

**ACG & Co.**

Chartered Accountants

Reg. Off.: Court Road, Jaspur Khurd, Nr. Naman Sweets,
Kashipur, Uttarakhand-244 713

GSTIN : 05ABQFA7327R1ZP PAN : ABQFA7327R

M : 8800806692 / 9837232949

E-mail : office@acgco.in / accounts@acgco.in

INDEPENDENT AUDITOR'S REPORT To The Members of VAHH CHEMICAL LIMITED.

Report on the Special Purpose Financial Statements

Opinion

We have audited the accompanying financial statements of **VAHH CHEMICAL LIMITED (CIN: - U24110GJ2019PLC111346)** ("the Company"), which comprise the Balance Sheet as at September 30, 2025, and the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the period then ended and a summary of the significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at September 30, 2025, and its loss, total comprehensive income, the changes in equity and its cash flows for the period ended on that date.

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with accounting principles generally accepted in India, including the Indian Accounting Standards () prescribed under section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

The Special Purpose Financial Statements have been prepared by the Company for the purpose of preparation of the Financial Information of the Company comprise of the Statement of Assets and Liabilities as at September 30, 2025, the (including Other Comprehensive Income), Statement of changes in equity and the Statement of Cash Flows for the periods ended September 30, 2025.

These Financial Statement have been prepared by the management of the Company for the purpose of inclusion in the addendum to the draft red herring prospectus ("Addendum"), Red Herring Prospectus ("RHP") and Prospectus (Collectively, the "Offer Documents") prepared by the Company in connection with its proposed Initial Public Offer ("IPO") of Holding Company in terms of the requirements of:

(a) Section 26 of Part I of Chapter III of the Companies Act, 2013 ("the Act");

(b) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended ("ICDR Regulations"); and

(c) The Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the Institute of Chartered Accountants of India (ICAI), as amended (the "Guidance Note").

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. In conducting our audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder and the Order issued under section 143(11) of the Act.

We conducted our audit of the financial statements in accordance with the Standards on Auditing, issued by the Institute of Chartered Accountants of India, as specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statement.

We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Report on Other Legal and Regulatory Requirements

As required by Section 143(3) of the Act, based on our audit we report that:

- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
- c) The Balance Sheet, the Statement of Profit and Loss, Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the books of account.

- d) In our opinion, the aforesaid financial statements comply with the Generally Accepted Accounting Standards
- e) On the basis of the written representations received from the directors of the Company as on September 30, 2025 taken on record by the Board of Directors, none of the directors is disqualified as on September 30, 2025 from being appointed as a director in terms of Section 164(2) of the Act.
- f) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company has disclosed the impact, if any, of pending litigation as at September 30, 2025 on its financial position in its financial statements.
 - ii. The Company did not have any long-term contracts including derivatives contracts for which there were any material foreseeable losses;
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

The Special Purpose Financial Statements cannot be referred to or distributed or included in any offering document or used for any other purpose except with our prior consent in writing.

For ACG & Co.
Chartered Accountants
FRN :028477N



CA Anuj Arora
Partner
Membership No: -418737
UDIN:- 25418737BMLJFX9557
Date:- 03/12/2025

VAHH CHEMICALS LIMITED
CIN : U24110GJ2019PLC111346
Special Purpose Audited Statement of Balance Sheet
(All amounts in ₹ lakhs unless otherwise stated)
Annexure I

Particulars	Note No.	As at September 30, 2025
Equity and liabilities		
Shareholder's funds		
Share capital	3	606.39
Reserves and surplus	4	571.35
Non-current liabilities		
Long-term borrowings	5	94.01
Current liabilities		
Short-term borrowings	6	463.53
Trade payables		
Total outstanding dues of micro enterprises and small enterprises, and	7	655.88
Total outstanding dues of creditors other than micro enterprises and small enterprises		444.50
Other current liabilities	9	14.59
Short-term provisions	8	163.53
Total liabilities		3,013.78
Assets		
Non-current assets		
Property, plant and equipment's and intangible assets		
Property, plant & equipment	10	1.80
Non current investments	11	121.86
Deferred tax assets	13	0.58
Other non-current assets	12	0.54
Current assets		
Inventories	14	1,189.13
Trade receivables	15	873.34
Cash and cash equivalents	16	290.42
Short-term loans and advances	17	34.64
Other current assets	18	501.47
Total assets		3,013.79

As per our report of even date attached
For ACG & Co.
Chartered Accountants
Firm Reg. No.: 0028477N

Anuj Arora
(Partner)
Membership No.: 418737



UDIN: 25418737BMLJFX9557
Place: Surat
Date: 03/12/2025

For & on behalf of Board of Directors of
VAHH Chemicals Limited

Hiren Desal
Hiren Desal
(Director)
DIN: 08622752

Sahil Bhaveshkumar Modi
Sahil Bhaveshkumar Modi
(CFO)
PAN: EKXPM8967H

H. H. Desal

Hetal Desal
(Director)
DIN: 08622843

Shivani Parth Kothari

Shivani Parth Kothari
(Company Secretary)
CS ID: ACS-46602

VAHH CHEMICALS LIMITED
Special Puposue Audited Statement of Profit and Loss Accounts
CIN : U24110GJ2019PLC111346
(All amounts in ₹ lakhs unless otherwise stated)

Particulars	Note No.	Year ended September 30, 2025
Revenue		
Revenue from operations	19	1,040.11
Other income	20	-
Total revenue		1,040.11
Expenses		
Cost of material consumed	21	1,127.38
Changes in inventories of traded goods	22	(404.95)
Employee benefit expenses	23	38.02
Financial costs	24	45.08
Depreciation and amortization expense	25	0.51
Other expenses	26	32.89
Total expenses		838.93
Profit before tax & exceptional items		201.17
Exceptional items		
Profit before tax		201.17
Tax expense		
Current tax		51.63
Deferred tax (credit)/ charge		(0.08)
Total tax expenses		51.54
Profit/loss after tax		149.63
Earning per equity share (face value of Rs. 10 each/-)	27	
(a) Basic		0.00
(b) Diluted		0.00

As per our report of even date attached
For ACG & Co.
Chartered Accountants
Firm Reg. No.: 0028477N

Anuj Arora
(Partner)
Membership No.: 418737



UDIN: 25418737BMLJFX9557
Place: Surat
Date: 03/12/2025



For & on behalf of Board of Directors of
VAHH Chemicals Limited

Hiren Desai

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(Director)
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Sahil Bhaveshkumar Modi

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Shivani Parth Kothari

Shivani Parth Kothari
(Company Secretary)
CS ID: ACS-46602

VAHH CHEMICALS LIMITED
Special Purpose Statement of Cash Flow Statement
CIN : U24110GJ2019PLC111346
(All amounts in ₹ lakhs unless otherwise stated)

Particulars		
Cash flow from operating activities		
Net profit before tax		201.17
Add		
Depreciation		0.51
Interest paid		45.08
Less		
Interest received		-
Operating cash flows before working capital changes		246.76
Changes in working capital		
(Increase) / decrease in inventory		(258.86)
(Increase) / decrease in trade receivables		478.14
(Increase) / decrease in loans & advances		90.33
(Increase) / decrease in other current assets		(433.75)
Increase/ (decrease) in trade payables		128.68
Increase/ (decrease) in provision		0.36
Increase/(decrease) in other current liabilities		(208.75)
Increase/(decrease) in short term borrowings		(228.48)
Cash generated/(used) in operations		(185.58)
Income taxes paid		(0.07)
Net cash generated from operating activities	A	(185.64)
Cash flow from investing activities		
Purchase of fixed assets		-
Interest received		-
Investment in deposits		(0)
Sale/ (Purchase) of Investment		(0)
Net cash generated (used) in investing activities	B	(0.01)
Cash flow from financing activities		
Proceeds/(repayment) from long term borrowings (net)		(32.74)
Interest paid		(45.08)
Proceeds from issue of share (net)		319.49
Net cash generated / (used) in financing activities	C	241.67
Net increase / (decrease) in cash & cash equivalents	(A+B+C)	56.02
Cash & cash equivalents at the beginning of the year		234.39
Cash & cash equivalents at the end of the year		290.41
Cash & cash equivalents comprise		
Cash in hand		95.24
Balance in CC account with banks		195.18
Total		290.42

- i. Statement of cash flow has been prepared under the indirect method as set out in AS-3 on statement of cash flows specified under Sec-133 of Companies Act, 2013 read with Companies (Accounts) Rules, 2014.
ii. Reconciliation of Cash & Cash Equivalents as per the statement of cash flow.

Corporate information, significant accounting policies and notes referred to above form an integral part of restated financial statements. Refer Annexure IV & V

As per our report of even date attached
For ACG & Co.
Chartered Accountants
Firm Reg. No.: 0028477N

Anuj Arora
(Partner)
Membership No.: 418737

UDIN: 25418737BMLJFX9557
Place: Surat
Date: 03/12/2025



For & on behalf of Board of Directors of
VAHH Chemicals Limited

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(Company Secretary)
CS ID: ACS-46602

VAHH CHEMICALS LIMITED

CIN : U24110GJ2019PLC111346

Notes forming part of Restated Financial Statements including a summary of significant accounting policies and other explanatory information

Annexure IV

1 company Overview

Corporate Information

Vahh Chemicals Limited (“the company”) is a company limited by shares, incorporated under the Companies Act, 2013 in India. The company is registered with the Registrar of Companies, Ahmedabad under Corporate Identification Number (CIN) U24110GJ2019PLC111346. The company company was incorporated on December 11, 2019.

Its registered office is located at Plot 2/5198 ETC, 5th Floor, 5003, World Trade Centre, Near Udhna Darwaja, Ring Road, Surat, Gujarat, India, 395002. The company is classified as a Public Non-Government Company.

Nature of Business

The principal business of the company is the manufacture of basic chemicals except fertilizers and nitrogen compounds.

2 Basis of Preparation of Restated Financial Statements

The restated financial statements have been prepared on an accrual basis and under the historical cost convention, assuming that the entity is a going concern. These accounting policies have been applied consistently by the company company.

The restated financial statements comply, in all material respects, with the Accounting Standards prescribed under Section 133 of the Companies Act, 2013, read together with Rule 7 of the Companies (Accounts) Rules, 2014, and other relevant provisions of the Act.

The preparation of these restated financial statements involves the use of estimates and assumptions. The management makes these estimates and assumptions on the basis of knowledge and experience to determine the carrying values of assets and liabilities at the date of the financial statements, and the amounts of revenues and expenses during the reporting period. Actual results may differ from those estimates.

The Restated Financial Information of the company comprises:

The Restated Statement of Assets and Liabilities as at September 30, 2025, March 31, 2025, March 31, 2024, and March 31, 2023;

The Restated Statement of Profit and Loss and the Restated Cash Flow Statements for the stub period September 30, 2025 and for the periods ended March 31, 2025, March 31, 2024, and March 31, 2023; and

The Statement of Significant Accounting Policies and the Explanatory Notes (collectively referred to as the “Restated Financial Information”).

These Restated Financial Information have been compiled by the management from the audited financial statements of the company for the respective period ended September 30, 2025, years ended March 31, 2025, March 31, 2024, and March 31, 2023, each approved by the Board of Directors.

VAHH CHEMICALS LIMITED

CIN : U24110GJ2019PLC111346

Notes forming part of Restated Financial Statements including a summary of significant accounting policies and other explanatory information

The Restated Statements have been prepared in accordance with the provisions of:

- a) Section 26 of Part I of Chapter III of the Companies Act, 2013;
- b) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended (“ICDR Regulations”); and
- c) The Guidance Note on Reports in company Prospectuses (Revised 2019), as amended, issued by the Institute of Chartered Accountants of India (ICAI) (the “Guidance Note”).

These Restated Financial Information have been prepared specifically for inclusion in the Draft Red Herring Prospectus to be filed by the company with the relevant stock exchanges in connection with its proposed Initial Public Offering of equity shares.

The Restated Financial Information have been prepared under Indian Generally Accepted Accounting Principles (Indian GAAP), on an accrual basis and under the historical cost convention.

2.1 Significant Accounting Policies**Use of Estimates**

The preparation of the restated financial statements in conformity with generally accepted accounting principles in India requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the restated financial statements, and the reported amounts of revenues and expenses during the reporting period. The company's most significant estimates include those on the useful life of assets, deferred taxes and provision for taxes. Management believes that the estimates used in the preparation of the financial statements are prudent and reasonable. Actual results could differ from these estimates. Appropriate changes in estimates are made as management becomes aware of changes in circumstances surrounding the estimates.

Going Concern

The financial statements are prepared on a going concern basis. Management has assessed the company's ability to continue as a going concern, taking into account all available information about the future, including the foreseeable future (at least twelve months from the reporting date). In making this assessment, management has considered projected cash flows, committed and known obligations, the current financial position, access to financing, and other relevant events and conditions.

Unless management either intends to liquidate the company or to cease operations, or has no realistic alternative but to do so, the going concern assumption is appropriate. If management becomes aware of material uncertainties that may cast significant doubt on the entity's ability to continue as a going concern, these uncertainties will be disclosed in the notes to the financial statements, including the nature of such uncertainties and management's plans to mitigate them.

VAHH CHEMICALS LIMITED

CIN : U24110GJ2019PLC111346

Notes forming part of Restated Financial Statements including a summary of significant accounting policies and other explanatory information

Revenue Recognition

Revenue is recognized only when it is probable that the economic benefits will flow to the company entity and the amount of revenue can be measured reliably.

Trading (Sale of Goods)

Revenue derived from trading activities is recognized when the significant risks and rewards of ownership of the products are transferred to the customer. This transfer typically occurs at a point in time upon shipment or delivery of the goods according to the terms of sale.

Blending and Nutrition Services (Rendering of Services)

Revenue from blending, custom formulation, technical support, or nutrition consulting services is recognized as the performance obligation is satisfied. This is generally recognized upon the completion of performance of the specified service and acceptance by the customer. For lengthy service contracts (e.g., long-term blending arrangements), revenue may be recognized over time if the contractual criteria for continuous transfer of control are met.

Interest Income

Interest income is recognized on an accrual basis. The income is measured and recognized on a time-proportion basis using the effective interest method over the period the corresponding asset is held.

Property, Plant & Equipment's

Property, Plant and equipment are stated at cost of acquisition or construction less accumulated depreciation and impairment loss, if any.

All cost, including financing cost till commencement of commercial production, net charges on foreign exchange contracts and adjustments arising from exchange rate variation attributable to the tangible assets are capitalized.

Depreciation is provided on written down value (WDV) basis for Property, Plant and Equipment in the manner prescribed in Schedule II to the companies act, 2013 over their useful life.

VAHH CHEMICALS LIMITED

CIN : U24110GJ2019PLC111346

Notes forming part of Restated Financial Statements including a summary of significant accounting policies and other explanatory information

When an assets is scrapped or otherwise disposed off, the cost and related depreciation are removed from the books of account and resultant profit or loss, if any, is reflected in Profit and loss.

Depreciation

Depreciation is provided on written down value (WDV) basis for Property, Plant and Equipment in the manner prescribed in Schedule II to the companies act, 2013 over their useful life.

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Foreign Currency Transaction

All transactions denominated in foreign currencies are initially recorded at the spot exchange rate at the date of the transaction. At each balance sheet date, monetary foreign currency items (e.g. receivables, payables) are translated using the closing rate. Non-monetary items measured at historical cost are translated using the rate in effect on the date of transaction, whereas non-monetary items measured at fair value are translated using the rate at the date when fair value was determined. Exchange differences arising from settlement of monetary items or translation at rates different than those at which they were originally recorded are recognized in profit or loss in the period in which they arise.

Investments

Investments held by the company are classified into current investments and long-term investments. Current investments are those which are readily realisable and intended to be held for not more than one year from the date of acquisition, whereas long-term investments are those not so classified. The cost of an investment includes all acquisition charges such as brokerage, fees and duties. When investments are acquired in exchange for securities or other assets, the cost is determined by reference to the fair value of securities issued or assets given up. Current investments are carried in the financial statements at the lower of cost and fair value; any diminution in value is recognised in the profit and loss statement, and any subsequent increase (where the reasons for earlier write-down no longer exist) is also taken to profit or loss. Long-term investments are carried at cost. However, if there is a decline, other than temporary, in the value of a long-term investment, the carrying amount is written down to recognise this decline. Upon disposal of an investment, the difference between its carrying amount and the net disposal proceeds, less any disposal expenses, is recognised in profit or loss. Detailed disclosures are made in the financial statements, including classification of quoted and unquoted investments, aggregate cost, market value (for quoted investments), income from investments, and provision for diminution in value, in accordance with AS 13.

Valuation of Inventory

Inventories are valued at the lower of cost and net realizable value (NRV). Cost comprises all expenditures directly attributable to bringing the inventory to its present location and condition. This includes purchase cost, conversion cost, and other direct costs. The cost is determined using appropriate cost formulas such as FIFO (First In, First Out) or weighted average cost.

Net realizable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and the estimated costs necessary to make the sale. Inventories are written down to NRV when the cost exceeds the NRV, and such write-downs are recognized as an expense in the period the write-down occurs. The reversal of any write-down is recognized as a reduction in the cost of goods sold in the period in which the reversal occurs.

VAHH CHEMICALS LIMITED

CIN : U24110GJ2019PLC111346

Notes forming part of Restated Financial Statements including a summary of significant accounting policies and other explanatory information

Inventories include items held for sale in the ordinary course of business, in the process of production for such sale, and in the form of materials or supplies to be consumed in the production process or in the rendering of services. They exclude work in progress arising under construction contracts, work in progress arising in the ordinary course of business of service providers, shares, debentures, and other financial instruments held as stock-in-trade, and producer's inventories of livestock, agricultural and forest products, and mineral oils, ores, and gases to the extent that they are measured at net realizable value in accordance with well-established practices in those industries.

The company consistently applies the chosen cost formula and regularly reviews the carrying amount of inventories to ensure that they are not carried at amounts higher than their net realizable value.

Borrowing cost

Borrowing costs are interest and other costs incurred by the company in connection with the borrowing of funds. These include interest and commitment charges, amortisation of discounts or premiums, amortisation of ancillary costs, finance lease charges, and exchange differences arising from foreign currency borrowings to the extent that they are regarded as an adjustment to interest costs.

Borrowing costs that are directly attributable to the acquisition, construction, or production of a qualifying asset are capitalised as part of the cost of that asset. A qualifying asset is one that necessarily takes a substantial period of time to get ready for its intended use or sale. Capitalisation of borrowing costs commences when expenditures for the asset are being incurred, borrowing costs are being incurred, and activities that are necessary to prepare the asset for its intended use or sale are in progress. Capitalisation is suspended during extended periods in which active development is interrupted. Capitalisation of borrowing costs ceases when substantially all activities necessary to prepare the qualifying asset for its intended use or sale are complete.

All other borrowing costs are recognised as an expense in the period in which they are incurred.

Retirement Benefits

The parent provides retirement benefits to its employees in the form of:

Defined Contribution Plans: Such as Provident Fund, where the parent's contribution is fixed and recognised as an expense during the period in which the employee renders service.

Other Long-Term Benefits: Such as long-service awards, which are recognised based on actuarial valuations.

The parent recognises the cost of providing these benefits as an expense in the profit and loss statement over the periods during which the employee renders service. Actuarial gains and losses are recognised immediately in the period in which they occur, and past service costs are recognised immediately to the extent that the benefits are already vested, or otherwise over the vesting period.

VAHH CHEMICALS LIMITED

CIN : U24110GJ2019PLC111346

Notes forming part of Restated Financial Statements including a summary of significant accounting policies and other explanatory information

Taxes on Income

The company accounts for taxes on income in accordance with Accounting Standard (AS) 22, "Accounting for Taxes on Income," issued by the Institute of Chartered Accountants of India (ICAI). This standard prescribes the accounting treatment for taxes on income, including current tax and deferred tax.

Current Tax

Current tax is determined based on the taxable income for the period, calculated in accordance with the provisions of the Income Tax Act, 1961. The amount of current tax is recognised as an expense in the period in which the related income is recognised.

Deferred Tax

Deferred tax is recognised on timing differences between the accounting income and taxable income for the period. These timing differences arise due to differences in the treatment of certain items for accounting and tax purposes. Deferred tax assets and liabilities are measured using the tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date.

Recognition of Deferred Tax Assets: Deferred tax assets are recognised only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised. If there is no reasonable certainty, a deferred tax asset is recognised only to the extent of deferred tax liability.

Presentation in Financial Statements: Current tax and deferred tax are recognised in the statement of profit and loss, except when they relate to items recognised directly in equity or in other comprehensive income, in which case the tax is recognised in equity or other comprehensive income, respectively.

The company reviews its tax positions and estimates on an ongoing basis to ensure that the recognised amounts reflect the current tax laws and the company's tax status.

Provisions, Contingent Liabilities and Contingent Assets

The company recognizes provisions when:

Present obligations (legal or constructive) exist due to past events;

An outflow of resources is probable to settle the obligation; and

A reliable estimate can be made of the obligation.

Provisions are measured at the best estimate of the expenditure required to settle the present obligation at the balance sheet date. Where the effect of the time value of money is material, provisions are discounted using a pre-tax rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability.

Contingent liabilities are disclosed when:

It is possible that an outflow of resources embodying economic benefits will be required to settle the obligation; or

The amount of the obligation cannot be measured with sufficient reliability.

Contingent assets are not recognized in the financial statements but are disclosed when an inflow of economic benefits is probable.

The company reviews provisions at each balance sheet date and adjusts them to reflect the current best estimate. If it is no longer probable that an outflow of resources will be required to settle the obligation, the provision is reversed.

Cash Flow Statements

VAHH CHEMICALS LIMITED

CIN : U24110GJ2019PLC111346

Notes forming part of Restated Financial Statements including a summary of significant accounting policies and other explanatory information

The company prepares a Cash Flow Statement in accordance with Accounting Standard (AS) 3, "Cash Flow Statements," issued by the Institute of Chartered Accountants of India (ICAI). This statement provides information about the historical changes in cash and cash equivalents by classifying cash flows during the period into operating, investing, and financing activities.

Operating Activities: These are the principal revenue-producing activities of the company and other activities that are not investing or financing activities. Cash flows from operating activities are reported using either the direct method (gross receipts and payments) or the indirect method (adjustment to net profit). The company uses the indirect method for reporting operating cash flows.

Investing Activities: These include the acquisition and disposal of long-term assets and other investments not included in cash equivalents. Cash flows from investing activities are reported using the direct method.

Financing Activities: These activities result in changes in the size and composition of the equity capital and borrowings of the company. Cash flows from financing activities are reported using the direct method.

The Cash Flow Statement is prepared using the indirect method, adjusting net profit or loss for the effects of:

Changes during the period in inventories and operating receivables and payables.

Non-cash items such as depreciation, provisions, and deferred tax.

Other items that are investing or financing cash flows.

Cash and cash equivalents comprise cash on hand, demand deposits with banks, and short-term, highly liquid investments that are readily convertible into known amounts of cash and are subject to an insignificant risk of changes in value.

The company discloses separately the cash flows arising from interest and dividends received and paid, as well as taxes on income, in accordance with AS 3.

Earning Per Share (EPS)

Earnings Per Share (EPS) is a key financial metric that indicates the profitability of the company on a per-share basis. It is calculated by dividing the net profit or loss attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

Diluted EPS is calculated by adjusting the basic EPS for the effects of all potential dilutive equity shares, such as convertible securities, stock options, and warrants, that were outstanding during the period. This provides a more conservative measure of EPS, reflecting the potential dilution of earnings.

The company presents both basic and diluted EPS on the face of the Statement of Profit and Loss for each class of equity share capital. The weighted average number of shares is adjusted for events such as stock splits, bonus shares, and rights issues.

EPS is disclosed in accordance with the requirements of AS 20 and is presented in the financial statements to provide users with a measure of the company's profitability on a per-share basis.

VAHH CHEMICALS LIMITED

CIN : U24110GJ2019PLC111346

Notes forming part of Restated Financial Statements including a summary of significant accounting policies and other explanatory information

Related party disclosure

The group complies with Accounting Standard (AS) 18, "Related Party Disclosures," issued by the Institute of Chartered Accountants of India (ICAI), to ensure transparency in reporting related party relationships and transactions.

Related parties include:

Enterprises that directly or indirectly control, are controlled by, or are under common control with the group.

Associates and joint ventures of the group.

Individuals owning, directly or indirectly, an interest in the voting power of the group that gives them control or significant influence over the group, and their relatives.

Key management personnel and their relatives.

Enterprises over which any person described above has significant influence.

Employee Benefits

The group accounts for all forms of employee benefits in accordance with Accounting Standard (AS) 15, "Employee Benefits," issued by the Institute of Chartered Accountants of India (ICAI). Employee benefits encompass all forms of consideration provided by the group in exchange for services rendered by employees.

The balances of Sundry Debtors, Sundry Creditors, Unsecured Loans, and Loans & Advances are subject to confirmation from the respective parties.

Previous Year figures have been Re grouped and/or reclassified where ever necessary to make them comparable with those of Current Year.

3 Share Capital

Particular	As at September 30, 2025
Authorised Equity shares of ₹10 each	800.00
Issued, subscribed and fully paid-up shares Equity shares of ₹ 10 each fully paid	606.39
Total	606.39

Terms/rights attached to equity shares

The group has only one class of equity shares having a par value of ₹ 10 per share. Each shareholder is entitled for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting except in the case of interim dividend. In the event of liquidation of the group, the equity shareholders are entitled to receive the remaining assets of the group, after distribution of all preferential amounts, in proportion of their shareholding. Each holder of equity shares is entitled to one vote per share.

In the event of liquidation of the group, the holders of equity shares shall be entitled to receive any of the remaining assets of the group, after distribution of all preferential amounts. The amount distributed will be in proportion to the number of equity shares held by the shareholders.

Issue of shares Fresh issue

During the financial year, the Company issued equity shares through private placement for cash consideration, as approved by the shareholders in Extraordinary General Meetings (EGMs). On March 25, 2025, the Company approved the issue of 4,79,300 equity shares at ₹45.90 per share, aggregating to ₹2,17,08,150. The allotment for this issue was approved in the Board meeting held on April 30, 2025. Subsequently, another issue was approved in the EGM held on May 5, 2025, for 2,16,752 equity shares at ₹45.90 per share, amounting to ₹98,62,216. The allotment of these shares was approved by the Board on May 8, 2025. All the shares issued are fully paid-up and rank pari-passu with the existing equity shares of the Company. The proceeds from the share issues have been / will be utilised for general corporate purposes and business operations.

During the previous year, the parent company issued 99,106 fully paid equity shares at ₹325 per share on 23 November 2024. The issuance was made in accordance with Section 63 of the Companies Act, 2013 and the relevant applicable rules. These shares were allotted as consideration for a business acquisition of Aayush Chemicals and Aayush Bio Energy.

Other disclosures

The Group does not have a revaluation reserve.
There are no unpaid calls by any Director or officer of the Group.

3(A) Reconciliation of no. of Shares outstanding:

Particular	As at September 30, 2025	
	Number	Rs.
Equity shares at the beginning of the year	53,67,816	5,36,78,160
Add: Shares issued during the current financial year	6,96,052	69,60,520
Less: Redeem during the current financial year	-	-
Equity shares at the end of the year	60,63,868	6,06,38,680

3(B) The company does not have any holding company.

3(C) Details of shareholders holding of more than 5% shares:

Name of Shareholder	As at September 30, 2025	
	% of Holding	No. of Shares held
Hiren I. Desai	22.26%	13,49,856
Hetal H. Desai	45.61%	27,65,880
Aayush H. Desai	20.65%	12,51,936
Total	88.52%	53,67,672.00

3 (D) Details of Shares held by promoters

Name of Shareholder	As at September 30, 2025	
	% of Holding	No. of Shares held
Hiren I. Desai	22.26%	13,49,856
Hetal H. Desai	45.61%	27,65,880
Aayush H. Desai	20.65%	12,51,936
Total	88.52%	53,67,672

Details of the Movement in Equity Share for the period and the preceding five years ending September 30, 2025

Particulars	As at September 30, 2025
Equity shares issued as private placement	6,96,052
Equity shares issued as bonus	-

4 Reserves and Surplus

Particular	As at September 30,2025
Opening balance	171.85
Add : Profit For the year	149.63
Bonus share issued	-
Securities Premium	249.88

Closing Balance	571.35
Total	571.35

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5 Long Term Borrowings

Particulars	As at September 30, 2025
Unsecured Loans	
- From Related parties	-
- From Banks	56.99
- From NBFC & Others	184.43
Less: Current maturities of long term borrowing	(147.42)
Total	94

6 Short Term Borrowings

Particular	As at September 30, 2
Secured	
Bank Overdraft	316.11
Current Maturities of long term borrowing	147.42
Total	463.53

These have been classified under short-term borrowings in accordance with AS 1 – Disclosure of Accounting Policies, and appropriate. The group has received interest-free loans from the related parties.

6a Loan Details

Long Term Borrowings

All non-current loans are unsecured in nature and are repayable in 48 equal monthly installments. The interest rates applicable to these

Short Term Borrowing

The bank overdraft facility is secured by the hypothecation of stock and book debts.

7 Trade Payables (Refer Note 9A and 9B)

Particular	As at September 30, 2025
Total outstanding dues of micro enterprises and small enterprises	655.88
Total outstanding dues of creditors other than micro enterprises and small enterprises	444.50
Total	1,100.38

7A Disclosures required under Section 22 of the Micro, Small & Medium Enterprises Development Act, 2006

Particular	As at September 30, 2025
Principal amount due to MSMEs as at year-end	655.88
Interest due on above	
Interest paid under Section 16 of MSMED Act	
Payments made to MSMEs beyond appointed day during the year	
Interest due but not paid for delays during the year	
Interest accrued but unpaid as of year-end	
Interest remaining payable in subsequent years (until actually paid)	

Note: No provision towards amounts payable to Micro, Small and Medium Enterprises (MSMEs) has been created by the management during the reporting year

7B Trade Payables ageing schedule

Trade Payable Ageing Schedule as on September 30, 2025

Particulars	Outstanding for following periods from due date of payment					Total
	Not Due	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	
MSME	-	655.88	-	-	-	655.88
Others	-	437.72	6.78	-	-	444.50
Disputed dues - MSME	-	-	-	-	-	-
Disputed dues - Others	-	-	-	-	-	-
Total	-	1,093.60	6.78	-	-	1,100.38

8 Short Term Provisions

Particular	As at September, 2025
Provision for Audit Fees	1.00
Current Tax (Net)	162.53
Total	163.53

9 Other Current Liabilities

Particular	As at September, 2025
Tax Deducted at Source	1.10
Goods and Service Tax	8.50
Contribution to Employee Benefit Fund	0.14
Payable to Employees	4.84
Advance from Customer	-
Total	14.59

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(All amounts in ₹ lakhs unless otherwise stated)

10 Property Plant and Equipment's

Particular	Office Equipment	Computer	Total
As at March 31, 2025	6.35	0.68	1.50
Addition During the Year	-	-	-
Disposals	-	-	-
As at September 30, 2025	6.35	0.68	1.50
Accumulated Depreciation			
As at March 31, 2025	4.07	0.64	3.10
Addition During the Year	0.51	-	0.51
Disposals	-	-	-
As at September 30, 2025	4.58	0.64	3.61
Net Block			
As at March 31, 2025	2.28	0.03	2.32
As at September 30, 2025	1.77	0.03	1.80

The title deeds of immovable properties are held in the name of the Company.

The Company has not revalued any property, plant and equipment during the year.

The company has not held / dealt in investment property during the year.

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11 **Non current investment**

Particular	As at September 30, 2025
HSHS Nutraceuticals Ltd 37,496 shares of Rs. 10 each fully paid	121.86
Total	121.86

12 **Other non-current assets**

Particular	As at September 30, 2025
Deposit to regulator	0.10
Fixed Deposit	0.44
Total	0.54

13 **Deferred Tax Asset**

Particular	As at September 30, 2025
Deferred Tax Asset	0.58
Total	0.58

13A **Movement Deferred tax (asset)/ liability**

Particular	As at September 30, 2025
DTL on account of: Depreciation as per Companies Act Other Please Specify	0.51
DTA on account of: Depreciation as per Income Tax Act Other Please Specify	0.19
Timing difference existing at the end of the year	0.33
Provision for the year	0.08
Less: Already existing (at the beginning of the year)	(3,175.47)
Total (DTA)/ DTL at the end of the year	(3,175.39)

14 Inventories

Particular	As at September 30,2025
Finished goods	816
Semi finished goods	-
Raw material	369
Spares & packing	4
Total	1,189.13

Inventories are measured at the lower of cost and net realisable value (NRV), in accordance with applicable accounting standards.
Inventory has been physically verified by the management of the Group at the end of respective period/year

15 Trade Receivables

Particular	As at September 30,2025
Unsecured, considered good	873.34
Total	873.34

Notes:

The group maintains regular monitoring and follows up on outstanding balances, and no significant default has been observed as on the reporting date. Hence, in management's view, no provision for doubtful debts is currently necessary

Ageing of the Trade receivable, alongwith any amount involved in disputes, if any as required by Schedule III of Companies Act, 2013 is disclosed as below. Ageing of debtors is based on the date of transaction in case there is no credit period agreed at the time of Supply.

Trade Receivable Ageing Schedule as on September 30, 2025

Particulars	Outstanding for following periods from due date of payment						Total
	Not due	Less than 6 months	6 months - 1 year	1 - 2 years	2 - 3 years	More than 3 years	
Undisputed Trade receivables – considered good	-	8,66,48,186.44	6,75,184.28	10,944.00	-	-	8,73,34,314.72
Undisputed Trade Receivables – considered doubtful	-	-	-	-	-	-	-
Disputed Trade Receivables considered good	-	-	-	-	-	-	-
Disputed Trade Receivables considered doubtful	-	-	-	-	-	-	-
Total	-	8,66,48,186.44	6,75,184.28	10,944.00	-	-	8,73,34,314.72

Trade receivables represent amounts due from customers for sale of goods and services rendered in the ordinary course of business. As at the balance sheet date, there are no unbilled receivables and no receivables which are not yet due for payment. All receivable balances are within the normal credit terms agreed with the customers and are considered good and recoverable.

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Notes forming part of Special Purpose Audited Financial Statements

(All amounts in ₹ lakhs unless otherwise stated)

16 Cash and Cash Equivalents

Particular	As at September 30,2025
Cash in hand	
Cash in Hand	95.24
Bank balances - current accounts	
Bank	195.18
Total	290.42

17 Short Term Loans and Advances

Particular	As at September 30,2025
Advance to employees	3.42
Advance to subsidiaries	31.22
Total	34.64

Other Current Assets

18 Particular	As at September 30,2025
Balance with Govt. Authorities	34.06
Advance to suppliers	457.07
Prepaid Expenses	0.86
Advance for IPO	4.00
Other Current Assets	5.48
Fixed Deposit having maturities more than 3 Month but less than 12 Months	-
Total	501.47

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19 Revenue from operations

Particular	Year ended September 30, 2025
Sales	
Sales	1,055.01
Discount	(14.91)
Total	1,040.11

19A Revenue Segment

Particular	Year ended September 30, 2025
Chemical Product	1,040.11
Total	1,040.11

20 Other income

Particular	Year ended September 30, 2025
Interest on FD	-
Total	-

21 Cost of material consumed

Particular	Year ended September 30, 2025
Consumption of raw material	
Opening stock	517.31
Add :- purchase during the year	960.71
Discount	-
	1,478.02
Less :- Closing stock	369.01
Total	1,109.01
Consumption of Spares / packing materials	
Opening stock	1.42
Add :- purchase during the year	20.57
	22.00
Less :- Closing stock	3.63
Total	18.37
Total	1,127.38

22 Changes in inventory

Particular	Year ended September 30, 2025
Change in inventories of finished goods	
Opening stock	411.54
Closing stock	816.49
Change in Inventories	(404.95)

23 Employee benefit expense

Particular	Year ended September 30, 2025
Contribution to employees PF and ESIC	0.76
Salary and wages	32.26
Directors Remuneration	5.00
Total	38.02

24 Finance cost

Particular	Year ended September 30, 2025
Bank Interest	23.25
Interest on Loan	17.16
Loan Processing Charges	4.67
Total	45.08

25 Depreciation & amortisation

Particular	Year ended September 30, 2025
Depreciation & Amortization	0.51
Total	0.51

26 Other expense

Particular	Year ended September 30, 2025
Bank Charges	0.90
Auditor Remuneration	0.50
Repairs and Maintenance	0.01
Brokerage Expenses	-
Legal and Professional Charges	7.34
Internet Expense	0.08
Electricity Expenses	0.60
Maintenance Charges	0.01
Stamp duty and registration charges	-
Rent, Rates and Taxes	4.70
Donation Expenses	0.11
Insurance Expense	0.75
Transportation Charges	7.61
Other expense	-
Office Expense	0.50
Demat A/c & Charges	-
Communication Expenses	-
Travelling & Conveyance	8.94
Cibil report Charges	-
Fine & Penalties	-
Preliminary Expenses	-
GST Expense	-
Miscellaneous Expenses	0.83
Total	32.89

26A Auditor's remuneration

Particular	Year ended September 30, 2025
Audit Fees	0.30
Tax Audit Fees	0.20
Total	0.50

27 Earnings per share

Particular	Year ended September 30, 2025
Net profit after tax	145.63
Weighted average number of equity shares	59,44,089.18
Earning per share (face value of Rs.10/-fully paid)	0.00