

## Interarch Building Products IPO

**Interarch Building Products IPO Price:** ₹850 to ₹900 per share

**IPO Dates:** 19 August 2024 - 21 August 2024



### Company Overview

Interarch Building Products Ltd was originally incorporated as Luxalon Building Products Pvt. Ltd in New Delhi on November 30, 1983. The company underwent a name change to Interarch Building Products Pvt. Ltd in January 1985 and later to Interarch Building Products Ltd in October 2023. It is one of India's leading turnkey pre-engineered steel construction solution providers, with a robust history and established market presence.

### Products and Services

**Pre-Engineered Steel Buildings (PEB):** Interarch offers turnkey pre-engineered steel construction solutions through two primary channels:

- **PEB Contracts:** Complete PEBs provided on a turnkey basis, including on-site project management expertise for installation and erection.
- **PEB Sales:** Sale of pre-engineered steel building materials such as metal ceilings, corrugated roofing, PEB steel structures, and light gauge framing systems.

#### **Brands:**

The company's product offerings include metal suspended ceiling systems under the TRAC® brand, metal roofing and cladding systems under the TRACDEK® brand, and light gauge framing systems (LGFS). The TRACDEK® brand also includes permanent metal decking over steel framing.

## Manufacturing and Capacity

Interarch operates four vertically integrated manufacturing facilities that are strategically located across India. Two of these facilities are in Sriperumbudur, Tamil Nadu, while the others are in Pantnagar and Kichha, Uttarakhand. These facilities allow the company to manage production and supply across various regions efficiently. As of March 31, 2024, Interarch had an installed capacity of 141,000 metric tonnes per annum (MTPA), making it the second-largest in India's pre-engineered steel-building industry.

To further enhance its manufacturing capabilities, the company plans to set up additional facilities in Andhra Pradesh and Gujarat. The Andhra Pradesh facility is particularly noteworthy, as it will be developed in two phases, adding an extra 40,000 MTPA to the company's total production capacity. This expansion will enable Interarch to meet growing demand and reinforce its position as a leader in the industry.

## Market Position

In the financial year 2024, Interarch held a 6.5% market share in India's pre-engineered steel building industry in terms of operating income, up from 6.1% in FY2023. The company was ranked third in operating revenue from the PEB business among integrated players in India.

## Customer Base and Order Book

Interarch boasts a diverse customer base, serving prominent companies across various sectors. The company's clientele includes industry giants such as Grasim Industries, Berger Paints India, Blue Star Climatech, Timken India, and Addverb Technologies in the industrial and manufacturing construction category. InstaKart Services Private Limited is one of its key customers in the infrastructure sector.

Interarch has established long-term relationships with many of its clients, with three of the top five customer groups maintaining a business relationship for over five years. This strong customer loyalty is reflected in the company's financial performance, with repeat orders contributing ₹1,052.67 crore, or 81.39% of its revenue from operations in FY2024. The company's order book has also seen significant growth, rising to ₹1,153.29 crore in FY2024 from ₹841.04 crore in FY2022, with the number of orders increasing from 133 to 179 over the same period. This robust order book underscores Interarch's strong market position and its ability to secure and execute large-scale projects.

## Competitive Strengths

**Market Position:** Interarch holds a strong market position with an established brand presence in India's growing pre-engineered steel building industry.

**Integrated Operations:** The company's operations are significantly integrated, with in-house design and engineering, manufacturing, on-site project management, and sales and marketing capabilities.

**Track Record:** Interarch has a demonstrated track record of successful project execution, having completed 677 PEB Contracts from FY2015 to FY2024.

**Customer Relationships:** The company has built long-standing relationships with key customers, with three of the top five Customer Groups associated for over five years.

**Experienced Leadership:** Interarch's success is supported by experienced and qualified promoters and management teams who have guided the company's strategic growth.

## Interarch Building Products IPO Specifics:

IPO Date	August 19, 2024 to August 21, 2024
Listing Date	Monday, August 26, 2024
Face Value	₹10 per share
Price Band	₹850 to ₹900 per share
Lot Size	16 Shares
Total Issue Size	6,669,852 shares (aggregating up to ₹600.29 Cr)
Fresh Issue	2,222,222 shares (aggregating up to ₹200.00 Cr)
Offer For Sale	4,447,630 shares (aggregating up to ₹400.29 Cr)
Employee Discount	₹85 per share
Issue Type	Book Built Issue IPO
Listing At	BSE, NSE
Share holding pre issue	14,415,892
Share holding post issue	16,638,114

## Interarch Building Products IPO Timetable (Important Dates)

IPO Open Date	Monday, August 19, 2024
IPO Close Date	Wednesday, August 21, 2024
Basis of Allotment	Thursday, August 22, 2024
Initiation of Refunds	Friday, August 23, 2024
Credit of Shares to Demat	Friday, August 23, 2024
Listing Date	Monday, August 26, 2024
Cut-off time for UPI mandate confirmation	5 PM on August 14, 2024

## Interarch Building Products IPO Lot Size

Bidders have the opportunity to bid for a minimum of 16 shares, with the option to increase in multiples. The table below outlines the minimum and maximum investment thresholds for both retail investors and High Net Worth Individuals (HNIs), specifying the corresponding number of shares and amounts involved.

Application	Lots	Shares	Amount
Retail (Min)	1	16	₹14,400
Retail (Max)	13	208	₹1,87,200
S-HNI (Min)	14	224	₹2,01,600
S-HNI (Max)	69	1,104	₹9,93,600
B-HNI (Min)	70	1,120	₹10,08,000

## Interarch Building Products IPO Reservation

QIB Shares Offered	Not more than 50% of the Net offer
Retail Shares Offered	Not less than 35% of the Offer
NII (HNI) Shares Offered	Not less than 15% of the Offer

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## Interarch Building Products Limited IPO Financial Information

Interarch Building Products Limited experienced a notable 15% growth in revenue and a commendable 6% increase in profit after tax (PAT) when comparing the financial year that concluded on March 31, 2024 with the one ending on March 31, 2023.

Period Ended	31 Mar 2022	31 Mar 2023	31 Mar 2024
Assets	543.75	675.03	755.01
Revenue	840.86	1136.39	1306.32
Profit After Tax	17.13	81.46	86.26
Net Worth	262.65	343.8	262.65
Total Borrowing	3.36	11.38	3.36

Amount in ₹ Crore

## Key Performance Indicator - Interarch Building Products IPO

KPI	Values
Market Cap	₹ 1497.43 Cr
ROE	19.40%
ROCE	25.79%
EPS	₹59.84
P/E (x)	23.05
Debt/ Equity	0.67
RoNW	45.49%

as of Mar 31, 2024

## Objects of the Issue:

The company intends to use the net proceeds to achieve the following objectives:

1. **Capital Expenditure:** To finance the capital expenditure required for establishing a new PEB manufacturing unit, which is classified as Phase 2 of the capacity development plan at the proposed Andhra Pradesh Manufacturing Facility.
2. **Upgradation of Existing Facilities:** To finance the capital expenditure necessary for upgrading the Kichha Manufacturing Facility, Tamil Nadu Manufacturing Facilities I and II, and the Pantnagar Manufacturing Facility.
3. **Investment in IT Infrastructure:** To fund the investment in IT assets aimed at enhancing the company's existing information technology infrastructure.
4. **Working Capital:** To meet the incremental working capital requirements.
5. **General Corporate Purposes:** To cover expenses for general corporate purposes.

## Prospectus Links:

**Prospectus:** Official documents that provide detailed information about the IPO and the company.

[Interarch Building Products Limited IPO DRHP.](#)

[Interarch Building Products Limited IPO RHP.](#)