



**Date: 09<sup>th</sup> February, 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
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**Sub: Transcript of the Earning Call on the Un-Audited Financial Results for quarter and nine months ended December 31, 2025.**

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 Tuesday, 3rd February, 2026 to discuss the Financial Results of the Company for the quarter and nine months ended December 31 2025, is attached herewith.

The above information is also available on [www.interarchbuildings.com](http://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 No unpublished price sensitive Information (UPSI) was discussed during the interactions.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)**

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# “Interarch Building Solutions Limited 3Q & 9MFY26 Earnings Conference Call”

February 03, 2026

E&OE - This transcript is edited for factual errors. In case of discrepancy, the audio recordings uploaded on the stock exchange on 03<sup>rd</sup> February 2026 will prevail.



**MANAGEMENT:** **MR. ARVIND NANDA – MANAGING DIRECTOR – INTERARCH BUILDING SOLUTIONS LIMITED**  
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**MR. ANIL KUMAR CHANDANI – PRESIDENT, CORPORATE FINANCE AND STRATEGY – INTERARCH BUILDING SOLUTIONS LIMITED**

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



**Moderator:**

Ladies and gentlemen, good day, and welcome to the Interarch Building Solutions Limited Q3 and 9MFY26 Earnings Conference Call. As a reminder, all participant lines will be in the listen-only mode and there will be an opportunity for you to ask questions after the presentation concludes. Should you need assistance during the conference call, please signal an operator by pressing star then zero on your touchtone phone.

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

**Sudeep Bora:**

Good evening, everyone. On behalf of Ambit Capital, I thank the management of Interarch Building Solutions Limited for the opportunity to host their Q3 and 9MFY26 earnings conference call.

To discuss the results, I'm pleased to welcome Mr. Arvind Nanda, Managing Director; Mr. Manish Garg, Chief Executive Director; Mr. Pushpendra Kumar Bansal, Chief Financial Officer; and Mr. Anil Kumar Chandani, President, Corporate Finance and Strategy.

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, sir.

**Arvind Nanda:**

Thank you very much. Welcome, everyone. Thank you for sparing your time to have a call with us. I think we should -- we are quite pleased with our results for Q3. I think our performance has been more than what we expected. So going forward, I think we should be able to achieve and cross the target that we had given.

So just a couple of things I wanted to say before we get to questions and answers. One is, of course, I think in the last 1-1.5 years, pre-engineered building industry as a category has become more familiar with everybody. We were very concerned when we went for IPO because it was not a very well-understood category.

But thanks to the time that all of you have given and various meetings that we've had, I think it has been understood as a separate category away from construction or fabrication or civil works or contracting, etc, but more like a capital goods where everything from engineering to execution of the building is done by the PEB company itself. So that has been a great change.

And I think the recognition that more and more people want even their factory building, commercial buildings, institutional buildings, more as a product where the full responsibility and the full -- the execution capabilities and it's a one-stop shop has been well understood by the market that there is a great benefit just like when ready-made furniture came in or ready-made apartments came into play, it took people time to understand what are the advantages. But I think today, people have understood the advantages.

The market is growing. More and more people have shifted towards not only steel buildings, of course, like I have earlier said, is a very old concept, more and more towards pre-engineered where they can just entrust their whole building as a product to one company, fully responsible for design, engineering, fixed lump sum cost, fixed schedule dates, etc, and they get the building as a product. So that has been a big change.

And of course, the other big change is that the pre-engineered building companies themselves have upgraded themselves a lot because the market is very large. The market is huge. Nearly every building uses steel, whether it's a steel plant, a power station, or a port building. But the capabilities of the pre-engineered building industry depend on the pre-engineered building industry.

How capable are we of participating in those markets, participating with those buyers and convince them that we are the right way to go depends on the pre-engineered building companies. Our own capacities, our own engineering capabilities, our project management capabilities, our production, and the most important, how to do it in a very well-coordinated and a synchronized manner because no building can be made if you supply material in any fashion.

So the biggest challenge for a pre-engineered building company is not only to do all these 4 things very well, but do it in a very, very coordinated manner because each building is unique for us. Each building is treated as a unique building, designed as a unique building, and produced as a unique building. Every part of that building is unique to us. And therefore, it has to go in a certain sequence. It has to be manufactured in a certain sequence.

There are no ready-made sections or premade section, which we just supply. But the whole building from design till execution is a unique piece of product. Therefore, not only do we -- like we said, 4-legged animals, do the 4 legs have to be equally strong, but they have to run in a very coordinated manner. If one of them doesn't perform, the whole animal will fall down.

So the coordination is a very critical element of any pre-engineered building company. And I think with our experience and background and knowledge and relationships, we have improved that, that today, we can do a INR300 crores building, 30,000 tons building, high building of 70-80 meters height, very large spans. That is the capability that we build up.

Our clients will not come to the pre-engineered building industry until they see the capability. If tomorrow I have capability of commercial buildings, they'll come to me. If I have capabilities of semiconductor, data centre, lithium battery plants, these are all very complicated buildings. And then they will come to me. Otherwise, they will go for cement, concrete, or steel construction.

So we have been trying to build up this capacity as Interarch. We have been trying to build up these capabilities and capacities. And I think our speed has picked up since we went public, we got listed. Based on our old relationships and our internal strengths, the support that we get from our clients, and the in-house way that we have built our teams, I think our capabilities are growing, and we are growing much faster than we anticipated. But yes, it's a very, very complex business.

So one cannot just grow in a mathematical manner. One cannot grow in exponential matter just in tonnage because each building is a product. Therefore, it is very critical that you grow in a proper manner, grow in an organized manner. You can run a little faster, but you can't do something which will make you fall down or destroy your reputation or destroy your

relationships because for each client, each building is very critical. It is not just one building. For him, it is the only building.

Therefore, while we are growing faster, and I'm sure expectations will be that we should grow faster and faster, it is not a mathematical exercise. It is how we grow, how well we grow, what is the quality of our growth, what is the quality of our client, of our execution, our performance, our collection of money, our working capital cycle, all these are very critical.

So, just building capacity in factories is not going to give you the result. The result is a very slow, ponderous, very concentrated and a very -- based on a lot of history and experience that you have.

So one question that I'm sure you all have, so I'll answer it, is the raising of the QIP or preferential allotment or getting in new shareholders of INR100 crores that we have taken approval of. The reason was that we were going to do everything from our own funds. We have started new -- 2 new plants this year, which is one is the AP plant 2, which is for heavy structures in Andhra Pradesh. And the second is the Gujarat plant for pre-engineered building.

So both these have started, and both these will be in play in different phases between June and December. Now, while we were looking at the market in the last 6 to 8 months, we found that, as you have seen from our results, the demand is there in the market today, whether it's pre-engineered building, more so in heavy structure also.

We are seeing a lot of requirement coming up. A lot of people have changed their buildings to steel. A lot of demand is coming from contractors, builders, owners of buildings. Therefore, we felt that why delay what we were trying to do in '27, '28 so that it can contribute to '28, '29 sales, we figured that maybe it is better that we put in the capacity now.

Maybe the demand comes in, maybe it doesn't come in. We are not 100% sure. But the feeling is that if we have the capacity today, demand is there. And we should be able to execute it just like we managed to create some additional capacities in the last 6-8 months, and we have seen that in our results that the business is available if the capacities and performance criteria is available.

So the reason of QIP is this that if we do the same thing next year, probably we'll have our own funding from internal resources. But if you want to prepone it by 1 year and start in March and June and finish both these expansions, AP 2 as the second line of heavy structures and Gujarat, the second part of the pre-engineered building to make it a complete state like we have in South and like we have in North. So we will have the same thing in Gujarat. It will be 6 plants, 2 in each.

And heavy structures, we felt that each heavy structure line gives us about 20,000 tons. So we felt that 20,000 tons to 24,000 tons will not make us a good player. It will give us a safe harbour in the sense that we can try and build up the market. But the way that we have seen the market build up in the last 1 year, we figured that with 20,000-24,000 tons a year, we'll be a very small player in the market. People will not come to us like they come for PEBs and give



us because a normal building or a large contract can be 10,000 to 15,000 tons. So that means we could only do maybe one order for a customer in a year.

So we felt that to be a serious player in the market, we need to have a capacity of about 40,000 to 45,000 tons, and we need to start it today so that we can be a serious player in the market. Of course, it will take more time to fill it up. It's not going to be that from day 1 it will fill up. But at least we will have the capacity and capability to deal with bigger customers with bigger buildings, with bigger orders.

So the reason of QIP is basically to prepone the capital investment only. It is not meant for working capital as such. Both these plants will cost us more than INR100 crores, but I think balance can come out of internal resources also. But the idea was to start it immediately rather than wait for another 12 months when we have our own resources. And I think that will add to the bottom line in a way. It doesn't dilute any person's shareholding value because the money is also going to come in and invest it in the capital. And I think the timing is right. That is our judgment.

Now I will leave the rest of the time to your questions and try to answer them to the best of our ability. Thank you.

**Moderator:**

Thank you very much. The first question comes from the line of Rajat Baldewa with Kizuna Wealth. Please go ahead.

**Rajat Baldewa:**

Congratulations on a good set of numbers. Sir, my first question is on -- you have said that there is a huge demand. So my first question on Chinese import because currently, like Chinese import now account 45% to 50% of Indian steel structures in 2025. And with steel structure following the core material used in pre-engineered building. And given that steel is a highly commoditized input, how do you see the Chinese import impacting the Indian pre-engineered building market? This is my first question.

**Arvind Nanda:**

See, I think Chinese buildings have never been a direct competition for us because the work, which involves a pre-engineered building from engineering design, many meetings, understanding the value proposition, then producing the whole building, and Indian standards for applying pre-engineered building, Indian or American standards, and then executing the building at site.

In that manner, Chinese have never been a competition because to do all these works, they would really have to establish a new company here and then be a proper Indian company as a competitor, which Chinese have not come in.

So the advantage of producing in China and shipping out here is not there for pre-engineered buildings at present, as far as I know. The structure which people are importing is primarily because I feel either there is some kind of steel structures which are not manufactured by any company or the requirement of heavy structures in India is very large and there are not enough players in India to supply that. And actually, if there is no supplier, then people will import whatever the cost may be, whatever the complications may be.

So I think these are the two areas where Chinese import could be coming in. And that is why the reason why we want to put up a heavy structure plant because we feel that requirements are very large and people are either going for site fabrication or for imports or just going to small local players and buying little, little everywhere because the requirement is there. But Chinese are not a competitor for PEBs.

**Rajat Baldewa:**

Okay, great. And sir, my second question is on the competition intensity in the fab industry. It is a very low capital-intensive business. So any large steel conglomerate can easily set up its fab manufacturing plant or a greenfield plant. So how do you see a competition intensity going forward?

**Arvind Nanda:**

See, pre-engineered building is a little bit of a different animal in the sense that it's a very niche market. It is not a steel item. It is a whole product of a building. So right from the beginning of value add, each building being unique, designed for that particular thing, then being competitive in that area, then producing that whole building with a specific BOQ piece by piece, transporting it there, erecting it there is not a commodity.

So, steel companies are generally not very keen to get into products. They are more into manufacturing steel as a commodity and selling it, whether it's a plate, whether it's a pipe, whether it is a I section, C section.

So steel companies normally go into that. Steel companies like JSPL, JSSL have set up heavy structure plants. And primarily, the reason why steel companies can go into heavy structure plant is because that's more of a commodity. There, the design is given by the client, you fabricate after doing your detailing, and you just supply ex-factory, and the client is going to be responsible for design, for the project management, freight, everything. So people like JSPL and JSW have gone into that.

EV industry is not something that most of these large companies can do because it's a very niche product. But yes, you are right, the intensity of pre-engineered building competition has grown enormously in the last 2-3 years from non-steel industry, from non-contracting companies, because a lot of contracting companies have earlier gone into this and realized that it's not as easy as just contracting because it is not the building which is critical. It is like a machine, like saying that a machinery is all steel.

So why can't a steel manufacturer get into making a machine. It is as different as that. So a lot of the contracting companies had gone into it earlier, including L&T still there. Shapoorji had tried, Era Construction had tried, but they all failed because it's not a building, it is a niche product. Primarily, we will get competition from other PEB companies, which have understood that this is a niche market and how are we going to do it.

There are 2-3 advantages that we have, of course, one is our very long history of having done every kind of building, executed thousands of buildings, dealt with clients satisfactorily, and built up a relationship. That history counts a lot in this. So it's just like when you go and order a capital good machinery, you don't go only by price or the weight or who is going to supply me fastest, but who is the right person.

Who will give me the machine or the building that serves my purpose, is within my budget, of course, is going to be in my schedule, and it's going to last me for a very long time. These are the criteria he looks at. For these criteria, he looks at the history of the company which is giving him the PEB quote, not just what is the price.

So competition is there. This is what we try to build on. But yes, you are right, competition is there. But I also believe that every competitor also builds up his own market for PEB. As I mentioning earlier, the supply of PEBs is as critical as the demand. Demand of steel buildings is enormous. What can we supply as a pre-engineered building company is up to us.

So very small players, medium players are having their own geographical markets, own simpler building, 10,000, 20,000 square feet, even up to 50,000 square feet. Some are only doing it geographically. But yes, even the Tier 1 and Tier 2 companies are expanding very fast.

Money is available. 3-4 of them are listed also. They have raised funds. Funds are easily available. So there will be competition going forward. And competition will be -- you will face competition in terms of price, you will face competition in terms of getting orders. But I think as Interarch, we concentrate on how we build up our company so that we build up relationships.

Once we build up relationships and build up our internal capacity to do better buildings, more complex buildings, do a lot of marketing and business development, go to a lot of people who didn't even realize that they can do with a pre-engineered building or their product -- their building can be done in pre-engineered building or steel, we go to them. We don't sit at home waiting for our inquiry. That has always been our method.

So therefore, the way to remain ahead of in the pre-engineered building industry is not by lowering your price or reducing your margin, but it is to stay ahead in the game of your engineering capacity, your complexity of the dealing with the client, your complexity of dealing with the building, producing it and performing that whole task in a very, very systematic and organized manner to give the client the product at the end on the schedule date, right quality, right safety and he should be able to function from there for a long time to come. But no doubt, competition is very severe, and it will keep getting more and more severe. But the way to go ahead is, as I've mentioned.

**Rajat Baldewa:**

Okay. Great, sir. And sir, last question on the order book front. Like your order book growth appears relatively muted as Q-on-Q growth is around 3% to 4%, and Y-o-Y growth is around 30%, given that some peers have reported stronger order book momentum. So, can you please elaborate on the reason for the same?

**Arvind Nanda:**

Two reasons. One is that our utilization of the order report, our sales are higher than we expected. See, if you look at last year, I think last quarter '25 third quarter, we had done INR363 crores. This year, we have done INR522 crores. So nearly INR160 crores of extra sales. So while we might have booked only INR60 crores extra orders in this quarter or in the last 3 months, don't forget that we have executed INR160 crores of extra orders also.



And then we have to keep in line that we cannot take orders beyond a period of 9 to 10 months max. So we also have to execute them. So we built up our capacity, we executed more, took more orders. But now our capacity will be a little muted in increase till August, September till the new Gujarat plant comes into play. So, therefore, we have to now plan that INR1,600 crores if we can do it, or INR1,700 crores if I can do it in the next 9 months or 10 months, I'm well on track. And nobody is going to give me a long-term order. In PEBs, long-term orders are not there. So I also have to execute the orders.

So the muted -- it looks muted because I have executed INR160 crores more orders than the previous year, and I've still grown my order book by INR60 crores. But at the back of my mind, I have to meet the schedule of the client also. I can't just blindly take orders. So it is not muted, but it is in tune with our capacity and our performance. That is how we take the order.

**Rajat Baldewa:** Okay, sir. And sir, can you give some color on the realization front, like what's the realization difference between India versus China versus U.S.A.? Specifically, how do the pricing levels, cost structure different between these 3 markets?

**Arvind Nanda:** You mean for local players there or for exports?

**Rajat Baldewa:** No, no, for exports, like what's the realization for India? What's the realization per ton for the China and the U.S. market?

**Arvind Nanda:** See, we have not done too much exports. We have got 2 orders from exports this year, one from Myanmar, one from -- in the last quarter, and one from Ghana. So the margins are better than the Indian margins, definitely for exports. U.S. and Canada should give us even better margins, where we are trying to enter the market. We will still take 3 to 4 months. Like I mentioned in my last call, we are trying to build up partnerships there, so which will become a long-term partnership for us. And then we will do work with them for the projects that they will get on a back-to-back basis.

So what we are seeing is that the U.S. and Canada are definitely a better margin territory. China, we have no plans to export. Africa and neighbouring countries give us a better margin than India, but not a fantastic margin compared to the U.S. and Canada. So margins are normally better in export because the responsibility becomes less. We design the building, manufacture it, and supply it and take our payment immediately. We are not involved in project management or payments by erection or something like that.

So margins are better and prices of steel and labor and fabrication because this is a very labor-intensive item also are normally higher outside. And countries in Africa, etc, don't have any local facilities. So even with a higher price, higher freight, and duties there, they are still competitive.

So margins are better, but it depends on the various clients you have. It's not even countrywide. I have to have the right partnerships in the U.S., Canada, and Africa to get a better margin because my building could be more complex. My building could be larger, which other companies cannot do, then I will earn a better margin.

So there is no flat in this because it's not a commodity. Once we understand that a pre-engineered building is not a commodity that is sold on a kilo basis, I think we will have a better idea. But yes, generally, you can command higher prices for exports. The Indian market is very, very competitive.

**Moderator:** Mr. Rajat, I would request you to please come back in the queue for further questions. The next question comes from the line of Shubhankar Gupta from Equitree Capital.

**Shubhankar Gupta:** So first of all, Arvindji, heartiest congratulations on a great set of numbers. Once again, thank you for delivering on the numbers as you promised. First question from my side is that the steel prices have been rising for the last 1 month, right? Should that be a concern for us? And what all measures have we taken for mitigating this risk?

**Arvind Nanda:** See, steel price is something that a company like ours has to always take into consideration. They are cyclical. They generally always go up in January, February, and March. In April, they are a little stable. Then May, June, and stability. Then July, August, September, October, they start coming down. So this is a cyclical thing. It is a commodity. And the way we price our products, the way we sell to our customers, is we take these things into consideration. It is not -- suddenly it comes as a surprise.

See, the thing which can affect you very badly is if suddenly it goes up by 30-40%, which happened after the Ukraine war or after COVID, which is that is not expected. But even then, you can go back to the customers. That happened when Ukraine time, we went back to the customers that, of course, we can't take the 30-40%. Otherwise, you build it into your price as any good manufacturer will.

If I'm making a car or I'm making any product which requires steel, like a contractor, you put - - you take your -- in consideration, ours is still a very short-term business. Long-term order is also 6 to 7 months, we will take all the supplies. But there are contractors who have longer term. So you build it into your pricing. So I don't have -- I don't -- I'm not bound to give the customer every time the same price of steel.

If I'm bidding today and I know that I have to buy the steel in March, then I will have a prediction as to what price will be there in March, and I will bid accordingly. I will price my building accordingly. But also I have to compete in the market.

So both things have to be taken into consideration. But it is not that because the steel prices go up, my margin will be badly affected, or if the steel prices come down, my margin will dramatically improve. It's not like that. There's always a little effect because there will be a little bit of a lag. Some old orders could be with me, which I've taken at older prices. We try to go to the customer, sometimes we can't get.

So there will be a little bit of a lag. But over a period of 1 year, it really has no effect. It's basically a raw material management, which is critical. Price management of the raw material, which is a critical aspect for any company. I would not say it's any specialized thing with pre-engineered building. Whether you are buying plastic or oil or petroleum product or cement,

everything is the same. I mean, cement is going through worst cycle. So you have to manage it. I think managing it is what we will call it, not a worry.

**Shubhankar Gupta:** Okay. So what I hear, Arvindji, is that as a mitigation strategy, we have a variable price contract versus a fixed price contract. And if that is the case, what would be the percentage for, let's say, fixed price versus variable?

**Arvind Nanda:** No, I'm not saying that we have any variable price contract. I'm saying that when we bid for the contract, at that time, we predict what will be the price and we price the project accordingly and take the order accordingly.

So it's not that there's a -- unless there is a delay by the customer and the price changes, if the contract, then I can go back to him. Otherwise, our contracts are fixed price. But when I'm pricing it, I have the full freedom to price it the way I want as long as I can compete.

So if I predict -- because steel prices are pretty cyclical. If you go through the last 3, 4 years, they will run in the cycle like this, between 50 and 60, and go through these months. So it's not variable or fixed. It is a management of price in the sense that I price my product, I price my project, and I take the orders on a price which I predict I will be able to buy the steel at as a raw material. So that's why I'm saying project management or price management is the key, not the price itself.

**Shubhankar Gupta:** Got it. So just doubling down on the same question. So I think how I thought of this was, let's say, 2, 3 key strategies, right? One is inventory management could be a way of mitigating it. Second could be fixed price versus variable price contract. And third could be hedging steel as a commodity because it's an important commodity for us, right? So within this, is there something which we are doing?

**Arvind Nanda:** Yes, yes. See, stock management is an essential part of our business because of 2 reasons. One is the unreliability of suppliers. So we don't know whether they will supply everything on time as we ordered. And each one of our buildings could have 7-8 different sizes or thicknesses that are required. So as a strategy, we always keep about 2 months of material in stock. So that, of course, also gives you the price stability, but it can go either way. I could have bought at a higher price and selling at a lower price. That could also happen. But yes, I know my fixed price.

And second is that the steel companies normally take orders up to 8 weeks delivery. So at any time I've got 8 weeks of delivery orders on them. That means another 2 months of supply is also known to me at a fixed price. So nearly 4 months is known to me, the price is known. So that is the only thing that we do.

**Shubhankar Gupta:** Makes sense. Makes sense. Got it. Okay. That's fair. And for my second question, Arvindji. So I was seeing that the PAT margin has fallen by 70 bps. The reason for that is exceptional items, one-time statutory impact of new labour codes. I think I'm correct. So my question is, how will that impact the EBITDA? How will this new change in the impact of new labour code change the EBITDA and PAT margin for us going forward?

**Arvind Nanda:** No, I think it's a onetime hit. So going forward -- see, it's a calculation of gratuity. So because it is the last 3 or 4 years, that is why the amount is larger. Otherwise, it is -- actually, it only happened in one of our plants. For some reason, we had to do this. Otherwise, as a company, we don't have any employee which is less than 50% of the total salary is basic.

So that is a change in the new law that the gratuity must be provided and the basic must be over 50% of the total emoluments. So it was just a small part of our workforce which was not covered by that. So I don't -- I think this INR3.5 crores, if I'm not mistaken, maybe last 3 to 4 years' effect. So you can take it maybe INR30-40-50 lakhs a year.

**Shubhankar Gupta:** Got it. Got it. So it's spread out. And I think from a future perspective, it should not be concerned?

**Arvind Nanda:** It's very minor, yes.

**Moderator:** The next question comes from the line of Sudeep Bora with AMBIT Capital.

**Sudeep Bora:** Heartiest congratulations, sir, for the numbers. My first question was regarding the revenue, which has grown by 44%. So can you help us with the understanding about how much of it is - - like what is our capacity utilization during Q3? Because in terms of volumes, like how much is volume driven? And how much more can we expect before the next set of commissioning takes place?

**Arvind Nanda:** I think our utilization is pretty high now. So we are doing -- let's say, if we have done INR522 crores, that means we are already doing about INR156 crores, INR157 crores a month. Probably we still have scope for another 10% increase before the next capacity will come into play.

So it is mainly quantity-driven only. It is not a price-driven sale. So we are trying to add -- that's why we want to add our capacity a little faster than what we had planned earlier so that the Gujarat new plant will come into play by June, July. That will give us additional capacity within a couple of months after that. And the Phase 2 of the Gujarat, first plant will also come into play by October, November. So that is already the case.

So we have to ramp up our capacity. See, last year, we gave a target figure of that we will touch this year INR1,710 crores or INR1,720 crores. That was our target. So instead of INR1,710 crores, INR1,720 crores, I think we will touch probably INR1,900 crores this year. So that's like instead of 17.5% growth, nearly a 30% growth. So that has utilized a lot of our capacity.

Next year, we are projecting that we will do 20% on INR1,720 crores, which comes to about INR2,060 crores, if I'm not mistaken, right? So I think we should cross that. We are building up enough capacity that we should cross that figure next year from INR1,900 crores to go up, maybe we'll cross INR2,100 crores. And our final figure of '27-'28 was INR2,500 crores, for which also we are building up the capacity.



Now with the new added capacity, we might cross it. But we'll stick to that figure that '27-'28, we will definitely do INR2,500 crores as promised. And hopefully, with added capacity, we might even cross it. So we are well on our way to achieve our target for the capacity. We are adding capacity accordingly. We have grown a little faster this year because of the fact that we have -- utilization of capacity came in faster and we managed to achieve our targets also. So that is the way we are looking at it.

So our overall target for '27-'28 at INR2,500 crores remains. Next year, the target will be a little higher because this year we have achieved more. So capacity utilization right now is pretty high in that sense. But that is the reason why we want to add capacity also faster and build up a little bit capacity that we have with our satellite plants. There also, we are looking at it that if we can safely do added capacity there, then we will manage to do that also.

**Sudeep Bora:** Okay. So what would be the volume number for Q3?

**Arvind Nanda:** In tonnage?

**Sudeep Bora:** Yes.

**Arvind Nanda:** Just one second. Bansal, if you can give.

**Manish Garg:** I will give the number, sir. I will give the number. It is 44,948 tons, about 45,000 tons.

**Sudeep Bora:** So regarding the margins, so now like considering that we have expanded our capacity and we are on -- we are working towards more capacity expansion. So how would it impact our margin estimates for, say, 2026, '27, '28? Because, like, if we aim for higher utilization, it might be margin dilutive.

**Arvind Nanda:** See, we are hoping that a little bit of operational leverage would have kicked in. But since our expansion is at a much faster pace, so in our case, the expansion also means that we have to expand our design engineering force. We have to expand our project management, our sales force. So these expenses also kick in more in advance of the plant.

The heavy structure also, we are investing into the people so that we can achieve that sales also, which are right now not included in the projections. The heavy structure, we are not including in the projections right now. Also, we are looking at exports. So exports also adds a little expense, some people cost, some investment has to be made in exports before you can start getting satisfactory orders.

So I don't think our Indian margins will be badly affected. I think they should be the same. We are trying to increase it by better Indian -- better economies, internal economies, better purchasing. I think our purchasing power is better today. Our productivity is better, wastages, scrap, all these angles we are looking at to improve our margins internally. There is a lot of scope, and I think we can do that in the coming years.

Externally, I don't think we can expect that we will get better margins from customer. Of course, we'll keep trying. But keeping in view the competition and the fact that we have to



keep our customers with us, we don't -- we are not accounting for that. If it happens, very good. But if it doesn't happen, we are not accounting for it.

So I don't see our margins going down, definitely not. But yes, the chance of margins going up is a little also less because of these additional costs that we are bearing to build up the future business. In our business, it is always very important to also look at the future. Quarters are important. Annuals are also important.

But like I said, we are a capital goods industry. So in a capital goods industry, you're always looking forward how to give a better product to the customer, how to do different things. Those things are very critical for us. So we do that. But I don't see any reason that the margins would go down.

**Sudeep Bora:** Okay. So like it would remain the same as we have seen in FY '26, right?

**Arvind Nanda:** Yes. Just maybe 0.1% or 0.2% here or there. We don't -- we are not projecting anything different. I think we are -- at the end of the year, we will be the same.

**Sudeep Bora:** Okay. Sir, last question. Maybe if you can help us with the capex incurred in FY '26 till now? And what is our outlook in terms of guidance for '26 Q4 and '27 and '28?

**Arvind Nanda:** In terms of sales?

**Sudeep Bora:** In terms of capex.

**Arvind Nanda:** Capex, sorry. Okay. See, we have already spent about -- I would -- Bansalji, can you update them? INR60 crores or INR70 crores already gone. Manish, can you?

**Pushpendra Bansal:** INR60 crores already spent in the last 4 months.

**Arvind Nanda:** Another INR30 crores, I think we are going to spend this year more.

**Sudeep Bora:** So INR60 crores is in last quarter or it's in 9 months?

**Arvind Nanda:** Last 9 months. The plants mostly started in September, October. So I think another INR30 crores or INR40 crores will outgo by March. So that by March I think we would have spent about INR100 crores, INR120 crores. How much, Bansalji?

**Pushpendra Bansal:** INR120 crores.

**Arvind Nanda:** INR120 crores would be the outgo by the end of March because all the machinery and all will be in. Then another, I think, INR30 crores or INR40 crores will be left for first quarter of the next year. So that is the INR150 crores we had projected that we will spend on these 2 existing plants and a little bit, of course, upgradation and all the other plants is constantly happening. So that is how we are going to be spending the INR150 crores capex by, I think, June or July.

**Moderator:** The next question comes from the line of Vishal Mehta with Oaklane Capital.



- Vishal Mehta:** Sir, just wanted to understand that if you could just highlight what is exactly the use of this QIP of INR100 crores is going to be towards. So from what I understand that AP Phase 2 capex is going to be INR75 crores, which will add 24,000 metric tons of HSS, heavy steel structures. And will this also include some capex on the PEB side? And if you can quantify what will be the capacity addition in that aspect?
- Arvind Nanda:** Yes. So we are planning 2 things. One is to double the heavy structure capacity from 20,000 to 40,000 tons or 45,000 tons. That should cost us about INR70 crores. And then have a totally new plant in Gujarat so that the sixth plant, let us say, our sixth fully integrated plant. The fifth one is ongoing in Gujarat. The sixth one also we'll start this year. So total, we are projecting about INR120-125 crores. I think we can generate some from our internal resources. So that QIP will be primarily used for these 2 projects.
- Vishal Mehta:** So what will be the capacity addition in the Gujarat plant for the PEB?
- Arvind Nanda:** So with the second -- each plant is approximately 40,000 tons. So the Gujarat first plant that is coming up, our capacity will or utilizable capacity will be approximately 200,000 tons, not counting the heavy structure, 200,000 tons. And the sixth plant will also be 40,000 tons. So each fully integrated plant for Interarch is approximately 40,000 tons of buildings.
- Vishal Mehta:** So effectively, we'll end up with 240,000 metric tons of PEB capacity and another 45,000 of heavy steel capacity?
- Arvind Nanda:** Yes.
- Vishal Mehta:** And sir, if you have to quantify what is the sales potential from this expanded capacity? What would you say that would be and when would we realize that?
- Arvind Nanda:** See, total capacity of each plant is approximately about INR500 crores. So we have right now 4 fully integrated plants. So that gives us a capacity of about INR1,900 crores to INR2,000 crores approximately combined with our satellite plants doing certain things. The fifth plant in Gujarat will add another INR500 crores. So that will take us to INR2,500 crores, which is what we had planned for '27-'28 utilization. And the sixth Gujarat plant should take it up to INR3,000 crores.
- But the sixth plant is being added in anticipation that if the market demands and we are able to perform, then we are ready, then the plant should not become sort of an issue that we cannot take orders. So capacity goes up to 3,000. And if we have 45,000 tons of built up of heavy structures, that would be another INR500 crores. So the total capacity from Interarch by March next year or a little first quarter of '27-'28 should be about INR3,400 crores, INR3,500 crores as presently planned.
- Vishal Mehta:** Okay, great. And just, sir, one bookkeeping question. What is the total cash on books today?
- Arvind Nanda:** It's INR200 crores plus and no borrowings. We have no debt.



- Moderator:** The next question comes from the line of Raghav Maheshwari with KamayaKya Wealth Management.
- Raghav Maheshwari:** First of all, congratulations on a great set of numbers. Sir, just wanted a clarification on this INR100 crores of QIP that you were talking about. So sir, in our PPT, I can see we had mentioned that approximately by the end of Q2 FY '27, 40,000 MTPA of capacity is coming for PEB in Gujarat, right? Now of this INR100 crores, what will be the extra addition into that?
- Arvind Nanda:** That's another 40,000 tons. That will be the sixth plant.
- Raghav Maheshwari:** Sorry, sir, your voice was breaking. Can you repeat?
- Arvind Nanda:** So that will be the sixth plant. So right now, what we are doing is, our fifth plant in Gujarat. So the additional QIP which we plan to raise is because we want to put up the sixth plant faster than earlier planned. So the capacity of PEB will go up by another 40,000 tons in Gujarat with the QIP.
- Raghav Maheshwari:** Okay. So in total, how much of the capacity is coming live by Q2 FY '27?
- Arvind Nanda:** FY '27, the plan is that we should have a total of 240,000 tons of PEB. We right now have 200,000 -- 160,000 tons. And 2 new plants will come up of 40, 40 each in Gujarat. That will take you to 240,000 of PEB.
- Raghav Maheshwari:** Okay. Got it, sir. Got it. And sir, one more question was on the capacity utilization front. I think that got answered. So that's all from my side. All the best.
- Moderator:** The next question comes from the line of Rahul Kumar with Vaikarya Fund.
- Rahul Kumar:** Sir, just on the new orders in this quarter, which particular industry drove the strong growth?
- Arvind Nanda:** Manish, I think can you take this?
- Manish Garg:** Yes, sir. So sir, our orders during the quarter came mainly from manufacturing as well as the renewables and the multi-story data centers. So these are the 3 industries that majorly came from. And we also got one major order from JSW JFE. It is for steelmaking, specialized steelmaking. So those have been mainly the industries that has given us the orders over INR500 crores during the last 3 months.
- Arvind Nanda:** I think what we can add, Manish, is that even though the larger orders are not these, but 2 good export orders we have got. So that's a good start. And we have got an order for a ground plus 16 building, which is going to be a hotel and one from Encalm lounge for a lounge.
- So there are a lot of non-industrial buildings that we are trying to get into. We are bidding for quite a few. And with the heavy structure capacity, I think we will increase that. But already, we have started getting these orders. So while the values are not very high, but it's a very important step for us to enter this field.

- Rahul Kumar:** Okay. And sir, can you also help us understand your previous work done in the data center business and your capability in that particular segment?
- Arvind Nanda:** Manish?
- Manish Garg:** Yes. So about 3 years ago, we had done a data center for an American company called Iron Mountain. That's in Mumbai, Rabale. It's a ground plus 5 story data center that we had done for them. It was in the initial time when the data center started to come up. So it was one of the first ones which came up in steel.
- And as we speak, we are also executing a data center for a company called Techno Electric, which is actually an EPC company for an end customer called RailTel. That's in Greater Noida. So these are a few of the data center jobs that we have executed in the past.
- Apart from this, we have done a few semiconductor units. In fact, the 2 which is coming up right now on stream, one is in Sanand, and the other one is in Guwahati. Both of them belongs to -- one of them to Micron U.S. in collaboration with Tata. And the other one is Tata Electronics in Assam, both are being executed by us.
- Rahul Kumar:** Okay, okay. And sir, from your existing pipeline of the orders which are in discussion basically, can you help us understand the data center part of that order pipeline?
- Manish Garg:** Yes. So there are actually quite a few. So our pipeline actually right now consists a lot of, I should say, the multistory institutional and commercial buildings. And each of those could be 10,000 to 20,000 tons. Apart from this, a lot of data centers for a lot of EPC companies as well as directly the data center companies we are working towards. So I should say that our pipeline do consist at least 15% of the data center and the multistory steel buildings in that space currently. That is part of our pipeline, yes.
- Moderator:** The next question comes from the line of Nishant Sharma with Nuvama Wealth.
- Nishant Sharma:** Sir, congratulation for a great set of numbers. My question has been asked. However, one question or a clarification I would like to have. Sir, you mentioned that while for this year we had a target of about INR1,700-odd crores of top line and we would be easily surpassing that and most likely if we maintain the current quarter momentum, it would be around INR1,900 crores for this year.
- So shall we assume next year it would be subdued 10-12% kind of a growth if we say the current order book of about INR1,600-odd crores, which would be, say, for 9 to 10 months. And if we extrapolate, maybe next year, we would be able to achieve somewhere close to about INR2,100-odd crores of top line. In that case, we would have a subdued growth of about 10-12%? Will that be a fair understanding?
- Arvind Nanda:** We are trying to pick up capacity faster. We hope that we will do at least 15% -- percentages are a little deceiving in that sense because, yes, muted in percentage it's still crossing whatever we planned. So I would say that, yes, we will do better than what we had predicted. Maybe we

did a little bit more this year and a little less in percentage next year, which is better. I think the faster we can achieve the numbers, the better it is.

So yes, I think I feel that next year we will cross -- we should touch 15% is my projection not 20% as we had projected earlier because of this extra -- from 17.5% to 30% growth this year has increased our base period faster than we expanded. But let's see what happens when we put up new capacity, how fast we can do it. So it's a little open question.

But yes, I think 12% to 15%, we should certainly be able to get. But that means we will -- the INR2,060 crores turnover, which we had promised for '26-'27, we will certainly cross it by maybe INR50 crores to INR100 crores. So the figure will be still higher than what we had projected.

**Nishant Sharma:** All right, sir, definitely. And the new -- the second phase of the new capacity, that would also come in, in FY '27 and that's where the FY '28 we can see the more -- I mean, the faster growth maybe from that perspective?

**Arvind Nanda:** Well, that is why we are going for this QIP because rather than waiting for internal resources and then starting it next year for '27-'28 or '28-'29, we feel that if we prepone it by a year, it might get filled. So I think if we start immediately by next March, both the new projects that we plan to start, the Gujarat plant 2 and the AP plant 2 of the heavy structure, I think by March, both should be in place. So they should be able to contribute in '27-'28 definitely. How much, we don't know?

**Nishant Sharma:** Sir, lastly, on the margin front, while you have very clearly outlined that the margins are unlikely to fall and may be constrained also because we are preponing the capex, so margins may not be able to improve from about 9% kind of a number that we are in, in FY '26?

But will the mix in terms of orders have some leeway that it can improve from, say, maybe 9% to about 10-odd percent by FY '28 purely from a project mix perspective or may be there would be operational efficiencies may also kick in and we can reach to that number or largely, as you earlier alluded, that it is likely to remain the same?

**Arvind Nanda:** I think it's going to be a combination of many things. See, once you realize that because of competition, if we have to plan reasonably well in advance. So our feeling is that because of the competition, we may not be able to get better prices from customers.

Now how do we improve our margins or keep them and go up? I think internal economies, better productivity, trying to get into exports, I think these are the steps we are taking because there is -- in a company like us, there can be a lot of scope for internal improvements, certainly in purchasing, in waste management, scrap management, in productivity. So we are looking at it like an overall picture. I would not say that just one thing will matter.

Of course, if the project mix changes and you have bigger buildings, more complex building coming up, people want it faster and faster. Our government has announced a lot of plans for electronics, for semiconductor. These people are always in a great hurry because they are very time-bound. PLI schemes are in a great hurry. So you can get better pricing also from them.



Even if not better pricing because they are larger orders, you can make more money. The net margins can be higher in a bigger order.

So I think it's a multipronged approach kind of a thing. No one thing will help us. I think we need to look at all different angles constantly to make sure that the margins not only remain the same, but also how do we take them up because we -- I believe that these margins are very low for the kind of work we do.

As a pre-engineered building company, we take a lot of responsibility. We do everything from engineering to execution at site, work of 3 different companies literally, take payments as the material gets made rather than a steel company which charges you upfront for raw material. So I think we all deserve more. But yes, Indian market is competitive and we can't ignore that fact.

So we are working on multiple fronts to make sure that the margins keep improving. But the results, I think we'll see. Normally, the operational leverage should have kicked in by now for our past if we hadn't kept expanding into, say, heavy structure and exports. So there the expenses are happening now and the income will come a little later. But I'm quite sure that these margins can definitely be maintained.

**Nishant Sharma:** Sure, sir. Hope to see, while this year you have outpaced all the expectation on the top line, next year we expect that we see the outperformance on the margin front to your internal estimate itself. Many congratulations for good set of numbers.

**Moderator:** The next question comes from the line of Deepashri Joshi with Ambit Capital.

**Deepashri Joshi:** Could you help us with the pipeline 1 and pipeline 2 numbers for the upcoming quarter or coming couple of months?

**Manish Garg:** Sorry, what numbers?

**Deepashri Joshi:** The order pipeline numbers, pipeline 1 and 2 that you had mentioned.

**Arvind Nanda:** Manish, can you take the question?

**Manish Garg:** Yes. So our pipeline is -- see, our throughput, as we say, what we know, what we call as hit rate is about 20% to 22%. And right now, we have our pipeline, which is about 6x of our monthly average order booking. That is our pipeline 1 that we call. And our pipeline 2, which is a little longish kind of gestation period is about another 6x to 7x of our average monthly order book.

So that's the complete pipeline analysis as of today. And it is a mix of the new sectors, which is renewable, semiconductor and EV. And apart from that, we also have very good traction on the multistory commercial and institutional buildings. And yes, it has our conventional business, which is the industrial and logistics. So pipeline is pretty strong currently.

**Deepashri Joshi:** Okay. Could you give an absolute pipeline 1 number?



- Manish Garg:** Yes. So our average -- we booked orders of approximately INR550 crores during the last 3 months. So our average order book is about INR180 crores. So our pipeline is approximately about 200\*6. So that is on a total order -- monthly order book of INR200 crores, we have about INR1,200 crores of the P1 and approximately INR1,000 crores of P2.
- Deepashri Joshi:** Okay. Got it. And have you received or do you envisage any receipt of export orders via your Moletex partnership?
- Manish Garg:** Yes. So we already received 2 export orders that I think we have mentioned, one in Myanmar and in Ghana. And right now, our order book does include a few export orders also, export inquiries rather, qualified inquiries, which are from African continent and North America, and we expect them to get converted soon.
- Deepashri Joshi:** Okay. So it's from North America, the U.S., and Canada?
- Manish Garg:** That's right.
- Moderator:** The next question comes from the line of Vivek Gautam with GS Investment.
- Vivek Gautam:** Yes, sir. I just wanted to understand about the increase in the recent increase in the prices of raw material. Are we in a position to pass on the prices for the same? And second thing is about the opportunity size for our company in India as well as in the export market and our differentiator versus competition? Thank you, sir. The numbers have been good, sir. Thanks a lot.
- Arvind Nanda:** Manish?
- Manish Garg:** Yes. So there are 2-3 parts of your question, sir. One is, are we able to pass on the raw material increase to the customers. In a way, like Mr. Nanda explained, we are completely sort of insulated for about 4 months with 2 months of physical inventory and 2 months of pipeline inventory.
- And by the time we get the inkling of the steel prices moving a little up or down, we adjust them in our current order taking. So to that extent, with the pricing mechanism by itself, we are able to more or less pass it on, give or take a little bit here and there.
- Number two, you talked about the opportunity size in domestic as well as in exports. I can only say that the total addressable market is enormous. Right now, I would say that we are only experiencing the tip of the iceberg.
- So a lot of buildings and segments which are not using steel fully currently are converting into steel given the advantages of speed and green buildings and other things. So I would really say that the total addressable market is maybe 100x of what the market size is today right now. So there is enormous, enormous market.
- And the export also is a very big opportunity. There are not many local manufacturers when we come to African continent. Even when we come to the North America or any CIS countries, there are not very large manufacturers and exports do come into play when we try

and address these geographies, and that's why our foray into exports. So the market potential is, in fact, enormous, both in domestic as well as in exports. I hope I have been able to answer your question, sir.

**Vivek Gautam:**

Yes. The last question remaining was the differentiator for us versus the competition?

**Manish Garg:**

So differentiator, I should say, sir, in our business, the real differentiator is your history, if I was to just say, and your credibility of having delivered complex, large projects. So the differentiator with Interarch is that, number one, we have been in this business for close to 43 years.

And in this, we have created a history wherein there is no project, be it large, small, complex segment-wise, you talk of an airport, we have done T3 airport. You talk of a data center; we have done Iron Mountain. Means there is -- if you talk of the largest project, yes, we have done a INR300 crores, 30,000 tons plus. You talk of the fastest executed project; we have done it.

So some gentlemen also asked if a conglomerate comes in, put in INR1,000 crores, INR2,000 crores, INR5,000 crores, will they be able to beat? I would say, they can perhaps beat in the installed capacity, but their utilization of the capacity will be a big question because when our customer buys buildings from us, they don't buy it like a civil contracting, like they buy -- they give a contract to L&T or somebody.

It is like a capital good. It's like buying their machinery which will do the most critical work for them. And in any capital goods, the decisions are not really made on price or the kind of capacity that a person has, but more on how those capital goods have been supplied for how long to whom and how they have performed over the years.

So I would say that the differentiator with Interarch, in particular, is our history of having delivered and never worked on a project. And you have seen our growth in last 4, 5 years, even earlier. That is a testament to the differentiation. And we have been able to grow the volumes. You have seen this year almost 40% in 9 months, even earlier years, you see the growth. While you maintain volume growth, you can only maintain your realization and therefore the margins only when you have a choice to pick up the orders that customers want to give to you.

So I would say differentiator is the history which has been created over the last 40 years of having done and delivered projects to any industry and in building agnostic, industry agnostic. And that is why the same customers with their different branches or different segments keep coming back to us.

So anybody can copy anything, but they can't really bring in the history of 43 years with no amount of money they can bring in the history. Maybe it has taken us 43 years to create this history. Somebody might do it in 25 years, but it can't be repeated overnight. That's not possible. So that remains the differentiator, sir.

**Moderator:**

The next question comes from the line of Devang Patel with Sameeksha Capital.



- Devang Patel:** Sir, I wanted to understand the opportunity size in India for the heavy structural steel capacity that we are putting up. So with 45,000 tons capacity, what kind of market share would we have at full scale?
- Arvind Nanda:** Manish?
- Manish Garg:** Yes. So once again, sir, I will give you the current market size, which is determined by what is the sales taking place. So as of now, the structural steel that we are referring to, I'll give you 2 answers to that. One is what is the existing sort of sales which is taking place is close to about 0.5 million tons there.
- Now the kind of capacity we are creating is about 50,000 tons, 45-50,000 tons. So that's the market share we will get once we are fully operational. In terms of the total addressable market, that is once again enormous. It could be 30x, 40x of what it is currently. So the structural steel capacity what we are referring to the multistory and heavy steel is still pretty limited. There are still not many players in that. So I would say the market is going to grow at a much faster rate than the capacity that is being created by all the structural steel manufacturers, including us now.
- Devang Patel:** When you mentioned earlier the order of the supplies to JFE, was that for a PEB order or was that for steel?
- Manish Garg:** It is a pre-engineered building, sir.
- Devang Patel:** Okay. And the semi-structural steel business, would it be -- how would it impact our margins and ROCE overall?
- Manish Garg:** It should be around the same. It should not be -- ROCE in terms of, I should say, ROCE also should not be impacted because if you look in overall scheme of things, let's say, when we reach 275,000, 300,000 tons, we are still only counting 50,000 tons of this business. So it is not going to impact our ROCE or margins thereof. The margins are going to be in the similar range.
- Devang Patel:** Would that business cater to the whole 0.5 million tons demand or only special parts for multistory?
- Manish Garg:** No, it will cater to the entire 0.5 million tons.
- Devang Patel:** Okay. And sir, last question on working capital cycle, what can we expect it to be this year? Are we seeing any change from previous year for our working capital cycle right now?
- Manish Garg:** I think our net working capital is at about 34 days, and we are right now doing very large projects wherein the cycle time is a bit higher through the EPC contracts we're doing, semicon we're doing. So though we try and maintain it in the similar range through our tight operational controls, so we will try and maintain it within the same range, but it can go up a little bit here and there.
- Devang Patel:** Would there be any change in our bill discounting? How much data we run down?

- Manish Garg:** Bill discounting, we don't do any bill discounting as such. We don't do any bill discounting. It is all clean collections.
- Moderator:** The next question comes from the line of Nikhil Purohit with Fident Asset Management.
- Nikhil Purohit:** Congrats on a great set of numbers. Sir, firstly, based on the volume number given, I believe there is some realization decline of about, I think, 7-8%. Any reason for this?
- Manish Garg:** Which one you said, sir? Can you please repeat your question once again on?
- Nikhil Purohit:** Sure, sir. So the volume that you've given, based on that, I think there is some realization?
- Manish Garg:** Only very little bit. So the volume growth is, to be precise, year-on-year is 45.8%, whereas the revenue has grown by 43.7%, right? So there is only very little difference. And that is because of the raw material -- yes, that is because of the raw material moving downward a little bit. And because EBITDA has remained similar, therefore, there is no effect in realization as such, sir.
- Arvind Nanda:** Our final turnover does depend on the steel price because if the steel price is INR50 or INR100, our realization will go up enormously, but the margins and the delta and these things should remain the same. That's why we give the tonnage because that is an indicator that what is our production, productivity and sale, because the final price in many ways is not totally in our hands. Even when we are bidding, price drop to INR20, my delta might be still INR30, INR40, but the final price will be INR60 instead of INR100, like that.
- Nikhil Purohit:** Got it. Got it. And on the capacities, so you mentioned around -- so we have, I think, 201,000 capacity right now after Kiccha expansion and AP Phase 2. We are adding 2 plants in Gujarat. So this should take it to -- and 40,000 is each metric -- is the capacity for each plant, right?
- Arvind Nanda:** Yes.
- Nikhil Purohit:** So this should take it to around 280,000, right? You mentioned.
- Arvind Nanda:** See, we are separating the heavy structure from PEB. So PEB, we have right now 200,000 -- 160,000 tons and the Kiccha line and the other things have added about 15,000-20,000 tons. So say 180,000 tons is the PEB capacity right now. Then the add-on is the AP1, which we are adding for heavy structure, that's another 20,000-22,000 tons. So that takes you to 200,000 tons, right?
- So with the new AP will add another 20,000 tons and new Gujarat will add another 40,000 tons. So total will go up to, say, 260-280,000 tons whatever. But heavy structure is separate. So with the existing Gujarat plant -- each plant will give us 40,000 tons. So Gujarat will be the fifth plant. So PEB capacity will become 200,000 tons with the fifth plant or 210,000 tons because of Kiccha or 220,000 tons. And then separate 40,000-45,000 tons for heavy structure.
- Nikhil Purohit:** Okay. So what land parcels do we currently have on our books for all the capacities coming up? Are they all acquired?



- Arvind Nanda:** No. Gujarat, we have to acquire. We have put in that. I think it's about INR7-8 crores, we need more to buy additional land for Gujarat, the second plant. First plant is, of course, sufficient. And in the AP heavy structure, we have sufficient land for -- at least 3 lines. Right now, we have done one. We are planning the second, but we have plans for the third as well. That is the land bank we have currently.
- Nikhil Purohit:** Okay, okay. And lastly, so considering the strong demand that you see and since we have also revised our growth guidance for next year, where do we see our closing order book for FY '26 being at?
- Arvind Nanda:** FY '26, I don't see much change because till we have got the added capacity, I don't think we should take a risk of taking more orders. See, INR1,600 crores and whatever 50, let us say, INR1,600 crores, if we have to execute in 9 or 10 months also, that takes care of our turnover for next year, right? So that means we have more or less 9 months of business already and people are not able to take delivery 9 months later. So we have to balance it out. We can't take everything. But yes, I think it should be a little better than what it is.
- Gradually, we'll keep improving it, increasing the order book based on our capacity. So if next year we are projecting, say, INR2,100 crores, let us say, so our order book should be about INR1,700 crores, at least a 9-month order book, which we already have. Luckily, 1 or 2 orders were long term, like JSW is a little longer term order. So we could book those. We have to be very careful that we cannot take orders more than we deliver because then if you fail, like Manish was already mentioning, our history and our reputation is based on that. And that is more critical than taking another order and destroying everything.
- So I don't know how much the order book will go up. Sometimes you get a large order and the order is to be delivered over 8, 10, 12 months, so we take it. So a lot depends on the situation. But I think if you want to achieve INR2,100 crores, INR16-1,700 crores book is a very good order book.
- Nikhil Purohit:** Understood. Understood, sir. And just last question, if I could squeeze it in. I had some confusion over the Phase 1 of the heavier structure facility. So earlier, we had communicated that this will come up by September 2026. Am I right here? And has this capacity already come on?
- Arvind Nanda:** September '26 this year.
- Nikhil Purohit:** So this has not come on already, right? Because you had mentioned Phase 2 of AP facility is on. So that is not for heavier structure, that is for the?
- Arvind Nanda:** See, heavy structure, the plant started in September last year. It will be -- machines and all will get installed by June '26 and commercial production by July, August. That's why we are saying September. The plant -- the first phase of the heavy structure for 20,000 tons will start.
- The second phase is what we are talking about now, starting it now so that the second phase also finishes by end of this year or early next year. The heavy structure will have 2 phases. One under -- already under construction.



**Moderator:** The next question comes from the line of Raman K.V. with Sequent Investments.

**Raman K. V.:** Sir, you have a current order book position is INR1,685 crores. How much was the order inflow for the entire quarter, Q3?

**Arvind Nanda:** So I think our turnover is INR523 crores plus we've added INR50 crores. So you can say about INR573-575 crores in the quarter.

**Raman K. V.:** INR570 crores. And for the entire 9-month period?

**Arvind Nanda:** Sorry?

**Raman K. V.:** For the entire 9-month period?

**Arvind Nanda:** 9-month period I don't have figures. Manish, can you give them a 9-month figure or what was it in the beginning of the first quarter?

**Manish Garg:** Yes, yes. So it was INR1,634 crores. So I think for the entire 9 months, it's been about INR1,600 crores.

**Raman K. V.:** Understood, sir. And sir, can you also provide the bid pipeline and what's our win rate?

**Manish Garg:** I think, sir, we did provide this answer, but I will say it again, sir. Our hit rate is about 21%. And our pipeline, what we call P1 and P2, our P1 is about INR1,200 crores and similar is our P2, which is the longer gestation period.

**Raman K. V.:** Understood, sir. And my second question is I just want to understand, I'm a bit confused with the capacity expansion. Currently, we have 180,000 metric tons of annual production capacity. And then we are planning to set up a new plant in Gujarat, which will add 40,000 capacity more. That will take our capacity to 2.2 lakh metric tons per annum. Is my understanding correct? And then we also plan to have another plant in Gujarat for which you are planning to buy the land and that will add another 40,000 metric tons of capacity?

**Manish Garg:** Absolutely right, sir.

**Raman K. V.:** And the second plant will be in 2027?

**Arvind Nanda:** Yes. We are planning to start it so that by the first quarter of next calendar year, it should be in production.

**Raman K. V.:** Q1 FY '28?

**Arvind Nanda:** Yes. We are hoping that the land will get secured. We have already made arrangement with the seller. So if the land gets secured then we need about 9 months to put it into production.

**Raman K. V.:** Understood, sir. This unit will be the sixth PEB unit, right?

**Arvind Nanda:** That's right.



- Raman K. V.:** And upon that, we will have another 40,000 to 50,000 metric tons capacity of heavy structure steel?
- Arvind Nanda:** Yes, 40,000 to 45,000 metric tons.
- Raman K. V.:** And in the first phase, we have 24. And in the second phase, we will be adding 20?
- Arvind Nanda:** First phase, which is ongoing, which will finish by June and be commercial production by August, September will be about 2022. They will be about the same, this is a duplication. And then the second phase, which we want to start construction by March, by next month now that we have the clearance from the Board, so start in March. And I think that will take another 9 months. So we are hoping that by December, January, the Phase 2 of the heavy structure plant also is in place. So we want to finish it by end of the next financial year.
- Raman K. V.:** Understood, sir. And sir, the last part of my question is for this heavy structure steel, can you give the entire capex for like 50,000 metric tons? And also for the Gujarat plant, what's the total capex for the entire?
- Arvind Nanda:** We about INR125 crores.
- Raman K. V.:** For the Gujarat plant?
- Arvind Nanda:** Gujarat and heavy structure second phase, because heavy structure, we already have the land development and the land is already done. And so we need about maybe INR70 crores and about INR75 crores -- INR55 crores to INR60 crores for Gujarat. So I anticipate maybe INR125 crores to INR130 crores for the 2 new additions we want to start this year.
- Raman K. V.:** And how much did we already spend in the Phase 1?
- Arvind Nanda:** Phase 1, we have spent about -- I think with the land in Gujarat, we spent about INR65 crores or INR70 crores. We will spend, it's not finished yet. And in the Andhra 1, we would have spent same, about INR70 crores without the land. So it will be a duplication. In Andhra, it will be duplication. Gujarat will be duplication plus a little bit of land.
- Moderator:** Ladies and gentlemen, due to time constraints, this was the last question for today. I now hand the conference over to the management for closing comments.
- Arvind Nanda:** Well, thank you very much, everybody, for joining. I hope our answers were clear and satisfactory. If not, any of you can approach us through AMBIT SGA to have more clarifications if you need. We are always available to you. We thank you once again for taking out your time. And I hope all of you are already invested in our company. If not, I'm sure you will. It's a very, very fast-growing industry. And I think we have made a good position for ourselves. But thank you very much for attending and all your help and support. Manish?
- Manish Garg:** Yes. Thank you. Thank you, everyone, and we can end the call now. Thank you.
- Moderator:** Thank you, sir. On behalf of Ambit Capital, that concludes this conference. Thank you for joining us, and you may now disconnect your lines. Thank you.