



**Date: 07/11/2024**

To, <b>National Stock Exchange of India Ltd.,</b> Exchange Plaza, C-1, Block G, Bandra Kurla Complex, Bandra (E), Mumbai – 400051 <b>NSE Scrip Symbol: INTERARCH</b>	To, <b>BSE Limited</b> Phiroze Jeejeebhoy Towers Dalal Street Mumbai- 400001 <b>BSE Scrip Code 544232</b>
---	--

**Subject:** Submission of Report of Monitoring Agency Report for the quarter ended September 30, 2024 - in relation to the Initial Public Offer (“IPO”) of Interarch Building Products Limited (“the Company”)

Dear Sir/Madam,

Pursuant to Regulation 41(4) of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 and Regulation 32(6) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we have attached herewith the Report of Monitoring Agency i.e. CRISIL Ratings Limited for the quarter ended 30<sup>th</sup> September 2024.

You are requested to take note of the same.

Thanking You,

**For INTERARCH BUILDING PRODUCTS LIMITED**

Digitally signed  
by ARVIND  
NANDA  
Date: 2024.11.07  
17:18:26 +05'30'

**ARVIND NANDA**  
**MANAGING DIRECTOR**  
**DIN: 00149426**

**INTERARCH BUILDING PRODUCTS LIMITED**

(Formerly known as Interarch Building Products Private Limited)

Head Office : B-30, Sector 57, Noida - 201301, India.

Tel.: +91 120 4170200, CIN: L45201DL1983PLC017029



**Monitoring Agency Report**  
**for**  
**Interarch Building Products Limited**  
**for the quarter ended**  
**September 30, 2024**

CRI/MAR/DDEPL/2024-25/1200

November 05, 2024

To

**Interarch Building Products Limited**

Farm No.-8, Khasara No. 56/23/2 Dera Mandi Road,  
Mandi Village, Tehsil Mehrauli,  
New Delhi, Delhi-110047

Dear Sir,

**Monitoring Agency Report for the quarter ended September 30, 2024 - in relation to the Initial Public Offer ("IPO") of Interarch Building Products Limited ("the Company")**

Pursuant to Regulation 41(2) of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 ("SEBI ICDR Regulations") and Monitoring Agency Agreement dated August 10, 2024, enclosed herewith the Monitoring Agency Report, issued by CRISIL Ratings Limited, Monitoring Agency, as per Schedule XI of the SEBI ICDR Regulations towards utilization of proceeds of IPO for the quarter ended September 30, 2024.

Request you to kindly take the same on records.

Thanking you,

**For and on behalf of CRISIL Ratings Limited**



**Sushant Sarode**  
Director, Ratings (LCG)

## Report of the Monitoring Agency (MA)

**Name of the issuer:** Interarch Building Products Limited

**For quarter ended:** September 30, 2024

**Name of the Monitoring Agency:** CRISIL Ratings Limited

(a) Deviation from the objects: Not applicable

(b) Range of Deviation: Not applicable

### **Declaration:**

*We declare that this report provides an objective view of the utilization of the issue proceeds in relation to the objects of the issue based on the information provided by the Issuer and information obtained from sources believed by it to be accurate and reliable. The MA does not perform an audit and undertakes no independent verification of any information/ certifications/ statements it receives. This Report is not intended to create any legally binding obligations on the MA which accepts no responsibility, whatsoever, for loss or damage from the use of the said information. The views and opinions expressed herein do not constitute the opinion of MA to deal in any security of the Issuer in any manner whatsoever. Nothing mentioned in this report is intended to or should be construed as creating a fiduciary relationship between the MA and any issuer or between the agency and any user of this report. The MA and its affiliates also do not act as an expert as defined under Section 2(38) of the Companies Act, 2013.*

*The MA or its affiliates may have credit rating or other commercial transactions with the entity to which the report pertains and may receive separate compensation for its ratings and certain credit-related analyses. We confirm that we do not perceive any conflict of interest in such relationship/interest while monitoring and reporting the utilization of the issue proceeds by the issuer.*

*We have submitted the report herewith in line with the format prescribed by SEBI, capturing our comments, where applicable. There are certain sections of the report under the title "Comments of the Board of Directors", that shall be captured by the Issuer's Management / Audit Committee of the Board of Directors subsequent to the MA submitting their report to the issuer and before dissemination of the report through stock exchanges. These sections have not been reviewed by the MA, and the MA takes no responsibility for such comments of the issuer's Management/Board.*

**Signature:** 

**Name and designation of the Authorized Signatory:** Sushant Sarode

**Designation of Authorized person/Signing Authority:** Director, Ratings (LCG)

# Ratings

## 1) Issuer Details:

<b>Name of the issuer:</b>	Interarch Building Products Limited
<b>Names of the promoter:</b>	a. Arvind Nanda b. Gautam Suri
<b>Industry/sector to which it belongs:</b>	Capital Goods (PEB)

## 2) Issue Details

<b>Issue Period:</b>	Monday, August 19, 2024, to Wednesday, August 21, 2024
<b>Type of issue (public/rights):</b>	Initial Public Offer (IPO)
<b>Type of specified securities:</b>	Equity Shares
<b>IPO Grading, if any:</b>	NA
<b>Issue size:</b>	Fresh issuance of Rs 2,000.00 million (Refer Note)

### Note:

Particulars	Amount (Rs in million)
Gross proceeds of the Fresh Issue	2,000.00*
Less: Issue Expenses	127.92**
<b>Net Proceeds</b>	<b>1,872.08</b>

\*CRISIL Ratings shall be monitoring the gross proceeds.

\*\*On the basis of the certificate dated September 04, 2024, issued by M/s Bansal & Co LLP., Chartered Accountants (Firm Registration Number: 001113S/N500079), Peer reviewed Independent Chartered Accountant, out of the estimated issue expenses of Rs 127.92 million, the Company has utilized Rs 41.33 million during the quarter ended September 30, 2024. The balance is lying in the public offer account as at the end of the reported quarter.

### 3) Details of the arrangement made to ensure the monitoring of issue proceeds:

Particulars	Reply	Source of information/ certifications considered by Monitoring Agency for preparation of report	Comments of the Monitoring Agency	Comments of the Board of Directors
Whether all utilization is as per the disclosures in the Offer Document?	Yes	Management undertaking, Prospectus, Bank Statements	No Comments	Yes
Whether shareholder approval has been obtained in case of material deviations from expenditures disclosed in the Offer Document?	NA	Management undertaking	No Comments	NA
Whether the means of finance for the disclosed objects of the issue has changed?	No		No Comments	No
Is there any major deviation observed over the earlier monitoring agency reports?	NA		No Comments	NA
Whether all Government/statutory approvals related to the object(s) have been obtained?	Yes		Refer note	Yes
Whether all arrangements pertaining to technical assistance/collaboration are in operation?	NA		No Comments	NA
Are there any favorable events improving the viability of these object(s)?	No		No Comments	No
Are there any unfavorable events affecting the viability of the object(s)?	No		No Comments	No
Is there any other relevant information that may materially affect the decision making of the investors?	No		No Comments	No

NA represents Not Applicable

## 4) Details of object(s) to be monitored:

### i. Cost of the object(s):

Sr. No.	Item Head	Source of information/certification considered by MA for preparation of report	Original cost (as per the Offer Document) (Rs in million)	Revised Cost (Rs in million)	Comment of the Monitoring Agency	Comments of the Board of Directors		
						Reason of Cost revision	Proposed financing option	Particulars of firm arrangements made
1	Financing the capital expenditure towards setting up the Project	Management undertaking, Prospectus	585.33	NA	No revision	NA	-	-
2	Financing the capital expenditure towards upgradation of the Kichha Manufacturing Facility, Tamil Nadu Manufacturing Facility I, Tamil Nadu Manufacturing Facility II and Pantnagar Manufacturing Facility		192.46	NA	No revision	NA	-	-
3	Funding investment in information technology assets for upgradation of existing information technology infrastructure of the Company		113.92	NA	No Revision	NA	-	-
4	Funding incremental working capital requirements		550.00	NA	No revision	NA	-	-
5	General corporate purposes (GCP)*		430.37	NA	No revision	NA	-	-
	<b>Total</b>	-	<b>1,872.08</b>	-	-	-	-	-

\*The amount utilised for general corporate purposes does not exceed 25% of the Gross Proceeds (amounting to Rs 500.00 million) from the Fresh Issue.

## ii. Progress in the object(s):

Sr. No.	Item Head#	Source of information/certifications considered by Monitoring Agency for preparation of report	Amount as proposed in the Offer Document (Rs in million)	Amount utilized (Rs in million)			Total unutilized amount (Rs in million)	Comments of the Monitoring Agency	Comments of the Board of Directors	
				As at beginning of the quarter	During the quarter	At the end of the quarter			Reasons for idle funds	Proposed course of action
1	Financing the capital expenditure towards setting up the Project	Management undertaking, Prospectus, Bank Statements	585.33	Nil	Nil	Nil	585.33	No proceeds were utilized towards this object during the reported quarter	No proceeds utilized	
2	Financing the capital expenditure towards upgradation of the Kichha Manufacturing Facility, Tamil Nadu Manufacturing Facility I, Tamil Nadu Manufacturing Facility II and Pantnagar Manufacturing Facility		192.46	Nil	Nil	Nil	192.46	No proceeds were utilized towards this object during the reported quarter	Same as above	
3	Funding investment in information technology assets for upgradation of existing information technology infrastructure of the Company		113.92	Nil	Nil	Nil	113.92	No proceeds were utilized towards this object during the reported quarter	Same as above	
4	Funding incremental working capital requirements		550.00	Nil	Nil	Nil	550.00	No proceeds were utilized towards this object during the reported quarter	Same as above	
5	GCP		430.37	Nil	Nil	Nil	430.37	No proceeds were utilized towards this object during the reported quarter	Same as above	
	<b>Total</b>		<b>1,872.08</b>	-	-	-	<b>1,872.08</b>			



#Brief description of objects:

Object of the Issue	Description of objects as per the offer document filed by the issuer
Financing the capital expenditure towards setting up the Project	The Company proposes to set up PEB manufacturing units at the Planned Andhra Pradesh Manufacturing Facility on industrial land allotted on leasehold basis for a period of 33 years admeasuring approximately 40,470 sq. mtrs situated in Attivaram Village, Ozili Mandal, Tirupati District, Andhra Pradesh. Further, subject to conditions mentioned in the lease deed dated May 12, 2023, the Company has the option to extend the period of the lease up to 99 years, without accruing any additional amount towards such extension on the same terms and conditions as mentioned in the aforementioned lease deed.
Funding capital expenditure requirements towards purchase of equipment, plant and machinery at Wada, Palghar, Maharashtra	<ol style="list-style-type: none"> <li>1. The Company aims to utilize an aggregate of Rs 60.05 million, constituting of the Net Proceeds towards funding the capital expenditure on the upgradation of the Kichha Manufacturing Facility, which shall include (i) civil and road works; and (ii) procurement and installation of plant and machinery.</li> <li>2. The Company aims to utilize an aggregate of ₹ 8.83 million, constituting 0.47 % of the Net Proceeds towards funding the capital expenditure on the upgradation of the Tamil Nadu Manufacturing Facility I, which shall involve (i) civil works; (ii) utilities and (iii) procurement and installation of plant and machinery.</li> <li>3. The Company aims to utilize an aggregate of ₹ 67.63 million, constituting 3.59% of the Net Proceeds towards funding the capital expenditure on the upgradation of the Tamil Nadu Manufacturing Facility II, which shall involve (i) civil works; and (ii) procurement and installation of plant and machinery.</li> </ol>
Funding investment in information technology assets for upgradation of existing information technology infrastructure of the Company	In order to improve efficiency and meet changing customer requirements, the Company proposes to utilise the Net Proceeds for upgradation of existing IT infrastructure of the Company which shall involve the purchase and implementation of SAP S/4 HANA Private Cloud Solutions platform, which would enable it to map all core business processes in a single ERP system and implement comprehensive solutions for seamless integration with such ERP solution thereby contributing to increasing efficiency in project planning and execution, improving inventory management, transportation management and maintaining financial checks and balances, and furthermore, enhancing co-ordination between supply chain infrastructure and Manufacturing Facilities, making it entirely relevant to all aspects of the core business.
Funding incremental working capital requirements	The Company proposes to utilise ₹ 550.00 million from the Net Proceeds to fund its working capital for meeting business requirements.
General corporate purposes	<p>General corporate purposes may include, but are not restricted to :</p> <ol style="list-style-type: none"> <li>(i) funding growth opportunities;</li> <li>(ii) strengthening marketing capabilities and brand building;</li> <li>(iii) meeting ongoing general corporate contingencies; and</li> <li>(iv) employee and other personnel expenses.</li> </ol> <p>In addition to the above, the Company may utilize the balance Net Proceeds towards any other expenditure considered expedient and as approved periodically by the Board or a duly appointed committee thereof, subject to compliance with applicable law.</p>

### iii. Deployment of unutilised proceeds<sup>^</sup>:

S. No.	Type of instrument where amount is invested	Amount invested** (in Rs million)	Maturity date	Earnings as on September 30, 2024 (in Rs million)	Return on Investment (%)	Market value as at the end of quarter (in Rs million)
1	Fixed Deposit – IndusInd Bank	1,680.00	02-09-2025	10.54	7.90	1690.54
2	Fixed Deposit – Yes Bank	190.00	06-09-2025	1.02	7.85	191.02
3	Balance lying in Monitoring Agency account maintained with HDFC Bank	5.61*	NA	NA	NA	5.61
4	Balance lying in Public Offer account maintained with HDFC Bank	84.59	NA	NA	NA	84.59
	<b>Total</b>	<b>1960.20</b>	<b>-</b>	<b>11.56</b>	<b>-</b>	<b>1917.76</b>

*\*This balance also includes the interest income of Rs 1.53 million on matured Fixed deposits. Monitoring the deployment of Interest Income earned from unutilised proceeds does not form part of the scope of Monitoring Agency report.*

*During the reported quarter, an excess amount of Rs 2.00 million (Rs 1,874.08 million instead of Rs 1,872.08 million) was transferred from company's public offer account to its Monitoring agency (MA) account. The excess amount is still lying as a balance in MA account as at the end of the reported quarter.*

*\*\*All the figures are rounded off to two decimal places.*

*<sup>^</sup>On the basis of management undertaking.*

### iv. Delay in implementation of the object(s):

Object(s)	Completion Date		Delay (no. of days/ months)	Comments of the Board of Directors	
	As per the Offer Document	Actual		Reason of delay	Proposed course of action
Not applicable on the basis of management undertaking					

### 5) Details of utilization of proceeds stated as General Corporate Purpose amount in the offer document:

Not applicable on the basis of management undertaking.

## Disclaimers:

- a) *This Report is prepared by CRISIL Ratings Limited (hereinafter referred to as "Monitoring Agency" / "MA" / "CRL"). The MA has taken utmost care to ensure accuracy and objectivity while developing this Report based on the information provided by the Issuer and information obtained from sources believed by it to be accurate and reliable. The views and opinions expressed herein do not constitute the opinion of MA to deal in any security of the Issuer in any manner whatsoever.*
- b) *This Report has to be seen in its entirety; the selective review of portions of the Report may lead to inaccurate assessments. For the purpose of this Report, MA has relied upon the information provided by the management /officials/ consultants of the Issuer and third-party sources like Peer-reviewed Independent Chartered Accountants (or from peer reviewed CA firms) appointed by the Issuer believed by it to be accurate and reliable.*
- c) *Nothing contained in this Report is capable or intended to create any legally binding obligations on the MA which accepts no responsibility, whatsoever, for loss or damage from the use of the said information. The MA is also not responsible for any errors in transmission and specifically states that it, or its directors, employees do not have any financial liabilities whatsoever to the users of this Report.*
- d) *The MA and its affiliates do not act as a fiduciary. The MA and its affiliates also do not act as an expert to the extent defined under Section 2(38) of the Companies Act, 2013. While the MA has obtained information from sources it believes to be reliable, it does not perform an audit and undertakes no independent verification of any information/ certifications/ statements it receives from auditors (or from peer reviewed CA firms), lawyers, chartered engineers or other experts, and relies on in its reports.*
- e) *The MA or its affiliates may have other commercial transactions with the entity to which the report pertains. As an example, the MA may rate the issuer or any debt instruments / facilities issued or proposed to be issued by the issuer that is subject matter of this report. The MA may receive separate compensation for its ratings and certain credit-related analyses, normally from issuers or underwriters of the instruments, facilities, securities or from obligors.*
- f) *The MA report is intended for the jurisdiction of India only. This report does not constitute an offer of services. Without limiting the generality of the foregoing, nothing in the report is to be construed as CRL providing or intending to provide any services in jurisdictions outside India, where it does not have the necessary licenses and/or registration to carry out its business activities referred to above.*
- g) *Access or use of this report does not create a client relationship between CRL and the user.*
- h) *CRL is not aware that any user intends to rely on the report or of the manner in which a user intends to use the report. In preparing this report, MA has not taken into consideration the objectives or particular needs of any particular user.*
- i) *It is made abundantly clear that the report is not intended to and does not constitute an investment advice. The report is not an offer to sell or an offer to purchase or subscribe for any investment in any securities, instruments, facilities or solicitation of any kind to enter into any deal or transaction with the entity to which the report pertains. The report should not be a basis for any investment decision within the meaning of any law or regulation (including the laws and regulations applicable in the US).*
- j) *The report comprises professional opinion of CRL as of the date they are expressed, based on the information received from the issuer and other sources considered reliable by CRL. Any opinions expressed here are in good faith, are subject to change without notice, and are only current as of the stated date of their issue. The report does not constitute statements of fact or recommendations to purchase, hold or sell any securities/instruments or to make any investment decisions.*
- k) *Neither CRL nor its affiliates, third-party providers, as well as their directors, officers, shareholders, employees or agents guarantee the accuracy, completeness or adequacy of the report, and shall not have any liability for any errors, omissions or interruptions therein, regardless of the cause, or for the results obtained from the use of any part of the report. CRL and each aforesaid party disclaims any and all express or implied warranties, including but not limited to any warranties of merchantability, suitability or fitness for a particular purpose or use or use. In no event shall CRL or any aforesaid party be liable to any user for any direct, indirect, incidental, exemplary, compensatory,*

## Ratings

*punitive, special or consequential damages, costs, expenses, legal fees or losses (including, without limitation, lost income or lost profits and opportunity costs) in connection with any use of any part of the report even if advised of the possibility of such damages.*

- l) CRL has established policies and procedures to maintain the confidentiality of certain non-public information received in connection with the preparation of this report. CRL has in place a code of conduct and policies for managing conflict of interest.*
- m) Unless required under any applicable law, this report should not be reproduced or redistributed to any other person or in any form without prior written consent from CRL.*
- n) By accepting a copy of this Report, the recipient accepts the terms of this Disclaimer, which forms an integral part of this Report.*