



Interarch Building Solutions Ltd

CMP: INR 2405.00

December 03rd, 2025

Overweight

**ISIN:
INE00M901018**

INDEX DETAILS

Stock Data	
Sector	Engineering/Construction/PEB
BSE Code	544232
Face Value(Rs.)	10.00
52wk.High/Low(Rs.)	2756.35/1266.00
Volume (2W Avg. Qty)	0.045 Lkh (BSE) 0.90 Lakh (NSE)
Market Cap (Rs. In Mn)	40336.66

Annual Estimated Results (A* : Actual/E*: Estimated)			
Years (Rs.in Mn)	FY25A	FY26E	FY27E
Revenue	14538.25	17425.55	20910.66
EBITDA	1362.41	1498.60	1986.51
Net Profit	1078.29	1233.02	1592.49
EPS	68.03	73.52	94.95
P/E	35.35	32.71	25.33

Shareholding Pattern (%)		
	As of June 2025	As of Sep 2025
Promoter	59.90	59.44
FIIs	5.67	5.81
DII's	6.97	6.97
Public	27.45	27.79

1 Year Comparative Graph



SYNOPSIS

- ◆ Interarch Building Solutions Ltd is India's second-largest integrated PEB provider, offering end-to-end design-to-execution capabilities with 201,000 MT capacity and strong project delivery across industrial, infrastructure and high-growth sectors.
- ◆ The pre-engineered steel buildings (PEB) industry is experiencing strong structural growth driven by faster construction needs, rising industrial capex, and the shift toward automated, off-site building methods. Expanding demand from warehousing, logistics, data centres, EVs, semiconductors, and renewable energy, supported by government initiatives like NIP, PLI, Make in India and Smart Cities, is accelerating adoption. With revenue and PAT projected to grow at 17% and 23% CAGR over FY25-FY27E, Interarch is well placed to benefit from this transition toward scalable, sustainable steel construction.
- ◆ Interarch delivered strong operational performance, with Q2 FY26 revenue rising 51.91% YoY to Rs. 4,910.86 million, supported by improved execution from newly commissioned capacity and better productivity across plants. EBITDA grew 65.07% YoY to Rs. 416.51 million and Net Profit increased 56.16% YoY to Rs.322.79 million. The commissioning of AP Phase II and Kichha upgrades expanded capacity to 201,000 MT, while planned Gujarat and Athivaram facilities position the Company to capture growth in semiconductors, EVs, data centres and renewable manufacturing.
- ◆ Order inflow remains strong, supported by a Rs.16,340 million order book and Rs.4,630 million of wins between August and October, with 80–85% repeat business reflecting deep customer stickiness. Improved capacity is enhancing execution speed, enabling quicker turnarounds and participation in larger projects. A net-cash balance sheet, Rs.1,428 million in cash reserves and disciplined working-capital management provide solid financial resilience despite temporary inventory increases for specialised orders.
- ◆ Looking ahead, Interarch is well placed to benefit from strong structural demand, advanced engineering capabilities and strategic initiatives, including capacity expansion, automation, exports and partnerships with Mold-Tek and JSPL. While execution timing remains a sensitivity, Interarch's scale, engineering depth and long-standing customer relationships position it to capture sustained growth and margin expansion in India's evolving PEB market.



PEER GROUP:

COMPANY NAME	CMP	MARKET CAP	EPS(TTM)	P/E(X)(TTM)	P/BV(X)	DIVIDEND YIELD
	(Rs.)	Rs. in mn.	(Rs.)	Ratio	Ratio	(%)
Interarch Building Solutions Ltd	2405.00	40336.66	76.49	31.44	5.33	0.52
M & B Engineering Ltd	381.00	21750.00	15.41	28.90	3.66	0.00
Pennar Industries Ltd	219.00	29640.00	9.66	22.80	2.76	0.00
EPack Prefab Technologies Ltd	323.00	32420.00	7.65	43.60	-	0.00

QUARTERLY HIGHLIGHTS (STANDALONE BASIS)

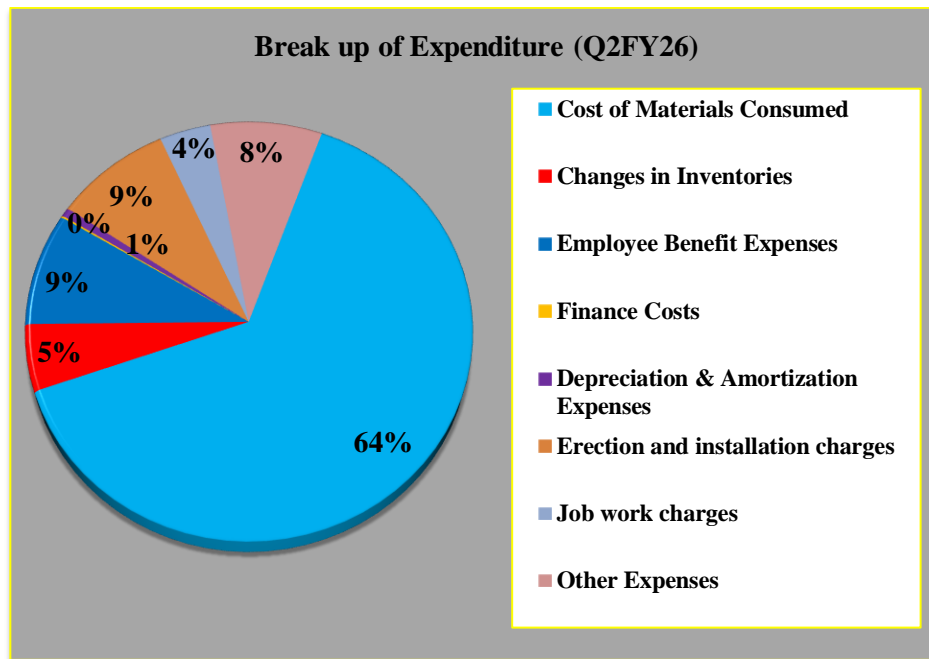
Results updates-Q2FY26:

(Rs in millions)	Sep-25	Sep-24	% Change
Revenue	4910.86	3232.77	51.91%
Net Profit	322.79	206.70	56.16%
EPS	19.15	13.41	42.80%
EBITDA	416.51	252.33	65.07%

The revenue from operations grew by 51.91% during Q2FY26 to Rs. 4,910.86 million, compared to Rs.3, 232.77 million in the corresponding quarter of the previous year. Net Profit increased by 56.16% to Rs. 322.79 million in Q2FY26, compared to Rs. 206.70 million in Q2FY25. EBITDA increased by 65.07% to Rs. 416.51 million as compared to Rs. 252.33 million in Q2FY25. EPS increased by 42.80% to Rs.19.15 as compared to Rs.13.41 in Q2FY25. The EBITDA margin for the quarter stood at 8.48%, compared to 7.81% in Q2FY25.

Break up of Expenditure (Q2FY26 VS Q2FY25):

Break up of Expenditure	Value in Rs. Million		
	Q2FY26	Q2FY25	% Change
Cost of Materials Consumed	3242.15	2166.12	50%
Changes in Inventories	(259.54)	(261.61)	-
Employee Benefit Expenses	440.86	370.13	19%
Finance Costs	7.05	4.32	63%
Depreciation & Amortization Expenses	34.50	23.18	49%
Erection and installation charges	448.10	323.71	38%
Job work charges	195.60	118.54	65%
Other Expenses	427.17	263.55	62%


COMPANY PROFILE

Interarch Building Solutions Limited, founded in 1983, is one of India's leading turnkey pre-engineered steel construction solution providers with fully integrated capabilities across design, engineering, manufacturing, logistics and on-site execution. The Company has evolved into the country's second-largest integrated PEB player, backed by over 756 completed PEB projects since FY15 and strong customer retention with 82% repeat orders in FY25. Following the commissioning of Phase II at its Andhra Pradesh facility, Interarch's installed capacity has expanded to 201,000 MT, reinforcing its scale and execution strength. With five operational plants across Uttarakhand, Andhra Pradesh and Tamil Nadu, and a new Gujarat plant and heavy-structures facility under development, Interarch continues to drive modern infrastructure growth with innovation, reliability and large-scale project delivery capability.

- Actual, E* -Estimations&Rs.InMillions)

Balance Sheet as of March 31,2024-2027E	FY-24A	FY-25A	FY-26E	FY-27E
FINANCIALHIGHLIGHT(STANDALONE BASIS)	Rs. In Millions	Rs.In Millions	Rs.In Millions	Rs.In Millions
ASSETS				
Non-Current Assets				
a)Property ,Plant and Equipment	1063.67	1493.78	2316.24	2649.76
b)Capital Work in Progress	126.82	134.64	8.17	12.31
c) Right of use assets	565.36	653.29	662.82	665.19
d) Intangible Assets/Investment Properties/Goodwill/Others	29.51	31.30	33.20	34.80
e)Financial Assets				
i) Investments/Trade Receibles	534.97	1025.14	1261.26	1482.22
ii)Loans/Other Financial Assets/	32.44	27.65	44.63	62.13
f))Def.Tax Assets /Income tax assets (net) /Other Non-Current Assets	51.03	182.27	92.16	98.73
1.Sub-TotalNon-Currentassets	2403.78	3548.08	4418.48	5005.14
Current Assets				
a)Inventories/Contract Assets	1820.95	2146.74	3713.23	4544.00
b)Financial assets				
i) Investments	0.00	50.21	162.36	179.22
ii)Trade Receivables	1707.52	2109.60	1814.20	2098.49
iii)Cash and Cash Equivalents	621.41	847.23	1620.39	1803.74
iv)Derivative instruments	0.00	0.00	0.00	0.00
v)Bank balances other than cash	765.43	1140.54	319.11	332.69
vi)Loans	6.23	5.06	6.02	7.19
vii)Other Financial Assets	4.39	946.74	1208.76	1372.48
c) Current Tax Assets	0.00	5.25	0.00	0.00
d)Other Current Assets	220.36	340.72	419.22	463.82
2.Sub-Totalcurrentassets	5146.30	7592.09	9263.29	10801.63
Total Assets(1+2)	7550.08	11140.16	13681.77	15806.77
EQUITYANDLIABILITIES				
EQUITY				
a)Equity Share Capital	144.16	166.40	167.72	167.72
b)Other Equity	4302.09	7347.79	8580.81	10173.29
1.TotalEquity	4446.25	7514.19	8748.53	10341.01
Liabilities				
Non Current Liabilities				
a)Financial liabilities				
i)Borrowings	6.44	2.79	1.38	1.92
ii)Lease liabilities	26.78	23.18	22.73	24.98
iii)Other Financial Liabilities	0.00	0.00	0.00	0.00
b) Govt grants /Emp benefit liabilities (net)/Deferred Tax Liabilities	68.74	77.39	51.42	66.97
2.SubTotal-NonCurrentliabilities	101.95	103.36	75.53	93.87
Current Liabilities				
a)Financial liabilities				
i)Borrowings/Lease liabilities	100.70	172.82	84.30	82.48
ii)Trade payables	1335.64	1206.52	1893.49	2050.37
iii)Other Financial Liabilities	171.47	255.94	493.33	778.19
b)Provisions/Govt grants /Emp benefit liabilities (net)	136.42	70.33	86.72	101.73
c)Other Current Liabilities/Contract Liabilities	1257.65	1817.00	2250.69	2302.18
d)Income Tax Liabilities/&Liabilities-Held for sale	0.00	0.00	49.18	56.94
3.SubTotalcurrentliabilities	3001.88	3522.61	4857.71	5371.89
Total Equity and Liabilities(1+2+3)	7550.08	11140.16	13681.77	15806.77



Annual Profit & Loss Statement (Standalone) for the period of 2024 to 2027E

Value(Rs.in.mn)	FY24A	FY25A	FY26E	FY27E
Description	12m	12m	12m	12m
Net Sales	12933.02	14538.25	17425.55	20910.66
Other Income	130.13	206.52	312.47	337.47
Total Income	13063.14	14744.78	17738.02	21248.13
Expenditure	-11802.87	-13175.84	-15926.95	-18924.15
Operating Profit	1260.27	1568.94	1811.07	2323.98
Interest	-21.62	-24.24	-29.38	-31.29
Gross profit	1238.65	1544.70	1781.69	2292.69
Depreciation	-79.77	-117.71	-137.66	-169.38
Exceptional Items	0.00	0.00	0.00	0.00
Profit Before Tax	1158.88	1426.99	1644.03	2123.31
Tax	-296.27	-348.70	-411.01	-530.83
Profit After Tax	862.62	1078.29	1233.02	1592.49
Extraordinary Items	0.00	0.00	0.00	0.00
Minority Interest	0.00	0.00	0.00	0.00
Share of Profit & Loss of Asso	0.00	0.00	0.00	0.00
Net Profit	862.62	1078.29	1233.02	1592.49
Equity capital	144.16	166.40	167.72	167.72
Reserves	4302.09	7347.79	8580.81	10173.29
Face value(Rs)	10.00	10.00	10.00	10.00
EPS(Rs)	58.68	68.03	73.52	94.95

Quarterly Profit & Loss Statement (Standalone) for the period of 31st Mar, 2025 to 31st Dec, 2025E

Value(Rs.in.mn)	31-Mar-25	30-June-25	30-Sep-25	31-Dec-25E
Description	3m	3m	3m	3m
Net sales	4635.11	3807.75	4910.86	4017.28
Other income	70.74	99.33	60.04	62.19
Total Income	4705.84	3907.08	4970.90	4079.47
Expenditure	-4146.69	-3491.35	-4494.35	-3672.20
Operating profit	559.15	415.73	476.55	407.27
Interest	-6.69	-6.41	-7.05	-7.12
Gross profit	552.46	409.32	469.50	400.15
Depreciation	-48.58	-31.52	-34.50	-36.19
Exceptional Items	0.00	0.00	0.00	0.00
Profit Before Tax	503.88	377.80	435.00	363.96
Tax	-117.07	-94.01	-112.21	-90.99
Profit After Tax	386.82	283.79	322.79	272.97
Extraordinary Items	0.00	0.00	0.00	0.00
Minority Interest	0.00	0.00	0.00	0.00
Share of Profit & Loss of Ass.	0.00	0.00	0.00	0.00
Net Profit	386.82	283.79	322.79	272.97
Equity capital	166.40	166.40	167.72	167.72
Face value(Rs)	10.00	10.00	10.00	10.00
EPS(Rs)	23.01	16.85	19.15	16.28

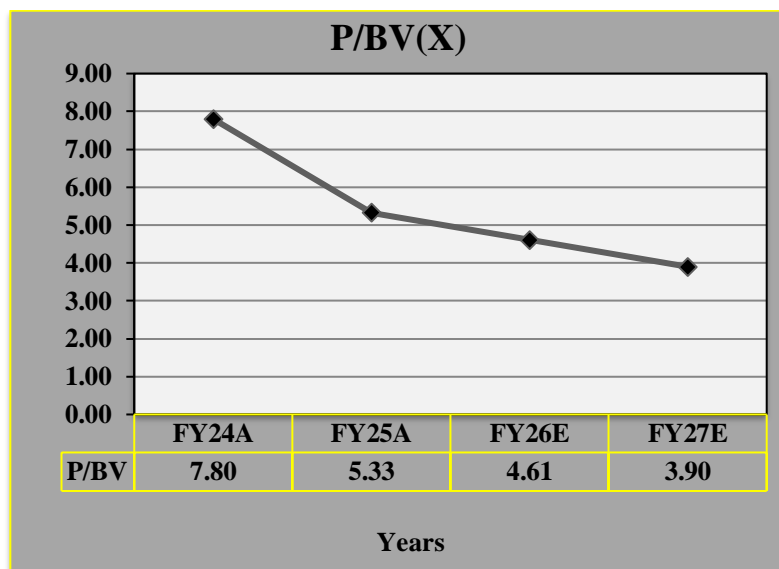
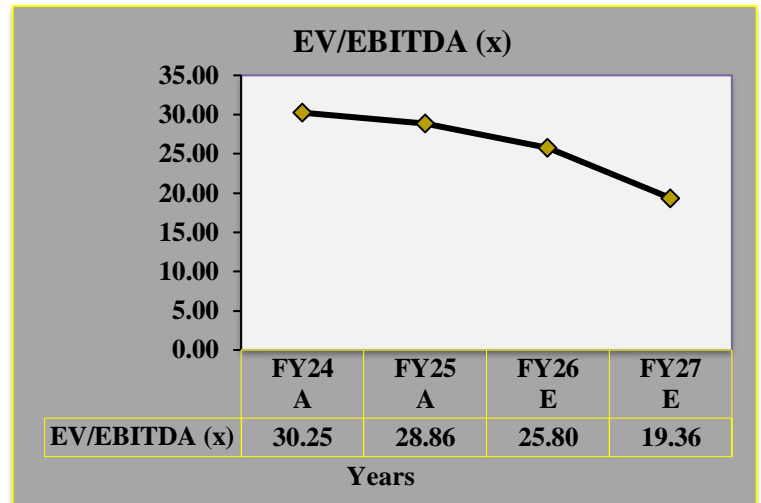
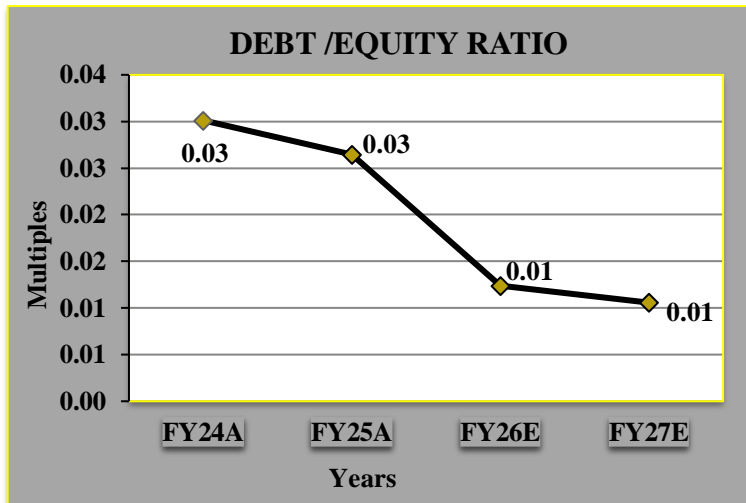
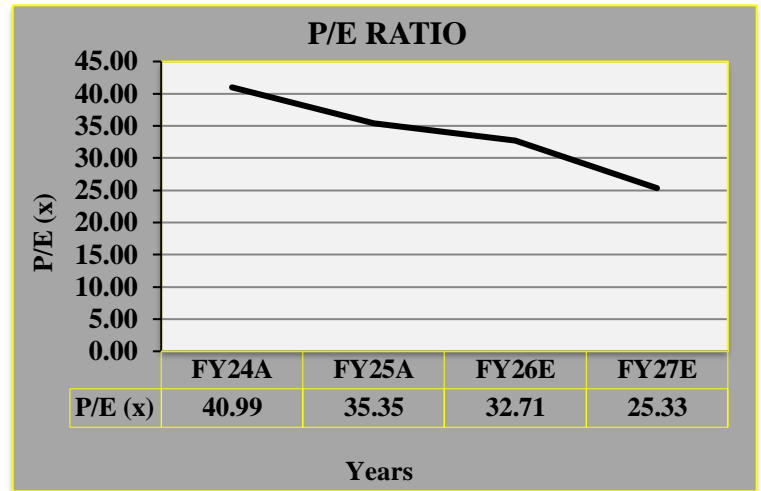
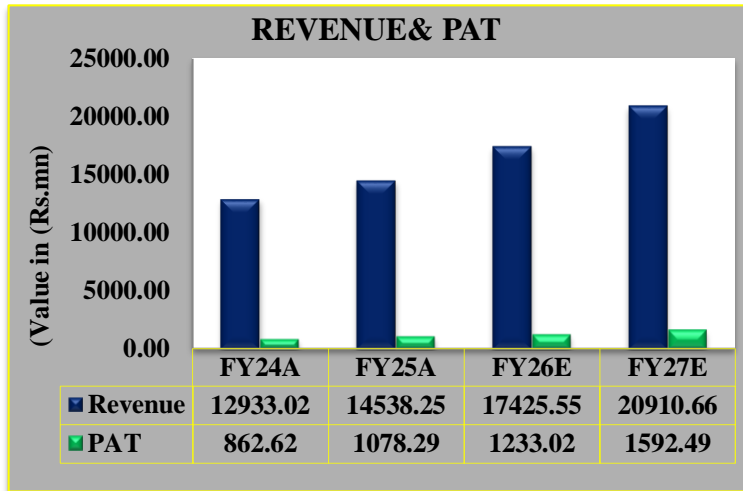


Ratio Analysis:

Particulars	FY24A	FY25A	FY26E	FY27E
EPS (Rs.)	58.68	68.03	73.52	94.95
EBITDA Margin (%)	8.74%	9.37%	8.60%	9.50%
PBT Margin (%)	8.96%	9.82%	9.43%	10.15%
PAT Margin (%)	6.67%	7.42%	7.08%	7.62%
P/E Ratio(x)	40.99	35.35	32.71	25.33
ROE (%)	22.07%	18.03%	15.16%	16.68%
ROCE (%)	29.21%	23.49%	20.31%	22.32%
Debt Equity Ratio	0.03	0.03	0.01	0.01
EV/EBITDA (x)	30.25	28.86	25.80	19.36
Book Value(Rs.)	308.43	451.56	521.62	616.56
P/BV	7.80	5.33	4.61	3.90



Charts:



OUTLOOK AND CONCLUSION

- At the current market price of **Rs.2405.00**, the stock P/E ratio is at 32.71 x FY26E and 25.33x FY27E respectively.
- Earnings per share (EPS) for FY26E and FY27E are expected at Rs.73.52 and Rs.94.95 respectively.
- Revenue and PAT of the company are expected to grow at a CAGR of 17% and 23%, respectively, from FY2025 to FY2027E.
- On the basis of EV/EBITDA, the stock trades at 25.80 x for FY26E and 19.36 x for FY27E.
- Price to Book Value of the stock is expected to be at 4.61 x and 3.90 x for FY26E and FY27E respectively.

The pre-engineered steel buildings (PEB) industry is experiencing strong structural growth driven by faster construction needs, rising industrial capex, and the shift toward automated, off-site building methods. Expanding demand from warehousing, logistics, data centres, EVs, semiconductors, and renewable energy, supported by government initiatives like NIP, PLI, Make in India and Smart Cities, is accelerating adoption. With revenue and PAT projected to grow at 17% and 23% CAGR over FY25-FY27E, Interarch is well placed to benefit from this transition toward scalable, sustainable steel construction.

Interarch delivered strong operational performance, with Q2 FY26 revenue rising 51.91% YoY to Rs. 4,910.86 million, supported by improved execution from newly commissioned capacity and better productivity across plants. EBITDA grew 65.07% YoY to Rs. 416.51 million and Net Profit increased 56.16% YoY to Rs.322.79 million. The commissioning of AP Phase II and Kichha upgrades expanded capacity to 201,000 MT, while planned Gujarat and Athivaram facilities position the Company to capture growth in semiconductors, EVs, data centres and renewable manufacturing. Order inflow remains strong, supported by a Rs.16,340 million order book and Rs.4,630 million of wins between August and October, with 80–85% repeat business reflecting deep customer stickiness. Improved capacity is enhancing execution speed, enabling quicker turnarounds and participation in larger projects. A net-cash balance sheet, Rs.1,428 million in cash reserves and disciplined working-capital management provide solid financial resilience despite temporary inventory increases for specialised orders. Looking ahead, Interarch is well placed to benefit from strong structural demand, advanced engineering capabilities and strategic initiatives, including capacity expansion, automation, exports and partnerships with Mold-Tek and JSPL. While execution timing remains a sensitivity, Interarch's scale, engineering depth and long-standing customer relationships position it to capture sustained growth and margin expansion in India's evolving PEB market. Hence, we say that, we are **Overweight** in this particular scrip for **Long-term** investment.

INDUSTRY OVERVIEW & OUTLOOK:

Pre-Engineered Steel Buildings Industry Review:

The rapid advancement of automation in the construction industry has positioned preengineered steel construction as an innovative and efficient building method. Additionally, a shortage of skilled labour, coupled with the advantages of speed, costeffectiveness, and sustainability, has fuelled its growing adoption.

Key Components of Pre-Engineered Steel Buildings:

Primary Structure (Main Frame): The primary structure serves as the core load-bearing framework, consisting of rigid steel frames, including columns, rafters, and other support elements. These components vary in size and shape based on specific applications and are assembled by bolting the end plates of connecting sections together.

Secondary Structure: This includes purlins, girts, and eave struts, which provide additional support to walls and roofs and are used to fix roof and wall cladding.

Roof, Wall Panels, and Insulation: Made from profiled steel sheets, these components serve as roof and wall sheeting, partitions, and liners. Manufactured from steel coils, they enhance structural integrity and energy efficiency.

Construction Plan for PEBs:

The construction of pre-engineered steel buildings is structured into three key phases: design, manufacturing, and erection, each with distinct activities. The design phase involves essential preparatory tasks, including site evaluation, finalising design specifications, and securing necessary approvals. This phase lays the foundation for a streamlined construction process. Next, the manufacturing phase focusses on manufacturing preengineered steel components and constructing substructures in a controlled environment. This simultaneous approach enhances cost efficiency, reduces waste, and accelerates project timelines by allowing multiple processes to occur concurrently. Finally, during the erection phase, the fabricated components are transported to the construction site and assembled with precision, ensuring a quick and efficient completion of the pre-engineered steel structure. This structured methodology optimises resources, minimises delays, and significantly improves overall project efficiency.

Advantages of PEBs over Traditional Construction:

Construction Process & Time Efficiency: PEBs are primarily manufactured in controlled environments, ensuring precision, quality control, and reduced on-site labour dependency. This approach enables 40-50% faster construction compared to traditional RCC structures, where the entire process, including moulding and shaping concrete, takes place on-site. Additionally, PEBs allow for simultaneous foundation work and structural assembly, further accelerating project timelines. PEBs are primarily manufactured in controlled environments, ensuring precision, quality control, and reduced on-site labour dependency. This approach enables 40-50% faster construction compared to traditional RCC structures, where the entire process, including moulding and shaping concrete, takes place on-site. Additionally, PEBs allow for simultaneous foundation work and structural assembly, further accelerating project timelines.

Material & Structural Components: PEBs rely on steel and metal accessories such as anchors, channels, and coils, whereas RCC structures use concrete reinforced with steel bars along with cement, sand, and bricks. The prefabrication of PEB components ensures consistency and reduces material wastage, making them a cost-effective alternative to RCC, which requires extensive raw materials and labour-intensive processes.

Labour & Cost Optimisation: With most of the fabrication done off-site, PEBs require 25% or less labour than RCC, where significant workforce involvement is necessary throughout construction. The reduced material usage, shorter timelines, and lower onsite labour contribute to greater cost savings, making PEBs more economical in large-scale applications. Traditional RCC structures, being more labour-intensive and requiring an uncontrolled construction environment, result in higher costs and extended project durations.

Environmental Impact & Sustainability: PEBs offer a more sustainable construction approach by minimising site disturbance, reducing waste, and lowering the carbon footprint through standardised manufacturing processes. On the other hand, RCC construction generates considerable waste and landfill mass due to on-site activities, leading to a more adverse environmental impact with higher air pollution.

Flexibility & Modifications: PEBs provide superior flexibility, as modifications involve simply altering prefabricated components, making changes more manageable and cost-effective. In contrast, modifying RCC structures after the concrete has hardened is a complex and expensive process, often requiring significant structural alterations.

Application & Growth Potential: While RCC is widely used in residential, industrial, and infrastructure projects, PEBs are predominantly used for industrial buildings, warehouses, and infrastructure setups. The lower adoption of PEBs in India, combined with increasing awareness of their advantages in terms of cost, speed, and sustainability, presents substantial growth potential for pre-engineered structures over conventional RCC construction.

Global Pre-Engineered Steel Buildings:

Market The rising demand for preengineered steel buildings is driven by the industrial and commercial sectors, which form the backbone of the global PEB market. Increasing investments in public infrastructure, rapid urbanisation, and growing awareness of the benefits of pre-engineered construction over traditional methods further accelerate adoption. Additionally, the shift towards sustainable building practices and modern off-site construction techniques, along with the global push for green buildings, is fuelling market growth.

Indian Pre-Engineered Steel Buildings Market:

The pre-engineered steel building (PEBs) industry in India is witnessing significant growth, driven by increasing adoption across various sectors. The industrial segment continues to lead the PEB market, with higher penetration in key industries such as automobile, cement, and oil & gas. These sectors rely on PEB structures for their cost efficiency, faster construction timelines, and adaptability to large-scale industrial operations. Simultaneously, the infrastructure segment is expanding at a rapid pace, fuelled by the rising demand for PEBs in warehouses, cold storage facilities, data centres, power plants, aircraft hangars, and railway yards. The need for durable, scalable, and energy-efficient structures has accelerated PEB adoption in these areas, making them a preferred choice for modern infrastructure development. Furthermore, the building sector is poised for growth as the acceptance of pre-engineered steel buildings increases. With the construction industry shifting towards sustainable and costeffective solutions, PEBs are gaining traction in commercial, institutional, and residential projects. As awareness of their benefits continues to rise, the PEB industry in India is set to experience sustained expansion across diverse applications.

Growth Drivers:

Opportunity in India's Low Steel Consumption:

India's per capita steel consumption is far below the global average, indicating substantial growth potential. The Domestically Manufactured Iron & Steel Products (DMI&SP) policy promotes the use of domestic steel, supporting the construction sector.

Shift from RCC to PEBs with Increasing Awareness of PreEngineered Structures:

The rising awareness of PEBs and their advantages over traditional Reinforced Cement Concrete (RCC) constructions has led to a surge in the number of PEB projects. These structures reduce project timelines and promote sustainability by minimising waste. As a result, more developers are opting for PEBs over conventional on-site methods.

Increased Industrial Capex and Planned Capacity Expansion to Boost PEB Growth:

Higher industrial capex is set to fuel growth in pre-engineered construction, with increased investments in manufacturing, particularly in automobiles and telecom. Increased capital expenditure (capex) in metals, cement, and oil & gas will further drive demand for pre-engineered steel structures.

Semiconductor Boom Fuelling Growth:

The rapid expansion of the semiconductor industry is driving strong demand for large-scale, high-tech manufacturing facilities. This is boosting the PEB sector, as fabs require fast, cost-effective, and high-quality construction. Prefabricated and modular PEB solutions offer quicker timelines, better safety, and consistent quality. As global investment in chip manufacturing rises, so does the demand for adaptable and scalable PEB structures.

Shift Towards Data Centres:

The shift towards data-centric operations and cloud-based infrastructure is propelling a wave of data centre construction, which in turn is driving robust growth in the Pre-Engineered Buildings industry. As companies race to expand digital capabilities, the need for rapid, scalable, and cost-effective infrastructure has never been greater. PEBs meet these demands by enabling data centres to be built up to 60% faster than traditional methods, with added benefits of flexibility and lower construction costs.

Shift towards Renewable Energy:

Driving Demand for Green and Sustainable Buildings The global transition to renewable energy is driving strong growth in the PEB industry. PEBs are well-suited for integrating solar panels and wind turbines, making them ideal for energy-efficient and sustainable infrastructure. With rising demand for green buildings, especially from large corporations and logistics players, PEBs are gaining traction as a preferred construction method. Their streamlined design and manufacturing processes reduce material waste, while the use of recyclable steel allows for easy deconstruction and reuse.

Infrastructure Development and Investments to Fuel Demand for PEBs:

India's infrastructure expansion is gaining momentum, fuelled by initiatives like metro rail projects and the National Infrastructure Pipeline (NIP). With rising capex in infrastructure, demand for PEBs is set to grow significantly, making them a vital part of the nation's construction sector.

Rise in Multi-Storeyed Buildings:

The rise in multi-storey buildings is a key growth driver for the PreEngineered Buildings industry, as urbanisation and limited land availability push developers towards vertical construction. Multi-storey PEBs offer benefits such as rapid assembly, cost efficiency, and flexible design, making them perfect for highdensity commercial and residential projects. Advances in structural engineering and materials further improve their safety and customisation options, boosting their appeal to developers seeking scalable, sustainable solutions for modern urban landscapes.

Government Initiatives to Accelerate Prefabrication and Pre-Engineering:

Policy initiatives such as PMAY have accelerated the use of prefabrication and pre-engineering in housing by encouraging faster, more cost-efficient construction. Complementing this, the China+1 strategy strengthens India's position as a key manufacturing hub, boosting demand for advanced building technologies. The PLI Scheme further supports this growth by incentivising domestic manufacturing and driving innovation in the prefabricated construction sector. Collectively, these measures are fast-tracking adoption and unlocking new growth opportunities across the industry.

Outlook:

The pre-engineered steel buildings market is poised for significant growth, driven by increasing awareness of modern off-site construction techniques and the rising global demand for green buildings. This shift has led to a growing preference for pre-engineered steel structures over traditional steel buildings. Factors such as cost efficiency, faster construction timelines, and sustainability benefits further contribute to the market's expansion.

Steel Industry:

Steel, as a fundamental raw material, is the backbone of the Pre-Engineered Buildings (PEB) industry, which is rapidly transforming India's construction landscape. The demand for PEB structures in industrial, commercial, and residential sectors has surged due to their costeffectiveness, faster construction timelines, and sustainability. This rising adoption directly fuels India's steel consumption, reinforcing its role in infrastructure growth. India's steel industry has emerged as a global powerhouse and a key driver of industrial progress. Once a modest player, India became the world's second-largest steel producer in 2018, surpassing Japan. This transformation reflects the nation's shift towards selfreliance, modernisation, and sustainable industrialisation. Prime Minister Narendra Modi has emphasised the sector's crucial role in strengthening infrastructure and advancing India's vision of becoming a developed economy.

The expansion of India's steel industry is driven by large-scale infrastructure projects, industrial corridors, and urbanisation. Government initiatives like the PLI scheme enhance export competitiveness, while advancements in automation and high-efficiency furnaces improve cost-effectiveness. Sustainability efforts, including CO2 reduction and greener production methods, support eco-friendly PEB structures. Additionally, programmes like PMAY, the Gati Shakti Master Plan, and Smart Cities accelerate steel demand across housing, transportation, and urban development, reinforcing its role in modern infrastructure.

Outlook:

The Indian steel industry is poised for significant growth, driven by ambitious government targets and strong infrastructure development. The country plans to increase its steel production capacity to 300 million tonnes by FY 2030-31, requiring a substantial investment. Rising imports from China and Vietnam present challenges, but government support, including the Production Linked Incentive (PLI) Scheme, strengthens domestic production and export competitiveness. However, managing raw material price fluctuations and global competition will be crucial for sustained longterm growth.

Construction Industry:

The rapid expansion of India's construction sector is directly influencing the growth of the Pre-Engineered Buildings (PEB) industry. As urbanisation, industrialisation, and infrastructure projects scale up, the demand for cost-effective, efficient, and sustainable construction solutions is rising. The increasing adoption of prefabrication, modular construction, and governmentbacked initiatives is further driving PEB demand. With India's push towards sustainable and highperformance buildings, PEBs are becoming a key enabler of modern construction practices. One of the primary factors fuelling the growth of Indian construction industry is increased urbanisation, which has significantly boosted the demand for affordable housing and public infrastructure. This trend is further reinforced by the Smart City Mission, which aims to develop 100 smart cities across India, fostering sustainable urban development and modern infrastructure solutions. Additionally, growing investments in renewable energy are driving the demand for specialised construction projects, particularly in the solar and wind power sectors. Another crucial driver is the rapid growth of the e-commerce sector, which has fuelled increased spending on warehousing and logistics infrastructure. As businesses seek cost-efficient, durable, and flexible storage solutions, efficient warehousing and cold storage facilities are becoming the go-to choice. Underpinning all these developments are favourable government initiatives that are actively promoting capital investments in infrastructure and industrial projects. Policies supporting Make in India, ease of doing business, and sustainability regulations are further accelerating capex, encouraging modern construction technologies.



Outlook:

Forecasts indicate that India's construction market will reach a market value of US\$ 1.4 trillion by 2025. This growth will position the country as the world's third-largest construction market within the next few years. Regulatory advancements continue to support infrastructure development, drawing leading global construction firms, including those from Southeast Asia, to strengthen their presence in India.

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