



NEWGEN

Newgen Software Technologies Limited

CIN: L72200DL1992PLC049074

A-6, Satsang Vihar Marg, Qutab Institutional Area, New Delhi - 110 067 INDIA

Tel: (+91)-11-4077 0100, 2696 3571, 2696 4733, Fax: (+91)-11-2685 6936

Email: corpmktg@newgensoft.com URL: https://newgensoft.com

Date: October 29, 2018

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

Sub.: Outcome of Board Meeting held on October 29, 2018

Ref: Unaudited results, Press Release and Investor Presentation

Dear Sir/ Ma'am,

This is to inform you that the Board of Directors of the Company at its meeting held today i.e. Monday, October 29, 2018 which commenced at 11.30 A.M and concluded at 2:30 P.M., has, inter-alia, considered and approved the Unaudited Standalone and Unaudited Consolidated Financial Results of the Company for the 2nd Quarter and half year ended September 30, 2018.

Accordingly, pursuant to Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we are enclosing herewith the aforesaid Financial Results along with Limited Review Reports, Press Release and Investor Presentation.

This is for your kind information and record.

Thanking you.

For Newgen Software Technologies Limited

Aman Mourya
Company Secretary & Compliance Officer

Encl.: a/a

B S R & Associates LLP

Chartered Accountants

Building No.10, 8th Floor, Tower-B
DLF Cyber City, Phase - II
Gurugram - 122 002, India

Telephone: + 91 124 719 1000
Fax: + 91 124 235 8613

To
Board of Directors of **Newgen Software Technologies Limited**

We have reviewed the accompanying statement of unaudited consolidated financial results of **Newgen Software Technologies Limited**, and its subsidiaries (collectively referred to as 'the Group') for the quarter ended 30 September 2018 and the year-to-date results for the period from 1 April 2018 to 30 September 2018 attached herewith, being submitted by the company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations').

This statement is the responsibility of the Company's Management and has been approved by the Board of Directors. Our responsibility is to issue a report on these consolidated financial results based on our review.

We conducted our review in accordance with the Standard on Review Engagement (SRE) 2410, *Review of Interim Financial Information Performed by the Independent Auditor of the Entity* specified under section 143(10) of the Companies Act, 2013. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the consolidated financial results are free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.

We did not review the financial information of 4 subsidiaries included in the statement of unaudited consolidated financial results and consolidated year-to-date financial results, whose unaudited financial information reflect total revenue of Rs. 870.23 lakhs and Rs. 1,700.45 lakhs for the quarter ended 30 September 2018 and period from 01 April 2018 to 30 September 2018 respectively and total assets of Rs. 2,010.90 lakhs as at 30 September 2018. This unaudited financial information is certified by the Company's management and has not been reviewed by the auditors of these entities. Our conclusion is not modified in respect of such matter.

Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying statement of unaudited consolidated financial results prepared in accordance with applicable accounting standards i.e. Ind AS prescribed under Section 133 of the Companies Act, 2013 and other recognised accounting practices and policies has not disclosed the information required to be disclosed in terms of Regulation 33 of the Listing Regulations including the manner in which it is to be disclosed, or that it contains any material misstatement.

For **B S R & Associates LLP**

Chartered Accountants

Firm's Registration No.: 116231W/W-100024



Rakesh Dewan

Partner

Membership No.: 092212

Place: Gurugram

Date: 29 October 2018

B S R & Associates LLP

Chartered Accountants

Building No.10, 8th Floor, Tower-B
DLF Cyber City, Phase - II
Gurugram - 122 002, India

Telephone: + 91 124 719 1000
Fax: + 91 124 235 8613

To
Board of Directors of **Newgen Software Technologies Limited**

We have reviewed the accompanying statement of unaudited standalone financial results of **Newgen Software Technologies Limited** for the quarter ended 30 September 2018 and the year-to-date results for the period from 1 April 2018 to 30 September 2018 attached herewith, being submitted by the company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations').

This statement is the responsibility of the Company's Management and has been approved by the Board of Directors. Our responsibility is to issue a report on these financial results based on our review.

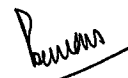
We conducted our review in accordance with the Standard on Review Engagement (SRE) 2410, *Review of Interim Financial Information Performed by the Independent Auditor of the Entity* specified under section 143(10) of the Companies Act, 2013. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the financial results are free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.

Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying statement of unaudited standalone financial results prepared in accordance with applicable accounting standards i.e. Ind AS prescribed under Section 133 of the Companies Act, 2013 and other recognised accounting practices and policies has not disclosed the information required to be disclosed in terms of Regulation 33 of the Listing Regulations including the manner in which it is to be disclosed, or that it contains any material misstatement.

For **B S R & Associates LLP**

Chartered Accountants

Firm's Registration No.: 116231W/W-100024



Rakesh Dewan

Partner

Membership No.: 092212

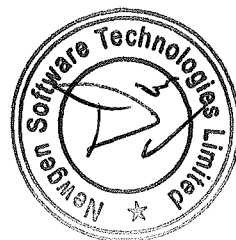
Place: Gurugram
Date: 29 October 2018



Statement of Unaudited Consolidated Financial Results of Newgen Software Technologies Limited
For the quarter and half year ended 30 September 2018

(Amount in Rupees lakhs)

Particulars	Quarter ended			Half year ended		Year ended
	30 September 2018 (Unaudited)	30 June 2018 (Unaudited)	30 September 2017 (Unaudited)	30 September 2018 (Unaudited)	30 September 2017 (Unaudited)	31 March 2018 (Audited)
I Income						
Revenues from operations	14,966.01	10,647.42	11,865.85	25,613.43	20,725.11	51,242.78
Other income	582.38	779.73	230.36	1,362.11	325.99	760.98
Total income	15,548.39	11,427.15	12,096.21	26,975.54	21,051.10	52,003.76
II Expenses						
Employee benefits expense	7,255.36	6,503.23	6,551.10	13,758.59	11,817.61	24,887.78
Finance costs	189.88	196.61	115.06	386.49	217.99	520.68
Depreciation and amortization expense	149.09	145.72	128.86	294.81	280.26	580.67
Other expenses	5,627.15	4,088.19	4,443.30	9,715.34	8,071.71	16,601.38
Total expenses	13,221.48	10,933.75	11,238.32	24,155.23	20,387.57	42,590.51
III Profit before tax	2,326.91	493.40	857.89	2,820.31	663.53	9,413.25
IV Tax expense						
Current tax	360.37	145.35	595.74	505.72	824.38	1,630.40
Less: MAT credit entitlement	(246.91)	(60.27)	(0.12)	(307.18)	(0.12)	(86.97)
Tax expense for earlier years	-	-	-	-	-	64.50
Deferred tax (credit)/charge	436.39	21.59	(364.79)	457.98	(638.13)	516.64
Total tax expense	549.85	106.67	230.83	656.52	186.13	2,124.57
V Net Profit for the period / year	1,777.06	386.73	627.06	2,163.79	477.40	7,288.68
VI Other comprehensive income for the period / year						
Items that will not be reclassified subsequently to profit or loss						
Remeasurement of defined benefit liability	34.74	34.75	31.59	69.49	63.17	126.35
Income tax relating to items that will not be reclassified to profit or loss	(12.26)	(12.02)	(10.93)	(24.28)	(21.86)	(43.73)
Net other comprehensive income/ (loss) not to be reclassified subsequently to profit or loss	22.48	22.73	20.66	45.21	41.31	82.62
Items that will be reclassified subsequently to profit or loss						
Debt instruments through other comprehensive income - net change in fair value	(15.14)	(9.32)	(0.11)	(24.46)	15.89	(0.47)
Income tax relating to items that will be reclassified to profit or loss	5.32	3.23	0.04	8.55	(5.50)	0.16
Exchange differences on translation of foreign operations	267.83	-	-	267.83	-	-
Net other comprehensive income to be reclassified subsequently to profit or loss	258.01	(6.09)	(0.07)	251.92	10.39	(0.31)
Other comprehensive income for the period / year, net of income tax	280.49	16.64	20.59	297.13	51.70	82.31
VII Total comprehensive income for the period / year	2,057.55	403.37	647.65	2,460.92	529.10	7,370.99
VIII Profit for the period / year attributable to Shareholders of the Company	1,777.06	386.73	627.06	2,163.79	477.40	7,288.68
IX Other comprehensive income for the period / year attributable to Shareholders of the Company	280.49	16.64	20.59	297.13	51.70	82.31
X Total comprehensive income for the period / year attributable to Shareholders of the Company	2,057.55	403.37	647.65	2,460.92	529.10	7,370.99
XI Paid up Equity Share Capital (face value Rs. 10 each)	6,806.17	6,798.76	6,276.09	6,806.17	6,276.09	6,788.41
XII Other Equity						33,733.85
XIII Earnings per equity share of Rs. 10 each						
Basic (in Rs)	2.62	0.57	1.00	3.19	0.76	11.44
Diluted (in Rs)	2.56	0.56	0.98	3.12	0.74	11.15





Statement of Unaudited Standalone Financial Results of Newgen Software Technologies Limited
For the quarter and half year ended 30 September 2018

(Amount in Rupees lakhs)

Particulars	Quarter ended			Half year ended		Year ended
	30 September 2018 (Unaudited)	30 June 2018 (Unaudited)	30 September 2017 (Unaudited)	30 September 2018 (Unaudited)	30 September 2017 (Unaudited)	31 March 2018 (Audited)
I Income						
Revenues from operations	13,521.67	9,111.87	10,472.94	22,633.54	18,277.68	45,952.36
Other income	568.55	783.72	228.41	1,352.27	323.68	758.19
Total income	14,090.22	9,895.59	10,701.35	23,985.81	18,601.36	46,710.55
II Expenses						
Employee benefits expense	6,317.29	5,635.75	5,928.94	11,953.04	10,593.48	22,285.86
Finance costs	189.88	196.61	115.04	386.49	217.97	520.68
Depreciation and amortization expense	144.89	141.37	126.59	286.26	275.46	567.68
Other expenses	5,082.97	3,630.91	3,819.55	8,713.88	7,147.81	14,243.15
Total expenses	11,735.03	9,604.64	9,990.12	21,339.67	18,234.72	37,617.37
III Profit before tax	2,355.19	290.95	711.23	2,646.14	366.64	9,093.18
IV Tax expense						
Current tax	331.54	124.03	173.84	455.57	420.99	1,549.01
Less: MAT credit entitlement	(246.91)	(60.27)	-	(307.18)	-	(86.97)
Tax for earlier years	-	-	-	-	-	64.50
Deferred tax (credit)/charge	433.51	0.25	(20.08)	433.76	(341.73)	503.55
Total tax expense	518.14	64.01	153.76	582.15	79.26	2,030.09
V Net Profit for the period / year	1,837.05	226.94	557.47	2,063.99	287.38	7,063.09
VI Other comprehensive income/(loss) for the period/year						
Items that will not be reclassified subsequently to profit or loss						
Remeasurement of defined benefit liability	34.74	34.75	31.58	69.49	63.17	126.35
Income tax relating to items that will not be reclassified to profit or loss	(12.26)	(12.02)	(10.94)	(24.28)	(21.87)	(43.73)
Net other comprehensive income/ (loss) not to be reclassified subsequently to profit or loss	22.48	22.73	20.64	45.21	41.30	82.62
Items that will be reclassified subsequently to profit or loss						
Debt instruments through other comprehensive income - net change in fair value	(15.14)	(9.32)	(0.11)	(24.46)	15.88	(0.47)
Income tax relating to items that will be reclassified to profit or loss	5.32	3.23	0.03	8.55	(5.50)	0.16
Net other comprehensive income/(loss) to be reclassified subsequently to profit or loss	(9.82)	(6.09)	(0.08)	(15.91)	10.38	(0.31)
Other comprehensive income for the period / year, net of income tax	12.66	16.64	20.56	29.30	51.68	82.31
VII Total comprehensive income for the period / year	1,849.71	243.58	578.03	2,093.29	339.06	7,145.40
VIII Profit for the period / year attributable to Shareholders of the Company	1,837.05	226.94	557.47	2,063.99	287.38	7,063.09
IX Other comprehensive income for the period / year attributable to Shareholders of the Company	12.66	16.64	20.56	29.30	51.68	82.31
X Total comprehensive income for the period / year attributable to Shareholders of the Company	1,849.71	243.58	578.03	2,093.29	339.06	7,145.40
XI Paid up Equity Share Capital (face value rupees 10 each)	6,806.17	6,798.76	6,276.09	6,806.17	6,276.09	6,788.41
XII Other Equity						33,182.81
XIII Earnings per equity share of Rs. 10 each						
Basic (in Rs)	2.70	0.33	0.89	3.04	0.46	11.09
Diluted (in Rs)	2.65	0.33	0.87	2.98	0.45	10.81

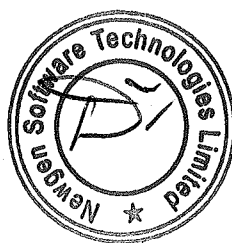




Segment Reporting (Consolidated) :

(Amount in Rupees lakhs)

Particulars	Quarter ended			Half year ended		Year ended
	30 September 2018 (Unaudited)	30 June 2018 (Unaudited)	30 September 2017 (Unaudited)	30 September 2018 (Unaudited)	30 September 2017 (Unaudited)	31 March 2018 (Audited)
I	Revenue by geographical segment					
India	4,509.40	3,526.86	4,002.89	8,036.26	7,352.31	18,071.33
EMEA	4,884.84	3,172.86	3,319.61	8,057.70	6,039.89	16,840.19
APAC	1,332.75	787.28	1,184.01	2,120.03	1,813.13	4,431.09
USA	4,239.02	3,160.42	3,359.34	7,399.44	5,519.78	11,900.17
Total	14,966.01	10,647.42	11,865.85	25,613.43	20,725.11	51,242.78
Less : Inter-segment revenue	-	-	-	-	-	-
Net revenue of operations from external customers	14,966.01	10,647.42	11,865.85	25,613.43	20,725.11	51,242.78
II	Segment profit before tax					
India	699.88	(278.18)	135.55	421.70	128.06	2,104.27
EMEA	480.78	(1.07)	(39.79)	479.71	97.58	4,430.81
APAC	465.03	(195.72)	73.18	269.31	140.43	1,259.56
USA	617.24	452.43	702.66	1,069.67	499.90	2,089.39
Total	2,262.93	(22.54)	871.60	2,240.39	865.97	9,884.03
Add: Other income	582.38	779.73	230.36	1,362.11	325.99	760.98
Less: Unallocated expenditure	(518.40)	(263.79)	(244.07)	(782.19)	(528.43)	(1,231.76)
Profit before tax	2,326.91	493.40	857.88	2,820.31	663.53	9,413.25
Less : Tax expense	549.85	106.67	230.83	656.52	186.13	2,124.57
Net profit after taxes	1,777.06	386.73	627.05	2,163.79	477.40	7,288.68
III	Segment assets					
India	10,736.53	11,011.77	8,247.68	10,736.53	8,247.68	11,411.31
EMEA	11,555.04	10,554.52	7,092.52	11,555.04	7,092.52	10,690.11
APAC	2,560.09	3,003.86	2,003.21	2,560.09	2,003.21	2,697.44
USA	7,308.80	4,990.83	5,314.15	7,308.80	5,314.15	5,437.93
Total	32,160.46	29,560.98	22,657.56	32,160.46	22,657.56	30,236.79
Add: Unallocated assets	30,878.02	31,999.34	20,748.68	30,878.02	20,748.68	30,665.37
Total assets	63,038.48	61,560.32	43,406.24	63,038.48	43,406.24	60,902.16
IV	Segment liabilities					
India	5,673.75	5,826.64	5,016.68	5,673.75	5,016.68	5,555.87
EMEA	2,962.04	3,183.77	2,499.64	2,962.04	2,499.64	3,674.85
APAC	729.65	1,106.39	528.83	729.65	528.83	945.07
USA	3,273.88	2,500.88	1,640.73	3,273.88	1,640.73	2,027.94
Total	12,639.32	12,617.68	9,685.88	12,639.32	9,685.88	12,203.73
Add: Unallocated liabilities	8,860.35	7,864.58	9,422.68	8,860.35	9,422.68	8,176.17
Total Liabilities	21,499.67	20,482.26	19,108.56	21,499.67	19,108.56	20,379.90

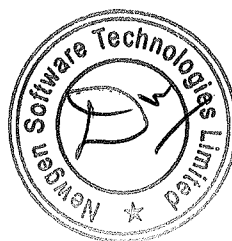




Segment Reporting (Standalone) :

(Amount in Rupees lakhs)

Particulars	Quarter ended			Half year ended		Year ended
	30 September 2018 (Unaudited)	30 June 2018 (Unaudited)	30 September 2017 (Unaudited)	30 September 2018 (Unaudited)	30 September 2017 (Unaudited)	31 March 2018 (Audited)
I	Revenue by geographical segment					
India	4,509.40	3,526.86	4,002.89	8,036.26	7,352.31	18,071.33
EMEA	4,829.96	3,080.85	3,229.04	7,910.81	5,949.32	16,598.70
APAC	1,236.31	662.20	1,082.94	1,898.51	1,643.15	4,104.62
USA	2,946.00	1,841.96	2,158.07	4,787.96	3,332.90	7,177.71
Total	13,521.67	9,111.87	10,472.94	22,633.54	18,277.68	45,952.36
Less : Inter-segment revenue	-	-	-	-	-	-
Net revenue of operations from external customers	13,521.67	9,111.87	10,472.94	22,633.54	18,277.68	45,952.36
II	Segment profit before tax					
India	698.63	(279.72)	88.27	418.91	80.78	2,105.99
EMEA	483.33	(12.09)	(38.49)	471.24	153.01	4,436.20
APAC	477.22	(204.17)	70.64	273.05	132.79	1,253.98
USA	645.86	267.01	608.52	912.87	206.87	1,770.61
Total	2,305.04	(228.97)	728.94	2,076.07	573.45	9,566.78
Add: Other income	568.55	783.72	228.41	1,352.27	323.68	758.19
Less: Unallocated expenditure	(518.40)	(263.80)	(246.12)	(782.20)	(530.49)	(1,231.79)
Profit before tax	2,355.19	290.95	711.23	2,646.14	366.64	9,093.18
Less : Tax expense	518.14	64.01	153.76	582.15	79.26	2,030.09
Net profit after taxes	1,837.05	226.94	557.47	2,063.99	287.38	7,063.09
III	Segment assets					
India	10,720.40	10,997.34	8,236.11	10,720.40	8,236.11	11,398.11
EMEA	11,502.86	10,477.06	7,005.71	11,502.86	7,005.71	10,661.09
APAC	2,236.42	2,584.66	1,855.77	2,236.42	1,855.77	2,396.13
USA	4,298.49	2,806.83	4,164.25	4,298.49	4,164.25	3,626.16
Total	28,758.17	26,865.89	21,261.84	28,758.17	21,261.84	28,081.49
Add: Unallocated assets	30,878.02	31,999.34	20,748.68	30,878.02	20,748.68	30,665.35
Total assets	59,636.19	58,865.23	42,010.52	59,636.19	42,010.52	58,746.84
IV	Segment liabilities					
India	5,671.45	5,825.71	5,015.50	5,671.45	5,015.50	5,554.03
EMEA	2,938.53	3,123.06	2,443.20	2,938.53	2,443.20	3,538.65
APAC	522.52	792.06	457.19	522.52	457.19	757.65
USA	1,023.25	929.88	856.87	1,023.25	856.87	749.45
Total	10,155.75	10,670.71	8,772.76	10,155.75	8,772.76	10,599.78
Add: Unallocated liabilities	8,860.32	7,864.58	9,422.68	8,860.32	9,422.68	8,175.84
Total liabilities	19,016.07	18,535.29	18,195.44	19,016.07	18,195.44	18,775.62





Statement of Assets and Liabilities of Newgen Software Technologies Limited
as at 30 September 2018

(Amount in Rupees lakhs)

Particulars	Consolidated		Standalone	
	As at 30 September 2018 (Unaudited)	As at 31 March 2018 (Audited)	As at 30 September 2018 (Unaudited)	As at 31 March 2018 (Audited)
I. ASSETS				
(1) Non-current assets				
(a) Property, plant and equipment	6,894.62	6,757.93	6,809.50	6,664.89
(b) Capital work in progress	2,504.92	1,659.48	2,504.92	1,659.47
(c) Other intangible assets	83.09	89.56	83.09	89.56
(d) Investments in subsidiaries	-	-	922.82	918.19
(e) Financial assets				
(i) Loans	275.58	295.70	241.21	264.79
(ii) Others financial assets	496.11	554.77	489.86	548.53
(f) Deferred tax assets (net)	1,730.44	1,893.13	1,753.77	1,896.09
(g) Income tax assets (net)	1,822.41	1,281.29	1,816.82	1,277.88
(h) Other non-current assets	860.89	356.23	860.89	356.23
(2) Current assets				
(a) Financial assets				
(i) Investments	4,971.32	5,022.07	4,971.32	5,022.07
(ii) Trade receivables	24,933.53	22,201.67	18,820.44	20,392.66
(iii) Cash and cash equivalents	12,423.51	14,548.34	11,367.67	13,520.79
(iv) Loans	351.25	317.27	343.92	317.27
(v) Others financial assets	4,584.57	5,177.19	7,695.50	5,177.19
(b) Other current assets	1,106.24	747.53	954.46	641.23
TOTAL ASSETS	63,038.48	60,902.16	59,636.19	58,746.84
II. EQUITY				
(a) Equity share capital	6,806.17	6,788.41	6,806.17	6,788.41
(b) Other equity	34,732.64	33,733.85	33,813.96	33,182.81
Equity attributable to shareholders of the Company	41,538.81	40,522.26	40,620.13	39,971.22
TOTAL EQUITY	41,538.81	40,522.26	40,620.13	39,971.22
III. LIABILITIES				
(1) Non-current liabilities				
(a) Financial liabilities				
(i) Borrowings	1,138.44	1,316.66	1,138.44	1,316.66
(b) Deferred tax liabilities (net)	12.58	11.28	-	-
(c) Provisions	1,772.85	1,653.37	1,772.85	1,653.37
(2) Current liabilities				
(a) Financial liabilities				
(i) Borrowings	6,054.21	4,946.27	6,054.21	4,946.27
(ii) Trade payables	2,596.31	2,292.10	2,336.86	2,143.75
(iii) Derivative liabilities	65.61	-	65.61	-
(iv) Others financial liabilities	3,208.05	3,624.48	3,145.68	3,575.91
(b) Deferred Income	5,245.64	4,943.04	3,173.39	3,607.99
(c) Other current liabilities	1,166.70	1,372.04	1,096.61	1,320.39
(d) Provisions	239.28	220.66	232.41	211.28
TOTAL EQUITY AND LIABILITIES	63,038.48	60,902.16	59,636.19	58,746.84





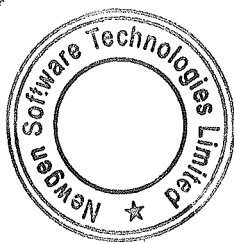
Statement of Unaudited Standalone and Consolidated Financial Results of Newgen Software Technologies Limited
For the quarter and half year ended 30 September 2018

Notes:

- 1 The above financial results for the quarter and half year ended 30 September 2018 were reviewed by the Audit Committee in their meeting held on 29 October 2018 and approved by the Board of Directors in their meeting held on 29 October 2018. These results have been subjected to limited review by the statutory auditors.
- 2 Unaudited standalone and consolidated financial results of the Company for the quarter and half year ended 30 September 2018 are prepared in accordance with Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Companies Act, 2013 and relevant rules thereunder. The company was not required to publish the standalone and consolidated financial results for the quarter and half year ended 30 September 2017 prepared under previous Indian General Accepted Accounting Principles (IGAAP). Consequently previous IGAAP standalone and consolidated financials results for the quarter and half year ended 30 September 2017 have been compiled and restated to Ind AS to make them comparable.
- 3 The Board of Directors on 17 May 2018 have recommended a payment of Final Dividend of Rs. 2 per share (on equity share of par value of Rs. 10 each) for the year ended 31 March 2018 which was approved by the shareholders at the Annual General Meeting held on 9 August 2018. The dividend was paid on 16 August 2018.
- 4 Effective 1 April 2018 the Company has adopted Ind AS 115 using cumulative catch-up transition method and accordingly comparatives have not been restated. The impact of adoption of Ind AS 115 was not material.
- 5 Previous period figures have been regrouped/reclassified, wherever necessary, to conform to current year's classification as per Ind AS.

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: 29 October 2018



PRESS RELEASE

Newgen Software reports 29% YoY increase in Total Income

- *Delivers consistent revenue and profit growth*

New Delhi, India – 29 October 2018

The management of Newgen Software Technologies Ltd. announced results for the Quarter ended 30 Sep 2018 [Q2 FY'19] at its Board Meeting held on 29 October 2018.

Speaking about the results, Mr. Diwakar Nigam, Chairman & Managing Director, Newgen Software Technologies Ltd. said – “Customer centricity is of prime importance to Organizations today leading to reinvention of their workplaces. As a result, Newgen’s solutions are finding strong traction across the globe. We are on a robust growth trajectory across all our key markets; our consolidated total income witnessed a 29% YoY increase in Q2 FY’19 driven by license revenue growth. We have added 22 new customer logos during the quarter; including 5 new wins in the US region. Our Cloud revenues grew by 163% YoY in line with our expectations.”

Key Financial Highlights (Q2 FY'19) – [YoY Comparison]

- **Total Income (Consolidated) up by 29% YoY to reach Rs 155.48 crores** in Q2 FY'19 compared to Rs 120.96 crores in Q2 FY'18. **Revenue from operations (Consolidated) witnessed strong growth momentum and was up by 26% YoY to reach Rs 149.66 crores** as compared to Rs 118.66 crores in Q2 FY'18 driven by license revenue growth of 57% YoY
 - Revenue from Sale of Products/ License were at Rs 57.6 crores
 - Annuity Revenue streams (ATS/AMC and Support) were at Rs 65.8 crores
 - Cloud/SaaS continues to be our fastest growing revenue component. Cloud/ SaaS revenues were at Rs 5.7 crores
 - Implementation & Digitization revenues were at Rs 20.5 crores
- EBIDTA (adjusted for other income) was at Rs 20.84 crores up by 139% compared to Rs 8.71 crores in Q2 FY'18.
- Profit after tax was at Rs 17.77 crores up by 183% compared to Rs 6.27 crores in Q2 FY'18.
- Basic Earnings per shares was at Rs 2.62 in Q2 FY'19 compared to 1.00 in Q2 FY'18.

Key Financial Highlights (Q2 FY'19) – [QoQ Comparison]

- Total Income (Consolidated) up by 36% QoQ compared to Rs 114.27 crores in Q1 FY'19.
- Revenue from operations (Consolidated) witnessed strong growth momentum and was up by 41% QoQ compared to Rs 106.47 crores in Q1 FY'19
- EBIDTA (adjusted for other income) grew multi-fold and was at Rs 20.84 crores compared to Rs 0.56 crores in Q1 FY'19.
- Profit after tax was up by 360% at Rs 17.77 crores compared to Rs 3.87 crores in Q1 FY'19.
- Software license business is usually seasonal in nature primarily given the large enterprise account buying patterns leading to substantial revenues and profits booked in the second half of the financial year. First quarter is usually the leanest with enhancement in revenues and profits in each subsequent quarter of a financial year. Growth in profitability was on account of lower base in previous year and favourable currency movement.

Key Business Highlights

- **Broad-based growth across all key markets:** EMEA, USA, APAC and India regions on a stronghold with YoY growth of 47%, 26%, 13%, and 13% respectively
- **Prestigious customer wins made during the year:** 22 new customer additions in Q2 FY'19 including 5 in US. Major license deals include agreement with a leading inclusive bank in Africa, a savings bank in Philippines, the largest credit union in Northeast region of US serving members for 75+ years and a government authority based in Oman for records management
- **Executed an agreement with a global technology player for supply of software licenses and related services.** Total Order Size at Rs 78.8 Crores spread over 7 years
- **In Canada region, for the first time a large NBFC has chosen our Commercial Loan Origination Solution (CLOS)** to enhance their commercial lending experience for customers.
- **Company continues to strengthen the horizontal product platform with vertical service accelerators:** Robust growth across all key verticals especially Healthcare, Government/ PSU and BPO/IT verticals.
- **Cloud/ SaaS business model strengthening annuity revenues:** In Q2 FY'19, SaaS revenues were at Rs 5.7 crores, 163% YoY increase; In H1 FY'19, total SaaS revenues were at Rs 10.6 crores compared to Rs 4.1 crores in H1 FY'18.
- **Continued focus on product and innovation:** We continue to enhance our low-code solutions with improved user interfaces, seamless integration capabilities and enhanced process management capabilities. We have added significant capabilities in Analytics and Mobility to our platforms for customer's seamless digital journeys

About Newgen

Newgen Software Technologies Limited (listed In India on National Stock Exchange [Script code: NEWGEN] and BSE Ltd. [Script code: 540900]), is a provider of Business Process Management, Enterprise Content Management and Customer Communication Management platforms with large, mission-critical solutions deployed at world's leading banks, Governments, BPO's & IT Companies, Insurance firms and Healthcare Organizations.

Disclaimer

This press release may contain certain forward looking statements concerning Newgen Software Technologies' future business prospects and business profitability, which are subject to a number of risks and uncertainties and the actual results could materially differ from those in such forward looking statements. The risks and uncertainties relating to these statements include, but are not limited to, risks and uncertainties regarding fluctuations in earnings, our ability to manage growth and new business opportunities, competition (both domestic and international), economic growth in India and the target countries for business, ability to attract and retain highly skilled professionals, time and cost over runs on projects, our ability to manage our international operations, government policies, interest and other fiscal costs generally prevailing in the economy. Past performance may not be indicative of future performance. The company does not undertake to make any announcement in case any of these forward looking statements become materially incorrect in future or update any forward looking statements made from time to time by or on behalf of the company.

Media Contact:

Asif Khan

asif.khan@newgensoft.com



Oct
2018

NEWGEN SOFTWARE

Reinvent Your Workplace

Q2 FY'19 Investor Presentation

► What we do?

Reinvent workplaces by enhancing customer facing processes



► How we do it?

We provide **low-code and flexible platforms** that enable organisations to easily and rapidly build powerful applications addressing their strategic business needs

Flexible visual interface
with minimal coding

Seamless integrations

Holistic process experience -
connecting data, people,
processes and systems

► Our Products

Digitise

Process & Adapt

Communicate



Enterprise Content Management

Deliver contextual content for smarter decision making and improved collaboration

OMNI Docs



Business Process Management

Create smarter processes, empower knowledge workers and build responsive business

il bps



Customer Communication Management

Create, personalize and deliver interactive communication to enhance customer experience

OMNI OMS



Digital Sensing



RPA



Enterprise Mobility



Analytics



Cloud

► Transforming Banks & Governments

Banks & Financial Services - Providing solutions to leading institutions worldwide

Account Opening

Delivering smooth & delightful on-boarding experience to customers

Lending/ Loan Origination

Optimizing lending processes for enhanced efficiency & faster disbursement

Trade Finance

Ensuring faster, accurate and centralized trade finance processes

Compliance & Reporting

Complying with complex & dynamic regulations faster and easily

Payments

Mitigating risk and reducing costs with timely and secure payments

Governments

Citizen Services

Supporting in delivering responsive and efficient citizen services

e-Gov office automation

Supporting in delivering efficient and effective governance

Social Governance

Capturing and processing service requests generated on social media platforms

EDRMS

Supporting in effective service delivery and public accountability

Digital India Solutions

Direct Benefit Transfer, e-Courts, e-Vidhan Sabha, Secretarial Automation, Smart City

► Transforming Shared Services, Healthcare & Insurance

Shared Services

Accounts Payable

Reducing cycle time, and ensuring better compliance

Accounts Receivable

Ensuring smarter reconciliations, and improved billing cycles

Invoice Processing

Faster invoice processing mechanism

Vendor Portal

Ensuring seamless processing

Healthcare

Provider Contract Management

Aiming for faster contracting; agility & speed in provider contracting process

Appeals & Grievances Management

Delivering timely resolution of member complaints, minimizing the scope for delays/ errors

Insurance

New Business Underwriting

Achieving faster and more accurate underwriting

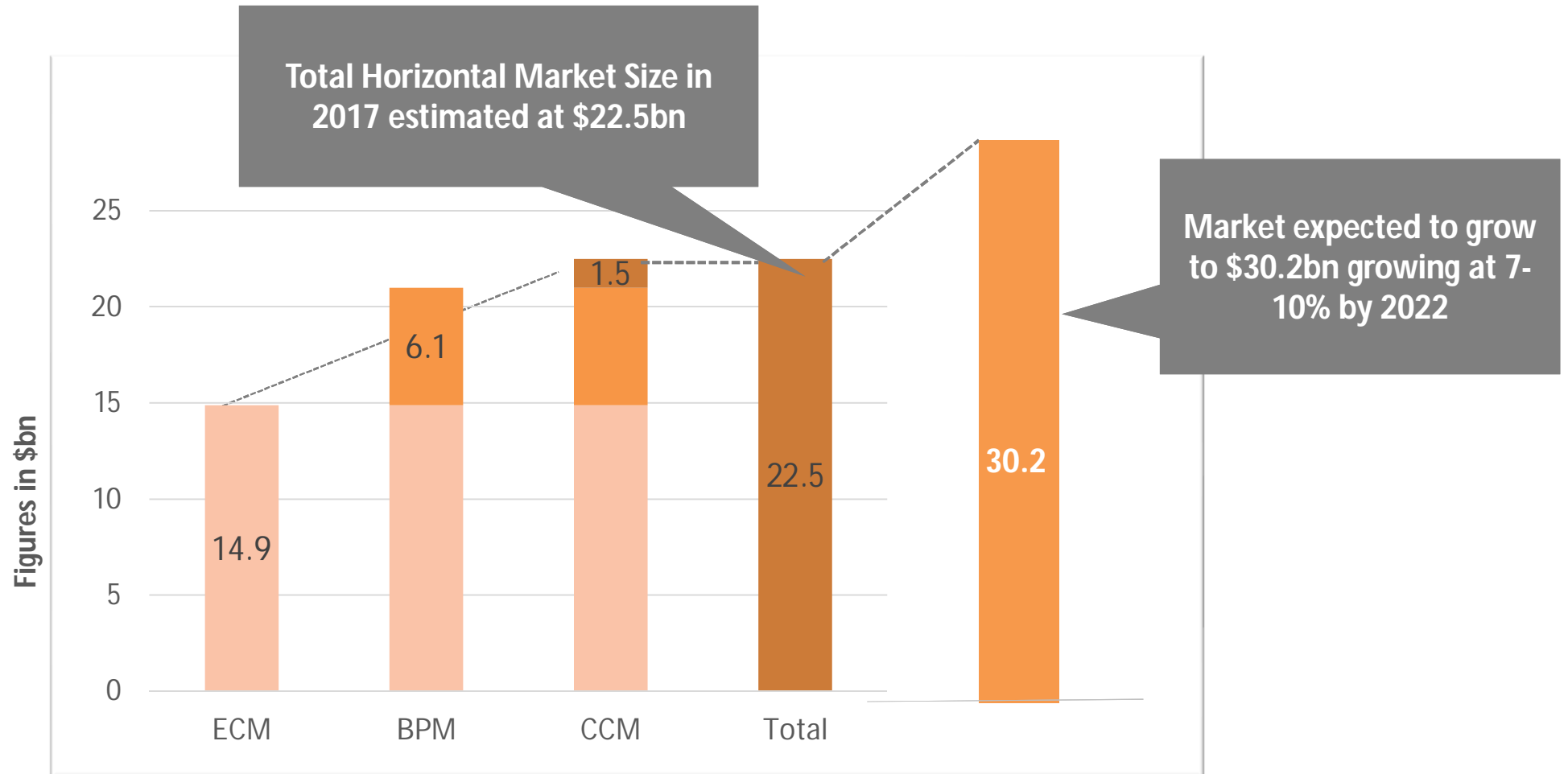
Claims Processing

Ensuring faster, fraud-free claim settlement

Policy Servicing

Establishing multi-channel policy servicing

► Our Market Opportunity



Source: Ovum – Business Software Industry Report: Digitalisation, IT modernisation and automation are driving market growth” dated August 7, 2017

Note: Figures in charts represent the global market size forecasts

► Newgen Today*



520+
Active Customers⁽¹⁾



60+
countries



5
Core
Verticals

FORRESTER Strong Industry
Recognition
Gartner



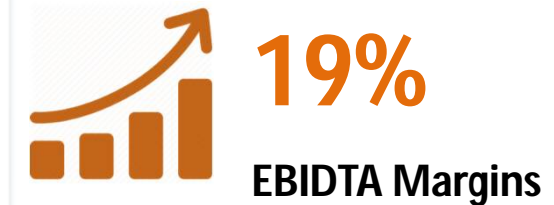
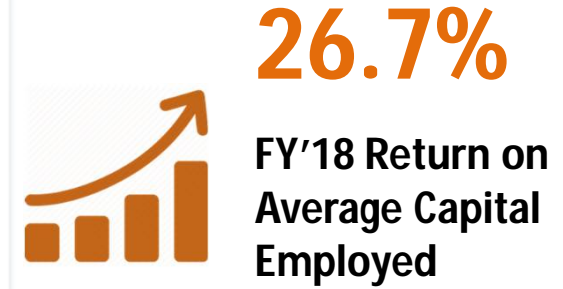
2,600+
Employees
(250+ in R&D)



37
Patents Applied

(1) Invoiced in the last 12 months
(2) All figures as of March 2018

► Newgen Today* - Financial Snapshot



1) All figures as of March 2018

► Strong Industry Recognition Validates Culture of Innovation

Gartner

FORRESTER®
Wave™

ECM

A Niche Player in Magic Quadrant for Content Services Platform, 2017
5 October 2017, Karen A. Hobert et al

“Leader” in the Forrester Wave™: Enterprise Content Management – Transactional Content Services, Q2 2017

BPM

A Visionary in Magic Quadrant for Intelligent Business Process Management Suites, 2017, 24 October 2017, Rob Dunie et al
Named on all 6 use cases in Critical Capabilities for Intelligent Business Process Management Suites, 2018, Rob Dunie et al, 19 February 2018

“Leader” in the Forrester Wave™: Digital Process Automation Software, Q3 2017

CCM

A Niche Player in Magic Quadrant for Customer Communications Management Software 2017, 26 January 2017, Karen M. Shegda, Pete Basiliere

“Strong Performer” in the Forrester Wave™: Customer Communications Management, Q2 2016

Case Mgmt


A Challenger in Magic Quadrant for BPM-Platform-Based Case Management Frameworks, 2016, 24 October 2016, Rob Dunie, Janelle B. Hill

“Leader” in the Forrester Wave™: Cloud-Based Dynamic Case Management (DCM), Q1 2018

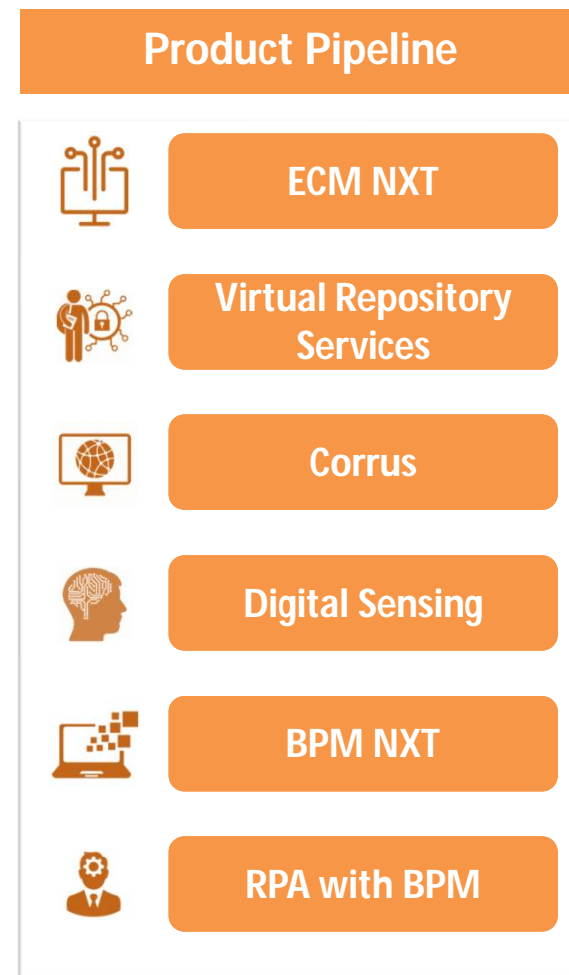
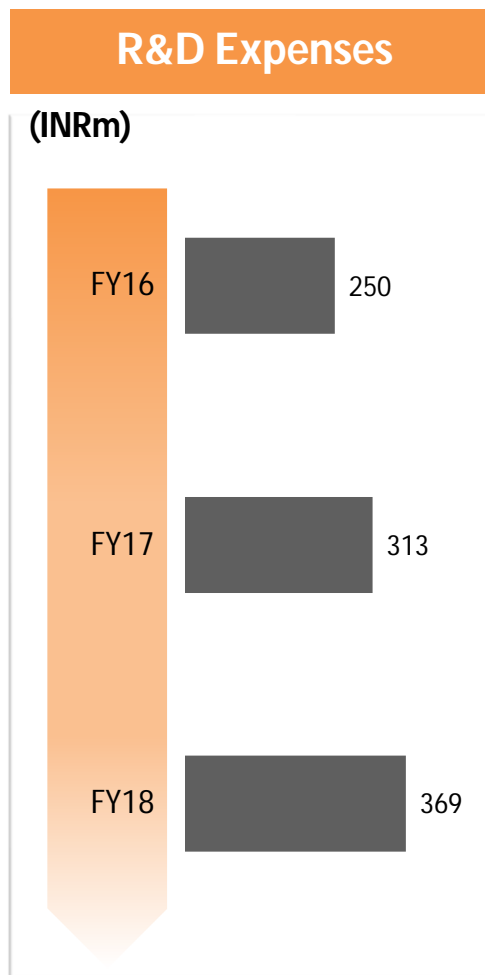
Leadership position across segments

► Focused on Driving Innovation Through R&D to Expand Product Portfolio

 **250+**
R&D Employees

 **37**
Patents Applied⁽¹⁾
(with 5 Registrations)

- ✓ Skilled R&D team with deep product domain expertise
- ✓ Expansion of product portfolio to address the digitisation market opportunity
- ✓ Continuous investments to develop cloud and SaaS delivery models.
 - ✓ Strong traction in business: 3X revenue growth in FY'18
 - ✓ Customers increased *from 8 in FY'17 to 22 in FY'18*



(1) 5 patents registered in India and 28 outstanding patent applications in India and 4 outstanding patent application in the USA

► Focused Go-To-Market Strategy

Strategy Across Regions and Verticals is Based on Direct Presence Supported by Partner Ecosystem

270+ Employees in Sales & Marketing Supported by Large Network of Channel Partners of **300+**



- Differentiated 'land and expand' model
- Sale of complete functionality with initial purchase facilitates seamless creation of new applications
- Targeting attractive verticals in select mature markets including USA and UK
- Exploring new geographies

► Multiple Revenue Streams

	<i>FY18 Revenue Split</i>		<i>5 year CAGR Growth</i>	
	Sale of Products	27%	<i>Sale of licenses for the software products</i>	26%
Annuity-based (~43%)	ATS / AMC	17%	<i>Annual maintenance contracts and technical support</i>	22%
	SaaS	2%	<i>Cloud functionality with subscription fees on a Per User Per Month model</i>	96%
	Support	24%	<i>Support/development services charged on a periodic basis</i>	18%
	Implementation	26%	<i>Installing and integrating products with the customer's existing platform or system</i>	17%
Sale of Services (30%)	Digitisation(1)	4%	<i>Scanning of documents and archival to document management</i>	11%
	Profitable Track Record of Increasing Business from Existing Clients 77% revenues derived from existing customers in FY'18			

(1) Includes scanning

▶ Multiple Vectors for Long Term Growth



Expand Our Business and Geographical Footprint



Focus on Attractive Verticals in Select Mature Markets



Expansion of Strategic Business Applications to New Vertical



Expansion of Product Portfolio and Continued R&D Investments

► Experienced Senior Management Team with Distinct Operating Culture

Management Organisation Structure

- Founder-led management team with extensive experience and supported by a strong second line management

- Fostered culture of innovation, entrepreneurship and teamwork

- 11 out of 20 AVP have been with the company for 15+ years



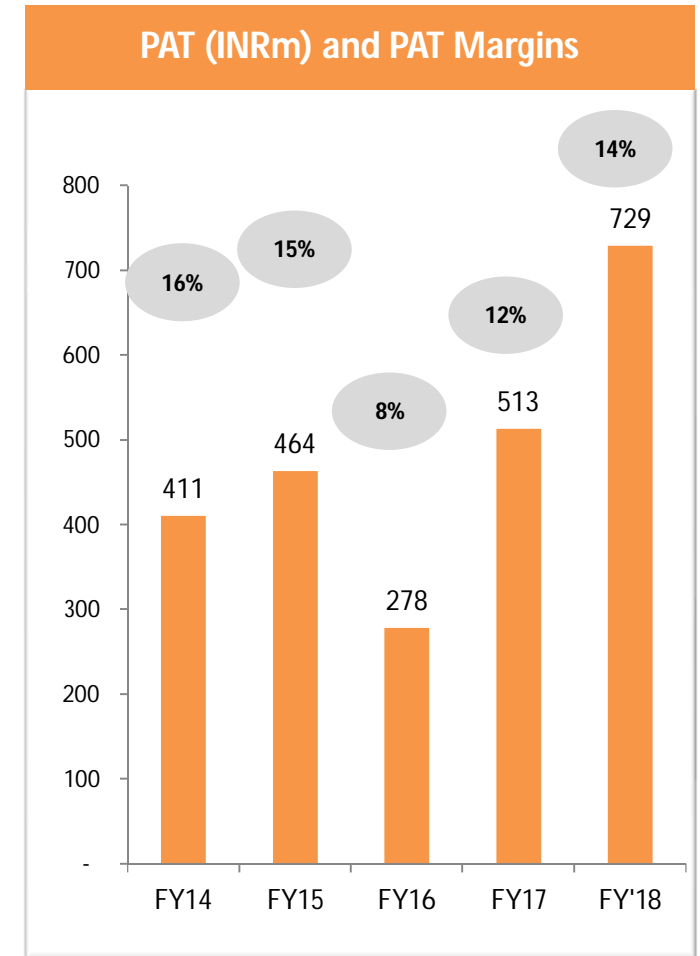
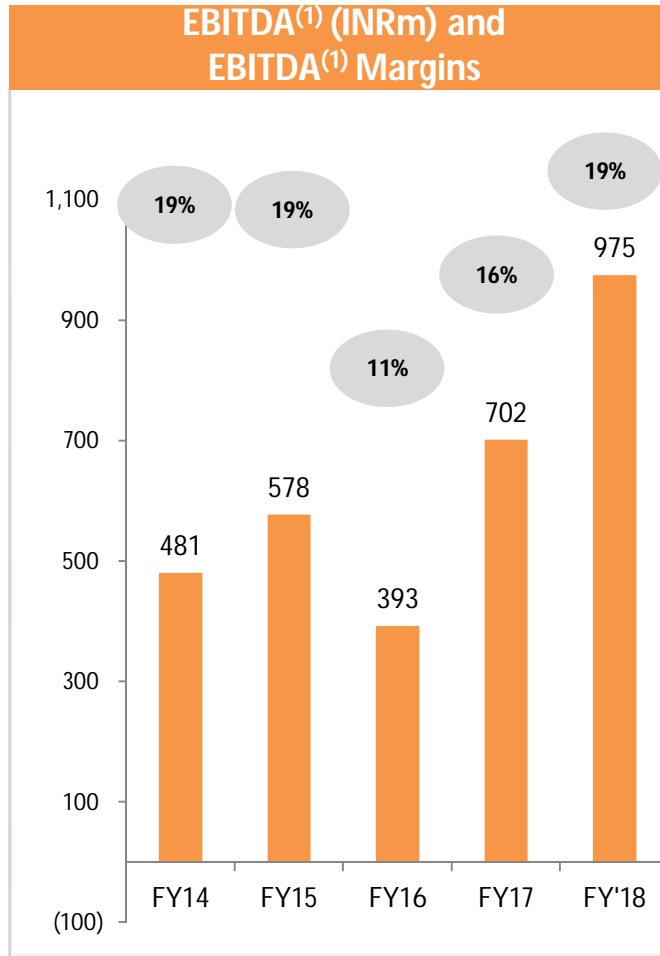
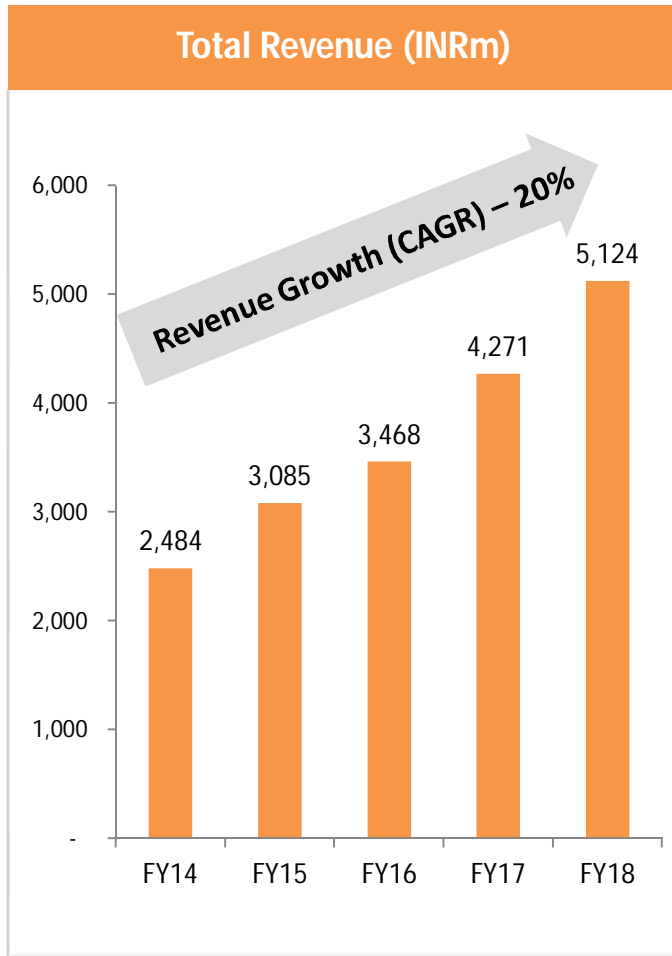
Independent Board of Directors

Subramaniam Ramnath Iyer
Additional Independent Director
26+ years of experience in Finance & Accounting

Kaushik Dutta
Non Executive, Independent Director
22+ years of experience in Finance & Accounting

Saurabh Srivastava
Additional Independent Director
Several years of experience in Information technology

► 5 Year Financial Overview



Continued Growth Momentum in Revenues and Profitability

(1) EBITDA Adjusted for Other Income. Calculated as 'Profit after tax + Tax expense + Finance costs + Depreciation and amortisation - Other income'
 FY'14, FY'15 and FY'16 financials are Restated Consolidated Financials as per Indian GAAP Accounting Standards
 FY'17 and FY'18 financials are Consolidated Financials as per Ind AS Accounting Standards



Q2 FY'19 & H1 FY'19 Results

► Financial Summary (Consolidated)

Particulars	Metrics	Q2FY19 (Unaudited)	Q2FY18 (Unaudited)	YoY Growth	Q1FY19 (Unaudited)	QoQ Growth	H1 FY19 (Unaudited)	H1 FY18 (Unaudited)	YoY Growth
Revenue (INR Mn)	Revenue from operations	1,496.6	1,186.6	26%	1,064.7	41%	2,561.3	2,072.5	24%
	Other Income	58.2	23.0	153%	78.0	-25%	136.2	32.6	318%
	Total Income	1,554.8	1,209.6	29%	1,142.7	36%	2,697.6	2,105.1	28%
Profits (INR Mn)	EBITDA (<i>adjusted for other income</i>)	208.4	87.1	139%	5.6	3620%	214.0	83.6	156%
	Profit before tax	232.7	85.8	171%	49.3	372%	282.0	66.4	325%
	Profit after tax	177.7	62.7	183%	38.7	360%	216.4	47.7	353%
Margin (%)	EBITDA (<i>adjusted for other income</i>)	13.9%	7.3%		0.5%		8.4%	4.0%	
	Profit before tax	15.0%	7.1%		4.3%		10.5%	3.2%	
	Profit after tax	11.4%	5.2%		3.4%		8.0%	2.3%	
EPS (INR)	Basic	2.62	1.00	161%		0.57	3.19	0.76	317%
	Diluted	2.56	0.98	162%		0.56	3.12	0.74	320%

- Strong growth trajectory across major markets - Revenue from operations up by 26% YoY in Q2 FY'19
- Operating margins expanded with increasing scale and favourable currency movement
- Software license business is usually seasonal in nature primarily given the large enterprise account buying patterns leading to substantial revenues and profits booked in the second half of the financial year


▶ New Logo Wins


22

New Logo Wins
during Q2 FY'19

 **5** new wins in US region including **3** in Banking & Financial Services

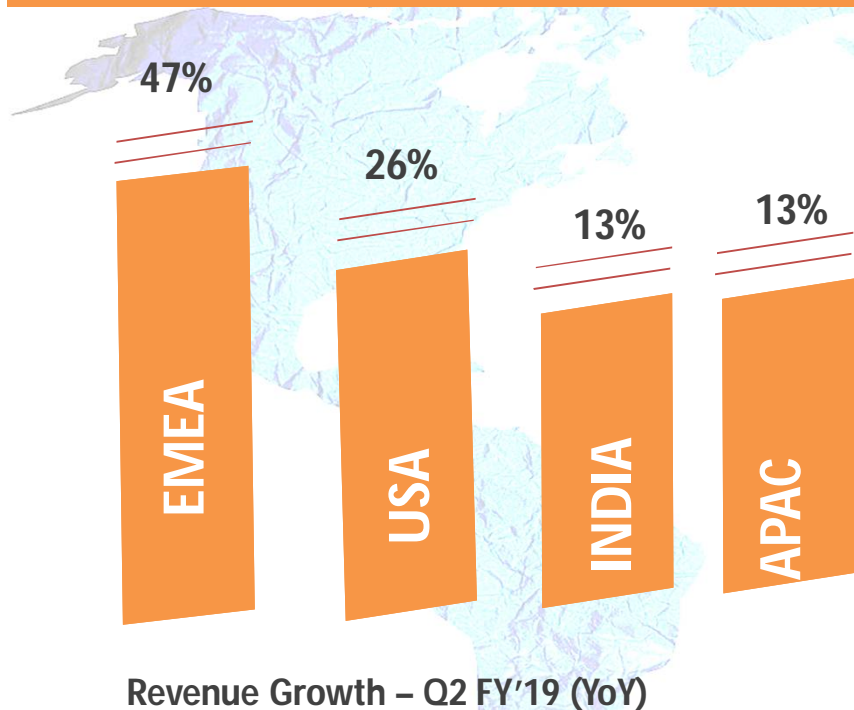
 **3** new wins in Cloud/ SaaS

 Major license deals include agreement with a leading inclusive bank in Africa, a savings bank in Philippines, the largest credit union in Northeast region of US, serving members for 75+ years, a government authority based in Oman for records management

 Executed an agreement with a global technology player for supply of software licenses and related services. Total Order Size – **Rs 78.8 Crores over 7 years**

► Business Highlights - Q2 FY'19

EMEA and USA regions on a stronghold:



Revenue Growth – Q2 FY'19 (YoY)

4 deals of over Rs 5 crores during the quarter

USA/ Americas Region

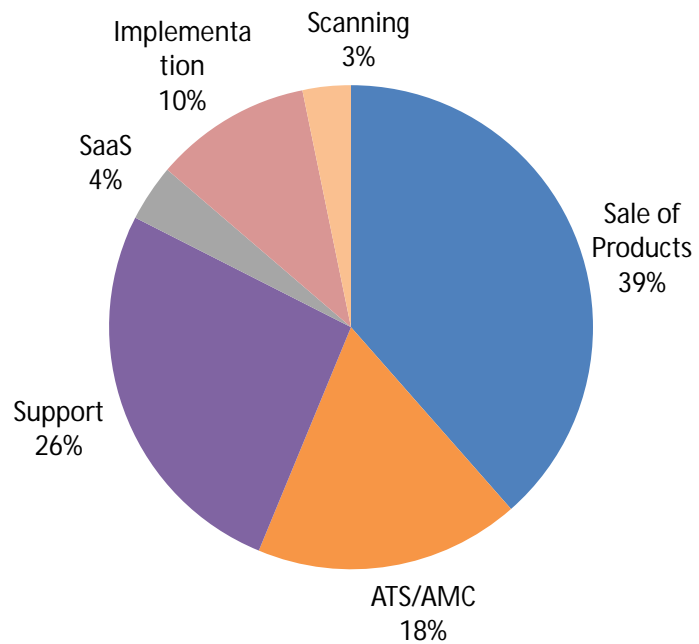
- Won a showcase project for *Governance and Optimization* under Efficient and Responsive Government funding from IDB. Newgen to provide case management platform that would cover every single touch-point between the citizens and the Government
- Won projects from 2 *Credit Unions* on Cloud/ SaaS platform
- In Canada region, for the first time a large NBFC has chosen our Commercial Loan Origination Solution (CLOS) to enhance their commercial lending experience for customers.

EMEA Region

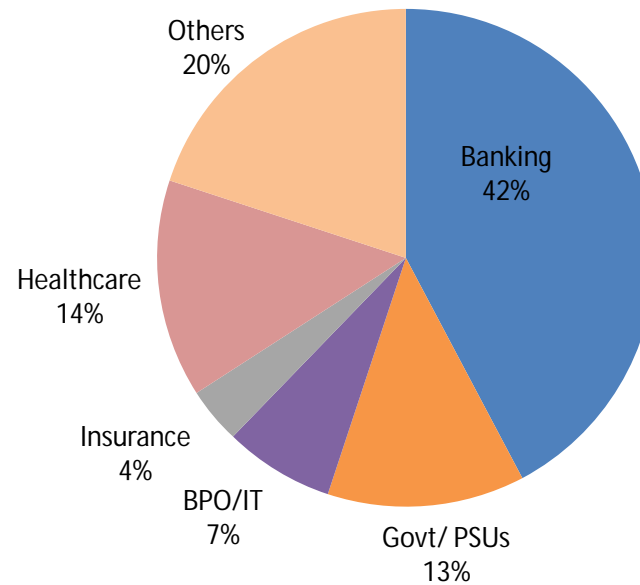
- Won 8 new logos in Q2 FY'19 across segments
- Won a showcase project with a government authority based in Oman for records management

► Diversification Across Verticals and Geographies

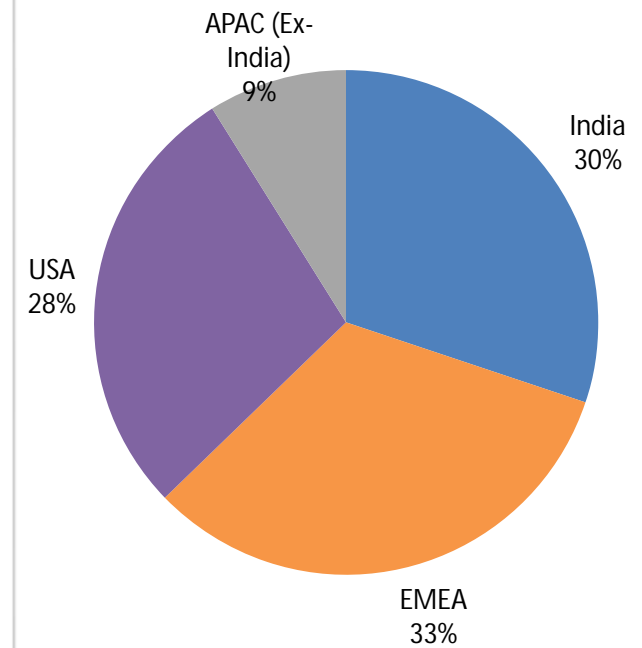
Q2 FY19 Revenue Split by Segment



Q2 FY19 Revenue Split by Vertical



Q2 FY19 Revenue Split by Geography



▶ Business Highlights – Q2 FY'19

Cloud/ SaaS business model strengthening annuity revenues:

- ✓ In Q2 FY'19, SaaS revenues were at Rs 5.7 crores, 163% increase over same quarter previous year
- ✓ In H1 FY'19, total SaaS revenues were at Rs 10.6 crores compared to Rs 4.1 crores in H1 FY'18

Company continues to strengthen the horizontal product platform with vertical service accelerators:

- ✓ Robust growth across all key verticals especially Healthcare, Government/ PSU and BPO/IT verticals.

Continued focus on product and innovation:

We continue to enhance our low-code solutions with improved user interfaces, seamless integration capabilities and enhanced process management capabilities. We have added significant capabilities in Analytics and Mobility to our platforms for customer's seamless digital journeys

▶ Customer Speak

“Our goal is to achieve greater efficiency and enhanced customer experience by offering superior and consistent service across all our touch-points. Newgen’s world-class BPM & ECM product suite has automated our business processes and helped us to achieve business excellence resulting in increased productivity and faster services to our customers. We look forward to further strengthen our 10 year longstanding relationship in the future.”

- Julius Kamau, Director – Technology & Operations, NIC Bank Kenya PLC

[NIC Bank transformed multiple banking processes using Newgen’s Business Process Management based banking solutions.]

“Today’s consumers need a fast, efficient loan process from start to finish—whether they’re buying a car or having to finance unexpected expenses. That’s why we’re focused on adopting a platform that’s both agile and adaptable. Not only are we automating our consumer lending process, but we’re providing effective risk management across all our channels.”

- Sharon Lee, Senior Executive Vice President of Client Services for American National Bank of Texas

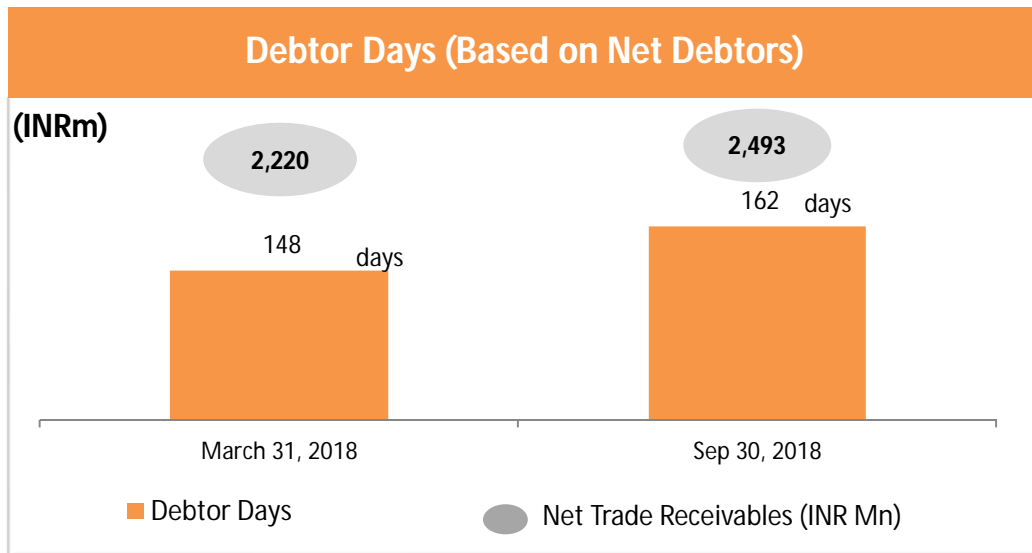
[American National Bank of Texas has selected Newgen’s consumer loan origination solution to digitize and automate its retail lending process.]

“In today’s age, speed and simplicity are imperatives in a business like ours and it is crucial to automate critical member-centric processes like account opening and lending and Cloud adds a new dimension altogether. Implementing a new-age technology will not only help us energize the first step towards acquiring new business through account opening, but will also give our staff more time to uncover and deliver the best solutions to our members.”

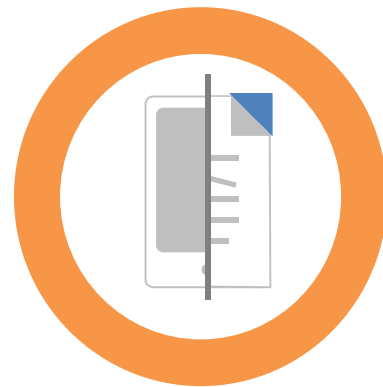
- Doug Schneider, SVP of Marketing, E-commerce, & Business Intelligence Administration, Credit Union of Colorado.

[Credit Union of Colorado selected Newgen’s Account Opening and Loan Origination solutions on Cloud, to streamline critical banking processes and offer personalized and enhanced services to its customers.]

▶ Debtors Days



- Debtors days (based on Net Debtors) as per Ind AS accounting standards were at 162 days as on 30 Sep'18. (considering trailing twelve month revenues)
- Gross Debtors at Rs 2,771.9 Mn
- While we are working towards improvement in our debtor days position with changing collection policy and improvement in contracting, it is taking slightly longer to get results of the same given the customer mindset



Annexure

► P&L Statement

(All amounts in INRm, except per share data and unless otherwise stated)	Q2 FY 2019 (Unaudited)	Q2 FY 2018 (Unaudited)	Q1 FY 2018 (Unaudited)	H1 FY 2019 (Unaudited)	H1 FY 2018 (Unaudited)
Revenue					
Revenue from operations	1,496.6	1,186.6	1,064.7	2,561.3	2,072.5
Other income	58.2	23.0	78.0	136.2	32.6
Total revenue	1,554.8	1,209.6	1,142.7	2,697.6	2,105.1
Expenses					
Employee benefits	725.5	655.1	650.3	1,375.9	1,181.8
Finance costs	19.0	11.5	19.7	38.6	21.8
Depreciation and amortisation	14.9	12.9	14.6	29.5	28.0
Other expenses	562.7	444.3	408.8	971.5	807.2
Total expenses	1,322.1	1,123.8	1,093.4	2,415.5	2,038.8
Profit before tax	232.7	85.8	49.3	282.0	66.4
Tax expenses					
Current tax	36.0	59.6	14.5	50.6	82.4
MAT credit entitlement	-24.7	-0.0	-6.0	-30.7	-0.0
Tax expense for earlier years	-	-	-	-	-
Deferred tax credit	43.6	-36.5	2.2	45.8	-63.8
Profit after tax for the year	177.7	62.7	38.7	216.4	47.7
Other comprehensive income/(loss) for the year, net of income tax	28.0	2.1	1.7	29.7	5.2
Total comprehensive income for the year	205.8	64.8	40.3	246.1	52.9
Earnings per equity share (face value of Rs. 10 per share)					
Basic earning per share	2.62	1.00	0.57	3.19	0.76
Diluted earning per share	2.56	0.98	0.56	3.12	0.74

▶ Balance Sheet

(All amounts in INRm, except per share data and unless otherwise stated)	30-Sep-18	31-Mar-18
Assets		
Non-current assets	1,466.8	1,288.8
Property, plant and equipment	689.5	675.8
Capital work-in-progress	250.5	165.9
Intangible assets	8.3	9.0
Financial assets		
Loans	27.6	29.6
Other financial assets	49.6	55.5
Deferred tax assets	173.0	189.3
Income tax assets	182.2	128.1
Other non-current assets	86.1	35.6
Current assets	4,837.0	4,801.4
Financial assets		
Investments	497.1	502.2
Trade receivables	2,493.4	2,220.2
Cash and cash equivalents	1,242.4	1,454.8
Loans	35.1	31.7
Other financial assets	458.5	517.7
Other current assets	110.6	74.8
Total	6,303.8	6,090.2

(All amounts in INRm, except per share data and unless otherwise stated)	30-Sep-18	31-Mar-18
Equity & Liabilities		
Equity	4,153.9	4,052.2
Share capital	680.6	678.8
Other equity	3,473.3	3,373.4
Non-current liabilities	292.4	298.1
Borrowings	113.8	131.7
Deferred tax liabilities	1.3	1.1
Provisions	177.3	165.3
Current liabilities	1,857.6	1,739.9
Financial liabilities		
Borrowings	605.4	494.6
Trade payables	259.6	229.2
Derivative liabilities	6.6	-
Other financial liabilities	320.8	362.4
Deferred Income	524.6	494.3
Other current liabilities	116.7	137.2
Short-term provisions	23.9	22.1
Total	6,303.8	6,090.2



Thank you

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For any Investor Queries please contact:

Deepti Mehra Chugh
Head – Investor Relations
Phone: +91 11 46 533 200
Mail : deepti.chugh@newgen.co.in

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