



ACG & Co.

Chartered Accountants

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**CERTIFICATE ON SPECIAL TAX BENEFITS FOR THE COMPANY, MATERIAL SUBSIDIARIES
AND ITS MATERIAL SHAREHOLDERS**

Date: 20/05/2026

To,

The Board of Directors,

Vahh Chemicals Limited

Plot 2/5198 ETC,5th Floor,5003, World Trade Centre,

Near Udhna Darawaja, Ring Road, Surat, Gujarat-395002

Marwadi Chandarana Intermediaries Brokers Private Limited

X-Change Plaza, Office No. 1201 to 1205, 12th Floor, Building No. 53E,

Zone-5, Road 5E, Gift City,

Gandhinagar-382355, Gujarat, India

(Marwadi Chandarana Intermediaries Brokers Private Limited and any other lead manager which may be appointed in relation to the Offer are collectively referred to as the “**Lead Manager**” or the “**LM**”)

Re: Proposed initial public offering of equity shares of face value of Rs. 10 each (the “Equity Shares” and such offering, the “Offer”) of Vahh Chemicals Limited (the “Company”)

We, **ACG & Co.**, statutory auditors to the Company, Firm Registration Number 028477N, hereby confirm that the enclosed **Annexure A** provides the special tax benefits available to the Company, its shareholders and to its material subsidiaries identified as per the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, being Ahmedabad and Gujarat (such entities referred to as “**Material Subsidiaries**”), pursuant to [(i) the Income Tax Act, 1961, as amended by the Finance Act, 2023 and read with the rules, circulars and notifications issued in relation thereto; and (ii) applicable indirect taxation laws, as amended and read with the rules, circulars and notifications issued in connection thereto.

Several of these stated tax benefits/consequences are dependent on the Company or its shareholders or its Material Subsidiaries fulfilling the conditions prescribed under the relevant tax laws. Therefore, the ability of the Company or its shareholders or its Material Subsidiaries to derive the tax benefits is dependent on fulfilling such conditions.

The benefits discussed in the enclosed annexure are not exhaustive. In view of the individual nature of the tax consequences and the changing tax laws, each investor is advised to consult his or her own tax consultant with respect to the specific tax implications arising out of their participation in the Offer. Neither are we suggesting nor advising the investor to invest money based on this statement. These statements do not cover any general tax benefits available to the Company and/or its shareholders and/or its Material Subsidiaries and is neither designed nor intended to be a substitute for professional tax advice.

We do not express any opinion or provide any assurance as to whether:

- i) the Company or its shareholders or its Material Subsidiaries will continue to obtain these benefits in future; or
- ii) the conditions prescribed for availing the benefits have been/would be met with; or.
- iii) The revenue authorities/courts will concur with the views expressed herein.

The contents of the enclosed statement are based on information, explanations and representations obtained from the Company and its Material Subsidiaries and on the basis of our understanding of the business activities and operations of the Company and its Material Subsidiaries.

This certificate, including **Annexure A** herein, is for your information and for inclusion in the draft prospectus, prospectus and any other material used in connection with the Offer (together the "**Offer Documents**") with the Securities and Exchange Board of India ("**SEBI**"), BSE Limited (collectively, the "**Stock Exchanges**") and subsequently the red herring prospectus and the prospectus with the Registrar of Companies, Ahmedabad at Gujarat ("**RoC**"), in accordance with the provisions of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended ("**ICDR Regulations**") may be prepared in connection with the Offer.

The aforesaid information contained herein and in **Annexure A** may be relied upon by the Lead Manager appointed pursuant to the Offer and may be submitted to the stock exchange, the Securities and Exchange Board of India, and any other regulatory or statutory authority in respect of the Offer and for the records to be maintained by the Lead Managers.

We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

We undertake to update you in writing of any changes in the abovementioned position, until the date the Equity Shares issued pursuant to the Offer commence trading on the stock exchanges. In the absence of any communication from us till the Equity Shares commence trading on the stock exchanges, you may assume that there is no change in respect of the matters covered in this certificate.

Capitalized terms used herein, unless otherwise specifically defined, shall have the same meaning as ascribed to them in the Offer Documents.

Yours faithfully,

**For ACG & Co.,
Chartered Accountants
Firm Registration Number: 028477N**



**CA Deepanshu Agarwal
(Partner)
Membership Number: 541237
UDIN: 26541237CFHCIV8554
Date: 20/05/2026**

Annexure A

STATEMENT OF POSSIBLE TAX BENEFITS

To,

The Board of Directors,

Vahh Chemicals Limited

Plot 2/5198 ETC,5th Floor,5003, World Trade Centre,

Near Udhna Darawaja, Ring Road, Surat, Gujarat-395002

Sub: Statement of Tax Benefits ('The Statement') available to Vahh Chemicals Limited ('the Company') and its shareholders under the Direct and Indirect Tax Laws in India

We hereby report that the enclosed annexure prepared by the management of the Company, states the special tax benefits available to the Company and the shareholders of the Company under the Income-Tax Act, 1961, the Central Goods and Services Tax Act, 2017, the Integrated Goods and Services Tax Act, 2017, the Union Territory Goods and Services Tax Act, 2017, respective State Goods and Services Tax Act, 2017 (collectively the "GST Act") presently in force in India. Several of these benefits are dependent on the Company or its shareholders fulfilling the conditions prescribed under the relevant provisions of the Act. Hence, the ability of the Company or its shareholders to derive the tax benefits is dependent upon fulfilling such conditions which, based on business imperatives which the Company may face in the future, the Company may or may not choose to fulfil.

The benefits discussed in the enclosed Annexure cover only special tax benefits available to the Company and do not cover any general tax benefits available to the Company. Further, the preparation of enclosed statement and the contents stated therein is the responsibility of the Company's management. We are informed that; this Statement is only intended to provide general information to the investors and is neither designed nor intended to be a substitute for professional tax advice. In view of the individual nature of the tax consequences and the changing tax laws, each investor is advised to consult his or her own tax consultant with respect to the specific tax implications arising out of their participation in the proposed initial public offering of Equity shares ("**the Issue**") by the Company.

We do not express any opinion or provide any assurance as to whether:

- a) The Company or its shareholders will continue to obtain these benefits in future; or
- b) The conditions prescribed for availing the benefits have been/would be met.

The contents of the enclosed statement are based on information, explanations and representations obtained from the Company and on the basis of our understanding of the business activities and operations of the Company.

Limitations:

Our views are based on facts and assumptions indicated to us and the existing provisions of tax law and its interpretations, which are subject to change or modification from time to time by subsequent legislative, regulatory, administrative, or judicial decisions. Any such changes, which could also be retrospective, could have an effect on the validity of our views stated herein.

We assume no obligation to update this statement on any events subsequent to its issue, which may have a material effect on the discussions herein. This report including enclosed annexure are intended solely for your information and for the inclusion in the Draft Offer Document/ Offer Document or any other issue related material in connection with the proposed initial public offer of the Company and is not to be used, referred to or distributed for any other purpose without our prior written consent.

This statement has been prepared solely in connection with the Proposed Issue by the Company under the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended.

ANNEXURE TO THE STATEMENT OF SPECIAL TAX BENEFITS

The information provided below sets out the special tax benefits available to the Company and the Equity Shareholders under the Income Tax Act, 1961 presently in force in India. It is not exhaustive or comprehensive and is not intended to be a substitute for professional advice. Investors are advised to consult their own tax consultant with respect to the tax implications of an investment in Equity Shares particularly in view of the fact that certain recently enacted legislation may not have a direct legal precedent or may have a different interpretation on the benefits, which an investor can avail.

A. SPECIAL DIRECT AND INDIRECT TAX BENEFITS TO THE COMPANY:

Under the Income Tax Act, 1961 ("the Act") Special tax benefits available to the Company

- The Company is not entitled to any special tax benefits under the Income Tax Act, 1961 and GST Act.

B. SPECIAL DIRECT AND INDIRECT TAX BENEFITS TO THE SHAREHOLDERS:

- The Shareholders of the Company are not entitled to any special tax benefits under the Income Tax Act, 1961 and GST Act.

NOTES:

1. The above Annexure of special tax benefits sets out the provisions of Tax Laws in a summary manner only and is not a complete analysis or listing of all potential tax consequences of the purchase, ownership and disposal of shares.
2. The above Annexure covers only the special tax benefits under the Act, read with the relevant rules, circulars and notifications and does not cover any benefit under any other law in force in India. This Annexure also does not discuss any tax consequences, in the country outside India, of an investment in the shares of an Indian company.
3. The above Annexure of special tax benefits is as per the current direct tax laws relevant for the assessment year 2026-27. Several of these benefits are dependent on the Company or its shareholders fulfilling the conditions prescribed under the relevant provisions of the Tax Laws.
4. In respect of non-residents, the tax rates and consequent taxation mentioned above will be further subject to any benefits available under the relevant Double Taxation Avoidance Agreement, if any, entered into between India and the country in which the non-resident has fiscal domicile.
5. A new Section 115BAA has been inserted by the Taxation Laws (Amendment) Act, 2019 ('the Amendment Act, 2019') with effect from Financial Year 2019-20 granting an option to domestic companies to compute corporate tax at a reduced rate of 25.168% (22% plus surcharge of 10% and cess of 4%), provided such companies do not avail specified exemptions/ incentives. The option under section 115BAA of the Act once exercised cannot be subsequently withdrawn for any future financial year. The Amendment Act, 2019 further provides that domestic companies availing such option will not be required to pay Minimum Alternate Tax ('MAT') under Section 115JB. The CBDT has further issued Circular 29/2019 dated October 02, 2019 clarifying that since the MAT provisions under Section 115JB itself would not apply where a domestic company exercises option of lower tax rate under Section 115BAA, MAT credit would not be available.

In such a case, the Company is not allowed to claim any of the following deductions/ exemptions under the Act: -

- Deduction under the provisions of Section 10AA.
- Deduction under clause (iia) of sub- section (1) of Section 32 (additional depreciation).
- Deduction under section 32AD or Section 33AB or Section 33ABA
- Deduction under section 35AD or Section 35CCC
- Deduction under section 80G

Lower corporate tax rate under Section 115BAA of the Act and Minimum Alternate Tax ('MAT') credit under section 115JAA of the Act which are in general available and hence may not be treated as special tax benefits.

The Company has evaluated and decided to exercise the option permitted under Section 115BAA of the Act for the purpose of computing its income-tax liability for the Financial Year 2019-20 and onwards.

6. This Annexure is intended only to provide general information to the investors and is neither designed nor intended to be a substitute for professional tax advice. In view of the individual nature of tax consequences, each investor is advised to consult his or her tax advisor with respect to specific tax consequences of his/her investment in the shares of the Company.

7. No assurance is given that the revenue authorities/ courts will concur with the views expressed herein. The views are based on the existing provisions of law and its interpretation, which are subject to changes from time to time. We do not assume responsibility to update the views consequent to such changes.

**For ACG & Co.,
Chartered Accountants
Firm Registration Number: 028477N**



**CA Deepanshu Agarwal
(Partner)
Membership Number: 541237
UDIN: 26541237CFHCIV8554
Date: 20/05/2026**