Date: 11th November, 2026.

To, National Stock Exchange of India Ltd., Exchange Plaza, C-1, Block G, Bandra Kurla Complex, Bandra (E), Mumbai – 400 051 NSE Scrip Symbol: INTERARCH	To, BSE Limited Phiroze Jeejeebhoy Towers Dalal Street Mumbai- 400001 BSE Scrip Code 544232

Sub: Transcript of the Earning Call on the Un-Audited Financial Results for the quarter & half year ended 30th September, 2026

Dear Sir/ Madam,

Pursuant to Regulations 30 and 46(2)(0a) of the SEBI (LODR) Regulations, 2015 as amended, we hereby inform you that the transcript of Earning Call held on 6th November, 2026 to discuss the Financial Results of the Company for the quarter & half year ended 30th September, 2026, is attached herewith.

The above information is also available on www.interarchbuildings.com.

Discussions were based on publicly available information. No unpublished price sensitive Information (UPSI) was discussed during the interactions.

We request you to take the above on record and the same be treated as compliance under the applicable Regulations of SEBI LODR.

This is for your information and records.

For INTERARCH BUILDING SOLUTIONS LIMITED
(Formerly known as Interarch Building Products Limited)

Nidhi Khandelwal
Digitally signed by Nidhi Khandelwal
Date: 2026.11.11 12:31:35 +05'30'

NIDHI KHANDELWAL
COMPANY SECRETARY & COMPLIANCE OFFICER
M.No.: A19279

“Interarch Building Solutions Limited

Q2FY27 Earnings Conference Call”

November 06, 2026

E&OE - This transcript is edited for factual errors. In case of discrepancy, the audio recordings uploaded on the stock exchange on November 06th, 2026 will prevail.

MANAGEMENT: **MR. ARVIND NANDA – EXECUTIVE CHAIRMAN AND WHOLE-TIME DIRECTOR – INTERARCH BUILDING SOLUTIONS LIMITED**
MR. MANISH GARG – MANAGING DIRECTOR AND CHIEF EXECUTIVE OFFICER – INTERARCH BUILDING SOLUTIONS LIMITED
MR. PUSHPENDRA BANSAL – CHIEF FINANCIAL OFFICER – INTERARCH BUILDING SOLUTIONS LIMITED
MR. VIRAJ NANDA – EXECUTIVE DIRECTOR – INTERARCH BUILDING SOLUTIONS LIMITED

MODERATOR: **MR. SUDEEP BORA – AMBIT CAPITAL PRIVATE LIMITED**

Moderator: Ladies and gentlemen, good day and welcome to Interarch Building Solutions Q2FY27 Earnings Conference Call hosted by Ambit Capital Private Limited. As a reminder, all participants' lines will be in listen-only mode. There will be an opportunity for you to ask questions after the presentation concludes. Should you need assistance during this conference, please signal an operator by pressing star follow by zero on your touch tone phone.

I now hand the conference over to Mr. Sudeep Bora from Ambit Capital Private Limited. Thank you, and over to you, sir.

Sudeep Bora: Good afternoon, everyone. On behalf of Ambit Capital, I thank the management of Interarch Building Solutions Limited for the opportunity to host their Q2 and H1FY27 earnings conference call.

To discuss the results, I am pleased to welcome Mr. Arvind Nanda, Executive Chairman and Whole-Time Director; Mr. Manish Garg, MD and CEO; Mr. Viraj Nanda, Executive Director; and Mr. Pushpendra Kumar Bansal, Chief Financial Officer.

Now, I invite Mr. Arvind Nanda: to take us through the key highlights of the quarter post, which we'll open up for Q&A. Thank you, and over to you, Mr. Nanda.

Arvind Nanda: Thank you, Sudeep. Thank you very much. I'm Arvind Nanda here, newly appointed Executive Chairman, also promoter of the company, of Interarch. Good afternoon, everyone. Thank you for joining us on the Interarch Building Solutions earnings conference call to discuss our operational and financial performance for the second quarter of the half-year ended 30 September 2026.

We would like to first thank Ambit for the continued support they have been giving us over the last many years, and especially after we have become a listed company and continue to host our earnings calls. We trust that everyone has had the opportunity to go through our financial results and investor presentation. Both are available on the stock exchanges and our website as well.

Before we begin the discussion on the quarter, let me give you a brief overview of our business. At the core of Interarch's business is the design, manufacture, and execution of pre-engineered buildings, or PEBs as we call them, and more and more also pre-engineered structures, which can cater to a much larger market than just a pure building, as we will see when we grow and when we are talking about the other parts of our business, you will see that there are many other types of steel structures required in the fast-growing Indian economy.

These are all custom-engineered steel structures manufactured in controlled factory environment, normally designed and engineered by us as well, manufactured and then taken to site in more or less complete condition except the final assembly is done in a nut and bolt assembly at site. Everything else has already been done in our state-of-the-art plants located at different locations. And this enables very fast construction timelines, optimized material utilization, because all the work is done in our plant under very controlled conditions and highly automated lines and highly skilled people.

This gives us consistent quality and improves cost efficiency. Making PEBs an increasingly preferred solution across industries such as manufacturing, logistics, warehousing, retail, aviation, infrastructure, data centers, and, in the coming years, high-rise commercial buildings, and then going on to any kind of high-rise or institutional building also, like schools, colleges, malls, stadiums, airports. Everything will gradually get converted into steel. It has already been done, but more and more it will become general usage.

Interarch differentiates itself with its integrated turnkey business model, which offers end-to-end solutions through the entire project lifecycle, from in-house design and engineering to the manufacture of structural components using HR plates, coils, and coated coils for roof and wall cladding, followed by on-site erection through nut-and-bolt assembly.

Interarch executes every stage of the project under a single-responsibility framework. This integrated approach gives customers greater certainty on project quality, timelines, overall execution, and cost. So he is dealing with one company as an overall one-stop shop. For a whole building, like a product, unlike the traditional method where the customer has to deal with three or four different parties and bear the brunt of any defect, loss or problem created by any of these contractors, he has to bear the brunt.

Each project is engineered to meet specific technical and operational requirements, whether for manufacturing, logistics, high-rise industrial buildings, commercial structures, or specialised applications such as data centres.

Our ability to deliver highly customised solutions reflects the strength of our engineering capabilities, which remain a key pillar of our business, as they should be in any pre-engineered business. Robust engineering not only enhances structural performance and safety, but also improves manufacturing efficiency, execution reliability, and long-term quality, as well as safety values for our customers, and very, very efficient and time-bound execution.

Our customer base includes several leading Indian and multinational companies that rely on Interarch for their mission-critical industrial and commercial infrastructure requirements. I would say that hardly any multinational or Indian company which has not worked with Interarch in the last 25 to 40 years and has not used our building products.

Our execution capabilities are industry agnostic, building agnostic, and geography agnostic, and we are supported by a strong pan-India manufacturing and project delivery network. Over the years, we have successfully executed projects across diverse geographies and sectors, establishing ourselves as a trusted partner for large and complex developments.

Our consistent track record of execution excellence, engineering expertise, and customer-centric approach has helped us build long-standing relationships with leading corporates and strengthen our competitive position in the rapidly growing PEB industry.

To achieve this, we have had to build our company internally over the last 25 years, especially to have the best available skills, software, and technologies across our areas of work, from sales, marketing, brand building, and business development to engineering and detailing to production capacities and capabilities, which have completely changed in the last 25 years as our buildings

have changed, as our customers have changed, and, of course, carrying them to site and project management across the country, whether it is in Assam or Coimbatore or Bihar or Odisha. We have mastered the art of doing project execution in all these areas.

And that is the basic strength of Interarch today, why people keep coming back, and the success that we have had with our customers who keep a long-term relationship like a partner with us, like, they approach their capital goods companies; they approach Interarch for their buildings, which we feel is primarily the capital expenditure number one, capital goods number one for their building, since buildings have become very complex and the building itself is a very integral part of the complete production process, especially in these larger industrial and logistics and data centers.

As India continues to witness increasing investments in manufacturing, logistics infrastructure, industrial growth, we believe Interarch is well-positioned to capitalize on these long-term structural growth opportunities. Our continued focus on engineering-led innovation, operational excellence, capacity expansion, and turnkey project execution will remain central to driving our sustainable growth.

For your information, over the last two to three years, Interarch has invested heavily in better people, better computer systems, better software like SAP HANA, and, similarly, in all engineering and project management work. And we have spent over INR250 crores in the last two years, plus maybe two years and a quarter, on our capex building only.

This is from the IPO time, when we raised INR180 crores, out of which 50% was for capex, and 50% was for working capital and other items like general expenses. But we have actually spent INR250 crores till date already on our capex building by completing our complete Andhra plant, updating all our other plants, adding a line in Kichha and a heavy structure plant in Andhra Pradesh Phase 1, and Gujarat plant both the phases done.

So, we have been spending very heavily on capex, because what we have seen in the last two years is that there is a huge upsurge in the demand, not only from our existing customers and traditional customers like industry and logistics, but from a completely new set of people who want steel buildings for faster growth, better value, better safety, better quality, and better execution, and to deal with one company.

So the capex spend has been very, very high, very fast, and our internal resources have been used, and working capital limits have been used for working capital, as well as our other areas of growth that we are looking at, the other expenses that we are trying to develop.

Two additional areas that we have developed in the last one year or two years are the export market, which Manish will tell you more about as he comes on. Export is going to be a big vertical for us in the coming years. We're getting very positive feedback from customers who have already bought from us, and we're dealing with buildings like data centres, commercial buildings and similar projects, which we weren't doing earlier.

So for both of these two new verticals, we have spent a lot of capex; we have spent a lot of expenses also building up the sales team, detailing teams, execution teams and production

facilities. We already spent a lot of money on that in the last two years, seeing that the future growth will equally come from all these three verticals, which is our present PEBs, the growth from high-rise and data centers and similar kind of buildings.

A lot of institutional buildings will come into this, like colleges, schools, airports, railway stations, etcetera. And of course exports, which we see as a very good opportunity for a company like ours, which has worked with all the multinationals in the world. So, we already have that credibility. We have worked in all kinds of buildings where most PEB companies have not worked.

It's just that our focus was not on exports till two years ago. I think this will be a long-term, very good thing for Interarch's growth. In the beginning, it may be a little tight, and we may suffer from expenses because we have to spend money on all these things before we can earn it back. But we don't see any choice for Interarch going forward if you really want to become a steel solutions company to the world and an internationally accepted brand and company.

So, we are very happy that we have had success in all this, in terms of data centres, high-rise buildings, hangars. We are now starting to get these buildings. Manish will take you through that in his speech, and then, of course, in the question-and-answer, we'll be very happy to answer any questions that you have.

I would now like to hand it over to Manish Garg, newly appointed MD and CEO, to take you through how Interarch is implementing all this. Thank you. Manish, please.

Manish Garg: Thank you, sir. Good afternoon, everyone, and thank you for joining today. I will take on from where Mr. Nanda left. Our second-quarter results have been broadly in line with the same quarter last year. That was Q2 of FY26, and we had anticipated this for the first half of the year. And this really reflects the resilience of our business model and our continued focus on operational excellence, customer engagement, customer stickiness, efficient capacity utilization, and our disciplined project execution.

As we have highlighted previously also, that the first half of our financial year, as for any construction product-related company or project-related company, remains a bit softer seasonally due to the slower execution cycles, very obviously due to the impact of monsoon. And consequently, project execution and order conversion reflect this seasonal pattern in all our results for the first half of the year.

But despite these seasonal factors, customer inquiries across our key market remains healthy, giving us confidence in the medium to long-term demand outlook. And that is reflected in our residual order book, which we shall share with you shortly.

The broader investment environment also looks very stable and favourable, and with the government continuing to prioritize capital expenditure as a key driver, the government has also released the draft of the 2047 Steel Policy, which is also a very big boon to the downstream like us, wherein, government is anticipating the steel usage to go up many notches.

This provides a favourable backdrop for pre-engineered buildings and steel construction solutions across sectors, including manufacturing, logistics, warehousing, multi-storey buildings, data centres, semiconductors, and other infrastructure, including electric vehicle infrastructure.

We remain very positive about the industry's long-term growth prospects, supported by ongoing investments and new policies centred on using steel for faster construction in India.

On the capacity expansion, Mr. Nanda already gave you an update that our AP Phase 1 and Gujarat both phases are now operational, and they will ramp up quickly as we move forward in the following quarters.

In terms of the business model for heavy structures. Heavy structures are large customized multistory buildings. They could be for process, they could be for data centers, they could be for commercial usage, they could be for many host of usages like institutions, like hotels, hospitals. And very pleased to inform that we are doing projects in all these areas. We are building a hospital, we are building a hotel, we are building many data centers. We are building a commercial building, an office building right in the heart of Delhi. So, we have had great success in all these sectors.

Collectively, the investments that we have made in our capex and manufacturing capabilities improves our execution efficiencies and give us the capacity to address the total market requirements.

In terms of exports and our joint venture for the new product, which is Open Web Steel Joists systems. Building on the MoU announced in Q4 with ER Steel Canada, we continue to advance our strategic collaboration and take our steel construction solutions to the entire North American market.

The initial funding as planned was INR80 crores for the OWSJ venture. The partnership brings together Interarch's engineering and manufacturing capabilities in India and ER Steel's deep penetration in those North American markets, particularly Canada.

In terms of taking our products global, we have made very good inroads into various other geographies, particularly on the African continent. We are already doing a few projects there, and we are making strong marketing inroads into those kinds of geographies.

On our order book update, as mentioned, we will come back to you with the robust order book. As of 31st of October, our order book is in excess of INR2,000 crores, the residual order book. That actually stands at a little over INR2,000 crores. This shows that our order booking across sectors has been very strong, and as the execution cycle picks up in H2, we expect better execution and throughput in the quarters ahead.

Looking ahead, we remain focused on disciplined execution. We will strengthen our customer relationships and expand our manufacturing and engineering capabilities to support sustainable long-term growth.

We expect our next phase of growth to be driven by three key pillars: our core pre-engineered building business, where we have built strong customer stickiness, with over 72% of our customers coming back to us for heavy steel structures and exports.

So, these are the three core areas that will drive our future growth, and together these will strengthen our core market position also as a holistic steel construction solution provider for more large, more complex, and very wide network of steel construction solutions in India and globally.

In the second half of the year, we expect execution to pick up progressively. And with a robust balance sheet and expanding manufacturing footprint, disciplined capital allocation, and continued investment in our future-ready capabilities, we remain well-positioned to capitalize on India's evolving industrial and infrastructure investment cycle.

In terms of our financial highlights and some numbers, coming to the financial performance of this Q2 of FY27, The revenue for the quarter stood at INR505 crores, compared to INR491 crores the same quarter last year.

EBITDA for the quarter remained at INR41.7 crores, compared to Q2 of FY26, a similar number. EBITDA margin for Q2 was about 8.3%, marginally different than what it was in the last year same quarter, 8.5%. And PAT remained at INR30.7 crores as against INR32.3 crores, which is clearly a function of higher depreciation because we capitalized two brand new facilities at Gujarat and AP. And apart from that, a lesser interest income also because of our expenditure on capital projects like Mr. Nanda explained.

So, overall, our H1 performance has been very pleasing. Revenue for the half year stood at INR965 crores, registering a year-on-year growth of 10.7%, compared to INR872 crores of H1 FY26. EBITDA for the half year stood at INR81.1 crores, up from INR73.3 crores in H1 FY26, reflecting growth of 10.7%.

EBITDA margins for H1 FY27 remain stable at 8.4%, and PAT for the half year stood at INR58.9 crores, compared to INR60.7 crores in H1 FY26, reflecting similar performance year on year, after accounting for depreciation and interest. We had very healthy operating cash throughout H1, as you will see in our balance sheet and the numbers.

With that, I will conclude my presentation and open the floor for questions and answers. Thank you very much.

Moderator: Thank you very much, sir. Ladies and gentlemen, we will now begin with the question-and-answer session. The first question is from the line of Chintan Patel from PhillipCapital. Please go ahead.

Chintan Patel: Yes. So, I just want to know what is the heavy steel structure contracts capacity utilization, and how do we ramp up this facility? And what is the EBITDA per ton in heavy steel structure? Or maybe you can just guide us on a margin for a heavy steel structure?

Arvind Nanda: Thank you. See, one thing we have to understand that heavy steel structure is not a completely separate item. Heavy steel structure basically means each piece you can manufacture in that plant can be over five tons each, whereas in our existing pre-engineered building facilities, most pieces are less than five tons.

So, a heavy-structure plant lets us build different kinds of buildings; for example, today we can do data centres and high-rise buildings. Many big industrial plants, like lithium battery plants and microchip plants, also need a substantial amount of heavy-structure pieces.

Heavy structure is a piece similar to a pre-engineered building piece used in a building, but each piece weighs over five tons, up to 20 tons or 25 tons. So there is number one, for the building that we are doing, there is no separate vertical for HSS. HSS lets us get into different building verticals. So that is one thing.

So, we can now bid for data centres, etcetera. So the data centres and other things right now have a better margin than the standard pre-engineered buildings and a little less risk, because the client does a lot of the design element. These pieces carry more weight.

And in these kinds of buildings, heavy-structure buildings, like data centres, high-rise buildings, hospitals and hotels, there is a clear system where two things are very important. First, all steel prices are always passed through always, unlike pre-engineered buildings, where they may not be. So, therefore, your margin is more protected when you do those kinds of buildings.

Second, your payment terms are much strict, meaning you won't receive any payment after the material leaves the factory for those kinds of buildings.

So, I think two things are very important for us for high steel: number one, this heavy steel structure plant, which ultimately will go up to about 75,000 tons, 80,000 tons by the end of next year. Currently, it is 25,000 tons and will allow us to bid for all these buildings. We have already got, like Manish mentioned, data centers, hospitals, hotels, a commercial office building for the Government of India in heart of Delhi. We are constantly bidding for data centres. We have recently even got an airport hangar.

So our ability to bid increases; therefore, we have a new vertical of buildings we can do, and we feel that as the project gets larger and goes to these institutes, the margins are better protected. So margins are similar, but I think the net margin we will make will be higher too because our general overhead will not increase by the same amount.

If our general overhead can be covered partly by the existing overhead and new overhead, we will make more net margin. So I think we -- our anticipation is that we will make more margin as we get into these kinds of buildings, bigger buildings, bigger orders, bigger values, etcetera. What was the second part of your question?

Chintan Patel: So basically, sir, I just want to know the overall margin improvement trajectory, as we are adding heavy structural steel and we are going to build a lot of high-margin projects such as data centres and hospitals and other projects. So, how do you see your margin improvement trajectory going forward as we embark on export orders?

Arvind Nanda: So, in both these verticals, the primary reason we are entering both these verticals is that the net margins are better; and number two, the risk is less. And these businesses will come to us because of our existing overhead infrastructure, which I think will get more leveraged.

Our operational leverage will improve because the expense -- in selling an export building is not going to be substantially there for us. So we can get export business, which has no sales cost for us, no collection cost, and no project management cost. We just have to design, engineer, manufacture, and supply on an LC basis.

Similarly, for heavy structures, as I explained, margins will be better protected and higher because net margins will be higher. Because sometimes the design is not part of our thing. Even if it is, the steel price is completely pass-through, so that risk element goes away too. And on the project side also, in many cases, the project execution may be done by the client, who is normally a contractor in these cases, and it could even be done directly by the client or contractor with our erector.

So, we are trying to get into these verticals to make higher margins and enter different businesses to help us grow; that is the idea. So I think we'll achieve both objectives. It might take a year or two to see the effect.

So in the beginning, expenses will go up, and turnover won't reflect that. Still, we feel our current overheads will cover a lot of the orders we get rather than increasing overhead proportionately.

Chintan Patel: Okay. Got it, sir. And what kind of the order pipeline we are envisaging for the coming quarters, as we already have a INR2,000 crores kind of the order book in our book. So, what new orders are we going to bid for, or what order outlook are you targeting?

Arvind Nanda: See, our order book should normally reflect what we can deliver to the customer. We can't book orders which are beyond the customer's schedule. So normally, in pre-engineered buildings, including buildings like data centres and all, we have seen that they are very large orders; data centres could go from 10 months to 11 months. Most of the pre-engineered buildings are between four to eight to nine months. You don't really get many orders which go beyond that.

So, my capacity and the order book must match. As my capacity goes up, I can increase my order book. So, you can see that every quarter our order book is increasing a little bit because our capacity is going up. So, I would say that today we have 9 to 10 months of capacity in the order book. That is what it should reflect.

Even if I can take more orders, I can't take them because I can't deliver. So, I would say that in the next 12 months, we should be doing INR200 crores plus business every month. That is our capacity.

With Gujarat, both phases are on, and one phase has heavy structure. So, I would say that in the next 12 months, we are aiming for our order book to be about INR200 crores to INR220 crores a month. So, the current order book already reflects about nine months of production.

As capacity increases, the order book can grow as market business becomes available. Of course, we are trying to choose business from our traditional customers, our regular customers, new kind of building that we want to get into like data center and high-rise. But we want to deal with very safe customers. Of course, we have a choice today. There's a lot of business available in the market, so we are choosing business which is for more reliable customers, better pricing, 100% variable pricing; though, steel prices have shown sort of a -- they have been unusually moving in one direction for the last eight, nine months.

So, we want to protect ourselves from any steel price increase or decrease, wherever we can get a better margin, and where the customer is top quality, and it gives us the ability to do new kinds of buildings. Otherwise, in market there are many orders. I mean, it is not a problem to pick up orders. But it must reflect our ability to deliver.

So, I would say that INR2,000 crores we will probably have to deliver latest within the next nine months. And, of course, it will pick up as we increase capacity, which we are desperately trying to increase our capacity everywhere because the market is going very fast.

Chintan Patel: Okay. Got it, sir. And just typically, what kind of the margin you desire on a particular order? It could be any range for a particular order which you want to bid on. Any kind of the color you want to give on that part?

Arvind Nanda: See, we feel that 10% to 12% is what we should be aiming for. Let's say we were talking about next 12 months. Ultimately, in the long term, I feel a company like ours should be earning upward of 14%, 15%. Don't forget: we do design engineering, full manufacturing of the building, and project management.

So, we are actually working like three different companies and not really earning the margin of even one good company. But competition and the steel price increases and decreases, and all these things have taken a little bit of a toll.

And I think going forward we will increase it not only by getting better margins from customers but by earning better margins, by having better internal economies, definitely by operational leverage. As we get into more and more bigger orders, our operational leverage will go up. If our aim today is to get 10%, I think increasing the size of the business, turnover, and doing these larger orders will help us earn a better margin.

So, I don't think our overheads will grow with the same level. So, earnings should go up. So I would say that within two years we should reach 11% to 12%. Also, the other two verticals, like I said, data centers and these will kick in, exports will come to some substantial amount, even if it is INR100 crores or INR200 crores in two, three years, it will still give us some better margin.

So, we aim to increase it. We are not happy at all. I mean, currently EBITDA is about 9% or something, 8.5%. I don't think that is the kind of EBITDA we deserve as a company. But yes, right now we are in a period where we have to put a lot of expense into the new verticals we are starting, and the revenue from that isn't commensurate with the expense. But I think it will clear up within, say, '27-'28 at least.

Chintan Patel: Okay. Got it, sir. Okay, thanks for the answers to all my questions. That's all from my side.

Arvind Nanda: Thank you.

Moderator: Thank you. Our next question is from the line of Rahul Kumar from Vaikarya Fund. Please go ahead.

Rahul Kumar: Yes, hi. Sir, just one question on the working capital. I think this first half has actually seen an increase in these working capital days from 66 to 86. I think last time you mentioned that the share of larger orders has increased, which has resulted in this. So, is this sort of a more of a normal working capital now from onwards?

Arvind Nanda: Manish, you want to answer that?

Manish Garg: Yes, sir. I can answer that. So, the working capital actually is a function of, like you rightly said, how long that order is taking to get executed. So, we have the bill certification process in many orders, but all orders that we choose, we choose very carefully, our customers. So, while the order-to-cash cycle may have increased a little bit, the payment remains safe. So that's one reason, and we are executing larger and larger orders of that kind.

Second is that the last quarter has been very erratic in terms of the steel supply chains. So, to be able to keep delivering on time, we had to stock up a little bit on the steel inventories also, and the prices also went up. So it could be a function of that.

In addition to that, we opened two new plants and made them operational, which was Gujarat, as well as the heavy structure. And as you know, each plant will have to have some critical mass for them to execute. So, while we say that there is definitely a room to improve working capital from a receivable and inventory standpoint, but as the steel situation of the supply chain improves and become more predictable, we can try and bring it somewhere near to what it used to be. But in the current situation, these are three or four factors which led to a slight increase in the working capital days.

Arvind Nanda: I think I would just like to add that the net working capital is still in the 40 days or 42 days because we also have customer advances, which is a part of our business. So, the net current working capital, I think is in still 40, 42 days if I'm not mistaken.

Manish Garg: Yes, it is 44 days.

Arvind Nanda: Okay.

Rahul Kumar: Okay, thanks. And second question is on the heavy structure. So, out of this INR2,000 crores order book, would you have a share of order book from heavy structure part of the business?

Arvind Nanda: Manish?

Manish Garg: Yes. So, yes, heavy structure right now, if I talk of the residual order book of INR2,000 crores, approximately about INR350 crores to INR400 crores will belong to the heavy structure, which

is yet to be executed, which includes, as we said, a commercial building right in heart of Delhi, two data centers.

And as Mr. Nanda also explained that it could be part of our standard pre-engineered building core competence, but the pieces which are heavier qualify to be HSS. So, in overall scheme of things, right now about 15% to 20% of our order book qualifies to be in the HSS segment, consisting of a hospital, many data centers, a multi-storey hotel, and a commercial building, and some of the very heavy process buildings that we are building for global companies in India.

So, it's about in the vicinity of INR300 crores and INR350 crores out of our INR2,000 crores net order book right now.

Rahul Kumar: Okay. So, basically, which means that we can probably utilize the two capacities, which are being commissioned right now for this heavy structure products over next…?

Manish Garg: Absolutely, we are completely loaded for both the lines that we started. Absolutely right.

Rahul Kumar: Okay. That's great. Yes, thank you.

Moderator: Thank you. The next question is from the line of Akshay Kolekar from Dalal & Broacha. Please go ahead.

Akshay Kolekar: Thank you for taking my question. Hope I am audible. So my first question is on revenue. So, we see that the Q2 revenue growth was only 2.9% year -on -year. If I consider H1 revenue, then the growth will be around 10% to 11%. And the earlier you guided for FY27 revenue will be around INR2,150 crores to INR2,200 crores. So, that indicates the average quarterly run rate is approximately INR600 crores every quarter for Q3 and Q4.

Given the current H1 performance, do you remain confident in achieving FY27 revenue guidance? And what does the confidence that the business can deliver the required acceleration in H2, and INR600 crores quarterly run rate is achievable from existing order book? That's my first question.

Arvind Nanda: See, we always normally as a company take H1 as a guide rather than Q1, Q2, because as we explained earlier also, that can vary. Last year Q1, I think was lower than Q2, and this year Q1 is higher than Q2, like that.

So, I mean, H1, if you see, is 10% up, and H1 is generally less than H2. That is the way, because most of the clearances we get to deliver are in the H2 part of it. So, we are very confident that the capacity exists, the order book we have and the clearances we have. So, basically, our ability to execute the INR2,150 crores figure that we gave up to end of the financial year is still very much in place. There is no change in that. We'll execute it.

Akshay Kolekar: Okay, cool. And the next question on EBITDA margin. So, in the long term, EBITDA margins you have guided around 9.5% to 10% by FY28. However, currently the margin stands around 8% to 8.5%. So, could you just help to understand how do you achieve this target EBITDA?

And specifically, how much improvement do you expect from operating leverage, heavy structure, or exports? And why is the margin lower this quarter? Is it because of fluctuation in steel price, freight cost, or site execution expenses impacting the margin?

Arvind Nanda: See, as we get into newer kinds of buildings, into exports, see, that expense goes up disproportionately to the sales. So, as we get more into, let us say, trying to get a data center order is much more costlier for us to get it than -- because the turnover will be much less in that quarter. Turnovers will come in the later quarters. Like, we have some export orders, but the turnover of that export order will come in the later quarters.

So, as you try to build up capacity, unfortunately, capacity, revenue, and EBITDA don't work on a quarter-to-quarter basis. These are a little longer term steps that you take to build the company.

So, there can be an immediate effect, but it's not worrying us because we feel that -- and don't forget, the EBITDA also takes care of the very unusual position in the last six to eight months of the world situation, oil prices, and steel prices. The way steel prices have behaved this year, we have not seen them behave like this for last four or five years. So, we have taken care of that also.

We have taken substantial increases from our customers in many cases, rechanged our prices, tried to earn better margin. So, despite all that, if the EBITDA margin is only 0.2% down from last year, I think the situation is very well managed, in that sense.

So, we are not worried. But yes, if you look at what is happening in the world for the last 10 months, 11 months, it's been a very, very unusual and very tumultuous situation, which we have to handle on a day-to-day basis. Sometimes, the steel prices are moving up unusually, sometimes on a weekly basis. Truck prices vary because oil prices have been going up, in that sense.

So, I think there's a lot of things happening in this country and in the world, and I think if the ultimate result of all that is that we are still on track to give what we promised six to eight months ago, and we are confident to even improve our profitability as we see steel prices will stabilize or soften in the next few months.

I think we have done pretty well, considering all this. Steel prices themselves are at a record high. We have not seen these steel prices since 2022, at what level they are today. Invariably they start coming down in monsoon. This time they've gone up in the monsoon period.

And then on top of that, supply is very disrupted, because these steel companies are delivering more and more material to exports where they are probably making a better realization. So, supplies have also been disrupted, which means higher stocks for us because we have to buy more material to keep in stock because of the disruption.

Then many times going out into the market to traders and dealers to buy because if I can't finish my building because of one size, I can't wait. And I'm still able to deliver to my customers on time, and I'm still able to add to my order book. But, yes, a few things need to get under control,

like debtors and stock and overall management of production, productivity, and costs of production.

But there are too many things happening right now, and I think we are trying to control all of them. And, in fact, I feel that if EBITDA has gone down from last year to this year from 8.5% to 8.3%, I think we have done very well.

But yes, things will improve. I think things are stabilizing. Our new verticals have started working. We have got good export orders. Our joint venture is in place now. As Manish mentioned, the building requires heavy structure, which means our heavy structure capacity is going to be fully utilised for the next year. In fact, we are trying to speed up the second and third phases.

So, I think things are well on track. Sometimes these things happen quarter -to -quarter. Too much has happened in the last two quarters for us not to be affected. But yes, it is our duty and our job to make sure we still manage. So, we are well on track, we are not worried.

Akshay Kolekar: Okay, cool. Thank you. Just one last question: why are the erection and installation charges very high year-on-year and quarter-on-quarter? Because I see it is 11% of top-line compared to last year's 9% of top-line. So why erection and installation charges is very high in this quarter?

Arvind Nanda: Yes, I'll tell you that when we take an order, we take a lump sum order, right? And we cost it accordingly. What is the steel price? What is the margin we want to make? What is our design price? What is our manufacturing? Every job is unique.

In our case, we have never done two jobs similar. Somewhere the raw material will be more, somewhere the production cost will be higher, somewhere the freight cost will be higher because the job could be in Assam, another job could be right next to my plant. And same for erection and freight are normally added on as an actual cost after we have done our costing. So both these are possible.

So, while it might appear that from 9% it has not one from our pocket. We might have got jobs that cost more in erection. The larger the job, it costs more in erection. But we charge it to the customer. So, it's not as if it was same as last year at 9%, we would have made 2% more, no. Because our product is very unique in the sense that every project is uniquely costed.

Therefore, we don't worry too much about the internal cost. Somewhere the freight could be very high, but it doesn't bother us. It's not coming out of our pockets. Somewhere the erection could be very high, it's not going out of our pockets. It is charged. But, yes, the way we have to make our accounts and present our financial statements, these things come out.

Akshay Kolekar: Okay. It means these costs will pass on to the customer?

Arvind Nanda: Yes, Yes, these are all fully pass-through. And you can imagine, if I'm doing a lithium battery plant or I'm doing a simple warehouse, erection cost will be different. If I'm doing a building in Noida or I'm doing a building in Assam, the freight cost will be different. Now that is not in my

control. I could get all the jobs in Assam or I could get all the jobs in NCR in that quarter. It's not in my control. So, that is how you can figure out our business.

Akshay Kolekar: Yes, Yes, sure. Okay, cool. Thank you so much. That's it from my side.

Arvind Nanda: Thank you. Thank you.

Moderator: Thank you. Next question is from the line of Aasim from DAM Capital. Please go ahead.

Aasim: Yes, hi. Good afternoon, team. So, just wanted some more clarity on margins this year. So, medium-term you did say that, or rather for the next 12 months you did mention 10% to 12% is possible and 14% to 15% is the long-term aspiration. But for this fiscal, given how H1 has been so far and with the steel price realities and basis how much you have bought steel already, what should margins be in H2 or rather for FY27 as a whole?

Arvind Nanda: I think this year we are not expecting much improvement, because this year, like I mentioned, these unusual events also happen, number one. But combined with unusual events, we have also started two new verticals, exports and trying to sell buildings from our heavier structure plant and trying to do different kind of building.

Both these have added very heavily to our design engineering, traveling, selling cost as well. So, we don't expect any major improvement. Yes, we will do a turnover of maybe INR1,200 crores in the next six months, last two quarters. So that will of course help us. But I see that our expenses will also remain a little high.

So, it may improve. Certainly, if I have done INR950 crores in the first two quarters, and I will do INR1,200 crores in the second two quarters, I should get a better margin because operational leverage should kick in. My overheads are not going to increase dramatically, because I'm doing a higher turnover.

So it should improve in the second half, definitely, but I don't think it will cross what previously we have done, 9%, 9.5%. I don't see it crossing beyond that. But next year onwards, I think as the full capacity of our existing Gujarat plant, full capacity of our heavy structure plant, exports actually being delivered and improving, I think we can see a better margin in '27-'28 for sure.

Aasim: Okay. Sir , just for the new verticals, rather the heavy structures, the ER steel work as well, had most of the opex already started to come in the H1 numbers, or rather in Q2 numbers? That's why you are saying it will not increase much over Q3 and Q4?

Arvind Nanda: See, the certain amount of exports may have been incurred in the first two quarters, but the export orders we have currently will go in the second and third quarter primarily. Heavy steel structure came into operation only on 24th September. So, whatever sales happen from there will be in the third, and fourth quarter.

But yes, it will increase our sales. So once the sales increase, then the margin percentage automatically increases in our case, because in a lot of cases the overhead is not increasing at the same level as our turnover. So, that is why I feel that the minuses of the first two quarters,

like steel prices, a little lower turnover compared to the two quarters, third and fourth quarter, it will help us.

So, we are certainly seeing it. And also prices are a little bit more stable. You see, the orders that we will execute in the third quarter and fourth quarter generally have been taken by us in the first and second quarter when steel prices were already higher,

So, orders that we bid in the first and second quarter were taken by us in the third and fourth quarter of the last year. So, then, we were anticipating that prices will move according to the cycle they move, so that has also taken a hit.

So, it's like managing a lot of balls. You've got a lot of balls up in the air and now you have to manage to juggle them properly. Some will fall down, but otherwise as a business it is our job . We've been at it for 26 years in pre-engineered buildings only and suffered many different cycles, suffered many different wars and economic downturn and slowdown to manage it.

But sometimes too many things happen at the same year, or now we are bound by quarters, but we still try to look at it from a yearly point of view, that over a year things settle down, rather than every quarter. So over a year, we are still quite confident of achieving better results than what we did last year, definitely in turnover, but I think in margins as well.

Aasim: Yes. So, I guess, I get the steel price impact. I mean, that keeps fluctuating quarter-on-quarter. In fact, I think even in October, prices have jumped up. So it's possible that there might be a margin impact again in Q3, but that should ideally even out over Q4, Q1, and Q2. So, I think if you zoom out, that will not really impact profitability. It's just the opex bit was what I was trying to get a handle on? But, Yes, I hear you on this.

So, second question, basically rather bookkeeping question. One, I just want to know your Q2 volume metric sales that you've done. And secondly, of the order book number that you mentioned, what kind of a time period do you have to execute those orders? And just thirdly, I mean, just to add another question to this, in terms of your demand inquiry pipeline, if you could give some sense, what kind of metric ton number you're talking about right now on the ground, and from which industries this is coming from. Thanks.

Arvind Nanda: Sure. Manish, can you take it?

Manish Garg: I think I will take all three. Okay. So, the volume for Q2 was 41,600 metric tons. That's the sale in terms of volume for Q2.

Question number two was our order book and its period of execution. As we said that we have a net order book of about INR2,000 crores as on 31st of October, and for 75%, 70% of it is about 9 months to 10 months maximum. There are two, three orders which are a little longish, having a 12 months to 16 months execution period. So that is the blended order book period, which should be about 10 months to 11 months as blended. But then most of it is about nine months.

In terms of our pipeline, our pipeline actually is measured in the number of inquiries and number of orders that we get as a throughput. So, it is generally about five times to six times of our order

throughput per month. So our order throughput is about INR600 crores, INR700 crores per quarter. So multiply that by five, that's our general pipeline. And our pipeline remains actually very tightly stuffed and it's very, very strong. So that is five times of our monthly or quarterly order book currently.

Aasim: Got it. And just quickly on the volume number, what would be the growth percentage Y-o-Y for that 41,600 metric tons?

Manish Garg: 1%.

Akshay Kolekar: Understood. Okay, thanks. Wish you guys all the best and Happy Diwali to the team.

Manish Garg: Thank you. Thank you.

Arvind Nanda: Thank you. Happy Diwali to you.

Moderator: The next question is from the line of Dhirendra Kumar from Spark PMS. Please go ahead.

Dhirendra Kumar: Hello, sir. Yes, so my first question is on the steel prices. So, steel has seen an inflation of about 18% to 20% Y-o-Y. So, we would have started bidding the fresh orders based on the updated steel prices. So my question is, number one, what is the price hike we have taken in the fresh orders that we are taking? And number two, what portion of our order book of INR2,000 crores is on the updated steel prices?

Arvind Nanda: Manish?

Manish Garg: Yes. So, I think there are two questions. So the first one is, how do we update the pricing? So, we always book the orders at the -- so it's almost dynamic pricing, that whatever is under negotiation currently is booked at the current price, or if we already know what it is going to be a month later or two months later, and we are very certain about it, it is at the current or anticipated prices.

So, it's almost in real time. So, all the orders that we book gradually month-over-month, week-over-week are on current prices. So that's number one.

Number two is what part of our order book is at current prices, at old prices. So it's actually blended, and our order book is actually a blend of three types. So, overall, two types. One is variable price orders. So almost 35% of our order book is variable price, wherein, it is a complete pass-on irrespective of when the order was booked.

So, let's say if an order was booked in April and the price of steel was X, and it is coming for execution end of September or end of November, whenever, the price at that point will prevail, and we shall be paid the increase in the price by the customer. So that's blending of about 30%, 35%.

Next is some of our orders are at current prices. So, some of our orders have six weeks, eight weeks, 10 weeks, the supply start. And some of our orders are, yes, could be the orders coming

for execution which were booked in maybe April, May, or June, which are coming up in execution right now.

So, it's actually a blended IN 2,000 crores order book, wherein, about 60% of our order book will be at fixed prices, which could have been booked at current, previous, and some old prices, but 40% is on variable price basis.

On the same lines, I would also like to highlight that there has been increase in steel prices over last many months, and this blended approach also gets justified with our EBITDA. Despite whatever has happened, our EBITDA has remained exactly the same, 8.4%.

So, that would mean that our blended order book approach and variable pricing, including dynamic pricing system has actually worked as a model very well. We have been able to protect our EBITDA despite such erratic increases in the raw material pricing.

I hope I am clear on, and I've been able to answer your question.

Dhirendra Kumar: Yes, sir. Sir , my next question would be on the fundraise. So, any update that you can give us regarding the QIP that we were planning?

Arvind Nanda: So, we have done all the formalities, as required by law to do the QIP. Timing, we have left it to Ambit to decide what is the right timing. But, yes, I think since our whole expansion plans are on full speed So, I think we should do it sooner than later, but exact time I don't know. I think you will have to get in touch with Ambit. Maybe he can give you the details of Ambit and you can happily get in touch with them. But we have done all the legal formalities, so we can launch at a 72-hour notice once Ambit feels that's the right time.

Dhirendra Kumar: Okay. Those are my questions. Thank you.

Moderator: Thank you. The next question is from the line of Darshan from Electrum Portfolio. Please go ahead.

Darshan: Yes. Thank you for the opportunity. Sir, my first question is, earlier in the call we used to say majorities are order, which is fixed price based, and this quarter we are seeing 40% is orders of close to INR800 crores is variable. So, what change in our perspective that we are taking now, what's the thinking behind that?

Arvind Nanda: You see, for a company like ours, it is always preferable to take variable pricing, because steel prices are not in our control and it forms a major chunk of our cost. But we also have to go by the market situation and what kind of competition we face.

So, when the prices are normally stable or cyclical in a sort of a form, which we know what will happen, something that we can foresee, then we also take very fixed pricing. But as the steel market prices become a little bit fluctuating out of normal, then we start shifting to -- and we insist with the customer, even at the cost of losing an order, that we will not do fixed pricing.

So, over the last five to six months, we have been gradually moving very fast towards variable pricing. I would tell you that in the last two to three months, we have probably taken no order at

fixed price. So, the situation demands something, and then we try to act to that. But we also to take the customer and the market with us.

When the fluctuation is not that much, no customer wants to get into that. And as we will get into longer term orders what we call using more of the heavy structure thing like data centers and all, they are traditionally all pass-through, so they'll all be variable.

So our variable element will keep increasing, and I think in the next couple of quarters we are not going to vary, sort of, change our policy of taking anything at fixed price. We will not take, because right now we don't know where the steel prices are going, up or down. And variable pricing in this kind of situation, like I said, steel prices are at the all-time high in the last four years.

Even the customer prefers a variable price, because he feels that, okay, they are all-time high, they'll only go down. So supposing tomorrow they drop by 20%, I will lose out. So in this kind of situation, both sides work out. So that is why the proportion is increasing. And the main reason for fixed price compared to variable price is that variable price removes the risk of steel pricing from us to the customer.

Fixed price means the customer is not carrying the risk, we are. And the risk can be both ways, it's not that we always lose. We have gained and lost, and I would say in the end of the year it balances out. But when it's only going one way, then it's a little tricky. So, that now we are taking more and more variable pricing. Let us see maybe after six months to eight months what happens, then we will see. But right now our policy is to take only variable pricing.

Darshan: Okay. Thank you. And the second question, sir, is, we see in next two years we will add close to 1,25,000 tons in our capacity. So, can you give us the detailed brief how the capacity like Gujarat Phase 2, how it will get operational for each of them, how the ramp-up happen in our business for one particular site?

Arvind Nanda: So, see, each one of our pre-engineered building plants adds about 40,000 tons to our capacity. So, Gujarat is now fully functional. So this year, of course, it will be less, but from next year onwards, that will also add 40,000 tons to our capacity. And next year I think we should also have approximately 35,000 tons to 40,000 tons from our heavy structure plant in Andhra, even though the second phase will finish by March, April, and the third phase by maybe November, December.

But I think by the time they ramp up and actually the capacity starts coming out. So, I would say at least 80,000 tons in '27-'28 should be in place from these two plants. And whatever productivity improvements we can get from our existing plants, also we are working on it.

So, our goal is that by end of '27-'28, let's say March, we should have usable capacity of additional 100,000 tons in place by then. And then we also plan to add maybe another 100,000 tons between '28 March and '29 June to July, seeing the present circumstances, if not faster, because things are moving very, very fast in the market, for us especially.

So, that is the current plan, that in the next 14 months to 15 months, we should have another 100,000 tons of salable capacity in place, and beyond what was at the end of the second quarter this year, before HSS and Gujarat plant came into play, and March '28. And then we plan to add another 100,000 between March-April '28 to June-July '29 to take it up to about maybe 400,000 tons by '29 currently.

But like I said, we are always ready to speed it up because the market is moving much faster than it has done in the past, or we are anticipating, but we are a little conservative right now. But let us see how fast it goes.

Darshan: Okay. That's all the question from my side. Thank you.

Moderator: Thank you. Ladies and gentlemen, that was the last question. I now hand the conference over to Mr. Nanda for closing comments.

Arvind Nanda: Thank you very much, everybody, for joining us. And taking out your time on just a pre-festival timing when everybody's busy. So, thank you very much, and we look forward to your constant support, which we have got and I'm sure we will continue to get.

I can only assure you that Interarch is a leading company in this. We think of the future, we think of our brand, and we think of how to give better and better solutions to our customers who currently are the world's top companies in India.

And going forward, we want to also make ourselves as an international company, international brand, servicing customers outside of India also, where we are seeing a huge upsurge in demand, with not so much supply available. So, North America, Africa, etcetera., I think will do that. And getting into new areas like infrastructure, data centers, commercial buildings.

So, I can assure you that as Interarch and as the management, we will be doing our level best to improve the company constantly from turnover point of view, quality point of view, from the customer quality point of view, and of course the margins, which we are ultimately all interested in.

Thank you, Ambit, for hosting the call again, and thank you everybody else. Thank you very much.

Moderator: Thank you very much, sir. On behalf of Ambit Capital Private Limited, that concludes this conference call. Thank you all for joining us, and you may now disconnect your lines. Thank you.

Manish Garg: Thank you, bye-bye.

Arvind Nanda: Thank you, everyone. Bye-bye.