

AMWILL

CERTIFIED TRUE COPY OF THE RESOLUTION PASSED AT THE BOARD OF DIRECTORS MEETING OF AMWILL HEALTH CARE LIMITED (FORMERLY KNOWN AS AMWILL HEALTH CARE PRIVATE LIMITED) HELD ON FRIDAY THE 17TH DAY OF MAY, 2024 AT COMMENCED AT THE REGISTERD OFFICE OF THE COMPANY SITUATED AT NO 157, 1ST FLOOR, 2ND MAIN, 3RD CROSS, CHAMRAJPET, BENGALURU, 560018 FROM 10.00 A.M AND CONCLUDED AT 11.30 A.M.

1. APPROVAL OF PROJECTED WORKING CAPITAL REQUIREMENTS FOR FINANCIAL YEARS 2025 AND 2026 AND THE PROPOSED FUNDING OF SUCH WORKING CAPITAL REQUIREMENTS

Amwill Health Care Limited (“Amwill”) proposes to undertake an initial public offering of equity shares (the “Issue”). In relation to such Issue, Amwill proposes to funds its working capital requirements. The Chairman placed before the Board projected working capital requirements for Financial Years 2025 and 2026 and the proposed funding of such working capital requirements for approval. After a detailed discussion, the following resolution was proposed and passed unanimously:

“**RESOLVED THAT**, in accordance with all applicable laws including the Companies Act, 2013 in connection with the proposed initial public offering of equity shares of Amwill Health Care Limited, the projected working capital requirements for Financial Years 2025 and 2026 and the proposed funding of such working capital requirements, be and is hereby approved and taken on record:

The detailed breakdown of such estimated cost is set forth below:

Future working capital requirements

Our company’s future working capital requirement depends on our strategy to expand into new territories. Currently we are present in Karnataka, Andhra Pradesh and Telangana and we are now proposing to expand in West Bengal and Odisha. We have already appointed senior regional sales managers, regional sales managers and sales executives in these states. However, we are yet to commence marketing operations in these states. As and when we start our business operations in West Bengal and Odisha, we will be required to offer credit to attract customers, resulting in a period of high trade receivables days. Accordingly, our Company intends to utilize up to ₹ 2,500 lakhs from the Net Proceeds towards funding the working capital requirements of our Company in Financial Year 2025 and 2026.

The projected working capital requirements for Financial Years 2025 and 2026 and the proposed funding of such working capital requirements as stated below:

(₹ in lakhs)

Particulars	For the year ended March 31, 2024 (Estimated)	For the year ended March 31, 2025 (Estimated)	For the year ended March 31, 2026 (Estimated)
<i>Current Assets</i>			
Inventories	60.00	214.80	362.42
Trade receivables	1,360.89	1,526.85	2,000.13

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Particulars	For the year ended March 31, 2024	For the year ended March 31, 2025	For the year ended March 31, 2026
	(Estimated)	(Estimated)	(Estimated)
Cash and bank balances	310.36	343.79	493.83
Other financial assets and current assets	132.84	78.43	87.97
Total Current Assets (A)	1,864.09	2,163.87	2,944.36
<i>Current Liabilities</i>			
Trade payables	192.13	284.023	371.11
Other financial liabilities	188.02	248.65	340.37
Other current liabilities	47.05	96.80	108.07
Total Current Liabilities (B)	427.20	629.47	819.55
Total working capital requirements (A-B)	1,436.89	1,534.40	2,124.81
<i>Source of funds</i>			
Internal accruals / Net worth	1,436.89	499.75	659.46
Proceeds from the Offer		1,034.64	1,465.35

Assumptions for our estimated working capital requirements

The table below sets forth the details of holding levels (with days rounded to the nearest whole number) for the Financial Years ended March 31, 2021, March 31, 2022 and March 31, 2023 and for the period ended December 31, 2023 as well as projections for the Financial Year ended March 31, 2024, March 31, 2025 and March 31, 2026.

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2022	For the year ended March 31, 2023	As at December 31, 2023	For the year ended March 31, 2024	For the year ended March 31, 2025	For the year ended March 31, 2026
Inventories	113	95	105	80	58	26	40
Trade Receivables	90	35	13	47	90	81	70
Trade Payables	230	156	153	120	48	45	45

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Key justifications for holding period levels

Particulars	Justification
Inventories	Our inventory days, which represent the number of days our inventory is held, was 113 days in Financial Year 2021 as our company was in its early stage of growth. However, from Financial Year 2022 onwards, our inventory days have shown a gradual decrease as compared to Financial Year i.e. 95 days, 105 days and 80 days for Financial Year 2022, Financial Year 2023 and for the period ended December 31, 2023 respectively. Going forward, we expect our inventory days to be 58 days, 26 days and 40 days for Financial Year 2024, Financial Year 2025 and Financial Year 2026, respectively as a result of company's policy to maintain optimum level of inventory by efficient forecasting.
Trade Receivables	Over the past three Financial Years, we have observed a decrease in our trade receivables days. In Financial Year 2021, our trade receivables days were 90 days, which decreased to 35 days and 13 days in Financial Year 2022 and Financial Year 2023 respectively. Our trade receivables days were 47 days for the period ended December 31, 2023. We expect our trade receivables days to increase by 90 days, 81 days and 70 days for Financial Year 2024, Financial Year 2025 and Financial Year 2026, respectively. The estimation of increase in trade receivables days from Fiscal 2024 onwards as compared to previous years is due to our company's strategy to expand into new territories such as West Bengal and Odisha. Expanding into new territories will require a prolonged credit period to attract customers. As a result, our trade receivable days are in alignment with industry norms and the necessity to accommodate the payment practices in our customer base.
Trade Payables	During the Financial Year 2021 our trade payable days were 230 days as the company was in its early stage of building the promising relationship with its suppliers. Subsequently our trade payables days decreased to 156 days, 153 days and 120 days in Financial Year 2022, Financial Year 2023 and for the period ended December 31, 2023 respectively. We expect our trade payables days to further decrease to 48 days in Financial Year 2024 and 45 days in both Financial Year 2025 and Financial Year 2026, respectively. The reduction in days from Financial Year 2022 onwards to the period ended December 31, 2023, is indicative of our efficient management of payables and underscores our commitment to optimizing cash flows. The estimation of further decrease from Financial Year 2024 shall be primarily due to insertion of new Income Tax regulation section 43B(h), which states that all the payments to MSME units shall be made within 45 days from due date. As majorly our suppliers are registered as Micro and Small-scale entity under MSME Act, 2006, our organization aims for timely payment practices.

RESOLVED FURTHER THAT a copy of the foregoing resolution, certified to be true by any of the Directors of the Company, be forwarded to the authorities concerned for necessary action."

2. ADOPTION OF BUDGET FOR MARKETING AND BRAND BUILDING ACTIVITIES

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Amwill Health Care Limited (“Amwill”) proposes to undertake an initial public offering of equity shares (the “Issue”). In relation to such Issue, Amwill proposes to fund its Marketing and brand building activities. After a detailed discussion, the following resolution was proposed and passed unanimously:

“**RESOLVED THAT** the Company projects a budget of ₹ 500 lakhs to spend towards marketing and brand building exercises over the next two Fiscal Years. The proposed budget of ₹ 500 lakhs to be spent towards the next two Fiscal Years on marketing and brand building be and is hereby taken on record.

RESOLVED FURTHER THAT the Directors are hereby authorised to carry out necessary formalities as may be required and to do such acts, deeds, matters and things and to sign such documents that may be required in respect of the afore stated certificate and other material documents, if any.”

3. APPROVAL AND ADOPTION OF THE KEY PERFORMANCE INDICATORS.

The Chairman informed the Board that in accordance with the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) (Fourth Amendment) Regulations, 2022, the Company has to include certain Key Performance Indicators in the Draft Red Herring Prospectus, Red Herring Prospectus and Prospectus. The Chairman also placed an initialled copy of the certificate received from the Statutory Auditor namely, M/s. SKLR & Co LLP, Chartered Accountants, Chartered Accountants, in this regard.

After a detailed discussion the following resolutions were proposed and passed unanimously.

RESOLVED THAT on the basis of the recommendation received from the Audit Committee, in accordance with the applicable provisions of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended by the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) (Fourth Amendment) Regulations, 2022 (“SEBI ICDR Regulations”) and other applicable laws, the Board confirms that the Key Performance Indicators (“KPIs”) pertaining to the Company that have been disclosed under “Basis for Issue Price” section placed before the Board, and the details for all such KPIs disclosed under “Basis for Issue Price” section have been verified and audited, in accordance with applicable laws. The following Key Performance Indicators of the Company are approved and taken on record:

KPI	Explanations
Revenue from Operations (₹ lakhs)	Revenue from Operations is used by our management to track the revenue profile of the business and in turn helps assess the overall financial performance of our Company and size of our business.
Total Revenue	Total Revenue is used to track the total revenue generated by the business including other income.
Operating EBITDA (₹ lakhs)	Operating EBITDA provides information regarding the operational efficiency of the business.
Operating EBITDA Margin (%)	Operating EBITDA Margin is an indicator of the operational profitability and financial performance of our business.
Profit After Tax (₹ lakhs)	Profit after tax provides information regarding the overall profitability of the business.
PAT Margin	PAT Margin is an indicator of the overall profitability and financial performance of our business.
RoE (%)	RoE provides how efficiently our Company generates profits from shareholders’ funds.
Return on Capital Employed	ROCE provides how efficiently our Company generates earnings from the capital employed in the business.
Current Ratio	It tells management how business can maximize the current assets on its balance sheet to satisfy its current debt and other payables.

“**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 Company that have a bearing for arriving at the basis for issue price, along with explanation for KPI metrics, are hereby approved.”

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“RESOLVED FURTHER THAT, pursuant to the Amendments, the KPIs, as placed before the members of the Committee and initialed 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 Offer Documents.”

“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 true copies of this resolution be provided to those concerned under the hands of any of the Director or Chief Financial Officer or Company Secretary and Compliance Officer of the Company wherever required.”

CERTIFIED TRUE COPY

For AMWILL HEALTH CARE LIMITED
(FORMERLY KNOWN AS AMWILL HEALTH CARE PRIVATE LIMITED)

Anand Gandhi

ANAND GANDHI
MANAGING DIRECTOR
DIN: 07854706



Place: Bangalore
Date: 17-05-2024