



IPO Report

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Vahh Chemicals Limited

Materials

Price Band: 60 per share
Bidding: 04 Jun to 08 Jun, 2026
Listing At: BSE SME
Listing Date: Jun 11, 2026

Details of the Issue

Lead Manager	Marwadi Chandarana Intermediaries Brokers Pvt. Ltd.
Market Maker	Mansi Share & Stock Broking Pvt.Ltd.
Registrar	Kfin Technologies Ltd.

Promoters Holding (%)

Pre-Issue	88.52
Post-Issue	64.63

Offer Structure

Market Maker	1,14,000 shares
Retail	10,64,000 shares
NII	10,64,000 shares
Fresh Issue	22,42,000 shares
Total Issue	₹13.45 Cr

Financial Summary (₹ in Lakhs)

Particular	FY26	FY25	FY24
Revenue	4,315.25	2,374.71	1,015.53
EBITDA	822.62	467.66	112.26
PAT	508.83	258.22	34.46

Minimum Application

Category	Lots	Shares	Amount
Retail	2	4,000	₹2,40,000
S-HNI	3	6,000	₹3,60,000

Customer concentration (% of Revenue)

Particulars	FY26	FY25	FY24
Top 1 customer	22.51	16.59	23.80
Top 5 customers	52.59	43.62	64.71
Top 10 customers	68.06	60.01	84.43

Valuations

NAV(FY26)	24.60
EPS(Pre Issue)	8.00
P/E(Pre Issue)	7.50

Promoters

Hiren Indravadan Desai, Hetal Hirenbhai Desai, and Aayush Hiren Desai

Company Overview

Vahh Chemicals Limited, incorporated in 2019, is an ISO 9001:2015 certified company engaged in manufacturing and supplying textile auxiliary chemicals. The company offers 92 SKUs used in textile processing and specialty applications, including dyeing, finishing, flame resistance, and water-repellent solutions.

Object of the Issue

- Funding incremental working capital requirements of the Company: ₹583.78 lakhs
- Setting up a new manufacturing facility at Surat, Gujarat ("Proposed facility"): ₹192.94 lakhs
- Repayment of loan availed by the Company: ₹184.35 lakhs
- General Corporate Purpose: ₹201.78 lakhs

Price Band Analysis

At the upper price band of ₹60, Vahh Chemicals Limited is valued at a post-issue P/E of 9.79x and P/B of 2.44x, reflecting a reasonable valuation versus specialty chemical peers. The sector offers favorable long-term growth potential, though sustained performance will depend on efficient scaling and profitability.

Peer Comparison (as of FY26)

CompanyName	EPS (₹)	P/E	RONW (%)	NAV (₹)
Vahh Chemicals Limited	8.00	7.50	32.21	24.60
Bhatia Colour Chem Limited	2.95	18.07	4.00	73.80

Risk Measures:

- The company has significant geographic concentration in Surat, Gujarat, from where it derives a major portion of its revenue. Any adverse developments in the region may materially impact its operations and financial performance.
- The company's raw material costs accounted for 98.45% of revenue from operations in Fiscal 2026, indicating high input cost dependency. Any adverse fluctuation in raw material prices may materially impact operating margins and profitability.

Investment Rationale:

- The company has demonstrated strong financial growth, with revenue from operations registering a CAGR of 106.14% between Fiscal 2024 and Fiscal 2026. Profit After Tax (PAT) also increased significantly from ₹34.46 lakhs in FY24 to ₹508.83 lakhs in FY26, reflecting improving operational scale and profitability.
- A portion of the IPO proceeds will be used to establish a new manufacturing facility in Surat for backward integration, aimed at reducing third-party dependency and improving operating margins.
- Repayment of ₹184.35 lakhs from IPO proceeds is expected to improve the company's Debt-to-Equity ratio, while a Net Capital Turnover Ratio of 2.48x in FY26 highlights efficient capital utilization.
- The company faces high geographic concentration risk due to its complete operational dependence on Surat, Gujarat. It also has significant customer and supplier concentration, with the top 10 customers and suppliers contributing 68.06% of revenue and 93.71% of purchases in FY26, respectively.

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Financials (₹ in Lakhs, Except for Percentage & Ratios)

Particular	FY26	FY25	FY24
Revenue From Operations	4,315.25	2,374.71	1,015.53
EBITDA	822.62	467.66	112.26
EBITDA Margin (%)	19.06	19.69	11.05
PAT	508.83	258.22	34.46
PAT Margin (%)	11.79	10.87	3.39
Return on Equity (RoE%)	34.11	37.59	33.55
Return on Capital Employed (RoCE%)	31.76	25.85	16.58
EPS	8.00	4.99	0.65
Debt to Equity Ratio	0.76	1.64	5.93

Product wise Revenue Bifurcation (₹ in Lakhs)

Particulars	FY26	FY25	FY24
Blending	2,873.72	1,582.93	776.33
Trading	350.91	459.72	239.20
Nutrition	1,090.62	332.06	-
Total	4,315.25	2,374.71	1,015.53

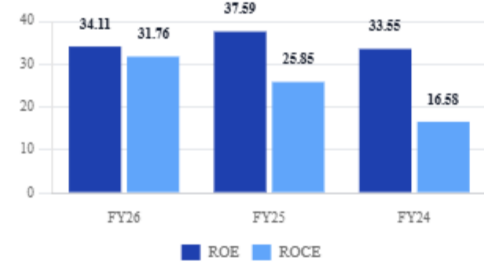
About The Founder



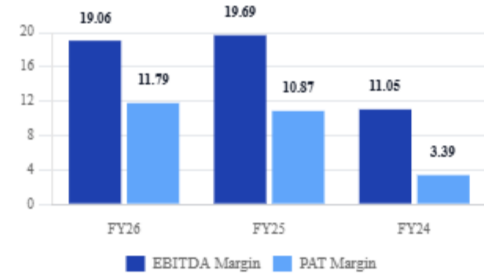
Hiren Indravadan Desai, aged 56, is the Chairman, Managing Director, and Promoter of the Company, holding a Diploma in Civil Engineering from the Technical Examinations Board, Gujarat. He has over a decade of entrepreneurial experience in the chemical and nutraceutical sectors.

FINANCIAL HIGHLIGHTS

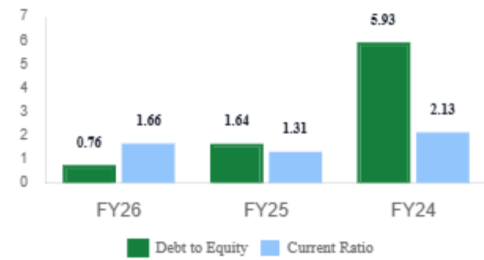
Return Ratios



EBITDA and PAT Margin



Key Ratios:



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