



KARBONSTEEL ENGINEERING



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KARBONSTEEL ENGINEERING LIMITED

CIN: U74120MH2011PLC216558

Our Company was incorporated on April 21, 2011 under the name of “Karbon Steelmart Private Limited”, a private limited Company under the provisions of the Companies Act, 1956, pursuant to a Certificate of Incorporation issued by Registrar of Companies, Maharashtra. Further, Pursuant to Special Resolution passed by the shareholders at the Extra-Ordinary General Meeting held on January 15, 2022, the name of our Company was changed from Karbon Steelmart Private Limited” to “Karbonsteel Engineering Private Limited” and a fresh Certificate of Incorporation issued by the Registrar of Companies, Mumbai, Maharashtra, on March 2, 2022. Thereafter, our Company was converted from private limited to public limited, pursuant to special resolution passed by the shareholders of the Company at the Extraordinary general meeting held on May 09, 2024 and the name of our Company was changed from “Karbonsteel Engineering Private Limited” to “Karbonsteel Engineering Limited” vide fresh certificate of incorporation dated June 24, 2024 issued by the Registrar of Companies, Central Processing Centre.

Registered Office: : B-8; Ratnadeep Cosmopolitan Chs Ltd, 140-141 S.V. Road, Nr. Shoppers Stop, Andheri (W), Mumbai, Maharashtra, India-400058. | **Tel No:** +91-22-61872821 | **E-mail:** info@karbonsteel.com | **Website:** https://www.karbonsteel.com/

Contact Person: Siddhi Bharatbhai Parmar, Company Secretary & Compliance Officer

THE PROMOTERS OF OUR COMPANY ARE SHRENIK KIRIT SHAH AND MITTAL SHRENIK SHAH

THE OFFER

INITIAL PUBLIC OFFER OF UPTO 37,29,600 EQUITY SHARES OF FACE VALUE OF ₹ 10/- EACH (THE “EQUITY SHARES”) OF KARBONSTEEL ENGINEERING LIMITED (“OUR COMPANY” OR “KEL” OR “THE ISSUER”) AT AN OFFER PRICE OF ₹ [●] PER EQUITY SHARE FOR CASH, AGGREGATING UP TO ₹ [●] LAKHS (“PUBLIC OFFER”) COMPRISING OF A FRESH OFFER OF UPTO 30,39,600 EQUITY SHARES AGGREGATING TO ₹ [●] LAKHS (THE “FRESH ISSUE”) AND AN OFFER FOR SALE OF UPTO 6,90,000 EQUITY SHARES BY THE PROMOTER SELLING SHAREHOLDERS, SHRENIK KIRIT SHAH AND MITTAL SHRENIK SHAH (“OFFER FOR SALE”) AGGREGATING TO ₹ [●] LAKHS, (HEREINAFTER REFFERD AS “PROMOTER SELLING SHAREHOLDERS”) OUT OF WHICH 1,88,000 EQUITY SHARES OF FACE VALUE OF ₹ 10 EACH, AT AN OFFER PRICE OF ₹ [●] PER EQUITY SHARE FOR CASH, AGGREGATING ₹ [●] LAKHS WILL BE RESERVED FOR SUBSCRIPTION BY THE MARKET MAKER TO THE OFFER (THE “MARKET MAKER RESERVATION PORTION”) .THE PUBLIC OFFER LESS MARKET MAKER RESERVATION PORTION I.E. OFFER OF 35,41,600 EQUITY SHARES OF FACE VALUE OF ₹ 10 EACH, AT AN OFFER PRICE OF ₹ [●] PER EQUITY SHARE FOR CASH, AGGREGATING ₹ [●] LAKHS IS HEREIN AFTER REFERRED TO AS THE “NET OFFER”. THE PUBLIC OFFER AND NET OFFER WILL CONSTITUTE 26.37% AND 25.05% RESPECTIVELY OF THE POST- OFFER PAID-UP EQUITY SHARE CAPITAL OF OUR COMPANY.

PRICE BAND: ₹ 151/- to ₹ 159/- PER EQUITY SHARE OF FACE VALUE OF ₹ 10/- EACH
THE FLOOR PRICE IS 15.1 TIMES THE FACE VALUE OF THE EQUITY SHARES AND THE CAP PRICE IS 15.9 TIMES OF THE FACE VALUE OF THE EQUITY SHARES.
THE PRICE TO EARNING RATIO BASED ON DILUTED EPS FOR FISCAL 2025 AT THE FLOOR PRICE IS 11.82 TIMES AND AT THE CAP PRICE IS 12.44 TIMES.
BIDS CAN BE MADE FOR A MINIMUM OF 1600 EQUITY SHARES AND IN MULTIPLES OF 800 EQUITY SHARES THEREAFTER

OFFER PROGRAMME	ANCHOR INVESTOR BIDDING DATE: THURSDAY, SEPTEMBER 04, 2025
	BID/OFFER OPENS ON: MONDAY, SEPTEMBER 08, 2025
	BID/OFFER CLOSSES ON: WEDNESDAY, SEPTEMBER 10, 2025 ^

^ UPI mandate end time shall be at 05:00 pm on the Bid/Offer closing date.

BRIEF DESCRIPTION OF THE BUSINESS OF THE COMPANY
The Company is engaged primarily in the design, fabrication and assembly of heavy and precision steel structures, customized to meet clients’ requirements across various industrial and infrastructure segments.
THIS OFFER IS MADE THROUGH BOOK BUILDING PROCESS, IN TERMS OF CHAPTER IX OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018 (THE “SEBI (ICDR) REGULATIONS”), AS AMENDED READ WITH RULE 19(2)(B) OF SECURITIES CONTRACT (REGULATION) RULES, 1957, AS AMENDED.
THE EQUITY SHARES ARE PROPOSED TO BE LISTED ON SME PLATFORM OF BSE (“BSE SME”). BSE SHALL BE THE DESIGNATED STOCK EXCHANGE

ALLOCATION IN THE OFFER	
QIB PORTION	NOT MORE THAN 17,68,800 EQUITY SHARES I.E. 49.94% OF THE NET OFFER
INDIVIDUAL INVESTORS PORTION	NOT LESS THAN 12,40,000 EQUITY SHARES I.E. 35.01% OF THE NET OFFER
NON-INSTITUTIONAL PORTION	NOT LESS THAN 5,32,800 EQUITY SHARES I.E. 15.04% OF THE NET OFFER
MARKET MAKER PORTION	1,88,000 EQUITY SHARES I.E. 5.04% OF THE OFFER

IN MAKING AN INVESTMENT DECISION, POTENTIAL INVESTORS MUST ONLY RELY ON THE INFORMATION INCLUDED IN RED HERRING PROSPECTUS AND THE TERMS OF THE OFFER, INCLUDING THE RISKS INVOLVED AND NOT RELY ON ANY OTHER EXTERNAL SOURCES OF INFORMATION ABOUT THE OFFER AVAILBLE IN ANY MANNER.

In accordance with the recommendation of the Independent Directors of our Company, pursuant to their resolution dated August 29, 2025 the above provided price band is justified based on quantitative factors/ KPIs disclosed in the ‘Basis for Offer Price’ section beginning on page 105 of the Red Herring Prospectus vis-a-vis the weighted average cost of acquisition (“WACA”) of primary and secondary transaction(s), as applicable, disclosed in “Basis for Offer Price’ section on page 109 of the Red Herring Prospectus and provided below in the advertisement.

RISKS TO INVESTORS

1. Risk to Investors: Summary description of key risk factors based on materiality:
- Our business is substantially dependent on certain key customers, from whom we derive a significant portion of our revenues. The loss of any significant customer may have a material and adverse effect on our business and results of operations.
 - Our business is exposed to risks relating to delays in project execution and cost overruns, which may adversely affect our business, financial condition, results of operations and prospects.
 - Our business is dependent on capital investments in industrial and infrastructure sectors and any slowdown in these sectors due to economic conditions, government policies, or project-specific factors may materially and adversely affect our business, financial condition and results of operations.
 - Failure to comply with stringent quality standards, inspection requirements and technical specifications may result in rework, delayed payments or termination of contracts, which could adversely affect our business, financial condition and results of operations.
 - Our Company does not have long-term agreements with suppliers for our input materials and a significant increase in the cost of, or a shortfall in the availability, or deterioration in the quality, of such input materials could have an adverse effect on our business and results of operations.
 - Our business is dependent on and will continue to depend on our Manufacturing Facilities and we are subject to certain risks in our manufacturing process due to the usage of heavy machinery in our manufacturing operations. Any slowdown or shutdown in our manufacturing operations or strikes or work stoppages could have an

- adverse effect on our business, cash flows, financial condition and results of operations.
- Our industry is labour-intensive which relies on Contract and Skilled Labour and any shortage of skilled labour, labour disputes, or wage cost increases may adversely impact our operations, project execution and financial performance.
 - There are outstanding legal proceedings involving our Company. Any adverse decisions could impact our cash flows and profit or loss to the extent of demand amount, interest and penalty, divert management time and attention and have an adverse effect on our business, prospects, results of operations and financial condition.
 - Our business is working capital intensive and delays in client payments, retention money, or extended credit terms may strain our liquidity, increase financing costs and impact profitability.
 - The number of orders we have received in the past, our current order book and our growth rate may not be indicative of the number of orders we will receive in future.
 - The structural steel fabrication industry is highly competitive and increased competition may lead to reduced revenues, pricing pressure, or a loss of market share, which may adversely affect our business, financial condition and results of operations.
 - Our business operations are majorly concentrated in certain geographical regions and any adverse developments affecting our operations in these regions could have a significant impact on our revenue and results of operations.
 - Expansion of our existing manufacturing facility requires substantial capital outlay before we realize any benefits or returns on investments and is subject to the risk of unanticipated delays.

n. Average cost of acquisition of Equity Shares held by the Individual Promoters is:

Sr. No.	Name of the Promoters	No. of Shares held	Average cost of Acquisition (in ₹)
1	Shrenik Kirit Shah	54,06,240	3.26
2	Mittal Shrenik Shah	21,06,160	2.29

The Offer Price at the upper end of the Price Band is ₹ 159 per Equity Share.

- The Price/ Earnings ratio based on Diluted EPS for Fiscal 2025 for the company at the upper end of the Price Band is 12.44 times.*
- Weighted Average Return on Net worth for Fiscals 2025, 2024 and 2023 is 21.86%.*

2. Details of suitable ratios of the company and its peer group for the latest full financial year:

(₹ In lakhs)

Name of Company	Current Market Price (₹)	Face Value	EPS (Basic)	EPS (Diluted)	PE	RoNW (%)	Book Value (₹)	Total Revenue (₹ In lakhs)
Karbonsteel Engineering Limited	●	10.00	12.78	12.78	●	23.45%	54.47	27,305.35
Peer Group								
Atmasto Limited	243.95	10.00	7.80	7.80	31.28	15.15%	64.14	28,957.04
Goodluck India Limited	978.60	2.00	50.66	50.66	19.32	12.63%	461.17*	3,93,589.06

Notes:

- (i) Source – All the financial information for listed industry peer mentioned above is sourced from the Financial Results of the aforesaid companies for the year ended March 31, 2025 and stock exchange data dated 17th July, 2025 to compute the corresponding financial ratios.
- (ii) For our Company, we have taken Current Market Price as the offer price of equity share. Further, P/E Ratio is based on the current market price of the respective scrips.
- (iii) The EPS, NAV, RoNW and total Income of our Company are taken as per Restated Financial Statement for the FY. 2024-25.
- (iv) NAV per share is computed as the closing net worth divided by the weighted average number of paid-up equity shares as on March 31, 2025.
- (v) RoNW has been computed as net profit after tax divided by closing net worth.
- (vi) Net worth has been computed in the manner as specifies in Regulation 2(1) (hh) of SEBI (ICDR) Regulations, 2018.
- (vii) The face value of Equity Shares of our Company is ₹ 10/- per Equity Share and the Issue price is ● times the face value of equity share.

3. Weighted average return on net worth for the last 3 FYs.

S.NO	Period	RONW	Weights
1	Period ending March 31, 2025	23.45%	3
2	Period ending March 31, 2024	21.52%	2
3	Period ending March 31, 2023	17.77%	1
	Weighted Average	21.86%	6

Note:

- i. The figures disclosed above are based on the Restated Financial Statements of the Company.
- ii. The RoNW has been computed by dividing restated net profit after tax (excluding exceptional items) with restated Net worth as at the end of the year
- Weighted average = Aggregate of year-wise weighted RoNW divided by the aggregate of weights i.e. (RoNW x Weight) for each year/Total of weights.

4. Weighted average cost of acquisition of all the shares transacted in the three years, 18 months and one year preceding the date of the Red Herring Prospectus

Period	Weighted Average Cost of Acquisition (in ₹)	Cap Price is 'X' times the Weighted Average Cost of Acquisition	Range of acquisition price: Lowest Price – Highest Price (in ₹)
Last one year	0.00	159	Nil*-145
Last eighteen months	13.13	12.11	Nil*-145
Last three years	9.62	16.53	Nil*-145

*Nil represents the acquisition on account of the bonus issue of 55,51,111 Equity shares allotted on December 09,2024.

5. Disclosures as per clause 9(K)(4) of Part A to Schedule VI:

- a) Price per share of our Company (as adjusted for corporate actions, including split) based on primary issuances of Equity Shares or convertible securities (excluding Equity Shares issued under employee stock option schemes and issuance of Equity Shares pursuant to a bonus issue) during the eighteen months preceding the date of this Draft Red Herring Prospectus, where such issuance is equal to or more than 5% of the fully diluted paid-up share capital of our Company (calculated based on the pre-offer capital before such transaction(s) and excluding ESOPs granted but not vested) in a single transaction or multiple transactions combined together over a span of rolling 30 days ("Primary Issuances") –

The details of such Primary Issuances made by our Company is mentioned below:

Date of Allotment	No. of equity Shares having Face value of ₹ 10 each allotted	Issue price per equity share (₹)	Nature of allotment	Nature of consideration	Total Consideration (in ₹ lakhs)
March 27, 2024	3,88,578	₹ 145/-	Preferential Allotment	Cash	563.43
April 22, 2024	1,66,533	₹ 145/-	Preferential Allotment	Cash	241.47

- b) Price per share of our Company (as adjusted for corporate actions, including split) based on secondary sale or acquisition of equity shares or convertible securities (excluding gifts) involving our Promoters, members of the Promoter Group , Selling Shareholder, or Shareholder(s) having the right to nominate Director(s) on our Board during the eighteen months preceding the date of filing of this Draft Red Herring Prospectus, where the acquisition or sale is equal to or more than 5% of the fully diluted paid-up share capital of our Company (calculated based on the pre-Offe capital before such transaction/s and excluding ESOPs granted but not vested), in a single transaction or multiple transactions combined together over a span of rolling 30 days ("Secondary Transactions") –

There have been no Secondary Transactions of the Equity Shares or convertible securities of our Company during the eighteen months preceding the date of this Red Herring Prospectus, where such issuance is equal to or more than 5% of the fully diluted paid-up share capital of our Company in a single transaction or multiple transactions combined together over a span of rolling 30 days.

Based on the above transactions, below are the details of the weighted average cost of acquisition, as compared to the Floor Price and the Cap Price:

Weighted average cost of acquisition & Offer price:

Types of transactions	Weighted average cost of acquisition (₹ per Equity Shares)	Floor Price (i.e. ₹ 151)	Offer price (i.e. ₹ 159)
Weighted average cost of acquisition of primary / new issue as per paragraph 8(a) above.	145	1.04	1.09
Weighted average cost of acquisition for secondary sale / acquisition as per paragraph 8(b) above.	Nil	NA	NA

ADDITIONAL INFORMATION FOR INVESTORS

1. Details of proposed /undertaken pre-offer placements from the DRHP filing date - Our Company has not undertaken any Pre-IPO Placements from the DRHP filing date.
2. Transaction of shares aggregating up to 1% or more of the paid-up equity share capital of the company by promoter(s) and promoter group(s) from the DRHP filing date: Nil
3. Pre offer Shareholding of Promoter / Promoter Group and Additional Top 10 Shareholders of the Company:

Particulars	Pre-Offe		Post-Offe			
			At the lower end of the price band (₹151)		At the upper end of the price band (₹159)	
	No. of Equity Shares of face value of ₹10 each	Percentage of pre- offer Equity Share capital (%)	Number of Equity Shares of face value of ₹10 each	Percentage of post offer Equity Share capital (%)	Number of Equity Shares of face value of ₹10 each	Percentage of post offer Equity Share capital (%)
Promoters (A)						
Shrenik Kirit Shah*	54,06,240	48.70	49,92,240	35.30	49,92,240	35.30
Mittal Shrenik Shah*	21,06,160	18.98	18,30,160	12.94	18,30,160	12.94
Sub Total (A)	75,12,400	67.68	68,22,400	48.24	68,22,400	48.24
Promoter Group (B)						
Smitaben Kirit Shah	1,99,840	1.80	1,99,840	1.41	1,99,840	1.41
Bhavin Kirit Shah	2,99,760	2.69	2,99,760	2.12	2,99,760	2.12
Sub Total (B)	4,99,600	4.50	4,99,600	3.53	4,99,600	3.53
Top 10 shareholders other than the above (C)						
Darshana Satish Thakkar	19,80,000	17.83	19,80,000	14.00	19,80,000	14.00
Gunavanth Kumar G HUF	69,000	0.62	69,000	0.49	69,000	0.49
Prakash Chand G HUF	69,000	0.62	69,000	0.49	69,000	0.49
Gothamchand A	69,000	0.62	69,000	0.49	69,000	0.49
Sandeep Bhandari	69,000	0.62	69,000	0.49	69,000	0.49
Ammishi Saarthak Kothaari	63,300	0.57	63,300	0.45	63,300	0.45
Pooja Paras Chheda	63,300	0.57	63,300	0.45	63,300	0.45
Neeta Hemant Ashar	54,000	0.48	54,000	0.38	54,000	0.38
Manish Mittal HUF	47,200	0.42	47,200	0.33	47,200	0.33
Akilandeshwari Selvamurthy	41,300	0.37	41,300	0.29	41,300	0.29
Sub Total (C)	25,25,100	22.74	25,25,100	17.86	25,25,100	17.86
TOTAL (A+B+C)	1,05,37,100	94.92	98,47,100	69.63	98,47,100	69.63

*Subject to completion of the offer and finalization of the Basis of Allotment.

Notes:


- 1) Assuming full subscription in the offer (fresh issue and Offer for sale). The post-offer shareholding details as at allotment will be based on the actual subscription and the final offer price and updated in the prospectus, subject to finalization of the basis of allotment. Also, this table assumes there is no transfer of shares by these shareholders between the date of the advertisement and allotment (if any such transfers occur prior to the date of prospectus, it will be updated in the shareholding pattern in the prospectus).

BASIS FOR OFFER PRICE	
	The "Basis for Offer Price" on page 105 of the RHP has been updated with the above price band. Please refer to the website of the BRLM (https://serenecapital.in/offer-documents.php) or scan the given QR code for the "Basis for Offer Price" updated with the above price band.

INDICATIVE TIMELINES FOR THE OFFER	
An indicative timetable in respect of the Offer is set out below:	
Sequence of Activities	Listing within T+3 days (T is offer closing date i.e. September 10, 2025)
Bid/Offer Period (except the Bid/ Offer Closing Date) (other than Bids from Anchor Investors)	Only between 10.00 a.m. and 5.00 p.m. (Indian Standard Time ("IST"))
Submission and Revision in Bids	Only between 10.00 a.m. and 5.00 p.m. (Indian Standard Time ("IST"))
Bid/ Offer Closing Date* (i.e. September 10, 2025) (other than Bids from Anchor Investors)	
Submission of Electronic Applications (Online ASBA through 3-in-1 accounts)	Only between 10.00 a.m. and up to 5.00 p.m. IST
Submission of Electronic Applications (Bank ASBA through Online channels like Internet Banking, Mobile Banking and Syndicate UPI ASBA applications)	Only between 10.00 a.m. and up to 4.00 p.m. IST
Submission of Physical Applications (Bank ASBA)	Only between 10.00 a.m. and up to 1.00 p.m. IST
Submission of Physical Applications (Syndicate Non- Individuals, Non individual Applications of QIBs and NII's)	Only between 10.00 a.m. and up to 12.00 p.m. IST
Bid Revision/Modification	Only between 10.00 a.m. on the Bid/ Offer Opening Date and up to 5.00 p.m. IST on Bid/ Offer Closing Date
Validation of bid details with depositories	From Offer opening date up to 5 pm on Wednesday, September 10, 2025.
Reconciliation of UPI mandate transactions (Based on the guidelines issued by NPCI from time to time): Among Stock Exchanges –Sponsor Banks – NPCI and NPCI – PSPs/TPAPs** – Issuer Banks; Reporting formats of bid information, UPI analysis report and compliance timelines.	On daily basis Merchant Bankers to submit to SEBI, sought as and when.
UPI Mandate acceptance time	Wednesday, September 10, 2025– 5 pm
Offer Closure T day	Wednesday, September 10, 2025– 4 pm for QIB and NII categories Wednesday, September 10, 2025– 5 pm for Individual investors and other reserved categories
Third party check on UPI applications	On daily basis and to be completed before 9:30 AM on Thursday, September 11, 2025
Third party check on Non-UPI applications	On daily basis and to be completed before 1 pm on Thursday, September 11, 2025.
Submission of final certificates:	
-For UPI from Sponsor Bank	Before 09:30 pm on Wednesday, September 10,2025.
-For Bank ASBA, from all SCSBs	All SCSBs for Direct ASBA – Before 07:30 pm on Wednesday, September 10,2025.
-For syndicate ASBA UPI ASBA	Syndicate ASBA - Before 07:30 pm on Wednesday, September 10,2025
Finalization of rejections and completion of basis	Before 6 pm on Thursday, September 11, 2025
Approval of basis by Stock Exchange	Before 9 pm on Thursday, September 11, 2025.
Issuance of fund transfer instructions in separate files for debit and unblock.	Initiation not later than 09:30 am on Friday, September 12, 2025;
For Bank ASBA and Online ASBA – To all SCSBs	Completion before 2 pm on Friday, September 12, 2025 for fund transfer;
For UPI ASBA – To Sponsor Bank	Completion before 4 pm on Friday, September 12, 2025 for unblocking.
Corporate action execution for credit of shares	Initiation before 2 pm on Friday, September 12, 2025, Completion before 6 pm on Friday, September 12, 2025.
Filing of listing application with Stock Exchanges and issuance of trading notice	Before 7:30 pm on Friday, September 12, 2025.
Publish allotment advertisement	On website of Issuer, Merchant Banker and RTI - before 9 pm on Friday, September 12, 2025. In newspapers – On Monday, September 15, 2025 but not later than Tuesday, September 16, 2025.
Trading starts T+3 day	Trading starts Monday, September 15, 2025.

*UPI mandate end time and date shall be at 5:00 pm on the Bid/Offer Closing Date

*Individual investors, QIBs and Non-Institutional Investors can neither revise their bids downwards nor cancel/ withdraw their Bids.

ASBA*	Simple, Safe, Smart way of Application- Make use of it!!!	*Application Supported by Blocked Amount (ASBA) is a better way of applying to issues by simply blocking the fund in the bank account, investors can avail the same. For further details check section on ASBA below.	Mandatory in Public Issues. No cheque will be accepted.
<div>UPI – Now available in ASBA for Individual investors and Non-Institutional investor applying for amount up to ₹5,00,000/- applying through Registered Brokers, DPs & RTAs. UPI Bidder also have the option to submit the Application directly to the ASBA Bank (SCSBs) or to use the facility of linked online trading, demat and bank account. Investors are required to ensure that the Bank Account used for bidding is linked to their PAN. Bidders must ensure that their PAN is linked with Aadhaar and are in compliance with CBDT notification dated February 13, 2020, issued by the CBDT and the subsequent press release, including press release dated June 25, 2021 and September 17, 2021 and CBDT circular no. 7 of 2022, dated March 30, 2022 read with press release dated March 28, 2023 and any subsequent press releasesin this regard.</div>			
ASBA has to be availed by all the investors except anchor investors. UPI may be availed by (i) Individual Investors Portion. (ii) Non-Institutional Investors with an application size of up to ₹ 5,00,000 in the Non-Institutional Portion. For details on the ASBA and UPI process, please refer to the details given in ASBA form and abridged prospectus and also please refer to the section "Offer procedure" on page 335 of the Red Herring Prospectus. The process is also available on the website of Association of Investment Bankers of India ("AIBI") and Stock Exchanges and in the General Information Document. ASBA bid-cum-application forms can be downloaded from the websites of Stock Exchanges and can be obtained from the list of banks that is displayed on the website of SEBI at www.sebi.gov.in/sebiweb/other/OtherAction.do?RecognisedFpi=yes&intnrl=35 and https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intnrl=43 , respectively as updated from time to time. For the list of UPI apps and banks live on IPO, please refer to the link: www.sebi.gov.in . UPI mechanism may apply through the SCSBs and mobile applications whose names appear on the website of SEBI, as updated from time to time. Axis Bank Limited has been appointed as Sponsor Banks for the offer, in accordance with the requirements of the SEBI Circular dated November 1, 2018 as amended. For Issue related queries, please contact the BRLMs on their respective email IDs as mentioned below. For UPI related queries, investors can contact NPCI at the toll-free number: 18001201740 and mail ID: ipo.upi@npci.org.in .			

In case of any revisions in the Price Band, the Bid/ Offer Period will be extended by at least three additional Working Days after such revision of the Price Band, subject to the Bid/offer Period not exceeding 10 Working Days. In cases of force majeure, banking strike or similar circumstances, our Company may, for reasons to be recorded in writing, extend the Bid/ offer Period for a minimum of one Working Day, subject to the Bid/ offer Period not exceeding 10 Working Days. Any revision in the Price Band and the revised Bid/ offer Period, if applicable, will be widely disseminated by notification to the Stock Exchange, by issuing a press release, and also by indicating the change on the website of the Book Running Lead Managers and the terminals of the other members of the Syndicate and by intimation to SCSBs, the Sponsor Bank, Registered Brokers, Collecting Depository Participants and Registrar and Share Transfer Agents.

The Offer is being made through the Book Building Process, in terms of Rule 19(2)(b) of the Securities Contracts (Regulation) Rules, 1957, as amended (the "SCRR") read with Regulation 252 of SEBI ICDR Regulations, 2018, the Offer is being made for at least 25% of the post- Offer paid-up Equity Share capital of our Company. The Offer is being made under Regulation 229(2) of Chapter IX of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 via book building process wherein not more than 50% of the net Offer shall be allocated on a proportionate basis to QIBs, provided that our Company may, in consultation with the BRLM, allocate up to 60% of the Portion for Anchor Investors on a discretionary basis in accordance with the SEBI ICDR Regulations, of which one-third shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Allocation Price. In the event of under-subscription, or non-allocation in the Anchor Investor Portion, the balance Equity Shares shall be added to the QIB Portion. Further, 5% of the QIB Portion (excluding the Anchor Investor Portion) shall be available for allocation on a proportionate basis only to Mutual Funds, and the remainder of the QIB Portion shall be available for allocation on a proportionate basis to all QIBs (other than Anchor Investors), including Mutual Funds, subject to valid Bids being received at or above the Offer Price. Further, not less than 15% of the Offer shall be available for allocation on a proportionate basis to Non-Institutional Investors (out of which one third shall be reserved for applicants with an application size of more than two lots and upto such lots equivalent to not more ₹10,00,000 and two-thirds shall be reserved for applicants with application size of more than ₹ 10,00,000) and not less than 35% of the Offer shall be available for allocation to Individual Investors who applies for minimum application size in accordance with the SEBI ICDR Regulations, subject to valid Bids being received at or above the Offer Price. All Bidders (other than Anchor Investors) shall mandatorily participate in the Offer only through the ASBA process. ASBA Bidders must provide either (i) the bank account details and authorization to block funds in the ASBA Form, or (ii) the UPI ID, as applicable, in the relevant space provided in the ASBA Form. The ASBA Forms that do not contain such details are liable to be rejected. Applications made using third party bank account or using third party linked bank account UPI ID are liable for rejection. Anchor Investors are not permitted to participate in the Offer through the ASBA process. ASBA Bidders shall ensure that the Bids are made on ASBA Forms bearing the stamp of the relevant Designated Intermediary, submitted at the relevant Bidding Centres only (except in case of electronic ASBA Forms) and the ASBA Forms not bearing such specified stamp are liable to be rejected. For details, see "Offer Procedure" beginning on page 335 of the Red Herring Prospectus.

Bidders/ Applicants should note that on the basis of PAN, DP ID and Client ID as provided in the Bid cum Application Form, the Bidders/Applicants may be deemed to have authorized the Depositories to provide to the Registrar to the Offer, any requested Demographic Details of the Bidders/Applicants as available on the records of the depositories. These Demographic Details may be used, among other things, for or unblocking of ASBA Account or for other correspondence(s) related to an Offer. Bidders/Applicants are advised to update any changes to their Demographic Details as available in the records of the Depository Participant to ensure accuracy of records. Any delay resulting from failure to update the Demographic Details would be at the Applicants' sole risk. Bidders/Applicants should ensure that PAN, DP ID and the Client ID are correctly filled in the Bid cum Application Form. The PAN, DP ID and Client ID provided in the Bid cum Application Form should match with the PAN, DP ID and Client ID available in the Depository database, otherwise, the Bid cum Application Form is liable to be rejected. Bidders/Applicants should ensure that the beneficiary account provided in the Bid cum Application Form is active. Investors must ensure that their PAN is linked with AADHAR and are in compliance with CBDT Notification dated February 13, 2020 and press release dated June 25, 2021.

CONTENTS OF THE MEMORANDUM OF ASSOCIATION OF THE COMPANY AS REGARDS ITS OBJECTS: For information on the main objects and other objects of our Company, see "History and Corporate Structure" on page 185 of the Red Herring Prospectus and Clause III of the Memorandum of Association of our Company. The Memorandum of Association of our Company is a material document for inspection in relation to the Offer. For further details, see the section "Material Contracts and Documents for Inspection" on page 395 of the Red Herring Prospectus.

LIABILITY OF MEMBERS AS PER MOA: The Liability of the members of the Company is Limited.

AMOUNT OF SHARE CAPITAL OF THE COMPANY AND CAPITAL STRUCTURE: The Authorized share capital of the Company is ₹ 15,00,00,000 divided into 1,50,00,000 Equity Shares of ₹ 10/- each. The issued, subscribed and paid-up share capital of the Company before the Issue is ₹ 11,10,22,220 divided into 1,11,02,222 Equity Shares of ₹ 10/- each. For details of the Capital Structure, see "Capital Structure" on the page 67 of the Red Herring Prospectus.

ORIGINAL SIGNATORIES			CURRENT PROMOTERS		
Name of Promoters	Face Value (₹)	No. of Shares	Name of Promoters	Face Value (₹)	No. of Shares
Kirit Shantilal Shah	10.00	9,900	Shrenik Kirit Shah	10.00	54,06,240
Jitendra Shantilal Shah	10.00	100	Mittal Shrenik Shah	10.00	21,06,160

LISTING: The Equity Shares offered through the Red Herring Prospectus are proposed to be listed on BSE SME (i.e. **SME Platform of BSE**). Our Company has received an "In-principle" approval from the BSE for the listing of the Equity Shares pursuant to letter dated July 21, 2025. For the purposes of the Offer, the Designated Stock Exchange shall be BSE. A signed copy of the Red Herring Prospectus has been submitted for registration to the ROC on August 29, 2025 and Prospectus shall be filed with the RoC in accordance with Section 26(4) of the Companies Act, 2013.

DISCLOSURE CLAUSE OF SECURITIES AND EXCHANGE BOARD OF INDIA ("SEBI"): Since the Offer is being made in terms of Chapter IX of the SEBI (ICDR) Regulations, 2018, the Red Herring Prospectus shall be filed with SEBI. In terms of the SEBI Regulations, the SEBI shall not issue any observation on the Offer Document. Hence there is no such specific disclaimer clause of SEBI. However, investors may refer to the entire "Disclaimer Clause of SEBI" beginning on page 314 of the Red Herring Prospectus.

DISCLAIMER CLAUSE OF BSE (THE DESIGNATED STOCK EXCHANGE): "It is to be distinctly understood that the permission given by BSE should not in any way be deemed or construed that the contents of the Offer Document or the price at which the equity shares are offered has been cleared, solicited or approved by BSE, nor does it certify the correctness, accuracy or completeness of any of the contents of the Offer Document. The investors are advised to refer to the Offer Document for the full text of the "Disclaimer Clause of BSE" beginning on page 317 of the Red Herring Prospectus.

GENERAL RISK: Investments in equity and equity-related securities involve a degree of risk and investors should not invest any funds in this Offer unless they can afford to take the risk of losing their investment. Investors are advised to read the risk factors carefully before taking an investment decision in this Offer. For taking an investment decision, investors must rely on their own examination of the Issuer and this Offer, including the risks involved. The Equity Shares have not been recommended or approved by the Securities and Exchange Board of India ("SEBI"), nor does SEBI guarantee the accuracy or adequacy of the contents of the Red Herring Prospectus. Specific attention of the investors is invited to "Risk Factors" on page 26 of the Red Herring Prospectus.

(Continued from previous page...)

TRACK RECORD OF BOOK RUNNING LEAD MANAGER: The BRLM associated with the Offer has handled 2 Public Issue in the past three years, out of which none of the issue was closed below the Issue/ Offer Price on listing date.

Name of BRLM	Total Issue		Issue closed below IPO Price on Listing Date
	Mainboard	SME	
Seren Capital Private Limited	0	2	0

BOOK RUNNING LEAD MANAGER TO THE OFFER	REGISTRAR TO THE OFFER	COMPANY SECRETARY AND COMPLIANCE OFFICER
<div> Elevate Your Potential</div> <p>SEREN CAPITAL PRIVATE LIMITED Registered Office: Office no. 601 to 605, Raylon Arcade, Kondivita, J.B. Nagar, Mumbai, Maharashtra – 400059 Tel. No.: +91-22-46011058 Email: info@serencapital.in Investor Grievance Email: investor@serencapital.in Website: https://serencapital.in/ Contact Person: Ankit Maheswari/Akshita Agarwal SEBI Regn. No. INM000013156</p>	<div> Maashitla Creating Successful People</div> <p>MAASHITLA SECURITIES PRIVATE LIMITED Address: 451, Krishna Apra, Business Square, Netaji Subhash Place, Pitampura, Delhi 110034, India. Tel. No.: 011-47581432 Email: investor.ipo@maashitla.com Investor Grievance Email: investor.ipo@maashitla.com Website: www.maashitla.com Contact Person: Mukul Agrawal SEBI Registration Number: INR000004370</p>	<div> KARBONSTEEL ENGINEERING</div> <p>Siddhi Bharatbhai Parmar Company Secretary and Compliance Officer Address: B-8; Ratnadeep Cosmopolitan CHS Ltd, 140-141 S.V. Road, Nr. Shoppers Stop, Andheri (W), Mumbai, Maharashtra, India-400058 Tel. No.: +91-22-61872821 Email: cs@karbonsteel.com Website: https://www.karbonsteel.com/. Investors can contact the Compliance Officer or the Registrar to the Offer in case of any pre- Offer or post- Offer related problems, such as non-receipt of letters of allotment, credit of allotted shares in the respective beneficiary account, etc.</p>

AVAILABILITY OF RED HERRING PROSPECTUS: Investors are advised to refer to the Red Herring Prospectus and the Risk Factors contained therein, before applying in the Offer. Full copy of the Red Herring Prospectus will be available at the website of SEBI at www.sebi.gov.in; the website of Stock Exchange at www.bseindia.com, the website of BRLM at www.serencapital.in and website of Company at www.karbonsteel.com.

AVAILABILITY OF THE ABRIDGED PROSPECTUS: A copy of the abridged prospectus shall be available on the website of the Company, BRLM and BSE at <https://www.karbonsteel.com/offer-document/>, <https://serencapital.in/offer-documents.php> and <https://www.bsesme.com/PublicIssues/PublicIssues.aspx?id=1>, respectively.

SYNDICATE MEMBER: SS Corporate Securities Limited

AVAILABILITY OF BID-CUM-APPLICATION FORMS: Bid-Cum-Application forms can be obtained from the Company: Karbonsteel Engineering Limited, Book Running Lead Manager: Seren Capital Private Limited. Application Forms can also be obtained from the Stock Exchange and list of SCSBs available on the website of SEBI at www.sebi.gov.in and website of Stock Exchange at www.bseindia.com.

APPLICATION SUPPORTED BY BLOCKED AMOUNT (ASBA): All investors in this Offer have to compulsorily apply through ASBA. The investors are required to fill the ASBA form and submit the same to their banks. The SCSB will block the amount in the account as per the authority contained in ASBA form. On allotment, amount will be unblocked and account will be debited only to the extent required to be paid for allotment of shares. Hence, there will be no need of refund.

For more details on the issue process and how to apply, please refer to the details given in application forms and abridged prospectus and also please refer to the chapter “Offer Procedure” on page 335 of the Red Herring Prospectus.

BANKER TO THE OFFER: Axis Bank Limited

All capitalized terms used herein and not specifically defined shall have the same meaning as ascribed to them in the RHP.

For Karbonsteel Engineering Limited
Sd/-
Shrenik Kirit Shah
Designation: Chairman & Managing Director
DIN: 02070901

Date: August 29, 2025
Place: Mumbai, Maharashtra

Disclaimer: Karbonsteel Engineering Limited is proposing, subject to applicable statutory and regulatory requirements, receipt of requisite approvals, market conditions and other considerations, to make an initial public offer of its Equity Shares the Red Herring Prospectus dated August 29, 2025 has been filed with the Registrar of Companies, Mumbai, Maharashtra and thereafter with SEBI and the Stock Exchanges. The RHP shall be available on the website of the SEBI at www.sebi.gov.in , website of BSE SME at www.bsesme.com and is available on the websites of the BRLM at www.serencapital.in. Any potential investors should note that investment in equity shares involves a high degree of risk and for details relating to the same, please refer to the Red Herring Prospectus including the section titled “Risk Factors” beginning on page 26 of the Red Herring Prospectus.

The Equity Shares have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the “Securities Act”) or any state securities laws in the United States, and unless so registered, and may not be issued or sold within the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and in accordance with any applicable U.S. State Securities laws. The Equity Shares are being issued and sold outside the United States in ‘offshore transactions’ in reliance on Regulation “S” under the Securities Act and the applicable laws of each jurisdiction where such issues and sales are made. There will be no public offering in the United States.