

MATRIMONY.COM LIMITED

Disclosures as specified Reg.14 of SEBI (Share Based Employee Benefits) Regulation 2014 and Rule 12(9) of Companies Share Capital and Debentures Rules 2014.

Details related Employee Stock Option Scheme 2014

i) Description of the scheme

Our Company adopted the Employee Stock Option Scheme (A) 2010 to reward its employees for their past association and performance. The scheme was amended and renamed as Employee Stock Option Scheme 2014 ("**ESOP Scheme**") by the Board of Directors vide resolution dated April 7, 2014 which was approved by the Shareholders vide resolution dated April 11, 2014. As per the certificate issued by statutory auditors, the ESOP Scheme is in compliance with applicable regulations, including relevant Guidance Notes or Accounting Standards issued by the Institute of Chartered Accountants of India in this regard, the Companies Act, 2013 and the ESOP Regulations.

Pursuant to resolutions of our shareholders dated November 19, 2010 and April 11, 2014 and resolution of our Board dated October 13, 2010 and circular resolution of the Board dated April 7, 2014, our Company has implemented the ESOP Scheme. Under the provisions of the ESOP Scheme, the shareholders have approved to grant up to 1,785,186 employee stock options exercisable into 1,785,186 equity shares of face value Rs. 3 each to eligible employees of our Company. Pursuant to consolidation of shares from Rs.3/- to Rs.5/-, the options granted were adjusted accordingly. As per the scheme, the minimum vesting period would be 1 year and maximum period is 5 years, from the date of grant. The exercise price shall be at a price which is not less than the face value per share. The options granted shall be exercised within 5 years from the date of vesting. The source of shares is primary.

Further, the shareholders have ratified the Pre-IPO scheme in terms of SEBI (Share based employee benefits) Regulations 2014, approved grant of options upto 955804 options exercisable into 955804 equity shares of Rs.5/- each including options already granted and approved the following amendments to ESOP 2014 vide resolution passed through postal ballot on January 2, 2018:

In case of Resignation/Termination other than for a cause/Retirement/Early retirement approved by the Company, all the vested options shall be exercised by the employee not later than one months from the date of resignation/retirement.

- ii) Method used to account for ESOS (Intrinsic/Fair value): **Fair Value**
- iii) Difference between employee compensation cost so computed using the intrinsic value for expensing of the options computed at as computed and the employee compensation that shall have been recognized if fair value of options computed: **Not Applicable**
- iv) The impact of the difference on profits and on EPS of the Company: **Not**

Applicable

v) Option Movement during the year

Sl. No.	Particulars	ESOS 2014
1.	Number of options outstanding at the beginning of the year	315426
2.	Number of options granted during the year	23300
3.	Number of options forfeited / lapsed during the year	11780
4.	Number of options vested during the year	122995
5.	Number of options exercised during the year	134423
6.	Number of shares arising as a result of exercise of options	134423
7.	Variation of terms of options	NIL
8.	Money realized by exercise of options (INR), if scheme is implemented directly by the company	15055869
9.	Number of options outstanding at the end of the year	192523
10.	Number of options exercisable at the end of the year	139592

Employee wise details of options granted to

Key Managerial Personnel	Mr. K Balasubramanian, Chief Financial Officer received 5000 options during the year
Employees who received a grant in the year amounting to 5% or more of options granted during the year	Mr. Narayanan R, GM - Campaign Analytics received 3000 options during the year
	Mr. Srinath Duggirala Vice President – Product received 3600 options during the year
	Mr. Uma Srinivasan Asst Vice President – HR received 3600 options during the year
	Mr. Ragu V General Manager – Technical received 3000 options during the year

	Dinesh Nirmal David, Asst Vice President - Elite Sales received 3600 options during the year
	Mr. K Balasubramanian, Chief Financial Officer received 5000 options during the year
	Mr. Sanjeev Misra, Sr. Vice President – Sales received 1500 options during the year
Identified employees who were granted option, during the year equal to or exceeding 1% of the Issued Capital (excluding outstanding warrants and conversions) of the company at the time of grant	Nil

- vi) Weighted Average Exercise Price of the options was Rs. 840.60/- (Face Value Rs. 5/- per share). The range of exercise prices for the options outstanding at the end of year was Rs. 103 to 807.50.
- vii) Description of the Method and significant assumptions used during the year to estimate the fair value of options
- a) the weighted-average values of share price, exercise price, expected volatility, expected option life, expected dividends, the risk-free interest rate and any other inputs to the model

Fair Value of Options granted on March 21, 2018 - Grant 12, 13 & 15

Exercise Price	807.50		
Inputs			
Stock Price Now (P_s)	Rs. 807.50	Rs. 807.50	Rs. 807.50
Standard Dev - Annual Volatility (σ)	10.12%	10.12%	10.12%
Risk free Rate - Annual (R)	7.50%	7.76%	7.89%
Exercise Price (E)	Rs. 807.50	Rs. 807.50	Rs. 807.50
Time To Maturity - Years (T)	3.53	4.53	5.54
Dividend yield (d)	0.00%	0.00%	0.00%
Outputs			
d1	1.488	1.739	1.953
d2	1.297	1.523	1.715
N(d1)	0.932	0.959	0.975
N(d2)	0.903	0.936	0.957
Call Price (V_c)	Rs. 193.01	Rs. 242.56	Rs. 287.88
Weighted Average of Option Fair Value	Rs.241.15/-		

Fair Value of Options granted on March 21, 2018 - Grant 14

Exercise Price	484.50	
Inputs		
Stock Price Now (P_s)	Rs. 807.50	Rs. 807.50
Standard Dev - Annual Volatility (s)	10.12%	10.12%
Risk free Rate - Annual (R)	7.50%	7.76%
Exercise Price (E)	Rs. 484.50	Rs. 484.50
Time To Maturity - Years (T)	3.53	4.53
Dividend yield (d)	0.00%	0.00%
Outputs		
d1	4.171	4.108
d2	3.981	3.893
N(d1)	1	1
N(d2)	1	1
Call Price (V_c)	Rs. 435.81	Rs. 466.65
Weighted Average of Option Fair Value	Rs.451.23/-	

Fair Value of Options granted on March 21, 2018 - Grant 16

Exercise Price	141	
Inputs		
Stock Price Now (P_s)	Rs. 807.50	
Standard Dev - Annual (s)	10.12%	
Riskfree Rate - Annual (R)	7.50%	
Exercise Price (E)	Rs. 140.83	
Time To Maturity - Years (T)	3.53	
Dividend yield (d)	0.00%	
Outputs		
d1	10.662	
d2	10.472	
N(d1)	1	
N(d2)	1	
Call Price (V_c)	Rs. 699.46	
Weighted Average of Option Fair Value	Rs. 699.46	

b) Methodology for determination of volatility:

As the Company was listed on September 21, 2017 and started trading from approx last 6 months only, we have calculated the annual volatility of BSE S&P 200 index for the period

from September 21, 2017-March 21, 2018 which comes out 10.12%.

c) The method used and the assumptions made to incorporate the effects of expected early exercise

The total exercise period as per ESOS is 5 years from each vesting date. However the employees generally used to exercise the options in 3 years and hence we have taken an average period of 2.5 years as exercise period from date of each vesting.

d) whether and how any other features of the option grant were incorporated into the measurement of fair value, such as a market condition

NA

Disclosures in respect of grants made in three years prior to IPO under each ESOS

There are no other Employee Stock Option scheme other than the Matrimony.com Ltd Employee Stock Option Scheme 2014. The disclosures in respect of the scheme is given above.