000	INR 63.00	5,000	INR 31.50
Add: Bonus issue during the year in (1:1)	-	INR 31.50	2,15,690	INR 31.50
Less: Options lapsed during the year	-	INR 31.50	24,880	INR 31.50
Less: Options exercised during the year	1,17,400	INR 31.50	2,19,732	INR 31.50
Options outstanding as at the year end	3,52,780	INR 35.34	4,25,180	INR 31.50
Exercisable as at year end	2,79,780		2,80,980	
Weighted - average contractual life	4.16 years		4.61 years	

Newgen Software Technologies Restricted Stock Units Scheme – 2021 (Newgen RSU – 2021)	Number of options 31 March 2025	Weighted average exercise price 31 March 2025	Number of options 31 March 2024	Weighted average exercise price 31 March 2024
Options outstanding as at the beginning of the year	26,40,000	INR 10.00	13,05,000	INR 10.00
Add: Options granted during the year	-	INR 10.00	30,000	INR 10.00
Add: Bonus issue during the year in (1:1)	-	INR 10.00	13,20,000	INR 10.00
Less: Options lapsed during the year	6,000	INR 10.00	15,000	INR 10.00
Less: Options exercised during the year	1,04,975	INR 10.00	-	INR 10.00
Options outstanding as at the year end	25,29,025	INR 10.00	26,40,000	INR 10.00
Exercisable as at year end	11,47,025		-	
Weighted - average contractual life	6.80 years		7.80 years	

Newgen Employees Stock Option Scheme 2022 (Newgen ESOP 2022)	Number of options 31 March 2025	Weighted average exercise price 31 March 2025	Number of options 31 March 2024	Weighted average exercise price 31 March 2024
Options outstanding as at the beginning of the year	24,05,927	INR 364.20	8,17,650	INR 182.10
Add: Options granted during the year	8,35,400	INR 700-INR 1427.50	6,13,400	INR 226-INR 640.10
Add: Bonus issue during the year in (1:1)	-	-	10,41,150	INR 182.10-INR 307.50
Less: Options lapsed during the year	2,84,480	INR 182.10-INR 1427.50	1,31,570	INR 182.10-INR 640.10
Less: Options exercised during the year	2,13,253	INR 182.10-INR308	34,703	INR 182.10
Options outstanding as at the year end	27,43,594	INR 516.84	24,05,927	INR 364.20
Exercisable as at year end	2,90,714		1,31,737	
Weighted – average contractual life	6.46 years		7.05 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 Contingent liabilities and commitments (to the extent not provided for)

a) Claims against the Group (including unasserted claims) not acknowledged as debt:

Particulars	Assessment Year	31 March 2025	31 March 2024
Demands raised by the income tax authorities :			
- demand raised on account of inadmissible foreign withholding tax	2020-21	117.59	117.59
- demand raised on account of inadmissible foreign withholding tax	2021-22	67.55	67.55
Total		185.14	185.14

The assessing officer passed an order dated 29 September 2023 and 30 December 2023 under section 143(3) of the Income Tax Act, 1961 in respect inadmissible foreign withholding tax adjustment claimed as business expenditure under Sec 37 of Income Tax Act, 1961 amounting to INR 336.51 lakhs and INR 193.31 lakhs for assessment year 2020-21 and 2021-22 respectively. An appeal was filed with the commissioner of income tax (appeals) against the order of the assessing officer on 7 October 2023 and 23 January 2024 for assessment year 2020-21 and 2021-22 respectively and order of CIT(A) is awaited .

b) Capital Commitments

Particulars	31 March 2025	31 March 2024
Estimated amount of contracts remaining to be executed on capital account (net of advances)	-	422.57
Total	-	422.57

36 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 2025 and 31 March 2024 based on information received and available with the

Particulars	31 March 2025	31 March 2024
Principal Amount*	341.41	746.60
Interest due thereon at the end of the accounting year .	14.40	27.46
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 77.89 lakhs (31 March 2024 : INR 141.93 lakhs) on account of capital creditors.

37 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 31 March 2025	For the year 31 March 2024
Final dividend of INR 5.00 per share (31 March 2024: INR 4.00 per share)	7,081.26	5,611.67

38 Utilisation of Corporate Social Responsibility expenses

As per Section 135 of the Companies Act 2013, read with guidelines issued by Department of Public Enterprises ("DPE"), the company is required to spend in every financial year atleast two percent of the average net profits of the company made during the three immediately preceding financial years in accordance with its CSR policy. The details of CSR expenses for the year are as under:

Particulars	31 March 2025	31 March 2024
Amount required to be spend during the year	442.02	375.92
Amount of expenditure incurred		
(i) Construction/acquisition of any asset	-	-
(ii) On purposes other than (i) above	436.10	378.91
Amount of shortfall for the year	5.92	-
Amount of cumulative shortfall at the end of the year	-	-

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. There was cumulative excess amount spent on CSR amounting to INR 6.28 lakhs which has been adjusted in current financial year against shortfall of INR 5.92 lakhs. There is no unspent balance in respect of ongoing projects for which information is required to be disclosed.

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39 Details of current Investments (refer note 9)

Particulars	Number of units as at		Amount in lakhs as at	
	31-Mar-25	31-Mar-24	31-Mar-25	31-Mar-24
Investment in Debt mutual funds -FVTPL				
ABSL Crisil IBX Gilt Apr 2029 Index Fund Dir Growth	57,75,217.32	57,75,217.32	710.58	651.18
ABSL Government Securities Fund Growth-Regular	10,22,684.60	10,22,684.60	824.35	758.15
Bandhan CRISIL IBX Gilt June 2027 Index Fund Direct Plan-Growth	1,65,12,803.06	1,65,12,803.06	2,097.47	1,937.23
HDFC Nifty G-Sec Dec 2026 Index Fund-Direct-G	68,18,815.04	68,18,815.04	813.42	754.29
HDFC Nifty G-Sec Jul 2031 Index Fund-Direct-G	1,36,18,551.96	1,36,18,551.96	1,674.43	1,522.35
Bharat bonds ETF	20,000.00	20,000.00	295.37	270.91
HDFC Short Term Debt Fund-Growth option	9,75,997.08	-	315.10	-
ICICI Pru Short Term Direct-G	5,73,030.68	-	367.09	-
ICICI Prudential corporate bond fund	8,18,055.93	-	249.93	-
Nippon India Corporate Bond Fund Growth	1,97,338.46	-	121.29	-
SBI Short Term Debt Fund-Growth	14,17,986.28	-	472.35	-
Investment in Liquid mutual funds -FVTPL				
Aditya Birla Sun Life Money Manager Fund - Growth-Direct Plan	14,24,916.26	11,06,551.98	5,238.99	1,625.04
Canara Robeco Ultra Short Term Direct-G	39,219.44	25,921.90	1,555.03	805.75
DSP Ultra Short Direct-G	18,917.58	8,933.10	687.25	300.72
Edelweiss Money Market Direct-G	10,54,569.68	10,54,569.68	324.17	300.72
HDFC LIQUID Fund-DIRECT GROWTH	1,379.00	7,622.95	70.24	361.61
HDFC Low Duration Direct-G	21,10,649.71	10,62,535.07	1,293.19	537.03
ICICI Pru Savings Direct -G	4,49,528.40	1,21,384.95	2,425.75	408.81
Kotak Liquid Fund Direct Plan Growth	-	70,340.51	-	1,566.92
Kotak Money Market Fund - Direct Plan - Growth	82,432.94	63,954.89	3,664.49	2,636.55
Kotak Savings Direct-G	41,80,711.15	23,37,715.22	1,841.62	824.10
Nippon India Money Market Direct	8,106.39	13,128.13	334.14	486.61
Nippon India Ultra Short Duration Fund	4,814.72	25,070.79	209.67	1,010.89
Quant Liquid Direct-G	15,63,764.10	53,19,615.54	651.91	2,040.85
SBI Savings Direct-G	15,36,860.91	21,19,840.54	670.13	639.38
Tata Liquid Fund Direct Plan - Growth	-	90,088.94	-	1,227.89
Tata Money Market Fund Direct Plan - Growth	97,381.97	30,255.33	4,592.84	1,320.56
ICICI Prudential Liquid Direct Growth	55,315.56	-	212.35	-
Investment in Hybrid mutual funds -FVTPL				
Canara Robeco Equity Hybrid Direct-G	3,00,915.50	1,75,492.77	1,138.33	607.22
DSP Equity & Bond Fund - Growth	2,98,607.76	1,55,312.74	1,140.54	501.93
HDFC Balanced Advantage Direct-G	1,89,987.67	1,76,813.51	1,005.04	856.01
ICICI Pru Balanced Advantage Direct-G	14,30,769.40	17,93,496.98	1,105.13	1,279.48
ICICI Prudential Equity & Debt Fund	1,37,544.58	1,95,852.75	561.64	726.34
Kotak Balanced Advantage Direct-G	65,21,238.89	26,44,536.53	1,368.68	505.61
SBI Balanced Advantage Fund-Growth	38,50,247.01	58,25,424.91	585.34	817.67
SBI Equity Hybrid Direct-G	1,61,377.58	2,11,518.49	499.73	584.39
Investment in Equity mutual funds -FVTPL				
HDFC Flexi Cap Fund	19,464.64	17,913.66	392.11	311.78
HDFC Index SnP BSE Sensex Direct	80,836.79	22,006.87	589.87	151.38
ICICI Pru Nifty Next 50 Index Direct-G	46,783.44	4,34,205.92	27.24	242.95
ICICI Prudential Blue-chip Fund	3,01,371.31	3,01,371.31	340.04	315.84
Kotak Equity Opportunities Direct-G	1,23,212.06	75,402.28	438.49	244.50
Nippon India Growth Direct-G	12,561.73	3,795.94	509.39	134.24
Nippon India Large Cap Fund	9,75,373.04	3,68,369.52	905.83	317.83
Quant Active Direct-G	59,954.98	30,905.25	380.47	205.12
Quant Small Cap Direct-G	44,056.67	32,723.97	169.46	80.76
SBI Banking & Financial Services Fund - Dir - Growth	4,66,481.64	8,35,112.68	200.69	302.61
SBI Contra Direct-G	1,67,546.22	57,144.15	654.27	206.58
HDFC Focused 30 Direct growth	70,203.46	-	169.77	-
HDFC small Cap Direct - G	1,17,153.13	-	161.17	-
ICICI Pru Nifty 50 Index Direct-G	1,32,300.19	-	324.15	-
Investment in government bonds-FVTOCI				
7.04% IRFC Bond 03/03/2026	15.00	15.00	152.24	155.06
8.40% IRFC 15YRS SR2A 18022029 (18-Feb-2029)	40,000.00	40,000.00	441.42	454.44
7.35% NHAI LTD Tax free Bond 15YRS SR2A Annual (11-Jan-2031)	2,15,000.00	2,15,000.00	2,354.06	2,408.84
8.54% PFC Tax free Bonds (Series 2A) 16/11/2028	16,500.00	16,500.00	181.69	187.29
8.3% NHAI Tax free Bonds 25/01/2027	30,000.00	30,000.00	314.93	324.94
8.63% IRFC Bonds 26/03/2029	22,000.00	22,000.00	245.04	252.64
8.10% IRFC Bonds 23/02/2027	87,000.00	87,000.00	912.06	939.49
7.34% IRFC Bonds 19/02/2028	1,30,000.00	1,30,000.00	1,366.38	1,396.47
6.2% REC limited SR 239 BD Bonds 03/1[illegible]	1,000.00	-	551.27	-
			50,839.62	36,498.89

(All amounts are in lakhs of Indian Rupees, unless otherwise stated

40 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 close members**

Diwakar Nigam - Chairman & 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 - EVP Global Business Strategy & HR
Tarun Nandwani - Chief Operating Officer
Usha Varadarajan - Relative of Whole Time Director - T.S. Varadarajan
Aman Mourya- Company Secretary

* Close members of the family of a person are those family members who may be expected to influence, or be influenced by, that person in their dealings with the entity including:
(a) that person's children, spouse or domestic partner, brother , sister, father and mother;
(b) children of that person's spouse or domestic partner and
(c) dependent of that person or that person's spouse or domestic partner.

List of non-executive and independent directors

Kaushik Dutta - Independent Director#
Saurabh Srivastava - Independent Director
Subramaniam R Iyer - Independent Director
Padmaja Krishnan - Independent Director
Sudhir Kumar Sethi - Independent Director#

Mr. Kaushik Dutta worked till 8 July 2024 as Independent Director and Mr Sudhir Kumar Sethi joined as Independent Director on 23 July 2024.

Key management personnel compensation

	Transaction value		Balance payable	
	For the year ended 31 March 2025	For the year ended 31 March 2024	As at 31 March 2025	As at 31 March 2024
Salaries, wages and bonus*	**2,980.65**	**2,270.86**	**1,850.21**	**1,299.56**
Diwakar Nigam	778.05	553.96	482.10	304.00
T.S. Varadarajan	429.58	301.05	289.26	182.40
Priyadarshini Nigam	261.74	179.83	192.84	121.60
Arun Kumar Gupta	188.12	164.15	96.10	75.80
Virender Jeet	475.29	399.70	297.39	234.48
Surender Jeet Raj	425.40	314.71	254.02	196.32
Tarun Nandwani	384.10	320.70	234.66	184.96
Aman Mourya	38.37	36.76	3.84	-
Dividend paid (excluding dividend distribution tax)	**3,104.42**	**1,971.75**	-	-
Diwakar Nigam	1,253.98	783.74	-	-
T.S. Varadarajan	1,200.74	750.47	-	-
Priyadarshini Nigam	525.58	328.49	-	-
Arun Kumar Gupta	1.68	2.04	-	-
Virender Jeet	19.70	14.81	-	-
Surender Jeet Raj	17.35	12.80	-	-
Tarun Nandwani	18.76	12.68	-	-
Usha Varadarajan	66.59	66.62	-	-
Aman Mourya	0.07	0.10	-	-

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	Transaction value		Balance payable	
	For the year ended 31 March 2025	For the year ended 31 March 2024	As at 31 March 2025	As at 31 March 2024
Share-based payments	**48.38**	-	-	-
Surender Jeet Raj	48.38	-	-	-
Tarun Nandwani	-	-	-	-
Aman Mourya	-	-	-	-

*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.

Sitting fees to independent director	**63.00**	**69.48**	**4.00**	-
Kaushik Dutta**	6.00	23.48	-	-
Saurabh Srivastava	16.00	15.00	1.00	-
Subramaniam R Iyer	20.00	21.00	1.00	-
Padmaja Krishnan	17.00	10.00	1.00	-
Sudhir Kumar Sethi	4.00	-	1.00	-
Commission to independent director	**347.10**	**267.68**	**312.40**	**240.92**
Kaushik Dutta	23.88	66.92	21.49	60.23
Saurabh Srivastava	88.04	66.92	79.24	60.23
Subramaniam R Iyer	88.04	66.92	79.24	60.23
Padmaja Krishnan	88.04	66.92	79.24	60.23
Sudhir Kumar Sethi	59.10	-	53.19	-

**Includes sitting fees of INR 2.48 lakhs paid in Newgen Software Inc. USA during the year 31 March 2024.

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41 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.

		Carrying amount				Fair value			
31 March 2025	**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	44,320.53	-	-	44,320.53	44,320.53	-	-	44,320.53
Investments in bonds	9	-	6,519.09	-	6,519.09	6,519.09	-	-	6,519.09
Financial assets not measured at fair value									
Other non-current financial asset	6	-	-	9,490.12	9,490.12	-	-	-	-
Trade receivables	10	-	-	55,667.98	55,667.98	-	-	-	-
Cash and cash equivalents	11	-	-	10,377.00	10,377.00	-	-	-	-
Bank balances other than cash and cash equivalents	12	-	-	31,173.10	31,173.10				
Loans	13	-	-	53.11	53.11	-	-	-	-
Other financial assets	14	-	-	1,969.24	1,969.24	-	-	-	-
		44,320.53	**6,519.09**	**1,08,730.55**	**1,59,570.17**	**50,839.62**	-	-	**50,839.62**
Financial liabilities									
Financial liabilities not measured at fair value									
Lease liabilities	18	-	-	5,348.48	5,348.48	-	-	-	-
Trade payables	21	-	-	5,047.18	5,047.18	-	-	-	-
Other financial liabilities	22	-	-	6,131.78	6,131.78	-	-	-	-
		-	-	**16,527.44**	**16,527.44**	-	-	-	-

		Carrying amount				Fair value			
31 March 2024	**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	30,379.72	-	-	30,379.72	30,379.72	-	-	30,379.72
Investments in bonds	9	-	6,119.17	-	6,119.17	6,119.17	-	-	6,119.17
Financial assets not measured at fair value									
Other non-current financial asset	6	-	-	8,382.97	8,382.97	-	-	-	-
Trade receivables	10	-	-	44,353.35	44,353.35	-	-	-	-
Cash and cash equivalents	11	-	-	12,457.31	12,457.31	-	-	-	-
Bank balances other than cash and cash equivalents	12	-	-	25,136.83	25,136.83	-	-	-	-
Loans	13	-	-	11.73	11.73	-	-	-	-
Other financial assets	14	-	-	2,381.38	2,381.38	-	-	-	-
		30,379.72	**6,119.17**	**92,723.57**	**1,29,222.46**	**36,498.89**	-	-	**36,498.89**
Financial liabilities									
Financial liabilities not measured at fair value									
Lease liabilities	18	-	-	4,630.83	4,630.83	-	-	-	-
Borrowings	19	-	-	219.92	219.92	-	-	-	-
Trade payables	21	-	-	4,761.53	4,761.53	-	-	-	-
Other financial liabilities	22	-	-	5,334.66	5,334.66	-	-	-	-
		-	-	**14,946.94**	**14,946.94**	-	-	-	-

The fair value of trade receivables, cash and cash equivalents, bank balances other than cash and cash equivalents, 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

There have been no transfers in either direction for the years ended 31 March 2025 and 31 March 2024.

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Financial instruments – Fair values and risk management (continued)

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 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

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:

Particulars	As at 31 March 2025	As at 31 March 2024
Other financials assets-non current	9,490.12	8,382.97
Investments	50,839.62	36,498.89
Trade receivables	55,667.98	44,353.35
Loans	53.11	11.73
Cash and cash equivalents	10,377.00	12,457.31
Bank balances other than cash and cash equivalents	31,173.10	25,136.83
Other financials assets-current	1,969.24	2,381.38
	1,59,570.17	1,29,222.46

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 contract assets 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.

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 2025	As at 31 March 2024
India	16,342.94	13,645.03
USA	8,998.65	7,345.68
EMEA	22,707.25	18,140.25
APAC	7,619.14	5,222.39
	55,667.98	44,353.35

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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 2025	Gross carrying amount	Weighted- average loss rate	Loss allowance
0-3 months past due	46,959.00	1.87%	878.77
3-6 months past due	2,822.10	6.34%	178.88
6-9 months past due	3,639.16	18.30%	665.95
9-12 months past due	2,583.61	28.01%	723.54
12-15 months past due	2,898.07	43.63%	1,264.34
15-18 months past due	509.03	60.35%	307.19
18-21 months past due	1,392.94	82.59%	1,150.41
21-24 months past due	148.40	84.58%	125.53
above 24 months past due	2,624.33	99.61%	2,614.25
	63,576.84		**7,908.86**

As at 31 March 2024	Gross carrying amount	Weighted- average loss rate	Loss allowance
0-3 months past due	37,256.67	1.57%	583.15
3-6 months past due	5,314.66	8.27%	439.67
6-9 months past due	1,551.26	21.46%	332.91
9-12 months past due	399.80	27.75%	110.93
12-15 months past due	1,407.02	58.14%	817.97
15-18 months past due	1,152.90	59.87%	690.19
18-21 months past due	76.21	66.25%	50.49
21-24 months past due	164.04	69.65%	114.25
above 24 months past due	1,394.92	87.79%	1,224.57
	48,717.48		**4,364.13**

Ageing for expected credit loss has been considered from invoice date

Movement of loss allowance on trade receivables are as	
Balance as at 1 April 2023	**4,324.95**
Impairment loss recognised	3,325.20
Amounts written off	3,286.02
Balance as at 31 March 2024	**4,364.13**
Balance as at 1 April 2024	**4,364.13**
Impairment loss recognised	3,544.73
Amounts written off	-
Balance as at 31 March 2025	**7,908.86**

For movement of loss allowance on contract assets, refer note 15A.

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.

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 2025	**As at 31 March 2024**
India	50,839.62	36,498.89
	50,839.62	**36,498.89**

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 bank balances other than cash and cash equivalents

The Group held cash and cash equivalents of INR 10,577.02 lakhs as at 31 March 2025 (31 March 2024: INR 12,457.31 lakhs) and bank balances other than cash and cash equivalents of INR 31,173.10 lakhs as at 31 March 2025 (31 March 2024: INR 25,136.83 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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Financial instruments – Fair values and risk management (continued)

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 2025, the Group had a working capital of INR 1,21,557.69 lakhs (31 March 2024: INR 92,636.62 lakhs) including cash and cash equivalent of INR 10,377.00 lakhs (31 March 2024: INR 12,457.31 lakhs), bank balances other than cash & cash equivalents of INR 31,173.10 lakhs (31 March 2024: 25,136.83 lakhs) and current investments of INR 50,839.62 lakhs (31 March 2024: INR 36,498.89 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 2025	5,760.53	-	5,760.53			
As at 31 March 2024	6,448.52	-	6,448.52	-	-	-

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.

		Contractual cash flows					
31 March 2025	**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)	5,348.48	11,157.01	336.49	1,594.41	1,515.02	2,772.68	4,938.41
Unpaid dividends	11.83	11.83	11.83	-	-	-	-
Employee related payables	5,922.69	5,922.69	229.58	5,450.34	242.77	-	-
Trade and other payables	5,047.18	5,047.18	3,487.76	1,559.42	-	-	-
Earnest money deposits	1.00	1.00	-	1.00	-	-	-
Payable for capital assets	83.83	83.83	83.83	-	-	-	-
Total	**16,415.01**	**22,223.54**	**4,149.49**	**8,605.17**	**1,757.79**	**2,772.68**	**4,938.41**

		Contractual cash flows					
31 March 2024	**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)	4,630.83	10,034.37	245.63	1,227.97	1,192.93	2,269.26	5,098.58
Borrowings	219.92	234.24	-	234.24	-	-	-
Unpaid dividends	8.73	8.73	8.73	-	-	-	-
Employee related payables	5,005.78	5,005.78	299.53	4,547.22	159.03	-	-
Trade and other payables	4,761.53	4,761.53	3,374.56	1,386.97	-	-	-
Earnest money deposits	1.00	1.00	-	1.00	-	-	-
Payable for capital assets	319.15	319.15	319.15	-	-	-	-
Total	**14,946.94**	**20,364.80**	**4,247.60**	**7,397.40**	**1,351.96**	**2,269.26**	**5,098.58**

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.

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Financial instruments – Fair values and risk management

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.

v. 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 receivables and other payables in foreign currency. The functional currency of the Group 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 Dirham, 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.

The Company has entered into foreign exchange forward contracts to mitigate the risks involved in foreign exchange transactions and has booked forward contracts for USD 39.00 million during the year from April 2024 to March 2025.The hedging loss of INR 278.13 lakhs is on account of mark to market loss (realised loss is INR 97.23 lakhs, unrealised loss is INR 112.43 lakhs and loss of INR 68.47 lakhs on account of reversal of last year mark to market loss) 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 year ended 31 March 2025.

Exposure to currency risk

The currency profile of financial assets and financial liabilities as at 31 March 2025 and 31 March 2024 are as below:

Particulars	Currency	31 March 2025		31 March 2024	
		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	273.76	23,387.65	236.97	19,751.24
	AED	-	-	0.65	14.70
	EUR	0.82	75.69	0.49	44.11
	GBP	-	-	2.00	210.46
	SGD	15.00	955.05	-	-
	MYR	4.74	91.34	0.39	6.89
Bank balance-Dubai	AED	-	-	7.97	180.76
Bank balance-EEFC	USD	13.71	1,171.35	24.59	2,049.26
Financial liabilities					
Trade and other payables					
	USD	(38.10)	(3,233.55)	(39.36)	(3,258.75)
	SGD	(9.58)	(609.72)	(3.09)	(190.71)
	SAR	(24.73)	(563.40)	(8.55)	(189.46)
	EUR	(0.07)	(6.34)	(0.18)	(16.75)
	AUD	(7.32)	(390.64)	(7.70)	(418.50)
	AED	(33.89)	(788.39)	-	-
	CAD	-	-	(1.90)	(116.81)
	GBP	(0.02)	(2.38)	-	-

* 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 Dirham, 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 2025		For the year ended 31 March 2024	
	Strengthening	Weakening	Strengthening	Weakening
	5% movement		5% movement	
USD	1,065.20	(1,065.20)	925.16	(925.16)
EUR	3.47	(3.47)	1.39	(1.39)
GBP	(0.13)	0.13	10.52	(10.52)
CAD	-	-	(5.84)	5.84
SGD	17.26	(17.26)	(9.54)	9.54
AED	(39.41)	39.41	9.77	(9.77)
SAR	(28.17)	28.17	(9.51)	9.51
MYR	4.57	(4.57)	0.34	(0.34)
AUD	(19.53)	19.53	(20.93)	20.93
	1,003.26	(1,003.26)	901.36	(901.36)

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Financial instruments – Fair values and risk management (continued)

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
The interest rate profile of the Group's interest-bearing financial instruments is as follows:

	Nominal amount in INR	
	31 March 2025	31 March 2024
Fixed-rate instruments		
Financial assets	45,835.69	40,024.12
Financial liabilities	5,348.48	4,850.75
Total	**51,184.16**	**44,874.87**

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 42.41 lakhs after tax (31 March 2024: INR 39.81 lakhs) and PBT by INR 65.19 lakhs (31 March 2024: INR 61.19 lakhs).

Cash flow sensitivity analysis for variable-rate instruments

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.
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 84.82 lakhs after tax (31 March, 2024: INR 79.62 lakhs) and PBT by INR 130.38 lakhs (31 March, 2024: INR 122.38 lakhs). An equal change in the opposite direction would have decreased equity by INR 84.82 lakhs after tax (31 March, 2024: INR 79.62 lakhs) and PBT by INR 130.38 lakhs (31 March, 2024: INR 122.38 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 576.70 lakhs after tax (31 March, 2024: INR 391.78 lakhs) and PBT by INR 886.41 lakhs (31 March, 2024: INR 602.18 lakhs) . An equal change in the opposite direction would have decreased profit or loss by INR 576.70 lakhs after tax (31 March, 2024: INR 391.78 lakhs) and PBT by INR 886.41 lakhs (31 March, 2024: INR 602.18 lakhs) .

Walker Chandiok & Co LLP Chartered Accountants

Newgen Software Technologies Limited

(All amounts are in lakhs of Indian Rupees, unless otherwise stated)

42 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 2025 and 31 March 2024.

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 and retained earnings.

	As at 31 March 2025	As at 31 March 2024
Total liabilities	5,348.48	4,850.75
Less: Cash & Cash equivalent	10,377.00	12,457.31
Adjusted net debt (a)	(5,028.52)	(7,606.56)
Total equity (b)	1,51,643.21	1,22,351.51
Total equity and net debt (a+b) = c	1,46,614.69	1,14,744.95
Capital gearing ratio (a/c)	(3.43%)	(6.63%)

As a part of its capital management policy the Group ensures compliance with all covenants and other capital requirements related to its contractual obligations.

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(All amounts are in lakhs of Indian Rupees, unless otherwise stated)

43 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)

B. Information about reportable segments

Year ended 31 March 2025

Particulars	Reportable segments				
	India	EMEA	APAC	USA	Total Segment
Revenue					
External revenue	45,868.41	48,124.59	23,049.05	31,645.87	1,48,687.92
Inter-segment revenue	-	-	-	-	-
Total Segment Revenue	**45,868.41**	**48,124.59**	**23,049.05**	**31,645.87**	**1,48,687.92**
Employee benefits expenses	31,936.51	17,624.68	8,824.90	15,718.29	74,104.38
Segment profit before income tax	7,220.87	15,108.11	7,990.80	7,514.79	37,834.57
Segment assets	25,701.24	29,087.82	12,748.22	21,933.07	89,470.35
Segment liabilities	11,768.48	12,881.67	6,461.13	10,468.94	41,580.22
Capital expenditure during the year	2,352.41	12.84	5.52	8.83	2,379.60

Year ended 31 March 2024

Particulars	Reportable segments				
	India	EMEA	APAC	USA	Total Segment
Revenue					
External revenue	40,188.55	43,370.36	14,508.58	26,315.37	1,24,382.86
Inter-segment revenue	-	-	-	-	-
Total Segment Revenue	**40,188.55**	**43,370.36**	**14,508.58**	**26,315.37**	**1,24,382.86**
Employee benefits expenses	26,228.24	15,331.59	7,048.04	14,223.56	62,831.43
Segment profit before income tax	8,141.15	14,006.61	3,178.01	3,705.00	29,030.77
Segment assets	20,043.06	22,231.08	8,972.70	17,896.59	69,143.43
Segment liabilities	10,433.01	12,178.76	5,172.62	10,010.32	37,794.71
Capital expenditure during the year	1,368.89	4.07	0.74	12.55	1,386.85

C. Reconciliations of information on reportable segments to Ind AS

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
(a) Revenue*		
Total revenue for reportable segments	1,48,687.92	1,24,382.86
Elimination of inter-segment revenue	-	-
Total revenue	**1,48,687.92**	**1,24,382.86**
(b) Profit before tax		
Total profit before tax for reportable segments	37,834.57	29,030.77
Unallocated amounts:		
- Unallocated income	6,357.59	4,806.43
- Other corporate expenses	3,995.37	3,414.71
Total profit before tax from operations	**40,196.79**	**30,422.49**
(c) Assets		
Total assets for reportable segments	89,470.35	69,143.43
Other unallocated amounts	1,15,037.48	99,504.33
Total assets	**2,04,507.83**	**1,68,647.76**
(d) Liabilities		
Total liabilities for reportable segments	41,580.22	37,794.71
Other unallocated amounts	11,284.40	8,501.54
Total liabilities	**52,864.62**	**46,296.25**

* For information about product and services, refer note 26.

D. Information about major customers

No customer individually accounted for more than 10% of the revenues in the year ended 31 March 2025 and 31 March 2024.

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Newgen Software Technologies Limited

Newgen Software Technologies Limited
CIN: L72200DL1992PLC049074
Notes to the consolidated financial statements for the year ended 31 March 2025
(All amounts are in lakhs of Indian Rupees, unless otherwise stated)

44. Ratios as per Schedule III requirements

Ratio	Numerator	Denominator	Unit	31-Mar-25	31-Mar-24	% variance	Reason for variance
Current ratio	Current assets	Current liabilities	Times	3.81	3.44	10.79%	-
Debt- Equity Ratio	Total Debt (refer note 1 below)	Shareholder's Equity	Times	0.04	0.04	(11.04%)	-
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	24.61	22.82	7.86%	-
Return on Equity ratio	Net Profits after taxes – Preference Dividend	Average Shareholder's Equity	%	23.01%	22.81%	0.88%	-
Inventory Turnover ratio	Cost of goods sold	Average Inventory	Times	NA	NA	NA	Not applicable for the business of the Group
Trade Receivable Turnover Ratio	Net credit sales = Gross credit sales - sales return (refer note 4 below)	Average Trade Receivable	Times	2.92	3.10	(5.54%)	-
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 Group
Net Capital Turnover Ratio	Net sales = Total sales - sales return	Working capital = Current assets – Current liabilities	Times	1.22	1.34	(8.89%)	-
Net Profit ratio	Net Profit	Net sales = Total sales - sales return	%	21.20%	20.23%	4.81%	-
Return on Capital Employed	Earnings before interest and taxes (refer note 5 below)	Capital Employed (refer note 6 below)	%	24.47%	23.18%	5.58%	-
Return on Investment	Interest (Finance Income)	Average Investment	%	7.26%	7.95%	(8.69%)	-

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 contract assets - closing contract assets - 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 no instances where the change is more than 25%, no explanation is given for the said ratios.

WALKER CHANDIOK & CO LLP * CHARTERED ACCOUNTANTS *

Newgen Software Technologies Limited *

45 As at 31 March 2025, the Holding company has gross foreign currency receivables amounting to INR 24,509.73 lakhs (previous year INR 20,027.40 lakh Out of these receivables, INR 5,108.22 lakhs (previous year INR 1,955.12 lakhs) is outstanding for more than 9 months. As per FED Master Direction N 16/2015-16, 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, in one calendar year, the Group is allowed to seek extension for an amount equivalent to USD one million or 10% of the avera export collection of the last 3 years only, whichever is higher and pursuant to the same, the Group has applied for an extension of all the foreign curren receivables outstanding for more than 6 months. The management is of the view that the Group will be able to obtain approvals from the authorities f realizing such funds beyond the stipulated timeline without levy of any penalties as it had Bonafide reasons that caused the delays in realization.

46 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

(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

(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.

viii The Group has sanctioned working capital amounts 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.

ix All title deeds of Immovable Property are held in the name of the Group.

x The Group has not defaulted on any of the loan taken from banks, financial institutions or other lender.

xi The Group has not revalued its property, plant and equipment (including right-of-use assets) or intangible assets or both during the current or previous

xii The Group has complied with the number of layers prescribed under Companies Act, 2013.

WALKER CHANDIOK & CO LLP
CHARTERED ACCOUNTANTS

Newgen Software Technologies Limited
CIN: L72200DL1992PLC049074
Notes to the Consolidated financial statements for the year ended 31 March 2025
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47 Additional information pursuant to Para 2 of general instruction for the preparation of consolidated financial statements

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 2025								
Parent	93.19%	1,41,310.65	93.03%	29,327.29	(52.85%)	(187.34)	91.41%	29,139.95
Newgen Software Technologies Limited								
Indian Subsidiary								
Newgen Computers Technologies Limited	0.05%	81.76	0.01%	2.05	0.00%	-	0.01%	2.05
Foreign Subsidiaries								
Newgen Software Inc. USA.	4.91%	7,440.06	4.33%	1,364.53	67.03%	237.61	5.03%	1,602.14
Newgen Software Technologies UK Ltd	0.33%	497.88	0.16%	51.18	11.08%	39.28	0.28%	90.46
Newgen Software Technologies Canada Ltd.	0.38%	569.94	0.31%	98.15	(5.93%)	(21.03)	0.24%	77.12
Newgen Software technologies PTE Ltd.	1.52%	2,308.90	1.36%	430.18	45.82%	162.42	1.86%	592.60
Newgen Software technologies PTY Ltd.	0.52%	784.90	0.21%	65.21	(0.83%)	(2.94)	0.20%	62.27
Newgen Software Technologies LLC	0.69%	1,053.01	0.96%	301.48	19.16%	67.92	1.16%	369.40
Newgen Software Technologies Company Limited	0.42%	635.52	1.16%	365.01	16.52%	58.57	1.33%	423.58
Adjustment arising out of consolidation	(2.01%)	(3,039.41)	(1.53%)	(480.84)	-	-	(1.51%)	(480.84)
Total	**100.00%**	**1,51,643.21**	**100.00%**	**31,524.24**	**100.00%**	**354.49**	**100.00%**	**31,878.73**
As on 31 March 2024								
Parent								
Newgen Software Technologies Limited	93.79%	1,14,757.71	94.33%	23,733.55	165.41%	(355.49)	93.72%	23,378.06
Indian Subsidiary								
Newgen Computers Technologies Limited	0.07%	79.71	0.01%	2.96	0.00%	-	0.01%	2.96
Foreign Subsidiaries								
Newgen Software Inc. USA	4.83%	5,913.51	4.70%	1,181.38	(46.37%)	99.65	5.14%	1,281.03
Newgen Software Technologies UK Ltd.	0.35%	423.48	0.28%	71.30	(10.84%)	23.30	0.38%	94.60
Newgen Software Technologies Canada Ltd.	0.40%	489.89	0.40%	101.64	(0.76%)	1.64	0.41%	103.28
Newgen Software technologies PTE Ltd	1.49%	1,819.76	1.03%	257.93	(5.99%)	12.87	1.09%	270.80
Newgen Software technologies PTY Ltd	0.60%	734.91	0.28%	69.39	4.44%	(9.55)	0.24%	59.84
Newgen Software Technologies LLC	0.60%	729.87	0.18%	45.57	(2.48%)	5.33	0.20%	50.90
Newgen Software Technologies Company Limited	0.21%	259.54	0.15%	37.11	(3.41%)	7.33	0.18%	44.44
Adjustment arising out of consolidation	(2.33%)	(2,856.87)	(1.35%)	(340.33)	-	-	(1.36%)	(340.33)
Total	**100.00%**	**1,22,351.51**	**100.00%**	**25,160.50**	**100.00%**	**(214.92)**	**100.00%**	**24,945.58**

48 Previous period's figures have been regrouped/reclassified wherever necessary to correspond with the current period's classification/disclosure, which are not considered material to these financial statements.

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

Ankit Mehra
Partner
Membership No.: 507429

Place: Gurugram
Date: 02 May 2025

For and on behalf of the Board of Directors of
Newgen Software Technologies Limited

Diwakar Nigam
Chairman & Managing Director
DIN: 00263222

Place: New Delhi
Date: 02 May 2025

T.S.Varadarajan
Whole Time Director
DIN: 00263115

Place: New Delhi
Date: 02 May 2025

Virender Jeet
Chief Executive Officer
PAN: AAOPJ2433N

Place: New Delhi
Date: 02 May 2025

Arun Kumar Gupta
Chief Financial Officer
Membership No: 056859

Place: New Delhi
Date: 02 May 2025

Aman Mourya
Company Secretary
Membership No: F9975

Place: New Delhi
Date: 02 May 2025