KARAMTARA ENGINEERING LTD

IPO NOTE | 08th SEPTEMBER, 2026

Canara Bank Securities Ltd
canmoney.in

ABOUT THE COMPANY: Incorporated in 1996, Karamtara Engineering Limited is engaged in the business of manufacturing Products for renewable energy and transmission lines. The company offers a diverse product portfolio, serving as a one-stop shop for solar structures (fixed-tilt and trackers), fasteners for solar energy and transmission sectors, and overhead transmission line hardware fittings. Launching wind tower manufacturing facility.

KEY BUSINESS INSIGHTS: The company is the largest integrated manufacturer in India for solar mounting structures and tracker components in terms of installed capacity in FY26, It operates with an aggregate installed capacity of 889,200 MTPA (including 492,000 MTPA dedicated to solar products equivalent to 16.8 GW) along with 480,000 pieces capacity for OHTL hardware fittings, providing significant scale advantages in the renewable energy ecosystem. The company offers a comprehensive product portfolio spanning solar module mounting structures (MMS), tracker piles & piers, torque tubes, lattice transmission towers, wind turbine towers, fasteners and OHTL hardware fittings. This diversified portfolio enables cross-selling opportunities and positions the company as a preferred integrated supplier for EPC contractors, OEMs and Independent Power Producers (IPPs). The company entered the wind energy sector through manufacturing of angular towers and tubular towers for wind turbines beginning in FY25. It also plans to enter the Battery Energy Storage Systems (BESS) market through its wholly-owned subsidiary and intends to establish manufacturing facilities for Pre-Engineered Buildings (PEB), creating multiple long-term growth avenues beyond solar infrastructure.

OUR VIEWS: The company has established itself as one of India's most strategically positioned renewable energy infrastructure manufacturers through its scale, backward integration and diversified product portfolio. Unlike many pure-play solar component manufacturers, it operates across multiple segments including solar structures, transmission towers, fasteners, OHTL hardware and emerging wind energy products, creating a comprehensive renewable infrastructure platform. Overall, the company combines industry leadership, strong financial performance, large growth opportunities in renewable energy, extensive backward integration and significant expansion potential, making it one of the most attractive plays on India's renewable energy infrastructure value chain. At upper price that stock is available at P/E, P/B of 32.44X,6.09X respectively compared to industry average of 19.14X,4.90X. spectively, hence we give a "**SUBSCRIBE**" for long term investment.

SUBSCRIBE

ISSUE DETAILS	
Price Band (in ₹ per share)	241.00-254.00
Issue size (in ₹ Crore)	875.00
Fresh Issue (in ₹ Crore)	675.00
Offer for Sale (in ₹ Crore)	200.00
Issue Open Date	09-09-2026
Issue Close Date	11-09-2026
Tentative Date of Allotment	15-09-2026
Tentative Date of Listing	17-09-2026
Total Number of Shares (in lakhs)	3,44,48,817
Face Value (in ₹)	10.00
Exchanges to be Listed on	NSE/BSE

APPLICATION	LOTS	SHARES	AMOUNT (₹)
Retail (Min)	1	59	₹14,986
Retail (Max)	13	767	₹1,94,818
S-HNI (Min)	14	826	₹2,09,804
S-HNI (Max)	66	3894	₹9,89,076
B-HNI (Min)	67	3953	₹10,04,062

BRLMs: JM Financial Ltd, ICICI Securities Ltd, IIFL Capital Services Ltd.

PROMOTERS: TANVEER SINGH,RAJIV SINGH, INDERJEET SINGH, INDERJEET TANVEER SINGH TRUST AND INDERJEET RAJIV SINGH TRUST

BRIEF FINANCIALS

PARTICULARS (Rs. Cr) *	FY26	FY25	FY24
Share Capital***	292.29	292.29	5.53
Net Worth	1219.91	983.18	553.43
Revenue From Operations	4311.97	3158.44	2425.15
EBITDA	498.11	346.83	262.92
EBITDA Margin (%)	11.55	10.98	10.84
Profit/(Loss) After Tax	228.75	139.33	102.65
EPS (in Rs.)	7.83	4.90	3.64
ROCE (%)	23.27	23.30	24.15
P/E#	32.44	NA	NA
P/B#	6.09	NA	NA

**Restated consolidated financials; #Calculated at upper price band ***Bonus issue in the ratio of three Equity Shares for every Equity Share held*

OBJECTS OF THE OFFER

- Funding prepayment, repayment and/ or payment obligations to lenders towards borrowings and Acceptances, in part or full Est Amt 600.00 *(₹ Cr.)*
- General corporate purposes

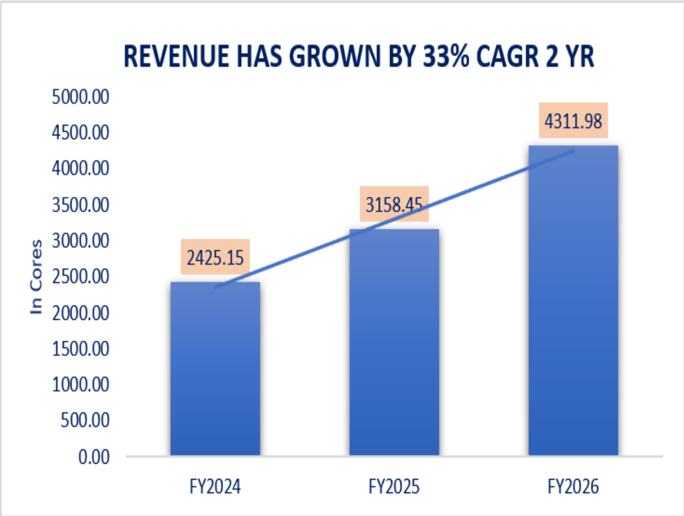
FINANCIAL STATEMENTS

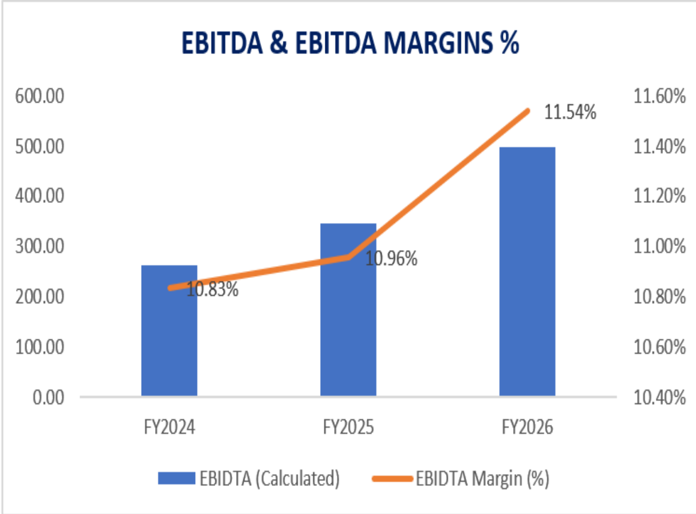
Profit & Loss Statement			
Particulars (In Crores)	**FY2024**	**FY2025**	**FY2026**
INCOME			
Revenue from operations	2425.15	3158.45	4311.98
Other Income	1.97	6.91	4.38
Total Income	**2,427.12**	**3,165.36**	**4,316.36**
YoY Growth (%)	-	30.24%	36.52%
Cost of Materials Consumed	1743.79	2129.82	2573.64
Cost of Materials Consumed -% of Revenue	71.90%	67.43%	59.69%
Changes in inventories of finished goods	-20.90	0.64	-53.55
Employee benefit expenses	113.79	149.71	203.95
Employee Expenses-% of Revenue	4.69%	4.74%	4.73%
Other expenses	325.54	531.44	1089.82
EBIDTA (Calculated)	**262.93**	**346.83**	**498.12**
EBIDTA Margin (%)	10.83%	10.96%	11.54%
Depreciation and amortisation expense	34.61	37.70	50.76
EBIT	228.32	309.13	447.36
EBIT Margin (%)	9.41%	9.79%	10.37%
Finance cost	92.85	127.77	140.52
Profit before share of Profit/(Loss) of Associates & Tax	137.44	188.27	311.22
Share of Profit/(Loss) of Associates	0.00	0.00	-0.01
Profit before TAX	**137.44**	**188.27**	**311.21**
Tax expenses			
Current tax	35.39	46.96	76.36
Tax pertaining to earlier years	-0.60	1.98	6.09
Total tax expenses	**34.79**	**48.94**	**82.46**
Profit for the year	**102.65**	**139.33**	**228.75**
PAT Margin (%)	4.23%	4.41%	5.31%
Earnings per share			
Basic earnings per share (₹)	3.64	4.90	7.83

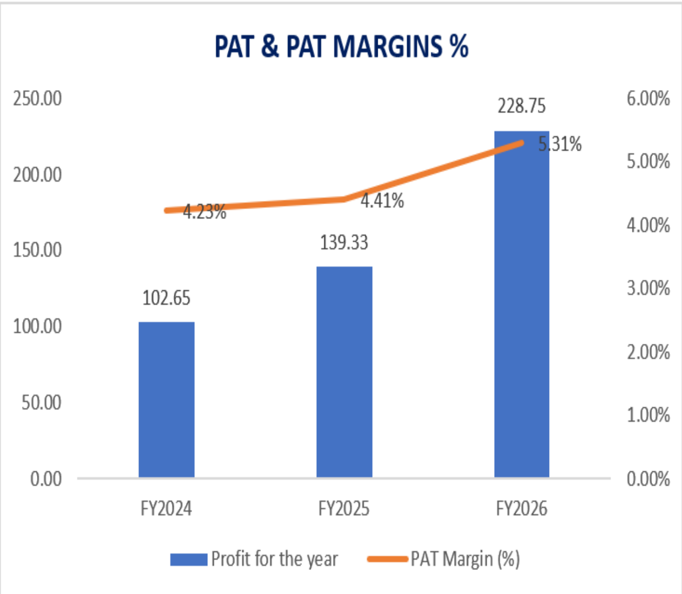
Particulars (In Crores)	FY2024	FY2025	FY2026
Net cash generated from/(used in) operating activities	40.02	102.52	675.15
Net cash generated from/(used in) investing activities	-123.79	-276.42	-959.46
Net cash generated from/(used in) financing activities	88.05	194.86	328.34
Net increase/(decrease) in cash and cash equivalents	**4.28**	**20.95**	**44.02**
Cash and cash equivalents at the beginning of the year	5.59	9.88	30.83
Cash and cash equivalents at the end of the year	**9.88**	**30.83**	**74.85**

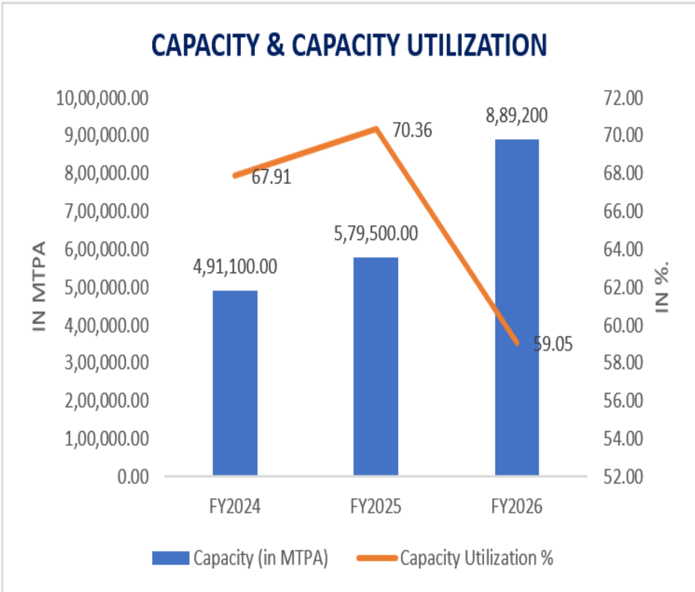
Particulars (In Crores)	FY2024	FY2025	FY2026
ASSETS			
Non-current assets			
Property, Plant & Equipment	569.36	641.82	1164.27
Right-of-Use Assets	0.52	2.49	66.39
Capital Work in Progress	16.95	194.25	484.59
Goodwill	2.81	2.88	3.41
Other Intangible Assets	0.55	0.78	4.19
Investment in Properties under Development	47.41	-	-
Intangible assets under development	0.04	1.70	0.14
Financial Assets	0.00	0.00	0.00
Non-Current Investments	0.45	4.26	9.34
Other Non-Current Financial Assets	5.93	7.93	9.88
Deferred Tax Assets (Net)	-	0.34	1.39
Other Non Current Assets	24.89	78.67	148.67
Total of Non Current Assets	**669**	**935**	**1892**
Current Assets			
Inventories	528.59	691.57	571.82
Financials Assets	0.00	0.00	0.00
Current Investments	0.20	0.04	0.06
Trade Receivables	568.51	934.62	1316.10
Cash and Cash Equivalents	9.88	30.83	74.85
Bank Balance other than above	32.55	31.92	68.32
Loan	0.74	8.15	7.97
Other Current Financial Assets	13.23	12.43	26.19
Other Current Assets	21.97	117.89	184.67
Total of Current Assets	**1175.66**	**1827.44**	**2249.97**
Total Assets	**1845**	**2763**	**4142**
EQUITY AND LIABILITIES			
Equity			
Equity Share Capital	5.53	292.30	292.30
Other Equity	547.91	690.89	927.62
Total Equity	**553**	**983**	**1220**
Liabilities			
Non Current Liabilities			
Financial Liabilities			
Borrowings	146.91	218.20	566.65
Lease Liability	0.00	1.35	62.76
Provisions	6.79	7.60	10.61
Deferred Tax Liabilities (Net)	28.61	30.96	38.01
Other Non Current Liabilities	57.10	0.00	177.14
Total Non Current Liabilities	**239**	**258**	**855**
Current Liabilities			
Financial Liabilities			
Borrowings	361.61	338.08	463.48
Lease Liability	0.01	1.26	11.95
Trade Payable	0.00	0.00	0.00
Total outstanding dues of Micro and Small Enterprises	19.14	13.17	25.06
Total outstanding dues other than Micro and Small Enterprises	591.31	1022.00	1299.64
Other Current Financial Liabilities	10.67	23.21	51.14
Other Current Liabilities	40.88	98.94	196.75
Provisions	5.33	2.32	2.88
Current Tax Liabilities (Net)	22.78	22.26	16.26
Total Current Liabilities	**1052**	**1521**	**2067**
Total Liability	**1291**	**1779**	**2922**
Total Equity and Liabilities	**1845**	**2763**	**4142**

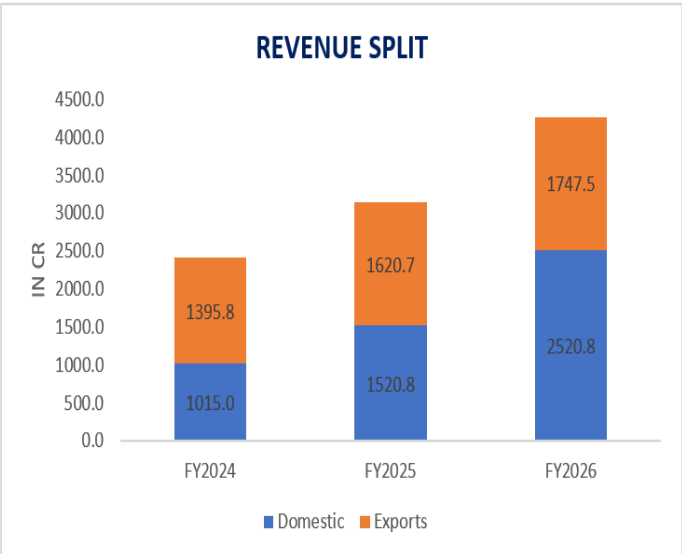
PERFORMANCE THROUGH CHARTS

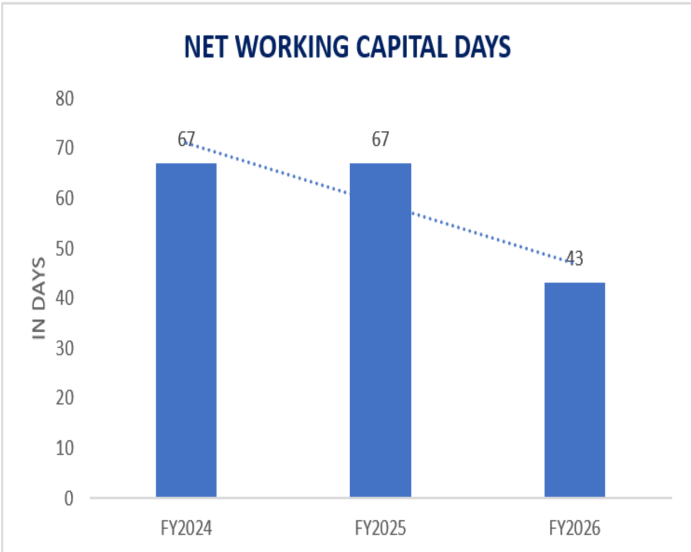












INDUSTRY OVERVIEW

Overview of Fixed Tilt Solar Technology

- Fixed tilt solar technology, widely adopted in India, involves photovoltaic panels mounted at a fixed angle optimized for maximum solar radiation at specific locations. Known for its cost-effectiveness, simplicity, and reliability, this technology is particularly popular in utility-scale solar farms and rooftop installations.
- Fixed tilt systems dominate due to lower installation and maintenance costs, aligning well with India's cost-sensitive renewable energy market.

Global analysis of fixed tilt markets.

- The global solar market is witnessing a decisive shift from fixed-tilt installations to tracker-based systems, with fixed-tilt penetration declining sharply from 68% in CY2020 to a projected 35% by CY2030E.
- This trend underscores the growing preference for trackers, which enhances energy yield by optimizing sunlight capture. The decline is particularly stark in the United States, where fixed-tilt systems have seen their market share dwindle to 12% in CY2025, signaling an almost complete transition.

Introduction to Solar Tracker Manufacturing Technologies.

- Solar trackers improve energy capture by adjusting their position throughout the day, relying on stamped and rolled metal products for their structure. Stamped metal forms the bearing housing assembly for rotation, while rolled steel provides the module mounting rails.
- These components ensure robust support, precise dimensions, and structural integrity. Stamped parts like rails and brackets add reinforcement and attachment points.

Implications of CBAM on Exports from India

- The CBAM is expected to impose tariffs ranging from 20% to 35% on select imports into the EU starting January 1, 2026. This could lead to substantial increases in export costs for Indian goods, particularly in carbon-intensive sectors, which could reduce their competitiveness in the EU market.
- By investing in cleaner production technologies and improving energy efficiency, Indian industries can lower their carbon footprints and potentially reduce compliance costs under CBAM. Encouraging industries to adopt cleaner production methods can help lower carbon emissions and potentially reduce compliance costs under CBAM. Investments in renewable energy sources, such as solar and wind power, are crucial for achieving this goal.

Overview of Technological Innovations in Tubular Tower Designs and Materials

- Tubular wind towers have witnessed significant technological innovations in its design and materials aimed at enhancing efficiency, reducing costs and addressing environmental concerns. Some of the most remarkable innovations are classified as material innovations, design innovations that offer dynamic performance optimization, and are sustainability focused.
- The wind energy sector is experiencing significant trends in tower height and material usage, particularly between high-tensile (HT) steel and mild steel (MS) in tubular wind towers. These trends are driven by the need for improved efficiency, cost-effectiveness, and structural integrity in harnessing wind energy.

Overview of Lattice Towers for Transmission Lines

- Lattice towers are a prominent type of transmission tower widely used in electrical power distribution. Their design consists of an open framework made from intersecting metal sections, which provides them with a high strength-to-weight ratio, making them particularly suitable for supporting heavy power lines over long distances.
- Lattice towers are predominantly used for high-voltage transmission lines due to their ability to span long distances without significant structural support. These towers offer cost-effectiveness, wind resistance (the open framework allows wind to pass through, reducing the wind load on the structure compared to solid towers) and versatility to be adapted for various voltage levels and environmental conditions, making them suitable for diverse geographical locations.

COMPETITIVE STRENGTHS OF THE COMPANY

Largest integrated manufacturer in India for solar mounting structures and tracker components.

- They are the largest integrated manufacturer in terms of installed capacity in India for solar mounting structures and tracker components in Fiscal 2026.
- Their operations are equipped with enhanced backward integration capabilities that offer them several competitive advantages. Further, their rolling mill furnace and in-house galvanizing facilities also provide them with a number of advantages, including quality control and assurance, an improved just-in-time inventory system that helps aligns their raw-material orders with production schedules, timely delivery, better working capital management, optimum capacity utilization levels, reduced dependency on third party contractors (which also leads to reduced costs) as well as end-to-end visibility and traceability for their customers.

Diverse product offerings acting as a one-stop shop for solar structures (fixed-tilt and trackers)

- They are a one-stop shop equipped to design, manufacture and supply various solar structures (fixed-tilt and trackers).
- They have established a diverse product portfolio, including products in the solar energy sector (such as module mounting structures, tracker piles and piers and torque tubes) and the transmission sector (such as lattice towers for transmission lines).
- Further, their foray into the production of angular towers for wind turbines and tubular towers for wind turbines led them to venture into the wind energy sector, which they believe will enable them to strengthen their market position in the renewable energy sector.

Extensive global footprint with a track record of exports to over 50 countries.

- Their capabilities have enabled them to serve various customers in the international markets and they supplied their products to over 50 countries as of March 31, 2026 across North America, Europe, Asia, Africa, Australia and Latin America.
- Their in-house rolling mill furnace and large galvanizing facilities enhance their capability to convert raw material into finished goods at a fast pace ensuring high quality.
- They ensure quality control at each stage of the manufacturing process, which helps them to strengthen their export sales. They are also subjected to periodical audits by certain of their international customers which lead to high product standards and global acceptance.

Strategic network of manufacturing facilities with advanced capabilities.

- Their facilities are equipped with automated equipment, robotics and advanced technologies, including internet of things (“IoT”) sensors, within their manufacturing facilities to enhance their maintenance processes, reduce downtime, increase equipment lifespan and increase the overall cost and production efficiencies.
- They have implemented quality control measures which are supervised by their quality assurance team, including a 160-member group of experienced and qualified in-house engineers and inspectors as of March 31, 2026, who undertake regular quality checks.
- They regularly upgrade their quality systems and modernize their manufacturing facilities which enable them to improve their products and services, thereby increasing customer satisfaction.

RISK FACTORS

They are significantly dependent on their manufacturing facilities. Any unscheduled, unplanned or prolonged disruption, slowdown or shutdown of their manufacturing facilities could have a material adverse effect on their business, financial condition, cash flows and results of operations.

- They may experience interruptions at their manufacturing facilities due to factors such as adverse weather conditions, natural disasters, fire, terrorism, vandalism, extended power failures, internet failures or changes in laws and regulations and any increase in the price of raw materials procured from third parties, and internal factors such as loss of licenses, certifications and permits, failure to comply with regulatory requirements and the resulting loss of authorization to operate the facility, employee or manpower conflict or termination or nonrenewal of leases.
- Most of their manufacturing facilities are located in Tarapur, Maharashtra. Accordingly, their operations are significantly susceptible to disruptions caused by local and regional factors in Tarapur, Maharashtra.

They derive a substantial portion of their revenue from the sale of products in the solar industry (78.99%, 81.40% and 81.75% of their total revenue from operations in Fiscals 2026, 2025 and 2024, respectively), and any adverse trend in the solar energy industry could have a material adverse effect on their business, financial condition, cash flows and results of operations.

- Any downturn or negative trends in the solar energy industry or other industries that they cater to (such as power transmission), including due to reasons such as consumer demand, consumer confidence, disposable income levels, employment levels, changes in national and international trade policies, changes in government policies, environmental, and/ or health and safety regulations, could result in loss of business or reduction in the volume of business from customers operating in these industries.
- There can be no assurance that any instance of economic cyclicality, significant reduction in demand or negative trends in the solar energy industry, or other industries that they cater to, will not occur in the future, which may impact their sales and in turn adversely affect their business, financial condition, cash flows and results of operations.

They derive a significant portion of their revenue from operations from exports which exposes them to risks inherent to operations in these foreign jurisdictions. Any adverse developments in the international markets that they operate or intend to expand to, including but not limited to foreign currency exchange rate fluctuations, could have an adverse effect on their business, financial condition, cash flows and results of operations.

- They may be subject to risks inherent in doing business in markets outside India such as respective legal and regulatory environment (including in relation to custom duties and classifications), policy changes by the respective governments, complex local tax regimes, tariff rates and challenges caused by distance, language and cultural differences.
- any changes or reclassification of the harmonized system (HS) codes or interpretation of applicable customs duties by the importing country's authorities could adversely affect their cost structure, competitiveness of their products in those markets and their profitability.

PEER COMPARISON

Name of the company	REVENUE FROM OPERATIONS (in ₹ Cr)	Face Value (Rs per share)	EPS (in Rs)	NAV (Per share Rs)	RoNE (%)	P/E*	P/B*
Karamtara Engineering Limited	4311.97	10.00	7.83	41.72	20.78	32.44	6.09
Inox Wind Limited	4397.12	10.00	2.65	36.93	8.32	28.47	2.04
Waaree Energies Limited	26536.77	10.00	129.10	501.90	32.48	20.11	5.17
KP Green Engineering Limited	1245.56	5.00	27.15	91.52	32.32	10.29	3.05
Suzlon Energy Limited	16679.11	2.00	2.31	6.90	40.64	19.71	6.60
Premier Energies Limited	7824.37	1.00	33.63	95.09	42.35	29.42	10.41
Vikram Solar Limited	4802.25	10.00	13.68	87.43	21.34	12.12	1.90
Saatvik Green Energy Limited	4548.43	2.00	29.83	107.08	41.97	14.08	3.92
Emmvee Photovoltaic Power Limited	5049.87	2.00	17.17	53.37	51.12	18.94	6.09

**P/E & P/B ratio based on upper price and of IPO, financial details consolidated audited results as of FY26. We have taken closing price of 07th September 2026.*

Canara Bank Securities Ltd.
(A Wholly Owned Subsidiary of Canara Bank)

Research Desk
Canara Bank Securities Ltd

SEBI: RESEARCH ANALYST REGISTRATION: INH000001253

BSE: INB 011280238, BSE F&O: INF 011280238

NSE: INB 23180232, F&O: INF 231280232, CDS: 231280232

Maker Chambers III, 7th floor,

Nariman Point, Mumbai 400021

Contact No. : 022 - 43603861/62/63

Email id: researchdesk@canmoney.in

Analyst Certification

We/I, Vedana Bhadani, PGDM (Securities Market) NISM, authors and the names subscribed to this report, hereby certify that all of the views expressed in this research report accurately reflect our views about the subject issuer (s) or securities. We also certify that no part of our compensation was, is, or will be directly or indirectly related to the specific recommendation (s) or view (s) in this report. It is also confirmed that above mentioned Analysts of this report have not received any compensation from the companies mentioned in the report in the preceding twelve months and do not serve as an officer, director or employee of the companies mentioned in the report.

Disclosures and Disclaimers

CANARA BANK SECURITIES LTD (CBSL), a wholly owned subsidiary of CANARA BANK, is a SEBI registered intermediary offering broking services to its institutional and retail clients; we also run a proprietary trading desk. CBSL is member of BSE & NSE. We are registered as RESEARCH ANALYST under SEBI (INH000001253). CBSL or its associates do not have an investment banking business. Hence, they do not manage or co mange any public issue. Neither CBSL nor its associates, neither the research analysts nor their associates nor his/her relatives (i) have any financial interest in the company which is the subject matter of this research report (ii) holds ownership of one percent or more in the securities of subject company (iii) have any material conflict of interest at the end of the month immediately preceding the date of publication of the research report OR date of the public appearance (iv) have received any compensation from the subject company in the past twelve months (v) have received any compensation for investment banking merchant banking or brokerage services from the subject company in the past twelve months (vi) have received any compensation for any other product or services from the subject company in the past twelve months (vii) have received any compensation or other benefits from the subject company or third party in connection with the research report. (viii) Research Analyst involved in the preparation of Research report discloses that he /she has not served as an officer, director, or employee of subject company (ix) is involved in market making activity of the company.

We shall adhere to SEBI guidelines from time to time.

We may have earlier issued or may issue in future reports on the companies covered herein with recommendations/ information inconsistent or different those made in this report. We may rely on information barriers, such as "Chinese Walls" to control the flow of information contained in one or more areas within us, or other areas, units, groups or affiliates of CBSL. The Research Desk does not solicit any action based on the material contained herein. It is for the general information of the clients / prospective clients of CBSL. CBSL will not treat recipients as clients by virtue of their receiving the research report. It does not constitute a personal recommendation or take into account the particular investment objectives, financial situations, or needs of clients / prospective clients. Similarly, the Research Desk does not have regard to the specific investment objectives, financial situation/circumstances and the particular needs of any specific person who may receive it. The securities discussed in the report may not be suitable for all investors. The appropriateness of a particular investment or strategy will depend on an investor's individual circumstances and objectives. Persons who may receive the research report should consider and independently evaluate whether it is suitable for his/ her/their particular circumstances and, if necessary, seek professional/financial advice. And such person shall be responsible for conducting his/her/their own investigation and analysis of the information contained or referred to in the research report and of evaluating the merits and risks involved in the securities forming the subject matter of the reports. All projections and forecasts in research reports have been prepared by our research team.

The client should not regard the inclusion of the projections and forecasts described herein as a representation or warranty by CBSL For these reasons; The client should only consider the projections and forecasts described in the research reports after carefully evaluating all of the information in the report, including the assumptions underlying such projections and forecasts. Past performance is not a guide for future performance. Future returns are not guaranteed and a loss of original capital may occur. Actual results may differ materially from those set forth in projections. Forward-looking statements are not predictions and may be subject to change without notice. We do not provide tax advice to our clients, and all investors are strongly advised to consult regarding any potential investment. CBSL or its research team involved in the preparation of the research reports, accept no liabilities for any loss or damage of any kind arising out of the use of these reports. The technical levels and trend etc mentioned in our reports are purely based on some technical charts/levels plotted by software used by us and these charts/levels are believed to be reliable. No representation or warranty, express or implied is made that it is accurate or complete. The recommendation expressed in the reports may be subject to change. The recommendations or information contained herein do/does not constitute or purport to constitute investment advice in publicly accessible media and should not be reproduced, transmitted or published by the recipient. This research reports are for the use and consumption of the recipient only. This publication may not be distributed to the public used by the public media without the express written consent of CBSL. The Research reports or any portion hereof may not be printed, sold or distributed without the written consent of CBSL. The research report is strictly confidential and is being furnished to client solely for client's information, may not be distributed to the press or other media and may not be reproduced or redistributed to any other person. The opinions and projections expressed herein are entirely based on certain assumptions & calculations and are given as part of the normal research activity of CBSL and are given as of this date and may be subject to change. Any opinion estimate or projection herein constitutes a view as of the date of this report and there can be no assurance that future results or events will be consistent with any such opinions, estimate or projection. The report has not been prepared by or in conjunction with or on behalf of or at the instigation of, or by arrangement with the company or any of its directors or any other person. Any opinions and projections contained herein are entirely based on certain assumptions and calculations. None of the directors of the company or any other persons in the research team accepts any liability whatsoever for any loss arising from any use of the research report or its contents or otherwise arising in connection therewith. The information contained herein is not intended for publication or distribution or circulation in any manner whatsoever and any unauthorized reading, dissemination, distribution or copying of this communication is prohibited unless otherwise expressly authorized. Please ensure that the client has read "Risk Disclosure Document for Capital Market and Derivatives Segments" as prescribed by Securities and Exchange Board of India (SEBI) before investing in Securities Market. Please remember that investment in stock market is subject to market risk and investors/traders need to do study before taking any position in the market.