HIMALAYA NUTRAVEDICS INDIA LIMITED
(formerly known as HIMALAYA NUTRAVEDICS INDIA PRIVATE LIMITED)
CIN: U24110TG2022PLC163732
REGISTERED OFFICE: Plot No. 101/A, Phase-III, Industrial Development Park, Cherlapally, Hindustan Cables Ltd, Hyderabad, Uppal, Telangana, India- 500051.
EMAIL ID: himalayanutravedics@gmail.com, Contact Number: +91 9949920930
Website: www. himalayanutravedics.com

CERTIFIED TRUE COPY OF THE RESOLUTION PASSED IN THE MEETING OF THE AUDIT COMMITTEE OF HIMALAYA NUTRAVEDICS INDIA LIMITED (FORMERLY KNOWN AS HIMALAYA NUTRAVEDICS INDIA PRIVATE LIMITED) (CIN: U24110TG2022PLC163732) HELD ON THURSDAY, THE 07th DAY OF MAY 2026 AT THE REGISTERED OFFICE OF THE COMPANY SITUATED AT PLOT NO. 101/A, PHASE-III, INDUSTRIAL DEVELOPMENT PARK, CHERLAPALLY, HINDUSTAN CABLES LTD, HYDERABAD, UPPAL, TELANGANA, INDIA- 500051 AT 10:00 A.M.

TO CONSIDER AND APPROVE WORKING CAPITAL REQUIREMENTS AND DISCLOSURES IN THE ISSUE DOCUMENTS

The Chairman informed the Audit Committee that the Company is engaged in the manufacture, marketing, and distribution of Ayurvedic and Nutraceutical products. The Company is proposing an Initial Public Offering ("IPO") of its Equity Shares on BSE SME Platform pursuant to the provisions of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended ("SEBI ICDR Regulations"), and other applicable laws.

One of the objects of the IPO is to meet the working capital requirements of the Company. In accordance with the SEBI ICDR Regulations, and for the purpose of inclusion in the Draft Red Herring Prospectus / Red Herring Prospectus / Prospectus (collectively, the "Offer Documents"), it is necessary for the Audit Committee to review:

(a) The present working capital position and financing arrangements of the Company;
(b) The Company's projected / estimated working capital requirements for the relevant period;
(c) The funding gap and the quantum of IPO proceeds proposed to be utilised towards meeting the said working capital requirements; and
(d) The assumptions and basis underlying such projections.

The Commitee noted the following summary of the Company's existing working capital position as on March 31, 2026 (based on the audited / management certified financials):

Existing Working Capital Requirements:

(₹ in lakhs)

Sr. No.	Particulars	Fiscal 2026 Restated	Fiscal 2025 Restated	Fiscal 2024 Restated
I	**Current assets**			
	Inventories	891.55	328.41	252.29
	Trade receivables	1,058.69	563.96	155.26
	Short Term Loans & Advances	6.09	7.45	13.79
	Other Assets	68.74	5.72	11.67
	Total Current Assets (A)	**2,025.07**	**905.54**	**433.01**
II	**Current liabilities**			
	Trade payables	69.93	128.17	61.57
	Other Current Liabilities	53.88	47.14	64.74
	Short term provisions	152.74	44.30	19.45
	Total current liabilities (B)	**276.54**	**219.61**	**145.76**
	Working capital (A – B)	**1,748.53**	**685.93**	**287.25**
III	**Sources of funds**			
	Short-term borrowings	459.16	121.95	106.08
	Internal Accruals	1,289.37	563.98	181.17
	Total Means of Finance	**1,748.53**	**685.93**	**287.25**

Expected working capital requirements:

The estimated working capital requirements for the Financial Year ended March 31, 2027 and March 31, 2028 have been prepared based on the estimates of current and future financial performance. The projection has been prepared using set of assumptions that include assumptions about future events and management's action that are not necessarily expected to occur.

On the basis of our existing working capital requirements and estimated working capital requirements, the projected working capital requirements for Financial Year ended March 31, 2027 and March 31, 2028 with the assumptions and justifications for holding levels, and the proposed funding of such working capital requirements, as set forth below. The balance portion of our working capital requirement, if any will be arranged from existing equity, internal accruals, borrowings from banks, financial institutions.

(₹ in lakhs)

Sr. No.	Particulars	Fiscal 2028 Projected	Fiscal 2027 Projected
I	**Current assets**		
	Inventories	1,622.50	952.00
	Trade receivables	1,842.00	1,462.00
	Short Term Loans & Advances	7.36	6.69
	Other Assets	90.66	89.36
	Total Current Assets (A)	**3,562.52**	**2,510.05**
II	**Current liabilities**		
	Trade payables	137.00	131.00
	Other Current Liabilities	65.19	59.26
	Short term provisions	92.37	31.59
	Total current liabilities (B)	**294.56**	**221.85**
	Working capital (A – B)	**3,267.96**	**2,288.20**
III	**Sources of funds**		
	Short term borrowings from banks	459.16	459.16
	Internal accruals	1,433.80	1,329.04
	Net Working Capital Requirements	**1,375.00**	**500.00**
	Amount proposed to be utilised from Issue proceeds	**875.00**	**500.00**

The balance portion of our working capital requirement will be arranged from existing equity, internal accruals, borrowings from banks, financial institutions.

Assumptions for our estimated working capital requirement:

(in Days)

Particulars	Holding Levels (March 31, 2028)	Holding Levels (March 31, 2027)	Holding Levels (March 31, 2026)	Holding Levels (March 31, 2025)	Holding Levels (March 31, 2024)
	Projected	Projected	Restated	Restated	Restated
Inventory	90	82	69	70	67
Trade Receivables	90	85	69	63	32
Trade Payables	9	9	11	23	20

Notes:

1. *Inventory holding days are calculated by dividing 365 by the Average Inventory Turnover ratio. The Average Inventory Turnover ratio is calculated by dividing Cost of Goods Sold (including all expenses other than Depreciation and Finance Cost) by Average Inventory.*
2. *Debtors' holding days are calculated by dividing 365 by the Average Trade Receivables Turnover ratio. The Average Trade Receivables Turnover ratio is calculated by dividing Revenue from Operations by Average Trade Receivables.*
3. *Creditors holding days are calculated by dividing 365 by the Average Trade Payables Turnover ratio. The Average Trade Payables Turnover ratio is calculated by dividing Purchases by Average Trade Payables.*

The table below sets forth the key assumptions for working capital projections:

Particulars	Assumption
Inventory	Inventories of our Company comprise raw materials, work-in-progress and finished goods. Our Company had inventory holding days of 67, 70 and 69 days during the Financial Year 2023-24, 2024-25 and 2025-26 respectively. Inventory for Financial Year 2025-26 consist of Raw Material amounting to ₹670 Lakhs, Work in Progress amounting to ₹158 Lakhs and Finished Goods amounting to ₹64 Lakhs. Our Company estimates the inventory holding period to be 82 and 90 days in Financial Year 2026-27 and 2027-28 respectively. Our Company has been steadily growing its portfolio of own branded products, with the share of branded products in its overall revenues increasing from approximately 20% in FY 2024–25 to approximately 50% in FY 2025–26, and is expected to increase further in the coming years. As our Company continues to add new products across its Ayurvedic and nutraceutical segments, the total number of active SKUs in its portfolio has increased significantly. Unlike third-party or traded products, own branded products require our Company to maintain ready finished goods inventory across all active SKUs at all times, since stockouts on branded products directly impact brand reputation and customer retention, particularly in the pharmaceutical and nutraceutical industry. As the number of SKUs increases, our Company is required to hold a proportionately higher level of inventory to ensure that each product remains available for sale without interruption. This, by itself, results in a higher inventory holding period as compared to earlier years when the product portfolio was narrower and the share of branded products was lower. Our Company is also expanding into new geographical territories as part of

Particulars	Assumption
	its growth strategy. When entering a new market, it is necessary for our Company to ensure that adequate stock is available — both at its own end and across its channel partners — to support initial sales efforts, meet customer orders on time, and establish a reliable supply presence in that region. Our Company distributes its products through a multi-tier channel comprising super stockists, stockists, and retailers. Since inventory needs to be maintained at each level of this distribution chain, our Company is required to hold higher primary stock at its end to ensure that replenishment to channel partners remains uninterrupted. As the geographic footprint widens and the product basket expands, channel partners are also required to stock a wider range of products, which further increases the Company's primary stocking requirements. In addition to its existing B2B operations, our Company proposes to expand into the Business-to-Consumer ("B2C") segment through e-commerce marketplaces, quick commerce platforms, and its own website. Sales through these channels require a fundamentally different approach to inventory management as compared to B2B sales. E-commerce and quick commerce platforms require our Company to pre-position inventory at their fulfilment centres and warehouses in advance, so that orders can be dispatched and delivered to customers within the committed timeframes. This means our Company needs to maintain stock at multiple locations simultaneously, rather than dispatching from a single central location as in the case of B2B orders. This multi-location inventory deployment naturally results in a higher overall inventory holding period. Our Company also intends to maintain inventory for promotional activities, product sampling, and display purposes at retail outlets, exhibitions, and marketing events, particularly as it builds consumer awareness for its branded products in new markets. While this inventory does not immediately convert into sales, it is a necessary part of the Company's go-to-market strategy for its B2C expansion. Finally, as our Company introduces new products and enters new markets, there is inherent uncertainty in demand forecasting during the initial ramp-up period. To avoid stockouts — which, in consumer-facing channels, can negatively impact platform visibility and customer experience — our Company is required to maintain a reasonable level of buffer inventory across its product range, particularly ahead of peak demand periods such as festive seasons or promotional campaigns. Our Company continues to manage its inventory through structured demand forecasting, production planning, and periodic stock reviews to ensure that inventory levels remain optimised and the risk of dead stock or expiry is minimised. The increase in inventory holding period is therefore a planned outcome of our Company's growth strategy and is consistent with industry practices followed by companies operating in similar segments.
Trade Receivable	Trade receivables are amount owed to Company by customers following sale of goods on credit. Our Company had Trade Receivable days of 32, 63 and 69 days in the Financial Year 2023-24, 2024-25 and 2025-26 respectively. Our Company estimates that the Trade Receivables holding period, which is expected to gradually increase in line with the projected growth in Revenue from Operations, will be 85 days in Financial Year 2026-27 and 90 days in

Particulars	Assumption
	Financial Year 2027-28. The increase in trade receivable days to approximately 80–90 days is a natural outcome of our Company's distribution model and channel expansion. Since our Company sells to super stockists, who then sell to stockists, and finally to retailers, there is an inherent time gap between when our Company raises its invoice and when it actually receives payment. Payments come in only after the product has passed through each level of the distribution chain, which, combined with the credit period extended to channel partners, results in a receivable cycle of approximately 80–90 days. This is in line with standard industry practice for companies operating in similar segments. Further, as our Company grows its B2C business through e-commerce and quick commerce platforms, payments from these platforms are received only after accounting for delivery confirmation, product returns, platform fees, and other deductions — all of which follow a platform-defined settlement cycle. This makes the collection timeline on B2C sales longer than on traditional distribution sales, and as B2C revenues grow, this is expected to add to the overall receivable days. Our Company has defined credit limits for its channel partners, monitors its receivables regularly, and has maintained a consistent collection track record, which ensures that the increase in receivable days remains within planned and manageable levels.
Trade Payable	Trade payables are amount to be paid to suppliers by company following purchase of materials and expenses. Our Company had trade payable days of 20, 23 and 11 days in the Financial Year 2023-24, 2024-25 and 2025-26. Our Company estimates Trade Payable Holding period of 9 days in both Financial Year 2026-27 and 2027-28. The Company's trade payable days have moderated to approximately 9 days, reflecting the nature of its procurement relationships and the priority it places on maintaining a reliable and uninterrupted supply chain. A significant portion of our Company's raw material procurement comprises herbal & botanical extracts, medicated oils, plant-based actives and vitamins, many of which are sourced from suppliers who operate on prompt payment or advance payment terms. As is common in the pharmaceutical and nutraceutical industry, suppliers of specialty or regulated inputs typically do not extend long credit periods, and timely payment is a prerequisite for securing consistent supply and priority allocation of materials. Additionally, as our Company scales its branded product portfolio and introduces new SKUs, ensuring uninterrupted availability of the right raw materials at the right time becomes critical. In this context, our Company has consciously prioritised prompt payment to its key suppliers to strengthen these relationships, secure supply continuity, and avoid any disruption to its production schedules — particularly given the higher inventory and order fulfilment commitments arising from its B2C expansion and geographic growth. The low payable days therefore reflect a deliberate and commercially sound approach to supplier management, where our Company trades a marginally

Particulars	Assumption
	higher working capital requirement against the benefits of supply reliability, preferred vendor status, and consistent material availability — all of which are essential to support its expanding operations.
Loans and Advances	Loans and advances mainly include Advance to Creditors and Employees. Loans and advances are estimated based on previous years outstanding amount and for expected Business requirement of company.
Other Assets	Other Current Assets mainly includes TDS Receivables, GST Receivables and Prepaid Expenses. Other Assets is estimated based on previous years outstanding amount and for expected Business requirement of company.
Other Liabilities	Other Liabilities mainly includes advance from customers, salary and wages payable, other expenses payable and other statutory dues payable. Other liabilities are estimated based on previous years outstanding amount and for expected Business requirement of company.
Short-term provisions	Short-term provisions mainly include Provision for Income Tax. Short-term provisions are estimated based on previous years outstanding amount and for expected Business requirement of company.

RESOLUTION

After the discussion the following resolution was passed by the board directors-

"RESOLVED THAT pursuant to the provisions of the Companies Act, 2013 (the **"Act"**), the SEBI ICDR Regulations and all other applicable laws, rules, regulations, and guidelines (including any statutory modifications or re-enactments thereof), the Board of Directors hereby approves, confirms, and adopts:

1. the present working capital position of the Company, including the existing fund-based credit facilities availed from bankers;
2. the estimated / projected working capital requirements of the Company for the projection period set above, as presented by the Management and reviewed by the Board;
3. the key assumptions and basis underlying such projections as detailed in above of this resolution, including projected growth, inventory holding days, debtor collection period, and creditor payment period to the Company's business operations;
4. the funding gap identified therein and the proposed utilisation of IPO proceeds amounting to ₹1,375 Lakhs towards meeting the general working capital requirements of the Company;
5. the inclusion of the aforesaid working capital estimates, assumptions, and projections in the Offer Documents (including the DRHP, RHP, and Prospectus) to be filed with SEBI, the Stock Exchange(s), and the Registrar of Companies.

RESOLVED FURTHER THAT any one of the directors of the company, be and are hereby severally authorised to do all such acts, deeds, and things and to execute all such documents, papers, certificates, and writings as may be necessary, expedient, or desirable to give effect to this resolution, including making necessary filings with BSE, the Registrar of Companies, and any other statutory or regulatory authority, without further reference to the Board.

//Certified True Copy//

For HIMALAYA NUTRAVEDICS INDIA LIMITED
(FORMERLY KNOWN AS HIMALAYA NUTRAVEDICS INDIA PRIVATE LIMITED)



ROHIT ASAWA
CHAIRMAN AND MANAGING DIRECTOR OF THE COMPANY
AND MEMBER OF THE AUDIT COMMITTEE
DIN: 06379120

HIMALAYA NUTRAVEDICS INDIA LIMITED
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CERTIFIED TRUE COPY OF THE RESOLUTION PASSED IN THE MEETING OF THE AUDIT COMMITTEE OF HIMALAYA NUTRAVEDICS INDIA LIMITED (FORMERLY KNOWN AS HIMALAYA NUTRAVEDICS INDIA PRIVATE LIMITED) (CIN: U24110TG2022PLC163732) HELD ON FRIDAY, 15th DAY OF MAY, 2026 AT THE REGISTERED OFFICE OF THE COMPANY SITUATED AT PLOT NO. 101/A, PHASE-III, INDUSTRIAL DEVELOPMENT PARK, CHERLAPALLY, HINDUSTAN CABLES LTD, HYDERABAD, UPPAL, TELANGANA, INDIA- 500051 AT 03:00 P.M.

TO CONSIDER AND APPROVE THE KEY PERFORMANCE INDICATORS DISCLOSED IN THE ISSUE DOCUMENTS FOR THE INITIAL PUBLIC OFFER OF EQUITY SHARES OF THE COMPANY

The Chairperson of the Audit Committee informed the other members of the Committee that the Securities and Exchange Board of India ("SEBI") has introduced certain amendments to the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 (the "SEBI ICDR Regulations") vide the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) (Fourth Amendment) Regulations, 2022 (the "Amendments") (published in the Official Gazette on November 23, 2022). The Amendments, amongst other things, require the Committee to approve the key performance indicators ("KPIs") relating to the Company proposed to be disclosed in the Issue Documents (as defined below). Further, the Amendments also require the Committee to confirm that the verified and audited details of all the KPIs relating to the Company that have been disclosed to earlier investors in the three years prior to filing the DRHP (as defined below), are disclosed under the section titled "Basis for Issue Price" of the Issue Documents.

The Chairperson placed before the other members of the Committee, the list and description of key performance indicators pertaining to the Company, as identified by the members of management of the Company, duly initialled by the Chairperson for identification purposes (the "Identified KPIs"), proposed to be disclosed in the draft red herring prospectus ("DRHP"), the red herring prospectus ("RHP") and prospectus ("Prospectus"), (DRHP and RHP and Prospectus collectively referred to as the "Issue Documents"), to be filed by the Company with the Registrar of Companies ("ROC") and BSE Limited.

The members of the Board were informed that the Identified KPIs have been verified.

The Managing Director of the Company and the Chief Financial Officer of the Company, were invited to be present at the meeting of the Committee to address any queries raised or clarifications sought by the members of the Committee in relation to the Identified KPIs, including with respect to key performance indicators shared by the Company with investors during the three years preceding the DRHP. The members of the Committee were informed by the managing director of the Company, that the Company had not disclosed any additional key performance indicators in relation to the Company with its investors during the last three years preceding the DRHP.

Further, a draft of the section titled "Basis for Issue Price" proposed to be included in the DRHP was placed before the members of the Committee.

Pursuant to the review of the Identified KPIs by the members of the Committee the following resolutions were unanimously passed:

"**RESOLVED THAT** the identified KPIs verified as placed before the members of the Committee and initialled by the Chairperson for identification purposes, be and are hereby approved and may be disclosed in the Issue Documents.

RESOLVED THAT in accordance with the applicable provisions of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 ("SEBI ICDR Regulatioris"), as amended by the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) (Fourth Amendment) Regulations, 2022 (the "Amendments") and other applicable laws, the members of the Committee confirm that the key performance indicators ("KPIs") pertaining to the Company that have been disclosed to the earlier investors at any point of time during the three years period preceding the date or fling of the draft red herring prospectus ("DRHP") with the Securities and Exchange Board of India and the Stock Exchanges are disclosed under 'Basis for Issue Price' section placed before the Committee, and the details for all such KPIs disclosed under 'Basis for Issue Price' section have been verified, in accordance with applicable laws and auditing procedures.

RESOLVED FURTHER THAT in accordance with the applicable provisions of the SEBI ICDR Regulations and other applicable laws, the KPIs which have been used historically by the Company to understand and analyze the business performance, which in result, help it in analyzing the growth of various verticals in comparison to its peers, and other relevant and material KPIs of the business of the issuer Company that have a bearing for arriving at the basis for Issue price, along with explanation for KPI metrics, are hereby approved.

RESOLVED FURTHER THAT, pursuant to the Amendments, the KPIs, as placed before the members of the Committee and initialled by the Chairperson for identification purposes and disclosed under 'Basis for Issue Price' section of the DRHP, be and are hereby approved and may be disclosed in the Issue Documents.

RESOLVED FURTHER THAT, the Audit Committee confirms that there are no other financial or operational metrics that the Company has shared with its investors and shareholders, in the three years preceding the date of filing of the DRHP.

RESOLVED FURTHER THAT all directors of the Company be and are hereby severally authorized to do all such acts, things and deeds on behalf of the Company to effectively implement this resolution including issuance of any further confirmation on disclosure, in the section titled 'Basis for Issue Price' of the DRHP (including any addendum or corrigendum thereto), of verified and audited details of KPIs pertaining to the Company that are disclosed to the investors at any point of time during the 3 years period prior to the date of filing of the DRHP, and accordingly, the same be updated in the section titled 'Basis for Issue Price' of the DRHP.

RESOLVED FURTHER THAT any member of the Board and/or the Company Secretary and Compliance Officer and the Chief Financial Officer of the Company, be and are hereby severally authorized to do all acts, deeds, matters and things as deemed necessary, proper or desirable, and to settle or give instructions and directions for settling any questions, difficulties or doubts that may arise in this regard in order to give effect to the resolution.

RESOLVED FURTHER THAT, certified copies of this resolution be provided to those concerned under the hands of a Director or Company Secretary of the Company wherever required."

//Certified True Copy//

For HIMALAYA NUTRAVEDICS INDIA LIMITED
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ROHIT ASAWA
CHAIRMAN AND MANAGING DIRECTOR OF THE COMPANY
AND MEMBER OF THE AUDIT COMMITTEE
DIN: 06379120