

# Annexure 2A

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

### 1) Details related to the Scheme:

As on 31<sup>st</sup> March 2024, the Company has in place the Newgen Employees Stock Option Scheme - 2022 ("Newgen ESOP Scheme 2022"). This scheme complies with the SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 ("Regulations") and Companies Act 2013. All the relevant details as prescribed under above Rule and Regulations are provided below and the same is also available on the website of the Company at <https://newgensoft.com/company/investor-relations/#corporate-governance>.

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

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

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

Fully diluted EPS pursuant to issue of Equity Shares on exercise of ESOPs calculated in accordance with Ind AS - 33 'Earning Per Share' (Consolidated)	Basic: 18.02 Diluted: 17.50
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#### C. Other Details relating to Newgen ESOP 2022

S. No.	Particulars	Fiscal 2024										
i)	a) Date of shareholders' approval	As on 31 <sup>st</sup> March 2024, the Company has in place the Newgen Employee Stock Option Scheme - 2022 ("Newgen ESOP Scheme 2022"), as approved by the shareholders on 23 <sup>rd</sup> June 2022.										
	b) Total number of options approved	The maximum number of 28,00,000 shares* can be issued under NEWGEN ESOP 2022.  *Consequent to the adjustment related to the Bonus issue in the ratio of 1:1, as approved by the members of the Company on 2 <sup>nd</sup> 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.										
c)	Vesting requirements	Set forth below is the vesting schedule, subject to there being a gap of at least one year between the date of grant of options and the vesting of such options										
		<table border="1"> <thead> <tr> <th>Number of options vested</th> <th>Vesting schedule</th> </tr> </thead> <tbody> <tr> <td>10% of the options granted</td> <td>One year from the date of the grant</td> </tr> <tr> <td>20% of the options granted</td> <td>Two years from the date of the grant</td> </tr> <tr> <td>30% of the options granted</td> <td>Three years from the date of the grant</td> </tr> <tr> <td>40% of the options granted</td> <td>Four years from the date of the grant</td> </tr> </tbody> </table>	Number of options vested	Vesting schedule	10% of the options granted	One year from the date of the grant	20% of the options granted	Two years from the date of the grant	30% of the options granted	Three years from the date of the grant	40% of the options granted	Four years from the date of the grant
		Number of options vested	Vesting schedule									
		10% of the options granted	One year from the date of the grant									
		20% of the options granted	Two years from the date of the grant									
30% of the options granted	Three years from the date of the grant											
40% of the options granted	Four years from the date of the grant											
d) Exercise price or pricing formula	The Exercise Price of the Shares in the Scheme will be based upon the Market Price, along with a maximum discount of 10%, as approved by the Nomination & Remuneration Committee.											
e) Maximum term of options granted	Once the options have vested, such options have to be exercised within a period of five years from the date on which the last of the options vest. The vesting period shall be as stated in above point (c).											
f) Source of shares (primary, secondary or combination)	Company uses Trust Route for implementing this Scheme. The source of Share to the Trust as on 31 <sup>st</sup> March 2024 is Primary. For more information, please refer details related to Newgen ESOP Trust as provided in this disclosure.											
g)	Variation in terms of options	NIL										
ii)	Method used to account for NEWGEN ESOP 2022(Intrinsic or Fair value)	Fair Value Method using Black-Scholes Model										

S. No.	Particulars	Fiscal 2024
iii)	Where the Company opts for expensing of the options using the intrinsic value of the options, the difference between the employee compensation cost so computed and the employee compensation cost that shall have been recognised if it had used the fair value of the options shall be disclosed. The impact of this difference on profits and on EPS of the Company shall also be disclosed.	During the financial year 2023-24 Company followed fair value accounting of stock options.

**iv) Option movement during the year**

S. No.	Fiscal Year	2024
a)	Number of options outstanding at the beginning of the year	917,650
b)	Number of options granted during the year	613,400
c)	Number of options forfeited / lapsed during the year	131,570
d)	Number of options vested during the year *(bonus adjustment is not considered)	83,670
e)	Number of options exercised during the year	34,703
f)	Number of shares arising as a result of exercise of options	34,703
g)	Money realized by exercise of options (INR), if the Scheme is implemented directly by the company	₹ 63,19,598/-
h)	Loan repaid by the Trust during the year from exercise price received	Nil
i)	Number of Bonus Adjustments in active grant	10,41,150
	Number of options outstanding at the end of the year	24,05,927
j)	Number of options exercisable at the end of the year	1,31,737

v.	Weighted-average exercise prices and weighted-average fair values of options disclosed separately for options whose exercise price either equals or exceeds or is less than the market price of the stock.	<ul style="list-style-type: none"> <li>Weighted-average exercise prices: ₹ 364.20/-</li> <li>Weighted-average fair values of options granted during the year: NA</li> </ul>
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**vi. Employee wise details of the options granted:**

a.	Option granted to Senior Managerial Personnel & KMPs during the year	Nil
b.	Any other employee who receives a grant in any one year of option amounting to 5% or more of option granted during that year	Not Applicable
c.	Identified employees who were granted option during any one year equal to or exceeding 1% of the issued capital of the Company (excluding outstanding warrants and conversions) at the time of grant.	Not Applicable

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

Particulars	ESOP Grant in Financial Year 2023-24		
	Grant II	Grant III	Grant IV
Date of grant			
Fair value of options at grant date			
*Share price at grant date	123.26	167.59	350.79
Exercise price	251.08	341.65	711.20
Expected volatility (weighted-average)	42.90%	42.72%	43.14%
Expected life (weighted-average)	5 years	5 years	5 years
Expected dividends	0.95%	0.93%	0.95%
Risk-free interest rate (based on government bonds)	6.95% - 7.00%	6.90%-6.96%	7.00%-7.03%

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

## 2) Details Related to Trust:

Newgen ESOP 2022 will continue to be implemented through the Trust Route and accordingly, Newgen ESOP Trust was constituted for Newgen ESOP 2022. In Trust Route, the Trust will utilize the shares already held by it and will acquire the shares of the company either through fresh allotment from the company or by way of secondary acquisition, if any.

### (i) Details:

S. No.	Particulars	Newgen ESOP Trust (For Newgen ESOP 2022)
1.	Name of the Trust	Newgen ESOP Trust
2.	Details of the Trustee (s)	Mr. Amarendra Kishore Sharan and Mr. Arvind Kaul
3.	Amount of loan disbursed by the company/ any company in the group during the year	4,66,97,700
4.	Amount of loan outstanding (repayable to the Company/ any company in the group) as at the end of the year	4,66,97,700
5.	Amount of loan, if any, taken from any other source for which the company or any company in the group has provided any security or guarantee	NIL
6.	Any other contribution made to the Trust during the year	NIL

### (ii) Brief details of transactions in shares by the Trust under this specific Scheme:

S. No.	Particulars	Newgen ESOP Trust (For Newgen ESOP 2022)
1.	Number of shares held at the beginning of the year (for this Scheme)	Nil
2.	Number of shares acquired during the year through (i) primary issuance (ii) secondary acquisition, also as a percentage of paid-up equity capital as at the end of the previous financial year, along with information on weighted average cost of acquisition per share	Primary issuance: 2,40,400 shares. Secondary acquisition: Nil
3.	Number of shares transferred to the employees / sold along with the purpose thereof	34,703
4.	Number of shares held at the end of the year.	2,05,697

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

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

For and on behalf of Board of Directors

Date: 24.05. 2024  
Place: New Delhi

**Diwakar Nigam**  
Chairman & Managing Director  
DIN: 00263222

**Statement under Regulation 10(b)**
**Information required in the statement to be filed with Recognised Stock Exchange(s)**

S. No.	Particulars	Description of Newgen Software Technologies Limited Employees Stock Option Scheme – 2022 (“Scheme”)
1.	<b>Authorized Share Capital of the Company</b>	180,10,00,000 (Rupees One hundred Eighty Crore and Ten Lakh only) divided into 16,81,00,200 (Sixteen Crore Eighty-One Lakh and Two Hundred) equity shares of ₹ 10 each (Rupees Ten only), aggregating to ₹ 168,10,02,000/- (Rupees One Hundred Sixty-Eight Crore Ten Lakh and Two Thousand only) and 1,19,99,800 (One Crore Nineteen Lakh Ninety-Nine Thousand Eight Hundred) preference shares of ₹ 10/- (Rupees ten only) each aggregating to ₹ 11,99,98,000/- (Rupees Eleven Crore Ninety Nine Lakh Ninety Eight Thousand Only).
2.	<b>Issued Share Capital of the Company as on date of Institution of the Scheme/ <del>amendment of the Scheme</del></b>	<p>Issued Share Capital as on the date of institution of the Scheme i.e., on 23<sup>rd</sup> June ,2022:</p> <p>Rs.69,95,57,010/- (Rupees Sixty-Nine Crore Ninety Five Lakh Fifty-Seven Thousand and Ten only) consisting of 6,99,55,701 (Six Crore Ninety-nine Lakh Fifty Thousand Seven Hundred One) Equity Shares of face value Rs. 10/- each.</p> <p>Issued share capital as on the date of filing application for In-principle approval:</p> <p>Rs.1,40,13,88,020/- (Rupees One Hundred forty Crore thirteen Lakh eighty-Eight Thousand twenty only) consisting of 14,01,38,802 (Fourteen Crore One Lakh Thirty Eight Thousand Eight Hundred Two Only) Equity Shares of face value Rs. 10/- each.</p>
3.	<b>Date of institution of the Scheme/ <del>amendment of the Scheme</del></b>	<p><b>As per Article 1.2 of the Scheme,</b></p> <p>The Scheme was approved by the Board of Directors and the Shareholders of the Company on 03<sup>rd</sup> May 2022 and 23<sup>rd</sup> June 2023.</p> <p>It is pertinent to note that the Shareholders of the Company approved the Bonus Issue at the Postal Ballot held on 02<sup>nd</sup> January 2024.</p>

4.	<b>Validity period of the Scheme</b>	<p><b>As per Clause 2.1 of the Scheme</b>, the Scheme shall continue in effect unless terminated by the Board of Directors.</p> <p><b>Further, as per Clause 2.2 of the Scheme</b>, Any such termination of the Scheme shall not affect Options already and the powers of the Committee/Trust in relation to such Options, and the same shall remain in full force and effects as if the Scheme had not been terminated unless mutually agreed otherwise between the Grantee/nominee/legal heirs and the Company.</p>				
5.	<b>Date of notice of AGM/<del>EGM</del>/ Postal Ballot for approving the Scheme/<del>for amending the Scheme</del>/ for approving grants under regulation 6(3) of these Regulations.</b>	<ul style="list-style-type: none"> <li>• Date of Notice of AGM for approving the Scheme was 27<sup>th</sup> May 2022.</li> <li>• Date of Notice of Postal Ballot to approve the Bonus Issue was 27<sup>th</sup> November 2023</li> </ul>				
6.	<b>Date of AGM/<del>EGM</del>/ Postal Ballot approving the Scheme /<del>amending the Scheme</del> / approving grants under regulation 6(3) of these Regulations.</b>	<ul style="list-style-type: none"> <li>• Date of AGM for approving the Scheme was 23<sup>rd</sup> June 2022.</li> <li>• Date of Postal Ballot to approve the Bonus Issue on 02<sup>nd</sup> January 2024.</li> </ul>				
7.	<b>Kind of benefit granted under the Scheme</b>	<p><b>As per Clause 17.4 of the Scheme</b>, the maximum quantum of benefits that will be provided to every eligible Employee under the Scheme will be the difference between the market value of Company's share on the Recognised Stock Exchanges as on date of exercise of Options and the Exercise Price paid by the Employee.</p> <p><b>Hence, the kind of benefit granted under the Scheme are Employee Stock Options which shall be convertible into equal number of Equity Share of the Company pursuant to exercise of the vested Options.</b></p>				
8.	<b>Identity of classes of persons eligible under the Scheme</b>	<p><b>As per Clause 4.1.12 of the Scheme</b>, the following classes of persons are presently eligible under the Scheme.</p> <table border="1" data-bbox="852 1787 1323 1902"> <thead> <tr> <th>Class of Persons</th> <th>Eligibility</th> </tr> </thead> <tbody> <tr> <td>Employees</td> <td>Yes</td> </tr> </tbody> </table>	Class of Persons	Eligibility	Employees	Yes
Class of Persons	Eligibility					
Employees	Yes					

**Newgen Software Technologies Limited**

CIN: L72200DL1992PLC049074, Registered Office: E-44/13, Okhla Phase II, New Delhi 110020, India  
 Tel: +91 11 46533200, 26384060, 26384146 Fax: +91 11 26383963

		Employees outside India	Yes
		Employees of Subsidiary	Yes*
		Employees of Holding Company	No
		Directors, whether whole time directors or not, other than those excluded from the definition of “employee” under these regulations	Yes
9.	<b>Total number of shares reserved under the Scheme, as applicable</b>	<p><b>As per Clause 6.1 of the Scheme,</b> The maximum number of Options that may be granted pursuant to this Scheme shall not exceed 14,00,000 (Fourteen Lakhs only) Options convertible into equal number of Shares.</p> <p><b>Further, as per Clause 6.4 of the Scheme,</b> the maximum number of options and the Shares arising upon the exercise of these options shall stand adjusted in case of Corporate Action.</p> <p><b>Further as per Clause 20.2 of the Scheme,</b> If there is a ‘Corporate Action’ of the Company before the Options granted under this Scheme are Exercised, the Grantee shall be entitled on Exercise of the Options, to such number of resultant Shares to which he/she would have been entitled as if all of the then outstanding Options Exercised by him/her, had been Exercised before such ‘Change in the Capital Structure’ had taken place and the rights under the Options shall stand correspondingly adjusted.</p> <p>The Company came up with a Bonus issue in the ratio of 1:1 to equity shareholders which was approved by the shareholder through Postal ballot on 02<sup>nd</sup> January 2024 therefore as referred in Clause 6.4, and Clause 20.2 of the Scheme, the number of options in the</p>	

\*Please note: The Company has passed the separate shareholders resolution for extending the benefit for approval of grant of stock options to the employees of group Company including subsidiary Companies or its associate Company under the Scheme vide Resolution passed in AGM dated 23<sup>rd</sup> June 2022.

		<p>ESOP Pool shall be adjusted and will be increased in the ratio of Bonus Issue of 1:1.</p> <p><b>Therefore, in accordance with the above clauses, to make the required adjustment on account of Corporate Action of Bonus Issue, we are seeking additional in-principle approval for 12,86,300 (Twelve Lakh Eighty Six thousand Three Hundred) fresh equity shares having a face value of Rs. 10/-.</b></p> <p>We would also like to inform that your kind office granted the in-principal approval of 14,00,000 Equity Shares vide their letter dated 25th July,2022 bearing reference number Ref: NSE/LIST/31718.</p> <p><b>Hence, the additional number of Shares on account of the above-mentioned Corporate Action for which in-principle approval is required is 12,86,300 (Twelve Lakh Eighty Six thousand Three Hundred) Equity Shares.</b></p>
<p><b>10.</b></p>	<p><b>Number of shares entitled under the grant</b></p>	<p><b>As per Clause of 6.1 of the Scheme,</b> The maximum number of Options that may be granted pursuant to this Scheme shall not exceed 14,00,000 (Fourteen Lakhs only) Options convertible into equal number of Shares.</p> <p><b>Further, as per Clause 6.4 of the Scheme,</b> the maximum number of options and the Shares arising upon the exercise of these options shall stand adjusted in case of Corporate Action.</p> <p><b>Further as per Clause 20.2 of the Scheme,</b> If there is a ‘Corporate Action’ of the Company before the Options granted under this Scheme are Exercised, the Grantee shall be entitled on Exercise of the Options, to such number of resultant Shares to which he/she would have been entitled as if all of the then outstanding Options Exercised by him/her, had been Exercised before such ‘Change in the Capital Structure’ had taken place and the rights under the Options shall stand correspondingly adjusted.</p> <p>The Company came up with a Bonus issue in the ratio of 1:1 to equity shareholders which was approved by the shareholder through Postal ballot on 02<sup>nd</sup> January 2024, therefore as referred in Clause 6.4, and Clause</p>



		<p>20.2 of the Scheme, the number of options in the ESOP Pool shall be adjusted and will be increased in the ratio of Bonus Issue of 1:1.</p> <p><b>Therefore, in accordance with the above clauses, to make the required adjustment on account of Corporate Action of Bonus Issue, we are seeking additional in-principle approval for 12,86,300 (Twelve Lakh Eighty Six thousand Three Hundred) fresh equity shares having a face value of Rs. 10/-.</b></p> <p>We would also like to inform that your kind office granted the in-principal approval of 14,00,000 Equity Shares vide their letter dated 25th July,2022 bearing reference number Ref: NSE/LIST/31718.</p> <p><b>Hence, the additional number of Shares on account of the above-mentioned Corporate Action for which in-principle approval is required is 12,86,300 (Twelve Lakh Eighty Six thousand Three Hundred) Equity Shares.</b></p>
<p><b>11.</b></p>	<p><b>Total number of grants to be made</b></p>	<p><b>As per Clause of 6.1 of the Scheme,</b> The maximum number of Options that may be granted pursuant to this Scheme shall not exceed 14,00,000 (Fourteen Lakhs only) Options convertible into equal number of Shares.</p> <p><b>Further, as per Clause 6.4 of the Scheme,</b> the maximum number of options and the Shares arising upon the exercise of these options shall stand adjusted in case of Corporate Action.</p> <p><b>Further as per Clause 20.2 of the Scheme,</b> If there is a 'Corporate Action' of the Company before the Options granted under this Scheme are Exercised, the Grantee shall be entitled on Exercise of the Options, to such number of resultant Shares to which he/she would have been entitled as if all of the then outstanding Options Exercised by him/her, had been Exercised before such 'Change in the Capital Structure' had taken place and the rights under the Options shall stand correspondingly adjusted.</p> <p>The Company came up with a Bonus issue in the ratio of 1:1 to equity shareholders which was approved by the shareholder through Postal ballot on 02<sup>nd</sup> January</p>

		<p>2024, therefore as referred in Clause 6.4, and Clause 20.2 of the Scheme, the number of options in the ESOP Pool shall be adjusted and will be increased in the ratio of Bonus Issue of 1:1.</p> <p><b>Therefore, in accordance with the above clauses, to make the required adjustment on account of Corporate Action of Bonus Issue, we are seeking additional in-principle approval for 12,86,300 (Twelve Lakh Eighty Six thousand Three Hundred) fresh equity shares having a face value of Rs. 10/-.</b></p> <p>We would also like to inform that your kind office granted the in-principal approval of 14,00,000 Equity Shares vide their letter dated 25th July,2022 bearing reference number Ref: NSE/LIST/31718.</p> <p><b>Hence, the additional number of Shares on account of the above-mentioned Corporate Action for which in-principle approval is required is 12,86,300 (Twelve Lakh Eighty Six thousand Three Hundred) Equity Shares.</b></p>
<p><b>12.</b></p>	<p><b>Maximum number of shares, Options, SARs or benefits to be granted per employee per grant and in aggregate</b></p>	<p><b>As per Clause 9.2 of the Scheme,</b> Subject to availability of Options in the pool under the Scheme, the maximum number of Options that can be granted to any eligible Employee during any one year shall not be equal to or exceed 1% of the issued capital of the Company at the time of grant. The Committee may decide to grant such number of Options equal to or exceeding 1% of the issued capital to any eligible Employee as the case may be, subject to the separate approval of the Shareholders in a general meeting.</p> <p><b>As per Clause of 6.1 of the Scheme,</b> The maximum number of Options that may be granted pursuant to this Scheme shall not exceed 14,00,000 (Fourteen Lakhs only) Options convertible into equal number of Shares.</p> <p><b>Further, as per Clause 6.4 of the Scheme,</b> the maximum number of options and the Shares arising upon the exercise of these options shall stand adjusted in case of Corporate Action.</p> <p><b>Further as per Clause 20.2 of the Scheme,</b> If there is a 'Corporate Action' of the Company before the</p>

		<p>Options granted under this Scheme are Exercised, the Grantee shall be entitled on Exercise of the Options, to such number of resultant Shares to which he/she would have been entitled as if all of the then outstanding Options Exercised by him/her, had been Exercised before such 'Change in the Capital Structure' had taken place and the rights under the Options shall stand correspondingly adjusted.</p> <p>The Company came up with a Bonus issue in the ratio of 1:1 to equity shareholders which was approved by the shareholder through Postal ballot on 02<sup>nd</sup> January 2024, therefore as referred in Clause 6.4, and Clause 20.2 of the Scheme, the number of options in the ESOP Pool shall be adjusted and will be increased in the ratio of Bonus Issue of 1:1.</p> <p><b>Therefore, in accordance with the above clauses, to make the required adjustment on account of Corporate Action of Bonus Issue, we are seeking additional in-principle approval for 12,86,300 (Twelve Lakh Eighty Six thousand Three Hundred) fresh equity shares having a face value of Rs. 10/-.</b></p> <p>We would also like to inform that your kind office granted the in-principal approval of 14,00,000 Equity Shares vide their letter dated 25th July,2022 bearing reference number Ref: NSE/LIST/31718.</p> <p><b>Hence, the additional number of Shares on account of the above-mentioned Corporate Action for which in-principle approval is required is 12,86,300 (Twelve Lakh Eighty Six thousand Three Hundred) Equity Shares.</b></p>
<b>13.</b>	<b>Exercise price or pricing formula</b>	<p><b>As per Clause 13.1 of the Scheme,</b> Under this Scheme, the Exercise Price of the Shares will be based upon the Market Price, along with a maximum discount of 10%.</p> <p><b>As per Clause 13.2 of the Scheme,</b> The Committee has the power to provide a suitable discount subject to the limit of 10% However, in any case, the exercise price shall not go below the par value of Share of the Company.</p>

14.	<b>Whether any amount payable at the time of grant? If so, quantum of such amount</b>	<b>No, as per Clause 9.5 of the Scheme</b> , No amount shall be payable by an Employee at the time of Grant of Options.										
15.	<b>Lock in period under the Scheme</b>	<b>As per Clause 15.1 of the Scheme</b> , The Shares transferred to the Grantees pursuant to exercise of Options will not be subject to any lock-in period.										
16.	<b>Vesting period under the Scheme</b>	<p><b>As per Clause 11.1 of the Scheme</b>, the Vesting period shall commence after minimum 1 (One) year from the grant date and it may extend up to maximum of 4 (Four) years from the grant date, at the discretion of and in the manner prescribed by the Committee.</p> <p><b>Further as per Clause 11.2 of the Scheme</b>, The Options granted to the employees under this Scheme shall vest with the employees in accordance with the following vesting schedule and they shall continue to remain vested with the employees or his beneficiary, as the case may be, until the Options are exercised or until they lapse/expire or until they are cancelled or cease to exist in terms of the Scheme or as decided by the Nomination &amp; Remuneration Committee.</p> <table border="1" data-bbox="821 947 1386 1367"> <thead> <tr> <th data-bbox="821 947 1122 1031">Time Period</th> <th data-bbox="1122 947 1386 1031">% of Options to be vested</th> </tr> </thead> <tbody> <tr> <td data-bbox="821 1031 1122 1115">At the end of 1<sup>st</sup> year from the grant date</td> <td data-bbox="1122 1031 1386 1115">10% of the Options Granted</td> </tr> <tr> <td data-bbox="821 1115 1122 1199">At the end of 2<sup>nd</sup> year from the grant date</td> <td data-bbox="1122 1115 1386 1199">20% of the Options Granted</td> </tr> <tr> <td data-bbox="821 1199 1122 1283">At the end of 3<sup>rd</sup> year from the grant date</td> <td data-bbox="1122 1199 1386 1283">30% of the Options Granted</td> </tr> <tr> <td data-bbox="821 1283 1122 1367">At the end of 4<sup>th</sup> year from the grant date</td> <td data-bbox="1122 1283 1386 1367">40% of the Options Granted</td> </tr> </tbody> </table> <p>Further, the maximum period within which the Options shall be vested is Four (4) years from the date of Grant.</p>	Time Period	% of Options to be vested	At the end of 1 <sup>st</sup> year from the grant date	10% of the Options Granted	At the end of 2 <sup>nd</sup> year from the grant date	20% of the Options Granted	At the end of 3 <sup>rd</sup> year from the grant date	30% of the Options Granted	At the end of 4 <sup>th</sup> year from the grant date	40% of the Options Granted
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At the end of 3 <sup>rd</sup> year from the grant date	30% of the Options Granted											
At the end of 4 <sup>th</sup> year from the grant date	40% of the Options Granted											
17.	<b>Maximum period within which the grant shall be vested</b>	<p><b>As per Clause 11.1 of the Scheme</b>, the maximum period within which grant shall be vested is 4 (Four) years from the date of grant of options at the discretion of and in the manner prescribed by the Committee.</p> <p><b>Further as per Clause 11.2 of the Scheme</b>, The Options granted to the employees under this Scheme shall vest with the employees in accordance with the following vesting schedule and they shall continue to remain vested with the employees or his beneficiary,</p>										

		<p>as the case may be, until the Options are exercised or until they lapse/expire or until they are cancelled or cease to exist in terms of the Scheme or as decided by the Nomination &amp; Remuneration Committee.</p> <table border="1"> <thead> <tr> <th>Time Period</th> <th>% of Options to be vested</th> </tr> </thead> <tbody> <tr> <td>At the end of 1st year from the grant date</td> <td>10% of the Options Granted</td> </tr> <tr> <td>At the end of 2nd year from the grant date</td> <td>20% of the Options Granted</td> </tr> <tr> <td>At the end of 3rd year from the grant date</td> <td>30% of the Options Granted</td> </tr> <tr> <td>At the end of 4th year from the grant date</td> <td>40% of the Options Granted</td> </tr> </tbody> </table>	Time Period	% of Options to be vested	At the end of 1st year from the grant date	10% of the Options Granted	At the end of 2nd year from the grant date	20% of the Options Granted	At the end of 3rd year from the grant date	30% of the Options Granted	At the end of 4th year from the grant date	40% of the Options Granted
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18.	<b>Exercise period under the Scheme</b>	<p><b>As per Clause 12.1 of the Scheme,</b> After Vesting, Options can be exercised within a maximum period of five (5) years from the date of respective vesting.</p>										
19.	<b>Whether Employee can exercise all the Options or SARs vested at one time? Yes/No</b>	<p><b>Yes, as per Clause 12.1 of the Scheme,</b> After Vesting, Options can be exercised within a maximum period of five (5) years from the date of respective vesting, either wholly or in part, through Cash Mechanism after submitting the Exercise application along with payment of the Exercise Price, applicable taxes and other charges, if any.</p> <p><b>Hence, Employee can exercise all the vested Options at one point of time within the exercise period as per the discretion of the Grantee.</b></p>										
20.	<b>Whether employee can exercise vested Options or SARs at various points of time within the exercise period? Yes/No</b>	<p><b>Yes, as per Clause 12.1 of the Scheme,</b> After Vesting, Options can be exercised within a maximum period of five (5) years from the date of respective vesting, either wholly or in part, through Cash Mechanism after submitting the Exercise application along with payment of the Exercise Price, applicable taxes and other charges, if any.</p> <p><b>Hence, Employee can exercise all the vested Options at various point of time within the exercise period as per the discretion of the Grantee.</b></p>										
21.	<b>Whether the Scheme provides for the procedure for making a fair and reasonable adjustment to the number of Options or SARs and to the exercise price in case of rights issues, bonus issues and other corporate actions? Clause in</b>	<p><b>Yes, Clause 20 of the Scheme describe such adjustment.</b></p> <p><b>As per Clause 20.1 of the Scheme,</b> Except as hereinafter provided, any Grant made shall be subject to adjustment, by the Committee, at its discretion, as to the number and price of Options or Shares, as the</p>										

	<p><b>Scheme describing such adjustment.</b></p>	<p>case may be, in the event of ‘Corporate Action’ as defined herein.</p> <p><b>As per Clause 20.2 of the Scheme,</b> If there is a ‘Corporate Action’ of the Company before the Options granted under this Scheme are Exercised, the Grantee shall be entitled on Exercise of the Options, to such number of resultant Shares to which he/she would have been entitled as if all of the then outstanding Options Exercised by him/her, had been Exercised before such ‘Change in the Capital Structure’ had taken place and the rights under the Options shall stand correspondingly adjusted. In the event of a Corporate Action, the Committee, subject to the provisions of Applicable Laws, shall make fair and reasonable adjustments under the Scheme, as it deems fit, with respect to the number of Options, Exercise Price and make any other necessary amendments to the Scheme for this purpose. The Vesting Period and life of the Options shall be left unaltered as far as possible.</p> <p>Further, as per Article 5.6 (xxxii) of the Scheme: Committee shall subject to Applicable Laws decide upon the treatment of Vested and Unvested Options in the event of Corporate Actions taking into consideration the following:</p> <p><b>a)</b> the number and price of Options shall be adjusted in a manner such that the total value to the Grantee of the Options remains the same after the Corporate Action;</p> <p><b>b)</b> the Vesting Period and the life of Options shall be left unaltered as far as possible to protect the rights of the Grantee who has been granted such Options.</p>
<p><b>22.</b></p>	<p><b>Description of the appraisal process for determining the eligibility of employees under the Scheme.</b></p>	<p><b>As per Clause 7.1 of the Scheme,</b> The Committee may on the basis of all or any of the following criteria, decide on the Employees / Grantees who are eligible for the grant / vesting of Options under the Scheme and the terms and conditions thereof.</p> <ul style="list-style-type: none"> <li>• Longevity of Service: It will be determined on the basis of tenure of employment of an Employee in the Company / Group Company(ies) / Subsidiary Company(ies) / Associate Company(ies).</li> </ul>

		<ul style="list-style-type: none"> <li>• Performance of Employee: Employee's performance during the financial year in the Company / Group Company(ies) / Subsidiary Company(ies) / Associate Company(ies) on the basis of decided parameters.</li> <li>• Performance of Company: Performance of the Company as per the standards to be set by the Committee / Board of Directors from time to time.</li> <li>• Any other criteria as decide by the Committee in consultation with the Board of Directors from time to time.</li> </ul>
23.	<b>The specified time period within which vested Options / <del>or SARs</del> are to be exercised in the event of termination or resignation of an employee.</b>	<p><b>As per Clause 14.3 of the Scheme,</b> In the event of cessation of employment due to resignation or termination (not due to misconduct, moral turpitude or ethical/ compliance violations or like event)</p> <p>a) All unvested Options, on the date of cessation, shall expire and stand terminated with effect from that date unless otherwise determined by the Committee whose decision will be final and binding.</p> <p>b) All vested Options shall be exercisable by the Grantee by last working day in the Company or before expiry of exercise period, whichever is earlier. The vested Options not so exercised shall lapse irrevocably and the rights thereunder shall be extinguished.</p>
24.	<b>The specified time period within which Options <del>or SARs</del> to be exercised in the event of death of the employee.</b>	<p><b>As per Clause 14.1 of the Scheme,</b> In the event of cessation of employment due to death:</p> <p>All Options granted as on date of death would vest in the Legal Heirs / Nominee of the Grantee on that day. The Options would be exercisable by the Legal Heirs / Nominee within a period of 6 (Six) months from the date of death or expiry of Exercise period , whichever is earlier, failing which all the unexercised Options shall lapse irrevocably and the rights there under shall be extinguished.</p>
25.	<b>Whether the Scheme provides for conditions under which Options SARs, <del>or benefits</del> vested in</b>	<b>Clause 14.5 of the Scheme, In the event of cessation of employment due to termination(due to misconduct, moral</b>

	<p>employees may lapse in case of termination of employment for misconduct? Clause in the Scheme describing such adjustment.</p>	<p>turpitude or ethical/ compliance violations or like event), all Options granted whether vested or not shall stand terminated with immediate effect unless otherwise determined by the Committee, whose determination will be final and binding. The Committee, at its sole discretion shall decide the date of termination of a Grantee, and such decision shall be binding on all concerned.</p>
26.	<p>Whether Scheme provides for conditions for the grant, vesting and exercise of Options <del>SARs or benefits</del> in case of employees who are on long leave? Clause in Scheme describing such adjustment.</p>	<p>Yes, Clause 14.8 of the Scheme provides for the same.</p> <p>According to the stated Clause, In the event of a Grantee going on Long Leave, the treatment of Options granted to him/her, whether vested or not, shall be determined by the Committee, whose decision shall be final &amp; binding.</p>
27.	<p>Whether amount paid/payable by the employee at the time of the grant, vesting or exercise of the Options <del>SARs or benefits</del> will be forfeited if the employee does not exercise the same within the exercise period? Clause in Scheme describing such adjustment.</p>	<p>As per Clause 9.5 of the Scheme, no amount shall be payable by an Employee at the time of grant of Options. Hence, this point is not applicable.</p>
28.	<p>Details of approval of shareholders pursuant to regulation 6(3) of SEBI (Share Based Employee Benefits &amp; sweat Equity) Regulations, 2021 with respect to:</p> <p>a. Grant to employees of subsidiary <del>or holding or</del> associate Company.</p> <p>b. Grant to identified employees, during any one year, equal to or exceeding 1% of the issued capital (excluding outstanding warrants and conversions) of the Company at the time of grant.</p>	<p>a. Yes, on 23<sup>rd</sup> June, 2022 the Company has passed Special Resolution with respect grant of stock options to the employees of group Company including subsidiary Companies or its associate Company, in India or outside India of the Company under Newgen Software Technologies Limited Employees Stock Option Scheme – 2022.</p> <p>b. No, grant has been made.</p>
29.	<p>Details of the variation made to the Scheme along with the rationale therefor and the details</p>	<p>Not Applicable</p>





**Newgen Software Technologies Limited**

CIN: L72200DL1992PLC049074, Registered Office: E-44/13, Okhla Phase II, New Delhi 110020, India  
Tel: +91 11 46533200, 26384060, 26384146 Fax: +91 11 26383963

	<b>of the employees who are beneficiary of such variation.</b>	
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Thanking You  
Yours Faithfully

**For Newgen Software Technologies Limited**

Sd/-

**Mr. Aman Mourya**

**Company Secretary & Compliance Officer**

**Place: New Delhi**

**Date: 16<sup>th</sup> January 2024**

**UNDERTAKINGS**

The undersigned Company hereby undertakes:

1. To file, a post-effective amendment to this statement to include any material information with respect to the scheme of distribution not previously disclosed in the statement or any material change to such information in the statement.
2. To notify, the concerned recognised stock exchanges on which the shares of the company are listed, of each issue of shares pursuant to the exercise of options or SARs under the scheme mentioned in this statement, in the specified form, as amended from time to time.
3. That the company shall conform to the accounting policies specified in regulation 15 of the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021.
4. That the scheme conforms to the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021
5. That the company has in place systems / codes / procedures to comply with the Securities and Exchange Board of India (Insider Trading) Regulations, 2015 or any modification or re-enactment thereto.

**SIGNATURES**

Pursuant to the requirements of the Act / Regulations, the company certifies that it has reasonable grounds to believe that it meets all the requirements for the filing of this form and has duly caused this statement to be signed on its behalf by the undersigned, thereunto, duly authorized.

**For Newgen Software Technologies Limited**

**Mr. Aman Mourya**  
**Company Secretary & Compliance Officer**  
**Place: New Delhi**  
**Date: 16<sup>th</sup> January, 2024**

**Certification by Registered Merchant Banker, pursuant to regulation 12(6) of the SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021.**

“Certified that the Newgen Software Technologies Limited Employees Stock Option Scheme – 2022 (“Scheme”) conforms to the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021.”

**For Corporate Professionals Capital Private Limited**  
**(Reg No: INM000011435)**

**Mohini Varshneya**  
**(Partner & Head – ESOP & Insider Law Service)**  
**Date:**  
**Place: New Delhi**