



CERTIFIED TRUE COPY OF THE RESOLUTION PASSED BY THE CIRCULATION BY MEMBERS OF THE AUDIT COMMITTEE OF INTERARCH BUILDING PRODUCTS LIMITED ON MONDAY, AUGUST 12th 2024

APPROVAL OF KPIS

"RESOLVED THAT the Audit Committee hereby approves the KPIS disclosed in the RHP to be filed with SEBI Registrar of Companies, NCT of Delhi & Haryana in respect of the Offer, as placed before the Audit Committee and as annexed to this resolution as per **Annexure A.**" The Audit Committee also confirmed that KPIS pertaining to the Company that have been disclosed to the earlier investors during the three years period preceding the date of the RHP to be filed by the Company with Registrar of Companies, NCT of Delhi & Haryana will be disclosed in the "*Basis for Offer Price*" section of the RHP and further confirms that the details for all such KPIS disclosed under "*Basis for Offer Price*" section of the RHP have been verified and audited, in accordance with applicable laws and auditing procedures. The members of the Audit Committee also noted that no other KPIS pertaining to the Company other than those disclosed in the RHP and annexed as **Annexure A**, have been disclosed to earlier investors of the Company at any point of time during the three years prior to filing of the RHP of the Company.

RESOLVED FURTHER THAT it is hereby confirmed that the details for all KPIS, as set out in **Annexure A**, which will be disclosed in the RHP, and any other documents including any amendments, addenda, or corrigenda issued thereto, press releases or advertisements in relation to the Offer, (collectively, the "**Offer Documents**"), are the metrics that have been disclosed by the Company to its Board of Directors and Shareholders and to its investors at any point of time during the three years prior to the date of filing of the RHP, along with the reasonings and explanations for inclusion or non-inclusion of such metrics in the Offer Documents, have been verified by us in accordance with applicable laws and auditing procedures.

RESOLVED FURTHER THAT Mr. Arvind Nanda, Managing Director and Mr. Gautam Suri, Whole Time Director of the company, be and are hereby severally authorised to do all such acts, deeds, matters and things to negotiate, discuss and finalise the draft of the "*Basis for Offer Price*" section of the RHP, in their absolute discretion, deem necessary or desirable to implement the above resolution and to settle or give instructions and directions for settling any questions, difficulties or doubts that may arise in this regard and to give effect to such modifications, changes, variations, alterations, deletions or additions, as may be deemed fit and proper in the best interest of the Company.


INTERARCH BUILDING PRODUCTS LIMITED

(Formerly known as Interarch Building Products Private Limited)

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

Tel.: +91 120 4170200, CIN: U45201DL1983PLC017029



**BUILDING
INNOVATORS**

Registered Office: Farm No-8, Khasra No. 56/23/2, Dera Mandi Road, Mandi Village, Tehsil Mehrauli, New Delhi - 110047, India.

info@interarchbuildings.com www.interarchbuildings.com

RESOLVED FURTHER THAT a copy of the above resolution, certified to be true by any Director or the Company Secretary and Compliance Officer of the Company, be forwarded to the concerned authorities for necessary action."

Annexure A

(Amounts in INR million, unless otherwise specified)

Particulars	As at and for the Financial Year ended March 31, 2022	As at and for the Financial Year ended March 31, 2023	As at and for the Financial Year ended March 31, 2024
Installed Capacity (in MTPA)	132,000	141,000	141,000
Number of manufacturing plants related to PEB/structural steel	4	4	4
Revenue from operations (in ₹ million)	8,349.43	11,239.26	12,933.02
EBITDA (in ₹ million)	328.89	1,063.80	1,130.15
EBITDA margin (%)	3.94	9.47	8.74
Profit (in ₹ million)	171.33	814.63	862.62
Profit Margin (%)	2.05	7.25	6.67
Return on Capital Employed (%)	8.30	26.75	25.79
Return on equity (%)	5.38	20.40	19.40
Net cash generated from operating activities (in ₹ million)	261.80	312.86	815.23
Asset Turnover Ratio (times)	1.65	1.84	1.81
Cash Conversion Cycle (days)	64.89	64.58	65.27
Net Debt (in ₹ million)	(322.58)	(409.35)	(481.91)
Net Debt to EBITDA (times)	(0.98)	(0.38)	(0.43)
Net Debt to Equity (times)	(0.10)	(0.10)	(0.11)

**Not Annualized*

KPIs	Description
Installed Capacity (in MTPA)	Installed Capacity is the capacity available at the Manufacturing Facilities of the Company at the end of the given year
Number of manufacturing plants related to PEB/structural steel	Number of manufacturing plants is the number of manufacturing plants of our Company which were operational for the given year
Revenue from Operations	Revenue from operations is revenue from pre-engineered building contracts, sale of building materials, scrap sales and other operating services
EBITDA	EBITDA is calculated as profit for the year plus total tax expenses, finance costs, depreciation and amortization expense less other income
EBITDA Margin	EBITDA margin is calculated as the EBITDA divided by the revenue from operations
Profit	Profit for the year
Profit Margin	Profit margin is calculated as profit for the year divided by revenue from operations for the respective year
Return on Capital Employed	Return on capital employed is calculated as EBIT divided by capital employed EBIT is calculated as profit for the year plus total tax expense plus finance costs. Capital employed is calculated as total equity minus intangible assets plus total debt. Total debt is calculated as non-current borrowings plus current borrowings plus non-current lease liabilities plus current lease liabilities.
Return on Equity	Return on Equity is calculated as profit for the year divided by total equity

KPIs	Description
Net Cash generated from operating activities	Net cash generated from operating activities by the Company during the year
Asset Turnover Ratio	Asset Turnover Ratio is computed as revenue from operations divided by average total assets. Average total assets refer to average of opening total assets and closing total assets.
Cash Conversion Cycle	Cash conversion cycle is computed as inventory days plus trade receivable days minus trade payable days. Trade receivable days is calculated as average trade receivables divided by revenue from operations multiplied by 365 for Financial Years. Inventory days is calculated as average inventory divided by revenue from operations multiplied by 365 for Financial Years. Trade payable days is calculated as average trade payables divided by revenue from operations multiplied by 365 for Financial Years
Net Debt	Net Debt is computed as our Company's total debt less cash and cash equivalents. Total debt is calculated as non-current borrowings plus current borrowings plus non-current lease liabilities plus current lease liabilities
Net Debt to EBITDA	Net Debt to EBITDA ratio is computed as Net Debt divided by EBITDA
Net Debt to Equity	Net Debt to Equity ratio is computed as Net Debt divided by total equity

Information other than KPIs, which are part of RHP

While the following information shared with investors during the three years preceding the date of the **RHP** has been included in the RHP for further substantiation of disclosures and description of information relating to our business, the following items/metrics are not considered to be information in the nature of key performance indicators for the business of our Company since our Company, does not deem such items/metrics appropriate to represent the financial or operational performance of the Company.

Sr. No.	Metric	Reason for not being classified as key performance indicator to be included in the Basis of Offer Price section
1	Total Order Book	<p>We have disclosed the Total Order Book at appropriate sections in the Updated DRHP i.e. Business, MD&A, Risk factors.</p> <p>Total Order Book is the position of pending orders in hand of the Company as on a particular date which may/may not materialise or is subject to modifications/delay/cancellation in the future period.</p>

2	Sale of building products (Direct Material Sales)	We have disclosed the Revenue from operations as one of the KPIs in the RHP. The revenue from operations is further divided into Revenue from Pre-engineered building contracts and Sale of building products which has been disclosed at appropriate sections in the RHP i.e. Financial Statements, Business, MD&A and Risk factors.
3	Freight charges (such as Freight Inward, Freight Loading)	These parameters are derived from the reported line items of the Company's profit and loss statement (including the notes thereto) and do not have bearing to the offer price.
4	Installation and Site Expenses	
5	Packing, Consumables & Spares	
6	Other Receipts like Rent, Net gain on disposal of property, plant and equipment (Profit & Loss on sale of Fixed Assets)	
7	Depreciation	
8	Interest Paid, Interest Earned/Accrued, Bank Charges	

Information not part of RHP

While the following information was provided to the investors during the three years preceding the date of the RHP, the following items have neither been considered as performance indicators for the business of the Company nor disclosed in the RHP as the same are not critical or relevant for analysis of the Company's financial and operational performance in the opinion of the Audit Committee. This is because, among other reasons, these items/metrics are reflected or subsumed within the KPIs presented above and/ or are not auditable or verifiable and/ or not a performance indicator.

Sr. No.	Metric	Additional Reason for not being included in the RHP
1	Revenue from Pre-engineered building contracts bifurcated into Material Sales, Works Contract and Installation sales	Ind AS reporting accounting standards required the PEB contracts to be reported in consolidated manner and not bifurcated into 3 buckets. However, the summation of sales from the 3 buckets add up to PEB contract sales
2	EBITDA growth	These parameters are derived from

2	Total Material consumption cost	the reported line items of the Company's profit and loss statement (including the notes thereto).
3	Manufacturing/Direct expenses	
4	Cost of Goods sold	
5	Gross Profit/(Loss)	
6	Other Miscellaneous items such as Factory Conversion Cost, Administration & Selling Expenses, Supervisory Charges received, Facility fee of Banks, Other Receipts	
7	Ratios derived from the above metrics: Raw Material consumption to Material Sales Ratio %, Total Material consumption to Material Sales %, Manufacturing expenses to Total Sales Ratio, Cost of Goods sold as % of Material sales and Gross Profit/(Loss) Margin %	These parameters are derived from the reported line items of the Company's profit and loss statement (including the notes thereto) EBITDA / EBITDA Margin and PAT / PAT Margin are generally the parameters material from the perspective of basis of offer price determination

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For INTERARCH BUILDING PRODUCTS LIMITED



Nidhi Goel
Company Secretary & Compliance Officer
M.No. A19279