

Proxy Advisory Report (Addendum)

Amagi Media Labs Ltd

ABOUT SES

Stakeholders Empowerment Services (SES) is a Corporate Governance Research and Advisory Firm. SES assists Investors to analyze Governance Practices including matters relating to sustainability, prevalent at Listed Entities and empower Investors to undertake meaningful engagement with Investee Entities.

SES SERVICES

E-BRSR Tool: Online web-based platform to create **BRSR Report** by the Company and generate **XBRL** in seamless, cost and time effective manner

Already subscribed by HUL, Maruti, TVS Motors, Kansai Nerolac, CDSL, Hero, L&T, Wipro, Bharat Forge, Reliance Group and many others. [Read More](#)

Contact for Demo – esgdata@sesgovernance.com

SES AIMS:

Designed primarily for Institutional Investors to carry out their stewardship activities in an efficient manner.

[Read More](#)

Proxy Advisory:

Advises Investors on the matters that require shareholder approval at Listed Entities and identify Governance Issues.

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ESG Scores:

Analyze sustainability initiatives of Companies based on various environmental, social and governance factors.

[Read More](#)

Corporate Governance Score (CGS):

CGS model measures the Company's compliance and also evaluates the Governance Practices with respect To Global Benchmarks. [Read More](#)

E-Ballot:

A web-based, one-stop vote management system to cater to the requirements of Institutional Investors.

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COMPANY INFORMATION

BSE CODE: 544679

NSE SYMBOL: AMAGI

ISIN: INE121R01077

Industry: IT Enabled Services

Email: compliance@amagi.com, info@amagi.com

Phone: +91 80 4663 4406, +91 80 4663 4444

Registered Office: Raj Alkaa Park, Sy. No. 29/3 & 32/2, 4th Floor, Kalena Agrahara Village, Begur Hobli, Bengaluru - 560076 Karnataka

MEETING DETAILS

Meeting Type: PB

Voting Deadline: 3rd April, 2026

Notice Date: 4th March, 2026

Notice: [Click here](#)

Annual Report: [FY 2024-25](#)

SES PA Report (Last AGM): [Report](#)

E-VOTING DETAILS

e-Voting Platform: [NSDL](#)

Cut-off Date: 27th February, 2026

Remote E-voting:

- **Start:** 5th March, 2026
- **Ends:** 3rd April, 2026

ADDENDUM REPORT RELEASE DATE: 30th March, 2026

Research Analyst: Pooja Patra

Conflict Disclosure: SES - No Conflict | Analyst - No Conflict



ADDENDUM

There is a change in the SES recommendation on Resolution #4 from 'AGAINST' to 'FOR' based on the Company's clarification and additional disclosures. There are no other changes apart from the above.

EXISTING RECOMMENDATION					
S. No	Resolution	Type	SES Observation #	Rec.	Rationale
4	Contribution of funds towards Charitable Purposes.	O	LC + GC + TC	AGAINST	Inadequate Disclosures. Charitable Contributions may not be financially prudent at present.
REVISED RECOMMENDATIONS					
4	Contribution of funds towards Charitable Purposes.	O	LC	FOR	No major governance concern identified.

S - Special Resolution | O - Ordinary Resolution; Rec. - Recommendation

LC - Legally Compliant, NC - Legally Non-Compliant, TC - Disclosures & Transparency Concern, GC - Governance Concern

BACKGROUND

SES as per its policy, had emailed its PA Report [weblink](#) to the Company on 24th March, 2026 in respect of the ongoing PB of the Company.

Post release of PA Report, SES received an email from the Company on 26th March, 2026. The Company, through the email, provided its view point, which is reproduced at the last in *blue text*.

It may be noted that the email of the Company dated 26th March, 2026 (as per SES policy framed to comply with SEBI Circular dated 3rd August, 2020 [SEBI/HO/IMD/DF1/CIR/P/2020/147](#)) has already been forwarded to SES clients as it is, without any inputs from SES.

This Addendum provides appropriate responses of SES, wherever required.

SES COMMENTS TO COMPANY'S RESPONSE

Company's Views: (in Blue colour) & SES Reply: (in Black colour)

Company's View:

Resolution No. 1 — Nomination Rights

The Company acknowledges the observations and would like to clarify that the proposed framework is designed to ensure that Board representation remains aligned with meaningful and sustained shareholding, while preserving overall Board stability.

The nomination right is subject to two cumulative and continuously applicable conditions: the investor must (i) hold at least 6% of the Company's share capital, and (ii) be among the top two non-promoter shareholders. These conditions operate automatically, such that if either condition ceases to be met, the nomination right lapses without any further action. Accordingly, no investor who does not meet the prescribed criteria can exercise or retain such rights, and no preferential or assured rights are granted.

The reference to current shareholding positions is illustrative and does not affect the operation of the eligibility criteria. The framework links Board representation directly to continued economic ownership and is consistent with standard market practice for institutional investors.

SES Reply:

The Company has now provided additional context regarding the termination related to the nomination of a nominee director. The concern on ambiguity regards to the ineligible investors stands addressed. Shareholders may take a note of the same.

With respect to the threshold, the 6% level was commercially agreed at the time of investment and continues to represent a material ownership stake in the context of the Company's shareholding structure. A holding of this magnitude reflects significant capital



commitment and alignment with the Company's long-term performance, thereby providing the requisite "skin in the game" for Board representation.

SES Comment:

SES acknowledges the justification provided by the Company. However, as per its Policy, SES is not supportive of granting nomination rights to significant shareholders holding a stake of 6% in the Company. Hence, the concern on proportionality of rights persists.

The Company also notes the concern regarding potential Board instability. In this regard, it is important to highlight that any change in nomination rights would arise only from a material and sustained change in shareholding and relative ranking among investors. Such changes result from deliberate investment or divestment decisions and are not expected to occur frequently in practice, particularly considering the nature of the Company's institutional investor base. The framework is therefore dynamic by design, ensuring that representation remains aligned with current ownership without leading to undue volatility.

Further, nomination rights are limited to a maximum of two investors at any point in time, ensuring that investor representation remains proportionate and does not disrupt the overall balance of the Board. The composition of the Board will continue to remain fully compliant with the requirements of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, including the presence of Independent Directors, thereby preserving governance continuity.

In view of the above, the Company believes that the proposed structure appropriately balances shareholder representation with Board stability and does not give rise to the concerns indicated.

SES Comment:

Although frequent changes may not occur in practice, SES is of the view the framework still lacks structural safeguards (e.g., minimum holding period or transition mechanisms), leaving board composition exposed to potential instability.

While regulatory compliance is ensured, it alone does not address concerns around nomination rights to top 2 investors governance balance, particularly where rights may shift dynamically among investors.

In view of the above, the concern raised by **SES persists**. Hence, **no change** in SES recommendation.

Shareholders may take note of the company's clarification above and also SES comments thereon, and make an informed decision.

Company's Response:**Resolution No. 2 & 3 — ESOP Pricing**

The Company acknowledges the observations and would like to clarify that the proposed framework is in compliance with both the letter and the intent of the SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 ("SBEB Regulations").

SBEB Regulations requires disclosure of the exercise price or the pricing formula. The Company submits that it has complied with this requirement by clearly specifying that the exercise price shall not be less than the face value of the shares and shall not exceed the fair market value as on the date of grant. This establishes a defined and objectively determinable pricing framework, with both floor and ceiling parameters disclosed.

The determination of the exact exercise price within this range has been delegated to the Nomination and Remuneration Committee, which operates within a defined governance framework. In exercising this responsibility, the Committee considers relevant factors including prevailing market price, accounting implications, shareholder dilution, and the objective of aligning employee incentives with long-term value creation. This approach is consistent with established market practice and ensures that pricing remains appropriate to prevailing conditions at the time of grant.

The Company would also like to clarify that the intent of the scheme is to align employee interests with those of shareholders and not to facilitate any undue transfer of value. The pricing of options will therefore be determined on a consistent and reasonable basis, in line with applicable regulations and accepted market practices.

The accounting treatment of stock options requires recognition of the fair value of options as an expense over the vesting period, thereby ensuring that the economic impact of grants is transparently reflected in the Company's financial statements. Further, such accounting treatments for any stock options granted to employees in subsidiary companies will be effected in respective subsidiary books.



Given that grants under the scheme are made over a period of time, fixing a single exercise price in advance would not be practicable and could result in misalignment with market conditions. The approach adopted ensures both transparency through defined parameters and flexibility in implementation.

SES Comment:

Shareholders may take note of the clarification provided by the Company. SES had raised concern regarding the disclosure of the Exercise Price/ Pricing Formula on account of the exercise price; further, NRC had the discretion to decide the Exercise Price, which shall not go below the face value of equity shares of the Company.

While analysing whether the Company has successfully complied with a provision, SES also looks into whether the intent of the law has been fulfilled.

While NRC is the final authority to finalise the Exercise Price at the time of grant, a Pricing Formula (as envisaged under the Part C Schedule I of the Regulations) should be disclosed by the NRC to uphold the intended objective of the Regulatory Body. As a result, Non-disclosure or authorizing Board/NRC to decide such price defeats the purpose of SEBI requiring Companies to disclose such information.

Consequently, in absence of adequate clarification **SES concern in this persists.**

The Company has also disclosed exercise prices for options granted historically in its Red Herring Prospectus, providing shareholders with reference points for its pricing approach.

In view of the above, the Company believes that the disclosures made, together with the governance and accounting safeguards in place, provide shareholders with sufficient information to take an informed decision and are fully compliant with applicable regulations.

SES Comment:

Although the Company has disclosed the exercise price for ESOPs granted historically under the ESOP schemes in its Red Herring Prospectus. SES is of the view that the exercise price or pricing formula should be explicitly incorporated into the scheme. As per SES, the current open-ended disclosure does not satisfy the requirement for a specific disclosure of the exercise price or pricing formula.

Consequently, in absence of adequate clarification **SES concern in this persists.**

In view of the above, the concern raised by SES is persists. Hence, no change in SES recommendation.

Shareholders may take a note of the company's clarification above and also SES comments thereon, and make an informed decision.

Company's Response:**Resolution No. 4 — Charitable Contributions**

The Company acknowledges the observations and would like to provide the following clarifications.

The Company's initiative in rural education focuses on improving learning outcomes through experiential learning and represents a calibrated, ongoing commitment to responsible business conduct and long-term social impact.

The Company would like to clarify that the proposed approval is an enabling ceiling, and not a mandatory expenditure.

The ₹2.75 crore aggregate ceiling (₹1 crore annual cap) represents <0.1% of FY25 revenue (₹1,162 crore) and is not material. It is an enabling approval. The Board, in its fiduciary capacity, will approve contributions only after evaluating the Company's liquidity, financial position and path to profitability at the relevant time. Accordingly, such contributions are not expected to have any adverse impact on the Company's financial stability and remain proportionate to the scale of its operations.

While the nature of these programs requires operational flexibility in identifying implementation partners over time, the thematic focus of contributions is clearly defined. The Company is committed to ensuring transparency in implementation and will disclose details of actual contributions, including recipients and nature of activities, in its annual reports.

All charitable contributions will continue to be subject to oversight by the Board or the Company's CSR Committee (which also includes an independent director) at periodic intervals and will be made strictly in accordance with applicable legal and governance requirements.



In view of the above, the Company believes that the proposed resolution strikes an appropriate balance between financial prudence, transparency, and the ability to undertake meaningful and sustained social initiatives and does not give rise to the concerns indicated.

SES Comment:

Shareholders may take note of the clarification provided by the Company. SES had initially raised concerns regarding governance and transparency due to insufficient disclosure on the specific organizations to which the Company intends to contribute, as well as the financial prudence of the charitable contributions, given the consecutive losses incurred by the Company in recent years.

Although the Company's response does not fully address SES's concern, specifically the lack of clarity on the recipients of donations. However, the Company has provided **adequate assurance** that all charitable contributions will be subject to Board or CSR Committee oversight (which includes an independent director). Additionally, the Company has committed to disclosing details of the actual contributions (recipients and activities) in its annual reports, which improves transparency.

Further, the total contribution over three years will not exceed ₹ 2.75 crore, with an annual ceiling of ₹1 crore. SES acknowledges that the contribution amount is not material relative to the Company's overall revenue.

Taking into account the Company's ongoing recovery, the oversight mechanisms in place, and the Company's commitment to annual disclosures as well as Board oversight, SES has revised its recommendation from **AGAINST** to **FOR**.

Shareholders may take a note of the company's clarification above and also SES comments thereon, and make an informed decision

COMPANY'S EMAIL

Team,

Please find below our clarifications on the Postal Ballot resolutions. We hope these address the observations raised and would welcome a call should you wish to discuss further.

Resolution No. 1 — Nomination Rights

The Company acknowledges the observations and would like to clarify that the proposed framework is designed to ensure that Board representation remains aligned with meaningful and sustained shareholding, while preserving overall Board stability.

The nomination right is subject to two cumulative and continuously applicable conditions: the investor must (i) hold at least 6% of the Company's share capital, and (ii) be among the top two non-promoter shareholders. These conditions operate automatically, such that if either condition ceases to be met, the nomination right lapses without any further action. Accordingly, no investor who does not meet the prescribed criteria can exercise or retain such rights, and no preferential or assured rights are granted.

The reference to current shareholding positions is illustrative and does not affect the operation of the eligibility criteria. The framework links Board representation directly to continued economic ownership and is consistent with standard market practice for institutional investors.

With respect to the threshold, the 6% level was commercially agreed at the time of investment and continues to represent a material ownership stake in the context of the Company's shareholding structure. A holding of this magnitude reflects significant capital commitment and alignment with the Company's long-term performance, thereby providing the requisite "skin in the game" for Board representation.

The Company also notes the concern regarding potential Board instability. In this regard, it is important to highlight that any change in nomination rights would arise only from a material and sustained change in shareholding and relative ranking among investors. Such changes result from deliberate investment or divestment decisions and are not expected to occur frequently in practice, particularly considering the nature of the Company's institutional investor base. The framework is therefore dynamic by design, ensuring that representation remains aligned with current ownership without leading to undue volatility.

Further, nomination rights are limited to a maximum of two investors at any point in time, ensuring that investor representation remains proportionate and does not disrupt the overall balance of the Board. The composition of the Board will continue to remain



fully compliant with the requirements of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, including the presence of Independent Directors, thereby preserving governance continuity.

In view of the above, the Company believes that the proposed structure appropriately balances shareholder representation with Board stability and does not give rise to the concerns indicated.

Resolution No. 2 & 3 — ESOP Pricing

The Company acknowledges the observations and would like to clarify that the proposed framework is in compliance with both the letter and the intent of the SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 (“SBEER Regulations”).

SBEER Regulations requires disclosure of the exercise price or the pricing formula. The Company submits that it has complied with this requirement by clearly specifying that the exercise price shall not be less than the face value of the shares and shall not exceed the fair market value as on the date of grant. This establishes a defined and objectively determinable pricing framework, with both floor and ceiling parameters disclosed.

The determination of the exact exercise price within this range has been delegated to the Nomination and Remuneration Committee, which operates within a defined governance framework. In exercising this responsibility, the Committee considers relevant factors including prevailing market price, accounting implications, shareholder dilution, and the objective of aligning employee incentives with long-term value creation. This approach is consistent with established market practice and ensures that pricing remains appropriate to prevailing conditions at the time of grant.

The Company would also like to clarify that the intent of the scheme is to align employee interests with those of shareholders and not to facilitate any undue transfer of value. The pricing of options will therefore be determined on a consistent and reasonable basis, in line with applicable regulations and accepted market practices.

The accounting treatment of stock options requires recognition of the fair value of options as an expense over the vesting period, thereby ensuring that the economic impact of grants is transparently reflected in the Company’s financial statements. Further, such accounting treatments for any stock options granted to employees in subsidiary companies will be effected in respective subsidiary books.

Given that grants under the scheme are made over a period of time, fixing a single exercise price in advance would not be practicable and could result in misalignment with market conditions. The approach adopted ensures both transparency through defined parameters and flexibility in implementation.

The Company has also disclosed exercise prices for options granted historically in its Red Herring Prospectus, providing shareholders with reference points for its pricing approach.

In view of the above, the Company believes that the disclosures made, together with the governance and accounting safeguards in place, provide shareholders with sufficient information to take an informed decision and are fully compliant with applicable regulations.

Resolution No. 4 — Charitable Contributions

The Company acknowledges the observations and would like to provide the following clarifications.

The Company’s initiative in rural education focuses on improving learning outcomes through experiential learning and represents a calibrated, ongoing commitment to responsible business conduct and long-term social impact.

The Company would like to clarify that the proposed approval is an enabling ceiling, and not a mandatory expenditure.

The ₹2.75 crore aggregate ceiling (₹1 crore annual cap) represents <0.1% of FY25 revenue (₹1,162 crore) and is not material. It is an enabling approval. The Board, in its fiduciary capacity, will approve contributions only after evaluating the Company’s liquidity, financial position and path to profitability at the relevant time. Accordingly, such contributions are not expected to have any adverse impact on the Company’s financial stability and remain proportionate to the scale of its operations.



While the nature of these programs requires operational flexibility in identifying implementation partners over time, the thematic focus of contributions is clearly defined. The Company is committed to ensuring transparency in implementation and will disclose details of actual contributions, including recipients and nature of activities, in its annual reports.

All charitable contributions will continue to be subject to oversight by the Board or the Company's CSR Committee (which also includes an independent director) at periodic intervals and will be made strictly in accordance with applicable legal and governance requirements.

In view of the above, the Company believes that the proposed resolution strikes an appropriate balance between financial prudence, transparency, and the ability to undertake meaningful and sustained social initiatives and does not give rise to the concerns indicated.

Regards,

Amagi Compliance Team

**Disclaimer
Sources**

Only publicly available data has been used while making the report. Our data sources include Notice of Shareholders' Meeting, BSE, NSE, SEBI, Capitaline, MCA, Moneycontrol, Businessweek, Reuters, Annual Reports, Sustainability Reports, IPO Documents and Company Website.

Analyst Certification

The Analyst(s) involved in development of this Report certify that no part of the Research Analyst's compensation was, is, or will be directly or indirectly related to the specific recommendations or views expressed by the Research Analyst(s) in this Report. The concerned Research Analyst(s) and Director(s) do not have any pecuniary relationship with the Reported Company, except that they may be holding miniscule shares in the Company which does not impact their independence in respect of this Report.

SES may be a shareholder in the Company holding equity shares as disclosed on its [website](#). The objective of SES' investment is solely to obtain Shareholders' communications from the Company as a shareholder.

CAUTIONARY STATEMENT

The recommendations made by SES are based on publicly available information and conform to SES's stated Proxy-Advisory Guidelines. SES opinion is based on SES's interpretation of law and governance benchmarks, which may differ from opinion/ benchmarks of other analysts or practitioners. Further, SES analysis is recommendatory in nature and reflects how SES would have voted if it was a shareholder. Therefore, SES expects that the clients will evaluate the effect of their vote on their investments independently and diligently and will vote accordingly. Subscribers may also carry out an impact analysis of their votes and keep the same as an addendum for their records. In our opinion, Institutional investors are positioned significantly differently from other shareholders due to their ability to engage with the board and the management to bring out desired result. As a firm, it is our endeavour to improve the level of corporate governance while not causing any disruption in company's proceedings and therefore we respect the independence of investors to choose alternate methods to achieve similar results.

Disclaimer

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All disputes shall be subject to jurisdiction of High Court of Bombay, Mumbai.

Concern terminology

NC – Compliance Concern: The Company has not met statutory compliance requirements

FC – Fairness Concern: The Company has proposed steps which may lead to undue advantage to a particular class of shareholders and can have adverse impact on non-controlling shareholders including minority shareholders

GC – Governance Concern: SES questions the governance practices of the Company. The Company may have complied with the statutory requirements in letter. However, SES finds governance issues as per its standards.

TC - Disclosures & Transparency Concern: The Company has not made adequate disclosures necessary for shareholders to make an informed decision. The Company has intentionally or unintentionally kept the shareholders in dark.

Company Information

Stakeholders Empowerment Services

SEBI Reg. No. INH000000016

CIN No. -

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Investment in securities market are subject to market risks. Read all the related documents carefully before investing.



