

NAVA - RESTRICTED STOCK UNIT PLAN 2023
{NAVA – RSUs 2023/ RSUs 2023}

1. NAME & OBJECTIVE OF THE PLAN

The objective of the NAVA-RSUs 2023 is to reward the Employees for their performance and contribution to the success and growth of NAVA, motivate, retain and attract the best talent, provide an opportunity for the professional partners to become financial partners. In its continuing efforts to create a participative environment contributing to the growth of Employees as part of the corporate growth plans and to enhance job satisfaction, NAVA LIMITED (NAVA) formulated a new Employee Stock Option Plan - "NAVA Restricted Stock Unit Plan 2023, (NAVA - RSUs 2023/"RSUs 2023")", pursuant to the enabling authority given by the members of NAVA in its Annual General Meeting held on August 04, 2023.

Among others, the Plan is primarily aimed is to reward the Employees for their performance and contribution to the success and growth of NAVA, motivate, retain, and attract the best talent, provide an opportunity for the professional partners to become financial partners.

- i) The Plan shall become effective from the date of its adoption by the Nomination & Remuneration Committee (NRC) of NAVA. It shall continue in effect till all the RSUs granted under the Plan are exercised or have been extinguished unless the Plan is terminated by the NRC.

2. DEFINITIONS

In this Plan, unless the context otherwise requires.

- i) **"Employee"** means
 - a) a permanent employee of the Company or subsidiary(ies) who has been working in India or outside India; or a director of the Company, whether whole time director or not but excluding an independent director.

but does not include:

- a. an employee who is a Promoter or a person belonging to the promoter group; and
- b. a director who either by himself or through his relatives or through anybody corporate, directly or indirectly holds more than 10% of the outstanding equity shares of the Company;

- ii) **"Board of Directors"** means the "Board of Directors of NAVA.

- iii) **"Nominations and Remuneration Committee"** means Nomination and Remuneration committee/NRC (the committee) of directors constituted and authorized by the "Board of Directors" of NAVA comprising of a majority of independent directors.

- iv) **"Eligible Employee"** means an Employee who fulfills the criteria fixed for eligibility as per the evaluation process guidelines of NAVA for this purpose.
- v) **"Exercise"** means the act of making an application by the Employee to the Company Secretary of NAVA for issue of share(s) against unit(s) vested in him/her in pursuance of the NAVA-RSUs 2023.
- vi) **"Exercise Period"** means the period after vesting within which the Employee should exercise his/her right to apply for shares against the unit(s) vested in him/her in pursuance of NAVA- RSUs 2023. Such period shall be decided by the Board/NRC and the process of exercise and the same shall be detailed in the agreement with the employees. RSUs not exercised by Employees within exercise period will lapse.
- vii) **"Exercise Price"** The Exercise price per restricted stock unit will be equal to the par value of the shares of the Company or as may be decided by NRC subject to not being less than par value of the shares of the Company, in accordance with the SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 (SBEB Regulations).
- viii) **"Participant"** means an Eligible Employee selected by the Committee and to whom an Option is granted, or the Successors of the Participant, as the context so requires.
- ix) **"Person"** means an individual, company, partnership, association, trust, unincorporated organisation, government, or political subdivision thereof or any other entity.
- x) **"Award Agreement"** means a communication, in writing or notified through electronic mail or through the corporate intranet by the Company to a Participant, evidencing grant of Options.
- xi) **"Grant"** means the act of issue of options/unit(s) to Employees under NAVA- RSUs 2023.
- xii) **"Fair value"**: Fair value shall have the same meaning as prescribed under Guidance Note or under any relevant accounting standard notified by appropriate authorities from time to time.
- xiii) **"Restricted Stock Unit" (RSU)** means a unit/option having a right but not an obligation granted to an Employee in pursuance of NAVA-RS Us 2023 to apply for shares of the Company at a pre-determined price on fulfillment of certain conditions.
- xiv) **"RSUs Agreement"** means a written or typed or printed or electronic agreement between NAVA Ltd. and the unit holder giving the terms and conditions of NAVA-RSUs 2023.
- xv) **"Plan"** means "Nava - Restricted Stock Plan - 2023" of NAVA Limited.
- xvi) **"NAVA"** means "NAVA Limited".

- xvii) **"Share"** means equity shares and securities convertible into equity shares of NAVA Limited.
- xviii) **"SEBI SBEB Regulations"** means the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 issued by SEBI, as amended from time to time.
- xix) **"Subsidiary Company"** shall have the same meaning as defined under Companies Act, 2013 and shall include the foreign subsidiary.
- xx) **"Unit holder"** means the holder of an outstanding RSU granted pursuant to NAVA-RSUs 2023.
- xxi) **"Vesting"** means the process by which the Employee is given the right to apply for shares of NAVA Ltd. against the RSU(s) granted to him/her in pursuance of NAVA-RS Us 2023.
- xxii) **"Vesting period"** means the period after the completion of which the vesting of the Restricted Stock Unit granted to an Employee in pursuance of the Plan takes place.
- xxiii) **"Vesting Condition"** means the condition prescribed, subject to satisfaction of which the Options granted would vest in an Option Grantee.

All other expressions unless defined herein shall have the same meaning as have been assigned to them under the Securities and Exchange Board of India Act, 1992 or the Securities Contracts (Regulation) Act, 1956 or the Companies Act, 2013 or SEBI (Disclosure and Investor Protection) Guidelines, or such other relevant and applicable statutory enactments, guidelines, regulations, rules and notifications including any statutory modification(s) or re-enactment(s) thereof, as the case may be.

3. FUNCTIONS OF THE NRC

The Committee shall be responsible for administration and superintendence of the NAVA-RSUs 2023 and shall formulate the detailed terms and conditions of the NAVA-RSUs 2023 including, but not limited to:

- The exercise price from time to time.
- The date of grant for each or a group of cases.
- Selection of the Employees for the benefits of the NAVA-RSUs 2023 among the eligible Employees from time to time.
- Finalizing the quantum of RSUs to be granted to each Employee.
- Determining the vesting and exercise periods.
- Procedure for exercise after vesting within exercise period.
- Approval of forms for use under the NAVA-RSUs 2023
- Prescribe, amend, and rescind rules and regulations of the NAVA-RS Us 2023.
- Clarify, interpret and advise on the terms of the NAVA-RS Us 2023
- Prescribe the Exercise Period within which the Participant should exercise the vested Options in the event of termination or resignation of the Participant.
- Prescribe whether the Options vested in a Participant are exercisable at one time or at various

- points of time within the Exercise Period;
- Prescribe the conditions and procedure for the grant, vesting and exercise of Options by Participants including Participants who are on long leave, training or otherwise in disposed.
 - Conditions under which RSUs vested in Employee may lapse in case of cessation of service for misconduct, termination, and resignation or otherwise, non-exercise of RSUs within the exercise period etc.

The procedure for making a fair and reasonable adjustment to the number of RSUs and to the exercise price in case of rights issue, bonus issues, merger, demerger, and other corporate actions including consolidation or split.

- make any other determination and take any other action that the Committee deems necessary or desirable for the administration of the Scheme, including in order to comply with any disclosure or process requirements issued by the Securities and Exchange Board of India and framing suitable policies and procedure to ensure that there is no violation of securities laws, as amended from time to time.
- The grant, vest and exercise of RSUs in case of Employees who are on long leave.
- The procedure for cashless exercise of RSUs.

Notwithstanding anything contained above, the NRC shall also discharge such other functions as may be required for administration and superintendence of NAVA- RSUs 2023 and shall have power to alter, waive, modify, extend or change the vesting and/or exercise period at its sole discretion subject to 8 (i) clause dealing with minimum vesting period.

The NRC can delegate its function(s) to 'Advisory Council' for NAVA- RSUs 2023 which shall discharge those function(s) guided by the principles of fairness, impartiality and natural justice and make its recommendations to NRC.

No RSUs shall be offered unless disclosures as specified in Part G of Schedule-I of SEBI SBEB Regulations are made by the Company to the prospective RSU grantees.

The decisions, determinations and interpretations of the NRC shall be final and binding on all Employees and are not subject to review or appeal at the request/demand of Employees.

4. THE ADVISORY COUNCIL AND ITS FUNCTIONS

- i) The 'Advisory Council' shall consist of the CEO, 'Chief Financial Officer' (CFO), 'the Company Secretary' and 'the Head – HR'. The NRC may also nominate such other additional members, if required at its sole discretion. The Advisory Council will study and assess the eligible Employees, based on the guidelines for assessment formulated for this purpose and make recommendations of identified Employees to the NRC.
- ii) Subject to the principles of fairness, impartiality and natural justice, the Advisory Council shall have the right to exclude anyone from the list of eligible Employees, from being identified for the benefits of NAVA- RSUs 2023.
- iii) The recommendations of the Advisory Council shall be submitted to the NRC for its consideration and final decision.

- iv) The Advisory Council can discharge any other functions as and when they are delegated to it by the NRC.

5. QUANTUM OF THE NAVA-RSUs 2023

- i) The total number of RSUs to be granted to the Eligible Employees under RSU 2023 shall not exceed 58,00,000 (Fifty-Eight Lakhs), convertible to Equity Shares of Re.1/- each. To the extent permitted by applicable laws and the award agreement, the Eligible Employees who have been granted RSUs may be given the vested RSUs through issuance of Shares or paid an amount equivalent to market value, as may be decided by NRC.
- ii) The SEBI SBEB Regulations require that in case of any corporate action(s) such as rights issue, bonus issue, merger and sale of division, and others, a fair and reasonable adjustment needs to be made to the RSUs granted. Accordingly, if any additional equity shares are required to be issued pursuant to any corporate action, the above ceiling of equity shares shall be deemed to increase in proportion of such additional equity shares issued subject to compliance of the SEBI SBEB Regulations.
- iii) The Board or its Committee will allot shares at periodic intervals, after the unit holder exercises the RSUs within the exercise period.
- iv) The quantum and the exercise price of the NAVA-RSUs 2023 can be suitably adjusted based on fair and reasonable grounds in case of rights issue, bonus issue, merger, demerger or any other corporate actions including consolidation or split.
- v) In case of Unit(s) expiring or becoming exercisable but has not been exercised for reasons if any of non- fulfillment of conditions of NAVA-RSUs 2023 without the right of purchase being exercised, such Unit(s) shall be available for future grant or sale under NAVA-RSUs 2023 unless the Plan has been terminated. The shares that are already issued on exercise of right cannot be returned to the NAVA-RSUs 2023 and shall not be available for future grant or sale.
- vi) Vested RSUs lapsed due to non-exercise and/ or unvested RSUs that get cancelled due to resignation/ termination of the employees or otherwise, would be available for being re-granted at a future date. The Committee is authorized to re-grant such lapsed/ cancelled RSUs as per the provisions of RSU 2023, within overall ceiling.

6. BASIS OF SELECTION OF ELIGIBLE EMPLOYEES

- i) Basis of selection of eligible Employees shall be as per the guidelines framed and approved by the NRC from time to time.
- ii) An employee who is a promoter or belongs to the promoter group shall not be eligible to participate in the NAVA-RSUs 2023.
- iii) A director who either by himself/herself or through his relative or through anybody corporate, directly or indirectly holds more than 10% of the outstanding equity shares of the Company shall not be eligible to participate in the NAVA-RSUs 2023.

iv) The broad criteria for appraisal and selection shall include following parameters for assessment /appraisal of Employees for selection shall be:

- Tenure of association with the Company or its subsidiary company
- Performance & Criticality
- Organizational Development- the present and potential contribution of the Employee to the growth of the Company
- Customer Satisfaction Performance during the previous years,
- Position and responsibilities of the concerned employee,
- Contribution towards strategic growth, contribution to team building and succession, cross-functional relationship, corporate governance and other factors that may be deemed relevant for accomplishing the purpose of the Plan.

v) The NRC shall have power to add or delete the factors from time to time at its sole discretion.

The weightage to the factors mentioned in 6(iv) and any addition or deletion to the list of factors shall be decided by the NRC initially and shall be reviewed periodically for implementation by the Advisory Council.

vi) The NRC reserves the right to factor different parameters and different weightages for different categories of the Employees.

vii) The Advisory Council shall recommend the quantum of eligibility for different categories of Employees on the basis of identified parameters and process.

viii) The Advisory Council can also recommend Employees for awards for exceptional performance and/or contribution for the organizational growth for consideration by the NRC.

ix) The Advisory Council can also recommend new Employees joining NAVA Ltd. to the benefits of the Plan.

x) The Advisory Council shall seek the guidance and clarifications if any, required, from the NRC in implementing the assessment procedure.

7. GRANT OF RSUs

i) The NRC may, on such dates as deems fit, grant to such eligible Employees, at its absolute discretion, RSUs under the Plan on such terms and conditions and for the consideration as it may decide. The NRC may consider the recommendations of the Advisory Council, provided it also reserves its right to reject the recommendations of the Advisory Council in part or in full.

ii) The date of grant of an RSU, shall, for all purposes, be the date on which the NRC makes the determinations of granting such unit(s), or such other date as determined by the NRC. Intimation of determination shall be given to each Employee to whom an RSU is so granted within a reasonable time after the date of such grant.

- iii) The intimation of grant of RSUs shall indicate the number of RSUs granted, name of the Employee who was granted the RSUs, exercise price, vesting schedule and the exercise period, along with main terms and conditions of the grant. and communicate the same through award agreement.
- iv) The intimation of grant of RSUs shall also include the term of each RSU, subject to the condition that the term shall be not more than 5 Years from the date of vesting thereof.
- v) Unless approved by the Members, the number of RSUs that may be granted to any specific Eligible Employee under the Plan, in any financial year and in aggregate under the RSUs 2023 shall not exceed such number of RSUs representing 0.5% of the issued and paid-up share capital of the Company.
- vi) The Maximum quantum of benefits underlying the options issued to an eligible employee shall depend upon the Market Price of the shares as on the date of sale of shares arising out of exercise of options.

8. VESTING OF OPTIONS AND MAXIMUM PERIOD OF VESTING

There shall be a minimum period of one year from the date of grant subject to applicable SEBI SBEB Regulations. All the RSUs granted on any date shall vest not later than a maximum period of 4 years from the date of grant of RSUs or such other period as decided in the sole discretion of the NRC from time to time. The Committee will, in its discretion, set the vesting criteria which may be based on the Participant's period of service and/or the attainment of specified performance objectives.

The Committee may extend, shorten or otherwise vary the vesting period from time to time, in accordance with the applicable law. The vesting dates in respect of the RSUs granted under the Plan shall be determined by the Committee and may vary from an employee to employee or any class thereof and/ or in respect of the number or percentage of RSUs granted to an employee. RSUs shall vest essentially based on continuation of employment as per the requirement of SEBI SBEB Regulations. Apart from that the Committee may prescribe achievement of any performance conditions for vesting.

The Committee in its discretion, set the Vesting criteria which may be based on the Participant's period of service and/or the attainment of specified performance objectives. All the RSUs granted on any date shall vest not later than a maximum period of 4 years from the date of grant of RSUs or such other period as decided in the sole discretion of the Committee from time to time.

9. RSU EXERCISE PRICE

- i) The Exercise price per restricted stock unit shall not be less than the par value of equity shares of the Company or such other price as may be decided by the NRC at the time of grant in accordance with the SEBI SBEB Regulations. The mode of payment can be by way of (i) cheque (ii) demand draft (iii) electronic transfer of funds (iv) consideration received by the Company under a cashless exercise program, if any or (v) any combination of them.

- ii) The exercise price shall be subject to fair and reasonable adjustment in case of rights issues, bonus issues, merger, demerger and other corporate actions. The NRC shall be the authority to decide upon such matters conforming to the relevant provision(s) in the SEBI SBEB Regulations.

10. EXERCISE OF RSUs

- i) the Eligible Employees who have been granted RSUs may be given the vested RSUs through issuance of Shares or paid an amount equivalent to market value, as may be decided by NRC. The RSUs shall be deemed exercised when the Company receives written or electronic notice of the exercise from the persons entitled to exercise the RSUs.
- ii) Exercise of RSUs cannot be for a fraction of a share.
- iii) Employees may at their discretion, opt for exercise of RSUs after their expiry of vesting period at one time or at various points of times, but within the exercise period of all or part of the RSUs granted to him/her.
- iv) Employees who do not want to avail NAVA-RSUs 2023, may opt out of the Plan any time before exercise period and surrender the RSUs to NAVA Ltd. for cancellation. Such RSUs will be available for re-issuance under the NAVA-RSUs 2023.
- v) In the event of the death of Employee, all the RSUs granted to him till such date shall vest in the legal heirs or nominees of the deceased Employee on the date of death. Such vested RSUs may be exercised by the Grantee (nominee or legal heir) immediately after death, but in no event later than 90 days from the date of death. Subject to minimum vesting period, all the unvested RSUs as on the date of death shall be deemed to have been vested and may be exercised by the Grantee (nominee or legal heir) in the manner of vested RSUs.
- vi) In case the Employee suffers a permanent total disability while in employment, all the vested RSUs may be exercised within one year from the date of disablement, but not earlier to one year from the date of grant. All the unvested RSUs as on the date of permanent total disability shall be deemed to have been vested and may be exercised in the manner of vested RSUs.
- vii) In the event of resignation or termination not due to integrity issues, all RSUs not vested as on the date of submission of resignation/ date of termination shall stand cancelled with effect from that date and be available for re-issuance under the Plan. However, all the vested RSUs as on the date of resignation/ date of termination shall be exercisable by the Grantee within 30 days from the date of last working day with the Company. RSUs not exercised within such period shall expire and be available for re-issuance under the Plan.

In the event of abandonment of service (absconding) by an Employee without the Company's consent, all RSUs including those, which are vested but were not exercised at the time of abandonment of service, shall stand terminated with immediate effect. The date of abandonment of an Employee shall be decided by the

Company at its sole discretion which, decision shall be binding on all concerned. At a later date, if the Company accepts resignation of an Employee who had previously absconded from / abandoned the Company's service, any previous decision to terminate all vested and unvested options of such Employee as a consequence will remain unaffected and not confer any rights under the Plan.

In the event of Misconduct or breach of the policies of the Company or the terms of employment by the Employee, during the term of his/her employment and thereafter for a period of one year, the Advisory Council is authorized for appropriate decision from time to time.

- viii) In the event of superannuation/retirement, all the RSUs vested as on the date of retirement shall be exercisable by the Grantee within 30 days from the date of last working day with the Company. All the unvested RSUs as on the date of retirement shall be cancelled except in cases of extension of service.
- ix) In the case of transfer of Employees to subsidiaries, the vesting and exercise of RSUs shall continue and all other terms and conditions of this Plan shall remain the same.

11. SHARES AFTER EXERCISE

- i) Subject to completion of the exercise process, shares will be allotted and issued in the name of the Employee in compliance with applicable laws, rules, regulations, guidelines, circulars, notifications or such other requirements, as may be necessary in this regard. The inability of the Company to obtain approval from any statutory and/or regulatory body having jurisdiction, which approval is necessary to the lawful allotment and issuance of any shares hereunder, shall relieve the Company of any liability (whatsoever in nature) in respect of the failure to allot and issue such shares without prejudice to rights of the Company in the contract of employment.
- ii) The shares thus allotted and issued, shall be the absolute property of the Employee and will be held by the Employee, subject to the lock-in period and subject to lien favoring NAVA Ltd. for any statutory or other liability that may arise out of the Plan.
- iii) As a registered shareholder, the Employee will be entitled to all the benefits, such as dividends, bonus, rights, etc.
- iv) No Participant or holder or beneficiary of any Option shall have any rights as a shareholder with respect to any Shares to be issued pursuant to the Scheme unless and until he has become the holder of such Shares
- v) The shares allotted and issued upon exercise of RSUs shall rank pari passu with all other equity shares of NAVA Ltd. for the time being in force; from the date of allotment.

12. CONSEQUENCE OF FAILURE TO EXERCISE RSUs

The amount paid by the Employee, if any, at the time of grant of RSUs, may be refunded to the Employee if the RSUs are not vested due to non- fulfillment of condition(s) relating to vesting of RSUs as per the Plan at the sole discretion of the NRC.

13. NON-TRANSFERABILITY OF RSUs

- i) RSUs granted to an Employee shall not be transferable to any person.
- ii) Except in the case of death of the Employee, no person other than the Employee to whom the RSU(s) is/are granted shall be entitled to exercise the RSU(s).
- iii) Under the cashless system of exercise, NAVA Ltd. may itself fund or permit the empaneled service provider(s) to fund the payment of exercise price, subject to the provisions of the Companies Act, 2013 as amended from time to time and other applicable laws.
- iv) The RSUs granted to the Employee shall not be pledged hypothecated, mortgaged or otherwise alienated in any other manner.

14. LISTING OF SHARES

- i) The shares allotted to Employees on exercise shall be listed on the concerned stock exchanges subject to the terms and conditions of the listing agreement and other applicable regulatory requirements.

15. TAX LIABILITY

Any tax liability on account of grant of RSUs/ vesting/ exercise of RSUs/ allotment and/or transfer of shares shall be borne by the Employee alone.

16. SURRENDER OF OPTIONS

An employee may surrender his vested / unvested RSUs at any time during his employment with the Company.

Any employee willing to surrender his RSUs shall communicate the same to the Company. Thereafter the surrendered RSUs shall expire with effect from the date of surrender of RSUs and become available for future grant under the Scheme (unless the Scheme has been terminated)

17. MODIFICATIONS TO THE PLAN

- i) The NRC reserves the right to amend, alter, suspend or terminate the Plan provided the variation is not prejudicial to the interests of the RSU holder(s). In this connection, the Board of directors of the Company shall obtain the approval of shareholders for any amendment to the Plan, if required.

- ii) Such changes in terms and conditions as per clause 17 (i) can also be due to any change in the law applicable to the Plan or any mutual agreement between NAVA Ltd. and its Employees.

18. CONTRACT OF EMPLOYMENT

- i) This Plan shall not form part of any contract of employment between NAVA Ltd. and the Employee. The rights and obligations of any individual under the contract of employment shall not be affected by his participation in this Plan or any right which he may have to participate in it.
- ii) Nothing in this Plan shall afford any Employee any additional right(s) as to compensation or damages in consequence of the termination of such office or employment for any reason.
- iii) This Plan shall not confer any Employee any legal or equitable right against NAVA Ltd. either directly or indirectly or give rise to any cause of action in law or equity against NAVA Ltd.

19. GOVERNMENT REGULATIONS

- i) This Plan is subject to all applicable laws, rules, regulations, guidelines and to such approvals from any governmental agencies as may be required. In case of any contradiction between the provisions of this Plan and any provisions, rules, regulations, guidelines issued by any governmental agencies, the provisions of law shall override the provisions of this Plan.
- ii) The Employees who are granted RSUs under the Plan shall comply with such requirements of law(s) as may be necessary.
- iii) The Company shall maintain a Register of Employee Stock Options at its registered office, in Form SH.6

20. CONFIDENTIALITY

No Employee who holds any RSUs under the Plan shall disclose the details of the Plan and/ or his/her holdings, to any person, except with the prior permission of the Company.

21. CERTIFICATE FROM AUDITORS

In the case of Company which has passed a resolution for the scheme(s) under these regulations, the Board of Directors shall at each annual general meeting place before the shareholders a certificate from the secretarial auditors of the Company that the scheme(s) has been implemented in accordance with these regulations and in accordance with the resolution of the Company in the general meeting.

22. NOTICES

All notices of communication required to be given by the Company to an Option Grantee by virtue of this NAVA-RSUs 2023 shall be in writing or in any other means of electronic communication. The communications shall be made by the Company in any one or more of the following ways:

- i. Sending communication(s) to the address of the Option Grantee available in the records of the Company; or
- ii. Delivering the communication(s) to the Option Grantee in person with acknowledgement of receipt thereof; or
- iii. Emailing the communication(s) to the Option Grantee at the official email address provided if any by the Company during the continuance of employment or at the email address provided by the Option Grantee after cessation of employment.

23. GENERAL RISKS

NAVA Limited does not guarantee any return on the equity investment made by Employees as part of the Plan. Any loss due to fluctuations in the market price of the equity including the shortfall in the expectations or projections and the risks Employed with the investment are that of the Employee alone.

24. ACCOUNTING POLICY

That the Company shall conform to the accounting policies specified in regulation 15 of the SEBI SBEB Regulations.

25. ARBITRATION

All disputes and claims in relation to this Plan shall be referred to arbitration in accordance with the Arbitration & Conciliation Act, 1996, which shall be conducted at Hyderabad.